

HUMBOLDT COUNTY

JUNE 30, 2015

HUMBOLDT COUNTY
June 30, 2015

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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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating 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, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 12 to the financial statements, in 2015 the County adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27*, and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68*. Our opinion is not modified with respect to this matter.

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 48 through 57, reconciliation of the General Fund budgetary basis to GAAP basis on page 58, the schedules related to other post-employment benefits and pensions beginning on page 59, and the notes to RSI on page 62 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 non-major fund financial statements, the budgetary comparison schedules, and the schedule of expenditures of federal awards are the responsibility of

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

The auditor's comments, Nevada Revised Statute 354.6113 statement, and the limitation of fees for business licenses schedule have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015 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 Ross & Associates, LLC

Winnemucca, Nevada
November 30, 2015

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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, 2015. 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 \$79,547,184 (*net position*). Of this amount, \$14,407,550 (*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.
- ◆ Implementation of GASB Statements 68 and 71 (see Note 12 to the financial statements) resulted in a \$26,007,109 restatement (reduction) of beginning net position in the government-wide financial statements. As of June 30, 2015, government-wide net position was at \$79,547,184, up \$825,208 from the restated beginning balance of \$78,721,976.
- ◆ As of the close of the current fiscal year, Humboldt County's governmental funds reported the combined ending fund balances of \$48,574,803, an increase of \$1,323,226 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, 2015
(CONTINUED)**

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

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

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

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

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

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

Proprietary funds. Humboldt County maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Humboldt County uses enterprise funds to account for its television fund 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 26-47 of this report and the required supplementary information can be found on pages 48-62.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(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 63-108 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Humboldt County, assets and deferred outflows exceeded liabilities and deferred inflows by \$79,547,184 at the close of the most recent fiscal year.

A large portion of Humboldt County's net position (71.3%) 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	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 51,563,319	\$ 49,609,244	\$ 3,953,804	\$ 3,503,359	\$ 55,517,123	\$ 53,112,603
Capital assets	56,590,948	58,025,082	87,947	124,729	56,678,895	58,149,811
Total assets	<u>108,154,267</u>	<u>107,634,326</u>	<u>4,041,751</u>	<u>3,628,088</u>	<u>112,196,018</u>	<u>111,262,414</u>
Deferred Outflows of Resources						
Related to pension liabilities	3,629,833	-	12,068	-	3,641,901	-
Long-term liabilities outstanding	27,775,564	4,182,207	106,046	27,180	27,881,610	4,209,387
Other liabilities	2,377,811	2,290,712	23,243	33,230	2,401,054	2,323,942
Total liabilities	<u>30,153,375</u>	<u>6,472,919</u>	<u>129,289</u>	<u>60,410</u>	<u>30,282,664</u>	<u>6,533,329</u>
Deferred Inflows of Resources						
Related to pension liabilities	5,988,161	-	19,910	-	6,008,071	-
Net Position:						
Net investment in capital assets	56,590,948	58,025,082	87,947	124,729	56,678,895	58,149,811
Restricted	8,460,739	8,286,596	-	-	8,460,739	8,286,596
Unrestricted	<u>10,590,877</u>	<u>34,849,729</u>	<u>3,816,673</u>	<u>3,442,949</u>	<u>14,407,550</u>	<u>38,292,678</u>
Total net position	<u>\$75,642,564</u>	<u>\$101,161,407</u>	<u>\$ 3,904,620</u>	<u>\$ 3,567,678</u>	<u>\$ 79,547,184</u>	<u>\$104,729,085</u>

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

An additional portion of Humboldt County's net position (\$8,460,739) 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* (\$14,407,550) may be used to meet the government's ongoing obligations to citizens and creditors.

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

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)**

Governmental activities decreased Humboldt County's net position by \$25,518,843 accounting for 101.4% of the total change in the net assets of Humboldt County compared to an increase of \$928,288 in the prior year. Business-type activities increased the County's net position by \$336,942 or (1.4%) of the total change compared to an increase of \$362,257 in the prior year. Key reasons for this decrease in the change in fund balance are as follows.

- As previously described, the implementation of GASB 68 and 71 requirements to record net pension liabilities and related deferred outflows and inflows resulted in a reduction of net position of \$25,920,926 in the governmental activities and \$86,183 in the business-type activities. Disregarding the prior-period adjustment and focusing only on the results of current-year operations, the governmental activities' net position increased \$402,083 and business-type activities' increased \$423,125.
- Consolidated taxes decreased \$2,125,139 from the previous fiscal year. This decrease can be attributed to a decrease in sales taxes collected in Humboldt County.
- Property tax revenues increased from the previous year by \$3,647,564 as result of the increase in net proceeds of mines taxes received.
- Governmental activities expenses increased 5.6%, \$1,750,136 over the previous fiscal year. The primary reason for this increase was increased expenses in the general government, public works, culture and recreation, and community support functions.

HUMBOLDT COUNTY'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$3,862,925	\$4,097,170	\$1,343,828	\$1,352,662	\$5,206,753	\$5,449,832
Operating grants and contributions	1,059,498	1,040,093	-	2,297	1,059,498	1,042,390
Capital grants and contributions	57,040	22,611	-	-	57,040	22,611
General revenues:						
Property taxes	13,276,657	9,629,093	-	-	13,276,657	9,629,093
Consolidated taxes	9,228,168	11,353,307	-	-	9,228,168	11,353,307
Franchise taxes	906,673	899,827	-	-	906,673	899,827
Motor vehicle fuel taxes	2,761,879	2,766,181	-	-	2,761,879	2,766,181
Room taxes	334,006	349,487	-	-	334,006	349,487
Miscellaneous	355,490	303,657	14,015	15,500	369,505	319,157
Unrestricted investment earnings	244,171	248,502	1,924	1,797	246,095	250,299
Payments in-lieu of taxes	1,565,377	1,718,685	-	-	1,565,377	1,718,685
Total revenues	33,651,884	32,428,613	1,359,767	1,372,256	35,011,651	33,800,869
Expenses:						
General government	6,070,463	5,774,975	-	-	6,070,463	5,774,975
Public safety	10,160,925	10,086,814	-	-	10,160,925	10,086,814
Judicial	3,942,726	4,161,477	-	-	3,942,726	4,161,477
Public works	5,888,713	5,508,629	-	-	5,888,713	5,508,629
Health	295,237	255,210	-	-	295,237	255,210
Welfare	610,394	592,623	-	-	610,394	592,623
Culture and recreation	3,023,287	2,433,034	-	-	3,023,287	2,433,034
Community support	3,259,136	2,687,983	-	-	3,259,136	2,687,983
Television	-	-	95,651	95,131	95,651	95,131
Solid waste management	-	-	839,911	914,448	839,911	914,448
Total expenses	33,250,881	31,500,745	935,562	1,009,579	34,186,443	32,510,324

(CONTINUED)

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Increase (decrease) in net position before transfers	401,003	927,868	424,205	362,677	825,208	1,290,545
Transfers	1,080	420	(1,080)	(420)	-	-
Increase (decrease) in net position	402,083	928,288	423,125	362,257	825,208	1,290,545
Net position - July 1, as restated	75,240,481	100,233,119	3,481,495	3,205,421	78,721,976	103,438,540
Net position - June 30,	\$75,642,564	\$101,161,407	\$3,904,620	\$3,567,678	\$79,547,184	\$104,729,085

Program Expenses and Revenues for Governmental Activities:

The following table presents program expenses and revenues for governmental activities. To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format which is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the County's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Overall, program revenues were insufficient in covering program expenses for governmental activities. The net program expenses of these governmental activities were, therefore, supported by general revenues, mainly taxes received and fund reserves applied. Expenses were up from prior year in all functions except for the judicial function, which decreased \$218,751. The largest increases were in the culture and recreation and community support functions, which were related primarily to increases in contributions and remittances to other entities.

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

	Program Expenses		Program Revenues		Net Program Exp/(Rev)	
	2015	2014	2015	2014	2015	2014
Governmental Activities:						
General government	\$6,070,463	\$5,774,975	\$1,131,566	\$1,211,404	\$(4,938,897)	\$(4,563,571)
Public safety	10,160,925	10,086,814	1,554,564	1,526,247	(8,606,361)	(8,560,567)
Judicial	3,942,726	4,161,477	1,657,127	1,581,632	(2,285,599)	(2,579,845)
Public works	5,888,713	5,508,629	248,813	306,605	(5,639,900)	(5,202,024)
Health	295,237	255,210	-	-	(295,237)	(255,210)
Welfare	610,394	592,623	34,699	37,083	(575,695)	(555,540)
Cultural and recreation	3,023,287	2,433,034	202,570	251,379	(2,820,717)	(2,181,655)
Community support	3,259,136	2,687,983	150,124	245,524	(3,109,012)	(2,442,459)
Totals	\$33,250,881	\$31,500,745	\$4,979,463	\$5,159,874	\$(28,271,418)	\$(26,340,871)

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)	
	2015	2014	2015	2014	2015	2014
Business-Type Activities:						
Television	\$ 95,651	\$ 95,131	\$ 233,961	\$ 231,810	\$ 138,310	\$ 136,678
Solid waste management	839,911	914,448	1,109,867	1,123,149	269,956	208,701
Totals	\$935,562	\$1,009,579	\$1,343,828	\$1,354,959	\$408,266	\$345,380

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)**

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Humboldt County's governmental funds reported combined ending fund balances of \$48,574,803, an increase of \$1,323,226 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 \$12,943,680 while the total fund balance reached \$19,260,474. 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 73.3% of total general fund expenditures.

The fund balance of Humboldt County's general fund decreased \$8,637 during the current year. The key factor in this decrease was the overall increase in expenditures, spread across various functions. General fund revenues decreased \$375,417 from the prior year. General fund expenditures increased over the prior fiscal year by \$845,633 or 5%.

The indigent fund's ending fund balance increased \$165,183 from the prior year. Total revenue increased \$121,566 due mostly to increased net proceeds payments received. Expenditures increased \$30,034 from the prior year.

Humboldt County's road fund has an ending fund balance of \$1,733,874 which is a decrease of \$195,325 from the prior year. This decrease is primarily the result of a smaller transfer in from the in-lieu-of tax fund compared to prior year.

The regional transportation fund's ending fund balance increased \$10,224 from the prior year. Revenues decreased .25% from the prior fiscal year. Expenditures also increased 45% or \$398,595 due to increased road projects activity in the current fiscal year.

The 6th judicial district's fund balance increased \$1,139,597 over the prior year. Current year revenues increased by \$544,409 or 12% over previous year and were the result of the increased net proceeds taxes received as previously mentioned. Expenditures decreased by \$81,638 or 2% over the previous fiscal year. This decrease was the result of reductions in spending in various areas of the fund.

The indigent medical fund's ending fund balance decreased \$87,994 or 23.3% over the prior year. Revenues increased by \$110,311 or 31.7% over prior year. Expenditures were \$83,567 or 18.1% 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 \$2,171,550 which is a decrease of \$9,200 over the prior year. Revenues decreased by \$100,219 or 8.2% over the prior year. This was largely the result of the fund no longer receiving combined tax. Expenditures increased by \$131,578 or 13.2% over the prior year due to increases in capital outlay.

The building reserve fund's ending fund balance decreased \$813,812. Revenues increased by \$40,595 over prior year. Expenditures increased by \$782,594. This was due primarily to the county's \$1,000,000 contribution to the city's recreation complex project.

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)**

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

Unrestricted net position at the end of the year amounted to \$1,362,454 for the television fund and \$2,454,219 for the solid waste management fund. The portion of net position invested in capital assets was \$87,947 for the TV fund and \$0 for the solid waste management fund. The total growth in net position for the funds was \$151,625 and \$271,500 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 \$329,831 higher than the original approved budget. Actual expenditures were 91% of appropriations and \$1,724,403 less than the final budget.

Capital Asset and Debt Administration

Capital assets. Humboldt County's investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounts to \$56,678,895 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, infrastructure and machinery and equipment. Humboldt County's investment in capital assets for the current fiscal year decreased \$1,434,134 in governmental activities. Business-type activities capital assets decreased \$36,782.

HUMBOLDT COUNTY'S CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land and CIP	\$ 2,541,859	\$ 2,397,353	\$ -	\$ -	\$ 2,541,859	\$ 2,397,353
Land improvements	426,756	476,450	-	-	426,756	476,450
Buildings/ improvements	10,362,913	10,842,849	-	-	10,362,913	10,842,849
Infrastructure	38,773,724	40,213,180	-	-	38,773,724	40,213,180
Equipment	4,485,696	4,095,250	87,947	124,729	4,573,643	4,219,979
Total	<u>\$56,590,948</u>	<u>\$58,025,082</u>	<u>\$ 87,947</u>	<u>\$ 124,729</u>	<u>\$56,678,895</u>	<u>\$58,149,811</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	
	2015	2014	2015	2014	2015	2014
Compensated Absences Payable	\$ 771,518	\$ 794,644	\$ -	\$ -	\$ 771,518	\$ 794,644
Net Pension Liability	23,219,247	-	77,200	-	23,296,447	-
Other postemployment Benefits	3,784,799	3,387,563	28,846	27,180	3,813,645	3,414,743
Total	<u>\$27,775,564</u>	<u>\$4,182,207</u>	<u>\$106,046</u>	<u>\$ 27,180</u>	<u>\$27,881,610</u>	<u>\$4,209,387</u>

**HUMBOLDT COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)**

Additional information on Humboldt County's long-term debt can be found in Notes 1 E (7 and 8) and Notes 8, 10, and 14 of the notes to the financial statements.

Economic Factors and Next Year's Budget

The 2016 budget for Humboldt County had an overall increase in appropriations of 2 percent including a modest cost of living increase of 2% for its employees as well as a 2.5% merit increase for those employees who qualify. Other expenditures contributing to this increase are the purchase of additional law enforcement vehicles, more new HVAC units for the jail, the major rebuild of the MIC program for Building and Safety, purchase of the Power 8 System, new addition at the Winnemucca Events Complex, and completing the next phase of the CSI recommendations for the dispatch center. The County's economy has seen housing prices continue to drop and there have been more layoffs in the mining industry. Consolidated taxes came in 18.7 percent lower than the previous year; therefore the County has been very conservative in the 2016 budget estimate. Net proceeds of mines came in higher than fiscal year 2014 but still a lot lower than in previous years when the gold prices were higher. There have been no County layoffs, no service reductions or salary/benefit reductions at this time. The County will continue to budget conservatively and build up its reserves as part of its ongoing program to promote financial stability for its citizens.

The County's unemployment rate continues to be lower than the State and most other counties within Nevada.

The general fund budget (including transfers) for 2015-2016 increased approximately 15 percent over the actual fiscal year 2014 expenditures (including transfers). This increase is the result of anticipating higher cost of operations, capital expenditures, and community support. Historically, the County spends approximately 90-93 percent of its general fund budget and the fiscal year 2015 expenditures were on target at 90.5 percent of the final budget. 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, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 47,185,172	\$ 3,851,028	\$ 51,036,200
Taxes receivable	592,934	-	592,934
Accounts receivable	449,061	79,077	528,138
Interest receivable	1,375	157	1,532
Notes receivable	24,532	-	24,532
Intergovernmental receivable	3,309,499	2,117	3,311,616
Inventories	-	22,171	22,171
Internal balances	746	(746)	-
Capital assets:			
Land	2,382,383	-	2,382,383
Construction in progress	159,476	-	159,476
Other capital assets net of depreciation	54,049,089	87,947	54,137,036
Total assets	108,154,267	4,041,751	112,196,018
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	3,629,833	12,068	3,641,901
LIABILITIES			
Accounts payable	1,259,232	20,522	1,279,754
Accrued salaries and benefits	509,769	2,628	512,397
Intergovernmental payable	495,770	93	495,863
Unearned revenue	113,040	-	113,040
Noncurrent liabilities:			
Due within one year:			
Compensated absences	771,518	-	771,518
Net pension liability	23,219,247	77,200	23,296,447
Other postemployment benefits	3,784,799	28,846	3,813,645
Total liabilities	30,153,375	129,289	30,282,664
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	5,988,161	19,910	6,008,071
NET POSITION			
Net investment in capital assets	56,590,948	87,947	56,678,895
Restricted for:			
County and city road projects	1,992,544	-	1,992,544
Indigent medical	1,385,677	-	1,385,677
Government stabilization	1,050,843	-	1,050,843
Purchase of capital assets	419,320	-	419,320
Assessor's technology	1,206,191	-	1,206,191
Local agricultural education	1,093,720	-	1,093,720
Other purposes	1,312,444	-	1,312,444
Unrestricted	10,590,877	3,816,673	14,407,550
Total net position	\$ 75,642,564	\$ 3,904,620	\$ 79,547,184

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

**HUMBOLDT COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

	<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	\$ 6,070,463	\$ 1,091,332	\$ 40,234	\$ -
Judicial	3,942,726	991,406	665,721	-
Public safety	10,160,925	1,447,446	50,078	57,040
Public works	5,888,713	124,153	124,660	-
Health	295,237	-	-	-
Welfare	610,394	-	34,699	-
Culture and recreation	3,023,287	174,788	27,782	-
Community support	3,259,136	33,800	116,324	-
Total governmental activities	<u>33,250,881</u>	<u>3,862,925</u>	<u>1,059,498</u>	<u>57,040</u>
Business-type activities:				
Television	95,651	233,961	-	-
Solid waste management	839,911	1,109,867	-	-
Total business-type activities	<u>935,562</u>	<u>1,343,828</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 34,186,443</u>	<u>\$ 5,206,753</u>	<u>\$ 1,059,498</u>	<u>\$ 57,040</u>

General revenues:

- Property taxes
- Consolidated taxes
- Franchise taxes
- Motor vehicle fuel taxes
- Room taxes
- Miscellaneous revenues
- Unrestricted investment earnings
- Payments in-lieu of taxes

Transfers:

Total general revenues and transfers

Change in net position

Net position - beginning

Less: Prior Period Adjustment

Net position - beginning

Net position - ending

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

Governmental Activities	Business- type Activities	Total
\$ (4,938,897)	\$ -	\$ (4,938,897)
(2,285,599)	-	(2,285,599)
(8,606,361)	-	(8,606,361)
(5,639,900)	-	(5,639,900)
(295,237)	-	(295,237)
(575,695)	-	(575,695)
(2,820,717)	-	(2,820,717)
(3,109,012)	-	(3,109,012)
<u>(28,271,418)</u>	<u>-</u>	<u>(28,271,418)</u>
-	138,310	138,310
-	269,956	269,956
-	408,266	408,266
<u>(28,271,418)</u>	<u>408,266</u>	<u>(27,863,152)</u>
13,276,657	-	13,276,657
9,228,168	-	9,228,168
906,673	-	906,673
2,761,879	-	2,761,879
334,006	-	334,006
355,490	14,015	369,505
244,171	1,924	246,095
1,565,377	-	1,565,377
1,080	(1,080)	-
<u>28,673,501</u>	<u>14,859</u>	<u>28,688,360</u>
402,083	423,125	825,208
101,161,407	3,567,678	104,729,085
<u>(25,920,926)</u>	<u>(86,183)</u>	<u>(26,007,109)</u>
<u>75,240,481</u>	<u>3,481,495</u>	<u>78,721,976</u>
<u>\$ 75,642,564</u>	<u>\$ 3,904,620</u>	<u>\$ 79,547,184</u>

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

HUMBOLDT COUNTY
Balance Sheet
Governmental Funds
June 30, 2015

	<u>General Fund</u>	<u>Indigent Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>
Assets				
Cash and investments	\$ 18,003,812	\$ 792,610	\$ 1,712,387	\$ 1,754,895
Taxes receivable	250,027	29,735	-	-
Accounts receivable	329,969	8,203	6,271	-
Interest receivable	1,140	-	-	110
Notes receivable	2,261	-	-	-
Due from other governments	1,934,369	31,767	371,659	237,539
Due from other funds	40,766	-	45,581	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 20,562,344</u>	<u>\$ 862,315</u>	<u>\$ 2,135,898</u>	<u>\$ 1,992,544</u>
Liabilities				
Accounts payable	\$ 547,197	\$ 13,044	\$ 355,831	\$ -
Accrued salaries and benefits	371,326	2,294	43,297	-
Due to other governments	67,906	150,247	2,889	-
Due to other funds	41,301	1,700	7	-
Unearned revenues	24,113	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>1,051,843</u>	<u>167,285</u>	<u>402,024</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	250,027	29,735	-	-
Unavailable revenue - assessment district receivable	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>250,027</u>	<u>29,735</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	2,261	-	-	-
Restricted	173,027	-	-	1,992,544
Committed	489,591	665,295	1,733,874	-
Assigned	5,651,915	-	-	-
Unassigned	12,943,680	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>19,260,474</u>	<u>665,295</u>	<u>1,733,874</u>	<u>1,992,544</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 20,562,344</u>	<u>\$ 862,315</u>	<u>\$ 2,135,898</u>	<u>\$ 1,992,544</u>

6th Judicial District Fund	Indigent Medical Fund	Winnemucca Events Complex Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 6,453,551	\$ 1,524,970	\$ 2,136,401	\$ 957,498	\$ 13,849,048	\$ 47,185,172
153,802	23,662	31,549	7,887	96,272	592,934
42,831	6,528	12,866	2,176	40,217	449,061
-	96	-	-	29	1,375
-	-	-	22,271	-	24,532
442,930	25,038	103,863	8,347	153,987	3,309,499
-	-	-	-	-	86,347
<u>\$ 7,093,114</u>	<u>\$ 1,580,294</u>	<u>\$ 2,284,679</u>	<u>\$ 998,179</u>	<u>\$ 14,139,553</u>	<u>\$ 51,648,920</u>
\$ 101,261	\$ 9,993	\$ 57,353	\$ 2,698	\$ 171,855	\$ 1,259,232
47,914	-	11,996	-	32,942	509,769
101,469	159,624	10,172	-	3,463	495,770
10,493	1,338	2,059	446	28,257	85,601
88,927	-	-	-	-	113,040
<u>350,064</u>	<u>170,955</u>	<u>81,580</u>	<u>3,144</u>	<u>236,517</u>	<u>2,463,412</u>
153,802	23,662	31,549	7,887	96,272	592,934
-	-	-	17,771	-	17,771
<u>153,802</u>	<u>23,662</u>	<u>31,549</u>	<u>25,658</u>	<u>96,272</u>	<u>610,705</u>
-	-	-	4,500	-	6,761
1,888	1,385,677	-	-	4,907,603	8,460,739
6,587,360	-	2,171,550	964,877	6,267,890	18,880,437
-	-	-	-	2,631,271	8,283,186
-	-	-	-	-	12,943,680
<u>6,589,248</u>	<u>1,385,677</u>	<u>2,171,550</u>	<u>969,377</u>	<u>13,806,764</u>	<u>48,574,803</u>
<u>\$ 7,093,114</u>	<u>\$ 1,580,294</u>	<u>\$ 2,284,679</u>	<u>\$ 998,179</u>	<u>\$ 14,139,553</u>	<u>\$ 51,648,920</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, 2015

Total Governmental Fund Balances	\$	48,574,803
<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	\$	109,257,407
Less accumulated depreciation		<u>(52,666,459)</u>
		56,590,948
<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		(3,784,799)
Net pension asset (liability)		(23,219,247)
Compensated absences		(771,518)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.</p>		
		610,705
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.</p>		
Deferred outflows of resources related to pensions		3,629,833
Deferred inflows of resources related to pensions		<u>(5,988,161)</u>
Net Position of Governmental Activities	\$	<u><u>75,642,564</u></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, 2015

	<u>General Fund</u>	<u>Indigent Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>
REVENUES				
Taxes	\$ 5,688,465	\$ 574,518	\$ -	\$ -
Licenses and permits	1,201,197	-	-	-
Intergovernmental revenue	9,174,747	34,699	2,138,703	1,290,738
Charges for services	399,292	-	294,635	-
Fines and forfeits	621,569	-	-	-
Miscellaneous revenues	501,664	2,492	21,090	1,619
	<u>17,586,934</u>	<u>611,709</u>	<u>2,454,428</u>	<u>1,292,357</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	5,840,089	-	-	-
Judicial	2,266,846	-	-	-
Public safety	7,603,899	-	-	-
Public works	23,130	-	3,575,126	1,282,133
Health	299,912	-	-	-
Welfare	-	216,572	-	-
Culture and recreation	2,500	-	-	-
Community support	1,104,524	-	-	-
Intergovernmental expenditures	513,451	229,254	61,327	-
	<u>17,654,351</u>	<u>445,826</u>	<u>3,636,453</u>	<u>1,282,133</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(67,417)</u>	<u>165,883</u>	<u>(1,182,025)</u>	<u>10,224</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	58,780	-	1,000,000	-
Transfers out	-	(700)	(13,300)	-
	<u>58,780</u>	<u>(700)</u>	<u>986,700</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	(8,637)	165,183	(195,325)	10,224
Fund Balances - beginning	<u>19,269,111</u>	<u>500,112</u>	<u>1,929,199</u>	<u>1,982,320</u>
Fund Balances - ending	<u>\$ 19,260,474</u>	<u>\$ 665,295</u>	<u>\$ 1,733,874</u>	<u>\$ 1,992,544</u>

<u>6th Judicial District Fund</u>	<u>Indigent Medical Fund</u>	<u>Winnemucca Events Complex Fund</u>	<u>Building Reserve Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,971,577	\$ 457,163	\$ 609,554	\$ 152,388	\$ 2,279,153	\$ 12,732,818
-	-	-	-	-	1,201,197
2,037,490	-	333,974	-	2,113,454	17,123,805
274	-	171,255	33,800	23,142	922,398
46,436	-	-	-	96,939	764,944
18,675	1,185	9,282	-	76,645	632,652
<u>5,074,452</u>	<u>458,348</u>	<u>1,124,065</u>	<u>186,188</u>	<u>4,589,333</u>	<u>33,377,814</u>
-	-	-	-	218,515	6,058,604
1,308,199	-	-	-	417,096	3,992,141
2,539,233	-	-	-	54,106	10,197,238
-	-	-	-	-	4,880,389
-	-	-	-	-	299,912
-	393,506	-	-	-	610,078
-	-	1,130,665	-	1,147,025	2,280,190
-	-	-	1,000,000	580,074	2,684,598
58,523	152,836	-	-	37,127	1,052,518
<u>3,905,955</u>	<u>546,342</u>	<u>1,130,665</u>	<u>1,000,000</u>	<u>2,453,943</u>	<u>32,055,668</u>
<u>1,168,497</u>	<u>(87,994)</u>	<u>(6,600)</u>	<u>(813,812)</u>	<u>2,135,390</u>	<u>1,322,146</u>
-	-	-	-	25,000	1,083,780
(28,900)	-	(2,600)	-	(1,037,200)	(1,082,700)
<u>(28,900)</u>	<u>-</u>	<u>(2,600)</u>	<u>-</u>	<u>(1,012,200)</u>	<u>1,080</u>
1,139,597	(87,994)	(9,200)	(813,812)	1,123,190	1,323,226
<u>5,449,651</u>	<u>1,473,671</u>	<u>2,180,750</u>	<u>1,783,189</u>	<u>12,683,574</u>	<u>47,251,577</u>
<u>\$ 6,589,248</u>	<u>\$ 1,385,677</u>	<u>\$ 2,171,550</u>	<u>\$ 969,377</u>	<u>\$ 13,806,764</u>	<u>\$ 48,574,803</u>

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, 2015

Net Change in Fund Balances - Governmental Funds \$ 1,323,226

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

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

Expenditures for capital assets	\$ 1,659,520	
Less current year depreciation	(3,093,654)	
		(1,434,134)

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		543,750
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Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

County pension contributions	3,420,977	
Cost of benefits earned	(3,077,626)	
		343,351

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		(397,236)
Change in long-term compensated absences		23,126
		(374,110)

Change in Net Position of Governmental Activities		\$ 402,083
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The notes to the financial statements are an integral part of this statement.

HUMBOLDT COUNTY
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-Type Activities - Enterprise Funds		
	Humboldt Television Fund	Solid Waste Management Fund	Totals Current Year
ASSETS			
Current Assets:			
Cash and investments	\$ 1,349,173	\$ 2,501,855	\$ 3,851,028
Accounts receivable	16,024	63,053	79,077
Interest receivable	-	157	157
Intergovernmental receivable	-	2,117	2,117
Due from other funds	-	103	103
Inventories	22,171	-	22,171
Total Current Assets	<u>1,387,368</u>	<u>2,567,285</u>	<u>3,954,653</u>
Noncurrent Assets:			
Capital assets:			
Buildings	24,195	-	24,195
Machinery and equipment	735,381	92,286	827,667
Less accumulated depreciation	<u>(671,629)</u>	<u>(92,286)</u>	<u>(763,915)</u>
Total capital assets (net of accumulated depreciation)	<u>87,947</u>	<u>-</u>	<u>87,947</u>
Total Assets	<u>1,475,315</u>	<u>2,567,285</u>	<u>4,042,600</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>-</u>	<u>12,068</u>	<u>12,068</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	754	19,768	20,522
Accrued liabilities	941	1,687	2,628
Due to other governments	93	-	93
Due to other funds	652	197	849
Total Current Liabilities	<u>2,440</u>	<u>21,652</u>	<u>24,092</u>
Noncurrent Liabilities:			
Net pension liability	-	77,200	77,200
Other postemployment benefits	22,474	6,372	28,846
Total Liabilities	<u>24,914</u>	<u>105,224</u>	<u>130,138</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>-</u>	<u>19,910</u>	<u>19,910</u>
NET POSITION			
Net investment in capital assets	87,947	-	87,947
Unrestricted	1,362,454	2,454,219	3,816,673
Total Net Position	<u>\$ 1,450,401</u>	<u>\$ 2,454,219</u>	<u>\$ 3,904,620</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, 2015

	Business-Type Activities - Enterprise Funds		
	Humboldt Television Fund	Solid Waste Management Fund	Totals Current Year
OPERATING REVENUES			
Charges for Services:			
User fees	\$ 233,961	\$ 1,109,867	\$ 1,343,828
Miscellaneous	14,015	-	14,015
Total Operating Revenues	<u>247,976</u>	<u>1,109,867</u>	<u>1,357,843</u>
OPERATING EXPENSES			
Salaries and wages	21,056	43,269	64,325
Employee benefits	10,930	17,568	28,498
Services and supplies	27,471	778,486	805,957
Depreciation	36,194	588	36,782
Total Operating Expenses	<u>95,651</u>	<u>839,911</u>	<u>935,562</u>
Operating Income (Loss)	<u>152,325</u>	<u>269,956</u>	<u>422,281</u>
NONOPERATING REVENUES (EXPENSES)			
Interest earnings	-	1,924	1,924
Income (Loss) Before Transfers	152,325	271,880	424,205
TRANSFERS IN (OUT)			
Transfers out	(700)	(380)	(1,080)
Change in Net Position	151,625	271,500	423,125
NET POSITION, JULY 1	1,298,776	2,268,902	3,567,678
Less: Prior Period Adjustment for GASB 68	-	(86,183)	(86,183)
Net position, July 1, as restated	<u>1,298,776</u>	<u>2,182,719</u>	<u>3,481,495</u>
NET POSITION, JUNE 30	<u>\$ 1,450,401</u>	<u>\$ 2,454,219</u>	<u>\$ 3,904,620</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, 2015

	Business-type Activities - Enterprise Funds		
	Humboldt Television Fund	Solid Waste Management Fund	Totals Current Year
CASH FLOWS FROM			
OPERATING ACTIVITIES:			
Cash received from customers	\$ 243,727	\$ 1,099,054	\$ 1,342,781
Cash payments for personnel costs	(30,671)	(60,465)	(91,136)
Cash payments for services and supplies	(33,567)	(788,514)	(822,081)
Net Cash Provided (Used) by Operating Activities	<u>179,489</u>	<u>250,075</u>	<u>429,564</u>
CASH FLOWS FROM NONCAPITAL			
FINANCING ACTIVITIES:			
Transfers to other funds	(700)	(380)	(1,080)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	-	1,904	1,904
Net Increase (Decrease) in Cash and Investments	\$ 178,789	\$ 251,599	\$ 430,388
CASH AND INVESTMENTS, JULY 1	<u>\$ 1,170,384</u>	<u>\$ 2,250,256</u>	<u>\$ 3,420,640</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 1,349,173</u>	<u>\$ 2,501,855</u>	<u>\$ 3,851,028</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO			
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 152,325	\$ 269,956	\$ 422,282
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations			
Depreciation	36,194	588	36,782
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(4,249)	(10,813)	(15,062)
Inventory	(5,134)	-	(5,134)
Increase (decrease) in:			
Accounts payable	(962)	(10,028)	(10,990)
Accrued salaries and benefits	1,315	372	1,687
Total adjustments	<u>27,164</u>	<u>(19,881)</u>	<u>7,283</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 179,489</u>	<u>\$ 250,075</u>	<u>\$ 429,565</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, 2015

	AGENCY FUNDS	INVESTMENT TRUST FUND
ASSETS		
Cash and investments	\$ 4,217,453	3,763,997
Interest receivable	-	217
	-	217
 Total Assets	\$ 4,217,453	\$ 3,764,214
 LIABILITIES		
Due to other governments	\$ 3,974,888	\$ -
Funds held in trust for others	242,565	-
	4,217,453	-
Total Liabilities	4,217,453	-
 NET POSITION		
Held in trust	\$ -	\$ 3,764,214

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, 2015

	INVESTMENT TRUST FUND
ADDITIONS	
Investment earnings:	
Interest	\$ 1,377
Net increase (decrease) in share transactions	641,102
Change in net position	642,479
Net position - beginning	3,121,735
Net position - ending	\$ 3,764,214

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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, 2015

C. Basic Financial Statements – Fund Financial Statements

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

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

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

The focus for proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

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

Humboldt County reports the following major governmental funds:

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

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

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

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

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

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

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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.

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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.

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.

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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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 2014-2015 was \$0.7512 per \$100 of assessed valuation.

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

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

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

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

Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. Delinquent taxes from all roll years prior to 2013-2014 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, 2015, net proceeds of mines received on actual business from January through December 2014 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, 2015 through December 31, 2015 are reflected in the financial statements.

Additional amounts due, based upon actual business for the January 1, 2015 through December 31, 2015 in comparison to estimated payments, are determined subsequent to the 2015 calendar year. Credits for overpayments, based on actual business for the period of January 1, 2015 through December 31, 2015 in comparison to estimated payments, are applied to future tax payments in accordance with NRS 362.130. The overall financial impact on the County of future additional amounts due or future credits is not determinable at June 30, 2015 and are not reflected in these financial statements. It should be noted that the estimated payments for calendar year 2015 (received in fiscal year 2014-2015) were calculated using fiscal year 2014-2015 tax rates. Any true-up of these estimated payments will use fiscal year 2015-2016 tax rates. It is unknown at June 30, 2015 what, if any, impact this will have on future financial statements.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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.

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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

9. Deferred Inflows/Outflows of Resources

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

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

10. 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.

11. 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.

12. Governmental Fund Balance

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

- a. Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaids) or are required to remain intact (such as notes receivable or principal of a permanent fund).

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

- 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.
- 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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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

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

Compliance

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

- Actual expenditures in the public works function of the General Fund exceeded appropriations by \$1,130, an apparent violation of NRS 354.626.
- Actual expenditures in the community support function of the General Fund exceeded appropriations by \$346,943, an apparent violation of NRS 354.626, as only \$321,778 of the excess expenditures were attributable to required remittances to other entities.
- Actual expenditures in the community support function of the Building Reserve Fund exceeded appropriations by \$151,574, an apparent violation of NRS 354.626.
- The Humboldt County Sixth Judicial District Fund purchased a camera system for \$27,990 without soliciting two quotes, an apparent violation of NRS 332.039.
- The Humboldt County Capital Projects Fund purchased HVAC units totaling \$50,000 without soliciting two quotes, an apparent violation of NRS 332.039.
- The Humboldt County Capital Projects Fund entered into a contract to have the roof restored on several County buildings, totaling \$193,550 without advertising for bids, an apparent violation of NRS 338.

NOTE 3 – CASH AND INVESTMENTS

Deposits and investments

The following schedule summarizes cash and investments for the County at June 30, 2015:

Cash and Investment Balances Held By:

Government Funds	\$ 47,185,172
Enterprise Funds	3,851,028
Fiduciary Funds	<u>7,981,450</u>
Total Cash and Investments	<u>\$ 59,017,650</u>

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

Investments are carried at fair value. The following is a listing of those investments as of June 30, 2015:

<u>Investment Type</u>	<u>Investment Maturities</u> (in years)			
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>
U.S. Treasury Notes	\$ 3,401,864	\$ 75,076	\$ 3,326,788	\$ -
Government Agencies	2,744,967	29,727	587,460	2,127,780
Asset Backed Fixed Income Securities	635,351	221,859	413,492	-
Corporate Bonds	1,309,109	15,865	1,293,244	-
Mortgage Backed Securities	1,142,317	199,563	942,754	-
Money Market Mutual Funds	83,271	83,271	-	-
State of Nevada Local Government Investment Pool	19,972	19,972	-	-
Total Investments	9,336,851	645,333	6,563,738	2,127,780
Total Cash (Carrying Amount)	49,680,799	45,601,378	3,831,218	248,203
Total Cash and Investments	\$ 59,017,650	\$ 46,246,711	\$ 10,394,956	\$ 2,375,983

<u>Investment Type</u>	<u>Fair Value</u>	<u>Quality Ratings Average of Moody's and Standard & Poor's</u>			
		<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Unrated</u>
Debt Securities					
U.S. Treasury Notes	\$ 3,401,864	\$ -	\$3,401,864	\$ -	\$ -
Government Agencies	2,744,967	2,679,805	65,162	-	-
Asset Backed Fixed Income Securities	635,351	440,637	-	-	194,714
Corporate Bonds	1,309,109	67,225	483,083	758,801	-
Mortgage Backed Securities	1,142,317	288,179	637,696	-	216,442
Money Market Mutual Funds	83,271	-	-	-	83,271
State of Nevada Local Government Investment Pool	19,972	-	-	-	19,972
Total Investments	9,339,851	\$ 3,475,846	\$4,587,805	\$ 758,801	\$ 517,399
Total Cash (Carrying Amount)	49,680,799				
Total Cash and Investments	\$ 59,017,650				

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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. There are no involuntary participants in the pool. The pool is not registered with the SEC and the Board of County Commissioners has overall responsibility for investment of funds including the external investment pool in accordance with NRS 355.175. The Humboldt County Treasurer is delegated investment responsibilities. Monthly, Wells Fargo Bank determines the fair value of the pool's investments held by them. Each participant's share is equal to their original investment plus the monthly allocation of interest income. The County has not provided nor obtained any legally binding guarantees to support the value of shares. This is an unrated pool.

<u>Investment Type</u>	<u>Fair Value/ Carrying Amount</u>	<u>Principal Amount Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Wells Fargo Savings	\$11,805,883	\$11,805,883	Variable	July 1, 2016

EXTERNAL INVESTMENT POOL CONDENSED FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2015

ASSETS:

Wells Fargo Savings \$ 11,805,883

NET POSITION HELD IN TRUST FOR POOL PARTICIPANTS:

Net position consists of:

Internal participant shares \$ 8,041,886

External participant shares 3,763,997

Total Participant Shares Outstanding (\$1.00 par) \$ 11,805,883

STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

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

Investment income (loss) \$ 21,174

Net position, July 1 11,784,709

Net position, June 30 \$ 11,805,883

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

land owners in the form of notes receivable from the landowners. The balance remaining on the assessment receivable as of June 30, 2015 is \$17,771.

NOTE 5 –CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,382,383	\$ -	\$ -	\$ 2,382,383
Construction in progress	14,970	318,557	(174,051)	159,476
Total capital assets, not being depreciated	<u>2,397,353</u>	<u>318,557</u>	<u>(174,051)</u>	<u>2,541,859</u>
Capital assets, being depreciated				
Buildings	24,787,012	193,550	-	24,980,562
Improvements other than buildings	1,066,782	13,635	-	1,080,417
Infrastructure	66,613,951	-	-	66,613,951
Machinery and equipment	13,073,756	1,307,829	(340,967)	14,040,618
Total assets, being depreciated	<u>105,541,501</u>	<u>1,515,014</u>	<u>(340,967)</u>	<u>106,715,548</u>
Less accumulated depreciation for:				
Buildings	(13,944,163)	(673,486)	-	(14,617,649)
Improvements other than buildings	(590,332)	(63,329)	-	(653,661)
Infrastructure	(26,400,771)	(1,439,456)	-	(27,840,227)
Machinery and equipment	(8,978,506)	(917,383)	340,967	(9,554,922)
Total accumulated depreciation	<u>(49,913,772)</u>	<u>(3,093,654)</u>	<u>340,967</u>	<u>(52,666,459)</u>
Total capital assets, being depreciated, net	<u>55,627,729</u>	<u>(1,578,640)</u>	<u>-</u>	<u>54,049,089</u>
Governmental activities capital assets, net	<u>\$ 58,025,082</u>	<u>\$(1,260,083)</u>	<u>\$ (174,051)</u>	<u>\$ 56,590,948</u>
Business-type activities:				
Capital assets, being depreciated				
Buildings	\$ 24,195	\$ -	\$ -	\$ 24,195
Machinery and equipment	838,090	-	(10,423)	827,667
Total assets, being depreciated	<u>862,285</u>	<u>-</u>	<u>(10,423)</u>	<u>851,862</u>
Less accumulated depreciation for:				
Buildings	(24,195)	-	-	(24,195)
Machinery and equipment	(713,361)	(36,782)	10,423	(739,720)
Total accumulated depreciation	<u>(737,556)</u>	<u>(36,782)</u>	<u>10,423</u>	<u>(763,915)</u>
Total capital assets, being depreciated, net	<u>124,729</u>	<u>(36,782)</u>	<u>-</u>	<u>87,947</u>
Business-type activities capital assets, net	<u>\$ 124,729</u>	<u>\$ (36,782)</u>	<u>\$ -</u>	<u>\$ 87,947</u>

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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

Governmental activities:	
General government	\$ 180,648
Public safety	327,715
Judicial	47,349
Public works	1,701,982
Culture and recreation	59,795
Community support	776,165
Total depreciation expense – governmental activities	<u>\$ 3,093,654</u>
Business-type activities:	
Humboldt Television fund	\$ 36,194
Solid waste management fund	588
Total depreciation expense – business-type activities	<u>\$ 36,782</u>

NOTE 6 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2015 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Indigent Services	\$ 1,700
	Road Fund	7
	Indigent Medical Fund	1,338
	Winnemucca Events Complex Fund	1,784
	6th Judicial District Fund	9,540
	Nonmajor Governmental Funds	25,754
	Building Reserve Fund	446
	Solid Waste Fund	197
		<u>40,766</u>
Road Fund	General Fund	41,281
	6th Judicial District Fund	953
	Nonmajor Governmental Funds	2,503
	Winnemucca Events Complex Fund	192
	Humboldt Television Fund	652
		<u>45,581</u>
Solid Waste Fund	General Fund	20
	Winnemucca Events Complex Fund	83
		<u>103</u>
Total		<u>\$ 86,450</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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

other funds. These charges are then allocated to the appropriate fund. Other examples include postage and copy charges.

Interfund transfers for the year ended June 30, 2015 are as follows:

<u>Transfers From:</u>	<u>Transfers To:</u>	<u>Amount</u>
6th Judicial District	General Fund	\$ 28,900
Nonmajor Governmental Funds	Road Fund	1,000,000
	General Fund	12,200
	Nonmajor Governmental Funds	25,000
		<u>1,037,200</u>
Road Fund	General Fund	13,300
Indigent Fund	General Fund	700
Winnemucca Events Complex Fund	General Fund	2,600
Solid Waste Fund	General Fund	380
TV Fund	General Fund	700
	Total Interfund Transfers	<u>\$1,083,780</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, (2) use of revenues collected in the In-Lieu-of Tax Fund to finance various programs accounted for in other funds in accordance with budgetary authorization and (3) to provide funding for the internally-reported compensated absences and unemployment compensation funds.

NOTE 7 – COMMITMENTS

As of June 30, 2015, the County had the following commitments outstanding:

<u>Project Description</u>	<u>Commitment Authorization</u>	<u>Project Expended/ Retainage</u>	<u>Balance at June 30, 2015</u>
CSI Telecommunications Project Phase I	\$ 148,950	\$ 142,228	\$ 6,722
Bookmobile	277,520	-	277,520
Jakes Creek Well	26,840	17,248	9,592
Totals	<u>\$ 453,310</u>	<u>\$ 159,476</u>	<u>\$ 293,834</u>

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.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2015 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$794,644	\$1,261,920	\$1,285,046	\$771,518	\$771,518
Governmental activities Long-term liabilities	\$794,644	\$1,261,920	\$1,285,046	\$771,518	\$771,518

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

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

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. The

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

system offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by authority of NRS 286.575 - .579.

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or any age with thirty years of service.

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

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the County reported a liability of \$23,296,447 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. The County's proportion was 0.22353%, as of June 30, 2014.

For the year ended June 30, 2015 the County recognized pension expense of \$3,087,858. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 1,114,863
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,893,208
Changes in proportion and differences between County and proportionate share of contributions	209,551	-
County contributions subsequent to the measurement date	3,432,350	-
Total	<u>\$ 3,641,901</u>	<u>\$ 6,008,071</u>

\$3,432,351 reported as deferred outflows related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	
2015-16	\$ (1,382,129)
2016-17	(1,382,129)
2017-18	(1,382,129)
2018-19	(1,382,129)
2019-20	(158,827)
Thereafter	(111,177)

Actuarial assumptions. The total pension liability in the June 30, 2014 actuarial valuation was determined using the following assumptions, applied to all periods including the measurement:

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

Mortality rates for non-disabled male regular members were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA. Rates for non-disabled female regular members were based on the RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of the experience review completed in 2013.

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

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

*As of June 30, 2014, PERS' long-term inflation assumption was 3.5%.

Discount rate. The discount rate used to measure the total pension liability was 8.00% as of June 30, 2014 and June 30, 2013. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2014, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2014 and June 30, 2013.

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

	1% Decrease (7.00%)	Current Rate (8.00%)	1% Increase (9.00%)
County's net pension liability	\$36,228,523	\$23,296,447	\$12,546,599

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

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

NOTE 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, 2015 financial assurance relative to costs of closure and post-closure of the landfill was fulfilled through insurance coverage.

NOTE 12 – ACCOUNTING CHANGES AND ACCOUNTING STANDARDS

In fiscal year 2015, the County implemented Governmental Accounting Standards Board (GASB) Statement 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". The objective of Statement 68 is to improve accounting and financial reporting by state and local governments for pensions. In addition, the County implemented GASB Statement 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68". The objective of Statement 71 is to address an issue regarding application of the transition provisions of Statement 68. The issue relates to amounts associated with contributions made by the County to a defined benefit pension plan after the measurement date of the County's beginning net pension liability.

The implementation of Statements 68 and 71 resulted in the reclassification of the beginning net position of the governmental activities in the government-wide financial statements. The beginning net pension liability was recorded and resulted in the adjustment below:

	Governmental Activities	Business-Type Activities	Total
Net Position at June 30, 2014	\$101,161,407	\$3,567,678	\$104,729,085
Prior period adjustments – Implementation of GASB 68: Net pension liability	(29,296,654)	(97,407)	(29,394,061)
Deferred outflows – County contributions made during fiscal year 2014	3,375,728	11,224	3,386,952
Total prior period adjustment	(25,920,926)	(86,183)	(26,007,109)
Net Position at June 30, 2014, restated	<u>\$75,240,481</u>	<u>\$3,481,495</u>	<u>\$78,721,976</u>

The GASB has issued the following Statement which will become effective in future years as shown below:

Statement No. 72, "Fair Value Measurement and Application". The primary objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value. This Statement will become effective for the County in fiscal year 2016. Management has not yet determined the impact of this Statement on the financial statements.

NOTE 13 - CONTINGENCIES

There are legal actions and claims pending against Humboldt County. The financial impact of these actions is not determinable at June 30, 2015. The affect of any resulting uninsured liability on the financial position or results of operations of the County is unknown.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Net Other Postemployment Benefits Obligation

In fiscal year 2009, the County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This statement required the County to calculate and record a net other postemployment benefit obligation. At June 30, 2015, the net other postemployment benefit liability for the County was \$3,813,645. The County finances their liability on the pay-as-you-go basis.

Plan Descriptions:

The County administers a single-employer defined benefit healthcare plan, Humboldt County Health Insurance Plan (HCHIP). Additionally, the County contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefit Plan (PEBP). Each plan provides medical, vision, dental, prescription, and life insurance benefits to eligible retired County employees and beneficiaries. Benefit provisions for the HCHIP are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of County Commissioners. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the County's group health insurance plan, which covers both active and retired members. Under NRS 287.023 eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2015, 5 retirees were using this plan. The HCHIP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefits provisions to the PEBP nine-member board of trustees. County employees who met the eligibility requirements effective September 1, 2008 for retirement within the Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunset 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, 2015, 55 county retirees were utilizing this benefit. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, NV 89701, by calling (775) 684-7000, or 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 \$36,509.

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, 2015, retirees qualify for a subsidy of \$116 at five years of service and \$636 at 20 years of service with incremental increases for years of service between. Subsidy rates for retirees covered under the Medicare Exchange were \$55 at five years of service and \$220 at 20 years of service with incremental increases for years of service between. The contribution requirements of plan members and the County are established and amended by the PEBP board of trustees. As a participating employer, the County is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it. For fiscal year 2015, the County contributed \$134,078 to the plan for current premiums. The County did not prefund any future benefits.

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

Annual OPEB Cost and Net OPEB Obligation:

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

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

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal years 2013 through 2015 were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
HCHIP	6/30/15	\$ 433,434	\$ 36,509	8.42%	\$ 3,624,136
HCHIP	6/30/14	\$ 614,081	\$ 60,470	9.85%	\$ 3,227,211
HCHIP	6/30/13	\$ 545,203	\$ 45,738	8.39%	\$ 2,673,000
PEBP	6/30/15	\$ 136,055	\$ 134,078	98.55%	\$ 189,509
PEBP	6/30/14	\$ 134,308	\$ 142,237	105.90%	\$ 187,532
PEBP	6/30/13	\$ 125,956	\$ 144,420	114.66%	\$ 195,461
Combined Totals	6/30/15	\$ 569,489	\$ 170,587		\$ 3,813,645
Combined totals	6/30/14	\$ 748,390	\$ 202,707		\$ 3,414,743
Combined Totals	6/30/13	\$ 671,159	\$ 190,158		\$ 2,868,461

The net OPEB obligation (NOPEBO) as of June 30, 2015, was calculated as follows:

	HCHIP	PEBP	Totals
Annual required contribution (ARC)	\$ 483,798	\$ 139,375	\$ 623,173
Interest on the beginning net OPEB obligation	129,088	7,501	136,589
ARC Adjustment	(179,452)	(10,821)	(190,273)
Annual OPEB cost	433,434	136,055	569,489
Contributions made	(36,509)	(134,078)	(170,587)
Increase (decrease) in net OPEB obligation	396,925	1,977	398,902
Net OPEB obligation (asset), beginning of year	3,227,211	187,532	3,414,743
Net OPEB obligation (asset), end of year	\$ 3,624,136	\$ 189,509	\$ 3,813,645

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

Funded Status and Funding Progress:

The funded status of the plans as of June 30, 2015, was as follows:

	HCHIP	PEBP	Totals
Accrued actuarial liability (a)	\$ 2,689,463	\$ 2,664,048	\$ 5,353,511
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued liability (a) – (b)	\$ 2,689,463	\$ 2,664,048	\$ 5,353,511
Funded ratio (b) / (a)	0.00%	0.00%	0.00%
Covered payroll (c)	\$ 11,921,403	N/A	
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) – (b)) / (c)	22.56%		

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

Actuarial Methods and Assumptions:

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

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

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

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

HUMBOLDT COUNTY
Notes to the Financial Statements
June 30, 2015

NOTE 15 – GOVERNMENTAL FUND BALANCES

Governmental fund balances are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the fund. A summary of governmental fund balances at June 30, 2015, is shown on the following pages.

	Major Governmental Funds			
	General Fund	Indigent Fund	Road Fund	Regional Transportation Fund
Fund Balances				
Nonspendable				
Notes receivable	\$ 2,261	\$ -	\$ -	\$ -
Restricted				
Unemployment claims	173,027	-	-	-
County and city road projects	-	-	-	1,992,544
Technology enhancements	-	-	-	-
Indigent medical	-	-	-	-
Government stabilization	-	-	-	-
Purchase of capital assets	-	-	-	-
Judicial support	-	-	-	-
Check restitution	-	-	-	-
Assessor's technology	-	-	-	-
Local agricultural education	-	-	-	-
Drug court	-	-	-	-
911 enhancement	-	-	-	-
Fire protection	-	-	-	-
Library	-	-	-	-
Committed				
Compensated absences	489,591	-	-	-
Road repairs and maintenance	-	-	1,733,874	-
6th judicial court	-	-	-	-
Winnemucca events center complex	-	-	-	-
Indigent services	-	665,295	-	-
Library	-	-	-	-
Local agricultural education	-	-	-	-
Capital building projects	-	-	-	-
Excess road fund expenditures	-	-	-	-
Assigned				
Budget shortfalls	5,651,915	-	-	-
Excess road fund expenditures	-	-	-	-
Unassigned	12,943,680	-	-	-
Total fund balances	\$ 19,260,474	\$ 665,295	\$1,733,874	\$ 1,992,544

Major Governmental Funds					
6th Judicial District Fund	Indigent Medical Fund	Winnemucca Events Complex Fund	Building Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 4,500	\$ -	\$ 6,761
-	-	-	-	-	173,027
-	-	-	-	-	1,992,544
1,888	-	-	-	-	1,888
-	1,385,677	-	-	-	1,385,677
-	-	-	-	1,050,843	1,050,843
-	-	-	-	419,320	419,320
-	-	-	-	158,569	158,569
-	-	-	-	7,833	7,833
-	-	-	-	1,206,191	1,206,191
-	-	-	-	1,093,720	1,093,720
-	-	-	-	184,608	184,608
-	-	-	-	149,765	149,765
-	-	-	-	507,233	507,233
-	-	-	-	129,521	129,521
-	-	-	-	-	489,591
-	-	-	-	-	1,733,874
6,587,360	-	-	-	-	6,587,360
-	-	2,171,550	-	-	2,171,550
-	-	-	-	-	665,295
-	-	-	-	4,535,890	4,535,890
-	-	-	-	25,000	25,000
-	-	-	964,877	1,030,000	1,994,877
-	-	-	-	677,000	677,000
-	-	-	-	-	5,651,915
-	-	-	-	2,631,271	2,631,271
-	-	-	-	-	12,943,680
<u>\$ 6,589,248</u>	<u>\$ 1,385,677</u>	<u>\$ 2,171,550</u>	<u>\$ 969,377</u>	<u>\$ 13,806,764</u>	<u>\$ 48,574,803</u>

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, 2015

	2015 Budgeted Amounts		2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget
REVENUES				
Taxes	\$ 2,481,188	\$ 2,481,188	\$ 5,688,465	\$ 3,207,277
Licenses and permits	711,000	711,000	1,201,197	490,197
Intergovernmental revenues	8,800,000	9,129,831	9,174,747	44,916
Charges for services	332,200	332,200	399,292	67,092
Fines and forfeits	607,000	607,000	621,569	14,569
Miscellaneous	120,000	120,000	500,533	380,533
	<u>13,051,388</u>	<u>13,381,219</u>	<u>17,585,803</u>	<u>4,204,584</u>
EXPENDITURES BY FUNCTION AND DEPARTMENT				
Current:				
General Government:				
Commission	270,340	270,340	250,440	19,900
Administrator	350,040	350,040	378,412	(28,372)
Elections	35,000	35,000	49,039	(14,039)
Comptroller	363,620	363,620	336,901	26,719
Assessor	739,402	739,402	683,277	56,125
Treasurer	286,970	286,970	268,691	18,279
Clerk	443,750	443,750	427,078	16,672
Recorder	353,300	353,300	306,288	47,012
Computer systems	504,059	504,059	387,620	116,439
Planning	156,030	156,030	139,989	16,041
Buildings and grounds	1,278,550	1,278,550	1,139,861	138,689
Communications	425,282	425,282	467,373	(42,091)
Personnel	66,500	66,500	11,104	55,396
Miscellaneous	1,783,750	1,783,750	775,565	1,008,185
	<u>7,056,593</u>	<u>7,056,593</u>	<u>5,621,638</u>	<u>1,434,955</u>
Total General Government Function				
Judicial:				
Justice Court	758,050	758,050	580,958	177,092
District Attorney	1,161,120	1,161,120	1,085,926	75,194
Child Support	364,366	364,366	374,403	(10,037)
Public Defender	241,200	241,200	225,559	15,641
	<u>2,524,736</u>	<u>2,524,736</u>	<u>2,266,846</u>	<u>257,890</u>
Total Judicial Function				

(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, 2015

	2015 Budgeted Amounts		2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget
Public Safety:				
Sheriff	\$ 3,440,850	\$ 3,455,850	\$ 3,646,498	\$ (190,648)
Detention	2,533,327	2,536,405	2,526,520	9,885
Dispatch	1,307,548	1,307,548	903,000	404,548
Building Official	322,570	322,570	308,778	13,792
Task Force	149,700	172,832	162,063	10,769
LEPC	-	57,040	57,040	-
Total Public Safety Function	7,753,995	7,852,245	7,603,899	248,346
Public Works	22,000	22,000	23,130	(1,130)
Health:				
Health	188,208	188,208	184,703	3,505
Mosquito control	150,440	150,440	115,209	35,231
Total Health Function	338,648	338,648	299,912	38,736
Culture and Recreation	2,500	2,500	2,500	-
Community Support	526,000	757,581	1,104,524	(346,943)
Intergovernmental Expenditures	606,000	606,000	513,451	92,549
Total Expenditures	18,830,472	19,160,303	17,435,900	1,724,403
Excess (deficiency) of revenues over (under) expenditures	(5,779,084)	(5,779,084)	149,903	5,928,987
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	5,000	-
Transfers out	(87,820)	(87,820)	(87,820)	-
Contingency	(350,000)	(350,000)	-	350,000
Total other financing sources and uses	(432,820)	(432,820)	(82,820)	350,000
Net change in fund balance	(6,211,904)	(6,211,904)	67,083	6,278,987
Fund balance - beginning	11,496,882	11,496,882	18,530,773	7,033,891
Fund balance - ending	<u>\$ 5,284,978</u>	<u>\$ 5,284,978</u>	<u>\$ 18,597,856</u>	<u>\$ 13,312,878</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, 2015

	2015			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes:				
Property taxes	\$ 286,518	\$ 286,518	\$ 574,518	\$ 288,000
Intergovernmental Revenue:				
Federal grants	-	34,699	34,699	-
Miscellaneous	1,000	1,000	2,492	1,492
Total Revenues	<u>287,518</u>	<u>322,217</u>	<u>611,709</u>	<u>289,492</u>
EXPENDITURES				
Welfare Function:				
Institutional care	78,932	78,932	44,926	34,006
Old age assistance	-	-	19,220	(19,220)
General assistance:				
Salaries and wages	53,860	53,860	52,857	1,003
Employee benefits	26,740	26,740	24,267	2,473
Services and supplies	34,000	68,699	75,302	(6,603)
Total Welfare Function	<u>193,532</u>	<u>228,231</u>	<u>216,572</u>	<u>11,659</u>
Intergovernmental Expenditure Function:				
Services and supplies	126,230	126,230	229,254	(103,024)
Total Expenditures	<u>319,762</u>	<u>354,461</u>	<u>445,826</u>	<u>(91,365)</u>
Excess (deficiency) of revenues over (under) expenditures	(32,244)	(32,244)	165,883	198,127
OTHER FINANCING SOURCES (USES)				
Transfers - out	(700)	(700)	(700)	-
Net change in fund balance	(32,944)	(32,944)	165,183	198,127
Fund balance - beginning	<u>390,667</u>	<u>390,667</u>	<u>500,112</u>	<u>109,445</u>
Fund balance - ending	<u>\$ 357,723</u>	<u>\$ 357,723</u>	<u>\$ 665,295</u>	<u>\$ 307,572</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, 2015

	2015 Budgeted Amounts		2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget
REVENUES				
Intergovernmental Revenues:				
Federal grants	\$ -	\$ 124,660	\$ 124,660	\$ -
Consolidated tax	546,600	546,600	542,903	(3,697)
Motor vehicle fuel taxes 1.25 cents	455,919	455,919	490,238	34,319
Motor vehicle fuel taxes 1.75 cents	200,189	200,189	205,240	5,051
Motor vehicle fuel taxes 2.35 cents	718,885	718,885	775,662	56,777
Total Intergovernmental Revenues	1,921,593	2,046,253	2,138,703	92,450
Charges for Services:				
Fuel sales reimbursements	300,000	300,000	215,011	(84,989)
Repair reimbursements	80,000	80,000	79,624	(376)
Total Charges for Services	380,000	380,000	294,635	(85,365)
Miscellaneous	5,000	5,000	21,090	16,090
Total Revenues	2,306,593	2,431,253	2,454,428	23,175
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Salaries and wages	1,088,550	1,088,550	1,052,836	35,714
Employee benefits	532,040	532,040	482,862	49,178
Services and supplies	1,869,200	1,932,533	1,643,826	288,707
Capital outlay	390,000	390,000	395,602	(5,602)
Total Public Works Function	3,879,790	3,943,123	3,575,126	367,997
Intergovernmental Expenditure Function:				
Services and supplies	-	61,327	61,327	-
Total Expenditures	3,879,790	4,004,450	3,636,453	367,997
Excess (deficiency) of revenues over (under) expenditures	(1,573,197)	(1,573,197)	(1,182,025)	391,172

(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, 2015

	2015 Budgeted Amounts		2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget
OTHER FINANCING SOURCES (USES)				
Transfers - in	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Transfers - out	(13,300)	(13,300)	(13,300)	-
Total Other Financing Sources (Uses)	986,700	986,700	986,700	-
Net change in fund balance	(586,497)	(586,497)	(195,325)	391,172
Fund balance - beginning	1,620,632	1,620,632	1,929,199	308,567
Fund balance - ending	\$ 1,034,135	\$ 1,034,135	\$ 1,733,874	\$ 699,739

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, 2015

	<u>2015 Budgeted Amounts</u>		<u>2015</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Intergovernmental Revenue:				
Gasoline taxes	\$ 1,274,159	\$ 1,274,159	\$ 1,290,738	\$ 16,579
Miscellaneous	1,000	1,000	1,619	619
Total Revenues	<u>1,275,159</u>	<u>1,275,159</u>	<u>1,292,357</u>	<u>17,198</u>
EXPENDITURES				
Public Works Function:				
Highways and Street:				
Capital outlay	<u>1,844,000</u>	<u>1,844,000</u>	<u>1,282,133</u>	<u>561,867</u>
Excess (deficiency) of revenues over (under) expenditures	(568,841)	(568,841)	10,224	579,065
Fund balance - beginning	<u>1,382,943</u>	<u>1,382,943</u>	<u>1,982,320</u>	<u>599,377</u>
Fund balance - ending	<u><u>\$ 814,102</u></u>	<u><u>\$ 814,102</u></u>	<u><u>\$ 1,992,544</u></u>	<u><u>\$ 1,178,442</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, 2015

	<u>2015 Budgeted Amounts</u>		<u>2015</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 1,481,993	\$ 1,481,993	\$ 2,971,577	\$ 1,489,584
Intergovernmental Revenue:				
Grants:				
AOC Grant	-	19,529	19,529	-
OJJDP formula grant	-	-	7,358	7,358
Life is good grant	-	-	29	29
Room and board	-	-	42,515	42,515
Combined tax	648,520	648,520	643,987	(4,533)
Pershing County contribution	724,414	724,414	662,036	(62,378)
Lander County contribution	724,414	724,414	662,036	(62,378)
 Total Intergovernmental Revenues	 <u>2,097,348</u>	 <u>2,116,877</u>	 <u>2,037,490</u>	 <u>(79,387)</u>
 Charges for Services	 <u>-</u>	 <u>-</u>	 <u>274</u>	 <u>274</u>
 Fines and Forfeits	 <u>20,000</u>	 <u>20,000</u>	 <u>46,436</u>	 <u>26,436</u>
 Miscellaneous	 <u>-</u>	 <u>-</u>	 <u>18,675</u>	 <u>18,675</u>
 Total Revenues	 <u>3,599,341</u>	 <u>3,618,870</u>	 <u>5,074,452</u>	 <u>1,455,582</u>
EXPENDITURES				
Judicial Function:				
District Court:				
Salaries and wages	555,387	555,387	431,310	124,077
Employee benefits	227,381	227,381	175,500	51,881
Services and supplies	527,493	527,493	496,419	31,074
Capital outlay	10,000	29,529	28,061	1,468
	<u>1,320,261</u>	<u>1,339,790</u>	<u>1,131,290</u>	<u>208,500</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, 2015

	2015 Budgeted Amounts		2015	
	Original Budget	Final Budget	Actual	Variance to Final Budget
Court Reporters:				
Salaries and wages	\$ 115,240	\$ 115,240	\$ 109,847	\$ 5,393
Employee benefits	43,400	43,400	39,950	3,450
Services and supplies	40,500	40,500	27,112	13,388
	<u>199,140</u>	<u>199,140</u>	<u>176,909</u>	<u>22,231</u>
 Total Judicial Function	 <u>1,519,401</u>	 <u>1,538,930</u>	 <u>1,308,199</u>	 <u>230,731</u>
 Public Safety Function:				
Juvenile Probation:				
Salaries and wages	1,458,800	1,458,800	1,459,745	(945)
Employee benefits	779,860	779,860	700,654	79,206
Services and supplies	430,600	430,600	344,992	85,608
Capital outlay	45,000	45,000	33,842	11,158
	<u>2,714,260</u>	<u>2,714,260</u>	<u>2,539,233</u>	<u>175,027</u>
 Total Public Safety Function	 <u>2,714,260</u>	 <u>2,714,260</u>	 <u>2,539,233</u>	 <u>175,027</u>
 Intergovernmental Expenditure Function:				
Services and supplies	60,000	60,000	58,523	1,477
	<u>60,000</u>	<u>60,000</u>	<u>58,523</u>	<u>1,477</u>
 Total Expenditures	 <u>4,293,661</u>	 <u>4,313,190</u>	 <u>3,905,955</u>	 <u>407,235</u>
 Excess (deficiency) of revenues over expenditures	 (694,320)	 (694,320)	 1,168,497	 1,862,817
 OTHER FINANCING SOURCES (USES)				
Transfers out	(28,900)	(28,900)	(28,900)	-
	<u>(28,900)</u>	<u>(28,900)</u>	<u>(28,900)</u>	<u>-</u>
 Net change in fund balance	 (723,220)	 (723,220)	 1,139,597	 1,862,817
 Fund balance - beginning	 <u>4,218,665</u>	 <u>4,218,665</u>	 <u>5,449,651</u>	 <u>1,230,986</u>
 Fund balance - ending	 <u>\$ 3,495,445</u>	 <u>\$ 3,495,445</u>	 <u>\$ 6,589,248</u>	 <u>\$ 3,093,803</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, 2015

	<u>2015 Budgeted Amounts</u>		<u>2015</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 227,999	\$ 227,999	\$ 457,163	\$ 229,164
Miscellaneous	1,000	1,000	1,185	185
Total Revenues	<u>228,999</u>	<u>228,999</u>	<u>458,348</u>	<u>229,349</u>
EXPENDITURES				
Welfare Function:				
Services and supplies	707,000	707,000	393,506	313,494
Intergovernmental Expenditure Function:				
Services and supplies	<u>66,970</u>	<u>66,970</u>	<u>152,836</u>	<u>(85,866)</u>
Total Expenditures	<u>773,970</u>	<u>773,970</u>	<u>546,342</u>	<u>227,628</u>
Excess (deficiency) of revenues over (under) expenditures	(544,971)	(544,971)	(87,994)	456,977
Fund balance - beginning	<u>1,024,704</u>	<u>1,024,704</u>	<u>1,473,671</u>	<u>448,967</u>
Fund balance - ending	<u><u>\$ 479,733</u></u>	<u><u>\$ 479,733</u></u>	<u><u>\$ 1,385,677</u></u>	<u><u>\$ 905,944</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, 2015

	<u>2015 Budgeted Amounts</u>		<u>2015</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
REVENUES				
Taxes	\$ 303,999	\$ 303,999	\$ 609,554	\$ 305,555
Intergovernmental Revenue:				
Room taxes	200,000	200,000	333,974	133,974
Charges for Services	155,800	155,800	171,255	15,455
Miscellaneous	-	-	9,282	9,282
Total Revenues	<u>659,799</u>	<u>659,799</u>	<u>1,124,065</u>	<u>464,266</u>
EXPENDITURES				
Culture and Recreation Function:				
Salaries and wages	342,860	342,860	333,553	9,307
Employee benefits	138,412	138,412	127,864	10,548
Services and supplies	477,200	477,200	395,455	81,745
Capital outlay	180,500	330,500	273,793	56,707
Total Expenditures	<u>1,138,972</u>	<u>1,288,972</u>	<u>1,130,665</u>	<u>158,307</u>
Excess (deficiency) of revenues over (under) expenditures	(479,173)	(629,173)	(6,600)	622,573
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,100)	(2,100)	(2,600)	(500)
Net change in fund balance	(481,273)	(631,273)	(9,200)	622,073
Fund balance - beginning	<u>1,542,703</u>	<u>1,692,703</u>	<u>2,180,750</u>	<u>488,047</u>
Fund balance - ending	<u>\$ 1,061,430</u>	<u>\$ 1,061,430</u>	<u>\$ 2,171,550</u>	<u>\$ 1,110,120</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, 2015

	<u>General Fund Budgetary Basis</u>	<u>Internally Reported Funds</u>	<u>Eliminations</u>	<u>General Fund GAAP Basis</u>
REVENUES				
Taxes	\$ 5,688,465	\$ -	\$ -	\$ 5,688,465
Licenses and permits	1,201,197	-	-	1,201,197
Intergovernmental revenue	9,174,747	-	-	9,174,747
Charges for services	399,292	-	-	399,292
Fines and forfeits	621,569	-	-	621,569
Miscellaneous revenues	500,533	1,131	-	501,664
	<u>17,585,803</u>	<u>1,131</u>	<u>-</u>	<u>17,586,934</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	5,621,638	218,451	-	5,840,089
Judicial	2,266,846	-	-	2,266,846
Public safety	7,603,899	-	-	7,603,899
Public works	23,130	-	-	23,130
Health	299,912	-	-	299,912
Culture and recreation	2,500	-	-	2,500
Community support	1,104,524	-	-	1,104,524
Intergovernmental expenditures	513,451	-	-	513,451
	<u>17,435,900</u>	<u>218,451</u>	<u>-</u>	<u>17,654,351</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>149,903</u>	<u>(217,320)</u>	<u>-</u>	<u>(67,417)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	141,600	(87,820)	58,780
Transfers out	(87,820)	-	87,820	-
	<u>(82,820)</u>	<u>141,600</u>	<u>-</u>	<u>58,780</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	67,083	(75,720)	-	(8,637)
Fund Balances - beginning	<u>18,530,773</u>	<u>738,338</u>	<u>-</u>	<u>19,269,111</u>
Fund Balances - ending	<u>\$ 18,597,856</u>	<u>\$ 662,618</u>	<u>\$ -</u>	<u>\$ 19,260,474</u>

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

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2015

Schedule of Funding Progress
Other Postemployment Benefits

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Level Dollar (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	* Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
HCHIP	10/1/2009	\$ -	\$ 3,190,255	\$ 3,190,255	0.00%	\$ 10,229,682	31.19%
HCHIP	10/1/2011	\$ -	\$ 3,517,885	\$ 3,517,885	0.00%	\$ 10,160,248	34.62%
HCHIP	10/1/2013	\$ -	\$ 2,629,029	\$ 2,629,029	0.00%	\$ 11,462,887	22.94%
PEBP	10/1/2009	\$ -	\$ 4,019,118	\$ 4,019,118	0.00%	N/A	N/A
PEBP	10/1/2011	\$ -	\$ 2,374,011	\$ 2,374,011	0.00%	N/A	N/A
PEBP	10/1/2013	\$ -	\$ 2,381,039	\$ 2,381,039	0.00%	N/A	N/A

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

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

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2015

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

Year Ended June 30	County's proportion of the net pension liability (asset)	County's proportionate share of the net pension liability (asset)	County's covered- employee payroll	County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2015	0.22353%	\$ 23,296,447	\$ 11,590,730	200.99%	~
2014	*	29,394,061	11,364,235	258.65%	76.31%
2013	*	*	10,265,214	*	68.68%
2012	*	*	10,642,369	*	*
2011	*	*	10,175,843	*	*
2010	*	*	10,078,447	*	*
2009	*	*	9,795,333	*	*
2008	*	*	9,048,906	*	*
2007	*	*	8,452,175	*	*
2006	*	*	7,953,876	*	*

*Prospective implementation as of June 30, 2015.

~Information not yet available.

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

HUMBOLDT COUNTY
Required Supplementary Information
June 30, 2015

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

Year Ended June 30	Statutorily required contribution	Actual employer contributions	Contribution deficiency (excess)	County's covered- employee payroll	Contributions as a percentage of covered-employee payroll
2015	\$ 3,432,351	\$ 3,432,351	\$ -	\$ 11,590,730	29.61%
2014	3,367,156	3,367,156	-	11,364,235	29.63%
2013	2,947,536	2,947,536	-	10,265,214	28.71%
2012	2,936,748	2,936,748	-	10,642,369	27.59%
2011	2,596,664	2,596,664	-	10,175,843	25.52%
2010	2,554,204	2,554,204	-	10,078,447	25.34%
2009	2,339,276	2,339,276	-	9,795,333	23.88%
2008	2,049,486	2,049,486	-	9,048,906	22.65%
2007	1,926,642	1,926,642	-	8,452,175	22.79%
2006	1,798,534	1,798,534	-	7,953,876	22.61%

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

HUMBOLDT COUNTY
Notes to Required Supplementary Information
June 30, 2015

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, 2015

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets			
Cash and investments	\$ 13,382,540	\$ 466,508	\$ 13,849,048
Taxes receivable	88,385	7,887	96,272
Accounts receivable	38,041	2,176	40,217
Interest receivable	-	29	29
Due from other governments	145,641	8,346	153,987
	<u>145,641</u>	<u>8,346</u>	<u>153,987</u>
 Total assets	 <u>\$ 13,654,607</u>	 <u>\$ 484,946</u>	 <u>\$ 14,139,553</u>
Liabilities			
Accounts payable	\$ 131,908	\$ 39,947	\$ 171,855
Accrued salaries and benefits	32,942	-	32,942
Due to other governments	3,378	85	3,463
Due to other funds	10,550	17,707	28,257
	<u>10,550</u>	<u>17,707</u>	<u>28,257</u>
Total liabilities	<u>178,778</u>	<u>57,739</u>	<u>236,517</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	88,385	7,887	96,272
	<u>88,385</u>	<u>7,887</u>	<u>96,272</u>
Fund Balances			
Restricted	4,488,283	419,320	4,907,603
Committed	6,267,890	-	6,267,890
Assigned	2,631,271	-	2,631,271
	<u>2,631,271</u>	<u>-</u>	<u>2,631,271</u>
Total fund balances	<u>13,387,444</u>	<u>419,320</u>	<u>13,806,764</u>
 Total liabilities, deferred inflows, and fund balances	 <u>\$ 13,654,607</u>	 <u>\$ 484,946</u>	 <u>\$ 14,139,553</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
REVENUES			
Taxes	\$ 2,126,764	\$ 152,389	\$ 2,279,153
Intergovernmental revenues	2,113,454	-	2,113,454
Charges for services	23,142	-	23,142
Fines and forfeits	96,939	-	96,939
Miscellaneous revenues	76,172	473	76,645
	<u>4,436,471</u>	<u>152,862</u>	<u>4,589,333</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	218,515	-	218,515
Judicial	417,096	-	417,096
Public Safety	54,106	-	54,106
Culture and Recreation	1,147,025	-	1,147,025
Community Support	185,567	394,507	580,074
Intergovernmental	-	37,127	37,127
	<u>2,022,309</u>	<u>431,634</u>	<u>2,453,943</u>
Total Expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>2,414,162</u>	<u>(278,772)</u>	<u>2,135,390</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	25,000	-	25,000
Transfers out	(1,037,200)	-	(1,037,200)
	<u>(1,012,200)</u>	<u>-</u>	<u>(1,012,200)</u>
Total other financing sources (uses)			
Net Change in Fund Balances	1,401,962	(278,772)	1,123,190
Fund balances - beginning	<u>11,985,482</u>	<u>698,092</u>	<u>12,683,574</u>
Fund balances - ending	<u>\$ 13,387,444</u>	<u>\$ 419,320</u>	<u>\$ 13,806,764</u>

HUMBOLDT COUNTY
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)
Balance Sheet
June 30, 2015

	<u>General Fund</u>	<u>Internally Reported Funds</u>	<u>General Fund Total</u>
Assets			
Cash and investments	\$ 17,310,710	\$ 693,102	\$ 18,003,812
Taxes receivable	250,027	-	250,027
Accounts receivable	329,969	-	329,969
Interest receivable	1,108	32	1,140
Notes receivable	2,261	-	2,261
Due from other governments	1,934,369	-	1,934,369
Due from other funds	40,766	-	40,766
	<u>19,869,210</u>	<u>693,134</u>	<u>20,562,344</u>
Total assets	<u>\$ 19,869,210</u>	<u>\$ 693,134</u>	<u>\$ 20,562,344</u>
Liabilities			
Accounts payable	\$ 523,271	\$ 23,926	\$ 547,197
Accrued salaries and benefits	371,326	-	371,326
Due to other governments	61,316	6,590	67,906
Due to other funds	41,301	-	41,301
Deferred revenue	24,113	-	24,113
	<u>1,021,327</u>	<u>30,516</u>	<u>1,051,843</u>
Total liabilities	<u>1,021,327</u>	<u>30,516</u>	<u>1,051,843</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	250,027	-	250,027
	<u>250,027</u>	<u>-</u>	<u>250,027</u>
Fund Balances			
Nonspendable	2,261	-	2,261
Restricted	-	173,027	173,027
Committed	-	489,591	489,591
Assigned	5,651,915	-	5,651,915
Unassigned	12,943,680	-	12,943,680
	<u>18,597,856</u>	<u>662,618</u>	<u>19,260,474</u>
Total fund balances	<u>18,597,856</u>	<u>662,618</u>	<u>19,260,474</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 19,869,210</u>	<u>\$ 693,134</u>	<u>\$ 20,562,344</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
REVENUES					
Taxes:					
Property taxes	\$ 2,409,188	\$ 2,409,188	\$ 5,594,599	\$ 3,185,411	\$ 4,207,791
Tax penalties	72,000	72,000	93,866	21,866	110,455
Total Taxes	<u>2,481,188</u>	<u>2,481,188</u>	<u>5,688,465</u>	<u>3,207,277</u>	<u>4,318,246</u>
Licenses and Permits:					
Business:					
Business licenses	40,000	40,000	52,708	12,708	55,594
Liquor licenses	6,000	6,000	4,640	(1,360)	5,660
Local gaming licenses	45,000	45,000	60,164	15,164	57,034
Franchise fees	450,000	450,000	906,673	456,673	899,827
Nonbusiness:					
Building permits	160,000	160,000	143,269	(16,731)	270,351
Dog licenses	10,000	10,000	11,575	1,575	11,924
CCW permits	-	-	20,653	20,653	20,518
Marriage licenses	-	-	1,480	1,480	1,950
Other permits	-	-	35	35	63
Total Licenses and Permits	<u>711,000</u>	<u>711,000</u>	<u>1,201,197</u>	<u>490,197</u>	<u>1,322,921</u>
Intergovernmental Revenues:					
Federal grants:					
Child support enforcement	180,000	180,000	281,210	101,210	227,926
Consolidated task force	-	23,132	23,132	-	20,490
Senior transportation grant	-	214,769	214,769	-	200,939
SCAAP grant	-	3,078	3,078	-	6,157
CDBG grant	-	16,580	16,580	-	-
Night Vision JAG	-	15,000	15,000	-	-
NDOW grant	-	-	-	-	22,611
Other Intergovernmental Revenues:					
United we stand grant	-	28,911	28,911	-	-
SERC grant	-	28,129	28,129	-	-
NDOT grant	-	232	232	-	-
Taylor grazing fees	40,000	40,000	23,654	(16,346)	25,502
NRA grant	-	-	8,868	8,868	-
City-county sharing agreement	400,000	400,000	388,881	(11,119)	365,118
Humboldt river basin authority	40,000	40,000	55,764	15,764	40,467
Combined tax	8,000,000	8,000,000	7,944,035	(55,965)	9,773,454
State gaming license fees	140,000	140,000	142,504	2,504	141,872
Lease of federal lands	-	-	-	-	7,722
Total Intergovernmental Revenues	<u>8,800,000</u>	<u>9,129,831</u>	<u>9,174,747</u>	<u>44,916</u>	<u>10,832,258</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, 2015

(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
Charges for Services:					
General Government:					
Clerk fees	\$ 17,500	\$ 17,500	\$ 18,497	\$ 997	\$ 21,405
Candidate fees	-	-	-	-	1,480
Recorder fees	150,000	150,000	109,036	(40,964)	122,889
Recorder technology fees	-	-	13,026	13,026	12,936
Planning fees	9,000	9,000	10,385	1,385	10,705
Map fees	30,000	30,000	12,990	(17,010)	8,620
Subtotal General Government	<u>206,500</u>	<u>206,500</u>	<u>163,934</u>	<u>(42,566)</u>	<u>178,035</u>
Judicial:					
Legal assistance fees	5,200	5,200	6,993	1,793	8,108
Law library fees	4,000	4,000	5,550	1,550	6,855
Bail bond fees	6,000	6,000	4,388	(1,612)	5,249
Civil action fees	30,000	30,000	57,947	27,947	59,972
District court filing fees	-	-	17,629	17,629	22,073
Public defender fees	-	-	13,172	13,172	13,270
Subtotal Judicial	<u>45,200</u>	<u>45,200</u>	<u>105,679</u>	<u>60,479</u>	<u>115,527</u>
Public Safety:					
Sheriff fees	25,000	25,000	31,326	6,326	38,147
Detention fees	30,000	30,000	54,492	24,492	58,318
Detention meal preparation	20,000	20,000	14,323	(5,677)	16,520
Subtotal Public Safety	<u>75,000</u>	<u>75,000</u>	<u>100,141</u>	<u>25,141</u>	<u>112,985</u>
Other Charges for Services	<u>5,500</u>	<u>5,500</u>	<u>29,538</u>	<u>24,038</u>	<u>30,277</u>
Total Charges for Services	<u>332,200</u>	<u>332,200</u>	<u>399,292</u>	<u>67,092</u>	<u>436,824</u>
Fines and Forfeits	<u>607,000</u>	<u>607,000</u>	<u>621,569</u>	<u>14,569</u>	<u>591,712</u>
Miscellaneous Revenues:					
Interest earnings	120,000	120,000	240,463	120,463	244,857
Miscellaneous	-	-	165,912	165,912	155,039
Geothermal lease	-	-	66,172	66,172	48,674
Election reimbursement	-	-	15,824	15,824	80
Forensic services	-	-	7,050	7,050	8,409
Restitution	-	-	985	985	852
Contributions	-	-	4,127	4,127	1,245
Total Miscellaneous Revenues	<u>120,000</u>	<u>120,000</u>	<u>500,533</u>	<u>380,533</u>	<u>459,156</u>
Total Revenues	<u>13,051,388</u>	<u>13,381,219</u>	<u>17,585,803</u>	<u>4,204,584</u>	<u>17,961,117</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
EXPENDITURES BY FUNCTION AND ACTIVITY					
General Government Function:					
Legislative:					
Commissioners					
Salaries and wages	\$ 146,160	\$ 146,160	\$ 144,307	\$ 1,853	\$ 143,571
Employee benefits	84,430	84,430	67,470	16,960	75,251
Services and supplies	39,750	39,750	38,663	1,087	31,102
Subtotal Legislative	<u>270,340</u>	<u>270,340</u>	<u>250,440</u>	<u>19,900</u>	<u>249,924</u>
Executive:					
County Administrator					
Salaries and wages	246,420	246,420	271,618	(25,198)	236,500
Employee benefits	102,620	102,620	100,991	1,629	92,868
Services and supplies	1,000	1,000	5,803	(4,803)	796
Subtotal Executive	<u>350,040</u>	<u>350,040</u>	<u>378,412</u>	<u>(28,372)</u>	<u>330,164</u>
Elections:					
Services and supplies	<u>35,000</u>	<u>35,000</u>	<u>49,039</u>	<u>(14,039)</u>	<u>26,464</u>
Finance:					
Comptroller:					
Salaries and wages	152,420	152,420	152,452	(32)	141,845
Employee benefits	76,500	76,500	66,922	9,578	63,329
Services and supplies	134,700	134,700	117,527	17,173	103,400
	<u>363,620</u>	<u>363,620</u>	<u>336,901</u>	<u>26,719</u>	<u>308,574</u>
Assessor:					
Salaries and wages	463,950	463,950	443,279	20,671	425,048
Employee benefits	220,052	220,052	197,665	22,387	187,275
Services and supplies	55,400	55,400	42,333	13,067	42,788
	<u>739,402</u>	<u>739,402</u>	<u>683,277</u>	<u>56,125</u>	<u>655,111</u>
Treasurer:					
Salaries and wages	177,670	177,670	172,816	4,854	168,476
Employee benefits	83,050	83,050	77,250	5,800	74,820
Services and supplies	26,250	26,250	18,625	7,625	23,093
	<u>286,970</u>	<u>286,970</u>	<u>268,691</u>	<u>18,279</u>	<u>266,389</u>
Subtotal Finance	<u>1,389,992</u>	<u>1,389,992</u>	<u>1,288,869</u>	<u>101,123</u>	<u>1,230,074</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Other:					
Clerk:					
Salaries and wages	\$ 286,200	\$ 286,200	\$ 284,092	\$ 2,108	\$ 276,552
Employee benefits	137,350	137,350	127,623	9,727	124,029
Services and supplies	20,200	20,200	15,363	4,837	20,953
	<u>443,750</u>	<u>443,750</u>	<u>427,078</u>	<u>16,672</u>	<u>421,534</u>
Recorder:					
Salaries and wages	188,550	188,550	182,300	6,250	179,594
Employee benefits	84,330	84,330	78,534	5,796	76,941
Services and supplies	80,420	80,420	45,454	34,966	66,857
	<u>353,300</u>	<u>353,300</u>	<u>306,288</u>	<u>47,012</u>	<u>323,392</u>
Computer Systems:					
Salaries and wages	129,730	129,730	105,922	23,808	101,467
Employee benefits	57,810	57,810	44,260	13,550	44,366
Services and supplies	256,668	256,668	179,791	76,877	143,361
Capital outlay	59,851	59,851	57,647	2,204	-
	<u>504,059</u>	<u>504,059</u>	<u>387,620</u>	<u>116,439</u>	<u>289,194</u>
Planning:					
Salaries and wages	88,260	88,260	86,559	1,701	82,991
Employee benefits	47,570	47,570	44,161	3,409	41,307
Services and supplies	20,200	20,200	9,269	10,931	10,227
	<u>156,030</u>	<u>156,030</u>	<u>139,989</u>	<u>16,041</u>	<u>134,525</u>
Buildings and Grounds:					
Salaries and wages	447,440	447,440	433,573	13,867	427,442
Employee benefits	229,630	229,630	208,951	20,679	202,264
Services and supplies	541,480	541,480	436,334	105,146	465,377
Capital outlay	60,000	60,000	61,003	(1,003)	93,106
	<u>1,278,550</u>	<u>1,278,550</u>	<u>1,139,861</u>	<u>138,689</u>	<u>1,188,189</u>
Communications:					
Salaries and wages	188,280	188,280	139,378	48,902	123,896
Employee benefits	83,202	83,202	55,435	27,767	41,444
Services and supplies	87,800	87,800	144,366	(56,566)	70,327
Capital outlay	66,000	66,000	128,194	(62,194)	38,824
	<u>425,282</u>	<u>425,282</u>	<u>467,373</u>	<u>(42,091)</u>	<u>274,491</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Personnel:					
Services and supplies	\$ 66,500	\$ 66,500	\$ 11,104	\$ 55,396	\$ 17,395
Miscellaneous:					
Insurance	575,000	575,000	398,577	176,423	448,464
Insurance reserve	200,000	200,000	111,996	88,004	9,245
Humboldt river basin authority	42,750	42,750	62,094	(19,344)	44,467
Miscellaneous	966,000	966,000	202,898	763,102	293,993
	<u>1,783,750</u>	<u>1,783,750</u>	<u>775,565</u>	<u>1,008,185</u>	<u>796,169</u>
Subtotal Other	<u>5,011,221</u>	<u>5,011,221</u>	<u>3,654,878</u>	<u>1,356,343</u>	<u>3,444,889</u>
Total General Government Function	<u>7,056,593</u>	<u>7,056,593</u>	<u>5,621,638</u>	<u>1,434,955</u>	<u>5,281,515</u>
Judicial Function:					
Justice Court:					
Salaries and wages	470,070	470,070	365,144	104,926	435,787
Employee benefits	219,480	219,480	167,245	52,235	190,808
Services and supplies	68,500	68,500	48,569	19,931	47,416
	<u>758,050</u>	<u>758,050</u>	<u>580,958</u>	<u>177,092</u>	<u>674,011</u>
District Attorney:					
Salaries and wages	741,450	741,450	718,219	23,231	625,810
Employee benefits	329,970	329,970	295,352	34,618	251,688
Services and supplies	89,700	89,700	65,981	23,719	94,134
Capital Outlay	-	-	6,374	(6,374)	43,178
	<u>1,161,120</u>	<u>1,161,120</u>	<u>1,085,926</u>	<u>75,194</u>	<u>1,014,810</u>
Child Support:					
Salaries and wages	203,940	203,940	203,585	355	189,186
Employee benefits	115,690	115,690	105,351	10,339	88,919
Services and supplies	44,736	44,736	65,467	(20,731)	66,132
	<u>364,366</u>	<u>364,366</u>	<u>374,403</u>	<u>(10,037)</u>	<u>344,237</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, 2015

(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Public Defender:					
Salaries and wages	\$ 155,720	\$ 155,720	\$ 155,950	\$ (230)	\$ 148,996
Employee benefits	66,480	66,480	62,795	3,685	59,963
Services and supplies	19,000	19,000	6,814	12,186	5,623
	<u>241,200</u>	<u>241,200</u>	<u>225,559</u>	<u>15,641</u>	<u>214,582</u>
 Total Judicial Function	 <u>2,524,736</u>	 <u>2,524,736</u>	 <u>2,266,846</u>	 <u>257,890</u>	 <u>2,247,640</u>
Public Safety Function:					
Sheriff:					
Salaries and wages	1,911,270	1,911,270	1,994,846	(83,576)	2,017,931
Employee benefits	1,094,380	1,094,380	1,026,540	67,840	1,039,079
Services and supplies	380,200	395,200	424,742	(29,542)	359,852
Capital outlay	55,000	55,000	200,370	(145,370)	195,307
	<u>3,440,850</u>	<u>3,455,850</u>	<u>3,646,498</u>	<u>(190,648)</u>	<u>3,612,169</u>
Detention:					
Salaries and wages	1,369,586	1,369,586	1,420,958	(51,372)	1,318,329
Employee benefits	779,136	779,136	757,344	21,792	673,068
Services and supplies	379,105	382,183	287,642	94,541	275,709
Capital outlay	5,500	5,500	60,576	(55,076)	-
	<u>2,533,327</u>	<u>2,536,405</u>	<u>2,526,520</u>	<u>9,885</u>	<u>2,267,106</u>
Dispatch:					
Salaries and wages	791,502	791,502	543,121	248,381	556,911
Employee benefits	262,546	262,546	183,185	79,361	157,102
Services and supplies	253,500	253,500	176,694	76,806	164,072
Capital outlay	-	-	-	-	42,809
	<u>1,307,548</u>	<u>1,307,548</u>	<u>903,000</u>	<u>404,548</u>	<u>920,894</u>
Building Official:					
Salaries and wages	199,250	199,250	199,630	(380)	190,218
Employee benefits	90,420	90,420	84,949	5,471	81,056
Services and supplies	32,900	32,900	24,199	8,701	27,948
	<u>322,570</u>	<u>322,570</u>	<u>308,778</u>	<u>13,792</u>	<u>299,222</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Task Force:					
Salaries and wages	\$ 83,690	\$ 83,690	\$ 76,007	\$ 7,683	\$ 76,666
Employee benefits	46,510	46,510	43,368	3,142	43,324
Services and supplies	19,500	19,500	17,107	2,393	10,924
Capital outlay	-	23,132	25,581	(2,449)	7,145
	<u>149,700</u>	<u>172,832</u>	<u>162,063</u>	<u>10,769</u>	<u>138,059</u>
LEPC:					
Services and supplies	-	57,040	57,040	-	-
	<u>-</u>	<u>57,040</u>	<u>57,040</u>	<u>-</u>	<u>-</u>
Total Public Safety Function	<u>7,753,995</u>	<u>7,852,245</u>	<u>7,603,899</u>	<u>248,346</u>	<u>7,237,450</u>
Public Works Function:					
Services and supplies	22,000	22,000	23,130	(1,130)	21,846
	<u>22,000</u>	<u>22,000</u>	<u>23,130</u>	<u>(1,130)</u>	<u>21,846</u>
Health Function:					
Health:					
Services and supplies	188,208	188,208	184,703	3,505	140,815
	<u>188,208</u>	<u>188,208</u>	<u>184,703</u>	<u>3,505</u>	<u>140,815</u>
Mosquito Control:					
Services and supplies	150,440	150,440	115,209	35,231	118,601
	<u>150,440</u>	<u>150,440</u>	<u>115,209</u>	<u>35,231</u>	<u>118,601</u>
Total Health Function	<u>338,648</u>	<u>338,648</u>	<u>299,912</u>	<u>38,736</u>	<u>259,416</u>
Culture and Recreation Function:					
Virgin Valley Campground:					
Services and supplies	2,500	2,500	2,500	-	2,500
	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Community Support Function:					
Services and supplies:					
Senior citizens	228,000	228,000	442,517	(214,517)	339,220
Museum	114,000	114,000	221,261	(107,261)	169,616
Senior transportation grant	-	215,001	215,001	-	200,939
Humboldt development authority	15,000	15,000	15,000	-	15,000
Chamber of commerce	6,500	6,500	6,500	-	6,500
Range improvement districts	50,000	50,000	23,654	26,346	25,502
Western NV development	5,000	5,000	4,500	500	4,500
Melarkey and WMCA Blvd.	-	-	52,011	(52,011)	138,033

(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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
CDBG grant	\$ -	\$ 16,580	\$ 16,580	\$ -	\$ -
Vitality center	7,500	7,500	7,500	-	7,500
NDOW Grant	-	-	-	-	22,611
Fire protection	100,000	100,000	100,000	-	100,000
Total Community Support Function	<u>526,000</u>	<u>757,581</u>	<u>1,104,524</u>	<u>(346,943)</u>	<u>1,029,421</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	6,488	43,512	4,975
Cemetery	35,000	35,000	29,750	5,250	31,525
Parks and recreation	400,000	400,000	345,220	54,780	340,420
Animal control/spay neuter	15,000	15,000	25,000	(10,000)	22,000
Legal assistance	6,000	6,000	6,993	(993)	8,108
Total Intergovernmental Expenditure Function	<u>606,000</u>	<u>606,000</u>	<u>513,451</u>	<u>92,549</u>	<u>507,028</u>
Total Expenditures	<u>18,830,472</u>	<u>19,160,303</u>	<u>17,435,900</u>	<u>1,724,403</u>	<u>16,586,816</u>
Excess (deficiency) of revenues over expenditures	<u>(5,779,084)</u>	<u>(5,779,084)</u>	<u>149,903</u>	<u>5,928,987</u>	<u>1,374,301</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	5,000	5,000	5,000	-	5,000
Transfers out	(87,820)	(87,820)	(87,820)	-	(98,200)
Contingency	(350,000)	(350,000)	-	350,000	-
Total other financing sources (uses)	<u>(432,820)</u>	<u>(432,820)</u>	<u>(82,820)</u>	<u>350,000</u>	<u>(93,200)</u>
Net change in fund balance	(6,211,904)	(6,211,904)	67,083	6,278,987	1,281,101
Fund balance - beginning	<u>11,496,882</u>	<u>11,496,882</u>	<u>18,530,773</u>	<u>7,033,891</u>	<u>17,249,672</u>
Fund balance - ending	<u>\$ 5,284,978</u>	<u>\$5,284,978</u>	<u>\$ 18,597,856</u>	<u>\$13,312,878</u>	<u>\$ 18,530,773</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015
(Page 1 of 2)

	Cooperative Extension Fund	Library Fund	6th Judicial District Drug Court Fund	In-Lieu-of Tax Fund
Assets				
Cash and investments	\$ 1,090,560	\$ 4,518,804	\$ 179,126	\$ 4,363,271
Taxes receivable	13,014	74,929	-	-
Accounts receivable	3,590	20,671	-	-
Due from other governments	25,762	79,288	33,779	-
Total assets	<u>\$ 1,132,926</u>	<u>\$ 4,693,692</u>	<u>\$ 212,905</u>	<u>\$ 4,363,271</u>
Liabilities				
Accounts payable	\$ 21,158	\$ 52,031	\$ 23,756	\$ -
Accrued salaries and benefits	4,015	24,386	4,541	-
Due to other governments	-	-	-	-
Due to other funds	1,019	6,456	-	-
Total liabilities	<u>26,192</u>	<u>82,873</u>	<u>28,297</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	13,014	74,929	-	-
Fund Balances				
Restricted	1,093,720	-	184,608	-
Committed	-	4,535,890	-	1,732,000
Assigned	-	-	-	2,631,271
Total fund balances	<u>1,093,720</u>	<u>4,535,890</u>	<u>184,608</u>	<u>4,363,271</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,132,926</u>	<u>\$ 4,693,692</u>	<u>\$ 212,905</u>	<u>\$ 4,363,271</u>

Administrative Assessment Fund	Stabilization Fund	Check Restitution Fund	Genetic Marker Testing Fund	Assessor's Technology Fund	911 Enhancement Fund
\$ 82,283	\$ 1,050,843	\$ 7,844	\$ 2,563	\$ 1,226,968	\$ 145,449
-	-	-	-	-	-
-	-	-	-	9,439	4,316
-	-	-	-	-	-
<u>\$ 82,283</u>	<u>\$ 1,050,843</u>	<u>\$ 7,844</u>	<u>\$ 2,563</u>	<u>\$ 1,236,407</u>	<u>\$ 149,765</u>
\$ 1,793	\$ -	\$ 11	\$ -	\$ 27,141	\$ -
-	-	-	-	-	-
-	-	-	2,563	-	-
-	-	-	-	3,075	-
<u>1,793</u>	<u>-</u>	<u>11</u>	<u>2,563</u>	<u>30,216</u>	<u>-</u>
-	-	-	-	-	-
80,490	1,050,843	7,833	-	1,206,191	149,765
-	-	-	-	-	-
-	-	-	-	-	-
<u>80,490</u>	<u>1,050,843</u>	<u>7,833</u>	<u>-</u>	<u>1,206,191</u>	<u>149,765</u>
<u>\$ 82,283</u>	<u>\$ 1,050,843</u>	<u>\$ 7,844</u>	<u>\$ 2,563</u>	<u>\$ 1,236,407</u>	<u>\$ 149,765</u>

HUMBOLDT COUNTY
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015
(Page 2 of 2)

	Justice Court Administrative Assessment Fund	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
Assets				
Cash and investments	\$ 78,079	504,924	\$ 131,826	\$ 13,382,540
Taxes receivable	-	442	-	88,385
Accounts receivable	-	25	-	38,041
Due from other governments	-	6,812	-	145,641
Total assets	\$ 78,079	\$ 512,203	\$ 131,826	\$ 13,654,607
Liabilities				
Accounts payable	-	\$ 3,713	\$ 2,305	\$ 131,908
Accrued salaries and benefits	-	-	-	32,942
Due to other governments	-	815	-	3,378
Due to other funds	-	-	-	10,550
Total liabilities	-	4,528	2,305	178,778
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	442	-	88,385
Fund Balances				
Restricted	78,079	507,233	129,521	4,488,283
Committed	-	-	-	6,267,890
Assigned	-	-	-	2,631,271
Total fund balances	78,079	507,233	129,521	13,387,444
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 78,079	\$ 512,203	\$ 131,826	\$ 13,654,607

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2015
(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	\$ 251,445	\$ 1,447,620	\$ -	\$ -
Intergovernmental revenue	68,999	27,782	422,912	1,565,377
Charges for services	-	-	-	-
Fines and forfeits	-	3,083	-	-
Miscellaneous revenues	450	-	-	-
	<u>320,894</u>	<u>1,478,485</u>	<u>422,912</u>	<u>1,565,377</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	-	-	-	-
Judicial	-	-	361,250	-
Public safety	-	-	-	-
Culture and recreation	-	1,129,611	-	-
Community support	185,567	-	-	-
	<u>185,567</u>	<u>1,129,611</u>	<u>361,250</u>	<u>-</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>135,327</u>	<u>348,874</u>	<u>61,662</u>	<u>1,565,377</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	-	-	-
Transfers out	<u>(1,400)</u>	<u>(9,800)</u>	<u>(1,000)</u>	<u>(1,025,000)</u>
Total Other Financing Sources (Uses)	<u>23,600</u>	<u>(9,800)</u>	<u>(1,000)</u>	<u>(1,025,000)</u>
Net Change in Fund Balances	158,927	339,074	60,662	540,377
Fund Balances - beginning	<u>934,793</u>	<u>4,196,816</u>	<u>123,946</u>	<u>3,822,894</u>
Fund Balances - ending	<u>\$ 1,093,720</u>	<u>\$ 4,535,890</u>	<u>\$ 184,608</u>	<u>\$ 4,363,271</u>

Administrative Assessment Fund	Stabilization Fund	Check Restitution Fund	Genetic Marker Testing Fund	Assessor's Technology Fund	911 Enhancement Fund
\$ -	\$ -	\$ -	\$ -	\$ 342,498	\$ 55,800
-	-	-	-	-	-
-	-	3,651	19,491	-	-
39,802	-	-	-	-	-
-	-	-	-	-	-
<u>39,802</u>	<u>-</u>	<u>3,651</u>	<u>19,491</u>	<u>342,498</u>	<u>55,800</u>
-	-	-	-	218,515	-
31,212	-	5,143	19,491	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,212</u>	<u>-</u>	<u>5,143</u>	<u>19,491</u>	<u>218,515</u>	<u>-</u>
<u>8,590</u>	<u>-</u>	<u>(1,492)</u>	<u>-</u>	<u>123,983</u>	<u>55,800</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,590</u>	<u>-</u>	<u>(1,492)</u>	<u>-</u>	<u>123,983</u>	<u>55,800</u>
<u>71,900</u>	<u>1,050,843</u>	<u>9,325</u>	<u>-</u>	<u>1,082,208</u>	<u>93,965</u>
<u>\$ 80,490</u>	<u>\$ 1,050,843</u>	<u>\$ 7,833</u>	<u>\$ -</u>	<u>\$ 1,206,191</u>	<u>\$ 149,765</u>

HUMBOLDT COUNTY
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2015
(Page 2 of 2)

	Justice Court Administrative Assessment	Humboldt Fire District General Fund	Library Memorial Fund	Total Nonmajor Special Revenue Funds
REVENUES				
Taxes	\$ -	\$ 29,401	\$ -	\$ 2,126,764
Intergovernmental revenue	-	28,384	-	2,113,454
Charges for services	-	-	-	23,142
Fines and forfeits	54,054	-	-	96,939
Miscellaneous revenues	-	500	75,222	76,172
	<u>54,054</u>	<u>58,285</u>	<u>75,222</u>	<u>4,436,471</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	-	-	-	218,515
Judicial	-	-	-	417,096
Public safety	-	54,106	-	54,106
Culture and recreation	-	-	17,414	1,147,025
Community support	-	-	-	185,567
	<u>-</u>	<u>54,106</u>	<u>17,414</u>	<u>2,022,309</u>
Total Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>54,054</u>	<u>4,179</u>	<u>57,808</u>	<u>2,414,162</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	25,000
Transfers out	-	-	-	(1,037,200)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,012,200)</u>
Net Change in Fund Balances	54,054	4,179	57,808	1,401,962
Fund Balances - beginning	<u>24,025</u>	<u>503,054</u>	<u>71,713</u>	<u>11,985,482</u>
Fund Balances - ending	<u>\$ 78,079</u>	<u>\$ 507,233</u>	<u>\$ 129,521</u>	<u>\$ 13,387,444</u>

HUMBOLDT COUNTY
Cooperative Extension Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to Final Budget</u>	<u>2014</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes	\$ 125,399	\$ 125,399	\$ 251,445	\$ 126,046	\$ 190,696
Intergovernmental Revenue:					
Combined tax	69,480	69,480	68,999	(481)	84,888
Grants	-	-	-	-	1,000
Total Intergovernmental Revenues	<u>69,480</u>	<u>69,480</u>	<u>68,999</u>	<u>(481)</u>	<u>85,888</u>
Miscellaneous	-	-	450	450	1,312
Total Revenues	<u>194,879</u>	<u>194,879</u>	<u>320,894</u>	<u>126,015</u>	<u>277,896</u>
EXPENDITURES					
Community Support Function:					
Salaries and wages	92,190	92,190	92,064	126	88,186
Employee benefits	49,070	49,070	45,253	3,817	43,778
Services and supplies	99,124	99,124	48,250	50,874	51,014
Total Expenditures	<u>240,384</u>	<u>240,384</u>	<u>185,567</u>	<u>54,817</u>	<u>182,978</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(45,505)</u>	<u>(45,505)</u>	<u>135,327</u>	<u>180,832</u>	<u>94,918</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	25,000	25,000	25,000	-	25,000
Transfers out	(1,400)	(1,400)	(1,400)	-	(1,400)
Total Other Financing Sources (Uses)	<u>23,600</u>	<u>23,600</u>	<u>23,600</u>	<u>-</u>	<u>23,600</u>
Net change in fund balance	(21,905)	(21,905)	158,927	180,832	118,518
Fund balance - beginning	<u>798,121</u>	<u>798,121</u>	<u>934,793</u>	<u>136,672</u>	<u>816,275</u>
Fund balance - ending	<u>\$ 776,216</u>	<u>\$ 776,216</u>	<u>\$ 1,093,720</u>	<u>\$ 317,504</u>	<u>\$ 934,793</u>

HUMBOLDT COUNTY
Library Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes	\$ 721,996	\$ 721,996	\$ 1,447,620	\$ 725,624	\$ 1,097,916
Intergovernmental Revenue:					
Federal grants	-	-	5,100	5,100	5,100
State grants	-	-	22,682	22,682	23,448
Combined tax	-	-	-	-	481,033
Total Intergovernmental Revenues	-	-	27,782	27,782	509,581
Fines and Forfeits:					
Library fines	2,500	2,500	3,083	583	3,974
Miscellaneous	-	-	-	-	75
Total Revenues	724,496	724,496	1,478,485	753,989	1,611,546
EXPENDITURES					
Culture and Recreation Function:					
Salaries and wages	594,440	594,440	590,007	4,433	554,464
Employee benefits	338,910	338,910	282,301	56,609	264,940
Services and supplies	292,703	292,703	257,303	35,400	261,277
Capital outlay	250,000	250,000	-	250,000	-
Total Expenditures	1,476,053	1,476,053	1,129,611	346,442	1,080,681
Excess (deficiency) of revenues over (under) expenditures	(751,557)	(751,557)	348,874	1,100,431	530,865
OTHER FINANCING SOURCES (USES)					
Transfers out	(9,800)	(9,800)	(9,800)	-	(10,500)
Net change in fund balance	(761,357)	(761,357)	339,074	1,100,431	520,365
Fund balance - beginning	3,344,332	3,344,332	4,196,816	852,484	3,676,451
Fund balance - ending	<u>\$2,582,975</u>	<u>\$2,582,975</u>	<u>\$ 4,535,890</u>	<u>\$1,952,915</u>	<u>\$ 4,196,816</u>

HUMBOLDT COUNTY
6th Judicial District Drug Court Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to</u>	<u>2014</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	\$ 85,890	\$ 85,890	\$ 107,831	\$ 21,941	\$ 158,027
Federal grant	<u>324,930</u>	<u>324,930</u>	<u>315,081</u>	<u>(9,849)</u>	<u>302,274</u>
Total Revenues	<u>410,820</u>	<u>410,820</u>	<u>422,912</u>	<u>12,092</u>	<u>460,301</u>
EXPENDITURES					
Judicial Function:					
Drug Court:					
Salaries and wages	160,370	160,370	126,719	33,651	106,598
Employee benefits	34,920	34,920	29,965	4,955	29,127
Services and supplies	<u>215,530</u>	<u>215,530</u>	<u>204,566</u>	<u>10,964</u>	<u>277,555</u>
Total Expenditures	<u>410,820</u>	<u>410,820</u>	<u>361,250</u>	<u>49,570</u>	<u>413,280</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	61,662	61,662	47,021
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(2,600)</u>	<u>(2,600)</u>	<u>(1,000)</u>	<u>1,600</u>	<u>-</u>
Net change in fund balance	(2,600)	(2,600)	60,662	63,262	47,021
Fund balance - beginning	<u>50,925</u>	<u>50,925</u>	<u>123,946</u>	<u>73,021</u>	<u>76,925</u>
Fund balance - ending	<u>\$ 48,325</u>	<u>\$ 48,325</u>	<u>\$ 184,608</u>	<u>\$ 136,283</u>	<u>\$ 123,946</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	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>\$ 1,565,377</u>	<u>\$ 165,377</u>	<u>\$ 1,718,685</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(1,025,000)</u>	<u>(1,025,000)</u>	<u>(1,025,000)</u>	<u>-</u>	<u>(1,955,288)</u>
Net change in fund balance	375,000	375,000	540,377	165,377	(236,603)
Fund balance - beginning	<u>3,504,209</u>	<u>3,504,209</u>	<u>3,822,894</u>	<u>318,685</u>	<u>4,059,497</u>
Fund balance - ending	<u><u>\$ 3,879,209</u></u>	<u><u>\$ 3,879,209</u></u>	<u><u>\$ 4,363,271</u></u>	<u><u>\$ 484,062</u></u>	<u><u>\$ 3,822,894</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to</u>	<u>2014</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					
Fines and Forfeits:					
Court administrative assessment	\$ 40,000	\$ 40,000	\$ 39,802	\$ (198)	\$ 37,895
EXPENDITURES					
Judicial Function:					
Justice Court:					
Services and supplies	70,000	70,000	\$ 31,212	38,788	72,449
Excess (deficiency) of revenues over (under) expenditures	(30,000)	(30,000)	8,590	38,590	(34,554)
Fund balance - beginning	76,454	76,454	71,900	(4,554)	106,454
Fund balance - ending	<u>\$ 46,454</u>	<u>\$ 46,454</u>	<u>\$ 80,490</u>	<u>\$ 34,036</u>	<u>\$ 71,900</u>

HUMBOLDT COUNTY
Stabilization Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to Final Budget</u>	<u>2014</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
General Government Function:					
Services and supplies	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Fund balance - beginning	<u>1,050,843</u>	<u>1,050,843</u>	<u>1,050,843</u>	<u>-</u>	<u>1,050,843</u>
Fund balance - ending	<u><u>\$1,050,843</u></u>	<u><u>\$1,050,843</u></u>	<u><u>\$1,050,843</u></u>	<u><u>\$ -</u></u>	<u><u>\$1,050,843</u></u>

HUMBOLDT COUNTY
Check Restitution Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to</u>	<u>2014</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	\$ 3,651	\$ (26,349)	\$ 3,217
Fines and Forfeits:					
Administrative assessments	2,200	2,200	-	(2,200)	-
Total Revenues	<u>32,200</u>	<u>32,200</u>	<u>3,651</u>	<u>(28,549)</u>	<u>3,217</u>
EXPENDITURES					
Judicial Function:					
Settlements	30,000	30,000	3,140	26,860	3,478
Services and supplies	2,125	2,125	2,003	122	2,268
Total Expenditures	<u>32,125</u>	<u>32,125</u>	<u>5,143</u>	<u>26,982</u>	<u>5,746</u>
Excess (deficiency) of revenues over (under) expenditures	75	75	(1,492)	(1,567)	(2,529)
Fund balance - beginning	<u>11,929</u>	<u>11,929</u>	<u>9,325</u>	<u>(2,604)</u>	<u>11,854</u>
Fund balance - ending	<u>\$ 12,004</u>	<u>\$ 12,004</u>	<u>\$ 7,833</u>	<u>\$ (4,171)</u>	<u>\$ 9,325</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Charges for Services:					
Fees	\$ -	\$ -	\$ 19,491	\$ 19,491	\$ 20,352
EXPENDITURES					
Judicial Function:					
Services and supplies	-	-	19,491	(19,491)	20,352
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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes:					
Property taxes	\$ 50,000	\$ 50,000	\$ 342,498	\$ 292,498	\$ 202,365
EXPENDITURES					
General Government Function:					
Services and supplies	483,790	483,790	218,515	265,275	241,205
Excess (deficiency) of revenues over (under) expenditures	(433,790)	(433,790)	123,983	557,773	(38,840)
Fund balance - beginning	631,048	631,048	1,082,208	451,160	1,121,048
Fund balance - ending	<u>\$ 197,258</u>	<u>\$ 197,258</u>	<u>\$ 1,206,191</u>	<u>\$ 1,008,933</u>	<u>\$ 1,082,208</u>

HUMBOLDT COUNTY
911 Enhancement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			Variance to Final Budget	<u>2014</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Surcharge	\$ 48,000	\$ 48,000	\$ 55,800	\$ 7,800	\$ 58,240
Excess (deficiency) of revenues over (under) expenditures	48,000	48,000	55,800	7,800	58,240
Fund balance - beginning	83,725	83,725	93,965	10,240	35,725
Fund balance - ending	<u>\$ 131,725</u>	<u>\$ 131,725</u>	<u>\$ 149,765</u>	<u>\$ 18,040</u>	<u>\$ 93,965</u>

HUMBOLDT COUNTY
Justice Court Administrative Assessment
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to	2014
	Original Budget	Final Budget	Actual	Final Budget	Actual
REVENUES					
Fines and Forfeits:					
Court administrative assessment	\$ 4,350	\$ 4,350	\$ 54,054	\$ 49,704	\$ 24,025
Excess (deficiency) of revenues					
over (under) expenditures	4,350	4,350	54,054	49,704	24,025
Fund balance - beginning	4,350	4,350	24,025	19,675	-
Fund balance - ending	<u>\$ 8,700</u>	<u>\$ 8,700</u>	<u>\$ 78,079</u>	<u>\$ 69,379</u>	<u>\$ 24,025</u>

HUMBOLDT COUNTY
Humboldt Fire District General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes:					
Property taxes	\$ 25,422	\$ 25,422	\$ 29,401	\$ 3,979	\$ 27,210
Intergovernmental Revenue:					
Combined tax	34,391	34,391	28,384	(6,007)	34,889
Other Revenue:					
Donations	-	-	500	500	-
Total Revenues	<u>59,813</u>	<u>59,813</u>	<u>58,285</u>	<u>(1,528)</u>	<u>62,099</u>
EXPENDITURES					
Public Safety Function:					
Services and supplies	120,000	120,000	54,106	65,894	34,949
Capital outlay	35,000	35,000	-	35,000	-
Total Public Safety	<u>155,000</u>	<u>155,000</u>	<u>54,106</u>	<u>100,894</u>	<u>34,949</u>
Excess (deficiency) of revenues over (under) expenditures	(95,187)	(95,187)	4,179	99,366	27,150
Fund balance - beginning	<u>376,704</u>	<u>376,704</u>	<u>503,054</u>	<u>126,350</u>	<u>475,904</u>
Fund balance - ending	<u><u>\$ 281,517</u></u>	<u><u>\$ 281,517</u></u>	<u><u>\$ 507,233</u></u>	<u><u>\$ 225,716</u></u>	<u><u>\$ 503,054</u></u>

HUMBOLDT COUNTY
Library Memorial Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Miscellaneous	\$ 25,000	\$ 25,000	\$ 75,222	\$ 50,222	\$ 41,354
EXPENDITURES					
Culture and Recreation Function:					
Services and supplies	28,000	28,000	17,414	10,586	44,736
Excess (deficiency) of revenues over (under) expenditures	(3,000)	(3,000)	57,808	60,808	(3,382)
Fund balance - beginning	75,095	75,095	71,713	(3,382)	75,095
Fund balance - ending	<u>\$ 72,095</u>	<u>\$ 72,095</u>	<u>\$ 129,521</u>	<u>\$ 57,426</u>	<u>\$ 71,713</u>

HUMBOLDT COUNTY
Internally Reported (Budgetary Basis) Funds Reported
As Part of the General Fund for External Reporting Purposes
Combining Balance Sheet
June 30, 2015

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
Assets:			
Cash and investments	\$ 179,617	\$ 513,485	\$ 693,102
Interest receivable	-	32	32
	<u>179,617</u>	<u>513,517</u>	<u>693,134</u>
Total assets	<u>\$ 179,617</u>	<u>\$ 513,517</u>	<u>\$ 693,134</u>
Liabilities			
Accounts payable	\$ -	\$ 23,926	\$ 23,926
Due to other governments	6,590	-	6,590
	<u>6,590</u>	<u>23,926</u>	<u>30,516</u>
Total liabilities	<u>6,590</u>	<u>23,926</u>	<u>30,516</u>
Fund Balances			
Restricted	173,027	-	173,027
Committed	-	489,591	489,591
	<u>173,027</u>	<u>489,591</u>	<u>662,618</u>
Total fund balances	<u>173,027</u>	<u>489,591</u>	<u>662,618</u>
Total liabilities and fund balances	<u>\$ 179,617</u>	<u>\$ 513,517</u>	<u>\$ 693,134</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, 2015

	<u>Unemployment Insurance Fund</u>	<u>Compensated Absences Fund</u>	<u>Total</u>
REVENUES			
Miscellaneous revenues	\$ 200	\$ 931	\$ 1,131
EXPENDITURES			
General Government Function	21,597	196,854	218,451
Excess (deficiency) of revenues over (under) expenditures	(21,397)	(195,923)	(217,320)
OTHER FINANCING SOURCES (USES)			
Transfers in	39,600	102,000	141,600
Net change in fund balance	18,203	(93,923)	(75,720)
Fund balance - beginning	154,824	583,514	738,338
Fund balance - ending	<u>\$ 173,027</u>	<u>\$ 489,591</u>	<u>\$ 662,618</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			Variance to Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Charges for Services:					
Fund assessments	\$ 1,800	\$ 1,800	\$ 200	\$ (1,600)	\$ 200
EXPENDITURES					
General Government Function:					
Services and supplies	30,000	30,000	21,597	8,403	28,941
Excess (deficiency) of revenues over (under) expenditures	(28,200)	(28,200)	(21,397)	6,803	(28,741)
OTHER FINANCING SOURCES (USES)					
Transfers in	41,200	41,200	39,600	(1,600)	42,410
Net change in fund balance	13,000	13,000	18,203	5,203	13,669
Fund balance - beginning	151,155	151,155	154,824	3,669	141,155
Fund balance - ending	<u>\$ 164,155</u>	<u>\$ 164,155</u>	<u>\$ 173,027</u>	<u>\$ 8,872</u>	<u>\$ 154,824</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, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to</u>	<u>2014</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					
Miscellaneous:					
Fund assessments	\$ 4,500	\$ 4,500	\$ 500	\$ (4,000)	\$ 500
Interest	-	-	431	431	534
	<u>4,500</u>	<u>4,500</u>	<u>931</u>	<u>(3,569)</u>	<u>1,034</u>
EXPENDITURES					
General Government Function:					
Services and supplies	200,000	213,498	196,854	16,644	192,961
Excess (deficiency) of revenues over (under) expenditures	(195,500)	(208,998)	(195,923)	13,075	(191,927)
OTHER FINANCING SOURCES (USES)					
Transfers in	101,500	101,500	102,000	500	110,425
Net change in fund balance	(94,000)	(107,498)	(93,923)	13,575	(81,502)
Fund balance - beginning	570,016	583,514	583,514	-	665,016
Fund balance - ending	<u>\$ 476,016</u>	<u>\$ 476,016</u>	<u>\$ 489,591</u>	<u>\$ 13,575</u>	<u>\$ 583,514</u>

HUMBOLDT COUNTY
Building Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to Final Budget</u>	<u>2014</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 76,000	\$ 76,000	\$ 152,388	\$ 76,388	\$ 115,578
Charges for Services:					
Rents	10,000	10,000	33,800	23,800	29,422
Miscellaneous	-	-	-	-	593
Total Revenues	<u>86,000</u>	<u>86,000</u>	<u>186,188</u>	<u>100,188</u>	<u>145,593</u>
EXPENDITURES					
Community Support Function:					
Capital outlay	<u>500,000</u>	<u>848,427</u>	<u>1,000,000</u>	<u>(151,573)</u>	<u>217,406</u>
Excess (deficiency) of revenues over (under) expenditures	(414,000)	(762,427)	(813,812)	(51,385)	(71,813)
Fund balance - beginning	<u>1,434,762</u>	<u>1,783,189</u>	<u>1,783,189</u>	<u>-</u>	<u>1,855,002</u>
Fund balance - ending	<u><u>\$ 1,020,762</u></u>	<u><u>\$ 1,020,762</u></u>	<u><u>\$ 969,377</u></u>	<u><u>\$ (51,385)</u></u>	<u><u>\$ 1,783,189</u></u>

HUMBOLDT COUNTY
Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2015

ASSETS

Cash and investments	\$ 466,508
Taxes receivable	7,887
Accounts receivable	2,176
Interest receivable	29
Due from other governments	<u>8,346</u>
 Total assets	 <u><u>\$ 484,946</u></u>

LIABILITIES DEFERRED INFLOWS AND FUND BALANCES

Liabilities:

Accounts payable	\$ 39,947
Due to other governments	85
Due to other funds	<u>17,707</u>
 Total liabilities	 <u>57,739</u>

Deferred Inflows of Resources:

Unavailable revenue - property taxes	<u>7,887</u>
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Fund Balances:

Restricted	<u>419,320</u>
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Total liabilities, deferred inflows, and fund balances	<u><u>\$ 484,946</u></u>
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HUMBOLDT COUNTY
Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to Final Budget</u>	<u>2014</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
REVENUES					
Taxes:					
Property taxes	\$ 76,000	\$ 76,000	\$ 152,389	\$ 76,389	\$ 115,576
Miscellaneous	-	-	473	473	539
Total Revenues	<u>76,000</u>	<u>76,000</u>	<u>152,862</u>	<u>76,862</u>	<u>116,115</u>
EXPENDITURES					
Community Support Function:					
Services and supplies	5,000	5,000	-	5,000	-
Capital outlay	379,000	457,059	394,507	62,552	73,834
Total Community Support	<u>384,000</u>	<u>462,059</u>	<u>394,507</u>	<u>67,552</u>	<u>73,834</u>
Intergovernmental Expenditure Function:					
Services and supplies	25,000	25,000	37,127	(12,127)	28,462
Total Expenditures	<u>409,000</u>	<u>487,059</u>	<u>431,634</u>	<u>55,425</u>	<u>102,296</u>
Excess (deficiency) of revenues over (under) expenditures	(333,000)	(411,059)	(278,772)	132,287	13,819
Fund balance - beginning	<u>620,033</u>	<u>698,092</u>	<u>698,092</u>	<u>-</u>	<u>684,273</u>
Fund balance - ending	<u>\$ 287,033</u>	<u>\$ 287,033</u>	<u>\$ 419,320</u>	<u>\$ 132,287</u>	<u>\$ 698,092</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			Variance to Final Budget	<u>2014</u>
	Original Budget	Final Budget	Actual		Actual
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 200,000	\$ 200,000	\$ 233,961	\$ 33,961	\$ 229,513
PBS grant	-	-	-	-	2,297
Miscellaneous revenue	10,000	10,000	14,015	4,015	15,500
Total Operating Revenues	<u>210,000</u>	<u>210,000</u>	<u>247,976</u>	<u>37,976</u>	<u>247,310</u>
OPERATING EXPENSES					
Salaries and wages	50,939	50,939	21,056	29,883	-
Employee benefits	25,141	25,141	10,930	14,211	3,593
Services and supplies	57,140	57,140	27,471	29,669	50,166
Depreciation	50,000	50,000	36,194	13,806	41,372
Total Operating Expenses	<u>183,220</u>	<u>183,220</u>	<u>95,651</u>	<u>87,569</u>	<u>95,131</u>
Operating Income (Loss)	26,780	26,780	152,325	125,545	152,179
NONOPERATING REVENUES (EXPENSES)					
Capital Outlay	<u>(30,000)</u>	<u>(30,000)</u>	-	30,000	-
Income Before Transfers	<u>(3,220)</u>	<u>(3,220)</u>	152,325	155,545	152,179
TRANSFERS IN (OUT)					
Transfers out	<u>(700)</u>	<u>(700)</u>	(700)	-	-
Change in Net Position	<u>\$ (3,920)</u>	<u>\$ (3,920)</u>	151,625	<u>\$ 155,545</u>	152,179
Net position, July 1			<u>1,298,776</u>		<u>1,146,597</u>
Net position, June 30			<u>\$ 1,450,401</u>		<u>\$ 1,298,776</u>

HUMBOLDT COUNTY
Humboldt Television Fund
Schedule of Cash Flows
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015	2014
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 243,727	\$ 245,807
Cash payments for personnel costs	(30,671)	-
Cash payments for services and supplies	(33,567)	(50,813)
Net Cash Provided (Used) by Operating Activities	179,489	194,994
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(700)	-
Net Increase (Decrease) in Cash and Investments	178,789	194,994
CASH AND INVESTMENTS, JULY 1	1,170,384	975,390
CASH AND INVESTMENTS, JUNE 30	\$ 1,349,173	\$ 1,170,384
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 152,325	\$ 152,179
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	36,194	41,372
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(4,249)	(1,503)
Inventory	(5,134)	(520)
Increase (decrease) in:		
Accounts payable	(962)	(126)
Accrued salaries and benefits	1,315	3,592
Total Adjustments	27,164	42,815
Net Cash Provided (Used) by Operating Activities	\$ 179,489	\$ 194,994

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Revenues, Expenses, and
Changes in Net Position - Budget and Actual
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	<u>2015</u>			<u>Variance to Final Budget</u>	<u>2014</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
OPERATING REVENUES					
Charges for Services:					
User fees	\$ 930,000	\$ 930,000	1,109,867	\$ 179,867	\$ 1,123,149
OPERATING EXPENSES					
Salaries and wages	43,020	43,020	43,269	(249)	40,668
Employee benefits	18,340	18,340	17,568	772	17,475
Services and supplies	938,200	938,200	778,486	159,714	852,801
Depreciation	5,000	5,000	588	4,412	3,504
Total Operating Expenses	<u>1,004,560</u>	<u>1,004,560</u>	<u>839,911</u>	<u>164,649</u>	<u>914,448</u>
Operating Income (Loss)	(74,560)	(74,560)	269,956	344,516	208,701
NONOPERATING REVENUES (EXPENSES)					
Interest earnings	1,000	1,000	1,924	924	1,797
Income Before Transfers	(73,560)	(73,560)	271,880	345,440	210,498
TRANSFERS IN (OUT)					
Transfers out	(380)	(380)	(380)	-	(420)
Change in Net Position	<u>\$ (73,940)</u>	<u>\$ (73,940)</u>	<u>271,500</u>	<u>\$ 345,440</u>	<u>210,078</u>
Net position, July 1			2,268,902		2,058,824
Less: Prior Period Adjustment for GASB 68			<u>(86,183)</u>		<u>-</u>
Net position, July 1, as restated			<u>2,182,719</u>		<u>2,058,824</u>
Net position, June 30			<u>\$ 2,454,219</u>		<u>\$ 2,268,902</u>

HUMBOLDT COUNTY
Solid Waste Management Fund
Schedule of Cash Flows
For the Year Ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015	2014
	Actual	Actual
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,099,054	\$ 1,144,570
Cash payments for personnel costs	(60,465)	(56,384)
Cash payments for services and supplies	(788,514)	(880,467)
Net Cash Provided (Used) by Operating Activities	250,075	207,719
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to other funds	(380)	(420)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	1,904	1,787
Net Increase (Decrease) in Cash and Investments	251,599	209,086
CASH AND INVESTMENTS, JULY 1	2,250,256	2,041,170
CASH AND INVESTMENTS, JUNE 30	\$ 2,501,855	\$ 2,250,256
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 269,956	\$ 208,701
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations:		
Depreciation	588	3,504
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(10,813)	21,421
Increase (decrease) in:		
Accounts payable	(10,028)	(27,666)
Accrued salaries and benefits	372	1,759
Total Adjustments	(19,881)	(982)
Net Cash Provided (Used) by Operating Activities	\$ 250,075	\$ 207,719

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2015

	<u>Balance July 01, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
City of Winnemucca:				
Assets:				
Cash and investments	\$ 86,319	\$ 1,864,223	\$ 1,917,257	\$ 33,285
Liabilities:				
Due to other governments	\$ 86,319	\$ 1,864,223	\$ 1,917,257	\$ 33,285
Court Ordered Restitution:				
Assets:				
Cash and investments	\$ 19,064	\$ 61,643	\$ 60,634	\$ 20,073
Liabilities:				
Funds held in trust for others	\$ 19,064	\$ 61,643	\$ 60,634	\$ 20,073
Denio Television District:				
Assets:				
Cash and investments	\$ 28,590	\$ 1,771	\$ 45	\$ 30,316
Liabilities:				
Due to other governments	\$ 28,590	\$ 1,771	\$ 45	\$ 30,316
District Court Bail:				
Assets:				
Cash and investments	\$ 133,617	\$ -	\$ 26,259	\$ 107,358
Liabilities:				
Funds held in trust for others	\$ 133,617	\$ -	\$ 26,259	\$ 107,358
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	\$ 132,135	\$ 37,481	\$ 29,654	\$ 139,962
Liabilities:				
Due to other governments	\$ 132,135	\$ 37,481	\$ 29,654	\$ 139,962

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2015

	<u>Balance July 01, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
Humboldt County General Hospital:				
Assets:				
Cash and investments	\$ 609,027	\$ 6,805,901	\$ 7,330,923	\$ 84,005
Liabilities:				
Due to other governments	\$ 609,027	\$ 6,805,901	\$ 7,330,923	\$ 84,005
Humboldt County School District:				
Assets:				
Cash and investments	\$ 983,210	\$ 11,067,648	\$ 12,025,016	\$ 25,842
Liabilities:				
Due to other governments	\$ 983,210	\$ 11,067,648	\$ 12,025,016	\$ 25,842
Humboldt Development Authority:				
Assets:				
Cash and investments	\$ 306,619	\$ 80,450	\$ 83,215	\$ 303,854
Liabilities:				
Due to other governments	\$ 306,619	\$ 80,450	\$ 83,215	\$ 303,854
Justice Court Bail:				
Assets:				
Cash and investments	\$ 54,548	\$ -	\$ 1,419	\$ 53,129
Liabilities:				
Funds held in trust for others	\$ 54,548	\$ -	\$ 1,419	\$ 53,129
Kings River GID:				
Assets:				
Cash and investments	\$ 9,166	\$ 9,840	\$ 8,860	\$ 10,146
Liabilities:				
Due to other governments	\$ 9,166	\$ 9,840	\$ 8,860	\$ 10,146
McDermitt Fire Protection District:				
Assets:				
Cash and investments	\$ 26,540	\$ 41,994	\$ 27,985	\$ 40,549
Liabilities:				
Due to other governments	\$ 26,540	\$ 41,994	\$ 27,985	\$ 40,549

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2015

	<u>Balance</u> <u>July 01, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
McDermitt Sewer District:				
Assets:				
Cash and investments	\$ 169,774	\$ 48,258	\$ 41,959	\$ 176,073
Liabilities:				
Due to other governments	\$ 169,774	\$ 48,258	\$ 41,959	\$ 176,073
McDermitt Water District:				
Assets:				
Cash and investments	\$ 95,117	\$ 379,803	\$ 371,720	\$ 103,200
Liabilities:				
Due to other governments	\$ 95,117	\$ 379,803	\$ 371,720	\$ 103,200
Orovada Community Services District:				
Assets:				
Cash and investments	\$ 132,317	\$ 72,845	\$ 54,585	\$ 150,577
Liabilities:				
Due to other governments	\$ 132,317	\$ 72,845	\$ 54,585	\$ 150,577
Orovada Fire Protection District:				
Assets:				
Cash and investments	\$ 326,716	\$ 96,908	\$ 19,535	\$ 404,089
Liabilities:				
Due to other governments	\$ 326,716	\$ 96,908	\$ 19,535	\$ 404,089
Orovada General Improvement District:				
Assets:				
Cash and investments	\$ 128,924	\$ 68,405	\$ 47,114	\$ 150,215
Liabilities:				
Due to other governments	\$ 128,924	\$ 68,405	\$ 47,114	\$ 150,215
Orovada Rodent Control District:				
Assets:				
Cash and investments	\$ 43,563	\$ 21,169	\$ 14,036	\$ 50,696
Liabilities:				
Due to other governments	\$ 43,563	\$ 21,169	\$ 14,036	\$ 50,696

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2015

	<u>Balance July 01, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
Paradise Sewer District:				
Assets:				
Cash and investments	\$ 6,886	\$ 15,063	\$ 11,104	\$ 10,845
Liabilities:				
Due to other governments	\$ 6,886	\$ 15,063	\$ 11,104	\$ 10,845
Paradise Weed Control District:				
Assets:				
Cash and investments	\$ 146,518	\$ 63,680	\$ 36,739	\$ 173,459
Liabilities:				
Due to other governments	\$ 146,518	\$ 63,680	\$ 36,739	\$ 173,459
Pueblo Fire Protection District:				
Assets:				
Cash and investments	\$ 325,528	\$ 100,639	\$ 8,221	\$ 417,946
Liabilities:				
Due to other governments	\$ 325,528	\$ 100,639	\$ 8,221	\$ 417,946
Quinn River Television District:				
Assets:				
Cash and investments	\$ 170,411	\$ 15,552	\$ 1,492	\$ 184,471
Liabilities:				
Due to other governments	\$ 170,411	\$ 15,552	\$ 1,492	\$ 184,471
Range Improvement:				
Assets:				
Cash and investments	\$ 23,070	\$ 23,654	\$ 24,905	\$ 21,819
Liabilities:				
Due to other governments	\$ 23,070	\$ 23,654	\$ 24,905	\$ 21,819
State Department of Wildlife:				
Assets:				
Cash and investments	\$ 3,447	\$ 3,692	\$ 2,302	\$ 4,837
Liabilities:				
Due to other governments	\$ 3,447	\$ 3,692	\$ 2,302	\$ 4,837

(continued)

HUMBOLDT COUNTY
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2015

	<u>Balance July 01, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
State of Nevada Trust:				
Assets:				
Cash and investments	\$ 311,429	\$ 2,447,372	\$ 2,446,614	\$ 312,187
Liabilities:				
Due to other governments	\$ 311,429	\$ 2,447,372	\$ 2,446,614	\$ 312,187
Sheriff's Commissary:				
Assets:				
Cash and investments	\$ 55,810	\$ 6,195	\$ -	\$ 62,005
Liabilities:				
Funds held in trust for others	\$ 55,810	\$ 6,195	\$ -	\$ 62,005
Winnemucca Convention and Visitors Authority:				
Assets:				
Cash and investments	\$ 52,386	\$ 428,853	\$ 448,667	\$ 32,572
Liabilities:				
Due to other governments	\$ 52,386	\$ 428,853	\$ 448,667	\$ 32,572
Winnemucca Rural Fire Protection District:				
Assets:				
Cash and investments	\$ 847,147	\$ 263,443	\$ 165,291	\$ 945,299
Liabilities:				
Due to other governments	\$ 847,147	\$ 263,443	\$ 165,291	\$ 945,299
Other Collections:				
Assets:				
Cash and investments	\$ 62,071	\$ 90,739	\$ -	\$ 152,810
Liabilities:				
Due to other governments	\$ 62,071	\$ 90,739	\$ -	\$ 152,810
Totals, All Agency Funds:				
Assets:				
Cash and investments	\$ 5,305,783	\$ 24,117,221	\$ 25,205,551	\$ 4,217,453
Liabilities:				
Due to other governments	5,042,744	24,049,383	25,117,239	3,974,888
Funds held in trust for others	263,039	67,838	88,312	242,565
Total Liabilities	\$ 5,305,783	\$ 24,117,221	\$ 25,205,551	\$ 4,217,453



**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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2015.

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 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 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness (2015-003).

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 two of the deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies (2015-001 and 2015-002).

Compliance and Other Matters

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

Humboldt County's Response to Findings

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

Purpose of this Report

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

Blake Ross & Associates, LLC

Winnemucca, Nevada

November 30, 2015



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, 2015. 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 of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and

performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not 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 30, 2015

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015
(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	\$ 32,884
Emergency Food Assistance Program, Administrative Costs	10.568	N/A	<u>1,814</u>
Total Food Distribution Cluster			<u>34,698</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>122,653</u>
Total Forest Service Schools and Road Cluster			<u>122,653</u>
Total US Department of Agriculture			<u>157,351</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	13/PF/06	<u>16,580</u>
Total CDBG-State-Administered CDBG Cluster			<u>16,580</u>
Total US Department of Housing and Urban Development			<u>16,580</u>
<u>US Department of Justice:</u>			
Direct Programs:			
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0590	<u>3,078</u>
Passed through State of Nevada Department of Health and Human Services:			
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	2013-MU-FX-0052C	<u>7,358</u>
Total Nevada Department of Health and Human Services			<u>7,358</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	14-JAG-12	23,132
Night Vision - Monoculars	16.738	11-JAG-42	<u>15,000</u>
Total Nevada Department of Public Safety			<u>38,132</u>
Total US Department of Justice			<u>48,568</u>

HUMBOLDT COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015
(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	PR468-13-802	\$ 58,287
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PR468-13-802	<u>57,520</u>
Total Enhanced Mobility of Seniors and Individuals with Disabilities			<u>115,807</u>
Total Transit Services Programs Cluster			<u>115,807</u>
Passed through State of Nevada Department of Transportation:			
Passed through State of Nevada Department of Transportation:			
Small Urban and Rural Transportation Program	20.509	PR373-14-802	<u>98,962</u>
Total US Department of Transportation			<u>214,769</u>
<u>National Foundation on the Arts and the Humanities:</u>			
Passed through Nevada State Library and Archives			
Institute of Museum and Library Services:			
Rural Bookmobile Support	45.310	LSTA 2014-24B	5,100
Summer Reading Program	45.310	LSTA 2014-20	<u>3,000</u>
Total National Foundation on the Arts and the Humanities			<u>8,100</u>
<u>US Department of Health and Human Services:</u>			
Child Support Enforcement	93.563	N/A	281,210
Health and Human Services - Welfare Division:			
Direct Program:			
Substance Abuse and Mental Health Services:			
Treatment Expansion & Enhancement for Adult Drug Court - Rural NV	93.243	1H79TI024157-01	<u>315,081</u>
Total US Department of Health and Human Services			<u>596,291</u>
Total Federal Grant Awards			<u>\$ 1,041,659</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, 2015

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the expenditure activity of all federal awards programs of Humboldt County (the County) for the year ended June 30, 2015. The County's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

(2) Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The amounts shown as expenditures of the Food Distribution Program represent the fair value of commodity food expended by the County.

(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 Subrecipients</u>
FTA for Elderly and Disabled Persons	20.513	\$ 115,807
FTA for Small Urban and Rural Transportation	20.509	98,962
Forest Service Schools and Roads Cluster	10.665	61,327
Community Development Block Grant	14.228	<u>16,580</u>
Total		<u>\$ 214,769</u>

(4) Relationship to the Basic Financial Statements

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

General Fund	\$ 553,769
Major Special Revenue Funds	164,710
Nonmajor Special Revenue Funds	<u>323,180</u>
	<u>\$ 1,041,659</u>

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

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, 2015.
- Two significant deficiencies 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, 2015 included:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
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, 2015 was \$300,000.
- Humboldt County qualified as a low-risk auditee for the year ended June 30, 2015.

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

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

SIGNIFICANT DEFICIENCIES

2015-001 Unapportioned Refund

Condition and Criteria: Review procedures at the County should be sufficient to ensure that apportionable refunds are appropriately allocated to their respective funds or pass-through governments. Such conditions are not currently present at the County.

Cause and Effect: The accounting system did not completely allocate to all funds and other entities a refund for centrally-assessed taxes. Review procedures in place at the County did not detect the allocation error. As a result, receivables and revenue in the general fund were understated by \$130,377; additionally, payables were understated and revenue was overstated by \$22,438 across multiple County funds.

Auditor's Recommendation: Review procedures currently in place should be enhanced to ensure that controls are sufficient and are being performed as needed. Monitoring processes should be developed as an additional layer of detective control.

Views of Responsible Officials and Planned Corrective Actions: Procedures have been modified and secondary review procedures will be implemented related to all refunds.

2015-002 Review of Transactions

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

Cause and Effect: Accounts payable in the solid waste fund was overstated by \$40,900, the net of an un-recorded quarterly contract payment for \$12,000 and a \$52,900 subsequent-year expense being incorrectly recorded as a current-year account payable. Additionally, improper netting of receivables and payables resulted transactions not being recorded in the correct balance sheet accounts, causing over- or under-statements of receivables and payables in other funds.

Auditor's Recommendation: Processing and review procedures currently in place should be enhanced to ensure that controls are sufficient and are being performed as needed. Diligent review and analysis should be conducted in order to obtain a thorough understanding of all transactions. Monitoring processes should be developed as an additional layer of detective control.

Views of Responsible Officials and Planned Corrective Actions: Management has reviewed the current procedures in place for recording transactions and has developed an additional level of monitoring to ensure the accuracy of all transactions.

**HUMBOLDT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

MATERIAL WEAKNESS

2015-003 Mining Property Tax Abatement

Condition and Criteria: Input and review procedures at the County should be sufficient to ensure that value adjustments are recorded properly to ensure correct calculation of tax assessments. Such conditions are not currently present at the County.

Cause and Effect: Prior year gross assessed value override was incorrectly entered into the assessor's system, resulting in incorrect tax abatements on two parcels. Property tax revenue (recorded as deferred revenue due to timing of receipt) and taxes receivable were understated by \$515,402.

Auditor's Recommendation: Procedures currently in place should be enhanced to ensure that controls are sufficient and are being performed as needed. Monitoring processes should be developed as an additional layer of detective control.

Views of Responsible Officials and Planned Corrective Actions: Procedures have been updated and secondary reviews are being implemented. New, detailed instructions will be prepared to provide sufficient direction to anyone without knowledge of the abatement process to be able to ensure correct procedures have been followed and accurate values are entered.

Findings and Questioned Costs—Major Federal Award Programs Audit:

None

**HUMBOLDT COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

Prior Year Findings and Questioned Costs—Major Federal Award Programs Audit:

2014-002 Transit Services Programs Cluster – CFDA 20.513

Passed through the State of Nevada Department of Transportation

Grant period – years ended September 30, 2013 and September 30, 2014

Condition and Criteria: As a pass-through entity, the County is responsible for ensuring that subrecipients expend awards in accordance with applicable laws, regulations, and provisions of contracts or grant agreements. In order to do so, the Single Audit Act requires that the pass-through entity establish an appropriate subrecipient monitoring process to ensure the subrecipients' compliance. Subrecipient monitoring processes at the County are not sufficient to ensure subrecipient compliance.

Context: The County passed \$200,939 through to the Senior Citizens of Humboldt County and did not perform adequate procedures to ensure subrecipient compliance. This is not however deemed to be a questioned cost as no instances of material non-compliance were noted during our testing of the subrecipient's grant activities.

Cause and Effect: County management conducted risk assessments to determine what procedures were necessary to ensure subrecipient compliance and performed limited monitoring procedures, relying mostly on the State of Nevada Department of Transportation to provide the needed oversight for the subrecipient. As a result of the limited understanding of the grant and narrow oversight provided, the County does not have evidence to show or make a determination related to compliance on the part of the subrecipient.

Recommendation: Procedures should be established to identify which compliance areas are direct and material to the grant, and implement monitoring and evidence-gathering procedures sufficient to ensure that subrecipients are in compliance with grant requirements.

Current Status: No such findings were noted during the current audit.

HUMBOLDT COUNTY
SCHEDULE OF FEES IMPOSED SUBJECT TO THE PROVISIONS OF NRS 354.5989
LIMITATION OF FEES FOR BUSINESS LICENSES
FOR THE YEAR ENDED JUNE 30, 2015

Flat Fixed Fees:

Business license revenue for the year ended June 30, 1991 (base year) adjusted through June 30, 2014	\$	77,111
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Adjustment to Base:

Base year adjusted		
Percentage increase in population of the local government	0.42%	
Percentage increase in the Consumer Price Index for the year ending December 31 next preceding the year for which the limit is being calculated	0.32%	0.74%
		571
Adjusted base at June 30, 2015		77,682
Actual revenue		52,708
Amount under allowable amount	\$	24,974

**HUMBOLDT COUNTY
AUDITOR'S COMMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

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, 2014.

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, 2015.



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, 2015 (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, 2015,
- The fund balance and net assets of the funds are as noted in the financial statements.

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

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

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

Drake Rose & Associates, LLC

Winnemucca, Nevada
November 30, 2015