

COUNTY OF PLUMAS, CALIFORNIA



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2017**

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COUNTY OF PLUMAS
Annual Financial Report
For the Year Ended June 30, 2017

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INTRODUCTORY SECTION

- **County Officials**

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COUNTY OF PLUMAS
County Officials
For the Year Ended June 30, 2017

ELECTED OFFICIALS

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

DEPARTMENT DIRECTORS/ADMINISTRATORS

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

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FINANCIAL SECTION

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

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Plumas, California (County), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1S to the financial statements, in 2016-17, the County implemented, if applicable, Governmental Accounting Standards Board (GASB) Statement Nos. 74, 77, 78, 80 and 82. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, County Pension Plan - Schedule of Changes in Net Pension Liability, County Pension Plan - Schedule of Proportionate Share of the Net Pension Liability, County Pension Plan - Schedule of Contributions, Notes to County Pension Plan, County OPEB Plan - Schedule of Funding Progress, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 23, 2018, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

Smith ~ Newell
Smith & Newell CPAs
Yuba City, California
March 23, 2018

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

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Management's Discussion and Analysis

As management of the County of Plumas, California, (County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2017. 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 2016-2017 fiscal year by \$47,203,390 (net position). Of this amount, (\$31,313,455) (*unrestricted net position*) may be used to meet ongoing obligations to citizens and creditors, \$36,898,216 is restricted for specific purpose (*restricted net position*), and \$41,618,629 is the net investment in capital assets.
- The County governmental funds reported combined fund balances of \$45,183,469; a decrease of \$3,669,543 in comparison with the prior year; whereas the increase from 2014-15 to 2015-16 was \$2,118,073.
- The County's unassigned fund balance for the General fund was \$6,820,810 or 33.2 percent of total General fund expenditures, an increase of 0.8 percent from the prior years' unassigned to expenditure ratio.
- The County's net investment in capital assets increased by \$181,312.
- The County's total long-term debt increased by \$6,972,297 in comparison with the prior year due primarily to increases in Net Pension Liability of \$7,431,025 and OPEB obligation of \$476,527.

PRESENTATION CHANGES FROM PREVIOUS FINANCIAL STATEMENTS TO NOTE

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

° The **statement of net position** presents information on all County assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

° The **statement of activities** presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

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

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

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

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

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

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

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds except for agency funds.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$47,203,390 at the close of the most recent fiscal year.

Statement of Net Position

June 30, 2017

	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 58,190,798	\$ 3,832,447	\$ 62,023,245
Capital Assets	49,992,683	5,600,946	55,593,629
Total Assets	108,183,481	9,433,393	117,616,874
Deferred Outflows	10,871,309	111,691	10,983,000
Current and Other Liabilities	9,479,368	210,993	9,690,361
Long-Term Liabilities	65,851,934	3,675,373	69,527,307
Total Liabilities	75,331,302	3,886,366	79,217,668
Deferred Inflows	2,161,120	17,696	2,178,816
Net Investment in Capital Assets	36,017,683	5,600,946	41,618,629
Restricted	36,898,216	-	36,898,216
Unrestricted	(31,353,531)	40,076	(31,313,455)
Total Net Position	\$ 41,562,368	\$ 5,641,022	\$ 47,203,390

Of the County's net position, (\$31,313,455) represents unrestricted net position which may be used to meet the County's ongoing obligations to citizens and creditors. In addition, a portion of the County's restricted net position, \$36,898,216, can be used to meet the County's on-going obligations but are restricted in how they are used because they have been received for a specific purpose, such as State and Federal grants and debt service.

Another significant portion of the County's net position, \$41,618,629 reflects its net investment in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any

related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

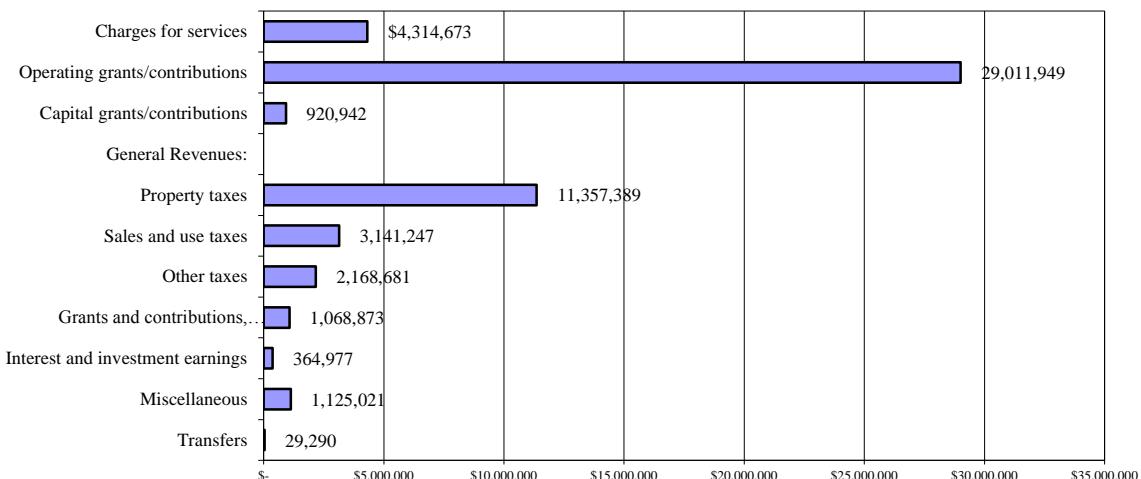
The County's net position decreased by \$6,246,420 during the current fiscal year. This decrease is due to ongoing expenses exceeding ongoing revenues. The increase in the net investment in capital assets represents capital purchases net of depreciation plus the retirement of related long-term debt.

There were two prior period adjustments made during 2016/17 totaling \$175,574. There was a correction of \$245,147 to capital assets and \$69,573 was reclassified to a Trust fund.

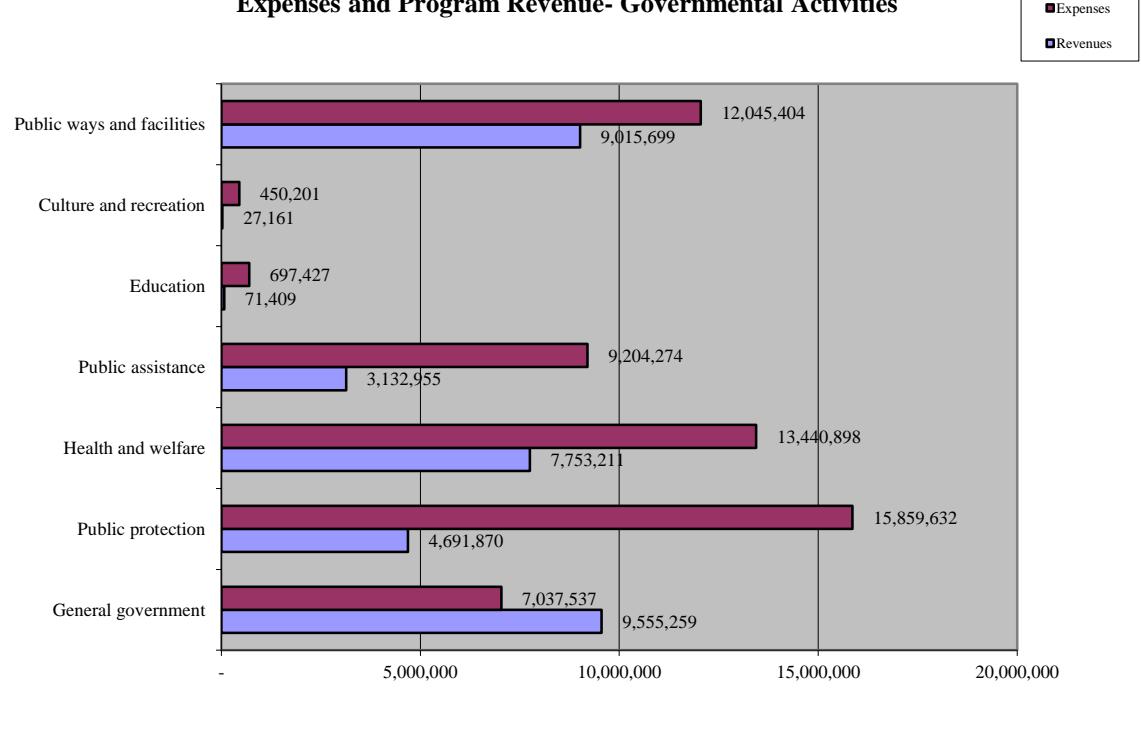
The following table indicates the changes in net position for governmental and business-type activities:

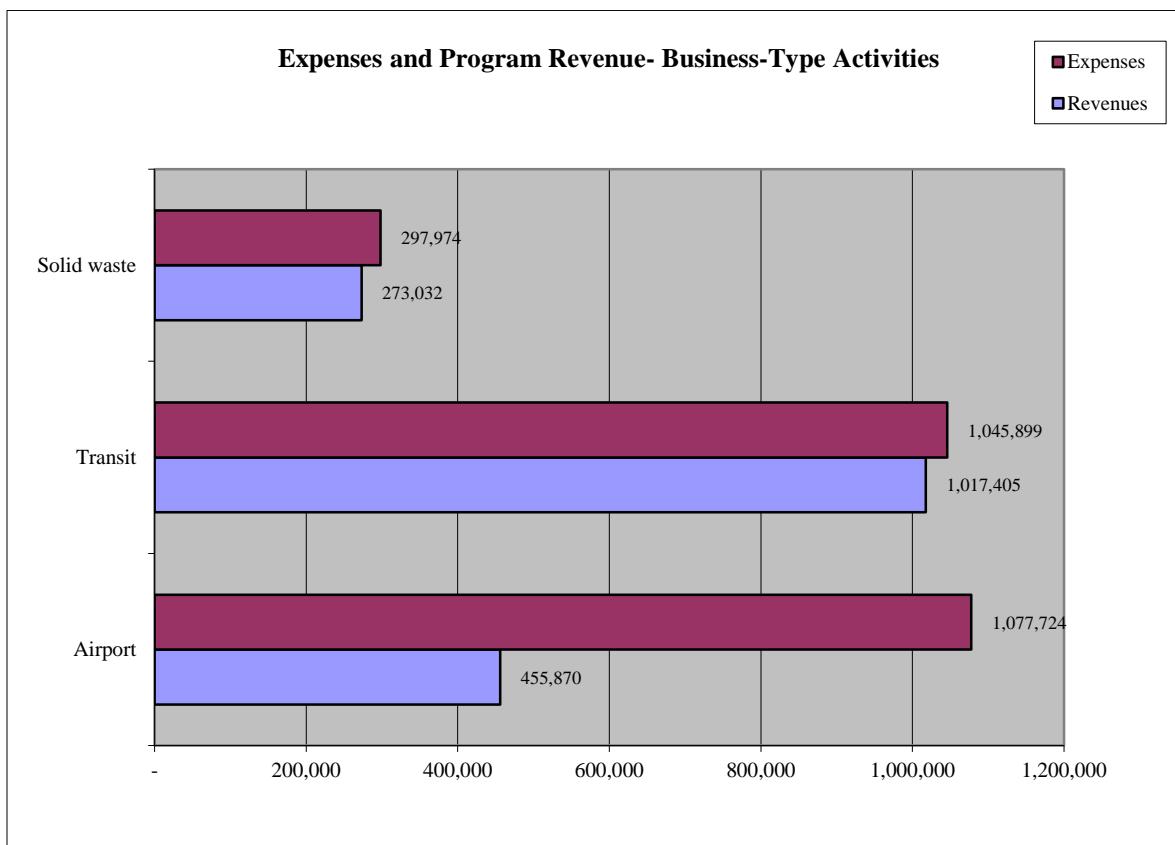
Statement of Activities For the Year Ended June 30, 2017			
	Governmental Activities	Business-Type Activities	Total
Program Revenues:			
Charges for services	\$ 4,314,673	\$ 632,191	\$ 4,946,864
Operating grants/contributions	29,011,949	997,578	30,009,527
Capital grants/contributions	920,942	116,538	1,037,480
General Revenues:			
Property taxes	11,357,389	-	11,357,389
Sales and use taxes	3,141,247	-	3,141,247
Other taxes	2,168,681	3,040	2,171,721
Grants and contributions, unrestricted	1,068,873	-	1,068,873
Interest and investment earnings	364,977	21,928	386,905
Miscellaneous	1,125,021	20,474	1,145,495
Transfers	29,290	(29,290)	-
Total Revenues	53,503,042	1,762,459	55,265,501
Expenses:			
General government	7,037,537	-	7,037,537
Public protection	15,859,632	-	15,859,632
Health and welfare	13,440,898	-	13,440,898
Public assistance	9,204,274	-	9,204,274
Education	697,427	-	697,427
Culture and recreation	450,201	-	450,201
Public ways and facilities	12,045,404	-	12,045,404
Interest and fiscal charges	530,525	-	530,525
Airport	-	1,077,724	1,077,724
Transit	-	1,045,899	1,045,899
Solid waste	-	297,974	297,974
Total Expenses	59,265,898	2,421,597	61,687,495
Change in Net Position	(5,762,856)	(659,138)	(6,421,994)
Net Position - Beginning	47,149,650	6,300,160	53,449,810
Prior period adjustment	175,574	-	175,574
Net Position - Beginning, Restated	47,325,224	6,300,160	53,625,384
Net Position - Ending	\$ 41,562,368	\$ 5,641,022	\$ 47,203,390

Revenue by Source-Governmental Activities



Expenses and Program Revenue- Governmental Activities





FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

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

Net Change in Fund Balance Governmental Funds

	FY 2016	FY 2017	Amount	Percent
Fund Balance Beginning	\$ 50,971,085	\$ 48,853,012	\$ (2,118,073)	-4.16%
Revenues	58,865,128	55,237,641	(3,627,487)	-6.16%
Expenditures	(59,174,558)	(58,866,901)	307,657	-0.52%
Other Financing Sources(Uses)	88,170	29,290	(58,880)	-66.78%
Prior period adjustment	(1,896,813)	(69,573)	1,827,240	-96.33%
Fund Balance -Ending	<u>\$ 48,853,012</u>	<u>\$ 45,183,469</u>	<u>\$ (3,669,543)</u>	<u>-7.51%</u>

At June, 30, 2017, the County's governmental funds reported combined fund balances of \$45,183,469, a decrease of \$3,669,543 in comparison with the prior year. Of these combined fund balances, \$6,613,545 constitutes net unassigned; \$34,108,997 restricted, and \$873,054 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 \$2,567,691 or is in Nonspendable form \$1,020,182.

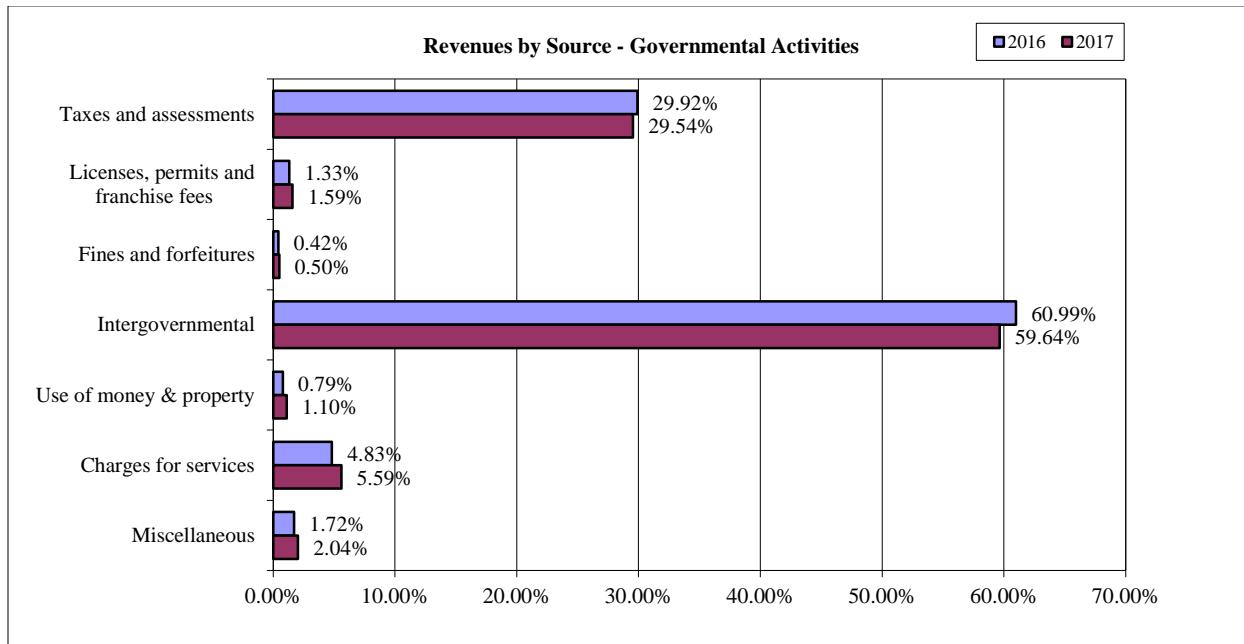
The General fund is the chief operating fund of the County. At June 30, 2017, unassigned fund balance was \$6,820,810 while total fund balance was \$11,671,574. As a measure of the General fund's liquidity, it may be useful to compare both unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 33.2 percent of total General fund expenditures, while the total fund balance represents 56.8 percent of total General fund expenditures.

The major funds and other governmental funds' fund balances decreased from \$37,772,242 to \$33,511,895. The major and other governmental funds had decreases/increases in fund balance as follows: Public Ways-Road decreased \$2,435,308, Local Revenue 2011 decreased \$866,421, Social Services increased \$1,973,097, Mental Health decreased \$2,732,288, Public Health increased \$445,526, Flood Control increased \$95,321 and other non-major governmental funds decreased \$740,274.

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 2016		FY 2017		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Revenue by Source:						
Taxes and assessments	\$ 17,610,683	29.92%	\$ 16,318,565	29.54%	\$ (1,292,118)	-7.34%
Licenses, permits and franchise fees	784,410	1.33%	876,669	1.59%	92,259	11.76%
Fines and forfeitures	247,774	0.42%	273,589	0.50%	25,815	10.42%
Intergovernmental	35,902,118	60.99%	32,946,314	59.64%	(2,955,804)	-8.23%
Use of money & property	465,049	0.79%	607,155	1.10%	142,106	30.56%
Charges for services	2,841,111	4.83%	3,090,328	5.59%	249,217	8.77%
Miscellaneous	1,013,983	1.72%	1,125,021	2.04%	111,038	10.95%
Total	\$ 58,865,128	100.00%	\$ 55,237,641	100.00%	\$ (3,627,487)	-6.16%

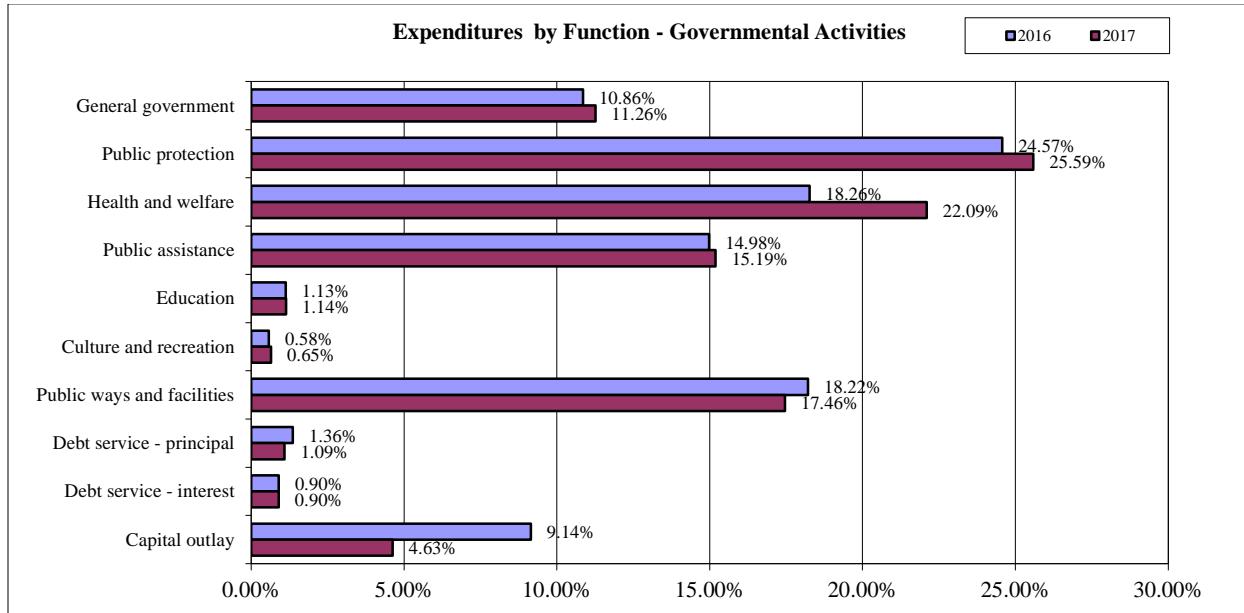
The following graph shows an illustrative picture of where the County funds come from.



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

Expenditure by Function:	Expenditures Classified by Function Governmental Funds					
	FY 2016		FY 2017		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
General government	\$ 6,424,665	10.86%	\$ 6,630,856	11.26%	\$ 206,191	3.21%
Public protection	14,537,619	24.57%	15,061,372	25.59%	523,753	3.60%
Health and welfare	10,807,265	18.26%	13,006,399	22.09%	2,199,134	20.35%
Public assistance	8,866,276	14.98%	8,942,875	15.19%	76,599	0.86%
Education	666,686	1.13%	669,653	1.14%	2,967	0.45%
Culture and recreation	341,277	0.58%	381,565	0.65%	40,288	11.81%
Public ways and facilities	10,781,270	18.22%	10,278,424	17.46%	(502,846)	-4.66%
Debt service - principal	805,000	1.36%	640,000	1.09%	(165,000)	-20.50%
Debt service - interest	534,012	0.90%	530,525	0.90%	(3,487)	-0.65%
Capital outlay	5,410,488	9.14%	2,725,232	4.63%	(2,685,256)	-49.63%
Total	\$ 59,174,558	100.00%	\$ 58,866,901	100.00%	\$ (307,657)	-0.52%

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)		Increase (Decrease)	
			Amount	Percent
	FY 2016	FY 2017		
Transfer-In	\$ 18,714,212	\$ 23,519,888	\$ 4,805,676	25.68%
Transfer-Out	(18,626,042)	(23,490,598)	(4,864,556)	26.12%
Net other financing sources(uses)	<u>\$ 88,170</u>	<u>\$ 29,290</u>	<u>\$ (58,880)</u>	<u>-66.78%</u>

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

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

	Net Change in Fund Net Position			Net Change	
	Enterprise Funds				
	FY 2016	FY 2017	Amount		
Total Net Position - Beginning	\$ 6,892,879	\$ 6,300,160	\$ (592,719)	-8.60%	
Operating revenues	701,675	652,665	(49,010)	-6.98%	
Operating expenses	(2,360,966)	(2,421,597)	(60,631)	2.57%	
Non-operating revenues (expenses)	816,331	1,022,546	206,215	25.26%	
Capital contribution	338,411	116,538	(221,873)	-65.56%	
Transfers in (out)	(88,170)	(29,290)	58,880	-66.78%	
Total Net Position - Ending	<u>\$ 6,300,160</u>	<u>\$ 5,641,022</u>	<u>\$ (659,138)</u>	<u>-10.46%</u>	

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, liability and OPEB.

Net Change in Fund Net Position			
Internal Service Funds			
	FY 2016	FY 2017	Increase (Decrease)
			Amount
Total Net Position - Beginning	\$ 2,113,440	\$ 1,907,493	\$ (205,947)
Operating revenues	1,901,855	2,326,244	424,389
Operating expenses	(2,109,777)	(3,215,313)	(1,105,536)
Non-operating revenues (expenses)	<u>1,975</u>	<u>3,302</u>	<u>1,327</u>
Total Net Position - Ending	<u>\$ 1,907,493</u>	<u>\$ 1,021,726</u>	<u>\$ (885,767)</u>

Unrestricted net position of the internal service funds at June 30, 2017 was \$1,021,726 a decrease of \$885,767. This was largely attributable to the County's self-funded insurance funds. The County's claims paid increased over last year. Both liability and workers' comp are funded at the 80 percent or higher confidence level as recommended.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

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

Budgetary Comparison				
General Fund				
	Original Budget	Final Budget	Net Change	
			Amount	Percent
Total Revenues	\$ 21,954,883	\$ 22,020,589	\$ 65,706	0.30%
Total Expenditures	(27,339,869)	(25,686,826)	1,653,043	-6.05%
Other Financing Sources(Uses)	<u>(453,026)</u>	<u>552,407</u>	<u>1,005,433</u>	<u>-221.94%</u>
Net other financing sources(uses)	<u>\$ (5,838,012)</u>	<u>\$ (3,113,830)</u>	<u>\$ 2,724,182</u>	

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

Budgetary Comparison				
General Fund				
	Final Budget	Actual Amounts	Net Change	
			Amount	Percent
Total Revenues	\$ 22,020,589	\$ 22,393,133	\$ 372,544	1.69%
Total Expenditures	(25,686,826)	(22,136,063)	3,550,763	-13.82%
Other Financing Sources(Uses)	<u>552,407</u>	<u>403,307</u>	<u>(149,100)</u>	<u>-26.99%</u>
Net other financing sources(uses)	<u>\$ (3,113,830)</u>	<u>\$ 660,377</u>	<u>\$ 3,774,207</u>	

CAPITAL ASSETS

The County's net investment in capital assets as of June 30, 2017, amounted to \$55,593,629. 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	
	2016	2017	2016	2017	2016	2017
Land	\$ 2,079,903	\$ 2,079,903	\$ 620,152	\$ 620,152	\$ 2,700,055	\$ 2,700,055
Construction in Progress	6,573,589	7,995,137	-	-	6,573,589	7,995,137
Buildings & Improvements	34,831,169	34,974,724	1,290,807	1,290,807	36,121,976	36,265,531
Equipment	23,711,600	24,519,769	2,045,677	2,050,158	25,757,277	26,569,927
Software	1,349,789	1,349,789	15,660	15,660	1,365,449	1,365,449
Infrastructure	39,955,405	39,993,999	10,836,617	11,035,896	50,792,022	51,029,895
Total	108,501,455	110,913,321	14,808,913	15,012,673	123,310,368	125,925,994
Accumulated Depreciation	(58,681,233)	(60,920,638)	(8,576,818)	(9,411,727)	(67,258,051)	(70,332,365)
Net Capital Assets	<u>\$ 49,820,222</u>	<u>\$ 49,992,683</u>	<u>\$ 6,232,095</u>	<u>\$ 5,600,946</u>	<u>\$ 56,052,317</u>	<u>\$ 55,593,629</u>

DEBT ADMINISTRATION

At June 30, 2017, the County had total long-term debt outstanding of \$69,527,307 as compared to \$62,026,283 in the prior year. The loan balance decreased \$640,000, there was an increase of \$42,869 in closure/postclosure, there was an increase in post-employment (compensated absences and OPEB) benefits of \$667,130, and an increase of \$7,431,025 in net pension liabilities.

Long Term Debt

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Loans	\$ 14,615,000	\$ 13,975,000	\$ -	\$ -	\$ 14,615,000	\$ 13,975,000
Closure/Postclosure	-	-	3,228,839	3,271,708	3,228,839	3,271,708
Compensated Absences	4,747,989	4,940,248	9,013	7,357	4,757,002	4,947,605
Net Pension Liability	36,645,134	44,015,642	290,627	351,144	36,935,761	44,366,786
Net OPEB Obligation	2,456,038	2,921,044	33,643	45,164	2,489,681	2,966,208
Total	58,464,161	65,851,934	3,562,122	3,675,373	62,026,283	69,527,307
Less Current Portion	(3,225,062)	(3,755,445)	(9,013)	(7,357)	(3,234,075)	(3,762,802)
Net Long-Term Debt	<u>\$ 55,239,099</u>	<u>\$ 62,096,489</u>	<u>\$ 3,553,109</u>	<u>\$ 3,668,016</u>	<u>\$ 58,792,208</u>	<u>\$ 65,764,505</u>

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

The reduction in Net Position of \$6,246,240 for 2016/17 is the result of lower grant revenue received as compared to 2015/16 and increased expenses over the prior year. The County received \$3,000,000 less in Title III revenue, and another \$3,000,000 in other capital grants and contributions. At the same time, expenses increased by \$4,929,877. In spite of the increase in Sales and Use Tax of \$534,020, and Other Taxes (including Motel Tax) increasing \$107,730, these increases were not enough to make up for the lost Title III and grant revenue. The Road Maintenance and Rehabilitation funding (SB 1) that passed recently will help fill in for the loss of Title III, however, the funding has not yet been received by the County.

County total reserves remain healthy, and the County's General fund reserve maintained the \$2,000,000 in the 2017/18 budget. The County will continue to take reasonable action to manage spending and pass a balanced budget. With rising costs and often unpredictable revenue, the County will continue to face significant financial challenges in the future. All of these factors will be taken into consideration when

the 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 Auditor/Controller, 520 Main St. RM 205, Quincy, California 95971.

Basic Financial Statements

- **Government-Wide Financial Statements**

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COUNTY OF PLUMAS
Statement of Net Position
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 42,576,567	\$ 374,300	\$ 42,950,867
Cash with fiscal agent	8,448,352	-	8,448,352
Receivables:			
Accounts	156,223	91,998	248,221
Taxes	598,758	-	598,758
Intergovernmental	5,786,764	61,778	5,848,542
Internal balances	20,000	(20,000)	-
Prepaid costs	194,370	-	194,370
Inventory	311,512	68,595	380,107
Loans receivable	98,252	-	98,252
Restricted cash and investments	-	3,255,776	3,255,776
Capital assets:			
Non depreciable	10,075,040	620,152	10,695,192
Depreciable, net	39,917,643	4,980,794	44,898,437
Total capital assets	<u>49,992,683</u>	<u>5,600,946</u>	<u>55,593,629</u>
Total Assets	<u>108,183,481</u>	<u>9,433,393</u>	<u>117,616,874</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	<u>10,871,309</u>	<u>111,691</u>	<u>10,983,000</u>
Total Deferred Outflows of Resources	<u>10,871,309</u>	<u>111,691</u>	<u>10,983,000</u>
LIABILITIES			
Accounts payable	1,964,859	192,709	2,157,568
Salaries and benefits payable	1,580,917	18,284	1,599,201
Unearned revenue	74,125	-	74,125
Accrued claims liability	5,859,467	-	5,859,467
Long-term liabilities:			
Due within one year	3,755,445	7,357	3,762,802
Due in more than one year	15,159,803	3,271,708	18,431,511
Net pension liability	44,015,642	351,144	44,366,786
Net OPEB obligation	<u>2,921,044</u>	<u>45,164</u>	<u>2,966,208</u>
Total Liabilities	<u>75,331,302</u>	<u>3,886,366</u>	<u>79,217,668</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	<u>2,161,120</u>	<u>17,696</u>	<u>2,178,816</u>
Total Deferred Inflows of Resources	<u>2,161,120</u>	<u>17,696</u>	<u>2,178,816</u>

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

COUNTY OF PLUMAS
Statement of Net Position
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	36,017,683	5,600,946	41,618,629
Restricted for:			
General government	4,504,434	-	4,504,434
Public protection	2,511,958	-	2,511,958
Public assistance	8,904,093	-	8,904,093
Health and welfare	13,002,869	-	13,002,869
Public ways and facilities	5,500,998	-	5,500,998
Capital projects	236,362	-	236,362
Debt service	2,237,502	-	2,237,502
Unrestricted	<u>(31,353,531)</u>	<u>40,076</u>	<u>(31,313,455)</u>
Total Net Position	<u><u>\$ 41,562,368</u></u>	<u><u>\$ 5,641,022</u></u>	<u><u>\$ 47,203,390</u></u>

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

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COUNTY OF PLUMAS
Statement of Activities
For the Year Ended June 30, 2017

Functions/Programs:	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 7,037,537	\$ 1,108,710	\$ 8,446,549	\$ -
Public protection	15,859,632	1,372,229	3,288,251	31,390
Health and welfare	13,440,898	1,097,257	6,655,954	-
Public assistance	9,204,274	2,347	3,130,608	-
Education	697,427	7,710	63,699	-
Culture and recreation	450,201	27,161	-	-
Public ways and facilities	12,045,404	699,259	7,426,888	889,552
Interest on long-term debt	530,525	-	-	-
Total Governmental Activities	59,265,898	4,314,673	29,011,949	920,942
Business-type activities:				
Airport	1,077,724	309,332	30,000	116,538
Transit	1,045,899	49,827	967,578	-
Solid waste	297,974	273,032	-	-
Total Business-Type Activities	2,421,597	632,191	997,578	116,538
Total	\$ 61,687,495	\$ 4,946,864	\$ 30,009,527	\$ 1,037,480
General revenues:				
Taxes:				
Property taxes				
Sales and use taxes				
Public service taxes				
Transient occupancy taxes				
Aircraft taxes				
Timber yield tax				
Franchise fees				
Tobacco settlement				
Grants and contributions, unrestricted				
Interest and investment earnings				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning				
Prior period adjustment				
Net Position - Beginning, Restated				
Net Position - Ending				

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

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

Business-		
Governmental	Type	
Activities	Activities	Total
\$ 2,517,722	\$ -	\$ 2,517,722
(11,167,762)	-	(11,167,762)
(5,687,687)	-	(5,687,687)
(6,071,319)	-	(6,071,319)
(626,018)	-	(626,018)
(423,040)	-	(423,040)
(3,029,705)	-	(3,029,705)
(530,525)	-	(530,525)
<u>(25,018,334)</u>	<u>-</u>	<u>(25,018,334)</u>
 - (621,854)	 (621,854)	 (621,854)
 - (28,494)	 (28,494)	 (28,494)
 - (24,942)	 (24,942)	 (24,942)
 - (675,290)	 (675,290)	 (675,290)
<u>(25,018,334)</u>	<u>(675,290)</u>	<u>(25,693,624)</u>
 11,357,389	 - 11,357,389	 11,357,389
3,141,247	-	3,141,247
215,269	-	215,269
1,448,117	-	1,448,117
13,087	-	13,087
143,456	3,040	146,496
171,393	-	171,393
177,359	-	177,359
1,068,873	-	1,068,873
364,977	21,928	386,905
1,125,021	20,474	1,145,495
29,290	(29,290)	-
<u>19,255,478</u>	<u>16,152</u>	<u>19,271,630</u>
<u>(5,762,856)</u>	<u>(659,138)</u>	<u>(6,421,994)</u>
 47,149,650	 6,300,160	 53,449,810
 175,574	 - 175,574	 175,574
<u>47,325,224</u>	<u>6,300,160</u>	<u>53,625,384</u>
<u>\$ 41,562,368</u>	<u>\$ 5,641,022</u>	<u>\$ 47,203,390</u>

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Basic Financial Statements

- Fund Financial Statements**

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COUNTY OF PLUMAS
Balance Sheet
Governmental Funds
June 30, 2017

	General	Road	Local Revenue 2011	Social Services	Mental Health
ASSETS					
Cash and investments	\$ 10,908,120	\$ 2,465,153	\$ 21,582	\$ 8,416,134	\$ 10,627,647
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	60,078	1,508	-	-	4,464
Taxes	598,758	-	-	-	-
Intergovernmental	627,687	1,235,424	635,747	659,120	554,456
Prepaid costs	93,019	116	-	24,439	3,729
Inventory	-	311,512	-	-	-
Due from other funds	53,661	-	-	-	-
Advances to other funds	419,385	-	-	-	-
Loans receivable	98,252	-	-	-	-
Total Assets	<u>\$ 12,858,960</u>	<u>\$ 4,013,713</u>	<u>\$ 657,329</u>	<u>\$ 9,099,693</u>	<u>\$ 11,190,296</u>
LIABILITIES					
Accounts payable	\$ 330,640	\$ 128,750	\$ -	\$ 52,966	\$ 315,775
Salaries and benefits payable	718,417	188,344	-	142,634	274,565
Unearned revenue	-	-	-	-	-
Due to other funds	11,787	-	-	-	-
Advances from other funds	-	-	-	-	-
Total Liabilities	<u>1,060,844</u>	<u>317,094</u>	<u>-</u>	<u>195,600</u>	<u>590,340</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	126,542	1,161,986	-	469,612	45,368
Total Deferred Inflows of Resources	<u>126,542</u>	<u>1,161,986</u>	<u>-</u>	<u>469,612</u>	<u>45,368</u>
FUND BALANCES					
Nonspendable	610,656	311,628	-	24,439	3,729
Restricted	1,314,465	2,223,005	657,329	8,410,042	10,550,859
Committed	2,052,589	-	-	-	-
Assigned	873,054	-	-	-	-
Unassigned	6,820,810	-	-	-	-
Total Fund Balances (Deficit)	<u>11,671,574</u>	<u>2,534,633</u>	<u>657,329</u>	<u>8,434,481</u>	<u>10,554,588</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,858,960</u>	<u>\$ 4,013,713</u>	<u>\$ 657,329</u>	<u>\$ 9,099,693</u>	<u>\$ 11,190,296</u>

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

Public Health	Flood Control	Other Governmental Funds	Total
\$ 1,274,929	\$ 298,829	\$ 8,118,698	\$ 42,131,092
-	-	2,015,971	2,015,971
8,210	75,963	6,000	156,223
-	-	-	598,758
788,078	634,366	651,886	5,786,764
23,377	-	46,353	191,033
-	-	-	311,512
-	-	-	53,661
-	-	-	419,385
-	-	-	98,252
<u>\$ 2,094,594</u>	<u>\$ 1,009,158</u>	<u>\$ 10,838,908</u>	<u>\$ 51,762,651</u>
\$ 124,454	\$ 778,524	\$ 233,750	\$ 1,964,859
122,283	-	134,674	1,580,917
-	-	74,125	74,125
-	-	41,874	53,661
-	359,085	40,300	399,385
<u>246,737</u>	<u>1,137,609</u>	<u>524,723</u>	<u>4,072,947</u>
<u>539,781</u>	<u>-</u>	<u>162,946</u>	<u>2,506,235</u>
<u>539,781</u>	<u>-</u>	<u>162,946</u>	<u>2,506,235</u>
23,377	-	46,353	1,020,182
1,284,699	-	9,668,598	34,108,997
-	-	515,102	2,567,691
-	-	-	873,054
-	(128,451)	(78,814)	6,613,545
<u>1,308,076</u>	<u>(128,451)</u>	<u>10,151,239</u>	<u>45,183,469</u>
<u>\$ 2,094,594</u>	<u>\$ 1,009,158</u>	<u>\$ 10,838,908</u>	<u>\$ 51,762,651</u>

COUNTY OF PLUMAS
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2017

Total Fund Balance - Total Governmental Funds	\$ 45,183,469
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds balance sheet.	49,992,683
Other long term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	2,506,235
Deferred outflows of resources related to pensions are not reported in the governmental funds.	10,871,309
Deferred inflows of resources related to pensions are not reported in the governmental funds	(2,161,120)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Loans payable	(13,975,000)
Compensated absences	(4,940,248)
Net pension liability	(44,015,642)
Net OPEB obligation	(2,921,044)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	1,021,726
Net Position of Governmental Activities	<u>\$ 41,562,368</u>

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

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COUNTY OF PLUMAS
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

	General	Road	Local Revenue 2011	Social Services	Mental Health
REVENUES					
Taxes and assessments	\$ 16,050,181	\$ 1,133	\$ -	\$ -	\$ -
Licenses, permits, and franchises	793,863	78,439	- -	- -	- -
Fines and forfeitures	208,265	- -	- -	- -	- -
Intergovernmental	1,663,007	4,866,891	7,453,245	5,330,494	3,450,546
Use of money and property	120,766	62,942	- -	46,025	79,126
Charges for services	1,532,694	355,456	- -	- -	144,050
Other revenues	421,280	151,625	- -	52,363	3,294
Total Revenues	20,790,056	5,516,486	7,453,245	5,428,882	3,677,016
EXPENDITURES					
Current:					
General government	5,462,996	- -	- -	- -	- -
Public protection	12,056,296	- -	- -	- -	- -
Health and welfare	667,056	- -	- -	- -	7,769,072
Public assistance	665,821	- -	- -	8,277,054	- -
Education	669,653	- -	- -	- -	- -
Culture and recreation	381,565	- -	- -	- -	- -
Public ways and facilities	384,559	6,017,691	- -	- -	- -
Debt service:					
Principal	- -	- -	- -	- -	- -
Interest and other charges	- -	- -	- -	- -	- -
Capital outlay	245,040	1,990,834	- -	115,588	99,921
Total Expenditures	20,532,986	8,008,525	- -	8,392,642	7,868,993
Excess of Revenues Over (Under) Expenditures	257,070	(2,492,039)	7,453,245	(2,963,760)	(4,191,977)
OTHER FINANCING SOURCES (USES)					
Transfers in	8,597,078	69,382	- -	7,359,911	3,243,123
Transfers out	(8,193,771)	(12,651)	(8,319,666)	(2,423,054)	(1,783,434)
Total Other Financing Sources (Uses)	403,307	56,731	(8,319,666)	4,936,857	1,459,689
Net Change in Fund Balances	660,377	(2,435,308)	(866,421)	1,973,097	(2,732,288)
Fund Balances (Deficits) - Beginning	11,080,770	4,969,941	1,523,750	6,461,384	13,286,876
Prior period adjustment	(69,573)	- -	- -	- -	- -
Fund Balances (Deficit) - Beginning, Restated	11,011,197	4,969,941	1,523,750	6,461,384	13,286,876
Fund Balances (Deficit) - Ending	\$ 11,671,574	\$ 2,534,633	\$ 657,329	\$ 8,434,481	\$ 10,554,588

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

Public Health	Flood Control	Other Governmental Funds	Total
\$ -	\$ 92,010	\$ 175,241	\$ 16,318,565
-	-	4,367	876,669
-	-	65,324	273,589
3,754,877	2,740,338	3,686,916	32,946,314
3,799	1,279	293,218	607,155
653,602	143,347	261,179	3,090,328
3,354	14,396	478,709	1,125,021
<u>4,415,632</u>	<u>2,991,370</u>	<u>4,964,954</u>	<u>55,237,641</u>
-	-	1,167,860	6,630,856
-	-	3,005,076	15,061,372
3,991,762	-	578,509	13,006,399
-	-	-	8,942,875
-	-	-	669,653
-	-	-	381,565
-	2,859,096	1,017,078	10,278,424
-	-	640,000	640,000
-	-	530,525	530,525
<u>15,000</u>	<u>-</u>	<u>258,849</u>	<u>2,725,232</u>
<u>4,006,762</u>	<u>2,859,096</u>	<u>7,197,897</u>	<u>58,866,901</u>
<u>408,870</u>	<u>132,274</u>	<u>(2,232,943)</u>	<u>(3,629,260)</u>
300,380	144,483	3,805,531	23,519,888
(263,724)	(181,436)	(2,312,862)	(23,490,598)
<u>36,656</u>	<u>(36,953)</u>	<u>1,492,669</u>	<u>29,290</u>
<u>445,526</u>	<u>95,321</u>	<u>(740,274)</u>	<u>(3,599,970)</u>
<u>862,550</u>	<u>(223,772)</u>	<u>10,891,513</u>	<u>48,853,012</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(69,573)</u>
<u>862,550</u>	<u>(223,772)</u>	<u>10,891,513</u>	<u>48,783,439</u>
<u>\$ 1,308,076</u>	<u>\$ (128,451)</u>	<u>\$ 10,151,239</u>	<u>\$45,183,469</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, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (3,599,970)

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	2,725,232
Less current year depreciation	(2,797,918)

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

Principal retirements	640,000
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Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore, are not reported as revenues in the governmental funds.

Change in unavailable revenue	(1,767,191)
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Certain changes in deferred outflows and deferred inflows of resources reported in the statement of activities relate to long-term liabilities and are not reported in the governmental funds.

Change in deferred outflows of resources related to pensions	7,128,951
Change in deferred inflows of resources related to pensions	821,580

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	(192,259)
Change in net pension liability	(7,370,508)
Change in net OPEB obligation	(465,006)

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

<u>(885,767)</u>	(885,767)
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Change in Net Position of Governmental Activities

<u><u>\$ (5,762,856)</u></u>	<u><u>\$ (5,762,856)</u></u>
------------------------------	------------------------------

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

COUNTY OF PLUMAS
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
		Planning and Operation	Funds		
ASSETS					
Current Assets:					
Cash and investments	\$ 139,034	\$ 49,704	\$ 185,562	\$ 374,300	\$ 445,475
Cash with fiscal agent	-	-	-	-	6,432,381
Receivables:					
Accounts	27,724	61,387	2,887	91,998	-
Intergovernmental	57,382	4,396	-	61,778	-
Prepaid costs	-	-	-	-	3,337
Inventory	68,595	-	-	68,595	-
Total Current Assets	292,735	115,487	188,449	596,671	6,881,193
Noncurrent Assets:					
Restricted cash and investments	-	3,255,776	-	3,255,776	-
Capital Assets :					
Non depreciable	497,438	122,714	-	620,152	-
Depreciable, net	4,393,937	400,876	185,981	4,980,794	-
Total Noncurrent Assets	4,891,375	3,779,366	185,981	8,856,722	-
Total Assets	5,184,110	3,894,853	374,430	9,453,393	6,881,193
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension adjustments	39,023	-	72,668	111,691	-
Total Deferred Outflows of Resources	39,023	-	72,668	111,691	-
LIABILITIES					
Current Liabilities:					
Accounts payable	12,492	7,508	172,709	192,709	-
Salaries and benefits payable	5,616	-	12,668	18,284	-
Compensated absences	3,640	-	3,717	7,357	-
Claims payable	-	-	-	-	5,859,467
Total Current Liabilities	21,748	7,508	189,094	218,350	5,859,467
Noncurrent Liabilities:					
Advances from other funds	20,000	-	-	20,000	-
Closure/postclosure	-	3,271,708	-	3,271,708	-
Net pension liability	118,366	-	232,778	351,144	-
Net OPEB obligation	13,555	-	31,609	45,164	-
Total Noncurrent Liabilities	151,921	3,271,708	264,387	3,688,016	-
Total Liabilities	173,669	3,279,216	453,481	3,906,366	5,859,467

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

COUNTY OF PLUMAS
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
		Planning and Operation			
DEFERRED INFLOWS OF RESOURCES					
Deferred pension adjustments	5,840	-	11,856	17,696	-
Total Deferred Inflows of Resources	5,840	-	11,856	17,696	-
NET POSITION					
Investment in capital assets	4,891,375	523,590	185,981	5,600,946	-
Unrestricted	152,249	92,047	(204,220)	40,076	1,021,726
Total Net Position (Deficit)	\$ 5,043,624	\$ 615,637	\$ (18,239)	\$ 5,641,022	\$ 1,021,726

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

COUNTY OF PLUMAS
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities	
	Airport	Solid Waste	Planning and Operation	Other Enterprise Funds	Total	
OPERATING REVENUES						
Charges for services	\$ 309,332	\$ 273,032	\$ 49,827	\$ 632,191	\$ 1,940,129	
Other revenues	17,499	2,975	-	20,474	386,115	
Total Operating Revenues	326,831	276,007	49,827	652,665	2,326,244	
OPERATING EXPENSES						
Salaries and benefits	109,188	20	256,177	365,385	-	
Services and supplies	220,374	256,994	743,935	1,221,303	306,824	
Claims paid/liability adjustment	-	-	-	-	2,908,489	
Depreciation	748,162	40,960	45,787	834,909	-	
Total Operating Expenses	1,077,724	297,974	1,045,899	2,421,597	3,215,313	
Operating Income (Loss)	(750,893)	(21,967)	(996,072)	(1,768,932)	(889,069)	
NON-OPERATING REVENUES (EXPENSES)						
Taxes	3,040	-	-	3,040	-	
Local transportation funds	-	-	207,416	207,416	-	
Intergovernmental	30,000	-	760,162	790,162	-	
Interest income	1,371	20,557	-	21,928	3,302	
Total Non-Operating Revenues (Expenses)	34,411	20,557	967,578	1,022,546	3,302	
Income (Loss) Before Contributions and Transfers	(716,482)	(1,410)	(28,494)	(746,386)	(885,767)	
Capital contribution	116,538	-	-	116,538	-	
Transfers in	-	-	32,253	32,253	-	
Transfers out	-	(61,543)	-	(61,543)	-	
Change in Net Position	(599,944)	(62,953)	3,759	(659,138)	(885,767)	
Total Net Position (Deficit) - Beginning	5,643,568	678,590	(21,998)	6,300,160	1,907,493	
Total Net Position (Deficit) - Ending	\$ 5,043,624	\$ 615,637	\$ (18,239)	\$ 5,641,022	\$ 1,021,726	

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

COUNTY OF PLUMAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
		Planning and Operation	Funds		
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 392,296	\$ 232,488	\$ 50,822	\$ 675,606	\$ 2,326,244
Payments to suppliers	(188,178)	(216,758)	(679,275)	(1,084,211)	(649,922)
Payments to employees	(107,241)	(20)	(251,940)	(359,201)	-
Net Cash Provided (Used) by Operating Activities	96,877	15,710	(880,393)	(767,806)	1,676,322
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Local transportation funds received	-	-	207,416	207,416	-
Tax revenue received	3,040	-	-	3,040	-
Intergovernmental revenue received	-	38,642	760,878	799,520	-
Transfers from other funds	-	-	32,253	32,253	-
Transfers to other funds	-	(61,543)	-	(61,543)	-
Net Cash Provided (Used) by Noncapital Financing Activities	3,040	(22,901)	1,000,547	980,686	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(203,760)	-	-	(203,760)	-
Capital contribution	89,156	-	-	89,156	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(114,604)	-	-	(114,604)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	1,371	20,557	-	21,928	3,302
Net Cash Provided (Used) by Investing Activities	1,371	20,557	-	21,928	3,302
Net Increase (Decrease) in Cash and Cash Equivalents	(13,316)	13,366	120,154	120,204	1,679,624
Balances - Beginning	152,350	3,292,114	65,408	3,509,872	5,198,232
Balances - Ending	\$ 139,034	\$ 3,305,480	\$ 185,562	\$ 3,630,076	\$ 6,877,856

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

COUNTY OF PLUMAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Airport	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
	Planning and Operation				
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (750,893)	\$ (21,967)	\$ (996,072)	\$ (1,768,932)	\$ (889,069)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	748,162	40,960	45,787	834,909	-
Decrease (increase) in:					
Accounts receivable	65,465	(43,519)	995	22,941	-
Prepaid costs	-	-	-	-	(3,337)
Inventory	21,563	-	-	21,563	-
Pension adjustments - deferred outflows	(26,328)	-	(46,655)	(72,983)	-
Increase (decrease) in:					
Accounts payable	10,633	(2,633)	64,660	72,660	(78)
Salaries and benefits payable	361	-	(333)	28	-
Unearned revenue	-	-	-	-	-
Compensated absences payable	164	-	(1,820)	(1,656)	-
Claims payable	-	-	-	-	2,568,806
Closure/post closure liability	-	42,869	-	42,869	-
Net pension liability	22,243	-	38,274	60,517	-
Net OPEB obligation	2,826	-	8,695	11,521	-
Pension adjustments - deferred inflows	2,681	-	6,076	8,757	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 96,877</u>	<u>\$ 15,710</u>	<u>\$ (880,393)</u>	<u>\$ (767,806)</u>	<u>\$ 1,676,322</u>

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

COUNTY OF PLUMAS
Statement of Net Position
Fiduciary Funds
June 30, 2017

	Investment Trust Funds	Agency Funds
ASSETS		
Cash and investments	\$45,991,060	\$ 2,110,264
Receivables:		
Taxes	-	2,058,753
Total Assets	<u>45,991,060</u>	<u>4,169,017</u>
LIABILITIES		
Loans from other agencies	98,252	-
Agency funds held for others	-	4,169,017
Total Liabilities	<u>98,252</u>	<u>4,169,017</u>
NET POSITION		
Held in trust for pool participants	<u>45,892,808</u>	-
Total Net Position	<u><u>\$45,892,808</u></u>	<u><u>\$ -</u></u>

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

COUNTY OF PLUMAS
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2017

	Investment Trust Funds
ADDITIONS	
Contributions to investment pool	<u>\$11,707,165</u>
Total Additions	<u>11,707,165</u>
DEDUCTIONS	
Distributions from investment pool	<u>5,526,337</u>
Total Deductions	<u>5,526,337</u>
Total Change in Net Position	<u>6,180,828</u>
Net Position - Beginning	39,642,407
Prior period adjustment	<u>69,573</u>
Net Position - Beginning, Restated	<u>39,711,980</u>
Net Position - Ending	<u>\$45,892,808</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, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

Blended Component Units

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

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

Air Pollution
Crescent Mills Lighting
Quincy Lighting
Beckworth CSA Sewer

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

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

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

Discretely Presented Component Units

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

Related Organizations

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

Joint Agencies

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Agencies (Continued)

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

B. Basis of Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

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

The County reports the following major proprietary funds:

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

The County reports the following additional fund types:

- Internal Service funds account for the County's self insurance programs which provide services to other departments on a cost reimbursement basis.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

- The Investment Trust funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of special districts governed by local boards, school districts, school districts debt service, and trial court. The County is obligated to disburse monies from these funds on demand.
- Agency funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include two separate components.

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

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

C. Basis of Accounting and Measurement Focus

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

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Non-Current Governmental Assets/Liabilities

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

E. Cash and Cash Equivalents

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

F. Investments

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

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

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accredited discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2017, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Investments (Continued)

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.

G. Restricted Cash and Investments

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

H. Receivables

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

I. Other Assets

Prepaid Costs

Payments made for services that will benefit periods beyond June 30, 2017 are recorded as prepaid costs in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventory

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

J. Loans Receivable

The County General fund had a loan receivable at June 30, 2017 as follows:

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

\$ 98,252

Total Loans Receivable

\$ 98,252

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

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

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

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

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

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

L. Property Tax

The State of California's (State) Constitution Article XIIIIA 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 XIIIIA, and may be adjusted by no more than 2 percent per fiscal year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1 percent tax levy among the County, cities, school districts, and other districts.

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Property Tax (Continued)

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

The County is legally required to maintain a minimum balance of 1 percent of the annual taxes levied on properties participating in the Teeter Plan. The balance in the TLRF was \$384,219 at June 30, 2017. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in an agency fund.

M. Interfund Transactions

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

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

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

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

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Unearned Revenue

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

O. Compensated Absences

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

P. Pensions

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

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. This item relates to the outflows from changes in the net pension liability and is reportable on the statement of net position.

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Estimates

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

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

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

Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This statement improves the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

Statement No. 77, Tax Abatement Disclosures. This statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenue.

Statement No. 78, Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans. This statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have certain characteristics.

Statement No. 80, Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14. This statement amends the blending requirements for the financial statement presentation of component units of all state and local governments.

Statement No. 82, Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73. This statement addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This statement specifically addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Restatement of Fund Balance/Net Position

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balance/net position. During the current year, adjustments to fund balance/net position were required to correct a prior year understatement of capital assets. In addition, the County determined that the Abandoned Vehicle Abatement Service Authority (AVASA) would be more appropriately recorded in a trust fund.

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

	Governmental Activities
Net Position, June 30, 2016, as previously reported	\$ 47,149,650
Adjustment associated with:	
Correction of capital assets	245,147
Reclassification of AVASA	(69,573)
Total Adjustments	175,574
Net Position, July 1, 2016, as restated	<u>\$ 47,325,224</u>

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

	General Fund
Fund Balance, June 30, 2016, as previously reported	\$ 11,080,770
Adjustment associated with:	
Reclassification of AVASA	(69,573)
Fund Balance, July 1, 2016, as restated	<u>\$ 11,011,197</u>

The impact of the restatements on the net position of the investment trust fund financial statements as previously reported is presented below:

	Investment Trust Funds
Net Position, June 30, 2016, as previously reported	\$ 39,642,407
Adjustment associated with:	
Reclassification of AVASA	69,573
Net Position, July 1, 2016, as restated	<u>\$ 39,711,980</u>

B. Deficit Fund Balance/Net Position

The following major governmental fund had a deficit fund balance at June 30, 2017. This deficit is expected to be eliminated through additional funding.

Flood Control	\$ 128,451
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COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

B. Deficit Fund Balance/Net Position (Continued)

The following non-major governmental funds had deficit fund balances as of June 30, 2017. These deficits are expected to be eliminated through future additional funding.

County Fair	\$ 45,117
Quincy Lighting	13,236
Beckwourth CSA Sewer	16,812

The following non-major proprietary fund had a deficit net position as of June 30, 2017. This deficit is expected to be eliminated though additional funding.

Senior Transit	\$ 204,221
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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, 2017, the County does not expect to incur a liability.

NOTE 3: CASH AND INVESTMENTS

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

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

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 \$45,991,060 at June 30, 2017.

A. Financial Statement Presentation

As of June 30, 2017, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 54,654,995
Investment trust funds	45,991,060
Agency funds	<u>2,110,264</u>
Total Cash and Investments	<u><u>\$ 102,756,319</u></u>

As of June 30, 2017, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 17,509
Deposits (less outstanding checks)	<u>6,306,936</u>
Total Cash in County Pool	6,324,445
Deposits with fiscal agents	<u>8,448,352</u>
Total Cash	<u>14,772,797</u>
Investments:	
In Treasurer's Pool	<u>87,983,522</u>
Total Investments	<u>87,983,522</u>
Total Cash and Investments	<u><u>\$ 102,756,319</u></u>

B. Cash

At year end, the carrying amount of the County's cash deposits (including amounts in checking accounts, money market accounts and deposits with fiscal agents) was \$14,755,288 and the bank balance was \$11,490,826. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the County had cash on hand of \$17,509.

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments

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

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

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

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

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

At June 30, 2017, the County had the following recurring fair value measurements:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
US Treasury Notes	\$ 14,225,646	\$ 14,225,646	\$ -	\$ -
Federal Agencies	5,350,640	5,350,640		
Corporate Notes	8,341,896	8,341,896		
Negotiable Certificates of Deposit	5,914,588	5,914,588		
Commercial Paper	842,735	842,735		
Total Investments Measured at Fair Value	34,675,505	\$ 34,675,505	\$ -	\$ -
Investments in External Investment Pool				
Local Agency Investment Fund (LAIF)	32,500,295			
California Asset Management Program (CAMP)	20,807,722			
Total Investments	\$ 87,983,522			

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

As of June 30, 2017, the County had the following investments, all of which had a maturity of five years or less:

Investment Type	Interest Rates	Maturities			Weighted Average Maturity (Years)
		0-1 year	1-5 years	Fair Value	
US Treasury Notes	1.250-2.375%	\$ -	\$ 14,225,646	\$ 14,225,646	3.67
Federal Agencies	0.831-4.500%	154,958	5,195,683	5,350,641	2.19
Corporate Notes	1.700-5.700%	350,279	7,991,616	8,341,895	3.78
Negotiable Certificates of Deposit	1.480-2.050%	1,895,000	4,019,588	5,914,588	1.27
Commercial Paper	0.000%	842,735	-	842,735	0.07
LAIF	Variable	32,500,295	-	32,500,295	-
CAMP	Variable	20,807,722	-	20,807,722	-
Total Investments		\$56,550,989	\$31,432,533	\$87,983,522	1.17

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

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

Investment Type	Minimum Legal Rating	Poor's Rating	Standard & Moody's Rating	% of Portfolio
US Treasury Notes	-	-	-	16.17%
Federal Home Loan Bank	-	-	-	1.98%
Federal Home Loan Mortgage Corp.	-	-	-	0.27%
Federal Home Loan Mortgage Corp. - CMO	-	-	-	0.10%
Federal National Mortgage Assoc.	-	-	-	2.23%
Federal National Mortgage Assoc - CMO	-	-	-	1.50%
Corporate Notes	A	A	A1	1.22%
Corporate Notes	A	A	A2	1.09%
Corporate Notes	A	A	A3	0.18%
Corporate Notes	A	A-	A2	1.18%
Corporate Notes	A	A-	A3	0.58%
Corporate Notes	A	A+	A1	1.31%
Corporate Notes	A	A+	A2	0.12%
Corporate Notes	A	AA-	Aa3	0.71%
Corporate Notes	A	AA+	Aa1	0.76%
Corporate Notes	A	AAA	Aaa	0.41%
Corporate Notes	A	BBB+	A3	1.18%
Corporate Notes	A	BBB+	Baa1	0.74%
Negotiable Certificates of Deposit	N/A	A	A1	0.80%
Negotiable Certificates of Deposit	N/A	A+	A1	0.80%
Negotiable Certificates of Deposit	N/A	A+	Aa3	2.34%
Negotiable Certificates of Deposit	N/A	AA-	Aa1	0.68%
Negotiable Certificates of Deposit	N/A	AA-	Aa2	0.60%
Negotiable Certificates of Deposit	N/A	AA-	Aa3	1.50%
Commercial Paper	N/A	A-1	P-1	0.96%
LAIF	N/A	Unrated	Unrated	36.94%
CAMP	N/A	Unrated	Unrated	23.65%
Total				<u>100.00%</u>

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The County's investment policy contains limitations on the amount that can be invested in any one issuer. At June 30, 2017, there were no investments in any one issuer (other than U.S. Treasury securities and external investment pools), that represent 5 percent or more of total County investments.

D. Investment in External Investment Pools

The County of Plumas maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but it is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2017, the County's investment in LAIF valued at amortized cost was \$32,500,295 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$77.5 billion. Of that amount, 97.11 percent is invested in non-derivative financial products and 2.89 percent in structured notes and asset-backed securities.

The County of Pumas also maintains an investment in the California Asset Management Program (CAMP), a California Joint Powers Authority established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. CAMP is not registered with the Securities and Exchange Commission as an investment company, but is a permitted investment for all local agencies under California Government Code Section 53601(p). CAMP is governed by a Board of Trustees composed of experienced local government finance directors and treasurers. The County's investment with CAMP as of June 30, 2017, was \$20,807,722, which approximates fair value. There are no restrictions on withdrawal of funds.

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net position and changes in net position for the Treasurer's Pool at June 30, 2017:

	Internal Participants	External Participants	Total Pool
Statement of Net Position			
Cash on hand	\$ 17,509	\$ -	\$ 17,509
Deposits (less outstanding checks)	6,306,936	-	6,306,936
Investments	<u>41,992,462</u>	<u>45,991,060</u>	<u>87,983,522</u>
Net Position at June 30, 2017	<u><u>\$ 48,316,907</u></u>	<u><u>\$ 45,991,060</u></u>	<u><u>\$ 94,307,967</u></u>
Statement of Changes in Net Position			
Net position at July 1, 2016	\$ 51,345,816	\$ 39,761,362	\$ 91,107,178
Net changes in investments by pool participants	<u>(3,028,909)</u>	<u>6,229,698</u>	<u>3,200,789</u>
Net Position at June 30, 2017	<u><u>\$ 48,316,907</u></u>	<u><u>\$ 45,991,060</u></u>	<u><u>\$ 94,307,967</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2017
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,079,903	\$ -	\$ -	\$ -	\$ 2,079,903
Construction in progress	<u>6,573,589</u>	<u>1,292,550</u>	<u>-</u>	<u>128,998</u>	<u>7,995,137</u>
Total Capital Assets, Not Being Depreciated	<u>8,653,492</u>	<u>1,292,550</u>	<u>-</u>	<u>128,998</u>	<u>10,075,040</u>
Capital Assets, Being Depreciated:					
Buildings and improvements	34,831,169	138,000	-	5,555	34,974,724
Equipment	23,711,600	1,294,682	(558,513)	72,000	24,519,769
Software	1,349,789	-	-	-	1,349,789
Infrastructure	<u>39,955,405</u>	<u>-</u>	<u>-</u>	<u>38,594</u>	<u>39,993,999</u>
Total Capital Assets, Being Depreciated	<u>99,847,963</u>	<u>1,432,682</u>	<u>(558,513)</u>	<u>116,149</u>	<u>100,838,281</u>
Less Accumulated Depreciation For:					
Buildings and improvements	(14,762,399)	(600,023)	-	-	(15,362,422)
Equipment	(18,570,339)	(1,235,941)	558,513	-	(19,247,767)
Software	(1,274,167)	(31,917)	-	-	(1,306,084)
Infrastructure	<u>(24,074,328)</u>	<u>(930,037)</u>	<u>-</u>	<u>-</u>	<u>(25,004,365)</u>
Total Accumulated Depreciation	<u>(58,681,233)</u>	<u>(2,797,918)</u>	<u>558,513</u>	<u>-</u>	<u>(60,920,638)</u>
Total Capital Assets, Being Depreciated, Net	<u>41,166,730</u>	<u>(1,365,236)</u>	<u>-</u>	<u>116,149</u>	<u>39,917,643</u>
Governmental Activities Capital Assets, Net	<u>\$ 49,820,222</u>	<u>(\$ 72,686)</u>	<u> \$ -</u>	<u> \$ 245,147</u>	<u> \$ 49,992,683</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2016	Additions	Retirements	Balance June 30, 2017
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 620,152	\$ -	\$ -	\$ 620,152
Total Capital Assets, Not Being Depreciated	<u>620,152</u>	<u>-</u>	<u>-</u>	<u>620,152</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	1,290,807	-	-	1,290,807
Equipment	2,045,677	4,481	-	2,050,158
Software	15,660	-	-	15,660
Infrastructure	<u>10,836,617</u>	<u>199,279</u>	<u>-</u>	<u>11,035,896</u>
Total Capital Assets, Being Depreciated	<u>14,188,761</u>	<u>203,760</u>	<u>-</u>	<u>14,392,521</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(865,475)	(36,046)	-	(901,521)
Equipment	(1,620,314)	(104,827)	-	(1,725,141)
Software	(15,660)	-	-	(15,660)
Infrastructure	<u>(6,075,369)</u>	<u>(694,036)</u>	<u>-</u>	<u>(6,769,405)</u>
Total Accumulated Depreciation	<u>(8,576,818)</u>	<u>(834,909)</u>	<u>-</u>	<u>(9,411,727)</u>
Total Capital Assets, Being Depreciated, Net	<u>5,611,943</u>	<u>(631,149)</u>	<u>-</u>	<u>4,980,794</u>
Business-Type Activities Capital Assets, Net	<u><u>\$ 6,232,095</u></u>	<u><u>(\$ 631,149)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,600,946</u></u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 431,501
Public protection	417,009
Health and welfare	169,493
Public assistance	103,690
Education	18,187
Culture and recreation	55,795
Public ways and facilities	<u>1,602,243</u>
Total Depreciation Expense - Governmental Functions	<u>\$ 2,797,918</u>

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

Airport	\$ 748,162
Solid Waste	40,960
Transit	<u>45,787</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 834,909</u>

Construction in Progress

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

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, 2017:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 53,661	\$ 11,787
Nonmajor Governmental Funds	-	41,874
Total	<u>\$ 53,661</u>	<u>\$ 53,661</u>

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advances to/from other funds as of June 30, 2017:

	Advances To Other Funds	Advances From Other Funds
General fund	\$ 419,385	\$ -
Flood Control	-	359,085
Nonmajor Governmental funds	-	40,300
Airport	-	20,000
Total	<u>\$ 419,385</u>	<u>\$ 419,385</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2017:

	Transfers In	Transfers Out
General fund	\$ 8,597,078	\$ 8,193,771
Road	69,382	12,651
Local Revenue 2011	-	8,319,666
Social Services	7,359,911	2,423,054
Mental Health	3,243,123	1,783,434
Public Health	300,380	263,724
Flood Control	144,483	181,436
Nonmajor Governmental Funds	3,805,531	2,312,862
Solid Waste Planning and Operations	-	61,543
Nonmajor Enterprise Funds	<u>32,253</u>	-
Total	<u>\$ 23,552,141</u>	<u>\$ 23,552,141</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 6: UNEARNED REVENUE

At June 30, 2017, the components of unearned revenue reported were as follows:

	Unearned
Social Services	
State grant advances received	\$ 74,125
Total	<u>\$ 74,125</u>

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

Type of Indebtedness	Balance July 1, 2016	Adjustments/ Additions		Balance June 30, 2017	Amounts Due Within One Year
		Additions	Retirements		
Governmental Activities					
Loans	\$ 14,615,000	\$ -	(\$ 640,000)	\$ 13,975,000	\$ 655,000
Compensated Absences	<u>4,747,989</u>	<u>3,292,704</u>	(<u>3,100,445</u>)	<u>4,940,248</u>	<u>3,100,445</u>
Total Governmental Activities	<u>\$ 19,362,989</u>	<u>\$ 3,292,704</u>	(<u>\$ 3,740,445</u>)	<u>\$ 18,915,248</u>	<u>\$ 3,755,445</u>
Business-Type Activities					
Closure/Postclosure	\$ 3,228,839	\$ 42,869	\$ -	\$ 3,271,708	\$ -
Compensated Absences	<u>9,013</u>	<u>8,366</u>	(<u>10,022</u>)	<u>7,357</u>	<u>7,357</u>
Total Business-Type Activities	<u>\$ 3,237,852</u>	<u>\$ 51,235</u>	(<u>\$ 10,022</u>)	<u>\$ 3,279,065</u>	<u>\$ 7,357</u>

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

Individual issues of debt payable outstanding at June 30, 2017, are as follows:

Governmental Activities

Loans:

Umpqua Bank Loan, issued June 1, 2015, in the amount of \$15,255,000 and payable in annual installments of \$640,000 to \$1,125,000, with an interest rate of 3.63% and maturity on June 1, 2033. The loan was used to refinance the certificates of participation previously used to fund the acquisition and construction of the health and human services center, a permit center, and an animal shelter, as well as finance a new jail facility. \$ 13,975,000

Total Loans 13,975,000

Total Governmental Activities \$ 13,975,000

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

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

Governmental Activities

Year Ended June 30	Loans		
	Principal	Interest	Total
2018	\$ 655,000	\$ 507,292	\$ 1,162,292
2019	685,000	483,516	1,168,516
2020	710,000	458,651	1,168,651
2021	735,000	432,878	1,167,878
2022	760,000	406,197	1,166,197
2023-2027	4,240,000	1,595,930	5,835,930
2028-2032	5,065,000	769,015	5,834,015
2033	1,125,000	40,838	1,165,838
Total	\$ 13,975,000	\$ 4,694,317	\$ 18,669,317

NOTE 8: LEASES

Operating Leases

Rental expenses incurred under operating leases are not considered material.

NOTE 9: CLOSURE/POSTCLOSURE

The County of Plumas is responsible for one operating and one closed landfill site. State and Federal laws and regulations require the County to perform certain closure and postclosure maintenance and monitoring functions at the site for thirty years after closure. GASB Statement No. 18 requires that a portion of these closure and postclosure care costs be reported as an operating expense in each year based on landfill capacity used as of each statement of net position date. The \$3,271,708 reported as closure/postclosure liability at June 30, 2017, represents the cumulative amount reported to date based on the estimates used ranging from 45 to 100 percent of total permitted site capacity filled.

The County will recognize the remaining estimated cost of closure and postclosure care of \$3,457,977 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2017. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and postclosure care costs in the future. At June 30, 2017, cash and investments of \$3,225,776 were held to fund closure costs. This deposit is held in the Solid Waste Planning and Operation enterprise fund. The County has approved a pledge of revenue to fund the postclosure costs. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 10: NET POSITION

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

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Net Position Flow Assumption

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

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$36,898,126 of restricted net position, of which \$1,169,293 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, 2017, fund balances for governmental funds are made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 11: FUND BALANCES (CONTINUED)

- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the County's highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the County's General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 11: FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2017, were distributed as follows:

	General Fund	Road	Local Revenue 2011	Social Services	Mental Health	Public Health
Nonspendable:						
Prepaid costs	\$ 93,019	\$ 116	\$ -	\$ 24,439	\$ 3,729	\$ 23,377
Inventory	-	311,512	-	-	-	-
Advances	419,385	-	-	-	-	-
Loans receivable	98,252	-	-	-	-	-
Subtotal	<u>610,656</u>	<u>311,628</u>	<u>-</u>	<u>24,439</u>	<u>3,729</u>	<u>23,377</u>
Restricted for:						
General government	1,314,465	-	657,329	-	-	-
Public protection	-	-	-	-	-	-
Health and welfare	-	-	-	-	10,550,859	1,284,699
Public assistance	-	-	-	8,410,042	-	-
Public ways & facilities	-	2,223,005	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Subtotal	<u>1,314,465</u>	<u>2,223,005</u>	<u>657,329</u>	<u>8,410,042</u>	<u>10,550,859</u>	<u>1,284,699</u>
Committed to:						
General government	2,002,708	-	-	-	-	-
Public protection	49,881	-	-	-	-	-
Subtotal	<u>2,052,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned to:						
General government	152,319	-	-	-	-	-
Public protection	720,735	-	-	-	-	-
Subtotal	<u>873,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned						
Total	<u><u>\$ 11,671,574</u></u>	<u><u>\$ 2,534,633</u></u>	<u><u>\$ 657,329</u></u>	<u><u>\$ 8,434,481</u></u>	<u><u>\$ 10,554,588</u></u>	<u><u>\$ 1,308,076</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

Flood Control	Other Governmental Funds	Total
\$ -	\$ 46,353	\$ 191,033
- -	- -	311,512
- -	- -	419,385
- -	- -	<u>98,252</u>
<u>- -</u>	<u>46,353</u>	<u>1,020,182</u>
- -	2,420,855	4,392,649
- -	2,420,657	2,420,657
- -	555,056	12,390,614
- -	- -	8,410,042
- -	1,798,166	4,021,171
- -	236,362	236,362
<u>- -</u>	<u>2,237,502</u>	<u>2,237,502</u>
<u>- -</u>	<u>9,668,598</u>	<u>34,108,997</u>
- -	515,102	2,517,810
<u>- -</u>	<u>- -</u>	<u>49,881</u>
<u>- -</u>	<u>515,102</u>	<u>2,567,691</u>
- -	- -	152,319
<u>- -</u>	<u>- -</u>	<u>720,735</u>
- -	- -	873,054
<u>(128,451)</u>	<u>(78,814)</u>	<u>6,613,545</u>
<u><u>\$ 128,451</u></u>	<u><u>\$ 10,151,239</u></u>	<u><u>\$ 45,183,469</u></u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 11: FUND BALANCES (CONTINUED)

Fund Balance Flow Assumption

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

Fund Balance Policy

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

NOTE 12: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

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

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

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment

Miscellaneous PEPRA

Safety - Sheriff PEPRA

Miscellaneous members hired on or after January 1, 2013

County Sheriff officers hired on or after January 1, 2013

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 12: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Summary of Rate Tiers and Eligible Participants (Continued)

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

Benefits Provided

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

Each Rate Tier's specific provisions and benefits in effect at June 30, 2017, are summarized as follows:

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

Employees Covered

At June 30, 2017, the following employees were covered by the benefit terms for the Miscellaneous Rate Tier including independent entities (courts).

	<u>Inactive Employees or Beneficiaries Currently Receiving Benefits</u>	<u>Inactive Employees Entitled to But Not Yet Receiving Benefits</u>	<u>Active Employees</u>
Miscellaneous	417	366	337

Contributions

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 12: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Contributions (Continued)

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Miscellaneous	19.338%	7.000%	4.000%
Miscellaneous PEPRA	19.338%	6.250%	0.000%
Safety Sheriff	18.301%	9.000%	2.000%
Safety County Peace Officer	16.312%	9.000%	2.000%
Safety Sheriff PEPRA	12.821%	12.250%	0.000%

B. Net Pension Liability

The County's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Projected Salary Increase	Varies by entry-age and service
Mortality	Derived using CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period 1997 to 2011 including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 12: PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Change of Assumptions

There were no changes in assumptions during the measurement period ended June 30, 2016. Deferred inflows for changes of assumptions presented represents the unamortized portion of the changes of assumptions related to prior measurement periods.

Discount Rate

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

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

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

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 12: PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Debt Securities	20.0%	0.99%	2.43%
Inflation Assets	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	<u>1.0%</u>	-0.55%	-1.05%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.5% used for this period
 (b) An expected inflation of 3.0% used for this period

C. Changes in the Net Pension Liability

As of June 30, 2017, the changes in the net pension liability of the agent multiple-employer defined benefit pension plan, including independent entities (courts), is as follows:

		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Miscellaneous:			
Balance at June 30, 2015	<u>\$ 124,641,179</u>	<u>\$ 95,419,837</u>	<u>\$ 29,221,342</u>
Changes in the year:			
Service cost	2,324,889	-	2,324,889
Interest on the total pension liability	9,251,669	-	9,251,669
Differences between expected and actual experience	(1,503,677)	-	(1,503,677)
Contribution - employer	-	2,880,790	(2,880,790)
Contribution - employee	-	1,104,500	(1,104,500)
Net investment income	-	510,033	(510,033)
Benefit payments, including refunds of employee contributions	(6,726,197)	(6,726,197)	-
Administrative expense	<u>-</u>	<u>(58,153)</u>	<u>58,153</u>
Net changes	<u>3,346,684</u>	<u>(2,289,027)</u>	<u>5,635,711</u>
Balance at June 30, 2016	<u>\$ 127,987,863</u>	<u>\$ 93,130,810</u>	34,857,053
Less:			
Amount allocated to independent entities			1,463,623
Balance at June 30, 2016			<u>\$ 33,393,430</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 12: PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability (Continued)

As of June 30, 2017, the County reported net pension liabilities for its proportionate share of the net pension liability of the cost sharing multiple-employer defined benefit pension plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Safety	<u>\$ 10,973,356</u>
Total Net Pension Liability	<u><u>\$ 10,973,356</u></u>

The County's net pension liability for the cost sharing multiple-employer defined benefit pension plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share of the net pension liability for the cost sharing multiple-employer defined benefit pension plan as of June 30, 2015 and 2016 was as follows:

	<u>Proportion June 30, 2015</u>	<u>Proportion June 30, 2016</u>	<u>Change - Increase (Decrease)</u>
Safety	.13078%	.12681%	(.00397)%

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

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

	<u>1% Decrease 6.65%</u>	<u>Discount Rate 7.65%</u>	<u>1% Increase 8.65%</u>
Miscellaneous	\$ 50,266,278	\$ 34,857,053	\$ 21,937,042
Safety	15,853,418	10,973,356	6,967,325

Pension Plan Fiduciary Net Position

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 12: PENSION PLAN (CONTINUED)

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

For the year ended June 30, 2017, the County recognized pension expense of \$3,647,934. At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 4,356,684	\$ -
Changes of assumptions	- (770,569)	
Differences between expected and actual experience	- (1,070,171)	
Net differences between projected and actual earnings on plan investments	6,658,052	-
Adjustment due to differences in proportions	257,013	-
Difference between County contributions and proportionate share of contributions	- (396,700)	
Total	11,271,749	(2,237,440)
Less: amount allocated to independent entities	(288,749)	58,624
Total	<u>\$ 10,983,000</u>	<u>(\$ 2,178,816)</u>

\$4,356,684 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended <u>June 30</u>	
2018	(\$ 323,952)
2019	301,019
2020	2,957,264
2021	1,743,294
Thereafter	-
Total	<u>\$ 4,677,625</u>

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

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

A. Plan Description (Continued)

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

B. Funding Policy

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

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

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

For the fiscal year ending June 30, 2017, the County's ARC was \$1,003,197. The County paid \$219,846 in pay-as-you go costs and \$306,824 to the PARS Public Agencies Post-Retirement Health Care Plan.

C. Annual OPEB Cost and Net OPEB Obligation

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

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

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

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

Annual required contribution	\$ 1,020,533
Interest on prior year net OPEB obligation	124,484
Amortization of prior year net OPEB obligation	<u>(141,820)</u>
Annual OPEB Cost	1,003,197
Contributions Made:	
Contributions to OPEB trust	(306,824)
Pay as you go contribution	<u>(219,846)</u>
Increase in Net OPEB Obligation	476,527
Net OPEB Obligation Beginning of Year	<u>2,489,681</u>
Net OPEB Obligation Ending of Year	<u>\$ 2,966,208</u>

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

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of	Net OPEB Obligation
			Annual OPEB Cost Contributed	
June 30, 2015	\$ 377,315	\$ 418,406	110.89%	\$ 1,912,944
June 30, 2016	950,428	373,691	39.32%	2,489,681
June 30, 2017	1,003,197	526,670	52.50%	2,966,208

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

D. Funded Status and Funding Progress

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

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

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

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

E. Actuarial Methods and Assumptions

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

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

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

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

NOTE 14: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has Risk Management Funds (internal service funds) to account for and finance its uninsured risks of loss for general liability and worker's compensation. As of June 30, 2017, the County did not have landfill insurance.

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

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

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

Actual claims liability at June 30, 2017 was as follows:

Liability	\$ 224,082
Workers' Compensation	<u>5,635,385</u>
Total	<u>\$ 5,859,467</u>

COUNTY OF PLUMAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 14: RISK MANAGEMENT (CONTINUED)

All funds of the County participate in the program and make payments to the risk management funds based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. At June 30, 2017, the Workers' Compensation/Liability risk management fund had a funding surplus of \$715,106.

Changes in the County's claims liability amount for the fiscal years 2015, 2016, and 2017 were as follows:

Fiscal Year Ended	Balance at Beginning of Fiscal Year	Current Year Claims	Claims Payments and Changes In Estimates	Balance at End of Fiscal Year
2015	\$ 2,796,190	\$ 2,360,156	\$ 2,019,676	\$ 3,136,670
2016	3,136,670	1,978,476	1,824,485	3,290,661
2017	3,290,661	2,804,658	235,852	5,859,467

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

At June 30, 2017, the County had construction commitments outstanding of approximately \$35,825.

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

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

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2017 through March 23, 2018, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2017
Last 10 Years*

	2013/14	2014/15	2015/16
Measurement Date			
Miscellaneous			
Total Pension Liability			
Service cost	\$ 2,266,459	\$ 2,247,655	\$ 2,324,889
Interest	8,636,073	9,001,126	9,251,669
Changes of assumptions	-	(2,029,153)	-
Difference between expected and actual experience	-	(147,109)	(1,503,677)
Benefit payments, including refunds of employee contributions	(6,114,357)	(6,291,101)	(6,726,197)
Net Change in Total Pension Liability	4,788,175	2,781,418	3,346,684
Total Pension Liability - Beginning	<u>117,071,586</u>	<u>121,859,761</u>	<u>124,641,179</u>
Total Pension Liability - Ending (a)	<u><u>\$ 121,859,761</u></u>	<u><u>\$ 124,641,179</u></u>	<u><u>\$ 127,987,863</u></u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 2,174,429	\$ 2,444,777	\$ 2,880,790
Contributions - employee	1,061,943	1,119,188	1,104,500
Net investment income	14,451,580	2,133,249	510,033
Benefit payments, including refunds of employee contributions	(6,114,357)	(6,291,101)	(6,726,197)
Plan to plan resource movement	-	71,138	-
Administrative expense	-	(107,229)	(58,153)
Net Change in Plan Fiduciary Net Position	11,573,595	(629,978)	(2,289,027)
Plan Fiduciary Net Position - Beginning	<u>84,476,220</u>	<u>96,049,815</u>	<u>95,419,837</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 96,049,815</u></u>	<u><u>\$ 95,419,837</u></u>	<u><u>\$ 93,130,810</u></u>
Net Pension Liability - Ending (a)-(b)	<u><u>\$ 25,809,946</u></u>	<u><u>\$ 29,221,342</u></u>	<u><u>\$ 34,857,053</u></u>
Plan fiduciary net position as a percentage of the total pension liability	78.82%	76.56%	72.77%
Covered employee payroll	\$ 14,685,797	\$ 15,003,394	\$ 15,784,307
Net pension liability as a percentage of covered employee payroll	175.75%	194.76%	220.83%

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

COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2017
Last 10 Years*

Measurement Date	2013/14	2014/15	2015/16
Safety			
Proportion of the net pension liability	0.14110%	0.13080%	0.15990%
Proportionate share of the net pension liability	\$ 8,777,841	\$ 8,976,642	\$ 10,973,356
Covered employee payroll	2,099,472	2,408,575	2,313,026
Proportionate share of the net pension liability as a percentage of covered employee payroll	418.10%	372.70%	474.42%
Plan fiduciary net position as a percentage of the total pension liability	74.81%	74.09%	69.48%

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

COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2017
Last 10 Years*

Fiscal Year	2014/15	2015/16	2016/17
Miscellaneous			
Contractually required contributions (actuarially determined)	\$ 2,174,429	\$ 2,764,087	\$ 3,357,436
Contributions in relation to the actuarially determined contributions	(2,174,429)	(2,764,087)	(3,357,436)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 15,003,394	\$ 15,784,307	\$ 18,164,888
Contributions as a percentage of covered employee payroll	14.49%	17.51%	18.48%
Safety			
Contractually required contributions (actuarially determined)	\$ 777,285	\$ 382,499	\$ 399,893
Contributions in relation to the actuarially determined contributions	(777,285)	(938,136)	(999,240)
Contribution deficiency (excess)	\$ -	\$ (555,637)	\$ (599,347)
Covered employee payroll	\$ 2,408,575	\$ 2,313,026	\$ 2,445,498
Contributions as a percentage of covered employee payroll	32.27%	16.54%	16.35%

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

COUNTY OF PLUMAS
Required Supplementary Information
County Pension Plan
Notes to County Pension Plan
For the Year Ended June 30, 2017

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

Benefit Changes: The amounts do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change of Assumptions: In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

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

Change of Assumptions: In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

NOTE 3: SCHEDULE OF CONTRIBUTIONS

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

Valuation Date	6/30/2013
Actuarial cost method	Entry-Age Normal
Amortization method/period	For details, see June 30, 2013 Funding Valuation Report
Asset valuation method	Market Value of Assets
Inflation	2.75%
Salary increases	Varies by entry-age and service
Payroll growth	3.00%
Investment rate of return	7.5%, net of pension plan investment and administrative expense, including inflation
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

COUNTY OF PLUMAS
Required Supplementary Information
County OPEB Plan
Schedule of Funding Progress
For the Year Ended June 30, 2017

SCHEDULE OF FUNDING PROGRESS

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

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

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

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 15,395,454	\$ 15,395,454	\$ 16,050,181	\$ 654,727
Licenses, permits, and franchises	629,900	629,900	793,863	163,963
Fines and forfeitures	224,250	224,250	208,265	(15,985)
Intergovernmental	2,251,436	2,317,142	1,663,007	(654,135)
Use of money and property	66,736	66,936	120,766	53,830
Charges for services	2,998,080	2,997,880	3,135,771	137,891
Other revenues	389,027	389,027	421,280	32,253
Total Revenues	21,954,883	22,020,589	22,393,133	372,544
EXPENDITURES				
Current:				
General government	10,951,416	7,803,036	7,066,073	736,963
Public protection	12,757,726	14,116,001	12,056,296	2,059,705
Health and welfare	685,408	687,878	667,056	20,822
Public assistance	673,006	684,269	665,821	18,448
Education	672,197	694,468	669,653	24,815
Culture and recreation	404,351	404,351	381,565	22,786
Public ways and facilities	440,603	440,603	384,559	56,044
Capital outlay	755,162	856,220	245,040	611,180
Total Expenditures	27,339,869	25,686,826	22,136,063	3,550,763
Excess of Revenues Over (Under) Expenditures	(5,384,986)	(3,666,237)	257,070	3,923,307
OTHER FINANCING SOURCES (USES)				
Transfers in	7,934,252	9,144,252	8,597,078	(547,174)
Transfers out	(8,387,278)	(8,591,845)	(8,193,771)	398,074
Total Other Financing Sources (Uses)	(453,026)	552,407	403,307	(149,100)
Net Change in Fund Balances	(5,838,012)	(3,113,830)	660,377	3,774,207
Fund Balances - Beginning	11,080,770	11,080,770	11,080,770	-
Prior period adjustment	-	-	(69,573)	(69,573)
Fund Balances - Beginning, Restated	11,080,770	11,080,770	11,011,197	(69,573)
Fund Balances - Ending	\$ 5,242,758	\$ 7,966,940	\$ 11,671,574	\$ 3,704,634

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2017

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

Total Revenues - Budgetary Basis	\$22,393,133
OMB Circular A-87 charges are included as charges for services for budgetary purposes, but are a reduction of expenditures for financial reporting purposes.	<u>(1,603,077)</u>
Total Revenues - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$20,790,056</u>
 Total Expenditures - Budgetary Basis	 \$22,136,063
OMB Circular A-87 charges are included as charges for services for budgetary purposes, but are a reduction of expenditures for financial reporting purposes.	
General government expenditures	<u>(1,603,077)</u>
Total Expenditures - Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$20,532,986</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Road - Major Special Revenue Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 800	\$ 800	\$ 1,133	\$ 333
Licenses, permits, and franchises	70,000	70,000	78,439	8,439
Intergovernmental	7,044,523	7,044,523	4,866,891	(2,177,632)
Use of money and property	57,400	57,400	62,942	5,542
Charges for services	221,145	221,145	355,456	134,311
Other revenues	10,000	142,069	151,625	9,556
Total Revenues	7,403,868	7,535,937	5,516,486	(2,019,451)
EXPENDITURES				
Current:				
Public ways and facilities	10,883,221	11,883,221	6,017,691	5,865,530
Capital outlay	703,619	835,688	1,990,834	(1,155,146)
Total Expenditures	11,586,840	12,718,909	8,008,525	4,710,384
Excess of Revenues Over (Under) Expenditures	(4,182,972)	(5,182,972)	(2,492,039)	2,690,933
OTHER FINANCING SOURCES (USES)				
Transfers in	85,000	85,000	69,382	(15,618)
Transfers out	(21,591)	(21,591)	(12,651)	8,940
Total Other Financing Sources (Uses)	63,409	63,409	56,731	(6,678)
Net Change in Fund Balances	(4,119,563)	(5,119,563)	(2,435,308)	2,684,255
Fund Balances - Beginning	4,969,941	4,969,941	4,969,941	-
Fund Balances - Ending	\$ 850,378	\$ (149,622)	\$ 2,534,633	\$ 2,684,255

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Local Revenue 2011 - Major Special Revenue Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 7,436,626	\$ 7,436,626	\$ 7,453,245	\$ 16,619
Total Revenues	<u>7,436,626</u>	<u>7,436,626</u>	<u>7,453,245</u>	<u>16,619</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>7,436,626</u>	<u>7,436,626</u>	<u>7,453,245</u>	<u>16,619</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(7,436,626)	(7,436,626)	(8,319,666)	(883,040)
Total Other Financing Sources (Uses)	<u>(7,436,626)</u>	<u>(7,436,626)</u>	<u>(8,319,666)</u>	<u>(883,040)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(866,421)</u>	<u>(866,421)</u>
Fund Balances - Beginning	<u>1,523,750</u>	<u>1,523,750</u>	<u>1,523,750</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,523,750</u>	<u>\$ 1,523,750</u>	<u>\$ 657,329</u>	<u>\$ (866,421)</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Social Services - Major Special Revenue Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 4,946,711	\$ 4,946,711	\$ 5,330,494	\$ 383,783
Use of money	10,000	10,000	46,025	36,025
Other revenues	45,000	45,000	52,363	7,363
Total Revenues	<u>5,001,711</u>	<u>5,001,711</u>	<u>5,428,882</u>	<u>427,171</u>
EXPENDITURES				
Current:				
Public assistance	9,744,804	9,824,804	8,277,054	1,547,750
Capital outlay	212,500	212,500	115,588	96,912
Total Expenditures	<u>9,957,304</u>	<u>10,037,304</u>	<u>8,392,642</u>	<u>1,644,662</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,955,593)</u>	<u>(5,035,593)</u>	<u>(2,963,760)</u>	<u>2,071,833</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,177,543	7,177,543	7,359,911	182,368
Transfers out	(2,487,780)	(2,532,780)	(2,423,054)	109,726
Total Other Financing Sources (Uses)	<u>4,689,763</u>	<u>4,644,763</u>	<u>4,936,857</u>	<u>292,094</u>
Net Change in Fund Balances	<u>(265,830)</u>	<u>(390,830)</u>	<u>1,973,097</u>	<u>2,363,927</u>
Fund Balances - Beginning	<u>6,461,384</u>	<u>6,461,384</u>	<u>6,461,384</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 6,195,554</u>	<u>\$ 6,070,554</u>	<u>\$ 8,434,481</u>	<u>\$ 2,363,927</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Mental Health - Major Special Revenue Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 4,261,097	\$ 4,261,097	\$ 3,450,546	\$ (810,551)
Use of money	40,950	40,950	79,126	38,176
Charges for services	145,000	145,000	144,050	(950)
Other revenues	1,500	1,500	3,294	1,794
Total Revenues	<u>4,448,547</u>	<u>4,448,547</u>	<u>3,677,016</u>	<u>(771,531)</u>
EXPENDITURES				
Current:				
Health and welfare	6,732,001	7,994,813	7,769,072	225,741
Capital outlay	100,000	100,000	99,921	79
Total Expenditures	<u>6,832,001</u>	<u>8,094,813</u>	<u>7,868,993</u>	<u>225,820</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,383,454)</u>	<u>(3,646,266)</u>	<u>(4,191,977)</u>	<u>(545,711)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,736,320	1,736,320	3,243,123	1,506,803
Transfers out	(1,306,116)	(1,982,328)	(1,783,434)	198,894
Total Other Financing Sources (Uses)	<u>430,204</u>	<u>(246,008)</u>	<u>1,459,689</u>	<u>1,705,697</u>
Net Change in Fund Balances	<u>(1,953,250)</u>	<u>(3,892,274)</u>	<u>(2,732,288)</u>	<u>1,159,986</u>
Fund Balances - Beginning	<u>13,286,876</u>	<u>13,286,876</u>	<u>13,286,876</u>	<u>-</u>
Fund Balances - Ending	<u>\$11,333,626</u>	<u>\$ 9,394,602</u>	<u>\$10,554,588</u>	<u>\$ 1,159,986</u>

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Public Health - Major Special Revenue Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,533,801	\$ 3,671,505	\$ 3,754,877	\$ 83,372
Use of money	550	561,736	3,799	(557,937)
Charges for services	2,977,874	-	653,602	653,602
Other revenues	70,000	-	3,354	3,354
Total Revenues	6,582,225	4,233,241	4,415,632	182,391
EXPENDITURES				
Current:				
Health and welfare	6,794,780	4,700,420	3,991,762	708,658
Capital outlay	-	15,000	15,000	-
Total Expenditures	6,794,780	4,715,420	4,006,762	708,658
Excess of Revenues Over (Under) Expenditures	(212,555)	(482,179)	408,870	891,049
OTHER FINANCING SOURCES (USES)				
Transfers in	310,905	315,905	300,380	(15,525)
Transfers out	(322,701)	(288,761)	(263,724)	25,037
Total Other Financing Sources (Uses)	(11,796)	27,144	36,656	9,512
Net Change in Fund Balances	(224,351)	(455,035)	445,526	900,561
Fund Balances - Beginning	862,550	862,550	862,550	-
Fund Balances - Ending	\$ 638,199	\$ 407,515	\$ 1,308,076	\$ 900,561

COUNTY OF PLUMAS
Required Supplementary Information
Budgetary Comparison Schedule
Flood Control - Major Special Revenue Fund
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 79,550	\$ 79,550	\$ 92,010	\$ 12,460
Intergovernmental	2,693,690	2,756,732	2,740,338	(16,394)
Use of money and property	50	50	1,279	1,229
Charges for services	90,000	90,000	143,347	53,347
Other revenues	-	-	14,396	14,396
Total Revenues	2,863,290	2,926,332	2,991,370	65,038
EXPENDITURES				
Current:				
Public ways and facilities	2,899,357	2,958,848	2,859,096	99,752
Capital outlay	50,000	50,000	-	50,000
Total Expenditures	2,949,357	3,008,848	2,859,096	149,752
Excess of Revenues Over (Under) Expenditures	(86,067)	(82,516)	132,274	214,790
OTHER FINANCING SOURCES (USES)				
Transfers in	144,483	154,483	144,483	(10,000)
Transfers out	(168,799)	(182,144)	(181,436)	708
Total Other Financing Sources (Uses)	(24,316)	(27,661)	(36,953)	(9,292)
Net Change in Fund Balances	(110,383)	(110,177)	95,321	205,498
Fund Balances (Deficit) - Beginning	(223,772)	(223,772)	(223,772)	-
Fund Balances (Deficit) - Ending	\$ (334,155)	\$ (333,949)	\$ (128,451)	\$ 205,498

COUNTY OF PLUMAS
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2017

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

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

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, 2017

	Special Revenue	Capital Projects	Debt Service	Total
ASSETS				
Cash and investments	\$ 7,660,805	\$ 236,362	\$ 221,531	\$ 8,118,698
Cash with fiscal agent	-	-	2,015,971	2,015,971
Receivables:				
Accounts	6,000	-	-	6,000
Intergovernmental	651,886	-	-	651,886
Prepaid costs	46,353	-	-	46,353
Total Assets	<u>\$ 8,365,044</u>	<u>\$ 236,362</u>	<u>\$ 2,237,502</u>	<u>\$ 10,838,908</u>
LIABILITIES				
Accounts payable	\$ 233,750	\$ -	\$ -	\$ 233,750
Salaries and benefits payable	134,674	-	-	134,674
Unearned revenue	74,125	-	-	74,125
Due to other funds	41,874	-	-	41,874
Advances from other funds	40,300	-	-	40,300
Total Liabilities	<u>524,723</u>	<u>-</u>	<u>-</u>	<u>524,723</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	162,946	-	-	162,946
Total Deferred Inflows of Resources	<u>162,946</u>	<u>-</u>	<u>-</u>	<u>162,946</u>
FUND BALANCES				
Nonspendable	46,353	-	-	46,353
Restricted	7,194,734	236,362	2,237,502	9,668,598
Committed	515,102	-	-	515,102
Unassigned	(78,814)	-	-	(78,814)
Total Fund Balances	<u>7,677,375</u>	<u>236,362</u>	<u>2,237,502</u>	<u>10,151,239</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,365,044</u>	<u>\$ 236,362</u>	<u>\$ 2,237,502</u>	<u>\$ 10,838,908</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	Special Revenue	Capital Projects	Debt Service	Total
REVENUES				
Taxes and assessments	\$ 175,241	\$ -	\$ -	\$ 175,241
Licenses, permits, and franchises	4,367	-	-	4,367
Fines and forfeitures	15,636	49,688	-	65,324
Intergovernmental	3,686,916	-	-	3,686,916
Use of money and property	279,135	1,272	12,811	293,218
Charges for services	261,179	-	-	261,179
Other revenues	478,709	-	-	478,709
Total Revenues	<u>4,901,183</u>	<u>50,960</u>	<u>12,811</u>	<u>4,964,954</u>
EXPENDITURES				
Current:				
General government	1,167,860	-	-	1,167,860
Public protection	3,002,266	2,810	-	3,005,076
Health and welfare	578,509	-	-	578,509
Public ways and facilities	1,017,078	-	-	1,017,078
Debt service:				
Principal	-	-	640,000	640,000
Interest and other charges	-	-	530,525	530,525
Capital outlay	258,849	-	-	258,849
Total Expenditures	<u>6,024,562</u>	<u>2,810</u>	<u>1,170,525</u>	<u>7,197,897</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,123,379)</u>	<u>48,150</u>	<u>(1,157,714)</u>	<u>(2,232,943)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,656,208	-	1,149,323	3,805,531
Transfers out	(2,312,862)	-	-	(2,312,862)
Total Other Financing Sources (Uses)	<u>343,346</u>	<u>-</u>	<u>1,149,323</u>	<u>1,492,669</u>
Net Change in Fund Balances	<u>(780,033)</u>	<u>48,150</u>	<u>(8,391)</u>	<u>(740,274)</u>
Fund Balances - Beginning	<u>8,457,408</u>	<u>188,212</u>	<u>2,245,893</u>	<u>10,891,513</u>
Fund Balances - Ending	<u>\$ 7,677,375</u>	<u>\$ 236,362</u>	<u>\$ 2,237,502</u>	<u>\$ 10,151,239</u>

Nonmajor Governmental Funds

- **Special Revenue Funds**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Fish and Game	Child Abuse Prevention	County Fair	Title III
ASSETS				
Cash and investments	\$ 108,838	\$ 110,533	\$ 55,342	\$ 870,649
Receivables:				
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Prepaid costs	-	-	3,649	-
Total Assets	\$ 108,838	\$ 110,533	\$ 58,991	\$ 870,649
LIABILITIES				
Accounts payable	\$ 500	\$ 41	\$ 15,427	\$ 3,234
Salaries and benefits payable	202	-	14,556	-
Unearned revenue	-	-	74,125	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	702	41	104,108	3,234
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	3,649	-
Restricted	108,136	110,492	-	867,415
Committed	-	-	-	-
Unassigned	-	-	(48,766)	-
Total Fund Balances (Deficits)	108,136	110,492	(45,117)	867,415
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 108,838	\$ 110,533	\$ 58,991	\$ 870,649

Alcohol/ Drug	Public Safety	District Attorney Grants	County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement
\$ 592,860	\$ 716,253	\$ 39,872	\$ 658,586	\$ 441,922	\$ 22,295	\$ 1,044,194	\$ 515,102
- 6,000	-	-	-	-	-	-	-
- 208,173	-	-	69,643	-	-	110,670	-
- 35,366	-	-	-	-	-	1,125	-
\$ 592,860	\$ 965,792	\$ 39,872	\$ 728,229	\$ 441,922	\$ 22,295	\$ 1,155,989	\$ 515,102
\$ 31,383	\$ 72,817	\$ -	\$ -	\$ 1,856	\$ -	\$ 69,674	\$ -
14,572	73,114	-	-	23,738	-	6,644	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
45,955	145,931	-	-	25,594	-	76,318	-
-	162,946	-	-	-	-	-	-
-	162,946	-	-	-	-	-	-
- 35,366	-	-	-	-	-	1,125	-
546,905	621,549	39,872	728,229	416,328	22,295	1,078,546	-
-	-	-	-	-	-	-	515,102
-	-	-	-	-	-	-	-
546,905	656,915	39,872	728,229	416,328	22,295	1,079,671	515,102
\$ 592,860	\$ 965,792	\$ 39,872	\$ 728,229	\$ 441,922	\$ 22,295	\$ 1,155,989	\$ 515,102

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter	Domestic Violence
ASSETS				
Cash and investments	\$ 45,659	\$ 554,327	\$ 1,766	\$ 3,073
Receivables:				
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Prepaid costs	-	-	-	-
Total Assets	\$ 45,659	\$ 554,327	\$ 1,766	\$ 3,073
LIABILITIES				
Accounts payable	\$ 506	\$ -	\$ -	\$ -
Salaries and benefits payable	-	954	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	506	954	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	45,153	553,373	1,766	3,073
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	45,153	553,373	1,766	3,073
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 45,659	\$ 554,327	\$ 1,766	\$ 3,073

HAVA Elections	PCCDC CDBG Grant	Air Pollution	Crescent Mills Lighting	Quincy Lighting	Beckwourth CSA Sewer	CSA #11 Ambulance	Monterey Forum
\$ 55,880	\$ -	\$ 11	\$ 1,289	\$ 32,900	\$ -	\$ 8,151	\$ 18,589
-	-	-	-	-	-	-	-
-	263,400	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 55,880	\$ 263,400	\$ 11	\$ 1,289	\$ 32,900	\$ -	\$ 8,151	\$ 18,589
\$ -	\$ 6,486	\$ -	\$ 59	\$ 21,436	\$ -	\$ -	\$ -
-	-	-	-	-	894	-	-
-	-	-	-	-	-	-	-
-	40,956	-	-	-	918	-	-
-	-	-	600	24,700	15,000	-	-
-	47,442	-	659	46,136	16,812	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
55,880	215,958	11	630	-	-	8,151	18,589
-	-	-	-	-	-	-	-
-	-	-	-	(13,236)	(16,812)	-	-
55,880	215,958	11	630	(13,236)	(16,812)	8,151	18,589
\$ 55,880	\$ 263,400	\$ 11	\$ 1,289	\$ 32,900	\$ -	\$ 8,151	\$ 18,589

COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Walker Ranch CSD	Grizzly Ranch CSD	Totals
ASSETS			
Cash and investments	\$ 1,762,714	\$ -	\$ 7,660,805
Receivables:			
Accounts	-	-	6,000
Intergovernmental	-	-	651,886
Prepaid costs	<u>6,213</u>	<u>-</u>	<u>46,353</u>
Total Assets	<u><u>\$ 1,768,927</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,365,044</u></u>
LIABILITIES			
Accounts payable	\$ 10,331	\$ -	\$ 233,750
Salaries and benefits payable	-	-	134,674
Unearned revenue	-	-	74,125
Due to other funds	-	-	41,874
Advances from other funds	-	-	40,300
Total Liabilities	<u>10,331</u>	<u>-</u>	<u>524,723</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>-</u>	<u>-</u>	<u>\$ 162,946</u>
Total Deferred Inflows of Resources	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>162,946</u></u>
FUND BALANCES			
Nonspendable	6,213	-	46,353
Restricted	1,752,383	-	7,194,734
Committed	-	-	515,102
Unassigned	-	-	(78,814)
Total Fund Balances (Deficits)	<u>1,758,596</u>	<u>-</u>	<u>7,677,375</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 1,768,927</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,365,044</u></u>

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COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2017

	Fish and Game	Child Abuse Prevention	County Fair	Title III
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 2,226	\$ -
Licenses, permits, and franchises	- -	- -	- -	- -
Fines and forfeitures	1,310	- -	- -	- -
Intergovernmental	2,332	308	46,274	- -
Use of money and property	699	919	248,192	(1)
Charges for services	- -	2,347	60,088	- -
Other revenues	- -	21,045	26,164	- -
Total Revenues	4,341	24,619	382,944	(1)
EXPENDITURES				
Current:				
General government	- -	- -	500,044	61,689
Public protection	13,579	22,607	- -	- -
Health and welfare	- -	- -	- -	- -
Public ways and facilities	- -	- -	- -	- -
Capital outlay	- -	- -	- -	- -
Total Expenditures	13,579	22,607	500,044	61,689
Excess of Revenues Over (Under) Expenditures	(9,238)	2,012	(117,100)	(61,690)
OTHER FINANCING SOURCES (USES)				
Transfers in	- -	24,568	119,782	- -
Transfers out	- -	- -	(3,486)	(120,976)
Total Other Financing Sources (Uses)	- -	24,568	116,296	(120,976)
Net Change in Fund Balances	(9,238)	26,580	(804)	(182,666)
Fund Balances (Deficits) - Beginning	117,374	83,912	(44,313)	1,050,081
Fund Balances (Deficits) - Ending	\$ 108,136	\$ 110,492	\$ (45,117)	\$ 867,415

Alcohol/ Drug	Public Safety	District Attorney Grants	County Local Revenue AB109	Child Support	DNA Penalty Prop 69	Probation Grant Dept	Tobacco Settlement
\$ -	\$ 17,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
3,448	-	-	-	-	7,695	2,359	-
360,648	499,348	-	839,282	667,448	-	550,136	177,359
1	671	177	-	2,837	140	6,237	3,161
11,022	21,553	-	-	-	-	-	-
-	184,100	3,600	-	-	-	-	-
375,119	722,726	3,777	839,282	670,285	7,835	558,732	180,520
88							
-	-	-	-	-	-	-	-
1,853,345	294	-	667,396	62	434,474	-	-
463,315	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	258,849	-	-	-	-	-	-
463,315	2,112,194	294	-	667,396	62	434,474	88
(88,196)	(1,389,468)	3,483	839,282	2,889	7,773	124,258	180,432
330,071	1,768,073	-	-	-	-	404,111	-
(159,664)	(504,997)	-	(779,464)	-	(10,864)	(537,391)	(177,359)
170,407	1,263,076	-	(779,464)	-	(10,864)	(133,280)	(177,359)
82,211	(126,392)	3,483	59,818	2,889	(3,091)	(9,022)	3,073
464,694	783,307	36,389	668,411	413,439	25,386	1,088,693	512,029
\$ 546,905	\$ 656,915	\$ 39,872	\$ 728,229	\$ 416,328	\$ 22,295	\$ 1,079,671	\$ 515,102

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2017

	California Used Oil Recycle	Recorder	Animal Control Spay/Neuter	Domestic Violence
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	- -	- -	- -	4,367
Fines and forfeitures	- -	- -	824	- -
Intergovernmental	14,937 -	- -	- -	- -
Use of money and property	232 -	3,490 52,120	18 -	45 -
Charges for services	- -	- -	- -	- -
Other revenues	- -	- -	850 -	- -
Total Revenues	15,169	55,610	1,692	4,412
EXPENDITURES				
Current:				
General government	- -	73,900 -	- -	- -
Public protection	- -	- -	- -	642
Health and welfare	- -	- -	- -	- -
Public ways and facilities	7,357 -	- -	3,480 -	- -
Capital outlay	- -	- -	- -	- -
Total Expenditures	7,357	73,900	3,480	642
Excess of Revenues Over (Under) Expenditures	7,812	(18,290)	(1,788)	3,770
OTHER FINANCING SOURCES (USES)				
Transfers in	- -	- -	- -	- -
Transfers out	(3,327) -	- -	- -	(6,330)
Total Other Financing Sources (Uses)	(3,327)	- -	- -	(6,330)
Net Change in Fund Balances	4,485	(18,290)	(1,788)	(2,560)
Fund Balances (Deficits) - Beginning	40,668	571,663	3,554	5,633
Fund Balances (Deficits) - Ending	\$ 45,153	\$ 553,373	\$ 1,766	\$ 3,073

HAVA Elections	PCCDC CDBG Grant	Air Pollution	Crescent Mills Lighting	Quincy Lighting	Beckwourth CSA Sewer	CSA #11 Ambulance	Monterey Forum
\$ -	\$ -	\$ -	\$ 758	\$ 32,926	\$ 7,134	\$ 115,143	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	512,159	-	1,263	14,429	59	934	-
342	673	6	19	125	22	28	115
-	-	-	-	13,622	5,391	-	-
-	242,950	-	-	-	-	-	-
342	755,782	6	2,040	61,102	12,606	116,105	115
 110	 532,029	 - 9,669	 - - 2,731	 - - 76,351	 - - 19,434	 - - 115,194	 - - 198
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
110	532,029	9,669	2,731	76,351	19,434	115,194	198
232	223,753	(9,663)	(691)	(15,249)	(6,828)	911	(83)
 - - - 232	 - - - 223,753	 9,603 - 9,603 (60)	 - - - (691)	 - - - (15,249)	 - - - (10,034)	 - - - 911	 - - - (83)
55,648	(7,795)	71	1,321	2,013	(6,778)	7,240	18,672
\$ 55,880	\$ 215,958	\$ 11	\$ 630	\$ (13,236)	\$ (16,812)	\$ 8,151	\$ 18,589

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2017

	Walker Ranch CSD	Grizzly Ranch CSD	Totals
REVENUES			
Taxes and assessments	\$ -	\$ -	\$ 175,241
Licenses, permits, and franchises	- -	- -	4,367
Fines and forfeitures	- -	- -	15,636
Intergovernmental	- -	- -	3,686,916
Use of money and property	10,987	- -	279,135
Charges for services	95,036	- -	261,179
Other revenues	- -	- -	478,709
Total Revenues	106,023	- -	4,901,183
EXPENDITURES			
Current:			
General government	- -	- -	1,167,860
Public protection	- -	- -	3,002,266
Health and welfare	- -	- -	578,509
Public ways and facilities	152,489	755,236	1,017,078
Capital outlay	- -	- -	258,849
Total Expenditures	152,489	755,236	6,024,562
Excess of Revenues Over (Under) Expenditures	(46,466)	(755,236)	(1,123,379)
OTHER FINANCING SOURCES (USES)			
Transfers in	- -	- -	2,656,208
Transfers out	(5,798)	- -	(2,312,862)
Total Other Financing Sources (Uses)	(5,798)	- -	343,346
Net Change in Fund Balances	(52,264)	(755,236)	(780,033)
Fund Balances (Deficits) - Beginning	1,810,860	755,236	8,457,408
Fund Balances (Deficits) - Ending	\$ 1,758,596	\$ - -	\$ 7,677,375

Nonmajor Governmental Funds

- **Capital Projects Fund**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2017

	Criminal Justice Construction	Total
ASSETS		
Cash and investments	<u>\$ 236,362</u>	<u>\$ 236,362</u>
Total Assets	<u>\$ 236,362</u>	<u>\$ 236,362</u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCE		
Restricted	<u>236,362</u>	<u>236,362</u>
Total Fund Balance	<u>236,362</u>	<u>236,362</u>
Total Liabilities and Fund Balance	<u>\$ 236,362</u>	<u>\$ 236,362</u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Capital Projects Fund
For the Year Ended June 30, 2017

	Criminal Justice Construction	Total
REVENUES		
Fines and forfeitures	\$ 49,688	\$ 49,688
Use of money and property	1,272	1,272
Total Revenues	<u>50,960</u>	<u>50,960</u>
EXPENDITURES		
Current:		
Public safety	2,810	2,810
Total Expenditures	<u>2,810</u>	<u>2,810</u>
Net Change in Fund Balance	48,150	48,150
Fund Balance - Beginning	<u>188,212</u>	<u>188,212</u>
Fund Balance - Ending	<u>\$ 236,362</u>	<u>\$ 236,362</u>

Nonmajor Governmental Funds

- **Debt Service Fund**

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COUNTY OF PLUMAS
Combining Balance Sheet
Nonmajor Debt Service Fund
June 30, 2017

	<u>Capital Improvement</u>	<u>Total</u>
ASSETS		
Cash and investments	\$ 221,531	\$ 221,531
Cash with fiscal agent	<u>2,015,971</u>	<u>2,015,971</u>
Total Assets	<u><u>\$ 2,237,502</u></u>	<u><u>\$ 2,237,502</u></u>
LIABILITIES		
Accounts payable	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCES		
Restricted	<u>2,237,502</u>	<u>2,237,502</u>
Total Fund Balance	<u><u>2,237,502</u></u>	<u><u>2,237,502</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 2,237,502</u></u>	<u><u>\$ 2,237,502</u></u>

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Debt Service Fund
For the Year Ended June 30, 2017

	Capital Improvement	Total
REVENUES		
Use of money and property	\$ 12,811	\$ 12,811
Total Revenues	<u>12,811</u>	<u>12,811</u>
EXPENDITURES		
Debt service:		
Principal	640,000	640,000
Interest and other charges	<u>530,525</u>	<u>530,525</u>
Total Expenditures	<u>1,170,525</u>	<u>1,170,525</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,157,714)</u>	<u>(1,157,714)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	<u>1,149,323</u>	<u>1,149,323</u>
Total Other Financing Sources (Uses)	<u>1,149,323</u>	<u>1,149,323</u>
Net Change in Fund Balance	<u>(8,391)</u>	<u>(8,391)</u>
Fund Balance - Beginning	<u>2,245,893</u>	<u>2,245,893</u>
Fund Balance - Ending	<u><u>\$ 2,237,502</u></u>	<u><u>\$ 2,237,502</u></u>

Nonmajor Proprietary Funds

- **Enterprise Funds**

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COUNTY OF PLUMAS
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2017

	Senior Transit	CSA #12 Plumas County Transit	Totals
ASSETS			
Current Assets:			
Cash and investments	\$ 15,344	\$ 170,218	\$ 185,562
Receivables:			
Accounts	2,887	-	2,887
Total Current Assets	18,231	170,218	188,449
Noncurrent Assets:			
Capital Assets:			
Depreciable, net	-	185,981	185,981
Total Noncurrent Assets	-	185,981	185,981
Total Assets	18,231	356,199	374,430
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	72,668	-	72,668
Total Deferred Outflows of Resources	72,668	-	72,668
LIABILITIES			
Current Liabilities:			
Accounts payable	2,492	170,217	172,709
Salaries and benefits payable	12,668	-	12,668
Compensated absences	3,717	-	3,717
Total Current Liabilities	18,877	170,217	189,094
Noncurrent Liabilities:			
Net pension liability	232,778	-	232,778
Net OPEB obligation	31,609	-	31,609
Total Noncurrent Liabilities	264,387	-	264,387
Total Liabilities	283,264	170,217	453,481
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	11,856	-	11,856
Total Deferred Inflows of Resources	11,856	-	11,856
NET POSITION			
Investment in capital assets	-	185,981	185,981
Unrestricted	(204,221)	1	(204,220)
Total Net Position (Deficit)	\$ (204,221)	\$ 185,982	\$ (18,239)

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2017

	Senior Transit	CSA #12 Plumas County Transit	Totals
OPERATING REVENUES			
Passenger fares	\$ 49,827	\$ -	\$ 49,827
Total Operating Revenues	<u>49,827</u>	<u>-</u>	<u>49,827</u>
OPERATING EXPENSES			
Salaries and benefits	256,177	-	256,177
Services and supplies	67,041	676,894	743,935
Depreciation	-	45,787	45,787
Total Operating Expenses	<u>323,218</u>	<u>722,681</u>	<u>1,045,899</u>
Operating Income (Loss)	<u>(273,391)</u>	<u>(722,681)</u>	<u>(996,072)</u>
NON-OPERATING REVENUE (EXPENSES)			
Local transportation funds	207,416	-	207,416
Intergovernmental revenues	30,000	730,162	760,162
Total Non-Operating Revenues (Expenses)	<u>237,416</u>	<u>730,162</u>	<u>967,578</u>
Income (Loss) Before Transfers	<u>(35,975)</u>	<u>7,481</u>	<u>(28,494)</u>
Transfers in	<u>32,253</u>	<u>-</u>	<u>32,253</u>
Change in Net Position	<u>(3,722)</u>	<u>7,481</u>	<u>3,759</u>
Total Net Position (Deficit) - Beginning	<u>(200,499)</u>	<u>178,501</u>	<u>(21,998)</u>
Total Net Position (Deficit) - Ending	<u><u>\$ (204,221)</u></u>	<u><u>\$ 185,982</u></u>	<u><u>\$ (18,239)</u></u>

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2017

	Senior Transit	CSA #12 Plumas County Transit	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 50,822	\$ -	\$ 50,822
Payments to suppliers	(68,245)	(611,030)	(679,275)
Payments to employees	<u>(251,940)</u>	<u>-</u>	<u>(251,940)</u>
Net Cash Provided (Used) by Operating Activities	<u>(269,363)</u>	<u>(611,030)</u>	<u>(880,393)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Local transportation funds	207,416	-	207,416
Intergovernmental revenues	30,715	730,163	760,878
Transfers from other funds	<u>32,253</u>	<u>-</u>	<u>32,253</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>270,384</u>	<u>730,163</u>	<u>1,000,547</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,021	119,133	120,154
Balances - Beginning	<u>14,323</u>	<u>51,085</u>	<u>65,408</u>
Balances - Ending	<u>\$ 15,344</u>	<u>\$ 170,218</u>	<u>\$ 185,562</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (273,391)	\$ (722,681)	\$ (996,072)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	45,787	45,787
Decrease (increase) in:			
Accounts receivable	995	-	995
Pension adjustments - deferred outflows	(46,655)	-	(46,655)
Increase (decrease) in:			
Accounts payable	(1,204)	65,864	64,660
Salaries and benefits payable	(333)	-	(333)
Compensated absences payable	(1,820)	-	(1,820)
Net pension liability	38,274	-	38,274
Net OPEB obligation	8,695	-	8,695
Pension adjustments - deferred inflows	<u>6,076</u>	<u>-</u>	<u>6,076</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (269,363)</u>	<u>\$ (611,030)</u>	<u>\$ (880,393)</u>

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Internal Service Funds

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COUNTY OF PLUMAS
Combining Statement of Net Position
Internal Service Funds
June 30, 2017

	Risk	Management	Workers'	Compensation/	Unemployment	OPEB	Totals
				Liability	Reserve		
ASSETS							
Current Assets:							
Cash and investments	\$ 138,855	\$ 306,620	\$ -	\$ 445,475			
Cash with fiscal agent	6,432,381	-	-	6,432,381			
Prepaid costs	3,337	-	-	3,337			
Total Current Assets	<u>6,574,573</u>	<u>306,620</u>	<u>-</u>	<u>6,881,193</u>			
Total Assets	<u>6,574,573</u>	<u>306,620</u>	<u>-</u>	<u>6,881,193</u>			
LIABILITIES							
Current Liabilities:							
Claims payable	5,859,467	-	-	5,859,467			
Total Liabilities	<u>5,859,467</u>	<u>-</u>	<u>-</u>	<u>5,859,467</u>			
NET POSITION							
Unrestricted	715,106	306,620	-	1,021,726			
Total Net Position	<u>\$ 715,106</u>	<u>\$ 306,620</u>	<u>\$ -</u>	<u>\$ 1,021,726</u>			

COUNTY OF PLUMAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2017

	Risk			
	Management			
	Workers'			
	Compensation/	Unemployment		
	Liability	Reserve	OPEB	Totals
OPERATING REVENUES				
Charges for services	\$ 1,940,129	\$ -	\$ -	\$ 1,940,129
Other revenues	- -	140,656	245,459	386,115
Total Operating Revenues	1,940,129	140,656	245,459	2,326,244
OPERATING EXPENSES				
Services and supplies	- -	- -	306,824	306,824
Claims paid/liability adjustment	2,825,968	82,521	- -	2,908,489
Total Operating Expenses	2,825,968	82,521	306,824	3,215,313
Operating Income (Loss)	(885,839)	58,135	(61,365)	(889,069)
NON-OPERATING REVENUE (EXPENSES)				
Interest income	1,740	1,562	- -	3,302
Total Non-Operating Revenue (Expenses)	1,740	1,562	- -	3,302
Change in Net Position	(884,099)	59,697	(61,365)	(885,767)
Total Net Position - Beginning	1,599,205	246,923	61,365	1,907,493
Total Net Position - Ending	\$ 715,106	\$ 306,620	\$ - -	\$ 1,021,726

COUNTY OF PLUMAS
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2017

	Risk				
	Management				
	Workers'				
	Compensation/	Unemployment			
	Liability	Reserve			
	OPEB				
					Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,940,129	\$ 140,656	\$ 245,459	\$ 2,326,244	
Payments to suppliers	<u>(260,499)</u>	<u>(82,599)</u>	<u>(306,824)</u>	<u>(649,922)</u>	
Net Cash Provided (Used) by Operating Activities	<u>1,679,630</u>	<u>58,057</u>	<u>(61,365)</u>	<u>1,676,322</u>	
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	1,740	1,562	-	3,302	
Net Cash Provided (Used) by Investing Activities	<u>1,740</u>	<u>1,562</u>	<u>-</u>	<u>3,302</u>	
Net Increase (Decrease) in Cash and Cash Equivalents	1,681,370	59,619	(61,365)	1,679,624	
Balances - Beginning	4,889,866	247,001	61,365	5,198,232	
Balances - Ending	<u>\$ 6,571,236</u>	<u>\$ 306,620</u>	<u>\$ -</u>	<u>\$ 6,877,856</u>	
ADJUSTMENT TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (885,839)	\$ 58,135	\$ (61,365)	\$ (889,069)	
Adjustments to reconcile operating income to net cash provided by operating activities:					
Decrease (increase) in:					
Prepaid costs	(3,337)	-	-	(3,337)	
Increase (decrease) in:					
Accounts payable	-	(78)	-	(78)	
Claims payable	<u>2,568,806</u>	<u>-</u>	<u>-</u>	<u>2,568,806</u>	
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,679,630</u>	<u>\$ 58,057</u>	<u>\$ (61,365)</u>	<u>\$ 1,676,322</u>	

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Fiduciary Funds

- **Trust and Agency Funds**

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COUNTY OF PLUMAS
Combining Statement of Net Position
Investment Trust Funds
June 30, 2017

	Special Districts	School Districts	School Districts Debt Service	Trial Court	Total Investment Trust Funds
ASSETS	Governed by Local Boards	School Districts	Debt Service	Trial Court	Total Investment Trust Funds
Cash and investments	\$ 9,904,732	\$ 34,896,663	\$ 1,186,469	\$ 3,196	\$ 45,991,060
Total Assets	9,904,732	34,896,663	1,186,469	3,196	45,991,060
LIABILITIES					
Loans from other agencies	98,252	-	-	-	98,252
Total Liabilities	98,252	-	-	-	98,252
NET POSITION					
Held in trust for investment pool participants	9,806,480	34,896,663	1,186,469	3,196	45,892,808
Total Net Position	9,806,480	\$ 34,896,663	\$ 1,186,469	\$ 3,196	\$ 45,892,808

COUNTY OF PLUMAS
Combining Statement of Changes in Net Position
Investment Trust Funds
For the Year Ending June 30, 2017

	Special Districts		School Districts		Total Investment Trust Funds
	Governed by Local Boards		Debt Service		
ADDITIONS					
Contributions to investment pool	\$ 1,240,717		\$ 87,439	\$ 1,583	\$ 11,707,165
Total Additions	1,240,717	10,377,426	87,439	1,583	11,707,165
DEDUCTIONS					
Distributions from investment pool	1,230,751		4,295,586	-	5,526,337
Total Deductions	1,230,751	4,295,586	-	-	5,526,337
Total Change in Net Position	9,966	6,081,840	87,439	1,583	6,180,828
Net Position - Beginning	9,726,941		28,814,823	1,099,030	1,613
Prior period adjustment	69,573		-	-	69,573
Net Position - Beginning, Restated	9,796,514	28,814,823	1,099,030	1,613	39,711,980
Net Position - Ending	\$ 9,806,480	\$ 34,896,663	\$ 1,186,469	\$ 3,196	\$ 45,892,808

COUNTY OF PLUMAS
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2017

	Accrued Trust	County Departmental Agency	Total Agency Funds
ASSETS			
Cash and investments	\$ 438,609	\$ 1,671,655	\$ 2,110,264
Taxes receivable	-	2,058,753	2,058,753
Total Assets	\$ 438,609	\$ 3,730,408	\$ 4,169,017
LIABILITIES			
Agency funds held for others	\$ 438,609	\$ 3,730,408	\$ 4,169,017
Total Liabilities	\$ 438,609	\$ 3,730,408	\$ 4,169,017

COUNTY OF PLUMAS
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
ACCRUED TRUST FUNDS				
ASSETS				
Cash and investments	\$ 484,945	\$ -	\$ 46,336	\$ 438,609
Total Assets	<u>\$ 484,945</u>	<u>\$ -</u>	<u>\$ 46,336</u>	<u>\$ 438,609</u>
LIABILITIES				
Agency funds held for others	\$ 484,945	\$ -	\$ 46,336	\$ 438,609
Total Liabilities	<u>\$ 484,945</u>	<u>\$ -</u>	<u>\$ 46,336</u>	<u>\$ 438,609</u>
COUNTY DEPARTMENTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 1,808,544	\$ 379,648	\$ 516,537	\$ 1,671,655
Taxes receivable	2,881,422	-	822,669	2,058,753
Total Assets	<u>\$ 4,689,966</u>	<u>\$ 379,648</u>	<u>\$ 1,339,206</u>	<u>\$ 3,730,408</u>
LIABILITIES				
Agency funds held for others	\$ 4,689,966	\$ 379,648	\$ 1,339,206	\$ 3,730,408
Total Liabilities	<u>\$ 4,689,966</u>	<u>\$ 379,648</u>	<u>\$ 1,339,206</u>	<u>\$ 3,730,408</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 2,293,489	\$ 379,648	\$ 562,873	\$ 2,110,264
Taxes receivable	2,881,422	-	822,669	2,058,753
Total Assets	<u>\$ 5,174,911</u>	<u>\$ 379,648</u>	<u>\$ 1,385,542</u>	<u>\$ 4,169,017</u>
LIABILITIES				
Agency funds held for others	\$ 5,174,911	\$ 379,648	\$ 1,385,542	\$ 4,169,017
Total Liabilities	<u>\$ 5,174,911</u>	<u>\$ 379,648</u>	<u>\$ 1,385,542</u>	<u>\$ 4,169,017</u>