

***Selma Cemetery District***  
Audited Financial Statements and  
Supplementary Information  
June 30, 2011

**Selma Cemetery District**  
Selma, California  
June 30, 2011

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## INDEPENDENT AUDITORS' REPORT

September 19, 2011

To the Board of Directors  
Selma Cemetery District

We have audited the accompanying financial statements of Selma Cemetery District as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Selma Cemetery District, as of June 30, 2011, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller and state regulations governing special districts.

The management's discussion and analysis included on pages two through five; the budgetary comparison information contained in Schedule I, and the Deposits and Investments listed in Schedule V are not a required part of the basic financial statements, but is additional supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information contained in schedules II, III & IV are presented for additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**ADAIR & EVANS**  
An Accountancy Corporation

## **SELMA CEMETERY DISTRICT**

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### **Management's Discussion and Analysis for Fiscal Year Ending June 30, 2011**

The Selma Cemetery District was formed in 1926 and was expanded in 1976 to make the Sphere of Influence and district boundaries coterminous. The Selma Cemetery District serves the City of Selma and the surrounding rural agricultural area, a total of 25,560 acres. The District abuts the Fowler, Sanger/Del Rey, Parlier and Kingsburg cemetery districts.

Selma Cemetery District operates under the California Health & Safety Code regarding public cemetery districts. The District is a local government agency governed by a five-member board of trustees appointed to a four year term by the Fresno County Supervisors. The District is responsible for the ownership, improvement, expansion, and operation of cemeteries and the provision of interment services within its boundaries with exclusive jurisdiction and control over its maintenance and management.

The District has a full-time office manager, a full-time grounds manager, 2 employees which are responsible for providing burial services and upkeep of the cemetery grounds, and an on-call office assistant.

The District encompasses approximately 35 acres and has a total potential of approximately 6,430 burial sites in the currently developed 35 acres.

The District is an endowment care facility. Additional funds are collected with each burial and are reserved in a separate fund for the future maintenance and upkeep of the District facilities.

As a public cemetery, the District receives an allocation of property tax revenue from Fresno County. The District received \$157,524 in the current fiscal year in property tax allocations. These funds are used to augment the burial service fees to cover the current operating costs of the District.

### **Discussion of the basic financial statements:**

#### *Government Wide Statements*

The government wide statements present the financial picture of the District as measured by its total economic resources using the accrual basis of accounting. This is similar to that used by private sector companies. These statements provide both short term and long term information about the District's financial status as a whole. The statement of net assets and statement of activity include all the assets of the District (including its infrastructure) as well as all liabilities (including any long-term debt). All of the current year's revenue and expenses are accounted for in the statement of activity regardless of when cash is received or paid.

The government wide statements report the District's net assets and how they have changed. Net assets, the difference between the District's assets and liabilities, are one way to measure the District's financial health or position. Over time, increase or decrease in the District's net assets are indicators of whether its financial position is improving or deteriorating. To further assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's population, the ability to adjust service charges and the impact of changes in laws and regulations that may apply to the District.

The government wide financial statements in these financial statements include only governmental type activities.

**Fund Financial Statements**

The fund financial statements present the financial picture of the District in more detail than the government wide statements by describing the individual parts or funds. Funds are used to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and the District itself may establish other funds to control and manage assets for particular purposes at its discretion.

The District has only one fund type known as a governmental fund. Governmental fund types are presented on the modified accrual basis of accounting and a current resources focus. Assets expected to be used up and liabilities that come due during the year or soon thereafter are reflected. Capital assets acquisitions are treated as expenditures. Revenues for which cash is received during the year or soon thereafter are included. Expenditures for goods and services that have been received and for which payment is due during the year or soon thereafter are included.

The following condensed financial information is provided:

**Condensed Statement of Net Assets:**

	<u>General Fund</u>	<u>Endowment Care Fund</u>	<u>Main Purchase Fund</u>	<u>Totals</u>
Assets	<u>\$ 811,539</u>	<u>\$ 2,507,360</u>	<u>\$ 1,302,603</u>	<u>\$ 4,621,502</u>
Current Liabilities	\$ 12,115	\$ 5,950	\$ 0	\$ 18,065
Long-Term Liabilities	<u>8,958</u>	<u>0</u>	<u>0</u>	<u>8,958</u>
Total Liabilities	<u>21,073</u>	<u>5,950</u>	<u>0</u>	<u>27,023</u>
Fund balances	<u>790,466</u>	<u>2,501,410</u>	<u>1,302,603</u>	<u>4,594,479</u>
Total Liabilities and Fund balances	<u>\$ 811,539</u>	<u>\$ 2,507,360</u>	<u>\$ 1,302,603</u>	<u>\$ 4,621,502</u>

**Management comments on current year burial services:**

The District burial numbers for the past five years are presented below:

Burials July 1<sup>st</sup> through June 30<sup>th</sup> for  
Fiscal Year Ending:

2011	127
2010	172
2009	169
2008	205
2007	185

Current burial fees of the District are summarized as follows:

Ground burials	\$ 2,629.33 - \$ 3,278.21
Cremation ground	\$ 993.23
Cremation niche	\$ 1,030.54 - \$ 1,461.08

**Management comments on the investment of district funds:**

The responsibility for the accounting and investment of District funds resides with the Board of Directors. The Board is limited in its investment choices by the applicable actions of the California Health and Safety code. Currently the District keeps its excess funds with Wells Fargo Advisors. These funds are managed by Wells Fargo Advisors to achieve an adequate return with minimal risk.

**Management comments on capital assets and long-term debt:**

The District's capital assets consist of land, buildings and equipment. The land comprises approximately 35 acres. The land has been engineered to provide burial plots. The buildings include the District office, mausoleum and miscellaneous other service structures. The District has various types of equipment to provide burial services.

The District is currently in the process of acquiring land for future burial services.

The District has no substantial long-term debt.

**Management comments on reserved funds:**

The District has funds reserved for future maintenance and upkeep of the District property. This reserve, referred to as Endowment Care, is required under the California Health and Safety code. The reserve is comprised of endowment care funds collected for each burial service performed. These funds are transferred to a separate fund, maintained by Wells Fargo Advisors. The current reserved Endowment Care funds are approximately \$1,101,175. The fund earns interest each month, which is maintained in an unreserved account and is available for use by the District. The current unreserved portion is approximately \$1,400,235.

The District also maintains a separate reserve fund for main purchases. This reserve fund is referred to as Main Purchase Fund. These funds are strictly reserved for capital improvements and property purchase. The current unreserved Main Purchase funds are approximately \$1,302,603. The fund earns interest each month and is maintained by Wells Fargo Advisors.

The District also provides miscellaneous general fund reserves for inventory purchases.

Condensed Statement of Governmental Fund Revenues, Expenses, and Changes in Net Assets:

	<u>General Fund</u>	<u>Endowment Care Fund</u>	<u>Main Purchase Fund</u>	<u>Totals</u>
Total revenues	\$ 452,808	\$ 133,634	\$ 34,998	\$ 621,440
Total expenditures	( 612,911 )	( 0 )	( 4,641 )	( 617,552 )
Total transfers, net	162,882	( 162,882 )	0	0
Net increase (decrease) in net assets	<u>\$ 2,779</u>	<u>\$ ( 29,248 )</u>	<u>\$ 30,357</u>	<u>\$ 3,888</u>

**Management comments on the condensed financial information:**

It is the opinion of District management that the District continues to be in good financial condition. The District has sufficient assets to cover liabilities and adequate cash flow to meet current obligations.

The District's fund balances increased from the prior year by \$3,888. This is due mostly to the continued practice of reserving the endowment care funds as previously mentioned. The District continues to charge burial fees in an adequate amount to cover current operating costs.

**Condensed budget comparison:**

The District prepares an annual budget of projected revenue and expenditures. The District's board of directors reviews and adopts the budget as an operating guideline for the year. A condensed version of the budget is presented below:

	All Governmental Funds	
	<u>Budget</u>	<u>Actual</u>
Revenues	\$ 627,848	\$ 621,440
Expenditures	<u>( 1,457,872 )</u>	<u>( 617,552 )</u>
(Deficiency) excess revenue over expenditures	<u>\$ ( 830,024 )</u>	<u>\$ 3,888</u>

**Management comments on budget results:**

District revenues are variable due to the burial options chosen by families and the number of interments during the year. End of year balances reflect adequate increases in net assets to meet the needs of the District. Investment income was substantially better than budgeted for due to a favorable investment market. The District budgeted for land acquisition for future development; however these funds were not expended.

The basic financial statements and notes follow this management discussion and analysis.

**Selma Cemetery District**

Governmental Funds Balance Sheet / Statement of Net Assets

June 30, 2011

	<u>General Fund</u>	<u>Endowment Care Fund</u>	<u>Main Purchase Fund</u>	<u>Totals</u>	<u>Adjustments (Note 5)</u>	<u>Statement of Net Assets</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 163,527	\$ 38,722	\$ 5,231	\$ 207,480	\$ 0	\$ 207,480
Due from other funds	5,950	0	0	5,950	0	5,950
Accrued interest	27	16,628	5,780	22,435	0	22,435
Accounts receivable	2,162	0	0	2,162	0	2,162
Prepaid expenses	0	0	0	0	0	0
Inventory	22,496	0	0	22,496	0	22,496
Investments	17,001	2,452,010	1,291,592	3,760,603	0	3,760,603
Capital assets, net of accumulated depreciation	0	0	0	0	600,376	600,376
<b>Total assets</b>	<b><u>\$ 211,163</u></b>	<b><u>\$ 2,507,360</u></b>	<b><u>\$ 1,302,603</u></b>	<b><u>\$ 4,021,126</u></b>	<b><u>\$ 600,376</u></b>	<b><u>\$ 4,621,502</u></b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts payable	\$ 6,509	\$ 0	\$ 0	\$ 6,509	\$ 0	\$ 6,509
Due to other funds	0	5,950	0	5,950	0	5,950
Sales tax payable	1,653	0	0	1,653	0	1,653
Accumulated compensated absences	3,953	0	0	3,953	0	3,953
<b>Total current liabilities</b>	<b><u>12,115</u></b>	<b><u>5,950</u></b>	<b><u>0</u></b>	<b><u>18,065</u></b>	<b><u>0</u></b>	<b><u>18,065</u></b>
<b>Long-Term Liabilities</b>						
Accumulated compensated absences	0	0	0	0	8,958	8,958
<b>Total liabilities</b>	<b><u>12,115</u></b>	<b><u>5,950</u></b>	<b><u>0</u></b>	<b><u>18,065</u></b>	<b><u>8,958</u></b>	<b><u>27,023</u></b>
<b>FUND BALANCES / NET ASSETS</b>						
Reserved for inventories	22,496	0	0	22,496	(22,496)	0
Reserved for mausoleum maintenance	17,612	0	0	17,612	(17,612)	0
Reserved for Endowment Care	0	1,101,175	0	1,101,175	(1,101,175)	0
Unreserved	158,940	1,400,235	1,302,603	2,861,778	(2,861,778)	0
<b>Total fund balances</b>	<b><u>199,048</u></b>	<b><u>2,501,410</u></b>	<b><u>1,302,603</u></b>	<b><u>4,003,061</u></b>	<b><u>(4,003,061)</u></b>	<b><u>0</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 211,163</u></b>	<b><u>\$ 2,507,360</u></b>	<b><u>\$ 1,302,603</u></b>	<b><u>\$ 4,021,126</u></b>		
<b>Net Assets</b>						
Investment in capital assets, net of related debt					600,376	600,376
Restricted for Endowment Care					1,101,175	1,101,175
Restricted for mausoleum maintenance					17,612	17,612
Unrestricted					2,875,316	2,875,316
<b>Total net assets</b>					<b><u>\$ 4,594,479</u></b>	<b><u>\$ 4,594,479</u></b>

See independent auditors' report and accompanying notes



**Selma Cemetery District**  
Statement of Governmental Fund Revenues, Expenditures, and  
Changes in Fund Balances / Statement of Activities  
For the year ended June 30, 2011

	General Fund	Endowment Care Fund	Main Purchase Fund	Totals	Adjustments (Note 5)	Statement of Activities
<b>REVENUES</b>						
Property taxes, including penalties and interest	\$ 157,524	\$ 0	\$ 0	\$ 157,524	\$ 0	\$ 157,524
Fees and services	293,715	15,475	0	309,190	0	309,190
Net investment income	1,569	118,159	34,998	154,726	0	154,726
<b>Total revenues</b>	<b>452,808</b>	<b>133,634</b>	<b>34,998</b>	<b>621,440</b>	<b>0</b>	<b>621,440</b>
<b>EXPENDITURES</b>						
Salaries and employee benefits	238,871	0	0	238,871	(182)	238,689
Payroll taxes and workers compensation	44,643	0	0	44,643	0	44,643
Retirement and benefits	85,696	0	0	85,696	0	85,696
Repairs and maintenance	18,842	0	0	18,842	0	18,842
Gasoline and oil	7,508	0	0	7,508	0	7,508
Laundry	5,305	0	0	5,305	0	5,305
Vaults and marker foundations	43,377	0	0	43,377	0	43,377
Supplies	510	0	0	510	0	510
Utilities	16,035	0	0	16,035	0	16,035
Insurance	11,402	0	0	11,402	0	11,402
Telephone	4,722	0	0	4,722	0	4,722
Legal and accounting	10,299	0	0	10,299	0	10,299
Contract labor	22,767	0	0	22,767	0	22,767
Office expense	5,129	0	0	5,129	0	5,129
Other (sales tax, miscellaneous, sand/gravel)	17,712	0	4,641	22,353	0	22,353
Travel and meetings	10,177	0	0	10,177	0	10,177
Depreciation	0	0	0	0	63,315	63,315
Buildings, equipment and improvements	69,916	0	0	69,916	(69,916)	0
<b>Total expenditures</b>	<b>\$ 612,911</b>	<b>\$ 0</b>	<b>\$ 4,641</b>	<b>\$ 617,552</b>	<b>\$ (6,783)</b>	<b>\$ 610,769</b>

See independent auditors' report and accompanying notes

**Selma Cemetery District**  
Statement of Governmental Fund Revenues, Expenditures, and  
Changes in Fund Balances / Statement of Activities  
For the year ended June 30, 2011

	<u>General Fund</u>	<u>Endowment Care Fund</u>	<u>Main Purchase Fund</u>	<u>Totals</u>	<u>Adjustments (Note 5)</u>	<u>Statement of Activities</u>
TRANSFERS	\$ 162,882	\$ (162,882)	\$ 0	\$ 0	\$ 0	\$ 0
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS IN OVER EXPENDITURES AND TRANSFERS OUT	2,779	(29,248)	30,357	3,888	(3,888)	0
Change in net assets					10,671	10,671
Fund balances / Net assets, beginning of year	<u>196,269</u>	<u>2,530,658</u>	<u>1,272,246</u>	<u>3,999,173</u>	<u>0</u>	<u>4,583,808</u>
Fund balances / Net assets, end of year	<u>\$ 199,048</u>	<u>\$ 2,501,410</u>	<u>\$ 1,302,603</u>	<u>\$ 4,003,061</u>	<u>\$ 0</u>	<u>\$ 4,594,479</u>

See independent auditors' report and accompanying notes

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 1 - Summary of Significant Accounting Policies**

The District operates as a special district under California Law and is subject to applicable sections of the Health and Safety Code. The District operates under a Director - Manager form of government and provides for cemetery services to the general public. The District's Board of Directors is appointed by the Fresno County Board of Supervisors.

The accounting policies of the District conform to generally accepted accounting principles as applicable to government agencies. The following is a summary of the more significant provisions:

1. The Reporting Entity

For financial reporting purposes, the reporting entity includes all funds and authorities for which the District holds corporate powers. The Governmental Accounting Standards Board (GASB) has established criteria in determining financial accountability. The criteria include appointment of a majority of the voting members of an organization's governing board, and either (1) the District has the ability to impose its will on the organization, or (2) there is potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District.

These financial statements represent the Selma Cemetery District, the primary government. The District is a legally separate entity which possesses the power to tax and assess fees on property. The District is considered a California Special District and is subject to California laws and regulations, including the Health and Safety Code as applicable to Public Cemeteries. Fresno County does not exercise significant controlling power over the District. Accordingly the District is not considered a component unit of Fresno County. Further, the District has no component units; it has not created any separate political subdivisions and does not exercise any political or financial control over any other entity.

2. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, net assets, revenue, and expenditures. Government resources are allocated to and for 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 generic fund types as follows:

GOVERNMENTAL FUND TYPES

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except for those specifically required to be accounted for in another fund.

Endowment Care Fund - The Endowment Care Fund is a special revenue fund used to account for the endowment care revenues and expenditures. The District is required by law to maintain this fund. The purpose of this fund is to provide sufficient funds to properly maintain the cemetery grounds once all available grave sites have been used. The District currently has not been required to expend any funds for endowment care because the Cemetery still has available grave sites to be sold.

Main Purchase Fund – A separate fund used by the District for the purpose of accumulating and investing funds for major property and equipment purchases.

3. Property, Plant, and Equipment

The District's property, plant, and equipment are recorded at cost. The cost of additions, renewals and betterments are capitalized; repairs and minor acquisitions and replacements are charged to operating expenses as incurred. Interest cost incurred that is related to the construction of property is capitalized.

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

3. Property, Plant, and Equipment (Continued)

Depreciation is computed on the straight-line method using the following estimated useful lives:

Buildings and Improvements	10 – 60 Years
Equipment	10 Years

All property, plant, and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available. The District has no donated assets.

4. Basis of Presentation – government-wide and fund financial statements

Government wide financial statements are comprised of the statement of net assets and the statement of activities. They contain information on all the activities of the primary government and are presented on the accrual basis of accounting. The statement of net assets and statement of activity include all the assets of the District (including its infrastructure) as well as all liabilities (including any long-term debt). All of the current year's revenue and expenses are accounted for in the statement of activity regardless of when cash is received or paid.

The fund financial statements are comprised of the governmental funds balance sheet and the statement of governmental revenues, expenditures and changes in fund balances. These statements reflect the activity of the various governmental funds of the District and are accounted for on the modified accrual basis of accounting. Assets expected to be used up and liabilities that come due during the year or soon thereafter are reflected. Capital assets acquisitions are treated as expenditures. Revenues for which cash is received during the year or soon thereafter are included. Expenditures for goods and services that have been received and for which payment is due during the year or soon thereafter are included.

5. Net Assets

Statement of Governmental Accounting Standard (SGAS) No. 34, requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- Invested in capital assets, net of related debt – This component of net assets consists of capital assets, net of accumulated depreciation reduced by the outstanding debt balances, net of unamortized debt expenses and unspent debt proceeds.
- Restricted – This component consists of net assets with constraints placed on their use, either externally or internally. Constraints include those imposed by Debt Indentures (excluding amounts considered in net capital, above) grants or laws and regulations of other governments, by law through constitutional provisions or enabling legislation or by the board.
- Unrestricted – This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

6. Budgets and Budgetary Accounting

The District follows these procedures in establishing budgetary data reflected in these financial statements:

- a. Formal budgets are established and approved by the District's Trustees for the general fund and is on file with Fresno County. These budgets are used as a management control device and are adopted on a basis consistent with generally accepted accounting principles.
- b. The budgetary comparison schedule - budget and actual present comparisons of legally adopted budgets with actual data. Since both the actual data and the budget amounts are presented on a basis consistent with generally accepted accounting principles, no additional reconciliation is required.

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

6. Budgets and Budgetary Accounting (Continued)

- c. The District's Board of Directors can authorize transfers between departments in any fund.
- d. Unused appropriations for all of the annually budgeted funds lapse at the end of the year.
- e. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

7. Cash and Investments

The District maintains its funds in various bank accounts, the Fresno County investment pool and investment accounts held at Wells Fargo Advisors.

Various restrictions on deposits and investments are imposed by statutes and by the District's investment policy as summarized below:

Deposits - All deposits with financial institutions must be collateralized with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.

Investments - The District is authorized to make direct investments in various types of investments as governed by its investment policy and California statutes. Generally, the District can invest in U.S. Government, federal agency and instrumentality obligations, commercial paper rated "A" or better by Moody's or Standard and Poor's Corporation, repurchase agreements and the County's investment pool. When repurchase agreements are executed, the fair value of the securities must be equal to or greater than 102% of market value. The District has also imposed other various restrictions in its investment policy. As of June 30, 2011, the District held investments that did meet its investment policy. These investments are identified in the supplementary information to the financial statements.

8. Inventory

Inventory consists of grave liners and vaults held for future use. Inventories are stated at the lower of cost or market accounted for on the consumption method.

9. Accumulated Compensated Absences

Employees of the District are allowed to accrue 15 days vacation time (after 5 years of employment) and 45 days of sick time as long as they are employed. Upon termination, the employee is not compensated for unused sick leave. Therefore, accrued compensated absences have been provided for based on each employee's accumulated vacation leave at June 30, 2011, at the employees current pay rate.

10. Revenue Recognition - Property Taxes

Real property taxes attach as an enforceable lien on property five years from the end of the applicable tax year. Unsecured property taxes attach as an enforceable lien after the penalty date, which varies depending upon when the unsecured taxes were billed. Taxes are levied on March 1 and are due and payable at that time. One half of the unpaid real property taxes levied March 1 become delinquent December 10 of the current year and the remaining half become delinquent April 10 of the following year.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within thirty days after year end. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

11. Reserves of Net Assets

The District records reserves, and also designates amounts, to indicate that a portion of the General Fund is segregated for specific future uses. All principal endowment care funds are reserved for future cemetery maintenance.

The District has reserved or designated the following amounts:

Inventory	\$ 22,496
Accrued compensated absences	8,958
Mausoleum maintenance	17,612
Investment in capital assets, net of related debt	600,376
Endowment care	<u>1,101,175</u>
 Total reserves and designations	 <u>\$ 1,750,617</u>

12. Subsequent Events

Subsequent events have been evaluated through September 19, 2011 which is the date the financial statements were available to be issued.

**NOTE 2 – Cash and Investments**

Cash and investments are specifically identified in Schedule V included in the supplementary information. The deposits and investments are summarized as follows:

Cash and cash equivalents

	General Fund	Endowment Fund	Main Purchase Fund	Totals
External investment pool				
– Fresno County	\$ 158,610	\$ 93	\$ 63	\$ 158,766
Deposits - Bank of America	3,781	3,865	0	7,646
Cash on hand or on deposit	<u>1,136</u>	<u>34,764</u>	<u>5,168</u>	<u>41,068</u>
 Total cash and cash equivalents	 <u>\$ 163,527</u>	 <u>\$ 38,722</u>	 <u>\$ 5,231</u>	 <u>\$ 207,480</u>

Investments

	General Fund	Endowment Fund	Main Purchase Fund	Totals
U.S. Government and State agencies	\$ 0	\$ 610,604	\$ 468,640	\$ 1,079,244
Corporate bonds	0	394,817	254,260	649,077
Foreign bonds	0	51,296	0	51,296
Mutual funds	0	695,016	416,356	1,111,372
Certificates of Deposit – various institutions	<u>17,001</u>	<u>700,277</u>	<u>152,336</u>	<u>869,614</u>
 Total investments	 <u>\$ 17,001</u>	 <u>\$ 2,452,010</u>	 <u>\$ 1,291,592</u>	 <u>\$ 3,760,603</u>

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 2 – Cash and Investments (Continued)**

*Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be returned to it. Local financial institutions, under California state law, are required to collateralize local government agency deposits in excess of FDIC insured amounts of \$250,000 per institution. As of June 30, 2011, the District's did not have deposits in financial institutions in excess of the insured limit. The District's investments in negotiable certificates of deposit at various financial institutions located throughout the U.S. were less than the maximum FDIC insured amount at each financial institution.

*Interest Rate Risk – Investments*

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District has a formal investment policy that limits investment maturities to 5 years or less, except for US treasury bills, notes and bonds, and of State government instrumentalities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District's specific investments are listed in Schedule V of the supplementary information with their corresponding maturity dates.

*Credit Risk – Investments*

The District's investment policy is in accordance with state law and as such, limits certain investments to the top two ratings issued by nationally recognized statistical rating organizations. As of June 30, 2011, the District's investment in the Fresno County investment pool had an average dollar-weighted quality rating of AAA (Moody's Investment Services). The District's investments in corporate bonds and U.S. agencies through Wells Fargo Advisors were generally rated AAA (Moody's Investment Services). The District does have a number of corporate bonds rated less than AAA, however the District does not anticipate losses related to these investments. All of the District's investments in U.S. agencies carry the explicit guarantee of the U.S. government. Refer to Schedule V in the supplementary information for a full listing of investments held and current ratings.

*Concentration of Credit Risk*

The District's investment policy requires diversification of its investment by security type and institution to avoid risk of loss resulting from over concentration of assets in a specific maturity, a specific insurer or a specific class of securities. The District's specific investments are listed in Schedule V in the supplementary information which identifies the issuer, fair value and maturity dates for all investments held.

*Change in Fair Value of Investments*

The District's change in its fair value of assets is computed as follows:

Change in fair value of investments (and certificates of deposit):

Fair value at end of year	\$ 3,760,603
Adjustment for current year amortization of premium/discount	7,048
Add: proceeds of investments sold during fiscal year	1,780,600
Less: cost of investments purchased during the fiscal period	( 1,787,892)
Less: Fair value at beginning of year	<u>( 3,761,215)</u>
Change in fair value of investments	<u>\$ ( 856)</u>

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

**NOTE 2 – Cash and Investments (Continued)**

*Change in Fair Value of Investments (Continued)*

Net investment income is comprised of:

Interest received	\$ 163,685
Less: interest received, earned in prior year	( 19,711)
Add: interest earned, not yet received	22,435
Less: accrued interest paid on investments purchased	( 3,779)
Less: current year amortization on bond premium/discount	( 7,048)
Change in fair value of investments	<u>( 856)</u>
 Net investment income	 <u>\$ 154,726</u>

**NOTE 3 - Capital Assets**

The following is a summary of the changes in Capital Assets:

Cost:	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Land and improvements	\$ 516,111	\$ 0	\$ 0	\$ 516,111
Buildings	309,524	57,951	0	367,475
Equipment	<u>325,425</u>	<u>11,965</u>	<u>0</u>	<u>337,390</u>
Total	<u>\$ 1,151,060</u>	<u>\$ 69,916</u>	<u>\$ 0</u>	<u>\$ 1,220,976</u>
Accumulated Depreciation:	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Land and improvements	\$ 290,649	\$ 39,771	\$ 0	\$ 330,420
Buildings	31,048	5,533	0	36,581
Equipment	<u>235,588</u>	<u>18,011</u>	<u>0</u>	<u>253,599</u>
Total	<u>\$ 557,285</u>	<u>\$ 63,315</u>	<u>\$ 0</u>	<u>\$ 620,600</u>

**NOTE 4 - Defined Benefit Pension Plan**

A. PLAN DESCRIPTION

The District's defined benefit pension plan, Miscellaneous Plan of the Selma Cemetery, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Miscellaneous Plan of the Selma Cemetery is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office-400 Q Street-Sacramento, CA 95814.

The District's member earnings for employees covered by the system for the year ended June 30, 2011 was \$232,591. The total payroll for the District was \$238,689.



**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 4 - Defined Benefit Pension Plan (Continued)**

A. PLAN DESCRIPTION (Continued)

A CalPERS member becomes eligible for Service Retirement upon attainment of age 50 with at least 5 years of credited service. The basic benefit will be 2% of "final compensation" which is defined as the average monthly pay during the highest 36 or 12 consecutive month's full-time equivalent monthly pay. The standard benefit available to all members is 36 months. CalPERS also provides death and disability benefits.

B. FUNDING POLICY

Employees are eligible to participate upon their first day of employment. This formula is modified to coordinate with social security (i.e., a rate of -0- percent is charged for the first \$133.33 of wages per month). Active plan members in the Miscellaneous Plan of the Selma Cemetery are required to contribute 3 ½% of their annual covered salary and the District contributes 3 ½% for each member to CalPERS. The District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2010/2011 was 18.802%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

The District's annual pension cost (APC) is equal to the annual required contribution (ARC) plus any adjustments for the cumulative difference between the APC and the employer's actual plan contributions for the year. The cumulative difference is called the net pension obligation (NPO). The ARC for the District as computed by actuarial valuation is 18.802% of payroll for fiscal year 2010/2011.

Principal assumptions and methods used to determine the ARC are as follows:

Valuation date	June 30, 2009
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	18 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	3.55% to 14.45% depending on Age, Service, and Type of employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.00% and an annual production growth of 0.25%

Trend information for the Annual Pension Cost (APC) and Net Pension Obligation (NPO) are as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/07	40,405	100.0%	-0-
6/30/08	48,308	100.0%	-0-
6/30/09	9,237	100.0%	-0-
6/30/10	46,725	100.0%	-0-
6/30/11	43,450	100.0%	-0-

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 4 - Defined Benefit Pension Plan (Continued)**

**C. ACTUARIALLY DETERMINED CONTRIBUTION REQUIREMENTS, FUNDING METHOD, AND FUNDED STATUS OF THE PLAN**

The actuarial funding method used for the District's Retirement Program is the Entry Age Normal Cost Method. Under this method, projected benefits are determined for all members and the associated liabilities are spread in a manner that produces level annual cost as a percent of pay in each year from the age of hire (entry age) to the assumed retirement age. The cost allocated to the current fiscal year is called the normal cost.

The actuarial accrued liability for active members is then calculated as the portion of the total cost of the plan allocated to prior years. The actuarial accrued liability for members currently receiving benefits, for active members beyond the assumed retirement age, and for members entitled to deferred benefits, is equal to the present value of the benefits expected to be paid. No normal costs are applicable for these participants.

The excess of the total actuarial accrued liability over the value of plan assets is called the unfunded actuarial accrued liability. Funding requirements are determined by adding the normal cost and an amortization of the unfunded liability as a level percentage of assumed future payrolls. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the risk pool are amortized over a rolling 30 year period. If the plan's accrued liability exceeds the actuarial value of assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period.

**D. FUNDED STATUS OF THE PLAN**

Because the District has under 100 employees, CalPERS has required that it become a member of a risk pool. The Schedule of Funding Progress below shows the recent history of the risk pool's actuarial value of assets, accrued liability, their relationship, and the relationship of the unfunded liability (UL) to payroll.

<u>Valuation Date</u>	<u>Accrued Liability</u>	<u>Actuarial Assets</u>	<u>Unfunded Liability (UL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UL As a % of Payroll</u>
6/30/2005	\$2,891,460,651	\$2,588,713,000	\$302,747,651	89.5 %	\$755,046,679	40.1 %
6/30/2006	\$2,754,396,608	\$2,492,226,176	\$262,170,432	90.5 %	\$699,897,835	37.5 %
6/30/2007	\$2,611,746,790	\$2,391,434,447	\$220,312,343	91.6 %	\$665,522,859	33.1 %
6/30/2008	\$2,780,280,768	\$2,547,323,278	\$232,957,490	91.6%	\$668,606,681	33.8%
6/30/2009	\$3,104,798,222	\$2,758,511,101	\$346,287,121	88.9%	\$742,981,488	46.6%

**Selma Cemetery District**  
Notes to Audited Financial Statements  
June 30, 2011

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**NOTE 5 – Adjustments**

The following adjustments are required to adjust the Statement of Net Assets and Statement of Activities to the accrual basis as required by GASB No. 34. These adjustments consist of:

1. The adjustments for capital assets, net of accumulated depreciation (note 3) are added to the Statement of Net Assets in the amount of \$600,376.
2. Accumulated compensated absences in the amount of \$8,958 are now reported as long-term liabilities and are added to the Statement of Net Assets.
3. Various fund balances, reserved or designated by the Board of Directors have been eliminated and are now reported as a component of Net Assets.
4. Adjust for the net cost of assets sold is a component of other income.
5. Current year accrued compensated absences are reported as a component of current year salaries and employee benefits and are adjusted in the Statement of Activities.
6. Current year capital acquisitions are eliminated from the Statement of Activities and are reported as additions to fixed assets.
7. Current year depreciation expense is reported as an addition to the Statement of Activities.
8. The District's prior fiscal year ending June 30, 2010 net assets in the amount of \$4,583,808 includes the following items:
  - a. Reserve for investment in property and equipment of \$593,775.
  - b. Reserve for Endowment Care of \$1,085,700.
  - c. Reserve for mausoleum maintenance of \$17,405.
  - d. Unrestricted net assets of \$2,886,928.

SUPPLEMENTARY INFORMATION

**Selma Cemetery District**  
 Supplementary Information  
 For the year ended June 30, 2011

**SCHEDULE I - Budgetary Comparison Schedule**

	<u>All governmental funds</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>REVENUES</b>			
Property taxes, including penalties and interest	\$ 146,271	\$ 157,524	\$ 11,253
Fees and services	379,400	309,190	(70,210)
Use of money, interest	102,177	154,726	52,549
Total revenues	<u>627,848</u>	<u>621,440</u>	<u>(6,408)</u>
<b>EXPENDITURES</b>			
Salaries and employee benefits	244,358	238,871	5,487
Payroll taxes and workers compensation	45,581	44,643	938
Retirement and benefits	103,164	85,696	17,468
Repairs and maintenance	16,000	18,842	(2,842)
Gasoline and oil	6,000	7,508	(1,508)
Laundry	4,500	5,305	(805)
Vaults and marker foundations	45,000	43,377	1,623
Supplies	2,000	510	1,490
Utilities	11,000	16,035	(5,035)
Insurance	11,402	11,402	0
Telephone	6,000	4,722	1,278
Legal and accounting	8,100	10,299	(2,199)
Contract labor	18,000	22,767	(4,767)
Office expense	2,000	5,129	(3,129)
Other (sales tax, miscellaneous, sand/gravel)	10,000	22,353	(12,353)
Travel and meetings	4,000	10,177	(6,177)
Depreciation	64,767	0	64,767
Purchase of land	800,000	0	800,000
Buildings, equipment and improvements	56,000	69,916	(13,916)
Total expenditures	<u>1,457,872</u>	<u>617,552</u>	<u>840,320</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ (830,024)</u>	3,888	<u>\$ 833,912</u>
Transfers from other funds		0	
Fund balance, beginning of year		<u>3,999,173</u>	
Fund balance, June 30		<u>\$ 4,003,061</u>	

**Selma Cemetery District**

Supplementary Information

June 30, 2011

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SCHEDULE II - Property Tax Revenues

Current secured taxes	\$	143,640
Current unsecured taxes		8,573
Homeowners' property tax relief		2,440
Other tax revenue		<u>2,871</u>
Total property tax revenues	\$	<u><u>157,524</u></u>

SCHEDULE III - Services and Fees Revenue

Sale of plots only	\$	52,060
Vaults and urns		65,731
Vault installation		32,200
Opening and closing		91,090
Marker setting		28,630
Other Income		<u>24,004</u>
Total general fund services and fees		293,715
Endowment care fund		<u>15,475</u>
Total services and fees revenue	\$	<u><u>309,190</u></u>

**Selma Cemetery District**

Supplementary Information

June 30, 2011

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SCHEDULE IV - Insurance Coverage

Insurance coverage of the District in force at June 30, 2011, is summarized as follows:

Property		
Real and personal property, fine arts, and mobile equipment (owned)		replacement cost
General Liability		
Bodily injury and property damage	\$	2,500,000
Public officials and employees errors and omissions	\$	2,500,000
Employment practices liability	\$	2,500,000
Employee benefits	\$	2,500,000
Personal liability for Board Members/Directors	\$	500,000
General Automobile		
Personal injury and property damage	\$	2,500,000
Uninsured motorists	\$	750,000
Worker's Compensation		
Employers' liability coverage	\$	5,000,000

## Selma Cemetery District

### Supplementary Information

June 30, 2011

#### SCHEDULE V - Deposits and Investments

Description	Remaining balance	Current Value	Maturity Date	Moody's / S&P Rating	Interest rate	Comments
<b>General Fund</b>						
EXTERNAL INVESTMENT POOL - FRESNO COUNTY		\$ 158,610	SEE COMMENTS	(2)		WEIGHTED AVERAGE MATURITY OF 960 DAYS
CASH ON HAND		526		(1)		
BANK OF AMERICA CHECKING ACCOUNT		3,781		(1)		FDIC INSURED
SAFRA NATL BK CD NEW YORK NY	\$ 17,000	17,001	12/01/2015	(1)	2.000	CERTIFICATE OF DEPOSIT FDIC INSURED - RESERVED FOR MAUSOLEUM
WELLS FARGO ADVISORS BK DEPOSIT SWEEP ACCOUNT		610		(1)		BANK DEPOSIT SWEEP FDIC INSURED - RESERVED FOR MAUSOLEUM

<b>Total deposits and investments - Mausoleum Reserve</b>	<b>\$ 17,611</b>
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<b>Total deposits and investments - General Fund</b>	<b>\$ 180,528</b>
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<b>Main Purchase Fund</b>						
NATIONAL CITY BANK CD CLEVELAND OH	\$ 50,000	\$ 51,236	04/09/2012	(1)	4.000	CERTIFICATE OF DEPOSIT FDIC INSURED
CATERPILLAR FINANCIAL SRS UNSECURED NOTES	50,000	56,149	02/17/2014	A2/A	6.125	
BANK OF AMERICA CORP SR UNSECURED	100,000	103,092	02/15/2015	A2/A	4.050	
WORLD FOREMOST JUMBO CD SIDNEY NE	100,000	101,100	05/26/2015	(1)	2.750	CERTIFICATE OF DEPOSIT FDIC INSURED
HEWLETT-PACKARD CO SR UNSECURED	95,000	95,019	09/13/2015	A2/A	2.125	
FEDERAL FARM CREDIT BANK BONDS	30,000	29,894	02/03/2016	AAA/AAA	1.740	
FEDERAL HOME LOAN BANK BONDS	100,000	115,148	11/17/2017	AAA/AAA	5.000	
FEDERAL HOME LOAN BANK BONDS	100,000	96,946	11/23/2020	AAA/AAA	3.125	
FNMA PASS THRU POOL 747581	10,317	11,259	11/01/2023	(2)	5.500	
FNMA PASS THRU POOL 763497	5,871	6,503	08/01/2029	(2)	6.000	
FNMA PASS THRU POOL 571670	28,545	32,988	02/01/2031	(2)	7.000	
FNMA PASS THRU POOL 595177	29,982	34,077	11/15/2032	(2)	6.000	
GNMA II PASS THRU POOL 3864	25,893	28,526	06/20/2036	(2)	5.500	
FNMA 07-72 DB REMIC MULTICLASS CMO	55,000	59,541	07/25/2037	(2)	5.750	
FNMA 3864 NQ REMIC MULTICLASS CMO	52,502	53,758	03/15/2039	(2)	4.000	
BOND FUND OF AMERICA CL A ABNDX		90,228		(1)		OPEN END MUTUAL FUND
GOLDMAN SACHS TR CORE PLUS FIXED INCOME FUND CLASS A		326,128		(1)		OPEN END MUTUAL FUND
WELLS FARGO ADVISORS BK DEPOSIT SWEEP ACCOUNT		5,168		(1)		BANK DEPOSIT SWEEP FDIC INSURED
EXTERNAL INVESTMENT POOL - FRESNO COUNTY		63	SEE COMMENTS	(2)		WEIGHTED AVERAGE MATURITY OF 960 DAYS

<b>Total deposits and investments - Main Purchase Fund</b>	<b>\$ 1,296,823</b>
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# Selma Cemetery District

## Supplementary Information

June 30, 2011

### SCHEDULE V - Deposits and Investments

Description	Remaining balance	Current Value	Maturity Date	Moody's / S&P Rating	Interest rate	Comments
<b>Endowment Care Fund</b>						
CAPITAL ONE NA CD MCLEAN VA	\$ 75,000	\$ 76,330	12/12/2011	(1)	4.500	CERTIFICATE OF DEPOSIT FDIC INSURED
WACHOVIA MTG FSB CD LAS VEGAS NV	53,000	54,337	04/16/2012	(1)	4.000	CERTIFICATE OF DEPOSIT FDIC INSURED
GENERAL ELEC CAP CORP INTERNOTES	50,000	51,116	05/15/2012	AA2/AA+	4.150	
DISCOVER BANK CD GREENWOOD DE	50,000	51,290	08/27/2012	(1)	3.200	CERTIFICATE OF DEPOSIT FDIC INSURED
INTL BUSINESS MARH DEBENTURES	50,000	56,496	06/15/2013	AA3/A+	7.500	
DISCOVER BK CD GREENWOOD DE	50,000	54,344	07/05/2013	(1)	5.450	CERTIFICATE OF DEPOSIT FDIC INSURED
GE MONEY BK CD SALT LAKE CTY UT	50,000	54,099	12/18/2013	(1)	4.750	CERTIFICATE OF DEPOSIT FDIC INSURED
GENERAL ELEC CAP CORP INTERNOTES	50,000	51,862	02/15/2014	AA2/AA+	4.200	
FNMA PASS THRU POOL 190663	5,025	5,309	03/01/2014	(2)	7.000	
COLUMBUS BK & TR CO CD COLUMBUS GA	50,000	51,109	04/29/2014	(1)	2.300	CERTIFICATE OF DEPOSIT FDIC INSURED
FHLMC GOLD PASS THRU POOL E79810	10,292	11,111	11/01/2014	(2)	7.500	
BARCLAYS BK DELAWARE CD WILMINGTON DE	50,000	52,298	11/04/2014	(1)	3.200	CERTIFICATE OF DEPOSIT FDIC INSURED
CITIBANK NA CD LAS VEGAS NV	100,000	104,018	12/30/2014	(1)	3.000	CERTIFICATE OF DEPOSIT FDIC INSURED
WORLDS FOREMOST JUMBO CD SIDNEY NE	100,000	102,000	07/14/2015	(1)	3.000	CERTIFICATE OF DEPOSIT FDIC INSURED
US BANCORP SENIOR NOTES	50,000	50,368	07/27/2015	AA3/A	2.450	
GENERAL ELEC CAP CORP INTERNOTES	50,000	54,003	08/15/2015	AA2/AA+	5.100	
HEWLETT-PACKARD CO SR UNSECURED	80,000	80,016	09/13/2015	A2/A	2.125	
BANK OF AMERICA CORP MEDIUM TERM NOTE	50,000	50,957	11/15/2015	A2/A	4.300	
ROYAL BK OF SCOTLAND PLC MEDIUM TERM LOAN	50,000	51,296	02/15/2016	AA3/A+	4.250	
GNMA PASS THRU POOL 559635	13,581	14,956	06/15/2016	(2)	5.500	
SAFRA NATL BK NEW YORK NY	100,000	100,451	08/04/2016	(1)	2.250	CERTIFICATE OF DEPOSIT FDIC INSURED
GNMA PASS THRU POOL 589335	25,380	28,687	10/15/2022	(2)	6.500	
GNMA PASS THRU POOL 610207	7,584	8,584	05/15/2023	(2)	6.500	
GNMA PASS THRU POOL 610207	16,253	18,395	05/15/2023	(2)	6.500	
FNMA 03-55 HY REMIC MULTICLASS CMO	70,000	77,222	06/25/2023	(2)	5.000	
GNMA 2010-114 GV REMIC MULTICLASS CMO	63,756	69,006	04/16/2025	(2)	4.500	
FNMA PASS THRU POOL 330296	16,898	18,641	11/01/2025	(2)	6.000	
FNMA PASS THRU POOL 330296	16,415	18,108	11/01/2025	(2)	6.000	
FEDL HOME LOAN BANK BONDS	100,000	95,358	11/24/2025	AAA/AAA	3.875	
FNMA PASS THRU POOL 534455	36,218	40,877	11/01/2028	(2)	6.500	
FNMA PASS THRU POOL 534455	16,641	18,782	11/01/2028	(2)	6.500	
GNMA PASS THRU POOL 502618	16,836	18,769	03/15/2029	(2)	6.000	
FNMA PASS THRU POOL 763497	10,568	11,705	08/01/2029	(2)	6.000	
FEDL HOME LOAN MTG CORP POOL # C71604	26,254	29,334	07/01/2032	(2)	6.000	
GNMA PASS THRU POOL 599779	8,914	10,273	10/15/2032	(2)	6.500	
FHLMC 3327 LD REMIC MULTICLASS CMO	9,755	10,469	06/15/2033	(2)	5.500	
FEDL HOME LOAN MTG CORP MULTICL REMIC 3165 CL	25,000	27,706	08/15/2034	(2)	5.500	
GNMA 08-65 LN REMIC MULTICLASS CMO	20,000	21,022	10/20/2036	(2)	5.750	
GNMA 09-65 UA REMIC MULTICLASS CMO	3,906	3,903	07/20/2039	(2)	5.000	
GNMA 10-169 AW REMIC MULTICLASS CMO	50,000	52,387	12/20/2040	(2)	4.500	
BOND FUND OF AMERICA CL A ABNDX		228,852		(1)		OPEN END MUTUAL FUND
BOND FUND OF AMERICA CL A ABNDX		140,437		(1)		OPEN END MUTUAL FUND
WELLS FARGO FDS TR SHORT DURATION GOVT BOND FD CL A		158,164		(1)		OPEN END MUTUAL FUND
WELLS FARGO FDS TR SHORT DURATION GOVT BOND FD CL A		167,563		(1)		OPEN END MUTUAL FUND
EXTERNAL INVESTMENT POOL - FRESNO COUNTY		93	SEE COMMENTS	(2)		WEIGHTED AVERAGE MATURITY OF 960 DAYS
BANK OF AMERICA CHECKING ACCOUNT		3,865		(1)		FDIC INSURED
WELLS FARGO ADVISORS CASH ACCOUNT		4,502		(1)		FDIC INSURED
WELLS FARGO ADVISORS BK DEPOSIT SWEEP ACCOUNT		30,262		(1)		BANK DEPOSIT SWEEP FDIC INSURED

**Total deposits and investments - Endowment Care Fund** **\$ 2,490,732**

(1) These types of deposits/investments do not have credit ratings

(2) Investments in US Government debt and external investment pools are considered to have no credit risk, accordingly no credit rating is disclosed for these investments.