

**COUNTY OF PLUMAS,
CALIFORNIA**



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2014**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Annual Financial Report
For the Year Ended June 30, 2014

Table of Contents

	Page
INTRODUCTORY SECTION	
List of Officials.	i
FINANCIAL SECTION	
Independent Auditor's Report.	1-3
Management's Discussion and Analysis (Required Supplementary Information - Unaudited).	4-15
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.	16
Statement of Activities.	17
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.	18
Reconciliation of the Governmental Funds Balance Sheet to the	
Government-Wide Statement of Net Position - Governmental Activities.	19
Statement of Revenues, Expenditures, and Changes in Fund Balances.	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in	
Fund Balances of Governmental Funds to the Government-Wide Statement	
of Activities - Governmental Activities.	21
Proprietary Funds:	
Statement of Net Position.	22
Statement of Revenues, Expenses, and Changes in Net Position.	23
Statement of Cash Flows.	24-25
Fiduciary Funds:	
Statement of Fiduciary Net Position.	26
Statement of Changes in Fiduciary Net Position.	27
Notes to Basic Financial Statements.	28-59
Required Supplementary Information (Unaudited):	
Schedule of Funding Progress - Pension.	60
Schedule of Funding Progress - Other Postemployment Benefits (OPEB).	60-61
Budgetary Comparison Schedule - General Fund.	62-63
Budgetary Comparison Schedule - Road.	64
Budgetary Comparison Schedule - Social Services.	65
Budgetary Comparison Schedule - Mental Health.	66
Budgetary Comparison Schedule - Public Health.	67
Budgetary Comparison Schedule - Public Safety.	68
Notes to Budgetary Comparison Schedules.	69

COUNTY OF PLUMAS
Annual Financial Report
For the Year Ended June 30, 2014

Table of Contents

	Page
FINANCIAL SECTION (CONTINUED)	
Combining Nonmajor Fund Statements:	
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.	71
Special Revenue Funds:	
Combining Balance Sheet.	72-73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances. .	74-75
Capital Projects Fund:	
Combining Balance Sheet.	76
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance....	77
Debt Service Fund:	
Combining Balance Sheet.	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance....	79
Nonmajor Proprietary Funds:	
Enterprise Funds:	
Combining Statement of Net Position.	80
Combining Statement of Revenues, Expenses, and Changes in Net Position.	81
Combining Statement of Cash Flows.....	82
Internal Service Funds:	
Combining Statement of Net Position.	83
Combining Statement of Revenues, Expenses, and Changes in Net Position.	84
Combining Statement of Cash Flows.	85
Fiduciary Funds:	
Investment Trust Funds:	
Combining Statement of Fiduciary Net Position.	86
Combining Statement of Changes in Fiduciary Net Position..	87
Agency Funds:	
Combining Statement of Assets and Liabilities.	88
Combining Statement of Changes in Assets and Liabilities.	89

INTRODUCTORY SECTION

- **List of Officials**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
County Officials
For the Year Ended June 30, 2014

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.....	Jon Kennedy
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	John Cunningham
Child Support Services.....	Michelle Blackford
Clerk of the Board of Supervisors.....	Nancy Daforno
County Counsel	Craig Settlemyre
Environmental Health Director.....	Jerry Sipe
Facility Services.....	Dony Sawchuk
Fair.....	John Steffanic
Farm Advisor.....	Holly George
Human Resources.....	Gayla Trumbo
Information Technology.....	Dave Preston
Librarian.....	Lynn Sheehy
Mental Health.....	Kimball Pier
Museum.....	Scott Lawson
Office of Emergency Services.....	Jerry Sipe
Planning.....	Randall Wilson
Probation.....	Dan Prince
Public Health.....	Mimi Hall
Public Works.....	Robert Perreault
Social Services and Public Guardian.....	Elliott Smart
Veteran's Services.....	Jimmy LaPlante

THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

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

THIS PAGE INTENTIONALLY LEFT BLANK

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, 2014, 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, 2014, 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 described in Note 1Q to the financial statements, in 2014, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 70. 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, 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.

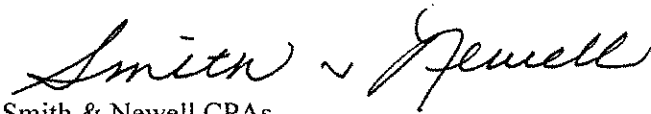
The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 26, 2015, 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 cursive script that reads "Smith & Newell". The signature is written in black ink and is positioned above the printed name of the firm.

Smith & Newell CPAs
Yuba City, California
March 26, 2015

THIS PAGE INTENTIONALLY LEFT BLANK

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

THIS PAGE INTENTIONALLY LEFT BLANK

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, 2014. 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 2013-2014 fiscal year by \$86,413,065 (net position). Of this amount, \$6,447,263 (*unrestricted net position*) may be used to meet ongoing obligations to citizens and creditors, \$40,876,154 is restricted for specific purpose (*restricted net position*), and \$39,089,648 is the net investment in capital assets.
- The County governmental funds reported combined fund balances of \$48,841,567; an increase of \$5,055,875 in comparison with the prior year; whereas the increase from 2011-12 to 2012-13 was \$4,391,417.
- The County's unassigned fund balance for the general fund was \$4,712,314 or 26.2% of total general fund expenditures, an increase of 86.9% from the prior years' unassigned to expenditure ratio.
- The County's net investment in capital assets increased by \$71,380. The increase resulted primarily because of a reduction of liabilities during 2013-2014, owed on capital assets purchase.
- The County's total long-term debt decreased by \$438,431 in comparison with the prior year.

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, and CSA #12 Plumas County Transit.

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)*, *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 and capital projects. 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, Public Health, and Public Safety, 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. 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 two 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 exceeded liabilities by \$86,413,065 at the close of the most recent fiscal year.

Statement of Net Position			
June 30, 2014			
	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 57,351,382	\$ 3,654,429	\$ 61,005,811
Capital Assets	47,969,590	6,005,058	53,974,648
Total Assets	105,320,972	9,659,487	114,980,459
Current and Other Liabilities	5,100,121	40,124	5,140,245
Long-Term Liabilities	20,930,661	2,496,488	23,427,149
Total Liabilities	26,030,782	2,536,612	28,567,394
Net Investment in Capital Assets	33,084,590	6,005,058	39,089,648
Restricted	40,876,154	-	40,876,154
Unrestricted	5,329,446	1,117,817	6,447,263
Total Net Position	\$ 79,290,190	\$ 7,122,875	\$ 86,413,065

Of the County's net position, \$6,447,263 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, \$40,876,154, 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, \$39,089,648 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.

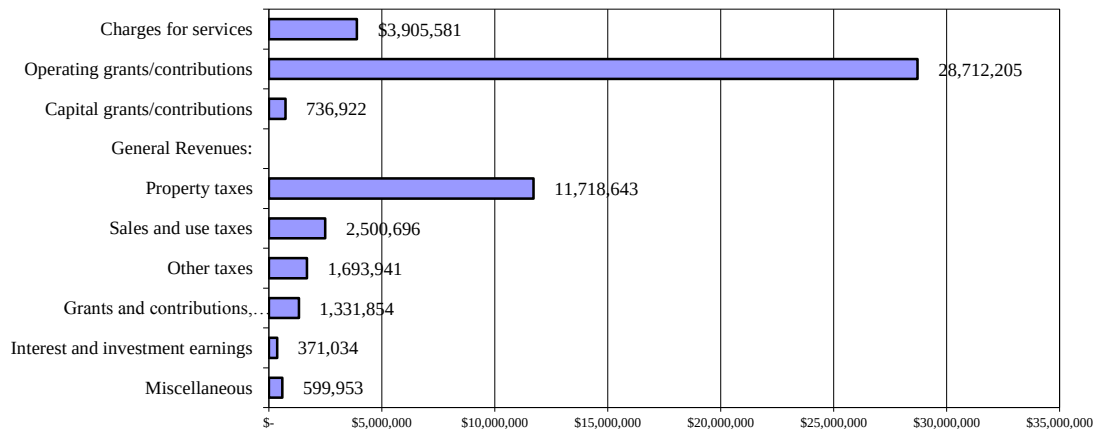
At the end of the current fiscal year, the County reported positive balances in all three categories of net position, for the County as a whole.

The County's net position increased by \$5,792,539 during the current fiscal year. This increase is due to an increase of \$5,792,539 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.

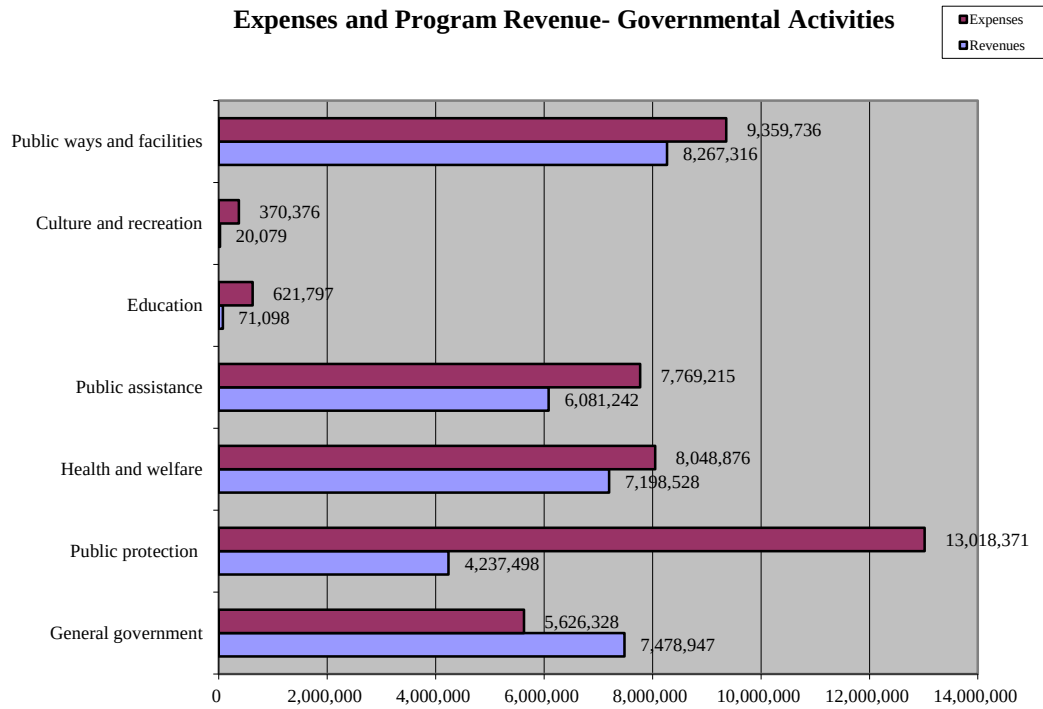
The following table indicates the changes in net position for governmental and business-type activities:

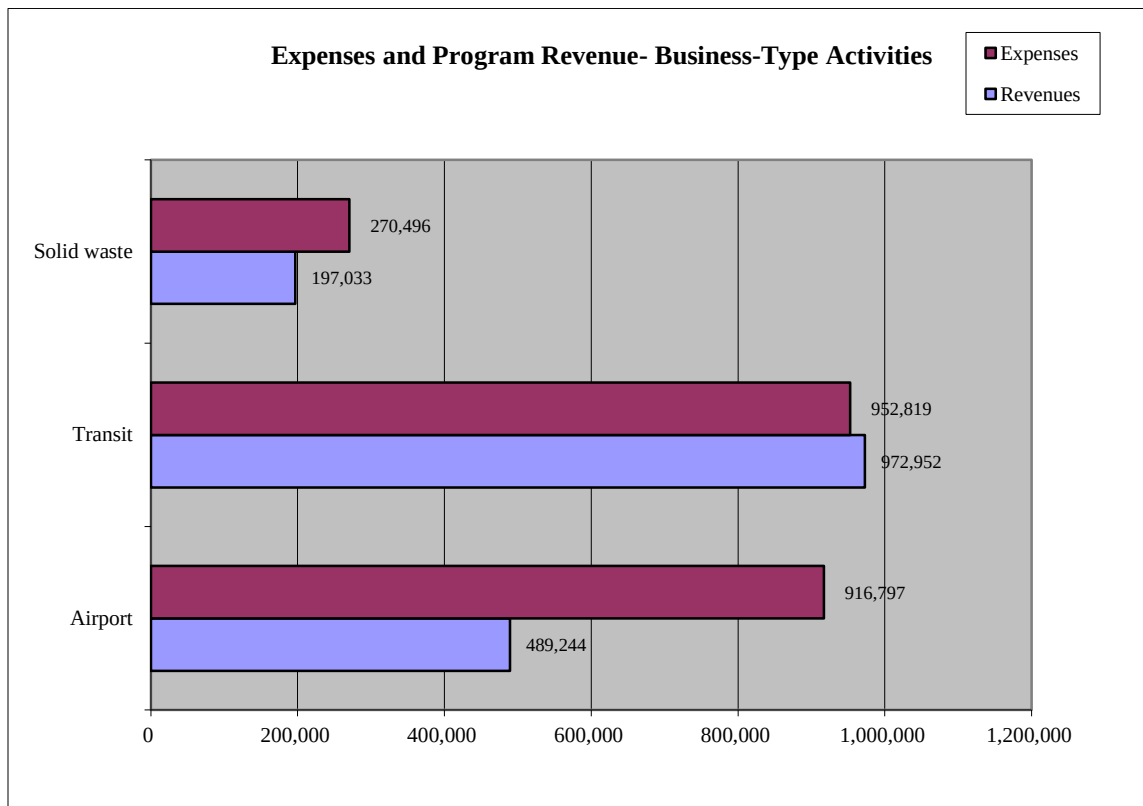
Statement of Activities For the Year Ended June 30, 2014			
	Governmental Activities	Business-Type Activities	Total
Revenues			
Program Revenues:			
Charges for services	\$ 3,905,581	\$ 221,343	\$ 4,126,924
Operating grants/contributions	28,712,205	979,002	29,691,207
Capital grants/contributions	736,922	458,884	1,195,806
General Revenues:			
Property taxes	11,718,643	-	11,718,643
Sales and use taxes	2,500,696	-	2,500,696
Other taxes	1,693,941	2,558	1,696,499
Grants and contributions, unrestricted	1,331,854	-	1,331,854
Interest and investment earnings	371,034	252,507	623,541
Miscellaneous	599,953	13,752	613,705
Transfers	92,800	(92,800)	-
Total Revenues	51,663,629	1,835,246	53,498,875
Expenses			
General government	5,626,328	-	5,626,328
Public protection	13,018,371	-	13,018,371
Health and welfare	8,048,876	-	8,048,876
Public assistance	7,769,215	-	7,769,215
Education	621,797	-	621,797
Culture and recreation	370,376	-	370,376
Public ways and facilities	9,359,736	-	9,359,736
Interest and fiscal charges	751,525	-	751,525
Airport	-	916,797	916,797
Transit	-	952,819	952,819
Solid waste	-	270,496	270,496
Total Expenses	45,566,224	2,140,112	47,706,336
Change in Net Position	6,097,405	(304,866)	5,792,539
Net Position - Beginning	73,192,785	7,427,741	80,620,526
Net Position - Ending	\$ 79,290,190	\$ 7,122,875	\$ 86,413,065

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, and Capital Project 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 Governmental Funds				
	FY 2013	FY 2014	Increase(Decrease)	
			Amount	Percent
Fund Balance - Beginning	\$ 39,394,275	\$ 43,785,692	\$ 4,391,417	11.15%
Revenues	49,199,196	52,352,737	3,153,541	6.41%
Expenditures	(44,847,343)	(47,502,264)	(2,654,921)	5.92%
Other Financing Sources (Uses)	39,564	205,402	165,838	419.16%
Fund Balance - Ending	\$ 43,785,692	\$ 48,841,567	\$ 5,055,875	11.55%

At June, 30, 2014, the County's governmental funds reported combined fund balances of \$48,841,567, an increase of \$5,055,875 in comparison with the prior year. Of these combined fund balances, 4,645,378 constitutes net unassigned; \$40,397,363 restricted, and \$699,487 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 \$2,672,087 or is in Nonspendable form \$427,252.

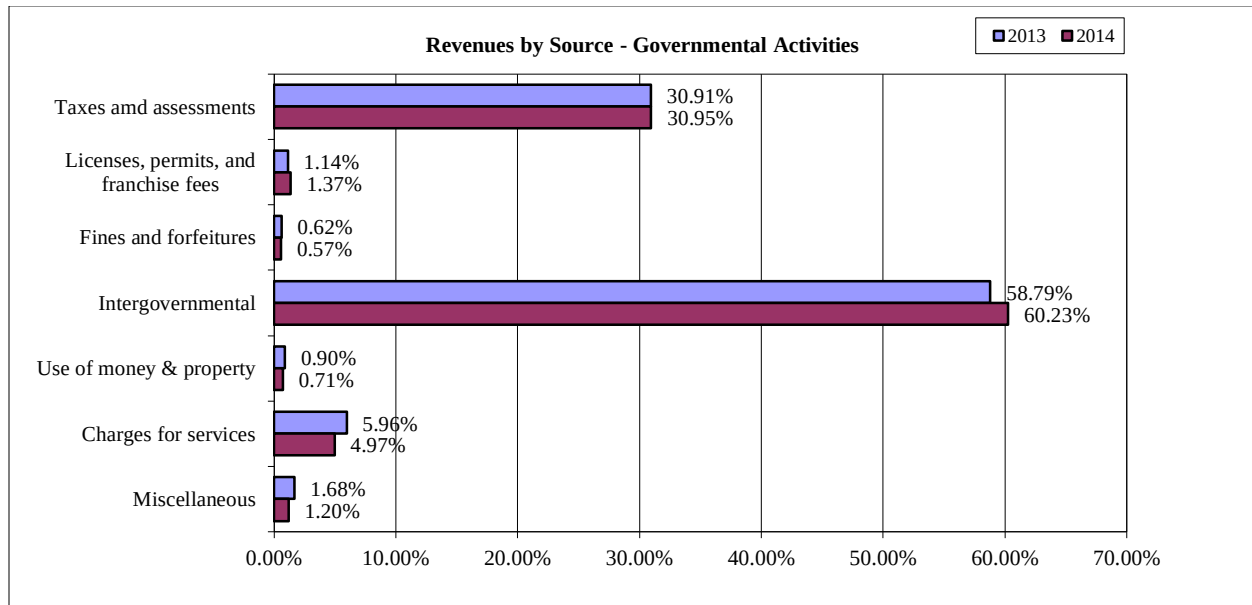
The General Fund is the chief operating fund of the County. At June 30, 2014, unassigned fund balance was \$4,712,314 while total fund balance was \$8,031,995. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 26.2% of total General Fund expenditures, while the total fund balance represents 44.6% of total General Fund expenditures.

The major funds and other governmental funds' fund balances increased from \$37,690,191 to \$40,809,572. The major and other governmental funds had decreases/increases in fund balance as follows: Public Ways-Road decreased \$520,180, Local Revenue 2011 increased \$645,397, Social Services increased \$1,351,166, Mental Health increased \$1,306,648, Public Health increased \$303,677, Public Safety decreased \$480,864, and other non-major governmental funds increased \$513,537.

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 2013		FY 2014		Increase(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Revenue by Source:						
Taxes and assessments	\$ 15,208,986	30.91%	\$ 16,204,050	30.95%	\$ 995,064	6.54%
Licenses, permits, and franchise fees	560,780	1.14%	717,507	1.37%	156,727	27.95%
Fines and forfeitures	305,673	0.62%	297,961	0.57%	(7,712)	-2.52%
Intergovernmental	28,923,788	58.79%	31,534,131	60.23%	2,610,343	9.02%
Use of money & property	442,134	0.90%	370,464	0.71%	(71,670)	-16.21%
Charges for services	2,930,637	5.96%	2,599,343	4.97%	(331,294)	-11.30%
Miscellaneous	827,198	1.68%	629,281	1.20%	(197,917)	-23.93%
Total	<u>\$ 49,199,196</u>	<u>100.00%</u>	<u>\$ 52,352,737</u>	<u>100.00%</u>	<u>\$ 3,153,541</u>	6.41%

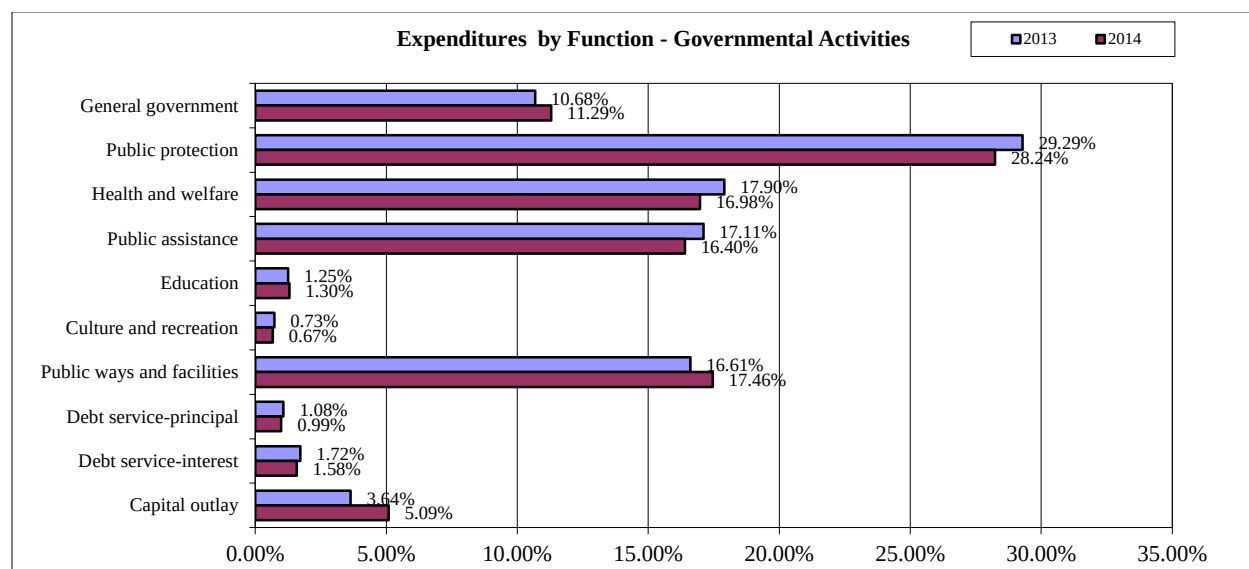
The following graph shows an illustrative picture of where the County funds come from.



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

Expenditures Classified by Function Governmental Funds						
	FY 2013		FY 2014		Increase(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Expenditures by Function:						
General government	\$ 4,790,740	10.68%	\$ 5,365,258	11.29%	\$ 574,518	11.99%
Public protection	13,134,947	29.29%	13,412,603	28.24%	277,656	2.11%
Health and welfare	8,029,818	17.90%	8,063,996	16.98%	34,178	0.43%
Public assistance	7,671,306	17.11%	7,789,504	16.40%	118,198	1.54%
Education	561,558	1.25%	617,619	1.30%	56,061	9.98%
Culture and recreation	325,494	0.73%	316,811	0.67%	(8,683)	-2.67%
Public ways and facilities	7,447,018	16.61%	8,295,710	17.46%	848,692	11.40%
Debt service-principal	482,950	1.08%	470,000	0.99%	(12,950)	-2.68%
Debt service-interest	769,952	1.72%	751,525	1.58%	(18,427)	-2.39%
Capital outlay	1,633,560	3.64%	2,419,238	5.09%	785,678	48.10%
Total	\$ 44,847,343	100.00%	\$ 47,502,264	100.00%	\$ 2,654,921	5.92%

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 2013	FY 2014	Increase(Decrease)	
			Amount	Percent
Transfers In	\$ 13,971,042	\$ 14,691,965	\$ 720,923	5.16%
Transfers Out	(13,931,478)	(14,540,014)	(608,536)	4.37%
Proceeds from Sale of Capital Assets	-0-	53,451	53,451	100.00%
Net other financing sources(uses)	\$ 39,564	\$ 205,402	\$ 112,387	

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				
	FY 2013	FY 2014	Net Change	
			Amount	Percent
Total Net Position - Beginning	\$ 7,227,898	\$ 7,427,741	\$ 199,843	2.76%
Operating revenues	337,055	237,754	(99,301)	-29.46%
Operating expenses	(2,024,598)	(2,140,112)	(115,514)	5.71%
Non-operating revenues (expenses)	1,127,942	1,231,408	103,466	9.17%
Capital contribution	799,008	458,884	(340,124)	-42.57%
Transfers in (out)	(39,564)	(92,800)	(53,236)	134.56%
Total Net Position - Ending	\$ 7,427,741	\$ 7,122,875	\$ (304,866)	-4.10%

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 2013	FY 2014	Increase(Decrease)	
			Amount	Percent
Total Net Position - Beginning	\$ 1,152,049	\$ 1,115,004	\$ (37,045)	-3.22%
Operating revenues	1,494,151	1,739,242	245,091	16.40%
Operating expenses	(1,533,132)	(90,087)	(1,443,045)	94.12%
Non-operating revenues (expenses)	1,936	(58,581)	(60,517)	-3125.88%
Total Net Position - Ending	\$ 1,115,004	\$ 2,705,578	\$ 1,590,574	142.65%

Unrestricted net position of the internal service funds at June 30, 2014 was \$2,705,578 an increase of \$1,590,574. This was largely attributable to the County's self-funded insurance funds. The County has increased the workers comp. rates and has entered into a risk management program. Both liability and workers comp are now funded at the 80% 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 Budget	Final Budget	Net Change	
			Amount	Percent
Total Revenues	\$ 20,274,856	\$ 20,468,239	\$ 193,383	0.95%
Total Expenditures	(20,897,455)	(21,102,508)	(205,053)	0.98%
Other Financing Sources (Uses)	543,227	433,721	(109,506)	-20.16%
Net Change in Fund Balances	\$ (79,372)	\$ (200,548)	\$ (121,176)	

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

Budgetary Comparison
General Fund

	Final Budget	Actual Amounts	Variance with Final Budget	
			Amount	Percent
Total Revenues	\$ 20,468,239	\$ 21,351,158	\$ 882,919	4.31%
Total Expenditures	(21,102,508)	(19,553,261)	1,549,247	7.34%
Other Financing Sources (Uses)	433,721	138,597	(295,124)	68.04%
Net Change in Fund Balances	\$ (200,548)	\$ 1,936,494	\$ 2,137,042	

CAPITAL ASSETS

The County's net investment in capital assets as of June 30, 2014, amounted to \$53,974,648. 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	
	2013	2014	2013	2014	2013	2014
Land	\$ 2,079,903	\$ 2,079,903	\$ 620,152	\$ 620,152	\$ 2,700,055	\$ 2,700,055
Construction In Progress	2,439,044	3,757,032	-	-	2,439,044	3,757,032
Structures & Improvements	34,269,877	34,281,255	1,255,458	1,290,807	35,525,335	35,572,062
Equipment	20,718,936	21,025,628	1,839,126	1,848,376	22,558,062	22,874,004
Software	1,285,404	1,285,404	15,660	15,660	1,301,064	1,301,064
Infrastructure	39,425,582	39,539,658	8,690,099	9,169,476	48,115,681	48,709,134
Total	100,218,746	101,968,880	12,420,495	12,944,471	112,639,241	114,913,351
Accumulated Depreciation	(51,978,463)	(53,999,290)	(6,287,510)	(6,939,413)	(58,265,973)	(60,938,703)
Net Capital Assets	\$ 48,240,283	\$ 47,969,590	\$ 6,132,985	\$ 6,005,058	\$ 54,373,268	\$ 53,974,648

DEBT ADMINISTRATION

At June 30, 2014, the County had total long-term debt outstanding of \$23,427,149 as compared to \$23,865,580 in the prior year. During the year, there was retirement of debt amounting to \$402,130, and a decrease in post employment (compensated absences, closure/postclosure, and OPEB) benefits of \$34,498.

	Long-Term Debt					
	Governmental Activities		Business-Type Activities		Total	
	2013	2014	2013	2014	2013	2014
Loans	\$ 165,000	\$ 165,000	\$ -	\$ -	\$ 165,000	\$ 165,000
Certificates of Participation	15,190,000	14,720,000	-	-	15,190,000	14,720,000
Closure/Postclosure	-	-	2,409,192	2,446,238	2,409,192	2,446,238
Compensated Absences	4,092,318	4,124,708	20,537	18,970	4,112,855	4,143,678
Net OPEB Obligation	1,958,142	1,920,953	30,391	31,280	1,988,533	1,952,233
Total	21,405,460	20,930,661	2,460,120	2,496,488	23,865,580	23,427,149
Less Current Portion	(3,190,325)	(2,890,263)	(11,169)	(18,970)	(3,201,494)	(2,909,233)
Net Long-Term Debt	\$ 18,215,135	\$ 18,040,398	\$ 2,448,951	\$ 2,477,518	\$ 20,664,086	\$ 20,517,916

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

The County continues to face significant financial challenges as the economy slowly recovers from the recession. Property tax revenues increased \$997,225 from last year. Sales tax revenue declined while hotel tax revenues increased. In fiscal year 2014-2015, we expect the property tax growth to slow.

The County took significant action in attempting to prevent the use of remaining fund balance by passing a structurally balanced budget for fiscal year 2014-2015. This resulted in the fund balance in the County's General Fund increasing \$1,936,494 in the current year.

The State continues to look to local government to solve its cash flow and revenue situation. The most recent shift focuses on passing expenditures from a state responsibility to the local level along with realignment revenues which are specifically earmarked for those expenditures.

County total reserves remain healthy, and the County's General Fund reserve maintained the \$2,000,000 in the 14-15 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**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 44,430,410	\$ 268,258	\$ 44,698,668
Cash with fiscal agent	6,714,459	-	6,714,459
Receivables:			
Accounts	126,579	60,068	186,647
Taxes	568,565	-	568,565
Intergovernmental	4,925,451	-	4,925,451
Internal balances	20,000	(20,000)	-
Prepaid costs	168,235	2,762	170,997
Inventory	262,387	87,565	349,952
Loans receivable	135,296	-	135,296
Restricted cash and investments	-	3,255,776	3,255,776
Capital assets:			
Non depreciable	5,836,935	620,152	6,457,087
Depreciable, net	42,132,655	5,384,906	47,517,561
Total capital assets	<u>47,969,590</u>	<u>6,005,058</u>	<u>53,974,648</u>
Total Assets	<u>105,320,972</u>	<u>9,659,487</u>	<u>114,980,459</u>
LIABILITIES			
Accounts payable	943,076	23,060	966,136
Salaries and benefits payable	1,001,260	12,872	1,014,132
Unearned revenue	359,595	4,192	363,787
Accrued claims liability	2,796,190	-	2,796,190
Long-term liabilities:			
Due within one year	2,890,263	18,970	2,909,233
Due in more than one year	18,040,398	2,477,518	20,517,916
Total Liabilities	<u>26,030,782</u>	<u>2,536,612</u>	<u>28,567,394</u>
NET POSITION			
Net investment in capital assets	33,084,590	6,005,058	39,089,648
Restricted for:			
General government	4,066,584	-	4,066,584
Public protection	2,208,244	-	2,208,244
Public assistance	3,657,478	-	3,657,478
Health and welfare	17,630,839	-	17,630,839
Public ways and facilities	11,533,365	-	11,533,365
Capital projects	380,091	-	380,091
Debt service	1,399,553	-	1,399,553
Unrestricted	5,329,446	1,117,817	6,447,263
Total Net Position	<u>\$ 79,290,190</u>	<u>\$ 7,122,875</u>	<u>\$ 86,413,065</u>

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

COUNTY OF PLUMAS
Statement of Activities
For the Year Ended June 30, 2014

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 5,626,328	\$ 797,116	\$ 6,681,831	\$ -
Public protection	13,018,371	1,218,044	3,019,454	-
Health and welfare	8,048,876	962,016	6,236,512	-
Public assistance	7,769,215	2,531	6,078,711	-
Education	621,797	8,609	62,489	-
Culture and recreation	370,376	20,079	-	-
Public ways and facilities	9,359,736	897,186	6,633,208	736,922
Interest on long-term debt	751,525	-	-	-
Total Governmental Activities	45,566,224	3,905,581	28,712,205	736,922
Business-type activities:				
Airport	916,797	360	30,000	458,884
Transit	952,819	23,950	949,002	-
Solid waste	270,496	197,033	-	-
Total Business-Type Activities	2,140,112	221,343	979,002	458,884
Total	\$ 47,706,336	\$ 4,126,924	\$ 29,691,207	\$ 1,195,806
General revenues:				
Taxes:				
Property taxes				
Sales and use taxes				
Public service taxes				
Transient occupancy taxes				
Aircraft taxes				
Timber yield tax				
Franchise fees				
Grants and contributions, unrestricted				
Interest and investment earnings				
Miscellaneous				
Loss on sale of capital assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning				
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
\$ 1,852,619	\$ -	\$ 1,852,619
(8,780,873)	-	(8,780,873)
(850,348)	-	(850,348)
(1,687,973)	-	(1,687,973)
(550,699)	-	(550,699)
(350,297)	-	(350,297)
(1,092,420)	-	(1,092,420)
(751,525)	-	(751,525)
<u>(12,211,516)</u>	<u>-</u>	<u>(12,211,516)</u>
-	(427,553)	(427,553)
-	20,133	20,133
-	(73,463)	(73,463)
<u>-</u>	<u>(480,883)</u>	<u>(480,883)</u>
<u>(12,211,516)</u>	<u>(480,883)</u>	<u>(12,692,399)</u>
11,718,643	-	11,718,643
2,500,696	-	2,500,696
167,312	-	167,312
1,232,744	-	1,232,744
16,336	-	16,336
120,684	2,558	123,242
156,865	-	156,865
1,331,854	-	1,331,854
371,034	252,507	623,541
629,281	13,752	643,033
(29,328)	-	(29,328)
92,800	(92,800)	-
<u>18,308,921</u>	<u>176,017</u>	<u>18,484,938</u>
6,097,405	(304,866)	5,792,539
<u>73,192,785</u>	<u>7,427,741</u>	<u>80,620,526</u>
<u>\$ 79,290,190</u>	<u>\$ 7,122,875</u>	<u>\$ 86,413,065</u>

THIS PAGE INTENTIONALLY LEFT BLANK

Basic Financial Statements

- **Fund Financial Statements**

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Balance Sheet
Governmental Funds
June 30, 2014

	General	Road	Local Revenue 2011	Social Services	Mental Health
ASSETS					
Cash and investments	\$ 7,742,138	\$ 8,300,747	\$ 248,582	\$ 3,220,733	\$15,664,485
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	61,274	11,647	-	-	11,149
Taxes	568,565	-	-	-	-
Intergovernmental	466,601	601,517	867,081	651,836	1,103,836
Prepaid costs	108,250	225	-	1,652	149
Inventory	-	262,387	-	-	-
Due from other funds	1,168	-	-	-	-
Advance to other funds	35,530	-	-	-	-
Loans receivable	135,296	-	-	-	-
Total Assets	\$ 9,118,822	\$ 9,176,523	\$ 1,115,663	\$ 3,874,221	\$16,779,619
LIABILITIES					
Accounts payable	\$ 256,792	\$ 176,136	\$ -	\$ 24,461	\$ 134,404
Salaries and benefits payable	538,649	134,516	-	83,523	80,885
Unearned revenue	196,276	-	-	108,759	-
Due to other funds	-	-	-	-	-
Advance from other funds	-	-	-	-	-
Total Liabilities	991,717	310,652	-	216,743	215,289
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	95,110	49,737	-	-	-
Total Deferred Inflows of Resources	95,110	49,737	-	-	-
FUND BALANCES					
Nonspendable	108,250	262,612	-	1,652	149
Restricted	399,531	8,553,522	1,115,663	3,655,826	16,564,181
Committed	2,112,413	-	-	-	-
Assigned	699,487	-	-	-	-
Unassigned	4,712,314	-	-	-	-
Total Fund Balances	8,031,995	8,816,134	1,115,663	3,657,478	16,564,330
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,118,822	\$ 9,176,523	\$ 1,115,663	\$ 3,874,221	\$16,779,619

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

Public Health	Public Safety	Other Governmental Funds	Total
\$ 661,843	\$ 796,143	\$ 7,612,247	\$44,246,918
-	-	1,399,553	1,399,553
30,730	-	11,779	126,579
-	-	-	568,565
733,902	249,341	251,337	4,925,451
2,380	47,785	4,424	164,865
-	-	-	262,387
-	-	-	1,168
-	-	-	35,530
-	-	-	135,296
<u>\$ 1,428,855</u>	<u>\$ 1,093,269</u>	<u>\$ 9,279,340</u>	<u>\$51,866,312</u>
\$ 99,995	\$ 49,922	\$ 201,366	\$ 943,076
63,127	59,270	41,290	1,001,260
-	-	54,560	359,595
-	-	1,168	1,168
-	-	15,530	15,530
<u>163,122</u>	<u>109,192</u>	<u>313,914</u>	<u>2,320,629</u>
<u>330,959</u>	<u>180,924</u>	<u>47,386</u>	<u>704,116</u>
<u>330,959</u>	<u>180,924</u>	<u>47,386</u>	<u>704,116</u>
2,380	47,785	4,424	427,252
932,394	755,368	8,420,878	40,397,363
-	-	559,674	2,672,087
-	-	-	699,487
-	-	(66,936)	4,645,378
<u>934,774</u>	<u>803,153</u>	<u>8,918,040</u>	<u>48,841,567</u>
<u>\$ 1,428,855</u>	<u>\$ 1,093,269</u>	<u>\$ 9,279,340</u>	<u>\$51,866,312</u>

COUNTY OF PLUMAS
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2014

Total Fund Balance - Total Governmental Funds	\$ 48,841,567
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.	47,969,590
Other long term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	704,116
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Loans payable	(165,000)
Certificates of participation	(14,720,000)
Compensated absences	(4,124,708)
Net OPEB obligation	(1,920,953)
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>2,705,578</u>
Net Position of Governmental Activities	<u><u>\$ 79,290,190</u></u>

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

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	General	Road	Local Revenue 2011	Social Services	Mental Health
REVENUES					
Taxes and assessments	\$15,505,716	\$ 953	\$ -	\$ -	\$ -
Licenses, permits, and franchises	641,853	71,461	-	-	-
Fines and forfeitures	221,477	4,933	-	-	-
Intergovernmental	1,568,969	7,045,251	5,646,944	6,186,597	3,186,110
Use of money and property	60,636	51,353	-	9,004	26,779
Charges for services	1,387,830	205,948	-	-	221,699
Other revenues	403,914	4,084	-	96,523	6,215
Total Revenues	19,790,395	7,383,983	5,646,944	6,292,124	3,440,803
EXPENDITURES					
Current:					
General government	4,734,843	-	-	-	-
Public protection	10,962,791	-	-	-	-
Health and welfare	539,675	-	-	-	3,314,228
Public assistance	436,650	-	-	7,352,854	-
Education	617,619	-	-	-	-
Culture and recreation	316,811	-	-	-	-
Public ways and facilities	347,924	5,974,746	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	36,185	2,021,309	-	26,752	7,359
Total Expenditures	17,992,498	7,996,055	-	7,379,606	3,321,587
Excess of Revenues Over (Under) Expenditures	1,797,897	(612,072)	5,646,944	(1,087,482)	119,216
OTHER FINANCING SOURCES (USES)					
Transfers in	7,235,879	102,878	-	2,450,212	1,701,796
Transfers out	(7,097,282)	(57,084)	(5,001,547)	(11,564)	(514,364)
Proceeds from sale of capital assets	-	46,098	-	-	-
Total Other Financing Sources (Uses)	138,597	91,892	(5,001,547)	2,438,648	1,187,432
Net Change in Fund Balances	1,936,494	(520,180)	645,397	1,351,166	1,306,648
Fund Balances - Beginning	6,095,501	9,336,314	470,266	2,306,312	15,257,682
Fund Balances - Ending	\$ 8,031,995	\$ 8,816,134	\$ 1,115,663	\$ 3,657,478	\$16,564,330

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

Public Health	Public Safety	Other Governmental Funds	Total
\$ -	\$ 18,264	\$ 679,117	\$ 16,204,050
-	-	4,193	717,507
-	3,141	68,410	297,961
3,538,346	703,589	3,658,325	31,534,131
1,009	228	221,455	370,464
447,552	19,563	316,751	2,599,343
1,141	38,555	78,849	629,281
<u>3,988,048</u>	<u>783,340</u>	<u>5,027,100</u>	<u>52,352,737</u>
-	-	630,415	5,365,258
-	1,495,619	954,193	13,412,603
3,615,082	-	595,011	8,063,996
-	-	-	7,789,504
-	-	-	617,619
-	-	-	316,811
-	-	1,973,040	8,295,710
-	-	470,000	470,000
-	-	751,525	751,525
33,551	249,086	44,996	2,419,238
<u>3,648,633</u>	<u>1,744,705</u>	<u>5,419,180</u>	<u>47,502,264</u>
<u>339,415</u>	<u>(961,365)</u>	<u>(392,080)</u>	<u>4,850,473</u>
182,443	1,104,484	1,914,273	14,691,965
(224,431)	(625,086)	(1,008,656)	(14,540,014)
6,250	1,103	-	53,451
<u>(35,738)</u>	<u>480,501</u>	<u>905,617</u>	<u>205,402</u>
303,677	(480,864)	513,537	5,055,875
631,097	1,284,017	8,404,503	43,785,692
<u>\$ 934,774</u>	<u>\$ 803,153</u>	<u>\$ 8,918,040</u>	<u>\$ 48,841,567</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, 2014

Net Change in Fund Balances - Total Governmental Funds	\$ 5,055,875
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	2,419,238
Less current year depreciation	(2,591,522)
Various adjustments effecting capital assets	(15,630)
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 \$ 53,451.	
	(82,779)
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	470,000
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	(753,150)
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	(32,390)
Change in net OPEB obligation	37,189
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.	
	<u>1,590,574</u>
Change in Net Position of Governmental Activities	<u>\$ 6,097,405</u>

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, 2014

	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	\$ 63,055	\$ 160,073	\$ 45,130	\$ 268,258	\$ 183,492
Cash with fiscal agent	-	-	-	-	5,314,906
Receivables:					
Accounts	13,671	45,351	1,046	60,068	-
Prepaid costs	2,687	75	-	2,762	3,370
Inventory	87,565	-	-	87,565	-
Total Current Assets	166,978	205,499	46,176	418,653	5,501,768
Noncurrent Assets:					
Restricted cash and investments	-	3,255,776	-	3,255,776	-
Capital Assets :					
Non depreciable	497,438	122,714	-	620,152	-
Depreciable, net	4,642,793	523,755	218,358	5,384,906	-
Total Noncurrent Assets	5,140,231	3,902,245	218,358	9,260,834	-
Total Assets	5,307,209	4,107,744	264,534	9,679,487	5,501,768
LIABILITIES					
Current Liabilities:					
Accounts payable	16,900	3,111	3,049	23,060	-
Salaries and benefits payable	3,704	-	9,168	12,872	-
Unearned revenues	4,192	-	-	4,192	-
Compensated absences	1,038	-	17,932	18,970	-
Claims payable	-	-	-	-	2,796,190
Total Current Liabilities	25,834	3,111	30,149	59,094	2,796,190
Noncurrent Liabilities:					
Advance from other funds	20,000	-	-	20,000	-
Compensated absences	-	-	-	-	-
Closure/postclosure	-	2,446,238	-	2,446,238	-
Net OPEB obligation	13,646	-	17,634	31,280	-
Total Noncurrent Liabilities	33,646	2,446,238	17,634	2,497,518	-
Total Liabilities	59,480	2,449,349	47,783	2,556,612	2,796,190
NET POSITION					
Investment in capital assets	5,140,231	646,469	218,358	6,005,058	-
Unrestricted	107,498	1,011,926	(1,607)	1,117,817	2,705,578
Total Net Position	\$ 5,247,729	\$ 1,658,395	\$ 216,751	\$ 7,122,875	\$ 2,705,578

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, 2014

	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	\$ 360	\$ 197,033	\$ 23,950	\$ 221,343	\$ 1,739,242
Other revenues	15,561	850	-	16,411	-
Total Operating Revenues	15,921	197,883	23,950	237,754	1,739,242
OPERATING EXPENSES					
Salaries and benefits	106,636	-	203,980	310,616	-
Services and supplies	195,442	230,778	620,773	1,046,993	-
Claims paid/liability adjustment	-	-	-	-	90,087
Depreciation	614,719	39,718	128,066	782,503	-
Total Operating Expenses	916,797	270,496	952,819	2,140,112	90,087
Operating Income (Loss)	(900,876)	(72,613)	(928,869)	(1,902,358)	1,649,155
NON-OPERATING REVENUES (EXPENSES)					
Taxes	2,558	-	-	2,558	-
Local transportation funds	-	-	537,232	537,232	-
State transit assistance funds	-	-	102,564	102,564	-
Intergovernmental	30,000	-	309,206	339,206	-
Interest income	246,279	6,227	1	252,507	570
Gain (loss) on sale of capital assets	1,721	(4,380)	-	(2,659)	-
Total Non-Operating Revenues (Expenses)	280,558	1,847	949,003	1,231,408	570
Income (Loss) Before Contributions and Transfers	(620,318)	(70,766)	20,134	(670,950)	1,649,725
Capital contribution	458,884	-	-	458,884	-
Transfers in	20,000	-	-	20,000	-
Transfers out	-	(95,555)	(17,245)	(112,800)	(59,151)
Change in Net Position	(141,434)	(166,321)	2,889	(304,866)	1,590,574
Total Net Position - Beginning	5,389,163	1,824,716	213,862	7,427,741	1,115,004
Total Net Position - Ending	\$ 5,247,729	\$ 1,658,395	\$ 216,751	\$ 7,122,875	\$ 2,705,578

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, 2014

	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	\$ 167,133	\$ 198,867	\$ 28,234	\$ 394,234	\$ 1,765,721
Payments to suppliers	(357,612)	(198,062)	(619,645)	(1,175,319)	(590,926)
Payments to employees	(106,177)	-	(201,184)	(307,361)	-
Net Cash Provided (Used) by Operating Activities	<u>(296,656)</u>	<u>805</u>	<u>(792,595)</u>	<u>(1,088,446)</u>	<u>1,174,795</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Local transportation funds received	-	-	537,232	537,232	-
State transit assistance funds	-	-	102,564	102,564	-
Tax revenue received	2,558	-	-	2,558	-
Intergovernmental revenue received	30,000	160	309,206	339,366	-
Transfers from other funds	20,000	-	-	20,000	-
Transfers to other funds	-	(95,555)	(17,245)	(112,800)	(59,151)
Interfund loans repaid	20,000	-	-	20,000	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>72,558</u>	<u>(95,395)</u>	<u>931,757</u>	<u>908,920</u>	<u>(59,151)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(491,876)	(35,350)	(127,350)	(654,576)	-
Proceeds from sale of capital assets	1,721	(4,380)	-	(2,659)	-
Capital contribution	458,884	-	-	458,884	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(31,271)</u>	<u>(39,730)</u>	<u>(127,350)</u>	<u>(198,351)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	<u>246,279</u>	<u>6,227</u>	<u>1</u>	<u>252,507</u>	<u>570</u>
Net Cash Provided (Used) by Investing Activities	<u>246,279</u>	<u>6,227</u>	<u>1</u>	<u>252,507</u>	<u>570</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(9,090)</u>	<u>(128,093)</u>	<u>11,813</u>	<u>(125,370)</u>	<u>1,116,214</u>
Balances - Beginning	<u>72,145</u>	<u>3,543,942</u>	<u>33,317</u>	<u>3,649,404</u>	<u>4,382,184</u>
Balances - Ending	<u>\$ 63,055</u>	<u>\$ 3,415,849</u>	<u>\$ 45,130</u>	<u>\$ 3,524,034</u>	<u>\$ 5,498,398</u>

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, 2014

	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)	\$ (900,876)	\$ (72,613)	\$ (928,869)	\$ (1,902,358)	\$ 1,649,155
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	614,719	39,718	128,066	782,503	-
Decrease (increase) in:					
Accounts receivable	150,853	984	4,284	156,121	26,479
Prepaid costs	(2,687)	(75)	-	(2,762)	(3,370)
Inventory	(1,956)	-	-	(1,956)	-
Increase (decrease) in:					
Accounts payable	(157,527)	(4,255)	1,128	(160,654)	(27,479)
Salaries and benefits payable	331	-	3,602	3,933	-
Unearned revenue	359	-	-	359	-
Compensated absences payable	579	-	(2,146)	(1,567)	-
Claims payable	-	-	-	-	(469,990)
Closure/post closure liability	-	37,046	-	37,046	-
Net OPEB obligation	(451)	-	1,340	889	-
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (296,656)</u></u>	<u><u>\$ 805</u></u>	<u><u>\$ (792,595)</u></u>	<u><u>\$ (1,088,446)</u></u>	<u><u>\$ 1,174,795</u></u>

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

COUNTY OF PLUMAS
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	<u>Investment Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and investments	\$38,132,534	\$ 1,682,876
Receivables:		
Taxes	<u>-</u>	<u>3,729,329</u>
Total Assets	<u>38,132,534</u>	<u>5,412,205</u>
LIABILITIES		
Loans from other agencies	135,296	-
Agency funds held for others	<u>-</u>	<u>5,412,205</u>
Total Liabilities	<u>135,296</u>	<u>5,412,205</u>
NET POSITION		
Held in trust for pool participants	<u>\$37,997,238</u>	<u>\$ -</u>

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

COUNTY OF PLUMAS
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2014

	<u>Investment Trust Funds</u>
ADDITIONS	
Contributions to investment pool	<u>\$ 3,353,551</u>
Total Additions	<u>3,353,551</u>
DEDUCTIONS	
Distributions from investment pool	<u>1,342,109</u>
Total Deductions	<u>1,342,109</u>
Total Change in Net Position	2,011,442
Net Position - Beginning	<u>35,985,796</u>
Net Position - Ending	<u><u>\$37,997,238</u></u>

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

Basic Financial Statements

- **Notes to Basic Financial Statements**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of County of Plumas (County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

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.

Air Pollution - The Air Pollution District was established to provide better air quality to residents. 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 special revenue fund in the County's financial statements.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

Crescent Mills Lighting - The Crescent Mills Lighting District was established to provide lighting to district residents. 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 special revenue fund in the County's financial statements.

Quincy Lighting - The Quincy Lighting District was established to provide lighting to district residents. 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 special revenue fund in the County's financial statements.

Beckworth CSA Sewer - The Beckworth CSA Sewer was established to provide sewer services to Beckworth residents. 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 special revenue fund in the County's financial statements.

Flood Control - The Flood Control District was established to provide for flood control in 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 special revenue fund in the County's financial statements.

CSA #11 Ambulance - The CSA #11 Ambulance was established to provide County services to residents. 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 special revenue fund in the County's financial statements.

Walker Ranch CSD - The Walker Ranch CSD was established to provide services to Walker Ranch residents. 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 special revenue fund in the County's financial statements.

Grizzly Ranch CSD - The Grizzly Ranch CSD was established to provide services to Grizzly Ranch residents. 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 special revenue fund in the County's financial statements.

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.

Discretely Presented Component Units

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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.

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 fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

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.

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 Public Safety fund is a special revenue fund used to account for revenues and expenditures for public safety. Funding comes primarily from federal and state grant revenues.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

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.
- 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

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.

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, Cash Equivalents, and Investments

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and the County's investment policy.

Investment transactions are recorded on the trade date. Investments are reported at fair value which is determined using selected bases annually. 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. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate notes are valued by the safekeeping institution and by the County brokerage firm. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash, Cash Equivalents, and Investments (Continued)

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. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, 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, 2014, 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. The interest income is recorded in the fund that earned the interest.

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 restricted cash, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. 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.

G. Receivables

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

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

H. Other Assets

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Assets (Continued)

Prepaid Costs

Payments made for services that will benefit periods beyond June 30, 2014 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.

I. Loans Receivable

The County General fund had a loan receivable at June 30, 2014 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.	\$ 135,296
Total Loans Receivable	<u>\$ 135,296</u>

J. 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 \$1,500 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 estimated fair market value at the date of donation.

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 assets 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. 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

The County of Plumas apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as prescribed by Section 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 \$355,333 at June 30, 2014. 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. 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.

M. 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.

N. 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.

O. 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. At June 30, 2014, the County did not have any deferred outflows of resources.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Deferred Outflows/Inflows of Resources (Continued)

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 government has only one type of item, which arises only under the modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the 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.

P. 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.

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

The following Governmental Accounting Standards Board (GASB) Statement has been implemented, if applicable to the County of Plumas, in the current financial statements.

Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. This statement improves accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balance

The following non-major governmental funds had a deficit fund balance as of June 30, 2013. These deficits are expected to be eliminated through future additional funding.

County Fair	\$ 65,461
Animal Control Spay/Neuter	1,121

B. Rebatable 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, 2014, the County does not expect to incur a liability.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

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.

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 cash 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 \$38,132,534 at June 30, 2014.

A. Financial Statement Presentation

As of June 30, 2014, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 54,668,903
Investment trust funds	38,132,534
Agency funds	<u>1,682,876</u>
Total Cash and Investments	<u><u>\$ 94,484,313</u></u>

As of June 30, 2014, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 17,035
Deposits in Treasurer's Pool (less outstanding checks)	<u>4,172,619</u>
Total Cash in Treasurer's Pool	4,189,654
Deposits with fiscal agents	<u>6,714,459</u>
Total Cash	<u><u>10,904,113</u></u>
Investments:	
In Treasurer's Pool	<u>83,580,200</u>
Total Investments	<u>83,580,200</u>
Total Cash and Investments	<u><u>\$ 94,484,313</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

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 \$10,887,078 and the bank balance was \$10,217,232. 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 \$17,035.

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

The County's 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:

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund
- Medium Term Corporate Notes
- Money Market Funds
- Negotiable Certificates of Deposit
- Time Certificates of Deposit
- Repurchase Agreements
- Shares of Beneficial Interest
- Securities of the Federal Government or its Agencies

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

As of June 30, 2014, 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	0.50-3.25%	\$ 3,229,769	\$ 9,857,290	\$13,087,059	1.71
Federal Agencies	0.50-1.375%	4,250,142	2,427,634	6,677,776	1.02
Corporate Notes	0.45-4.65%	901,740	9,187,882	10,089,622	1.85
Negotiable Certificates of Deposit	0.00-0.652%	2,475,000	3,249,562	5,724,562	1.28
Local Agency Investment Fund (LAIF)	Variable	37,500,000	-	37,500,000	-
California Asset Management Program (CAMP)	Variable	10,501,181	-	10,501,181	-
Total Investments		<u>\$58,857,832</u>	<u>\$24,722,368</u>	<u>\$83,580,200</u>	<u>0.66</u>

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.

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	% of Portfolio
US Treasury Notes	N/A	AA+	Aaa	15.66%
Federal Home Loan Mortgage Corp.	N/A	AA+	Aaa	4.07%
Federal National Mortgage Assoc.	N/A	AA+	Aaa	2.21%
Federal Home Loan Banks	N/A	AA+	Aaa	1.71%
Corporate notes	A	A-	A1	1.14%
Corporate notes	A	A+	A1	1.69%
Corporate notes	A	AA+	A1	0.56%
Corporate notes	A	A	A2	1.73%
Corporate notes	A	A+	A2	1.95%
Corporate notes	A	A	A3	1.08%
Corporate notes	A	A-	A3	0.66%
Corporate notes	A	AA+	A1	0.48%
Corporate notes	A	AA+	Aa1	1.32%
Corporate notes	A	AA	Aa2	1.00%
Corporate notes	A	AA-	Aa3	0.46%
Negotiable Certificates of Deposit	N/A	A+	Aa2	0.87%
Negotiable Certificates of Deposit	N/A	AA-	Aa2	1.08%
Negotiable Certificates of Deposit	N/A	A-1	P-1	1.94%
Negotiable Certificates of Deposit	N/A	A-1+	P-1	2.96%
LAIF	N/A	Unrated	Unrated	44.87%
CAMP	N/A	Unrated	Unrated	12.56%
Total				<u>100.00%</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Custodial Credit Risk for Investments - 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's investment policy requires that all of its managed investments be held in the name of the County in safekeeping by a third part 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, 2014, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools), that represent 5 percent or more of total County investments.

D. Investment in External Investment Pools

Investment in Local Agency Investment Fund - The County of Plumas is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code and is managed by the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members as designated by State statute. Investments in LAIF are available on demand and are stated at amortized cost, which approximates fair value. The fair value of the County's position in the pool is the same as the value of the pooled shares. At June 30, 2014 the County's investment position in LAIF was \$37,500,000. The total amount invested by all public agencies in LAIF on that day was \$64,846,169,129. Of that amount, 98.14% is invested in non-derivative financial products and 1.86% in structured notes and asset-backed securities.

Investment in California Asset Management Program - The County of Plumas also maintains an investment in the California Asset Management Program (CAMP), a California JPA 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. The County's investment with CAMP as of June 30, 2014, was \$10,501,181, which approximates fair value.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

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, 2014:

	Internal Participants	External Participants	Total Pool
Statement of Net Position			
Cash on hand	\$ 17,035	\$ -	\$ 17,035
Deposits (Less outstanding checks)	4,172,619	-	4,172,619
Investments	<u>45,447,598</u>	<u>38,132,602</u>	<u>83,580,200</u>
Net Position at June 30, 2014	<u>\$ 49,637,252</u>	<u>\$ 38,132,602</u>	<u>\$ 87,769,854</u>
Statement of Changes in Net Position			
Net position at July 1, 2013	\$ 45,553,660	\$ 36,129,421	\$ 81,683,081
Net changes in investments by pool participants	<u>4,083,592</u>	<u>2,003,181</u>	<u>6,086,773</u>
Net Position at June 30, 2014	<u>\$ 49,637,252</u>	<u>\$ 38,132,602</u>	<u>\$ 87,769,854</u>

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2014
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,079,903	\$ -	\$ -	\$ -	\$ 2,079,903
Construction in progress	<u>2,439,044</u>	<u>1,392,923</u>	-	(74,935)	<u>3,757,032</u>
Total Capital Assets, Not Being Depreciated	<u>4,518,947</u>	<u>1,392,923</u>	-	(74,935)	<u>5,836,935</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	34,269,877	11,378	-	-	34,281,255
Equipment	20,718,936	902,756	(643,107)	47,043	21,025,628
Software	1,285,404	-	-	-	1,285,404
Infrastructure	<u>39,425,582</u>	<u>112,181</u>	(73,040)	<u>74,935</u>	<u>39,539,658</u>
Total Capital Assets, Being Depreciated	<u>95,699,799</u>	<u>1,026,315</u>	(716,147)	<u>121,978</u>	<u>96,131,945</u>
Less Accumulated Depreciation For:					
Buildings and improvements	(12,922,529)	(617,941)	-	-	(13,540,470)
Equipment	(16,703,180)	(962,263)	632,904	(62,673)	(17,095,212)
Software	(1,022,102)	-	-	-	(1,022,102)
Infrastructure	<u>(21,330,652)</u>	<u>(1,011,318)</u>	<u>464</u>	<u>-</u>	<u>(22,341,506)</u>
Total Accumulated Depreciation	<u>(51,978,463)</u>	<u>(2,591,522)</u>	<u>633,368</u>	<u>(62,673)</u>	<u>(53,999,290)</u>
Total Capital Assets, Being Depreciated, Net	<u>43,721,336</u>	<u>(1,565,207)</u>	<u>(82,779)</u>	<u>59,305</u>	<u>42,132,655</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,240,283</u>	<u>(\$ 172,284)</u>	<u>(\$ 82,779)</u>	<u>(\$ 15,630)</u>	<u>\$ 47,969,590</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2013	Additions	Retirements	Balance June 30, 2014
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	1,255,458	35,349	-	1,290,807
Equipment	1,839,126	139,850	(130,600)	1,848,376
Software	15,660	-	-	15,660
Infrastructure	<u>8,690,099</u>	<u>479,377</u>	<u>-</u>	<u>9,169,476</u>
Total Capital Assets, Being Depreciated	<u>11,800,343</u>	<u>654,576</u>	<u>(130,600)</u>	<u>12,324,319</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(758,574)	(34,805)	-	(793,379)
Equipment	(1,305,507)	(180,551)	130,600	(1,355,458)
Software	(15,660)	-	-	(15,660)
Infrastructure	<u>(4,207,769)</u>	<u>(567,147)</u>	<u>-</u>	<u>(4,774,916)</u>
Total Accumulated Depreciation	<u>(6,287,510)</u>	<u>(782,503)</u>	<u>130,600</u>	<u>(6,939,413)</u>
Total Capital Assets, Being Depreciated, Net	<u>5,512,833</u>	<u>(127,927)</u>	<u>-</u>	<u>5,384,906</u>
Business-Type Activities Capital Assets, Net	<u>\$ 6,132,985</u>	<u>(\$ 127,927)</u>	<u>\$ -</u>	<u>\$ 6,005,058</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 434,584
Public protection	483,939
Health and welfare	69,520
Public assistance	39,974
Education	21,877
Culture and recreation	61,871
Public ways and facilities	<u>1,479,757</u>
Total Depreciation Expense - Governmental Functions	<u>\$ 2,591,522</u>

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

Airport	\$ 614,719
Solid Waste	39,718
Transit	<u>128,066</u>
Total Depreciation Expense – Business-Type Functions	<u>\$ 782,503</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 4: CAPITAL ASSETS (CONTINUED)

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.

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2014:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	\$ 1,168	\$ -
Nonmajor Governmental funds	<u>-</u>	<u>1,168</u>
Total	<u><u>\$ 1,168</u></u>	<u><u>\$ 1,168</u></u>

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, 2014:

	<u>Advance to Other Funds</u>	<u>Advance from Other Funds</u>
General Fund	\$ 35,530	\$ -
Nonmajor Governmental Funds	-	15,530
Airport	<u>-</u>	<u>20,000</u>
Total	<u><u>\$ 35,530</u></u>	<u><u>\$ 35,530</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)

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, 2014:

	Transfer In	Transfer Out
General fund	\$ 7,235,879	\$ 7,097,282
Road	102,878	57,084
Local Revenue 2011	-	5,001,547
Social Services	2,450,212	11,564
Mental Health	1,701,796	514,364
Public Health	182,443	224,431
Public Safety	1,104,484	625,086
Nonmajor Governmental funds	1,914,273	1,008,656
Airport	20,000	-
Solid Waste Planning and Operations	-	95,555
Nonmajor Enterprise funds	-	17,245
Internal Service funds	-	59,151
Total	<u>\$ 14,711,965</u>	<u>\$ 14,711,965</u>

NOTE 6: UNEARNED/UNAVAILABLE REVENUE

At June 30, 2014, the components of unearned and unavailable revenue reported were as follows:

	Unearned	Unavailable	Total
General fund			
State grant advance received	\$ 194,500	\$ -	\$ 194,500
2014/2015 revenues received in 2013/2014	1,776	-	1,776
State, Federal, and other agency receivables	-	95,110	95,110
Road			
State, Federal, and other agency receivables	-	49,737	49,737
Social Services			
State grant advances received	108,759	-	108,759
Public Health			
State, Federal, and other agency receivables	-	330,959	330,959
Public Safety			
State, Federal, and other agency receivables	-	180,924	180,924
Non-Major Governmental Funds			
Camping and space rental fees received in advance	54,560	-	54,560
State, Federal, and other agency receivables	-	47,386	47,386
Airport			
Lease payments received in advance	4,192	-	4,192
Total	<u>\$ 363,787</u>	<u>\$ 704,116</u>	<u>\$1,067,903</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2014:

Type of Indebtedness	Balance July 1, 2013	Adjustments/ Additions	Retirements	Balance June 30, 2014	Amounts Due Within One Year
Governmental Activities					
Loans	\$ 165,000	\$ -	\$ -	\$ 165,000	\$ -
Certificates of Participation	15,190,000	-	(470,000)	14,720,000	490,000
Compensated Absences	4,092,318	2,432,654	(2,400,264)	4,124,708	2,400,263
Net OPEB Obligation	<u>1,958,142</u>	<u>365,732</u>	<u>(402,921)</u>	<u>1,920,953</u>	<u>-</u>
Total Governmental Activities	<u>\$ 21,405,460</u>	<u>\$ 2,798,386</u>	<u>(\$ 3,273,185)</u>	<u>\$ 20,930,661</u>	<u>\$ 2,890,263</u>
Business-Type Activities					
Closure/Postclosure	\$ 2,409,192	\$ 37,046	\$ -	\$ 2,446,238	\$ -
Compensated Absences	20,537	17,349	(18,916)	18,970	18,970
Net OPEB Obligation	<u>30,391</u>	<u>4,522</u>	<u>(3,633)</u>	<u>31,280</u>	<u>-</u>
Total Business-Type Activities	<u>\$ 2,460,120</u>	<u>\$ 58,917</u>	<u>(\$ 22,549)</u>	<u>\$ 2,496,488</u>	<u>\$ 18,970</u>

Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The net other postemployment benefit obligation is generally liquidated by the fund where the accrued liability occurred.

Individual issues of debt payable outstanding at June 30, 2014, are as follows:

Governmental Activities

Loans:

City of Portola loan, issued April 19, 2007 in the amount of \$165,000 and payable in one payment of \$165,000, with an interest to be calculated based on the interest rate paid by LAIF and maturity on December 31, 2015. The loan was used for the Lake Davis Water Treatment plant Settlement agreement.

\$ 165,000

Total Loans

165,000

Certificates of Participation:

Certificates of Participation 2003 Series A, issued January 1, 2003, in the amount of \$18,400,000 and payable in annual installments of \$335,000 to \$1,160,000, with an interest rate of 3.50% to 5.00% and maturity on June 30, 2033. The certificates of participation were used to fund the acquisition and construction of the health and human services center, a permit center, and an animal shelter.

14,720,000

Total Certificates of Participation

14,720,000

Total Governmental Activities

\$ 14,885,000

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements of governmental activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, landfill closure/postclosure costs which are reported in Note 9 and net OPEB obligation which is reported in Note 13.

Governmental Activities

Year Ended June 30	Loans		
	Principal	Interest	Total
2015	\$ -	\$ -	\$ -
2016	165,000	-*	165,000
Total	<u>\$ 165,000</u>	<u>\$ -</u>	<u>\$ 165,000</u>

* Interest will be calculated at the time of payment based on the LAIF interest rate.

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2015	\$ 490,000	\$ 732,725	\$ 1,222,725
2016	510,000	713,125	1,223,125
2017	530,000	691,450	1,221,450
2018	550,000	668,925	1,218,925
2019	580,000	640,050	1,220,050
2020-2024	3,390,000	2,710,163	6,100,163
2025-2029	4,345,000	1,754,250	6,099,250
2030-2033	4,325,000	553,500	4,878,500
Total	<u>\$ 14,720,000</u>	<u>\$ 8,464,188</u>	<u>\$ 23,184,188</u>

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 \$2,446,238 reported as closure/postclosure liability at June 30, 2014, 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 \$1,757,648 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2014. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 9: CLOSURE/POSTCLOSURE (CONTINUED)

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, 2014, cash and investments of \$3,255,776 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.”

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 is 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 \$40,876,154 of restricted net position, of which \$1,023,125 is restricted by enabling legislation.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

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, 2014, fund balance 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 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, 2014

NOTE 11: FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2014, were distributed as follows:

	General Fund	Road	Local Revenue 2011	Social Services	Mental Health	Public Health
Nonspendable:						
Prepaid costs	\$ 108,250	\$ 225	\$ -	\$ 1,652	\$ 149	\$ 2,380
Inventory	-	262,387	-	-	-	-
Subtotal	<u>108,250</u>	<u>262,612</u>	<u>-</u>	<u>1,652</u>	<u>149</u>	<u>2,380</u>
Restricted for:						
General government	399,531	-	1,115,663	-	-	-
Public Protection	-	-	-	-	-	-
Health and Welfare	-	-	-	-	16,564,181	932,394
Public Assistance	-	-	-	3,655,826	-	-
Public ways & facilities	-	8,553,522	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Subtotal	<u>399,531</u>	<u>8,553,522</u>	<u>1,115,663</u>	<u>3,655,826</u>	<u>16,564,181</u>	<u>932,394</u>
Committed to:						
General government	2,061,512	-	-	-	-	-
Public protection	50,901	-	-	-	-	-
Subtotal	<u>2,112,413</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned to:						
General government	152,317	-	-	-	-	-
Public protection	496,790	-	-	-	-	-
Public assistance	50,380	-	-	-	-	-
Subtotal	<u>699,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>4,712,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 8,031,995</u>	<u>\$ 8,816,134</u>	<u>\$ 1,115,663</u>	<u>\$ 3,657,478</u>	<u>\$16,564,330</u>	<u>\$ 934,774</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

Public Safety	Nonmajor Governmental Funds	Total
\$ 47,785	\$ 4,424	\$ 164,865
<u>-</u>	<u>-</u>	<u>262,387</u>
<u>47,785</u>	<u>4,424</u>	<u>427,252</u>
-	2,246,345	3,761,539
755,368	1,545,923	2,301,291
-	131,735	17,628,310
-	-	3,655,826
-	2,717,231	11,270,753
-	380,091	380,091
<u>-</u>	<u>1,399,553</u>	<u>1,399,553</u>
<u>755,368</u>	<u>8,420,878</u>	<u>40,397,363</u>
-	559,674	2,621,186
<u>-</u>	<u>-</u>	<u>50,901</u>
<u>-</u>	<u>559,674</u>	<u>2,672,087</u>
-	-	152,317
-	-	496,790
<u>-</u>	<u>-</u>	<u>50,380</u>
<u>-</u>	<u>-</u>	<u>699,487</u>
<u>-</u>	<u>(66,936)</u>	<u>4,645,378</u>
<u>\$ 803,153</u>	<u>\$ 8,918,040</u>	<u>\$48,841,567</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

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 is 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: EMPLOYEES' RETIREMENT PLAN

A. Plan Description

The County contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office - 400 Q Street, Lincoln Plaza East, Sacramento, CA 95811 or www.calpers.ca.gov.

Effective January 1, 2013, the County added retirement tiers for both Miscellaneous and Safety Plans 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

B. Funding Policy

For active plan members preceding PEPR, Miscellaneous Plan members pay 7 percent of their annual covered salary while Safety Plan members pay 9 percent of their annual covered salary. For active plan members included in PEPR, Miscellaneous Plan members pay 6.25 percent of their annual covered salary while Safety Plan members pay 12.25 percent of their annual covered salary. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS. The Miscellaneous and Safety Plans include a cost sharing agreement which determines whether a portion of the members' contribution is paid by the County or whether a portion of the employers' contribution is paid by the member. Results of the cost sharing agreements are as follows:

	Member Share		County Share		Total	
	<u>Member</u>	<u>County</u>	<u>Member</u>	<u>County</u>	<u>Member</u>	<u>County</u>
Miscellaneous						
Classic	3.000%	4.000%	0.000%	14.844%	3.000%	18.844%
PEPR						
No MOU	6.250%	0.000%	0.000%	14.844%	6.250%	14.844%
Safety						
Classic	7.000%	2.000%	0.000%	27.992%	7.000%	29.992%
CPO	7.000%	2.000%	0.000%	217.467%	7.000%	219.467%
PEPR						
No MOU	12.250%	0.000%	0.000%	12.250%	12.250%	12.250%

The County's contributions for the year ending June 30, 2014, were \$1,955,482 for the Miscellaneous Plans and \$694,554 for the Safety Plans, which equaled the required contributions each year. The County's contributions for the years ending June 30, 2013 and 2012 were \$2,469,668 and \$2,667,896 for the Miscellaneous and Safety Plans combined. The required contributions for fiscal year 2013/2014 were determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.50 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.30 percent to 14.20 percent, depending on age, service, and type of employment, (c) 2.75 percent inflation, (d) 3.00 percent payroll growth and (e) individual salary growth based on a merit scale with assumed annual inflation of 2.75 percent and annual production growth of 0.25 percent.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

C. Annual Pension Cost

The actuarial value of PERS assets was determined using techniques that smooth the effect of short term volatility in the market value of investments over a fifteen year period (smoothed market value). Initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. All changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methodology are amortized separately over a 20 year period. All gains or losses are tracked and amortized over a rolling 30 year period with the exception of gains and losses in fiscal years 2008-2009, 2009-2010 and 2010-2011 in which each year's gains or losses will be isolated and amortized over fixed and declining 30 year periods (as opposed to the current rolling 30 year amortization). If the plan's accrued liability exceeds the actuarial value of plan assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30 year amortization of the unfunded liability. The following table presents three year trend information.

Miscellaneous:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2012	\$ 1,989,982	100%	\$ -
June 30, 2013	1,800,961	100%	-
June 30, 2014	1,955,482	100%	-

Safety CPO:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2012	\$ 149,348	100%	\$ -
June 30, 2013	147,662	100%	-
June 30, 2014	153,271	100%	-

Safety Sheriff:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2012	\$ 528,566	100%	\$ -
June 30, 2013	521,045	100%	-
June 30, 2014	541,283	100%	-

D. Funded Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the miscellaneous plan was 75.5 percent funded. The actuarial accrued liability for benefits was \$111,726,658, and the actuarial value of assets was \$84,398,068, resulting in an unfunded actuarial accrued liability (UAAL) of \$111,726,658. The covered payroll (annual payroll of active employees covered by the plan) was \$14,258,055, and the ratio of the UAAL to the covered payroll was 191.7 percent.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

D. Funded Status and Funding Progress (Continued)

The Safety CPO plan and the Safety sheriff plan had less than 100 active members in at least one valuation since June 30, 2003, therefore they are required to participate in a risk pool and do not present individual plan funded status.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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.

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) over 28 years on a level-dollar basis.

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

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

B. Funding Policy (Continued)

For the fiscal year ending June 30, 2014, the County's ARC was \$372,077, which was fully funded for GASB 45 purposes. The County paid \$160,641 in pay-as-you go costs and \$245,934 to the PARS Public Agencies Post-Retirement Health Care Plan.

C. Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefits (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).

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	\$ 408,788
Interest on prior year net OPEB obligation	117,489
Amortization of prior year net OPEB obligation	(156,002)
Annual OPEB Cost	370,275
Contributions Made:	
Contributions to OPEB trust	(245,934)
Pay as you go contribution	(160,641)
Decrease in Net OPEB Obligation	(36,300)
Net OPEB Obligation Beginning of Year	<u>1,988,533</u>
Net OPEB Obligation Ending of Year	<u><u>\$ 1,952,233</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, 2012	\$ 434,533	\$ 196,690	45.26%	\$ 1,703,753
June 30, 2013	455,054	170,274	37.42%	1,988,533
June 30, 2014	370,275	406,575	109.80%	1,952,233

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

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

D. Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$3,601,712 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,601,712. The covered payroll (annual payroll of employees covered by the plan) was \$16,278,000, and the ratio to the UAAL to the covered payroll was 22.00 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.

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, 2013. 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 6.00 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, 2013 was 24 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, 2014, the County did not have landfill insurance.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 14: RISK MANAGEMENT (CONTINUED)

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, 2014 was as follows:

Liability	\$ 236,997
Workers Compensation	<u>2,559,193</u>
Total	<u><u>\$ 2,796,190</u></u>

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, 2014, the Workers' Compensation liability risk management fund had a funding surplus of \$2,625,518.

Changes in the County's claims liability amount for the fiscal years 2012, 2013, and 2014 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims	Claims Payments and Changes In Estimates	Balance at End of Fiscal Year
2012	\$ 2,737,162	\$ 2,364,605	\$ 2,280,376	\$ 2,821,391
2013	2,821,391	1,870,351	1,425,562	3,266,180
2014	3,266,180	1,081,940	1,551,930	2,796,190

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

The County has active construction projects as of June 30, 2014. The estimated remaining costs to be incurred for these projects is \$1,335,016.

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 15: OTHER INFORMATION (CONTINUED)

A. Commitments and Contingencies (Continued)

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

On September 16, 2014, Plumas County reached a settlement with Collins Pine Company in a property tax appeal case that involved property taxes collected from 2007 through 2013. As a result of the settlement, in fiscal year 2014/2015 Plumas County will refund \$779,396.33, plus the PUSD Bond collections of \$19,548.97, plus interest accrued at 3 percent from the date that each tax payment was made to December 5, 2014 per R&T Code 5151. Total interest accrued from 2007 through 2013 was \$103,088.95, for a total of \$902,034.25 to be refunded to the taxpayer. The cost to the County General fund will be \$179,644.63. Collins Pine agreed to accept the refund in two installments, the first being paid after the December 2014 apportionment. The first installment payment to Collins Pine was paid January 16, 2015, and Collins Pine agreed to waive the interest that would have accrued between the first and second installments.

Management has evaluated events subsequent to June 30, 2014 through March 26, 2015, the date on which the financial statements were available for issuance. Management has determined no additional subsequent events requiring disclosure have occurred.

THIS PAGE INTENTIONALLY LEFT BLANK

**Required Supplementary Information
(Unaudited)**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Required Supplementary Information
For the Year Ended June 30, 2014

SCHEDULE OF FUNDING PROGRESS - PENSION

The Schedule of Funding Progress - Pension presents 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 pension 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.

Miscellaneous Plan:

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 Miscellaneous Plan.

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratios		Annual Covered Payroll	UAAL as a % of Payroll
				Actuarial Value	Market Value		
June 30, 2011	\$ 103,839,694	\$ 88,626,572	\$ 15,213,122	85.3%	75.8%	\$ 15,838,313	96.1%
June 30, 2012	107,650,829	92,009,026	15,641,803	85.5%	71.3%	14,951,214	104.6%
June 30, 2013	111,726,658	84,398,068	27,328,590	75.5%	75.5%	14,258,055	191.7%

Safety Plans:

The County's Safety Plans participate in a risk sharing pool with other safety plans. Participation was required as of June 30, 2003 (when CalPERS set up risk sharing pools) since the plan had less than 100 active members at that time. The County specific funding information is no longer available from the Safety Plans.

Funding information is available on a pooled-basis only and can be obtained upon request to the County or directly from CalPERS, P.O. Box 942709, Sacramento, CA 94229-2709.

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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.

COUNTY OF PLUMAS
Required Supplementary Information
For the Year Ended June 30, 2014

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)
(CONTINUED)

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, 2009	\$ -	\$ 4,634,768	\$ 4,634,768	-	\$ 17,666,000	26.00%
July 1, 2011	-	4,177,874	4,177,874	-	16,123,000	25.91%
July 1, 2013	-	3,601,712	3,601,712	-	16,278,000	22.00%

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$14,752,871	\$14,752,871	\$15,505,716	\$ 752,845
Licenses, permits, and franchises	467,700	485,200	641,853	156,653
Fines and forfeitures	257,800	257,800	221,477	(36,323)
Intergovernmental	1,702,732	1,815,035	1,568,969	(246,066)
Use of money and property	60,415	60,415	60,636	221
Charges for services	2,689,681	2,694,110	2,948,593	254,483
Other revenues	343,657	402,808	403,914	1,106
Total Revenues	<u>20,274,856</u>	<u>20,468,239</u>	<u>21,351,158</u>	<u>882,919</u>
EXPENDITURES				
Current:				
General government	7,022,005	7,046,498	6,295,606	750,892
Public protection	11,531,484	11,637,184	10,962,791	674,393
Health and welfare	550,604	550,604	539,675	10,929
Public assistance	436,522	462,278	436,650	25,628
Education	595,999	632,344	617,619	14,725
Culture and recreation	337,390	346,049	316,811	29,238
Public ways and facilities	329,484	338,484	347,924	(9,440)
Capital outlay	93,967	89,067	36,185	52,882
Total Expenditures	<u>20,897,455</u>	<u>21,102,508</u>	<u>19,553,261</u>	<u>1,549,247</u>
Excess of Revenues Over (Under) Expenditures	<u>(622,599)</u>	<u>(634,269)</u>	<u>1,797,897</u>	<u>2,432,166</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,593,466	7,594,466	7,235,879	(358,587)
Transfers out	<u>(7,050,239)</u>	<u>(7,160,745)</u>	<u>(7,097,282)</u>	<u>63,463</u>
Total Other Financing Sources (Uses)	<u>543,227</u>	<u>433,721</u>	<u>138,597</u>	<u>(295,124)</u>
Net Change in Fund Balance	<u>(79,372)</u>	<u>(200,548)</u>	<u>1,936,494</u>	<u>2,137,042</u>
Fund Balance - Beginning	<u>6,095,501</u>	<u>6,095,501</u>	<u>6,095,501</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 6,016,129</u></u>	<u><u>\$ 5,894,953</u></u>	<u><u>\$ 8,031,995</u></u>	<u><u>\$ 2,137,042</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2014

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

Total Revenues - Budgetary Basis	\$21,351,158
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>(1,560,763)</u>
Total Revenues - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$19,790,395</u></u>
 Total Expenditures - Budgetary Basis	 \$19,553,261
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>(1,560,763)</u>
Total Expenditures - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u><u>\$17,992,498</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Road - Major Special Revenue Fund
For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 500	\$ 500	\$ 953	\$ 453
Licenses, permits, and franchises	63,000	63,000	71,461	8,461
Fines and forfeitures	-	-	4,933	4,933
Intergovernmental	9,016,066	9,016,066	7,045,251	(1,970,815)
Use of money and property	58,900	58,900	51,353	(7,547)
Charges for services	160,272	160,272	205,948	45,676
Other revenues	10	10	4,084	4,074
Total Revenues	<u>9,298,748</u>	<u>9,298,748</u>	<u>7,383,983</u>	<u>(1,914,765)</u>
EXPENDITURES				
Current:				
Public ways and facilities	14,373,090	14,368,940	5,974,746	8,394,194
Capital outlay	1,185,156	1,173,156	2,021,309	(848,153)
Total Expenditures	<u>15,558,246</u>	<u>15,542,096</u>	<u>7,996,055</u>	<u>7,546,041</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,259,498)</u>	<u>(6,243,348)</u>	<u>(612,072)</u>	<u>5,631,276</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	650,029	650,029	102,878	(547,151)
Transfers out	(56,691)	(72,841)	(57,084)	15,757
Proceeds from sale of capital assets	5,000	5,000	46,098	41,098
Total Other Financing Sources (Uses)	<u>598,338</u>	<u>582,188</u>	<u>91,892</u>	<u>(490,296)</u>
Net Change in Fund Balance	<u>(5,661,160)</u>	<u>(5,661,160)</u>	<u>(520,180)</u>	<u>5,140,980</u>
Fund Balance - Beginning	<u>9,336,314</u>	<u>9,336,314</u>	<u>9,336,314</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 3,675,154</u>	<u>\$ 3,675,154</u>	<u>\$ 8,816,134</u>	<u>\$ 5,140,980</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Social Services - Major Special Revenue Fund
For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 5,248,946	\$ 5,304,915	\$ 6,186,597	\$ 881,682
Use of money	-	-	9,004	9,004
Other revenues	56,708	56,708	96,523	39,815
Total Revenues	<u>5,305,654</u>	<u>5,361,623</u>	<u>6,292,124</u>	<u>930,501</u>
EXPENDITURES				
Current:				
Public assistance	9,572,620	9,670,831	7,352,854	2,317,977
Capital outlay	70,000	70,000	26,752	43,248
Total Expenditures	<u>9,642,620</u>	<u>9,740,831</u>	<u>7,379,606</u>	<u>2,361,225</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,336,966)</u>	<u>(4,379,208)</u>	<u>(1,087,482)</u>	<u>3,291,726</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,109,424	4,190,717	2,450,212	(1,740,505)
Transfers out	(33,064)	(33,064)	(11,564)	21,500
Total Other Financing Sources (Uses)	<u>4,076,360</u>	<u>4,157,653</u>	<u>2,438,648</u>	<u>(1,719,005)</u>
Net Change in Fund Balance	<u>(260,606)</u>	<u>(221,555)</u>	<u>1,351,166</u>	<u>1,572,721</u>
Fund Balance - Beginning	<u>2,306,312</u>	<u>2,306,312</u>	<u>2,306,312</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 2,045,706</u>	<u>\$ 2,084,757</u>	<u>\$ 3,657,478</u>	<u>\$ 1,572,721</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Mental Health - Major Special Revenue Fund
For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,171,747	\$ 3,171,747	\$ 3,186,110	\$ 14,363
Use of money	33,050	33,050	26,779	(6,271)
Charges for services	218,728	218,728	221,699	2,971
Other revenues	800	800	6,215	5,415
Total Revenues	<u>3,424,325</u>	<u>3,424,325</u>	<u>3,440,803</u>	<u>16,478</u>
EXPENDITURES				
Current:				
Health and welfare	4,800,446	4,800,444	3,314,228	1,486,216
Capital outlay	65,000	65,000	7,359	57,641
Total Expenditures	<u>4,865,446</u>	<u>4,865,444</u>	<u>3,321,587</u>	<u>1,543,857</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,441,121)</u>	<u>(1,441,119)</u>	<u>119,216</u>	<u>1,560,335</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,660,928	1,660,928	1,701,796	40,868
Transfers out	(755,891)	(755,891)	(514,364)	241,527
Total Other Financing Sources (Uses)	<u>905,037</u>	<u>905,037</u>	<u>1,187,432</u>	<u>282,395</u>
Net Change in Fund Balance	<u>(536,084)</u>	<u>(536,082)</u>	<u>1,306,648</u>	<u>1,842,730</u>
Fund Balance - Beginning	<u>15,257,682</u>	<u>15,257,682</u>	<u>15,257,682</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 14,721,598</u></u>	<u><u>\$ 14,721,600</u></u>	<u><u>\$ 16,564,330</u></u>	<u><u>\$ 1,842,730</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Public Health - Major Special Revenue Fund
For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,583,776	\$ 3,629,236	\$ 3,538,346	\$ (90,890)
Use of money	2,095	2,095	1,009	(1,086)
Charges for services	914,373	497,462	447,552	(49,910)
Other revenues	-	-	1,141	1,141
Total Revenues	4,500,244	4,128,793	3,988,048	(140,745)
EXPENDITURES				
Current:				
Health and welfare	4,168,598	4,350,467	3,615,082	735,385
Capital outlay	35,000	35,000	33,551	1,449
Total Expenditures	4,203,598	4,385,467	3,648,633	736,834
Excess of Revenues Over (Under) Expenditures	296,646	(256,674)	339,415	596,089
OTHER FINANCING SOURCES (USES)				
Transfers in	250,384	184,089	182,443	(1,646)
Transfers out	(274,096)	(269,097)	(224,431)	44,666
Proceeds from sale of capital assets	-	-	6,250	6,250
Total Other Financing Sources (Uses)	(23,712)	(85,008)	(35,738)	49,270
Net Change in Fund Balance	272,934	(341,682)	303,677	645,359
Fund Balance - Beginning	631,097	631,097	631,097	-
Fund Balance - Ending	\$ 904,031	\$ 289,415	\$ 934,774	\$ 645,359

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Public Safety - Major Special Revenue Fund
For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 18,264	\$ 18,264	\$ 18,264	\$ -
Fines and forfeitures	-		3,141	3,141
Intergovernmental	619,591	890,670	703,589	(187,081)
Use of money	400	400	228	(172)
Charges for services	7,700	7,700	19,563	11,863
Other revenues	30,000	30,409	38,555	8,146
Total Revenues	<u>675,955</u>	<u>947,443</u>	<u>783,340</u>	<u>(164,103)</u>
EXPENDITURES				
Current:				
Public protection	1,908,030	2,184,881	1,495,619	689,262
Capital outlay	358,008	325,922	249,086	76,836
Total Expenditures	<u>2,266,038</u>	<u>2,510,803</u>	<u>1,744,705</u>	<u>766,098</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,590,083)</u>	<u>(1,563,360)</u>	<u>(961,365)</u>	<u>601,995</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	406,925	1,201,719	1,104,484	(97,235)
Transfers out	(7,000)	(920,775)	(625,086)	295,689
Proceeds from sale of capital assets	-	-	1,103	1,103
Total Other Financing Sources (Uses)	<u>399,925</u>	<u>280,944</u>	<u>480,501</u>	<u>199,557</u>
Net Change in Fund Balance	<u>(1,190,158)</u>	<u>(1,282,416)</u>	<u>(480,864)</u>	<u>801,552</u>
Fund Balance - Beginning	<u>1,284,017</u>	<u>1,284,017</u>	<u>1,284,017</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 93,859</u>	<u>\$ 1,601</u>	<u>\$ 803,153</u>	<u>\$ 801,552</u>

COUNTY OF PLUMAS
Required Supplementary Information
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2014

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). The County did not legally adopt a budget for the Local Revenue 2011 major special revenue fund. Although this fund had revenues it had zero expenditures for the year ended June 30, 2014.

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 draft 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.

Combining Nonmajor Fund Statements

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Governmental Funds

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 7,234,387	\$ 377,860	\$ -	\$ 7,612,247
Cash with fiscal agent	-	-	1,399,553	1,399,553
Receivables:				
Accounts	9,548	2,231	-	11,779
Intergovernmental	251,337	-	-	251,337
Prepaid costs	4,424	-	-	4,424
Total Assets	<u>\$ 7,499,696</u>	<u>\$ 380,091</u>	<u>\$ 1,399,553</u>	<u>\$ 9,279,340</u>
LIABILITIES				
Accounts payable	\$ 201,366	\$ -	\$ -	\$ 201,366
Salaries and benefits payable	41,290	-	-	41,290
Unearned revenue	54,560	-	-	54,560
Due to other funds	1,168	-	-	1,168
Advance from other funds	15,530	-	-	15,530
Total Liabilities	<u>313,914</u>	<u>-</u>	<u>-</u>	<u>313,914</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	47,386	-	-	47,386
Total Deferred Inflows of Resources	<u>47,386</u>	<u>-</u>	<u>-</u>	<u>47,386</u>
FUND BALANCES				
Nonspendable	4,424	-	-	4,424
Restricted	6,641,234	380,091	1,399,553	8,420,878
Committed	559,674	-	-	559,674
Unassigned	(66,936)	-	-	(66,936)
Total Fund Balances	<u>7,138,396</u>	<u>380,091</u>	<u>1,399,553</u>	<u>8,918,040</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,499,696</u>	<u>\$ 380,091</u>	<u>\$ 1,399,553</u>	<u>\$ 9,279,340</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES				
Taxes and assessments	\$ 679,117	\$ -	\$ -	\$ 679,117
Licenses, permits, and franchises	4,193	-	-	4,193
Fines and forfeitures	14,742	53,668	-	68,410
Intergovernmental	3,482,152	-	176,173	3,658,325
Use of money and property	220,520	611	324	221,455
Charges for services	316,751	-	-	316,751
Other revenues	78,849	-	-	78,849
Total Revenues	4,796,324	54,279	176,497	5,027,100
EXPENDITURES				
Current:				
General government	630,318	-	97	630,415
Public protection	954,193	-	-	954,193
Health and welfare	595,011	-	-	595,011
Public ways and facilities	1,973,040	-	-	1,973,040
Debt service:			-	
Principal	-	-	470,000	470,000
Interest and other charges	-	-	751,525	751,525
Capital outlay	44,996	-	-	44,996
Total Expenditures	4,197,558	-	1,221,622	5,419,180
Excess of Revenues Over (Under) Expenditures	598,766	54,279	(1,045,125)	(392,080)
OTHER FINANCING SOURCES (USES)				
Transfers in	892,848	-	1,021,425	1,914,273
Transfers out	(1,008,656)	-	-	(1,008,656)
Total Other Financing Sources (Uses)	(115,808)	-	1,021,425	905,617
Net Change in Fund Balances	482,958	54,279	(23,700)	513,537
Fund Balances - Beginning	6,655,438	325,812	1,423,253	8,404,503
Fund Balances - Ending	<u>\$ 7,138,396</u>	<u>\$ 380,091</u>	<u>\$ 1,399,553</u>	<u>\$ 8,918,040</u>

Nonmajor Governmental Funds

- **Special Revenue Funds**

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Fish and Game	Child Abuse Prevention	County Fair	Title III	Alcohol/ Drug
ASSETS					
Cash and investments	\$ 145,824	\$ 62,321	\$ 28,127	\$ 1,025,032	\$ 45,238
Receivables:					
Accounts	4	11	-	-	12
Intergovernmental	-	-	-	-	132,919
Prepaid costs	-	-	354	-	-
Total Assets	<u>\$ 145,828</u>	<u>\$ 62,332</u>	<u>\$ 28,481</u>	<u>\$ 1,025,032</u>	<u>\$ 178,169</u>
LIABILITIES					
Accounts payable	\$ 778	\$ 2,313	\$ 14,698	\$ 25,193	\$ 10,059
Salaries and benefits payable	148	-	6,629	-	12,450
Unearned revenue	-	-	54,560	-	-
Due to other funds	-	-	-	-	-
Advance from other funds	-	-	-	-	-
Total Liabilities	<u>926</u>	<u>2,313</u>	<u>75,887</u>	<u>25,193</u>	<u>22,509</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	18,055	-	29,331
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>18,055</u>	<u>-</u>	<u>29,331</u>
FUND BALANCES					
Nonspendable	-	-	354	-	-
Restricted	144,902	60,019	-	999,839	126,329
Committed	-	-	-	-	-
Unassigned	-	-	(65,815)	-	-
Total Fund Balances (Deficits)	<u>144,902</u>	<u>60,019</u>	<u>(65,461)</u>	<u>999,839</u>	<u>126,329</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 145,828</u>	<u>\$ 62,332</u>	<u>\$ 28,481</u>	<u>\$ 1,025,032</u>	<u>\$ 178,169</u>

County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter
\$ 685,329	\$ 398,371	\$ 11,240	\$ 864,299	\$ 559,674	\$ 25,980	\$ 452,444	\$ -
-	-	-	9,219	-	-	232	47
48,090	-	-	67,258	-	-	-	-
-	-	-	4,070	-	-	-	-
<u>\$ 733,419</u>	<u>\$ 398,371</u>	<u>\$ 11,240</u>	<u>\$ 944,846</u>	<u>\$ 559,674</u>	<u>\$ 25,980</u>	<u>\$ 452,676</u>	<u>\$ 47</u>
\$ -	\$ 2,263	\$ -	\$ 13,542	\$ -	\$ 302	\$ -	\$ -
-	18,609	-	1,757	-	-	1,041	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,168
-	-	-	-	-	-	-	-
-	20,872	-	15,299	-	302	1,041	1,168
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	4,070	-	-	-	-
733,419	377,499	11,240	925,477	-	25,678	451,635	-
-	-	-	-	559,674	-	-	-
-	-	-	-	-	-	-	(1,121)
<u>733,419</u>	<u>377,499</u>	<u>11,240</u>	<u>929,547</u>	<u>559,674</u>	<u>25,678</u>	<u>451,635</u>	<u>(1,121)</u>
<u>\$ 733,419</u>	<u>\$ 398,371</u>	<u>\$ 11,240</u>	<u>\$ 944,846</u>	<u>\$ 559,674</u>	<u>\$ 25,980</u>	<u>\$ 452,676</u>	<u>\$ 47</u>

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Domestic Violence	HAVA Elections	Air Pollution	Crescent Mills Lighting	Quincy Lighting
ASSETS					
Cash and investments	\$ 6,185	\$ 61,452	\$ 1,360	\$ 543	\$ 18,012
Receivables:					
Accounts	23	-	-	-	-
Intergovernmental	-	-	-	-	-
Prepaid costs	-	-	-	-	-
Total Assets	<u>\$ 6,208</u>	<u>\$ 61,452</u>	<u>\$ 1,360</u>	<u>\$ 543</u>	<u>\$ 18,012</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Advance from other funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	6,208	61,452	1,360	543	18,012
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	<u>6,208</u>	<u>61,452</u>	<u>1,360</u>	<u>543</u>	<u>18,012</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,208</u>	<u>\$ 61,452</u>	<u>\$ 1,360</u>	<u>\$ 543</u>	<u>\$ 18,012</u>

Beckwourth CSA Sewer	Flood Control	CSA #11 Ambulance	Monterey Forum	Walker Ranch CSD	Grizzly Ranch CSD	Total
\$ 14,578	\$ 51,460	\$ 5,406	\$ 19,218	\$ 1,895,104	\$ 857,190	\$ 7,234,387
-	-	-	-	-	-	9,548
-	3,070	-	-	-	-	251,337
-	-	-	-	-	-	4,424
<u>\$ 14,578</u>	<u>\$ 54,530</u>	<u>\$ 5,406</u>	<u>\$ 19,218</u>	<u>\$ 1,895,104</u>	<u>\$ 857,190</u>	<u>\$ 7,499,696</u>
\$ 242	\$ 4,077	\$ -	\$ -	\$ 13,310	\$ 114,589	\$ 201,366
656	-	-	-	-	-	41,290
-	-	-	-	-	-	54,560
-	-	-	-	-	-	1,168
-	15,530	-	-	-	-	15,530
<u>898</u>	<u>19,607</u>	<u>-</u>	<u>-</u>	<u>13,310</u>	<u>114,589</u>	<u>313,914</u>
-	-	-	-	-	-	47,386
-	-	-	-	-	-	47,386
-	-	-	-	-	-	4,424
13,680	34,923	5,406	19,218	1,881,794	742,601	6,641,234
-	-	-	-	-	-	559,674
-	-	-	-	-	-	(66,936)
<u>13,680</u>	<u>34,923</u>	<u>5,406</u>	<u>19,218</u>	<u>1,881,794</u>	<u>742,601</u>	<u>7,138,396</u>
<u>\$ 14,578</u>	<u>\$ 54,530</u>	<u>\$ 5,406</u>	<u>\$ 19,218</u>	<u>\$ 1,895,104</u>	<u>\$ 857,190</u>	<u>\$ 7,499,696</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014

	Fish and Game	Child Abuse Prevention	County Fair	Title III	Alcohol/ Drug
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ 1,873	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	-	-
Fines and forfeitures	698	-	-	-	3,650
Intergovernmental	180	28,190	36,000	245,483	525,216
Use of money and property	283	494	210,160	76	22
Charges for services	-	2,531	53,355	-	14,389
Other revenues	1,333	15,989	29,743	-	900
Total Revenues	<u>2,494</u>	<u>47,204</u>	<u>331,131</u>	<u>245,559</u>	<u>544,177</u>
EXPENDITURES					
Current:					
General government	-	-	462,289	87,832	-
Public protection	24,303	35,464	-	-	-
Health and welfare	-	-	-	-	493,777
Public ways and facilities	-	-	-	-	-
Capital outlay	-	-	-	-	44,996
Total Expenditures	<u>24,303</u>	<u>35,464</u>	<u>462,289</u>	<u>87,832</u>	<u>538,773</u>
Excess of Revenues Over (Under) Expenditures	<u>(21,809)</u>	<u>11,740</u>	<u>(131,158)</u>	<u>157,727</u>	<u>5,404</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	115,432	-	342,948
Transfers out	-	-	(5,776)	(113,443)	(275,112)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>109,656</u>	<u>(113,443)</u>	<u>67,836</u>
Net Change in Fund Balances	<u>(21,809)</u>	<u>11,740</u>	<u>(21,502)</u>	<u>44,284</u>	<u>73,240</u>
Fund Balances (Deficits) - Beginning	<u>166,711</u>	<u>48,279</u>	<u>(43,959)</u>	<u>955,555</u>	<u>53,089</u>
Fund Balances (Deficits) - Ending	<u>\$ 144,902</u>	<u>\$ 60,019</u>	<u>\$ (65,461)</u>	<u>\$ 999,839</u>	<u>\$ 126,329</u>

County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	7,958	1,326	-	-	-	1,110
534,342	716,830	-	341,503	-	10,000	-	-
17	771	17	1,678	917	47	858	(3)
-	-	-	-	-	-	49,920	-
-	(125)	-	-	-	-	-	-
534,359	717,476	7,975	344,507	917	10,047	50,778	1,107
-	-	-	-	80	-	80,005	-
-	675,696	64	206,698	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	8,323	-	-
-	-	-	-	-	-	-	-
-	675,696	64	206,698	80	8,323	80,005	-
534,359	41,780	7,911	137,809	837	1,724	(29,227)	1,107
-	-	-	196,910	200,000	-	-	-
-	-	(9,053)	(366,202)	(200,000)	(6,431)	-	-
-	-	(9,053)	(169,292)	-	(6,431)	-	-
534,359	41,780	(1,142)	(31,483)	837	(4,707)	(29,227)	1,107
199,060	335,719	12,382	961,030	558,837	30,385	480,862	(2,228)
<u>\$ 733,419</u>	<u>\$ 377,499</u>	<u>\$ 11,240</u>	<u>\$ 929,547</u>	<u>\$ 559,674</u>	<u>\$ 25,678</u>	<u>\$ 451,635</u>	<u>\$ (1,121)</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014

	Domestic Violence	HAVA Elections	Air Pollution	Crescent Mills Lighting	Quincy Lighting
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ 716	\$ 31,244
Licenses, permits, and franchises	4,193	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	-	7	305
Use of money and property	12	108	3	1	45
Charges for services	-	-	-	-	80
Other revenues	-	-	-	-	-
Total Revenues	4,205	108	3	724	31,674
EXPENDITURES					
Current:					
General government	-	112	-	-	-
Public protection	1,788	-	9,670	-	-
Health and welfare	-	-	-	-	-
Public ways and facilities	-	-	-	3,107	48,013
Capital outlay	-	-	-	-	-
Total Expenditures	1,788	112	9,670	3,107	48,013
Excess of Revenues Over (Under) Expenditures	2,417	(4)	(9,667)	(2,383)	(16,339)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	11,025	2,128	-
Transfers out	(1,461)	-	-	-	-
Total Other Financing Sources (Uses)	(1,461)	-	11,025	2,128	-
Net Change in Fund Balances	956	(4)	1,358	(255)	(16,339)
Fund Balances (Deficits) - Beginning	5,252	61,456	2	798	34,351
Fund Balances (Deficits) - Ending	\$ 6,208	\$ 61,452	\$ 1,360	\$ 543	\$ 18,012

Beckwourth CSA Sewer	Flood Control	CSA #11 Ambulance	Monterey Forum	Walker Ranch CSD	Grizzly Ranch CSD	Total
\$ 7,541	\$ 84,484	\$ 105,624	\$ -	\$ -	\$ 447,635	\$ 679,117
-	-	-	-	-	-	4,193
-	-	-	-	-	-	14,742
96	1,042,993	1,007	-	-	-	3,482,152
39	169	9	28	3,404	1,365	220,520
4,808	92,228	-	-	93,995	5,445	316,751
-	31,009	-	-	-	-	78,849
<u>12,484</u>	<u>1,250,883</u>	<u>106,640</u>	<u>28</u>	<u>97,399</u>	<u>454,445</u>	<u>4,796,324</u>
-	-	-	-	-	-	630,318
-	-	-	510	-	-	954,193
-	-	101,234	-	-	-	595,011
30,221	1,263,932	-	-	160,762	458,682	1,973,040
-	-	-	-	-	-	44,996
<u>30,221</u>	<u>1,263,932</u>	<u>101,234</u>	<u>510</u>	<u>160,762</u>	<u>458,682</u>	<u>4,197,558</u>
<u>(17,737)</u>	<u>(13,049)</u>	<u>5,406</u>	<u>(482)</u>	<u>(63,363)</u>	<u>(4,237)</u>	<u>598,766</u>
-	20,530	-	3,875	-	-	892,848
-	(1,686)	-	-	(9,915)	(19,577)	(1,008,656)
-	18,844	-	3,875	(9,915)	(19,577)	(115,808)
(17,737)	5,795	5,406	3,393	(73,278)	(23,814)	482,958
31,417	29,128	-	15,825	1,955,072	766,415	6,655,438
<u>\$ 13,680</u>	<u>\$ 34,923</u>	<u>\$ 5,406</u>	<u>\$ 19,218</u>	<u>\$ 1,881,794</u>	<u>\$ 742,601</u>	<u>\$ 7,138,396</u>

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Governmental Funds

- **Capital Projects Fund**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2014

	Criminal Justice Construction	Total
ASSETS		
Cash and investments	\$ 377,860	\$ 377,860
Receivables:		
Accounts	<u>2,231</u>	<u>2,231</u>
Total Assets	<u><u>\$ 380,091</u></u>	<u><u>\$ 380,091</u></u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>380,091</u>	<u>380,091</u>
Total Fund Balance	<u>380,091</u>	<u>380,091</u>
Total Liabilities and Fund Balance	<u><u>\$ 380,091</u></u>	<u><u>\$ 380,091</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, 2014

	Criminal Justice Construction	Total
REVENUES		
Fines and forfeitures	\$ 53,668	\$ 53,668
Use of money and property	611	611
Total Revenues	<u>54,279</u>	<u>54,279</u>
EXPENDITURES		
Current:		
General government	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Net Change in Fund Balance	54,279	54,279
Fund Balance - Beginning	<u>325,812</u>	<u>325,812</u>
Fund Balance - Ending	<u><u>\$ 380,091</u></u>	<u><u>\$ 380,091</u></u>

Nonmajor Governmental Funds

- **Debt Service Fund**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Debt Service Fund
June 30, 2014

	<u>Capital Improvement</u>	<u>Total</u>
ASSETS		
Cash with fiscal agent	<u>\$ 1,399,553</u>	<u>\$ 1,399,553</u>
Total Assets	<u><u>\$ 1,399,553</u></u>	<u><u>\$ 1,399,553</u></u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>1,399,553</u>	<u>1,399,553</u>
Total Fund Balance	<u><u>1,399,553</u></u>	<u><u>1,399,553</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 1,399,553</u></u>	<u><u>\$ 1,399,553</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, 2014

	<u>Capital Improvement</u>	<u>Total</u>
REVENUES		
Intergovernmental	\$ 176,173	\$ 176,173
Use of money and property	324	324
Total Revenues	<u>176,497</u>	<u>176,497</u>
EXPENDITURES		
Current:		
General government	97	97
Debt service:		
Principal	470,000	470,000
Interest and other charges	751,525	751,525
Total Expenditures	<u>1,221,622</u>	<u>1,221,622</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,045,125)</u>	<u>(1,045,125)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	<u>1,021,425</u>	<u>1,021,425</u>
Total Other Financing Sources (Uses)	<u>1,021,425</u>	<u>1,021,425</u>
Net Change in Fund Balance	(23,700)	(23,700)
Fund Balance - Beginning	<u>1,423,253</u>	<u>1,423,253</u>
Fund Balance - Ending	<u><u>\$ 1,399,553</u></u>	<u><u>\$ 1,399,553</u></u>

Nonmajor Proprietary Funds

- **Enterprise Funds**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2014

	Senior Transit	CSA #12 Plumas County Transit	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 45,130	\$ -	\$ 45,130
Receivables:			
Accounts	1,046	-	1,046
Total Current Assets	46,176	-	46,176
Noncurrent Assets:			
Capital assets			
Depreciable, net	2,221	216,137	218,358
Total Noncurrent Assets	2,221	216,137	218,358
Total Assets	48,397	216,137	264,534
LIABILITIES			
Current Liabilities:			
Accounts payable	3,049	-	3,049
Salaries and benefits payable	9,168	-	9,168
Compensated absences	17,932	-	17,932
Total Current Liabilities	30,149	-	30,149
Noncurrent Liabilities:			
Compensated absences	-	-	-
Net OPEB obligation	17,634	-	17,634
Total Noncurrent Liabilities	17,634	-	17,634
Total Liabilities	47,783	-	47,783
NET POSITION			
Investment in capital assets	2,221	216,137	218,358
Unrestricted	(1,607)	-	(1,607)
Total Net Position	\$ 614	\$ 216,137	\$ 216,751

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2014

	Senior Transit	CSA #12 Plumas County Transit	Total
OPERATING REVENUES			
Passenger fares	\$ 23,950	\$ -	\$ 23,950
Total Operating Revenues	<u>23,950</u>	<u>-</u>	<u>23,950</u>
OPERATING EXPENSES			
Salaries and benefits	203,980	-	203,980
Services and supplies	42,788	577,985	620,773
Depreciation	2,665	125,401	128,066
Total Operating Expenses	<u>249,433</u>	<u>703,386</u>	<u>952,819</u>
Operating Income (Loss)	<u>(225,483)</u>	<u>(703,386)</u>	<u>(928,869)</u>
NON-OPERATING REVENUE (EXPENSES)			
Local transportation funds	199,243	337,989	537,232
State transit assistance funds	-	102,564	102,564
Intergovernmental revenues	44,424	264,782	309,206
Interest income	1	-	1
Total Non-Operating Revenues (Expenses)	<u>243,668</u>	<u>705,335</u>	<u>949,003</u>
Income (Loss) Before Transfers	<u>18,185</u>	<u>1,949</u>	<u>20,134</u>
Transfers out	(17,245)	-	(17,245)
Change in Net Position	<u>940</u>	<u>1,949</u>	<u>2,889</u>
Total Net Position (Deficits) - Beginning	<u>(326)</u>	<u>214,188</u>	<u>213,862</u>
Total Net Position - Ending	<u><u>\$ 614</u></u>	<u><u>\$ 216,137</u></u>	<u><u>\$ 216,751</u></u>

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2014

	Senior Transit	CSA #12 Plumas County Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 28,234	\$ -	\$ 28,234
Payments to suppliers	(41,660)	(577,985)	(619,645)
Payments to employees	(201,184)	-	(201,184)
Net Cash Provided (Used) by Operating Activities	<u>(214,610)</u>	<u>(577,985)</u>	<u>(792,595)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Local transportation funds	199,243	337,989	537,232
State transit assistance funds	-	102,564	102,564
Intergovernmental revenues	44,424	264,782	309,206
Transfers to other funds	(17,245)	-	(17,245)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>226,422</u>	<u>705,335</u>	<u>931,757</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(127,350)	(127,350)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(127,350)</u>	<u>(127,350)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	1	-	1
Net Cash Provided (Used) by Investing Activities	<u>1</u>	<u>-</u>	<u>1</u>
Net Increase (Decrease) in Cash and Cash Equivalents	11,813	-	11,813
Balances - Beginning	33,317		33,317
Balances - Ending	<u>\$ 45,130</u>	<u>\$ -</u>	<u>\$ 45,130</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (225,483)	\$ (703,386)	\$ (928,869)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,665	125,401	128,066
Decrease (increase) in:			
Accounts receivable	4,284	-	4,284
Increase (decrease) in:			
Accounts payable	1,128	-	1,128
Salaries and benefits payable	3,602	-	3,602
Compensated absences payable	(2,146)	-	(2,146)
Net OPEB obligation	1,340	-	1,340
Net Cash Provided (Used) by Operating Activities	<u>\$ (214,610)</u>	<u>\$ (577,985)</u>	<u>\$ (792,595)</u>

THIS PAGE INTENTIONALLY LEFT BLANK

Internal Service Funds

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	<u>Risk Management Workers' Compensation/ Liability</u>	<u>Unemployment Reserve</u>	<u>Totals</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 103,432	\$ 80,060	\$ 183,492
Cash with fiscal agent	5,314,906	-	5,314,906
Prepaid costs	3,370	-	3,370
Total Current Assets	5,421,708	80,060	5,501,768
Total Assets	5,421,708	80,060	5,501,768
LIABILITIES			
Current Liabilities:			
Claims payable	2,796,190	-	2,796,190
Total Liabilities	2,796,190	-	2,796,190
NET POSITION			
Unrestricted	2,625,518	80,060	2,705,578
Total Net Position	<u>\$ 2,625,518</u>	<u>\$ 80,060</u>	<u>\$ 2,705,578</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2014

	Risk Management Workers' Compensation/ Liability	Unemployment Reserve	Totals
OPERATING REVENUES			
Charges for services	\$ 1,654,400	\$ 84,842	\$ 1,739,242
Total Operating Revenues	<u>1,654,400</u>	<u>84,842</u>	<u>1,739,242</u>
OPERATING EXPENSES			
Claims paid/liability adjustment	(43,472)	133,559	90,087
Total Operating Expenses	<u>(43,472)</u>	<u>133,559</u>	<u>90,087</u>
Operating Income (Loss)	<u>1,697,872</u>	<u>(48,717)</u>	<u>1,649,155</u>
NON-OPERATING REVENUE (EXPENSES)			
Interest income	397	173	570
Total Non-Operating Revenue (Expenses)	<u>397</u>	<u>173</u>	<u>570</u>
Income (Loss) Before Transfers	1,698,269	(48,544)	1,649,725
Transfers out	(59,151)	-	(59,151)
Change in Net Position	1,639,118	(48,544)	1,590,574
Total Net Position - Beginning	<u>986,400</u>	<u>128,604</u>	<u>1,115,004</u>
Total Net Position - Ending	<u>\$ 2,625,518</u>	<u>\$ 80,060</u>	<u>\$ 2,705,578</u>

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2014

	Risk Management Workers' Compensation/ Liability	Unemployment Reserve	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,680,879	\$ 84,842	\$ 1,765,721
Payments to suppliers	(457,367)	(133,559)	(590,926)
Net Cash Provided (Used) by Operating Activities	<u>1,223,512</u>	<u>(48,717)</u>	<u>1,174,795</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to other funds	(59,151)	-	(59,151)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(59,151)</u>	<u>-</u>	<u>(59,151)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	397	173	570
Net Cash Provided (Used) by Investing Activities	<u>397</u>	<u>173</u>	<u>570</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,164,758	(48,544)	1,116,214
Balances - Beginning	<u>4,253,580</u>	<u>128,604</u>	<u>4,382,184</u>
Balances - Ending	<u><u>\$ 5,418,338</u></u>	<u><u>\$ 80,060</u></u>	<u><u>\$ 5,498,398</u></u>
ADJUSTMENT TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 1,697,872	\$ (48,717)	\$ 1,649,155
Adjustments to reconcile operating income to net cash provided by operating activities:			
Decrease (increase) in:			
Accounts receivable	26,479	-	26,479
Prepaid costs	(3,370)	-	(3,370)
Increase (decrease) in:			
Accounts payable	(27,479)	-	(27,479)
Claims payable	(469,990)	-	(469,990)
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 1,223,512</u></u>	<u><u>\$ (48,717)</u></u>	<u><u>\$ 1,174,795</u></u>

THIS PAGE INTENTIONALLY LEFT BLANK

Fiduciary Funds

- **Trust and Agency Funds**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF PLUMAS
Combining Statement of Fiduciary Net Position
Investment Trust Funds
June 30, 2014

	Special Districts Governed by Local Boards	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ASSETS					
Cash and investments	\$ 8,740,861	\$ 28,376,048	\$ 1,011,778	\$ 3,847	\$ 38,132,534
Total Assets	<u>8,740,861</u>	<u>28,376,048</u>	<u>1,011,778</u>	<u>3,847</u>	<u>38,132,534</u>
LIABILITIES					
Loans from other agencies	135,296	-	-	-	135,296
Total Liabilities	<u>135,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,296</u>
NET POSITION					
Held in trust for investment pool participants	<u>\$ 8,605,565</u>	<u>\$ 28,376,048</u>	<u>\$ 1,011,778</u>	<u>\$ 3,847</u>	<u>\$ 37,997,238</u>

COUNTY OF PLUMAS
Combining Statement of Changes in Fiduciary Net Position
Investment Trust Funds
For the Year Ending June 30, 2014

	Special Districts Governed by Local Boards	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ADDITIONS					
Contributions to investment pool	\$ 534,781	\$ 2,800,872	\$ 17,898	\$ -	\$ 3,353,551
Total Additions	534,781	2,800,872	17,898	-	3,353,551
DEDUCTIONS					
Distributions from investment pool	901,755	438,830	-	1,524	1,342,109
Total Deductions	901,755	438,830	-	1,524	1,342,109
Total Change in Net Position	(366,974)	2,362,042	17,898	(1,524)	2,011,442
Net Position - Beginning	8,972,539	26,014,006	993,880	5,371	35,985,796
Net Position - Ending	<u>\$ 8,605,565</u>	<u>\$ 28,376,048</u>	<u>\$ 1,011,778</u>	<u>\$ 3,847</u>	<u>\$ 37,997,238</u>

COUNTY OF PLUMAS
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2014

	<u>Accrued Trust</u>	<u>County Departmental Agency</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and investments	\$ 450,383	\$ 1,232,493	\$ 1,682,876
Taxes receivable	<u>-</u>	<u>3,729,329</u>	<u>3,729,329</u>
Total Assets	<u><u>\$ 450,383</u></u>	<u><u>\$ 4,961,822</u></u>	<u><u>\$ 5,412,205</u></u>
LIABILITIES			
Agency funds held for others	<u>\$ 450,383</u>	<u>\$ 4,961,822</u>	<u>\$ 5,412,205</u>
Total Liabilities	<u><u>\$ 450,383</u></u>	<u><u>\$ 4,961,822</u></u>	<u><u>\$ 5,412,205</u></u>

COUNTY OF PLUMAS
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2014

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
ACCRUED TRUST FUNDS				
ASSETS				
Cash and investments	\$ 396,314	\$ 54,069	\$ -	\$ 450,383
Total Assets	<u>\$ 396,314</u>	<u>\$ 54,069</u>	<u>\$ -</u>	<u>\$ 450,383</u>
LIABILITIES				
Agency funds held for others	\$ 396,314	\$ 54,069	\$ -	\$ 450,383
Total Liabilities	<u>\$ 396,314</u>	<u>\$ 54,069</u>	<u>\$ -</u>	<u>\$ 450,383</u>
COUNTY DEPARTMENTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 1,363,824	\$ 756,135	\$ 887,466	\$ 1,232,493
Taxes receivable	3,560,384	3,729,329	3,560,384	3,729,329
Total Assets	<u>\$ 4,924,208</u>	<u>\$ 4,485,464</u>	<u>\$ 4,447,850</u>	<u>\$ 4,961,822</u>
LIABILITIES				
Agency funds held for others	\$ 4,924,208	\$ 4,485,464	\$ 4,447,850	\$ 4,961,822
Total Liabilities	<u>\$ 4,924,208</u>	<u>\$ 4,485,464</u>	<u>\$ 4,447,850</u>	<u>\$ 4,961,822</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 1,760,138	\$ 810,204	\$ 887,466	\$ 1,682,876
Taxes receivable	3,560,384	3,729,329	3,560,384	3,729,329
Total Assets	<u>\$ 5,320,522</u>	<u>\$ 4,539,533</u>	<u>\$ 4,447,850</u>	<u>\$ 5,412,205</u>
LIABILITIES				
Agency funds held for others	\$ 5,320,522	\$ 4,539,533	\$ 4,447,850	\$ 5,412,205
Total Liabilities	<u>\$ 5,320,522</u>	<u>\$ 4,539,533</u>	<u>\$ 4,447,850</u>	<u>\$ 5,412,205</u>