

HUMBOLDT COUNTY

JUNE 30, 2017

HUMBOLDT COUNTY
June 30, 2017

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION	
Independent Auditor’s Report	1-3
Management’s Discussion and Analysis (required supplementary information)	4-11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13-14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	15-16
Reconciliation of the Balance Sheet of Governmental Funds To the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances	18-19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Proprietary Funds:	
Statement of Net Position	21
Statement of Revenues, Expenses, and Changes in Net Position	22
Statement of Cash Flows	23
Fiduciary Funds:	
Statement of Fiduciary Net Position	24
Statement of Changes in Fiduciary Net Position	25
Notes to the Financial Statements	26-57
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balances -- Budget and Actual:	
General Fund (Budgetary Basis)	58-60
Major Special Revenue Funds:	
Indigent Fund	61
Road Fund	62
Regional Transportation Fund	63
6 th Judicial District Fund	64-65
Indigent Medical Fund	66
Winnemucca Events Complex Fund	67
In-Lieu-of Tax Fund	68
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)	69
Schedule of Funding Progress – Other Postemployment Benefits	70
Schedule of the County’s Proportionate Share of the Net Pension Liability	71
Schedule of the County’s Contributions	72
Notes to Required Supplementary Information	73

HUMBOLDT COUNTY
June 30, 2017

TABLE OF CONTENTS

	<u>Page</u>
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	74
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	75
Governmental Funds:	
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) - Balance Sheet	76
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund (Budgetary Basis)	77-84
Special Revenue Funds:	
Nonmajor Special Revenue Funds:	
Combining Balance Sheet.....	85-87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	88-90
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Cooperative Extension Fund	91
Library Fund.....	92
6th Judicial District Drug Court Fund	93
Administrative Assessment Fund	94
Stabilization Fund.....	95
Check Restitution Fund.....	96
Genetic Marker Testing Fund.....	97
Assessor’s Technology Fund.....	98
911 Enhancement Fund.....	99
Justice Court Administrative Assessment Fund	100
Humboldt Fire District General Fund.....	101
Library Memorial Fund.....	102
Internally Reported (Budgetary Basis) Funds Reported as Part of the General Fund for External Reporting Purposes:	
Combining Balance Sheet	103
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	104
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Unemployment Insurance Fund	105
Compensated Absence Fund	106

HUMBOLDT COUNTY
June 30, 2017

TABLE OF CONTENTS

	<u>Page</u>
Capital Project Funds:	
Major Capital Project Fund:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Building Reserve Fund	107
Nonmajor Capital Project Fund:	
Balance Sheet	108
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Capital Projects Fund	109
Enterprise Funds:	
Major Enterprise Funds:	
Humboldt Television Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	110
Schedule of Cash Flows	111
Solid Waste Management Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	112
Schedule of Cash Flows.....	113
McDermitt Sewer District Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	114
Schedule of Cash Flows.....	115
Nonmajor Enterprise Funds:	
Combining Statement of Net Position	116-117
Combining Statement of Revenues, Expenses, and Changes in Net Position	118-119
Combining Statement of Cash Flows	120-121
Quinn River Television District Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	122
Schedule of Cash Flows	123
Denio Television District Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	124
Schedule of Cash Flows	125
Golconda Water District Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	126
Schedule of Cash Flows	127
Paradise Sewer District Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	128
Schedule of Cash Flows	129
McDermitt Water District Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	130
Schedule of Cash Flows	131
Fiduciary Funds:	
Combining Statement of Changes in Assets and Liabilities – Agency Funds	132-135

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	136-137
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	138-140
Schedule of Expenditures of Federal Awards	141-142
Notes to the Schedule of Expenditures of Federal Award.....	143
Schedule of Findings and Questioned Costs	144-145
Schedule of Fees Imposed Subject to the Provisions of NRS 354.5989	146
Auditor's Comments:	
Statute Compliance	147
Progress on Prior Year Statute Compliance	147
Prior Year Recommendations	147
Current Year Recommendations	147



DRAKE ROSE & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Honorable Board of Commissioners of
Humboldt County, Nevada

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Humboldt County, Nevada as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11, budgetary comparison information on pages 58-60, reconciliation of the General Fund budgetary basis to GAAP basis on page 69, the schedules related to other post-employment benefits and pensions beginning on page 70, and the notes to RSI on page 73 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund statements and schedules, budgetary comparison schedules, the auditor's comments, and the limitation of fees for business licenses schedule are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

The combining and individual non-major fund financial statements, the budgetary comparison schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules, budgetary comparison schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The auditor's comments, and the limitation of fees for business licenses schedule 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2017 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* in considering the County's internal control over financial reporting and compliance.

Blake Row & Associates, LLC

Winnemucca, Nevada
December 30, 2017

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

As management of Humboldt County, we offer readers of Humboldt County's financial statements this narrative overview and analysis of the financial activities of Humboldt County for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with the financial statements and notes to the financial statements to gain a more complete picture of the information presented. All amounts, unless otherwise indicated, are expressed in whole dollars.

Financial Highlights

- ◆ The assets of Humboldt County exceeded its liabilities at the close of the most recent fiscal year by \$74,697,499 (*net position*). Of this amount, \$8,275,215 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- ◆ The auditor's report offers an unqualified opinion on the financial statements, the highest opinion that can be obtained.
- ◆ The addition of two special districts as component units of Humboldt County (see Note 16 to the financial statements) resulted in a \$2,065,412 restatement (addition) of beginning net position in the government-wide financial statements. A restatement of \$60,130 due to an error in the prior year was made to correct beginning fund balance of the governmental activities. As of June 30, 2017, government-wide net position was at \$74,697,499 down \$2,459,157 from the restated beginning balance of \$77,156,656.
- ◆ As of the close of the current fiscal year, Humboldt County's governmental funds reported the combined ending fund balances of \$46,205,870. Ending fund balance decreased \$2,227,807, however, this was reduced by a prior period restatement (addition) of \$60,130 resulting in an overall decrease of \$2,167,677 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Humboldt County's basic financial statements. Humboldt County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Humboldt County's finances, in a manner similar to that of a private-sector business.

The *statement of net position* presents information on all of Humboldt County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Humboldt County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish the functions of Humboldt County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Humboldt County include general government, public safety, public works, judicial, health, welfare, culture and recreation and community support. The business-type activities of Humboldt County include television services, solid waste management operations, and water and sewer services.

The government-wide financial statements include only Humboldt County itself (known as the *primary government*). The library memorial fund, the general fund of the Humboldt Fire District, the Quinn River Television Fund, the Denio Television District Fund, and the Golconda Water District Fund are considered component units of Humboldt County and have been included in these statements.

The government-wide financial statements can be found on pages 12-14.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Humboldt County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Humboldt County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Humboldt County maintains twenty-four individual governmental funds including two internally reported funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, indigent fund, road fund, regional transportation fund, 6th judicial district fund, indigent medical fund, Winnemucca events complex fund, in lieu of tax fund, and the building reserve fund, all which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Humboldt County adopts an annual appropriated budget for all of its governmental and proprietary funds. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15-20 of this report.

Proprietary funds. Humboldt County maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Humboldt County uses enterprise funds to account for its television fund, its solid waste management fund, and its special district television and water and sewer funds. Humboldt County does not utilize *internal service funds*, which are also a proprietary fund type.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the television fund, the solid waste management fund, and the McDermitt sewer fund, all of which are considered to be major funds of Humboldt County, and combined information for the special district television, sewer and water funds, all five of which are considered to be nonmajor funds of Humboldt County.

The basic proprietary fund financial statements can be found on pages 21-23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Humboldt County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund statements can be found on pages 24-25 of this report.

Notes to the financial statements and required supplementary information. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-57 of this report and the required supplementary information can be found on pages 58-73.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*, including individual fund statements and schedules providing budget to actual comparisons. These schedules test compliance with budgetary constraints and management directives to enhance accountability at the fund and function level. This information may be found on pages 74-135 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Humboldt County, assets and deferred outflows exceeded liabilities and deferred inflows by \$74,697,499 at the close of the most recent fiscal year.

A large portion of Humboldt County's net position (75.6%) reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment). Humboldt County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

HUMBOLDT COUNTY'S NET POSITION*

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$48,145,950	\$ 50,575,706	\$4,878,559	\$ 4,776,532	\$53,024,509	\$ 55,352,238
Capital assets	52,745,302	54,923,230	3,715,253	1,640,576	56,460,555	56,563,806
Total assets	<u>100,891,252</u>	<u>105,498,936</u>	<u>8,593,812</u>	<u>6,417,108</u>	<u>109,485,064</u>	<u>111,916,044</u>
Deferred Outflows of Resources						
Related to pension liabilities	6,090,756	3,673,743	47,719	19,595	6,138,475	3,693,338
Long-term liabilities outstanding	28,901,589	30,337,596	378,215	126,734	29,279,804	30,464,330
Other liabilities	1,840,493	2,111,067	27,243	116,715	1,867,736	2,227,782
Total liabilities	<u>30,742,082</u>	<u>32,448,663</u>	<u>405,458</u>	<u>243,449</u>	<u>31,147,540</u>	<u>32,692,112</u>
Deferred Inflows of Resources						
Related to pension liabilities	9,733,311	7,856,104	45,189	30,052	9,778,500	7,886,156
Net Position:						
Net investment in capital assets	52,745,302	54,923,230	3,715,253	1,640,576	56,460,555	56,563,806
Restricted	9,961,729	8,878,303	-	-	9,961,729	8,878,303
Unrestricted	3,799,584	5,066,379	4,475,631	4,522,626	8,275,215	9,589,005
Total net position	<u>\$66,506,615</u>	<u>\$ 68,867,912</u>	<u>\$8,190,884</u>	<u>\$ 6,163,202</u>	<u>\$74,697,499</u>	<u>\$ 75,031,114</u>

*For more detailed information, see the government-wide Statement of Net Position and Notes to the Financial Statements.

An additional portion of Humboldt County's net position (\$9,961,729) represents resources subject to external restrictions (statutory, bond covenants or granting agency) on how they may be used. The remaining balance of *unrestricted net position* (\$8,275,215) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Humboldt County is able to report a positive balance in net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

Governmental activities decreased Humboldt County's net position by \$2,361,297 accounting for 708% of the total change in the net assets of Humboldt County compared to a decrease of \$6,774,652 in the prior year. Business-type activities increased the County's net position by \$2,027,682 or (608%) of the total change compared to an increase of \$2,258,582 in the prior year. Key reasons for this decrease in the change in fund balance are as follows.

- As previously described, the addition of two special districts as component units resulted in an increase of net position of \$2,065,412 in the business-type activities. Disregarding the prior-period adjustments and focusing only on the results of current-year operations, the governmental activities' net position decreased \$2,421,427 and business-type activities' decreased \$37,730.
- Consolidated taxes decreased by \$662,747 from the previous fiscal year. This decrease can be attributed to a decrease in sales taxes collected in Humboldt County.
- Property tax revenues decreased by \$1,638,983 from the previous fiscal year. This decrease can be attributed to decreases in net proceeds of mines taxes received and personal property tax assessments.
- Governmental activities expenses decreased 18%, \$6,459,006 over the previous fiscal year. The primary reason for this decrease was decreased expenses in all 8 Governmental functions; general government, public safety, judicial, public works, health, welfare, culture and recreation and community support.

HUMBOLDT COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 2,848,621	\$ 2,834,171	\$ 1,533,626	\$ 1,389,824	\$ 4,382,247	\$ 4,223,995
Operating grants and contributions	851,803	1,080,546	3,786	5,206	855,589	1,085,752
Capital grants and contributions	32,254	32,865	-	-	32,254	32,865
General revenues:						
Property taxes	9,124,288	10,763,271	-	-	9,124,288	10,763,271
Consolidated taxes	7,251,005	7,913,752	-	-	7,251,005	7,913,752
Franchise taxes	826,806	838,376	-	-	826,806	838,376
Motor vehicle fuel taxes	2,800,402	2,765,378	-	-	2,800,402	2,765,378
Room taxes	332,288	321,378	-	-	332,288	321,378
Miscellaneous	331,375	401,502	11,720	12,728	343,095	414,230
Unrestricted investment earnings	138,226	273,866	4,958	1,943	143,184	275,809
Payments in-lieu of taxes	1,766,335	1,862,838	-	-	1,766,335	1,862,838
Insurance recoveries	328,799	-	-	-	328,799	-
Total revenues	26,632,202	29,087,943	1,554,090	1,409,701	28,186,292	30,497,644
Expenses:						
General government	5,618,318	6,786,885	-	-	5,618,318	6,786,885
Public safety	8,233,431	10,897,313	-	-	8,233,431	10,897,313
Judicial	4,388,087	5,262,556	-	-	4,388,087	5,262,556
Public works	5,494,227	6,504,563	-	-	5,494,227	6,504,563
Health	320,775	350,330	-	-	320,775	350,330
Welfare	606,379	610,429	-	-	606,379	610,429
Culture and recreation	2,794,914	3,249,173	-	-	2,794,914	3,249,173
Community support	1,948,548	2,202,436	-	-	1,948,548	2,202,436
Television	-	-	199,927	185,141	199,927	185,141
Solid waste management	-	-	790,972	835,307	790,972	835,307
Water	-	-	249,871	105,713	249,871	105,713
Total expenses	29,404,679	35,863,685	1,240,770	1,126,161	30,645,449	36,989,846

(CONTINUED)

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Increase (decrease) in net position before transfers	(2,772,477)	(6,749,288)	313,320	283,542	(2,459,157)	(6,465,746)
Transfers	351,050	1,090	(351,050)	(1,090)	-	-
Increase (decrease) in net position	(2,421,427)	(6,748,198)	(37,730)	282,452	(2,459,157)	(6,465,746)
Net position - July 1, as restated	68,928,042	75,642,564	8,228,614	5,880,750	77,156,656	81,523,314
Net position - June 30,	\$66,506,615	\$68,867,912	\$8,190,884	\$6,163,202	\$74,697,499	\$75,031,114

Program Expenses and Revenues for Governmental Activities:

The following table presents program expenses and revenues for governmental activities. To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format which is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the County's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Overall, program revenues were insufficient in covering program expenses for governmental activities. The net program expenses of these governmental activities were, therefore, supported by general revenues, mainly taxes received and fund reserves applied. Expenses were down from prior year in all functions. The largest decreases were in the public safety (\$2,663,882), general government (\$1,168,567) and public works (\$1,010,336) functions, which were related primarily to abiding by the attrition policy, and a conscious effort on behalf of the management team and county commission of Humboldt County to reduce costs.

The three largest revenue sources for the County are property taxes, consolidated taxes and fuel taxes

	Program Expenses		Program Revenues		Net Program Exp/(Rev)	
	2017	2016	2017	2016	2017	2016
Governmental Activities:						
General government	\$ 5,618,318	\$ 6,786,885	\$ 1,061,968	\$ 1,073,483	\$ (4,556,350)	\$ (5,713,402)
Public safety	8,233,431	10,897,313	219,060	356,456	(8,014,371)	(10,540,857)
Judicial	4,388,087	5,262,556	2,075,160	1,891,971	(2,312,927)	(3,370,585)
Public works	5,494,227	6,504,563	108,413	284,716	(5,385,814)	(6,219,847)
Health	320,775	350,330	-	-	(320,775)	(350,330)
Welfare	606,379	610,429	-	4,220	(606,379)	(606,209)
Cultural and recreation	2,794,914	3,249,173	232,871	229,953	(2,562,043)	(3,019,220)
Community support	1,948,548	2,202,436	35,206	106,783	(1,913,342)	(2,095,653)
Totals	\$29,404,679	\$35,863,685	\$3,732,678	\$ 3,947,582	\$(25,672,001)	\$(31,916,103)

Program Expenses and Revenues for Business-type Activities:

This table presents program expenses and revenues for business-type activities. Program revenues generated from business-type activities were sufficient to cover program expenses in the television fund and the solid waste management fund during the current year.

	Program Expenses		Program Revenues		Net Program Exp/(Rev)	
	2017	2016	2017	2016	2017	2016
Business-Type Activities:						
Television	\$ 199,927	\$ 185,141	\$ 264,991	\$ 253,166	\$ 65,064	\$ 68,025
Solid waste management	790,972	835,307	1,104,808	1,107,816	313,836	272,509
Water and sewer	249,871	105,713	167,613	34,048	(82,258)	(71,665)
Totals	\$1,240,770	\$1,126,161	\$1,533,626	\$1,395,030	\$296,642	\$ 268,869

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

Financial Analysis of the Government's Funds

As noted earlier, Humboldt County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Humboldt County's *governmental funds* is to provide information on the near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Humboldt County's financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Humboldt County's governmental funds reported combined ending fund balances of \$46,205,870, a decrease of \$2,227,807 in comparison with the prior year.

The general fund is the chief operating fund of Humboldt County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,570,828 while the total fund balance reached \$16,107,812. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 43% of total general fund expenditures.

The fund balance of Humboldt County's general fund decreased \$1,928,547 during the current year. The key factors in this decrease were the decreases in licenses & permits, fines & forfeits and intergovernmental revenues. General fund revenues decreased \$623,136, or 3.8%, from the prior year. General fund expenditures increased over the prior fiscal year by \$9,107.

The indigent fund's ending fund balance increased \$50,545 from the prior year. Total revenue decreased \$123,269 due mostly to decreased net proceeds payments received. Expenditures decreased \$30,891 from the prior year.

Humboldt County's road fund has an ending fund balance of \$578,270 which is a decrease of \$1,000,940 from the prior year. This decrease is primarily the result of a smaller transfer in from the in-lieu-of tax fund and decreased intergovernmental revenue.

The regional transportation fund's ending fund balance increased \$289,738 from the prior year. Revenues increased 2.8% from the prior fiscal year. Expenditures decreased 30.6% or \$459,099 due to decreased road projects activity in the current fiscal year.

The 6th judicial district's fund balance decreased \$441,489 over the prior year. Current year revenues decreased by \$654,374 or 22.3% from the previous year and were due mostly to decreased taxes and net proceeds payments. Expenditures increased by \$124,847 or 4.8% from the previous fiscal year. This increase was the result of a remodel project of the courts facility.

The indigent medical fund's ending fund balance decreased \$174,218 or 13.6% over the prior year. Revenues decreased by \$75,670 or 18.4% over prior year. Expenditures were also \$5,259 or 1% lower than prior year. The decrease in expenditures was the result of a decrease in services and supplies expenditures.

The Winnemucca events complex fund has an ending fund balance of \$2,919,615 which is an increase of \$589,114 over the prior year. Revenues increased by \$517,531 or 48.1% over the prior year. This was largely the result of revenue received from insurance recovery of the damaged warm up arena. Expenditures also increased by \$88,487 or 9.7% over the prior year due to increases in capital outlay.

The In lieu-of tax fund has an ending fund balance of \$4,910,444, which is an increase of \$416,335 or 9.2% over prior year. Revenues decreased by \$96,503 and transfers out decreased by \$382,000 in comparison to prior year.

The building reserve fund's ending fund balance increased \$138,977. Revenues decreased by \$28,432 over prior year. Expenditures remained the same at zero.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

Proprietary funds. Humboldt County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position at the end of the year amounted to \$990,511 for the television fund, \$3,039,224 for the solid waste management fund and (\$68,413) for the McDermitt sewer fund. The portion of net position invested in capital assets was \$253,789 for the TV fund, \$7,551 for the solid waste management fund and \$900,986 for the McDermitt sewer fund. The total growth in net position for the funds was (\$281,284), \$318,494 and (\$29,255) respectively. Other factors concerning the finances of these three funds have already been addressed in the discussion of Humboldt County's business-type activities.

General Fund Budgetary Highlights

Functions represent the legal level of budgetary control. The final budget appropriation was \$150,000 higher than the original approved budget. Actual expenditures were 89% of appropriations and \$2,156,474 less than the final budget.

Capital Asset and Debt Administration

Capital assets. Humboldt County's investment in capital assets for its governmental and business-type activities as of June 30, 2017, amounts to \$56,451,698 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, infrastructure and machinery and equipment. Humboldt County's investment in capital assets for the current fiscal year decreased \$2,177,928 in governmental activities. Business-type activities capital assets increased \$2,065,822 primarily due to the addition of two special districts as component units of Humboldt County.

HUMBOLDT COUNTY'S CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land and CIP	\$ 3,704,681	\$ 3,098,977	\$ 490,364	\$ 20,592	\$ 4,195,045	\$ 3,119,569
Land improvements	303,552	364,739	-	-	303,552	364,739
Buildings/ improvements	8,844,300	9,754,763	3,146	3,525	8,847,446	9,758,288
Infrastructure	35,982,854	37,390,262	173,193	1,512,339	36,156,047	38,902,601
Equipment	3,909,915	4,314,489	3,039,693	104,118	6,949,608	4,418,607
Total	<u>\$52,745,302</u>	<u>\$54,923,230</u>	<u>\$3,706,396</u>	<u>\$1,640,574</u>	<u>\$56,451,698</u>	<u>\$56,563,804</u>

Additional information on Humboldt County's capital assets can be found in Notes 1 (E) 6 and Note 6 of the notes to the financial statements.

Long-term debt. McDermitt General Improvement District authorized a Series 2008 Revenue Bond on November 6, 2008 in the maximum aggregate principal sum of \$270,000 for the purpose of improving and equipping a sanitary sewer project.

HUMBOLDT COUNTY'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Compensated Absences Payable	\$ 738,560	\$ 741,149	\$ -	\$ -	\$ 738,560	\$ 741,149
Net Pension Liability	26,572,294	25,385,944	114,230	96,164	26,686,524	25,482,108
Other postemployment Benefits	1,590,735	4,210,503	30,335	30,570	1,621,070	4,241,073
Sewer Revenue Bond	-	-	233,650	237,455	233,650	237,455
Total	<u>\$28,901,589</u>	<u>\$30,337,596</u>	<u>\$378,215</u>	<u>\$364,189</u>	<u>\$29,279,804</u>	<u>\$30,701,785</u>

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)**

Additional information on Humboldt County's long-term debt can be found in Notes 1 E (8 and 9) and Notes 9, 11, and 15 of the notes to the financial statements.

Economic Factors and Next Year's Budget

Humboldt County's Fiscal Year 2017-2018 budget reflects a General Fund in which estimated revenues and other financing sources equal \$12,404,133 and budgeted expenditures and other financing uses are \$21,008,800. Fiscal Year 2017-2018 is full of uncertainty, especially as it relates to revenues. The County has seen a decrease in population as well as in assessed value. Combined Tax revenues have dropped significantly, the County is expected to receive Net Proceeds in 2017-2018 although the amount is uncertain due to the change in distribution from projected to actual. Fortunately, the County has never budgeted for this revenue in the past and did not in the 2017-18 FY budget.

While projected expenditures are \$21,008,800, actual expenditures should stay close to 2016-17 levels of \$17,244,225, including a modest Cost of Living (1.0%) and Merit increase of 2.5% for those employees who qualify.

Other expenditures included in the budget are the replacement costs of software needed in most departments as the County's computer software supplier, Advanced Data Systems, has announced that they will be closing at the end of 2019. The County also anticipates completing the next phase of the Public Safety Radio Project. The County's economy has seen housing prices stabilize in most categories, the mining industry employment numbers have been stable over the past year. Consolidated taxes came in nearly 9 percent lower than the previous year; therefore, the County has been very conservative in the 2018 budget estimate.

The County's practice of budgeting conservatively on revenues and budgeting liberally on expenditures has resulted in a strong, fiscally responsible government.

Humboldt County continues to maintain one of the lowest tax rates in the State of Nevada.

Requests for Information

This financial report is designed to provide a general overview of Humboldt County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Humboldt County, Comptroller's Office, 50 W. Fifth Street, Room 203, Winnemucca, Nevada 89445.

HUMBOLDT COUNTY
Statement of Net Position
June 30, 2017

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 45,754,427	\$ 4,763,643	\$ 50,518,070
Taxes receivable	81,816	-	81,816
Accounts receivable	223,148	101,606	324,754
Interest receivable	4,420	604	5,024
Notes receivable	18,354	-	18,354
Intergovernmental receivable	2,065,709	6,184	2,071,893
Inventories	-	4,598	4,598
Internal balances	(1,924)	1,924	-
Capital assets:			
Land	2,382,383	302,674	2,685,057
Construction in progress	1,322,298	187,990	1,510,288
Other capital assets net of depreciation	49,040,621	3,224,589	52,265,210
 Total assets	 <u>100,891,252</u>	 <u>8,593,812</u>	 <u>109,485,064</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>6,090,756</u>	<u>47,719</u>	<u>6,138,475</u>
LIABILITIES			
Accounts payable	929,704	22,051	951,755
Accrued salaries and benefits	664,421	5,053	669,474
Intergovernmental payable	176,882	139	177,021
Unearned revenue	69,486	-	69,486
Noncurrent liabilities:			
Due within one year:			
Compensated absences	738,560	-	738,560
Current portion of bond payable	-	4,191	4,191
Bond payable	-	229,459	229,459
Net pension liability	26,572,294	114,230	26,686,524
Other postemployment benefits	1,590,735	30,335	1,621,070
 Total liabilities	 <u>30,742,082</u>	 <u>405,458</u>	 <u>31,147,540</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>9,733,311</u>	<u>45,189</u>	<u>9,778,500</u>
NET POSITION			
Net investment in capital assets	52,745,302	3,715,253	56,460,555
Restricted for:			
County and city road projects	2,076,920	-	2,076,920
Indigent medical	1,107,642	-	1,107,642
Government stabilization	1,050,843	-	1,050,843
Purchase of capital assets	1,816,344	-	1,816,344
Assessor's technology	1,254,633	-	1,254,633
Local agricultural education	1,268,643	-	1,268,643
Other purposes	1,386,704	-	1,386,704
Unrestricted	3,799,584	4,475,631	8,275,215
 Total net position	 <u>\$ 66,506,615</u>	 <u>\$ 8,190,884</u>	 <u>\$ 74,697,499</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Activities
For the Year Ended June 30, 2017

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 5,618,318	\$ 1,022,552	\$ 39,416	\$ -
Judicial	4,388,087	1,411,477	663,683	-
Public safety	8,233,431	83,633	103,173	32,254
Public works	5,494,227	98,395	10,018	-
Health	320,775	-	-	-
Welfare	606,379	-	-	-
Culture and recreation	2,794,914	205,008	27,863	-
Community support	1,948,548	27,556	7,650	-
Total governmental activities	<u>29,404,679</u>	<u>2,848,621</u>	<u>851,803</u>	<u>32,254</u>
Business-type activities:				
Television	199,927	261,205	3,786	-
Solid waste management	790,972	1,104,808	-	-
Water and sewer fees	249,871	167,613	-	-
Total business-type activities	<u>1,240,770</u>	<u>1,533,626</u>	<u>3,786</u>	<u>-</u>
Total primary government	<u>\$ 30,645,449</u>	<u>\$ 4,382,247</u>	<u>\$ 855,589</u>	<u>\$ 32,254</u>

General revenues:

Property taxes

Consolidated taxes

Franchise taxes

Motor vehicle fuel taxes

Room taxes

Miscellaneous revenues

Unrestricted investment earnings

Payments in-lieu of taxes

Extraordinary item - insurance recoveries

Transfers:

Total general revenues and transfers

Change in net position

Net position - beginning

Prior Period Adjustment

Net position - beginning

Net position - ending

**Net (Expenses) Revenues and
Changes in Net Position
Primary Government**

Governmental Activities	Business-type Activities	Total
\$ (4,556,350)	\$ -	\$ (4,556,350)
(2,312,927)	-	(2,312,927)
(8,014,371)	-	(8,014,371)
(5,385,814)	-	(5,385,814)
(320,775)	-	(320,775)
(606,379)	-	(606,379)
(2,562,043)	-	(2,562,043)
(1,913,342)	-	(1,913,342)
<u>(25,672,001)</u>	<u>-</u>	<u>(25,672,001)</u>
-	65,064	65,064
-	313,836	313,836
-	(82,258)	(82,258)
-	296,642	296,642
<u>(25,672,001)</u>	<u>296,642</u>	<u>(25,375,359)</u>
9,124,288	-	9,124,288
7,251,005	-	7,251,005
826,806	-	826,806
2,800,402	-	2,800,402
332,288	-	332,288
331,375	11,720	343,095
138,226	4,958	143,184
1,766,335	-	1,766,335
328,799	-	328,799
351,050	(351,050)	-
<u>23,250,574</u>	<u>(334,372)</u>	<u>22,916,202</u>
<u>(2,421,427)</u>	<u>(37,730)</u>	<u>(2,459,157)</u>
68,867,912	6,163,202	75,031,114
60,130	2,065,412	2,125,542
<u>68,928,042</u>	<u>8,228,614</u>	<u>77,156,656</u>
<u>\$ 66,506,615</u>	<u>\$ 8,190,884</u>	<u>\$ 74,697,499</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Indigent Fund	Road Fund	Regional Transportation Fund	6th Judicial District Fund
Assets					
Cash and investments	\$ 15,523,493	\$ 902,988	\$ 455,666	\$ 1,819,003	\$ 6,633,049
Taxes receivable	41,888	4,069	-	-	21,045
Accounts receivable	207,746	-	2,625	-	49
Interest receivable	3,104	-	-	357	-
Notes receivable	583	-	-	-	-
Due from other governments	1,324,123	200	352,609	257,560	16,322
Due from other funds	-	-	43,044	-	-
Total assets	\$ 17,100,937	\$ 907,257	\$ 853,944	\$ 2,076,920	\$ 6,670,465
Liabilities					
Accounts payable	\$ 358,113	\$ 3,281	\$ 213,614	\$ -	\$ 75,567
Accrued salaries and benefits	484,722	2,758	57,566	-	64,537
Due to other governments	28,405	38,586	3,894	-	3,015
Due to other funds	33,662	-	600	-	1,259
Unearned revenues	46,335	-	-	-	23,151
Total liabilities	951,237	44,625	275,674	-	167,529
Deferred Inflows of Resources					
Unavailable revenue - property taxes	41,888	4,069	-	-	21,045
Unavailable revenue - assessment district receivable	-	-	-	-	-
Total deferred inflows of resources	41,888	4,069	-	-	21,045
Fund Balances					
Nonspendable	583	-	-	-	-
Restricted	185,455	-	-	2,076,920	919
Committed	167,479	858,563	578,270	-	6,480,972
Assigned	8,183,467	-	-	-	-
Unassigned	7,570,827	-	-	-	-
Total fund balances	16,107,811	858,563	578,270	2,076,920	6,481,891
Total liabilities, deferred inflows, and fund balances	\$ 17,100,936	\$ 907,257	\$ 853,944	\$ 2,076,920	\$ 6,670,465

Indigent Medical Fund	Winnemucca Events Complex Fund	In Lieu-of Tax Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,205,534	\$ 2,940,333	\$ 4,910,444	\$ 1,272,434	\$ 10,091,483	\$ 45,754,427
3,237	4,317	-	1,079	6,181	81,816
-	1,983	-	3,276	7,469	223,148
580	-	-	-	379	4,420
-	-	-	17,771	-	18,354
160	71,575	-	53	43,107	2,065,709
-	-	-	-	-	43,044
<u>\$ 1,209,511</u>	<u>\$ 3,018,208</u>	<u>\$ 4,910,444</u>	<u>\$ 1,294,613</u>	<u>\$ 10,148,619</u>	<u>\$ 48,190,918</u>
\$ 4,100	\$ 67,580	\$ -	\$ -	\$ 207,449	\$ 929,704
-	15,381	-	-	39,457	664,421
94,532	5,700	-	-	2,750	176,882
-	5,615	-	-	3,832	44,968
-	-	-	-	-	69,486
<u>98,632</u>	<u>94,276</u>	<u>-</u>	<u>-</u>	<u>253,488</u>	<u>1,885,461</u>
3,237	4,317	-	1,079	6,181	81,816
-	-	-	17,771	-	17,771
<u>3,237</u>	<u>4,317</u>	<u>-</u>	<u>18,850</u>	<u>6,181</u>	<u>99,587</u>
-	-	-	-	-	583
1,107,642	-	-	-	6,590,793	9,961,729
-	2,919,615	-	1,275,763	3,298,157	15,578,819
-	-	4,910,444	-	-	13,093,911
-	-	-	-	-	7,570,827
<u>1,107,642</u>	<u>2,919,615</u>	<u>4,910,444</u>	<u>1,275,763</u>	<u>9,888,950</u>	<u>46,205,869</u>
<u>\$ 1,209,511</u>	<u>\$ 3,018,208</u>	<u>\$ 4,910,444</u>	<u>\$ 1,294,613</u>	<u>\$ 10,148,619</u>	<u>\$ 48,190,917</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Reconciliation of the Balance Sheet
To the Statement of Net Position
Governmental Funds
June 30, 2017

Total Governmental Fund Balances	\$	46,205,869
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not resources and therefore are not reported in the funds.</p>		
Governmental capital assets	\$	111,032,087
Less accumulated depreciation		<u>(58,286,785)</u>
		52,745,302
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Net OPEB obligation		(1,590,735)
Net pension asset (liability)		(26,572,294)
Compensated absences		(738,560)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.</p>		
		99,587
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.</p>		
Deferred outflows of resources related to pensions		6,090,756
Deferred inflows of resources related to pensions		<u>(9,733,311)</u>
 Net Position of Governmental Activities	 \$	 <u>66,506,614</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

	<u>General Fund</u>	<u>Indigent Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>	<u>6th Judicial District Fund</u>
REVENUES					
Taxes	\$ 5,083,189	\$ 420,070	\$ -	\$ -	\$ 2,172,700
Licenses and permits	1,116,823	-	-	-	-
Intergovernmental revenue	7,947,995	5,574	1,906,187	1,330,729	40,418
Charges for services	382,209	-	222,762	-	169
Fines and forfeits	775,898	-	-	-	44,499
Miscellaneous revenues	330,780	12,142	7,413	2,361	23,914
Total Revenues	<u>15,636,894</u>	<u>437,786</u>	<u>2,136,362</u>	<u>1,333,090</u>	<u>2,281,700</u>
EXPENDITURES					
Current:					
General government	5,753,696	-	-	-	-
Judicial	2,770,268	-	-	-	1,122,099
Public safety	7,368,127	-	-	-	1,531,094
Public works	21,683	-	3,273,490	1,043,352	-
Health	322,887	-	-	-	-
Welfare	-	219,607	-	-	-
Culture and recreation	(2,500)	-	-	-	-
Community support	837,707	-	-	-	-
Intergovernmental expenditures	531,624	167,134	3,812	-	57,496
Total Expenditures	<u>17,603,492</u>	<u>386,741</u>	<u>3,277,302</u>	<u>1,043,352</u>	<u>2,710,689</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,966,598)</u>	<u>51,045</u>	<u>(1,140,940)</u>	<u>289,738</u>	<u>(428,989)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	38,051	-	150,000	-	-
Transfers out	-	(500)	(10,000)	-	(12,500)
Total Other Financing Sources (Uses)	<u>38,051</u>	<u>(500)</u>	<u>140,000</u>	<u>-</u>	<u>(12,500)</u>
Net Change in Fund Balances	(1,928,547)	50,545	(1,000,940)	289,738	(441,489)
Fund Balances - beginning	<u>17,976,228</u>	<u>808,018</u>	<u>1,579,210</u>	<u>1,787,182</u>	<u>6,923,380</u>
Prior period adjustment	60,130	-	-	-	-
Fund Balances - beginning, restated	<u>18,036,358</u>	<u>808,018</u>	<u>1,579,210</u>	<u>1,787,182</u>	<u>6,923,380</u>
Fund Balances - ending	<u>\$ 16,107,811</u>	<u>\$ 858,563</u>	<u>\$ 578,270</u>	<u>\$ 2,076,920</u>	<u>\$ 6,481,891</u>

Indigent Medical Fund	Winnemucca Events Complex Fund	In Lieu-of Tax Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 334,605	\$ 445,689	\$ -	\$ 111,421	\$ 548,122	\$ 9,115,796
-	-	-	-	-	1,116,823
-	332,288	1,766,335	-	453,533	13,783,059
-	186,947	-	27,556	24,212	843,855
-	-	-	-	424,159	1,244,556
2,057	628,509	-	-	107,194	1,114,370
<u>336,662</u>	<u>1,593,433</u>	<u>1,766,335</u>	<u>138,977</u>	<u>1,557,220</u>	<u>27,218,459</u>
-	-	-	-	284,668	6,038,364
-	-	-	-	789,985	4,682,352
-	-	-	-	88,307	8,987,528
-	-	-	-	-	4,338,525
-	-	-	-	-	322,887
399,461	-	-	-	-	619,068
-	1,001,818	-	-	1,236,719	2,236,037
-	-	-	-	835,341	1,673,048
111,419	-	-	-	28,022	899,507
<u>510,880</u>	<u>1,001,818</u>	<u>-</u>	<u>-</u>	<u>3,263,042</u>	<u>29,797,316</u>
<u>(174,218)</u>	<u>591,615</u>	<u>1,766,335</u>	<u>138,977</u>	<u>(1,705,822)</u>	<u>(2,578,857)</u>
-	-	-	-	1,550,000	1,738,051
-	(2,501)	(1,350,000)	-	(11,500)	(1,387,001)
-	(2,501)	(1,350,000)	-	1,538,500	351,050
(174,218)	589,114	416,335	138,977	(167,322)	(2,227,807)
<u>1,281,860</u>	<u>2,330,501</u>	<u>4,494,109</u>	<u>1,136,786</u>	<u>10,056,272</u>	<u>48,373,546</u>
-	-	-	-	-	60,130
<u>1,281,860</u>	<u>2,330,501</u>	<u>4,494,109</u>	<u>1,136,786</u>	<u>10,056,272</u>	<u>48,433,676</u>
<u>\$ 1,107,642</u>	<u>\$ 2,919,615</u>	<u>\$ 4,910,444</u>	<u>\$ 1,275,763</u>	<u>\$ 9,888,950</u>	<u>\$ 46,205,869</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances - Governmental Funds \$ (2,227,807)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. The cost of those assets is depreciated over their estimated useful lives in the statement of activities.

Expenditures for capital assets	\$ 1,174,913	
Less current year depreciation	(3,045,966)	
Net book value of impaired assets	(278,875)	
Loss on disposition of assets	<u>(28,000)</u>	(2,177,928)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Change in deferred revenue	8,495
----------------------------	-------

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

County pension contributions	3,296,159	
Cost of benefits earned	<u>(3,942,703)</u>	(646,544)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Change in net OPEB obligation	2,619,768	
Change in long-term compensated absences	<u>2,589</u>	

Change in Net Position of Governmental Activities \$ (2,421,427)

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-type Activities - Enterprise Funds				
	Humboldt Television Fund	Solid Waste Management Fund	McDermitt Sewer District Fund	Other Enterprise Funds	Totals Current Year
ASSETS					
Current Assets:					
Cash and investments	\$ 1,005,135	\$ 3,074,623	\$ 152,878	\$ 516,648	\$ 4,749,284
Accounts receivable	15,288	74,612	3,361	8,345	101,606
Interest receivable	-	604	-	-	604
Intergovernmental receivable	-	6,184	-	-	6,184
Due from other funds	-	2,318	-	-	2,318
Inventories	4,598	-	-	-	4,598
Total Current Assets	<u>1,025,021</u>	<u>3,158,341</u>	<u>156,239</u>	<u>524,993</u>	<u>4,864,594</u>
Noncurrent Assets:					
Restricted cash	-	-	14,359	-	14,359
Capital assets:					
Land	-	-	42,714	259,960	302,674
Construction in progress	187,990	-	-	-	187,990
Buildings	24,195	-	40,647	12,770	77,612
Machinery and equipment	741,115	100,676	91,189	286,248	1,219,228
Infrastructure	-	-	1,345,837	3,412,111	4,757,948
Less accumulated depreciation	(699,511)	(93,125)	(619,401)	(1,418,162)	(2,830,199)
Total capital assets (net of accumulated depreciation)	<u>253,789</u>	<u>7,551</u>	<u>900,986</u>	<u>2,552,927</u>	<u>3,715,253</u>
Total noncurrent assets	<u>253,789</u>	<u>7,551</u>	<u>915,345</u>	<u>2,552,927</u>	<u>3,729,612</u>
Total Assets	<u>1,278,810</u>	<u>3,165,892</u>	<u>1,071,584</u>	<u>3,077,920</u>	<u>8,594,206</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	<u>15,914</u>	<u>31,805</u>	<u>-</u>	<u>-</u>	<u>47,719</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	193	6,591	5,336	9,931	22,051
Accrued liabilities	2,589	1,686	25	753	5,053
Due to other governments	139	-	-	-	139
Due to other funds	394	-	-	-	394
Current portion of bond payable	-	-	4,191	-	4,191
Total Current Liabilities	<u>3,315</u>	<u>8,277</u>	<u>9,552</u>	<u>10,684</u>	<u>31,828</u>
Noncurrent Liabilities:					
Net pension liability	16,248	97,982	-	-	114,230
Other postemployment benefits	22,372	7,963	-	-	30,335
Bond payable	-	-	229,459	-	229,459
Total Noncurrent Liabilities	<u>38,620</u>	<u>105,945</u>	<u>229,459</u>	<u>-</u>	<u>374,024</u>
Total Liabilities	<u>41,935</u>	<u>114,222</u>	<u>239,011</u>	<u>10,684</u>	<u>405,852</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	<u>8,489</u>	<u>36,700</u>	<u>-</u>	<u>-</u>	<u>45,189</u>
NET POSITION					
Net investment in capital assets	253,789	7,551	900,986	2,552,927	3,715,253
Unrestricted	<u>990,511</u>	<u>3,039,224</u>	<u>(68,413)</u>	<u>514,309</u>	<u>4,475,631</u>
Total Net Position	<u>\$ 1,244,300</u>	<u>\$ 3,046,775</u>	<u>\$ 832,573</u>	<u>\$ 3,067,236</u>	<u>\$ 8,190,884</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Proprietary Funds
Statement of Revenues, Expenses, and
Changes in Net Position
For the Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds				Totals Current Year
	Humboldt Television Fund	Solid Waste Management Fund	McDermitt Sewer District Fund	Other Enterprise Funds	
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 242,362	\$ 1,104,808	\$ 44,258	\$ 142,198	\$ 1,533,626
Grants	3,786	-	-	-	3,786
Miscellaneous	11,650	-	-	70	11,720
Total Operating Revenues	<u>257,798</u>	<u>1,104,808</u>	<u>44,258</u>	<u>142,268</u>	<u>1,549,132</u>
OPERATING EXPENSES					
Salaries and wages	66,077	33,332	2,170	7,788	109,366
Employee benefits	28,681	16,762	386	2,762	48,591
Services and supplies	66,924	740,039	23,883	85,434	916,280
Depreciation	26,650	839	38,108	91,969	157,566
Total Operating Expenses	<u>188,332</u>	<u>790,972</u>	<u>64,547</u>	<u>187,953</u>	<u>1,231,804</u>
Operating Income (Loss)	<u>69,466</u>	<u>313,836</u>	<u>(20,289)</u>	<u>(45,685)</u>	<u>317,328</u>
NONOPERATING REVENUES					
(EXPENSES)					
Interest earnings	-	4,958	-	-	4,958
Interest expense	-	-	(8,966)	-	(8,966)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>4,958</u>	<u>(8,966)</u>	<u>-</u>	<u>(4,008)</u>
Income (Loss) Before Transfers	69,466	318,794	(29,255)	(45,685)	313,320
TRANSFERS IN (OUT)					
Transfers out	<u>(350,750)</u>	<u>(300)</u>	<u>-</u>	<u>-</u>	<u>(351,050)</u>
Change in Net Position	(281,284)	318,494	(29,255)	(45,685)	(37,730)
NET POSITION, JULY 1	1,525,584	2,728,281	-	1,909,337	6,163,202
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>861,828</u>	<u>1,203,584</u>	<u>2,065,412</u>
NET POSITION, JULY 1, as restated	<u>1,525,584</u>	<u>2,728,281</u>	<u>861,828</u>	<u>3,112,921</u>	<u>8,228,614</u>
NET POSITION, JUNE 30	<u>\$ 1,244,300</u>	<u>\$ 3,046,775</u>	<u>\$ 832,573</u>	<u>\$ 3,067,236</u>	<u>\$ 8,190,884</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds				Totals Current Year
	Humboldt Television Fund	Solid Waste Management Fund	McDermitt Sewer District Fund	Other Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 259,576	\$ 1,088,875	\$ 45,247	\$ 143,923	\$ 1,537,621
Cash payments for personnel costs	(93,525)	(47,035)	(4,143)	(9,797)	(154,500)
Cash payments for services and supplies	(87,959)	(815,119)	(20,743)	(97,173)	(1,020,994)
Net Cash Provided (Used) by Operating Activities	<u>78,092</u>	<u>226,721</u>	<u>20,361</u>	<u>36,953</u>	<u>362,127</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers to other funds	(350,750)	(300)	-	-	(351,050)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchases of capital assets	(203,132)	(8,390)	-	-	(211,522)
Interest paid on debt service	-	-	(8,966)	-	(8,966)
Principal paid on debt service	-	-	(3,805)	-	(3,805)
Grant receipts	-	-	-	38,212	38,212
Net Cash Provided (Used) by Financing Activities	<u>(203,132)</u>	<u>(8,390)</u>	<u>(12,771)</u>	<u>38,212</u>	<u>(186,081)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	-	4,531	-	-	4,531
Net Increase (Decrease) in Cash and Investments	(475,790)	222,562	7,590	75,165	(170,473)
CASH AND INVESTMENTS, JULY 1	<u>\$ 1,480,925</u>	<u>\$ 2,852,061</u>	<u>\$ 159,647</u>	<u>\$ 441,483</u>	<u>\$ 4,934,116</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 1,005,135</u>	<u>\$ 3,074,623</u>	<u>\$ 167,237</u>	<u>\$ 516,648</u>	<u>\$ 4,763,643</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 69,466	\$ 313,836	\$ (20,289)	\$ (45,685)	\$ 317,328
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations					
Depreciation	26,650	839	38,108	91,969	157,566
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	1,778	(15,933)	-	1,655	(12,500)
Inventory	2,013	-	989	-	3,002
Increase (decrease) in:					
Accounts payable	(23,048)	(75,080)	3,140	(11,739)	(106,727)
Accrued salaries and benefits	1,233	3,059	(1,587)	753	3,458
Total adjustments	<u>8,626</u>	<u>(87,115)</u>	<u>40,650</u>	<u>82,638</u>	<u>44,799</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 78,092</u>	<u>\$ 226,721</u>	<u>\$ 20,361</u>	<u>\$ 36,953</u>	<u>\$ 362,127</u>

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	AGENCY FUNDS	INVESTMENT TRUST FUND
ASSETS		
Cash and investments	\$ 3,772,845	\$ 3,758,873
Interest receivable	-	865
	-	865
Total Assets	\$ 3,772,845	\$ 3,759,738
LIABILITIES		
Due to other governments	\$ 3,406,985	\$ -
Funds held in trust for others	365,860	-
	3,772,845	-
Total Liabilities	3,772,845	-
NET POSITION		
Held in trust	\$ -	\$ 3,759,738

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2017

	INVESTMENT TRUST FUND
ADDITIONS	
Investment earnings:	
Interest	\$ 5,291
Net increase (decrease) in share transactions	(204,250)
Change in net position	(198,959)
Net position - beginning	3,958,697
Net position - ending	\$ 3,759,738

The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of Humboldt County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Reporting Entity

Humboldt County was incorporated as one of the original nine counties of the State of Nevada in 1861 and is governed by a five-member elected Board of Commissioners. The major operations of Humboldt County are property tax assessment and collections, public safety, road maintenance, judicial, recreation and administrative activities.

These financial statements include the Humboldt Fire District General Fund, the Library Memorial Fund, the Quinn River Television Fund, the Denio Television District Fund, the McDermitt General Improvement District Fund, the Paradise Sewer District Fund, and the Golconda Water District Fund as component units of Humboldt County, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*. Component units include legally separate organizations for which the County is financially accountable or the Board has the ability to impose its will on these entities. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. All component units of the County are presented in this blended format.

B. Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide (based upon Humboldt County as a whole) and fund financial statements. The reporting focus is on either Humboldt County as a whole or major individual funds and nonmajor funds in the aggregate (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type.

The government-wide financial statements (the Statement of Net Position and Statement of Activities) report information on all of the non-fiduciary activities of Humboldt County. Eliminations have been made to minimize the double-counting of internal activities. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In the government-wide Statement of Net Position, both the governmental and business-type activity columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. Humboldt County's net position is reported in three parts – net investment in capital assets, restricted, and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of Humboldt County's functions and business-type activities. The functions are also supported by general government revenues (property and combined taxes, certain intergovernmental revenues, interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants and capital grants. Program revenues include charges to customers, operating grants and contributions and capital grants and contributions. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants, while the capital grants reflect capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of Humboldt County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter is excluded from the government-wide financial statements.

The emphasis in fund financial statements is on major funds in either governmental or business-type (proprietary) activity categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and business-type categories combined) for the determination of major funds. Humboldt County's management may electively add funds as major funds when it is determined the funds have specific community or management focus. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The focus of the governmental funds' measurement in the fund financial statements is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income.

The focus for proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

Humboldt County's fiduciary funds are presented in the fiduciary fund financial statements by type. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of Humboldt County, these funds are not incorporated into the government-wide statements.

Humboldt County reports the following major governmental funds:

The ***General Fund*** is the government's primary operating fund. It is used to account for resources traditionally associated with Humboldt County that are not required legally or by sound financial management to be accounted in another fund.

The ***Indigent Fund*** is used to account for resources and expenditures for indigent assistance.

The ***Road Fund*** is used to account for resources and expenditures for Humboldt County's roads.

The ***Regional Transportation Fund*** is used to account for resources and expenditures on road projects of regional significance.

The ***6th Judicial District Fund*** is used to account for the resources and expenditures for the District Court and Juvenile Probation.

The ***Winnemucca Events Complex Fund*** is used to account for the resources and expenditures associated with the operations of Humboldt County's fairgrounds and indoor events center.

The ***Indigent Medical Fund*** is used to account for the resources and expenditures relating to indigent medical care.

The ***In Lieu of Tax Fund*** is used to account for resources related to federal in lieu of taxes monies.

The ***Building Reserve Fund*** is used to account for the resources and expenditures for major capital projects.

Humboldt County reports the following major proprietary funds:

The ***Humboldt Television Fund*** is used to account for television services provided to most of the residents of Humboldt County (some County residents are provided television services from other districts).

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The *Solid Waste Management Fund* is used to account for landfill operations of Humboldt County.

The *McDermitt Sewer Fund* is used to account for sanitary sewer services to the residents of McDermitt.

Additionally, Humboldt County reports the following fiduciary fund types:

Agency funds are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the County as an agent for various governments, special districts and individuals. Included are funds for apportioned property and sales taxes, shared revenues and other financial resources for schools, hospital, special districts, boards and other state and city agencies; bonds posted with the District Court and Justice Courts; funds held for inmates housed at the County jail; unapportioned taxes for other local governments; and assets held on behalf of special districts, boards and other miscellaneous agencies.

Investment trust fund is the external investment pool administered by Humboldt County. Voluntary participants include Humboldt County School District (Debt Service), Golconda Fire Protection District and Paradise Fire Protection District.

D. Measurement Focus and Basis of Accounting

The measurement focus describes the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred revenue account is established. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other postemployment benefits and claims and judgments, are recorded only when payment is due.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental revenues considered to be susceptible to accrual, and so recognized as revenues of the current fiscal period, are ad valorem taxes, interest, grant revenues and revenues collected and distributed by the State. These include consolidated taxes, government services taxes, and motor vehicle fuel taxes. Licenses and permits, fines, and charges for services are recognized as revenue when they are received.

E. Financial Statement Presentation

1. Budgets and Budgetary Accounting:

Annual budgets are adopted on a basis consistent with GAAP for all funds except trust and agency funds, which do not require budgets, and certain special revenue funds that do not meet the requirements to be considered a fund under U.S. GAAP. All annual appropriations lapse at fiscal year-end.

Humboldt County adheres to the Local Government Budget and Finance Act (NRS 354.470-.626) incorporated within state statutes and the procedures set by the Department of Taxation to establish the budgetary data reflected in these financial statements. On or before April 15, the County submits a tentative budget to the Nevada Department of Taxation for the next fiscal year, commencing on July 1. Public hearings are held on or before the third Tuesday in May. The Board adopts the budget on or before June 1 and files it with the Nevada State Department of Taxation.

In accordance with state statute, actual expenditures may not exceed budgetary appropriations of the various governmental functions (excluding the debt service function and certain intergovernmental expenditures) of the General Fund, Capital Projects Funds and Special Revenue Funds except as specifically permitted by NRS 354.626. In proprietary funds, the sum of operating and non-operating expenses may not exceed total appropriations.

All budget amounts presented in these financial statements and schedules reflect the amended budget which has been adjusted for legally authorized revisions of the annual budgets during the year. Original budgets are provided for the General Fund and major special revenue funds in compliance with reporting requirements. The Comptroller may approve budget adjustments within a function. Budget adjustments between functions or funds may be approved by the Comptroller with Board notification. Adjustments that affect fund balance or increase the original budget require Board approval.

Encumbrance accounting is employed in governmental and proprietary funds. In governmental funds, encumbrances, which include purchase orders and contracts awarded for which goods and services have not been received at year-end, are re-appropriated in the subsequent year.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Cash and Investments:

For purposes of the statement of cash flows presented for proprietary funds, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and have an original maturity date of three months or less. Since all cash in proprietary funds is pooled with the rest of Humboldt County's cash and is available upon demand, all cash and investments in those funds are considered cash equivalents.

All interest earned on cash deposits is recognized in the General Fund in accordance with Nevada Revised Statutes, except for amounts credited to various other funds in accordance with law or contract and is allocated based upon their combined investment balances.

Investments are recorded at fair value.

Humboldt County may invest in the following types of securities per Nevada Revised Statutes 355.170 and 355.167:

- ◇ Obligations of the United States, or an agency or instrumentality of the United States, or a corporation sponsored by the government, maturing within ten (10) years from the date of purchase.
- ◇ Time certificates of deposit from commercial banks and insured savings and loan associations within the State of Nevada, and certain farm loan bonds.
- ◇ Certain securities issued by local governments of the State of Nevada and other securities expressly provided by other statutes, including repurchase agreements.
- ◇ Money market mutual funds that are registered with the Securities and Exchange Commission are AAA rated and invest only in securities of the Federal Government for fully collateralized repurchase agreements.
- ◇ State of Nevada Local Government Investment Pool.

NRS 355.172 requires Humboldt County's Treasurer or the appropriate officer to take physical possession of collateral in the name of Humboldt County for all securities except those subject to repurchase by the seller if Humboldt County has a fully perfected, first-priority interest having a fair market value equal to or greater than the repurchase price of the security.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. *Investment Pool Investment Earnings:*

Interest income is recorded on the accrual basis in the investment pool. Net realized gains (losses) on investments are the sum of the differences between the cost (if purchased during the fiscal year) or the fair value of the investment at the beginning of the year, and the net selling price received for investments that are sold or matured.

The net increase (decrease) in the fair value of investments in the investment pool is the difference between the cost (if purchased during the fiscal year) or the fair value of the investments at the beginning of the year, and the fair value of the investments at the end of the year.

4. *Property Taxes Receivable:*

All real property in Humboldt County is subject to physical reappraisal every five years. Annual adjustments are made to the assessed valuation to reflect general changes in property values. The assessed valuation of the property and its improvements is computed at 35% of “taxable value” as defined by statute. Taxable value is defined as full cash value for land, replacement cost less straight-line depreciation for land improvements, and statutory depreciation for personal property. The maximum depreciation allowed is 75% of replacement cost.

The maximum tax rate for all overlapping governmental units within any county, as established by the state constitution, is \$5 per \$100 assessed valuation. The combined overlapping rate for any county is further limited by state statute to \$3.64 per \$100 assessed valuation except in cases of severe financial emergency as defined in NRS 354.705. Humboldt County’s individual tax rate for fiscal year 2016-2017 was \$0.7512 per \$100 of assessed valuation.

The total combined rate was \$2.2016 per \$100 of assessed valuation in the unincorporated area of Humboldt County, exclusive of special district tax rates.

Tax rates are levied by Humboldt County Commissioners immediately after the Nevada Tax Commission has certified the combined rate. Upon certification, the rates are transmitted to Humboldt County’s Treasurer for billing. The tax rate levied is for the current fiscal year, July 1 to June 30, and the taxes are considered a lien against real property attaching on July 1. Taxes may be paid in four equal installments on the third Monday in August, and the first Mondays in October, January and March. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, a tax deed is issued conveying the property to Humboldt County with a lien for back taxes.

In 2005, the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the ad valorem taxes levied on a qualified property. The abatement will limit the increase of a taxpayer’s bill to 3% over the previous year’s tax amount for a primary residence and some rental property. All other property will have a higher limit of 8%.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the State Department of Taxation and the tax rates. The major classifications of personal property are commercial, agricultural and mobile homes. In Humboldt County, taxes on motor vehicles are collected by a state agency and remitted to Humboldt County based on statutory formulas as a part of combined taxes.

Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. Delinquent taxes from all roll years prior to 2015-2016 have been written off. No provision for uncollectible accounts has been established since management does not anticipate any material collection loss in respect to remaining balances. Personal property taxes receivable reflect only those taxes collected within 60 days of year-end.

5. *Inventories:*

The Television fund inventories are valued at cost using the first in/first out (FIFO) method. Inventories consist primarily of materials and supplies. For all other funds, Humboldt County charges consumable supplies as expenditures against appropriations at the time of purchase. All inventories of such supplies at June 30 are not material to the individual funds and are not recognized in these financial statements.

6. *Capital Assets:*

Capital assets, which include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by Humboldt County as assets with an initial, individual cost of more than \$5,000 or more (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant, and equipment of Humboldt County are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements to buildings	15-30
Improvements other than buildings	15-30
Equipment and motor vehicles	5-15
Infrastructure	30-45

7. *Net Proceeds of Mines:*

Net proceeds of mines are paid on an annual basis. For the year ended June 30, 2017, net proceeds of mines received on actual business from January through December 2016 are reflected in the financial statements. In addition, due to legislative changes occurring during the year ended June 30, 2010, the payments of net proceeds received on estimated business from January 1, 2017 through December 31, 2017 are reflected in the financial statements.

Additional amounts due, based upon actual business for January 1, 2017 through December 31, 2017 in comparison to estimated payments, are determined subsequent to the 2017 calendar year. Credits for overpayments, based on actual business for the period of January 1, 2017 through December 31, 2017 in comparison to estimated payments, are applied to future tax payments in accordance with NRS 362.130. The overall financial impact on the County of future additional amounts due or future credits is not determinable at June 30, 2017 and are not reflected in these financial statements. It should be noted that the estimated payments for calendar year 2017 (received in fiscal year 2016-2017) were calculated using fiscal year 2016-2017 tax rates. Any true-up of these estimated payments will use fiscal year 2017-2018 tax rates. It is unknown at June 30, 2017 what, if any, impact this will have on future financial statements.

8. *Compensated Absences:*

It is Humboldt County’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as an expenditure. The entire amount is accounted for in the governmental column of the government-wide Statement of Net Position.

The current portion of compensated absences is defined as those benefits accrued as a result of employees who have terminated employment by June 30. Agreements with the two employee associations provide for the payment of total accrued compensatory and vacation time in all cases. Accumulated sick leave benefits are payable to terminated employees who meet specific requirements set forth in the negotiated employee association contracts.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. Long-term Obligations:

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

10. Deferred Inflows/Outflows of Resources:

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category which arises only under the economic resources measurement focus and the accrual basis of accounting. Accordingly, the item, deferred outflows related to pensions, is reported only in the government-wide financial statements.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has two deferred inflow items. The first, unavailable revenue, arises only under a modified accrual basis of accounting and qualifies for reporting in this category. Accordingly, the item is reported only in the governmental funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The unavailable revenues are from two sources: property taxes and special assessments. The second item is the collective deferred inflows related to net pension liability arising under the economic resources measurement and accrual basis of accounting, which is reported in the statement of financial position.

11. Interfund Activity:

Interfund activity is reported either as a loan, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed at or near market rates, are treated as revenues and expenditures/expenses. Cost allocations for support services are revenue and expense in the fund financial statements and are eliminated in the government-wide Statement of Activities.

12. Net Position and Fund Balance:

In government-wide and proprietary fund statements, equity is classified as net position and displayed in three components, if applicable:

- a. Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- b. Restricted net position – consists of net position with constraints placed on their use, either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County's fund balance categories are as follows:

- a. Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaids) or are legally required to remain intact (such as notes receivable or principal of a permanent fund).
- b. Restricted fund balance – amounts constrained to specific purposes by their external providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. Committed resources cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- d. Assigned fund balance – amounts a government intends to use for a specific purpose as expressed by the governing body or by an official or body to which the governing body delegates the authority.
- e. Unassigned fund balance – represents the residual classifications for the general fund or deficit balances in other funds.

The Board of Commissioners establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. The County Administrator and Comptroller have been delegated authority to assign ending fund balance and to report any assigned funds to the Board of Commissioners at their next regular scheduled board meeting.

It is the policy of the County to spend restricted fund balance first (unless legal requirements dictate otherwise) followed by committed, assigned, and unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is Humboldt County's policy to use restricted resources first, then unrestricted resources as they are needed.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Board also adopted a policy to maintain a minimum level of unrestricted fund balance for the General Fund at 10% of total general fund expenditures including other financing uses. By adopting this policy, the County wishes to avoid the need for service level reductions in the event of an economic downturn causing revenues to come in lower than budget.

13. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

14. Comparative Data:

Comparative data for the year ended June 30, 2016 has been extracted from the fiscal year 2016 financial statements. It has been provided to add comparability, but is not considered full disclosure of transactions for fiscal year 2016. Such information can only be obtained by referring to the audited financial statements for that year.

15. Stabilization Arrangement:

The County has established a stabilization arrangement under NRS 354.6115 to stabilize operations and mitigate effects of natural disasters. Funds restricted in the Stabilization Fund must be used only if the total actual revenue falls short by 8% or more of the total anticipated revenue in the general fund for the fiscal year in which the County uses the funds. Additionally, the County Board of Commissioners must issue a formal declaration that a natural disaster exists before resources in the fund can be used to pay expenses incurred to mitigate the effects of the disaster. There are currently no provisions for additions to the stabilization fund.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The County conformed to all significant statutory constraints on its financial administration during the year, with the following exceptions:

- Actual expenditures in the health function of the General Fund exceeded appropriations by \$12,355, an apparent violation of NRS 354.626.
- Actual expenditures in the welfare function of the Indigent Fund exceeded appropriations by \$12,137, an apparent violation of NRS 354.626.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

- Actual expenditures in the judicial function of the 6th Judicial District Drug Court Fund exceeded appropriations by \$114,501 an apparent violation of NRS 354.626.
- The 6th Judicial District Fund entered into a contract to have the courthouse remodeled totaling \$38,591 without soliciting for two quotes, an apparent violation of NRS 332.039.
- The Board of Commissioners of Humboldt County did not approve all minutes of their meetings within the latter of 45 days of the meeting or their next meeting, an apparent violation of NRS 241.035.

NOTE 3 – CASH AND INVESTMENTS

Deposits and investments

The following schedule summarizes cash and investments for the County at June 30, 2017:

Cash and Investment Balances Held By:

Government Funds	\$ 45,754,427
Enterprise Funds	4,763,643
Fiduciary Funds	7,531,718
Total Cash and Investments	\$ 58,049,788

Investments are carried at fair value. The following is a listing of those investments as of June 30, 2017:

<u>Investment Type</u>	Investment Maturities (in years)			
	Fair Value	Less than 1	1 to 5	6 to 10
U.S. Treasury Notes	\$ 2,023,636	\$ 1,357,752	\$ 665,884	\$ -
Government Agencies	937,994	-	341,074	596,920
Asset Backed Fixed Income				
Securities	963,440	330,942	632,498	-
Corporate Bonds	2,613,976	874,756	1,739,220	-
Mortgage Backed Securities	986,052	243,134	742,918	-
Money Market Mutual Funds	255,217	255,217	-	-
State of Nevada Local				
Government Investment Pool	5,045,174	5,045,174	-	-
Total Investments	12,825,489	8,106,975	4,121,594	596,920
Total Cash (Carrying Amount)	45,224,299	40,666,058	3,360,047	1,198,194
Total Cash and Investments	\$ 58,049,788	\$ 48,773,033	\$ 7,481,641	\$ 1,795,114

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 3 – CASH AND INVESTMENTS (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Quality Ratings Average of Moody's and Standard & Poor's</u>			
		<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Unrated</u>
<u>Debt Securities</u>					
U.S. Treasury Notes	\$2,023,636	\$ -	\$ -	\$ -	\$2,023,636
Government Agencies	937,994	35,179	895,810	-	7,005
Asset Backed Fixed Income Securities	963,440	-	-	-	963,441
Corporate Bonds	2,613,976	1,273,738	167,677	1,172,560	-
Mortgage Backed Securities	986,052	426,081	-	-	559,971
Money Market Mutual Funds	255,217	-	-	-	255,217
State of Nevada Local Government Investment Pool	5,045,174	-	-	-	5,045,174
Total Investments	12,825,489	<u>\$1,734,998</u>	<u>\$1,063,487</u>	<u>\$1,172,560</u>	\$8,854,444
Total Cash (Carrying Amount)	<u>45,224,299</u>				
Total Cash and Investments	<u>\$ 58,049,788</u>				

The County is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the State of Nevada Board of Finance. The County's investments in the LGIP are equal to its original investment plus monthly allocations of interest income, and realized and unrealized gains and losses, which is the same as the value of the pool shares. The County's investment in the LGIP is reported at fair value. Wells Fargo determines the fair value of the investments on a monthly basis.

Nevada Revised Statutes (NRS. 355.170) set forth acceptable investments for Nevada local governments. The County has not adopted a formal investment policy that would further limit its investment choices nor further limit its exposure to certain risks as set forth below.

Interest Rate Risk – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. As noted above, the County does not have a formal investment policy that limits investment maturities to reduce its exposure to fair value losses arising from increasing interest rates beyond those specified in the Statute.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of investments. The LGIP is an unrated external investment pool and, as noted above, the County does not have a formal investment policy that specifies minimum acceptable credit ratings beyond what is specified in the Nevada Revised Statutes.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. The County's bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 3 – CASH AND INVESTMENTS (continued)

External Investment Pool – Humboldt County administers an external investment pool combining Humboldt County funds with voluntary investments from Humboldt County School District (Debt Service), Golconda Fire Protection District and Paradise Fire Protection District. There are no involuntary participants in the pool. The pool is not registered with the SEC and the Board of County Commissioners has overall responsibility for investment of funds including the external investment pool in accordance with NRS 355.175. The Humboldt County Treasurer is delegated investment responsibilities. Monthly, Wells Fargo Bank determines the fair value of the pool’s investments held by them. Each participant’s share is equal to their original investment plus the monthly allocation of interest income. The County has not provided nor obtained any legally binding guarantees to support the value of shares. This is an unrated pool.

<u>Investment Type</u>	<u>Fair Value/ Carrying Amount</u>	<u>Principal Amount Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Wells Fargo Savings	\$6,840,807	\$6,840,807	Variable	July 1, 2018

EXTERNAL INVESTMENT POOL CONDENSED FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2017

ASSETS:

Wells Fargo Savings	<u><u>\$ 6,840,807</u></u>
---------------------	----------------------------

NET POSITION HELD IN TRUST FOR POOL PARTICIPANTS:

Net position consists of:	
Internal participant shares	\$ 3,081,934
External participant shares	<u>3,758,873</u>
Total Participant Shares Outstanding (\$1.00 par)	<u><u>\$ 6,840,807</u></u>

STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017

Net increase (decrease) in net position resulting from operations:	
Investment income (loss)	\$ (4,984,887)
Net position, July 1	<u>11,825,694</u>
Net position, June 30	<u><u>\$ 6,840,807</u></u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 – FAIR VALUE MEASUREMENTS

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of June 30, 2017:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U.S. Treasury Notes	\$ 2,023,636	\$ 2,023,636	\$ -	\$ -
Government Agencies	937,994	-	937,994	-
Asset Backed Securities	963,440	-	963,440	-
Corporate Bonds	2,613,976	-	2,613,976	-
Mortgage Backed Securities	986,052	-	986,052	-
Money Market Mutual Funds	255,217	255,217	-	-
State of Nevada Local Government Investment Pool	5,045,174	515,617	4,529,557	-
Total Investments	<u>\$12,825,489</u>	<u>\$ 2,794,470</u>	<u>\$10,031,019</u>	<u>\$ -</u>

Investments classified in Level 1 of the fair value hierarchy are valued using quoted market prices. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value investments based on the investment’s relationship to benchmark quoted prices.

NOTE 5 – ASSESSMENT DISTRICT RECEIVABLE

During the year ended June 30, 2009, Humboldt County completed improvements on a special assessment district. The total cost of the project was \$305,101. The County contributed \$72,144 and \$232,957 was charged back to the land owners in the form of notes receivable from the landowners. The balance remaining on the assessment receivable as of June 30, 2017 is \$17,771.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,382,383	\$ -	\$ -	\$ 2,382,383
Construction in progress	716,594	661,509	(55,805)	1,322,298
Total capital assets, not being depreciated	<u>3,098,977</u>	<u>661,509</u>	<u>(55,805)</u>	<u>3,704,681</u>
Capital assets, being depreciated:				
Buildings	25,051,848	74,546	(534,046)	24,592,348
Improvements other than buildings	1,080,417	-	-	1,080,417
Infrastructure	66,670,894	31,394	-	66,702,288
Machinery and equipment	14,715,419	463,269	(226,335)	14,952,353
Total capital assets, being depreciated	<u>107,518,578</u>	<u>569,209</u>	<u>(760,381)</u>	<u>107,327,406</u>
Less accumulated depreciation for:				
Buildings	(15,297,085)	(678,134)	227,171	(15,748,048)
Improvements other than buildings	(715,678)	(61,187)	-	(776,865)
Infrastructure	(29,280,632)	(1,438,802)	-	(30,719,434)
Machinery and equipment	(10,400,930)	(867,843)	226,335	(11,042,438)
Total accumulated depreciation	<u>(55,694,325)</u>	<u>(3,045,966)</u>	<u>453,506</u>	<u>(58,286,785)</u>
Total capital assets, being depreciated, net	<u>51,824,253</u>	<u>(2,476,757)</u>	<u>(306,875)</u>	<u>49,040,621</u>
Governmental activities capital assets, net	<u>\$ 54,923,230</u>	<u>\$(1,815,248)</u>	<u>\$ (362,680)</u>	<u>\$ 52,745,302</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 302,374	\$ -	\$ -	\$ 302,374
Construction in progress	20,292	167,698	-	187,990
Total capital assets, not being depreciated	<u>322,666</u>	<u>167,698</u>	<u>-</u>	<u>490,364</u>
Capital assets, being depreciated:				
Buildings and improvements	77,612	-	-	77,612
Machinery and equipment	1,205,103	43,824	(29,700)	1,219,227
Infrastructure	4,749,393	-	-	4,749,393
Total capital assets, being depreciated	<u>6,032,108</u>	<u>43,824</u>	<u>(29,700)</u>	<u>6,046,232</u>
Less accumulated depreciation for:				
Buildings and improvements	(73,410)	(1,056)	-	(74,466)
Machinery and equipment	(1,027,661)	(48,073)	29,700	(1,046,034)
Infrastructure	(1,601,439)	(108,261)	-	(1,709,700)
Total accumulated depreciation	<u>(2,702,510)</u>	<u>(157,390)</u>	<u>29,700</u>	<u>(2,830,200)</u>
Total capital assets, being depreciated, net	<u>3,329,598</u>	<u>(113,566)</u>	<u>-</u>	<u>3,216,032</u>
Business-type activities capital assets, net	<u>\$ 3,652,264</u>	<u>\$ 54,132</u>	<u>\$ -</u>	<u>\$ 3,706,396</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 6 – CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs of Humboldt County as follows:

Governmental activities:		
General government	\$	146,400
Public safety		223,498
Judicial		25,754
Public works		1,740,378
Culture and recreation		123,440
Community support		786,496
Total depreciation expense – governmental activities		\$ 3,045,966
Business-type activities:		
Humboldt Television fund	\$	26,650
Solid Waste Management fund		839
Quinn River TV fund		9,056
Denio TV fund		160
Golconda Water fund		48,781
McDermitt Water fund		28,038
McDermitt Sewer fund		38,108
Paradise Sewer fund		5,758
Total depreciation expense – business-type activities		\$ 157,390

NOTE 7 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2017 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Road Fund	General Fund	\$ 32,349
	6th Judicial District Fund	1,238
	Nonmajor Governmental Funds	3,799
	Winnemucca Events Complex Fund	5,264
	Humboldt Television Fund	394
Total Road Fund		\$ 43,044
Landfill Fund	General Fund	\$ 1,755
	Road Fund	50
	6th Judicial District Fund	21
	Winnemucca Events Complex Fund	351
	Nonmajor Governmental Funds	141
Total Landfill Fund		\$ 2,318
Total		\$ 45,362

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7 – INTERFUND BALANCES AND TRANSFERS (continued)

Interfund receivables and payables include charges incurred by one fund for the benefit of another fund. An example of these types of charges is motor vehicle fuel. Bulk fuel is purchased by the road department for use by other funds. These charges are then allocated to the appropriate fund. Other examples include postage and copy charges.

Interfund transfers for the year ended June 30, 2017 are as follows:

Transfers From:	Transfers To:	Amount
6th Judicial District	General Fund	\$ 12,500
Road Fund	General Fund	10,000
Indigent Fund	General Fund	500
Winnemucca Events Complex Fund	General Fund	2,501
In Lieu of Tax	Road Fund	150,000
	Nonmajor Governmental	1,200,000
		1,350,000
Nonmajor Governmental Funds	General Fund	11,500
Solid Waste Fund	General Fund	300
TV Fund	General Fund	750
	Nonmajor Governmental Fund	350,000
		350,750
	Total Interfund Transfers	\$1,738,051

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them, (2) use of revenues collected in the In-Lieu-of Tax Fund to finance various programs accounted for in other funds in accordance with budgetary authorization and (3) to provide funding for the internally-reported compensated absences and unemployment compensation funds.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 – COMMITMENTS

As of June 30, 2017, the County had the following commitments outstanding:

Project Description	Commitment Authorization	Project Expended/ Retainage	Balance at June 30, 2017
CSI Telecommunications Project	\$ 1,638,998	\$ 800,174	\$ 838,824
LSA Associates, Inc.	338,492	61,687	276,805
Destiny Communications	313,677	118,735	194,942
Other Projects	203,830	111,776	92,054
Totals	<u>\$ 2,494,997</u>	<u>\$ 1,092,372</u>	<u>\$ 1,402,625</u>

NOTE 9 – LONG TERM DEBT

The liability for compensated absences is included in the noncurrent liabilities on the government-wide Statement of Net Position. For the governmental activities, compensated absences are generally liquidated by a combination of the major and nonmajor governmental funds with the majority liquidated from the General Fund.

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2017 was as follows:

Governmental activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	<u>\$ 741,149</u>	<u>\$ 832,427</u>	<u>\$ 835,016</u>	<u>\$ 738,560</u>	<u>\$ 738,560</u>
Governmental activities Long-term liabilities	<u>\$ 741,149</u>	<u>\$ 832,427</u>	<u>\$ 835,016</u>	<u>\$ 738,560</u>	<u>\$ 738,560</u>
<u>Business-type activities:</u>					
Sewer Revenue Bond Series 2008	<u>\$ 237,663</u>	<u>\$ -</u>	<u>\$ 4,013</u>	<u>\$ 233,650</u>	<u>\$ 4,191</u>
Business-type activities Long-term liabilities	<u>\$ 237,663</u>	<u>\$ -</u>	<u>\$ 4,013</u>	<u>\$ 233,650</u>	<u>\$ 4,191</u>

McDermitt General Improvement District authorized a Series 2008 Revenue Bond on November 6, 2008 in the maximum aggregate principal sum of \$270,000 for the purpose of improving and equipping a sanitary sewer project. The interest rate is 4.375% per annum, and payments are due on a semi-annual basis. Final payment will be due November 6, 2045.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – LONG TERM DEBT (continued)

As of June 30, 2017, annual requirements to amortize the outstanding bond payable debt to maturity are projected to be as follows:

Year Ended June 30,	Business-Type Activities Revenue Bonds		
	Principal	Interest	Total
2018	4,191	10,168	14,359
2019	4,376	9,983	14,359
2020	4,570	9,789	14,359
2021	4,772	9,587	14,359
2022	4,983	9,376	14,359
2023-2027	28,630	43,371	72,001
2028-2032	35,288	36,505	71,793
2033-2037	43,814	27,979	71,793
2038-2042	54,398	17,394	71,792
2043-2046	48,628	4,532	53,160
TOTAL	\$ 233,650	\$ 178,684	\$ 412,334

NOTE 10 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters, as are all entities.

The County has joined together with similar public agencies (cities, counties and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The County pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The pool is considered a self-sustaining risk pool that will provide liability coverage for its members up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sub-limits established for earthquake, flood, equipment breakdown, and money and securities.

The County has also joined together with similar public agencies effective April 1, 1996, to create a second pool under the Nevada Interlocal Cooperation Act. The Public Agency Compensation Trust (PACT) is an intergovernmental self-insurance association for workers' compensation insurance.

The County pays premiums based upon payroll costs to the PACT. The PACT is considered a self-sustaining pool that will provide coverage based on established statutory limits.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 10 – RISK MANAGEMENT (continued)

The County continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by the Pool (bonding and boiler coverage) and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11 – PENSION PROGRAM

Plan Description. The County participates in a cost sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement System of the State of Nevada (PERS). All full-time and certain part-time employees of the County are covered by PERS. The Public Employees Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained on the PERS website at www.nvpers.org under Quick Links – Publications.

Benefits Provided. PERS provides retirement benefits, disability benefits, and survivor benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Benefits, as required by Nevada Revised Statute 286, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier and for regular members entering the System on or after July 1, 2015 there is a 2.25% multiplier. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by authority of NRS 286.575 - .579.

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015 are eligible for retirement at age 65 with five years of service, age 62 with ten years of service, age 55 with thirty years of service, or at any age with thirty-three and one third (33 1/3) years of service.

Police/Fire members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, at age 50 with twenty years of service, or at any age with thirty years of service. Only service performed

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 11 – PENSION PROGRAM (continued)

as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

Contributions. Benefits for plan members are funded under the employer pay contribution plan. The County is required to contribute all amounts due under this plan. The contribution requirements of the County are established by Chapter 286 of the Nevada Revised Statutes. The funding mechanism may only be amended through legislation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2017, the County reported a liability of \$26,686,524 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. The County’s proportion was 0.19831%, as of June 30, 2016.

For the year ended June 30, 2017 the County recognized pension expense of \$3,942,702 in governmental activities and \$31,796 in business-type activities for a total pension expense of \$3,974,498. At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,069,763
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	2,480,844	3,481,814
Changes in proportion and differences between County and proportionate share of contributions	334,753	2,226,923
County contributions subsequent to the measurement date	3,322,878	-
Total	\$ 6,138,475	\$ 9,778,500

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 11 – PENSION PROGRAM (continued)

\$3,322,878 reported as deferred outflows related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	
2017-18	\$ (2,150,905)
2018-19	(2,150,905)
2019-20	(927,603)
2020-21	(503,004)
2021-22	(878,903)
Thereafter	(351,583)

Actuarial assumptions. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following assumptions, applied to all periods including the measurement:

Inflation	3.50%
Salary Increases	4.60% to 9.75%, depending on service
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for males or females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the experience review completed in 2013.

The System's policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic equity	42%	5.50%
International equity	18%	5.75%
Domestic fixed income	30%	0.25%
Private markets	10%	6.80%
Total	100%	

*As of June 30, 2015, PERS' long-term inflation assumption was 3.5%.

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11 – PENSION PROGRAM (continued)

Discount rate. The discount rate used to measure the total pension liability was 8.00% as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan’s fiduciary net position at June 30, 2016, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2016.

Pension liability sensitivity. The following represents the County’s proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower (7.00%) or 1 percentage point higher (9.00%) than the current discount rate:

	1% Decrease (7.00%)	Current Rate (8.00%)	1% Increase (9.00%)
County’s net pension liability	\$39,117,225	\$26,686,524	\$16,344,327

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in a separately-issued PERS financial report that includes financial statements and required supplementary information. That report may be obtained on the PERS website at www.nvpers.org under Quick Links – Publications.

NOTE 12 – LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require the government to place a final cover on the Humboldt County Regional Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. During the year ended June 30, 1999, the County Commissioners approved the County’s purchase of insurance to cover the costs of closure and post-closure of the landfill. The County is obligated under the insurance policy to an annual premium of \$61,646 over 15 years, with the first payment due July 1, 1999. The County expects to close the landfill in the year 2031.

At June 30, 2017, financial assurance relative to costs of closure and post-closure of the landfill was fulfilled through insurance coverage.

NOTE 13 - CONTINGENCIES

There are legal actions and claims pending against Humboldt County. The financial impact of these actions is not determinable at June 30, 2017. The effect of any resulting uninsured liability on the financial position or results of operations of the County is unknown.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Net Other Postemployment Benefits Obligation. In fiscal year 2009, the County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This statement required the County to calculate and record a net other postemployment benefit obligation. At June 30, 2017, the net other postemployment benefit liability for the County was \$1,621,070. The County finances their liability on the pay-as-you-go basis.

Plan Descriptions. The County administers a single-employer defined benefit healthcare plan, Humboldt County Health Insurance Plan (HCHIP). Additionally, the County contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefit Plan (PEBP). Each plan provides medical, vision, dental, prescription, and life insurance benefits to eligible retired County employees and beneficiaries.

Benefit provisions for the HCHIP are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of County Commissioners. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the County's group health insurance plan, which covers both active and retired members. Under NRS 287.023 eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. Eligible retirees are participants in the Nevada Public Employee Retirement System (PERS) and retired from the County at the time of their election to participate. As of June 30, 2017, 5 retirees were using this plan. The HCHIP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefits provisions to the PEBP nine-member board of trustees. County employees who met the eligibility requirements effective September 1, 2008 for retirement within the Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for County employees who retired after November 29, 2008. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan. As of June 30, 2017, 57 county retirees were utilizing this benefit. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV 89701, by calling (775) 684-7000 or (800) 326-5496, or by accessing the website at www.pebp.state.nv.us/informed/financial.htm.

Funding Policy and Annual OPEB Cost. For HCHIP, contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The County's contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the County. The implicit subsidy as determined by the actuary is \$24,287.

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

For the PEBP plan, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired County employees. Plan members receiving benefits have their monthly contribution deducted from their pension checks based on the health plan chosen by the retiree as reduced by the amount of the subsidy, therefore, their contributions are not available. For the plan year ended June 30, 2017, retirees qualify for a subsidy of \$22 at five years of service and \$184 at 20 years of service with incremental increases for years of service between. Subsidy rates for retirees covered under the Medicare Exchange were \$60 at five years of service and \$240 at 20 years of service with incremental increases for years of service between. The contribution requirements of plan members and the County are established and amended by the PEBP board of trustees. As a participating employer, the County is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it. For fiscal year 2017, the County contributed \$132,643 to the plan for current premiums. The County did not prefund any future benefits.

Annual OPEB Cost and Net OPEB Obligation. The County’s annual other postemployment benefit (OPEB) cost (expense) for the plans is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Due to the nature of long term projections the assumptions give a rough estimate and the exact amounts may never be reached. This can be due to many possible changes, such as; the number of participating retirees, new employees, changes in the share of employees enrolled in retirements and mortality.

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal years 2015 through 2017 were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
HCHIP	6/30/17	\$ (2,733,846)	\$ 24,287	0.89%	\$ 1,455,653
HCHIP	6/30/16	\$ 462,520	\$ 30,096	6.51%	\$ 4,056,560
HCHIP	6/30/15	\$ 433,434	\$ 36,509	8.42%	\$ 3,624,136
PEBP	6/30/17	\$ 113,547	\$ 132,643	116.82%	\$ 165,417
PEBP	6/30/16	\$ 136,546	\$ 141,542	103.66%	\$ 184,513
PEBP	6/30/15	\$ 136,055	\$ 134,078	98.55%	\$ 189,509
Combined Totals	6/30/17	\$ 2,620,299	\$ 156,930		\$ 1,621,070
Combined totals	6/30/16	\$ 599,066	\$ 171,638		\$ 4,241,073
Combined Totals	6/30/15	\$ 569,489	\$ 170,587		\$ 3,813,645

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

The net OPEB obligation (NOPEBO) as of June 30, 2017, was calculated as follows:

	HCHIP	PEBP	Totals
Annual required contribution (ARC)	\$ 234,325	\$ 117,930	\$ 352,255
Interest on the beginning net OPEB obligation	126,970	5,775	132,745
ARC Adjustment	(2,937,915)	(10,158)	(2,948,073)
Annual OPEB cost	(2,576,620)	113,547	(2,463,073)
Contributions made	(24,287)	(132,643)	(156,930)
Increase (decrease) in net OPEB obligation	(2,600,907)	(19,096)	(2,620,003)
Net OPEB obligation (asset), beginning of year	4,056,560	184,513	4,241,073
Net OPEB obligation (asset), end of year	<u>\$ 1,455,653</u>	<u>\$ 165,417</u>	<u>\$ 1,621,070</u>

Funded Status and Funding Progress. The funded status of the plans as of June 30, 2017, was as follows:

	HCHIP	PEBP	Totals
Accrued actuarial liability (a)	\$ 1,455,653	\$ 2,077,015	\$ 3,532,668
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued liability (a) – (b)	\$ 1,455,653	\$ 2,077,015	\$ 3,532,668
Funded ratio (b) / (a)	0.00%	0.00%	0.00%
Covered payroll (c)	\$ 10,845,694	N/A	
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) – (b)) / (c)	13.42%		

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actual accrued liabilities for benefits.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Significant methods and assumptions used in the July 1, 2016 actuarial valuation were as follows:

	HCHIP	PEBP
Actuarial valuation date	07/01/16	07/01/16
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level dollar	Level dollar
Amortization period	30 years (open)	26 years (closed)
Asset valuation method	Market value	Market value
 <u>Actuarial assumptions:</u>		
Investment rate of return	3.13%	3.13%
Projected salary increases	4.00%	N/A
Healthcare inflation rate*	5.00%	N/A

*Decreasing 1.00% each year until ultimate trend rate of 5.00% is reached

NOTE 15 – PRIOR PERIOD ADJUSTMENTS

It was determined that two special districts, the McDermitt General Improvement District (containing a water fund and a sewer fund), and the Paradise Sewer District, are component units of Humboldt County. Accordingly, a prior period adjustment of \$2,065,412 is reflected in the beginning net position of the business-type activities to combine the assets, liabilities, and net position of those funds with the other business-type activities of Humboldt County.

An error resulting in an overstatement of previously reported accounts payable in the General Fund was discovered during the current year. Accordingly, an adjustment of \$60,130 was made to correct the balance and increase the beginning fund balance of the General Fund in the governmental funds balance sheet and the beginning net position of the governmental activities in the statement of activities.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – GOVERNMENTAL FUND BALANCES

Governmental fund balances are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the fund. A summary of governmental fund balances at June 30, 2017 is shown on the following pages.

	Major Governmental Funds				
	General Fund	Indigent Fund	Road Fund	Regional Transportation Fund	6th Judicial District Fund
Fund Balances					
Nonspendable					
Notes receivable	\$ 583	\$ -	\$ -	\$ -	\$ -
Restricted					
Unemployment claims	185,455	-	-	-	-
County and city road projects	-	-	-	2,076,920	-
Technology enhancements	-	-	-	-	919
Indigent medical	-	-	-	-	-
Government stabilization	-	-	-	-	-
Purchase of capital assets	-	-	-	-	-
Judicial support	-	-	-	-	-
Check restitution	-	-	-	-	-
Assessor's technology	-	-	-	-	-
Local agricultural education	-	-	-	-	-
Drug court	-	-	-	-	-
911 enhancement	-	-	-	-	-
Fire protection	-	-	-	-	-
Library	-	-	-	-	-
Committed					
Compensated absences	167,479	-	-	-	-
Road repairs and maintenance	-	-	578,270	-	-
6th judicial court	-	-	-	-	6,480,972
Winnemucca events center complex	-	-	-	-	-
Indigent services	-	858,563	-	-	-
Library	-	-	-	-	-
Capital building projects	-	-	-	-	-
Assigned					
Budget shortfalls	8,183,467	-	-	-	-
Excess road fund expenditures	-	-	-	-	-
Unassigned	<u>7,570,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$16,107,812</u>	<u>\$ 858,563</u>	<u>\$ 578,270</u>	<u>\$ 2,076,920</u>	<u>\$ 6,481,891</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

Major Governmental Funds					
Indigent Medical Fund	Winnemucca Events Complex Fund	In Lieu-of- Tax Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 583
-	-	-	-	-	185,455
-	-	-	-	-	2,076,920
-	-	-	-	-	919
1,107,642	-	-	-	-	1,107,642
-	-	-	-	1,050,843	1,050,843
-	-	-	-	1,816,344	1,816,344
-	-	-	-	329,016	329,016
-	-	-	-	3,028	3,028
-	-	-	-	1,254,633	1,254,633
-	-	-	-	1,268,643	1,268,643
-	-	-	-	102,945	102,945
-	-	-	-	103,635	103,635
-	-	-	-	490,609	490,609
-	-	-	-	171,097	171,097
-	-	-	-	-	167,479
-	-	-	-	-	578,270
-	-	-	-	-	6,480,972
-	2,919,615	-	-	-	2,919,615
-	-	-	-	-	858,563
-	-	-	-	3,298,157	3,298,157
-	-	-	1,275,763	-	1,275,763
-	-	-	-	-	8,183,467
-	-	4,910,444	-	-	4,910,444
-	-	-	-	-	7,570,828
<u>\$ 1,107,642</u>	<u>\$ 2,919,615</u>	<u>\$ 4,910,444</u>	<u>\$ 1,275,763</u>	<u>\$ 9,888,950</u>	<u>\$ 46,205,870</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 17 - EXTRAORDINARY ITEM

During the year, the County disposed of a warm-up riding arena damaged during a storm. Initial cost of the asset was \$429,046, accumulated depreciation was \$150,171 and net book value was \$278,875. Insurance proceeds were received in the amount of \$607,674 resulting in an overall gain on the disposal. The overall gain of \$328,799 is reported on the Statement of Activities.

HUMBOLDT COUNTY
Required Supplementary Information
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual - By Function and Department
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 3,462,943	\$ 3,612,943	\$ 5,083,189	\$ 1,470,246
Licenses and permits	990,000	990,000	1,116,823	126,823
Intergovernmental revenues	6,722,121	6,722,121	7,947,995	1,225,874
Charges for services	285,500	285,500	382,209	96,709
Fines and forfeits	607,000	607,000	775,898	168,898
Miscellaneous	120,000	120,000	329,867	209,867
	<u>12,187,564</u>	<u>12,337,564</u>	<u>15,635,981</u>	<u>3,298,417</u>
EXPENDITURES BY FUNCTION AND DEPARTMENT				
Current:				
General Government:				
Commission	291,080	291,080	280,855	10,225
Administrator	360,745	360,745	327,097	33,648
Elections	60,000	60,000	54,389	5,611
Comptroller	370,020	370,020	318,870	51,150
Assessor	740,970	740,970	678,759	62,211
Treasurer	309,000	309,000	288,781	20,219
Clerk	448,560	448,560	427,876	20,684
Recorder	333,840	333,840	303,152	30,688
Computer systems	419,096	419,096	351,326	67,770
Planning	152,486	152,486	102,144	50,342
Buildings and grounds	1,216,582	1,216,582	1,109,923	106,659
Communications	317,128	317,128	290,274	26,854
Personnel	46,500	46,500	21,491	25,009
Miscellaneous	1,391,000	1,391,000	839,492	551,508
	<u>6,457,007</u>	<u>6,457,007</u>	<u>5,394,429</u>	<u>1,062,578</u>
Judicial:				
Justice Court	657,670	657,670	629,363	28,307
District Attorney	1,615,328	1,615,328	1,431,077	184,251
Child Support	458,322	458,322	431,270	27,052
Public Defender	369,040	369,040	278,558	90,482
	<u>3,100,360</u>	<u>3,100,360</u>	<u>2,770,268</u>	<u>330,092</u>

(continued)

HUMBOLDT COUNTY
Required Supplementary Information
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual - By Function and Department
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Public Safety:				
Sheriff	\$ 3,390,250	\$ 3,390,250	\$ 3,325,153	\$ 65,097
Detention	2,854,750	2,854,750	2,619,322	235,428
Dispatch	1,256,150	1,256,150	993,931	262,219
Building Official	326,480	326,480	251,142	75,338
Task Force	146,170	146,170	146,325	(155)
LEPC	-	-	32,254	(32,254)
Total Public Safety Function	<u>7,973,800</u>	<u>7,973,800</u>	<u>7,368,127</u>	<u>605,673</u>
Public Works	<u>22,000</u>	<u>22,000</u>	<u>21,683</u>	<u>317</u>
Health:				
Health	185,532	185,532	139,386	46,146
Mosquito control	<u>125,000</u>	<u>125,000</u>	<u>183,501</u>	<u>(58,501)</u>
Total Health Function	<u>310,532</u>	<u>310,532</u>	<u>322,887</u>	<u>(12,355)</u>
Culture and Recreation	<u>2,500</u>	<u>2,500</u>	<u>(2,500)</u>	<u>5,000</u>
Community Support	<u>928,500</u>	<u>928,500</u>	<u>837,707</u>	<u>90,793</u>
Intergovernmental Expenditures	<u>606,000</u>	<u>606,000</u>	<u>531,624</u>	<u>74,376</u>
Total Expenditures	<u>19,400,699</u>	<u>19,400,699</u>	<u>17,244,225</u>	<u>2,156,474</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,213,135)</u>	<u>(7,063,135)</u>	<u>(1,608,244)</u>	<u>5,454,891</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(92,370)	(242,370)	(65,980)	176,390
Contingency	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>	<u>350,000</u>
Total other financing sources and uses	<u>(442,370)</u>	<u>(592,370)</u>	<u>(65,980)</u>	<u>526,390</u>
Net change in fund balance	<u>(7,655,505)</u>	<u>(7,655,505)</u>	<u>(1,674,224)</u>	<u>5,981,281</u> (continued)

HUMBOLDT COUNTY
Required Supplementary Information
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual - By Function and Department
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Fund balance - beginning	\$ 12,505,210	\$ 12,505,210	\$ 17,368,971	\$ 4,863,761
Prior period adjustment	-	-	60,130	60,130
Fund balance - beginning, restated	<u>12,505,210</u>	<u>12,505,210</u>	<u>17,429,101</u>	<u>4,923,891</u>
Fund balance - ending	<u>\$ 4,849,705</u>	<u>\$ 4,849,705</u>	<u>\$ 15,754,877</u>	<u>\$ 10,905,172</u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
Indigent Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes:				
Property taxes	\$ 310,288	\$ 310,288	\$ 420,070	\$ 109,782
Intergovernmental Revenue:				
Welfare set aside	-	5,574	5,574	-
Miscellaneous	1,000	1,000	12,142	11,142
Total Revenues	<u>311,288</u>	<u>316,862</u>	<u>437,786</u>	<u>120,924</u>
EXPENDITURES				
Welfare Function:				
Institutional care	86,196	86,196	79,659	6,537
Old age assistance	-	5,574	11,638	(6,064)
General assistance:				
Salaries and wages	45,850	45,850	47,740	(1,890)
Employee benefits	26,250	26,250	25,429	821
Services and supplies	43,600	43,600	55,141	(11,541)
Total Welfare Function	<u>201,896</u>	<u>207,470</u>	<u>219,607</u>	<u>(12,137)</u>
Intergovernmental Expenditure Function:				
Services and supplies	222,640	222,640	167,134	55,506
Total Expenditures	<u>424,536</u>	<u>430,110</u>	<u>386,741</u>	<u>43,369</u>
Excess (deficiency) of revenues over (under) expenditures	(113,248)	(113,248)	51,045	164,293
OTHER FINANCING SOURCES (USES)				
Transfers - out	(700)	(700)	(500)	200
Net change in fund balance	(113,948)	(113,948)	50,545	164,493
Fund balance - beginning	652,271	652,271	808,018	155,747
Fund balance - ending	<u>\$ 538,323</u>	<u>\$ 538,323</u>	<u>\$ 858,563</u>	<u>\$ 320,240</u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
Road Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original Budget	Final Budget	Actual	Variance to Final Budget
REVENUES				
Intergovernmental Revenues:				
Federal grants	\$ -	\$ -	\$ 10,018	\$ 10,018
Consolidated tax	1,262,174	1,262,174	426,496	(835,678)
Motor vehicle fuel taxes 1.25 cents	455,919	455,919	490,238	34,319
Motor vehicle fuel taxes 1.75 cents	183,361	183,361	202,420	19,059
Motor vehicle fuel taxes 2.35 cents	783,401	783,401	777,015	(6,386)
Total Intergovernmental Revenues	2,684,855	2,684,855	1,906,187	(778,668)
Charges for Services:				
Fuel sales reimbursements	225,000	225,000	161,566	(63,434)
Repair reimbursements	80,000	80,000	61,196	(18,804)
Total Charges for Services	305,000	305,000	222,762	(82,238)
Miscellaneous	5,000	5,000	7,413	2,413
Total Revenues	2,994,855	2,994,855	2,136,362	(858,493)
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Salaries and wages	1,142,710	1,142,710	1,092,307	50,403
Employee benefits	589,110	589,110	529,268	59,842
Services and supplies	1,859,200	1,859,200	1,651,915	207,285
Total Public Works Function	3,591,020	3,591,020	3,273,490	317,530
Total Expenditures	3,591,020	3,591,020	3,277,302	313,718
Excess (deficiency) of revenues over (under) expenditures	\$ (596,165)	\$ (596,165)	\$ (1,140,940)	\$ (544,775)
OTHER FINANCING SOURCES (USES)				
Transfers - in	150,000	150,000	150,000	-
Transfers - out	(14,000)	(14,000)	(10,000)	4,000
Total Other Financing Sources (Uses)	136,000	136,000	140,000	4,000
Net change in fund balance	(460,165)	(460,165)	(1,000,940)	(540,775)
Fund balance - beginning	1,045,747	1,045,747	1,579,210	533,463
Fund balance - ending	\$ 585,582	\$ 585,582	\$ 578,270	\$ (7,312)

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
Regional Transportation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenue:				
Gasoline taxes	\$ 1,188,675	\$ 1,188,675	\$ 1,330,729	\$ 142,054
Miscellaneous	1,000	1,000	2,361	1,361
Total Revenues	<u>1,189,675</u>	<u>1,189,675</u>	<u>1,333,090</u>	<u>143,415</u>
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Capital outlay	<u>1,550,000</u>	<u>1,550,000</u>	<u>1,043,352</u>	<u>506,648</u>
Excess (deficiency) of revenues over (under) expenditures	(360,325)	(360,325)	289,738	650,063
Fund balance - beginning	<u>1,656,600</u>	<u>1,656,600</u>	<u>1,787,182</u>	<u>130,582</u>
Fund balance - ending	<u>\$ 1,296,275</u>	<u>\$ 1,296,275</u>	<u>\$ 2,076,920</u>	<u>\$ 780,645</u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
6th Judicial District Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original Budget	Final Budget	Actual	Variance to Final Budget
REVENUES				
Taxes	\$ 1,604,937	\$ 1,604,937	\$ 2,172,700	\$ 567,763
Intergovernmental Revenue:				
Grants:				
OJJDP formula grant	-	-	16,042	16,042
Parenting project grant	-	-	3,057	3,057
Life is good grant	-	-	43	43
Room and board	-	-	21,276	21,276
Total Intergovernmental Revenues	-	-	40,418	40,418
Charges for Services	-	-	169	169
Fines and Forfeits	15,000	15,000	44,499	29,499
Miscellaneous	-	-	23,914	23,914
Total Revenues	1,619,937	1,619,937	2,281,700	661,763
EXPENDITURES				
Judicial Function:				
District Court:				
Salaries and wages	408,060	408,060	348,608	59,452
Employee benefits	175,770	175,770	155,900	19,870
Services and supplies	654,710	654,710	610,828	43,882
Capital outlay	210,000	210,000	6,763	203,237
	1,448,540	1,448,540	1,122,099	326,441
Total Judicial Function	1,448,540	1,448,540	1,122,099	326,441
Public Safety Function:				
Juvenile Probation:				
Salaries and wages	904,810	904,810	864,231	40,579
Employee benefits	470,660	470,660	413,623	57,037
Services and supplies	337,500	337,500	253,240	84,260
Total Public Safety Function	1,712,970	1,712,970	1,531,094	181,876

(continued)

HUMBOLDT COUNTY
Required Supplementary Information
6th Judicial District Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Intergovernmental Expenditure Function:				
Services and supplies	\$ 60,000	\$ 60,000	\$ 57,496	\$ 2,504
Total Expenditures	<u>3,221,510</u>	<u>3,221,510</u>	<u>2,710,689</u>	<u>510,821</u>
Excess (deficiency) of revenues over expenditures	(1,601,573)	(1,601,573)	(428,989)	1,172,584
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(17,500)</u>	<u>(17,500)</u>	<u>(12,500)</u>	<u>5,000</u>
Net change in fund balance	(1,619,073)	(1,619,073)	(441,489)	1,177,584
Fund balance - beginning	<u>5,257,601</u>	<u>5,257,601</u>	<u>6,923,380</u>	<u>1,665,779</u>
Fund balance - ending	<u><u>\$ 3,638,528</u></u>	<u><u>\$ 3,638,528</u></u>	<u><u>\$ 6,481,891</u></u>	<u><u>\$ 2,843,363</u></u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
Indigent Medical Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 246,913	\$ 246,913	\$ 334,605	\$ 87,692
Miscellaneous	1,000	1,000	2,057	1,057
Total Revenues	<u>247,913</u>	<u>247,913</u>	<u>336,662</u>	<u>88,749</u>
EXPENDITURES				
Welfare Function:				
Services and supplies	707,000	707,000	399,461	307,539
Intergovernmental Expenditure Function:				
Services and supplies	<u>155,000</u>	<u>155,000</u>	<u>111,419</u>	<u>43,581</u>
Total Expenditures	<u>862,000</u>	<u>862,000</u>	<u>510,880</u>	<u>351,120</u>
Excess (deficiency) of revenues over (under) expenditures	(614,087)	(614,087)	(174,218)	439,869
Fund balance - beginning	<u>868,430</u>	<u>868,430</u>	<u>1,281,860</u>	<u>413,430</u>
Fund balance - ending	<u><u>\$ 254,343</u></u>	<u><u>\$ 254,343</u></u>	<u><u>\$ 1,107,642</u></u>	<u><u>\$ 853,299</u></u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
Winnemucca Events Complex Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original Budget	Final Budget	Actual	Variance to Final Budget
REVENUES				
Taxes	\$ 329,218	\$ 329,218	\$ 445,689	\$ 116,471
Intergovernmental Revenue:				
Room taxes	200,000	200,000	332,288	132,288
Charges for Services	154,800	154,800	186,947	32,147
Miscellaneous	-	-	628,509	628,509
Total Revenues	684,018	684,018	1,593,433	909,415
EXPENDITURES				
Culture and Recreation Function:				
Salaries and wages	366,495	366,495	355,181	11,314
Employee benefits	154,858	154,858	140,486	14,372
Services and supplies	509,900	509,900	354,412	155,488
Capital outlay	485,000	485,000	151,739	333,261
Total Expenditures	1,516,253	1,516,253	1,001,818	514,435
Excess (deficiency) of revenues over (under) expenditures	(832,235)	(832,235)	591,615	1,423,850
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,501)	(3,501)	(2,501)	1,000
Net change in fund balance	(835,736)	(835,736)	589,114	1,424,850
Fund balance - beginning	1,036,035	1,036,035	2,330,501	1,294,466
Fund balance - ending	\$ 200,299	\$ 200,299	\$ 2,919,615	\$ 2,719,316

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
In-Lieu-of Tax Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenue:				
In-lieu-of tax payments	<u>\$ 1,400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 1,766,335</u>	<u>\$ 366,335</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,350,000)</u>	<u>(1,350,000)</u>	<u>(1,350,000)</u>	<u>-</u>
Net change in fund balance	50,000	50,000	416,335	366,335
Fund balance - beginning	<u>4,031,271</u>	<u>4,031,271</u>	<u>4,494,109</u>	<u>462,838</u>
Fund balance - ending	<u><u>\$ 4,081,271</u></u>	<u><u>\$ 4,081,271</u></u>	<u><u>\$ 4,910,444</u></u>	<u><u>\$ 829,173</u></u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2017

	<u>General Fund Budgetary Basis</u>	<u>Internally Reported Funds</u>	<u>Eliminations</u>	<u>General Fund GAAP Basis</u>
REVENUES				
Taxes	\$ 5,083,189	\$ -	\$ -	\$ 5,083,189
Licenses and permits	1,116,823	-	-	1,116,823
Intergovernmental revenue	7,947,995	-	-	7,947,995
Charges for services	382,209	-	-	382,209
Fines and forfeits	775,898	-	-	775,898
Miscellaneous revenues	329,867	913	-	330,780
Total Revenues	<u>15,635,981</u>	<u>913</u>	<u>-</u>	<u>15,636,894</u>
EXPENDITURES				
Current:				
General government	5,394,429	359,267	-	5,753,696
Judicial	2,770,268	-	-	2,770,268
Public safety	7,368,127	-	-	7,368,127
Public works	21,683	-	-	21,683
Health	322,887	-	-	322,887
Culture and recreation	(2,500)	-	-	(2,500)
Community support	837,707	-	-	837,707
Intergovernmental expenditures	531,624	-	-	531,624
Total Expenditures	<u>17,244,225</u>	<u>359,267</u>	<u>-</u>	<u>17,603,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,608,244)</u>	<u>(358,354)</u>	<u>-</u>	<u>(1,966,598)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	104,031	(65,980)	38,051
Transfers out	(65,980)	-	65,980	-
Total Other Financing Sources (Uses)	<u>(65,980)</u>	<u>104,031</u>	<u>-</u>	<u>38,051</u>
Net Change in Fund Balances	(1,674,224)	(254,323)	-	(1,928,547)
Fund Balances - beginning	<u>17,368,971</u>	<u>607,257</u>	<u>-</u>	<u>17,976,228</u>
Prior period adjustment	60,130	-	-	60,130
Fund Balances - beginning, restated	<u>17,429,101</u>	<u>607,257</u>	<u>-</u>	<u>18,036,358</u>
Fund Balances - ending	<u>\$ 15,754,877</u>	<u>\$ 352,934</u>	<u>\$ -</u>	<u>\$ 16,107,811</u>

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2017

Schedule of Funding Progress
Other Postemployment Benefits

	Actuarial	Actuarial	Actuarial			*	UAAL as a
	Valuation	Value of	Liability (AAL) -	Unfunded AAL	Funded Ratio	Covered Payroll	Percentage of
	Date	Assets	Level Dollar	(UAAL)	(a/b)	(c)	Covered Payroll
		(a)	(b)	(b-a)			([b-a]/c)
HCHIP	10/1/2011	\$ -	\$ 3,517,885	\$ 3,517,885	0.00%	\$ 10,160,248	34.62%
HCHIP	10/1/2013	\$ -	\$ 2,629,029	\$ 2,629,029	0.00%	\$ 11,462,887	22.94%
HCHIP	7/1/2016	\$ -	\$ 1,455,653	\$ 1,455,653	0.00%	\$ 10,845,694	13.42%
PEBP	10/1/2011	\$ -	\$ 2,374,011	\$ 2,374,011	0.00%	N/A	N/A
PEBP	10/1/2013	\$ -	\$ 2,381,039	\$ 2,381,039	0.00%	N/A	N/A
PEBP	7/1/2016	\$ -	\$ 2,077,015	\$ 2,077,015	0.00%	N/A	N/A

*PEBP closed to nonstaff public employees who retired after November 29, 2008.

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2017

Schedule of the County's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System of Nevada
Last 10 Fiscal Years

Year Ended June 30	County's proportion of the net pension liability (asset)	County's proportionate share of the net pension liability (asset)	County's covered- employee payroll	County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2017	0.19831%	\$ 26,686,520	\$ 10,656,770	250.42%	~
2016	0.22237%	25,482,108	10,965,385	232.39%	72.23%
2015	0.22353%	23,296,447	11,590,730	200.99%	75.13%
2014	*	29,394,061	11,364,235	258.65%	76.31%
2013	*	*	10,265,214	*	68.68%
2012	*	*	10,642,369	*	*
2011	*	*	10,175,843	*	*
2010	*	*	10,078,447	*	*
2009	*	*	9,795,333	*	*
2008	*	*	9,048,906	*	*

*Prospective implementation as of June 30, 2015.

~Information not yet available.

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2017

Schedule of the County's Contributions
Public Employees' Retirement System of Nevada
Last 10 Fiscal Years

Year Ended June 30	Statutorily required contribution	Actual employer contributions	Contribution deficiency (excess)	County's covered- employee payroll	Contributions as a percentage of covered-employee payroll
2017	\$ 3,294,315	\$ 3,294,315	\$ -	\$ 10,656,770	30.91%
2016	3,356,971	3,356,971	-	10,965,385	30.61%
2015	3,432,351	3,432,351	-	11,590,730	29.61%
2014	3,367,156	3,367,156	-	11,364,235	29.63%
2013	2,947,536	2,947,536	-	10,265,214	28.71%
2012	2,936,748	2,936,748	-	10,642,369	27.59%
2011	2,596,664	2,596,664	-	10,175,843	25.52%
2010	2,554,204	2,554,204	-	10,078,447	25.34%
2009	2,339,276	2,339,276	-	9,795,333	23.88%
2008	2,049,486	2,049,486	-	9,048,906	22.65%

The notes to the required supplementary information are an integral part of this statement.

HUMBOLDT COUNTY
Notes to Required Supplementary Information
June 30, 2017

Note 1 - Explanation of Differences Between General Fund (Budgetary Basis) and General Fund GAAP Basis

The accompanying Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) presents balances combined for external financial reporting purposes.

With the implementation of GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the budgetary basis of accounting for the General Fund differs from generally accepted accounting principles (GAAP).

Guidance in GASB Statement 54 changed the definition of Special Revenue Funds for financial reporting purposes. Pursuant to statute, budget comparisons are required using the budget adopted. Two internally reported special revenue funds of the County (Unemployment Compensation Fund and Compensated Absences Fund) are combined with the General Fund for external reporting purposes to conform to generally accepted accounting principles.

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets			
Cash and investments	\$ 8,164,333	\$ 1,927,150	\$ 10,091,483
Taxes receivable	5,102	1,079	6,181
Accounts receivable	7,469	-	7,469
Interest receivable	-	379	379
Due from other governments	43,054	53	43,107
	<u>8,219,958</u>	<u>1,928,661</u>	<u>10,148,619</u>
Total assets	<u>\$ 8,219,958</u>	<u>\$ 1,928,661</u>	<u>\$ 10,148,619</u>
Liabilities			
Accounts payable	\$ 96,211	\$ 111,238	\$ 207,449
Accrued salaries and benefits	39,457	-	39,457
Due to other governments	2,750	-	2,750
Due to other funds	3,832	-	3,832
Total liabilities	<u>142,250</u>	<u>111,238</u>	<u>253,488</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	<u>5,102</u>	<u>1,079</u>	<u>6,181</u>
Fund Balances			
Restricted	4,774,449	1,816,344	6,590,793
Committed	3,298,157	-	3,298,157
Assigned	-	-	-
Total fund balances	<u>8,072,606</u>	<u>1,816,344</u>	<u>9,888,950</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 8,219,958</u>	<u>\$ 1,928,661</u>	<u>\$ 10,148,619</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
REVENUES			
Taxes	\$ 436,694	\$ 111,428	\$ 548,122
Intergovernmental revenues	453,533	-	453,533
Charges for services	24,212	-	24,212
Fines and forfeits	424,159	-	424,159
Miscellaneous revenues	106,095	1,099	107,194
	<u>1,444,693</u>	<u>112,527</u>	<u>1,557,220</u>
EXPENDITURES			
Current:			
General government	284,668	-	284,668
Judicial	789,985	-	789,985
Public safety	88,307	-	88,307
Culture and recreation	1,236,719	-	1,236,719
Community support	176,968	658,373	835,341
Intergovernmental	-	28,022	28,022
	<u>2,576,647</u>	<u>686,395</u>	<u>3,263,042</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,131,954)</u>	<u>(573,868)</u>	<u>(1,705,822)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,550,000	1,550,000
Transfers out	(11,500)	-	(11,500)
	<u>(11,500)</u>	<u>1,550,000</u>	<u>1,538,500</u>
Net Change in Fund Balances	(1,143,454)	976,132	(167,322)
Fund balances - beginning	<u>9,216,060</u>	<u>840,212</u>	<u>10,056,272</u>
Fund balances - ending	<u>\$ 8,072,606</u>	<u>\$ 1,816,344</u>	<u>\$ 9,888,950</u>

HUMBOLDT COUNTY
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)
Balance Sheet
June 30, 2017

	<u>General Fund</u>	<u>Internally Reported Funds</u>	<u>General Fund Total</u>
Assets			
Cash and investments	\$ 15,134,013	\$ 389,480	\$ 15,523,493
Taxes receivable	41,888	-	41,888
Accounts receivable	207,746	-	207,746
Interest receivable	3,067	37	3,104
Notes receivable	583	-	583
Due from other governments	1,324,123	-	1,324,123
	<u>1,324,123</u>	<u>-</u>	<u>1,324,123</u>
 Total assets	 <u>\$ 16,711,420</u>	 <u>\$ 389,517</u>	 <u>\$ 17,100,937</u>
Liabilities			
Accounts payable	\$ 339,049	\$ 19,064	\$ 358,113
Accrued salaries and benefits	483,362	1,360	484,722
Due to other governments	12,246	16,159	28,405
Due to other funds	33,662	-	33,662
Deferred revenue	46,335	-	46,335
	<u>46,335</u>	<u>-</u>	<u>46,335</u>
 Total liabilities	 <u>914,654</u>	 <u>36,583</u>	 <u>951,237</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	41,888	-	41,888
	<u>41,888</u>	<u>-</u>	<u>41,888</u>
Fund Balances			
Nonspendable	583	-	583
Restricted	-	185,455	185,455
Committed	-	167,479	167,479
Assigned	8,183,467	-	8,183,467
Unassigned	7,570,827	-	7,570,827
	<u>7,570,827</u>	<u>-</u>	<u>7,570,827</u>
 Total fund balances	 <u>15,754,877</u>	 <u>352,934</u>	 <u>16,107,811</u>
 Total liabilities, deferred inflows, and fund balances	 <u>\$ 16,711,419</u>	 <u>\$ 389,517</u>	 <u>\$ 17,100,936</u>

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 3,390,943	\$ 3,540,943	\$ 4,952,386	\$ 1,411,443	\$ 4,885,671
Tax penalties	72,000	72,000	130,803	58,803	109,997
Total Taxes	<u>3,462,943</u>	<u>3,612,943</u>	<u>5,083,189</u>	<u>1,470,246</u>	<u>4,995,668</u>
Licenses and Permits:					
Business:					
Business licenses	40,000	40,000	48,406	8,406	44,848
Liquor licenses	5,000	5,000	4,200	(800)	4,200
Local gaming licenses	45,000	45,000	61,168	16,168	54,714
Franchise fees	750,000	750,000	826,806	76,806	838,376
Nonbusiness:					
Building permits	140,000	140,000	140,310	310	208,127
Dog licenses	10,000	10,000	15,050	5,050	11,232
CCW permits	-	-	19,430	19,430	20,053
Marriage licenses	-	-	1,380	1,380	1,340
Other permits	-	-	73	73	63
Total Licenses and Permits	<u>990,000</u>	<u>990,000</u>	<u>1,116,823</u>	<u>126,823</u>	<u>1,182,953</u>
Intergovernmental Revenues:					
Federal grants:					
Child support enforcement	200,000	200,000	324,814	124,814	256,956
Consolidated task force	-	-	22,603	22,603	23,779
Ots/joining forces	-	-	60,062	60,062	66,893
Senior transportation grant	-	-	191,502	191,502	204,025
Homeland security grant	-	-	7,085	7,085	-
NDOW grant	-	-	-	-	33,626
LLEBG grant	-	-	3,000	3,000	-
SMART grant	-	-	1,509	1,509	1,190
State grants:					
SERC grant	-	-	1,337	1,337	32,843
OHV ride safe and smart grant	-	-	3,930	3,930	10,053
United we stand grant	-	-	24,995	24,995	-
Other Intergovernmental Revenues:					
Taylor grazing fees	20,000	20,000	39,416	19,416	23,618
NRA grant	-	-	6,650	6,650	-
City-county sharing agreement	350,000	350,000	325,312	(24,688)	326,383
Humboldt river basin authority	52,000	52,000	45,000	(7,000)	56,000
Combined tax	5,960,121	5,960,121	6,748,012	787,891	7,364,785
State gaming license fees	140,000	140,000	137,003	(2,997)	138,096
Total Intergovernmental Revenues	<u>6,722,121</u>	<u>6,722,121</u>	<u>7,947,995</u>	<u>1,225,874</u>	<u>8,550,749</u>

(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Charges for Services:					
General Government:					
Clerk fees	\$ 17,500	\$ 17,500	\$ 17,610	\$ 110	\$ 16,390
Candidate fees	-	-	-	-	1,010
Recorder fees	110,000	110,000	115,138	5,138	110,697
Recorder technology fees	-	-	18,123	18,123	12,249
Planning fees	9,000	9,000	9,775	775	8,706
Map fees	12,500	12,500	35,669	23,169	7,904
Subtotal General Government	<u>149,000</u>	<u>149,000</u>	<u>196,315</u>	<u>47,315</u>	<u>156,956</u>
Judicial:					
Legal assistance fees	6,000	6,000	6,517	517	5,024
Law library fees	5,000	5,000	5,205	205	3,690
Bail bond fees	5,000	5,000	4,106	(894)	4,350
Civil action fees	30,000	30,000	62,587	32,587	57,300
Public administrator/guardian fees	-	-	9,974	9,974	-
District court filing fees	-	-	16,643	16,643	11,788
Public defender fees	-	-	8,413	8,413	10,251
Subtotal Judicial	<u>46,000</u>	<u>46,000</u>	<u>113,445</u>	<u>67,445</u>	<u>92,403</u>
Public Safety:					
Sheriff fees	30,000	30,000	34,476	4,476	32,126
Detention fees	40,000	40,000	20,565	(19,435)	36,005
Detention meal preparation	15,000	15,000	5,933	(9,067)	6,737
Subtotal Public Safety	<u>85,000</u>	<u>85,000</u>	<u>60,974</u>	<u>(24,026)</u>	<u>74,868</u>
Other Charges for Services	<u>5,500</u>	<u>5,500</u>	<u>11,475</u>	<u>5,975</u>	<u>25,873</u>
Total Charges for Services	<u>285,500</u>	<u>285,500</u>	<u>382,209</u>	<u>96,709</u>	<u>350,100</u>
Fines and Forfeits	<u>607,000</u>	<u>607,000</u>	<u>775,898</u>	<u>168,898</u>	<u>648,145</u>
Miscellaneous Revenues:					
Interest earnings	120,000	120,000	132,296	12,296	270,688
Miscellaneous	-	-	118,766	118,766	204,459
Geothermal lease	-	-	46,704	46,704	48,196
Election reimbursement	-	-	15,605	15,605	287
Forensic services	-	-	6,699	6,699	5,740
Restitution	-	-	92	92	2,025
Contributions	-	-	9,705	9,705	-
Total Miscellaneous Revenues	<u>120,000</u>	<u>120,000</u>	<u>329,867</u>	<u>209,867</u>	<u>531,395</u>
Total Revenues	<u>12,187,564</u>	<u>12,337,564</u>	<u>15,635,981</u>	<u>3,298,417</u>	<u>16,259,010</u>

(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			Variance to Final Budget	2016
	Original Budget	Final Budget	Actual		Actual
EXPENDITURES BY FUNCTION AND ACTIVITY					
General Government Function:					
Legislative:					
Commissioners					
Salaries and wages	\$ 158,550	\$ 158,550	\$ 152,373	\$ 6,177	\$ 148,413
Employee benefits	92,780	92,780	76,173	16,607	72,285
Services and supplies	39,750	39,750	52,309	(12,559)	56,850
Subtotal Legislative	<u>291,080</u>	<u>291,080</u>	<u>280,855</u>	<u>10,225</u>	<u>277,548</u>
Executive:					
County Administrator					
Salaries and wages	244,670	244,670	225,304	19,366	229,917
Employee benefits	110,575	110,575	97,585	12,990	97,273
Services and supplies	5,500	5,500	4,208	1,292	4,460
Subtotal Executive	<u>360,745</u>	<u>360,745</u>	<u>327,097</u>	<u>33,648</u>	<u>331,650</u>
Elections:					
Services and supplies	<u>60,000</u>	<u>60,000</u>	<u>54,389</u>	<u>5,611</u>	<u>25,112</u>
Finance:					
Comptroller:					
Salaries and wages	163,000	163,000	135,782	27,218	156,286
Employee benefits	79,370	79,370	60,611	18,759	70,614
Services and supplies	127,650	127,650	122,477	5,173	122,901
	<u>370,020</u>	<u>370,020</u>	<u>318,870</u>	<u>51,150</u>	<u>349,801</u>
Assessor:					
Salaries and wages	464,150	464,150	438,477	25,673	434,741
Employee benefits	224,390	224,390	201,030	23,360	202,092
Services and supplies	52,430	52,430	39,252	13,178	31,169
	<u>740,970</u>	<u>740,970</u>	<u>678,759</u>	<u>62,211</u>	<u>668,002</u>
Treasurer:					
Salaries and wages	189,300	189,300	181,241	8,059	181,175
Employee benefits	94,300	94,300	88,432	5,868	85,234
Services and supplies	25,400	25,400	19,108	6,292	19,092
	<u>309,000</u>	<u>309,000</u>	<u>288,781</u>	<u>20,219</u>	<u>285,501</u>
Subtotal Finance	<u>1,419,990</u>	<u>1,419,990</u>	<u>1,286,410</u>	<u>133,580</u>	<u>1,303,304</u>
					(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Other:					
Clerk:					
Salaries and wages	\$ 282,380	\$ 282,380	\$ 278,971	\$ 3,409	\$ 274,320
Employee benefits	145,980	145,980	136,471	9,509	128,341
Services and supplies	20,200	20,200	12,434	7,766	14,265
	<u>448,560</u>	<u>448,560</u>	<u>427,876</u>	<u>20,684</u>	<u>416,926</u>
Recorder:					
Salaries and wages	170,390	170,390	168,775	1,615	163,205
Employee benefits	88,130	88,130	84,789	3,341	79,803
Services and supplies	75,320	75,320	49,588	25,732	28,797
	<u>333,840</u>	<u>333,840</u>	<u>303,152</u>	<u>30,688</u>	<u>271,805</u>
Computer Systems:					
Salaries and wages	122,000	122,000	128,864	(6,864)	118,710
Employee benefits	60,020	60,020	58,824	1,196	54,853
Services and supplies	230,927	230,927	163,638	67,289	291,402
Capital outlay	6,149	6,149	-	6,149	23,630
	<u>419,096</u>	<u>419,096</u>	<u>351,326</u>	<u>67,770</u>	<u>488,595</u>
Planning:					
Salaries and wages	90,038	90,038	62,573	27,465	74,828
Employee benefits	42,048	42,048	33,990	8,058	38,401
Services and supplies	20,400	20,400	5,581	14,819	6,304
	<u>152,486</u>	<u>152,486</u>	<u>102,144</u>	<u>50,342</u>	<u>119,533</u>
Buildings and Grounds:					
Salaries and wages	433,210	433,210	426,312	6,898	401,811
Employee benefits	243,173	243,173	228,463	14,710	198,103
Services and supplies	540,199	540,199	455,148	85,051	462,604
Capital outlay	-	-	-	-	11,300
	<u>1,216,582</u>	<u>1,216,582</u>	<u>1,109,923</u>	<u>106,659</u>	<u>1,073,818</u>
Communications:					
Salaries and wages	118,420	118,420	127,548	(9,128)	140,755
Employee benefits	50,508	50,508	59,475	(8,967)	56,930
Services and supplies	148,200	148,200	103,251	44,949	127,658
	<u>317,128</u>	<u>317,128</u>	<u>290,274</u>	<u>26,854</u>	<u>325,343</u>
Personnel:					
Services and supplies	46,500	46,500	21,491	25,009	20,830

(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Miscellaneous:					
Insurance	\$ 575,000	\$ 575,000	\$ 421,667	\$ 153,333	\$ 503,474
Insurance reserve	150,000	150,000	3,133	146,867	4,184
Humboldt river basin authority	60,000	60,000	54,756	5,244	54,003
Miscellaneous	606,000	606,000	359,936	246,064	268,546
	<u>1,391,000</u>	<u>1,391,000</u>	<u>839,492</u>	<u>551,508</u>	<u>830,207</u>
Subtotal Other	<u>4,325,192</u>	<u>4,325,192</u>	<u>3,445,678</u>	<u>879,514</u>	<u>3,547,057</u>
Total General Government Function	<u>6,457,007</u>	<u>6,457,007</u>	<u>5,394,429</u>	<u>1,062,578</u>	<u>5,484,671</u>
Judicial Function:					
Justice Court:					
Salaries and wages	381,680	381,680	388,670	(6,990)	366,032
Employee benefits	197,490	197,490	195,121	2,369	175,975
Services and supplies	78,500	78,500	45,572	32,928	45,814
	<u>657,670</u>	<u>657,670</u>	<u>629,363</u>	<u>28,307</u>	<u>587,821</u>
District Attorney:					
Salaries and wages	938,280	938,280	942,170	(3,890)	831,357
Employee benefits	444,780	444,780	416,954	27,826	358,292
Services and supplies	112,700	112,700	71,953	40,747	98,963
Capital Outlay	119,568	119,568	-	119,568	-
	<u>1,615,328</u>	<u>1,615,328</u>	<u>1,431,077</u>	<u>184,251</u>	<u>1,288,612</u>
Child Support:					
Salaries and wages	259,581	259,581	250,672	8,909	195,550
Employee benefits	154,005	154,005	140,429	13,576	103,523
Services and supplies	44,736	44,736	40,169	4,567	53,278
	<u>458,322</u>	<u>458,322</u>	<u>431,270</u>	<u>27,052</u>	<u>352,351</u>
Public Defender:					
Salaries and wages	245,350	245,350	190,024	55,326	163,674
Employee benefits	110,990	110,990	80,766	30,224	69,493
Services and supplies	12,700	12,700	7,768	4,932	10,595
	<u>369,040</u>	<u>369,040</u>	<u>278,558</u>	<u>90,482</u>	<u>243,762</u>
Total Judicial Function	<u>3,100,360</u>	<u>3,100,360</u>	<u>2,770,268</u>	<u>330,092</u>	<u>2,472,546</u>

(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Public Safety Function:					
Sheriff:					
Salaries and wages	\$ 1,840,860	\$ 1,840,860	\$ 1,954,406	\$ (113,546)	\$ 1,961,770
Employee benefits	1,127,670	1,127,670	991,798	135,872	990,243
Services and supplies	397,000	397,000	358,692	38,308	415,560
Capital outlay	24,720	24,720	20,257	4,463	170,455
	<u>3,390,250</u>	<u>3,390,250</u>	<u>3,325,153</u>	<u>65,097</u>	<u>3,538,028</u>
Detention:					
Salaries and wages	1,454,380	1,454,380	1,443,542	10,838	1,443,722
Employee benefits	914,270	914,270	802,005	112,265	809,673
Services and supplies	351,100	351,100	206,174	144,926	269,492
Capital outlay	135,000	135,000	167,601	(32,601)	-
	<u>2,854,750</u>	<u>2,854,750</u>	<u>2,619,322</u>	<u>235,428</u>	<u>2,522,887</u>
Dispatch:					
Salaries and wages	634,960	634,960	563,403	71,557	573,218
Employee benefits	322,700	322,700	224,220	98,480	248,579
Services and supplies	256,390	256,390	174,665	81,725	167,693
Capital outlay	42,100	42,100	31,643	10,457	-
	<u>1,256,150</u>	<u>1,256,150</u>	<u>993,931</u>	<u>262,219</u>	<u>989,490</u>
Building Official:					
Salaries and wages	194,530	194,530	164,467	30,063	161,285
Employee benefits	100,450	100,450	71,845	28,605	69,690
Services and supplies	31,500	31,500	14,830	16,670	22,432
	<u>326,480</u>	<u>326,480</u>	<u>251,142</u>	<u>75,338</u>	<u>253,407</u>
Task Force:					
Salaries and wages	79,940	79,940	83,118	(3,178)	77,736
Employee benefits	45,530	45,530	46,758	(1,228)	43,754
Services and supplies	20,700	20,700	16,449	4,251	19,769
	<u>146,170</u>	<u>146,170</u>	<u>146,325</u>	<u>(155)</u>	<u>141,259</u>
LEPC:					
Services and supplies	-	-	32,254	(32,254)	32,865
Total Public Safety Function	<u>7,973,800</u>	<u>7,973,800</u>	<u>7,368,127</u>	<u>605,673</u>	<u>7,477,936</u>
Public Works Function:					
Services and supplies	<u>22,000</u>	<u>22,000</u>	<u>21,683</u>	<u>317</u>	<u>22,436</u>

(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Health Function:					
Health:					
Services and supplies	\$ 185,532	\$ 185,532	\$ 139,386	\$ 46,146	\$ 164,566
Mosquito Control:					
Services and supplies	125,000	125,000	183,501	(58,501)	189,299
Total Health Function	310,532	310,532	322,887	(12,355)	353,865
Culture and Recreation Function:					
Virgin Valley Campground:					
Services and supplies	2,500	2,500	(2,500)	5,000	5,000
Community Support Function:					
Services and supplies:					
Senior citizens	471,000	471,000	334,115	136,885	433,442
Museum	236,000	236,000	167,049	68,951	216,730
Senior transportation grant	45,000	45,000	191,502	(146,502)	204,025
Humboldt development authority	15,000	15,000	-	15,000	15,000
Chamber of commerce	6,500	6,500	-	6,500	-
Range improvement districts	50,000	50,000	39,416	10,584	23,618
Western NV development	5,000	5,000	5,625	(625)	5,625
Vitality center	-	-	-	-	7,500
NDOW Grant	-	-	-	-	33,626
Fire protection	100,000	100,000	100,000	-	100,000
Capital outlay	-	-	-	-	11,561
Settlements	-	-	-	-	1,000
Total Community Support Function	928,500	928,500	837,707	90,793	1,052,127
Intergovernmental Expenditure Function:					
Services and supplies:					
City of Winnemucca gaming licenses	100,000	100,000	100,000	-	100,000
Airport	37,000	37,000	(1,628)	38,628	-
Cemetery	35,000	35,000	34,775	225	33,750
Parks and recreation	400,000	400,000	357,960	42,040	351,920
Animal control/spay neuter	25,000	25,000	34,000	(9,000)	35,000
Legal assistance	9,000	9,000	6,517	2,483	5,024
Total Intergovernmental Expenditure Function	606,000	606,000	531,624	74,376	525,694
Total Expenditures	19,400,699	19,400,699	17,244,225	2,156,474	17,394,275

(continued)

HUMBOLDT COUNTY
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Excess (deficiency) of revenues over expenditures	\$ (7,213,135)	\$ (7,063,135)	\$ (1,608,244)	\$ 5,454,891	\$ (1,135,265)
OTHER FINANCING SOURCES (USES)					
Transfers out	(92,370)	(242,370)	(65,980)	176,390	(93,620)
Contingency	(350,000)	(350,000)	-	350,000	-
Total other financing sources (uses)	(442,370)	(592,370)	(65,980)	526,390	(93,620)
Net change in fund balance	(7,655,505)	(7,655,505)	(1,674,224)	5,981,281	(1,228,885)
Fund balance - beginning	12,505,210	12,505,210	17,368,971	4,863,761	18,597,856
Prior period adjustment	-	-	60,130	60,130	-
Fund balance - beginning, restated	12,505,210	12,505,210	17,429,101	4,923,891	18,597,856
Fund balance - ending	\$ 4,849,705	\$ 4,849,705	\$ 15,754,877	\$ 10,905,172	\$ 17,368,971

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017
(Page 1 of 2)

	Cooperative Extension Fund	Library Fund	6th Judicial District Drug Court Fund	Administrative Assessment Fund
Assets				
Cash and investments	\$ 1,269,757	\$ 3,354,514	\$ 132,654	\$ 122,880
Taxes receivable	1,781	2,576	-	-
Accounts receivable	-	2,800	-	-
Due from other governments	9,527	5,101	24,308	-
	<u>1,281,065</u>	<u>3,364,991</u>	<u>156,962</u>	<u>122,880</u>
Total assets	<u>\$ 1,281,065</u>	<u>\$ 3,364,991</u>	<u>\$ 156,962</u>	<u>\$ 122,880</u>
Liabilities				
Accounts payable	\$ 5,083	\$ 33,386	\$ 49,081	\$ -
Accrued salaries and benefits	5,046	29,634	4,777	-
Due to other governments	-	-	159	-
Due to other funds	512	1,238	-	-
Total liabilities	<u>10,641</u>	<u>64,258</u>	<u>54,017</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	<u>1,781</u>	<u>2,576</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	1,268,643	-	102,945	122,880
Committed	-	3,298,157	-	-
Total fund balances	<u>1,268,643</u>	<u>3,298,157</u>	<u>102,945</u>	<u>122,880</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,281,065</u>	<u>\$ 3,364,991</u>	<u>\$ 156,962</u>	<u>\$ 122,880</u>

Stabilization Fund	Check Restitution Fund	Genetic Marker Testing Fund	Assessor's Technology Fund	911 Enhancement Fund
\$ 1,050,843	\$ 3,028	\$ 2,591	\$ 1,255,658	\$ 98,966
-	-	-	-	-
-	-	-	-	4,669
-	-	-	239	-
<u>\$ 1,050,843</u>	<u>\$ 3,028</u>	<u>\$ 2,591</u>	<u>\$ 1,255,897</u>	<u>\$ 103,635</u>
\$ -	\$ -	\$ -	\$ 1,264	\$ -
-	-	-	-	-
-	-	2,591	-	-
-	-	-	-	-
-	-	2,591	1,264	-
-	-	-	-	-
1,050,843	3,028	-	1,254,633	103,635
-	-	-	-	-
<u>1,050,843</u>	<u>3,028</u>	<u>-</u>	<u>1,254,633</u>	<u>103,635</u>
<u>\$ 1,050,843</u>	<u>\$ 3,028</u>	<u>\$ 2,591</u>	<u>\$ 1,255,897</u>	<u>\$ 103,635</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017
(Page 2 of 2)

	Justice Court Administrative Assessment Fund	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
Assets				
Cash and investments	\$ 206,136	\$ 492,839	\$ 174,467	\$ 8,164,333
Taxes receivable	-	745	-	5,102
Accounts receivable	-	-	-	7,469
Due from other governments	-	3,879	-	43,054
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 206,136</u>	<u>\$ 497,463</u>	<u>\$ 174,467</u>	<u>\$ 8,219,958</u>
Liabilities				
Accounts payable	-	\$ 4,027	\$ 3,370	\$ 96,211
Accrued salaries and benefits	-	-	-	39,457
Due to other governments	-	-	-	2,750
Due to other funds	-	2,082	-	3,832
Total liabilities	<hr/> -	<hr/> 6,109	<hr/> 3,370	<hr/> 142,250
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	745	-	5,102
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances				
Restricted	206,136	490,609	171,097	4,774,449
Committed	-	-	-	3,298,157
Total fund balances	<hr/> 206,136	<hr/> 490,609	<hr/> 171,097	<hr/> 8,072,606
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 206,136</u>	<u>\$ 497,463</u>	<u>\$ 174,467</u>	<u>\$ 8,219,958</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2017
(Page 1 of 2)

	Cooperative Extension Fund	Library Fund	6th Judicial Drug Court Fund	Administrative Assessment Fund
REVENUES				
Taxes	\$ 183,851	\$ 5,278	\$ -	\$ -
Intergovernmental revenue	54,215	27,863	349,172	-
Charges for services	-	-	-	-
Fines and forfeits	-	17,816	289,104	48,759
Miscellaneous revenues	245	22,800	-	-
	<u>238,311</u>	<u>73,757</u>	<u>638,276</u>	<u>48,759</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	-	-	-	-
Judicial	-	-	743,373	20,767
Public safety	-	-	-	-
Culture and recreation	-	1,224,793	-	-
Community support	176,968	-	-	-
	<u>176,968</u>	<u>1,224,793</u>	<u>743,373</u>	<u>20,767</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>61,343</u>	<u>(1,151,036)</u>	<u>(105,097)</u>	<u>27,992</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,000)</u>	<u>(8,000)</u>	<u>(2,500)</u>	<u>-</u>
Net Change in Fund Balances	60,343	(1,159,036)	(107,597)	27,992
Fund Balances - beginning	<u>1,208,300</u>	<u>4,457,193</u>	<u>210,542</u>	<u>94,888</u>
Fund Balances - ending	<u><u>\$ 1,268,643</u></u>	<u><u>\$ 3,298,157</u></u>	<u><u>\$ 102,945</u></u>	<u><u>\$ 122,880</u></u>

Stabilization Fund	Check Restitution Fund	Genetic Marker Testing Fund	Assessor's Technology Fund	911 Enhancement Fund
\$ -	\$ -	\$ -	\$ 158,367	\$ 56,640
-	-	-	-	-
-	120	24,092	-	-
-	-	-	-	-
-	-	-	-	-
-	120	24,092	158,367	56,640
-	-	-	284,668	-
-	1,753	24,092	-	-
-	-	-	-	48,934
-	-	-	-	-
-	-	-	-	-
-	1,753	24,092	284,668	48,934
-	(1,633)	-	(126,301)	7,706
-	-	-	-	-
-	(1,633)	-	(126,301)	7,706
1,050,843	4,661	-	1,380,934	95,929
<u>\$ 1,050,843</u>	<u>\$ 3,028</u>	<u>\$ -</u>	<u>\$ 1,254,633</u>	<u>\$ 103,635</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2017
(Page 2 of 2)

	Justice Court Administrative Assessment	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
REVENUES				
Taxes	\$ -	\$ 32,558	\$ -	\$ 436,694
Intergovernmental revenue	-	22,283	-	453,533
Charges for services	-	-	-	24,212
Fines and forfeits	68,480	-	-	424,159
Miscellaneous revenues	-	-	83,050	106,095
	<u>68,480</u>	<u>54,841</u>	<u>83,050</u>	<u>1,444,693</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	-	-	-	284,668
Judicial	-	-	-	789,985
Public safety	-	39,373	-	88,307
Culture and recreation	-	-	11,926	1,236,719
Community support	-	-	-	176,968
	<u>-</u>	<u>39,373</u>	<u>11,926</u>	<u>2,576,647</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>68,480</u>	<u>15,468</u>	<u>71,124</u>	<u>(1,131,954)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,500)</u>
Net Change in Fund Balances	68,480	15,468	71,124	(1,143,454)
Fund Balances - beginning	<u>137,656</u>	<u>475,141</u>	<u>99,973</u>	<u>9,216,060</u>
Fund Balances - ending	<u>\$ 206,136</u>	<u>\$ 490,609</u>	<u>\$ 171,097</u>	<u>\$ 8,072,606</u>

HUMBOLDT COUNTY
Cooperative Extension Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes	\$ 135,802	\$ 135,802	\$ 183,851	\$ 48,049	\$ 226,216
Intergovernmental Revenue:					
Combined tax	-	-	54,215	54,215	59,171
Miscellaneous	-	-	245	245	642
Total Revenues	<u>135,802</u>	<u>135,802</u>	<u>238,311</u>	<u>102,509</u>	<u>286,029</u>
EXPENDITURES					
Community Support Function:					
Salaries and wages	100,050	100,050	87,913	12,137	95,692
Employee benefits	55,140	55,140	48,338	6,802	48,858
Services and supplies	96,749	96,749	40,717	56,032	50,499
Total Expenditures	<u>251,939</u>	<u>251,939</u>	<u>176,968</u>	<u>74,971</u>	<u>195,049</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(116,137)</u>	<u>(116,137)</u>	<u>61,343</u>	<u>177,480</u>	<u>90,980</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	25,000	25,000	-	(25,000)	25,000
Transfers out	<u>(1,400)</u>	<u>(1,400)</u>	<u>(1,000)</u>	<u>400</u>	<u>(1,400)</u>
Total Other Financing Sources (Uses)	<u>23,600</u>	<u>23,600</u>	<u>(1,000)</u>	<u>(24,600)</u>	<u>23,600</u>
Net change in fund balance	(92,537)	(92,537)	60,343	152,880	114,580
Fund balance - beginning	<u>1,063,912</u>	<u>1,063,912</u>	<u>1,208,300</u>	<u>144,388</u>	<u>1,093,720</u>
Fund balance - ending	<u><u>\$ 971,375</u></u>	<u><u>\$ 971,375</u></u>	<u><u>\$ 1,268,643</u></u>	<u><u>\$ 297,268</u></u>	<u><u>\$ 1,208,300</u></u>

HUMBOLDT COUNTY
Library Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes	\$ -	\$ -	\$ 5,278	\$ 5,278	\$ 1,302,456
Intergovernmental Revenue:					
Federal grants	-	-	5,100	5,100	5,100
State grants	-	-	22,763	22,763	23,547
Total Intergovernmental Revenues	-	-	27,863	27,863	28,647
Fines and Forfeits:					
Library fines	2,500	2,500	17,816	15,316	10,236
Total Revenues	2,500	2,500	73,757	71,257	1,341,339
EXPENDITURES					
Culture and Recreation Function:					
Salaries and wages	651,488	651,488	567,323	84,165	548,082
Employee benefits	396,660	396,660	300,119	96,541	279,389
Services and supplies	359,803	359,803	357,351	2,452	309,665
Capital outlay	2,000,000	2,000,000	-	2,000,000	298,520
Total Expenditures	3,407,951	3,407,951	1,224,793	2,183,158	1,435,656
Excess (deficiency) of revenues over (under) expenditures	(3,405,451)	(3,405,451)	(1,151,036)	2,254,415	(94,317)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	27,520
Transfers out	(11,200)	(11,200)	(8,000)	-	(11,900)
Total Other Financing Sources (Uses)	(11,200)	(11,200)	(8,000)	-	15,620
Net change in fund balance	(3,416,651)	(3,416,651)	(1,159,036)	2,254,415	(78,697)
Fund balance - beginning	3,680,749	3,680,749	4,457,193	776,444	4,535,890
Fund balance - ending	\$ 264,098	\$ 264,098	\$ 3,298,157	\$ 3,030,859	\$ 4,457,193

HUMBOLDT COUNTY
6th Judicial District Drug Court Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Intergovernmental Revenue:					
Federal grant	\$ 325,000	\$ 325,000	\$ 298,452	\$ (26,548)	\$ 396,182
State grants	-	-	50,720	50,720	10,324
Total Intergovernmental Revenues	<u>325,000</u>	<u>325,000</u>	<u>349,172</u>	<u>24,172</u>	<u>406,506</u>
Fines and Forfeits	<u>153,369</u>	<u>153,369</u>	<u>289,104</u>	<u>135,735</u>	<u>260,840</u>
Miscellaneous	<u>87,031</u>	<u>87,031</u>	<u>-</u>	<u>(87,031)</u>	<u>18,912</u>
Total Revenues	<u>565,400</u>	<u>565,400</u>	<u>638,276</u>	<u>72,876</u>	<u>686,258</u>
EXPENDITURES					
Judicial Function:					
Drug Court:					
Salaries and wages	245,380	245,380	122,364	123,016	196,910
Employee benefits	126,581	126,581	32,648	93,933	58,259
Services and supplies	<u>256,911</u>	<u>256,911</u>	<u>588,361</u>	<u>(331,450)</u>	<u>403,855</u>
Total Expenditures	<u>628,872</u>	<u>628,872</u>	<u>743,373</u>	<u>(114,501)</u>	<u>659,024</u>
Excess (deficiency) of revenues over (under) expenditures	(63,472)	(63,472)	(105,097)	(41,625)	27,234
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(7,700)</u>	<u>(7,700)</u>	<u>(2,500)</u>	<u>5,200</u>	<u>(1,300)</u>
Net change in fund balance	(71,172)	(71,172)	(107,597)	(36,425)	25,934
Fund balance - beginning	<u>187,438</u>	<u>187,438</u>	<u>210,542</u>	<u>23,104</u>	<u>184,608</u>
Fund balance - ending	<u>\$ 116,266</u>	<u>\$ 116,266</u>	<u>\$ 102,945</u>	<u>\$ (13,321)</u>	<u>\$ 210,542</u>

HUMBOLDT COUNTY
Administrative Assessment Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Fines and Forfeits:					
Court administrative assessment	\$ 40,000	\$ 40,000	\$ 48,759	\$ 8,759	\$ 42,933
EXPENDITURES					
Judicial Function:					
Justice Court:					
Services and supplies	70,000	70,000	20,767	49,233	28,535
Excess (deficiency) of revenues over (under) expenditures	(30,000)	(30,000)	27,992	57,992	14,398
Fund balance - beginning	50,490	50,490	94,888	44,398	80,490
Fund balance - ending	<u>\$ 20,490</u>	<u>\$ 20,490</u>	<u>\$ 122,880</u>	<u>\$ 102,390</u>	<u>\$ 94,888</u>

HUMBOLDT COUNTY
Stabilization Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
General Government Function:					
Services and supplies	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	1,050,843	1,050,843	1,050,843	-	1,050,843
Fund balance - ending	<u>\$ 1,050,843</u>	<u>\$ 1,050,843</u>	<u>\$ 1,050,843</u>	<u>\$ -</u>	<u>\$ 1,050,843</u>

HUMBOLDT COUNTY
Check Restitution Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Charges for Services:					
Check restitution	\$ 30,000	\$ 30,000	\$ 120	\$ (29,880)	\$ 50
Fines and Forfeits:					
Administrative assessments	2,125	2,125	-	(2,125)	-
Total Revenues	<u>32,125</u>	<u>32,125</u>	<u>120</u>	<u>(32,005)</u>	<u>50</u>
EXPENDITURES					
Judicial Function:					
Settlements	30,000	30,000	369	29,631	2,450
Services and supplies	2,125	2,125	1,384	741	772
Total Expenditures	<u>32,125</u>	<u>32,125</u>	<u>1,753</u>	<u>30,372</u>	<u>3,222</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(1,633)	(1,633)	(3,172)
Fund balance - beginning	<u>7,833</u>	<u>7,833</u>	<u>4,661</u>	<u>(3,172)</u>	<u>7,833</u>
Fund balance - ending	<u>\$ 7,833</u>	<u>\$ 7,833</u>	<u>\$ 3,028</u>	<u>\$ (4,805)</u>	<u>\$ 4,661</u>

HUMBOLDT COUNTY
Genetic Marker Testing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Charges for Services:					
Fees	\$ -	\$ -	\$ 24,092	\$ 24,092	\$ 22,052
EXPENDITURES					
Judicial Function:					
Services and supplies	-	-	24,092	(24,092)	22,052
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HUMBOLDT COUNTY
Assessor's Technology Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 50,000	\$ 158,101	\$ 158,367	\$ 266	\$ 246,771
EXPENDITURES					
General Government Function:					
Services and supplies	162,000	292,000	284,668	7,332	72,028
Excess (deficiency) of revenues over (under) expenditures	(112,000)	(133,899)	(126,301)	7,598	174,743
Fund balance - beginning	656,191	656,191	1,380,934	724,743	1,206,191
Fund balance - ending	<u>\$ 544,191</u>	<u>\$ 522,292</u>	<u>\$ 1,254,633</u>	<u>\$ 732,341</u>	<u>\$ 1,380,934</u>

HUMBOLDT COUNTY
911 Enhancement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes:					
Surcharge	\$ 50,000	\$ 50,000	\$ 56,640	\$ 6,640	\$ 56,164
EXPENDITURES					
Public Safety Function:					
Services and supplies	49,475	49,475	-	49,475	-
Capital outlay	-	-	48,934	(48,934)	-
Total Expenditures	49,475	49,475	48,934	541	-
Excess (deficiency) of revenues over (under) expenditures	525	525	7,706	7,181	56,164
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	-	(110,000)
Net change in fund balance	525	525	7,706	7,181	(53,836)
Fund balance - beginning	89,765	89,765	95,929	6,164	149,765
Fund balance - ending	<u>\$ 90,290</u>	<u>\$ 90,290</u>	<u>\$ 103,635</u>	<u>\$ 13,345</u>	<u>\$ 95,929</u>

HUMBOLDT COUNTY
Justice Court Administrative Assessment
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Fines and Forfeits:					
Court administrative assessment	\$ 15,000	\$ 15,000	\$ 68,480	\$ 53,480	\$ 59,577
Excess (deficiency) of revenues over (under) expenditures	15,000	15,000	68,480	53,480	59,577
Fund balance - beginning	<u>28,375</u>	<u>28,375</u>	<u>137,656</u>	<u>109,281</u>	<u>78,079</u>
Fund balance - ending	<u><u>\$ 43,375</u></u>	<u><u>\$ 43,375</u></u>	<u><u>\$ 206,136</u></u>	<u><u>\$ 162,761</u></u>	<u><u>\$ 137,656</u></u>

HUMBOLDT COUNTY
Humboldt Fire District General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 29,290	\$ 29,290	\$ 32,558	\$ 3,268	\$ 31,396
Intergovernmental Revenue:					
Combined tax	<u>28,274</u>	<u>28,274</u>	<u>22,283</u>	<u>(5,991)</u>	<u>24,319</u>
Total Revenues	<u>57,564</u>	<u>57,564</u>	<u>54,841</u>	<u>(2,723)</u>	<u>55,715</u>
EXPENDITURES					
Public Safety Function:					
Services and supplies	120,000	120,000	39,373	80,627	26,007
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>61,800</u>
Total Public Safety	<u>155,000</u>	<u>155,000</u>	<u>39,373</u>	<u>115,627</u>	<u>87,807</u>
Excess (deficiency) of revenues over (under) expenditures	(97,436)	(97,436)	15,468	112,904	(32,092)
Fund balance - beginning	<u>407,867</u>	<u>407,867</u>	<u>475,141</u>	<u>67,274</u>	<u>507,233</u>
Fund balance - ending	<u>\$ 310,431</u>	<u>\$ 310,431</u>	<u>\$ 490,609</u>	<u>\$ 180,178</u>	<u>\$ 475,141</u>

HUMBOLDT COUNTY
Library Memorial Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous	\$ 70,000	\$ 70,000	\$ 83,050	\$ 13,050	\$ 25,312
EXPENDITURES					
Culture and Recreation Function:					
Services and supplies	91,216	91,216	11,926	79,290	27,340
Excess (deficiency) of revenues over (under) expenditures	(21,216)	(21,216)	71,124	92,340	(2,028)
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	-	(27,520)
Net change in fund balance	(21,216)	(21,216)	71,124	92,340	(29,548)
Fund balance - beginning	67,521	67,521	99,973	32,452	129,521
Fund balance - ending	\$ 46,305	\$ 46,305	\$ 171,097	\$ 124,792	\$ 99,973

HUMBOLDT COUNTY
Internally Reported (Budgetary Basis) Funds Reported
As Part of the General Fund for External Reporting Purposes
Combining Balance Sheet
June 30, 2017

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
Assets:			
Cash and investments	\$ 201,614	\$ 187,866	\$ 389,480
Interest receivable	-	37	37
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 201,614</u>	<u>\$ 187,903</u>	<u>\$ 389,517</u>
Liabilities			
Accounts payable	\$ -	\$ 19,064	\$ 19,064
Accrued salaries/benefits	-	1,360	1,360
Due to other governments	16,159	-	16,159
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>16,159</u>	<u>20,424</u>	<u>36,583</u>
Fund Balances			
Restricted	185,455	-	185,455
Committed	-	167,479	167,479
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>185,455</u>	<u>167,479</u>	<u>352,934</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 201,614</u>	<u>\$ 187,903</u>	<u>\$ 389,517</u>

HUMBOLDT COUNTY
Internally Reported (Budgetary Basis) Funds Reported
As Part of the General Fund for External Reporting Purposes
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2017

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
REVENUES			
Miscellaneous revenues	\$ -	\$ 913	\$ 913
EXPENDITURES			
General Government Function	22,711	336,556	359,267
Excess (deficiency) of revenues over (under) expenditures	(22,711)	(335,643)	(358,354)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	104,031	104,031
Net change in fund balance	(22,711)	(231,612)	(254,323)
Fund balance - beginning	208,166	399,091	607,257
Fund balance - ending	<u>\$ 185,455</u>	<u>\$ 167,479</u>	<u>\$ 352,934</u>

HUMBOLDT COUNTY
Unemployment Insurance Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	
REVENUES					
Charges for Services:					
Fund assessments	\$ 1,600	\$ 1,600	\$ -	\$ (1,600)	\$ 200
EXPENDITURES					
General Government Function:					
Services and supplies	30,000	30,000	22,711	7,289	5,711
Excess (deficiency) of revenues over (under) expenditures	(28,400)	(28,400)	(22,711)	5,689	(5,511)
OTHER FINANCING SOURCES (USES)					
Transfers in	41,810	41,810	-	(41,810)	40,650
Net change in fund balance	13,410	13,410	(22,711)	(36,121)	35,139
Fund balance - beginning	189,087	189,087	208,166	19,079	173,027
Fund balance - ending	<u>\$ 202,497</u>	<u>\$ 202,497</u>	<u>\$ 185,455</u>	<u>\$ (17,042)</u>	<u>\$ 208,166</u>

HUMBOLDT COUNTY
Compensated Absence Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous:					
Fund assessments	\$ 4,000	\$ 4,000	\$ 500	\$ (3,500)	\$ 500
Interest	-	-	413	413	320
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>913</u>	<u>(3,087)</u>	<u>820</u>
EXPENDITURES					
General Government Function:					
Services and supplies	<u>200,000</u>	<u>350,000</u>	<u>336,556</u>	<u>13,444</u>	<u>194,400</u>
Excess (deficiency) of revenues over (under) expenditures	(196,000)	(346,000)	(335,643)	10,357	(193,580)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>108,031</u>	<u>258,031</u>	<u>104,031</u>	<u>(154,000)</u>	<u>103,080</u>
Net change in fund balance	(87,969)	(87,969)	(231,612)	(143,643)	(90,500)
Fund balance - beginning	<u>406,171</u>	<u>406,171</u>	<u>399,091</u>	<u>(7,080)</u>	<u>489,591</u>
Fund balance - ending	<u>\$ 318,202</u>	<u>\$ 318,202</u>	<u>\$ 167,479</u>	<u>\$ (150,723)</u>	<u>\$ 399,091</u>

HUMBOLDT COUNTY
Building Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 82,304	\$ 82,304	\$ 111,421	\$ 29,117	\$ 137,100
Charges for Services:					
Rents	<u>10,000</u>	<u>10,000</u>	<u>27,556</u>	<u>17,556</u>	<u>30,309</u>
Total Revenues	<u>92,304</u>	<u>92,304</u>	<u>138,977</u>	<u>46,673</u>	<u>167,409</u>
Excess (deficiency) of revenues over (under) expenditures	92,304	92,304	138,977	46,673	167,409
Fund balance - beginning	<u>564,618</u>	<u>564,618</u>	<u>1,136,786</u>	<u>572,168</u>	<u>969,377</u>
Fund balance - ending	<u><u>\$ 656,922</u></u>	<u><u>\$ 656,922</u></u>	<u><u>\$ 1,275,763</u></u>	<u><u>\$ 618,841</u></u>	<u><u>\$ 1,136,786</u></u>

HUMBOLDT COUNTY
Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2017

ASSETS

Cash and investments	\$ 1,927,150
Taxes receivable	1,079
Interest receivable	379
Due from other governments	<u>53</u>
 Total assets	 <u><u>\$ 1,928,661</u></u>

**LIABILITIES, DEFERRED
INFLOWS, AND FUND BALANCES**

Liabilities:

Accounts payable	\$ <u>111,238</u>
 Total liabilities	 <u>111,238</u>

Deferred Inflows of Resources:

Unavailable revenue - property taxes	<u>1,079</u>
--------------------------------------	--------------

Fund Balances:

Restricted	<u>1,816,344</u>
------------	------------------

Total liabilities, deferred inflows, and fund balances	<u><u>\$ 1,928,661</u></u>
--	----------------------------

HUMBOLDT COUNTY
Nonmajor Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 82,304	\$ 82,304	\$ 111,428	\$ 29,124	\$ 137,099
Miscellaneous	-	-	1,099	1,099	862
Total Revenues	<u>82,304</u>	<u>82,304</u>	<u>112,527</u>	<u>30,223</u>	<u>137,961</u>
EXPENDITURES					
Community Support Function:					
Services and supplies	5,000	5,000	-	5,000	-
Capital outlay	1,650,000	1,650,000	658,373	991,627	620,704
Total Community Support	<u>1,655,000</u>	<u>1,655,000</u>	<u>658,373</u>	<u>996,627</u>	<u>620,704</u>
Intergovernmental Expenditure Function:					
Services and supplies	38,000	38,000	28,022	9,978	36,365
Total Expenditures	<u>1,693,000</u>	<u>1,693,000</u>	<u>686,395</u>	<u>1,006,605</u>	<u>657,069</u>
Excess (deficiency) of revenues over (under) expenditures	(1,610,696)	(1,610,696)	(573,868)	1,036,828	(519,108)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,550,000	1,550,000	1,550,000	-	940,000
Net change in fund balance	(60,696)	(60,696)	976,132	1,036,828	420,892
Fund balance - beginning	447,371	447,371	840,212	392,841	419,320
Fund balance - ending	<u>\$ 386,675</u>	<u>\$ 386,675</u>	<u>\$ 1,816,344</u>	<u>\$ 1,429,669</u>	<u>\$ 840,212</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 200,000	\$ 200,000	\$ 242,362	\$ 42,362	\$ 231,780
PBS grant	-	-	3,786	3,786	5,206
Miscellaneous revenue	10,000	10,000	11,650	1,650	12,660
Total Operating Revenues	<u>210,000</u>	<u>210,000</u>	<u>257,798</u>	<u>47,798</u>	<u>249,646</u>
OPERATING EXPENSES					
Salaries and wages	104,108	104,108	66,077	38,031	40,329
Employee benefits	48,540	48,540	28,681	19,859	22,920
Services and supplies	92,140	92,140	66,924	25,216	79,582
Depreciation	50,000	50,000	26,650	23,350	30,932
Total Operating Expenses	<u>294,788</u>	<u>294,788</u>	<u>188,332</u>	<u>106,456</u>	<u>173,763</u>
Operating Income (Loss)	(84,788)	(84,788)	69,466	154,254	75,883
NONOPERATING REVENUES (EXPENSES)					
Income Before Transfers	(84,788)	(84,788)	69,466	154,254	75,883
TRANSFERS IN (OUT)					
Transfers out	<u>(351,050)</u>	<u>(351,050)</u>	<u>(350,750)</u>	<u>300</u>	<u>(700)</u>
Change in Net Position	<u>\$ (435,838)</u>	<u>\$ (435,838)</u>	(281,284)	<u>\$ 154,554</u>	75,183
Net position, July 1			<u>1,525,584</u>		<u>1,450,401</u>
Net position, June 30			<u>\$ 1,244,300</u>		<u>\$ 1,525,584</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017	2016
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 259,576	\$ 248,604
Cash payments for personnel costs	(93,525)	(57,052)
Cash payments for services and supplies	(87,959)	(38,808)
Net Cash Provided (Used) by Operating Activities	78,092	152,744
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(350,750)	(700)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchases of capital assets	(203,132)	(20,292)
Net Increase (Decrease) in Cash and Investments	(475,790)	131,752
CASH AND INVESTMENTS, JULY 1	1,480,925	1,349,173
CASH AND INVESTMENTS, JUNE 30	\$ 1,005,135	\$ 1,480,925
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 69,466	\$ 75,883
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	26,650	30,932
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	1,778	(1,041)
Inventory	2,013	15,560
Increase (decrease) in:		
Accounts payable	(23,048)	25,214
Accrued salaries and benefits	1,233	6,196
Total Adjustments	8,626	76,861
Net Cash Provided (Used) by Operating Activities	\$ 78,092	\$ 152,744

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 950,000	\$ 950,000	\$ 1,104,808	\$ 154,808	\$ 1,107,816
OPERATING EXPENSES					
Salaries and wages	46,730	46,730	33,332	13,398	42,369
Employee benefits	21,510	21,510	16,762	4,748	33,194
Services and supplies	938,200	938,200	740,039	198,161	759,744
Depreciation	5,000	5,000	839	4,161	-
Total Operating Expenses	<u>1,011,440</u>	<u>1,011,440</u>	<u>790,972</u>	<u>220,468</u>	<u>835,307</u>
Operating Income (Loss)	(61,440)	(61,440)	313,836	375,276	272,509
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	<u>1,000</u>	<u>1,000</u>	<u>4,958</u>	<u>3,958</u>	<u>1,943</u>
Income Before Transfers	(60,440)	(60,440)	318,794	379,234	274,452
TRANSFERS IN (OUT)					
Transfers out	<u>(420)</u>	<u>(420)</u>	<u>(300)</u>	<u>120</u>	<u>(390)</u>
Change in Net Position	<u>\$ (60,860)</u>	<u>\$ (60,860)</u>	318,494	<u>\$ 379,354</u>	274,062
Net position, July 1			<u>2,728,281</u>		<u>2,454,219</u>
Net position, June 30			<u>\$ 3,046,775</u>		<u>\$ 2,728,281</u>

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017	2016
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,088,875	\$ 1,105,908
Cash payments for personnel costs	(47,035)	(59,196)
Cash payments for services and supplies	(815,119)	(698,038)
Net Cash Provided (Used) by Operating Activities	226,721	348,674
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchases of capital assets	(8,390)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(300)	(390)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	4,531	1,922
Net Increase (Decrease) in Cash and Investments	222,562	350,206
CASH AND INVESTMENTS, JULY 1	2,852,061	2,501,855
CASH AND INVESTMENTS, JUNE 30	\$ 3,074,623	\$ 2,852,061
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 313,836	\$ 272,509
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations:		
Depreciation	839	-
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(15,933)	(1,908)
Increase (decrease) in:		
Accounts payable	(75,080)	61,706
Accrued salaries and benefits	3,059	16,367
Total Adjustments	(87,115)	76,165
Net Cash Provided (Used) by Operating Activities	\$ 226,721	\$ 348,674

HUMBOLDT COUNTY
McDermitt Sewer District Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017

	2017			Variance to Final Budget
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ 52,800	\$ 52,800	\$ 44,258	\$ (8,542)
OPERATING EXPENSES				
Salaries and wages	-	-	2,170	(2,170)
Employee benefits	250	250	386	(136)
Services and supplies	29,800	29,800	23,883	5,917
Depreciation	40,000	40,000	38,108	1,892
Total Operating Expenses	<u>70,050</u>	<u>70,050</u>	<u>64,547</u>	<u>5,503</u>
Operating Income (Loss)	<u>(17,250)</u>	<u>(17,250)</u>	<u>(20,289)</u>	<u>(3,039)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest expense	<u>(10,345)</u>	<u>(10,345)</u>	<u>(8,966)</u>	<u>1,379</u>
Change in Net Position	<u>\$ (27,595)</u>	<u>\$ (27,595)</u>	<u>(29,255)</u>	<u>\$ (1,660)</u>
Net position, July 1			<u>861,828</u>	
Net position, June 30			<u>\$ 832,573</u>	

HUMBOLDT COUNTY
McDermitt Sewer District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017

	2017
	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 45,247
Cash payments for personnel costs	(4,143)
Cash payments for services and supplies	(20,743)
Net Cash Provided (Used) by Operating Activities	20,361
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Interest paid on debt service	(8,966)
Principal paid on debt service	(3,805)
Net Cash Provided (Used) by Financing Activities	(12,771)
Net Increase (Decrease) in Cash and Investments	7,590
CASH AND INVESTMENTS, JULY 1	159,647
CASH AND INVESTMENTS, JUNE 30	\$ 167,237
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	\$ (20,289)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	38,108
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	989
Increase (decrease) in:	
Accounts payable	3,140
Accrued salaries and benefits	(1,587)
Total Adjustments	40,650
Net Cash Provided (Used) by Operating Activities	\$ 20,361

HUMBOLDT COUNTY
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2017

	Quinn River Television District Fund	Denio Television District Fund	Golconda Water District Fund
ASSETS			
Current Assets:			
Cash and investments	\$ 211,754	\$ 33,635	\$ 103,262
Accounts receivable	-	-	2,014
Total Current Assets	<u>211,754</u>	<u>33,635</u>	<u>105,276</u>
Noncurrent Assets:			
Capital assets:			
Construction in progress			
Land	300	-	-
Buildings	7,970	4,800	-
Machinery and equipment	178,597	11,715	1,985
Infrastructure	-	-	2,192,513
Less accumulated depreciation	<u>(145,558)</u>	<u>(16,435)</u>	<u>(730,615)</u>
Total capital assets (net of accumulated depreciation)	<u>41,309</u>	<u>80</u>	<u>1,463,883</u>
Total Assets	<u>253,063</u>	<u>33,715</u>	<u>1,569,159</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	-	-	2,253
Accrued liabilities	-	-	256
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,509</u>
NET POSITION			
Net investment in capital assets	41,309	80	1,463,883
Unrestricted	<u>211,754</u>	<u>33,635</u>	<u>102,767</u>
Total Net Position	<u>\$ 253,063</u>	<u>\$ 33,715</u>	<u>\$ 1,566,650</u>

Paradise Sewer District Fund	McDermitt Water District Fund	Total
\$ 18,922	\$ 149,075	\$ 516,648
-	6,331	8,345
<u>18,922</u>	<u>155,406</u>	<u>524,993</u>
600	259,060	259,960
-	-	12,770
176	93,775	286,248
259,121	960,477	3,412,111
<u>(139,315)</u>	<u>(386,239)</u>	<u>(1,418,162)</u>
<u>120,582</u>	<u>927,073</u>	<u>2,552,927</u>
<u>139,504</u>	<u>1,082,479</u>	<u>3,077,920</u>
-	7,678	9,931
-	497	753
<u>-</u>	<u>8,175</u>	<u>10,684</u>
120,582	927,073	2,552,927
18,922	147,231	514,309
<u>\$ 139,504</u>	<u>\$ 1,074,304</u>	<u>\$ 3,067,236</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2017

	Quinn River Television District Fund	Denio Television District Fund	Golconda Water District Fund
OPERATING REVENUES			
Charges for Services:			
User fees	\$ 17,039	\$ 1,804	\$ 29,238
Miscellaneous	70	-	-
Total Operating Revenues	<u>17,109</u>	<u>1,804</u>	<u>29,238</u>
OPERATING EXPENSES			
Salaries and wages	-	-	2,396
Employee benefits	170	-	956
Services and supplies	2,169	40	40,332
Depreciation	9,056	160	48,781
Total Operating Expenses	<u>11,395</u>	<u>200</u>	<u>92,465</u>
Operating Income (Loss)	5,714	1,604	(63,227)
NET POSITION, JULY 1	247,349	32,111	1,629,877
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION, JULY 1, restated	<u>247,349</u>	<u>32,111</u>	<u>1,629,877</u>
NET POSITION, JUNE 30	<u><u>\$ 253,063</u></u>	<u><u>\$ 33,715</u></u>	<u><u>\$ 1,566,650</u></u>

Paradise Sewer District Fund	McDermitt Water District Fund	Total
\$ 13,843	\$ 80,274	\$ 142,198
-	-	70
<u>13,843</u>	<u>80,274</u>	<u>142,268</u>
273	5,119	7,788
335	1,301	2,762
4,402	38,491	85,434
5,934	28,038	91,969
<u>10,944</u>	<u>72,949</u>	<u>187,953</u>
2,899	7,325	(45,685)
-	-	1,909,337
<u>136,605</u>	<u>1,066,979</u>	<u>1,203,584</u>
<u>136,605</u>	<u>1,066,979</u>	<u>3,112,921</u>
<u><u>\$ 139,504</u></u>	<u><u>\$ 1,074,304</u></u>	<u><u>\$ 3,067,236</u></u>

HUMBOLDT COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2017

	<u>Quinn River Television District Fund</u>	<u>Denio Television District Fund</u>	<u>Golconda Water District Fund</u>
CASH FLOWS FROM			
OPERATING ACTIVITIES:			
Cash received from customers	\$ 17,109	\$ 1,804	\$ 30,380
Cash payments for personnel costs	(170)	-	(3,096)
Cash payments for services and supplies	(2,169)	(40)	(45,358)
Net Cash Provided (Used) by Operating Activities	<u>14,770</u>	<u>1,764</u>	<u>(18,074)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Grant receipts	-	-	-
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Investments	14,770	1,764	(18,074)
CASH AND INVESTMENTS, JULY 1	<u>196,984</u>	<u>31,871</u>	<u>121,336</u>
CASH AND INVESTMENTS, JUNE 30	<u><u>\$ 211,754</u></u>	<u><u>\$ 33,635</u></u>	<u><u>\$ 103,262</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	<u>\$ 5,714</u>	<u>\$ 1,604</u>	<u>\$ (63,227)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations			
Depreciation	9,056	160	48,781
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	-	-	1,142
Increase (decrease) in:			
Accounts payable	-	-	(5,026)
Accrued salaries and benefits	-	-	256
Total adjustments	<u>9,056</u>	<u>160</u>	<u>45,153</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 14,770</u></u>	<u><u>\$ 1,764</u></u>	<u><u>\$ (18,074)</u></u>

Paradise Sewer District Fund	McDermitt Water District Fund	Total
\$ 13,843	\$ 80,787	\$ 143,923
(608)	(5,923)	(9,797)
(5,515)	(44,091)	(97,173)
<u>7,720</u>	<u>30,773</u>	<u>36,953</u>
-	38,212	38,212
<u>-</u>	<u>38,212</u>	<u>38,212</u>
7,720	68,985	75,165
11,202	80,090	441,483
<u>\$ 18,922</u>	<u>\$ 149,075</u>	<u>\$ 516,648</u>
<u>\$ 2,899</u>	<u>\$ 7,325</u>	<u>\$ (45,685)</u>
5,934	28,038	91,969
-	513	1,655
(1,113)	(5,600)	(11,739)
-	497	753
<u>4,821</u>	<u>23,448</u>	<u>82,638</u>
<u>\$ 7,720</u>	<u>\$ 30,773</u>	<u>\$ 36,953</u>

HUMBOLDT COUNTY
Quinn River Television District Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 14,000	\$ 14,000	\$ 17,039	\$ 3,039	\$ 14,560
Miscellaneous income	-	-	70	70	70
Total Operating Revenues	<u>14,000</u>	<u>14,000</u>	<u>17,109</u>	<u>3,109</u>	<u>14,630</u>
OPERATING EXPENSES					
Employee benefits	-	-	170	(170)	-
Services and supplies	18,440	18,440	2,169	16,271	2,117
Depreciation	10,000	10,000	9,056	944	9,056
Total Operating Expenses	<u>28,440</u>	<u>28,440</u>	<u>11,395</u>	<u>17,045</u>	<u>11,173</u>
Operating Income (Loss)	<u>\$ (14,440)</u>	<u>\$ (14,440)</u>	5,714	<u>\$ 20,154</u>	3,457
Net position, July 1			<u>247,349</u>		<u>243,892</u>
Net position, June 30			<u>\$ 253,063</u>		<u>\$ 247,349</u>

HUMBOLDT COUNTY
Quinn River Television District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017	2016
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 17,109	\$ 14,630
Cash payments for personnel costs	(170)	-
Cash payments for services and supplies	(2,169)	(2,117)
Net Cash Provided (Used) by Operating Activities	14,770	12,513
Net Increase (Decrease) in Cash and Investments	14,770	12,513
CASH AND INVESTMENTS, JULY 1	196,984	184,471
CASH AND INVESTMENTS, JUNE 30	\$ 211,754	\$ 196,984
RECONCILIATION OF OPERATING INCOME (LOSS)		
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 5,714	\$ 3,457
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	9,056	9,056
Total Adjustments	9,056	9,056
Net Cash Provided (Used) by Operating Activities	\$ 14,770	\$ 12,513

HUMBOLDT COUNTY
Denio Television District Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017

(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 1,600	\$ 1,600	\$ 1,804	\$ 204	1,620
OPERATING EXPENSES					
Services and supplies	1,500	1,500	40	1,460	45
Depreciation	500	500	160	340	160
Total Operating Expenses	<u>2,000</u>	<u>2,000</u>	<u>200</u>	<u>1,800</u>	<u>205</u>
Operating Income (Loss)	<u>\$ (400)</u>	<u>\$ (400)</u>	1,604	<u>\$ 2,004</u>	1,415
Net position, July 1			<u>32,111</u>		<u>30,696</u>
Net position, June 30			<u>\$ 33,715</u>		<u>\$ 32,111</u>

HUMBOLDT COUNTY
Denio Television District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017	2016
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,804	\$ 1,620
Cash payments for services and supplies	(40)	(65)
Net Cash Provided (Used) by Operating Activities	1,764	1,555
Net Increase (Decrease) in Cash and Investments	1,764	1,555
CASH AND INVESTMENTS, JULY 1	31,871	30,316
CASH AND INVESTMENTS, JUNE 30	\$ 33,635	\$ 31,871
RECONCILIATION OF OPERATING INCOME (LOSS)		
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 1,604	\$ 1,415
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	160	160
Change in assets and liabilities:		
Accounts payable	-	(20)
Total Adjustments	160	140
Net Cash Provided (Used) by Operating Activities	\$ 1,764	\$ 1,555

HUMBOLDT COUNTY
Golconda Water District Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 40,000	\$ 40,000	\$ 29,238	\$ (10,762)	\$ 34,048
OPERATING EXPENSES					
Salaries and wages	-	-	2,396	(2,396)	-
Employee benefits	490	490	956	(466)	397
Services and supplies	30,000	30,000	40,332	(10,332)	56,535
Depreciation	50,000	50,000	48,781	1,219	48,781
Total Operating Expenses	<u>80,490</u>	<u>80,490</u>	<u>92,465</u>	<u>(11,975)</u>	<u>105,713</u>
Operating Income (Loss)	<u>(40,490)</u>	<u>(40,490)</u>	<u>(63,227)</u>	<u>(22,737)</u>	<u>(71,665)</u>
NONOPERATING REVENUES (EXPENSES)					
Miscellaneous income	200	200	-	(200)	-
Capital outlay	<u>(80,000)</u>	<u>(80,000)</u>	-	80,000	-
Total Nonoperating Revenues (Expenses)	<u>(79,800)</u>	<u>(79,800)</u>	-	79,800	-
Change in Net Position	<u>\$ (120,290)</u>	<u>\$ (120,290)</u>	(63,227)	<u>\$ 57,063</u>	(71,665)
Net position, July 1			<u>1,629,877</u>		<u>1,701,542</u>
Net position, June 30			<u>\$ 1,566,650</u>		<u>\$ 1,629,877</u>

HUMBOLDT COUNTY
Golconda Water District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017	2016
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 30,380	\$ 33,565
Cash payments for personnel costs	(3,096)	(397)
Cash payments for services and supplies	(45,358)	(51,794)
Net Cash Provided (Used) by Operating Activities	(18,074)	(18,626)
Net Increase (Decrease) in Cash and Investments	(18,074)	(18,626)
CASH AND INVESTMENTS, JULY 1	121,336	139,962
CASH AND INVESTMENTS, JUNE 30	\$ 103,262	\$ 121,336
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (63,227)	\$ (71,665)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	48,781	48,781
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	1,142	(483)
Increase (decrease) in:		
Accounts payable	(5,026)	4,741
Accrued salaries and benefits	256	-
Total Adjustments	45,153	53,039
Net Cash Provided (Used) by Operating Activities	\$ (18,074)	\$ (18,626)

HUMBOLDT COUNTY
Paradise Sewer District Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017

	2017			
	Original Budget	Final Budget	Actual	Variance to Final Budget
OPERATING REVENUES				
Charges for Services:				
User fees	\$ 13,500	\$ 13,500	\$ 13,843	\$ 343
OPERATING EXPENSES				
Salaries and wages	-	-	273	(273)
Employee benefits	490	490	335	155
Services and supplies	5,725	5,725	4,402	1,323
Depreciation	5,800	5,800	5,934	(134)
Total Operating Expenses	12,015	12,015	10,944	(1,071)
Operating Income (Loss)	\$ 1,485	\$ 1,485	2,899	\$ 1,414
Net position, July 1			136,605	
Net position, June 30			\$ 139,504	

HUMBOLDT COUNTY
Paradise Sewer District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017

	2017
	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 13,843
Cash payments for personnel costs	(608)
Cash payments for services and supplies	(5,515)
Net Cash Provided (Used) by Operating Activities	7,720
Net Increase (Decrease) in Cash and Investments	7,720
CASH AND INVESTMENTS, JULY 1	11,202
CASH AND INVESTMENTS, JUNE 30	\$ 18,922
RECONCILIATION OF OPERATING INCOME (LOSS)	
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 2,899
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	5,934
Change in assets and liabilities:	
Increase (decrease) in:	
Accounts payable	(1,113)
Total Adjustments	4,821
Net Cash Provided (Used) by Operating Activities	\$ 7,720

HUMBOLDT COUNTY
McDermitt Water District Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2017

	2017			Variance to Final Budget
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ 48,000	\$ 48,000	\$ 80,274	\$ 32,274
OPERATING EXPENSES				
Salaries and wages	-	-	5,119	(5,119)
Employee benefits	250	250	1,301	(1,051)
Services and supplies	64,440	64,440	38,491	25,949
Depreciation	18,200	18,200	28,038	(9,838)
Total Operating Expenses	<u>82,890</u>	<u>82,890</u>	<u>72,949</u>	<u>9,941</u>
Operating Income (Loss)	<u>(34,890)</u>	<u>(34,890)</u>	<u>7,325</u>	<u>42,215</u>
NONOPERATING REVENUES (EXPENSES)				
Grants	24,000	24,000	-	(24,000)
Purchase of capital assets	<u>(24,000)</u>	<u>(24,000)</u>	<u>-</u>	<u>24,000</u>
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>\$ (34,890)</u>	<u>\$ (34,890)</u>	7,325	<u>\$ 42,215</u>
Net position, July 1			<u>1,066,979</u>	
Net position, June 30			<u>\$ 1,074,304</u>	

HUMBOLDT COUNTY
McDermitt Water District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2017

	2017
	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 80,787
Cash payments for personnel costs	(5,923)
Cash payments for services and supplies	(44,091)
Net Cash Provided (Used) by Operating Activities	30,773
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Grant receipts	38,212
Net Cash Provided (Used) by Capital and Related Financing Activities	38,212
Net Increase (Decrease) in Cash and Investments	68,985
CASH AND INVESTMENTS, JULY 1	80,090
CASH AND INVESTMENTS, JUNE 30	\$ 149,075
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 7,325
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	28,038
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	513
Increase (decrease) in:	
Accounts payable	(5,600)
Accrued salaries and benefits	497
Total Adjustments	23,448
Net Cash Provided (Used) by Operating Activities	\$ 30,773

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2017

	<u>Balance</u> <u>July 01, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
City of Winnemucca:				
Assets:				
Cash and investments	\$ 17,820	\$ 1,986,420	\$ 2,004,240	\$ -
Liabilities:				
Due to other governments	\$ 17,820	\$ 1,986,420	\$ 2,004,240	\$ -
Court Ordered Restitution:				
Assets:				
Cash and investments	\$ 24,568	\$ 104,857	\$ 70,367	\$ 59,058
Liabilities:				
Funds held in trust for others	\$ 24,568	\$ 104,857	\$ 70,367	\$ 59,058
District Court Bail:				
Assets:				
Cash and investments	\$ 106,068	\$ 18,180	\$ -	\$ 124,248
Liabilities:				
Funds held in trust for others	\$ 106,068	\$ 18,180	\$ -	\$ 124,248
General Trust Fund:				
Assets:				
Cash and investments	\$ 15,834	\$ -	\$ -	\$ 15,834
Liabilities:				
Due to other governments	\$ 15,834	\$ -	\$ -	\$ 15,834
Humboldt County General Hospital:				
Assets:				
Cash and investments	\$ 157,187	\$ 5,180,871	\$ 5,338,058	\$ -
Liabilities:				
Due to other governments	\$ 157,187	\$ 5,180,871	\$ 5,338,058	\$ -
Humboldt County School District:				
Assets:				
Cash and investments	\$ 164,755	\$ 8,353,671	\$ 8,518,214	\$ 212
Liabilities:				
Due to other governments	\$ 164,755	\$ 8,353,671	\$ 8,518,214	\$ 212

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2017

	<u>Balance</u> <u>July 01, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Humboldt Development Authority:				
Assets:				
Cash and investments	\$ 273,278	\$ 69,271	\$ 69,849	\$ 272,700
Liabilities:				
Due to other governments	\$ 273,278	\$ 69,271	\$ 69,849	\$ 272,700
Justice Court Bail:				
Assets:				
Cash and investments	\$ 52,394	\$ 27,074	\$ -	\$ 79,468
Liabilities:				
Funds held in trust for others	\$ 52,394	\$ 27,074	\$ -	\$ 79,468
Kings River GID:				
Assets:				
Cash and investments	\$ 10,788	\$ 10,950	\$ 9,111	\$ 12,627
Liabilities:				
Due to other governments	\$ 10,788	\$ 10,950	\$ 9,111	\$ 12,627
McDermitt Fire Protection District:				
Assets:				
Cash and investments	\$ 49,478	\$ 24,473	\$ 19,251	\$ 54,700
Liabilities:				
Due to other governments	\$ 49,478	\$ 24,473	\$ 19,251	\$ 54,700
Orovada Community Services District:				
Assets:				
Cash and investments	\$ 147,694	\$ 62,730	\$ 34,355	\$ 176,069
Liabilities:				
Due to other governments	\$ 147,694	\$ 62,730	\$ 34,355	\$ 176,069
Orovada Fire Protection District:				
Assets:				
Cash and investments	\$ 302,730	\$ 87,517	\$ 32,883	\$ 357,364
Liabilities:				
Due to other governments	\$ 302,730	\$ 87,517	\$ 32,883	\$ 357,364
Orovada General Improvement District:				
Assets:				
Cash and investments	\$ 172,338	\$ 50,476	\$ 33,032	\$ 189,782
Liabilities:				
Due to other governments	\$ 172,338	\$ 50,476	\$ 33,032	\$ 189,782

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2017

	<u>Balance</u> <u>July 01, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Orovada Rodent Control District:				
Assets:				
Cash and investments	\$ 48,950	\$ 23,345	\$ 12,989	\$ 59,306
Liabilities:				
Due to other governments	\$ 48,950	\$ 23,345	\$ 12,989	\$ 59,306
Paradise Weed Control District:				
Assets:				
Cash and investments	\$ 188,055	\$ 57,531	\$ 50,682	\$ 194,904
Liabilities:				
Due to other governments	\$ 188,055	\$ 57,531	\$ 50,682	\$ 194,904
Pueblo Fire Protection District:				
Assets:				
Cash and investments	\$ 504,477	\$ 117,291	\$ 12,579	\$ 609,189
Liabilities:				
Due to other governments	\$ 504,477	\$ 117,291	\$ 12,579	\$ 609,189
Range Improvement:				
Assets:				
Cash and investments	\$ 17,393	\$ 39,416	\$ 32,383	\$ 24,426
Liabilities:				
Due to other governments	\$ 17,393	\$ 39,416	\$ 32,383	\$ 24,426
State Department of Wildlife:				
Assets:				
Cash and investments	\$ 4,929	\$ 205	\$ 3,148	\$ 1,986
Liabilities:				
Due to other governments	\$ 4,929	\$ 205	\$ 3,148	\$ 1,986
State of Nevada Trust:				
Assets:				
Cash and investments	\$ 245,131	\$ 2,229,147	\$ 2,341,589	\$ 132,689
Liabilities:				
Due to other governments	\$ 245,131	\$ 2,229,147	\$ 2,341,589	\$ 132,689

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2017

	<u>Balance</u> <u>July 01, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Sheriff's Commissary:				
Assets:				
Cash and investments	\$ 70,769	\$ 11,063	\$ -	\$ 81,832
Liabilities:				
Funds held in trust for others	\$ 70,769	\$ 11,063	\$ -	\$ 81,832
Treasurer Trustee Acct.				
Assets:				
Cash and investments	\$ -	\$ 21,254	\$ -	\$ 21,254
Liabilities:				
Funds held in trust for others	\$ -	\$ 21,254	\$ -	\$ 21,254
Winnemucca Convention and Visitors Authority:				
Assets:				
Cash and investments	\$ 34,866	\$ 451,740	\$ 473,542	\$ 13,064
Liabilities:				
Due to other governments	\$ 34,866	\$ 451,740	\$ 473,542	\$ 13,064
Winnemucca Rural Fire Protection District:				
Assets:				
Cash and investments	\$ 1,028,679	\$ 247,341	\$ 167,236	\$ 1,108,784
Liabilities:				
Due to other governments	\$ 1,028,679	\$ 247,341	\$ 167,236	\$ 1,108,784
Other Collections:				
Assets:				
Cash and investments	\$ 102,874	\$ 80,475	\$ -	\$ 183,349
Liabilities:				
Due to other governments	\$ 102,874	\$ 80,475	\$ -	\$ 183,349
Totals, All Agency Funds:				
Assets:				
Cash and investments	\$ 3,741,055	\$ 19,255,298	\$ 19,223,508	\$ 3,772,845
Liabilities:				
Due to other governments	3,487,256	19,072,870	19,153,141	3,406,985
Funds held in trust for others	253,799	182,428	70,367	365,860
Total Liabilities	\$ 3,741,055	\$ 19,255,298	\$ 19,223,508	\$ 3,772,845



**Independent Auditor's 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 Honorable Board of Commissioners
of Humboldt County, Nevada

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Humboldt County, Nevada, (the County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 30, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency (2017-001).

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*.

Humboldt County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blake Row : Associates, LLC

Winnemucca, Nevada
December 30, 2017



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Honorable Board of County Commissioners
of Humboldt County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Humboldt County, Nevada's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2017. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed a significant deficiency, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2017-001. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the significant deficiency identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify

any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Blake Rose : Associates, LLC

Winnemucca, Nevada
December 30, 2017

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	EXPENDITURES TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
<u>US Department of Agriculture:</u>				
Passed through State of Nevada Department of the Controller:				
Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	N/A	-	7,625
Total Forest Service Schools and Road Cluster			-	7,625
Total US Department of Agriculture			-	7,625
<u>US Department of Justice:</u>				
Direct Programs:				
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0518	-	5,765
Passed through State of Nevada Office of the Attorney General:				
Sentencing, Monitoring, Apprehending, Registering and Tracking (SMART)	16.750	2014-AW-BX-0048	-	1,509
Passed through State of Nevada Department of Health and Human Services, Division of Child and Family Services:				
OJJDP Title II Formula Grant	16.540	2015-MU-FX	-	1,058
Self-Esteem, Empowerment & Knowledge Group	16.540	2016-004	-	14,984
Total Nevada Department of Health and Human Services			-	16,042
Passed through State of Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Edward Byrne Memorial Justice Assistance Grant Program:				
Tri-County Drug Enforcement Team	16.738	15-JAG-13	-	15,123
Tri-County Drug Enforcement Team	16.738	16-JAG-11	-	7,479
Total Nevada Department of Public Safety			-	22,602
Total US Department of Justice			-	45,918
<u>US Department of Transportation:</u>				
Passed through State of Nevada Department of Transportation:				
Small Urban and Rural Transportation Program	20.509	PR492-15-802	51,369	51,369
Small Urban and Rural Transportation Program	20.509	PR605-16-802	140,133	140,133
Total Small Urban and Rural Transportation Program			191,502	191,502
Passed through State of Nevada Department of Public Safety, Office of Traffic Safety:				
Highway Safety Cluster				
National Priority Safety Programs	20.616	JF-2016-HCSO-00025	-	2,586
National Priority Safety Programs	20.616	JF-2017-HCSO-00008	-	9,994
State and Community Highway Safety	20.600	JF-2016-HCSO-00025	-	7,105
State and Community Highway Safety	20.600	JF-2017-HCSO-00008	-	30,376
State and Community Highway Safety	20.600	LFD-2017-HCSO-00011	-	10,000
Total Highway Safety Cluster			-	60,061
Passed through State of Nevada Emergency Response Commission:				
Hazardous Materials Emergency Preparedness	20.703	17-HMEP08-01	-	7,085
Total US Department of Transportation			191,502	258,648

(CONTNUED)

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>EXPENDITURES TO SUBRECIPIENTS</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
<u>US Institute of Museum and Library Services:</u>				
Passed through Nevada State Library, Archives and Public Records				
Nevada Department of Administration:				
Rural Bookmobile Support	45.310	LSTA 2016-18	-	5,100
Summer Reading Program	45.310	LSTA 2016-20	-	2,800
Total US Institute of Museum and Library Services			-	7,900
<u>US Department of Health and Human Services:</u>				
Passed through Nevada Division of Child and Family Services:				
Child Support Enforcement	93.563	N/A	-	324,814
Direct Programs:				
Substance Abuse and Mental Health Services:				
Treatment Expansion & Enhancement for Adult Drug Court - Rural NV	93.243	15TI26069-A	-	298,452
Total US Department of Health and Human Services			-	623,266
<u>US Department of Homeland Security:</u>				
Passed through State of Nevada Department of Public Safety, Division of Emergency Management				
FFY16 Emergency Management Performance Grant	97.042	EMF-2016-EP-000007	-	3,000
Total US Department of Homeland Security			-	3,000
Total Federal Grant Awards			\$ 191,502	\$ 946,357

See accompanying notes to schedule of expenditures of federal awards.

HUMBOLDT COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the expenditure activity of all federal awards programs of Humboldt County (the County) for the year ended June 30, 2017. The County's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

(2) Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The County has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

(3) Relationship to the Basic Financial Statements

Expenditures of federal awards have been included in the individual funds of the County as follows:

General Fund	\$ 616,338
Major Special Revenue Funds	23,667
Nonmajor Special Revenue Funds	<u>306,352</u>
	<u>\$ 946,357</u>

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Summary of Auditor's Results:

- Drake Rose & Associates, LLC issued an unqualified opinion on the financial statements of Humboldt County for the year ended June 30, 2017.
- A significant deficiency disclosed during the audit of the financial statements is reported in the Independent Auditor's 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*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of Humboldt County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- No deficiencies in internal control over major federal award programs were disclosed during the audit as reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). No material weaknesses are reported.
- Drake Rose & Associates, LLC issued an unqualified opinion on compliance for major programs of Humboldt County.
- There were no audit findings required to be reported in accordance with 2 CFR section 200.516(a) reported in this schedule.
- The programs tested as major programs for the year ended June 30, 2017 included:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.243	Treatment Expansion & Enhancement for Adult Drug Court
- The threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2017 was \$750,000.
- Humboldt County qualified as a low-risk auditee for the year ended June 30, 2017 under the criteria set forth in 2 CFR section 200.520.

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Findings Relating to the Financial Statements Reported in Accordance with Generally Accepted Government Auditing Standards (GAGAS):

SIGNIFICANT DEFICIENCY

**Financial Statement Finding
2017-001 Cutoff and Review of Transactions**

Criteria and Condition: Transaction processing and review procedures at the County should be sufficient to ensure that transactions are recorded in the correct year and are consistent with applicable accounting guidance based upon the underlying transaction. Such conditions are not currently present at the County.

Cause and Effect: Accounts payable in the Capital Projects Fund was understated by \$29,397 due to lack of proper cut-off procedures and insufficient review processes.

Auditor's Recommendation: Processing and review procedures currently in place should be enhanced to ensure that controls are sufficient and are being performed as needed. Diligent review and analysis should be conducted in order to obtain a thorough understanding of each invoice when preparing the voucher, authorizing the payment, and when generating the payment to ensure proper period classification.

Views of Responsible Officials and Planned Corrective Actions: Management has reviewed the current procedures in place for recording transactions and will enhance voucher processing and review procedures.

Findings and Questioned Costs—Major Federal Award Programs Audit:

None

HUMBOLDT COUNTY
SCHEDULE OF FEES IMPOSED SUBJECT TO THE PROVISIONS OF NRS 354.5989
LIMITATION OF FEES FOR BUSINESS LICENSES
FOR THE YEAR ENDED JUNE 30, 2017

Flat Fixed Fees:

Business license revenue for the year ended June 30, 1991 (base year) adjusted through June 30, 2016	\$ 77,666
---	-----------

Adjustment to Base:

Base year adjusted	
Percentage increase in population of the local government	-1.90%

Percentage increase in the Consumer Price Index for the year ending December 31 next preceding the year for which the limit is being calculated	<u>1.99%</u>	<u>0.09%</u>
---	--------------	--------------

<u>70</u>

Adjusted base at June 30, 2017	77,736
--------------------------------	--------

Actual revenue	<u>48,406</u>
----------------	---------------

Amount under allowable amount	<u><u>\$ 29,330</u></u>
-------------------------------	-------------------------



DRAKE ROSE & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Auditor's Comments

To the Honorable Board of Commissioners
Humboldt County, Nevada

In connection with our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Humboldt County, Nevada (the County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, nothing came to our attention that caused us to believe the County failed to comply with the specific requirements of the Nevada Revised Statutes cited below.

CURRENT YEAR STATUTE COMPLIANCE

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

Efforts were made during the current fiscal year to monitor expenditures to avoid noncompliance with the provisions of NRS 354.626, however, see Note 2 to the financial statements for disclosure of apparent current year violations.

PRIOR YEAR RECOMMENDATIONS

Efforts were made by management to implement prior year recommendations.

CURRENT YEAR RECOMMENDATIONS

Current year audit recommendations are included in the Schedule of Findings and Questioned Costs.

Drake Rose & Associates, LLC

Winnemucca, Nevada
December 30, 2017