

**COUNTY OF PLUMAS,
CALIFORNIA**



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2012**

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COUNTY OF PLUMAS
Annual Financial Report
For the Year Ended June 30, 2012

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INTRODUCTORY SECTION

- **County Officials**

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COUNTY OF PLUMAS
County Officials
For the Year Ended June 30, 2012

ELECTED OFFICIALS

Supervisor, District 1.....	Terry Swofford
Supervisor, District 2.....	Robert A. Meacher
Supervisor, District 3.....	Sherrie Thrall
Supervisor, District 4.....	Lori Simpson
Supervisor, District 5.....	Jon Kennedy
Assessor.....	Charles Leonhardt
Interim Auditor/Controller.....	Craig Goodman
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.....	Keith Mahan
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.....	Joe Wilson
Fair.....	John Steffanic
Farm Advisor.....	Holly George
Human Resources.....	Gayla Trumbo
Information Technology.....	Dave Preston
Librarian.....	Dora Mitchell
Mental Health.....	Pat Leslie
Museum.....	Scott Lawson
Office of Emergency Services.....	Keith Mahan
Planning.....	Randall Wilson
Probation.....	Sharon Reinert
Public Health/Veteran's Service.....	Mimi Hall
Public Works.....	Robert Perreault
Social Services and Public Guardian.....	Elliott Smart

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FINANCIAL SECTION

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

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INDEPENDENT AUDITOR'S REPORT

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

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, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

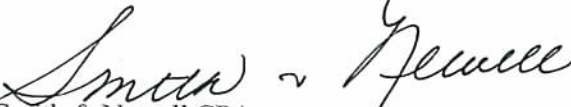
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2012, and the respective changes in financial position, and cash flows where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 6, 2013, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.


Smith & Newell CPAs
Yuba City, California
March 6, 2013

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

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Management's Discussion and Analysis

As management of the County of Plumas, California, (County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2012. 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 2011-2012 fiscal year by \$72,318,722 (net assets). Of this amount, \$85,520 (*unrestricted net assets*) may be used to meet ongoing obligations to citizens and creditors, \$36,829,235 is restricted for specific purpose (*restricted net assets*), and \$35,403,967 is invested in capital assets, net of related debt.
- The County governmental funds reported combined fund balances of \$39,394,275; an increase of \$1,168,570 in comparison with the prior year; whereas the increase from 2009-10 to 2010-11 was \$54,209.
- The County's unassigned fund balance for the general fund was \$0 or 0.0% of total general fund expenditures, a decrease of 100% from the prior years' unassigned to expenditure ratio.
- The County's investment in capital assets net of related debt increased by \$815,529. The increase resulted primarily because of newly added assets within the Sheriff department; total added assets were greater than total depreciation.
- The County's total long-term debt decreased by \$359,043 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.

Changes to note: Public Safety funds are reported as a major fund; whereas the activity in prior years was included with "other governmental funds."

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 assets** presents information on all County assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 sanitation, public assistance, education and recreation. The business-type activities of the County include airports, 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 Crescent Mills Lighting, Quincy Lighting, CSA # 12 Senior Transportation, CSA # 11 Ambulance, County Fair, Beckwourth CSA Sewer, Flood Control, Air Pollution, Grizzly Ranch CSD, and Walker Ranch CSD.

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 (employee benefit, 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, Social Services, Public Health and Mental Health, all of which are considered to be major funds.

Data from the other governmental funds is provided in the form of combining statements located in the Combining and Individual Fund Statements and Schedules 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 copy machine operations and 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 four 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.

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

The County continues to face significant financial challenges as the economy struggles to recover from the recession. Property tax revenues continued their downward trend declining \$450,000 from last year. Sales tax revenue and hotel tax revenues continued to increase, but not enough to offset the property tax decrease. In fiscal year 2013-2014, we expect the property tax decline to slow.

The fund balance in the County's General Fund declined in the current year. However, the County took significant action in attempting to prevent the use of remaining fund balance by passing a structurally balanced budget for fiscal year 2013-2014.

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. The full impact of the shift has yet to be seen. The tax increases passed in the November election will help the state and local governments avoid additional state funding reductions in the short term.

County total reserves remain healthy, and the County's General Fund reserve remains adequate but is declining. The County will continue to not fill non-critical vacant employee positions and take other reasonable action to reduce spending to balance the 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$72,318,722 at the close of the most recent fiscal year.

Statement of Net Assets			
June 30, 2012			
	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 46,946,084	\$ 4,255,280	\$ 51,201,364
Capital Assets	45,234,295	6,007,622	51,241,917
Total Assets	92,180,379	10,262,902	102,443,281
Current and Other Liabilities	5,089,349	620,433	5,709,782
Long-Term Liabilities	22,000,206	2,414,571	24,414,777
Total Liabilities	27,089,555	3,035,004	30,124,559
Invested in Capital Assets, net of debt	29,396,345	6,007,622	35,403,967
Restricted	36,829,235	-	36,829,235
Unrestricted	(1,134,756)	1,220,276	85,520
Total Net Assets	\$ 65,090,824	\$ 7,227,898	\$ 72,318,722

Of the County's net assets, \$85,520 represents unrestricted net assets 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 assets, \$36,829,235, 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.

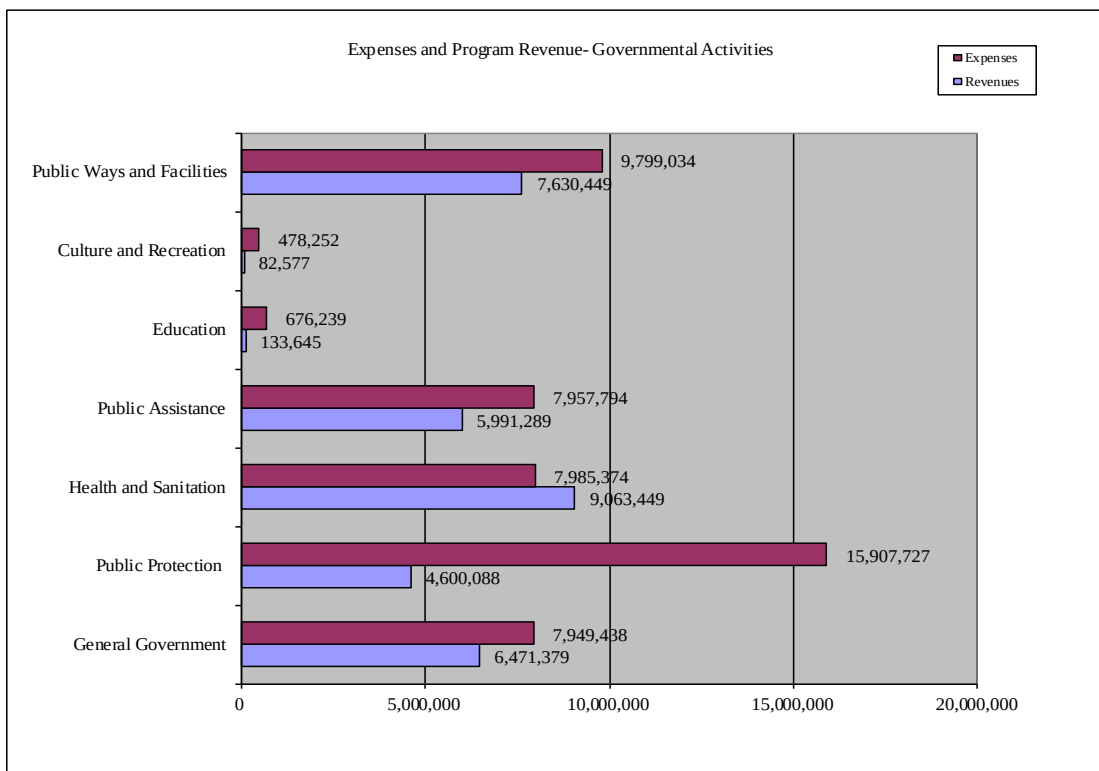
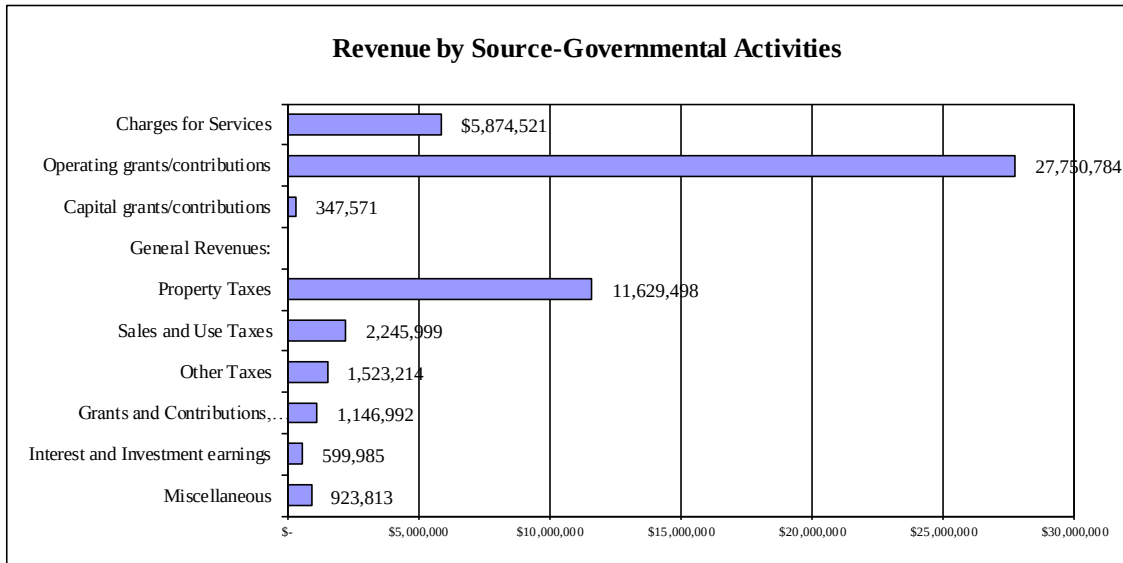
Another significant portion of the County's net assets, \$35,403,967 reflects its investment in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services 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.

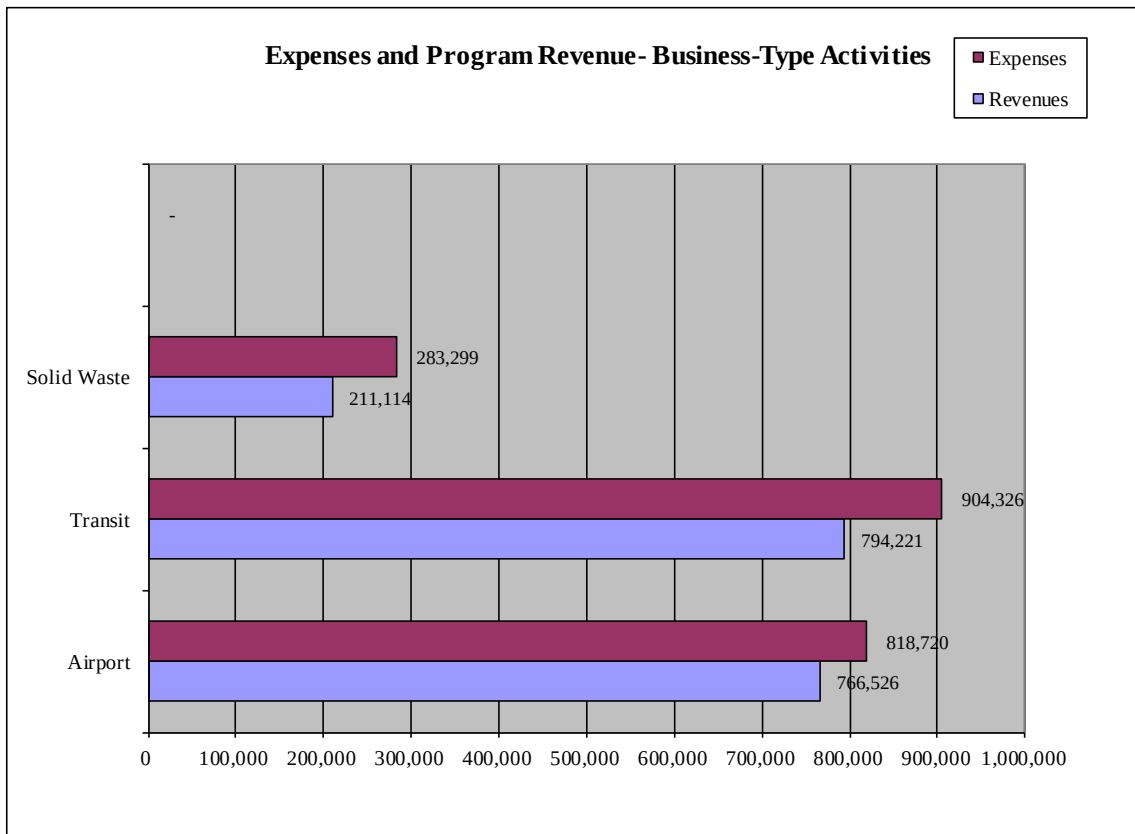
At the end of the current fiscal year, the County reported positive balances in all three categories of net assets, for the County as a whole.

The County's net assets increased by \$1,152,379 during the current fiscal year. This increase is due to a prior period adjustment resulting in an increase of \$618,237 and an increase of \$534,142 due to ongoing revenues exceeding ongoing expenses. The increase in net assets invested in capital assets, net of related debt, represents capital purchases net of depreciation plus the retirement of related long-term debt.

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

Statement of Activities For the Year Ended June 30, 2012			
	Governmental Activities	Business-Type Activities	Total
Revenues			
Program Revenues:			
Charges for Services	\$ 5,874,521	\$ 259,235	\$ 6,133,756
Operating grants/contributions	27,750,784	777,681	28,528,465
Capital grants/contributions	347,571	734,945	1,082,516
General Revenues:			
Property Taxes	11,629,498	-	11,629,498
Sales and Use Taxes	2,245,999	-	2,245,999
Other Taxes	1,523,214	1,991	1,525,205
Grants and Contributions, unrestricted	1,146,992	-	1,146,992
Interest and Investment earnings	599,985	270,232	870,217
Miscellaneous	923,813	-	923,813
Transfers	4,484	(4,484)	-
Total Revenues	52,046,861	2,039,600	54,086,461
Expenses			
General Government	7,949,438	-	7,949,438
Public Protection	15,907,727	-	15,907,727
Health and Sanitation	7,985,374	-	7,985,374
Public Assistance	7,957,794	-	7,957,794
Education	676,239	-	676,239
Culture and Recreation	478,252	-	478,252
Public Ways and Facilities	9,799,034	-	9,799,034
Interest and Fiscal Charges	792,116	-	792,116
Airport	-	818,720	818,720
Transit	-	904,326	904,326
Solid Waste	-	283,299	283,299
Total Expenses	51,545,974	2,006,345	53,552,319
Change in Net Assets	500,887	33,255	534,142
Net Assets - Beginning	64,589,937	6,576,406	71,166,343
Prior Period Adjustments	-	618,237	618,237
Net Assets - Ending	\$ 65,090,824	\$ 7,227,898	\$ 72,318,722





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 2011	FY 2012	Increase(Decrease)	
			Amount	Percent
Fund Balance - Beginning	\$ 38,171,496	\$ 38,225,705	\$ 54,209	0.14%
Revenues	51,491,280	51,927,680	436,400	0.85%
Expenditures	(51,381,999)	(50,763,594)	618,405	1.20%
Other Financing Sources (Uses)	(16,601)	4,484	21,085	127.01%
Prior period adjustment	(38,471)	-	38,471	100.00%
Fund Balance - Ending	\$ 38,225,705	\$ 39,394,275	\$ 1,168,570	3.06%

At June, 30, 2012, the County's governmental funds reported combined fund balances of \$39,394,275, an increase of \$1,168,570 in comparison with the prior year. Of these combined fund balances, (\$71,343), constitutes net unassigned; \$35,975,662 restricted, and \$454,253 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 \$2,613,891 or is in Nonspendable form \$421,814.

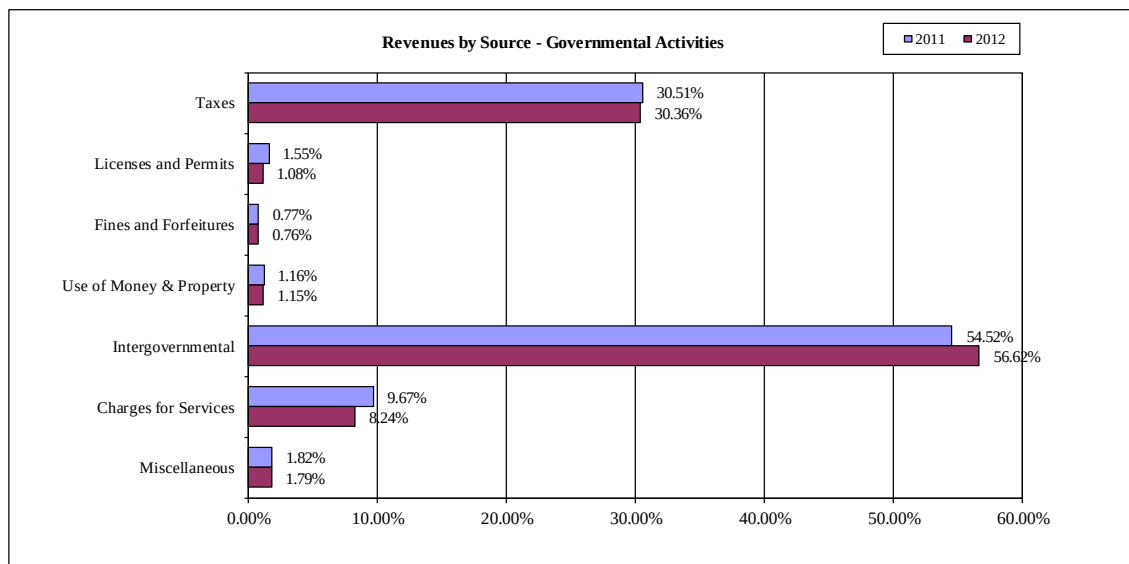
The General Fund is the chief operating fund of the County. At June 30, 2012, unassigned fund balance was \$0 while total fund balance was \$3,674,622. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 0.0% of total General Fund expenditures, while the total fund balance represents 17.0% of total General Fund expenditures.

The major funds and other governmental funds' fund balances increased from \$33,864,079 to \$35,719,653. The major and other governmental funds had decreases/increases in fund balance as follows: Public Ways-Road decreased \$1,208,065, Social Services increased \$230,872, Mental Health increased \$2,266,204, Public Health increased \$434,594, Public Safety was separated and decreased \$257,208, and other non-major governmental funds increased \$389,177.

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 2011		FY 2012		Increase(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Revenue by Source:						
Taxes and assessments	\$ 15,711,546	30.51%	\$ 15,761,490	30.36%	\$ 49,944	0.32%
Licenses, Permits, and Franchise Fees	799,127	1.55%	563,011	1.08%	(236,116)	-29.55%
Fines and Forfeitures	395,292	0.77%	395,973	0.76%	681	0.17%
Intergovernmental	28,073,691	54.52%	29,402,198	56.62%	1,328,507	4.73%
Use of Money & Property	597,399	1.16%	596,095	1.15%	(1,304)	-0.22%
Charges for Services	4,978,502	9.67%	4,277,859	8.24%	(700,643)	-14.07%
Miscellaneous	935,723	1.82%	931,054	1.79%	(4,669)	-0.50%
Grants and Contributions, unrestricted	\$ 51,491,280	100.00%	\$ 51,927,680	100.01%	\$ 436,400	0.85%

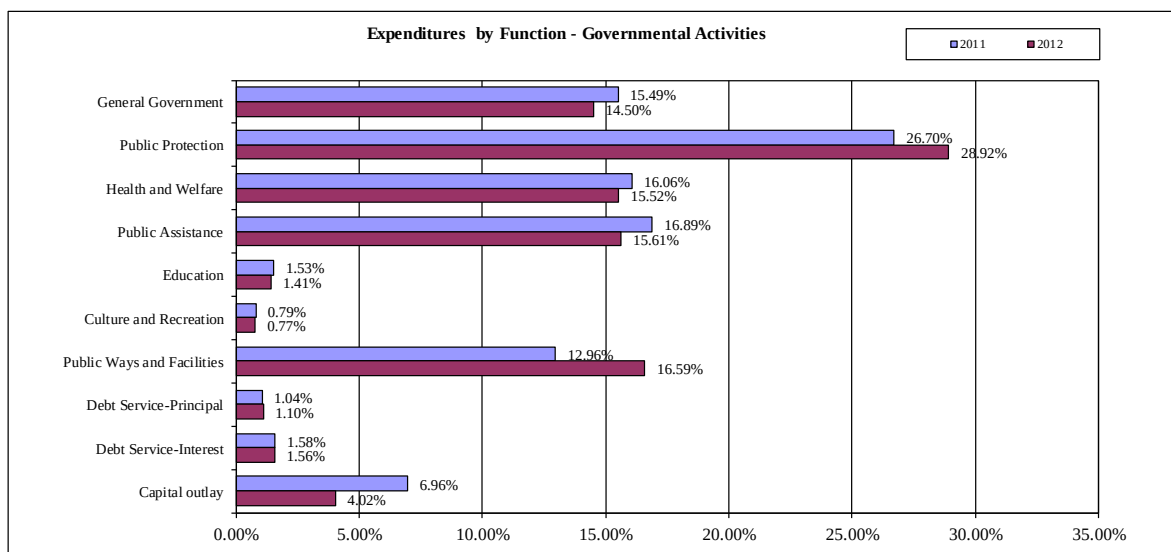
The following graph shows an illustrative picture of where the County funds come from.



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

Expenditures Classified by Function						
Governmental Funds						
	FY 2011		FY 2012		Increase(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Expenditures by Function:						
General Government	\$ 7,959,378	15.49%	\$ 7,360,555	14.50%	\$ (598,823)	-7.52%
Public Protection	13,719,160	26.70%	14,675,444	28.92%	956,284	6.97%
Health and Welfare	8,253,161	16.06%	7,878,908	15.52%	(374,253)	-4.53%
Public Assistance	8,677,293	16.89%	7,926,684	15.61%	(750,609)	-8.65%
Education	785,360	1.53%	714,855	1.41%	(70,505)	-8.98%
Culture and Recreation	405,230	0.79%	392,297	0.77%	(12,933)	-3.19%
Public Ways and Facilities	6,659,671	12.96%	8,422,413	16.59%	1,762,742	26.47%
Debt Service-Principal	536,704	1.04%	557,125	1.10%	20,421	3.80%
Debt Service-Interest	812,333	1.58%	792,116	1.56%	(20,217)	-2.49%
Capital outlay	3,573,709	6.96%	2,043,197	4.02%	(1,530,512)	-42.83%
Total	<u>\$51,381,999</u>	<u>100.00%</u>	<u>\$ 50,763,594</u>	<u>100.01%</u>	<u>\$ (618,405)</u>	<u>-1.20%</u>

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



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

Other Financing Sources (Uses)
Governmental Funds

	FY 2011	FY 2012	Increase(Decrease)	
			Amount	Percent
Transfers In	\$ 9,211,928	\$ 12,045,336	\$ 2,833,408	30.76%
Transfers Out	(9,228,529)	(12,040,852)	(2,812,323)	-30.47%
Net financing sources(uses)	\$ (16,601)	\$ 4,484	\$ 21,085	

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 Assets
Enterprise Funds

	FY 2011	FY 2012	Increase(Decrease)	
			Amount	Percent
Total Net Assets - Beginning, restated	\$ 6,895,416	\$ 7,194,643	\$ 299,227	4.34%
Operating Revenues	245,799	259,235	13,436	5.47%
Operating Expenses	(1,861,263)	(2,004,815)	(143,552)	-7.71%
Non-Operating Revenues (Expenses)	1,297,524	1,775,324	477,800	36.82%
Transfers- in	(1,070)	3,511	4,581	428.13%
Total Net Assets - Ending	\$ 6,576,406	\$ 7,227,898	\$ 651,492	9.91%

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 Assets
Internal Service Funds

	FY 2011	FY 2012	Increase(Decrease)	
			Amount	Percent
Total Net Assets - Beginning	\$ 1,496,330	\$ 2,334,269	\$ 837,939	56.00%
Operating Revenues	1,902,429	1,236,100	(666,329)	-35.03%
Operating Expenses	(1,120,424)	(2,422,210)	(1,301,786)	-116.19%
Non-Operating Revenues (Expenses)	38,263	3,890	(34,373)	-89.83%
Net transfers in/out	17,671	-0-	(17,671)	-100.00%
Total Net Assets - Ending	\$ 2,334,269	\$ 1,152,049	\$ (1,164,549)	-50.65%

Unrestricted net assets of the internal service funds at June 30, 2012 were \$1,152,049 a decrease of \$1,182,220. 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 which attributes to the increase of the net assets. 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	\$ 20,189,673	\$ 21,769,143	\$ 1,579,470	7.82%
Total Expenditures	(14,043,486)	(24,121,872)	(10,078,386)	-71.77%
Other Financing Sources (Uses)	(7,414,739)	(289,763)	7,124,976	96.09%
Net Change in Fund Balances	\$ (1,268,552)	\$ (2,642,492)	\$ (1,373,940)	

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	\$ 21,769,143	\$ 21,399,982	\$(369,161)	-1.70%
Total Expenditures	(24,121,872)	(21,652,143)	2,469,729	10.24%
Other Financing Sources (Uses)	(289,763)	(434,843)	(145,080)	-50.07%
Net Change in Fund Balances	<u>\$(2,642,492)</u>	<u>\$(687,004)</u>	<u>\$ 1,955,488</u>	

DEBT ADMINISTRATION

At June 30, 2012, the County had total long-term debt outstanding of \$24,414,777 as compared to \$24,773,820 in the prior year. During the year, there was retirement of debt amounting to \$557,125, and an increase in post employment (compensated absences, closure/post-closure, and OPEB) benefits of \$198,082.

	Long-Term Debt					
	Governmental Activities		Business-Type Activities		Total	
	2011	2012	2011	2012	2011	2012
Revenue Bonds	\$ 4,000	\$ 2,000	-	-	\$ 4,000	\$ 2,000
Loans	165,000	165,000	-	-	165,000	165,000
Certificates of Participation	16,075,000	15,640,000	-	-	16,075,000	15,640,000
Capital Leases	151,075	30,950	-	-	151,075	30,950
Closure/Post Closure	-	-	2,317,864	2,366,593	2,317,864	2,366,593
Net OPEB Obligation	1,444,251	1,676,572	21,658	27,181	1,465,909	1,703,753
Compensated Absences	4,578,367	4,485,684	16,605	20,797	4,594,972	4,506,481
Total	22,417,693	22,000,206	2,356,127	2,414,571	24,773,820	24,414,777
Less Current Portion	(3,441,669)	(3,499,183)	(6,051)	(9,067)	(3,447,720)	(3,508,250)
Net Long-Term Debt	<u>\$ 18,976,024</u>	<u>\$ 18,501,023</u>	<u>\$ 2,350,076</u>	<u>\$ 2,405,504</u>	<u>\$ 21,326,100</u>	<u>\$ 20,906,527</u>

CAPITAL ASSETS

The County's investment in capital assets as of June 30, 2012, amounted to \$51,241,917 (net of accumulated depreciation). 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	
	2011	2012	2011	2012	2011	2012
Land	\$ 2,079,903	\$ 2,079,903	\$ 560,101	\$ 620,152	\$ 2,640,004	\$ 2,700,055
Construction In Progress	3,795,636	3,851,921	-	-	3,795,636	3,851,921
Structures & Improvements	34,145,128	34,235,448	153,022	1,251,078	34,298,150	35,486,526
Equipment	19,134,601	20,212,954	2,302,376	1,815,871	21,436,977	22,028,825
Software	1,278,231	1,285,404	15,660	15,660	1,293,891	1,301,064
Infrastructure	33,315,550	33,316,605	7,277,996	8,027,585	40,593,546	41,344,190
Total	93,749,049	94,982,235	10,309,155	11,730,346	104,058,204	106,712,581
Accumulated Depreciation	(48,054,003)	(49,747,940)	(5,020,688)	(5,722,724)	(53,074,691)	(55,470,664)
Net Capital Assets	<u>\$ 45,695,046</u>	<u>\$ 45,234,295</u>	<u>\$ 5,288,467</u>	<u>\$ 6,007,622</u>	<u>\$ 50,983,513</u>	<u>\$ 51,241,917</u>

Basic Financial Statements

- **Government-Wide Financial Statements**

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COUNTY OF PLUMAS
Statement of Net Assets
June 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 37,498,131	\$ 172,962	\$ 37,671,093
Cash with fiscal agent	5,001,999	-	5,001,999
Accounts receivable	140,626	473,187	613,813
Taxes receivable	514,828	36,702	551,530
Due from other governments	3,086,705	74,306	3,161,011
Prepaid costs	165,503	8,687	174,190
Inventory	256,311	88,122	344,433
Internal balances	3,837	(3,837)	-
Due from external parties	126,555	-	126,555
Receivable from external parties	151,589	-	151,589
Restricted cash and investments	-	3,405,151	3,405,151
Capital assets:			
Non depreciable assets	5,931,824	620,152	6,551,976
Depreciable assets, net of depreciation	39,302,471	5,387,470	44,689,941
Total capital assets	<u>45,234,295</u>	<u>6,007,622</u>	<u>51,241,917</u>
Total Assets	<u>92,180,379</u>	<u>10,262,902</u>	<u>102,443,281</u>
LIABILITIES			
Accounts payable	1,239,311	606,968	1,846,279
Salaries and benefits payable	937,382	10,073	947,455
Unearned revenue	91,265	3,392	94,657
Accrued claims liability	2,821,391	-	2,821,391
Long-term liabilities:			
Due within one year	3,499,183	9,067	3,508,250
Due in more than one year	<u>18,501,023</u>	<u>2,405,504</u>	<u>20,906,527</u>
Total Liabilities	<u>27,089,555</u>	<u>3,035,004</u>	<u>30,124,559</u>
NET ASSETS			
Invested in capital assets, net of related debt	29,396,345	6,007,622	35,403,967
Restricted for:			
General government	4,750,785	-	4,750,785
Public protection	2,457,933	-	2,457,933
Public assistance	1,246,888	-	1,246,888
Health and welfare	14,059,794	-	14,059,794
Public ways and facilities	14,313,835	-	14,313,835
Unrestricted	<u>(1,134,756)</u>	<u>1,220,276</u>	<u>85,520</u>
Total Net Assets	<u>\$ 65,090,824</u>	<u>\$ 7,227,898</u>	<u>\$ 72,318,722</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, 2012

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 7,949,438	\$ 2,699,594	\$ 3,771,785	\$ -
Public protection	15,907,727	1,170,646	3,429,442	-
Health and welfare	7,985,374	1,123,079	7,940,370	-
Public assistance	7,957,794	2,617	5,988,672	-
Education	676,239	7,375	126,270	-
Culture and recreation	478,252	82,577	-	-
Public ways and facilities	9,799,034	788,633	6,494,245	347,571
Interest on long-term debt	792,116	-	-	-
Total Governmental Activities	51,545,974	5,874,521	27,750,784	347,571
Business-Type activities:				
Airport	818,720	9,576	30,000	726,950
Transit	904,326	38,545	747,681	7,995
Solid waste	283,299	211,114	-	-
Total Business-Type Activities	2,006,345	259,235	777,681	734,945
Total	\$ 53,552,319	\$ 6,133,756	\$ 28,528,465	\$ 1,082,516

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
Transfers

Total General Revenues

Change in Net Assets

Net Assets - Beginning

Prior Period Adjustment

Net Assets - Beginning, Restated

Net Assets - Ending

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

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

Governmental Activities	Business-Type Activities	Total
\$ (1,478,059)	\$ -	\$ (1,478,059)
(11,307,639)	-	(11,307,639)
1,078,075	-	1,078,075
(1,966,505)	-	(1,966,505)
(542,594)	-	(542,594)
(395,675)	-	(395,675)
(2,168,585)	-	(2,168,585)
(792,116)	-	(792,116)
<u>(17,573,098)</u>	<u>-</u>	<u>(17,573,098)</u>
-	(52,194)	(52,194)
-	(110,105)	(110,105)
<u>-</u>	<u>(72,185)</u>	<u>(72,185)</u>
<u>-</u>	<u>(234,484)</u>	<u>(234,484)</u>
<u>(17,573,098)</u>	<u>(234,484)</u>	<u>(17,807,582)</u>
11,629,498	-	11,629,498
2,245,999	-	2,245,999
119,600	-	119,600
1,139,078	-	1,139,078
16,819	-	16,819
93,950	1,991	95,941
153,767	-	153,767
1,146,992	-	1,146,992
599,985	270,232	870,217
923,813	-	923,813
4,484	(4,484)	-
<u>18,073,985</u>	<u>267,739</u>	<u>18,341,724</u>
<u>500,887</u>	<u>33,255</u>	<u>534,142</u>
64,589,937	6,576,406	71,166,343
<u>-</u>	<u>618,237</u>	<u>618,237</u>
<u>64,589,937</u>	<u>7,194,643</u>	<u>71,784,580</u>
<u>\$ 65,090,824</u>	<u>\$ 7,227,898</u>	<u>\$ 72,318,722</u>

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Basic Financial Statements

- **Fund Financial Statements**

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COUNTY OF PLUMAS
Balance Sheet
Governmental Funds
June 30, 2012

	General	Road	Social Services	Mental Health
ASSETS				
Cash and investments	\$ 3,486,465	\$ 10,639,190	\$ 1,331,644	\$ 12,843,502
Cash with fiscal agent	-	-	-	-
Accounts receivable	44,030	24,144	48	6,866
Taxes receivable	238,180	276,648	-	-
Due from other governments	345,434	819,034	4,197	558,600
Prepaid costs	70,124	953	1,545	551
Inventory	-	256,311	-	-
Due from other funds	234,366	-	-	-
Due from other agencies	126,555	-	-	-
Loan to other agencies	151,589	-	-	-
Total Assets	\$ 4,696,743	\$ 12,016,280	\$ 1,337,434	\$ 13,409,519
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 278,127	\$ 253,615	\$ 23,733	\$ 63,227
Salaries and benefits payable	538,927	156,466	66,813	69,914
Deferred revenue	204,852	205,991	-	-
Unearned revenue	215	-	-	2,670
Due to other funds	-	-	-	-
Total Liabilities	1,022,121	616,072	90,546	135,811
Fund Balances				
Nonspendable	70,124	257,264	1,545	551
Restricted	1,038,868	11,142,944	1,245,343	13,273,157
Committed	2,111,377	-	-	-
Assigned	454,253	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,674,622	11,400,208	1,246,888	13,273,708
Total Liabilities and Fund Balances	\$ 4,696,743	\$ 12,016,280	\$ 1,337,434	\$ 13,409,519

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

Public Health	Public Safety	Other Governmental Funds	Totals Governmental Funds
\$ 555,168	\$ 1,031,439	\$ 7,231,202	\$ 37,118,610
-	-	1,408,080	1,408,080
30,003	2,860	32,675	140,626
-	-	-	514,828
514,951	556,956	287,533	3,086,705
1,339	44,441	46,550	165,503
-	-	-	256,311
-	-	-	234,366
-	-	-	126,555
-	-	-	151,589
<u>\$ 1,101,461</u>	<u>\$ 1,635,696</u>	<u>\$ 9,006,040</u>	<u>\$ 43,203,173</u>

\$ 63,130	\$ 201,241	\$ 356,238	\$ 1,239,311
54,263	20,654	30,345	937,382
356,663	535,668	7,237	1,310,411
-	-	88,380	91,265
-	-	230,529	230,529
<u>474,056</u>	<u>757,563</u>	<u>712,729</u>	<u>3,808,898</u>

1,339	44,441	46,550	421,814
626,066	833,692	7,815,592	35,975,662
-	-	502,512	2,613,889
-	-	-	454,253
-	-	(71,343)	(71,343)
<u>627,405</u>	<u>878,133</u>	<u>8,293,311</u>	<u>39,394,275</u>
<u>\$ 1,101,461</u>	<u>\$ 1,635,696</u>	<u>\$ 9,006,040</u>	<u>\$ 43,203,173</u>

COUNTY OF PLUMAS
Reconciliation of the Governmental Fund Balance Sheet
To the Government-Wide Statement of
Net Assets - Governmental Activities
June 30, 2012

Total Fund Balance - Total Governmental Funds	\$ 39,394,275
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	45,234,295
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Other long term assets are not available to pay for current period expenditures and therefore, are not reported in the funds or are reported as deferred in the governmental funds.	
Deferred revenue	1,310,411

Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Bonds payable	(2,000)
Loans payable	(165,000)
Certificates of participation	(15,640,000)
Capital leases payable	(30,950)
Compensated absences	(4,485,684)
Net OPEB obligation	(1,676,572)

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 assets.	
	1,152,049

Net Assets of Governmental Activities	\$ 65,090,824
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The notes to the basic financial statements are an integral part of this statement.

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COUNTY OF PLUMAS
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2012

	General	Road	Social Services	Mental Health
REVENUES				
Taxes and assessments	\$ 15,105,659	\$ 742	\$ -	\$ -
Licenses, permits, and franchises	491,052	68,957	-	-
Fines and forfeitures	258,551	-	-	-
Intergovernmental	1,969,529	6,486,338	5,871,577	4,650,472
Use of money and property	215,409	82,671	4,475	51,798
Charges for services	2,868,986	232,228	-	335,832
Other revenues	490,796	134,874	71,995	6,470
Total Revenues	21,399,982	7,005,810	5,948,047	5,044,572
EXPENDITURES				
Current:				
General government	6,713,611	-	-	-
Public protection	12,030,187	-	-	-
Health and welfare	561,403	-	-	3,299,152
Public assistance	539,577	-	7,387,107	-
Education	714,855	-	-	-
Culture and recreation	392,297	-	-	-
Public ways and facilities	442,838	7,369,908	-	-
Debt service:				
Principal	120,125	-	-	-
Interest and other charges	5,001	-	-	-
Capital outlay	132,249	775,929	59,756	51,560
Total Expenditures	21,652,143	8,145,837	7,446,863	3,350,712
Excess of Revenues Over (Under) Expenditures	(252,161)	(1,140,027)	(1,498,816)	1,693,860
OTHER FINANCING SOURCES (USES)				
Transfers in	7,278,018	8,624	1,754,688	587,344
Transfers out	(7,712,861)	(76,662)	(25,000)	(15,000)
Total Other Financing Sources (Uses)	(434,843)	(68,038)	1,729,688	572,344
Net Change in Fund Balances	(687,004)	(1,208,065)	230,872	2,266,204
Fund Balances - Beginning	4,361,626	12,608,273	1,016,016	11,007,504
Fund Balances - Ending	\$ 3,674,622	\$ 11,400,208	\$ 1,246,888	\$ 13,273,708

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

Public Health	Public Safety	Other Governmental Funds	Totals Governmental Funds
\$ -	\$ 19,713	\$ 635,376	\$ 15,761,490
-	-	3,002	563,011
-	33,448	103,974	395,973
3,830,737	1,057,465	5,536,080	29,402,198
2,263	1,036	238,443	596,095
516,716	6,548	317,549	4,277,859
1,056	54,514	171,349	931,054
4,350,772	1,172,724	7,005,773	51,927,680
-	-	646,944	7,360,555
-	992,511	1,652,746	14,675,444
3,884,545	-	133,808	7,878,908
-	-	-	7,926,684
-	-	-	714,855
-	-	-	392,297
-	-	609,667	8,422,413
-	-	437,000	557,125
-	-	787,115	792,116
3,386	969,342	50,975	2,043,197
3,887,931	1,961,853	4,318,255	50,763,594
462,841	(789,129)	2,687,518	1,164,086
190,000	586,734	1,639,928	12,045,336
(218,247)	(54,813)	(3,938,269)	(12,040,852)
(28,247)	531,921	(2,298,341)	4,484
434,594	(257,208)	389,177	1,168,570
192,811	1,135,341	7,904,134	38,225,705
<u>\$ 627,405</u>	<u>\$ 878,133</u>	<u>\$ 8,293,311</u>	<u>\$ 39,394,275</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, 2012

Net Change in Fund Balances - Total Governmental Funds \$ 1,168,570

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	2,043,197
Less current year depreciation	(2,482,563)
Other adjustments	(19,693)

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 cost of the capital assets disposed. There were no significant proceeds. (1,692)

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

Principal retirements	557,125
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Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.

Change in accounts receivable	(16,752)
Change in taxes receivable	(114,288)
Change in due from other governments	(1,068,752)
Change in deferred revenue	1,310,411

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 accounts payable	447,182
Change in compensated absences	92,683
Change in net OPEB obligation	(232,321)

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. (1,182,220)

Change in Net Assets of Governmental Activities \$ 500,887

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

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COUNTY OF PLUMAS
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total
ASSETS				
Current Assets:				
Cash and investments	\$ 139,595	\$ -	\$ 33,367	\$ 172,962
Cash with fiscal agent	-	-	-	-
Accounts receivable	457,784	13,721	1,682	473,187
Taxes receivables	-	36,702	-	36,702
Due from other governments	74,306	-	-	74,306
Prepaid costs	2,687	6,000	-	8,687
Inventory	88,122	-	-	88,122
Total Current Assets	762,494	56,423	35,049	853,966
Noncurrent Assets:				
Restricted cash and investments	-	3,405,151	-	3,405,151
Capital Assets :				
Non depreciable	497,438	122,714	-	620,152
Depreciable, net	4,483,261	563,462	340,747	5,387,470
Total Noncurrent Assets	4,980,699	4,091,327	340,747	9,412,773
Total Assets	5,743,193	4,147,750	375,796	10,266,739
LIABILITIES				
Current Liabilities:				
Accounts payable	601,949	3,518	1,501	606,968
Salaries and benefits payable	3,465	-	6,608	10,073
Unearned revenues	3,392	-	-	3,392
Due to other funds	-	-	3,837	3,837
Compensated absences	1,219	-	7,848	9,067
Claims payable	-	-	-	-
Total Current Liabilities	610,025	3,518	19,794	633,337
Noncurrent Liabilities:				
Compensated absences, net of current portion	432	-	11,298	11,730
Closure/postclosure liability, net of current portion	-	2,366,593	-	2,366,593
Net OPEB obligation	13,135	-	14,046	27,181
Total Noncurrent Liabilities	13,567	2,366,593	25,344	2,405,504
Total Liabilities	623,592	2,370,111	45,138	3,038,841
NET ASSETS				
Invested in capital assets	4,980,699	686,176	340,747	6,007,622
Unrestricted	138,902	1,091,463	(10,089)	1,220,276
Total Net Assets	\$ 5,119,601	\$ 1,777,639	\$ 330,658	\$ 7,227,898

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

**Governmental
Activities**

**Internal
Service
Funds**

\$ 379,521
3,593,919

-
-
-
-
-

3,973,440

-
-
-

-

3,973,440

-
-
-
-
-

2,821,391

2,821,391

-
-
-

-

2,821,391

-
1,152,049

\$ 1,152,049

COUNTY OF PLUMAS
Statement of Revenues, Expenses and
Changes in Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total
OPERATING REVENUES				
Licenses and permits	\$ -	\$ 4,138	\$ -	\$ 4,138
Charges for services	9,576	206,976	38,545	255,097
Other revenues	-	-	-	-
Total Operating Revenues	9,576	211,114	38,545	259,235
OPERATING EXPENSES				
Salaries and benefits	109,525	-	203,636	313,161
Services and supplies	199,459	244,441	579,708	1,023,608
Claims paid / liability adjustment	-	-	-	-
Depreciation	509,736	38,858	119,452	668,046
Total Operating Expenses	818,720	283,299	902,796	2,004,815
Operating Income (Loss)	(809,144)	(72,185)	(864,251)	(1,745,580)
NON-OPERATING REVENUE (EXPENSES)				
Taxes	1,991	-	-	1,991
Local transportation funds	-	-	425,789	425,789
State transit assistance funds	-	-	197,700	197,700
Intergovernmental	756,950	-	124,192	881,142
Interest income	256,396	13,835	1	270,232
Sale of asset	-	-	(1,530)	(1,530)
Total Non-Operating Revenues (Expenses)	1,015,337	13,835	746,152	1,775,324
Income (Loss) Before Transfers and Contributions	206,193	(58,350)	(118,099)	29,744
Transfers out	-	(4,484)	-	(4,484)
Capital contribution	-	-	7,995	7,995
Change in Net Assets	206,193	(62,834)	(110,104)	33,255
Total Net Assets - Beginning	4,913,408	1,222,236	440,762	6,576,406
Prior Period Adjustment	-	618,237	-	618,237
Total Net Assets - Beginning, Restated	4,913,408	1,840,473	440,762	7,194,643
Total Net Assets - Ending	\$ 5,119,601	\$ 1,777,639	\$ 330,658	\$ 7,227,898

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

**Governmental
Activities**

**Internal
Service
Funds**

\$ -
1,235,912
188

1,236,100

-
-
2,422,210
-

2,422,210

(1,186,110)

-
-
-
-
3,890
-

3,890

(1,182,220)

-
-

(1,182,220)

2,334,269

-

2,334,269

\$ 1,152,049

COUNTY OF PLUMAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ (516,445)	\$ 235,001	\$ 193,296	\$ (88,148)
Payments to suppliers	370,672	(223,833)	(732,049)	(585,210)
Payments to employees	(106,442)	-	(196,409)	(302,851)
Net Cash Provided (Used) by Operating Activities	(252,215)	11,168	(735,162)	(976,209)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Local transportation funds received	-	-	425,789	425,789
State transit assistance funds	-	-	197,700	197,700
Tax revenue received	1,991	(36,702)	-	(34,711)
Intergovernmental revenue received	756,950	-	124,192	881,142
Transfers to other funds	-	(4,484)	-	(4,484)
Interfund loans received	-	-	3,837	3,837
Interfund loans repaid	-	(9,003)	-	(9,003)
Net Cash Provided (Used) by Noncapital Financing Activities	758,941	(50,189)	751,518	1,460,270
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(749,589)	(12,910)	-	(762,499)
Net Cash Provided (Used) by Capital and Related Financing Activities	(749,589)	(12,910)	-	(762,499)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	256,396	13,835	1	270,232
Net Cash Provided (Used) by Investing Activities	256,396	13,835	1	270,232
Net Increase (Decrease) in Cash and Cash Equivalents	13,533	(38,096)	16,357	(8,206)
Balances - Beginning of the Year	126,062	3,443,247	17,010	3,586,319
Balances - End of the Year	\$ 139,595	\$ 3,405,151	\$ 33,367	\$ 3,578,113

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

**Governmental
Activities**

**Internal
Service
Funds**

\$ 1,236,100
(2,341,481)

-

(1,105,381)

-

-

-

-

-

-

-

-

-

-

3,890

3,890

(1,101,491)

5,074,931

\$ 3,973,440

COUNTY OF PLUMAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Airport	Solid Waste Planning and Operation	Other Enterprise Funds	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (809,144)	\$ (72,185)	\$ (864,251)	\$ (1,745,580)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	509,736	38,858	119,452	668,046
Decrease (increase) in:				
Accounts receivable	(449,171)	23,887	3,073	(422,211)
Due from other governments	(74,306)	-	-	(74,306)
Prepaid costs	-	(6,000)	151,678	145,678
Inventory	(30,176)	-	-	(30,176)
Increase (decrease) in:				
Accounts payable	600,307	(22,120)	(663)	577,524
Salaries and benefits payable	336	-	258	594
Unearned revenue	(2,544)	-	(151,678)	(154,222)
Compensated absences payable	195	-	3,999	4,194
Claims payable	-	-	-	-
Closure/post closure liability	-	48,728	-	48,728
Net OPEB obligation	2,552	-	2,970	5,522
Net Cash Provided (Used) by Operating Activities	\$ (252,215)	\$ 11,168	\$ (735,162)	\$ (976,209)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution of capital assets	\$ -	\$ -	\$ 7,995	\$ 7,995

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

**Governmental
Activities**

**Internal
Service
Funds**

\$ (1,186,110)

-

-

-

-

-

(3,500)

-

-

-

84,229

-

-

\$ (1,105,381)

\$ -

COUNTY OF PLUMAS
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	<u>Investment Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and investments	\$ 35,966,242	\$ 116,491
Taxes receivable	-	4,372,348
Due from other funds	-	52,176
Total Assets	35,966,242	4,541,015
LIABILITIES		
Due to other funds	-	52,176
Due to other agencies	-	126,555
Loans from other agencies	151,589	-
Agency funds held for others	-	4,362,284
Total Liabilities	151,589	4,541,015
NET ASSETS		
Held in trust for pool participants	<u>\$ 35,814,653</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 Assets
Fiduciary Funds
For the Year Ended June 30, 2012

	<u>Investment Trust Funds</u>
ADDITIONS	
Contributions to investment pool	<u>\$ 4,080,816</u>
Total Additions	<u>4,080,816</u>
DEDUCTIONS	
Distributions from investment pool	<u>6,114,861</u>
Total Deductions	<u>6,114,861</u>
Total Change in Net Assets	(2,034,045)
Net Assets - Beginning	<u>37,848,698</u>
Net Assets - Ending	<u><u>\$ 35,814,653</u></u>

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

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

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 countywide 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.

As required by GAAP, these financial statements present the County and its component units, entities for which the government is considered to be financially accountable.

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.

Component units that are blended into the reporting activity types of the County's report are presented below:

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, hence, the unit is presented by blending with the primary government.

Air Pollution

The Air Pollution district was established to provide better air quality to residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Crescent Mills Lighting

The Crescent Mills Lighting District was established to provide lighting to district residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

Quincy Lighting

The Quincy Lighting District was established to provide lighting to district residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

Beckworth CSA Sewer

The Beckworth CSA Sewer was established to provide sewer services to Beckworth residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

Flood Control

The Flood Control District was established to provide for flood control in the County. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

CSA #11 Ambulance

The CSA #11 Ambulance was established to provide County services to residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

Walker Ranch CSD

The Walker Ranch CSD was established to provide services to Walker Ranch residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

Grizzly Ranch CSD

The Grizzly Ranch CSD was established to provide services to Grizzly Ranch residents. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

CSA #12 Senior Transit

The CSA #12 Senior Transit was established to provide Senior Transit services for the County. The governing body is substantially the same as the primary government, and the County and the component unit are financially interdependent, hence, the unit is presented by blending with the primary government.

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.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net assets and statement of activities display information on all of the non fiduciary 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.

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

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 enterprise funds are separately aggregated and reported as nonmajor funds. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental fund or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

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 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.

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

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: (Continued)

- 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 those 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, 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 - 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, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements for the business-type activities and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The County has elected not to follow subsequent private-sector guidance.

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 thirty 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 trust funds and agency funds. All 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 assets.

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash, Cash Equivalents and Investments (Continued)

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.

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, 2012, 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

The County reflects cash and investments held for closure/post-closure funding in the Solid Waste Planning and Operations fund as restricted cash and investments.

G. Receivables

Accounts Receivable

Accounts receivable for governmental activities consist mainly of taxes, grants, and interest. Accounts receivable 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items 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, 2012 as follows:

Indian Valley Community Services District - Loaned monies with an interest rate of 1% higher than the County's annual fiscal rate. Payments are to be made annually in the amount of \$10,000 until paid in full.	\$ 151,589
Total Loans Receivable	<u>\$ 151,589</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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

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.

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 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Property Tax (Continued)

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 TLRP was \$368,350 at June 30, 2012. The County's management believes that any ownership rights to the TLRP 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 TLRP 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.

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/Deferred Revenue

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue.

Deferred revenue is recorded under the modified accrual basis of accounting when revenue which has been earned during the current period has met the measurable criteria but has not met the available criteria.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 statements. The current portion of this debt is 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. 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.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Restatement of Net Assets

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements to beginning net assets. During the current year adjustments were required to correct a prior year misstatement of capital assets.

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

	<u>Business-Type Activities</u>
Net Assets, June 30,2011, as previously reported	\$ 6,576,406
Adjustment associated with:	
Correction of capital assets	<u>618,237</u>
Total Adjustments	<u>618,237</u>
Net Assets, July 1, 2011, as restated	<u><u>\$ 7,194,643</u></u>

The impact of the restatements on the net assets of the proprietary funds financial statements as previously reported is presented below:

	<u>Solid Waste Planning and Operation</u>
Net Assets, June 30, 2011, as previously reported	\$ 1,222,236
Adjustment associated with:	
Correction of capital assets	<u>618,237</u>
Total Adjustments	<u>618,237</u>
Net Assets, July 1, 2011, as restated	<u><u>\$ 1,840,473</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

B. Deficit Fund Balance/Net Assets

The following non-major governmental fund had a deficit fund balance as of June 30, 2012. This deficit is expected to be eliminated through future additional funding.

Local Revenue 2011 fund	\$ 57,729
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The following non-major enterprise fund had deficit net assets at June 30, 2012. This deficit is expected to be eliminated through increased charges.

CSA #12 Senior Transit fund	\$ 2,538
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C. 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, 2012, the County does not expect to incur a liability.

D. Gann Spending Limitation

Under Article XIII B of the California Constitution (the Gann Spending Limitation), the County is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements. At June 30, 2012, the County's proceeds of taxes did not exceed the allowed appropriations.

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 are considered part of the investment pool.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

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 \$35,966,242 at June 30, 2012.

A. Financial Statement Presentation

As of June 30, 2012, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 46,078,243
Investment trust funds	35,966,242
Agency funds	<u>116,491</u>
Total Cash and Investments	<u><u>\$ 82,160,976</u></u>

As of June 30, 2012, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 16,904
Deposits in Treasurer's Pool (less outstanding warrants)	<u>4,724,062</u>
Total Cash in Treasurer's Pool	4,740,966
Deposits with fiscal agents	<u>5,001,999</u>
Total Cash	<u>9,742,965</u>
Investments:	
In Treasurer's Pool	<u>72,418,011</u>
Total Investments	<u>72,418,011</u>
Total Cash and Investments	<u><u>\$ 82,160,976</u></u>

B. Cash

At year end, the carrying amount of the County's cash deposits (including amount in checking accounts and money market accounts) was \$4,724,062 and the bank balance was \$7,418,775. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the County had cash on hand of \$16,904.

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 California Government Code. Under this code, interest bearing 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. The County's investment policy does not further limits its deposits.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments

Under the provisions of the County's investment policy and the California Government Code, the County may invest or deposit in the following:

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund
- Mutual Funds
- Medium Term Corporate Notes
- Money Market Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements/Reverse Repurchase Agreements
- 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. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The County limits its exposure to interest rate risk inherent in its portfolio by limiting individual maturities to 5 years or less.

As of June 30, 2012, 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	0.404-1.125%	\$ 1,493,279	\$ 4,572,822	\$ 6,066,101	1.62
Federal Agencies	0.375-1.875%	4,828,484	15,792,716	20,621,200	1.65
Corporate Notes	0.875-5.125%	-	6,335,288	6,335,288	1.58
Local Agency Investment Fund (LAIF)	Variable	30,366,688	-	30,366,688	-
California Asset Management Program (CAMP)	Variable	6,128,734	-	6,128,734	-
Certificates of Deposits	0.49-0.54%	2,900,000	-	2,900,000	0.44
Total Investments		<u>\$45,717,185</u>	<u>\$26,700,826</u>	<u>\$72,418,011</u>	<u>0.76</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

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

<u>Investment Type</u>	<u>Minimum Legal Rating</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Rating</u>	<u>% of Portfolio</u>
US Treasury Notes	N/A	AA+	Aaa	8.38%
Federal Home Loan Bank	N/A	AA+	Aaa	4.19%
Federal Home Loan Mortgage	N/A	AA+	Aaa	10.27%
Federal National Mortgage Assoc.	N/A	AA+	Aaa	14.02%
Corporate notes	A	AA+	A1	2.78%
Corporate notes	A	A	A2	1.03%
Corporate notes	A	AA+	Aa3	1.46%
Corporate notes	A	A+	Aa3	2.30%
Corporate notes	A	AA-	Aa3	1.17%
LAIF	N/A	Unrated	Unrated	41.93%
CAMP	N/A	Unrated	Unrated	8.47%
Certificates of Deposit	N/A	Unrated	Unrated	4.00%
Total				<u>100.00%</u>

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 requires that all of its managed investments be held in the name of the County. At June 30, 2012, the County's investment pool had no securities exposed to custodial credit risk.

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. State law and the investment policy of the County contain limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2012, that represent 5 percent or more of total County investments are as follows:

<u>Investment Type</u>	<u>Amount Invested</u>	<u>Percentage of Investments</u>
Federal Home Loan Mortgage	\$ 7,433,774	10.27%
Federal National Mortgage Assoc.	10,155,581	14.02%

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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

D. Investment in External Investment Pools (Continued)

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, 2012 the County's investment position in LAIF was \$30,366,688. The total amount invested by all public agencies in LAIF on that day was \$60,588,263,603. Of that amount, 96.53% is invested in non-derivative financial products and 3.47% in structured notes and asset-backed securities.

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net assets and changes in net assets for the Treasurer's Pool at June 30, 2012:

	Internal Participants	External Participants	Total Pool
Statement of Net Assets			
Cash on hand	\$ 16,904	\$ -	\$ 16,904
Deposits (Less outstanding warrants)	4,724,062	-	4,724,062
Investments	<u>36,451,769</u>	<u>35,966,242</u>	<u>72,418,011</u>
Net Assets at June 30, 2012	<u><u>\$ 41,192,735</u></u>	<u><u>\$ 35,966,242</u></u>	<u><u>\$ 77,158,977</u></u>
Statement of Changes in Net Assets			
Net assets at July 1, 2011	\$ 41,304,922	\$ 37,971,393	\$ 79,276,315
Net changes in investments by pool participants	(112,187)	(2,005,151)	(2,117,338)
Net Assets at June 30, 2012	<u><u>\$ 41,192,735</u></u>	<u><u>\$ 35,966,242</u></u>	<u><u>\$ 77,158,977</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2012, was as follows:

	Balance July 1, 2011	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2012
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,079,903	\$ -	\$ -	\$ -	\$ 2,079,903
Construction in progress	3,795,636	56,285	-	-	3,851,921
Total Capital Assets, Not Being Depreciated	5,875,539	56,285	-	-	5,931,824
Capital Assets, Being Depreciated:					
Buildings and improvements	34,145,128	82,700		7,620	34,235,448
Equipment	19,134,601	1,895,984	(819,443)	1,812	20,212,954
Software	1,278,231	7,173	-	-	1,285,404
Infrastructure	33,315,550	1,055	-	-	33,316,605
Total Capital Assets, Being Depreciated	87,873,510	1,986,912	(819,443)	9,432	89,050,411
Less Accumulated Depreciation For:					
Buildings and improvements	(11,614,803)	(666,322)	-	(16,628)	(12,297,753)
Equipment	(16,117,573)	(792,735)	817,751	(12,497)	(16,105,054)
Software	(919,804)	(102,298)	-	-	(1,022,102)
Infrastructure	(19,401,823)	(921,208)	-	-	(20,323,031)
Total Accumulated Depreciation	(48,054,003)	(2,482,563)	817,751	(29,125)	(49,747,940)
Total Capital Assets, Being Depreciated, Net	39,819,507	(495,651)	(1,692)	(19,693)	39,302,471
Governmental Activities Capital Assets, Net	<u>\$ 45,695,046</u>	<u>(\$ 439,366)</u>	<u>(\$ 1,692)</u>	<u>(\$ 19,693)</u>	<u>\$ 45,234,295</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2011	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2012
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 560,101	\$ -	\$ -	\$ 60,051	\$ 620,152
Total Capital Assets, Not Being Depreciated	<u>560,101</u>	<u>-</u>	<u>-</u>	<u>60,051</u>	<u>620,152</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	153,022	-	-	1,098,056	1,251,078
Equipment	2,302,376	20,905	(507,410)	-	1,815,871
Software	15,660	-	-	-	15,660
Infrastructure	<u>7,277,996</u>	<u>749,589</u>	<u>-</u>	<u>-</u>	<u>8,027,585</u>
Total Capital Assets, Being Depreciated	<u>9,749,054</u>	<u>770,494</u>	<u>(507,410)</u>	<u>1,098,056</u>	<u>11,110,194</u>
Less Accumulated Depreciation For:					
Buildings and improvements	(149,094)	(34,805)	-	(539,870)	(723,769)
Equipment	(1,663,093)	(146,301)	505,880	-	(1,303,514)
Software	(13,311)	(2,349)	-	-	(15,660)
Infrastructure	<u>(3,195,190)</u>	<u>(484,591)</u>	<u>-</u>	<u>-</u>	<u>(3,679,781)</u>
Total Accumulated Depreciation	<u>(5,020,688)</u>	<u>(668,046)</u>	<u>505,880</u>	<u>(539,870)</u>	<u>(5,722,724)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,728,366</u>	<u>102,448</u>	<u>(1,530)</u>	<u>558,186</u>	<u>5,387,470</u>
Business-Type Activities Capital Assets, Net	<u>\$ 5,288,467</u>	<u>\$ 102,448</u>	<u>(\$ 1,530)</u>	<u>\$ 618,237</u>	<u>\$ 6,007,622</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 525,240
Public protection	468,925
Health and welfare	63,874
Public assistance	33,221
Education	23,327
Culture and recreation	71,847
Public ways and facilities	<u>1,296,129</u>
Total Depreciation Expense - Governmental Functions	<u>\$ 2,482,563</u>

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

Airport	\$ 509,736
Solid Waste	38,858
Transit	<u>119,452</u>
Total Depreciation Expense – Business-Type Functions	<u>\$ 668,046</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS (CONTINUED)

Construction in Progress

Construction in progress for governmental activities relates primarily to work performed on the Lake Davis Water Treatment project, Gansner Park river pathway, and various bridge 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, 2012:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 234,366	\$ -
Nonmajor Governmental Funds	-	230,529
Nonmajor Enterprise Funds	-	3,837
Agency Funds	52,176	52,176
Total	<u>\$ 286,542</u>	<u>\$ 286,542</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, reimbursement of various County operations and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2012:

	Transfer In	Transfer Out
General Fund	\$ 7,278,018	\$ 7,712,861
Road	8,624	76,662
Social Services	1,754,688	25,000
Mental Health	587,344	15,000
Public Health	190,000	218,247
Public Safety	586,734	54,813
Nonmajor Governmental Funds	1,639,928	3,938,269
Solid Waste Planning and Operations	-	4,484
Total	<u>\$ 12,045,336</u>	<u>\$ 12,045,336</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 6: UNEARNED/DEFERRED REVENUE

At June 30, 2012, the components of unearned and deferred revenue reported were as follows:

	<u>Unearned</u>	<u>Deferred</u>	<u>Total</u>
General Fund			
2012/2013 revenues received in 2011/2012	\$ 215	\$ -	\$ 215
State, Federal and other agency receivables	-	204,852	204,852
Road			
State, Federal and other agency receivables	-	205,991	205,991
Mental Health			
2012/2013 revenues received in 2011/2012	2,670	-	2,670
Public Health			
State, Federal, and other agency receivables	-	356,663	356,663
Public Safety			
State, Federal and other agency receivables	-	535,668	535,668
Non-Major Governmental Funds			
2012/2013 revenues received in 2011/2012	88,380	-	88,380
State, Federal and other agency receivables	-	7,237	7,237
Airport			
2012/2013 revenues received in 2011/2012	<u>3,392</u>	<u>-</u>	<u>3,392</u>
Total	<u>\$ 94,657</u>	<u>\$ 1,310,411</u>	<u>\$1,405,068</u>

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2012:

<u>Type of Indebtedness</u>	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Balance June 30, 2012</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Revenue Bonds	\$ 4,000	\$ -	(\$ 2,000)	\$ 2,000	\$ 2,000
Loans	165,000	-	-	165,000	165,000
Certificates of Participation	16,075,000	-	(435,000)	15,640,000	450,000
Capital Leases	151,075	-	(120,125)	30,950	30,950
Compensated Absences	4,578,367	2,758,549	(2,851,232)	4,485,684	2,851,233
Net OPEB Obligation	<u>1,444,251</u>	<u>428,018</u>	<u>(195,697)</u>	<u>1,676,572</u>	<u>-</u>
Total Governmental Activities	<u>\$ 22,417,693</u>	<u>\$ 3,186,567</u>	<u>(\$ 3,604,054)</u>	<u>\$ 22,000,206</u>	<u>\$ 3,499,183</u>
Business-Type Activities					
Closure/Post Closure	2,317,864	48,729	-	2,366,593	-
Compensated Absences	16,605	13,261	(9,069)	20,797	9,067
Net OPEB Obligation	<u>21,658</u>	<u>6,517</u>	<u>(994)</u>	<u>27,181</u>	<u>-</u>
Total Business-Type Activities	<u>\$ 2,356,127</u>	<u>\$ 68,507</u>	<u>(\$ 10,063)</u>	<u>\$ 2,414,571</u>	<u>\$ 9,067</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2012, are as follows:

Governmental Activities

Revenue Bonds:

1973 Beckworth CSA Revenue Bonds, issued December 1973 in the amount of \$50,000 and payable in annual installments of \$500 to \$2,000, with an interest rate of 4.75% and maturity on January 1, 2013. The bonds were used to finance Beckworth CSA.

\$ 2,000

Total Revenue Bonds

2,000

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 rate of 3.11% and maturity on December 31, 2012. 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.

15,640,000

Total Certificates of Participation

15,640,000

Total Governmental Activities

\$ 15,807,000

Following is a schedule of debt payment requirements of governmental activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, capital leases which are reported in Note 8, and net OPEB obligation which is reported in Note 13.

Governmental Activities

Year Ended June 30	Revenue Bonds		
	Principal	Interest	Total
2013	\$ 2,000	\$ 95	2,095
Total	<u>\$ 2,000</u>	<u>\$ 95</u>	<u>\$ 2,095</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

Year Ended June 30	Loans Payable		
	Principal	Interest	Total
2013	\$ 165,000	\$ -	\$ 165,000
Total	<u>\$ 165,000</u>	<u>\$ -</u>	<u>\$ 165,000</u>

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2013	\$ 450,000	\$ 769,525	\$ 1,219,525
2014	470,000	751,525	1,221,525
2015	490,000	732,725	1,222,725
2016	510,000	713,125	1,223,125
2017	530,000	691,450	1,221,450
2018-2022	3,060,000	3,039,863	6,099,863
2023-2027	3,940,000	2,160,025	6,100,025
2028-2032	5,030,000	1,069,000	6,099,000
2033-2037	<u>1,160,000</u>	<u>58,000</u>	<u>1,218,000</u>
Total	<u>\$ 15,640,000</u>	<u>\$ 9,985,238</u>	<u>\$ 25,625,238</u>

NOTE 8: LEASES

Operating Leases

Rental expenses incurred under operating leases are not considered material.

Capital Leases

The County has entered into certain capital lease agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met.

	Stated Interest Rate	Present Value of Remaining Payments at June 30, 2012
Governmental activities	4.67%-12.86%	\$ 30,950
Total		<u>\$ 30,950</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 8: LEASES (CONTINUED)

Capital Leases (Continued)

Equipment and related accumulated depreciation under capital lease are as follows:

	<u>Governmental Activities</u>
Equipment	\$ 956,893
Less: accumulated depreciation	(956,893)
Net Value	<u>\$ -</u>

As of June 30, 2012, capital lease annual amortization is as follows:

<u>Year Ended June 30:</u>	<u>Governmental Activities</u>
2013	\$ 31,282
Total requirements	31,282
Less interest	(332)
Present Value of Remaining Payments	<u>\$ 30,950</u>

NOTE 9: CLOSURE/POST CLOSURE

The County of Plumas has two landfill sites. State and Federal laws and regulations require the County to perform certain closure and post-closure maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and post-closure care costs as an expenditure in each year based on landfill capacity used as of each balance sheet date. The \$2,366,593 reported as closure/post-closure liability at June 30, 2012, 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 post-closure care of \$1,701,983 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2012. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and post-closure care costs in the future. At June 30, 2012, cash and investments of \$3,405,151 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 post-closure 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 post-closure 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.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 10: NET ASSETS

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- Invested in capital assets, net of related debt – 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 assets – Consists of net assets 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 assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Net Asset 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 assets are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

Net Assets Restricted by Enabling Legislation

The government-wide Statement of Net Assets reports \$20,146,011 of restricted net assets, of which \$1,021,525 is restricted by enabling legislation.

NOTE 11: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2012, fund balance for governmental funds are made up of the following:

- Nonspendable fund balance - includes amounts that are (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 - includes amounts that can be spent for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 11: FUND BALANCES (CONTINUED)

- Committed fund balance - includes amounts that can only be used for the specific purposes determined by 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.
- Assigned fund balance - comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the County's Board of Supervisors or (b) a body (for example: a budget or finance committee) or official to which the County's Board of Supervisors has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance - is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, that fund would report a negative unassigned fund balance.

The fund balances for all major and nonmajor governmental funds as of June 30, 2012, were distributed as follows:

	General	Road	Social Services	Mental Health	Public Health	Public Safety	Other Govern- mental Funds	Total
Nonspendable:								
Prepaid costs	\$ 70,124	\$ 953	\$ 1,545	\$ 551	\$ 1,339	\$ 44,441	\$ 46,550	\$ 165,503
Inventory	-	256,311	-	-	-	-	-	256,311
Subtotal	70,124	257,264	1,545	551	1,339	44,441	46,550	421,814
Restricted For:								
General government	1,021,925	-	-	-	-	-	3,226,346	4,248,271
Public protection	-	-	-	-	-	833,692	1,533,880	2,367,572
Health & welfare	16,943	-	-	13,273,157	626,066	-	141,739	14,057,905
Public assistance	-	-	1,245,343	-	-	-	-	1,245,343
Public ways & facilities	-	11,142,944	-	-	-	-	2,913,627	14,056,571
Subtotal	1,038,868	11,142,944	1,245,343	13,273,157	626,066	833,692	7,815,592	35,975,662
Committed to:								
General government	2,111,377	-	-	-	-	-	502,512	2,613,889
Subtotal	2,111,377	-	-	-	-	-	502,512	2,613,889
Assigned to:								
General government	141,831	-	-	-	-	-	-	141,831
Public protection	285,270	-	-	-	-	-	-	285,270
Public assistance	27,152	-	-	-	-	-	-	27,152
Subtotal	454,253	-	-	-	-	-	-	454,253
Unassigned	-	-	-	-	-	-	(71,343)	(71,343)
Total	<u>\$3,674,622</u>	<u>\$11,400,208</u>	<u>\$1,246,888</u>	<u>\$13,273,708</u>	<u>\$ 627,405</u>	<u>\$878,133</u>	<u>\$8,293,311</u>	<u>\$39,394,275</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

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 net assets are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

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

NOTE 12: 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.

B. Funding Policy

Active plan members in PERS are required to contribute 7 percent (9 percent for safety employees) 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 County has committed to contribute a portion of the required employee contribution in addition to their own required contributions. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rate for fiscal year 2011/2012 was 13.931 percent for miscellaneous employees, 203.751 percent for safety CPO employees, and 26.143 percent for safety sheriff employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

C. Annual Pension Cost

For fiscal year 2011/2012, the County's annual pension cost of \$1,989,982 for the miscellaneous plan, \$149,348 for the safety CPO plan and \$528,566 for the safety sheriff employees plan for PERS was equal to the County's actual contributions. The required contributions for fiscal year 2011/2012 were determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.55 percent to 14.45 percent, depending on age, service, and type of employment, (c) 3.00 percent inflation, (d) 3.25 percent payroll growth and (e) individual salary growth based on a merit scale with assumed annual inflation of 3.00 percent and annual production growth of 0.25 percent.

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 table below 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, 2010	\$ 1,827,203	100%	\$ -
June 30, 2011	1,814,311	100%	-
June 30, 2012	1,989,982	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, 2010	\$ 147,526	100%	\$ -
June 30, 2011	140,944	100%	-
June 30, 2012	149,348	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, 2010	\$ 460,976	100%	\$ -
June 30, 2011	430,681	100%	-
June 30, 2012	528,566	100%	-

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

D. Funded Status and Funding Progress

As of June 30, 2010, the most recent actuarial valuation date, the miscellaneous plan was 86.7 percent funded. The actuarial accrued liability for benefits was \$97,484,303, and the actuarial value of assets was \$84,512,572, resulting in an unfunded actuarial accrued liability (UAAL) of \$12,971,731. The covered payroll (annual payroll of active employees covered by the plan) was \$15,906,112, and the ratio of the UAAL to the covered payroll was 81.6 percent.

Since the safety sheriff plan and the safety CPO plan had less than 100 active members in at least one valuation since June 30, 2003, it is required that they participate in a risk pool and therefore they 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 \$484 to \$1,387 and percentages paid range from 25% to 100% 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.

GASB 45 does not require pre-funding of OPEB benefits. Therefore, the County's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The County has elected not to establish an irrevocable trust at this time. The Board of Supervisors reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the County.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

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

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 components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Retiree Health Plan.

Annual required contribution	\$ 463,212
Interest on prior year net OPEB obligation	73,296
Amortization of prior year net OPEB obligation	(101,975)
Annual OPEB Cost	434,533
Contributions Made:	
Pay as you go contribution	(196,690)
Increase in Net OPEB Obligation	237,843
Net OPEB Obligation Beginning of Year	<u>1,465,910</u>
Net OPEB Obligation Ending of Year	<u><u>\$ 1,703,753</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:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2010	\$ 518,040	\$ 178,615	34.48%	\$ 1,113,507
June 30, 2011	546,020	193,617	35.46%	1,465,910
June 30, 2012	434,533	196,690	45.26%	1,703,753

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

D. Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$4,177,874 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,177,874. The covered payroll (annual payroll of employees covered by the plan) was \$16,123,000, and the ratio to the UAAL to the covered payroll was 25.91 percent.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

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

D. Funded Status and Funding Progress (Continued)

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 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, 2011. The assumptions used for this valuation are in accordance with CalPers' "OPEB Assumption Model", which describes guidelines to be used for retiree healthcare valuations for plans intending to pre-fund benefits through California Employers' Retiree Benefit Trust (CERBT).

The annual rate of return on assets used to pay for benefits is assumed to be 5.00% (assumed rate of return on general assets). The rate of return for assets in a trust is assumed to be 7.61%. Salaries are assumed to increase annually at 3.25%.

These assumptions reflect an implicit 3.0 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 June 30, 2012 was 26 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, 2012, the County did not have landfill insurance.

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 14: RISK MANAGEMENT (CONTINUED)

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, 2012 was as follows:

Liability	\$ 422,111	
Workers Compensation		<u>2,399,280</u>
Total	<u>\$ 2,821,391</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, 2012, the Workers' Compensation liability risk management fund had funding surplus of \$999,940.

Changes in the County's claims liability amount for the fiscal years 2010, 2011, and 2012 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims	Claims Payments and Changes In Estimates	Balance at End of Fiscal Year
2010	\$ 3,225,000	\$ 499,383	\$ 499,383	\$ 3,225,000
2011	3,225,000	621,238	1,109,076	2,737,162
2012	2,737,162	2,364,605	2,280,376	2,821,391

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

The County has active construction projects as of June 30, 2012. The estimated costs to be incurred for these projects is \$2,660,596.

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, 2012

NOTE 15: OTHER INFORMATION

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

Management has evaluated events subsequent to June 30, 2012 through March 6, 2013, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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COUNTY OF PLUMAS
Required Supplementary Information
For the Year Ended June 30, 2012

1. 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% 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	Unfunded Actuarial Value of Assets	Liability (Excess Assets)	Funded Ratios		Annual Covered Payroll	UAAL as a % of Payroll
				Actuarial Value	Market Value		
June 30, 2008	\$ 86,462,425	\$ 76,840,700	\$ 9,621,725	88.9%	90.5%	\$ 17,589,480	54.7%
June 30, 2009	93,342,867	80,533,291	12,808,776	86.3%	62.8%	16,150,791	79.3%
June 30, 2010	97,484,303	84,512,572	12,971,731	86.7%	67.8%	15,906,112	81.6%

Safety Plan:

The County specific funding information is no longer available for the Safety Plan. The County's Safety Plan participates 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.

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.

2. 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% 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, 2012

2. 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.

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, 2007	\$ -	\$ 4,598,485	\$4,598,485	-	\$ 19,700,000	23.34%
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%

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 13,829,583	\$ 15,006,158	\$ 15,105,659	\$ 99,501
Licenses, permits, and franchises	680,000	598,500	491,052	(107,448)
Fines and forfeitures	364,700	366,700	258,551	(108,149)
Intergovernmental	1,415,857	2,533,645	1,969,529	(564,116)
Use of money and property	150,426	152,164	215,409	63,245
Charges for services	2,547,691	2,668,316	2,868,986	200,670
Other revenues	1,201,416	443,660	490,796	47,136
Total Revenues	20,189,673	21,769,143	21,399,982	(369,161)
EXPENDITURES				
Current:				
General government	7,079,376	7,914,857	6,713,611	1,201,246
Public protection	4,506,684	13,061,847	12,030,187	1,031,660
Health and welfare	587,955	1,043,328	561,403	481,925
Public assistance	80,800	85,122	539,577	(454,455)
Education	747,913	795,474	714,855	80,619
Culture and recreation	436,017	428,533	392,297	36,236
Public ways and facilities	464,614	459,133	442,838	16,295
Debt service:				
Principal	120,155	-	120,125	(120,125)
Interest and other charges	4,972	-	5,001	(5,001)
Capital outlay	15,000	333,578	132,249	201,329
Total Expenditures	14,043,486	24,121,872	21,652,143	2,469,729
Excess of Revenues Over (Under) Expenditures	6,146,187	(2,352,729)	(252,161)	2,100,568
OTHER FINANCING SOURCES (USES)				
Transfers in	469,389	7,463,845	7,278,018	(185,827)
Transfers out	(7,884,128)	(7,753,608)	(7,712,861)	40,747
Total Other Financing Sources (Uses)	(7,414,739)	(289,763)	(434,843)	(145,080)
Net Change in Fund Balance	(1,268,552)	(2,642,492)	(687,004)	1,955,488
Fund Balance - Beginning	4,361,626	4,361,626	4,361,626	-
Fund Balance - Ending	\$ 3,093,074	\$ 1,719,134	\$ 3,674,622	\$ 1,955,488

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Road - Major Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 250	\$ 250	\$ 742	\$ 492
Licenses, permits, and franchises	70,000	70,000	68,957	(1,043)
Fines and forfeitures	500	-	-	-
Intergovernmental	6,512,836	6,064,506	6,486,338	421,832
Use of money and property	107,000	107,000	82,671	(24,329)
Charges for services	306,062	396,562	232,228	(164,334)
Other revenues	26,000	110,652	134,874	24,222
Total Revenues	<u>7,022,648</u>	<u>6,748,970</u>	<u>7,005,810</u>	<u>256,840</u>
EXPENDITURES				
Current:				
Public ways and facilities	10,888,339	10,184,143	7,369,908	2,814,235
Capital outlay	995,369	1,920,634	775,929	1,144,705
Total Expenditures	<u>11,883,708</u>	<u>12,104,777</u>	<u>8,145,837</u>	<u>3,958,940</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,861,060)</u>	<u>(5,355,807)</u>	<u>(1,140,027)</u>	<u>4,215,780</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	4,000	8,624	4,624
Transfers out	(94,564)	(118,364)	(76,662)	41,702
Total Other Financing Sources (Uses)	<u>(94,564)</u>	<u>(114,364)</u>	<u>(68,038)</u>	<u>46,326</u>
Net Change in Fund Balance	<u>(4,955,624)</u>	<u>(5,470,171)</u>	<u>(1,208,065)</u>	<u>4,262,106</u>
Fund Balance - Beginning	<u>12,608,273</u>	<u>12,608,273</u>	<u>12,608,273</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 7,652,649</u>	<u>\$ 7,138,102</u>	<u>\$ 11,400,208</u>	<u>\$ 4,262,106</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Social Services - Major Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 9,204,221	\$ 9,252,197	\$ 5,871,577	\$ (3,380,620)
Use of money	6,500	6,500	4,475	(2,025)
Charges for services	-	-	-	-
Other revenues	31,900	51,525	71,995	20,470
Total Revenues	<u>9,242,621</u>	<u>9,310,222</u>	<u>5,948,047</u>	<u>(3,362,175)</u>
EXPENDITURES				
Current:				
Public assistance	9,699,144	9,779,071	7,387,107	2,391,964
Capital outlay	70,000	70,000	59,756	10,244
Total Expenditures	<u>9,769,144</u>	<u>9,849,071</u>	<u>7,446,863</u>	<u>2,402,208</u>
Excess of Revenues Over (Under) Expenditures	<u>(526,523)</u>	<u>(538,849)</u>	<u>(1,498,816)</u>	<u>(959,967)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	47,976	1,754,688	1,706,712
Transfers out	(48,125)	(61,500)	(25,000)	36,500
Total Other Financing Sources (Uses)	<u>(48,125)</u>	<u>(13,524)</u>	<u>1,729,688</u>	<u>1,743,212</u>
Net Change in Fund Balance	<u>(574,648)</u>	<u>(552,373)</u>	<u>230,872</u>	<u>783,245</u>
Fund Balance - Beginning	<u>1,016,016</u>	<u>1,016,016</u>	<u>1,016,016</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 441,368</u></u>	<u><u>\$ 463,643</u></u>	<u><u>\$ 1,246,888</u></u>	<u><u>\$ 783,245</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Mental Health - Major Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,913,927	\$ 3,913,927	\$ 4,650,472	\$ 736,545
Use of money	45,300	45,300	51,798	6,498
Charges for services	248,536	248,536	335,832	87,296
Other revenues	35,000	35,000	6,470	(28,530)
Total Revenues	<u>4,242,763</u>	<u>4,242,763</u>	<u>5,044,572</u>	<u>801,809</u>
EXPENDITURES				
Current:				
Health and welfare	4,633,051	9,779,269	3,299,152	6,480,117
Public assistance	109,817	97,277	-	97,277
Capital outlay	-	73,800	51,560	22,240
Total Expenditures	<u>4,742,868</u>	<u>9,950,346</u>	<u>3,350,712</u>	<u>6,599,634</u>
Excess of Revenues Over (Under) Expenditures	<u>(500,105)</u>	<u>(5,707,583)</u>	<u>1,693,860</u>	<u>7,401,443</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	160,752	53,006	587,344	534,338
Transfers out	(1,128)	(1,128)	(15,000)	(13,872)
Total Other Financing Sources (Uses)	<u>159,624</u>	<u>51,878</u>	<u>572,344</u>	<u>520,466</u>
Net Change in Fund Balance	<u>(340,481)</u>	<u>(5,655,705)</u>	<u>2,266,204</u>	<u>7,921,909</u>
Fund Balance - Beginning	<u>11,007,504</u>	<u>11,007,504</u>	<u>11,007,504</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 10,667,023</u></u>	<u><u>\$ 5,351,799</u></u>	<u><u>\$ 13,273,708</u></u>	<u><u>\$ 7,921,909</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Public Health - Major Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,673,868	\$ 3,902,359	\$ 3,830,737	\$ (71,622)
Use of money	5,450	3,350	2,263	(1,087)
Charges for services	492,012	545,177	516,716	(28,461)
Other revenues	-	-	1,056	1,056
Total Revenues	<u>4,171,330</u>	<u>4,450,886</u>	<u>4,350,772</u>	<u>(100,114)</u>
EXPENDITURES				
Current:				
Health and welfare	3,701,781	4,554,746	3,884,545	670,201
Public assistance	2,720	3,550	-	3,550
Capital outlay	-	-	3,386	(3,386)
Total Expenditures	<u>3,704,501</u>	<u>4,558,296</u>	<u>3,887,931</u>	<u>670,365</u>
Excess of Revenues Over (Under) Expenditures	<u>466,829</u>	<u>(107,410)</u>	<u>462,841</u>	<u>570,251</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	160,661	17,552	190,000	172,448
Transfers out	(123,732)	(35,091)	(218,247)	(183,156)
Total Other Financing Sources (Uses)	<u>36,929</u>	<u>(17,539)</u>	<u>(28,247)</u>	<u>(10,708)</u>
Net Change in Fund Balance	<u>503,758</u>	<u>(124,949)</u>	<u>434,594</u>	<u>559,543</u>
Fund Balance - Beginning	<u>192,811</u>	<u>192,811</u>	<u>192,811</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 696,569</u></u>	<u><u>\$ 67,862</u></u>	<u><u>\$ 627,405</u></u>	<u><u>\$ 559,543</u></u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Public Safety - Major Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 19,713	\$ 19,713	\$ 19,713	\$ -
Fines and forfeitures	-	-	33,448	33,448
Intergovernmental	1,172,696	1,431,613	1,057,465	(374,148)
Use of money	1,150	1,150	1,036	(114)
Charges for services	5,000	5,000	6,548	1,548
Other revenues	35,000	35,000	54,514	19,514
Total Revenues	1,233,559	1,492,476	1,172,724	(319,752)
EXPENDITURES				
Current:				
General government	87,222	77,410	-	77,410
Public protection	1,846,528	1,599,793	992,511	607,282
Capital outlay	277,305	1,077,521	969,342	108,179
Total Expenditures	2,211,055	2,754,724	1,961,853	792,871
Excess of Revenues Over (Under) Expenditures	(977,496)	(1,262,248)	(789,129)	473,119
OTHER FINANCING SOURCES (USES)				
Transfers in	8,483	10,357	586,734	576,377
Transfers out	(24,272)	(72,397)	(54,813)	17,584
Total Other Financing Sources (Uses)	(15,789)	(62,040)	531,921	593,961
Net Change in Fund Balance	(993,285)	(1,324,288)	(257,208)	1,067,080
Fund Balance - Beginning	1,135,341	1,135,341	1,135,341	-
Fund Balance - Ending	\$ 142,056	\$ (188,947)	\$ 878,133	\$ 1,067,080

COUNTY OF PLUMAS
Required Supplementary Information
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2012

BUDGETARY BASIS OF ACCOUNTING

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

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

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

- (1) The County Administrative Officer submits to the Board of Supervisors a recommended 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.

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Combining Nonmajor Fund Statements

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Nonmajor Governmental Funds

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and investments	\$ 6,974,797	\$ 256,405	\$ 7,231,202
Cash with fiscal agent	-	1,408,080	1,408,080
Accounts receivable	17,604	15,071	32,675
Due from other governments	287,533	-	287,533
Prepaid costs	46,550	-	46,550
Total Assets	<u>\$ 7,326,484</u>	<u>\$ 1,679,556</u>	<u>\$ 9,006,040</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 356,238	\$ -	\$ 356,238
Salaries and benefits payable	30,345	-	30,345
Deferred revenue	7,237	-	7,237
Unearned revenue	88,380	-	88,380
Due to other funds	230,529	-	230,529
Total Liabilities	<u>712,729</u>	<u>-</u>	<u>712,729</u>
Fund Balances			
Nonspendable	46,550	-	46,550
Restricted	6,136,036	1,679,556	7,815,592
Committed	502,512	-	502,512
Unassigned	(71,343)	-	(71,343)
Total Fund Balances	<u>6,613,755</u>	<u>1,679,556</u>	<u>8,293,311</u>
Total Liabilities and Fund Balances	<u>\$ 7,326,484</u>	<u>\$ 1,679,556</u>	<u>\$ 9,006,040</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2012

	Special Revenue	Capital Projects	Totals
REVENUES			
Taxes and assessments	\$ 635,376	\$ -	\$ 635,376
Licenses, permits, and franchises	3,002	-	3,002
Fines and forfeitures	37,812	66,162	103,974
Intergovernmental	5,358,271	177,809	5,536,080
Use of money and property	237,304	1,139	238,443
Charges for services	317,549	-	317,549
Other revenues	171,349	-	171,349
Total Revenues	<u>6,760,663</u>	<u>245,110</u>	<u>7,005,773</u>
EXPENDITURES			
Current:			
General government	646,822	122	646,944
Public protection	1,652,746	-	1,652,746
Health and welfare	133,808	-	133,808
Public ways and facilities	609,667	-	609,667
Debt service:			
Principal	2,000	435,000	437,000
Interest and other charges	190	786,925	787,115
Capital outlay	50,975	-	50,975
Total Expenditures	<u>3,096,208</u>	<u>1,222,047</u>	<u>4,318,255</u>
Excess of Revenues Over (Under) Expenditures	<u>3,664,455</u>	<u>(976,937)</u>	<u>2,687,518</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	418,003	1,221,925	1,639,928
Transfers out	(3,938,269)	-	(3,938,269)
Total Other Financing Sources (Uses)	<u>(3,520,266)</u>	<u>1,221,925</u>	<u>(2,298,341)</u>
Net Change in Fund Balances	144,189	244,988	389,177
Fund Balances - Beginning	<u>6,469,566</u>	<u>1,434,568</u>	<u>7,904,134</u>
Fund Balances - Ending	<u><u>\$ 6,613,755</u></u>	<u><u>\$ 1,679,556</u></u>	<u><u>\$ 8,293,311</u></u>

Nonmajor Governmental Funds

- **Special Revenue Funds**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Fish and Game	Child Abuse Prevention	County Fair	Local Revenue 2011
ASSETS				
Cash and investments	\$ 206,811	\$ 62,111	\$ 77,809	\$ -
Accounts receivable	179	25	-	589
Due from other governments	-	-	-	172,211
Prepaid costs	-	-	629	-
Total Assets	\$ 206,990	\$ 62,136	\$ 78,438	\$ 172,800
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 911	\$ 20,685	\$ 1,199	\$ -
Salaries and benefits payable	112	-	7,340	-
Deferred revenue	-	-	-	-
Unearned revenue	-	-	68,306	-
Due to other funds	-	-	-	230,529
Total Liabilities	1,023	20,685	76,845	230,529
Fund Balances				
Nonspndable	-	-	629	-
Restricted	205,967	41,451	964	-
Committed	-	-	-	-
Unassigned	-	-	-	(57,729)
Total Fund Balances	205,967	41,451	1,593	(57,729)
Total Liabilities and Fund Balances	\$ 206,990	\$ 62,136	\$ 78,438	\$ 172,800

Title III	Alcohol/ Drug	County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement
\$ 1,050,914	\$ 140,457	\$ 38,077	\$ 406,923	\$ 81,112	\$ 625,250	\$ 502,512
-	-	16,355	-	-	-	-
-	1,281	-	-	-	113,637	-
-	-	-	-	-	5,250	-
<u>\$ 1,050,914</u>	<u>\$ 141,738</u>	<u>\$ 54,432</u>	<u>\$ 406,923</u>	<u>\$ 81,112</u>	<u>\$ 744,137</u>	<u>\$ 502,512</u>
\$ 4,542	\$ -	\$ -	\$ 2,427	\$ -	\$ 5,089	\$ -
-	-	-	18,058	-	3,979	-
-	-	-	-	-	7,237	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>4,542</u>	<u>-</u>	<u>-</u>	<u>20,485</u>	<u>-</u>	<u>16,305</u>	<u>-</u>
-	-	-	-	-	5,250	-
1,046,372	141,738	54,432	386,438	81,112	722,582	-
-	-	-	-	-	-	502,512
-	-	-	-	-	-	-
<u>1,046,372</u>	<u>141,738</u>	<u>54,432</u>	<u>386,438</u>	<u>81,112</u>	<u>727,832</u>	<u>502,512</u>
<u>\$ 1,050,914</u>	<u>\$ 141,738</u>	<u>\$ 54,432</u>	<u>\$ 406,923</u>	<u>\$ 81,112</u>	<u>\$ 744,137</u>	<u>\$ 502,512</u>

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter	Domestic Violence
ASSETS				
Cash and investments	\$ 23,941	\$ 469,281	\$ 1,222	\$ 3,801
Accounts receivable	-	410	-	46
Due from other governments	-	-	404	-
Prepaid costs	-	-	-	-
Total Assets	<u>\$ 23,941</u>	<u>\$ 469,691</u>	<u>\$ 1,626</u>	<u>\$ 3,847</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 374	\$ 20,188	\$ -	\$ 525
Salaries and benefits payable	-	258	-	-
Deferred revenue	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>374</u>	<u>20,446</u>	<u>-</u>	<u>525</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	23,567	449,245	1,626	3,322
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>23,567</u>	<u>449,245</u>	<u>1,626</u>	<u>3,322</u>
Total Liabilities and Fund Balances	<u>\$ 23,941</u>	<u>\$ 469,691</u>	<u>\$ 1,626</u>	<u>\$ 3,847</u>

HAVA Elections	Air Pollution	Crescent Mills Lighting	Quincy Lighting	Beckwourth CSA Sewer	Flood Control	CSA #11 Ambulance
\$ 61,288	\$ 1,773	\$ 1,546	\$ 29,096	\$ 48,765	\$ 257,601	\$ 4,836
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	40,671	-
<u>\$ 61,288</u>	<u>\$ 1,773</u>	<u>\$ 1,546</u>	<u>\$ 29,096</u>	<u>\$ 48,765</u>	<u>\$ 298,272</u>	<u>\$ 4,836</u>
\$ -	\$ -	\$ 764	\$ -	\$ 392	\$ 251,139	\$ 4,836
-	-	-	-	596	2	-
-	-	-	-	-	-	-
-	-	-	-	-	20,074	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>764</u>	<u>-</u>	<u>988</u>	<u>271,215</u>	<u>4,836</u>
-	-	-	-	-	40,671	-
61,288	1,773	782	29,096	47,777	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(13,614)	-
<u>61,288</u>	<u>1,773</u>	<u>782</u>	<u>29,096</u>	<u>47,777</u>	<u>27,057</u>	<u>-</u>
<u>\$ 61,288</u>	<u>\$ 1,773</u>	<u>\$ 1,546</u>	<u>\$ 29,096</u>	<u>\$ 48,765</u>	<u>\$ 298,272</u>	<u>\$ 4,836</u>

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Monterey Forum	Walker Ranch CSD	Grizzly Ranch CSD	Totals
ASSETS				
Cash and investments	\$ 24,099	\$ 1,878,849	\$ 976,723	\$ 6,974,797
Accounts receivable	-	-	-	17,604
Due from other governments	-	-	-	287,533
Prepaid costs	-	-	-	46,550
Total Assets	\$ 24,099	\$ 1,878,849	\$ 976,723	\$ 7,326,484
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 10,938	\$ 32,229	\$ 356,238
Salaries and benefits payable	-	-	-	30,345
Deferred revenue	-	-	-	7,237
Unearned revenue	-	-	-	88,380
Due to other governments	-	-	-	230,529
Total Liabilities	-	10,938	32,229	712,729
Fund Balances				
Nonspendable	-	-	-	46,550
Restricted	24,099	1,867,911	944,494	6,136,036
Committed	-	-	-	502,512
Unassigned	-	-	-	(71,343)
Total Fund Balances	24,099	1,867,911	944,494	6,613,755
Total Liabilities and Fund Balances	\$ 24,099	\$ 1,878,849	\$ 976,723	\$ 7,326,484

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COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2012

	Fish and Game	Child Abuse Prevention	County Fair	Local Revenue 2011
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 1,458	\$ -
Licenses, permits, and franchises	-	-	-	-
Fines and forfeitures	22,151	-	-	-
Intergovernmental	174	28,055	93	3,259,786
Use of money and property	836	528	216,246	-
Charges for services	-	2,617	58,885	-
Other revenues	-	84,146	29,711	-
Total Revenues	23,161	115,346	306,393	3,259,786
EXPENDITURES				
Current:				
General government	-	-	459,541	-
Public protection	20,679	102,788	-	-
Health and welfare	-	-	-	-
Public ways and facilities	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	20,679	102,788	459,541	-
Excess of Revenues Over (Under) Expenditures	2,482	12,558	(153,148)	3,259,786
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	65,556	-
Transfers out	-	-	-	(3,317,515)
Total Other Financing Sources (Uses)	-	-	65,556	(3,317,515)
Net Change in Fund Balances	2,482	12,558	(87,592)	(57,729)
Fund Balances - Beginning	203,485	28,893	89,185	-
Fund Balances - Ending	\$ 205,967	\$ 41,451	\$ 1,593	\$ (57,729)

Title III	Alcohol/ Drug	County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	5,157	-	-	7,784	1,759	-
304,263	-	54,432	697,296	-	698,771	-
-	-	-	1,808	304	1,475	2,039
-	20,806	-	-	-	-	-
-	-	-	85	-	-	-
304,263	25,963	54,432	699,189	8,088	702,005	2,039
136,260	-	-	-	-	-	11
-	-	-	703,631	3	274,619	-
-	28,052	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
136,260	28,052	-	703,631	3	274,619	11
168,003	(2,089)	54,432	(4,442)	8,085	427,386	2,028
-	161,330	-	-	-	98,196	-
(240,992)	(101,486)	-	-	-	(37,036)	(200,000)
(240,992)	59,844	-	-	-	61,160	(200,000)
(72,989)	57,755	54,432	(4,442)	8,085	488,546	(197,972)
1,119,361	83,983	-	390,880	73,027	239,286	700,484
<u>\$ 1,046,372</u>	<u>\$ 141,738</u>	<u>\$ 54,432</u>	<u>\$ 386,438</u>	<u>\$ 81,112</u>	<u>\$ 727,832</u>	<u>\$ 502,512</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2012

	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter	Domestic Violence
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	3,002
Fines and forfeitures	-	-	961	-
Intergovernmental	31,062	-	-	-
Use of money and property	82	1,841	9	28
Charges for services	-	52,370	-	-
Other revenues	-	-	975	-
Total Revenues	<u>31,144</u>	<u>54,211</u>	<u>1,945</u>	<u>3,030</u>
EXPENDITURES				
Current:				
General government	-	48,002	-	-
Public protection	-	-	-	747
Health and welfare	-	-	-	-
Public ways and facilities	12,992	-	2,660	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>12,992</u>	<u>48,002</u>	<u>2,660</u>	<u>747</u>
Excess of Revenues Over (Under) Expenditures	<u>18,152</u>	<u>6,209</u>	<u>(715)</u>	<u>2,283</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(9,606)	-	-	(7,811)
Total Other Financing Sources (Uses)	<u>(9,606)</u>	<u>-</u>	<u>-</u>	<u>(7,811)</u>
Net Change in Fund Balances	<u>8,546</u>	<u>6,209</u>	<u>(715)</u>	<u>(5,528)</u>
Fund Balances - Beginning	<u>15,021</u>	<u>443,036</u>	<u>2,341</u>	<u>8,850</u>
Fund Balances - Ending	<u>\$ 23,567</u>	<u>\$ 449,245</u>	<u>\$ 1,626</u>	<u>\$ 3,322</u>

HAVA Elections	Air Pollution	Crescent Mills Lighting	Quincy Lighting	Beckwourth CSA Sewer	Flood Control	CSA #11 Ambulance
\$ -	\$ -	\$ 714	\$ 31,260	\$ 9,885	\$ 85,078	\$ 104,723
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	7	311	124	282,880	1,017
256	45	1	116	224	181	16
-	-	-	155	5,015	90,888	-
-	-	1,250	-	-	55,090	-
256	45	1,972	31,842	15,248	514,117	105,756
3,008	-	-	-	-	-	-
-	11,046	-	-	-	529,917	-
-	-	-	-	-	-	105,756
-	-	1,826	36,922	27,434	-	-
-	-	-	-	2,000	-	-
-	-	-	-	190	-	-
-	-	-	-	-	50,975	-
3,008	11,046	1,826	36,922	29,624	580,892	105,756
(2,752)	(11,001)	146	(5,080)	(14,376)	(66,775)	-
-	-	-	-	-	92,921	-
-	-	-	-	-	-	-
-	-	-	-	-	92,921	-
(2,752)	(11,001)	146	(5,080)	(14,376)	26,146	-
64,040	12,774	636	34,176	62,153	911	-
\$ 61,288	\$ 1,773	\$ 782	\$ 29,096	\$ 47,777	\$ 27,057	\$ -

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2012

	Monterey Forum	Walker Ranch CSD	Grizzly Ranch CSD	Totals
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 402,258	\$ 635,376
Licenses, permits, and franchises	-	-	-	3,002
Fines and forfeitures	-	-	-	37,812
Intergovernmental	-	-	-	5,358,271
Use of money and property	126	7,589	3,554	237,304
Charges for services	-	86,813	-	317,549
Other revenues	-	92	-	171,349
Total Revenues	126	94,494	405,812	6,760,663
EXPENDITURES				
Current:				
General government	-	-	-	646,822
Public protection	9,316	-	-	1,652,746
Health and welfare	-	-	-	133,808
Public ways and facilities	-	137,559	390,274	609,667
Debt service:				
Principal	-	-	-	2,000
Interest and other charges	-	-	-	190
Capital outlay	-	-	-	50,975
Total Expenditures	9,316	137,559	390,274	3,096,208
Excess of Revenues Over (Under) Expenditures	(9,190)	(43,065)	15,538	3,664,455
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	418,003
Transfers out	(23,823)	-	-	(3,938,269)
Total Other Financing Sources (Uses)	(23,823)	-	-	(3,520,266)
Net Change in Fund Balances	(33,013)	(43,065)	15,538	144,189
Fund Balances - Beginning	57,112	1,910,976	928,956	6,469,566
Fund Balances - Ending	\$ 24,099	\$ 1,867,911	\$ 944,494	\$ 6,613,755

Nonmajor Governmental Funds

- **Capital Projects Funds**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2012

	Capital Improvement	Criminal Justice Construction	Totals
ASSETS			
Cash and investments	\$ -	\$ 256,405	\$ 256,405
Cash with fiscal agent	1,408,080	-	1,408,080
Due from other governments	-	15,071	15,071
Total Assets	<u><u>\$ 1,408,080</u></u>	<u><u>\$ 271,476</u></u>	<u><u>\$ 1,679,556</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted	<u>1,408,080</u>	<u>271,476</u>	<u>1,679,556</u>
Total Fund Balances	<u>1,408,080</u>	<u>271,476</u>	<u>1,679,556</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,408,080</u></u>	<u><u>\$ 271,476</u></u>	<u><u>\$ 1,679,556</u></u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2012

	Capital Improvement	Criminal Justice Construction	Totals
REVENUES			
Fines and forfeitures	\$ -	\$ 66,162	\$ 66,162
Intergovernmental	177,809	-	177,809
Use of money and property	221	918	1,139
Total Revenues	<u>178,030</u>	<u>67,080</u>	<u>245,110</u>
EXPENDITURES			
Current:			
General government	122	-	122
Debt service:			
Principal	435,000	-	435,000
Interest and other charges	786,925	-	786,925
Total Expenditures	<u>1,222,047</u>	<u>-</u>	<u>1,222,047</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,044,017)</u>	<u>67,080</u>	<u>(976,937)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,221,925</u>	<u>-</u>	<u>1,221,925</u>
Total Other Financing Sources (Uses)	<u>1,221,925</u>	<u>-</u>	<u>1,221,925</u>
Net Change in Fund Balances	177,908	67,080	244,988
Fund Balances - Beginning	<u>1,230,172</u>	<u>204,396</u>	<u>1,434,568</u>
Fund Balances - Ending	<u><u>\$ 1,408,080</u></u>	<u><u>\$ 271,476</u></u>	<u><u>\$ 1,679,556</u></u>

Nonmajor Proprietary Funds

- **Enterprise Funds**

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COUNTY OF PLUMAS
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2012

	CSA #12 Senior Transit	Plumas Transit	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 33,367	\$ -	\$ 33,367
Prepaid costs	1,682	-	1,682
Total Current Assets	<u>35,049</u>	<u>-</u>	<u>35,049</u>
Noncurrent Assets:			
Capital assets			
Depreciable, net	7,551	333,196	340,747
Total Noncurrent Assets	<u>7,551</u>	<u>333,196</u>	<u>340,747</u>
Total Assets	<u>42,600</u>	<u>333,196</u>	<u>375,796</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	1,501	-	1,501
Salaries and benefits payable	6,608	-	6,608
Due to other funds	3,837	-	3,837
Compensated absences payable	7,848	-	7,848
Total Current Liabilities	<u>19,794</u>	<u>-</u>	<u>19,794</u>
Noncurrent Liabilities:			
Compensated absences, net of current portion	11,298	-	11,298
Net OPEB obligation	14,046	-	14,046
Total Noncurrent Liabilities	<u>25,344</u>	<u>-</u>	<u>25,344</u>
Total Liabilities	<u>45,138</u>	<u>-</u>	<u>45,138</u>
NET ASSETS			
Invested in capital assets	7,551	333,196	340,747
Unrestricted	(10,089)	-	(10,089)
Total Net Assets	<u>\$ (2,538)</u>	<u>\$ 333,196</u>	<u>\$ 330,658</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses and Changes in Net Assets
Nonmajor Enterprise Funds
For the Year Ended June 30, 2012

	CSA #12 Senior Transit	Plumas Transit	Total
OPERATING REVENUES			
Passenger fares	\$ 38,545	\$ -	\$ 38,545
Total Operating Revenues	<u>38,545</u>	<u>-</u>	<u>38,545</u>
OPERATING EXPENSES			
Salaries and benefits	203,636	-	203,636
Services and supplies	45,950	533,758	579,708
Depreciation	444	119,008	119,452
Total Operating Expenses	<u>250,030</u>	<u>652,766</u>	<u>902,796</u>
Operating Income (Loss)	<u>(211,485)</u>	<u>(652,766)</u>	<u>(864,251)</u>
NON-OPERATING REVENUE (EXPENSES)			
Local transportation funds	175,296	250,493	425,789
State transit assistance funds	-	197,700	197,700
Intergovernmental revenues	38,627	85,565	124,192
Interest income	1	-	1
Gain (loss) on disposal of capital assets	-	(1,530)	(1,530)
Total Non-Operating Revenues (Expenses)	<u>213,924</u>	<u>532,228</u>	<u>746,152</u>
Income (Loss) Before Contributions	2,439	(120,538)	(118,099)
Capital contribution	7,995	-	7,995
Change in Net Assets	10,434	(120,538)	(110,104)
Total Net Assets - Beginning	<u>(12,972)</u>	<u>453,734</u>	<u>440,762</u>
Total Net Assets - Ending	<u><u>\$ (2,538)</u></u>	<u><u>\$ 333,196</u></u>	<u><u>\$ 330,658</u></u>

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2012

	CSA #12 Senior Transit	Plumas Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 41,618	\$ 151,678	\$ 193,296
Payments to suppliers	(46,613)	(685,436)	(732,049)
Payments to employees	(196,409)	-	(196,409)
Net Cash Provided (Used) by Operating Activities	<u>(201,404)</u>	<u>(533,758)</u>	<u>(735,162)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Local transportation funds	175,296	250,493	425,789
State transit assistance funds	-	197,700	197,700
Intergovernmental revenues	38,627	85,565	124,192
Interfund loans received	3,837	-	3,837
Net Cash Provided (Used) by Noncapital Financing Activities	<u>217,760</u>	<u>533,758</u>	<u>751,518</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	<u>1</u>	<u>-</u>	<u>1</u>
Net Cash Provided (Used) by Investing Activities	<u>1</u>	<u>-</u>	<u>1</u>
Net Increase (Decrease) in Cash and Cash Equivalents	16,357	-	16,357
Balances - Beginning of the Year	<u>17,010</u>	<u>-</u>	<u>17,010</u>
Balances - End of the Year	<u><u>\$ 33,367</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33,367</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (211,485)	\$ (652,766)	\$ (864,251)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	444	119,008	119,452
Decrease (increase) in:			
Accounts receivable	3,073	-	3,073
Prepaid costs	-	151,678	151,678
Increase (decrease) in:			
Accounts payable	(663)	-	(663)
Salaries and benefits payable	258	-	258
Unearned revenues	-	(151,678)	(151,678)
Compensated absences payable	3,999	-	3,999
Net OPEB obligation	2,970	-	2,970
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (201,404)</u></u>	<u><u>\$ (533,758)</u></u>	<u><u>\$ (735,162)</u></u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of capital assets	\$ 7,995	\$ -	\$ 7,995

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Internal Service Funds

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COUNTY OF PLUMAS
Combining Statement of Net Assets
Internal Service Funds
June 30, 2012

	<u>Risk Management Workers' Compensation/ Liability</u>	<u>Unemployment Reserve</u>	<u>Totals</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 227,412	\$ 152,109	\$ 379,521
Cash with fiscal agent	3,593,919	-	3,593,919
	.		
Total Current Assets	<u>3,821,331</u>	<u>152,109</u>	<u>3,973,440</u>
Total Assets	<u>3,821,331</u>	<u>152,109</u>	<u>3,973,440</u>
LIABILITIES			
Current Liabilities:			
Claims payable	<u>2,821,391</u>	<u>-</u>	<u>2,821,391</u>
Total Liabilities	<u>2,821,391</u>	<u>-</u>	<u>2,821,391</u>
NET ASSETS			
Unrestricted	<u>999,940</u>	<u>152,109</u>	<u>1,152,049</u>
Total Net Assets	<u><u>\$ 999,940</u></u>	<u><u>\$ 152,109</u></u>	<u><u>\$ 1,152,049</u></u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses and
Changes in Net Assets
Internal Service Funds
For the Year Ended June 30, 2012

	<u>Risk Management Workers' Compensation/ Liability</u>	<u>Unemployment Reserve</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services	\$ 1,110,903	\$ 125,009	\$ 1,235,912
Other revenues	188	-	188
Total Operating Revenues	<u>1,111,091</u>	<u>125,009</u>	<u>1,236,100</u>
OPERATING EXPENSES			
Claims paid / liability adjustment	<u>2,280,376</u>	<u>141,834</u>	<u>2,422,210</u>
Total Operating Expenses	<u>2,280,376</u>	<u>141,834</u>	<u>2,422,210</u>
Operating Income (Loss)	<u>(1,169,285)</u>	<u>(16,825)</u>	<u>(1,186,110)</u>
NON-OPERATING REVENUE (EXPENSES)			
Interest income	<u>3,210</u>	<u>680</u>	<u>3,890</u>
Total Non-Operating Revenue (Expenses)	<u>3,210</u>	<u>680</u>	<u>3,890</u>
Change in Net Assets	(1,166,075)	(16,145)	(1,182,220)
Total Net Assets - Beginning	<u>2,166,015</u>	<u>168,254</u>	<u>2,334,269</u>
Total Net Assets - Ending	<u><u>\$ 999,940</u></u>	<u><u>\$ 152,109</u></u>	<u><u>\$ 1,152,049</u></u>

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2012

	Risk Management Workers' Compensation/ Liability	Unemployment Reserve	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,111,091	\$ 125,009	\$ 1,236,100
Payments to suppliers	(2,199,647)	(141,834)	(2,341,481)
Net Cash Provided (Used) by Operating Activities	<u>(1,088,556)</u>	<u>(16,825)</u>	<u>(1,105,381)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	3,210	680	3,890
Net Cash Provided (Used) by Investing Activities	<u>3,210</u>	<u>680</u>	<u>3,890</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,085,346)	(16,145)	(1,101,491)
Balances - Beginning of the Year	<u>4,906,677</u>	<u>168,254</u>	<u>5,074,931</u>
Balances - End of the Year	<u><u>\$ 3,821,331</u></u>	<u><u>\$ 152,109</u></u>	<u><u>\$ 3,973,440</u></u>
ADJUSTMENT TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,169,285)	\$ (16,825)	\$ (1,186,110)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Increase (decrease) in:			
Accounts payable	(3,500)	-	(3,500)
Claims payable	84,229	-	84,229
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (1,088,556)</u></u>	<u><u>\$ (16,825)</u></u>	<u><u>\$ (1,105,381)</u></u>

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Fiduciary Funds

- **Trust and Agency Funds**

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COUNTY OF PLUMAS
Combining Statement of Fiduciary Net Assets
Investment Trust Funds
June 30, 2012

	Special Districts Governed by Local Boards	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ASSETS					
Cash and investments	\$ 8,274,877	\$ 26,728,025	\$ 960,188	\$ 3,152	\$ 35,966,242
Total Assets	<u>8,274,877</u>	<u>26,728,025</u>	<u>960,188</u>	<u>3,152</u>	<u>35,966,242</u>
LIABILITIES					
Loans from other agencies	151,589	-	-	-	151,589
Total Liabilities	<u>151,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,589</u>
NET ASSETS					
Net assets held in trust for pool participants	<u>\$ 8,123,288</u>	<u>\$ 26,728,025</u>	<u>\$ 960,188</u>	<u>\$ 3,152</u>	<u>\$ 35,814,653</u>

COUNTY OF PLUMAS
Combining Statement of Changes in Fiduciary Net Assets
Investment Trust Funds
For the Year Ending June 30, 2012

	Special Districts Governed by Local Boards	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ADDITIONS					
Contributions to investment pool	\$ 1,172,301	\$ 2,858,172	\$ 50,343	\$ -	\$ 4,080,816
Total Additions	<u>1,172,301</u>	<u>2,858,172</u>	<u>50,343</u>	<u>-</u>	<u>4,080,816</u>
DEDUCTIONS					
Distributions from investment pool	456,542	5,656,194	-	2,125	6,114,861
Total Deductions	<u>456,542</u>	<u>5,656,194</u>	<u>-</u>	<u>2,125</u>	<u>6,114,861</u>
Total Change in Net Assets	715,759	(2,798,022)	50,343	(2,125)	(2,034,045)
Net Assets - Beginning	<u>7,407,529</u>	<u>29,526,047</u>	<u>909,845</u>	<u>5,277</u>	<u>37,848,698</u>
Net Assets - Ending	<u><u>\$ 8,123,288</u></u>	<u><u>\$ 26,728,025</u></u>	<u><u>\$ 960,188</u></u>	<u><u>\$ 3,152</u></u>	<u><u>\$ 35,814,653</u></u>

COUNTY OF PLUMAS
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2012

	Accrued Trust Funds	County Departmental Agency	Total Agency Funds
ASSETS			
Cash and investments	\$ -	\$ 116,491	\$ 116,491
Taxes receivable	4,372,348	-	4,372,348
Due from other funds	52,176	-	52,176
Total Assets	\$ 4,424,524	\$ 116,491	\$ 4,541,015
LIABILITIES			
Due to other funds	\$ -	\$ 52,176	\$ 52,176
Due to other agencies	-	126,555	126,555
Agency funds held for others	4,424,524	(62,240)	4,362,284
Total Liabilities	\$ 4,424,524	\$ 116,491	\$ 4,541,015

COUNTY OF PLUMAS
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2012

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2012</u>
ACCRUED TRUST FUNDS				
ASSETS				
Cash and investments	\$ -	\$ 4,443,917	\$ 4,443,917	\$ -
Taxes receivable	4,391,741	4,372,348	4,391,741	4,372,348
Due from other funds	-	52,176	-	52,176
	<u>-</u>	<u>52,176</u>	<u>-</u>	<u>52,176</u>
Total Assets	<u>\$ 4,391,741</u>	<u>\$ 8,868,441</u>	<u>\$ 8,835,658</u>	<u>\$ 4,424,524</u>
LIABILITIES				
Due to other funds	\$ 3,958,696	\$ -	\$ 3,958,696	\$ -
Agency funds held for others	433,045	8,868,441	4,876,962	4,424,524
	<u>433,045</u>	<u>8,868,441</u>	<u>4,876,962</u>	<u>4,424,524</u>
Total Liabilities	<u>\$ 4,391,741</u>	<u>\$ 8,868,441</u>	<u>\$ 8,835,658</u>	<u>\$ 4,424,524</u>
COUNTY DEPARTMENTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 40,200	\$ 76,291	\$ -	\$ 116,491
Due from other funds	3,601,153	-	3,601,153	-
	<u>3,601,153</u>	<u>-</u>	<u>3,601,153</u>	<u>-</u>
Total Assets	<u>\$ 3,641,353</u>	<u>\$ 76,291</u>	<u>\$ 3,601,153</u>	<u>\$ 116,491</u>
LIABILITIES				
Due to other funds	\$ -	\$ 52,176	\$ -	\$ 52,176
Due to other agencies	-	126,555	-	126,555
Agency funds held for others	3,641,353	(102,440)	3,601,153	(62,240)
	<u>3,641,353</u>	<u>(102,440)</u>	<u>3,601,153</u>	<u>(62,240)</u>
Total Liabilities	<u>\$ 3,641,353</u>	<u>\$ 76,291</u>	<u>\$ 3,601,153</u>	<u>\$ 116,491</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 40,200	\$ 4,520,208	\$ 4,443,917	\$ 116,491
Taxes receivable	4,391,741	4,372,348	4,391,741	4,372,348
Due from other funds	3,601,153	52,176	3,601,153	52,176
	<u>3,601,153</u>	<u>52,176</u>	<u>3,601,153</u>	<u>52,176</u>
Total Assets	<u>\$ 8,033,094</u>	<u>\$ 8,944,732</u>	<u>\$ 12,436,811</u>	<u>\$ 4,541,015</u>
LIABILITIES				
Due to other funds	\$ 3,958,696	\$ 52,176	\$ 3,958,696	\$ 52,176
Due to other agencies	-	126,555	-	126,555
Agency funds held for others	4,074,398	8,766,001	8,478,115	4,362,284
	<u>4,074,398</u>	<u>8,766,001</u>	<u>8,478,115</u>	<u>4,362,284</u>
Total Liabilities	<u>\$ 8,033,094</u>	<u>\$ 8,944,732</u>	<u>\$ 12,436,811</u>	<u>\$ 4,541,015</u>