

**COUNTY OF PLUMAS,
CALIFORNIA**



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2016**

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COUNTY OF PLUMAS
Annual Financial Report
For the Year Ended June 30, 2016

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INTRODUCTORY SECTION

- **List of Officials**

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COUNTY OF PLUMAS
County Officials
For the Year Ended June 30, 2016

ELECTED OFFICIALS

Supervisor, District 1.....	Terry Swofford
Supervisor, District 2.....	Kevin Goss
Supervisor, District 3.....	Sherrie Thrall
Supervisor, District 4.....	Lori Simpson
Supervisor, District 5.....	Jeff Engel
Assessor.....	Charles Leonhardt
Auditor/Controller.....	Roberta Allen
Clerk/Recorder.....	Kathleen Williams
District Attorney and Public Administrator.....	David Hollister
Sheriff/Coroner.....	Greg Hagwood
Treasurer/Tax Collector/Collections.....	Julie White

DEPARTMENT DIRECTORS/ADMINISTRATORS

Administrative Officer, General Services.....	Vacant
Agricultural Commissioner/Sealer of Weights and Measure/Animal Control.....	Tim W. Gibson
Building	Jim D. Green
Child Support Services.....	Michelle Blackford
Clerk of the Board of Supervisors.....	Nancy Daforno
County Counsel	Craig Settlemyre
Environmental Health Director.....	Jerry Sipe
Facility Services.....	Donald Sawchuk
Fair.....	John Steffanic
Farm Advisor.....	David Lile
Human Resources.....	Nancy Selvage
Information Technology.....	Dave Preston
Librarian.....	Lynn Sheehy
Mental Health.....	Bob Brunson
Museum.....	Scott Lawson
Office of Emergency Services.....	Greg Hagwood
Planning.....	Randall Wilson
Probation.....	Erin Metcalf
Public Health.....	Mimi Hall
Public Works.....	Robert Perreault
Social Services and Public Guardian.....	Elliott Smart
Veteran's Services.....	Jimmy LaPlante

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Nonmajor Fund Statements**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Grand Jury
County of Plumas
Quincy, California

Report on the 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 the County of Plumas, California (County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements 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 misstatement, 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 from material misstatement.

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

To the Board of Supervisors and Grand Jury
County of Plumas
Quincy, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2A to the basic financial statements, errors were detected in prior year net position of the governmental activities and prior year fund balance of the Public Health fund. The correction of these errors resulted in the restatement of beginning net position/fund balance for the year ended June 30, 2016. Our opinion is not modified with respect to this matter.

As described in Note 1S to the financial statements, in 2016, the County implemented, if applicable, Governmental Accounting Standards Board (GASB) Statement Nos. 72, 73, 76 and 79. Our opinion is not modified with respect to this matter.

As reported in Note 12, the net pension liability is measured as of June 30, 2015 and the pension expense is for the measurement period 2014-15. 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, County Pension Plans - Schedule of Changes in Net Pension Liability, County Pension Plans - Schedule of Proportionate Share of the Net Pension Liability, County Pension Plans - Schedule of Contributions, Notes to County Pension Plans, County OPEB Plan - Schedule of Funding Progress, and budgetary comparison information as listed in the table of contents 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 introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

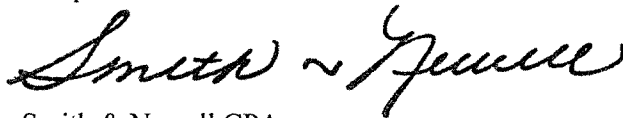
To the Board of Supervisors and Grand Jury
County of Plumas
Quincy, California

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 18, 2017, on our consideration of the County's internal control over financial reporting and on 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 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.

A handwritten signature in black ink, appearing to read "Smith & Newell", written in a cursive, flowing style.

Smith & Newell CPAs
Yuba City, California
April 18, 2017

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**Management's Discussion and Analysis
(Unaudited)**

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Management's Discussion and Analysis

As management of the County of Plumas, California, (County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information in our financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of the 2015-2016 fiscal year by \$53,449,810 (net position). Of this amount, (\$27,559,483) (*unrestricted net position*) may be used to meet ongoing obligations to citizens and creditors, \$39,571,976 is restricted for specific purpose (*restricted net position*), and \$41,437,317 is the net investment in capital assets.
- The County governmental funds reported combined fund balances of \$48,853,012; a decrease of \$2,118,073 in comparison with the prior year; whereas the increase from 2013-14 to 2014-15 was \$2,129,518.
- The County's unassigned fund balance for the General fund was \$6,523,143 or 32.4 percent of total General fund expenditures, an increase of 1.2 percent from the prior years' unassigned to expenditure ratio.
- The County's net investment in capital assets increased by \$1,365,934. The increase resulted primarily because of an increase in construction in progress, and an increase in infrastructure assets.
- The County's total long-term debt increased by \$3,473,511 in comparison with the prior year due primarily to increases in Net Pension Liability and Net OPEB Obligation.

PRESENTATION CHANGES FROM PREVIOUS FINANCIAL STATEMENTS TO NOTE

There were no major changes in the presentation of the County's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components 1) **Government-Wide** financial statements; 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-Wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

° The *statement of net position* presents information on all County 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 the County is improving or deteriorating.

° The *statement of activities* presents information showing how 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 result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and welfare, public assistance, education and recreation. The business-type activities of the County include airport, transit, and solid waste operations.

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. The component units are blended special revenue funds and include County Fair, Air Pollution, Crescent Mills Lighting, Quincy Lighting, Beckwourth CSA Sewer, Flood Control, CSA #11 Ambulance, Walker Ranch CSD, Grizzly Ranch CSD, CSA #12 Plumas County Transit, and County of Plumas Public Facilities Corporation.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds* (*special revenue, capital project and debt service*), *proprietary funds* (*enterprise & internal service*), and *fiduciary funds* (*school, trial courts, special districts, County departmental agencies and accrued trust 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 funds 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 County'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 funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains governmental funds organized according to their type—special revenue, capital projects and debt service. The county segregates from the General fund a number of significant functions in major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General fund, Road, Local Revenue 2011, Social Services, Mental Health and Public Health, all of which are considered to be major funds.

Data from the other governmental funds is provided in the form of combining statements located in the Combining Nonmajor Fund Statements section of this report.

Proprietary funds are maintained in two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the airport, solid waste disposal, and transit. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insurance such as worker's compensation, unemployment, and liability insurance and OPEB. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Airport Operation and Solid Waste Planning and Operations funds are considered to be major funds of the County. The County's three internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

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 statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds except for agency funds.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information is presented concerning the County General fund and major special revenue funds budgetary schedules. The County adopts an annual appropriated budget for its General Fund and major special revenue funds. A budgetary comparison schedule has been provided for the General Fund and major special revenue funds to demonstrate compliance with this budget.

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 the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$53,449,810 at the close of the most recent fiscal year.

Statement of Net Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 61,489,936	\$ 3,793,443	\$ 65,283,379
Capital Assets	49,820,222	6,232,095	56,052,317
Total Assets	111,310,158	10,025,538	121,335,696
Deferred Outflows	3,742,358	38,708	3,781,066
Current and Other Liabilities	45,557,177	517,295	46,074,472
Long-Term Liabilities	19,362,989	3,237,852	22,600,841
Total Liabilities	64,920,166	3,755,147	68,675,313
Deferred Inflows	2,982,700	8,939	2,991,639
Net Investment in Capital Assets	35,205,222	6,232,095	41,437,317
Restricted	39,571,976	-	39,571,976
Unrestricted	(27,627,548)	68,065	(27,559,483)
Total Net Position	\$ 47,149,650	\$ 6,300,160	\$ 53,449,810

Of the County's net position, (\$27,559,483) represents unrestricted net position which may be used to meet the County's ongoing obligations to citizens and creditors. In addition, a portion of the County's restricted net position, \$39,571,976, can be used to meet the County's on-going obligations but are restricted in how they are used because they have been received for a specific purpose, such as State and Federal grants and debt service.

Another significant portion of the County's net position, \$41,437,317 reflects its net investment in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

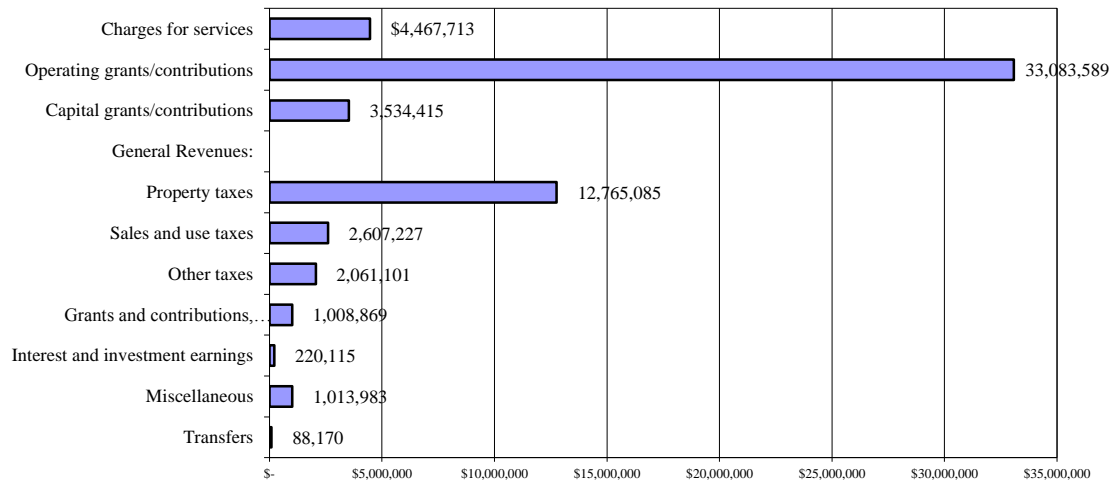
The County's net position increased by \$5,860,896 during the current fiscal year. This increase is due to ongoing revenues exceeding ongoing expenses. The increase in the net investment in capital assets represents capital purchases net of depreciation plus the retirement of related long-term debt.

There were two prior period adjustments made during 2015/16 totaling \$3,506,139. There was a correction of \$1,609,326 to capital assets for errors from fiscal years 2009/10 and 2010/11, and \$1,896,813 was reclassified to a Trust fund.

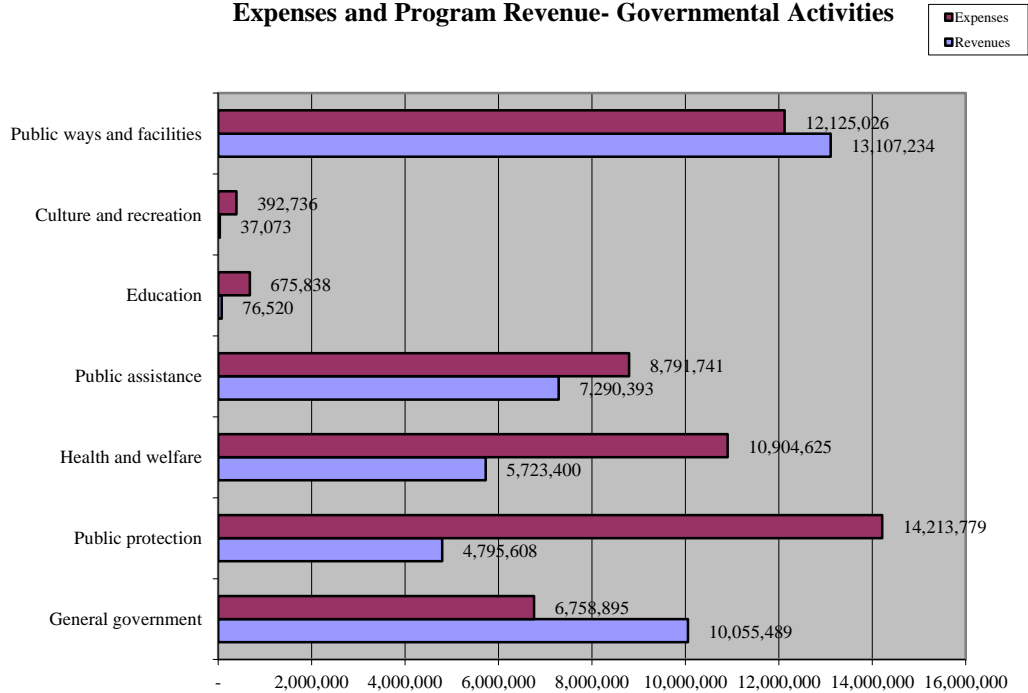
The following table indicates the changes in net position for governmental and business-type activities:

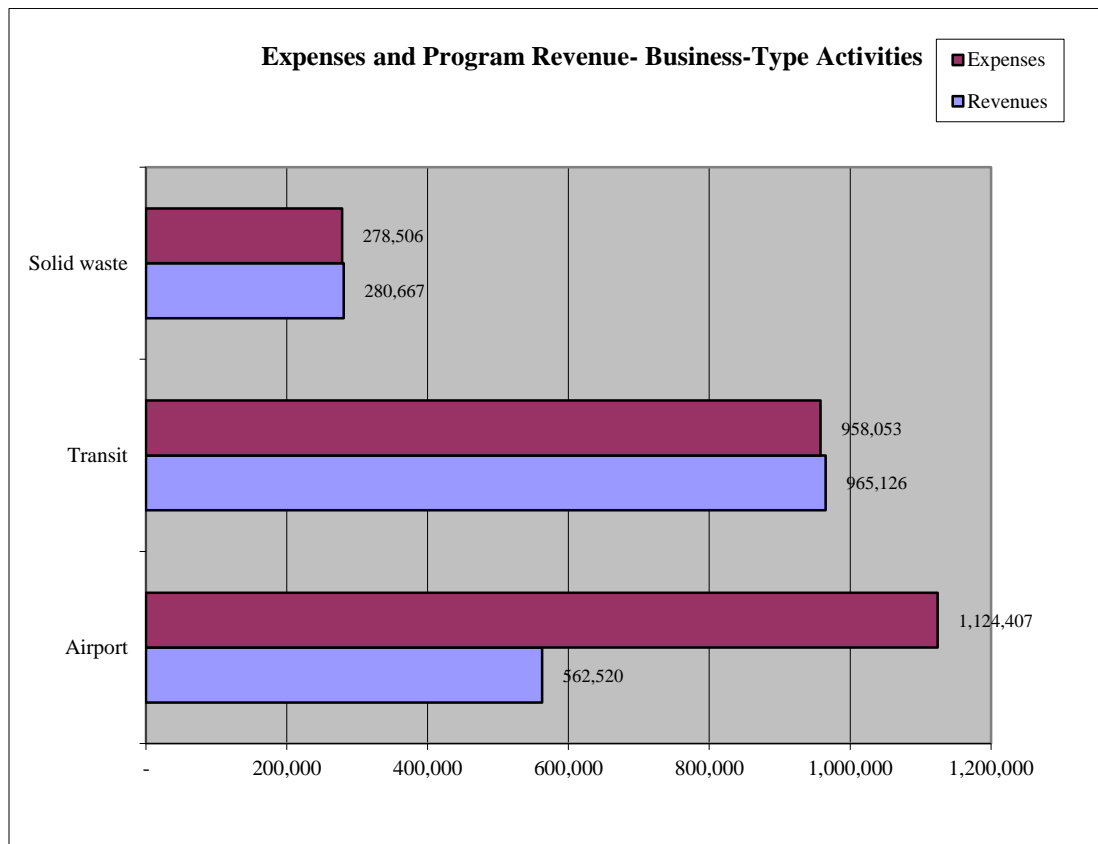
Statement of Activities For the Year Ended June 30, 2016			
	Governmental Activities	Business-Type Activities	Total
Program Revenues:			
Charges for services	\$ 4,467,713	\$ 668,306	\$ 5,136,019
Operating grants/contributions	33,083,589	801,596	33,885,185
Capital grants/contributions	3,534,415	338,411	3,872,826
General Revenues:			
Property taxes	12,765,085	-	12,765,085
Sales and use taxes	2,607,227	-	2,607,227
Other taxes	2,061,101	2,890	2,063,991
Grants and contributions, unrestricted	1,008,869	-	1,008,869
Interest and investment earnings	220,115	11,845	231,960
Miscellaneous	1,013,983	33,369	1,047,352
Transfers	88,170	(88,170)	-
Total Revenues	60,850,267	1,768,247	62,618,514
Expenses			
General government	6,758,895	-	6,758,895
Public protection	14,213,779	-	14,213,779
Health and welfare	10,904,625	-	10,904,625
Public assistance	8,791,741	-	8,791,741
Education	675,838	-	675,838
Culture and recreation	392,736	-	392,736
Public ways and facilities	12,125,026	-	12,125,026
Interest and fiscal charges	534,012	-	534,012
Airport	-	1,124,407	1,124,407
Transit	-	958,053	958,053
Solid waste	-	278,506	278,506
Total Expenses	54,396,652	2,360,966	56,757,618
Change in Net Position	6,453,615	(592,719)	5,860,896
Net Position - Beginning	44,202,174	6,892,879	51,095,053
Prior period adjustment	(3,506,139)	-	(3,506,139)
Net Position - Beginning, Restated	40,696,035	6,892,879	47,588,914
Net Position - Ending	\$ 47,149,650	\$ 6,300,160	\$ 53,449,810

Revenue by Source-Governmental Activities



Expenses and Program Revenue- Governmental Activities





FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental funds. The general government functions are contained in the General, Special Revenue, Capital Project and Debt Service funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, the unassigned fund balance in the general fund and restricted fund balance in the other governmental funds may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

	Net Change in Fund Balance		Increase(Decrease)	
	Governmental Funds			
	FY 2015	FY 2016	Amount	Percent
Fund Balance Beginning	\$ 48,841,567	\$ 50,971,085	\$ 2,129,518	4.36%
Revenues	52,883,242	58,865,128	5,981,886	11.31%
Expenditures	(65,959,625)	(59,174,558)	6,785,067	-10.29%
Other Financing Sources(Uses)	15,205,901	88,170	(15,117,731)	-99.42%
Prior period adjustment	-	(1,896,813)	(1,896,813)	N/A
Fund Balance -Ending	<u>\$ 50,971,085</u>	<u>\$ 48,853,012</u>	<u>\$ (2,118,073)</u>	-4.16%

At June, 30, 2016, the County's governmental funds reported combined fund balances of \$48,853,012, a decrease of \$2,118,073 in comparison with the prior year. Of these combined fund balances, \$6,236,916 constitutes net unassigned; \$38,578,889 restricted, and \$645,512 assigned for special purposes, in the General and Special Revenue funds, which is available to meet the County's current and future needs. The remainder of fund balance is not available for new spending because it has been Committed for future use \$2,564,601 or is in Nonspendable form \$827,094.

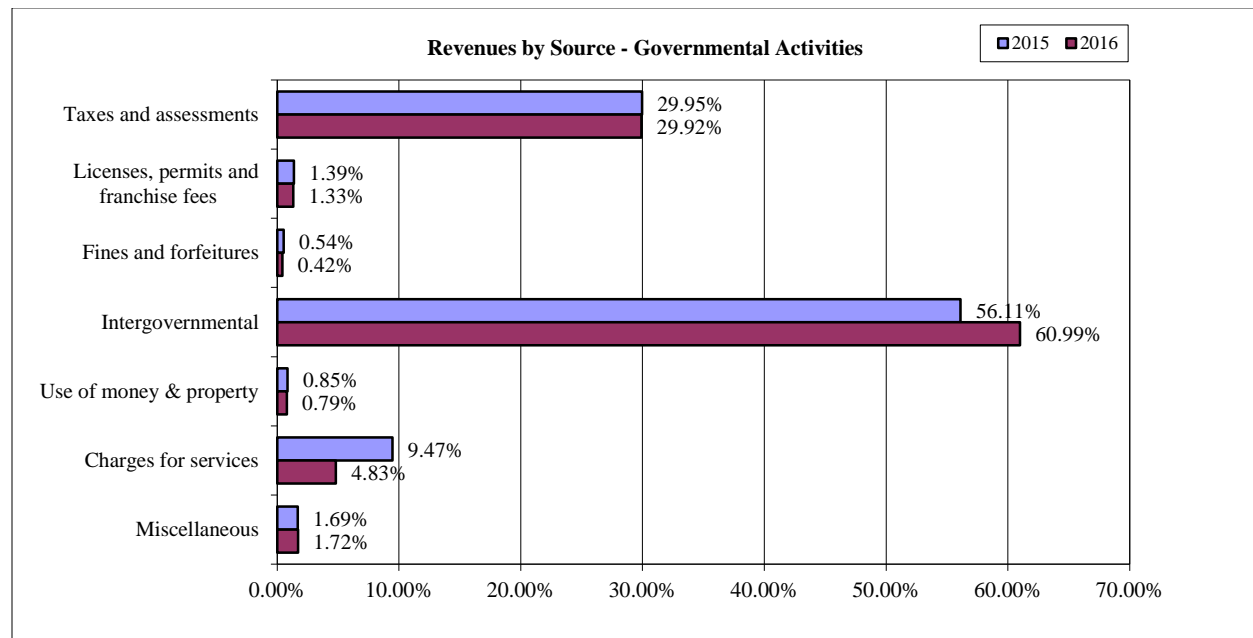
The General fund is the chief operating fund of the County. At June 30, 2016, unassigned fund balance was \$6,523,143 while total fund balance was \$11,080,770. As a measure of the General fund's liquidity, it may be useful to compare both unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 32.4 percent of total General fund expenditures, while the total fund balance represents 55.1 percent of total General fund expenditures.

The major funds and other governmental funds' fund balances decreased from \$41,623,705 to \$37,772,242. The major and other governmental funds had decreases/increases in fund balance as follows: Public Ways-Road decreased \$1,656,791, Local Revenue 2011 increased \$582,084, Social Services increased \$592,830, Mental Health decreased \$1,939,664, Public Health increased \$181,284, and other non-major governmental funds increased \$285,607.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

	Revenues Classified by Source					
	Governmental Funds					
	FY 2015		FY 2016		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Revenue by Source:						
Taxes and assessments	\$ 15,840,492	29.95%	\$ 17,610,683	29.92%	\$ 1,770,191	11.18%
Licenses, permits and franchise fees	733,501	1.39%	784,410	1.33%	50,909	6.94%
Fines and forfeitures	284,605	0.54%	247,774	0.42%	(36,831)	-12.94%
Intergovernmental	29,674,807	56.11%	35,902,118	60.99%	6,227,311	20.99%
Use of money & property	448,801	0.85%	465,049	0.79%	16,248	3.62%
Charges for services	5,005,908	9.47%	2,841,111	4.83%	(2,164,797)	-43.24%
Miscellaneous	895,128	1.69%	1,013,983	1.72%	118,855	13.28%
Total	<u>\$ 52,883,242</u>	<u>100.00%</u>	<u>\$ 58,865,128</u>	<u>100.00%</u>	<u>\$ 5,981,886</u>	<u>11.31%</u>

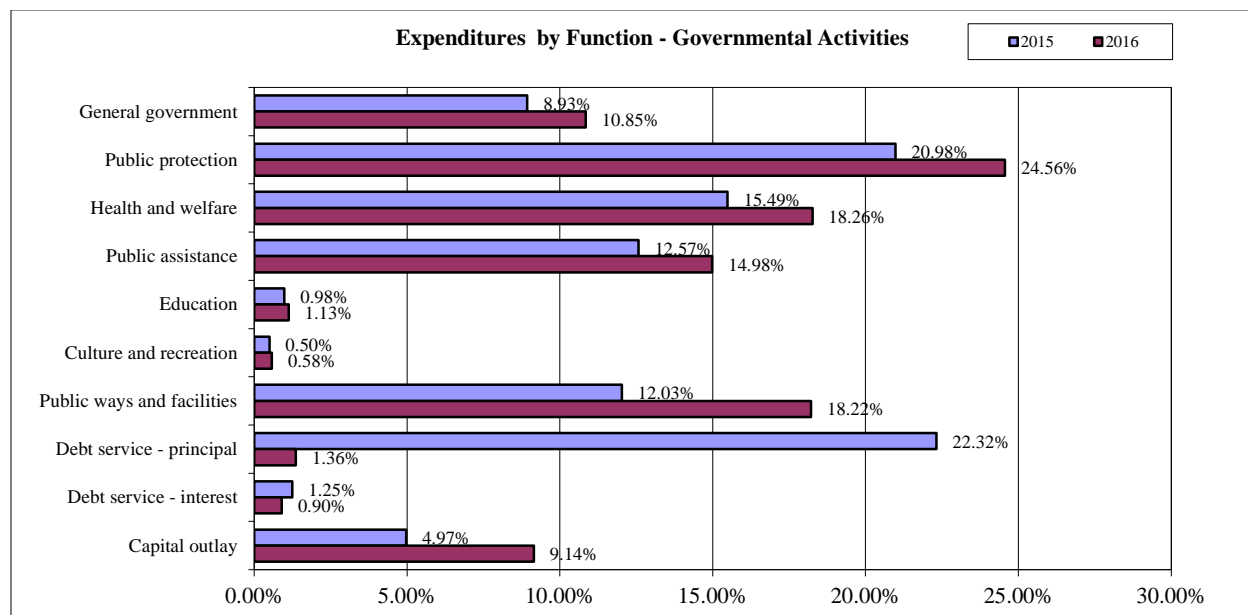
The following graph shows an illustrative picture of where the County funds come from.



The following table presents expenditures by function compared to prior year amounts.

Expenditures Classified by Function						
Governmental Funds						
Expenditure by Function:	FY 2015		FY 2016		Increase (Decrease)	
	Amount	Percent of	Amount	Percent of	Amount	Percent of
		Total		Total		Change
General government	\$ 5,889,426	8.93%	\$ 6,424,665	10.85%	\$ 535,239	9.09%
Public protection	13,835,153	20.98%	14,537,619	24.56%	702,466	5.08%
Health and welfare	10,215,166	15.49%	10,807,265	18.26%	592,099	5.80%
Public assistance	8,294,017	12.57%	8,866,276	14.98%	572,259	6.90%
Education	647,020	0.98%	666,686	1.13%	19,666	3.04%
Culture and recreation	327,727	0.50%	341,277	0.58%	13,550	4.13%
Public ways and facilities	7,931,757	12.03%	10,781,270	18.22%	2,849,513	35.93%
Debt service - principal	14,720,000	22.32%	805,000	1.36%	(13,915,000)	-94.53%
Debt service - interest	821,866	1.25%	534,012	0.90%	(287,854)	-35.02%
Capital outlay	3,277,493	4.97%	5,410,488	9.14%	2,132,995	65.08%
Total	<u>\$ 65,959,625</u>	<u>100.00%</u>	<u>\$ 59,174,558</u>	<u>100.00%</u>	<u>\$ (6,785,067)</u>	<u>-10.29%</u>

The following graph shows an illustrative picture of how County funds were spent.



Other financing sources and uses are presented below to illustrate changes from the prior year.

Other Financing Sources (Uses)
Governmental Funds

	FY 2015	FY 2016	Increase (Decrease)	
			Amount	Percent
Transfer-In	\$ 18,086,629	\$ 18,714,212	\$ 627,583	3.47%
Transfer-Out	(18,011,394)	(18,626,042)	(614,648)	3.41%
Debt proceeds and cost of issuance	15,114,236	-	(15,114,236)	-100.00%
Proceeds from sale of capital assets	16,430	-	(16,430)	-100.00%
Net other financing sources(uses)	<u>\$ 15,205,901</u>	<u>\$ 88,170</u>	<u>\$(15,117,731)</u>	-99.42%

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

Enterprise funds report the business-type activities of the County. Enterprise funds are used to account for airport, solid waste operations, Senior Transportation, and Plumas Transit (assets).

Net Change in Fund Net Position - Enterprise Funds
Enterprise Funds

	FY 2015	FY 2016	Net Change	
			Amount	Percent
Total Net Position - Beginning	\$ 7,122,875	\$ 6,892,879	\$ (229,996)	-3.23%
Cumulative effect of change in accounting principle	(286,000)	-	286,000	-100.00%
Total Net Position - Beginning, Restated	6,836,875	6,892,879	56,004	0.82%
Operating revenues	273,281	701,675	428,394	156.76%
Operating expenses	(3,052,773)	(2,360,966)	691,807	-22.66%
Non-operating revenues (expenses)	1,305,539	816,331	(489,208)	-37.47%
Capital contribution	1,605,192	338,411	(1,266,781)	-78.92%
Transfers in (out)	(75,235)	(88,170)	(12,935)	17.19%
Total Net Position - Ending	<u>\$ 6,892,879</u>	<u>\$ 6,300,160</u>	<u>\$ (592,719)</u>	-8.60%

Internal service funds are an accounting device to accumulate and allocate costs internally among the County's various functions. Internal service funds are used to account for risk management, unemployment insurance, workers compensation, health insurance funds, and liability.

Net Change in Fund Net Position Internal Service Funds				
	FY 2015	FY 2016	Increase (Decrease)	
			Amount	Percent
Total Net Position - Beginning	\$ 2,705,578	\$ 2,113,440	\$ (592,138)	-21.89%
Operating revenues	1,509,719	1,901,855	392,136	25.97%
Operating expenses	(2,102,459)	(2,109,777)	(7,318)	0.35%
Non-operating revenues (expenses)	602	1,975	1,373	-228.07%
Total Net Position - Ending	<u>\$ 2,113,440</u>	<u>\$ 1,907,493</u>	<u>\$ (205,947)</u>	-9.74%

Unrestricted net position of the internal service funds at June 30, 2016 was \$1,907,493 a decrease of \$205,947. This was largely attributable to the County's self-funded insurance funds. The County's claims paid increased over last year. Both liability and workers comp are funded at the 80 percent or higher confidence level as recommended.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the Board of Supervisors revises the County's budget many times. Each time a grant or specific revenue enhancement is made available to a County program that requires new appropriations, a budget amendment is required.

The mid-year review is a formal process by which each department is analyzed for expense and revenue trends. Adjustments are recommended where indicated and monitored for the remainder of the year. Unless there is some unforeseen and unusual circumstance that causes a budget overrun, a draw on the Contingency Reserve is not recommended.

Differences between the original budget and the final amended budget is summarized in the table below:

Budgetary Comparison General Fund				
	Original	Final		
	Budget	Budget	Amount	Percent
Total Revenues	\$ 21,005,641	\$ 21,459,718	\$ 454,077	2.16%
Total Expenditures	(23,623,496)	(23,586,115)	37,381	-0.16%
Other Financing Sources(Uses)	1,712,603	1,100,550	(612,053)	-35.74%
Net other financing sources(uses)	<u>\$ (905,252)</u>	<u>\$ (1,025,847)</u>	<u>\$ (120,595)</u>	

Differences between the final amended budget and actual amounts is summarized in the table below:

Budgetary Comparison General Fund				
	Final	Actual		
	Budget	Amounts	Amount	Percent
Total Revenues	\$ 21,459,718	\$ 23,548,032	\$ 2,088,314	9.73%
Total Expenditures	(23,586,115)	(21,554,057)	2,032,058	-8.62%
Other Financing Sources(Uses)	1,100,550	(260,585)	(1,361,135)	-123.68%
Net other financing sources(uses)	<u>\$ (1,025,847)</u>	<u>\$ 1,733,390</u>	<u>\$ 2,759,237</u>	

CAPITAL ASSETS

The County's net investment in capital assets as of June 30, 2016, amounted to \$56,052,317. This investment in a broad range of capital assets includes land, infrastructure (roads and bridges), structures and improvements, and equipment.

	Capital Assets					
	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Land	\$ 2,079,903	\$ 2,079,903	\$ 620,152	\$ 620,152	\$ 2,700,055	\$ 2,700,055
Construction in Progress	4,557,225	6,573,589	-	-	4,557,225	6,573,589
Structures & Improvements	34,645,698	34,831,169	1,290,807	1,290,807	35,936,505	36,121,976
Equipment	22,412,072	23,711,600	1,885,188	2,045,677	24,297,260	25,757,277
Software	1,285,404	1,349,789	15,660	15,660	1,301,064	1,365,449
Infrastructure	39,980,977	39,955,405	10,703,124	10,836,617	50,684,101	50,792,022
Total	104,961,279	108,501,455	14,514,931	14,808,913	119,476,210	123,310,368
Accumulated Depreciation	(56,259,291)	(58,681,233)	(7,725,536)	(8,576,818)	(63,984,827)	(67,258,051)
Net Capital Assets	\$ 48,701,988	\$ 49,820,222	\$ 6,789,395	\$ 6,232,095	\$ 55,491,383	\$ 56,052,317

DEBT ADMINISTRATION

At June 30, 2016, the County had total long-term debt outstanding of \$62,026,283 as compared to \$58,511,283 in the prior year. The loan balance decreased \$805,000, there was an increase of \$32,843 in closure/postclosure, there was an increase in post-employment (compensated absences and OPEB) benefits of \$813,869, and an increase of \$3,473,288 in net pension liabilities.

	Long Term Debt					
	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Loans	\$ 15,420,000	\$ 14,615,000	\$ -	\$ -	\$ 15,420,000	\$ 14,615,000
Closure/Postclosure	-	-	3,195,996	3,228,839	3,195,996	3,228,839
Compensated Absences	4,510,002	4,747,989	9,868	9,013	4,519,870	4,757,002
Net Pension Liability	33,219,823	36,645,134	242,650	290,627	33,462,473	36,935,761
Net OPEB Obligation	1,882,955	2,456,038	29,989	33,643	1,912,944	2,489,681
Total	55,032,780	58,464,161	3,478,503	3,562,122	58,511,283	62,026,283
Less Current Portion	(3,182,718)	(3,225,062)	(9,868)	(9,013)	(3,192,586)	(3,234,075)
Net Long-Term Debt	\$ 51,850,062	\$ 55,239,099	\$ 3,468,635	\$ 3,553,109	\$ 55,318,697	\$ 58,792,208

Budget Officer's Economic Factors and Next Year's Budget

In 2015/16, the County experienced an increase in property tax revenues of \$1,403,203; however, \$1,379,863 of the increase was due to a one-time inflow of supplemental property taxes that had been accumulating in a trust fund waiting for legislation to clarify the proper distribution of the funds. In 2006/07 the school districts in Plumas County became zero attendance districts and were no longer eligible to receive supplemental property taxes; however, the State did not provide direction as to where the share that formerly was distributed to the school districts should be distributed.

As part of the 2014 State Budget, SB 854 was passed that allowed County Auditors to redistribute the "stranded supplemental" funds using the same pro-rata distributions that is put forth in R&T Code Sections 75.70-75.72, but with the school districts removed from the percentage calculation. The distribution for Plumas County was \$1,379,863. Without that one-time distribution, the County had an increase in property tax revenue of \$23,340. The sales tax revenue increased by \$191,970, and hotel tax revenues increased by \$104,132.

The County used \$1,883,000 of fund balance to balance the budget for fiscal year 2016-17. Future budget challenges will be the increasing cost of workers' compensation insurance, the increasing CalPERS required contribution rates, medical insurance costs, and the need to fund the currently unfunded liability for retiree health insurance (OPEB). The unfunded liabilities for retirement and retiree health will need to be addressed in future budgets for the County.

County total reserves remain healthy, and the County's General fund reserve maintained the \$2,000,000 in the 2016/17 budget. The County will continue to take reasonable action to manage spending and pass a balanced budget.

All of these factors will be taken into consideration when budgets are submitted to the Board. We as a County must be determined in our commitment to maintain conservative administrative practices in financial management to avoid further erosion of our currently stable financial base.

Request for Information

This financial report is designed to provide a general overview of the 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 the County Administrative Office at County Courthouse, 520 Main St. RM 311, Quincy, California 95971.

Basic Financial Statements

- **Government-Wide Financial Statements**

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COUNTY OF PLUMAS
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 45,542,455	\$ 254,096	\$ 45,796,551
Cash with fiscal agent	6,761,272	-	6,761,272
Receivables:			
Accounts	65,120	114,939	180,059
Taxes	700,419	-	700,419
Intergovernmental	7,843,706	98,474	7,942,180
Internal balances	20,000	(20,000)	-
Prepaid costs	191,764	-	191,764
Inventory	246,245	90,158	336,403
Loans receivable	118,955	-	118,955
Restricted cash and investments	-	3,255,776	3,255,776
Capital assets:			
Non depreciable	8,653,492	620,152	9,273,644
Depreciable, net	41,166,730	5,611,943	46,778,673
Total capital assets	<u>49,820,222</u>	<u>6,232,095</u>	<u>56,052,317</u>
Total Assets	<u>111,310,158</u>	<u>10,025,538</u>	<u>121,335,696</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	3,742,358	38,708	3,781,066
Total Deferred Outflows of Resources	<u>3,742,358</u>	<u>38,708</u>	<u>3,781,066</u>
LIABILITIES			
Accounts payable	1,609,334	174,769	1,784,103
Salaries and benefits payable	1,403,931	18,256	1,422,187
Unearned revenue	152,079	-	152,079
Accrued claims liability	3,290,661	-	3,290,661
Net pension liability	36,645,134	290,627	36,935,761
Net OPEB obligation	2,456,038	33,643	2,489,681
Long-term liabilities:			
Due within one year	3,225,062	9,013	3,234,075
Due in more than one year	16,137,927	3,228,839	19,366,766
Total Liabilities	<u>64,920,166</u>	<u>3,755,147</u>	<u>68,675,313</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	2,982,700	8,939	2,991,639
Total Deferred Inflows of Resources	<u>2,982,700</u>	<u>8,939</u>	<u>2,991,639</u>

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

COUNTY OF PLUMAS
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	35,205,222	6,232,095	41,437,317
Restricted for:			
General government	6,185,423	-	6,185,423
Public protection	2,459,056	-	2,459,056
Public assistance	6,461,384	-	6,461,384
Health and welfare	14,621,360	-	14,621,360
Public ways and facilities	7,580,039	-	7,580,039
Capital projects	18,821	-	18,821
Debt service	2,245,893	-	2,245,893
Unrestricted	(27,627,548)	68,065	(27,559,483)
Total Net Position	\$ 47,149,650	\$ 6,300,160	\$ 53,449,810

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

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

<u>Functions/Programs:</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 6,758,895	\$ 1,081,864	\$ 8,973,625	\$ -
Public protection	14,213,779	1,223,064	3,618,541	(45,997)
Health and welfare	10,904,625	989,586	4,733,814	-
Public assistance	8,791,741	2,714	7,287,679	-
Education	675,838	9,070	67,450	-
Culture and recreation	392,736	37,073	-	-
Public ways and facilities	12,125,026	1,124,342	8,402,480	3,580,412
Interest on long-term debt	534,012	-	-	-
Total Governmental Activities	54,396,652	4,467,713	33,083,589	3,534,415
Business-type activities:				
Airport	1,124,407	354,598	30,000	177,922
Transit	958,053	33,041	771,596	160,489
Solid waste	278,506	280,667	-	-
Total Business-Type Activities	2,360,966	668,306	801,596	338,411
Total	\$ 56,757,618	\$ 5,136,019	\$ 33,885,185	\$ 3,872,826

General revenues:

Taxes:

Property taxes

Sales and use taxes

Public service taxes

Transient occupancy taxes

Aircraft taxes

Timber yield tax

Franchise fees

Tobacco settlement

Grants and contributions, unrestricted

Interest and investment earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Prior period adjustment

Net Position - Beginning, Restated

Net Position - Ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business- Type Activities	Total
\$ 3,296,594	\$ -	\$ 3,296,594
(9,418,171)	-	(9,418,171)
(5,181,225)	-	(5,181,225)
(1,501,348)	-	(1,501,348)
(599,318)	-	(599,318)
(355,663)	-	(355,663)
982,208	-	982,208
(534,012)	-	(534,012)
<u>(13,310,935)</u>	<u>-</u>	<u>(13,310,935)</u>
-	(561,887)	(561,887)
-	7,073	7,073
-	2,161	2,161
<u>-</u>	<u>(552,653)</u>	<u>(552,653)</u>
<u>(13,310,935)</u>	<u>(552,653)</u>	<u>(13,863,588)</u>
12,765,085	-	12,765,085
2,607,227	-	2,607,227
199,023	-	199,023
1,375,228	-	1,375,228
13,283	-	13,283
136,336	2,890	139,226
164,787	-	164,787
172,444	-	172,444
1,008,869	-	1,008,869
220,115	11,845	231,960
1,013,983	33,369	1,047,352
88,170	(88,170)	-
<u>19,764,550</u>	<u>(40,066)</u>	<u>19,724,484</u>
<u>6,453,615</u>	<u>(592,719)</u>	<u>5,860,896</u>
44,202,174	6,892,879	51,095,053
<u>(3,506,139)</u>	<u>-</u>	<u>(3,506,139)</u>
<u>40,696,035</u>	<u>6,892,879</u>	<u>47,588,914</u>
<u>\$ 47,149,650</u>	<u>\$ 6,300,160</u>	<u>\$ 53,449,810</u>

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Basic Financial Statements

- **Fund Financial Statements**

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COUNTY OF PLUMAS
Balance Sheet
Governmental Funds
June 30, 2016

	General	Road	Local Revenue 2011	Social Services	Mental Health
ASSETS					
Cash and investments	\$ 10,021,005	\$ 4,719,265	\$ 811,293	\$ 6,454,280	\$ 13,599,225
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	50,904	6,334	-	-	3,445
Taxes	700,419	-	-	-	-
Intergovernmental	973,715	1,324,825	712,457	3,049,012	79,615
Prepaid costs	117,079	222	-	1,107	25,029
Inventory	-	246,245	-	-	-
Advance to other funds	389,085	-	-	-	-
Loans receivable	118,955	-	-	-	-
Total Assets	<u>\$ 12,371,162</u>	<u>\$ 6,296,891</u>	<u>\$ 1,523,750</u>	<u>\$ 9,504,399</u>	<u>\$ 13,707,314</u>
LIABILITIES					
Accounts payable	\$ 340,686	\$ 671,705	\$ -	\$ 29,893	\$ 232,809
Salaries and benefits payable	720,833	182,419	-	139,919	149,168
Unearned revenue	3,061	-	-	80,365	-
Advance from other funds	-	-	-	-	-
Total Liabilities	<u>1,064,580</u>	<u>854,124</u>	<u>-</u>	<u>250,177</u>	<u>381,977</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	225,812	472,826	-	2,792,838	38,461
Total Deferred Inflows of Resources	<u>225,812</u>	<u>472,826</u>	<u>-</u>	<u>2,792,838</u>	<u>38,461</u>
FUND BALANCES					
Nonspendable	506,164	246,467	-	1,107	25,029
Restricted	1,353,379	4,723,474	1,523,750	6,460,277	13,261,847
Committed	2,052,572	-	-	-	-
Assigned	645,512	-	-	-	-
Unassigned	6,523,143	-	-	-	-
Total Fund Balances	<u>11,080,770</u>	<u>4,969,941</u>	<u>1,523,750</u>	<u>6,461,384</u>	<u>13,286,876</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,371,162</u>	<u>\$ 6,296,891</u>	<u>\$ 1,523,750</u>	<u>\$ 9,504,399</u>	<u>\$ 13,707,314</u>

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

Public Health	Other Governmental Funds	Total
\$ 792,060	\$ 8,705,206	\$45,102,334
-	2,003,161	2,003,161
622	3,815	65,120
-	-	700,419
884,342	819,740	7,843,706
1,622	46,705	191,764
-	-	246,245
-	-	389,085
-	-	118,955
<u>\$ 1,678,646</u>	<u>\$ 11,578,627</u>	<u>\$56,660,789</u>
\$ 114,708	\$ 219,455	\$ 1,609,256
89,861	121,731	1,403,931
-	68,653	152,079
-	369,085	369,085
<u>204,569</u>	<u>778,924</u>	<u>3,534,351</u>
<u>611,527</u>	<u>131,962</u>	<u>4,273,426</u>
<u>611,527</u>	<u>131,962</u>	<u>4,273,426</u>
1,622	46,705	827,094
860,928	10,395,234	38,578,889
-	512,029	2,564,601
-	-	645,512
-	(286,227)	6,236,916
<u>862,550</u>	<u>10,667,741</u>	<u>48,853,012</u>
<u>\$ 1,678,646</u>	<u>\$ 11,578,627</u>	<u>\$56,660,789</u>

COUNTY OF PLUMAS
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2016

Total Fund Balance - Total Governmental Funds	\$ 48,853,012
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	49,820,222
Other long term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	4,273,426
Deferred outflows of resources related to pensions are not reported in the governmental funds.	3,742,358
Deferred inflows of resources related to pensions are not reported in the governmental funds	(2,982,700)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Loans payable	(14,615,000)
Compensated absences	(4,747,989)
Net Pension liability	(36,645,134)
Net OPEB obligation	(2,456,038)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	<u>1,907,493</u>
Net Position of Governmental Activities	<u><u>\$ 47,149,650</u></u>

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

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

	General	Road	Local Revenue 2011	Social Services	Mental Health
REVENUES					
Taxes and assessments	\$ 16,802,279	\$ 1,077	\$ -	\$ -	\$ -
Licenses, permits, and franchises	704,139	75,492	-	-	-
Fines and forfeitures	183,537	-	-	-	-
Intergovernmental	2,154,330	9,172,748	7,417,931	4,864,937	2,586,286
Use of money and property	88,231	53,669	-	20,468	48,163
Charges for services	1,460,644	308,468	-	-	160,849
Other revenues	708,437	1,000	-	92,638	2,793
Total Revenues	22,101,597	9,612,454	7,417,931	4,978,043	2,798,091
EXPENDITURES					
Current:					
General government	5,433,819	-	-	-	-
Public protection	11,736,563	-	-	-	-
Health and welfare	611,433	-	-	-	5,772,626
Public assistance	593,946	-	-	8,272,330	-
Education	666,686	-	-	-	-
Culture and recreation	341,277	-	-	-	-
Public ways and facilities	393,474	7,119,579	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	330,424	4,575,564	-	118,234	119,723
Total Expenditures	20,107,622	11,695,143	-	8,390,564	5,892,349
Excess of Revenues Over (Under) Expenditures	1,993,975	(2,082,689)	7,417,931	(3,412,521)	(3,094,258)
OTHER FINANCING SOURCES (USES)					
Transfers in	8,187,752	453,436	-	4,442,151	1,668,044
Transfers out	(8,448,337)	(27,538)	(6,835,847)	(436,800)	(513,450)
Total Other Financing Sources (Uses)	(260,585)	425,898	(6,835,847)	4,005,351	1,154,594
Net Change in Fund Balances	1,733,390	(1,656,791)	582,084	592,830	(1,939,664)
Fund Balances - Beginning	9,347,380	6,626,732	941,666	5,868,554	15,226,540
Prior period adjustment	-	-	-	-	-
Fund Balances - Beginning, Restated	9,347,380	6,626,732	941,666	5,868,554	15,226,540
Fund Balances - Ending	\$ 11,080,770	\$ 4,969,941	\$ 1,523,750	\$ 6,461,384	\$ 13,286,876

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

Public Health	Other Governmental Funds	Total
\$ -	\$ 807,327	\$ 17,610,683
-	4,779	784,410
-	64,237	247,774
3,349,261	6,356,625	35,902,118
1,837	252,681	465,049
530,288	380,862	2,841,111
862	208,253	1,013,983
<u>3,882,248</u>	<u>8,074,764</u>	<u>58,865,128</u>
-	990,846	6,424,665
-	2,801,056	14,537,619
3,787,700	635,506	10,807,265
-	-	8,866,276
-	-	666,686
-	-	341,277
-	3,268,217	10,781,270
-	805,000	805,000
-	534,012	534,012
-	266,543	5,410,488
<u>3,787,700</u>	<u>9,301,180</u>	<u>59,174,558</u>
<u>94,548</u>	<u>(1,226,416)</u>	<u>(309,430)</u>
331,295	3,631,534	18,714,212
<u>(244,559)</u>	<u>(2,119,511)</u>	<u>(18,626,042)</u>
<u>86,736</u>	<u>1,512,023</u>	<u>88,170</u>
<u>181,284</u>	<u>285,607</u>	<u>(221,260)</u>
2,578,079	10,382,134	50,971,085
<u>(1,896,813)</u>	<u>-</u>	<u>(1,896,813)</u>
<u>681,266</u>	<u>10,382,134</u>	<u>49,074,272</u>
<u>\$ 862,550</u>	<u>\$ 10,667,741</u>	<u>\$ 48,853,012</u>

COUNTY OF PLUMAS
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ (221,260)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	5,410,488
Less current year depreciation	(2,717,299)
Various adjustments effecting capital assets including capital contribution	59,940

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the net cost of the capital assets disposed. Proceeds from the sale of capital assets was \$13,323. (25,569)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal retirements	805,000
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Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.

Change in unavailable revenue	1,894,994
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Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities relate to long-term liabilities and are not reported in the governmental funds.

Change in deferred outflows of resources related to pensions	625,075
Change in deferred inflows of resources related to pensions	5,064,574

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 compensated absences	(237,987)
Change in net pension liability	(3,425,311)
Change in net OPEB obligation	(573,083)

Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (205,947)

Change in Net Position of Governmental Activities \$ 6,453,615

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

COUNTY OF PLUMAS
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current Assets:					
Cash and investments	\$ 152,350	\$ 36,338	\$ 65,408	\$ 254,096	\$ 440,121
Cash with fiscal agent	-	-	-	-	4,758,111
Receivables:					
Accounts	93,189	17,868	3,882	114,939	-
Intergovernmental	-	43,039	55,435	98,474	-
Inventory	90,158	-	-	90,158	-
Total Current Assets	335,697	97,245	124,725	557,667	5,198,232
Noncurrent Assets:					
Restricted cash and investments	-	3,255,776	-	3,255,776	-
Capital Assets :					
Non depreciable	497,438	122,714	-	620,152	-
Depreciable, net	4,938,339	441,835	231,769	5,611,943	-
Total Noncurrent Assets	5,435,777	3,820,325	231,769	9,487,871	-
Total Assets	5,771,474	3,917,570	356,494	10,045,538	5,198,232
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension adjustments	12,695	-	26,013	38,708	-
Total Deferred Outflows of Resources	12,695	-	26,013	38,708	-
LIABILITIES					
Current Liabilities:					
Accounts payable	1,859	10,141	162,769	174,769	78
Salaries and benefits payable	5,255	-	13,001	18,256	-
Compensated absences	3,476	-	5,537	9,013	-
Claims payable	-	-	-	-	3,290,661
Total Current Liabilities	10,590	10,141	181,307	202,038	3,290,739
Noncurrent Liabilities:					
Advance from other funds	20,000	-	-	20,000	-
Closure/postclosure	-	3,228,839	-	3,228,839	-
Net pension liability	96,123	-	194,504	290,627	-
Net OPEB obligation	10,729	-	22,914	33,643	-
Total Noncurrent Liabilities	126,852	3,228,839	217,418	3,573,109	-
Total Liabilities	137,442	3,238,980	398,725	3,775,147	3,290,739

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

COUNTY OF PLUMAS
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total	Internal Service Funds
DEFERRED INFLOWS OF RESOURCES					
Deferred pension adjustments	3,159	-	5,780	8,939	-
Total Deferred Inflows of Resources	3,159	-	5,780	8,939	-
NET POSITION					
Investment in capital assets	5,435,777	564,549	231,769	6,232,095	-
Unrestricted	207,791	114,041	(253,767)	68,065	1,907,493
Total Net Position	<u>\$ 5,643,568</u>	<u>\$ 678,590</u>	<u>\$ (21,998)</u>	<u>\$ 6,300,160</u>	<u>\$ 1,907,493</u>

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

COUNTY OF PLUMAS
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 354,598	\$ 280,667	\$ 33,041	\$ 668,306	\$ 1,476,480
Other revenues	32,794	575	-	33,369	425,375
Total Operating Revenues	387,392	281,242	33,041	701,675	1,901,855
OPERATING EXPENSES					
Salaries and benefits	104,078	1,093	247,089	352,260	-
Services and supplies	265,004	236,579	655,841	1,157,424	184,094
Claims paid/liability adjustment	-	-	-	-	1,925,683
Depreciation	755,325	40,834	55,123	851,282	-
Total Operating Expenses	1,124,407	278,506	958,053	2,360,966	2,109,777
Operating Income (Loss)	(737,015)	2,736	(925,012)	(1,659,291)	(207,922)
NON-OPERATING REVENUES (EXPENSES)					
Taxes	2,890	-	-	2,890	-
Local transportation funds	-	-	199,243	199,243	-
Intergovernmental	30,000	-	572,353	602,353	-
Interest income	761	11,084	-	11,845	1,975
Total Non-Operating Revenues (Expenses)	33,651	11,084	771,596	816,331	1,975
Income (Loss) Before Contributions and Transfers	(703,364)	13,820	(153,416)	(842,960)	(205,947)
Capital contribution	177,922	-	160,489	338,411	-
Transfers in	12,000	3,900	16,257	32,157	-
Transfers out	-	(120,327)	-	(120,327)	-
Change in Net Position	(513,442)	(102,607)	23,330	(592,719)	(205,947)
Total Net Position - Beginning	6,157,010	781,197	(45,328)	6,892,879	2,113,440
Total Net Position - Ending	\$ 5,643,568	\$ 678,590	\$ (21,998)	\$ 6,300,160	\$ 1,907,493

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

COUNTY OF PLUMAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 328,076	\$ 279,341	\$ 33,728	\$ 641,145	\$ 1,901,855
Payments to suppliers	(1,536,298)	(196,770)	(599,753)	(2,332,821)	(1,955,786)
Payments to employees	(106,776)	(1,093)	(254,704)	(362,573)	-
Net Cash Provided (Used) by Operating Activities	(1,314,998)	81,478	(820,729)	(2,054,249)	(53,931)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Local transportation funds received	-	-	199,243	199,243	-
Tax revenue received	2,890	-	-	2,890	-
Intergovernmental revenue received	641,147	(5,979)	571,638	1,206,806	-
Transfers from other funds	12,000	3,900	16,257	32,157	-
Transfers to other funds	-	(120,327)	-	(120,327)	-
Net Cash Provided (Used) by Noncapital Financing Activities	656,037	(122,406)	787,138	1,320,769	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(133,494)	-	-	(133,494)	-
Capital contribution	177,922	-	-	177,922	-
Net Cash Provided (Used) by Capital and Related Financing Activities	44,428	-	-	44,428	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	761	11,084	-	11,845	1,975
Net Cash Provided (Used) by Investing Activities	761	11,084	-	11,845	1,975
Net Increase (Decrease) in Cash and Cash Equivalents	(613,772)	(29,844)	(33,591)	(677,207)	(51,956)
Balances - Beginning	766,122	3,321,958	98,999	4,187,079	5,250,188
Balances - Ending	\$ 152,350	\$ 3,292,114	\$ 65,408	\$ 3,509,872	\$ 5,198,232

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

COUNTY OF PLUMAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (737,015)	\$ 2,736	\$ (925,012)	\$ (1,659,291)	\$ (207,922)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	755,325	40,834	55,123	851,282	-
Decrease (increase) in:					
Accounts receivable	(58,889)	(1,901)	687	(60,103)	-
Prepaid costs	2,687	-	-	2,687	-
Inventory	(17,926)	-	-	(17,926)	-
Pension adjustments - deferred outflows	(5,097)	-	(10,698)	(15,795)	-
Increase (decrease) in:					
Accounts payable	(1,256,055)	6,966	56,088	(1,193,001)	-
Salaries and benefits payable	1,127	-	6,678	7,805	-
Unearned revenue	(427)	-	-	(427)	-
Compensated absences payable	2,156	-	(3,011)	(855)	-
Claims payable	-	-	-	-	153,991
Closure/post closure liability	-	32,843	-	32,843	-
Net pension liability	15,651	-	32,326	47,977	-
Net OPEB obligation	880	-	2,774	3,654	-
Pension adjustments - deferred inflows	(17,415)	-	(35,684)	(53,099)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,314,998)</u>	<u>\$ 81,478</u>	<u>\$ (820,729)</u>	<u>\$ (2,054,249)</u>	<u>\$ (53,931)</u>

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

COUNTY OF PLUMAS
Statement of Net Position
Fiduciary Funds
June 30, 2016

	<u>Investment Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and investments	\$ 39,761,362	\$ 2,293,489
Receivables:		
Taxes	<u>-</u>	<u>2,881,422</u>
Total Assets	<u>39,761,362</u>	<u>5,174,911</u>
LIABILITIES		
Loans from other agencies	118,955	-
Agency funds held for others	<u>-</u>	<u>5,174,911</u>
Total Liabilities	<u>118,955</u>	<u>5,174,911</u>
NET POSITION		
Held in trust for pool participants	<u>39,642,407</u>	<u>-</u>
Total Net Position	<u><u>\$ 39,642,407</u></u>	<u><u>\$ -</u></u>

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

COUNTY OF PLUMAS
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2016

	<u>Investment Trust Funds</u>
ADDITIONS	
Contributions to investment pool	<u>\$ 6,223,836</u>
Total Additions	<u>6,223,836</u>
DEDUCTIONS	
Distributions from investment pool	<u>2,664,087</u>
Total Deductions	<u>2,664,087</u>
Total Change in Net Position	3,559,749
Net Position - Beginning	<u>36,082,658</u>
Net Position - Ending	<u><u>\$39,642,407</u></u>

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

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a county-wide basis including law and justice, education, detention, social services and health, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Plumas, Auditor-Controller's Office, 520 W. Main Street, Quincy, CA 95971.

Blended Component Units

County Fair - The County Fair was established by the County Board of Supervisors. The Fair Board is composed of members appointed by the County's Board of Supervisors. The County elected officials have a continuing full or partial oversight responsibility over and accountability for fiscal matters of the fair. As an integral part of the County, the County fair is reported as a nonmajor special revenue fund in the County's financial statements.

Special Districts Governed by the Board of Supervisors - The County Board of Supervisors is the governing body of a number of special purpose district funds. Among its duties, the County Board of Supervisors approves the budgets, special taxes and fees and all payments of these special districts. As an integral part of the County, these special districts are reported as nonmajor special revenue funds in the County's financial statements.

Air Pollution
Crescent Mills Lighting
Quincy Lighting
Beckworth CSA Sewer

Flood Control
CSA #11 Ambulance
Walker Ranch CSD
Grizzly Ranch CSD

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

CSA #12 Plumas County Transit - The CSA #12 Plumas County Transit was established June 1, 1982 to provide transportation services for the County. The County Board of Supervisors is the governing body of this fund and approves all payments. As an integral part of the County, this fund is reported as a nonmajor enterprise fund in the County's financial statements.

County of Plumas Public Facilities Corporation - The Corporation was originally established in 2002 as a nonprofit public benefit corporation. The Corporation was reorganized in 2015 to refinance certificates of participation previously issued. The Corporation was created for the purpose of providing financing for public capital improvements owned and operated by the County. The Corporation is the lessor for the County's Umpqua Bank Loan and makes debt service payments on behalf of the County. The Board of Supervisors is the governing body of the Corporation and because its financial and operational relationship with the County is closely integrated, the activity and debt of the Corporation is reported in the County financial statements and the Corporation does not issued separate financial statements.

Discretely Presented Component Units

There are no component units of the County which meet the criteria for discrete presentation.

Related Organizations

Plumas County Community Development Commission - The Plumas County Community Development Commission (PCCDC) was established to operate and to govern the Housing Authority and the Community Development Commission. PCCDC is considered to be a related organization to the County of Plumas.

Joint Agencies

The County is a participant in Trindel Insurance Fund (Trindel) the purpose of which is to provide for the creation and operation of a common risk sharing and insurance purchasing pool to be used to meet the obligations of the member counties to provide Worker's Compensation benefits for their employees and to provide public liability and property damage insurance for its members. Trindel is governed by a Joint Powers Agreement between the member counties pursuant to Article 1 (commencing with Section 6500), Chapter 5 of Division 7, Title 1 of the Government Code of California. Complete audited financial statements can be obtained from their office at P.O. Box 2069, Weaverville, CA 96093. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39, and 61 of the Governmental Accounting Standards Board.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Agencies (Continued)

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC). CSAC is a joint powers authority organized for the purpose of developing and funding excess insurance programs for member counties. CSAC operates public entity risk pools for workers' compensation, comprehensive liability, property, and medical malpractice, and the pool purchases excess insurance and services for members. CSAC is under the control and direction of a board of directors consisting of representatives of the fifty member counties. Complete audited financial statements can be obtained from CSAC's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39, and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down are included in the program expense reported for individual functions and activities. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and proprietary funds are separately aggregated and reported as nonmajor funds.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General fund includes such activities as public protection, public ways and facilities, health and welfare, public assistance, education, and recreation services.
- The Road fund is a special revenue fund used to account for revenues and expenditures for streets and road expansion. Funding comes primarily from state highway users taxes and state and federal highway improvement grants.
- The Local Revenue 2011 fund is a special revenue fund used to account for revenues and expenditures related to realignment funding. Funding comes primarily from state realignment revenues.
- The Social Services fund is a special revenue fund used to account for revenues and expenditures for social welfare. Funding comes primarily from state and federal grant revenues.
- The Mental Health fund is a special revenue fund used to account for revenues and expenditures for mental health programs. Funding comes primarily from state grant revenue.
- The Public Health fund is a special revenue fund used to account for revenues and expenditures for public health programs. Funding comes primarily from federal and state grant revenues.

The County reports the following major proprietary funds:

- The Airport fund is an enterprise fund used to account for activity related to providing customers with airport facilities and services.
- The Solid Waste Planning and Operation fund is an enterprise fund used to account for activity related to providing customers with solid waste service.

The County reports the following additional fund types:

- Internal Service funds account for the County's self insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of special districts governed by local boards, school districts, school districts debt service, and trial court. The County is obligated to disburse monies from these funds on demand.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

- Agency funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include two separate components.

Accrued Trust funds - Accounts for property tax receipts awaiting apportionment to other local governmental agencies and investment earnings awaiting apportionment to other local government agencies.

County Departmental Agency funds - Accounts for all assets under the control of County departments which are held in a fiduciary capacity.

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

Fiduciary funds include investment trust funds and agency funds. All investment trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

E. Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the County considers all highly liquid investments with a maturity of three months or less when purchased including cash with fiscal agents, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. Investments

The County sponsors an investment pool that is managed by the County Treasurer. The County's pool activity is governed by California Government Code Sections 27000.1 and 53607, as well as the County's investment policy.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2016, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General fund per County policy. Income from non-pooled investments is recorded based on the specific investments held by the fund.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Restricted Cash and Investments

Restricted assets in the County's enterprise funds represent cash and investments held in the Solid Waste Planning and Operations fund of \$3,255,776 for closure/post-closure funding.

H. Receivables

Receivables for governmental activities consist mainly of accounts, taxes, and intergovernmental revenue. Receivables for business-type activities consist mainly of user fees and intergovernmental revenue. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

I. Other Assets

Prepaid Costs

Payments made for services that will benefit periods beyond June 30, 2016 are recorded as prepaid costs in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventory

Inventories are stated at cost (first-in, first-out basis) for governmental funds and proprietary funds. Inventory recorded by governmental funds includes postage and materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventory recorded by proprietary funds includes fuel for the Airport fund. Proprietary fund inventories are recorded as expenses at the time inventory is consumed.

J. Loans Receivable

The County General fund had a loan receivable at June 30, 2016 as follows:

Indian Valley Community Services District - Loaned monies with an interest rate of 1 percent higher than the County's annual fiscal rate. Payments are to be made annually in the amount of \$10,000 until paid in full.	\$ 118,955
Total Loans Receivable	<u>\$ 118,955</u>

K. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items) are defined by the County as assets with a cost of more than \$5,000 and an estimated useful life of more than five years. Capital assets are recorded at historical cost, or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their acquisition value at the date of donation.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets (Continued)

Infrastructure assets, including bridges and roads, have been stated at estimated historical cost. Estimated historical cost for bridges was arrived at by developing a listing of all bridges constructed after 1980. Using the year constructed, width, and length of the bridges, the estimated historical cost was calculated. Estimated historical cost for roads was arrived at by developing a list of all roads located within the County. Each road was identified by type, paved/flat, paved/hillside, and graveled. The current cost assigned to each road was factored back to the year of construction using the federal-aid highway construction factors to arrive at an estimated historical cost for each road.

Capital assets used in operations are depreciated or amortized using the straight-line method over the asset's estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5-25 years
Structures and improvements	5-50 years
Infrastructure	30-50 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

L. Property Tax

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1 percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value, as defined by Article XIII A, and may be adjusted by no more than 2 percent per fiscal year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1 percent tax levy among the County, cities, school districts, and other districts.

The County of Plumas is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

The County levies, bills, and collects taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/lien dates	January 1	January 1
Due Dates	November 1 (1 st installment) February 1 (2 nd installment)	July 1
Delinquent dates	December 10 (1 st installment) April 10 (2 nd installment)	August 31

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Property Tax (Continued)

The County of Plumas apportions secured property tax revenue in accordance with the alternate methods of distribution, the “Teeter Plan”, as prescribed by Sections 4701 through 4717 of the California Revenue and Taxation code. Under the Teeter Plan, the County allocates to local taxing agencies 100 percent of the secured property taxes billed. In return, the County retains penalties and interest on delinquent secured taxes in the Tax Loss Reserve Fund (TLRF). The primary purpose of TLRF is to cover losses that may occur as a result of special sales of tax-defaulted property.

The County is legally required to maintain a minimum balance of 1 percent of the annual taxes levied on properties participating in the Teeter Plan. The balance in the TLRF was \$375,424 at June 30, 2016. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in an agency fund.

M. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

N. Unearned Revenue

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Compensated Absences

The County's policy regarding vacation and other leave obligations is to permit employees to accumulate earned but unused vacation and other leave obligations. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature, while the proprietary funds report the liability as it is incurred. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

P. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Deferred Outflows/Inflows 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. This item relates to the outflows from changes in the net pension liability and is reportable on the statement of net position.

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 and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items which qualify for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item relates to the inflows from changes in the net pension liability and is reportable on the statement of net position.

R. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Implementation of Governmental Accounting Standards Board Statements (GASB)

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 72, Fair Value Measurement and Application. This statement addresses accounting and financial reporting issues related to fair value measurements. This statement provides guidance for determining a fair value measurement and for applying fair value to certain investments and disclosures related to all fair value measurements.

Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This statement establishes requirements for defined benefit pensions and defined contribution pensions that are not within the scope of Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions.

Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction is not specified within a source of authoritative GAAP.

Statement No. 79, Certain External Investment Pools and Pool Participants. This statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Restatement of Fund Balance/Net Position

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net position/fund balance. During the current year, prior period adjustments were made to correct a prior year overstatement of capital assets and properly classify one special revenue fund as a trust fund.

The impact of the restatements on the net position of the government-wide financial statements as previously reported is presented below:

	Governmental Activities
Net Position, June 30, 2015, as previously reported	\$ 44,202,174
Adjustment associated with:	
Correction of capital assets	(1,609,326)
Reclassification of MAA Admin fund	(1,896,813)
Total Adjustments	(3,506,139)
Net Position, July 1, 2015, as restated	\$ <u>40,696,035</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

A. Restatement of Fund Balance/Net Position (Continued)

The impact of the restatements on the fund balance of the fund financial statements as previously reported is presented below:

	Public Health
Net Position, June 30, 2015, as previously reported	\$ 2,578,079
Adjustment associated with:	
Reclassification of MAA Admin fund	(1,896,813)
Total Adjustments	(1,896,813)
Net Position, July 1, 2015, as restated	<u>\$ 681,266</u>

B. Deficit Fund Balance

The following non-major governmental funds had a deficit fund balance as of June 30, 2016. These deficits are expected to be eliminated through future additional funding.

County Fair	\$ 44,313
PCCDC CDBG Grant	7,795
Beckwourth CSA Sewer	6,778
Flood Control	223,772
Senior Transit	200,499

C. Rebutable Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. At June 30, 2016, the County does not expect to incur a liability.

NOTE 3: CASH AND INVESTMENTS

The County Treasurer manages, in accordance with California Government Code Section 53600, funds deposited in the investment pool by the County, all county school districts, various districts, and some cities within the County. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County Investment Policy govern the investment pool activity. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The pool attempts to match maturities with planned outlays and maximize the return of investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

The Board of Supervisors monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the Board of Supervisors and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value. All cash and investments, with the exception of deposits with fiscal agents, are considered part of the investment pool.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The investments of involuntary participants in the investment pool totaled \$39,761,362 at June 30, 2016.

A. Financial Statement Presentation

As of June 30, 2016, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 55,813,599
Investment trust funds	39,761,362
Agency funds	<u>2,293,489</u>
Total Cash and Investments	<u><u>\$ 97,868,450</u></u>

As of June 30, 2016, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 18,817
Deposits in Treasurer's Pool (less outstanding checks)	<u>6,988,646</u>
Total Cash in Treasurer's Pool	7,007,463
Deposits with fiscal agents	<u>6,761,272</u>
Total Cash	13,768,735
Investments:	
In Treasurer's Pool	<u>84,099,715</u>
Total Investments	<u>84,099,715</u>
Total Cash and Investments	<u><u>\$ 97,868,450</u></u>

B. Cash

At year end, the carrying amount of the County's cash deposits (including amount in checking accounts, money market accounts and deposits with fiscal agents) was \$13,749,918 and the bank balance was \$16,320,073. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the County had cash on hand of \$18,817.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

B. Cash (Continued)

Custodial Credit Risk for Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized.

C. Investments

Pursuant to Section 53646 of the Government Code, the County prepares an investment policy annually and presents it to the Board of Supervisors for review and approval. The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law. Under the provisions of the County's investment policy the County may invest or deposit in the following:

- U.S. Treasuries and Agencies
- Banker's Acceptances
- Commercial Paper
- Medium Term Corporate Notes
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Time Certificates of Deposit
- Shares of Beneficial Interest
- Local Agency Investment Fund (LAIF)
- California Asset Management Program (CAMP)

Fair Value Measurements - The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The County's position in external investment pools is in its self regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the County's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

At June 30, 2016, the County had the following recurring fair value measurements:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
US Treasury Notes	\$ 15,688,843	\$ 15,688,843	\$ -	\$ -
Federal Agencies	5,541,971	5,541,971		
Corporate Bonds	7,545,688	7,545,688		
Certificates of Deposit	<u>6,319,503</u>	<u>6,319,503</u>	<u>-</u>	<u>-</u>
Total Investments Measured at Fair Value	<u>35,096,005</u>	<u>\$ 35,096,005</u>	<u>\$ -</u>	<u>\$ -</u>
Investments in External Investment Pool				
Local Agency Investment Fund (LAIF)	40,000,000			
California Asset Management Program (CAMP)	<u>9,003,710</u>			
Total Investments	<u>\$ 84,099,715</u>			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses from increases in interest rates, the County's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the County to meet all projected obligations. Any investments that mature more than five years from the date of purchase require prior approval of the Board of Supervisors.

As of June 30, 2016, the County had the following investments, all of which had a maturity of five years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
US Treasury Notes	0.75-2.625%	\$ -	\$ 15,688,843	\$ 15,688,843	3.70
Federal Agencies	0.642-4.50%	-	5,541,971	5,541,971	2.64
Corporate Notes	1.125-4.70%	-	7,545,688	7,545,688	2.72
Negotiable Certificates of Deposit	1.00-1.72%	2,300,000	4,019,503	6,319,503	1.22
Local Agency Investment Fund (LAIF)	Variable	40,000,000	-	40,000,000	-
California Asset Management Program (CAMP)	Variable	<u>9,003,710</u>	-	<u>9,003,710</u>	-
Total Investments		<u>\$51,303,710</u>	<u>\$32,796,005</u>	<u>\$84,099,715</u>	<u>1.20</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment policy sets specific parameters by the type of investment to be met at time of purchase. Presented below is the minimum rating required by (where applicable) the California Government Code or the County's investment policy, and the actual rating as of year end for each investment type.

<u>Investment Type</u>	<u>Minimum Legal Rating</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Rating</u>	<u>% of Portfolio</u>
US Treasury Notes	N/A	AA+	Aaa	18.66%
Federal Home Loan Mortgage Corp. - CMO	N/A	AA+	Aaa	0.25%
Federal National Mortgage Assoc.	N/A	AA+	Aaa	3.49%
Federal Home Loan Banks	N/A	AA+	Aaa	0.87%
Federal National Mortgage Assoc - CMO	N/A	AA+	Aaa	1.98%
Corporate notes	A	A	A1	1.66%
Corporate notes	A	A	A2	0.66%
Corporate notes	A	A	A3	0.20%
Corporate notes	A	A-	A2	0.86%
Corporate notes	A	A-	A3	0.61%
Corporate notes	A	A+	A1	0.36%
Corporate notes	A	AA-	A1	0.72%
Corporate notes	A	AA-	Aa3	2.25%
Corporate notes	A	AA+	Aa1	0.25%
Corporate notes	A	AA+	Aaa	0.83%
Corporate notes	A	BBB+	Aa3	0.41%
Corporate notes	A	BBB+	Baa1	0.16%
Negotiable Certificates of Deposit	A	A-1	P-1	2.71%
Negotiable Certificates of Deposit	N/A	A-1	Aa3	0.83%
Negotiable Certificates of Deposit	N/A	AA-	Aa1	1.57%
Negotiable Certificates of Deposit	N/A	AA-	Aa3	1.57%
Negotiable Certificates of Deposit	N/A	A-1+	P-1	0.83%
LAIF	N/A	Unrated	Unrated	47.56%
CAMP	N/A	Unrated	Unrated	10.71%
Total				<u>100.00%</u>

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in the name of the County in safekeeping by a third party bank trust department.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The County's investment policy contains limitations on the amount that can be invested in any one issuer. At June 30, 2016, there were no investments in any one issuer (other than U.S. Treasury securities and external investment pools), that represent 5 percent or more of total County investments.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

D. Investment in External Investment Pools

The County of Plumas maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but it is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2016, the County's investment in LAIF valued at amortized cost was \$40,000,000 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$75.4 billion. Of that amount, 97.19 percent is invested in non-derivative financial products and 2.81 percent structured notes and asset-backed securities.

The County of Pumas also maintains an investment in the California Asset Management Program (CAMP), a California Joint Powers Authority established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. CAMP is not registered with the Securities and Exchange Commission as an investment company, but is a permitted investment for all local agencies under California Government Code Section 53601(p). CAMP is governed by a Board of Trustees composed of experienced local government finance directors and treasurers. The County's investment with CAMP as of June 30, 2016, was \$9,003,710, which approximates fair value. There are no restrictions on withdrawal of funds.

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net position and changes in net position for the Treasurer's Pool at June 30, 2016:

	Internal Participants	External Participants	Total Pool
Statement of Net Position			
Cash on hand	\$ 18,817	\$ -	\$ 18,817
Deposits (Less outstanding checks)	6,988,646	-	6,988,646
Investments	<u>44,338,353</u>	<u>39,761,362</u>	<u>84,099,715</u>
Net Position at June 30, 2016	<u>\$ 51,345,816</u>	<u>\$ 39,761,362</u>	<u>\$ 91,107,178</u>
Statement of Changes in Net Position			
Net position at July 1, 2015	\$ 56,477,274	\$ 36,209,667	\$ 92,686,941
Net changes in investments by pool participants	(5,131,458)	<u>3,551,695</u>	(1,579,763)
Net Position at June 30, 2016	<u>\$ 51,345,816</u>	<u>\$ 39,761,362</u>	<u>\$ 91,107,178</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 4: CAPITAL ASSETS

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

	Balance July 1, 2015	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2016
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,079,903	\$ -	\$ -	\$ -	\$ 2,079,903
Construction in progress	<u>4,557,225</u>	<u>3,677,742</u>	<u>-</u>	<u>(1,661,378)</u>	<u>6,573,589</u>
Total Capital Assets, Not Being Depreciated	<u>6,637,128</u>	<u>3,677,742</u>	<u>-</u>	<u>(1,661,378)</u>	<u>8,653,492</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	34,645,698	185,471	-	-	34,831,169
Equipment	22,412,072	1,547,224	(180,452)	(67,244)	23,711,600
Software	1,285,404	-	-	64,385	1,349,789
Infrastructure	<u>39,980,977</u>	<u>51</u>	<u>-</u>	<u>(25,623)</u>	<u>39,955,405</u>
Total Capital Assets, Being Depreciated	<u>98,324,151</u>	<u>1,732,746</u>	<u>(180,452)</u>	<u>(28,482)</u>	<u>99,847,963</u>
Less Accumulated Depreciation For:					
Buildings and improvements	(14,150,406)	(611,993)	-	-	(14,762,399)
Equipment	(17,779,499)	(1,145,223)	154,883	199,500	(18,570,339)
Software	(1,022,102)	(52,613)	-	(199,452)	(1,274,167)
Infrastructure	<u>(23,307,284)</u>	<u>(907,470)</u>	<u>-</u>	<u>140,426</u>	<u>(24,074,328)</u>
Total Accumulated Depreciation	<u>(56,259,291)</u>	<u>(2,717,299)</u>	<u>154,883</u>	<u>140,474</u>	<u>(58,681,233)</u>
Total Capital Assets, Being Depreciated, Net	<u>42,064,860</u>	<u>(984,553)</u>	<u>(25,569)</u>	<u>111,992</u>	<u>41,166,730</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,701,988</u>	<u>\$ 2,693,189</u>	<u>(\$ 25,569)</u>	<u>(\$ 1,549,386)</u>	<u>\$ 49,820,222</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2015	Additions	Retirements	Balance June 30, 2016
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 620,152	\$ -	\$ -	\$ 620,152
Total Capital Assets, Not Being Depreciated	<u>620,152</u>	<u>-</u>	<u>-</u>	<u>620,152</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	1,290,807	-	-	1,290,807
Equipment	1,885,188	160,489	-	2,045,677
Software	15,660	-	-	15,660
Infrastructure	<u>10,703,124</u>	<u>133,493</u>	<u>-</u>	<u>10,836,617</u>
Total Capital Assets, Being Depreciated	<u>13,894,779</u>	<u>293,982</u>	<u>-</u>	<u>14,188,761</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(829,427)	(36,048)	-	(865,475)
Equipment	(1,506,427)	(113,887)	-	(1,620,314)
Software	(15,660)	-	-	(15,660)
Infrastructure	<u>(5,374,022)</u>	<u>(701,347)</u>	<u>-</u>	<u>(6,075,369)</u>
Total Accumulated Depreciation	<u>(7,725,536)</u>	<u>(851,282)</u>	<u>-</u>	<u>(8,576,818)</u>
Total Capital Assets, Being Depreciated, Net	<u>6,169,243</u>	<u>(557,300)</u>	<u>-</u>	<u>5,611,943</u>
Business-Type Activities Capital Assets, Net	<u><u>\$ 6,789,395</u></u>	<u><u>(\$ 557,300)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,232,095</u></u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 435,927
Public protection	457,559
Health and welfare	138,754
Public assistance	81,772
Education	18,810
Culture and recreation	55,425
Public ways and facilities	<u>1,529,052</u>
Total Depreciation Expense - Governmental Functions	<u><u>\$ 2,717,299</u></u>

Depreciation expense was charged to business-type functions as follows:

Airport	\$ 755,325
Solid Waste	40,834
Transit	<u>55,123</u>
Total Depreciation Expense - Business-Type Functions	<u><u>\$ 851,282</u></u>

Construction in Progress

Construction in progress for governmental activities relates primarily to work performed on the Gansner Park river pathway and various bridge and road projects.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 5: INTERFUND TRANSACTIONS

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advance to/from other funds as of June 30, 2016:

	Advance to Other Funds	Advance from Other Funds
General fund	\$ 389,085	\$ -
Nonmajor Governmental funds	-	369,085
Airport	-	20,000
Total	<u>\$ 389,085</u>	<u>\$ 389,085</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, reimbursement of various County operations and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2016:

	Transfer In	Transfer Out
General fund	\$ 8,187,752	\$ 8,448,337
Road	453,436	27,538
Local Revenue 2011	-	6,835,847
Social Services	4,442,151	436,800
Mental Health	1,668,044	513,450
Public Health	331,295	244,559
Nonmajor Governmental funds	3,631,534	2,119,511
Airport	12,000	-
Solid Waste Planning and Operations	3,900	120,327
Nonmajor Enterprise funds	16,257	-
Total	<u>\$ 18,746,369</u>	<u>\$ 18,746,369</u>

NOTE 6: UNEARNED REVENUE

At June 30, 2016, the components of unearned revenue reported were as follows:

	Unearned
General fund	
2016/2017 revenues received in 2015/2016	\$ 3,061
Social Services	
State grant advances received in advance	80,365
Non-Major Governmental funds	
Camping and space rental fees received in advance	68,653
Total	<u>\$ 152,079</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2016:

Type of Indebtedness	Balance July 1, 2015	Adjustments/ Additions	Adjustments/ Retirements	Balance June 30, 2016	Amounts Due Within One Year
Governmental Activities					
Loans	\$ 15,420,000	\$ -	(\$ 805,000)	\$ 14,615,000	\$ 640,000
Compensated Absences	<u>4,510,002</u>	<u>2,823,046</u>	<u>(2,585,059)</u>	<u>4,747,989</u>	<u>2,585,062</u>
Total Governmental Activities	<u>\$ 19,930,002</u>	<u>\$ 2,823,046</u>	<u>(\$ 3,390,059)</u>	<u>\$ 19,362,989</u>	<u>\$ 3,225,062</u>
Business-Type Activities					
Closure/Postclosure	\$ 3,195,996	\$ 32,843	\$ -	\$ 3,228,839	\$ -
Compensated Absences	<u>9,868</u>	<u>6,558</u>	<u>(7,413)</u>	<u>9,013</u>	<u>9,013</u>
Total Business-Type Activities	<u>\$ 3,205,864</u>	<u>\$ 39,401</u>	<u>(\$ 7,413)</u>	<u>\$ 3,237,852</u>	<u>\$ 9,013</u>

Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred.

Individual issues of debt payable outstanding at June 30, 2016, are as follows:

Governmental Activities

Loans:

Umpqua Bank Loan, issued June 1, 2015, in the amount of \$15,255,000 and payable in annual installments of \$640,000 to \$1,125,000, with an interest rate of 3.63% and maturity on June 1, 2033. The loan was used to refinance the certificates of participation previously used to fund the acquisition and construction of the health and human services center, a permit center, and an animal shelter, as well as finance a new jail facility.

	<u>\$ 14,615,000</u>
Total Loans	<u>14,615,000</u>
Total Governmental Activities	<u>\$ 14,615,000</u>

Following is a schedule of debt payment requirements of governmental activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities and landfill closure/postclosure costs which are reported in Note 9.

Governmental Activities

Year Ended June 30	Loans		
	Principal	Interest	Total
2017	\$ 640,000	\$ 530,525	\$ 1,170,525
2018	655,000	507,292	1,162,292
2019	685,000	483,516	1,168,516
2020	710,000	458,651	1,168,651
2021	735,000	432,878	1,167,878
2022-2026	4,090,000	1,744,397	5,834,397
2027-2031	4,890,000	946,523	5,836,523
2032-2033	<u>2,210,000</u>	<u>121,061</u>	<u>2,331,061</u>
Total	<u>\$ 14,615,000</u>	<u>\$ 5,224,843</u>	<u>\$ 19,839,843</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 8: LEASES

Operating Leases

Rental expenses incurred under operating leases are not considered material.

NOTE 9: CLOSURE/POSTCLOSURE

The County of Plumas is responsible for one operating and one closed landfill site. State and Federal laws and regulations require the County to perform certain closure and postclosure maintenance and monitoring functions at the site for thirty years after closure. GASB Statement No. 18 requires that a portion of these closure and postclosure care costs be reported as an operating expense in each year based on landfill capacity used as of each statement of net position date. The \$3,228,839 reported as closure/postclosure liability at June 30, 2016, represents the cumulative amount reported to date based on the estimates used ranging from 45 to 100 percent of total permitted site capacity filled.

The County will recognize the remaining estimated cost of closure and postclosure care of \$3,414,483 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2016. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and postclosure care costs in the future. At June 30, 2016, cash and investments of \$3,225,776 were held to fund closure costs. This deposit is held in the Solid Waste Planning and Operation enterprise fund. The County has approved a pledge of revenue to fund the postclosure costs. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

NOTE 10: NET POSITION

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - consists of capital assets including restricted 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.
- **Restricted net position** - consists of net position with constraints placed on the 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. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 10: NET POSITION (CONTINUED)

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$39,571,976 of restricted net position, of which \$1,170,525 is restricted by enabling legislation.

NOTE 11: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2016, fund balances for governmental funds are made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the County’s highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the County’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the County’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 11: FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2016, were distributed as follows:

	General Fund	Road	Local Revenue 2011	Social Services	Mental Health	Public Health
Nonspendable:						
Prepaid costs	\$ 117,079	\$ 222	\$ -	\$ 1,107	\$ 25,029	\$ 1,622
Inventory	-	246,245	-	-	-	-
Advances	389,085	-	-	-	-	-
Subtotal	<u>506,164</u>	<u>246,467</u>	<u>-</u>	<u>1,107</u>	<u>25,029</u>	<u>1,622</u>
Restricted for:						
General government	1,353,379	-	1,523,750	-	-	-
Public Protection	-	-	-	-	-	-
Health and Welfare	-	-	-	-	13,261,847	860,928
Public Assistance	-	-	-	6,460,277	-	-
Public ways & facilities	-	4,723,474	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Subtotal	<u>1,353,379</u>	<u>4,723,474</u>	<u>1,523,750</u>	<u>6,460,277</u>	<u>13,261,847</u>	<u>860,928</u>
Committed to:						
General government	2,002,691	-	-	-	-	-
Public protection	49,881	-	-	-	-	-
Subtotal	<u>2,052,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned to:						
General government	151,424	-	-	-	-	-
Public protection	494,088	-	-	-	-	-
Subtotal	<u>645,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>6,523,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$11,080,770</u>	<u>\$ 4,969,941</u>	<u>\$ 1,523,750</u>	<u>\$ 6,461,384</u>	<u>\$13,286,876</u>	<u>\$ 862,550</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

Other Governmental Funds	Total
\$ 46,705	\$ 191,764
-	246,245
-	389,085
<u>46,705</u>	<u>827,094</u>
2,345,803	5,222,932
2,533,294	2,533,294
471,934	14,594,709
-	6,460,277
2,610,098	7,333,572
188,212	188,212
<u>2,245,893</u>	<u>2,245,893</u>
<u>10,395,234</u>	<u>38,578,889</u>
512,029	2,514,720
-	49,881
<u>512,029</u>	<u>2,564,601</u>
-	151,424
-	494,088
-	645,512
(286,227)	6,236,916
<u>\$ 10,667,741</u>	<u>\$ 48,853,012</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 11: FUND BALANCES (CONTINUED)

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications, establishes prudent reserve requirements and establishes a hierarchy of fund balance expenditures. The policy also provides for a measure of financial protection for the County against unforeseen circumstances and to comply with GASB 54. The minimum unrestricted fund balance may be recognized within the committed, assigned, or unassigned classifications.

NOTE 12: PENSION PLANS

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the County's separate Safety cost sharing multiple employer defined benefit pension plan and Miscellaneous agent multiple-employer defined benefit pension plan, Employee Pension Plans, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating member employers. Benefit provisions under the Plans are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective January 1, 2013, the County added retirement tiers for the Miscellaneous Plan and Safety Plan for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the County's retirement costs.

Summary of Plans and Eligible Participants

Open for New Enrollment

Miscellaneous PEPRA

Safety - Sheriff PEPRA

Miscellaneous members hired on or after January 1, 2013

County Sheriff officers hired on or after January 1, 2013

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 12: PENSION PLANS (CONTINUED)

A. General Information about the Pension Plans (Continued)

Summary of Plans and Eligible Participants (Continued)

Closed to New Enrollment

Miscellaneous	Miscellaneous employees hired before January 1, 2013
Safety - Sheriff	County Sheriff officers hired before January 1, 2013
Safety - County Peace Officer	Safety County peace officers hired before January 1, 2013

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Each Plan's specific provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Benefit Formula	Retirement Age	Monthly Benefits as a % of Eligible Compensation
Miscellaneous	2.0% @ 55	50-67	1.426% to 2.418%
Miscellaneous PEPRA	2.0% @ 62	52-67	1.000% to 2.500%
Safety Sheriff	3.0% @ 55	50-55	2.400% to 3.000%
Safety County Peace Officer	2.0% @ 50	50-55	2.000% to 2.700%
Safety Sheriff PEPRA	2.0% @ 57	50-57	1.426% to 2.000%

Employees Covered

At June 30, 2016, the following employees were covered by the benefit terms for the Miscellaneous Plan including independent entities (courts).

	Inactive Employees or Beneficiaries Currently Receiving Benefits	Inactive Employees Entitled to But Not Yet Receiving Benefits	Active Employees
Miscellaneous	407	351	332

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 12: PENSION PLANS (CONTINUED)

A. General Information about the Pension Plans (Continued)

Contributions (Continued)

	Employer Contribution Rates	Employee Contribution Rates	Employer Paid Member Contribution Rates
Miscellaneous	18.239%	7.000%	4.000%
Miscellaneous PEPRA	18.239%	6.250%	0.000%
Safety Sheriff	17.295%	9.000%	2.000%
Safety County Peace Officer	15.373%	9.000%	2.000%
Safety Sheriff PEPRA	11.923%	12.250%	0.000%

B. Net Pension Liability

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Projected Salary Increase	Varies by entry-age and service
Mortality	Derived using CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period 1997 to 2011 including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 12: PENSION PLANS (CONTINUED)

B. Net Pension Liability (Continued)

Change of Assumptions

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at the CalPERS website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 12: PENSION PLANS (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

C. Changes in the Net Pension Liability

As of June 30, 2016, the changes in the net pension liability of the agent multiple-employer defined benefit pension plan, including independent entities (courts), is as follows:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Miscellaneous:			
Balance at June 30, 2014	\$ 121,859,761	\$ 96,049,815	\$ 25,809,946
Changes in the year:			
Service cost	2,247,655	-	2,247,655
Interest on the total pension liability	9,001,126	-	9,001,126
Changes of Assumptions	(2,029,153)	-	(2,029,153)
Differences between expected and actual experience	(147,109)	-	(147,109)
Plan to plan resource movement	-	71,138	(71,138)
Contribution - employer	-	2,444,777	(2,444,777)
Contribution - employee	-	1,119,188	(1,119,188)
Net investment income	-	2,133,249	(2,133,249)
Benefit payments, including refunds of employee contributions	(6,291,101)	(6,291,101)	-
Administrative expense	-	(107,229)	107,229
Net changes	<u>2,781,418</u>	<u>(629,978)</u>	<u>3,411,396</u>
Balance at June 30, 2015	<u>\$ 124,641,179</u>	<u>\$ 95,419,837</u>	29,221,342
Less:			
Amount allocated to independent entities			1,262,223
Balance at June 30, 2015			<u>\$ 27,959,119</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 12: PENSION PLANS (CONTINUED)

C. Changes in the Net Pension Liability (Continued)

As of June 30, 2016, the County reported net pension liabilities for its proportionate share of the net pension liability of the cost sharing multiple-employer defined benefit pension plan as follows:

	Proportionate Share of Net Pension Liability
Safety	\$ 8,976,642
Total Net Pension Liability	\$ 8,976,642

The County's net pension liability for the cost sharing multiple-employer defined benefit pension plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. 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, actuarially determined. The County's proportionate share of the net pension liability for the cost sharing multiple-employer defined benefit pension plan as of June 30, 2014 and 2015 was as follows:

	Proportion <u>June 30, 2014</u>	Proportion <u>June 30, 2015</u>	Change - <u>Increase (Decrease)</u>
Safety	.14383%	.13078%	(.01305)%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability for each Plan as of the measurement date, calculated using the discount rate for each Plan, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>6.65%</u>	Discount Rate <u>7.65%</u>	1% Increase <u>8.65%</u>
Miscellaneous	\$ 44,450,451	\$ 29,221,342	\$ 16,467,915
Safety	13,726,749	8,976,642	5,081,641

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 12: PENSION PLANS (CONTINUED)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the County recognized pension expense of \$1,200,217. At June 30, 2016, 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
Pension contributions subsequent to the measurement date	\$ 3,574,025	\$ -
Changes of assumptions	-	(1,718,958)
Differences between expected and actual experience	-	(192,771)
Net differences between projected and actual earnings on plan investments	-	(1,119,734)
Adjustment due to differences in proportions	335,240	-
Difference between County contributions and proportionate share of contributions	-	(72,017)
Total	3,909,265	(3,103,480)
Less: amount allocated to independent entities	(128,199)	111,841
Total	<u>\$ 3,781,066</u>	<u>(\$ 2,991,639)</u>

\$3,574,025 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2016	(\$ 1,748,512)
2017	(1,415,712)
2018	(898,148)
2019	1,294,132
Thereafter	-
Total	<u>(\$ 2,768,240)</u>

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The County of Plumas provides, under defined benefit plans, retiree healthcare benefits to qualifying employees retiring directly from the County. The benefit level is determined by date of hire, length of service and bargaining unit. The County has two insurance companies, determined by bargaining unit; it contracts for medical coverage to be provided through agency multiple-employer CalPERS Health and Operating Engineer's Health plans. Vision and dental coverage is contracted separately for the employees being covered by CalPERS Health; whereas Operating Engineer's include vision and dental coverage through their health plan.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. Plan Description (Continued)

The County pays a percentage, based on years of service and bargaining unit, of what it pays for its active employees under the several different options offered by the plan providers. The County's share differs per plan selected and by number insured - single, one plus one, and family. The County's share currently ranges from \$397 to \$1,336 and percentages paid range from 25 percent to 100 percent with the minimum required years of continued service of 15 years.

B. Funding Policy

As required by GASB 45, an actuary will determine the County's Annual Required Contributions (ARC) at least once every two fiscal years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total unfunded actuarial accrued liability (UAAL) on a level-dollar basis over a remaining 22 year period.

PARS Public Agencies Post-Retirement Health Care Plan is a tax-qualified irrevocable trust organized under Internal Revenue Code Section 115 and established to pre-fund retiree healthcare benefits. On February 19, 2013, the Board of Supervisors authorized the County's participation in the PARS Public Agencies Post-Retirement Health Care Plan.

Although GASB 45 does not require pre-funding of OPEB benefits, the County's funding policy is to contribute 100 percent of the County's Annual Required Contribution (ARC). The Board of Supervisors reserves the authority to review and amend this funding policy from time to time, in order to endure that the funding policy continues to best suit the circumstances of the County. The County fulfills this policy by continuing to pay healthcare premiums for retirees as they fall due and depositing into the PARS Public Agencies Post-Retirement Health Care Plan the remaining amount needed to fully fund the ARC.

For the fiscal year ending June 30, 2016, the County's ARC was \$950,428. The County paid \$189,597 in pay-as-you go costs and \$184,094 to the PARS Public Agencies Post-Retirement Health Care Plan.

C. Annual OPEB Cost and Net OPEB Obligation

The County's OPEB cost is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess).

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

The following table shows the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the resulting net OPEB obligation.

Annual required contribution	\$ 996,601
Interest on prior year net OPEB obligation	95,647
Amortization of prior year net OPEB obligation	(141,820)
Annual OPEB Cost	950,428
Contributions Made:	
Contributions to OPEB trust	(184,094)
Pay as you go contribution	(189,597)
Increase in Net OPEB Obligation	576,737
Net OPEB Obligation Beginning of Year	<u>1,912,944</u>
Net OPEB Obligation Ending of Year	<u><u>\$ 2,489,681</u></u>

The County's annual OPEB cost, the actual contributions, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior two years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	\$ 370,275	\$ 406,575	109.80%	\$ 1,952,233
June 30, 2015	377,315	418,406	110.89%	1,912,944
June 30, 2016	950,428	373,691	39.32%	2,489,681

The quantifications of costs set forth above should not be interpreted in any way as vesting such benefits; rather the disclosures are made solely to comply with the County's reporting obligations under GASB 45 as the County understands these obligations.

D. Funded Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the plan was 6.67 percent funded. The actuarial accrued liability for benefits was \$7,485,236 and the actuarial value of assets was \$499,407, resulting in an unfunded actuarial accrued liability (UAAL) of \$6,985,829. The covered payroll (annual payroll of employees covered by the plan) was \$18,140,000, and the ratio to the UAAL to the covered payroll was 39.00 percent.

Actuarial valuations of an ongoing plan 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 healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the County are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

E. 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 of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The most recent actuarial valuation was performed as of July 1, 2015. The assumptions used for this valuation are in accordance with generally accepted actuarial principles and practices and in accordance with GASB Statements No. 43 and 45.

The annual rate of return on assets used to pay for benefits is assumed to be 5.00 percent (assuming the County pre-funds a portion through a GASB eligible trust). Salaries are assumed to increase annually at 3.00 percent.

These assumptions reflect an implicit 2.8 percent general inflation assumption. The County's unfunded actuarial accrued liability is being amortized using the level dollar method on a closed basis over 30 years. The remaining amortization period as of July 1, 2015 was 22 years.

NOTE 14: 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. The County has Risk Management Funds (internal service funds) to account for and finance its uninsured risks of loss for general liability and worker's compensation. As of June 30, 2016, the County did not have landfill insurance.

The County self-insures its general liability claims with a retention of \$100,000 per occurrence. It is the policy of the County to have the reserves evaluated by independent actuaries. The last actuarial evaluation was performed as of October 2012, for liability and workers' compensation.

The claims liability of the County is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The claims liability accrued on the financial statements for liability and workers' compensation is the ultimate cost of claims and expenses associated with all reported and unreported claims including allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE) reduced by a discount for anticipated investment income.

Actual claims liability at June 30, 2016 was as follows:

Liability	\$ 215,793
Workers' Compensation	<u>3,074,868</u>
Total	<u>\$ 3,290,661</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2016

NOTE 14: RISK MANAGEMENT (CONTINUED)

All funds of the County participate in the program and make payments to the risk management funds based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. At June 30, 2016, the Workers' Compensation/Liability risk management fund had a funding surplus of \$1,599,205.

Changes in the County's claims liability amount for the fiscal years 2014, 2015, and 2016 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims	Claims Payments and Changes In Estimates	Balance at End of Fiscal Year
2014	\$ 3,266,180	\$ 1,081,940	\$ 1,551,930	\$ 2,796,190
2015	2,796,190	2,360,156	2,019,676	3,136,670
2016	3,136,670	1,978,476	1,824,485	3,290,661

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable loss to the County, the loss has been accrued in the accompanying financial statements. Litigation where loss to the County is reasonably possible has not been accrued. The County does not have landfill insurance, all other legal matters are covered by the County's liability program which, subject to a \$100,000 deductible per occurrence, provides complete coverage for County liability losses. Therefore, no provision has been made in the financial statements for a loss contingency.

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2016 through April 18, 2017, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plans
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2016
Last 10 Years*

Measurement Date	2014	2015
Miscellaneous		
Total Pension Liability		
Service Cost	\$ 2,266,459	\$ 2,247,655
Interest	8,636,073	9,001,126
Changes of Assumptions	-	(2,029,153)
Difference between Expected and Actual Experience	-	(147,109)
Benefit payments, including refunds of employee contributions	(6,114,357)	(6,291,101)
Net Change in Total Pension Liability	4,788,175	2,781,418
Total Pension Liability - Beginning	117,071,586	121,859,761
Total Pension Liability - Ending (a)	<u>\$121,859,761</u>	<u>\$124,641,179</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ 2,174,429	\$ 2,444,777
Contributions - employee	1,061,943	1,119,188
Net investment income	14,451,580	2,133,249
Benefit payments, including refunds of employee contributions	(6,114,357)	(6,291,101)
Plan to Plan Resource Movement	-	71,138
Administrative Expense	-	(107,229)
Net Change in Plan Fiduciary Net Position	11,573,595	(629,978)
Plan Fiduciary Net Position - Beginning	84,476,220	96,049,815
Plan Fiduciary Net Position - Ending (b)	<u>\$ 96,049,815</u>	<u>\$ 95,419,837</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 25,809,946</u>	<u>\$ 29,221,342</u>
Plan fiduciary net position as a percentage of the total pension liability	78.82%	76.56%
Covered employee payroll	\$ 14,685,797	\$ 15,003,394
Net pension liability as a percentage of covered employee payroll	175.75%	194.76%

*The County implemented GASB 68 for the fiscal year June 30, 2015, therefore only two years are shown.

COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plans
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2016
Last 10 Years*

Measurement Date	2014	2015
Safety		
Proportion of the net pension liability	0.14110%	0.13080%
Proportionate share of the net pension liability	\$ 8,777,841	\$ 8,976,642
Covered employee payroll	2,099,472	2,408,575
Proportionate share of the net pension liability as a percentage of		
Covered employee payroll	418.10%	372.70%
Plan fiduciary net position as a percentage of the total pension liability	74.81%	74.09%

*The County implemented GASB 68 for the fiscal year June 30, 2015, therefore only two years are shown.

COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plans
Schedule of Contributions
For the Year Ended June 30, 2016
Last 10 Years*

Measurement Date	2015**	2016
Miscellaneous		
Contractually required contributions (actuarially determined)	\$ 2,174,429	\$ 2,764,087
Contributions in relation to the actuarially determined contributions	<u>(2,174,429)</u>	<u>(2,764,087)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 15,003,394	\$ 15,784,307
Contributions as a percentage of covered employee payroll	14.49%	17.51%
Safety		
Contractually required contributions (actuarially determined)	\$ 777,285	\$ 382,499
Contributions in relation to the actuarially determined contributions	<u>(777,285)</u>	<u>(938,136)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (555,637)</u>
Covered employee payroll	\$ 2,408,575	\$ 2,313,026
Contributions as a percentage of covered employee payroll	32.27%	16.54%

*The County implemented GASB 68 for the fiscal year June 30, 2015, therefore only two years are shown.

*The June 30, 2015 balances have been restated to agree to the actual contributions per the County records.

COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plans
Notes to County Pension Plans
For the Year Ended June 30, 2016

NOTE 1: SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Benefit Changes: The amounts do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change of Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent.

NOTE 2: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Change of Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

NOTE 3: SCHEDULE OF CONTRIBUTIONS

Methods and assumptions used to determine the contribution rates for the Miscellaneous and Safety Plans were as follows:

Valuation Date	6/30/2012
Actuarial cost method	Entry-Age Normal
Amortization method/period	For details, see June 30, 2012 Funding Valuation Report
Asset valuation method	Actuarial Value of Assets
Inflation	2.75%
Salary increases	Varies by entry-age and service
Payroll growth	3.00%
Investment rate of return	7.5%, net of pension plan investment and administrative expense, including inflation
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

COUNTY OF PLUMAS
Required Supplementary Information
County OPEB Plan
Schedule of Funding Progress
For the Year Ended June 30, 2016

SCHEDULE OF FUNDING PROGRESS

The Schedule of Funding Progress- Other Postemployment Benefits provides a consolidated snapshot of the County's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100 percent funded status, the better position it will be in to meet all of its future liabilities.

The table below shows a three year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the County Other Postemployment Benefit Plan.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage Of Covered Payroll
July 1, 2011	\$ -	\$ 4,177,874	\$ 4,177,874	0.00%	\$ 16,123,000	25.91%
July 1, 2013	-	3,601,712	3,601,712	0.00%	16,278,000	22.00%
July 1, 2015	499,407	7,485,236	6,985,829	6.67%	18,140,000	39.00%

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 14,773,286	\$ 14,773,286	\$ 16,802,279	\$ 2,028,993
Licenses, permits, and franchises	582,700	582,700	704,139	121,439
Fines and forfeitures	224,270	224,270	183,537	(40,733)
Intergovernmental	2,235,650	2,115,069	2,154,330	39,261
Use of money and property	60,718	60,718	88,231	27,513
Charges for services	2,738,322	3,056,322	2,907,079	(149,243)
Other revenues	390,695	647,353	708,437	61,084
Total Revenues	<u>21,005,641</u>	<u>21,459,718</u>	<u>23,548,032</u>	<u>2,088,314</u>
EXPENDITURES				
Current:				
General government	7,513,773	7,314,560	6,880,254	434,306
Public protection	12,499,277	12,544,195	11,736,563	807,632
Health and welfare	621,915	621,915	611,433	10,482
Public assistance	701,641	600,009	593,946	6,063
Education	660,673	692,123	666,686	25,437
Culture and recreation	367,634	367,635	341,277	26,358
Public ways and facilities	396,967	396,967	393,474	3,493
Capital outlay	861,616	1,048,711	330,424	718,287
Total Expenditures	<u>23,623,496</u>	<u>23,586,115</u>	<u>21,554,057</u>	<u>2,032,058</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,617,855)</u>	<u>(2,126,397)</u>	<u>1,993,975</u>	<u>4,120,372</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,676,430	10,460,030	8,187,752	(2,272,278)
Transfers out	(8,963,827)	(9,359,480)	(8,448,337)	911,143
Total Other Financing Sources (Uses)	<u>1,712,603</u>	<u>1,100,550</u>	<u>(260,585)</u>	<u>(1,361,135)</u>
Net Change in Fund Balance	<u>(905,252)</u>	<u>(1,025,847)</u>	<u>1,733,390</u>	<u>2,759,237</u>
Fund Balance - Beginning	<u>9,347,380</u>	<u>9,347,380</u>	<u>9,347,380</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 8,442,128</u>	<u>\$ 8,321,533</u>	<u>\$ 11,080,770</u>	<u>\$ 2,759,237</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2016

Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:

Total Revenues - Budgetary Basis	\$23,548,032
OMB Circular A-87 charges are included as charges for services for budgetary purposes, but are a reduction of expenditures for financial reporting purposes.	<u>(1,446,435)</u>
Total Revenues - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$22,101,597</u>
 Total Expenditures - Budgetary Basis	 \$21,554,057
OMB Circular A-87 charges are included as charges for services for budgetary purposes, but are a reduction of expenditures for financial reporting purposes.	
General government expenditures	<u>(1,446,435)</u>
Total Expenditures - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$20,107,622</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Road - Major Special Revenue Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 600	\$ 600	\$ 1,077	\$ 477
Licenses, permits, and franchises	68,000	68,000	75,492	7,492
Intergovernmental	10,782,566	10,782,566	9,172,748	(1,609,818)
Use of money and property	57,400	57,400	53,669	(3,731)
Charges for services	219,145	219,415	308,468	89,053
Other revenues	500	500	1,000	500
Total Revenues	<u>11,128,211</u>	<u>11,128,481</u>	<u>9,612,454</u>	<u>(1,516,027)</u>
EXPENDITURES				
Current:				
Public ways and facilities	12,323,484	12,325,484	7,119,579	5,205,905
Capital outlay	1,517,000	1,517,000	4,575,564	(3,058,564)
Total Expenditures	<u>13,840,484</u>	<u>13,842,484</u>	<u>11,695,143</u>	<u>2,147,341</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,712,273)</u>	<u>(2,714,003)</u>	<u>(2,082,689)</u>	<u>631,314</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	52,924	52,924	453,436	400,512
Transfers out	(6,591)	(31,591)	(27,538)	4,053
Total Other Financing Sources (Uses)	<u>46,333</u>	<u>21,333</u>	<u>425,898</u>	<u>404,565</u>
Net Change in Fund Balance	<u>(2,665,940)</u>	<u>(2,692,670)</u>	<u>(1,656,791)</u>	<u>1,035,879</u>
Fund Balance - Beginning	<u>6,626,732</u>	<u>6,626,732</u>	<u>6,626,732</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 3,960,792</u></u>	<u><u>\$ 3,934,062</u></u>	<u><u>\$ 4,969,941</u></u>	<u><u>\$ 1,035,879</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Local Revenue 2011 - Major Special Revenue Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 4,771,439	\$ 4,771,439	\$ 7,417,931	\$ 2,646,492
Total Revenues	<u>4,771,439</u>	<u>4,771,439</u>	<u>7,417,931</u>	<u>2,646,492</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>4,771,439</u>	<u>4,771,439</u>	<u>7,417,931</u>	<u>2,646,492</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(4,771,439)	(4,771,439)	(6,835,847)	(2,064,408)
Total Other Financing Sources (Uses)	<u>(4,771,439)</u>	<u>(4,771,439)</u>	<u>(6,835,847)</u>	<u>(2,064,408)</u>
Net Change in Fund Balance	-	-	582,084	582,084
Fund Balance - Beginning	<u>941,666</u>	<u>941,666</u>	<u>941,666</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 941,666</u>	<u>\$ 941,666</u>	<u>\$ 1,523,750</u>	<u>\$ 582,084</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Social Services - Major Special Revenue Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 6,454,280	\$ 8,205,336	\$ 4,864,937	\$ (3,340,399)
Use of money	10,300	10,300	20,468	10,168
Other revenues	25,900	50,900	92,638	41,738
Total Revenues	<u>6,490,480</u>	<u>8,266,536</u>	<u>4,978,043</u>	<u>(3,288,493)</u>
EXPENDITURES				
Current:				
Public assistance	4,743,514	9,301,075	8,272,330	1,028,745
Capital outlay	75,000	84,135	118,234	(34,099)
Total Expenditures	<u>4,818,514</u>	<u>9,385,210</u>	<u>8,390,564</u>	<u>994,646</u>
Excess of Revenues Over (Under) Expenditures	<u>1,671,966</u>	<u>(1,118,674)</u>	<u>(3,412,521)</u>	<u>(2,293,847)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,102,388	3,846,615	4,442,151	595,536
Transfers out	(727,488)	(727,488)	(436,800)	290,688
Total Other Financing Sources (Uses)	<u>1,374,900</u>	<u>3,119,127</u>	<u>4,005,351</u>	<u>886,224</u>
Net Change in Fund Balance	<u>3,046,866</u>	<u>2,000,453</u>	<u>592,830</u>	<u>(1,407,623)</u>
Fund Balance - Beginning	<u>5,868,554</u>	<u>5,868,554</u>	<u>5,868,554</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 8,915,420</u>	<u>\$ 7,869,007</u>	<u>\$ 6,461,384</u>	<u>\$ (1,407,623)</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Mental Health - Major Special Revenue Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 2,661,516	\$ 2,978,099	\$ 2,586,286	\$ (391,813)
Use of money	38,866	38,866	48,163	9,297
Charges for services	201,500	201,500	160,849	(40,651)
Other revenues	900	900	2,793	1,893
Total Revenues	<u>2,902,782</u>	<u>3,219,365</u>	<u>2,798,091</u>	<u>(421,274)</u>
EXPENDITURES				
Current:				
Health and welfare	6,678,435	7,640,346	5,772,626	1,867,720
Capital outlay	242,500	231,200	119,723	111,477
Total Expenditures	<u>6,920,935</u>	<u>7,871,546</u>	<u>5,892,349</u>	<u>1,979,197</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,018,153)</u>	<u>(4,652,181)</u>	<u>(3,094,258)</u>	<u>1,557,923</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,779,366	1,779,366	1,668,044	(111,322)
Transfers out	(842,919)	(1,127,580)	(513,450)	614,130
Total Other Financing Sources (Uses)	<u>936,447</u>	<u>651,786</u>	<u>1,154,594</u>	<u>502,808</u>
Net Change in Fund Balance	<u>(3,081,706)</u>	<u>(4,000,395)</u>	<u>(1,939,664)</u>	<u>2,060,731</u>
Fund Balance - Beginning	<u>15,226,540</u>	<u>15,226,540</u>	<u>15,226,540</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 12,144,834</u></u>	<u><u>\$ 11,226,145</u></u>	<u><u>\$ 13,286,876</u></u>	<u><u>\$ 2,060,731</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Public Health - Major Special Revenue Fund
For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 5,366,526	\$ 5,398,711	\$ 3,349,261	\$ (2,049,450)
Use of money	550	550	1,837	1,287
Charges for services	532,257	573,257	530,288	(42,969)
Other revenues	-	-	862	862
Total Revenues	<u>5,899,333</u>	<u>5,972,518</u>	<u>3,882,248</u>	<u>(2,090,270)</u>
EXPENDITURES				
Current:				
Health and welfare	<u>6,589,483</u>	<u>8,650,427</u>	<u>3,787,700</u>	<u>4,862,727</u>
Total Expenditures	<u>6,589,483</u>	<u>8,650,427</u>	<u>3,787,700</u>	<u>4,862,727</u>
Excess of Revenues Over (Under) Expenditures	<u>(690,150)</u>	<u>(2,677,909)</u>	<u>94,548</u>	<u>2,772,457</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	271,984	277,984	331,295	53,311
Transfers out	<u>(290,154)</u>	<u>(297,874)</u>	<u>(244,559)</u>	<u>53,315</u>
Total Other Financing Sources (Uses)	<u>(18,170)</u>	<u>(19,890)</u>	<u>86,736</u>	<u>106,626</u>
Net Change in Fund Balance	<u>(708,320)</u>	<u>(2,697,799)</u>	<u>181,284</u>	<u>2,879,083</u>
Fund Balance - Beginning	2,578,079	2,578,079	2,578,079	-
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(1,896,813)</u>	<u>(1,896,813)</u>
Fund Balance - Beginning, Restated	<u>2,578,079</u>	<u>2,578,079</u>	<u>681,266</u>	<u>(1,896,813)</u>
Fund Balance - Ending	<u>\$ 1,869,759</u>	<u>\$ (119,720)</u>	<u>\$ 862,550</u>	<u>\$ 982,270</u>

COUNTY OF PLUMAS
Required Supplementary Information
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2016

BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General and Major Special Revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

The following procedures are performed by the County in establishing the budgetary data reflected in the financial statements:

- (1) The County Administrative Officer submits to the Board of Supervisors a recommended budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The Board of Supervisors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year. The County Administrative Officer may authorize transfers from one object or purpose to another within the same department.

The County does not use encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

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Combining Nonmajor Fund Statements

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Nonmajor Governmental Funds

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 8,276,022	\$ 186,452	\$ 242,732	\$ 8,705,206
Cash with fiscal agent	-	-	2,003,161	2,003,161
Receivables:				
Accounts	2,055	1,760	-	3,815
Intergovernmental	819,740	-	-	819,740
Prepaid costs	46,705	-	-	46,705
Total Assets	<u>\$ 9,144,522</u>	<u>\$ 188,212</u>	<u>\$ 2,245,893</u>	<u>\$ 11,578,627</u>
LIABILITIES				
Accounts payable	\$ 219,455	\$ -	\$ -	\$ 219,455
Salaries and benefits payable	121,731	-	-	121,731
Unearned revenue	68,653	-	-	68,653
Advance from other funds	369,085	-	-	369,085
Total Liabilities	<u>778,924</u>	<u>-</u>	<u>-</u>	<u>778,924</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	131,962	-	-	131,962
Total Deferred Inflows of Resources	<u>131,962</u>	<u>-</u>	<u>-</u>	<u>131,962</u>
FUND BALANCES				
Nonspendable	46,705	-	-	46,705
Restricted	7,961,129	188,212	2,245,893	10,395,234
Committed	512,029	-	-	512,029
Unassigned	(286,227)	-	-	(286,227)
Total Fund Balances	<u>8,233,636</u>	<u>188,212</u>	<u>2,245,893</u>	<u>10,667,741</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,144,522</u>	<u>\$ 188,212</u>	<u>\$ 2,245,893</u>	<u>\$ 11,578,627</u>

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

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES				
Taxes and assessments	\$ 807,327	\$ -	\$ -	\$ 807,327
Licenses, permits, and franchises	4,779	-	-	4,779
Fines and forfeitures	18,671	45,566	-	64,237
Intergovernmental	6,356,625	-	-	6,356,625
Use of money and property	248,922	673	3,086	252,681
Charges for services	380,862	-	-	380,862
Other revenues	208,253	-	-	208,253
Total Revenues	<u>8,025,439</u>	<u>46,239</u>	<u>3,086</u>	<u>8,074,764</u>
EXPENDITURES				
Current:				
General government	990,846	-	-	990,846
Public protection	2,716,275	84,781	-	2,801,056
Health and welfare	635,506	-	-	635,506
Public ways and facilities	3,268,217	-	-	3,268,217
Debt service:				
Principal	165,000	-	640,000	805,000
Interest and other charges	425	-	533,587	534,012
Capital outlay	261,224	5,319	-	266,543
Total Expenditures	<u>8,037,493</u>	<u>90,100</u>	<u>1,173,587</u>	<u>9,301,180</u>
Excess of Revenues Over (Under) Expenditures	<u>(12,054)</u>	<u>(43,861)</u>	<u>(1,170,501)</u>	<u>(1,226,416)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,408,409	-	1,223,125	3,631,534
Transfers out	(2,116,561)	(2,950)	-	(2,119,511)
Total Other Financing Sources (Uses)	<u>291,848</u>	<u>(2,950)</u>	<u>1,223,125</u>	<u>1,512,023</u>
Net Change in Fund Balances	279,794	(46,811)	52,624	285,607
Fund Balances - Beginning	<u>7,953,842</u>	<u>235,023</u>	<u>2,193,269</u>	<u>10,382,134</u>
Fund Balances - Ending	<u><u>\$ 8,233,636</u></u>	<u><u>\$ 188,212</u></u>	<u><u>\$ 2,245,893</u></u>	<u><u>\$ 10,667,741</u></u>

Nonmajor Governmental Funds

- **Special Revenue Funds**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	Fish and Game	Child Abuse Prevention	County Fair	Title III
ASSETS				
Cash and investments	\$ 117,953	\$ 83,901	\$ 35,843	\$ 1,055,716
Receivables:				
Accounts	-	11	-	-
Intergovernmental	157	-	-	-
Prepaid costs	-	-	3,569	-
Total Assets	<u>\$ 118,110</u>	<u>\$ 83,912</u>	<u>\$ 39,412</u>	<u>\$ 1,055,716</u>
LIABILITIES				
Accounts payable	\$ 548	\$ -	\$ 4,623	\$ 5,635
Salaries and benefits payable	188	-	10,449	-
Unearned revenue	-	-	68,653	-
Advance from other funds	-	-	-	-
Total Liabilities	<u>736</u>	<u>-</u>	<u>83,725</u>	<u>5,635</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	3,569	-
Restricted	117,374	83,912	-	1,050,081
Committed	-	-	-	-
Unassigned	-	-	(47,882)	-
Total Fund Balances (Deficits)	<u>117,374</u>	<u>83,912</u>	<u>(44,313)</u>	<u>1,050,081</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 118,110</u>	<u>\$ 83,912</u>	<u>\$ 39,412</u>	<u>\$ 1,055,716</u>

Alcohol/ Drug	Public Safety	District Attorney Grants	County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement
\$ 192,809	\$ 738,307	\$ 36,389	\$ 601,663	\$ 437,587	\$ 25,386	\$ 988,365	\$ 512,029
-	-	-	-	-	-	-	-
312,585	221,372	-	66,748	-	-	138,306	-
-	41,937	-	-	-	-	1,199	-
<u>\$ 505,394</u>	<u>\$ 1,001,616</u>	<u>\$ 36,389</u>	<u>\$ 668,411</u>	<u>\$ 437,587</u>	<u>\$ 25,386</u>	<u>\$ 1,127,870</u>	<u>\$ 512,029</u>
\$ 22,748	\$ 46,766	\$ -	\$ -	\$ 1,300	\$ -	\$ 10,451	\$ -
17,952	61,702	-	-	22,848	-	6,605	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
40,700	108,468	-	-	24,148	-	17,056	-
-	109,841	-	-	-	-	22,121	-
-	109,841	-	-	-	-	22,121	-
-	41,937	-	-	-	-	1,199	-
464,694	741,370	36,389	668,411	413,439	25,386	1,087,494	-
-	-	-	-	-	-	-	512,029
-	-	-	-	-	-	-	-
<u>464,694</u>	<u>783,307</u>	<u>36,389</u>	<u>668,411</u>	<u>413,439</u>	<u>25,386</u>	<u>1,088,693</u>	<u>512,029</u>
<u>\$ 505,394</u>	<u>\$ 1,001,616</u>	<u>\$ 36,389</u>	<u>\$ 668,411</u>	<u>\$ 437,587</u>	<u>\$ 25,386</u>	<u>\$ 1,127,870</u>	<u>\$ 512,029</u>

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter	Domestic Violence
ASSETS				
Cash and investments	\$ 36,233	\$ 572,596	\$ 3,478	\$ 5,633
Receivables:				
Accounts	-	219	-	-
Intergovernmental	5,063	-	76	-
Prepaid costs	-	-	-	-
Total Assets	<u>\$ 41,296</u>	<u>\$ 572,815</u>	<u>\$ 3,554</u>	<u>\$ 5,633</u>
LIABILITIES				
Accounts payable	\$ 628	\$ -	\$ -	\$ -
Salaries and benefits payable	-	1,152	-	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	<u>628</u>	<u>1,152</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	40,668	571,663	3,554	5,633
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	<u>40,668</u>	<u>571,663</u>	<u>3,554</u>	<u>5,633</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 41,296</u>	<u>\$ 572,815</u>	<u>\$ 3,554</u>	<u>\$ 5,633</u>

HAVA Elections	PCCDC CDBG Grant	Air Pollution	Crescent Mills Lighting	Quincy Lighting	Beckwourth CSA Sewer	Flood Control	CSA #11 Ambulance
\$ 55,648	\$ -	\$ 71	\$ 1,321	\$ 2,013	\$ 8,853	\$ 119,675	\$ 7,240
-	-	-	-	-	288	-	-
-	-	-	-	-	-	71,140	-
-	-	-	-	-	-	-	-
<u>\$ 55,648</u>	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ 1,321</u>	<u>\$ 2,013</u>	<u>\$ 9,141</u>	<u>\$ 190,815</u>	<u>\$ 7,240</u>
\$ -	\$ 7,795	\$ -	\$ -	\$ -	\$ 84	\$ 60,502	\$ -
-	-	-	-	-	835	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	15,000	354,085	-
-	7,795	-	-	-	15,919	414,587	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
55,648	-	71	1,321	2,013	-	-	7,240
-	-	-	-	-	-	-	-
-	(7,795)	-	-	-	(6,778)	(223,772)	-
<u>55,648</u>	<u>(7,795)</u>	<u>71</u>	<u>1,321</u>	<u>2,013</u>	<u>(6,778)</u>	<u>(223,772)</u>	<u>7,240</u>
<u>\$ 55,648</u>	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ 1,321</u>	<u>\$ 2,013</u>	<u>\$ 9,141</u>	<u>\$ 190,815</u>	<u>\$ 7,240</u>

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	Monterey Forum	Walker Ranch CSD	Grizzly Ranch CSD	Total
ASSETS				
Cash and investments	\$ 18,672	\$ 1,823,896	\$ 794,745	\$ 8,276,022
Receivables:				
Accounts	-	1,537	-	2,055
Intergovernmental	-	4,293	-	819,740
Prepaid costs	-	-	-	46,705
Total Assets	<u>\$ 18,672</u>	<u>\$ 1,829,726</u>	<u>\$ 794,745</u>	<u>\$ 9,144,522</u>
LIABILITIES				
Accounts payable	\$ -	\$ 18,866	\$ 39,509	\$ 219,455
Salaries and benefits payable	-	-	-	121,731
Unearned revenue	-	-	-	68,653
Advance from other funds	-	-	-	369,085
Total Liabilities	<u>-</u>	<u>18,866</u>	<u>39,509</u>	<u>778,924</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	\$ 131,962
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,962</u>
FUND BALANCES				
Nonspendable	-	-	-	\$ 46,705
Restricted	18,672	1,810,860	755,236	7,961,129
Committed	-	-	-	512,029
Unassigned	-	-	-	(286,227)
Total Fund Balances (Deficits)	<u>18,672</u>	<u>1,810,860</u>	<u>755,236</u>	<u>8,233,636</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,672</u>	<u>\$ 1,829,726</u>	<u>\$ 794,745</u>	<u>\$ 9,144,522</u>

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COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016

	Fish and Game	Child Abuse Prevention	County Fair	Title III
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 2,116	\$ -
Licenses, permits, and franchises	-	-	-	-
Fines and forfeitures	1,492	-	-	-
Intergovernmental	2,176	-	45,828	234,044
Use of money and property	419	657	229,189	-
Charges for services	-	2,714	71,009	-
Other revenues	250	17,723	24,348	-
Total Revenues	4,337	21,094	372,490	234,044
EXPENDITURES				
Current:				
General government	-	-	458,656	67,221
Public protection	14,819	7,463	-	-
Health and welfare	-	-	-	-
Public ways and facilities	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	14,819	7,463	458,656	67,221
Excess of Revenues Over (Under) Expenditures	(10,482)	13,631	(86,166)	166,823
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	110,499	-
Transfers out	-	-	-	(145,848)
Total Other Financing Sources (Uses)	-	-	110,499	(145,848)
Net Change in Fund Balances	(10,482)	13,631	24,333	20,975
Fund Balances (Deficits) - Beginning	127,856	70,281	(68,646)	1,029,106
Fund Balances (Deficits) - Ending	\$ 117,374	\$ 83,912	\$ (44,313)	\$ 1,050,081

Alcohol/ Drug	Public Safety	District Attorney Grants	County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement
\$ -	\$ 18,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
3,491	2,713	597	-	-	8,203	1,350	-
416,164	583,585	-	846,592	668,289	-	569,836	172,444
-	306	-	-	1,538	69	3,456	2,106
12,086	18,869	-	-	-	-	-	-
-	154,667	-	-	-	-	-	-
<u>431,741</u>	<u>778,363</u>	<u>597</u>	<u>846,592</u>	<u>669,827</u>	<u>8,272</u>	<u>574,642</u>	<u>174,550</u>
-	-	-	-	-	-	-	61
-	1,694,846	54	-	656,083	49	332,760	-
509,252	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	261,224	-	-	-	-	-	-
<u>509,252</u>	<u>1,956,070</u>	<u>54</u>	<u>-</u>	<u>656,083</u>	<u>49</u>	<u>332,760</u>	<u>61</u>
<u>(77,511)</u>	<u>(1,177,707)</u>	<u>543</u>	<u>846,592</u>	<u>13,744</u>	<u>8,223</u>	<u>241,882</u>	<u>174,489</u>
428,292	1,573,662	35,846	-	-	-	249,799	-
(136,030)	(409,530)	-	(658,691)	-	-	(488,882)	(200,000)
<u>292,262</u>	<u>1,164,132</u>	<u>35,846</u>	<u>(658,691)</u>	<u>-</u>	<u>-</u>	<u>(239,083)</u>	<u>(200,000)</u>
214,751	(13,575)	36,389	187,901	13,744	8,223	2,799	(25,511)
<u>249,943</u>	<u>796,882</u>	<u>-</u>	<u>480,510</u>	<u>399,695</u>	<u>17,163</u>	<u>1,085,894</u>	<u>537,540</u>
<u>\$ 464,694</u>	<u>\$ 783,307</u>	<u>\$ 36,389</u>	<u>\$ 668,411</u>	<u>\$ 413,439</u>	<u>\$ 25,386</u>	<u>\$ 1,088,693</u>	<u>\$ 512,029</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016

	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter	Domestic Violence
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	4,779
Fines and forfeitures	-	-	825	-
Intergovernmental	25,063	-	-	-
Use of money and property	89	1,911	11	13
Charges for services	-	47,337	-	-
Other revenues	-	-	105	-
Total Revenues	<u>25,152</u>	<u>49,248</u>	<u>941</u>	<u>4,792</u>
EXPENDITURES				
Current:				
General government	-	34,757	-	-
Public protection	-	-	-	270
Health and welfare	-	-	-	-
Public ways and facilities	9,201	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>9,201</u>	<u>34,757</u>	<u>-</u>	<u>270</u>
Excess of Revenues Over (Under) Expenditures	<u>15,951</u>	<u>14,491</u>	<u>941</u>	<u>4,522</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,506)	-	-	-
Total Other Financing Sources (Uses)	<u>(1,506)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>14,445</u>	<u>14,491</u>	<u>941</u>	<u>4,522</u>
Fund Balances (Deficits) - Beginning	<u>26,223</u>	<u>557,172</u>	<u>2,613</u>	<u>1,111</u>
Fund Balances (Deficits) - Ending	<u>\$ 40,668</u>	<u>\$ 571,663</u>	<u>\$ 3,554</u>	<u>\$ 5,633</u>

HAVA Elections	PCCDC CDBG Grant	Air Pollution	Crescent Mills Lighting	Quincy Lighting	Beckwourth CSA Sewer	Flood Control	CSA #11 Ambulance
\$ -	\$ -	\$ -	\$ 839	\$ 35,957	\$ 8,678	\$ 100,626	\$ 126,387
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	465,016	-	6	283	63	2,326,265	971
189	-	3	1	(7)	2	515	17
-	-	-	-	-	4,373	111,009	-
-	-	-	-	-	-	11,160	-
189	465,016	3	846	36,233	13,116	2,549,575	127,375
1,040	429,111	-	-	-	-	-	-
-	-	9,651	-	-	-	-	-
-	-	-	-	-	-	-	126,254
-	-	-	876	41,207	19,604	2,567,029	-
-	-	-	-	-	-	165,000	-
-	-	-	-	-	-	425	-
-	-	-	-	-	-	-	-
1,040	429,111	9,651	876	41,207	19,604	2,732,454	126,254
(851)	35,905	(9,648)	(30)	(4,974)	(6,488)	(182,879)	1,121
-	-	9,000	1,311	-	-	-	-
-	-	-	-	-	-	(48,552)	-
-	-	9,000	1,311	-	-	(48,552)	-
(851)	35,905	(648)	1,281	(4,974)	(6,488)	(231,431)	1,121
56,499	(43,700)	719	40	6,987	(290)	7,659	6,119
\$ 55,648	\$ (7,795)	\$ 71	\$ 1,321	\$ 2,013	\$ (6,778)	\$ (223,772)	\$ 7,240

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016

	Monterey Forum	Walker Ranch CSD	Grizzly Ranch CSD	Total
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 514,501	\$ 807,327
Licenses, permits, and franchises	-	-	-	4,779
Fines and forfeitures	-	-	-	18,671
Intergovernmental	-	-	-	6,356,625
Use of money and property	62	6,123	2,253	248,922
Charges for services	-	107,400	6,065	380,862
Other revenues	-	-	-	208,253
Total Revenues	<u>62</u>	<u>113,523</u>	<u>522,819</u>	<u>8,025,439</u>
EXPENDITURES				
Current:				
General government	-	-	-	990,846
Public protection	280	-	-	2,716,275
Health and welfare	-	-	-	635,506
Public ways and facilities	-	146,631	483,669	3,268,217
Debt service:				
Principal	-	-	-	165,000
Interest and other charges	-	-	-	425
Capital outlay	-	-	-	261,224
Total Expenditures	<u>280</u>	<u>146,631</u>	<u>483,669</u>	<u>8,037,493</u>
Excess of Revenues Over (Under) Expenditures	<u>(218)</u>	<u>(33,108)</u>	<u>39,150</u>	<u>(12,054)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	2,408,409
Transfers out	-	(7,440)	(20,082)	(2,116,561)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(7,440)</u>	<u>(20,082)</u>	<u>291,848</u>
Net Change in Fund Balances	<u>(218)</u>	<u>(40,548)</u>	<u>19,068</u>	<u>279,794</u>
Fund Balances (Deficits) - Beginning	<u>18,890</u>	<u>1,851,408</u>	<u>736,168</u>	<u>7,953,842</u>
Fund Balances (Deficits) - Ending	<u>\$ 18,672</u>	<u>\$ 1,810,860</u>	<u>\$ 755,236</u>	<u>\$ 8,233,636</u>

Nonmajor Governmental Funds

- **Capital Projects Fund**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2016

	Criminal Justice Construction	Total
ASSETS		
Cash and investments	\$ 186,452	\$ 186,452
Receivables:		
Accounts	<u>1,760</u>	<u>1,760</u>
Total Assets	<u><u>\$ 188,212</u></u>	<u><u>\$ 188,212</u></u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>188,212</u>	<u>188,212</u>
Total Fund Balance	<u>188,212</u>	<u>188,212</u>
Total Liabilities and Fund Balance	<u><u>\$ 188,212</u></u>	<u><u>\$ 188,212</u></u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2016

	Criminal Justice Construction	Total
REVENUES		
Fines and forfeitures	\$ 45,566	\$ 45,566
Use of money and property	673	673
Total Revenues	<u>46,239</u>	<u>46,239</u>
EXPENDITURES		
Current:		
Public safety	84,781	84,781
Capital outlay	5,319	5,319
Total Expenditures	<u>90,100</u>	<u>90,100</u>
Excess of Revenues Over (Under) Expenditures	<u>(43,861)</u>	<u>(43,861)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	-
Transfers out	(2,950)	(2,950)
Total Other Financing Sources (Uses)	<u>(2,950)</u>	<u>(2,950)</u>
Net Change in Fund Balance	(46,811)	(46,811)
Fund Balance - Beginning	<u>235,023</u>	<u>235,023</u>
Fund Balance - Ending	<u><u>\$ 188,212</u></u>	<u><u>\$ 188,212</u></u>

Nonmajor Governmental Funds

- **Debt Service Fund**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Debt Service Fund
June 30, 2016

	<u>Capital Improvement</u>	<u>Total</u>
ASSETS		
Cash and investments	\$ 242,732	\$ 242,732
Cash with fiscal agent	<u>2,003,161</u>	<u>2,003,161</u>
Total Assets	<u><u>\$ 2,245,893</u></u>	<u><u>\$ 2,245,893</u></u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCES		
Restricted	<u>2,245,893</u>	<u>2,245,893</u>
Total Fund Balances	<u><u>2,245,893</u></u>	<u><u>2,245,893</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 2,245,893</u></u>	<u><u>\$ 2,245,893</u></u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Debt Service Fund
For the Year Ended June 30, 2016

	<u>Capital Improvement</u>	<u>Total</u>
REVENUES		
Use of money and property	\$ 3,086	\$ 3,086
Total Revenues	<u>3,086</u>	<u>3,086</u>
EXPENDITURES		
Debt service:		
Principal	640,000	640,000
Interest and other charges	<u>533,587</u>	<u>533,587</u>
Total Expenditures	<u>1,173,587</u>	<u>1,173,587</u>
Excess of Revenues Over (Under)		
Expenditures	<u>(1,170,501)</u>	<u>(1,170,501)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	1,223,125	1,223,125
Transfers out	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,223,125</u>	<u>1,223,125</u>
Net Change in Fund Balances	52,624	52,624
Fund Balances - Beginning	<u>2,193,269</u>	<u>2,193,269</u>
Fund Balances - Ending	<u><u>\$ 2,245,893</u></u>	<u><u>\$ 2,245,893</u></u>

Nonmajor Proprietary Funds

- **Enterprise Funds**

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

	Senior Transit	CSA #12 Plumas County Transit	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 14,323	\$ 51,085	\$ 65,408
Receivables:			
Accounts	3,882	-	3,882
Intergovernmental	715	54,720	55,435
Total Current Assets	<u>18,920</u>	<u>105,805</u>	<u>124,725</u>
Noncurrent Assets:			
Capital assets			
Depreciable, net	-	231,769	231,769
Total Noncurrent Assets	<u>-</u>	<u>231,769</u>	<u>231,769</u>
Total Assets	<u>18,920</u>	<u>337,574</u>	<u>356,494</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	26,013	-	26,013
Total Deferred Outflows of Resources	<u>26,013</u>	<u>-</u>	<u>26,013</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	3,696	159,073	162,769
Salaries and benefits payable	13,001	-	13,001
Compensated absences	5,537	-	5,537
Total Current Liabilities	<u>22,234</u>	<u>159,073</u>	<u>181,307</u>
Noncurrent Liabilities:			
Net pension liability	194,504	-	194,504
Net OPEB obligation	22,914	-	22,914
Total Noncurrent Liabilities	<u>217,418</u>	<u>-</u>	<u>217,418</u>
Total Liabilities	<u>239,652</u>	<u>159,073</u>	<u>398,725</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	5,780	-	5,780
Total Deferred Inflows of Resources	<u>5,780</u>	<u>-</u>	<u>5,780</u>
NET POSITION			
Investment in capital assets	-	231,769	231,769
Unrestricted	(200,499)	(53,268)	(253,767)
Total Net Position	<u>\$ (200,499)</u>	<u>\$ 178,501</u>	<u>\$ (21,998)</u>

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

	Senior Transit	CSA #12 Plumas County Transit	Total
OPERATING REVENUES			
Passenger fares	\$ 33,041	\$ -	\$ 33,041
Total Operating Revenues	<u>33,041</u>	<u>-</u>	<u>33,041</u>
OPERATING EXPENSES			
Salaries and benefits	247,089	-	247,089
Services and supplies	60,219	595,622	655,841
Depreciation	-	55,123	55,123
Total Operating Expenses	<u>307,308</u>	<u>650,745</u>	<u>958,053</u>
Operating Income (Loss)	<u>(274,267)</u>	<u>(650,745)</u>	<u>(925,012)</u>
NON-OPERATING REVENUE (EXPENSES)			
Local transportation funds	199,243	-	199,243
Intergovernmental revenues	30,000	542,353	572,353
Total Non-Operating Revenues (Expenses)	<u>229,243</u>	<u>542,353</u>	<u>771,596</u>
Income (Loss) Before Contributions and Transfers	<u>(45,024)</u>	<u>(108,392)</u>	<u>(153,416)</u>
Capital contribution	-	160,489	160,489
Transfers in	16,257	-	16,257
Transfers out	-	-	-
Change in Net Position	<u>(28,767)</u>	<u>52,097</u>	<u>23,330</u>
Total Net Position - Beginning	<u>(171,732)</u>	<u>126,404</u>	<u>(45,328)</u>
Total Net Position - Ending	<u><u>\$ (200,499)</u></u>	<u><u>\$ 178,501</u></u>	<u><u>\$ (21,998)</u></u>

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

	Senior Transit	CSA #12 Plumas County Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 33,728	\$ -	\$ 33,728
Payments to suppliers	(58,908)	(540,845)	(599,753)
Payments to employees	(254,704)	-	(254,704)
Net Cash Provided (Used) by Operating Activities	<u>(279,884)</u>	<u>(540,845)</u>	<u>(820,729)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Local transportation funds	199,243	-	199,243
Intergovernmental revenues	29,285	542,353	571,638
Transfers from other funds	16,257	-	16,257
Net Cash Provided (Used) by Noncapital Financing Activities	<u>244,785</u>	<u>542,353</u>	<u>787,138</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(35,099)	1,508	(33,591)
Balances - Beginning	49,422	49,577	98,999
Balances - Ending	<u>\$ 14,323</u>	<u>\$ 51,085</u>	<u>\$ 65,408</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (274,267)	\$ (650,745)	\$ (925,012)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	55,123	55,123
Decrease (increase) in:			
Accounts receivable	687	-	687
Pension adjustments - deferred outflows	(10,698)	-	(10,698)
Increase (decrease) in:			
Accounts payable	1,311	54,777	56,088
Salaries and benefits payable	6,678	-	6,678
Compensated absences payable	(3,011)	-	(3,011)
Net pension liability	32,326	-	32,326
Net OPEB obligation	2,774	-	2,774
Pension adjustments - deferred inflows	(35,684)	-	(35,684)
Net Cash Provided (Used) by Operating Activities	<u>\$ (279,884)</u>	<u>\$ (540,845)</u>	<u>\$ (820,729)</u>

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Internal Service Funds

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COUNTY OF PLUMAS
Combining Statement of Net Position
Internal Service Funds
June 30, 2016

	Risk Management Workers' Compensation/ Liability	Unemployment Reserve	OPEB	Totals
ASSETS				
Current Assets:				
Cash and investments	\$ 131,755	\$ 247,001	\$ 61,365	\$ 440,121
Cash with fiscal agent	4,758,111	-	-	4,758,111
Total Current Assets	4,889,866	247,001	61,365	5,198,232
Total Assets	4,889,866	247,001	61,365	5,198,232
LIABILITIES				
Current Liabilities:				
Accounts payable	-	78	-	78
Claims payable	3,290,661	-	-	3,290,661
Total Liabilities	3,290,661	78	-	3,290,739
NET POSITION				
Unrestricted	1,599,205	246,923	61,365	1,907,493
Total Net Position	\$ 1,599,205	\$ 246,923	\$ 61,365	\$ 1,907,493

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2016

	Risk Management Workers' Compensation/ Liability	Unemployment Reserve	OPEB	Totals
OPERATING REVENUES				
Charges for services	\$ 1,476,480	\$ -	\$ -	\$ 1,476,480
Other revenues	-	179,916	245,459	425,375
Total Operating Revenues	<u>1,476,480</u>	<u>179,916</u>	<u>245,459</u>	<u>1,901,855</u>
OPERATING EXPENSES				
Services and supplies	-	-	184,094	184,094
Claims paid/liability adjustment	1,824,485	101,198	-	1,925,683
Total Operating Expenses	<u>1,824,485</u>	<u>101,198</u>	<u>184,094</u>	<u>2,109,777</u>
Operating Income (Loss)	<u>(348,005)</u>	<u>78,718</u>	<u>61,365</u>	<u>(207,922)</u>
NON-OPERATING REVENUE (EXPENSES)				
Interest income	1,293	682	-	1,975
Total Non-Operating Revenue (Expenses)	<u>1,293</u>	<u>682</u>	<u>-</u>	<u>1,975</u>
Change in Net Position	<u>(346,712)</u>	<u>79,400</u>	<u>61,365</u>	<u>(205,947)</u>
Total Net Position - Beginning	<u>1,945,917</u>	<u>167,523</u>	<u>-</u>	<u>2,113,440</u>
Total Net Position - Ending	<u>\$ 1,599,205</u>	<u>\$ 246,923</u>	<u>\$ 61,365</u>	<u>\$ 1,907,493</u>

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2016

	Risk Management Workers' Compensation/ Liability	Unemployment Reserve	OPEB	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,476,480	\$ 179,916	\$ 245,459	\$ 1,901,855
Payments to suppliers	(1,670,494)	(101,198)	(184,094)	(1,955,786)
Net Cash Provided (Used) by Operating Activities	<u>(194,014)</u>	<u>78,718</u>	<u>61,365</u>	<u>(53,931)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	<u>1,293</u>	<u>682</u>	<u>-</u>	<u>1,975</u>
Net Cash Provided (Used) by Investing Activities	<u>1,293</u>	<u>682</u>	<u>-</u>	<u>1,975</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(192,721)	79,400	61,365	(51,956)
Balances - Beginning	<u>5,082,587</u>	<u>167,601</u>	<u>-</u>	<u>5,250,188</u>
Balances - Ending	<u><u>\$ 4,889,866</u></u>	<u><u>\$ 247,001</u></u>	<u><u>\$ 61,365</u></u>	<u><u>\$ 5,198,232</u></u>
ADJUSTMENT TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (348,005)	\$ 78,718	\$ 61,365	\$ (207,922)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Increase (decrease) in:				
Claims payable	<u>153,991</u>	<u>-</u>	<u>-</u>	<u>153,991</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (194,014)</u></u>	<u><u>\$ 78,718</u></u>	<u><u>\$ 61,365</u></u>	<u><u>\$ (53,931)</u></u>

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Fiduciary Funds

- **Trust and Agency Funds**

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COUNTY OF PLUMAS
Combining Statement of Net Position
Investment Trust Funds
June 30, 2016

	Special Districts Governed by Local Boards	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ASSETS					
Cash and investments	\$ 9,845,896	\$ 28,814,823	\$ 1,099,030	\$ 1,613	\$ 39,761,362
Total Assets	<u>9,845,896</u>	<u>28,814,823</u>	<u>1,099,030</u>	<u>1,613</u>	<u>39,761,362</u>
LIABILITIES					
Loans from other agencies	118,955	-	-	-	118,955
Total Liabilities	<u>118,955</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,955</u>
NET POSITION					
Held in trust for investment pool participants	9,726,941	28,814,823	1,099,030	1,613	39,642,407
Total Net Position	<u>\$ 9,726,941</u>	<u>\$ 28,814,823</u>	<u>\$ 1,099,030</u>	<u>\$ 1,613</u>	<u>\$ 39,642,407</u>

COUNTY OF PLUMAS
Combining Statement of Changes in Net Position
Investment Trust Funds
For the Year Ending June 30, 2016

	Special Districts Governed by Local Boards	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ADDITIONS					
Contributions to investment pool	\$ 969,267	\$ 5,213,007	\$ 41,562	\$ -	\$ 6,223,836
Total Additions	969,267	5,213,007	41,562	-	6,223,836
DEDUCTIONS					
Distributions from investment pool	347,468	2,315,037	-	1,582	2,664,087
Total Deductions	347,468	2,315,037	-	1,582	2,664,087
Total Change in Net Position	621,799	2,897,970	41,562	(1,582)	3,559,749
Net Position - Beginning	9,105,142	25,916,853	1,057,468	3,195	36,082,658
Net Position - Ending	<u>\$ 9,726,941</u>	<u>\$ 28,814,823</u>	<u>\$ 1,099,030</u>	<u>\$ 1,613</u>	<u>\$ 39,642,407</u>

COUNTY OF PLUMAS
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2016

	<u>Accrued Trust</u>	<u>County Departmental Agency</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and investments	\$ 484,945	\$ 1,808,544	\$ 2,293,489
Taxes receivable	<u>-</u>	<u>2,881,422</u>	<u>2,881,422</u>
Total Assets	<u><u>\$ 484,945</u></u>	<u><u>\$ 4,689,966</u></u>	<u><u>\$ 5,174,911</u></u>
LIABILITIES			
Agency funds held for others	<u>\$ 484,945</u>	<u>\$ 4,689,966</u>	<u>\$ 5,174,911</u>
Total Liabilities	<u><u>\$ 484,945</u></u>	<u><u>\$ 4,689,966</u></u>	<u><u>\$ 5,174,911</u></u>

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

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ACCRUED TRUST FUNDS				
ASSETS				
Cash and investments	\$ 217,846	\$ 267,099	\$ -	\$ 484,945
Total Assets	<u>\$ 217,846</u>	<u>\$ 267,099</u>	<u>\$ -</u>	<u>\$ 484,945</u>
LIABILITIES				
Agency funds held for others	\$ 217,846	\$ 267,099	\$ -	\$ 484,945
Total Liabilities	<u>\$ 217,846</u>	<u>\$ 267,099</u>	<u>\$ -</u>	<u>\$ 484,945</u>
COUNTY DEPARTMENTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 1,979,668	\$ 2,793,842	\$ 2,964,966	\$ 1,808,544
Taxes receivable	3,729,329	-	847,907	2,881,422
Total Assets	<u>\$ 5,708,997</u>	<u>\$ 2,793,842</u>	<u>\$ 3,812,873</u>	<u>\$ 4,689,966</u>
LIABILITIES				
Agency funds held for others	\$ 5,708,997	\$ 2,793,842	\$ 3,812,873	\$ 4,689,966
Total Liabilities	<u>\$ 5,708,997</u>	<u>\$ 2,793,842</u>	<u>\$ 3,812,873</u>	<u>\$ 4,689,966</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 2,197,514	\$ 3,060,941	\$ 2,964,966	\$ 2,293,489
Taxes receivable	3,729,329	-	847,907	2,881,422
Total Assets	<u>\$ 5,926,843</u>	<u>\$ 3,060,941</u>	<u>\$ 3,812,873</u>	<u>\$ 5,174,911</u>
LIABILITIES				
Agency funds held for others	\$ 5,926,843	\$ 3,060,941	\$ 3,812,873	\$ 5,174,911
Total Liabilities	<u>\$ 5,926,843</u>	<u>\$ 3,060,941</u>	<u>\$ 3,812,873</u>	<u>\$ 5,174,911</u>