

HUMBOLDT COUNTY

JUNE 30, 2013

HUMBOLDT COUNTY
June 30, 2013

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis (required supplementary information)	4-11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	12
Statement of Activities	13-14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	15-16
Reconciliation of the Balance Sheet of Governmental Funds To the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	18-19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	20
Proprietary Funds:	
Statement of Net Position	21
Statement of Revenues, Expenses, and Changes in Net Position.....	22
Statement of Cash Flows.....	23
Fiduciary Funds:	
Statement of Fiduciary Net Position.....	24
Statement of Changes in Fiduciary Net Position	25
Notes to the Financial Statements	26-44
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balances -- Budget and Actual:	
General Fund (Budgetary Basis)	45-46
Major Special Revenue Funds:	
Indigent Fund	47
Road Fund	48-49
Regional Transportation Fund	50
6 th Judicial District Fund.....	51-52
Indigent Medical Fund.....	53
Winnemucca Events Complex Fund.....	54
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)	55
Schedule of Funding Progress – Other Postemployment Benefits	56
Notes to Required Supplementary Information.....	57
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	59
Governmental Funds:	
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) - Balance Sheet	60

HUMBOLDT COUNTY
June 30, 2013

TABLE OF CONTENTS

	<u>Page</u>
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund (Budgetary Basis):	61-67
Special Revenue Funds:	
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	68-70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	71-73
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Cooperative Extension Fund.....	74
Library Fund.....	75
6th Judicial District Drug Court Fund	76
In-Lieu-of Tax Fund.....	77
Administrative Assessment Fund.....	78
Stabilization Fund	79
Check Restitution Fund.....	80
Genetic Marker Testing Fund	81
Assessor’s Technology Fund.....	82
911 Enhancement Fund.....	83
Humboldt Fire District General Fund	84
Library Memorial Fund	85
Internally Reported (Budgetary Basis) Funds Reported as Part of the General Fund for External Reporting Purposes:	
Combining Balance Sheet	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	87
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Unemployment Insurance Fund	88
Compensated Absence Fund.....	89
Capital Project Funds:	
Major Capital Project Fund:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Building Reserve Fund.....	90
Nonmajor Capital Project Fund:	
Balance Sheet	91
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Capital Projects Fund.....	92
Enterprise Funds:	
Major Enterprise Funds:	
Humboldt Television Fund:	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual	93
Schedule of Cash Flows.....	94

HUMBOLDT COUNTY
June 30, 2013

TABLE OF CONTENTS

Page

Enterprise Funds:

Major Enterprise Funds:

Solid Waste Management Fund:

Schedule of Revenues, Expenses, and Changes in

Net Position – Budget and Actual 95

Schedule of Cash Flows..... 96

Fiduciary Funds:

Combining Statement of Changes in Assets and Liabilities –

Agency Funds.....97-101

COMPLIANCE SECTION

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*102-103

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct
and Material Effect on Each Major Program and on Internal Control Over Compliance in

Accordance with OMB Circular A-133 104-105

Schedule of Expenditures of Federal Awards 106-107

Notes to the Schedule of Expenditures of Federal Award 108

Schedule of Findings and Questioned Costs 109-111

Summary Schedule of Prior Audit Findings..... 112

Schedule of Fees Imposed Subject to the Provisions of NRS 354.5989 113

Auditor's Comments:

Statute Compliance..... 114

Progress on Prior Year Statute Compliance..... 114

Prior Year Recommendations..... 114

Current Year Recommendations 114

Nevada Revised Statutes 354.6113 and 354.6115 114

Independent Accountant's Report on Nevada Revised Statute 354.6241 115



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, 2013, 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 controls. Accordingly, we express no such opinion. An audit also includes evaluating 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, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity 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 45 through 55, and the schedule of funding progress for other post employment benefits on page 56 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 U.S. Office of Management and Budget Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The combining and individual nonmajor fund 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 nonmajor fund financial statements and budgetary comparison schedules 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 27, 2013 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Blake Row : Associates, LLC

Winnemucca, Nevada
November 27, 2013

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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, 2013. 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 \$103,438,540 (*net position*). Of this amount, \$36,081,682 (*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 government's total net position increased by \$6,163,805. This increase is primarily the result of an increase in resources received over the previous year.
- ◆ As of the close of the current fiscal year, Humboldt County's governmental funds reported the combined ending fund balances of \$44,312,220, an increase of \$4,175,685 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 and solid waste management operations.

The government-wide financial statements include only Humboldt County itself (known as the *primary government*). The library memorial fund and the general fund of the Humboldt Fire District 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, 2013
(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-three 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 thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

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

Proprietary funds. Humboldt County maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Humboldt County uses enterprise funds to account for its television fund and its solid waste management fund. 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.

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 26-44 of this report and the required supplementary information can be found on pages 45-57.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(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 58-96 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 exceeded liabilities by \$103,438,540 at the close of the most recent fiscal year.

A large portion of Humboldt County's net position (58 percent) 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	
	2013	2012 (Restated)	2013	2012	2013	2012 (Restated)
	Current and other assets	\$ 46,953,963	\$ 41,689,481	\$ 3,117,923	\$ 2,736,702	\$ 50,071,886
Capital assets	59,453,555	57,217,633	169,605	211,945	59,623,160	57,429,578
Total assets	<u>106,407,518</u>	<u>98,907,114</u>	<u>3,287,528</u>	<u>2,948,647</u>	<u>109,695,046</u>	<u>101,855,761</u>
Long-term liabilities outstanding	3,595,247	3,064,568	22,429	30,941	3,617,676	3,095,509
Other liabilities	2,579,152	1,465,670	59,678	19,847	2,638,830	1,485,517
Total liabilities	<u>6,174,399</u>	<u>4,530,238</u>	<u>82,107</u>	<u>50,788</u>	<u>6,256,506</u>	<u>4,581,026</u>
Net Position:						
Net investment in capital assets	59,453,555	57,217,633	169,605	211,945	59,623,160	57,429,578
Restricted	7,758,698	7,866,424	-	-	7,758,698	7,866,424
Unrestricted	33,045,866	29,292,819	3,035,816	2,685,914	36,081,682	31,978,733
Total net position	<u>\$100,233,119</u>	<u>\$ 94,376,876</u>	<u>\$ 3,205,421</u>	<u>\$ 2,897,859</u>	<u>\$103,438,540</u>	<u>\$ 97,274,735</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 (\$7,758,698) 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* (\$36,081,682) 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.

Governmental activities increased Humboldt County's net position by \$5,856,243 thereby accounting for 95 percent of the total increase in the net assets of Humboldt County. Business-type activities increased the County's net position by \$307,562 or 5 percent. Key elements of this increase are as follows.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(CONTINUED)**

HUMBOLDT COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$4,094,526	\$3,786,008	\$1,316,924	\$1,278,358	\$5,411,450	\$5,064,366
Operating grants and contributions	1,276,494	837,999	6,146	21,439	1,282,640	859,438
Capital grants and contributions	63,718	-	-	-	63,718	-
General revenues:						
Property taxes	12,680,520	11,435,180	-	-	12,680,520	11,435,180
Consolidated taxes	12,663,142	10,034,161	-	-	12,663,142	10,034,161
Franchise taxes	753,306	759,715	-	-	753,306	759,715
Motor vehicle fuel taxes	2,810,785	2,790,963	-	-	2,810,785	2,790,963
Room taxes	394,976	353,511	-	-	394,976	353,511
Miscellaneous	391,702	423,292	17,735	17,892	409,437	441,184
Unrestricted investment earnings	41,199	242,670	1,716	1,555	42,915	244,225
Payments in-lieu of taxes	1,604,229	1,641,926	-	-	1,604,229	1,641,926
Total revenues	<u>36,774,597</u>	<u>32,305,425</u>	<u>1,342,521</u>	<u>1,319,244</u>	<u>38,117,118</u>	<u>33,624,669</u>
Expenses:						
General government	5,100,255	5,499,179	-	-	5,100,255	5,499,179
Public safety	9,337,242	8,330,042	-	-	9,337,242	8,330,042
Judicial	3,988,790	3,492,312	-	-	3,988,790	3,492,312
Public works	6,678,919	6,840,435	-	-	6,678,919	6,840,435
Health	249,411	321,038	-	-	249,411	321,038
Welfare	610,496	697,571	-	-	610,496	697,571
Culture and recreation	2,199,774	2,104,315	-	-	2,199,774	2,104,315
Community support	2,754,587	1,968,107	-	-	2,754,587	1,968,107
Television	-	-	183,755	221,393	183,755	221,393
Solid waste management	-	-	850,084	893,289	850,084	893,289
Total expenses	<u>30,919,474</u>	<u>29,252,999</u>	<u>1,033,839</u>	<u>1,114,682</u>	<u>31,953,313</u>	<u>30,367,681</u>
Increase (decrease) in net position before transfers	5,855,123	3,052,426	308,682	204,562	6,163,805	3,256,988
Transfers	1,120	-	(1,120)	-	-	-
Increase (decrease) in net position	<u>5,856,243</u>	<u>3,052,426</u>	<u>307,562</u>	<u>204,562</u>	<u>6,163,805</u>	<u>3,256,988</u>
Net position - July 1, as previously reported	94,376,876	90,788,588	2,897,859	2,693,297	97,274,735	93,481,885
Prior period adjustment	-	535,862	-	-	-	535,862
Net position - June 30, as restated	<u>\$100,233,119</u>	<u>\$94,376,876</u>	<u>\$3,205,421</u>	<u>\$2,897,859</u>	<u>\$103,438,540</u>	<u>\$97,274,735</u>

- Consolidated taxes increased \$2,628,981 over the previous fiscal year. This increase can be attributed to an increase in sales taxes collected in Humboldt County.
- Unrestricted investment earnings decreased (\$201,310) over the previous year as a result of adjustments to market value of investments.
- Motor vehicle fuel taxes increased 19,822 as a result of more gallons of gasoline being purchased.
- Franchise fees decreased (\$6,409) over the previous year, mainly as a result of decreased revenues for the utility companies upon which franchise fees are collected.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(CONTINUED)**

- Property tax revenues increased from the previous year by \$1,245,340 as result of the increase in net proceeds of mines taxes received from the mining companies.
- Governmental activities expenses increased 5.7 percent \$1,666,475 over the previous fiscal year. The primary reason for this increase was increased expenses in the public safety, judicial, and community support functions.

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 the public safety, judicial, cultural and recreation, and community support functions. The largest increase was in the public safety function, which was related primarily to increases associated with salaries, employee benefits, as well as service and supplies in the sheriff and detention departments. There was also an increase of approximately \$50,000 in depreciation expense in the public safety function.

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

	Program Expenses		Program Revenues		Net Program Exp/(Rev)	
	2013	2012	2013	2012	2013	2012
Governmental Activities:						
General government	\$5,100,255	\$5,499,179	\$1,537,176	\$1,228,123	\$(3,563,079)	\$(4,271,056)
Public safety	9,337,242	8,330,042	1,480,695	1,444,246	(7,856,547)	(6,885,796)
Judicial	3,988,790	3,492,312	1,313,080	1,059,972	(2,675,710)	(2,432,340)
Public works	6,678,919	6,840,435	537,935	381,445	(6,140,984)	(6,458,990)
Health	249,411	321,038	-	-	(249,411)	(321,038)
Welfare	610,496	697,571	29,463	40,654	(581,033)	(656,917)
Cultural and recreation	2,199,774	2,104,315	260,872	244,512	(1,938,902)	(1,859,803)
Community support	2,754,587	1,968,107	275,517	225,055	(2,479,070)	(1,743,052)
Totals	\$30,919,474	\$29,252,999	\$5,434,738	\$4,624,007	\$(25,484,736)	\$(24,628,992)

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)	
	2013	2012	2013	2012	2013	2012
Business-Type Activities:						
Television	\$ 183,755	\$221,393	\$ 229,429	\$242,713	\$ 45,674	\$21,320
Solid waste management	850,084	893,289	1,093,641	1,057,084	243,557	163,795
Totals	\$1,033,839	\$1,114,682	\$1,323,070	\$1,299,797	\$289,231	\$185,115

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(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 \$44,312,220, an increase of \$4,175,685 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 \$11,496,093 while the total fund balance reached \$18,055,843. 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 72 percent of total general fund expenditures.

The fund balance of Humboldt County's general fund increased \$1,563,147 during the current year. The key factors in this increase was the increase in net proceeds of mines taxes received and an increase in combined tax revenue. General fund revenues increased \$2,927,623 from the prior year. General fund expenditures increased over the prior fiscal year by \$1,165,087 or 7.4 percent.

The indigent fund's ending fund balance increased \$22,016 from the prior year. Total revenue increased \$22,226 due mostly to increased net proceeds payments received. Expenditures decreased (\$58,063) from the prior year.

Humboldt County's road fund has an ending fund balance of \$1,730,475 which is an increase of \$673,296 over the prior year. This increase is primarily the result of a transfer in from the in-lieu-of tax fund and also a transfer in from the general fund.

The regional transportation fund's ending fund balance decreased (\$857,595) from the prior year. Revenues increased slightly (1%) from the prior fiscal year as the result of an increase in gallons of gasoline being purchased. Expenditures also increased (15.4% or \$292,970) due to increased road projects activity in the current fiscal year.

The 6th judicial district's fund balance increased \$1,384,054 over the prior year. Current year revenues increased by \$447,268 or 9.4% over previous year and were the result of the extra net proceeds taxes and combined taxes received as previously mentioned. Expenditures increased by \$146,702 or 4% over the previous fiscal year. This increase was the result of increases in personnel costs (salary increase) and increased services and supplies expense.

The indigent medical fund's ending fund balance increased \$16,297 or 1% over the prior year. Revenues increased by \$38,727 or 9.3% over prior year. Expenditures were \$50,303 or 13% higher than prior year. The increase in expenditures was the result of an increase in services and supplies expenditures.

The Winnemucca events complex fund has an ending fund balance of \$1,959,068, which is an increase of \$516,009 over the prior year. Revenues increased by \$168,908 or 13.2% over the prior year. This was the result of increases in net proceeds tax, combined tax, and room tax revenues. Expenditures increased by \$136,461 or 17.3% over the prior year due to increases in services and supplies and capital outlay.

The building reserve fund's ending fund balance decreased (\$1,356,091). Revenues remained consistent with prior year. Expenditures increased by (\$3,167,194). This was due primarily to construction of the new dispatch building. The fund also received a \$2,000,000 transfer from the general fund to help cover some of the expenditures.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(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 of the television fund at the end of the year amounted to \$981,084 and those for the solid waste management fund amounted to \$2,054,732. The portion of net position invested in capital assets was \$165,513 for the TV fund and \$4,092 for the solid waste management fund. The total growth in net position for the funds was \$62,709 and \$244,853 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 \$277,535 higher than the original approved budget. Actual expenditures were 96 percent of appropriations and \$743,758 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, 2013, amounts to \$59,623,160 (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 increased \$2,235,922 in governmental activities. Business-type activities capital assets decreased \$42,340.

HUMBOLDT COUNTY'S CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land and CIP	\$ 6,381,357	\$ 2,691,552	\$ -	\$ -	\$ 6,381,357	\$ 2,691,552
Land improvements	523,992	586,265	-	-	523,992	586,265
Buildings/ improvements	7,136,719	7,395,029	-	-	7,136,719	7,395,029
Infrastructure	41,644,756	43,084,212	-	-	41,644,756	43,084,212
Equipment	3,766,731	3,460,575	169,605	211,945	3,936,336	3,672,520
Total	<u>\$59,453,555</u>	<u>\$57,217,633</u>	<u>\$ 169,605</u>	<u>\$ 211,945</u>	<u>\$59,623,160</u>	<u>\$57,429,578</u>

Additional information on Humboldt County's capital assets can be found in Notes 1 (E) 6 and Note 5 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	
	2013	2012	2013	2012	2013	2012
Compensated Absences Payable	\$ 748,615	\$ 694,360	\$ -	\$ 13,089	\$ 748,615	\$ 707,449
Other postemployment Benefits	2,846,632	2,370,208	22,429	17,852	2,869,061	2,388,060
Total	<u>\$3,595,247</u>	<u>\$3,064,568</u>	<u>\$ 22,429</u>	<u>\$ 30,941</u>	<u>\$3,617,676</u>	<u>\$3,095,509</u>

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(CONTINUED)**

Additional information on Humboldt County's long-term debt can be found in Notes 1 E (7 and 8) and Notes 8 and 13 of the notes to the financial statements.

Economic Factors and Next Year's Budget

The 2014 budget for Humboldt County had an overall increase in appropriations of 2.5 percent including a modest cost of living increase of 2% for its employees. This increase in addition to the COLA for the employees can be attributed to adding more staff in the public safety function. The County's economy has seen a slight decrease in housing values and some layoffs in the mining industry as gold prices have dropped. Estimated consolidated taxes came in 25.8 percent higher compared to last year while estimated property taxes showed a 3.7 percent increase. Net proceeds of mines had an increase of 39.5% over last year of which \$3,000,000 was transferred to the Building Reserve and Road funds. There have been no layoffs, no service reductions or salary/benefit reductions that have become the norm for other local governments, including the State. 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 general fund budget (including transfers) for 2013-2014 approximates the actual fiscal year 2013 expenditures (including transfers). This is mainly because the County settled with the law enforcement union for two years and had retro expenses in FY 2013. Also the transfer to other funds of the net proceeds is in the fiscal year 2013 but has not been budgeted for in 2014. Historically, the County spends approximately 90-93 percent of its general fund budget but was slightly higher at 96.3 percent of the augmented budget for fiscal year 2013. 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, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 43,304,555	\$ 3,016,560	\$ 46,321,115
Taxes receivable	44,226	-	44,226
Accounts receivable	185,990	83,516	269,506
Interest receivable	3,217	128	3,345
Notes receivable	44,378	-	44,378
Intergovernmental receivable	3,370,267	2,532	3,372,799
Inventories	-	16,517	16,517
Internal balances	1,330	(1,330)	-
Capital assets:			
Land	2,382,383	-	2,382,383
Construction in progress	3,998,974	-	3,998,974
Other capital assets net of depreciation	53,072,198	169,605	53,241,803
	<u>106,407,518</u>	<u>3,287,528</u>	<u>109,695,046</u>
Total assets			
LIABILITIES			
Accounts payable	1,412,541	58,672	1,471,213
Accrued salaries and benefits	670,463	866	671,329
Intergovernmental payable	408,090	140	408,230
Unearned revenue	88,058	-	88,058
Noncurrent liabilities:			
Due within one year:			
Compensated absences	748,615	-	748,615
Other postemployment benefits	2,846,632	22,429	2,869,061
	<u>6,174,399</u>	<u>82,107</u>	<u>6,256,506</u>
Total liabilities			
NET POSITION			
Net investment in capital assets	59,453,555	169,605	59,623,160
Restricted for:			
County and city road projects	1,570,317	-	1,570,317
Indigent medical	1,588,409	-	1,588,409
Government stabilization	1,050,843	-	1,050,843
Purchase of capital assets	684,273	-	684,273
Assessor's technology	1,121,048	-	1,121,048
Local agricultural education	791,275	-	791,275
Other purposes	927,533	-	927,533
Unrestricted	33,045,866	3,035,816	36,081,682
	<u>\$ 100,233,119</u>	<u>\$ 3,205,421</u>	<u>\$ 103,438,540</u>
Total net position			

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

**HUMBOLDT COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 5,100,255	\$ 1,462,813	\$ 74,363	\$ -
Public safety	9,337,242	1,404,777	75,918	-
Judicial	3,988,790	832,215	480,865	-
Public works	6,678,919	134,883	339,334	63,718
Health	249,411	-	-	-
Welfare	610,496	-	29,463	-
Culture and recreation	2,199,774	230,470	30,402	-
Community support	2,754,587	29,368	246,149	-
Total governmental activities	<u>30,919,474</u>	<u>4,094,526</u>	<u>1,276,494</u>	<u>63,718</u>
Business-type activities:				
Television	183,755	223,283	6,146	-
Solid waste management	850,084	1,093,641	-	-
Total business-type activities	<u>1,033,839</u>	<u>1,316,924</u>	<u>6,146</u>	<u>-</u>
Total primary government	<u>\$ 31,953,313</u>	<u>\$ 5,411,450</u>	<u>\$ 1,282,640</u>	<u>\$ 63,718</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, July 1, as previously reported

Prior period adjustment

Net position, July 1, as restated

Net position - ending

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

Governmental Activities	Business-type Activities	Total
\$ (3,563,079)	\$ -	\$ (3,563,079)
(7,856,547)	-	(7,856,547)
(2,675,710)	-	(2,675,710)
(6,140,984)	-	(6,140,984)
(249,411)	-	(249,411)
(581,033)	-	(581,033)
(1,938,902)	-	(1,938,902)
(2,479,070)	-	(2,479,070)
<u>(25,484,736)</u>	<u>-</u>	<u>(25,484,736)</u>
-	45,674	45,674
-	243,557	243,557
-	<u>289,231</u>	<u>289,231</u>
<u>(25,484,736)</u>	<u>289,231</u>	<u>(25,195,505)</u>
12,680,520	-	12,680,520
12,663,142	-	12,663,142
753,306	-	753,306
2,810,785	-	2,810,785
394,976	-	394,976
391,702	17,735	409,437
41,199	1,716	42,915
1,604,229	-	1,604,229
1,120	(1,120)	-
<u>31,340,979</u>	<u>18,331</u>	<u>31,359,310</u>
<u>5,856,243</u>	<u>307,562</u>	<u>6,163,805</u>
93,841,014	2,897,859	96,738,873
<u>535,862</u>	<u>-</u>	<u>535,862</u>
94,376,876	2,897,859	97,274,735
<u>\$ 100,233,119</u>	<u>\$ 3,205,421</u>	<u>\$ 103,438,540</u>

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

HUMBOLDT COUNTY
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Indigent Fund	Road Fund	Regional Transportation Fund
Assets				
Cash and investments	\$ 16,567,958	\$ 622,329	\$ 1,608,398	\$ 1,360,646
Taxes receivable	16,648	2,965	-	-
Accounts receivable	172,339	505	3,260	-
Interest receivable	2,980	-	-	85
Notes receivable	789	-	-	-
Due from other governments	2,237,325	6,089	287,086	246,871
Due from other funds	21,161	-	68,606	-
 Total assets	 \$ 19,019,200	 \$ 631,888	 \$ 1,967,350	 \$ 1,607,602
Liabilities				
Accounts payable	\$ 297,273	\$ 15,989	\$ 188,114	\$ 27,779
Accrued salaries and benefits	541,038	1,662	30,873	-
Due to other governments	18,962	184,777	17,880	9,506
Due to other funds	57,447	34	8	-
Deferred revenue	48,637	2,965	-	-
 Total liabilities	 963,357	 205,427	 236,875	 37,285
Fund Balances				
Nonspendable				
Notes receivable	789	-	-	-
Restricted for:				
Unemployment claims	141,155	-	-	-
County and city road projects	-	-	-	1,570,317
Technology enhancements	-	-	-	-
Indigent medical	-	-	-	-
Pari-mutual betting	-	-	-	-
Government stabilization	-	-	-	-
Purchase of capital assets	-	-	-	-
Judicial support	-	-	-	-
Check restitution	-	-	-	-
Assessor's technology	-	-	-	-
Local agricultural education	-	-	-	-
Drug court	-	-	-	-
911 enhancement	-	-	-	-
Fire protection	-	-	-	-
Library	-	-	-	-
Committed to:				
Compensated absences	665,016	-	-	-
Road repairs and maintenance	-	-	1,730,475	-
6th judicial court	-	-	-	-
Winnemucca events center complex	-	-	-	-
Indigent services	-	426,461	-	-
Library	-	-	-	-
Local agricultural education	-	-	-	-
Capital building projects	-	-	-	-
Excess road fund expenditures	-	-	-	-
Assigned for:				
Budget shortfalls	5,752,790	-	-	-
Excess road fund expenditures	-	-	-	-
Unassigned	11,496,093	-	-	-
 Total fund balances	 18,055,843	 426,461	 1,730,475	 1,570,317
 Total liabilities and fund balances	 \$ 19,019,200	 \$ 631,888	 \$ 1,967,350	 \$ 1,607,602

6th Judicial District Fund	Indigent Medical Fund	Winnemucca Events Complex Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 4,822,256	\$ 1,727,994	\$ 1,944,661	\$ 2,496,448	\$ 12,153,865	\$ 43,304,555
11,312	2,674	2,320	580	7,727	44,226
382	-	362	4,031	5,111	185,990
-	108	-	-	44	3,217
-	-	-	43,589	-	44,378
331,356	-	118,285	-	143,255	3,370,267
-	-	-	-	-	89,767
<u>\$ 5,165,306</u>	<u>\$ 1,730,776</u>	<u>\$ 2,065,628</u>	<u>\$ 2,544,648</u>	<u>\$ 12,310,002</u>	<u>\$ 47,042,400</u>
\$ 62,020	\$ 1,900	\$ 86,853	\$ 651,491	\$ 81,122	\$ 1,412,541
66,148	-	9,279	-	21,463	670,463
29,408	137,793	4,171	-	5,593	408,090
4,048	-	3,937	19,210	3,753	88,437
<u>67,381</u>	<u>2,674</u>	<u>2,320</u>	<u>18,945</u>	<u>7,727</u>	<u>150,649</u>
229,005	142,367	106,560	689,646	119,658	2,730,180
-	-	-	25,224	-	26,013
-	-	-	-	-	141,155
-	-	-	-	-	1,570,317
1,472	-	-	-	-	1,472
-	1,588,409	-	-	-	1,588,409
-	-	2,949	-	-	2,949
-	-	-	-	1,050,843	1,050,843
-	-	-	-	684,273	684,273
-	-	-	-	106,454	106,454
-	-	-	-	11,854	11,854
-	-	-	-	1,121,048	1,121,048
-	-	-	-	791,275	791,275
-	-	-	-	76,925	76,925
-	-	-	-	35,725	35,725
-	-	-	-	475,904	475,904
-	-	-	-	75,095	75,095
-	-	-	-	-	665,016
-	-	-	-	-	1,730,475
4,934,829	-	-	-	-	4,934,829
-	-	1,956,119	-	-	1,956,119
-	-	-	-	-	426,461
-	-	-	-	3,676,451	3,676,451
-	-	-	-	25,000	25,000
-	-	-	1,829,778	-	1,829,778
-	-	-	-	1,930,288	1,930,288
-	-	-	-	-	5,752,790
-	-	-	-	2,129,209	2,129,209
-	-	-	-	-	11,496,093
<u>4,936,301</u>	<u>1,588,409</u>	<u>1,959,068</u>	<u>1,855,002</u>	<u>12,190,344</u>	<u>44,312,220</u>
<u>\$ 5,165,306</u>	<u>\$ 1,730,776</u>	<u>\$ 2,065,628</u>	<u>\$ 2,544,648</u>	<u>\$ 12,310,002</u>	<u>\$ 47,042,400</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, 2013

Total Governmental Fund Balances	\$	44,312,220
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not resources and therefore are not reported in the funds.</p>		
Governmental capital assets	\$ 106,559,908	
Less accumulated depreciation	<u>(47,106,353)</u>	59,453,555
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Net OPEB obligation	2,846,632	
Compensated absences	<u>748,615</u>	(3,595,247)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.</p>		
		<u>62,591</u>
Net Position of Governmental Activities	\$	<u>100,233,119</u>

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

HUMBOLDT COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Indigent Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>
REVENUES				
Taxes	\$ 5,671,238	\$ 569,164	\$ -	\$ -
Licenses and permits	1,378,783	-	-	-
Intergovernmental revenue	12,094,293	35,264	1,612,760	1,338,861
Charges for services	445,278	-	359,913	-
Fines and forfeits	515,325	-	-	-
Miscellaneous revenues	339,833	8,962	5,063	1,033
	<u>20,444,750</u>	<u>613,390</u>	<u>1,977,736</u>	<u>1,339,894</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	5,014,632	-	-	-
Judicial	2,197,722	-	-	-
Public safety	6,759,181	-	-	-
Public works	20,466	-	3,373,656	2,197,489
Health	252,759	-	-	-
Welfare	-	337,437	-	-
Culture and recreation	2,500	-	-	-
Community support	1,193,305	-	-	-
Intergovernmental expenditures	419,706	253,237	69,504	-
	<u>15,860,271</u>	<u>590,674</u>	<u>3,443,160</u>	<u>2,197,489</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>4,584,479</u>	<u>22,716</u>	<u>(1,465,424)</u>	<u>(857,595)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	60,021	-	2,151,320	-
Transfers out	<u>(3,000,000)</u>	<u>(700)</u>	<u>(12,600)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(2,939,979)</u>	<u>(700)</u>	<u>2,138,720</u>	<u>-</u>
Net Change in Fund Balances	1,644,500	22,016	673,296	(857,595)
Fund Balances - beginning	<u>16,411,343</u>	<u>404,445</u>	<u>1,057,179</u>	<u>2,427,912</u>
Fund Balances - ending	<u>\$ 18,055,843</u>	<u>\$ 426,461</u>	<u>\$ 1,730,475</u>	<u>\$ 1,570,317</u>

6th Judicial District Fund	Indigent Medical Fund	Winnemucca Events Complex Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 2,943,614	\$ 452,921	\$ 603,815	\$ 150,958	\$ 2,321,469	\$ 12,713,179
-	-	-	-	-	1,378,783
2,205,233	-	603,253	-	2,679,616	20,569,280
609	-	222,469	28,530	12,804	1,069,603
63,928	-	-	-	33,711	612,964
10,414	1,358	17,114	36,436	216,160	636,373
<u>5,223,798</u>	<u>454,279</u>	<u>1,446,651</u>	<u>215,924</u>	<u>5,263,760</u>	<u>36,980,182</u>
-	-	-	-	70,712	5,085,344
1,297,231	-	-	-	380,049	3,875,002
2,457,664	-	-	-	26,095	9,242,940
-	-	-	-	-	5,591,611
-	-	-	-	-	252,759
-	269,161	-	-	-	606,598
-	-	927,141	-	1,042,835	1,972,476
-	-	-	3,572,015	408,291	5,173,611
54,649	168,821	-	-	39,359	1,005,276
<u>3,809,544</u>	<u>437,982</u>	<u>927,141</u>	<u>3,572,015</u>	<u>1,967,341</u>	<u>32,805,617</u>
<u>1,414,254</u>	<u>16,297</u>	<u>519,510</u>	<u>(3,356,091)</u>	<u>3,296,419</u>	<u>4,174,565</u>
-	-	-	2,000,000	25,000	4,236,341
<u>(30,200)</u>	<u>-</u>	<u>(3,501)</u>	<u>-</u>	<u>(1,188,220)</u>	<u>(4,235,221)</u>
<u>(30,200)</u>	<u>-</u>	<u>(3,501)</u>	<u>2,000,000</u>	<u>(1,163,220)</u>	<u>1,120</u>
1,384,054	16,297	516,009	(1,356,091)	2,133,199	4,175,685
<u>3,552,247</u>	<u>1,572,112</u>	<u>1,443,059</u>	<u>3,211,093</u>	<u>10,057,145</u>	<u>40,136,535</u>
<u>\$ 4,936,301</u>	<u>\$ 1,588,409</u>	<u>\$ 1,959,068</u>	<u>\$ 1,855,002</u>	<u>\$ 12,190,344</u>	<u>\$ 44,312,220</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, 2013

Net Change in Fund Balances - Governmental Funds \$ 4,175,685

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	\$	5,036,149	
Donated capital assets		63,718	
Less current year depreciation		(2,815,839)	
Loss on disposition of assets		<u>(48,106)</u>	
			2,235,922

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	(24,685)
----------------------------	----------

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	(476,424)
Change in long-term compensated absences	<u>(54,255)</u>

Change in Net Position of Governmental Activities	<u><u>\$ 5,856,243</u></u>
--	-----------------------------------

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

HUMBOLDT COUNTY
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-Type Activities - Enterprise Funds		
	Humboldt Television Fund	Solid Waste Management Fund	Totals Current Year
ASSETS			
Current Assets:			
Cash and investments	\$ 975,390	\$ 2,041,170	\$ 3,016,560
Accounts receivable	10,272	73,244	83,516
Interest receivable	-	128	128
Intergovernmental receivable	-	2,532	2,532
Due from other funds	-	104	104
Inventories	16,517	-	16,517
	<u>1,002,179</u>	<u>2,117,178</u>	<u>3,119,357</u>
Total Current Assets			
Noncurrent Assets:			
Capital assets:			
Buildings	24,195	-	24,195
Machinery and equipment	745,804	92,286	838,090
Less accumulated depreciation	(604,486)	(88,194)	(692,680)
Total capital assets (net of accumulated depreciation)	<u>165,513</u>	<u>4,092</u>	<u>169,605</u>
	<u>1,167,692</u>	<u>2,121,270</u>	<u>3,288,962</u>
Total Assets			
LIABILITIES			
Current Liabilities:			
Accounts payable	1,158	57,514	58,672
Accrued liabilities	-	866	866
Due to other governments	140	-	140
Due to other funds	1,289	145	1,434
Total Current Liabilities	<u>2,587</u>	<u>58,525</u>	<u>61,112</u>
Noncurrent Liabilities:			
Other postemployment benefits	<u>18,508</u>	<u>3,921</u>	<u>22,429</u>
	<u>21,095</u>	<u>62,446</u>	<u>83,541</u>
Total Liabilities			
NET POSITION			
Net investment in capital assets	165,513	4,092	169,605
Unrestricted	981,084	2,054,732	3,035,816
	<u>1,146,597</u>	<u>2,058,824</u>	<u>3,205,421</u>
Total Net Position	<u>\$ 1,146,597</u>	<u>\$ 2,058,824</u>	<u>\$ 3,205,421</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, 2013

Business-Type Activities - Enterprise Funds

	<u>Humboldt Television Fund</u>	<u>Solid Waste Management Fund</u>	<u>Totals Current Year</u>
OPERATING REVENUES			
Charges for Services:			
User fees	\$ 223,283	\$ 1,093,641	\$ 1,316,924
Grants	6,146	-	6,146
Miscellaneous	17,735	-	17,735
Total Operating Revenues	<u>247,164</u>	<u>1,093,641</u>	<u>1,340,805</u>
OPERATING EXPENSES			
Salaries and wages	61,971	32,950	94,921
Employee benefits	25,246	13,013	38,259
Services and supplies	52,702	800,617	853,319
Depreciation	43,836	3,504	47,340
Total Operating Expenses	<u>183,755</u>	<u>850,084</u>	<u>1,033,839</u>
Operating Income (Loss)	<u>63,409</u>	<u>243,557</u>	<u>306,966</u>
NONOPERATING REVENUES			
(EXPENSES)			
Interest earnings	-	1,716	1,716
Income (Loss) Before Transfers	63,409	245,273	308,682
TRANSFERS IN (OUT)			
Transfers out	(700)	(420)	(1,120)
Change in Net Position	62,709	244,853	307,562
NET POSITION, JULY 1	<u>1,083,888</u>	<u>1,813,971</u>	<u>2,897,859</u>
NET POSITION, JUNE 30	<u>\$ 1,146,597</u>	<u>\$ 2,058,824</u>	<u>\$ 3,205,421</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, 2013

	Business-type Activities - Enterprise Funds		
	Humboldt Television Fund	Solid Waste Management Fund	Totals Current Year
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 269,149	\$ 1,085,616	\$ 1,354,765
Cash payments for personnel costs	(98,735)	(44,880)	(143,615)
Cash payments for services and supplies	(53,009)	(759,871)	(812,880)
Net Cash Provided (Used) by Operating Activities	<u>117,405</u>	<u>280,865</u>	<u>398,270</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers to other funds	<u>(700)</u>	<u>(420)</u>	<u>(1,120)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of capital assets	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	<u>-</u>	<u>1,701</u>	<u>1,701</u>
Net Increase (Decrease) in Cash and Investments	111,705	282,146	393,851
CASH AND INVESTMENTS, JULY 1	<u>863,685</u>	<u>1,759,024</u>	<u>2,622,709</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 975,390</u>	<u>\$ 2,041,170</u>	<u>\$ 3,016,560</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 63,409	\$ 243,557	\$ 306,966
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations			
Depreciation	43,836	3,504	47,340
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	21,985	(8,025)	13,960
Inventory	200	-	200
Increase (decrease) in:			
Accounts payable	(507)	40,746	40,239
Accrued salaries and benefits	(11,518)	1,083	(10,435)
Total adjustments	<u>53,996</u>	<u>37,308</u>	<u>91,304</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 117,405</u>	<u>\$ 280,865</u>	<u>\$ 398,270</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, 2013

	AGENCY FUNDS	INVESTMENT TRUST FUND
ASSETS		
Cash and investments	\$ 3,166,289	\$ 3,661,475
Interest receivable	-	481
Total Assets	\$ 3,166,289	\$ 3,661,956
LIABILITIES		
Due to other governments	\$ 2,890,748	\$ -
Funds held in trust for others	275,541	-
Total Liabilities	3,166,289	-
NET POSITION		
Held in trust	\$ -	\$ 3,661,956

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, 2013

	INVESTMENT TRUST FUND
ADDITIONS	
Investment earnings:	
Interest	\$ 1,258
Net increase (decrease) in share transactions	713,287
Change in net position	714,545
Net position - beginning	2,947,411
Net position - ending	\$ 3,661,956

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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 standard-setting body for governmental accounting and financial reporting. 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. 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 special district and the Library Memorial 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. Both 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. The effect of interfund activity has been removed from these statements. 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.

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 – invested 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. 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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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, liabilities, 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 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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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.

In addition, Humboldt County uses the following funds:

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, 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. It relates to the timing of the measurement 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 revenue in the year that 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 collected 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. 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 susceptible to accrual 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, 2013

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.

E. Financial Statement Amounts:

1. 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 to be cash and cash equivalents. 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.

Pursuant to NRS 355.170 and 355.167, Humboldt County may only invest in the following types of securities:

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

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

Humboldt County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. 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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

3. Property Taxes Receivable

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

The maximum tax rate for all overlapping governmental units within any county, as established by the state constitution, is \$5 per \$100 assessed valuation. The combined overlapping rate for any county is further limited by state statute to \$3.64 per \$100 assessed valuation except in cases of severe financial emergency as defined in NRS 354.705. Humboldt County's individual tax rate for fiscal year 2012-2013 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. The tax for the 2012-2013 fiscal year was due and payable on the third Monday in August 2012. 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 2011-2012 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.

4. Net Proceeds of Mines

Net proceeds of mines are paid on an annual basis. For the year ended June 30, 2013, net proceeds of mines received on actual business from January through December 2012 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, 2013 through December 31, 2013 are reflected in the financial statements.

Additional amounts due, based upon actual business for the January 1, 2013 through December 31, 2013 in comparison to estimated payments, are determined subsequent to the 2013 calendar year. Credits for overpayments, based on actual business for the period of January 1, 2013 through December 31, 2013 in

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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, 2013 and are not reflected in these financial statements. It should be noted that the estimated payments for calendar year 2013 (received in fiscal year 2012-2013) were calculated using fiscal year 2012-2013 tax rates. Any true-up of these estimated payments will use fiscal year 2013-2014 tax rates. It is unknown at June 30, 2013 what, if any, impact this will have on future financial statements.

5. Inventories

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

6. Capital Assets

Capital assets, which include 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 (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. Compensated Absences

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

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

8. 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.

9. 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.

10. Equity Classifications

In government-wide 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 assets 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.

11. Governmental Fund Balance

Beginning with fiscal year 2011, the County implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength the spending constraints places on the purposes for which resources can be used:

- a. Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaids) or are 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 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; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

- e. Unassigned fund balance- amounts available for any purpose; positive amounts are reported only in the general fund.

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.

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.

11. Stabilization Arrangement

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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.

The legal level of budgetary control is at the function level for the General Fund, special revenue funds, and capital projects funds, and by the sum of operating and non-operating expenses in proprietary funds. Exceptions apply for certain debt service and intergovernmental expenditures.

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 reappropriated in the subsequent year.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

Compliance

The County conformed to all significant statutory and administrative code constraints on its financial administration during the year.

NOTE 3 – CASH AND INVESTMENTS

Deposits and investments

The following schedule summarizes cash and investments for the County at June 30, 2013:

Cash and Investment Balances Held By:

Governmental Funds	\$43,304,555
Enterprise Funds	3,016,560
Fiduciary Funds	<u>6,827,764</u>
 Total Cash and Investments	 <u><u>\$53,148,879</u></u>

Investments are carried at fair value. The following is a listing of those investments as of June 30, 2013:

<u>Investment Type</u>	Investment Maturities (in years)			
	Fair Value	Less than 1	1 to 5	6 to 10
U.S. Treasury Notes	\$ 184,298	\$ 20,031	\$ 164,267	\$ -
Government Agencies	2,814,105	2,238,839	575,266	-
Asset Backed Fixed Income Securities	1,256,909	834,635	422,274	-
Corporate Bonds	1,268,903	85,126	1,183,777	-
Mortgage Backed Securities	2,650,177	359,012	2,291,165	-
Money Market Mutual Funds	241,072	241,072	-	-
State of Nevada Local Government Investment Pool	19,930	19,930	-	-
 Total Investments	 8,453,394	 3,798,645	 4,636,749	 -
Total Cash (Carrying Amount)	<u>44,713,485</u>	<u>42,983,344</u>	<u>1,730,141</u>	<u>-</u>
 Total Cash and Investments	 <u><u>\$ 53,148,879</u></u>	 <u><u>\$ 46,781,989</u></u>	 <u><u>\$ 6,366,890</u></u>	 <u><u>\$ -</u></u>

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

<u>Investment Type</u>	<u>Quality Ratings Average of Moody's and Standard & Poor's</u>				
	<u>Fair Value</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Unrated</u>
<u>Debt Securities</u>					
U.S. Treasury Notes	\$ 184,298	\$ 184,298	\$ -	\$ -	\$ -
Government Agencies	2,814,105	2,814,105	-	-	-
Asset Backed Fixed					
Income Securities	1,256,909	1,256,909	-	-	-
Corporate Bonds	1,268,903	-	215,413	1,053,490	-
Mortgage Backed Securities	2,650,177	2,650,177	-	-	-
Money Market Mutual Funds	241,072	-	-	-	241,072
State of Nevada Local					
Government Investment Pool	19,930	-	-	-	19,930
Total Investments	8,435,394	<u>\$ 6,905,489</u>	<u>\$ 215,413</u>	<u>\$ 1,053,490</u>	<u>\$ 261,002</u>
Total Cash (Carrying Amount)	<u>44,713,485</u>				
Total Cash and Investments	<u>\$ 53,148,879</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 is 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 in NVEST on a monthly basis.

As noted, 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 those specified in the statute.

Custodial credit risk on deposits

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. 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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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	\$11,763,574	\$11,763,574	Variable	July 1, 2014

EXTERNAL INVESTMENT POOL CONDENSED FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2013

ASSETS:

Wells Fargo Savings	<u>\$ 11,763,574</u>
---------------------	----------------------

NET POSITION HELD IN TRUST FOR POOL PARTICIPANTS:

Net position consists of:

Internal participant shares	\$ 8,102,099
External participant shares	<u>3,661,475</u>
Total Participant Shares Outstanding (\$1.00 par)	<u>\$ 11,763,574</u>

**STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

Net increase (decrease) in net position resulting from operations:	
Investment income (loss)	\$ 20,920
Net position, July 1	<u>11,742,654</u>
Net position, June 30	<u>\$ 11,763,574</u>

NOTE 4 – 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, 2013 is \$18,364.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

NOTE 5 –CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance (Restated)</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	309,169	3,689,805	-	3,998,974
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets, not being depreciated	2,691,552	3,689,805	-	6,381,357
Capital assets, being depreciated				
Buildings	20,293,381	314,980	(124,453)	20,483,908
Improvements other than buildings	1,052,051	-	-	1,052,051
Infrastructure	66,606,071	-	-	66,606,071
Machinery and equipment	11,492,357	1,095,082	(550,918)	12,036,521
Total assets, being depreciated	<hr/> 99,443,860	<hr/> 1,410,062	<hr/> (675,371)	<hr/> 100,178,551
Less accumulated depreciation for:				
Buildings	(12,898,352)	(526,650)	77,813	(13,347,189)
Improvements other than buildings	(465,786)	(62,273)	-	(528,059)
Infrastructure	(23,521,859)	(1,439,456)	-	(24,961,315)
Machinery and equipment	(8,031,782)	(787,460)	549,452	(8,269,790)
Total accumulated depreciation	<hr/> (44,917,779)	<hr/> (2,815,839)	<hr/> 627,265	<hr/> (47,106,353)
Total capital assets, being depreciated, net	<hr/> 54,526,081	<hr/> (1,405,777)	<hr/> (48,106)	<hr/> 53,072,198
Governmental activities capital assets, net	<hr/> <u>\$ 57,217,633</u>	<hr/> <u>\$ 2,284,028</u>	<hr/> <u>\$ (48,106)</u>	<hr/> <u>\$ 59,453,555</u>
Business-type activities:				
Capital assets, being depreciated				
Buildings	\$ 24,195	\$ -	\$ -	\$ 24,195
Machinery and equipment	1,012,127	5,000	(179,037)	838,090
Total assets, being depreciated	<hr/> 1,036,322	<hr/> 5,000	<hr/> (179,037)	<hr/> 862,285
Less accumulated depreciation for:				
Buildings	(24,195)	-	-	(24,195)
Machinery and equipment	(800,182)	(47,340)	179,037	(668,485)
Total accumulated depreciation	<hr/> (824,377)	<hr/> (47,340)	<hr/> 179,037	<hr/> (692,680)
Total capital assets, being depreciated, net	<hr/> 211,945	<hr/> (42,340)	<hr/> -	<hr/> 169,605
Business-type activities capital assets, net	<hr/> <u>\$ 211,945</u>	<hr/> <u>\$ (42,340)</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ 169,605</u>

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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

Governmental activities:	
General government	\$ 155,433
Public safety	287,948
Judicial	15,478
Public works	1,667,975
Culture and recreation	55,200
Community support	<u>633,805</u>
Total depreciation expense – governmental activities	<u>\$ 2,815,839</u>

Business-type activities:	
Humboldt Television fund	\$ 43,836
Solid waste management fund	<u>3,504</u>
Total depreciation expense – business-type activities	<u>\$ 47,340</u>

NOTE 6 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2013 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	6 th Judicial District Fund	\$ 1,764
	Road Fund	8
	Indigent Fund	34
	Building Reserve Fund	19,210
	Solid Waste Fund	<u>145</u>
		<u>21,161</u>
Road Fund	General Fund	57,447
	6 th Judicial District Fund	2,284
	Winnemucca Events Complex Fund	3,833
	Nonmajor Governmental Funds	3,753
	Humboldt Television Fund	<u>1,289</u>
		<u>68,606</u>
Solid Waste Fund	Winnemucca Events Complex Fund	104
Total		<u>\$ 89,871</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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

Interfund transfers for the year ended June 30, 2013 are as follows:

Transfers from:	Transfers to:	Amount
General Fund	Road Fund	\$1,000,000
	Building Reserve Fund	2,000,000
		<u>3,000,000</u>
Indigent Fund	General Fund	700
Road Fund	General Fund	12,600
6 th Judicial District Fund	General Fund	30,200
Winnemucca Events Complex Fund	General Fund	3,501
Nonmajor Governmental Funds	Road Fund	1,151,320
	Nonmajor Governmental Funds	25,000
	General Fund	11,900
		<u>1,188,220</u>
Enterprise Funds	General Fund	1,120
	Total interfund transfers	<u><u>\$4,236,341</u></u>

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 and (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.

NOTE 7 – COMMITMENTS

As of June 30, 2013, the County had the following construction commitments outstanding:

Project Description	Commitment Authorization	Project Expended/Retainage	Balance at June 30, 2013
Dispatch Center	\$3,634,206	\$ 3,575,880	\$ 58,326

NOTE 8 – 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. For the business-type activities, the Television Fund paid for 100 percent of the compensated absences.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental activities:</u>					
Compensated absences	\$ 694,360	\$ 1,024,031	\$ 969,776	\$ 748,615	\$ 748,615
Governmental activities long-term liabilities	<u>\$ 694,360</u>	<u>\$ 1,024,031</u>	<u>\$ 969,776</u>	<u>\$ 748,615</u>	<u>\$ 748,615</u>
<u>Business-type activities:</u>					
Compensated absences	\$ 13,089	\$ 11,037	\$ 24,126	\$ -	\$ -
Business-type activities Long-term liabilities	<u>\$ 13,089</u>	<u>\$ 11,037</u>	<u>\$ 24,126</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 9 – 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 pool under the Nevada Interlocal Cooperation Act for workers compensation insurance. 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 10 – PENSION PROGRAM

Plan Description:

Humboldt County contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. The PERS issues a publicly available financial report that

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling 775-687-4200.

Funding Policy:

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

The County's contribution rates and amounts contributed (which are equal to/or 100% of the required contribution) for the last three years are as follows:

<u>Contribution Rate</u>			
<u>Fiscal Year</u>	<u>Regular Members</u>	<u>Police Members</u>	<u>Total Contributions</u>
2012-2013	23.75%	39.75%	\$2,998,291
2011-2012	23.75 %	39.75%	\$2,859,149
2010-2011	21.50%	37.00%	\$2,439,020

NOTE 11 – LANDFILL CLOSURE AND POSTCLOSURE COSTS

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

At June 30, 2013 financial assurance relative to costs of closure and post-closure of the landfill was fulfilled through insurance coverage.

NOTE 12 - CONTINGENCIES

There are legal actions and claims pending against Humboldt County. The financial impact of these actions is not determinable at June 30, 2013. The affect of any resulting uninsured liability on the financial position or results of operations of the County is unknown.

NOTE 13 – 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, 2013, the net other postemployment benefit liability for the County was \$2,869,061. 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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

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. As of June 30, 2013, 13 retirees were using this plan. The HCHIP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefits provisions to the PEBP nine-member board of trustees. County employees who met the eligibility requirements effective September 1, 2008 for retirement within the Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for County employees who retired after November 29, 2008. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan. As of June 30, 2013, 56 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 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 \$45,738.

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, 2013, retirees qualify for a subsidy of \$118 at five years of service and \$650 at 20 years of service with incremental increases for years of service between. Subsidy rates for retirees covered under the Medicare Exchange were \$50 at five years of service and \$200 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 2013, the County contributed \$144,420 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.

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 2011 through 2013 were as follows:

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
HCHIP	6/30/13	\$ 545,203	\$ 45,738	8.39%	\$ 2,673,600
HCHIP	6/30/12	\$ 560,479	\$ 55,150	9.84%	\$ 2,174,135
HCHIP	6/30/11	\$ 528,992	\$ 44,076	8.33%	\$ 1,668,806
PEBP	6/30/13	\$ 125,956	\$ 144,420	114.66%	\$ 195,461
PEBP	6/30/12	\$ 229,592	\$ 138,721	60.42%	\$ 213,925
PEBP	6/30/11	\$ 230,220	\$ 156,067	67.79%	\$ 123,054
Combined Totals	6/30/13	\$ 671,159	\$ 190,158		\$ 2,869,061
Combined totals	6/30/12	\$ 790,071	\$ 193,871		\$ 2,388,060
Combined Totals	6/30/11	\$ 759,212	\$ 200,143		\$ 1,791,860

The net OPEB obligation (NOPEBO) as of June 30, 2013, was calculated as follows:

	HCHIP	PEBP	Totals
Annual required contribution (ARC)	\$ 579,132	\$ 129,294	\$ 708,426
Interest on the beginning net OPEB obligation	86,966	8,557	95,523
ARC Adjustment	(120,895)	(11,895)	(132,790)
Annual OPEB cost	545,203	125,956	671,159
Contributions made	(45,738)	(144,420)	(190,158)
Increase (decrease) in net OPEB obligation	499,465	(18,464)	481,001
Net OPEB obligation (asset), beginning of year	2,174,135	213,925	2,388,060
Net OPEB obligation (asset), end of year	\$2,673,600	\$ 195,461	\$2,869,061

Funded Status and Funding Progress:

The funded status of the plans as of June 30, 2013, was as follows:

	HCHIP	PEBP	Totals
Accrued actuarial liability (a)	\$ 3,301,414	\$ 3,002,700	\$ 6,304,113
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued liability (a) – (b)	\$ 3,301,414	\$ 3,002,700	\$ 6,304,113
Funded ratio (b) / (a)	0.00%	0.00%	0.00%
Covered payroll (c)	\$ 10,160,248	N/A	
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) – (b)) / (c)	32.49%	N/A	

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2013

supplementary information following the notes to the financial statements, presents 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, 2011 actuarial valuation were as follows:

	HCHIP	PEBP
Actuarial valuation date	10/01/11	10/01/11
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*	6.00%	6.00%
*Decreasing 1.00% each year until ultimate trend rate of 5.00% is reached		

NOTE 14 – PRIOR PERIOD ADJUSTMENT

It was determined that two funds, the Library Memorial Fund and the General Fund of the Humboldt Fire District, are component units of Humboldt County. Accordingly, a prior period adjustment of \$535,862 is reflected in the beginning net position of the governmental activities to combine the assets, liabilities, and net position of those funds with the other governmental funds of Humboldt County.

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, 2013

	<u>2013 Budgeted Amounts</u>		<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 2,038,058	\$ 5,038,058	\$ 5,671,238	\$ 633,180
Licenses and permits	711,000	711,000	1,378,783	667,783
Intergovernmental revenues	8,161,792	8,439,327	12,094,293	3,654,966
Charges for services	332,200	332,200	445,278	113,078
Fines and forfeits	607,000	607,000	515,325	(91,675)
Miscellaneous	120,000	120,000	338,415	218,415
	<u>11,970,050</u>	<u>15,247,585</u>	<u>20,443,332</u>	<u>5,195,747</u>
EXPENDITURES BY FUNCTION AND DEPARTMENT				
Current:				
General Government:				
Commission	258,120	258,120	245,662	12,458
Administrator	307,660	324,360	320,838	3,522
Elections	55,000	55,000	28,740	26,260
Comptroller	330,380	341,880	316,180	25,700
Assessor	675,295	675,295	595,032	80,263
Treasurer	255,570	259,070	251,449	7,621
Clerk	410,320	414,220	407,661	6,559
Recorder	324,465	324,465	293,264	31,201
Computer systems	326,173	326,173	212,893	113,280
Planning	138,700	138,700	123,556	15,144
Buildings and grounds	1,246,702	1,246,702	1,198,719	47,983
Communications	338,650	364,650	356,904	7,746
Personnel	16,500	16,500	11,250	5,250
Miscellaneous	1,594,750	816,840	591,418	225,422
	<u>6,278,285</u>	<u>5,561,975</u>	<u>4,953,566</u>	<u>608,409</u>
Judicial:				
Justice Court	698,594	698,594	635,475	63,119
District Attorney	1,072,294	1,072,294	1,039,420	32,874
Child Support	327,309	327,309	316,808	10,501
Public Defender	214,060	214,060	206,019	8,041
	<u>2,312,257</u>	<u>2,312,257</u>	<u>2,197,722</u>	<u>114,535</u>

(continued)

HUMBOLDT COUNTY
Required Supplementary Information
General Fund (Budgetary Basis)
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual - By Function and Department
For the Year Ended June 30, 2013

	2013 Budgeted Amounts		2013	
	Original Budget	Final Budget	Actual	Variance to Final Budget
Public Safety:				
Sheriff	\$ 2,971,825	\$ 3,386,825	\$ 3,427,831	\$ (41,006)
Detention	1,594,743	1,846,224	1,870,341	(24,117)
Dispatch	1,264,242	1,264,242	1,027,731	236,511
Building Official	279,480	287,780	282,247	5,533
Task Force	132,192	137,192	151,031	(13,839)
Total Public Safety Function	<u>6,242,482</u>	<u>6,922,263</u>	<u>6,759,181</u>	<u>163,082</u>
Public Works	<u>22,000</u>	<u>22,000</u>	<u>20,466</u>	<u>1,534</u>
Health:				
Health	172,947	172,947	167,432	5,515
Mosquito control	<u>150,000</u>	<u>150,000</u>	<u>85,327</u>	<u>64,673</u>
Total Health Function	<u>322,947</u>	<u>322,947</u>	<u>252,759</u>	<u>70,188</u>
Culture and Recreation	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Community Support	<u>478,957</u>	<u>793,021</u>	<u>1,193,305</u>	<u>(400,284)</u>
Intergovernmental Expenditures	<u>606,000</u>	<u>606,000</u>	<u>419,706</u>	<u>186,294</u>
Total Expenditures	<u>16,265,428</u>	<u>16,542,963</u>	<u>15,799,205</u>	<u>743,758</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,295,378)</u>	<u>(1,295,378)</u>	<u>4,644,127</u>	<u>5,939,505</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	5,000	-
Transfers out	-	(3,000,000)	(3,085,980)	(85,980)
Contingency	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>	<u>350,000</u>
Total other financing sources and uses	<u>(345,000)</u>	<u>(3,345,000)</u>	<u>(3,080,980)</u>	<u>264,020</u>
Net change in fund balance	(4,640,378)	(4,640,378)	1,563,147	6,203,525
Fund balance - beginning	<u>7,595,874</u>	<u>7,595,874</u>	<u>15,686,525</u>	<u>8,090,651</u>
Fund balance - ending	<u><u>\$ 2,955,496</u></u>	<u><u>\$ 2,955,496</u></u>	<u><u>\$ 17,249,672</u></u>	<u><u>\$ 14,294,176</u></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, 2013

	2013			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes:				
Property taxes	\$ 233,818	\$ 308,818	\$ 569,164	\$ 260,346
Intergovernmental Revenue:				
Welfare set aside	-	-	5,801	5,801
Federal grants	-	-	29,463	29,463
Total Intergovernmental Revenue	-	-	35,264	35,264
Miscellaneous	1,000	6,000	8,962	2,962
Total Revenues	<u>234,818</u>	<u>314,818</u>	<u>613,390</u>	<u>298,572</u>
EXPENDITURES				
Welfare Function:				
Institutional care	112,280	220,480	182,344	38,136
Old age assistance	13,890	13,890	18,886	(4,996)
General assistance:				
Salaries and wages	49,330	50,230	50,240	(10)
Employee benefits	22,000	22,900	21,781	1,119
Services and supplies	35,000	35,000	64,186	(29,186)
Total Welfare Function	<u>232,500</u>	<u>342,500</u>	<u>337,437</u>	<u>5,063</u>
Intergovernmental Expenditure Function:				
Services and supplies	97,000	97,000	253,237	(156,237)
Total Expenditures	<u>329,500</u>	<u>439,500</u>	<u>590,674</u>	<u>(151,174)</u>
Excess (deficiency) of revenues over (under) expenditures	(94,682)	(124,682)	22,716	147,398
OTHER FINANCING SOURCES (USES)				
Transfers - out	-	-	(700)	(700)
Net change in fund balance	(94,682)	(124,682)	22,016	146,698
Fund balance - beginning	96,389	126,389	404,445	278,056
Fund balance - ending	<u>\$ 1,707</u>	<u>\$ 1,707</u>	<u>\$ 426,461</u>	<u>\$ 424,754</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, 2013

	<u>2013 Budgeted Amounts</u>		<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenues:				
Federal grants	\$ -	\$ 139,008	\$ 140,835	\$ 1,827
Motor vehicle fuel taxes 1.25 cents	455,919	455,919	490,239	34,320
Motor vehicle fuel taxes 1.75 cents	190,833	190,833	208,540	17,707
Motor vehicle fuel taxes 2.35 cents	722,624	722,624	773,146	50,522
Total Intergovernmental Revenues	<u>1,369,376</u>	<u>1,508,384</u>	<u>1,612,760</u>	<u>104,376</u>
Charges for Services:				
Fuel sales reimbursements	300,000	300,000	275,800	(24,200)
Repair reimbursements	80,000	80,000	84,113	4,113
Total Charges for Services	<u>380,000</u>	<u>380,000</u>	<u>359,913</u>	<u>(20,087)</u>
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>5,063</u>	<u>63</u>
Total Revenues	<u>1,754,376</u>	<u>1,893,384</u>	<u>1,977,736</u>	<u>84,352</u>
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Salaries and wages	919,540	919,540	918,239	1,301
Employee benefits	398,630	409,630	395,864	13,766
Services and supplies	1,693,300	1,821,308	1,552,307	269,001
Capital outlay	510,000	1,510,000	507,246	1,002,754
Total Public Works Function	<u>3,521,470</u>	<u>4,660,478</u>	<u>3,373,656</u>	<u>1,286,822</u>
Intergovernmental Expenditure Function:				
Services and supplies	<u>-</u>	<u>-</u>	<u>69,504</u>	<u>(69,504)</u>
Total Expenditures	<u>3,521,470</u>	<u>4,660,478</u>	<u>3,443,160</u>	<u>1,217,318</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,767,094)</u>	<u>(2,767,094)</u>	<u>(1,465,424)</u>	<u>1,301,670</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, 2013

	2013 Budgeted Amounts		2013	
	Original Budget	Final Budget	Actual	Variance to Final Budget
OTHER FINANCING SOURCES (USES)				
Transfers - in	\$ 1,151,320	\$ 2,151,320	\$ 2,151,320	\$ -
Transfers - out	-	-	(12,600)	(12,600)
Total Other Financing Sources (Uses)	1,151,320	2,151,320	2,138,720	(12,600)
Net change in fund balance	(615,774)	(615,774)	673,296	1,289,070
Fund balance - beginning	618,929	618,929	1,057,179	438,250
Fund balance - ending	\$ 3,155	\$ 3,155	\$ 1,730,475	\$ 1,727,320

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, 2013

	<u>2013 Budgeted Amounts</u>		<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenue:				
Gasoline taxes	\$ 1,213,130	\$ 1,213,130	\$ 1,338,861	\$ 125,731
Miscellaneous	1,000	1,000	1,033	33
Total Revenues	<u>1,214,130</u>	<u>1,214,130</u>	<u>1,339,894</u>	<u>125,764</u>
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Services and supplies	<u>2,235,000</u>	<u>2,235,000</u>	<u>2,197,489</u>	<u>37,511</u>
Excess (deficiency) of revenues over (under) expenditures	(1,020,870)	(1,020,870)	(857,595)	163,275
Fund balance - beginning	<u>2,460,501</u>	<u>2,460,501</u>	<u>2,427,912</u>	<u>(32,589)</u>
Fund balance - ending	<u><u>\$ 1,439,631</u></u>	<u><u>\$ 1,439,631</u></u>	<u><u>\$ 1,570,317</u></u>	<u><u>\$ 130,686</u></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, 2013

	<u>2013 Budgeted Amounts</u>		<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 1,209,405	\$ 1,209,405	\$ 2,943,614	\$ 1,734,209
Intergovernmental Revenue:				
Grants:				
OJJDP JBIG grant	-	5,030	5,030	-
OJJDP formula grant	-	5,691	5,691	-
Parenting project grant	-	2,745	2,745	-
OJJDP youth outreach	-	-	2,362	2,362
Room and board	-	41,969	19,591	(22,378)
Combined tax	591,923	591,923	883,600	291,677
Pershing County contribution	649,678	649,678	643,107	(6,571)
Lander County contribution	649,678	649,678	643,107	(6,571)
Total Intergovernmental Revenues	<u>1,891,279</u>	<u>1,946,714</u>	<u>2,205,233</u>	<u>258,519</u>
Charges for Services	-	-	609	609
Fines and Forfeits	20,000	20,000	63,928	43,928
Miscellaneous	-	-	10,414	10,414
Total Revenues	<u>3,120,684</u>	<u>3,176,119</u>	<u>5,223,798</u>	<u>2,047,679</u>
EXPENDITURES				
Public Safety Function:				
Juvenile Probation:				
Salaries and wages	1,339,300	1,371,300	1,372,964	(1,664)
Employee benefits	685,060	698,059	675,598	22,461
Services and supplies	313,000	379,436	361,345	18,091
Capital outlay	45,000	45,000	47,757	(2,757)
Total Public Safety Function	<u>2,382,360</u>	<u>2,493,795</u>	<u>2,457,664</u>	<u>36,131</u>
Judicial Function:				
District Court:				
Salaries and wages	427,510	449,510	449,376	134
Employee benefits	159,210	170,210	164,731	5,479
Services and supplies	517,323	494,323	506,070	(11,747)
Capital outlay	4,000	-	-	-
	<u>1,108,043</u>	<u>1,114,043</u>	<u>1,120,177</u>	<u>(6,134)</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, 2013

	<u>2013 Budgeted Amounts</u>		<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Court Reporters:				
Salaries and wages	\$ 163,070	\$ 125,070	\$ 120,317	\$ 4,753
Employee benefits	60,240	41,240	36,820	4,420
Services and supplies	40,500	35,500	19,917	15,583
	<u>263,810</u>	<u>201,810</u>	<u>177,054</u>	<u>24,756</u>
 Total Judicial Function	 <u>1,371,853</u>	 <u>1,315,853</u>	 <u>1,297,231</u>	 <u>18,622</u>
 Intergovernmental Expenditure Function:				
Services and supplies	<u>54,979</u>	<u>54,979</u>	<u>54,649</u>	<u>330</u>
 Total Expenditures	 <u>3,809,192</u>	 <u>3,864,627</u>	 <u>3,809,544</u>	 <u>55,083</u>
 Excess (deficiency) of revenues over expenditures	 (688,508)	 (688,508)	 1,414,254	 2,102,762
 OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(5,000)</u>	<u>(5,000)</u>	<u>(30,200)</u>	<u>(25,200)</u>
 Net change in fund balance	 (693,508)	 (693,508)	 1,384,054	 2,077,562
 Fund balance - beginning	 <u>1,571,186</u>	 <u>1,571,186</u>	 <u>3,552,247</u>	 <u>1,981,061</u>
 Fund balance - ending	 <u>\$ 877,678</u>	 <u>\$ 877,678</u>	 <u>\$ 4,936,301</u>	 <u>\$ 4,058,623</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, 2013

	2013 Budgeted Amounts		2013	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 186,063	\$ 296,063	\$ 452,921	\$ 156,858
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>1,358</u>	<u>358</u>
Total Revenues	<u>187,063</u>	<u>297,063</u>	<u>454,279</u>	<u>157,216</u>
EXPENDITURES				
Welfare Function:				
Services and supplies	777,071	777,071	269,161	507,910
Intergovernmental Expenditure Function:				
Services and supplies	<u>98,000</u>	<u>208,000</u>	<u>168,821</u>	<u>39,179</u>
Total Expenditures	<u>875,071</u>	<u>985,071</u>	<u>437,982</u>	<u>547,089</u>
Excess (deficiency) of revenues over (under) expenditures	(688,008)	(688,008)	16,297	704,305
Fund balance - beginning	<u>1,131,050</u>	<u>1,131,050</u>	<u>1,572,112</u>	<u>441,062</u>
Fund balance - ending	<u><u>\$ 443,042</u></u>	<u><u>\$ 443,042</u></u>	<u><u>\$ 1,588,409</u></u>	<u><u>\$ 1,145,367</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, 2013

	<u>2013 Budgeted Amounts</u>		<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 248,083	\$ 248,083	\$ 603,815	\$ 355,732
Intergovernmental Revenue:				
Combined tax	139,525	139,525	208,277	68,752
Room taxes	200,000	200,000	394,976	194,976
Total Intergovernmental Revenues	339,525	339,525	603,253	263,728
Charges for Services	154,500	154,500	222,469	67,969
Miscellaneous	-	-	17,114	17,114
Total Revenues	742,108	742,108	1,446,651	704,543
EXPENDITURES				
Culture and Recreation Function:				
Salaries and wages	302,105	302,105	297,808	4,297
Employee benefits	113,744	113,744	97,731	16,013
Services and supplies	430,100	430,100	419,293	10,807
Capital outlay	45,200	145,200	112,309	32,891
Total Expenditures	891,149	991,149	927,141	64,008
Excess (deficiency) of revenues over (under) expenditures	(149,041)	(249,041)	519,510	768,551
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(3,501)	(3,501)
Net change in fund balance	(149,041)	(249,041)	516,009	765,050
Fund balance - beginning	862,022	962,022	1,443,059	481,037
Fund balance - ending	<u>\$ 712,981</u>	<u>\$ 712,981</u>	<u>\$ 1,959,068</u>	<u>\$ 1,246,087</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, 2013

	<u>General Fund Budgetary Basis</u>	<u>Internally Reported Funds</u>	<u>Eliminations</u>	<u>General Fund GAAP Basis</u>
REVENUES				
Taxes	\$ 5,671,238	\$ -	\$ -	\$ 5,671,238
Licenses and permits	1,378,783	-	-	1,378,783
Intergovernmental revenue	12,094,293	-	-	12,094,293
Charges for services	445,278	-	-	445,278
Fines and forfeits	515,325	-	-	515,325
Miscellaneous revenues	338,415	1,418	-	339,833
	<u>20,443,332</u>	<u>1,418</u>	<u>-</u>	<u>20,444,750</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	4,953,566	61,066	-	5,014,632
Judicial	2,197,722	-	-	2,197,722
Public safety	6,759,181	-	-	6,759,181
Public works	20,466	-	-	20,466
Health	252,759	-	-	252,759
Culture and recreation	2,500	-	-	2,500
Community support	1,193,305	-	-	1,193,305
Intergovernmental expenditures	419,706	-	-	419,706
	<u>15,799,205</u>	<u>61,066</u>	<u>-</u>	<u>15,860,271</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>4,644,127</u>	<u>(59,648)</u>	<u>-</u>	<u>4,584,479</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	141,001	(85,980)	60,021
Transfers out	(3,085,980)	-	85,980	(3,000,000)
	<u>(3,080,980)</u>	<u>141,001</u>	<u>-</u>	<u>(2,939,979)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	1,563,147	81,353	-	1,644,500
Fund Balances - beginning	<u>15,686,525</u>	<u>724,818</u>	<u>-</u>	<u>16,411,343</u>
Fund Balances - ending	<u>\$ 17,249,672</u>	<u>\$ 806,171</u>	<u>\$ -</u>	<u>\$ 18,055,843</u>

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

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2013

Schedule of Funding Progress
Other Postemployment Benefits

	Actuarial	Actuarial	Actuarial	Unfunded	Funded	**	UAAAL as a
	Valuation	Value of	Liability (AAL)	AAL (UAAL)	Ratio	Covered	Percentage of
	Date	Assets	- Level Dollar	(b-a)	(a/b)	Payroll	Covered
		(a)	(b)			(c)	([b-a]/c)
HCHIP	10/1/2007	\$ -	\$ 3,262,137	\$ 3,262,137	0.00%	\$ 9,836,233	33.16%
HCHIP	10/1/2009	\$ -	\$ 4,063,123	\$ 4,063,123	0.00%	\$ 10,638,870	38.19%
HCHIP	10/1/2011	\$ -	\$ 3,978,933	\$ 3,978,933	0.00%	\$ 10,160,248	39.16%
PEBP	10/1/2007	\$ -	\$ 4,019,118	\$ 4,019,118	0.00%	N/A	N/A
PEBP	10/1/2009	\$ -	\$ 4,043,513	\$ 4,043,513	0.00%	N/A	N/A
PEBP	10/1/2011	\$ -	\$ 2,325,181	\$ 2,325,181	0.00%	N/A	N/A

*Prospective implementation as of June 30, 2009

**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
Notes to Required Supplementary Information
June 30, 2013

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, 2013

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets			
Cash and investments	\$ 11,454,007	\$ 699,858	\$ 12,153,865
Taxes receivable	7,147	580	7,727
Interest receivable	-	44	44
Accounts receivable	5,111	-	5,111
Due from other governments	143,255	-	143,255
Total assets	<u>\$ 11,609,520</u>	<u>\$ 700,482</u>	<u>\$ 12,310,002</u>
Liabilities			
Accounts payable	\$ 65,522	\$ 15,600	\$ 81,122
Accrued salaries and benefits	21,463	-	21,463
Due to other governments	5,564	29	5,593
Due to other funds	3,753	-	3,753
Deferred revenues	7,147	580	7,727
Total liabilities	<u>103,449</u>	<u>16,209</u>	<u>119,658</u>
Fund Balances			
Restricted	3,745,123	684,273	4,429,396
Committed	5,631,739	-	5,631,739
Assigned	2,129,209	-	2,129,209
Total fund balances	<u>11,506,071</u>	<u>684,273</u>	<u>12,190,344</u>
Total liabilities and fund balances	<u>\$ 11,609,520</u>	<u>\$ 700,482</u>	<u>\$ 12,310,002</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
REVENUES			
Taxes	\$ 2,170,513	\$ 150,956	\$ 2,321,469
Intergovernmental revenues	2,679,616	-	2,679,616
Charges for services	12,804	-	12,804
Fines and forfeits	33,711	-	33,711
Miscellaneous revenues	25,612	190,548	216,160
Total Revenues	<u>4,922,256</u>	<u>341,504</u>	<u>5,263,760</u>
EXPENDITURES			
Current:			
General Government	70,712	-	70,712
Judicial	380,049	-	380,049
Public Safety	26,095	-	26,095
Culture and Recreation	1,042,835	-	1,042,835
Community Support	202,692	205,599	408,291
Intergovernmental	-	39,359	39,359
Total Expenditures	<u>1,722,383</u>	<u>244,958</u>	<u>1,967,341</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,199,873</u>	<u>96,546</u>	<u>3,296,419</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	25,000	-	25,000
Transfers out	(1,188,220)	-	(1,188,220)
Total other financing sources (uses)	<u>(1,163,220)</u>	<u>-</u>	<u>(1,163,220)</u>
Net Change in Fund Balances	2,036,653	96,546	2,133,199
Fund balances - beginning	<u>9,469,418</u>	<u>587,727</u>	<u>10,057,145</u>
Fund balances - ending	<u>\$ 11,506,071</u>	<u>\$ 684,273</u>	<u>\$ 12,190,344</u>

HUMBOLDT COUNTY
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)
Balance Sheet
June 30, 2013

	<u>General Fund</u>	<u>Internally Reported Funds</u>	<u>General Fund Total</u>
Assets			
Cash and investments	\$ 15,760,004	\$ 807,954	\$ 16,567,958
Taxes receivable	16,648	-	16,648
Accounts receivable	172,339	-	172,339
Interest receivable	2,938	42	2,980
Notes receivable	789	-	789
Due from other governments	2,237,325	-	2,237,325
Due from other funds	21,161	-	21,161
	<u>18,211,204</u>	<u>807,996</u>	<u>19,019,200</u>
Total assets	<u>\$ 18,211,204</u>	<u>\$ 807,996</u>	<u>\$ 19,019,200</u>
Liabilities			
Accounts payable	\$ 295,448	\$ 1,825	\$ 297,273
Accrued salaries/benefits	541,038	-	541,038
Due to other governments	18,962	-	18,962
Due to other funds	57,447	-	57,447
Deferred revenue	48,637	-	48,637
	<u>961,532</u>	<u>1,825</u>	<u>963,357</u>
Total liabilities	<u>961,532</u>	<u>1,825</u>	<u>963,357</u>
Fund Balances			
Nonspendable	789	-	789
Restricted	-	141,155	141,155
Committed	-	665,016	665,016
Assigned	5,752,790	-	5,752,790
Unassigned	11,496,093	-	11,496,093
	<u>17,249,672</u>	<u>806,171</u>	<u>18,055,843</u>
Total fund balances	<u>17,249,672</u>	<u>806,171</u>	<u>18,055,843</u>
Total liabilities and fund balances	<u>\$ 18,211,204</u>	<u>\$ 807,996</u>	<u>\$ 19,019,200</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			2012	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 1,966,058	\$ 4,966,058	\$ 5,575,913	\$ 609,855	\$ 5,008,047
Tax penalties	72,000	72,000	95,325	23,325	99,154
Total Taxes	<u>2,038,058</u>	<u>5,038,058</u>	<u>5,671,238</u>	<u>633,180</u>	<u>5,107,201</u>
Licenses and Permits:					
Business:					
Business licenses	40,000	40,000	57,826	17,826	54,050
Liquor licenses	6,000	6,000	6,220	220	6,620
Local gaming licenses	45,000	45,000	62,958	17,958	43,497
Franchise fees	450,000	450,000	753,306	303,306	759,715
Nonbusiness:					
Building permits	160,000	160,000	460,331	300,331	163,284
Dog licenses	10,000	10,000	11,764	1,764	12,577
CCW permits	-	-	24,460	24,460	14,984
Marriage licenses	-	-	1,870	1,870	1,970
Other permits	-	-	48	48	55
Total Licenses and Permits	<u>711,000</u>	<u>711,000</u>	<u>1,378,783</u>	<u>667,783</u>	<u>1,056,752</u>
Intergovernmental Revenues:					
Federal grants:					
Child support enforcement	180,000	180,000	229,440	49,440	199,866
Consolidated task force	40,000	40,000	26,851	(13,149)	36,815
Ots/joining forces	-	-	-	-	1,984
Senior transportation grant	-	204,482	220,555	16,073	171,202
SCAAP grant	-	2,981	2,981	-	12,334
TCSRT safety equipment grant	-	40,000	40,000	-	-
NDEP clean water grant	-	-	8,500	8,500	-
CDBG grant	-	30,072	43,184	13,112	10,366
Other Intergovernmental Revenues:					
Taylor grazing fees	40,000	40,000	31,179	(8,821)	34,903
Domestic preparedness	-	-	-	-	2,068
NRA grant	-	-	6,086	6,086	4,167
City-county sharing agreement	400,000	400,000	310,442	(89,558)	376,650
Humboldt contribution	20,000	20,000	-	(20,000)	-
Humboldt river basin authority	40,000	40,000	40,000	-	34,250
Combined tax	7,301,792	7,301,792	10,899,842	3,598,050	8,664,498
State gaming license fees	140,000	140,000	139,946	(54)	145,020
Lease of federal lands	-	-	95,287	95,287	24,429
Total Intergovernmental Revenues	<u>8,161,792</u>	<u>8,439,327</u>	<u>12,094,293</u>	<u>3,654,966</u>	<u>9,718,552</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013				2012
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Charges for Services:					
General Government:					
Clerk fees	\$ 17,500	\$ 17,500	\$ 24,707	\$ 7,207	\$ 22,645
Candidate fees	-	-	-	-	1,830
Recorder fees	150,000	150,000	147,981	(2,019)	155,467
Recorder technology fees	-	-	15,345	15,345	19,371
Planning fees	9,000	9,000	12,191	3,191	14,780
Map fees	30,000	30,000	22,526	(7,474)	51,934
Subtotal General Government	<u>206,500</u>	<u>206,500</u>	<u>222,750</u>	<u>16,250</u>	<u>266,027</u>
Judicial:					
Legal assistance fees	5,200	5,200	8,051	2,851	8,611
Law library fees	4,000	4,000	6,705	2,705	7,500
Bail bond fees	6,000	6,000	5,100	(900)	5,420
Civil action fees	30,000	30,000	40,993	10,993	34,077
Public administrator/guardian fees	-	-	2,761	2,761	-
District court filing fees	-	-	21,422	21,422	23,566
Public defender fees	-	-	9,821	9,821	5,616
Subtotal Judicial	<u>45,200</u>	<u>45,200</u>	<u>94,853</u>	<u>49,653</u>	<u>84,790</u>
Public Safety:					
Sheriff fees	25,000	25,000	39,420	14,420	36,286
Detention fees	30,000	30,000	45,736	15,736	65,755
Detention meal preparation	20,000	20,000	22,485	2,485	21,132
Subtotal Public Safety	<u>75,000</u>	<u>75,000</u>	<u>107,641</u>	<u>32,641</u>	<u>123,173</u>
Other Charges for Services	<u>5,500</u>	<u>5,500</u>	<u>20,034</u>	<u>14,534</u>	<u>24,650</u>
Total Charges for Services	<u>332,200</u>	<u>332,200</u>	<u>445,278</u>	<u>113,078</u>	<u>498,640</u>
Fines and Forfeits	<u>607,000</u>	<u>607,000</u>	<u>515,325</u>	<u>(91,675)</u>	<u>554,345</u>
Miscellaneous Revenues:					
Interest earnings	120,000	120,000	34,237	(85,763)	234,543
Miscellaneous	-	-	222,989	222,989	249,018
Geothermal lease	-	-	68,704	68,704	76,207
Election reimbursement	-	-	3,927	3,927	11,405
Forensic services	-	-	7,946	7,946	9,047
Restitution	-	-	612	612	-
Total Miscellaneous Revenues	<u>120,000</u>	<u>120,000</u>	<u>338,415</u>	<u>218,415</u>	<u>580,220</u>
Total Revenues	<u>11,970,050</u>	<u>15,247,585</u>	<u>20,443,332</u>	<u>5,195,747</u>	<u>17,515,709</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			2012	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
EXPENDITURES BY FUNCTION AND ACTIVITY					
General Government Function:					
Legislative:					
Commissioners					
Salaries and wages	\$ 147,770	\$ 147,770	\$ 145,648	\$ 2,122	\$ 147,345
Employee benefits	71,100	71,100	70,822	278	69,457
Services and supplies	39,250	39,250	29,192	10,058	25,287
Subtotal Legislative	<u>258,120</u>	<u>258,120</u>	<u>245,662</u>	<u>12,458</u>	<u>242,089</u>
Executive:					
County Administrator					
Salaries and wages	222,760	234,460	234,394	66	220,892
Employee benefits	83,900	88,900	86,118	2,782	81,560
Services and supplies	1,000	1,000	326	674	647
Subtotal Executive	<u>307,660</u>	<u>324,360</u>	<u>320,838</u>	<u>3,522</u>	<u>303,099</u>
Elections:					
Services and supplies	<u>55,000</u>	<u>55,000</u>	<u>28,740</u>	<u>26,260</u>	<u>29,681</u>
Finance:					
Comptroller:					
Salaries and wages	144,020	160,220	159,659	561	140,437
Employee benefits	59,960	65,460	61,923	3,537	57,623
Services and supplies	126,400	116,200	94,598	21,602	97,682
	<u>330,380</u>	<u>341,880</u>	<u>316,180</u>	<u>25,700</u>	<u>295,742</u>
Assessor:					
Salaries and wages	438,757	438,757	390,992	47,765	417,014
Employee benefits	180,158	180,158	160,237	19,921	172,392
Services and supplies	56,380	56,380	43,803	12,577	40,222
	<u>675,295</u>	<u>675,295</u>	<u>595,032</u>	<u>80,263</u>	<u>629,628</u>
Treasurer:					
Salaries and wages	160,650	162,050	161,975	75	156,334
Employee benefits	68,960	71,060	68,283	2,777	65,918
Services and supplies	25,960	25,960	21,191	4,769	22,779
	<u>255,570</u>	<u>259,070</u>	<u>251,449</u>	<u>7,621</u>	<u>245,031</u>
Subtotal Finance	<u>1,261,245</u>	<u>1,276,245</u>	<u>1,162,661</u>	<u>113,584</u>	<u>1,170,401</u>
Other:					
Clerk:					
Salaries and wages	269,270	269,970	269,960	10	262,530
Employee benefits	114,850	118,050	113,391	4,659	109,499
Services and supplies	26,200	26,200	24,310	1,890	20,150
	<u>410,320</u>	<u>414,220</u>	<u>407,661</u>	<u>6,559</u>	<u>392,179</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			2012	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Recorder:					
Salaries and wages	\$ 173,500	\$ 175,000	\$ 174,859	\$ 141	\$ 172,086
Employee benefits	70,890	73,090	70,189	2,901	68,254
Services and supplies	80,075	76,375	48,216	28,159	46,421
	<u>324,465</u>	<u>324,465</u>	<u>293,264</u>	<u>31,201</u>	<u>286,761</u>
Computer systems:					
Salaries and wages	119,920	119,920	59,074	60,846	114,893
Employee benefits	48,610	48,610	25,585	23,025	46,403
Services and supplies	157,643	157,643	128,234	29,409	127,304
	<u>326,173</u>	<u>326,173</u>	<u>212,893</u>	<u>113,280</u>	<u>288,600</u>
Planning:					
Salaries and wages	81,770	81,770	78,645	3,125	75,376
Employee benefits	39,180	39,180	36,349	2,831	33,940
Services and supplies	17,750	17,750	8,562	9,188	8,155
	<u>138,700</u>	<u>138,700</u>	<u>123,556</u>	<u>15,144</u>	<u>117,471</u>
Buildings and grounds:					
Salaries and wages	423,260	423,260	422,850	410	413,788
Employee benefits	191,960	191,960	186,588	5,372	181,893
Services and supplies	498,620	498,620	495,454	3,166	417,614
Capital outlay	132,862	132,862	93,827	39,035	28,018
	<u>1,246,702</u>	<u>1,246,702</u>	<u>1,198,719</u>	<u>47,983</u>	<u>1,041,313</u>
Communications:					
Salaries and wages	123,720	128,720	128,274	446	123,253
Employee benefits	48,530	48,530	43,789	4,741	46,799
Services and supplies	52,400	52,400	50,697	1,703	37,990
Capital outlay	114,000	135,000	134,144	856	11,495
	<u>338,650</u>	<u>364,650</u>	<u>356,904</u>	<u>7,746</u>	<u>219,537</u>
Personnel:					
Services and supplies	16,500	16,500	11,250	5,250	7,486
Miscellaneous:					
Insurance	475,000	445,000	238,125	206,875	627,297
Insurance reserve	500,000	181,500	175,436	6,064	-
Humboldt river basin authority	-	-	44,000	(44,000)	38,000
Miscellaneous	619,750	190,340	133,857	56,483	305,279
	<u>1,594,750</u>	<u>816,840</u>	<u>591,418</u>	<u>225,422</u>	<u>970,576</u>
Subtotal Other	<u>4,396,260</u>	<u>3,648,250</u>	<u>3,195,665</u>	<u>452,585</u>	<u>3,323,923</u>
Total General Government Function	<u>6,278,285</u>	<u>5,561,975</u>	<u>4,953,566</u>	<u>608,409</u>	<u>5,069,193</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			2012	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Judicial Function:					
Justice Court:					
Salaries and wages	\$ 447,804	\$ 447,804	\$ 409,516	\$ 38,288	\$ 416,814
Employee benefits	184,790	184,790	163,211	21,579	161,880
Services and supplies	66,000	66,000	62,748	3,252	54,073
	<u>698,594</u>	<u>698,594</u>	<u>635,475</u>	<u>63,119</u>	<u>632,767</u>
District Attorney:					
Salaries and wages	709,394	710,894	710,186	708	594,355
Employee benefits	278,200	279,400	267,532	11,868	221,934
Services and supplies	84,700	82,000	61,702	20,298	54,089
	<u>1,072,294</u>	<u>1,072,294</u>	<u>1,039,420</u>	<u>32,874</u>	<u>870,378</u>
Child Support:					
Salaries and wages	188,388	188,388	179,073	9,315	156,608
Employee benefits	94,885	94,885	85,951	8,934	70,127
Services and supplies	44,036	44,036	51,784	(7,748)	78,478
	<u>327,309</u>	<u>327,309</u>	<u>316,808</u>	<u>10,501</u>	<u>305,213</u>
Public Defender:					
Salaries and wages	140,520	142,620	142,441	179	137,983
Employee benefits	54,540	56,440	54,185	2,255	52,373
Services and supplies	19,000	15,000	9,393	5,607	11,380
	<u>214,060</u>	<u>214,060</u>	<u>206,019</u>	<u>8,041</u>	<u>201,736</u>
Total Judicial Function	<u>2,312,257</u>	<u>2,312,257</u>	<u>2,197,722</u>	<u>114,535</u>	<u>2,010,094</u>
Public Safety Function:					
Sheriff:					
Salaries and wages	1,647,340	1,862,340	1,928,644	(66,304)	1,746,948
Employee benefits	910,016	1,030,016	980,105	49,911	896,833
Services and supplies	327,289	407,289	448,429	(41,140)	408,729
Capital outlay	87,180	87,180	70,653	16,527	131,521
	<u>2,971,825</u>	<u>3,386,825</u>	<u>3,427,831</u>	<u>(41,006)</u>	<u>3,184,031</u>
Detention:					
Salaries and wages	924,769	1,016,769	1,060,278	(43,509)	883,681
Employee benefits	465,780	550,780	546,856	3,924	474,194
Services and supplies	204,194	267,175	251,897	15,278	191,200
Capital outlay	-	11,500	11,310	190	5,959
	<u>1,594,743</u>	<u>1,846,224</u>	<u>1,870,341</u>	<u>(24,117)</u>	<u>1,555,034</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013				2012
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Dispatch:					
Salaries and wages	\$ 654,787	\$ 654,787	\$ 548,784	\$ 106,003	\$ 470,113
Employee benefits	196,402	196,402	169,415	26,987	131,714
Services and supplies	187,950	187,950	107,557	80,393	64,360
Capital outlay	225,103	225,103	201,975	23,128	94,891
	<u>1,264,242</u>	<u>1,264,242</u>	<u>1,027,731</u>	<u>236,511</u>	<u>761,078</u>
Building Official:					
Salaries and wages	180,580	183,580	183,017	563	177,331
Employee benefits	74,200	79,500	73,678	5,822	70,969
Services and supplies	24,700	24,700	25,552	(852)	20,987
	<u>279,480</u>	<u>287,780</u>	<u>282,247</u>	<u>5,533</u>	<u>269,287</u>
Task Force:					
Salaries and wages	75,782	78,782	82,572	(3,790)	76,678
Employee benefits	39,910	41,910	43,553	(1,643)	39,701
Services and supplies	16,500	16,500	24,906	(8,406)	24,814
Capital outlay	-	-	-	-	7,074
	<u>132,192</u>	<u>137,192</u>	<u>151,031</u>	<u>(13,839)</u>	<u>148,267</u>
Total Public Safety Function	<u>6,242,482</u>	<u>6,922,263</u>	<u>6,759,181</u>	<u>163,082</u>	<u>5,917,697</u>
Public Works Function:					
Services and supplies	<u>22,000</u>	<u>22,000</u>	<u>20,466</u>	<u>1,534</u>	<u>20,285</u>
Health Function:					
Health:					
Services and supplies	<u>172,947</u>	<u>172,947</u>	<u>167,432</u>	<u>5,515</u>	<u>182,172</u>
Mosquito Control:					
Services and supplies	<u>150,000</u>	<u>150,000</u>	<u>85,327</u>	<u>64,673</u>	<u>148,177</u>
Total Health Function	<u>322,947</u>	<u>322,947</u>	<u>252,759</u>	<u>70,188</u>	<u>330,349</u>
Culture and Recreation Function:					
Virgin Valley Campground:					
Services and supplies	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013				2012
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Community Support Function:					
Services and supplies:					
Senior citizens	\$ 196,636	\$ 196,636	\$ 469,101	\$ (272,465)	\$ 409,504
Museum	98,321	98,321	234,563	(136,242)	204,754
Senior transportation grant	-	204,482	204,482	-	187,275
Humboldt development authority	15,000	15,000	15,000	-	-
Chamber of commerce	6,500	6,500	6,500	-	6,500
Range improvement districts	50,000	50,000	31,179	18,821	34,903
Sonoma Industries	50,000	50,000	50,000	-	-
Paradise Valley Weed	50,000	120,000	117,790	2,210	-
Western NV Development	5,000	5,000	4,500	500	-
Melarkey & WMCA Blvd.	-	9,510	9,506	4	-
CDBG grant	-	30,072	43,184	(13,112)	-
Vitality center	7,500	7,500	7,500	-	7,500
Total Community Support Function	<u>478,957</u>	<u>793,021</u>	<u>1,193,305</u>	<u>(400,284)</u>	<u>850,436</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	3,875	46,125	9,375
Cemetery	35,000	35,000	21,600	13,400	26,838
Parks and recreation	400,000	400,000	277,980	122,020	288,740
Animal control/spay neuter	15,000	15,000	8,200	6,800	-
Legal assistance	6,000	6,000	8,051	(2,051)	8,611
Total Intergovernmental Expenditure Function	<u>606,000</u>	<u>606,000</u>	<u>419,706</u>	<u>186,294</u>	<u>433,564</u>
Total Expenditures	<u>16,265,428</u>	<u>16,542,963</u>	<u>15,799,205</u>	<u>743,758</u>	<u>14,634,118</u>
Excess (deficiency) of revenues over expenditures	<u>(4,295,378)</u>	<u>(1,295,378)</u>	<u>4,644,127</u>	<u>5,939,505</u>	<u>2,881,592</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	5,000	5,000	5,000	-	5,000
Transfers out	-	(3,000,000)	(3,085,980)	(85,980)	-
Contingency	(350,000)	(350,000)	-	350,000	-
Total other financing sources (uses)	<u>(345,000)</u>	<u>(3,345,000)</u>	<u>(3,080,980)</u>	<u>264,020</u>	<u>5,000</u>
Net change in fund balance	(4,640,378)	(4,640,378)	1,563,147	6,203,525	2,886,592
Fund balance - beginning	<u>7,595,874</u>	<u>7,595,874</u>	<u>15,686,525</u>	<u>8,090,651</u>	<u>12,799,933</u>
Fund balance - ending	<u>\$ 2,955,496</u>	<u>\$ 2,955,496</u>	<u>\$ 17,249,672</u>	<u>\$ 14,294,176</u>	<u>\$ 15,686,525</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Page 1 of 2)

	<u>Cooperative Extension Fund</u>	<u>Library Fund</u>	<u>6th Judicial District Drug Court Fund</u>	<u>In-Lieu-of- Tax Fund</u>
Assets				
Cash and investments	\$ 821,161	\$ 3,608,112	\$ 82,548	\$ 4,059,497
Taxes receivable	957	5,511	-	-
Accounts receivable	-	-	-	-
Due from other governments	17,510	99,222	19,063	-
Total assets	<u>\$ 839,628</u>	<u>\$ 3,712,845</u>	<u>\$ 101,611</u>	<u>\$ 4,059,497</u>
Liabilities				
Accounts payable	\$ 17,706	\$ 10,113	\$ 23,947	\$ -
Accrued salaries/benefits	2,820	17,904	739	-
Due to other governments	983	-	-	-
Due to other funds	887	2,866	-	-
Deferred revenue	957	5,511	-	-
Total liabilities	<u>23,353</u>	<u>36,394</u>	<u>24,686</u>	<u>-</u>
Fund Balances				
Restricted	791,275	-	76,925	-
Committed	25,000	3,676,451	-	1,930,288
Assigned	-	-	-	2,129,209
Total fund balances	<u>816,275</u>	<u>3,676,451</u>	<u>76,925</u>	<u>4,059,497</u>
Total Liabilities and Fund Balances	<u>\$ 839,628</u>	<u>\$ 3,712,845</u>	<u>\$ 101,611</u>	<u>\$ 4,059,497</u>

Administrative Assessment Fund	Stabilization Fund	Check Restitution Fund	Genetic Marker Testing Fund	Assessor's Technology Fund	911 Enhancement Fund
\$ 108,573	\$ 1,050,843	\$ 11,311	\$ 840	\$ 1,124,506	\$ 31,249
-	-	-	-	-	-
-	-	635	-	-	4,476
-	-	-	-	-	-
<u>\$ 108,573</u>	<u>\$ 1,050,843</u>	<u>\$ 11,946</u>	<u>\$ 840</u>	<u>\$ 1,124,506</u>	<u>\$ 35,725</u>
\$ 2,119	\$ -	\$ 92	\$ -	\$ 3,458	\$ -
-	-	-	-	-	-
-	-	-	840	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,119</u>	<u>-</u>	<u>92</u>	<u>840</u>	<u>3,458</u>	<u>-</u>
106,454	1,050,843	11,854	-	1,121,048	35,725
-	-	-	-	-	-
-	-	-	-	-	-
<u>106,454</u>	<u>1,050,843</u>	<u>11,854</u>	<u>-</u>	<u>1,121,048</u>	<u>35,725</u>
<u>\$ 108,573</u>	<u>\$ 1,050,843</u>	<u>\$ 11,946</u>	<u>\$ 840</u>	<u>\$ 1,124,506</u>	<u>\$ 35,725</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(Page 2 of 2)

	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
Assets			
Cash and investments	\$ 475,389	\$ 79,978	\$ 11,454,007
Taxes receivable	679	-	7,147
Accounts receivable	-	-	5,111
Due from other governments	7,460	-	143,255
Total assets	<u>\$ 483,528</u>	<u>\$ 79,978</u>	<u>\$ 11,609,520</u>
Liabilities			
Accounts payable	\$ 3,204	\$ 4,883	\$ 65,522
Accrued salaries/benefits	-	-	21,463
Due to other governments	3,741	-	5,564
Due to other funds	-	-	3,753
Deferred revenue	679	-	7,147
Total liabilities	<u>7,624</u>	<u>4,883</u>	<u>103,449</u>
Fund Balances			
Restricted	475,904	75,095	3,745,123
Committed	-	-	5,631,739
Assigned	-	-	2,129,209
Total fund balances	<u>475,904</u>	<u>75,095</u>	<u>11,506,071</u>
Total Liabilities and Fund Balances	<u>\$ 483,528</u>	<u>\$ 79,978</u>	<u>\$ 11,609,520</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2013
(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	\$ 249,078	\$ 1,434,077	\$ -	\$ -
Intergovernmental revenue	115,301	566,874	352,933	1,604,229
Charges for services	-	-	-	-
Fines and forfeits	-	3,631	-	-
Miscellaneous revenues	1,840	-	-	-
	<u>366,219</u>	<u>2,004,582</u>	<u>352,933</u>	<u>1,604,229</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	-	-	-	-
Judicial	-	-	346,341	-
Public safety	-	-	-	-
Culture and recreation	-	1,015,305	-	-
Community support	202,692	-	-	-
	<u>202,692</u>	<u>1,015,305</u>	<u>346,341</u>	<u>-</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>163,527</u>	<u>989,277</u>	<u>6,592</u>	<u>1,604,229</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	-	-	-
Transfers out	(1,400)	(10,500)	-	(1,176,320)
Total Other Financing Sources (Uses)	<u>23,600</u>	<u>(10,500)</u>	<u>-</u>	<u>(1,176,320)</u>
Net Change in Fund Balances	187,127	978,777	6,592	427,909
Fund Balances - beginning	<u>629,148</u>	<u>2,697,674</u>	<u>70,333</u>	<u>3,631,588</u>
Fund Balances - ending	<u>\$ 816,275</u>	<u>\$ 3,676,451</u>	<u>\$ 76,925</u>	<u>\$ 4,059,497</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>
\$ -	\$ -	\$ -	\$ -	\$ 425,916	\$ 35,725
-	-	-	-	-	-
-	-	7,316	5,488	-	-
30,080	-	-	-	-	-
-	-	-	-	-	-
<u>30,080</u>	<u>-</u>	<u>7,316</u>	<u>5,488</u>	<u>425,916</u>	<u>35,725</u>
-	-	-	-	70,712	-
20,161	-	8,059	5,488	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>20,161</u>	<u>-</u>	<u>8,059</u>	<u>5,488</u>	<u>70,712</u>	<u>-</u>
<u>9,919</u>	<u>-</u>	<u>(743)</u>	<u>-</u>	<u>355,204</u>	<u>35,725</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,919	-	(743)	-	355,204	35,725
<u>96,535</u>	<u>1,050,843</u>	<u>12,597</u>	<u>-</u>	<u>765,844</u>	<u>-</u>
<u>\$ 106,454</u>	<u>\$ 1,050,843</u>	<u>\$ 11,854</u>	<u>\$ -</u>	<u>\$ 1,121,048</u>	<u>\$ 35,725</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2013
(Page 2 of 2)

	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
REVENUES			
Taxes	\$ 25,717	\$ -	\$ 2,170,513
Intergovernmental revenue	40,279	-	2,679,616
Charges for services	-	-	12,804
Fines and forfeits	-	-	33,711
Miscellaneous revenues	-	23,772	25,612
	<u>65,996</u>	<u>23,772</u>	<u>4,922,256</u>
Total Revenues			
EXPENDITURES			
Current:			
General government	-	-	70,712
Judicial	-	-	380,049
Public safety	26,095	-	26,095
Culture and recreation	-	27,530	1,042,835
Community support	-	-	202,692
	<u>26,095</u>	<u>27,530</u>	<u>1,722,383</u>
Total Expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>39,901</u>	<u>(3,758)</u>	<u>3,199,873</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	25,000
Transfers out	-	-	(1,188,220)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,163,220)</u>
Net Change in Fund Balances	39,901	(3,758)	2,036,653
Fund Balances - beginning	<u>436,003</u>	<u>78,853</u>	<u>9,469,418</u>
Fund Balances - ending	<u>\$ 475,904</u>	<u>\$ 75,095</u>	<u>\$ 11,506,071</u>

HUMBOLDT COUNTY
Cooperative Extension Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			Variance to Final Budget	2012
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes	\$ 102,334	\$ 102,334	\$ 249,078	\$ 146,744	\$ 227,712
Intergovernmental Revenue:					
Combined tax	63,420	63,420	94,671	31,251	75,256
Grants	-	19,792	20,630	838	2,712
Total Intergovernmental Revenues	63,420	83,212	115,301	32,089	77,968
Miscellaneous	-	-	1,840	1,840	2,054
Total Revenues	165,754	185,546	366,219	180,673	307,734
EXPENDITURES					
Community Support Function:					
Salaries and wages	84,330	85,730	85,245	485	82,625
Employee benefits	40,230	41,430	39,891	1,539	38,320
Services and supplies	98,428	115,620	77,556	38,064	42,444
Total Expenditures	222,988	242,780	202,692	40,088	163,389
Excess (deficiency) of revenues over (under) expenditures	(57,234)	(57,234)	163,527	220,761	144,345
OTHER FINANCING SOURCES (USES)					
Transfers in	25,000	25,000	25,000	-	25,000
Transfers out	-	-	(1,400)	(1,400)	-
Total Other Financing Sources (Uses)	25,000	25,000	23,600	(1,400)	25,000
Net change in fund balance	(32,234)	(32,234)	187,127	219,361	169,345
Fund balance - beginning	460,307	460,307	629,148	168,841	459,803
Fund balance - ending	\$ 428,073	\$ 428,073	\$ 816,275	\$ 388,202	\$ 629,148

HUMBOLDT COUNTY
Library Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			Variance to Final Budget	2012
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes	\$ 589,197	\$ 589,197	\$ 1,434,077	\$ 844,880	\$ 1,311,070
Intergovernmental Revenue:					
Federal grants	-	-	5,100	5,100	10,200
State grants	-	-	25,302	25,302	25,991
Combined tax	359,382	359,382	536,472	177,090	426,452
Total Intergovernmental Revenues	359,382	359,382	566,874	207,492	462,643
Fines and Forfeits:					
Library fines	2,500	2,500	3,631	1,131	4,081
Total Revenues	951,079	951,079	2,004,582	1,053,503	1,777,794
EXPENDITURES					
Culture and Recreation Function:					
Salaries and wages	553,262	553,262	551,353	1,909	526,844
Employee benefits	272,530	272,530	248,771	23,759	234,089
Services and supplies	283,703	283,703	215,181	68,522	244,868
Capital outlay	225,000	225,000	-	225,000	-
Total Expenditures	1,334,495	1,334,495	1,015,305	319,190	1,005,801
Excess (deficiency) of revenues over (under) expenditures	(383,416)	(383,416)	989,277	1,372,693	771,993
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	(10,500)	(10,500)	-
Net change in fund balance	(383,416)	(383,416)	978,777	1,362,193	771,993
Fund balance - beginning	1,718,528	1,718,528	2,697,674	979,146	1,925,681
Fund balance - ending	\$1,335,112	\$1,335,112	\$ 3,676,451	\$2,341,339	\$ 2,697,674

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, 2013

(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to</u>	<u>2012</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
REVENUES					
Intergovernmental Revenue:					
A/A specialty court fund	\$ 54,000	\$ 89,000	\$ 117,336	\$ 28,336	\$ 62,190
Federal grant	-	235,597	235,597	-	-
Total Revenues	<u>54,000</u>	<u>324,597</u>	<u>352,933</u>	<u>28,336</u>	<u>62,190</u>
EXPENDITURES					
Judicial Function:					
Drug Court:					
Salaries and wages	-	10,900	11,387	(487)	15,626
Employee benefits	-	1,200	1,202	(2)	7,326
Services and supplies	<u>80,000</u>	<u>338,497</u>	<u>333,752</u>	<u>4,745</u>	<u>101,684</u>
Total Expenditures	<u>80,000</u>	<u>350,597</u>	<u>346,341</u>	<u>4,256</u>	<u>124,636</u>
Excess (deficiency) of revenues over (under) expenditures	(26,000)	(26,000)	6,592	32,592	(62,446)
Fund balance - beginning	<u>73,419</u>	<u>73,419</u>	<u>70,333</u>	<u>(3,086)</u>	<u>132,779</u>
Fund balance - ending	<u>\$ 47,419</u>	<u>\$ 47,419</u>	<u>\$ 76,925</u>	<u>\$ 29,506</u>	<u>\$ 70,333</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			Variance to Final Budget	2012
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Intergovernmental Revenue:					
In-lieu-of tax payments	<u>\$1,400,000</u>	<u>\$1,400,000</u>	<u>\$ 1,604,229</u>	<u>\$ 204,229</u>	<u>\$1,641,926</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,676,320)</u>	<u>(1,676,320)</u>	<u>(1,176,320)</u>	<u>500,000</u>	<u>(1,385,000)</u>
Net change in fund balance	(276,320)	(276,320)	427,909	704,229	256,926
Fund balance - beginning	<u>3,389,662</u>	<u>3,389,662</u>	<u>3,631,588</u>	<u>241,926</u>	<u>3,374,662</u>
Fund balance - ending	<u><u>\$3,113,342</u></u>	<u><u>\$3,113,342</u></u>	<u><u>\$ 4,059,497</u></u>	<u><u>\$ 946,155</u></u>	<u><u>\$ 3,631,588</u></u>

HUMBOLDT COUNTY
Administrative Assessment Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Fines and Forfeits:					
Court administrative assessment	\$ 40,000	\$ 40,000	\$ 30,080	\$ (9,920)	\$ 34,492
EXPENDITURES					
Judicial Function:					
Justice Court:					
Services and supplies	100,000	100,000	20,161	79,839	61,357
Excess (deficiency) of revenues over (under) expenditures	(60,000)	(60,000)	9,919	69,919	(26,865)
Fund balance - beginning	63,401	63,401	96,535	33,134	123,400
Fund balance - ending	<u>\$ 3,401</u>	<u>\$ 3,401</u>	<u>\$ 106,454</u>	<u>\$ 103,053</u>	<u>\$ 96,535</u>

HUMBOLDT COUNTY
Stabilization Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			Variance to Final Budget	2012
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
General Government Function:					
Services and supplies	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	1,050,842	1,050,842	1,050,843	1	1,050,843
Fund balance - ending	<u>\$1,050,842</u>	<u>\$1,050,842</u>	<u>\$1,050,843</u>	<u>\$ 1</u>	<u>\$1,050,843</u>

HUMBOLDT COUNTY
Check Restitution Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to</u>	<u>2012</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
REVENUES					
Charges for Services:					
Check restitution	\$ 30,000	\$ 30,000	\$ 7,316	\$ (22,684)	\$ 8,411
EXPENDITURES					
Judicial Function:					
Services and supplies	30,000	30,000	8,059	21,941	7,498
Excess (deficiency) of revenues over (under) expenditures	-	-	(743)	(743)	913
Fund balance - beginning	11,684	11,684	12,597	913	11,684
Fund balance - ending	<u>\$ 11,684</u>	<u>\$ 11,684</u>	<u>\$ 11,854</u>	<u>\$ 170</u>	<u>\$ 12,597</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Charges for Services:					
Fees	\$ -	\$ 5,488	\$ 5,488	\$ -	\$ 3,965
EXPENDITURES					
Judicial Function:					
Services and supplies	-	5,488	5,488	-	3,965
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HUMBOLDT COUNTY
Assessor's Technology Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 50,000	\$ 50,000	\$ 425,916	\$ 375,916	\$ 345,074
EXPENDITURES					
General Government Function:					
Services and supplies	320,000	320,000	70,712	249,288	95,269
Excess (deficiency) of revenues over (under) expenditures	(270,000)	(270,000)	355,204	625,204	249,805
Fund balance - beginning	272,993	272,993	765,844	492,851	516,039
Fund balance - ending	<u>\$ 2,993</u>	<u>\$ 2,993</u>	<u>\$ 1,121,048</u>	<u>\$ 1,118,055</u>	<u>\$ 765,844</u>

HUMBOLDT COUNTY
911 Enhancement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

	2013			Variance to Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes:				
Surcharge	\$ -	\$ -	\$ 35,725	\$ 35,725
EXPENDITURES				
Public Safety Function:				
Services and supplies	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	35,725	35,725
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ 35,725	\$ 35,725

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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			Variance to Final Budget	2012
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes:					
Property taxes	\$ 23,361	\$ 23,361	\$ 25,717	\$ 2,356	\$ 23,394
Intergovernmental Revenue:					
Combined tax	<u>28,436</u>	<u>28,436</u>	<u>40,279</u>	<u>11,843</u>	<u>32,054</u>
Total Revenues	<u>51,797</u>	<u>51,797</u>	<u>65,996</u>	<u>14,199</u>	<u>55,448</u>
EXPENDITURES					
Public Safety Function:					
Services and supplies	<u>35,000</u>	<u>35,000</u>	<u>26,095</u>	<u>8,905</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	16,797	16,797	39,901	23,104	55,448
Fund balance - beginning	<u>339,972</u>	<u>339,972</u>	<u>436,003</u>	<u>96,031</u>	<u>380,555</u>
Fund balance - ending	<u>\$ 356,769</u>	<u>\$ 356,769</u>	<u>\$ 475,904</u>	<u>\$ 119,135</u>	<u>\$ 436,003</u>

HUMBOLDT COUNTY
Library Memorial Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Miscellaneous	\$ -	\$ -	\$ 23,772	\$ 23,772	\$ 30,818
EXPENDITURES					
Culture and Recreation Function:					
Services and supplies	-	-	27,530	(27,530)	27,924
Excess (deficiency) of revenues over (under) expenditures	-	-	(3,758)	(3,758)	2,894
Fund balance - beginning	-	-	78,853	78,853	75,959
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,095</u>	<u>\$ 75,095</u>	<u>\$ 78,853</u>

HUMBOLDT COUNTY
Internally Reported (Budgetary Basis) Funds Reported
As Part of the General Fund for External Reporting Purposes
Combining Balance Sheet
June 30, 2013

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
Assets:			
Cash and investments	\$ 142,980	\$ 664,974	\$ 807,954
Interest receivable	-	42	42
	<u>142,980</u>	<u>665,016</u>	<u>807,996</u>
Total assets	<u>\$ 142,980</u>	<u>\$ 665,016</u>	<u>\$ 807,996</u>
Liabilities			
Accounts payable	<u>\$ 1,825</u>	<u>\$ -</u>	<u>\$ 1,825</u>
Fund Balances			
Restricted	141,155	-	141,155
Committed	-	665,016	665,016
	<u>141,155</u>	<u>665,016</u>	<u>806,171</u>
Total fund balances	<u>141,155</u>	<u>665,016</u>	<u>806,171</u>
Total liabilities and fund balances	<u>\$ 142,980</u>	<u>\$ 665,016</u>	<u>\$ 807,996</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, 2013

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
REVENUES			
Fund assessments	\$ 367	\$ 500	\$ 867
Miscellaneous revenues	-	551	551
	<u>367</u>	<u>1,051</u>	<u>1,418</u>
EXPENDITURES			
General Government Function	<u>11,330</u>	<u>49,736</u>	<u>61,066</u>
Excess (deficiency) of revenues over (under) expenditures	(10,963)	(48,685)	(59,648)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>39,000</u>	<u>102,001</u>	<u>141,001</u>
Net change in fund balance	28,037	53,316	81,353
Fund balance - beginning	<u>113,118</u>	<u>611,700</u>	<u>724,818</u>
Fund balance - ending	<u><u>\$ 141,155</u></u>	<u><u>\$ 665,016</u></u>	<u><u>\$ 806,171</u></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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Charges for Services:					
Fund assessments	\$ 40,000	\$ 40,000	\$ 367	\$ (39,633)	\$ -
EXPENDITURES					
General Government Function:					
Services and supplies	30,000	30,000	11,330	18,670	10,842
Excess (deficiency) of revenues over (under) expenditures	10,000	10,000	(10,963)	(20,963)	(10,842)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	39,000	39,000	-
Net change in fund balance	10,000	10,000	28,037	18,037	(10,842)
Fund balance - beginning	133,959	133,959	113,118	(20,841)	123,960
Fund balance - ending	<u>\$ 143,959</u>	<u>\$ 143,959</u>	<u>\$ 141,155</u>	<u>\$ (2,804)</u>	<u>\$ 113,118</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, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			Variance to Final Budget	<u>2012</u>
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Miscellaneous:					
Fund assessments	\$ 105,000	\$ 105,000	\$ 500	\$ (104,500)	\$ -
Interest	-	-	551	551	573
Total Revenues	<u>105,000</u>	<u>105,000</u>	<u>1,051</u>	<u>(103,949)</u>	<u>573</u>
EXPENDITURES					
General Government Function:					
Services and supplies	<u>200,000</u>	<u>200,000</u>	<u>49,736</u>	<u>150,264</u>	<u>116,423</u>
Excess (deficiency) of revenues over (under) expenditures	(95,000)	(95,000)	(48,685)	46,315	(115,850)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>-</u>	<u>-</u>	<u>102,001</u>	<u>102,001</u>	<u>-</u>
Net change in fund balance	(95,000)	(95,000)	53,316	148,316	(115,850)
Fund balance - beginning	<u>632,550</u>	<u>632,550</u>	<u>611,700</u>	<u>(20,850)</u>	<u>727,550</u>
Fund balance - ending	<u>\$ 537,550</u>	<u>\$ 537,550</u>	<u>\$ 665,016</u>	<u>\$ 127,466</u>	<u>\$ 611,700</u>

HUMBOLDT COUNTY
Building Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 62,021	\$ 62,021	\$ 150,958	\$ 88,937	\$ 138,008
Charges for Services:					
Rents	10,000	10,000	28,530	18,530	34,145
Miscellaneous	<u>-</u>	<u>-</u>	<u>36,436</u>	<u>36,436</u>	<u>47,924</u>
Total Revenues	<u>72,021</u>	<u>72,021</u>	<u>215,924</u>	<u>143,903</u>	<u>220,077</u>
EXPENDITURES					
Community Support Function:					
Capital outlay	<u>2,435,000</u>	<u>4,435,000</u>	<u>3,572,015</u>	<u>862,985</u>	<u>404,821</u>
Excess (deficiency) of revenues over (under) expenditures	(2,362,979)	(4,362,979)	(3,356,091)	1,006,888	(184,744)
Other Financing Sources (Uses)					
Transfers in	<u>500,000</u>	<u>2,500,000</u>	<u>2,000,000</u>	<u>(500,000)</u>	<u>-</u>
Net change in fund balance	(1,862,979)	(1,862,979)	(1,356,091)	506,888	(184,744)
Fund balance - beginning	<u>2,364,725</u>	<u>2,364,725</u>	<u>3,211,093</u>	<u>846,368</u>	<u>3,395,837</u>
Fund balance - ending	<u>\$ 501,746</u>	<u>\$ 501,746</u>	<u>\$ 1,855,002</u>	<u>\$ 1,353,256</u>	<u>\$ 3,211,093</u>

HUMBOLDT COUNTY
Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2013

ASSETS

Cash and investments	\$ 699,858
Taxes receivable	580
Interest receivable	<u>44</u>
 Total assets	 <u><u>\$ 700,482</u></u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 15,600
Due to other governments	29
Deferred revenues	<u>580</u>
 Total liabilities	 <u>16,209</u>

Fund Balances:

Restricted	<u>684,273</u>
 Total liabilities and fund balances	 <u><u>\$ 700,482</u></u>

HUMBOLDT COUNTY
Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	<u>2013</u>			<u>Variance to Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 62,021	\$ 62,021	\$ 150,956	\$ 88,935	\$ 138,006
Miscellaneous	-	130,974	190,548	59,574	453
Total Revenues	<u>62,021</u>	<u>192,995</u>	<u>341,504</u>	<u>148,509</u>	<u>138,459</u>
EXPENDITURES					
Community Support Function:					
Services and supplies	5,000	38,472	54,072	(15,600)	-
Capital outlay	69,625	167,127	151,527	15,600	-
Total Community Support	<u>74,625</u>	<u>205,599</u>	<u>205,599</u>	<u>-</u>	<u>-</u>
Intergovernmental Expenditure Function:					
Services and supplies	25,000	25,000	39,359	(14,359)	34,297
Total Expenditures	<u>99,625</u>	<u>230,599</u>	<u>244,958</u>	<u>(14,359)</u>	<u>34,297</u>
Excess (deficiency) of revenues over (under) expenditures	(37,604)	(37,604)	96,546	134,150	104,162
Fund balance - beginning	<u>320,954</u>	<u>320,954</u>	<u>587,727</u>	<u>266,773</u>	<u>483,565</u>
Fund balance - ending	<u>\$ 283,350</u>	<u>\$ 283,350</u>	<u>\$ 684,273</u>	<u>\$ 400,923</u>	<u>\$ 587,727</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			2012	
	<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	\$ 223,283	\$ 23,283	\$ 221,274
Federal grants	-	-	6,146	6,146	21,439
Miscellaneous revenue	10,000	10,000	17,735	7,735	17,892
Total Operating Revenues	<u>210,000</u>	<u>210,000</u>	<u>247,164</u>	<u>37,164</u>	<u>260,605</u>
OPERATING EXPENSES					
Salaries and wages	89,510	93,510	61,971	31,539	87,832
Employee benefits	30,810	30,810	25,246	5,564	32,691
Services and supplies	62,940	49,240	52,702	(3,462)	56,206
Depreciation	50,000	59,700	43,836	15,864	44,664
Total Operating Expenses	<u>233,260</u>	<u>233,260</u>	<u>183,755</u>	<u>49,505</u>	<u>221,393</u>
Operating Income (Loss)	(23,260)	(23,260)	63,409	86,669	39,212
TRANSFERS IN (OUT)					
Transfers out	-	-	(700)	(700)	-
Change in Net Position	<u>\$ (23,260)</u>	<u>\$ (23,260)</u>	62,709	<u>\$ 85,969</u>	39,212
Net position, July 1			<u>1,083,888</u>		<u>1,044,676</u>
Net position, June 30			<u>\$ 1,146,597</u>		<u>\$ 1,083,888</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Cash Flows
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013	2012
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 269,149	\$ 239,080
Cash payments for personnel costs	(98,735)	(120,484)
Cash payments for services and supplies	(53,009)	(50,215)
Net Cash Provided (Used) by Operating Activities	117,405	68,381
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(700)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchases of capital assets	(5,000)	(21,175)
Capital asset disposals	-	11,495
Net Cash Provided (Used) by Financing Activities	(5,000)	(9,680)
Net Increase (Decrease) in Cash and Investments	111,705	58,701
CASH AND INVESTMENTS, JULY 1	863,685	804,984
CASH AND INVESTMENTS, JUNE 30	\$ 975,390	\$ 863,685
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 63,409	\$ 39,212
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	43,836	44,664
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	21,985	(21,525)
Inventory	200	5,778
Increase (decrease) in:		
Accounts payable	(507)	213
Accrued salaries and benefits	(11,518)	39
Total Adjustments	53,996	29,169
Net Cash Provided (Used) by Operating Activities	\$ 117,405	\$ 68,381

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013			2012	
	<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	\$ 930,000	\$ 930,000	\$ 1,093,641	\$ 163,641	\$ 1,057,084
OPERATING EXPENSES					
Salaries and wages	42,800	42,800	32,950	9,850	39,890
Employee benefits	16,540	16,540	13,013	3,527	16,412
Services and supplies	868,200	868,200	800,617	67,583	833,483
Depreciation	8,000	8,000	3,504	4,496	3,504
Total Operating Expenses	<u>935,540</u>	<u>935,540</u>	<u>850,084</u>	<u>85,456</u>	<u>893,289</u>
Operating Income (Loss)	(5,540)	(5,540)	243,557	249,097	163,795
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	<u>1,000</u>	<u>1,000</u>	<u>1,716</u>	<u>716</u>	<u>1,555</u>
Income Before Transfers	(4,540)	(4,540)	245,273	249,813	165,350
TRANSFERS IN (OUT)					
Transfers out	<u>-</u>	<u>-</u>	<u>(420)</u>	<u>(420)</u>	<u>-</u>
Change in Net Position	<u>\$ (4,540)</u>	<u>\$ (4,540)</u>	244,853	<u>\$ 249,393</u>	165,350
Net position, July 1			<u>1,813,971</u>		<u>1,648,621</u>
Net position, June 30			<u>\$ 2,058,824</u>		<u>\$ 1,813,971</u>

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Cash Flows
For the Year Ended June 30, 2013
(With comparative actual amounts for the fiscal year ended June 30, 2012)

	2013	2012
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,085,616	\$ 1,030,531
Cash payments for personnel costs	(44,880)	(56,252)
Cash payments for services and supplies	(759,871)	(881,783)
Net Cash Provided (Used) by Operating Activities	280,865	92,496
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(420)	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	1,701	1,613
Net Increase (Decrease) in Cash and Investments	282,146	94,109
CASH AND INVESTMENTS, JULY 1	1,759,024	1,664,915
CASH AND INVESTMENTS, JUNE 30	\$ 2,041,170	\$ 1,759,024
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 243,557	\$ 163,795
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations:		
Depreciation	3,504	3,504
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(8,025)	(26,553)
Increase (decrease) in:		
Accounts payable	40,746	(48,300)
Accrued salaries and benefits	1,083	50
Total Adjustments	37,308	(71,299)
Net Cash Provided (Used) by Operating Activities	\$ 280,865	\$ 92,496

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
City of Winnemucca:				
Assets:				
Cash and investments	\$ 32,482	\$ 1,696,570	\$ 1,693,198	\$ 35,854
Liabilities:				
Due to other governments	\$ 32,482	\$ 1,696,570	\$ 1,693,198	\$ 35,854
Court Ordered Restitution:				
Assets:				
Cash and investments	\$ 15,072	\$ 20,930	\$ 19,405	\$ 16,597
Liabilities:				
Funds held in trust for others	\$ 15,072	\$ 20,930	\$ 19,405	\$ 16,597
Denio Television District:				
Assets:				
Cash and investments	\$ 25,132	\$ 1,830	\$ 62	\$ 26,900
Liabilities:				
Due to other governments	\$ 25,132	\$ 1,830	\$ 62	\$ 26,900
District Court Bail:				
Assets:				
Cash and investments	\$ 113,722	\$ 46,395	\$ -	\$ 160,117
Liabilities:				
Funds held in trust for others	\$ 113,722	\$ 46,395	\$ -	\$ 160,117
General Trust Fund:				
Assets:				
Cash and investments	\$ 15,834	\$ -	\$ -	\$ 15,834
Liabilities:				
Due to other governments	\$ 15,834	\$ -	\$ -	\$ 15,834
Golconda Water District:				
Assets:				
Cash and investments	\$ 144,256	\$ 34,848	\$ 44,128	\$ 134,976
Liabilities:				
Due to other governments	\$ 144,256	\$ 34,848	\$ 44,128	\$ 134,976
Humboldt County General Hospital:				
Assets:				
Cash and investments	\$ 2,128,212	\$ 7,509,982	\$ 9,504,438	\$ 133,756
Liabilities:				
Due to other governments	\$ 2,128,212	\$ 7,509,982	\$ 9,504,438	\$ 133,756

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Humboldt County School District:				
Assets:				
Cash and investments	\$ 3,868,507	\$ 11,755,608	\$ 15,615,360	\$ 8,755
Liabilities:				
Due to other governments	\$ 3,868,507	\$ 11,755,608	\$ 15,615,360	\$ 8,755
Humboldt Development Authority:				
Assets:				
Cash and investments	\$ 262,336	\$ 111,426	\$ 56,716	\$ 317,046
Liabilities:				
Due to other governments	\$ 262,336	\$ 111,426	\$ 56,716	\$ 317,046
Justice Court Bail:				
Assets:				
Cash and investments	\$ 89,230	\$ -	\$ 41,128	\$ 48,102
Liabilities:				
Funds held in trust for others	\$ 89,230	\$ -	\$ 41,128	\$ 48,102
Kings River GID:				
Assets:				
Cash and investments	\$ 8,271	\$ 8,625	\$ 7,658	\$ 9,238
Liabilities:				
Due to other governments	\$ 8,271	\$ 8,625	\$ 7,658	\$ 9,238
McDermitt Fire Protection District:				
Assets:				
Cash and investments	\$ 21,221	\$ 154,096	\$ 155,689	\$ 19,628
Liabilities:				
Due to other governments	\$ 21,221	\$ 154,096	\$ 155,689	\$ 19,628
McDermitt Sewer District:				
Assets:				
Cash and investments	\$ 128,506	\$ 55,968	\$ 31,393	\$ 153,081
Liabilities:				
Due to other governments	\$ 128,506	\$ 55,968	\$ 31,393	\$ 153,081
McDermitt Water District:				
Assets:				
Cash and investments	\$ 72,860	\$ 148,844	\$ 119,774	\$ 101,930
Liabilities:				
Due to other governments	\$ 72,860	\$ 148,844	\$ 119,774	\$ 101,930

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Orovada Community Services District:				
Assets:				
Cash and investments	\$ 162,891	\$ 69,836	\$ 105,333	\$ 127,394
Liabilities:				
Due to other governments	\$ 162,891	\$ 69,836	\$ 105,333	\$ 127,394
Orovada Fire Protection District:				
Assets:				
Cash and investments	\$ 223,168	\$ 90,710	\$ 63,036	\$ 250,842
Liabilities:				
Due to other governments	\$ 223,168	\$ 90,710	\$ 63,036	\$ 250,842
Orovada General Improvement District:				
Assets:				
Cash and investments	\$ 89,475	\$ 380,715	\$ 405,376	\$ 64,814
Liabilities:				
Due to other governments	\$ 89,475	\$ 380,715	\$ 405,376	\$ 64,814
Orovada Rodent Control District:				
Assets:				
Cash and investments	\$ 35,558	\$ 17,201	\$ 14,674	\$ 38,085
Liabilities:				
Due to other governments	\$ 35,558	\$ 17,201	\$ 14,674	\$ 38,085
Paradise Sewer District:				
Assets:				
Cash and investments	\$ 7,563	\$ 12,409	\$ 12,179	\$ 7,793
Liabilities:				
Due to other governments	\$ 7,563	\$ 12,409	\$ 12,179	\$ 7,793
Paradise Weed Control District:				
Assets:				
Cash and investments	\$ 92,485	\$ 149,093	\$ 160,133	\$ 81,445
Liabilities:				
Due to other governments	\$ 92,485	\$ 149,093	\$ 160,133	\$ 81,445
Pueblo Fire Protection District:				
Assets:				
Cash and investments	\$ 157,356	\$ 48,219	\$ 9,705	\$ 195,870
Liabilities:				
Due to other governments	\$ 157,356	\$ 48,219	\$ 9,705	\$ 195,870

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Quinn River Television District:				
Assets:				
Cash and investments	\$ 60,349	\$ 103,578	\$ 9,079	\$ 154,848
Liabilities:				
Due to other governments	\$ 60,349	\$ 103,578	\$ 9,079	\$ 154,848
Range Improvement:				
Assets:				
Cash and investments	\$ 12,133	\$ 62,904	\$ 66,038	\$ 8,999
Liabilities:				
Due to other governments	\$ 12,133	\$ 62,904	\$ 66,038	\$ 8,999
State Department of Wildlife:				
Assets:				
Cash and investments	\$ 2,426	\$ 3,409	\$ 2,224	\$ 3,611
Liabilities:				
Due to other governments	\$ 2,426	\$ 3,409	\$ 2,224	\$ 3,611
State of Nevada Trust:				
Assets:				
Cash and investments	\$ 153,069	\$ 2,036,778	\$ 2,018,944	\$ 170,903
Liabilities:				
Due to other governments	\$ 153,069	\$ 2,036,778	\$ 2,018,944	\$ 170,903
Sheriff's Commissary:				
Assets:				
Cash and investments	\$ 45,607	\$ 5,118	\$ -	\$ 50,725
Liabilities:				
Funds held in trust for others	\$ 45,607	\$ 5,118	\$ -	\$ 50,725
Winnemucca Convention and Visitors Authority:				
Assets:				
Cash and investments	\$ 98,996	\$ 378,498	\$ 425,734	\$ 51,760
Liabilities:				
Due to other governments	\$ 98,996	\$ 378,498	\$ 425,734	\$ 51,760
Winnemucca Rural Fire Protection District:				
Assets:				
Cash and investments	\$ 580,941	\$ 319,828	\$ 203,714	\$ 697,055
Liabilities:				
Due to other governments	\$ 580,941	\$ 319,828	\$ 203,714	\$ 697,055

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
Other collections:				
Assets:				
Cash and investments	\$ 34,985	\$ 80,331	\$ 34,985	\$ 80,331
Liabilities:				
Due to other governments	\$ 34,985	\$ 80,331	\$ 34,985	\$ 80,331
 Totals, All Agency Funds:				
Assets:				
Cash and investments	\$ 8,682,643	\$ 25,303,749	\$ 30,820,103	\$ 3,166,289
Liabilities:				
Due to other governments	8,419,012	25,231,306	30,759,570	2,890,748
Funds held in trust for others	263,631	72,443	60,533	275,541
Total Liabilities	<u>\$ 8,682,643</u>	<u>\$ 25,303,749</u>	<u>\$ 30,820,103</u>	<u>\$ 3,166,289</u>



**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, 2013, 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 27, 2013.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. We consider deficiency 2013-2, described in the accompanying schedule of findings and questioned costs, to be a material weakness.

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. We consider deficiency 2013-1, described in the accompanying schedule of findings and questioned costs, to be a significant deficiency.

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, Nevada'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 Rose : Associates, LLC

Winnemucca, Nevada
November 27, 2013



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

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 Circular A-133 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, 2013. 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 on 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, 2013.

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 our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 controls 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Blake Rose & Associates, LLC

Winnemucca, Nevada
November 27, 2013

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013
(Page 1 of 2)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	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	\$ 27,692
Emergency Food Assistance Program, Administrative Costs	10.568	N/A	<u>1,771</u>
Total Food Distribution Cluster			<u>29,463</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	<u>139,008</u>
Total Forest Service Schools and Road Cluster			139,008
Total US Department of Agriculture			<u>168,471</u>
<u>US Department of Housing and Urban Development:</u>			
Passed through State of Nevada Commission on Economic Development:			
CDBG - State-Administered CDBG Cluster			
Community Development Block Grant	14.228	CDBG-2011/PF/14	9,184
Community Development Block Grant	14.228	12/PCB/08	<u>34,000</u>
Total CDBG-State-Administered CDBG Cluster			43,184
Total US Department of Housing and Urban Development:			<u>43,184</u>
<u>US Department of Justice:</u>			
Direct Programs:			
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0426	<u>2,981</u>
Passed through State of Nevada Department of Health and Human Services:			
Juvenile Justice and Delinquency Prevention:			
Basic	16.540	2011-JF-FX-004	1,191
Basic	16.540	2011-JF-FX-0013	<u>4,500</u>
Total Juvenile Justice and Delinquency Prevention			<u>5,691</u>
Juvenile Accountability Block Grant	16.523	2009-JB-FX-0018	5,030
Total Nevada Department of Health and Human Services			<u>13,702</u>
Passed through State of Nevada Department of Public Safety, Office of Criminal Justice Assistance:			
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program:			
Tri-County Drug Enforcement Team	16.738	12-JAG-14	26,851
ARRA - TCSRT Safety Equipment	16.803	09-ARRA-36	<u>40,000</u>
Total JAG Program Cluster			<u>66,851</u>
Total Nevada Department of Public Safety			<u>66,851</u>
Total US Department of Justice			<u>80,553</u>

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013
(Page 2 of 2)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURES</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	PR517-11-802	47,387
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PR442-12-802	157,095
Total Enhanced Mobility of Seniors and Individuals with Disabilities			<u>204,482</u>
Total Transit Services Programs Cluster			<u>204,482</u>
Total US Department of Transportation			<u>204,482</u>
<u>National Foundation on the Arts and the Humanities:</u>			
Passed through Nevada State Library and Archives Institute of Museum and Library Services:			
Grants to States	45.310	2012-28	5,100
Total National Foundation on the Arts and the Humanities			<u>5,100</u>
<u>US Department of Health and Human Services:</u>			
Passed through State of Nevada Department of Health and Human Services - Welfare Division:			
Child Support Enforcement	93.563	N/A	229,440
Passed through State of Nevada Department of Health and Human Services:			
Title V - Youth Outreach	16.548	2010-JP-FX-004	1,492
Direct Program:			
Treatment Expansion & Enhancement for Adult Drug Court - Rural NV	93.243	1H79TI024157-01	235,597
Total US Department of Health and Human Services			<u>466,529</u>
<u>US Environmental Protection Agency:</u>			
Passed through State of Nevada Department of Conservation & Natural Resources - Division of Environmental Protection			
Water Pollution Control	66.419	I-97933611	8,500
<u>US Department of the Interior:</u>			
Direct Programs:			
Partners for Fish and Wildlife	15.631	843208J509	19,793
<u>US Department of Commerce</u>			
Direct Programs:			
Low-Power Television and Translator Upgrade Program LPTV-Humboldt County	11.559	32-09-U90420	6,146
Total Federal Grant Awards			<u>\$ 1,002,757</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, 2013

(1) Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards presents the expenditure activity of all federal awards programs of Humboldt County (the County) for the year ended June 30, 2013. 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.

(2) Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of the Food Assistance Program, Food Commodities represent the fair value of commodity food expended by the County.

(3) Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows:

<u>Program Name</u>	<u>CFDA Number</u>	<u>Amount Provided to</u>
Community Development Block Grant	14.228	\$ 43,184
FTA for Elderly and Disabled Persons	20.513	<u>204,482</u>
Total		<u>\$ 247,666</u>

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Summary of Audit Results:

- Drake Rose & Associates, LLC issued an unqualified opinion on the financial statements of Humboldt County for the year ended June 30, 2013.
- One significant deficiency and one material weakness disclosed during the audit of the financial statements are 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 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 significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.
- Drake Rose & Associates, LLC issued an unqualified opinion on compliance for major programs of Humboldt County.
- The audit disclosed no audit findings that the auditor is required to report under Section 510(a) of Circular A-133.
- The programs tested as major programs for the year ended June 30, 2013 included:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.665	Forest Service Schools and Roads Cluster
93.243	Treatment Expansion & Enhancement for Adult Drug Court

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2013, was \$300,000.
- Humboldt County qualified as a low risk auditee for the year ended June 30, 2013.

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

SIGNIFICANT DEFICIENCY

2013-1 Communication of Operational Activities from Departments to Comptroller's Office

Condition and Criteria: All departments must communicate necessary transactional and operations information to the Comptroller's Office in order to ensure inclusion in the

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

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

County's accounting records and financial statements. Some departments are not currently communicating the necessary information.

Effect: Some transactions were recorded in the incorrect year and a contribution was overlooked entirely and not included in the County's accounting records. Accrued liabilities and expenses in the general fund were understated by \$285,155 due to inadequate communication related to the sheriff's office retroactive pay, an immaterial landfill accounts receivable adjustment was ordered by the landfill committee, but not known by the comptroller's office, and the Winnemucca Convention and Visitor's Authority donated \$189,999 in fixed assets and repairs to a County-owned building, for which the comptroller's office was unaware, resulting in capital expenditures and revenue being understated.

Auditor's Recommendation: All individuals in the County who are involved in contractual or noncash transactions which impact the County should fully communicate all necessary operations and transactional information to the comptroller's office.

Management's Response: Management has reviewed communication processes and has established guidelines for training departments on transactions affecting the County that need to be communicated to the Comptroller's office.

MATERIAL WEAKNESS

2013-2 Training and Supervision of Staff and Review of Transactions

Condition and Criteria: Adequate efforts related to staff training, supervision, level of review, and monitoring of control activities is necessary to ensure accurate and complete financial data. Such conditions are not currently present at the County.

Effect: Some adjustments were overlooked and misclassifications made due to insufficiently trained and supervised staff and absence of adequate review procedures. Retainage and accounts payable and capital expenditures were understated in the building reserve fund by \$389,708 related to the dispatch building, revenue and receivables in the general fund were understated by \$52,776, and accounts payable balances and expenses were overstated by \$32,244 across various funds.

Auditor's Recommendation: Efforts should be made to ensure that all staff are adequately trained and supervised, and that their work is appropriately reviewed. Additionally, monitoring processes should be enhanced to ensure that controls are sufficient and are being performed consistently.

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

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Management's Response: Management has initiated a training guide and schedule for staff and has set up new monitoring procedures that will ensure that receipts and accounts payable are recorded in the correct period.

Findings and Questioned Costs for Federal Awards:

There were no findings or questioned costs.

**HUMBOLDT COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013**

No prior year findings related to federal awards were reported at June 30, 2012.

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, 2013

Flat Fixed Fees:

Business license revenue for the year ended June 30, 1991 (base year) adjusted through June 30, 2012	\$ 72,741
---	-----------

Adjustment to Base:

Base year adjusted		
Percentage increase in population of the local government	1.34%	
Percentage increase in the Consumer Price Index for the year ending December 31 next preceding the year for which the limit is being calculated	<u>1.68%</u>	<u>3.02%</u>
		<u>2,197</u>
Adjusted base at June 30, 2013		74,938
Actual revenue		<u>57,826</u>
Amount under allowable amount		<u>\$ 17,112</u>

**HUMBOLDT COUNTY
AUDITOR'S COMMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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

Humboldt County conformed to all significant statutory constraints on its financial administration for the year ended June 30, 2012.

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, 2013.



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, 2013 (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, 2013,
- 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 27, 2013