

HUMBOLDT COUNTY

JUNE 30, 2016

HUMBOLDT COUNTY
June 30, 2016

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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, 2016, 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, 2016, 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 55-64, reconciliation of the General Fund budgetary basis to GAAP basis on page 65, the schedules related to other post-employment benefits and pensions beginning on page 66, and the notes to RSI on page 69 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, Nevada Revised Statute 354.6113 statement 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, Nevada Revised Statute 354.6113 statement, 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 November 30, 2016 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 Rose & Associates, LLC

Winnemucca, Nevada
November 30, 2016

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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, 2016. 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 \$75,031,114 (*net position*). Of this amount, \$9,589,005 (*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 three special districts as component units of Humboldt County (see Note 16 to the financial statements) resulted in a \$1,976,130 restatement (addition) of beginning net position in the government-wide financial statements. As of June 30, 2016, government-wide net position was at \$75,031,114, down \$6,492,200 from the restated beginning balance of \$81,523,314.
- ◆ As of the close of the current fiscal year, Humboldt County's governmental funds reported the combined ending fund balances of \$48,373,547, a decrease of \$201,256 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 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, 2016
(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, and the building reserve fund, all which are considered to be major funds. Data from the other sixteen 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 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 and the solid waste management fund, both of which are considered to be major funds of Humboldt County, and combined information for the special district television and water funds, all three 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 26-54 of this report and the required supplementary information can be found on pages 55-69.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(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 64-123 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 \$75,031,114 at the close of the most recent fiscal year.

A large portion of Humboldt County's net position (75.4%) 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	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 50,575,706	\$ 51,563,319	\$ 4,776,532	\$ 3,953,804	\$ 55,352,238	\$ 55,517,123
Capital assets	54,923,230	56,590,948	1,640,576	87,947	56,563,806	56,678,895
Total assets	<u>105,498,936</u>	<u>108,154,267</u>	<u>6,417,108</u>	<u>4,041,751</u>	<u>111,916,044</u>	<u>112,196,018</u>
Deferred Outflows of Resources						
Related to pension liabilities	<u>3,673,743</u>	<u>3,629,833</u>	<u>19,595</u>	<u>12,068</u>	<u>3,693,338</u>	<u>3,641,901</u>
Long-term liabilities outstanding	30,337,596	27,775,564	126,734	106,046	30,464,330	27,881,610
Other liabilities	<u>2,111,067</u>	<u>2,377,811</u>	<u>116,715</u>	<u>23,243</u>	<u>2,227,782</u>	<u>2,401,054</u>
Total liabilities	<u>32,448,663</u>	<u>30,153,375</u>	<u>243,449</u>	<u>129,289</u>	<u>32,692,112</u>	<u>30,282,664</u>
Deferred Inflows of Resources						
Related to pension liabilities	<u>7,856,104</u>	<u>5,988,161</u>	<u>30,052</u>	<u>19,910</u>	<u>7,886,156</u>	<u>6,008,071</u>
Net Position:						
Net investment in capital assets	54,923,230	56,590,948	1,640,576	87,947	56,563,806	56,678,895
Restricted	8,878,303	8,460,739	-	-	8,878,303	8,460,739
Unrestricted	<u>5,066,379</u>	<u>10,590,877</u>	<u>4,522,626</u>	<u>3,816,673</u>	<u>9,589,005</u>	<u>14,407,550</u>
Total net position	<u>\$ 68,867,912</u>	<u>\$ 75,642,564</u>	<u>\$ 6,163,202</u>	<u>\$ 3,904,620</u>	<u>\$ 75,031,114</u>	<u>\$ 79,547,184</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 (\$8,878,303) 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* (\$9,589,005) 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, 2016
(CONTINUED)**

Governmental activities decreased Humboldt County's net position by \$6,774,652 accounting for 150% of the total change in the net assets of Humboldt County compared to a decrease of \$25,518,843 in the prior year. Business-type activities increased the County's net position by \$2,258,582 or (50%) of the total change compared to an increase of \$336,942 in the prior year. Key reasons for this decrease in the change in fund balance are as follows.

- As previously described, the addition of three special districts as component units resulted in an increase of net position of \$1,976,130 in the business-type activities. Disregarding the prior-period adjustment and focusing only on the results of current-year operations, the governmental activities' net position decreased \$6,774,652 and business-type activities' increased \$282,452.
- Charges for services decreased by \$982,758 from the previous fiscal year. This decrease can be attributed to the termination of a cooperative agreement among Humboldt, Lander, and Pershing Counties to house juveniles from all three counties in the Humboldt County Juvenile Detention Center.
- Consolidated taxes decreased by \$1,314,416 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 \$2,513,386 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 increased 7.9%, \$2,612,804 over the previous fiscal year. The primary reason for this increase was increased expenses in the general government, judicial, and public works functions.

HUMBOLDT COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 2,834,171	\$ 3,862,925	\$ 1,389,824	\$ 1,343,828	\$ 4,223,995	\$ 5,206,753
Operating grants and contributions	1,080,546	1,059,498	5,206	-	1,085,752	1,059,498
Capital grants and contributions	32,865	57,040	-	-	32,865	57,040
General revenues:						
Property taxes	10,763,271	13,276,657	-	-	10,763,271	13,276,657
Consolidated taxes	7,913,752	9,228,168	-	-	7,913,752	9,228,168
Franchise taxes	838,376	906,673	-	-	838,376	906,673
Motor vehicle fuel taxes	2,765,378	2,761,879	-	-	2,765,378	2,761,879
Room taxes	321,378	334,006	-	-	321,378	334,006
Miscellaneous	401,502	355,490	12,728	14,015	414,230	369,505
Unrestricted investment earnings	273,866	244,171	1,943	1,924	275,809	246,095
Payments in-lieu of taxes	1,862,838	1,565,377	-	-	1,862,838	1,565,377
Total revenues	29,087,943	33,651,884	1,409,701	1,359,767	30,497,644	35,011,651
Expenses:						
General government	6,786,885	6,070,463	-	-	6,786,885	6,070,463
Public safety	10,897,313	10,160,925	-	-	10,897,313	10,160,925
Judicial	5,262,556	3,942,726	-	-	5,262,556	3,942,726
Public works	6,504,563	5,888,713	-	-	6,504,563	5,888,713
Health	350,330	295,237	-	-	350,330	295,237
Welfare	610,429	610,394	-	-	610,429	610,394
Culture and recreation	3,249,173	3,023,287	-	-	3,249,173	3,023,287
Community support	2,202,436	3,259,136	-	-	2,202,436	3,259,136
Television	-	-	185,141	95,651	185,141	95,651
Solid waste management	-	-	835,307	839,911	835,307	839,911
Water	-	-	105,713	-	105,713	-
Total expenses	35,863,685	33,250,881	1,126,161	935,562	36,989,846	34,186,443

(CONTINUED)

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(CONTINUED)**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Increase (decrease) in net position before transfers	(6,749,288)	401,003	283,542	424,205	(6,465,746)	825,208
Transfers	1,090	1,080	(1,090)	(1,080)	-	-
Increase (decrease) in net position	(6,748,198)	402,083	282,452	423,125	(6,465,746)	825,208
Net position - July 1, as restated	75,642,564	75,240,481	5,880,750	3,481,495	81,523,314	78,721,976
Net position - June 30,	\$68,867,912	\$75,642,564	\$6,163,202	\$ 3,904,620	\$75,031,114	\$79,547,184

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 up from prior year in all functions except for the community support function, which decreased \$1,056,700, primarily due to the County's contribution to the city's recreation complex project in the prior fiscal year. The largest increases were in the public safety and public works functions, which were related primarily to increases in payroll expenses.

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

	Program Expenses		Program Revenues		Net Program Exp/(Rev)	
	2016	2015	2016	2015	2016	2015
Governmental Activities:						
General government	\$ 6,786,885	\$ 6,070,463	\$ 1,073,483	\$ 1,131,566	\$ (5,713,402)	\$ (4,938,897)
Public safety	10,897,313	10,160,925	356,456	1,554,564	(10,540,857)	(8,606,361)
Judicial	5,262,556	3,942,726	1,891,971	1,657,127	(3,370,585)	(2,285,599)
Public works	6,504,563	5,888,713	284,716	248,813	(6,219,847)	(5,639,900)
Health	350,330	295,237	-	-	(350,330)	(295,237)
Welfare	610,429	610,394	4,220	34,699	(606,209)	(575,695)
Cultural and recreation	3,249,173	3,023,287	229,953	202,570	(3,019,220)	(2,820,717)
Community support	2,202,436	3,259,136	106,783	150,124	(2,095,653)	(3,109,012)
Totals	\$35,863,685	\$33,250,881	\$ 3,947,582	\$ 4,979,463	\$(31,916,103)	\$(28,271,418)

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)	
	2016	2015	2016	2015	2016	2015
Business-Type Activities:						
Television	\$ 185,141	\$ 95,651	\$ 253,166	\$ 233,961	\$ 68,025	\$ 138,310
Solid waste management	835,307	839,911	1,107,816	1,109,867	272,509	269,956
Water	105,713	-	34,048	-	(71,665)	-
Totals	\$1,126,161	\$ 935,562	\$1,395,030	\$1,343,828	\$ 268,869	\$ 408,266

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(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 \$48,373,547, a decrease of \$201,256 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 \$10,154,938 while the total fund balance reached \$17,976,229. 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 57.7% of total general fund expenditures.

The fund balance of Humboldt County's general fund decreased \$1,284,245 during the current year. The key factors in this decrease were the decreases in taxes and intergovernmental revenues. General fund revenues decreased \$1,326,904, or 7.6%, from the prior year. General fund expenditures decreased over the prior fiscal year by \$59,966 or 0.3%.

The indigent fund's ending fund balance increased \$142,723 from the prior year. Total revenue decreased \$50,654 due mostly to decreased net proceeds payments received. Expenditures decreased \$28,194 from the prior year.

Humboldt County's road fund has an ending fund balance of \$1,579,210 which is a decrease of \$154,664 from the prior year. This decrease is primarily the result of a smaller transfer in from the in-lieu-of tax fund compared to prior year.

The regional transportation fund's ending fund balance decreased \$205,362 from the prior year. Revenues increased .37% from the prior fiscal year. Expenditures also increased 17% or \$220,318 due to increased road projects activity in the current fiscal year.

The 6th judicial district's fund balance increased \$334,132 over the prior year. Current year revenues decreased by \$2,138,378 or 42.1% from the previous year and were the result of the decreased revenues from Pershing and Lander counties as previously mentioned. Expenditures also decreased by \$1,332,913 or 33.9% from the previous fiscal year. This decrease was the result of reductions in spending in various areas of the fund.

The indigent medical fund's ending fund balance decreased \$103,817 or 18.0% over the prior year. Revenues decreased by \$46,026 or 10.0% over prior year. Expenditures were also \$30,203 or 5.5% 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 \$2,330,501 which is an increase of \$158,951 over the prior year. Revenues decreased by \$48,163 or 4.3% over the prior year. This was largely the result of decreases in tax revenue. Expenditures also decreased by \$217,334 or 19.2% over the prior year due to decreases in capital outlay.

The building reserve fund's ending fund balance increased \$167,409. Revenues decreased by \$18,779 over prior year. Expenditures decreased by \$1,000,000. This was due primarily to the county's \$1,000,000 contribution to the city's recreation complex project during the prior fiscal year.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(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 \$1,448,277 for the television fund and \$2,728,281 for the solid waste management fund. The portion of net position invested in capital assets was \$77,307 for the TV fund and \$0 for the solid waste management fund. The total growth in net position for the funds was \$75,183 and \$274,062 respectively. Other factors concerning the finances of these two 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 \$24,175 higher than the original approved budget. Actual expenditures were 89% of appropriations and \$2,067,403 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, 2016, amounts to \$54,923,230 (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 \$1,667,718 in governmental activities. Business-type activities capital assets increased \$1,552,627 primarily due to the addition of three special districts as component units of Humboldt County.

HUMBOLDT COUNTY'S CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land and CIP	\$ 3,098,977	\$ 2,541,859	\$ 20,592	\$ 300	\$ 3,119,569	\$ 2,542,159
Land improvements	364,739	426,756	-	-	364,739	426,756
Buildings/ improvements	9,754,763	10,362,913	3,525	3,904	9,758,288	10,366,817
Infrastructure	37,390,262	38,773,724	1,512,339	1,561,060	38,902,601	40,334,784
Equipment	4,314,489	4,485,696	104,118	143,947	4,418,607	4,629,643
Total	<u>\$54,923,230</u>	<u>\$56,590,948</u>	<u>\$1,640,574</u>	<u>\$1,709,211</u>	<u>\$56,563,804</u>	<u>\$58,300,159</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. At the end of the current fiscal year, Humboldt County had no bonded long-term debt outstanding or outstanding capital leases.

HUMBOLDT COUNTY'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Compensated Absences Payable	\$ 741,149	\$ 771,518	\$ -	\$ -	\$ 741,149	\$ 771,518
Net Pension Liability	25,385,944	23,219,247	96,164	77,200	25,482,108	23,296,447
Other postemployment Benefits	4,210,503	3,784,799	30,570	28,846	4,241,073	3,813,645
Total	<u>\$30,337,596</u>	<u>\$27,775,564</u>	<u>\$126,734</u>	<u>\$106,046</u>	<u>\$30,464,330</u>	<u>\$27,881,610</u>

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(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 2016-2017 budget reflects a General Fund in which estimated revenues and other financing sources equal \$12,187,564 and budgeted expenditures and other financing uses are \$19,843,069. Fiscal Year 2016-17 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 and net proceeds of mines have dropped significantly, in fact, due to a change in Net Proceeds distribution, the County will not receive Net Proceeds in 2016-17. Fortunately, the County has never budgeted for this revenue in the past and did not in the 2016-17 FY budget.

While projected expenditures are \$19,843,069, actual expenditures should stay close to 2015-16 levels of \$17,400,00, including a modest Cost of Living (2.0%) and Merit increase of 2.5% for those employees who qualify.

Other expenditures included in the budget are the purchase of additional law enforcement vehicles, the purchase of new hardware and license upgrades for the Dispatch Center, and 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 15 percent lower than the previous year; therefore, the County has been very conservative in the 2017 budget estimate.

Net proceeds of Minerals received was lower than fiscal year 2015 due to refunds of overpayment projections that were received in the previous fiscal year and were refunded in the form of a reduction of net proceeds distributed by the State of Nevada during fiscal year 2016. There have been no County layoffs, no service reductions or salary/benefit reductions at this time. The County will continue to budget conservatively and build up its reserves as part of its ongoing program to promote financial stability for its citizens. The County's unemployment rate continues to be lower than the State and most other counties within Nevada.

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, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 48,151,412	\$ 4,683,177	\$ 52,834,589
Taxes receivable	73,320	-	73,320
Accounts receivable	227,666	84,747	312,413
Interest receivable	1,343	178	1,521
Notes receivable	18,670	-	18,670
Intergovernmental receivable	2,102,458	2,656	2,105,114
Inventories	-	6,611	6,611
Internal balances	837	(837)	-
Capital assets:			
Land	2,382,383	300	2,382,683
Construction in progress	716,594	20,292	736,886
Other capital assets net of depreciation	51,824,253	1,619,984	53,444,237
Total assets	105,498,936	6,417,108	111,916,044
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	3,673,743	19,595	3,693,338
LIABILITIES			
Accounts payable	917,831	111,750	1,029,581
Accrued salaries and benefits	595,437	4,828	600,265
Intergovernmental payable	538,369	137	538,506
Unearned revenue	59,430	-	59,430
Noncurrent liabilities:			
Due within one year:			
Compensated absences	741,149	-	741,149
Net pension liability	25,385,944	96,164	25,482,108
Other postemployment benefits	4,210,503	30,570	4,241,073
Total liabilities	32,448,663	243,449	32,692,112
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	7,856,104	30,052	7,886,156
NET POSITION			
Net investment in capital assets	54,923,230	1,640,576	56,563,806
Restricted for:			
County and city road projects	1,787,182	-	1,787,182
Indigent medical	1,281,860	-	1,281,860
Government stabilization	1,050,843	-	1,050,843
Purchase of capital assets	840,212	-	840,212
Assessor's technology	1,380,934	-	1,380,934
Local agricultural education	1,208,300	-	1,208,300
Other purposes	1,328,972	-	1,328,972
Unrestricted	5,066,379	4,522,626	9,589,005
Total net position	\$ 68,867,912	\$ 6,163,202	\$ 75,031,114

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

HUMBOLDT COUNTY
Statement of Activities
For the Year Ended June 30, 2016

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 6,786,885	\$ 1,049,865	\$ 23,618	\$ -
Judicial	5,262,556	1,203,101	688,870	-
Public safety	10,897,313	248,953	74,638	32,865
Public works	6,504,563	100,637	184,079	-
Health	350,330	-	-	-
Welfare	610,429	-	4,220	-
Culture and recreation	3,249,173	201,306	28,647	-
Community support	2,202,436	30,309	76,474	-
Total governmental activities	<u>35,863,685</u>	<u>2,834,171</u>	<u>1,080,546</u>	<u>32,865</u>
Business-type activities:				
Television	185,141	247,960	5,206	-
Solid waste management	835,307	1,107,816	-	-
Water	105,713	34,048	-	-
Total business-type activities	<u>1,126,161</u>	<u>1,389,824</u>	<u>5,206</u>	<u>-</u>
Total primary government	<u>\$ 36,989,846</u>	<u>\$ 4,223,995</u>	<u>\$ 1,085,752</u>	<u>\$ 32,865</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

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
\$ (5,713,402)	\$ -	\$ (5,713,402)
(3,370,585)	-	(3,370,585)
(10,540,857)	-	(10,540,857)
(6,219,847)	-	(6,219,847)
(350,330)	-	(350,330)
(606,209)	-	(606,209)
(3,019,220)	-	(3,019,220)
(2,095,653)	-	(2,095,653)
<u>(31,916,103)</u>	<u>-</u>	<u>(31,916,103)</u>
-	68,025	68,025
-	272,509	272,509
-	(71,665)	(71,665)
-	268,869	268,869
<u>(31,916,103)</u>	<u>268,869</u>	<u>(31,647,234)</u>
10,763,271	-	10,763,271
7,913,752	-	7,913,752
838,376	-	838,376
2,765,378	-	2,765,378
321,378	-	321,378
401,502	12,730	414,232
273,866	1,943	275,809
1,862,838	-	1,862,838
1,090	(1,090)	-
<u>25,141,451</u>	<u>13,583</u>	<u>25,155,034</u>
<u>(6,774,652)</u>	<u>282,452</u>	<u>(6,492,200)</u>
75,642,564	3,904,620	79,547,184
-	1,976,130	1,976,130
<u>75,642,564</u>	<u>5,880,750</u>	<u>81,523,314</u>
<u>\$ 68,867,912</u>	<u>\$ 6,163,202</u>	<u>\$ 75,031,114</u>

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

HUMBOLDT COUNTY
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Indigent Fund	Road Fund	Regional Transportation Fund
Assets				
Cash and investments	\$ 17,506,311	\$ 938,611	\$ 1,366,860	\$ 1,543,405
Taxes receivable	30,586	3,638	-	-
Accounts receivable	217,860	-	2,925	-
Interest receivable	1,100	-	-	96
Notes receivable	899	-	-	-
Due from other governments	1,382,125	3,708	347,200	243,681
Due from other funds	-	-	42,201	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 19,138,881</u>	<u>\$ 945,957</u>	<u>\$ 1,759,186</u>	<u>\$ 1,787,182</u>
Liabilities				
Accounts payable	\$ 504,613	\$ 5,675	\$ 98,082	\$ -
Accrued salaries and benefits	416,314	2,476	51,256	-
Due to other governments	122,112	126,150	30,638	-
Due to other funds	35,267	-	-	-
Unearned revenues	53,760	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,132,066</u>	<u>134,301</u>	<u>179,976</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	30,586	3,638	-	-
Unavailable revenue - assessment district receivable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	<u>30,586</u>	<u>3,638</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	899	-	-	-
Restricted	208,166	-	-	1,787,182
Committed	399,091	808,018	1,579,210	-
Assigned	7,213,135	-	-	-
Unassigned	10,154,938	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>17,976,229</u>	<u>808,018</u>	<u>1,579,210</u>	<u>1,787,182</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows, and fund balances	<u>\$ 19,138,881</u>	<u>\$ 945,957</u>	<u>\$ 1,759,186</u>	<u>\$ 1,787,182</u>

6th Judicial District Fund	Indigent Medical Fund	Winnemucca Events Complex Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 7,121,167	\$ 1,411,563	\$ 2,314,598	\$ 1,136,786	\$ 14,812,111	\$ 48,151,412
18,815	2,895	3,859	964	12,564	73,321
1,015	-	-	-	5,866	227,666
-	88	-	-	59	1,343
-	-	-	17,771	-	18,670
33,699	-	67,900	-	24,144	2,102,457
-	-	-	-	-	42,201
<u>\$ 7,174,696</u>	<u>\$ 1,414,546</u>	<u>\$ 2,386,357</u>	<u>\$ 1,155,521</u>	<u>\$ 14,854,744</u>	<u>\$ 50,617,070</u>
\$ 45,598	\$ 1	\$ 30,890	\$ -	\$ 232,969	\$ 917,828
55,737	-	16,374	-	53,284	595,441
122,722	129,790	4,500	-	2,458	538,370
2,776	-	233	-	3,088	41,364
5,668	-	-	-	-	59,428
<u>232,501</u>	<u>129,791</u>	<u>51,997</u>	<u>-</u>	<u>291,799</u>	<u>2,152,431</u>
18,815	2,895	3,859	964	12,564	73,321
-	-	-	17,771	-	17,771
<u>18,815</u>	<u>2,895</u>	<u>3,859</u>	<u>18,735</u>	<u>12,564</u>	<u>91,092</u>
-	-	-	-	-	899
2,016	1,281,860	-	-	5,599,079	8,878,303
6,921,364	-	2,330,501	1,136,786	5,807,193	18,982,163
-	-	-	-	3,144,109	10,357,244
-	-	-	-	-	10,154,938
<u>6,923,380</u>	<u>1,281,860</u>	<u>2,330,501</u>	<u>1,136,786</u>	<u>14,550,381</u>	<u>48,373,547</u>
<u>\$ 7,174,696</u>	<u>\$ 1,414,546</u>	<u>\$ 2,386,357</u>	<u>\$ 1,155,521</u>	<u>\$ 14,854,744</u>	<u>\$ 50,617,070</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, 2016

Total Governmental Fund Balances	\$	48,373,547
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not resources and therefore are not reported in the funds.

Governmental capital assets	\$ 110,617,555	
Less accumulated depreciation	<u>(55,694,325)</u>	
		54,923,230

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Net OPEB obligation		(4,210,503)
Net pension asset (liability)		(25,385,944)
Compensated absences		(741,149)

Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.

91,092

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred outflows of resources related to pensions		3,673,743
Deferred inflows of resources related to pensions		<u>(7,856,104)</u>

Net Position of Governmental Activities	\$	<u>68,867,912</u>
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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, 2016

	<u>General Fund</u>	<u>Indigent Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>
REVENUES				
Taxes	\$ 4,995,668	\$ 516,884	\$ -	\$ -
Licenses and permits	1,182,953	-	-	-
Intergovernmental revenue	8,540,696	37,490	2,085,189	1,296,119
Charges for services	350,100	-	245,915	-
Fines and forfeits	648,145	-	-	-
Miscellaneous revenues	542,468	6,681	70,789	970
	<u>16,260,030</u>	<u>561,055</u>	<u>2,401,893</u>	<u>1,297,089</u>
EXPENDITURES				
Current:				
General government	5,684,781	-	-	-
Judicial	2,472,546	-	-	-
Public safety	7,477,936	-	-	-
Public works	22,436	-	3,345,385	1,502,451
Health	353,865	-	-	-
Welfare	-	211,974	-	-
Culture and recreation	5,000	-	-	-
Community support	1,052,127	-	-	-
Intergovernmental expenditures	525,694	205,658	74,172	-
	<u>17,594,385</u>	<u>417,632</u>	<u>3,419,557</u>	<u>1,502,451</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,334,355)</u>	<u>143,423</u>	<u>(1,017,664)</u>	<u>(205,362)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	50,110	-	877,000	-
Transfers out	-	(700)	(14,000)	-
	<u>50,110</u>	<u>(700)</u>	<u>863,000</u>	<u>-</u>
Net Change in Fund Balances	(1,284,245)	142,723	(154,664)	(205,362)
Fund Balances - beginning	<u>19,260,474</u>	<u>665,295</u>	<u>1,733,874</u>	<u>1,992,544</u>
Fund Balances - ending	<u>\$ 17,976,229</u>	<u>\$ 808,018</u>	<u>\$ 1,579,210</u>	<u>\$ 1,787,182</u>

<u>6th Judicial District Fund</u>	<u>Indigent Medical Fund</u>	<u>Winnemucca Events Complex Fund</u>	<u>Building Reserve Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,673,436	\$ 411,296	\$ 548,399	\$ 137,100	\$ 2,000,102	\$ 11,282,885
-	-	-	-	-	1,182,953
160,488	-	321,378	-	2,371,157	14,812,517
128	-	190,428	30,309	22,102	838,982
69,339	-	-	-	383,910	1,101,394
32,683	1,026	15,697	-	45,728	716,042
<u>2,936,074</u>	<u>412,322</u>	<u>1,075,902</u>	<u>167,409</u>	<u>4,822,999</u>	<u>29,934,773</u>
-	-	-	-	72,028	5,756,809
1,020,923	-	-	-	712,833	4,206,302
1,507,273	-	-	-	87,807	9,073,016
-	-	-	-	-	4,870,272
-	-	-	-	-	353,865
-	379,039	-	-	-	591,013
-	-	913,331	-	1,462,996	2,381,327
-	-	-	-	815,753	1,867,880
57,646	137,100	-	-	36,365	1,036,635
<u>2,585,842</u>	<u>516,139</u>	<u>913,331</u>	<u>-</u>	<u>3,187,782</u>	<u>30,137,119</u>
<u>350,232</u>	<u>(103,817)</u>	<u>162,571</u>	<u>167,409</u>	<u>1,635,217</u>	<u>(202,346)</u>
-	-	-	-	992,520	1,919,630
(16,100)	-	(3,620)	-	(1,884,120)	(1,918,540)
<u>(16,100)</u>	<u>-</u>	<u>(3,620)</u>	<u>-</u>	<u>(891,600)</u>	<u>1,090</u>
334,132	(103,817)	158,951	167,409	743,617	(201,256)
<u>6,589,248</u>	<u>1,385,677</u>	<u>2,171,550</u>	<u>969,377</u>	<u>13,806,764</u>	<u>48,574,803</u>
<u>\$ 6,923,380</u>	<u>\$ 1,281,860</u>	<u>\$ 2,330,501</u>	<u>\$ 1,136,786</u>	<u>\$ 14,550,381</u>	<u>\$ 48,373,547</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, 2016

Net Change in Fund Balances - Governmental Funds \$ (201,256)

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	\$ 1,451,422	
Less current year depreciation	<u>(3,119,140)</u>	(1,667,718)

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	(519,613)
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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	3,257,879	
Cost of benefits earned	<u>(7,248,609)</u>	(3,990,730)

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	(425,704)	
Change in long-term compensated absences	<u>30,369</u>	

Change in Net Position of Governmental Activities	<u><u>\$ (6,774,652)</u></u>
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The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities - Enterprise Funds			Totals Current Year
	Humboldt Television Fund	Solid Waste Management Fund	Other Enterprise Funds	
ASSETS				
Current Assets:				
Cash and investments	\$ 1,480,925	\$ 2,852,061	\$ 350,191	\$4,683,177
Accounts receivable	17,066	64,525	3,156	84,747
Interest receivable	-	178	-	178
Intergovernmental receivable	-	2,656	-	2,656
Inventories	6,611	-	-	6,611
Total Current Assets	<u>1,504,602</u>	<u>2,919,420</u>	<u>353,347</u>	<u>4,777,369</u>
Noncurrent Assets:				
Capital assets:				
Land	-	-	300	300
Construction in progress	20,292	-	-	20,292
Buildings	24,195	-	12,770	36,965
Machinery and equipment	735,381	92,286	192,297	1,019,964
Infrastructure	-	-	2,192,513	2,192,513
Less accumulated depreciation	<u>(702,561)</u>	<u>(92,286)</u>	<u>(834,611)</u>	<u>(1,629,458)</u>
Total capital assets (net of accumulated depreciation)	<u>77,307</u>	<u>-</u>	<u>1,563,269</u>	<u>1,640,576</u>
Total Assets	<u>1,581,909</u>	<u>2,919,420</u>	<u>1,916,616</u>	<u>6,417,945</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	<u>6,336</u>	<u>13,259</u>	<u>-</u>	<u>19,595</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	22,800	81,671	7,279	111,750
Accrued liabilities	2,589	2,239	-	4,828
Due to other governments	137	-	-	137
Due to other funds	837	-	-	837
Total Current Liabilities	<u>26,363</u>	<u>83,910</u>	<u>7,279</u>	<u>117,552</u>
Noncurrent Liabilities:				
Net pension liability	10,112	86,052	-	96,164
Other postemployment benefits	22,805	7,765	-	30,570
Total Noncurrent Liabilities	<u>32,917</u>	<u>93,817</u>	<u>-</u>	<u>126,734</u>
Total Liabilities	<u>59,280</u>	<u>177,727</u>	<u>7,279</u>	<u>244,286</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	<u>3,381</u>	<u>26,671</u>	<u>-</u>	<u>30,052</u>
NET POSITION				
Net investment in capital assets	77,307	-	1,563,269	1,640,576
Unrestricted	<u>1,448,277</u>	<u>2,728,281</u>	<u>346,068</u>	<u>4,522,626</u>
Total Net Position	<u>\$ 1,525,584</u>	<u>\$ 2,728,281</u>	<u>\$ 1,909,337</u>	<u>\$6,163,202</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, 2016

	Business-type Activities - Enterprise Funds			Totals Current Year
	Humboldt Television Fund	Solid Waste Management Fund	Other Enterprise Funds	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ 231,780	\$ 1,107,816	\$ 50,228	\$ 1,389,824
Grants	5,206	-	-	5,206
Miscellaneous	12,660	-	70	12,730
Total Operating Revenues	<u>249,646</u>	<u>1,107,816</u>	<u>50,298</u>	<u>1,407,760</u>
OPERATING EXPENSES				
Salaries and wages	40,329	42,369	-	82,698
Employee benefits	22,920	33,194	397	56,511
Services and supplies	79,582	759,744	58,697	898,023
Depreciation	30,932	-	57,997	88,929
Total Operating Expenses	<u>173,763</u>	<u>835,307</u>	<u>117,091</u>	<u>1,126,161</u>
Operating Income (Loss)	<u>75,883</u>	<u>272,509</u>	<u>(66,793)</u>	<u>281,599</u>
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	<u>-</u>	<u>1,943</u>	<u>-</u>	<u>1,943</u>
Income (Loss) Before Transfers	75,883	274,452	(66,793)	283,542
TRANSFERS IN (OUT)				
Transfers out	<u>(700)</u>	<u>(390)</u>	<u>-</u>	<u>(1,090)</u>
Change in Net Position	75,183	274,062	(66,793)	282,452
NET POSITION, JULY 1	1,450,401	2,454,219	-	3,904,620
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>1,976,130</u>	<u>1,976,130</u>
NET POSITION, JULY 1, as restated	<u>1,450,401</u>	<u>2,454,219</u>	<u>1,976,130</u>	<u>5,880,750</u>
NET POSITION, JUNE 30	<u>\$ 1,525,584</u>	<u>\$ 2,728,281</u>	<u>\$ 1,909,337</u>	<u>\$ 6,163,202</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, 2016

	<u>Business-type Activities - Enterprise Funds</u>			Totals Current Year
	<u>Humboldt Television Fund</u>	<u>Solid Waste Management Fund</u>	<u>Other Enterprise Funds</u>	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 248,604	\$ 1,105,908	\$ 49,815	\$ 1,404,327
Cash payments for personnel costs	(57,052)	(59,196)	(397)	(116,645)
Cash payments for services and supplies	(38,808)	(698,038)	(53,976)	(790,822)
Net Cash Provided (Used) by Operating Activities	<u>152,744</u>	<u>348,674</u>	<u>(4,558)</u>	<u>496,860</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers to other funds	<u>(700)</u>	<u>(390)</u>	<u>-</u>	<u>(1,090)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchases of capital assets	<u>(20,292)</u>	<u>-</u>	<u>-</u>	<u>(20,292)</u>
Net Cash Provided (Used) by Financing Activities	<u>(20,292)</u>	<u>-</u>	<u>-</u>	<u>(20,292)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	<u>-</u>	<u>1,922</u>	<u>-</u>	<u>1,922</u>
Net Increase (Decrease) in Cash and Investments	131,752	350,206	(4,558)	477,400
CASH AND INVESTMENTS, JULY 1	<u>\$ 1,349,173</u>	<u>\$ 2,501,855</u>	<u>\$ 354,749</u>	<u>\$ 4,205,777</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 1,480,925</u>	<u>\$ 2,852,061</u>	<u>\$ 350,191</u>	<u>\$ 4,683,177</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	<u>\$ 75,883</u>	<u>\$ 272,509</u>	<u>\$ (66,793)</u>	<u>\$ 281,599</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations				
Depreciation	30,932	-	57,997	88,929
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(1,041)	(1,908)	(483)	(3,432)
Inventory	15,560	-	-	15,560
Increase (decrease) in:				
Accounts payable	25,214	61,706	4,721	91,641
Accrued salaries and benefits	6,196	16,367	-	22,563
Total adjustments	<u>76,861</u>	<u>76,165</u>	<u>62,235</u>	<u>215,261</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 152,744</u>	<u>\$ 348,674</u>	<u>\$ (4,558)</u>	<u>\$ 496,860</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, 2016

	AGENCY FUNDS	INVESTMENT TRUST FUND
ASSETS		
Cash and investments	\$ 3,991,836	\$ 3,958,480
Interest receivable	-	217
	-	217
Total Assets	\$ 3,991,836	\$ 3,958,697
LIABILITIES		
Due to other governments	\$ 3,738,037	\$ -
Funds held in trust for others	253,799	-
	3,991,836	-
Total Liabilities	3,991,836	-
NET POSITION		
Held in trust	\$ -	\$ 3,958,697

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, 2016

	INVESTMENT TRUST FUND
ADDITIONS	
Investment earnings:	
Interest	\$ 1,644
Net increase (decrease) in share transactions	192,839
Change in net position	194,483
Net position - beginning	3,764,214
Net position - ending	\$ 3,958,697

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

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

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, 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, 2016

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, 2016

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 ***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).

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

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. 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.

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
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 2015-2016 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%.

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 2014-2015 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.

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 or estimated 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.

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, 2016, net proceeds of mines received on actual business from January through December 2015 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, 2016 through December 31, 2016 are reflected in the financial statements.

Additional amounts due, based upon actual business for the January 1, 2016 through December 31, 2016 in comparison to estimated payments, are determined subsequent to the 2016 calendar year. Credits for overpayments, based on actual business for the period of January 1, 2016 through December 31, 2016 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, 2016 and are not reflected in these financial statements. It should be noted that the estimated payments for calendar year 2016 (received in fiscal year 2015-2016) were calculated using

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

fiscal year 2015-2016 tax rates. Any true-up of these estimated payments will use fiscal year 2016-2017 tax rates. It is unknown at June 30, 2016 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.

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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.
- 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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 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.

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, 2015 has been extracted from the fiscal year 2015 financial statements. It has been provided to add comparability, but is not considered full disclosure of transactions for fiscal year 2015. 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

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 culture and recreation function of the General Fund exceeded appropriations by \$2,500, an apparent violation of NRS 354.626.
- Actual expenditures in the judicial function of the 6th Judicial District Drug Court Fund exceeded appropriations by \$103,393, an apparent violation of NRS 354.626.
- The Humboldt County Capital Projects Fund purchased HVAC units totaling \$49,950 without soliciting two quotes, an apparent violation of NRS 332.039.
- The Humboldt County General Fund entered in to a contract to have ADA compliant ramps and pads installed at the Shooting Range, totaling \$45,187 without soliciting two quotes, an apparent violation of NRS 332.039.
- A transfer of \$110,000 was made out of the 911 Enhancement Fund, an apparent violation of NRS 244A.7645 since it cannot be clearly established whether the funds were ultimately used to improve the County's emergency telephone system.
- 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, 2016:

Cash and Investment Balances Held By:

Government Funds	\$ 48,151,412
Enterprise Funds	4,683,177
Fiduciary Funds	7,950,316
Total Cash and Investments	<u>\$ 60,784,905</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 3 – CASH AND INVESTMENTS (continued)

Investments are carried at fair value. The following is a listing of those investments as of June 30, 2016:

<u>Investment Type</u>	<u>Investment Maturities</u> (in years)			
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>
U.S. Treasury Notes	\$ 1,602,574	\$ -	\$ 1,602,574	\$ -
Government Agencies	947,361	-	47,370	899,991
Asset Backed Fixed Income				
Securities	1,433,035	348,800	1,084,235	-
Corporate Bonds	1,187,701	132,881	1,054,820	-
Mortgage Backed Securities	2,280,298	130,775	2,003,605	145,918
Money Market Mutual Funds	430,123	430,123	-	-
State of Nevada Local				
Government Investment Pool	20,045	20,045	-	-
Total Investments	7,901,137	1,062,624	5,792,604	1,045,909
Total Cash (Carrying Amount)	52,883,768	50,206,339	1,705,393	972,036
Total Cash and Investments	<u>\$ 60,784,905</u>	<u>\$ 51,268,963</u>	<u>\$ 7,497,997</u>	<u>\$ 2,017,945</u>

<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	\$ 1,602,574	\$ 1,602,574	\$ -	\$ -	\$ -
Government Agencies	947,361	-	935,717	-	11,644
Asset Backed Fixed					
Income Securities	1,433,035	1,319,911	66,263	46,861	-
Corporate Bonds	1,187,701	-	108,309	1,079,392	-
Mortgage Backed Securities	2,280,298	500,506	-	-	1,779,792
Money Market Mutual Funds	430,123	-	-	-	430,123
State of Nevada Local					
Government Investment Pool	20,045	-	-	-	20,045
Total Investments	7,901,137	<u>\$ 3,422,991</u>	<u>\$1,110,289</u>	<u>\$ 1,126,253</u>	<u>\$ 2,241,604</u>
Total Cash (Carrying Amount)	52,883,768				
Total Cash and Investments	<u>\$ 60,784,905</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.

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 3 – CASH AND INVESTMENTS (continued)

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.

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	\$11,825,694	\$11,825,694	Variable	July 1, 2017

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 3 – CASH AND INVESTMENTS (continued)

EXTERNAL INVESTMENT POOL CONDENSED FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2016

ASSETS:

Wells Fargo Savings	\$ 11,825,694
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NET POSITION HELD IN TRUST FOR POOL PARTICIPANTS:

Net position consists of:

Internal participant shares	\$ 7,867,214
External participant shares	3,958,480
Total Participant Shares Outstanding (\$1.00 par)	\$ 11,825,694

STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

Net increase (decrease) in net position resulting from operations:

Investment income (loss)	\$ 19,811
Net position, July 1	11,805,883
Net position, June 30	\$ 11,825,694

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, 2016:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U.S. Treasury Notes	\$ 1,602,574	\$ 1,602,574	\$ -	\$ -
Government Agencies	947,361	-	947,361	-
Asset Backed Securities	1,433,035	-	1,433,035	-
Corporate Bonds	1,187,701	-	1,187,701	-
Mortgage Backed Securities	2,280,298	-	2,280,298	-
Money Market Mutual Funds	430,123	430,123	-	-
State of Nevada Local Government Investment Pool	20,045	5,460	14,585	-
Total Investments	\$ 7,901,137	\$ 2,038,157	\$ 5,862,980	\$ -

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – FAIR VALUE MEASUREMENTS (continued)

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, 2016, is \$17,771.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,382,383	\$ -	\$ -	\$ 2,382,383
Construction in progress	159,476	574,365	(17,247)	716,594
Total capital assets, not being depreciated	<u>2,541,859</u>	<u>574,365</u>	<u>(17,247)</u>	<u>3,098,977</u>
Capital assets, being depreciated				
Buildings	24,980,562	71,286	-	25,051,848
Improvements other than buildings	1,080,417	-	-	1,080,417
Infrastructure	66,613,951	56,943	-	66,670,894
Machinery and equipment	14,040,618	766,075	(91,274)	14,715,419
Total assets, being depreciated	<u>106,715,548</u>	<u>894,304</u>	<u>(91,274)</u>	<u>107,518,578</u>
Less accumulated depreciation for:				
Buildings	(14,617,649)	(679,436)	-	(15,297,085)
Improvements other than buildings	(653,661)	(62,017)	-	(715,678)
Infrastructure	(27,840,227)	(1,440,405)	-	(29,280,632)
Machinery and equipment	(9,554,922)	(937,282)	91,274	(10,400,930)
Total accumulated depreciation	<u>(52,666,459)</u>	<u>(3,119,140)</u>	<u>91,274</u>	<u>(55,694,325)</u>
Total capital assets, being depreciated, net	<u>54,049,089</u>	<u>(2,224,836)</u>	<u>-</u>	<u>51,824,253</u>
Governmental activities capital assets, net	<u>\$ 56,590,948</u>	<u>\$(1,650,471)</u>	<u>\$ (17,247)</u>	<u>\$ 54,923,230</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 300	\$ -	\$ -	\$ 300
Construction in progress	-	20,292	-	20,292
Total capital assets, not being depreciated	300	20,292	-	20,592
Buildings and improvements	36,965	-	-	36,965
Machinery and equipment	1,019,962	-	-	1,019,962
Infrastructure	2,192,513	-	-	2,192,513
Total assets, being depreciated	3,249,440	-	-	3,249,440
Less accumulated depreciation for:				
Buildings and improvements	(33,061)	(379)	-	(33,440)
Machinery and equipment	(876,015)	(39,829)	-	(915,844)
Infrastructure	(631,453)	(48,721)	-	(680,174)
Total accumulated depreciation	(1,540,529)	(88,929)	-	(1,629,458)
Total capital assets, being depreciated, net	1,708,911	(88,929)	-	1,619,982
Business-type activities capital assets, net	\$ 1,709,211	\$ (68,637)	\$ -	\$ 1,640,574

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

Governmental activities:	
General government	\$ 187,352
Public safety	277,843
Judicial	46,797
Public works	1,732,303
Culture and recreation	90,284
Community support	784,561
Total depreciation expense – governmental activities	<u>\$ 3,119,140</u>
Business-type activities:	
Humboldt Television fund	\$ 30,932
Solid waste management fund	-
Quinn River TV fund	9,056
Denio TV fund	160
Golconda Water fund	48,781
Total depreciation expense – business-type activities	<u>\$ 88,929</u>

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 7 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2016 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Road Fund	General Fund	\$ 35,267
	6th Judicial District Fund	2,776
	Nonmajor Governmental Funds	3,088
	Winnemucca Events Complex Fund	233
	Humboldt Television Fund	837
Total		<u>\$ 42,201</u>

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, 2016 are as follows:

<u>Transfers From:</u>	<u>Transfers To:</u>	<u>Amount</u>
6th Judicial District	General Fund	<u>\$ 16,100</u>
Nonmajor Governmental Funds	Road Fund	877,000
	General Fund	14,600
	Nonmajor Governmental Funds	992,520
		<u>1,884,120</u>
Road Fund	General Fund	<u>14,000</u>
Indigent Fund	General Fund	<u>700</u>
Winnemucca Events Complex Fund	General Fund	<u>3,620</u>
Solid Waste Fund	General Fund	<u>390</u>
TV Fund	General Fund	<u>700</u>
	Total Interfund Transfers	<u>\$1,919,630</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 – INTERFUND BALANCES AND TRANSFERS (continued)

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.

NOTE 8 – COMMITMENTS

As of June 30, 2016, the County had the following commitments outstanding:

<u>Project Description</u>	<u>Commitment Authorization</u>	<u>Project Expended/ Retainage</u>	<u>Balance at June 30, 2016</u>
CSI Telecommunications Project Phase I	\$ 531,360	\$ 418,617	\$ 112,743
LSA Associates, Inc.	250,000	26,805	223,195
Novatime Time Management	14,515	4,435	10,080
Code Publishing (Codification)	6,480	3,000	3,480
Totals	<u>\$ 802,355</u>	<u>\$ 452,857</u>	<u>\$ 349,498</u>

NOTE 9 – LONG TERM DEBT

Compensated absences

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, 2016 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$771,518</u>	<u>\$1,057,234</u>	<u>\$1,087,603</u>	<u>\$741,149</u>	<u>\$741,149</u>
Governmental activities Long-term liabilities	<u>\$771,518</u>	<u>\$1,057,234</u>	<u>\$1,087,603</u>	<u>\$741,149</u>	<u>\$741,149</u>

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

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.

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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 – PENSION PROGRAM (continued)

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. 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.

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, 2016, the County reported a liability of \$25,482,108 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, 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 0.22237%, as of June 30, 2015.

For the year ended June 30, 2016 the County recognized pension expense of \$7,248,609 in governmental activities and \$39,355 in business-type activities for a total pension expense of \$7,287,964. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 – PENSION PROGRAM (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,835,969
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	5,050,187
Changes in proportion and differences between County and proportionate share of contributions	417,683	-
County contributions subsequent to the measurement date	3,275,655	-
Total	\$ 3,693,338	\$ 7,886,156

\$3,275,655 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, 2017. 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		
2016-17	\$	(2,020,497)
2017-18		(2,020,497)
2018-19		(2,020,497)
2019-20		(797,195)
2020-21		(404,477)
Thereafter		(205,310)

Actuarial assumptions. The total pension liability in the June 30, 2015 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, 2015 valuation were based on the results of the experience review completed in 2014.

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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 – PENSION PROGRAM (continued)

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%.

Discount rate. The discount rate used to measure the total pension liability was 8.00% as of June 30, 2015, and June 30, 2014. 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, 2015, 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, 2015, and June 30, 2014.

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	\$38,829,627	\$25,482,108	\$14,382,710

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.

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 12 – LANDFILL CLOSURE AND POSTCLOSURE COSTS (continued)

At June 30, 2016, financial assurance relative to costs of closure and post-closure of the landfill was fulfilled through insurance coverage.

NOTE 13 – ACCOUNTING CHANGES AND ACCOUNTING STANDARDS

In fiscal year 2016, the County implemented Governmental Accounting Standards Board (GASB) Statement 72 “Fair Value Measurement and Application”. The objective of Statement 72 is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes and establishing general principles for measuring fair value.

NOTE 14 - CONTINGENCIES

There are legal actions and claims pending against Humboldt County. The financial impact of these actions is not determinable at June 30, 2016. The effect of any resulting uninsured liability on the financial position or results of operations of the County is unknown.

NOTE 15 – 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, 2016, the net other postemployment benefit liability for the County was \$4,241,073. 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, 2016, 5 retirees were using this plan. The HCHIP does not issue a publicly available financial report.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

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, 2016, 55 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 \$30,096.

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, 2016, retirees qualify for a subsidy of \$26 at five years of service and \$185 at 20 years of service with incremental increases for years of service between. Subsidy rates for retirees covered under the Medicare Exchange were \$55 at five years of service and \$220 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 2016, the County contributed \$141,542 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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

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 2014 through 2016 were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
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
HCHIP	6/30/14	\$ 614,081	\$ 60,470	9.85%	\$ 3,227,211
PEBP	6/30/16	\$ 136,546	\$ 141,542	103.66%	\$ 184,513
PEBP	6/30/15	\$ 136,055	\$ 134,078	98.55%	\$ 189,509
PEBP	6/30/14	\$ 134,308	\$ 142,237	105.90%	\$ 187,532
Combined Totals	6/30/16	\$ 599,066	\$ 171,638		\$ 4,241,073
Combined totals	6/30/15	\$ 569,489	\$ 170,587		\$ 3,813,645
Combined Totals	6/30/14	\$ 748,390	\$ 202,707		\$ 3,414,743

The net OPEB obligation (NOPEBO) as of June 30, 2016, was calculated as follows:

	HCHIP	PEBP	Totals
Annual required contribution (ARC)	\$ 519,078	\$ 140,125	\$ 659,203
Interest on the beginning net OPEB obligation	144,965	7,580	152,545
ARC Adjustment	(201,523)	(11,159)	(212,682)
Annual OPEB cost	462,520	136,546	599,066
Contributions made	(30,096)	(141,542)	(171,638)
Increase (decrease) in net OPEB obligation	432,424	(4,996)	427,428
Net OPEB obligation (asset), beginning of year	3,624,136	189,509	3,813,645
Net OPEB obligation (asset), end of year	\$ 4,056,560	\$ 184,513	\$ 4,241,073

Funded Status and Funding Progress. The funded status of the plans as of June 30, 2016, was as follows:

	HCHIP	PEBP	Totals
Accrued actuarial liability (a)	\$ 3,100,896	\$ 2,616,559	\$ 5,717,455
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued liability (a) – (b)	\$ 3,100,896	\$ 2,616,559	\$ 5,717,455
Funded ratio (b) / (a)	0.00%	0.00%	0.00%
Covered payroll (c)	\$ 12,398,259	N/A	
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) – (b)) / (c)	25.01%		

**HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

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.

Significant methods and assumptions used in the October 1, 2013 actuarial valuation were as follows:

	<u>HCHIP</u>	<u>PEBP</u>
Actuarial valuation date	10/01/13	10/01/13
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level dollar	Level dollar
Amortization period (open)	30 years	30 years
Asset valuation method	Market value	Market value
<u>Actuarial assumptions:</u>		
Investment rate of return	4.00%	4.00%
Projected salary increases	4.00%	4.00%
Healthcare inflation rate*	5.00%	5.00%

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

NOTE 16 – PRIOR PERIOD ADJUSTMENT

It was determined that three special districts, the Quinn River Television District, the Denio Television District, and the Golconda Water District, are component units of Humboldt County. Accordingly, a prior period adjustment of \$1,976,130 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.

HUMBOLDT COUNTY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 – 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, 2016, is shown on the following pages.

	Major Governmental Funds			
	General Fund	Indigent Fund	Road Fund	Regional Transportation Fund
Fund Balances				
Nonspendable				
Notes receivable	\$ 899	\$ -	\$ -	\$ -
Restricted				
Unemployment claims	208,166	-	-	-
County and city road projects	-	-	-	1,787,182
Technology enhancements	-	-	-	-
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	399,091	-	-	-
Road repairs and maintenance	-	-	1,579,210	-
6th judicial court	-	-	-	-
Winnemucca events center complex	-	-	-	-
Indigent services	-	808,018	-	-
Library	-	-	-	-
Capital building projects	-	-	-	-
Excess road fund expenditures	-	-	-	-
Assigned				
Budget shortfalls	7,213,135	-	-	-
Excess road fund expenditures	-	-	-	-
Unassigned	<u>10,154,938</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 17,976,229</u>	<u>\$ 808,018</u>	<u>\$1,579,210</u>	<u>\$ 1,787,182</u>

Major Governmental Funds					
6th Judicial District Fund	Indigent Medical Fund	Winnemucca Events Complex Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 899
-	-	-	-	-	208,166
-	-	-	-	-	1,787,182
2,016	-	-	-	-	2,016
-	1,281,860	-	-	-	1,281,860
-	-	-	-	1,050,843	1,050,843
-	-	-	-	840,212	840,212
-	-	-	-	232,544	232,544
-	-	-	-	4,661	4,661
-	-	-	-	1,380,934	1,380,934
-	-	-	-	1,208,300	1,208,300
-	-	-	-	210,542	210,542
-	-	-	-	95,929	95,929
-	-	-	-	475,141	475,141
-	-	-	-	99,973	99,973
-	-	-	-	-	399,091
-	-	-	-	-	1,579,210
6,921,364	-	-	-	-	6,921,364
-	-	2,330,501	-	-	2,330,501
-	-	-	-	-	808,018
-	-	-	-	4,457,193	4,457,193
-	-	-	1,136,7856	1,200,000	2,336,786
-	-	-	-	150,000	150,000
-	-	-	-	-	7,213,135
-	-	-	-	3,144,109	3,144,109
-	-	-	-	-	10,154,938
\$ 6,923,380	\$ 1,281,860	\$ 2,330,501	\$ 1,136,786	\$ 14,550,381	\$ 48,373,547

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, 2016

	2016 Budgeted Amounts		2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget
REVENUES				
Taxes	\$ 2,774,147	\$ 2,774,147	\$ 4,995,668	\$ 2,221,521
Licenses and permits	810,000	810,000	1,182,953	372,953
Intergovernmental revenues	8,821,750	9,139,986	8,540,696	(599,290)
Charges for services	308,000	308,000	350,100	42,100
Fines and forfeits	607,000	607,000	648,145	41,145
Miscellaneous	120,000	120,000	541,448	421,448
Total Revenues	13,440,897	13,759,133	16,259,010	2,499,877
EXPENDITURES BY FUNCTION AND DEPARTMENT				
Current:				
General Government:				
Commission	273,140	273,140	277,548	(4,408)
Administrator	348,810	348,810	331,650	17,160
Elections	35,000	35,000	25,112	9,888
Comptroller	359,570	359,570	349,801	9,769
Assessor	730,295	730,295	668,002	62,293
Treasurer	293,510	293,510	285,501	8,009
Clerk	460,570	460,570	416,926	43,644
Recorder	323,880	323,880	271,805	52,075
Computer systems	491,621	491,621	488,595	3,026
Planning	160,290	160,290	119,533	40,757
Buildings and grounds	1,252,786	1,252,786	1,073,284	179,502
Communications	356,610	356,610	325,876	30,734
Personnel	66,500	66,500	20,830	45,670
Miscellaneous	1,663,750	1,660,750	830,207	830,543
Total General Government Function	6,816,332	6,813,332	5,484,670	1,328,662
Judicial:				
Justice Court	719,881	719,881	587,821	132,060
District Attorney	1,517,108	1,517,108	1,288,612	228,496
Child Support	379,776	379,776	352,351	27,425
Public Defender	247,480	247,480	243,762	3,718
Total Judicial Function	2,864,245	2,864,245	2,472,546	391,699

(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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Public Safety:				
Sheriff	\$ 3,585,691	\$ 3,633,411	\$ 3,538,028	\$ 95,383
Detention	2,717,285	2,717,285	2,522,887	194,398
Dispatch	1,127,988	1,127,988	989,490	138,498
Building Official	342,260	342,260	253,407	88,853
Task Force	142,210	142,210	141,259	951
LEPC	-	57,040	32,865	24,175
Total Public Safety Function	<u>7,915,434</u>	<u>8,020,194</u>	<u>7,477,936</u>	<u>542,258</u>
Public Works	<u>22,000</u>	<u>25,000</u>	<u>22,436</u>	<u>2,564</u>
Health:				
Health	189,861	189,861	164,566	25,295
Mosquito control	<u>150,440</u>	<u>150,440</u>	<u>189,299</u>	<u>(38,859)</u>
Total Health Function	<u>340,301</u>	<u>340,301</u>	<u>353,865</u>	<u>(13,564)</u>
Culture and Recreation	<u>2,500</u>	<u>2,500</u>	<u>5,000</u>	<u>(2,500)</u>
Community Support	<u>526,000</u>	<u>763,651</u>	<u>1,052,127</u>	<u>(288,476)</u>
Intergovernmental Expenditures	<u>606,000</u>	<u>606,000</u>	<u>525,694</u>	<u>80,306</u>
Total Expenditures	<u>19,092,812</u>	<u>19,435,223</u>	<u>17,394,274</u>	<u>2,040,949</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,651,915)</u>	<u>(5,676,090)</u>	<u>(1,135,264)</u>	<u>4,540,826</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	-	(5,000)
Transfers out	(95,730)	(95,730)	(93,620)	2,110
Contingency	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>	<u>350,000</u>
Total other financing sources and uses	<u>(440,730)</u>	<u>(440,730)</u>	<u>(93,620)</u>	<u>347,110</u>
Net change in fund balance	(6,092,645)	(6,116,820)	(1,228,884)	4,887,936
Fund balance - beginning	<u>12,318,869</u>	<u>12,318,869</u>	<u>18,597,856</u>	<u>6,278,987</u>
Fund balance - ending	<u>\$ 6,226,224</u>	<u>\$ 6,202,049</u>	<u>\$ 17,368,972</u>	<u>\$ 11,166,923</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, 2016

	2016			Variance to Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes:				
Property taxes	\$ 321,360	\$ 321,360	\$ 516,884	\$ 195,524
Intergovernmental Revenue:				
Welfare set aside	-	33,270	33,270	-
Federal grants	-	4,220	4,220	-
Total Intergovernmental Revenue	-	37,490	37,490	-
Miscellaneous	1,000	1,000	6,681	5,681
Total Revenues	<u>322,360</u>	<u>359,850</u>	<u>561,055</u>	<u>201,205</u>
EXPENDITURES				
Welfare Function:				
Institutional care	82,484	82,484	68,312	14,172
Old age assistance	-	33,270	14,668	18,602
General assistance:				
Salaries and wages	55,040	55,040	50,619	4,421
Employee benefits	28,480	28,480	25,140	3,340
Services and supplies	42,000	46,220	53,235	(7,015)
Total Welfare Function	<u>208,004</u>	<u>245,494</u>	<u>211,974</u>	<u>33,520</u>
Intergovernmental Expenditure Function:				
Services and supplies	126,680	126,680	205,658	(78,978)
Total Expenditures	<u>334,684</u>	<u>372,174</u>	<u>417,632</u>	<u>(45,458)</u>
Excess (deficiency) of revenues over (under) expenditures	(12,324)	(12,324)	143,423	155,747
OTHER FINANCING SOURCES (USES)				
Transfers - out	(700)	(700)	(700)	-
Net change in fund balance	(13,024)	(13,024)	142,723	155,747
Fund balance - beginning	467,168	467,168	665,295	198,127
Fund balance - ending	<u>\$ 454,144</u>	<u>\$ 454,144</u>	<u>\$ 808,018</u>	<u>\$ 353,874</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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenues:				
Federal grants	\$ -	\$ -	\$ 150,453	\$ 150,453
Consolidated tax	511,100	511,100	465,477	(45,623)
Motor vehicle fuel taxes 1.25 cents	455,919	455,919	490,238	34,319
Motor vehicle fuel taxes 1.75 cents	190,669	190,669	202,006	11,337
Motor vehicle fuel taxes 2.35 cents	718,885	718,885	777,015	58,130
Total Intergovernmental Revenues	<u>1,876,573</u>	<u>1,876,573</u>	<u>2,085,189</u>	<u>208,616</u>
Charges for Services:				
Fuel sales reimbursements	300,000	300,000	163,962	(136,038)
Repair reimbursements	80,000	80,000	81,953	1,953
Total Charges for Services	<u>380,000</u>	<u>380,000</u>	<u>245,915</u>	<u>(134,085)</u>
Miscellaneous	5,000	5,000	70,789	65,789
Total Revenues	<u>2,261,573</u>	<u>2,261,573</u>	<u>2,401,893</u>	<u>140,320</u>
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Salaries and wages	1,134,190	1,134,190	1,033,905	100,285
Employee benefits	573,310	573,310	491,460	81,850
Services and supplies	1,655,200	1,655,200	1,586,684	68,516
Capital outlay	250,000	250,000	233,336	16,664
Total Public Works Function	<u>3,612,700</u>	<u>3,612,700</u>	<u>3,345,385</u>	<u>267,315</u>
Intergovernmental Expenditure Function:				
Services and supplies	-	-	74,172	(74,172)
Total Expenditures	<u>3,612,700</u>	<u>3,612,700</u>	<u>3,419,557</u>	<u>193,143</u>

(continued)

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, 2016

	2016 Budgeted Amounts		2016	
	Original Budget	Final Budget	Actual	Variance to Final Budget
Excess (deficiency) of revenues over (under) expenditures	\$ (1,351,127)	\$ (1,351,127)	\$ (1,017,664)	\$ 333,463
OTHER FINANCING SOURCES (USES)				
Transfers - in	677,000	677,000	877,000	200,000
Transfers - out	(14,000)	(14,000)	(14,000)	-
Total Other Financing Sources (Uses)	<u>663,000</u>	<u>663,000</u>	<u>863,000</u>	<u>200,000</u>
Net change in fund balance	(688,127)	(688,127)	(154,664)	533,463
Fund balance - beginning	<u>1,342,702</u>	<u>1,342,702</u>	<u>1,733,874</u>	<u>391,172</u>
Fund balance - ending	<u><u>\$ 654,575</u></u>	<u><u>\$ 654,575</u></u>	<u><u>\$ 1,579,210</u></u>	<u><u>\$ 924,635</u></u>

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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenue:				
Gasoline taxes	\$ 1,213,056	\$ 1,213,056	\$ 1,296,119	\$ 83,063
Miscellaneous	1,000	1,000	970	(30)
Total Revenues	<u>1,214,056</u>	<u>1,214,056</u>	<u>1,297,089</u>	<u>83,033</u>
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Capital outlay	<u>1,550,000</u>	<u>1,550,000</u>	<u>1,502,451</u>	<u>47,549</u>
Excess (deficiency) of revenues over (under) expenditures	(335,944)	(335,944)	(205,362)	130,582
Fund balance - beginning	<u>1,413,479</u>	<u>1,413,479</u>	<u>1,992,544</u>	<u>579,065</u>
Fund balance - ending	<u>\$ 1,077,535</u>	<u>\$ 1,077,535</u>	<u>\$ 1,787,182</u>	<u>\$ 709,647</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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 1,662,203	\$ 1,662,203	\$ 2,673,436	\$ 1,011,233
Intergovernmental Revenue:				
Grants:				
OJJDP formula grant	-	-	13,216	13,216
Room and board	-	-	22,516	22,516
Pershing County contribution	746,511	746,511	62,378	(684,133)
Lander County contribution	746,511	746,511	62,378	(684,133)
Total Intergovernmental Revenues	<u>1,493,022</u>	<u>1,493,022</u>	<u>160,488</u>	<u>(1,332,534)</u>
Charges for Services	-	-	128	128
Fines and Forfeits	20,000	20,000	69,339	49,339
Miscellaneous	-	-	32,683	32,683
Total Revenues	<u>3,175,225</u>	<u>3,175,225</u>	<u>2,936,074</u>	<u>(239,151)</u>
EXPENDITURES				
Judicial Function:				
District Court:				
Salaries and wages	506,020	506,020	330,446	175,574
Employee benefits	238,985	238,985	145,180	93,805
Services and supplies	624,960	624,960	534,779	90,181
Capital outlay	10,000	10,000	-	10,000
	<u>1,379,965</u>	<u>1,379,965</u>	<u>1,010,405</u>	<u>369,560</u>
Court Reporters:				
Salaries and wages	120,690	120,690	-	120,690
Employee benefits	47,780	47,780	-	47,780
Services and supplies	40,500	40,500	10,518	29,982
	<u>208,970</u>	<u>208,970</u>	<u>10,518</u>	<u>198,452</u>
Total Judicial Function	<u>1,588,935</u>	<u>1,588,935</u>	<u>1,020,923</u>	<u>568,012</u>

(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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Public Safety Function:				
Juvenile Probation:				
Salaries and wages	\$ 1,515,990	\$ 1,515,990	\$ 849,238	\$ 666,752
Employee benefits	860,590	860,590	400,314	460,276
Services and supplies	404,758	404,758	257,721	147,037
Capital outlay	45,000	45,000	-	45,000
Total Public Safety Function	<u>2,826,338</u>	<u>2,826,338</u>	<u>1,507,273</u>	<u>1,319,065</u>
Intergovernmental Expenditure Function:				
Services and supplies	<u>60,000</u>	<u>60,000</u>	<u>57,646</u>	<u>2,354</u>
Total Expenditures	<u>4,475,273</u>	<u>4,475,273</u>	<u>2,585,842</u>	<u>1,889,431</u>
Excess (deficiency) of revenues over expenditures	(1,300,048)	(1,300,048)	350,232	1,650,280
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(31,600)</u>	<u>(31,600)</u>	<u>(16,100)</u>	<u>15,500</u>
Net change in fund balance	(1,331,648)	(1,331,648)	334,132	1,665,780
Fund balance - beginning	<u>4,726,431</u>	<u>4,726,431</u>	<u>6,589,248</u>	<u>1,862,817</u>
Fund balance - ending	<u><u>\$ 3,394,783</u></u>	<u><u>\$ 3,394,783</u></u>	<u><u>\$ 6,923,380</u></u>	<u><u>\$ 3,528,597</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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 255,723	\$ 255,723	\$ 411,296	\$ 155,573
Miscellaneous	1,000	1,000	1,026	26
Total Revenues	<u>256,723</u>	<u>256,723</u>	<u>412,322</u>	<u>155,599</u>
EXPENDITURES				
Welfare Function:				
Services and supplies	707,000	707,000	379,039	327,961
Intergovernmental Expenditure Function:				
Services and supplies	<u>66,970</u>	<u>66,970</u>	<u>137,100</u>	<u>(70,130)</u>
Total Expenditures	<u>773,970</u>	<u>773,970</u>	<u>516,139</u>	<u>257,831</u>
Excess (deficiency) of revenues over (under) expenditures	(517,247)	(517,247)	(103,817)	413,430
Fund balance - beginning	<u>928,700</u>	<u>928,700</u>	<u>1,385,677</u>	<u>456,977</u>
Fund balance - ending	<u><u>\$ 411,453</u></u>	<u><u>\$ 411,453</u></u>	<u><u>\$ 1,281,860</u></u>	<u><u>\$ 870,407</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, 2016

	<u>2016 Budgeted Amounts</u>		<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 340,965	\$ 340,965	\$ 548,399	\$ 207,434
Intergovernmental Revenue:				
Room taxes	200,000	200,000	321,378	121,378
Charges for Services	164,800	164,800	190,428	25,628
Miscellaneous	-	-	15,697	15,697
Total Revenues	<u>705,765</u>	<u>705,765</u>	<u>1,075,902</u>	<u>370,137</u>
EXPENDITURES				
Culture and Recreation Function:				
Salaries and wages	354,100	354,100	350,221	3,879
Employee benefits	149,370	149,370	139,656	9,714
Services and supplies	503,400	503,400	383,357	120,043
Capital outlay	830,790	830,790	40,097	790,693
Total Expenditures	<u>1,837,660</u>	<u>1,837,660</u>	<u>913,331</u>	<u>924,329</u>
Excess (deficiency) of revenues over (under) expenditures	(1,131,895)	(1,131,895)	162,571	1,294,466
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(3,620)</u>	<u>(3,620)</u>	<u>(3,620)</u>	<u>-</u>
Net change in fund balance	(1,135,515)	(1,135,515)	158,951	1,294,466
Fund balance - beginning	<u>1,699,477</u>	<u>1,699,477</u>	<u>2,171,550</u>	<u>472,073</u>
Fund balance - ending	<u>\$ 563,962</u>	<u>\$ 563,962</u>	<u>\$ 2,330,501</u>	<u>\$ 1,766,539</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, 2016

	General Fund Budgetary Basis	Internally Reported Funds	Eliminations	General Fund GAAP Basis
REVENUES				
Taxes	\$ 4,995,668	\$ -	\$ -	\$ 4,995,668
Licenses and permits	1,182,953	-	-	1,182,953
Intergovernmental revenue	8,540,696	-	-	8,540,696
Charges for services	350,100	-	-	350,100
Fines and forfeits	648,145	-	-	648,145
Miscellaneous revenues	541,448	1,020	-	542,468
Total Revenues	16,259,010	1,020	-	16,260,030
EXPENDITURES				
Current:				
General government	5,484,670	200,111	-	5,684,781
Judicial	2,472,546	-	-	2,472,546
Public safety	7,477,936	-	-	7,477,936
Public works	22,436	-	-	22,436
Health	353,865	-	-	353,865
Culture and recreation	5,000	-	-	5,000
Community support	1,052,127	-	-	1,052,127
Intergovernmental expenditures	525,694	-	-	525,694
Total Expenditures	17,394,274	200,111	-	17,594,385
Excess (deficiency) of revenues over (under) expenditures	(1,135,264)	(199,091)	-	(1,334,355)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	143,730	(93,620)	50,110
Transfers out	(93,620)	-	93,620	-
Total Other Financing Sources (Uses)	(93,620)	143,730	-	50,110
Net Change in Fund Balances	(1,228,884)	(55,361)	-	(1,284,245)
Fund Balances - beginning	18,597,856	662,618	-	19,260,474
Fund Balances - ending	<u>\$ 17,368,972</u>	<u>\$ 607,257</u>	<u>\$ -</u>	<u>\$ 17,976,229</u>

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

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2016

Schedule of Funding Progress
Other Postemployment Benefits

	Actuarial	Actuarial	Actuarial	Actuarial	Funded Ratio	* Covered Payroll	UAAL as a Percentage of Covered Payroll
Actuarial	Value of	Liability (AAL) -	Unfunded AAL	(UAAL)	(a/b)	(c)	([b-a]/c)
Valuation	Assets	Level Dollar	(b-a)	(b-a)			
Date	(a)	(b)					
HCHIP	10/1/2009	\$ -	\$ 3,190,255	\$ 3,190,255	0.00%	\$ 10,229,682	31.19%
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%
PEBP	10/1/2009	\$ -	\$ 4,019,118	\$ 4,019,118	0.00%	N/A	N/A
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 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, 2016

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
2016	0.22237%	\$ 25,482,108	\$ 10,965,385	232.39%	~
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	*	*
2007	*	*	8,452,175	*	*

*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, 2016

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
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%
2007	1,926,642	1,926,642	-	8,452,175	22.79%

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

HUMBOLDT COUNTY
Notes to Required Supplementary Information
June 30, 2016

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, 2016

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets			
Cash and investments	\$ 13,869,912	\$ 942,199	\$ 14,812,111
Taxes receivable	11,599	965	12,564
Accounts receivable	5,866	-	5,866
Interest receivable	-	59	59
Due from other governments	24,144	-	24,144
	<u>13,911,521</u>	<u>943,223</u>	<u>14,854,744</u>
Total assets	<u>\$ 13,911,521</u>	<u>\$ 943,223</u>	<u>\$ 14,854,744</u>
Liabilities			
Accounts payable	\$ 131,475	\$ 101,494	\$ 232,969
Accrued salaries and benefits	53,284	-	53,284
Due to other governments	1,906	552	2,458
Due to other funds	3,088	-	3,088
Total liabilities	<u>189,753</u>	<u>102,046</u>	<u>291,799</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	<u>11,599</u>	<u>965</u>	<u>12,564</u>
Fund Balances			
Restricted	4,758,867	840,212	5,599,079
Committed	5,807,193	-	5,807,193
Assigned	3,144,109	-	3,144,109
Total fund balances	<u>13,710,169</u>	<u>840,212</u>	<u>14,550,381</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 13,911,521</u>	<u>\$ 943,223</u>	<u>\$ 14,854,744</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
REVENUES			
Taxes	\$ 1,863,003	\$ 137,099	\$ 2,000,102
Intergovernmental revenues	2,371,157	-	2,371,157
Charges for services	22,102	-	22,102
Fines and forfeits	383,910	-	383,910
Miscellaneous revenues	44,866	862	45,728
	<u>4,685,038</u>	<u>137,961</u>	<u>4,822,999</u>
EXPENDITURES			
Current:			
General Government	72,028	-	72,028
Judicial	712,833	-	712,833
Public Safety	87,807	-	87,807
Culture and Recreation	1,462,996	-	1,462,996
Community Support	195,049	620,704	815,753
Intergovernmental	-	36,365	36,365
	<u>2,530,713</u>	<u>657,069</u>	<u>3,187,782</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,154,325</u>	<u>(519,108)</u>	<u>1,635,217</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	52,520	940,000	992,520
Transfers out	(1,884,120)	-	(1,884,120)
	<u>(1,831,600)</u>	<u>940,000</u>	<u>(891,600)</u>
Net Change in Fund Balances	322,725	420,892	743,617
Fund balances - beginning	<u>13,387,444</u>	<u>419,320</u>	<u>13,806,764</u>
Fund balances - ending	<u>\$ 13,710,169</u>	<u>\$ 840,212</u>	<u>\$ 14,550,381</u>

HUMBOLDT COUNTY
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)
Balance Sheet
June 30, 2016

	<u>General Fund</u>	<u>Internally Reported Funds</u>	<u>General Fund Total</u>
Assets			
Cash and investments	\$ 16,896,651	\$ 609,660	\$ 17,506,311
Taxes receivable	30,586	-	30,586
Accounts receivable	217,860	-	217,860
Interest receivable	1,075	25	1,100
Notes receivable	899	-	899
Due from other governments	1,382,125	-	1,382,125
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 18,529,196</u>	<u>\$ 609,685</u>	<u>\$ 19,138,881</u>
Liabilities			
Accounts payable	\$ 504,613	\$ -	\$ 504,613
Accrued salaries and benefits	413,886	2,428	416,314
Due to other governments	122,112	-	122,112
Due to other funds	35,267	-	35,267
Deferred revenue	53,760	-	53,760
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,129,638</u>	<u>2,428</u>	<u>1,132,066</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	30,586	-	30,586
	<hr/>	<hr/>	<hr/>
Fund Balances			
Nonspendable	899	-	899
Restricted	-	208,166	208,166
Committed	-	399,091	399,091
Assigned	-	-	-
Unassigned	17,368,073	-	17,368,073
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>17,368,972</u>	<u>607,257</u>	<u>17,976,229</u>
	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows, and fund balances	<u>\$ 18,529,196</u>	<u>\$ 609,685</u>	<u>\$ 19,138,881</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 2,702,147	\$ 2,702,147	\$ 4,885,671	\$ 2,183,524	\$ 5,594,599
Tax penalties	72,000	72,000	109,997	37,997	93,866
Total Taxes	<u>2,774,147</u>	<u>2,774,147</u>	<u>4,995,668</u>	<u>2,221,521</u>	<u>5,688,465</u>
Licenses and Permits:					
Business:					
Business licenses	40,000	40,000	44,848	4,848	52,708
Liquor licenses	5,000	5,000	4,200	(800)	4,640
Local gaming licenses	45,000	45,000	54,714	9,714	60,164
Franchise fees	550,000	550,000	838,376	288,376	906,673
Nonbusiness:					
Building permits	160,000	160,000	208,127	48,127	143,269
Dog licenses	10,000	10,000	11,232	1,232	11,575
CCW permits	-	-	20,053	20,053	20,653
Marriage licenses	-	-	1,340	1,340	1,480
Other permits	-	-	63	63	35
Total Licenses and Permits	<u>810,000</u>	<u>810,000</u>	<u>1,182,953</u>	<u>372,953</u>	<u>1,201,197</u>
Intergovernmental Revenues:					
Federal grants:					
Child support enforcement	180,000	180,000	256,956	76,956	281,210
Consolidated task force	-	-	23,779	23,779	23,132
Ots/joining forces	-	66,893	66,893	-	-
Senior transportation grant	-	204,025	204,025	-	214,769
SCAAP grant	-	12,502	12,502	-	3,078
CDBG grant	-	-	-	-	16,580
Night Vision JAG	-	-	-	-	15,000
NDOW grant	-	33,626	33,626	-	-
SERC grant	-	-	32,843	32,843	28,129
SMART grant	-	1,190	1,190	-	-
Other Intergovernmental Revenues:					
United we stand grant	-	-	-	-	28,911
NDOT grant	-	-	-	-	232
Taylor grazing fees	25,000	25,000	23,618	(1,382)	23,654
NRA grant	-	-	-	-	8,868
City-county sharing agreement	350,000	350,000	326,383	(23,617)	388,881
Humboldt river basin authority	40,000	40,000	56,000	16,000	55,764
Combined tax	8,086,750	8,086,750	7,364,785	(721,965)	7,944,035
State gaming license fees	140,000	140,000	138,096	(1,904)	142,504
Total Intergovernmental Revenues	<u>8,821,750</u>	<u>9,139,986</u>	<u>8,540,696</u>	<u>(599,290)</u>	<u>9,174,747</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Charges for Services:					
General Government:					
Clerk fees	\$ 17,500	\$ 17,500	\$ 16,390	\$ (1,110)	\$ 18,497
Candidate fees	-	-	1,010	1,010	-
Recorder fees	130,000	130,000	110,697	(19,303)	109,036
Recorder technology fees	-	-	12,249	12,249	13,026
Planning fees	9,000	9,000	8,706	(294)	10,385
Map fees	15,000	15,000	7,904	(7,096)	12,990
Subtotal General Government	<u>171,500</u>	<u>171,500</u>	<u>156,956</u>	<u>(14,544)</u>	<u>163,934</u>
Judicial:					
Legal assistance fees	6,000	6,000	5,024	(976)	6,993
Law library fees	5,000	5,000	3,690	(1,310)	5,550
Bail bond fees	5,000	5,000	4,350	(650)	4,388
Civil action fees	30,000	30,000	57,300	27,300	57,947
District court filing fees	-	-	11,788	11,788	17,629
Public defender fees	-	-	10,251	10,251	13,172
Subtotal Judicial	<u>46,000</u>	<u>46,000</u>	<u>92,403</u>	<u>46,403</u>	<u>105,679</u>
Public Safety:					
Sheriff fees	30,000	30,000	32,126	2,126	31,326
Detention fees	40,000	40,000	36,005	(3,995)	54,492
Detention meal preparation	15,000	15,000	6,737	(8,263)	14,323
Subtotal Public Safety	<u>85,000</u>	<u>85,000</u>	<u>74,868</u>	<u>(10,132)</u>	<u>100,141</u>
Other Charges for Services	<u>5,500</u>	<u>5,500</u>	<u>25,873</u>	<u>20,373</u>	<u>29,538</u>
Total Charges for Services	<u>308,000</u>	<u>308,000</u>	<u>350,100</u>	<u>42,100</u>	<u>399,292</u>
Fines and Forfeits	<u>607,000</u>	<u>607,000</u>	<u>648,145</u>	<u>41,145</u>	<u>621,569</u>
Miscellaneous Revenues:					
Interest earnings	120,000	120,000	270,688	150,688	240,463
Miscellaneous	-	-	214,512	214,512	165,912
Geothermal lease	-	-	48,196	48,196	66,172
Election reimbursement	-	-	287	287	15,824
Forensic services	-	-	5,740	5,740	7,050
Restitution	-	-	2,025	2,025	985
Contributions	-	-	-	-	4,127
Total Miscellaneous Revenues	<u>120,000</u>	<u>120,000</u>	<u>541,448</u>	<u>421,448</u>	<u>500,533</u>
Total Revenues	<u>13,440,897</u>	<u>13,759,133</u>	<u>16,259,010</u>	<u>2,499,877</u>	<u>17,585,803</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			Variance to Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
EXPENDITURES BY FUNCTION AND ACTIVITY					
General Government Function:					
Legislative:					
Commissioners					
Salaries and wages	\$ 145,160	\$ 145,160	\$ 148,413	\$ (3,253)	\$ 144,307
Employee benefits	86,230	86,230	72,285	13,945	67,470
Services and supplies	41,750	41,750	56,850	(15,100)	38,663
Subtotal Legislative	<u>273,140</u>	<u>273,140</u>	<u>277,548</u>	<u>(4,408)</u>	<u>250,440</u>
Executive:					
County Administrator					
Salaries and wages	239,200	239,200	229,917	9,283	271,618
Employee benefits	106,610	106,610	97,273	9,337	100,991
Services and supplies	3,000	3,000	4,460	(1,460)	5,803
Subtotal Executive	<u>348,810</u>	<u>348,810</u>	<u>331,650</u>	<u>17,160</u>	<u>378,412</u>
Elections:					
Services and supplies	<u>35,000</u>	<u>35,000</u>	<u>25,112</u>	<u>9,888</u>	<u>49,039</u>
Finance:					
Comptroller:					
Salaries and wages	160,190	160,190	156,286	3,904	152,452
Employee benefits	77,530	77,530	70,614	6,916	66,922
Services and supplies	121,850	121,850	122,901	(1,051)	117,527
	<u>359,570</u>	<u>359,570</u>	<u>349,801</u>	<u>9,769</u>	<u>336,901</u>
Assessor:					
Salaries and wages	450,850	450,850	434,741	16,109	443,279
Employee benefits	216,350	216,350	202,092	14,258	197,665
Services and supplies	63,095	63,095	31,169	31,926	42,333
	<u>730,295</u>	<u>730,295</u>	<u>668,002</u>	<u>62,293</u>	<u>683,277</u>
Treasurer:					
Salaries and wages	179,200	179,200	181,175	(1,975)	172,816
Employee benefits	89,060	89,060	85,234	3,826	77,250
Services and supplies	25,250	25,250	19,092	6,158	18,625
	<u>293,510</u>	<u>293,510</u>	<u>285,501</u>	<u>8,009</u>	<u>268,691</u>
Subtotal Finance	<u>1,383,375</u>	<u>1,383,375</u>	<u>1,303,304</u>	<u>80,071</u>	<u>1,288,869</u>
Other:					
Clerk:					
Salaries and wages	293,540	293,540	274,320	19,220	284,092
Employee benefits	146,830	146,830	128,341	18,489	127,623
Services and supplies	20,200	20,200	14,265	5,935	15,363
	<u>460,570</u>	<u>460,570</u>	<u>416,926</u>	<u>43,644</u>	<u>427,078</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Recorder:					
Salaries and wages	\$ 164,890	\$ 164,890	\$ 163,205	\$ 1,685	\$ 182,300
Employee benefits	83,670	83,670	79,803	3,867	78,534
Services and supplies	75,320	75,320	28,797	46,523	45,454
	<u>323,880</u>	<u>323,880</u>	<u>271,805</u>	<u>52,075</u>	<u>306,288</u>
Computer Systems:					
Salaries and wages	115,810	115,810	118,710	(2,900)	105,922
Employee benefits	56,860	56,860	54,853	2,007	44,260
Services and supplies	285,251	285,251	291,402	(6,151)	179,791
Capital outlay	33,700	33,700	23,630	10,070	57,647
	<u>491,621</u>	<u>491,621</u>	<u>488,595</u>	<u>3,026</u>	<u>387,620</u>
Planning:					
Salaries and wages	89,120	89,120	74,828	14,292	86,559
Employee benefits	50,770	50,770	38,401	12,369	44,161
Services and supplies	20,400	20,400	6,304	14,096	9,269
	<u>160,290</u>	<u>160,290</u>	<u>119,533</u>	<u>40,757</u>	<u>139,989</u>
Buildings and Grounds:					
Salaries and wages	453,740	453,740	401,811	51,929	433,573
Employee benefits	243,290	243,290	198,103	45,187	208,951
Services and supplies	555,756	555,756	462,070	93,686	436,334
Capital outlay	-	-	11,300	(11,300)	61,003
	<u>1,252,786</u>	<u>1,252,786</u>	<u>1,073,284</u>	<u>179,502</u>	<u>1,139,861</u>
Communications:					
Salaries and wages	142,090	142,090	140,755	1,335	139,378
Employee benefits	61,920	61,920	56,930	4,990	55,435
Services and supplies	152,600	152,600	128,191	24,409	144,366
Capital outlay	-	-	-	-	128,194
	<u>356,610</u>	<u>356,610</u>	<u>325,876</u>	<u>30,734</u>	<u>467,373</u>
Personnel:					
Services and supplies	66,500	66,500	20,830	45,670	11,104
Miscellaneous:					
Insurance	575,000	575,000	503,474	71,526	398,577
Insurance reserve	200,000	200,000	4,184	195,816	111,996
Humboldt river basin authority	42,750	42,750	54,003	(11,253)	62,094
Miscellaneous	846,000	843,000	268,546	574,454	202,898
	<u>1,663,750</u>	<u>1,660,750</u>	<u>830,207</u>	<u>830,543</u>	<u>775,565</u>
Subtotal Other	<u>4,776,007</u>	<u>4,773,007</u>	<u>3,547,056</u>	<u>1,225,951</u>	<u>3,654,878</u>
Total General Government Function	<u>6,816,332</u>	<u>6,813,332</u>	<u>5,484,670</u>	<u>1,328,662</u>	<u>5,621,638</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Judicial Function:					
Justice Court:					
Salaries and wages	\$ 444,160	\$ 444,160	\$ 366,032	\$ 78,128	\$ 365,144
Employee benefits	207,221	207,221	175,975	31,246	167,245
Services and supplies	68,500	68,500	45,814	22,686	48,569
	<u>719,881</u>	<u>719,881</u>	<u>587,821</u>	<u>132,060</u>	<u>580,958</u>
District Attorney:					
Salaries and wages	895,170	895,170	831,357	63,813	718,219
Employee benefits	410,670	410,670	358,292	52,378	295,352
Services and supplies	91,700	91,700	98,963	(7,263)	65,981
Capital Outlay	119,568	119,568	-	119,568	6,374
	<u>1,517,108</u>	<u>1,517,108</u>	<u>1,288,612</u>	<u>228,496</u>	<u>1,085,926</u>
Child Support:					
Salaries and wages	211,550	211,550	195,550	16,000	203,585
Employee benefits	123,490	123,490	103,523	19,967	105,351
Services and supplies	44,736	44,736	53,278	(8,542)	65,467
	<u>379,776</u>	<u>379,776</u>	<u>352,351</u>	<u>27,425</u>	<u>374,403</u>
Public Defender:					
Salaries and wages	162,980	162,980	163,674	(694)	155,950
Employee benefits	72,500	72,500	69,493	3,007	62,795
Services and supplies	12,000	12,000	10,595	1,405	6,814
	<u>247,480</u>	<u>247,480</u>	<u>243,762</u>	<u>3,718</u>	<u>225,559</u>
Total Judicial Function	<u>2,864,245</u>	<u>2,864,245</u>	<u>2,472,546</u>	<u>391,699</u>	<u>2,266,846</u>
Public Safety Function:					
Sheriff:					
Salaries and wages	1,944,091	1,945,281	1,961,770	(16,489)	1,994,846
Employee benefits	1,102,600	1,102,600	990,243	112,357	1,026,540
Services and supplies	405,000	405,000	415,560	(10,560)	424,742
Capital outlay	134,000	180,530	170,455	10,075	200,370
	<u>3,585,691</u>	<u>3,633,411</u>	<u>3,538,028</u>	<u>95,383</u>	<u>3,646,498</u>
Detention:					
Salaries and wages	1,495,010	1,495,010	1,443,722	51,288	1,420,958
Employee benefits	847,170	847,170	809,673	37,497	757,344
Services and supplies	375,105	375,105	269,492	105,613	287,642
Capital outlay	-	-	-	-	60,576
	<u>2,717,285</u>	<u>2,717,285</u>	<u>2,522,887</u>	<u>194,398</u>	<u>2,526,520</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Dispatch:					
Salaries and wages	\$ 621,436	\$ 621,436	\$ 573,218	\$ 48,218	\$ 543,121
Employee benefits	318,052	318,052	248,579	69,473	183,185
Services and supplies	188,500	188,500	167,693	20,807	176,694
	<u>1,127,988</u>	<u>1,127,988</u>	<u>989,490</u>	<u>138,498</u>	<u>903,000</u>
Building Official:					
Salaries and wages	210,570	210,570	161,285	49,285	199,630
Employee benefits	98,790	98,790	69,690	29,100	84,949
Services and supplies	32,900	32,900	22,432	10,468	24,199
	<u>342,260</u>	<u>342,260</u>	<u>253,407</u>	<u>88,853</u>	<u>308,778</u>
Task Force:					
Salaries and wages	78,610	78,610	77,736	874	76,007
Employee benefits	44,100	44,100	43,754	346	43,368
Services and supplies	19,500	19,500	19,769	(269)	17,107
Capital outlay	-	-	-	-	25,581
	<u>142,210</u>	<u>142,210</u>	<u>141,259</u>	<u>951</u>	<u>162,063</u>
LEPC:					
Services and supplies	-	32,865	32,865	-	57,040
	<u>-</u>	<u>32,865</u>	<u>32,865</u>	<u>-</u>	<u>57,040</u>
Total Public Safety Function	<u>7,915,434</u>	<u>7,996,019</u>	<u>7,477,936</u>	<u>518,083</u>	<u>7,603,899</u>
Public Works Function:					
Services and supplies	22,000	25,000	22,436	2,564	23,130
	<u>22,000</u>	<u>25,000</u>	<u>22,436</u>	<u>2,564</u>	<u>23,130</u>
Health Function:					
Health:					
Services and supplies	189,861	189,861	164,566	25,295	184,703
	<u>189,861</u>	<u>189,861</u>	<u>164,566</u>	<u>25,295</u>	<u>184,703</u>
Mosquito Control:					
Services and supplies	150,440	150,440	189,299	(38,859)	115,209
	<u>150,440</u>	<u>150,440</u>	<u>189,299</u>	<u>(38,859)</u>	<u>115,209</u>
Total Health Function	<u>340,301</u>	<u>340,301</u>	<u>353,865</u>	<u>(13,564)</u>	<u>299,912</u>
Culture and Recreation Function:					
Virgin Valley Campground:					
Services and supplies	2,500	2,500	5,000	(2,500)	2,500
	<u>2,500</u>	<u>2,500</u>	<u>5,000</u>	<u>(2,500)</u>	<u>2,500</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Community Support Function:					
Services and supplies:					
Senior citizens	\$ 228,000	\$ 228,000	\$ 433,442	\$ (205,442)	\$ 442,517
Museum	114,000	114,000	216,730	(102,730)	221,261
Senior transportation grant	-	204,025	204,025	-	215,001
Humboldt development authority	15,000	15,000	15,000	-	15,000
Chamber of commerce	6,500	6,500	-	6,500	6,500
Range improvement districts	50,000	50,000	23,618	26,382	23,654
Western NV development	5,000	5,000	5,625	(625)	4,500
Melarkey and WMCA Blvd.	-	-	-	-	52,011
CDBG grant	-	-	-	-	16,580
Vitality center	7,500	7,500	7,500	-	7,500
NDOW Grant	-	33,626	33,626	-	-
Fire protection	100,000	100,000	100,000	-	100,000
Capital outlay	-	-	11,561	(11,561)	-
Settlements	-	-	1,000	(1,000)	-
Total Community Support Function	<u>526,000</u>	<u>763,651</u>	<u>1,052,127</u>	<u>(288,476)</u>	<u>1,104,524</u>
Intergovernmental Expenditure Function:					
Services and supplies:					
City of Winnemucca gaming licenses	100,000	100,000	100,000	-	100,000
Airport	50,000	50,000	-	50,000	6,488
Cemetery	35,000	35,000	33,750	1,250	29,750
Parks and recreation	400,000	400,000	351,920	48,080	345,220
Animal control/spay neuter	15,000	15,000	35,000	(20,000)	25,000
Legal assistance	6,000	6,000	5,024	976	6,993
Total Intergovernmental Expenditure Function	<u>606,000</u>	<u>606,000</u>	<u>525,694</u>	<u>80,306</u>	<u>513,451</u>
Total Expenditures	<u>19,092,812</u>	<u>19,411,048</u>	<u>17,394,274</u>	<u>2,016,774</u>	<u>17,435,900</u>
Excess (deficiency) of revenues over expenditures	<u>(5,651,915)</u>	<u>(5,651,915)</u>	<u>(1,135,264)</u>	<u>4,516,651</u>	<u>149,903</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	5,000	5,000	-	(5,000)	5,000
Transfers out	(95,730)	(95,730)	(93,620)	2,110	(87,820)
Contingency	(350,000)	(350,000)	-	350,000	-
Total other financing sources (uses)	<u>(440,730)</u>	<u>(440,730)</u>	<u>(93,620)</u>	<u>347,110</u>	<u>(82,820)</u>
Net change in fund balance	(6,092,645)	(6,092,645)	(1,228,884)	4,863,761	67,083
Fund balance - beginning	<u>12,318,869</u>	<u>12,318,869</u>	<u>18,597,856</u>	<u>6,278,987</u>	<u>18,530,773</u>
Fund balance - ending	<u>\$ 6,226,224</u>	<u>\$ 6,226,224</u>	<u>\$ 17,368,972</u>	<u>\$ 11,142,748</u>	<u>\$ 18,597,856</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016
(Page 1 of 2)

	Cooperative Extension Fund	Library Fund	6th Judicial District Drug Court Fund	In-Lieu-of Tax Fund
Assets				
Cash and investments	\$ 1,204,779	\$ 4,528,146	\$ 268,478	\$ 4,494,109
Taxes receivable	1,592	9,166	-	-
Accounts receivable	-	-	217	-
Due from other governments	9,998	-	10,037	-
	<u>9,998</u>	<u>-</u>	<u>10,037</u>	<u>-</u>
Total assets	<u>\$ 1,216,369</u>	<u>\$ 4,537,312</u>	<u>\$ 278,732</u>	<u>\$ 4,494,109</u>
Liabilities				
Accounts payable	\$ 1,123	\$ 33,669	\$ 56,476	\$ -
Accrued salaries and benefits	5,121	36,449	11,714	-
Due to other governments	-	-	-	-
Due to other funds	233	835	-	-
	<u>233</u>	<u>835</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>6,477</u>	<u>70,953</u>	<u>68,190</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	1,592	9,166	-	-
	<u>1,592</u>	<u>9,166</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	1,208,300	-	210,542	-
Committed	-	4,457,193	-	1,350,000
Assigned	-	-	-	3,144,109
	<u>1,208,300</u>	<u>4,457,193</u>	<u>210,542</u>	<u>4,494,109</u>
Total fund balances	<u>1,208,300</u>	<u>4,457,193</u>	<u>210,542</u>	<u>4,494,109</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,216,369</u>	<u>\$ 4,537,312</u>	<u>\$ 278,732</u>	<u>\$ 4,494,109</u>

Administrative Assessment Fund	Stabilization Fund	Check Restitution Fund	Genetic Marker Testing Fund	Assessor's Technology Fund	911 Enhancement Fund
\$ 95,048	\$ 1,050,843	\$ 4,767	\$ 1,906	\$ 1,388,152	\$ 90,280
-	-	-	-	-	-
-	-	-	-	-	5,649
-	-	-	-	-	-
<u>\$ 95,048</u>	<u>\$ 1,050,843</u>	<u>\$ 4,767</u>	<u>\$ 1,906</u>	<u>\$ 1,388,152</u>	<u>\$ 95,929</u>
\$ 160	\$ -	\$ 106	\$ -	\$ 7,218	\$ -
-	-	-	-	-	-
-	-	-	1,906	-	-
-	-	-	-	-	-
<u>160</u>	<u>-</u>	<u>106</u>	<u>1,906</u>	<u>7,218</u>	<u>-</u>
-	-	-	-	-	-
94,888	1,050,843	4,661	-	1,380,934	95,929
-	-	-	-	-	-
-	-	-	-	-	-
<u>94,888</u>	<u>1,050,843</u>	<u>4,661</u>	<u>-</u>	<u>1,380,934</u>	<u>95,929</u>
<u>\$ 95,048</u>	<u>\$ 1,050,843</u>	<u>\$ 4,767</u>	<u>\$ 1,906</u>	<u>\$ 1,388,152</u>	<u>\$ 95,929</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016
(Page 2 of 2)

	<u>Justice Court Administrative Assessment Fund</u>	<u>Humboldt Fire District General Fund</u>	<u>Library Memorial Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets				
Cash and investments	\$ 137,656	\$ 504,525	\$ 101,223	\$ 13,869,912
Taxes receivable	-	841	-	11,599
Accounts receivable	-	-	-	5,866
Due from other governments	-	4,109	-	24,144
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 137,656</u>	<u>\$ 509,475</u>	<u>\$ 101,223</u>	<u>\$ 13,911,521</u>
Liabilities				
Accounts payable	-	\$ 31,473	\$ 1,250	\$ 131,475
Accrued salaries and benefits	-	-	-	53,284
Due to other governments	-	-	-	1,906
Due to other funds	-	2,020	-	3,088
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>33,493</u>	<u>1,250</u>	<u>189,753</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	841	-	11,599
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances				
Restricted	137,656	475,141	99,973	4,758,867
Committed	-	-	-	5,807,193
Assigned	-	-	-	3,144,109
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>137,656</u>	<u>475,141</u>	<u>99,973</u>	<u>13,710,169</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 137,656</u>	<u>\$ 509,475</u>	<u>\$ 101,223</u>	<u>\$ 13,911,521</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016
(Page 1 of 2)

	<u>Cooperative Extension Fund</u>	<u>Library Fund</u>	<u>6th Judicial Drug Court Fund</u>	<u>In-Lieu-of Tax Fund</u>
REVENUES				
Taxes	\$ 226,216	\$ 1,302,456	\$ -	\$ -
Intergovernmental revenue	59,171	28,647	396,182	1,862,838
Charges for services	-	-	-	-
Fines and forfeits	-	10,236	271,164	-
Miscellaneous revenues	642	-	18,912	-
	<u>286,029</u>	<u>1,341,339</u>	<u>686,258</u>	<u>1,862,838</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	-	-	-	-
Judicial	-	-	659,024	-
Public safety	-	-	-	-
Culture and recreation	-	1,435,656	-	-
Community support	195,049	-	-	-
	<u>195,049</u>	<u>1,435,656</u>	<u>659,024</u>	<u>-</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>90,980</u>	<u>(94,317)</u>	<u>27,234</u>	<u>1,862,838</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	27,520	-	-
Transfers out	(1,400)	(11,900)	(1,300)	(1,732,000)
Total Other Financing Sources (Uses)	<u>23,600</u>	<u>15,620</u>	<u>(1,300)</u>	<u>(1,732,000)</u>
Net Change in Fund Balances	114,580	(78,697)	25,934	130,838
Fund Balances - beginning	<u>1,093,720</u>	<u>4,535,890</u>	<u>184,608</u>	<u>4,363,271</u>
Fund Balances - ending	<u>\$ 1,208,300</u>	<u>\$ 4,457,193</u>	<u>\$ 210,542</u>	<u>\$ 4,494,109</u>

<u>Administrative Assessment Fund</u>	<u>Stabilization Fund</u>	<u>Check Restitution Fund</u>	<u>Genetic Marker Testing Fund</u>	<u>Assessor's Technology Fund</u>	<u>911 Enhancement Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ 246,771	\$ 56,164
-	-	-	-	-	-
-	-	50	22,052	-	-
42,933	-	-	-	-	-
-	-	-	-	-	-
<u>42,933</u>	<u>-</u>	<u>50</u>	<u>22,052</u>	<u>246,771</u>	<u>56,164</u>
-	-	-	-	72,028	-
28,535	-	3,222	22,052	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,535</u>	<u>-</u>	<u>3,222</u>	<u>22,052</u>	<u>72,028</u>	<u>-</u>
<u>14,398</u>	<u>-</u>	<u>(3,172)</u>	<u>-</u>	<u>174,743</u>	<u>56,164</u>
-	-	-	-	-	-
-	-	-	-	-	(110,000)
-	-	-	-	-	(110,000)
14,398	-	(3,172)	-	174,743	(53,836)
80,490	1,050,843	7,833	-	1,206,191	149,765
<u>\$ 94,888</u>	<u>\$ 1,050,843</u>	<u>\$ 4,661</u>	<u>\$ -</u>	<u>\$ 1,380,934</u>	<u>\$ 95,929</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016
(Page 2 of 2)

	Justice Court Administrative Assessment	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
REVENUES				
Taxes	\$ -	\$ 31,396	\$ -	\$ 1,863,003
Intergovernmental revenue	-	24,319	-	2,371,157
Charges for services	-	-	-	22,102
Fines and forfeits	59,577	-	-	383,910
Miscellaneous revenues	-	-	25,312	44,866
Total Revenues	59,577	55,715	25,312	4,685,038
EXPENDITURES				
Current:				
General government	-	-	-	72,028
Judicial	-	-	-	712,833
Public safety	-	87,807	-	87,807
Culture and recreation	-	-	27,340	1,462,996
Community support	-	-	-	195,049
Total Expenditures	-	87,807	27,340	2,530,713
Excess (deficiency) of revenues over (under) expenditures	59,577	(32,092)	(2,028)	2,154,325
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	52,520
Transfers out	-	-	(27,520)	(1,884,120)
Total Other Financing Sources (Uses)	-	-	(27,520)	(1,831,600)
Net Change in Fund Balances	59,577	(32,092)	(29,548)	322,725
Fund Balances - beginning	78,079	507,233	129,521	13,387,444
Fund Balances - ending	<u>\$ 137,656</u>	<u>\$ 475,141</u>	<u>\$ 99,973</u>	<u>\$ 13,710,169</u>

HUMBOLDT COUNTY
Cooperative Extension Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes	\$ 140,648	\$ 140,648	\$ 226,216	\$ 85,568	\$ 251,445
Intergovernmental Revenue:					
Combined tax	64,970	64,970	59,171	(5,799)	68,999
Miscellaneous	-	-	642	642	450
Total Revenues	<u>205,618</u>	<u>205,618</u>	<u>286,029</u>	<u>80,411</u>	<u>320,894</u>
EXPENDITURES					
Community Support Function:					
Salaries and wages	96,570	96,570	95,692	878	92,064
Employee benefits	52,800	52,800	48,858	3,942	45,253
Services and supplies	102,106	102,106	50,499	51,607	48,250
Capital outlay	7,550	7,550	-	7,550	-
Total Expenditures	<u>259,026</u>	<u>259,026</u>	<u>195,049</u>	<u>63,977</u>	<u>185,567</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(53,408)</u>	<u>(53,408)</u>	<u>90,980</u>	<u>144,388</u>	<u>135,327</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>(1,400)</u>	<u>-</u>	<u>(1,400)</u>
Total Other Financing Sources (Uses)	<u>23,600</u>	<u>23,600</u>	<u>23,600</u>	<u>-</u>	<u>23,600</u>
Net change in fund balance	(29,808)	(29,808)	114,580	144,388	158,927
Fund balance - beginning	<u>912,888</u>	<u>912,888</u>	<u>1,093,720</u>	<u>180,832</u>	<u>934,793</u>
Fund balance - ending	<u>\$ 883,080</u>	<u>\$ 883,080</u>	<u>\$ 1,208,300</u>	<u>\$ 325,220</u>	<u>\$ 1,093,720</u>

HUMBOLDT COUNTY
Library Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes	\$ 809,792	\$ 809,792	\$ 1,302,456	\$ 492,664	\$ 1,447,620
Intergovernmental Revenue:					
Federal grants	-	-	5,100	5,100	5,100
State grants	-	-	23,547	23,547	22,682
Total Intergovernmental Revenues	-	-	28,647	28,647	27,782
Fines and Forfeits:					
Library fines	2,500	2,500	10,236	7,736	3,083
Total Revenues	812,292	812,292	1,341,339	529,047	1,478,485
EXPENDITURES					
Culture and Recreation Function:					
Salaries and wages	661,000	661,000	548,082	112,918	590,007
Employee benefits	389,730	389,730	279,389	110,341	282,301
Services and supplies	354,803	354,803	309,665	45,138	257,303
Capital outlay	250,000	277,520	298,520	(21,000)	-
Total Expenditures	1,655,533	1,683,053	1,435,656	247,397	1,129,611
Excess (deficiency) of revenues over (under) expenditures	(843,241)	(870,761)	(94,317)	776,444	348,874
OTHER FINANCING SOURCES (USES)					
Transfers in	-	27,520	27,520	-	-
Transfers out	(11,900)	(11,900)	(11,900)	-	(9,800)
Total Other Financing Sources (Uses)	(11,900)	15,620	15,620	-	(9,800)
Net change in fund balance	(855,141)	(855,141)	(78,697)	776,444	339,074
Fund balance - beginning	3,435,459	3,435,459	4,535,890	1,100,431	4,196,816
Fund balance - ending	<u>\$ 2,580,318</u>	<u>\$ 2,580,318</u>	<u>\$ 4,457,193</u>	<u>\$ 1,876,875</u>	<u>\$ 4,535,890</u>

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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</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	\$114,000	\$396,182	\$396,182	\$ -	\$ 315,081
Fines and Forfeits	115,000	115,000	271,164	156,164	107,831
Miscellaneous	1,500	1,500	18,912	17,412	-
Total Revenues	<u>230,500</u>	<u>512,682</u>	<u>686,258</u>	<u>173,576</u>	<u>422,912</u>
EXPENDITURES					
Judicial Function:					
Drug Court:					
Salaries and wages	46,000	196,910	196,910	-	126,719
Employee benefits	11,180	58,259	58,259	-	29,965
Services and supplies	169,190	300,462	403,855	(103,393)	204,566
Total Expenditures	<u>226,370</u>	<u>555,631</u>	<u>659,024</u>	<u>(103,393)</u>	<u>361,250</u>
Excess (deficiency) of revenues over (under) expenditures	4,130	(42,949)	27,234	70,183	61,662
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,300)</u>	<u>(1,300)</u>	<u>(1,300)</u>	<u>-</u>	<u>(1,000)</u>
Net change in fund balance	2,830	(44,249)	25,934	70,183	60,662
Fund balance - beginning	<u>121,346</u>	<u>121,346</u>	<u>184,608</u>	<u>63,262</u>	<u>123,946</u>
Fund balance - ending	<u>\$ 124,176</u>	<u>\$ 77,097</u>	<u>\$ 210,542</u>	<u>\$ 133,445</u>	<u>\$ 184,608</u>

HUMBOLDT COUNTY
In-Lieu-of Tax Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			Variance to Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Intergovernmental Revenue:					
In-lieu-of tax payments	\$ 1,400,000	\$1,400,000	\$ 1,862,838	\$ 462,838	\$ 1,565,377
OTHER FINANCING SOURCES (USES)					
Transfers out	(1,732,000)	(1,732,000)	(1,732,000)	-	(1,025,000)
Net change in fund balance	(332,000)	(332,000)	130,838	462,838	540,377
Fund balance - beginning	4,197,894	4,197,894	4,363,271	165,377	3,822,894
Fund balance - ending	<u>\$ 3,865,894</u>	<u>\$3,865,894</u>	<u>\$ 4,494,109</u>	<u>\$ 628,215</u>	<u>\$ 4,363,271</u>

HUMBOLDT COUNTY
Administrative Assessment Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</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	\$ 42,933	\$ 2,933	\$ 39,802
EXPENDITURES					
Judicial Function:					
Justice Court:					
Services and supplies	70,000	70,000	28,535	41,465	31,212
Excess (deficiency) of revenues over (under) expenditures	(30,000)	(30,000)	14,398	44,398	8,590
Fund balance - beginning	41,900	41,900	80,490	38,590	71,900
Fund balance - ending	<u>\$ 11,900</u>	<u>\$ 11,900</u>	<u>\$ 94,888</u>	<u>\$ 82,988</u>	<u>\$ 80,490</u>

HUMBOLDT COUNTY
Stabilization Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	<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	<u>1,050,843</u>	<u>1,050,843</u>	<u>1,050,843</u>	<u>-</u>	<u>1,050,843</u>
Fund balance - ending	<u><u>\$ 1,050,843</u></u>	<u><u>\$ 1,050,843</u></u>	<u><u>\$ 1,050,843</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,050,843</u></u>

HUMBOLDT COUNTY
Check Restitution Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Charges for Services:					
Check restitution	\$ 30,000	\$ 30,000	\$ 50	\$ (29,950)	\$ 3,651
Fines and Forfeits:					
Administrative assessments	2,125	2,125	-	(2,125)	-
Total Revenues	<u>32,125</u>	<u>32,125</u>	<u>50</u>	<u>(32,075)</u>	<u>3,651</u>
EXPENDITURES					
Judicial Function:					
Settlements	30,000	30,000	2,450	27,550	3,140
Services and supplies	2,125	2,125	772	1,353	2,003
Total Expenditures	<u>32,125</u>	<u>32,125</u>	<u>3,222</u>	<u>28,903</u>	<u>5,143</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(3,172)	(3,172)	(1,492)
Fund balance - beginning	<u>9,400</u>	<u>9,400</u>	<u>7,833</u>	<u>(1,567)</u>	<u>9,325</u>
Fund balance - ending	<u>\$ 9,400</u>	<u>\$ 9,400</u>	<u>\$ 4,661</u>	<u>\$ (4,739)</u>	<u>\$ 7,833</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			Variance to Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Charges for Services:					
Fees	\$ -	\$ -	\$ 22,052	\$ 22,052	\$ 19,491
EXPENDITURES					
Judicial Function:					
Services and supplies	-	-	22,052	(22,052)	19,491
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -

HUMBOLDT COUNTY
Assessor's Technology Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</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	\$ 50,000	\$ 246,771	\$ 196,771	\$ 342,498
EXPENDITURES					
General Government Function:					
Services and supplies	600,000	600,000	72,028	527,972	218,515
Excess (deficiency) of revenues over (under) expenditures	(550,000)	(550,000)	174,743	724,743	123,983
Fund balance - beginning	648,418	648,418	1,206,191	557,773	1,082,208
Fund balance - ending	<u>\$ 98,418</u>	<u>\$ 98,418</u>	<u>\$ 1,380,934</u>	<u>\$ 1,282,516</u>	<u>\$ 1,206,191</u>

HUMBOLDT COUNTY
911 Enhancement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Surcharge	\$ 50,000	\$ 50,000	\$ 56,164	\$ 6,164	\$ 55,800
EXPENDITURES					
Public Safety Function:					
Services and supplies	110,000	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(60,000)	50,000	56,164	6,164	55,800
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(110,000)	(110,000)	-	-
Net change in fund balance	(60,000)	(60,000)	(53,836)	6,164	55,800
Fund balance - beginning	141,965	141,965	149,765	7,800	93,965
Fund balance - ending	<u>\$ 81,965</u>	<u>\$ 81,965</u>	<u>\$ 95,929</u>	<u>\$ 13,964</u>	<u>\$ 149,765</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</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	\$ 59,577	\$ 44,577	54,054
Excess (deficiency) of revenues over (under) expenditures	15,000	15,000	59,577	44,577	54,054
Fund balance - beginning	<u>28,375</u>	<u>28,375</u>	<u>78,079</u>	<u>49,704</u>	<u>24,025</u>
Fund balance - ending	<u><u>\$ 43,375</u></u>	<u><u>\$ 43,375</u></u>	<u><u>\$ 137,656</u></u>	<u><u>\$ 94,281</u></u>	<u><u>\$ 78,079</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, 2016

(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 29,290	\$ 29,290	\$ 31,396	\$ 2,106	\$ 29,401
Intergovernmental Revenue:					
Combined tax	28,274	28,274	24,319	(3,955)	28,384
Other Revenue:					
Donations	-	-	-	-	500
Total Revenues	<u>57,564</u>	<u>57,564</u>	<u>55,715</u>	<u>(1,849)</u>	<u>58,285</u>
EXPENDITURES					
Public Safety Function:					
Services and supplies	120,000	120,000	26,007	93,993	54,106
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>61,800</u>	<u>(26,800)</u>	<u>-</u>
Total Public Safety	<u>155,000</u>	<u>155,000</u>	<u>87,807</u>	<u>67,193</u>	<u>54,106</u>
Excess (deficiency) of revenues over (under) expenditures	(97,436)	(97,436)	(32,092)	65,344	4,179
Fund balance - beginning	<u>407,867</u>	<u>407,867</u>	<u>507,233</u>	<u>99,366</u>	<u>503,054</u>
Fund balance - ending	<u><u>\$ 310,431</u></u>	<u><u>\$ 310,431</u></u>	<u><u>\$ 475,141</u></u>	<u><u>\$ 164,710</u></u>	<u><u>\$ 507,233</u></u>

HUMBOLDT COUNTY
Library Memorial Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Miscellaneous	\$ 70,000	\$ 70,000	\$ 25,312	\$ (44,688)	\$ 75,222
EXPENDITURES					
Culture and Recreation Function:					
Services and supplies	132,000	104,480	27,340	77,140	17,414
Excess (deficiency) of revenues over (under) expenditures	(62,000)	(34,480)	(2,028)	32,452	57,808
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(27,520)	(27,520)	-	-
Net change in fund balance	(62,000)	(62,000)	(29,548)	32,452	57,808
Fund balance - beginning	68,713	68,713	129,521	60,808	71,713
Fund balance - ending	<u>\$ 6,713</u>	<u>\$ 6,713</u>	<u>\$ 99,973</u>	<u>\$ 93,260</u>	<u>\$ 129,521</u>

HUMBOLDT COUNTY
Internally Reported (Budgetary Basis) Funds Reported
As Part of the General Fund for External Reporting Purposes
Combining Balance Sheet
June 30, 2016

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
Assets:			
Cash and investments	\$ 208,166	\$ 401,494	\$ 609,660
Interest receivable	-	25	25
	<u>208,166</u>	<u>401,519</u>	<u>609,685</u>
Total assets	<u>\$ 208,166</u>	<u>\$ 401,519</u>	<u>\$ 609,685</u>
Liabilities			
Accrued salaries/benefits	\$ -	\$ 2,428	\$ 2,428
	<u>-</u>	<u>2,428</u>	<u>2,428</u>
Fund Balances			
Restricted	208,166	-	208,166
Committed	-	399,091	399,091
	<u>208,166</u>	<u>399,091</u>	<u>607,257</u>
Total fund balances	<u>208,166</u>	<u>399,091</u>	<u>607,257</u>
Total liabilities and fund balances	<u>\$ 208,166</u>	<u>\$ 401,519</u>	<u>\$ 609,685</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, 2016

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
REVENUES			
Miscellaneous revenues	\$ 200	\$ 820	\$ 1,020
EXPENDITURES			
General Government Function	5,711	194,400	200,111
Excess (deficiency) of revenues over (under) expenditures	(5,511)	(193,580)	(199,091)
OTHER FINANCING SOURCES (USES)			
Transfers in	40,650	103,080	143,730
Net change in fund balance	35,139	(90,500)	(55,361)
Fund balance - beginning	173,027	489,591	662,618
Fund balance - ending	<u>\$ 208,166</u>	<u>\$ 399,091</u>	<u>\$ 607,257</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Charges for Services:					
Fund assessments	\$ 1,600	\$ 1,600	\$ 200	\$ (1,400)	\$ 200
EXPENDITURES					
General Government Function:					
Services and supplies	30,000	30,000	5,711	24,289	21,597
Excess (deficiency) of revenues over (under) expenditures	(28,400)	(28,400)	(5,511)	22,889	(21,397)
OTHER FINANCING SOURCES (USES)					
Transfers in	44,460	44,460	40,650	(3,810)	39,600
Net change in fund balance	16,060	16,060	35,139	19,079	18,203
Fund balance - beginning	167,824	167,824	173,027	5,203	154,824
Fund balance - ending	<u>\$ 183,884</u>	<u>\$ 183,884</u>	<u>\$ 208,166</u>	<u>\$ 24,282</u>	<u>\$ 173,027</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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Miscellaneous:					
Fund assessments	\$ 4,000	\$ 4,000	\$ 500	\$ (3,500)	\$ 500
Interest	-	-	320	320	431
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>820</u>	<u>(3,180)</u>	<u>931</u>
EXPENDITURES					
General Government Function:					
Services and supplies	<u>200,000</u>	<u>200,000</u>	<u>194,400</u>	<u>5,600</u>	<u>196,854</u>
Excess (deficiency) of revenues over (under) expenditures	(196,000)	(196,000)	(193,580)	2,420	(195,923)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>112,580</u>	<u>112,580</u>	<u>103,080</u>	<u>(9,500)</u>	<u>102,000</u>
Net change in fund balance	(83,420)	(83,420)	(90,500)	(7,080)	(93,923)
Fund balance - beginning	<u>489,514</u>	<u>489,514</u>	<u>489,591</u>	<u>77</u>	<u>583,514</u>
Fund balance - ending	<u>\$ 406,094</u>	<u>\$ 406,094</u>	<u>\$ 399,091</u>	<u>\$ (7,003)</u>	<u>\$ 489,591</u>

HUMBOLDT COUNTY
Building Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016

(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 85,241	\$ 85,241	\$ 137,100	\$ 51,859	\$ 152,388
Charges for Services:					
Rents	10,000	10,000	30,309	20,309	33,800
Total Revenues	95,241	95,241	167,409	72,168	186,188
EXPENDITURES					
Community Support Function:					
Capital outlay	500,000	500,000	-	500,000	1,000,000
Excess (deficiency) of revenues over (under) expenditures	(404,759)	(404,759)	167,409	572,168	(813,812)
Fund balance - beginning	869,189	869,189	969,377	100,188	1,783,189
Fund balance - ending	\$ 464,430	\$ 464,430	\$ 1,136,786	\$ 672,356	\$ 969,377

HUMBOLDT COUNTY
Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2016

ASSETS

Cash and investments	\$ 942,199
Taxes receivable	965
Interest receivable	<u>59</u>
 Total assets	 <u><u>\$ 943,223</u></u>

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

Liabilities:

Accounts payable	\$ 101,494
Due to other governments	<u>552</u>
 Total liabilities	 <u>102,046</u>

Deferred Inflows of Resources:

Unavailable revenue - property taxes	<u>965</u>
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Fund Balances:

Restricted	<u>840,212</u>
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Total liabilities, deferred inflows, and fund balances	<u><u>\$ 943,223</u></u>
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HUMBOLDT COUNTY
Nonmajor Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 85,241	\$ 85,241	\$ 137,099	\$ 51,858	\$ 152,389
Miscellaneous	-	-	862	862	473
Total Revenues	<u>85,241</u>	<u>85,241</u>	<u>137,961</u>	<u>52,720</u>	<u>152,862</u>
EXPENDITURES					
Community Support Function:					
Services and supplies	5,000	5,000	-	5,000	-
Capital outlay	<u>1,057,190</u>	<u>1,057,190</u>	<u>620,704</u>	<u>436,486</u>	<u>394,507</u>
Total Community Support	<u>1,062,190</u>	<u>1,062,190</u>	<u>620,704</u>	<u>441,486</u>	<u>394,507</u>
Intergovernmental Expenditure Function:					
Services and supplies	<u>25,000</u>	<u>25,000</u>	<u>36,365</u>	<u>(11,365)</u>	<u>37,127</u>
Total Expenditures	<u>1,087,190</u>	<u>1,087,190</u>	<u>657,069</u>	<u>430,121</u>	<u>431,634</u>
Excess (deficiency) of revenues over (under) expenditures	(1,001,949)	(1,001,949)	(519,108)	482,841	(278,772)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>1,030,000</u>	<u>1,030,000</u>	<u>940,000</u>	<u>(90,000)</u>	<u>-</u>
Net change in fund balance	28,051	28,051	420,892	392,841	(278,772)
Fund balance - beginning	<u>365,092</u>	<u>365,092</u>	<u>419,320</u>	<u>54,228</u>	<u>698,092</u>
Fund balance - ending	<u>\$ 393,143</u>	<u>\$ 393,143</u>	<u>\$ 840,212</u>	<u>\$ 447,069</u>	<u>\$ 419,320</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2016

(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015	
	<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	\$ 231,780	\$ 31,780	\$ 233,961
PBS grant	-	-	5,206	5,206	-
Miscellaneous revenue	10,000	10,000	12,660	2,660	14,015
Total Operating Revenues	<u>210,000</u>	<u>210,000</u>	<u>249,646</u>	<u>39,646</u>	<u>247,976</u>
OPERATING EXPENSES					
Salaries and wages	24,000	24,000	40,329	(16,329)	21,056
Employee benefits	13,740	13,740	22,920	(9,180)	10,930
Services and supplies	75,440	75,440	79,582	(4,142)	27,471
Depreciation	50,000	50,000	30,932	19,068	36,194
Total Operating Expenses	<u>163,180</u>	<u>163,180</u>	<u>173,763</u>	<u>(10,583)</u>	<u>95,651</u>
Operating Income (Loss)	46,820	46,820	75,883	29,063	152,325
NONOPERATING REVENUES (EXPENSES)					
Capital outlay	<u>(50,000)</u>	<u>(50,000)</u>	-	50,000	-
Income Before Transfers	(3,180)	(3,180)	75,883	79,063	152,325
TRANSFERS IN (OUT)					
Transfers out	<u>(1,400)</u>	<u>(1,400)</u>	(700)	700	(700)
Change in Net Position	<u>\$ (4,580)</u>	<u>\$ (4,580)</u>	75,183	<u>\$ 79,763</u>	151,625
Net position, July 1			<u>1,450,401</u>		<u>1,298,776</u>
Net position, June 30			<u>\$ 1,525,584</u>		<u>\$ 1,450,401</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Cash Flows
For the Year Ended June 30, 2016

(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016	2015
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 248,604	\$ 243,727
Cash payments for personnel costs	(57,052)	(30,671)
Cash payments for services and supplies	(38,808)	(33,567)
Net Cash Provided (Used) by Operating Activities	152,744	179,489
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(700)	(700)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchases of capital assets	(20,292)	-
Net Increase (Decrease) in Cash and Investments	131,752	178,789
CASH AND INVESTMENTS, JULY 1	1,349,173	1,170,384
CASH AND INVESTMENTS, JUNE 30	\$ 1,480,925	\$ 1,349,173
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 75,883	\$ 152,325
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	30,932	36,194
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(1,041)	(4,249)
Inventory	15,560	(5,134)
Increase (decrease) in:		
Accounts payable	25,214	(962)
Accrued salaries and benefits	6,196	1,315
Total Adjustments	76,861	27,164
Net Cash Provided (Used) by Operating Activities	\$ 152,744	\$ 179,489

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	<u>2016</u>			<u>2015</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	\$ 1,107,816	\$ 157,816	\$ 1,109,867
OPERATING EXPENSES					
Salaries and wages	43,980	43,980	42,369	1,611	43,269
Employee benefits	19,760	19,760	33,194	(13,434)	17,568
Services and supplies	938,200	938,200	759,744	178,456	778,486
Depreciation	5,000	5,000	-	5,000	588
Total Operating Expenses	<u>1,006,940</u>	<u>1,006,940</u>	<u>835,307</u>	<u>171,633</u>	<u>839,911</u>
Operating Income (Loss)	(56,940)	(56,940)	272,509	329,449	269,956
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	<u>1,000</u>	<u>1,000</u>	<u>1,943</u>	<u>943</u>	<u>1,924</u>
Income Before Transfers	(55,940)	(55,940)	274,452	330,392	271,880
TRANSFERS IN (OUT)					
Transfers out	<u>(390)</u>	<u>(390)</u>	<u>(390)</u>	<u>-</u>	<u>(380)</u>
Change in Net Position	<u>\$ (56,330)</u>	<u>\$ (56,330)</u>	274,062	<u>\$ 330,392</u>	271,500
Net position, July 1			<u>2,454,219</u>		<u>2,182,719</u>
Net position, June 30			<u>\$ 2,728,281</u>		<u>\$ 2,454,219</u>

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Cash Flows
For the Year Ended June 30, 2016

(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016	2015
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,105,908	\$ 1,099,054
Cash payments for personnel costs	(59,196)	(60,465)
Cash payments for services and supplies	(698,038)	(788,514)
Net Cash Provided (Used) by Operating Activities	348,674	250,075
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(390)	(380)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	1,922	1,904
Net Increase (Decrease) in Cash and Investments	350,206	251,599
CASH AND INVESTMENTS, JULY 1	2,501,855	2,250,256
CASH AND INVESTMENTS, JUNE 30	\$ 2,852,061	\$ 2,501,855
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 272,509	\$ 269,956
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations:		
Depreciation	-	588
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(1,908)	(10,813)
Increase (decrease) in:		
Accounts payable	61,706	(10,028)
Accrued salaries and benefits	16,367	372
Total Adjustments	76,165	(19,881)
Net Cash Provided (Used) by Operating Activities	\$ 348,674	\$ 250,075

HUMBOLDT COUNTY
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2016

	Business-type Activities - Enterprise Funds			Total
	Quinn River Television District Fund	Denio Television District Fund	Golconda Water District Fund	
ASSETS				
Current Assets:				
Cash and investments	\$ 196,984	\$ 31,871	\$ 121,336	\$ 350,191
Accounts receivable	-	-	3,156	3,156
Total Current Assets	<u>196,984</u>	<u>31,871</u>	<u>124,492</u>	<u>353,347</u>
Noncurrent Assets:				
Capital assets:				
Construction in progress				
Land	300	-	-	300
Buildings	7,970	4,800	-	12,770
Machinery and equipment	178,597	11,715	1,985	192,297
Infrastructure	-	-	2,192,513	2,192,513
Less accumulated depreciation	<u>(136,502)</u>	<u>(16,275)</u>	<u>(681,834)</u>	<u>(834,611)</u>
Total capital assets (net of accumulated depreciation)	<u>50,365</u>	<u>240</u>	<u>1,512,664</u>	<u>1,563,269</u>
Total Assets	<u>247,349</u>	<u>32,111</u>	<u>1,637,156</u>	<u>1,916,616</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	-	-	7,279	7,279
Total Liabilities	<u>-</u>	<u>-</u>	<u>7,279</u>	<u>7,279</u>
NET POSITION				
Net investment in capital assets	50,365	240	1,512,664	1,563,269
Unrestricted	<u>196,984</u>	<u>31,871</u>	<u>117,213</u>	<u>346,068</u>
Total Net Position	<u>\$ 247,349</u>	<u>\$ 32,111</u>	<u>\$ 1,629,877</u>	<u>\$ 1,909,337</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds			Total
	Quinn River Television District Fund	Denio Television District Fund	Golconda Water District Fund	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ 14,560	\$ 1,620	\$ 34,048	\$ 50,228
Miscellaneous	70	-	-	70
Total Operating Revenues	<u>14,630</u>	<u>1,620</u>	<u>34,048</u>	<u>50,298</u>
OPERATING EXPENSES				
Employee benefits	-	-	397	397
Services and supplies	2,117	45	56,535	58,697
Depreciation	9,056	160	48,781	57,997
Total Operating Expenses	<u>11,173</u>	<u>205</u>	<u>105,713</u>	<u>117,091</u>
Operating Income (Loss)	3,457	1,415	(71,665)	(66,793)
NET POSITION, JULY 1	<u>243,892</u>	<u>30,696</u>	<u>1,701,542</u>	<u>1,976,130</u>
NET POSITION, JUNE 30	<u><u>\$ 247,349</u></u>	<u><u>\$ 32,111</u></u>	<u><u>\$ 1,629,877</u></u>	<u><u>\$ 1,909,337</u></u>

HUMBOLDT COUNTY
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>			<u>Total</u>
	<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	\$ 14,630	\$ 1,620	\$ 33,565	\$ 49,815
Cash payments for personnel costs	-	-	(397)	(397)
Cash payments for services and supplies	<u>(2,117)</u>	<u>(65)</u>	<u>(51,794)</u>	<u>(53,976)</u>
Net Cash Provided (Used) by Operating Activities	<u>12,513</u>	<u>1,555</u>	<u>(18,626)</u>	<u>(4,558)</u>
Net Increase (Decrease) in Cash and Investments	12,513	1,555	(18,626)	(4,558)
CASH AND INVESTMENTS, JULY 1	<u>184,471</u>	<u>30,316</u>	<u>139,962</u>	<u>354,749</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 196,984</u>	<u>\$ 31,871</u>	<u>\$ 121,336</u>	<u>\$ 350,191</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO				
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 3,457	\$ 1,415	\$ (71,665)	\$ (66,793)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations				
Depreciation	9,056	160	48,781	57,997
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	-	(483)	(483)
Increase (decrease) in:				
Accounts payable	<u>-</u>	<u>(20)</u>	<u>4,741</u>	<u>4,721</u>
Total adjustments	<u>9,056</u>	<u>140</u>	<u>53,039</u>	<u>62,235</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 12,513</u>	<u>\$ 1,555</u>	<u>\$ (18,626)</u>	<u>\$ (4,558)</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, 2016

	2016			Variance to Final Budget
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ -	\$ -	\$ 14,560	\$ 14,560
Miscellaneous income	-	-	70	70
Total Operating Revenues	<u>-</u>	<u>-</u>	<u>14,630</u>	<u>14,630</u>
OPERATING EXPENSES				
Services and supplies	-	-	2,117	(2,117)
Depreciation	-	-	9,056	(9,056)
Total Operating Expenses	<u>-</u>	<u>-</u>	<u>11,173</u>	<u>(11,173)</u>
Operating Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	3,457	<u>\$ 3,457</u>
Net position, July 1			<u>243,892</u>	
Net position, June 30			<u>\$ 247,349</u>	

HUMBOLDT COUNTY
Quinn River Television District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2016

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

	2016			Variance to Final Budget
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ -	\$ -	\$ 1,620	\$ 1,620
OPERATING EXPENSES				
Services and supplies	-	-	45	(45)
Depreciation	-	-	160	(160)
Total Operating Expenses	-	-	205	(205)
Operating Income (Loss)	\$ -	\$ -	1,415	\$ 1,415
Net position, July 1			30,696	
Net position, June 30			\$ 32,111	

HUMBOLDT COUNTY
Denio Television District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2016

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

	2016			Variance to Final Budget
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for Services:				
User fees	\$ 40,000	\$ 40,000	\$ 34,048	\$ (5,952)
OPERATING EXPENSES				
Employee benefits	490	490	397	(93)
Services and supplies	30,000	30,000	56,535	26,535
Depreciation	50,000	50,000	48,781	(1,219)
Total Operating Expenses	<u>80,490</u>	<u>80,490</u>	<u>105,713</u>	<u>25,223</u>
Operating Income (Loss)	<u>(40,490)</u>	<u>(40,490)</u>	<u>(71,665)</u>	<u>(31,175)</u>
NONOPERATING REVENUES (EXPENSES)				
Miscellaneous income	200	200	-	(200)
Capital outlay	(80,000)	(80,000)	-	80,000
Total Nonoperating Revenues (Expenses)	<u>(79,800)</u>	<u>(79,800)</u>	<u>-</u>	<u>79,800</u>
Change in Net Position	<u>\$ (120,290)</u>	<u>\$ (120,290)</u>	<u>\$ (71,665)</u>	<u>\$ 48,625</u>
Net position, July 1			<u>1,701,542</u>	
Net position, June 30			<u>\$ 1,629,877</u>	

HUMBOLDT COUNTY
Golconda Water District Fund
Schedule of Cash Flows
For the Year Ended June 30, 2016

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

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2016

	<u>Balance</u> <u>July 01, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
City of Winnemucca:				
Assets:				
Cash and investments	\$ 33,285	\$ 1,997,971	\$ 2,013,436	\$ 17,820
Liabilities:				
Due to other governments	\$ 33,285	\$ 1,997,971	\$ 2,013,436	\$ 17,820
Court Ordered Restitution:				
Assets:				
Cash and investments	\$ 20,073	\$ 56,386	\$ 51,891	\$ 24,568
Liabilities:				
Funds held in trust for others	\$ 20,073	\$ 56,386	\$ 51,891	\$ 24,568
District Court Bail:				
Assets:				
Cash and investments	\$ 107,358	\$ -	\$ 1,290	\$ 106,068
Liabilities:				
Funds held in trust for others	\$ 107,358	\$ -	\$ 1,290	\$ 106,068
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	\$ 84,005	\$ 6,705,548	\$ 6,632,366	\$ 157,187
Liabilities:				
Due to other governments	\$ 84,005	\$ 6,705,548	\$ 6,632,366	\$ 157,187
Humboldt County School District:				
Assets:				
Cash and investments	\$ 25,842	\$ 11,072,270	\$ 10,933,357	\$ 164,755
Liabilities:				
Due to other governments	\$ 25,842	\$ 11,072,270	\$ 10,933,357	\$ 164,755

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2016

	<u>Balance</u> <u>July 01, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
Humboldt Development Authority:				
Assets:				
Cash and investments	\$ 303,854	\$ 37,500	\$ 68,076	\$ 273,278
Liabilities:				
Due to other governments	\$ 303,854	\$ 37,500	\$ 68,076	\$ 273,278
Justice Court Bail:				
Assets:				
Cash and investments	\$ 53,129	\$ -	\$ 735	\$ 52,394
Liabilities:				
Funds held in trust for others	\$ 53,129	\$ -	\$ 735	\$ 52,394
Kings River GID:				
Assets:				
Cash and investments	\$ 10,146	\$ 10,402	\$ 9,760	\$ 10,788
Liabilities:				
Due to other governments	\$ 10,146	\$ 10,402	\$ 9,760	\$ 10,788
McDermitt Fire Protection District:				
Assets:				
Cash and investments	\$ 40,549	\$ 28,778	\$ 19,849	\$ 49,478
Liabilities:				
Due to other governments	\$ 40,549	\$ 28,778	\$ 19,849	\$ 49,478
McDermitt Sewer District:				
Assets:				
Cash and investments	\$ 176,073	\$ 58,171	\$ 74,624	\$ 159,620
Liabilities:				
Due to other governments	\$ 176,073	\$ 58,171	\$ 74,624	\$ 159,620
McDermitt Water District:				
Assets:				
Cash and investments	\$ 103,200	\$ 200,015	\$ 223,256	\$ 79,959
Liabilities:				
Due to other governments	\$ 103,200	\$ 200,015	\$ 223,256	\$ 79,959

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2016

	<u>Balance</u> <u>July 01, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
Orovada Community Services District:				
Assets:				
Cash and investments	\$ 150,577	\$ 74,537	\$ 77,420	\$ 147,694
Liabilities:				
Due to other governments	\$ 150,577	\$ 74,537	\$ 77,420	\$ 147,694
Orovada Fire Protection District:				
Assets:				
Cash and investments	\$ 404,089	\$ 99,006	\$ 200,365	\$ 302,730
Liabilities:				
Due to other governments	\$ 404,089	\$ 99,006	\$ 200,365	\$ 302,730
Orovada General Improvement District:				
Assets:				
Cash and investments	\$ 150,215	\$ 53,308	\$ 31,185	\$ 172,338
Liabilities:				
Due to other governments	\$ 150,215	\$ 53,308	\$ 31,185	\$ 172,338
Orovada Rodent Control District:				
Assets:				
Cash and investments	\$ 50,696	\$ 20,088	\$ 21,834	\$ 48,950
Liabilities:				
Due to other governments	\$ 50,696	\$ 20,088	\$ 21,834	\$ 48,950
Paradise Sewer District:				
Assets:				
Cash and investments	\$ 10,845	\$ 12,693	\$ 12,336	\$ 11,202
Liabilities:				
Due to other governments	\$ 10,845	\$ 12,693	\$ 12,336	\$ 11,202
Paradise Weed Control District:				
Assets:				
Cash and investments	\$ 173,459	\$ 66,117	\$ 51,521	\$ 188,055
Liabilities:				
Due to other governments	\$ 173,459	\$ 66,117	\$ 51,521	\$ 188,055

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2016

	<u>Balance</u> <u>July 01, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
Pueblo Fire Protection District:				
Assets:				
Cash and investments	\$ 417,946	\$ 141,237	\$ 54,706	\$ 504,477
Liabilities:				
Due to other governments	\$ 417,946	\$ 141,237	\$ 54,706	\$ 504,477
Range Improvement:				
Assets:				
Cash and investments	\$ 21,819	\$ 23,618	\$ 28,044	\$ 17,393
Liabilities:				
Due to other governments	\$ 21,819	\$ 23,618	\$ 28,044	\$ 17,393
State Department of Wildlife:				
Assets:				
Cash and investments	\$ 4,837	\$ 1,858	\$ 1,766	\$ 4,929
Liabilities:				
Due to other governments	\$ 4,837	\$ 1,858	\$ 1,766	\$ 4,929
State of Nevada Trust:				
Assets:				
Cash and investments	\$ 312,187	\$ 2,305,680	\$ 2,372,736	\$ 245,131
Liabilities:				
Due to other governments	\$ 312,187	\$ 2,305,680	\$ 2,372,736	\$ 245,131
Sheriff's Commissary:				
Assets:				
Cash and investments	\$ 62,005	\$ 10,667	\$ 1,903	\$ 70,769
Liabilities:				
Funds held in trust for others	\$ 62,005	\$ 10,667	\$ 1,903	\$ 70,769
Winnemucca Convention and Visitors Authority:				
Assets:				
Cash and investments	\$ 32,572	\$ 493,752	\$ 491,458	\$ 34,866
Liabilities:				
Due to other governments	\$ 32,572	\$ 493,752	\$ 491,458	\$ 34,866

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2016

	Balance	Additions	Deductions	Balance
	July 01, 2015			June 30, 2016
Winnemucca Rural Fire Protection District:				
Assets:				
Cash and investments	\$ 945,299	\$ 262,180	\$ 178,800	\$ 1,028,679
Liabilities:				
Due to other governments	\$ 945,299	\$ 262,180	\$ 178,800	\$ 1,028,679
Other Collections:				
Assets:				
Cash and investments	\$ 152,810	\$ 102,874	\$ 152,810	\$ 102,874
Liabilities:				
Due to other governments	\$ 152,810	\$ 102,874	\$ 152,810	\$ 102,874
Totals, All Agency Funds:				
Assets:				
Cash and investments	\$ 3,862,704	\$ 23,834,656	\$ 23,705,524	\$ 3,991,836
Liabilities:				
Due to other governments	3,620,139	23,767,603	23,649,705	3,738,037
Funds held in trust for others	242,565	67,053	55,819	253,799
Total Liabilities	\$ 3,862,704	\$ 23,834,656	\$ 23,705,524	\$ 3,991,836



**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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2016.

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 (2016-001).

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 Ross & Associates, LLC

Winnemucca, Nevada
November 30, 2016



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, 2016. 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 the requirements of laws, regulations, contracts, and grants applicable to each of 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, 2016.

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 Ross & Associates, LLC

Winnemucca, Nevada
November 30, 2016

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

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 Administration:				
Food Distribution Cluster				
Emergency Food Assistance Program, Food Commodities (non-cash)	10.569	N/A	\$ -	\$ 3,912
Emergency Food Assistance Program, Administrative Costs	10.568	N/A	-	308
Total Food Distribution Cluster			<u>-</u>	<u>4,220</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	-	148,343
Total Forest Service Schools and Road Cluster			<u>-</u>	<u>148,343</u>
Total US Department of Agriculture			<u>-</u>	<u>152,563</u>
<u>US Department of Justice:</u>				
Direct Programs:				
State Criminal Alien Assistance Program	16.606	2015-AP-BX-0267	-	12,502
Passed through State of Nevada Office of the Attorney General:				
Sentencing, Monitoring, Apprehending, Registering and Tracking (SMART)	16.750	2014-AW-BX-0048	-	1,190
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	14-JAG-12	-	9,497
Tri-County Drug Enforcement Team	16.738	14-JAG-13	-	14,282
Total Nevada Department of Public Safety			<u>-</u>	<u>23,779</u>
Total US Department of Justice			<u>-</u>	<u>37,471</u>
<u>US Department of Interior:</u>				
Passed through State of Nevada Department of Wildlife:				
Fish and Wildlife Cluster				
Wildlife Restoration and Basic Hunter Education	15.611	W-51-HS-08	33,626	33,626
Total Fish and Wildlife Cluster			<u>33,626</u>	<u>33,626</u>
Total US Department of Interior			<u>33,626</u>	<u>33,626</u>
<u>US Department of Transportation:</u>				
Passed through State of Nevada Department of Transportation:				
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PR458-14-802	41,000	41,000
Total Transit Services Programs Cluster			<u>41,000</u>	<u>41,000</u>

(CONTNUED)

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	EXPENDITURES TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
Small Urban and Rural Transportation Program	20.509	PR373-14-802	\$ 20,150	\$ 20,150
Small Urban and Rural Transportation Program	20.509	PR492-15-802	142,875	142,875
Total Small Urban and Rural Transportation Program			<u>163,025</u>	<u>163,025</u>
Highway Safety Cluster				
National Priority Safety Programs	20.616	LFD-2015-HCSO-42	-	38,567
National Priority Safety Programs	20.616	JF-2016-HCSO	-	9,429
State and Community Highway Safety	20.600	JF-2016-HCSO	-	18,897
Total Highway Safety Cluster			<u>-</u>	<u>66,893</u>
Passed through State of Nevada Emergency Response Commission:				
Planning, Training and Equipment	20.703	16-SERC-08-01	-	25,118
Hazardous Materials Emergency Preparedness	20.703	16-HMEP08-01	-	7,725
Total State of Nevada Emergency Response Commission			<u>-</u>	<u>32,843</u>
Total US Department of Transportation			<u>204,025</u>	<u>303,761</u>
<u>National Foundation on the Arts and the Humanities:</u>				
Passed through Nevada State Library and Archives Institute of Museum and Library Services:				
Rural Bookmobile Support	45.310	LSTA 2015-24	-	5,100
Summer Reading Program	45.310	LSTA 2015-20	-	2,900
Total National Foundation on the Arts and the Humanities			<u>-</u>	<u>8,000</u>
<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	-	256,956
OJJDP Title II Formula Grant	16.540	2015-MU-FX	-	13,216
Total Nevada Division of Child and Family Services			<u>-</u>	<u>270,172</u>
Direct Programs:				
Substance Abuse and Mental Health Services:				
Treatment Expansion & Enhancement for Adult Drug Court - Rural NV	93.243	12T124157-A	-	121,838
Treatment Expansion & Enhancement for Adult Drug Court - Rural NV	93.243	15TI26069-A	-	274,344
Total Substance Abuse and Mental Health Services			<u>-</u>	<u>396,182</u>
Total US Department of Health and Human Services			<u>-</u>	<u>666,354</u>
Total Federal Grant Awards			<u>\$ 237,651</u>	<u>\$ 1,201,775</u>

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, 2016

(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, 2016. 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

(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 amounts shown as expenditures of the Food Distribution Program represent the fair value of commodity food expended by the County. 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	\$ 631,814
Major Special Revenue Funds	165,779
Nonmajor Special Revenue Funds	<u>404,182</u>
	<u>\$ 1,201,775</u>

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

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, 2016.
- 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.
- Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
- The programs tested as major programs for the year ended June 30, 2016 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, 2016 was \$750,000.
- Humboldt County qualified as a low-risk auditee for the year ended June 30, 2016 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, 2016**

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

SIGNIFICANT DEFICIENCY

2015-001 Capital Assets

Criteria and Condition: Internal control procedures at the County should be sufficient to ensure that all significant additions and dispositions are reflected in the accounting records, and are reflected in the appropriate fiscal year. Such conditions are not currently present at the County.

Cause and Effect: Procedures to ensure that additions and dispositions at the County are reflected appropriately in the accounting records are not in place. This is due to insufficient awareness of the entity's transactions, insufficient training on the proper use of the County's fixed asset recording system, and inadequate reconciliation and review procedures. As a result, the County's capital asset records were incomplete.

Auditor's Recommendation: Procedures should be implemented to train staff on fixed asset system, establish proper review and reconciliation procedures, and use entity information such as budgets, capital acquisition plans, and information obtained during transaction review procedures to ensure completeness and accuracy of capital asset records and balances.

Views of Responsible Officials and Planned Corrective Actions: All transactions will be scrutinized to ensure that all capital assets are identified and added to the fixed asset accounting system as appropriate. Training will be provided to all staff involved in the identification of assets so they are correctly accounted for and recorded accurately. Management will review the fixed asset accounting to ensure that records are complete and accurate.

Findings and Questioned Costs—Major Federal Award Programs Audit:

None

HUMBOLDT COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016

2015-001 Unapportioned Refund

Condition: This finding was a significant deficiency stating that review procedures at the County were not sufficient to ensure that apportionable refunds are appropriately allocated to their respective funds or pass-through governments.

Recommendation: The auditor recommended that County management enhance review procedures to ensure that controls are sufficient and are being performed as needed and that monitoring processes should be developed as an additional layer of detective control. Management concurred with the recommendation and indicated that the procedures would be implemented.

Current Status: Controls were enhanced and processes were revised as recommended. No similar findings were noted in the 2016 audit.

2015-002 Review of Transactions

Condition: This finding was a significant deficiency stating that transaction processing and review procedures at the County were not sufficient to ensure that transactions are recorded in the correct year and are consistent with applicable accounting guidance based on upon the underlying transaction.

Recommendation: The auditor recommended that County management enhance processing and review procedures 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 all transactions and that monitoring processes should be developed as an additional layer of detective control. Management concurred with the recommendation and indicated that the procedures would be implemented.

Current Status: Management developed an additional level of monitoring to ensure the accuracy of all transactions. No similar findings were noted in the 2016 audit.

2015-003 Mining Property Tax Abatement

Condition: This finding was a material weakness stating that input and review procedures at the County were not sufficient to ensure that value adjustments are recorded properly enabling correct calculation of tax assessments.

Recommendation: The auditor recommended that County management enhance procedures to ensure that controls are sufficient and are being performed as needed, and that monitoring processes should be developed as an additional layer of detective control. Management concurred with the recommendation and indicated that the procedures would be implemented.

**HUMBOLDT COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016**

2015-003 Mining Property Tax Abatement (Continued)

Current Status: Management updated procedures and secondary reviews were implemented. New, detailed instructions were prepared to provide sufficient direction to anyone without knowledge of the abatement process to be able to ensure correct procedures have been followed and accurate values are entered. No similar findings were noted in the 2016 audit.

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, 2016

Flat Fixed Fees:

Business license revenue for the year ended June 30, 1991 (base year) adjusted through June 30, 2015	\$ 77,682
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Adjustment to Base:

Base year adjusted		
Percentage increase in population of the local government	-0.40%	
Percentage increase in the Consumer Price Index for the year ending December 31 next preceding the year for which the limit is being calculated	0.38%	-0.02%
		(16)
Adjusted base at June 30, 2016		77,666
Actual revenue		44,848
Amount under allowable amount		\$ 32,818

**HUMBOLDT COUNTY
AUDITOR'S COMMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

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.

NEVADA REVISED STATUTES 354.6113 AND 354.6115

There were no funds created by Humboldt County, Nevada under the authority of NRS 354.6113 and NRS 354.6115 for the year ended June 30, 2016.



Independent Accountant's Report

To the Honorable Board of Commissioners
of Humboldt County, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The restricted fund balances/ net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2016 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conformed to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2016 (except at previously noted under Statute Compliance),
- The fund balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of Humboldt County.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management referred to above is not fairly stated in all material respects.

Drake Rose & Associates, LLC

Winnemucca, Nevada
November 30, 2016