

**County of Nevada  
State of California**

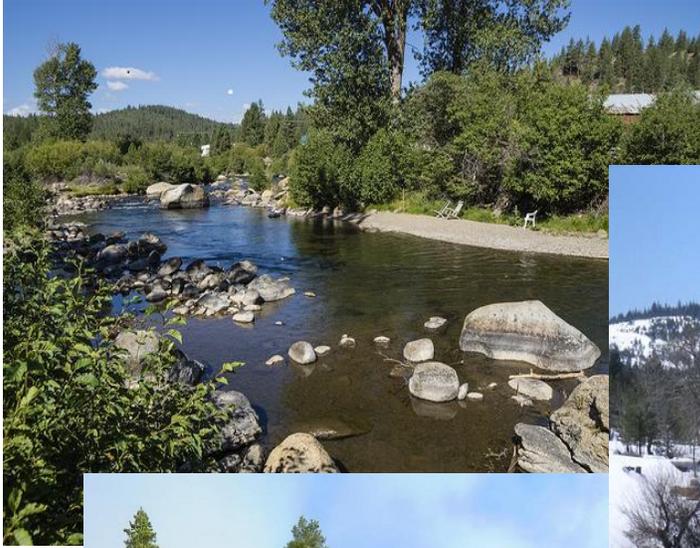
**Comprehensive Annual Financial  
Report**

**For the Fiscal Year Ended June 30, 2016**



**Truckee River**

**Marcia L. Salter  
Auditor-Controller**



In eastern Nevada County, the Truckee River provides many recreational opportunities including white water rafting, fishing, swimming, biking and walking. From April through September, white water rafting trips take place on the Truckee River from the historical town site of Boca, now home to Boca Reservoir, to the Floriston Gorge. There are Class II/III rapids, relaxing pools to swim in and beautiful Tahoe National Forest scenery. Visit [gowhitewater.com](http://gowhitewater.com) for more information.

Within the last few years, the Truckee River Legacy Trail was created. The trail took nearly 20 years of planning and collaboration. This is a Class I Bikeway and Multi-Use trail. The Legacy Trail is five miles long and the focal point of the trail is the Truckee River with all its natural beauty and historical significance. Visit [townoftruckee.com](http://townoftruckee.com) for more information.

#### Photo Credit

Cover: Truckee River, photo by Bill Stephenson

Inside Cover top left: Truckee River, photo by Bill Stephenson

Inside Cover top right: Truckee River in the winter, photo provided by Truckee Donner Chamber of Commerce

Inside Cover bottom: Truckee River Legacy Trail, photo by Kyle Railton

**COUNTY OF NEVADA, CALIFORNIA**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**For the Year Ended June 30, 2016**

**COUNTY OF NEVADA  
Auditor-Controller's Office**

**Marcia L. Salter  
Auditor-Controller**

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**COUNTY OF NEVADA**  
 Comprehensive Annual Financial Report  
 For the Year Ended June 30, 2016

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## **INTRODUCTORY SECTION**

- **Letter of Transmittal**
- **Government Finance Officer's Association Certificate of Achievement**
- **County Elected and Appointed Officials**
- **Organizational Chart**

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State of California  
**COUNTY OF NEVADA**

**MARCIA L. SALTER – Auditor-Controller**

**Auditor-Controller**  
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Nevada City CA 95959

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Fax: (530) 265-9843  
Email: [auditor.controller@co.nevada.ca.us](mailto:auditor.controller@co.nevada.ca.us)

December 28, 2016

To the Honorable Board of Supervisors and the Citizens of the County of Nevada:

The Comprehensive Annual Financial Report (CAFR) of the County of Nevada for the fiscal year ended June 30, 2016 is hereby submitted in compliance with Sections 25250 & 25253 of the Government Code of the State of California. These statutes require all general-purpose local governments to issue an annual report on the financial position and activities of that government. The report must be presented in conformance with generally accepted accounting principles (GAAP) and must be audited by an independent firm of certified public accountants in conformance with generally accepted auditing standards (GAAS). The financial statements contained in this CAFR meet these requirements.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The financial statements contained in this CAFR have been audited by Gallina LLP, a Professional Partnership of Certified Public Accountants. Their audit was performed in accordance with GAAS. The auditors have concluded, based on their audit, that the financial statements combined with the accompanying footnotes present fairly, in all material respects, the financial condition of Nevada County as of June 30, 2016. A copy of their report is located at the front of the financial section of this CAFR. In planning and performing the audit of the financial statements, Gallina considered the internal control structure of the County in order to determine appropriate audit procedures. During this review, no required reportable conditions were noted.

Management is required by GAAP to provide a management discussion and analysis (MD&A) in conjunction with financial statement reporting. The purpose of the MD&A is to introduce the basic financial statements and to provide an analytical overview of the financial activities of the County. The MD&A can be found immediately following the report of the independent auditors.

In addition to the annual audit of this CAFR, the County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the 1996 amendments to that act, and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the auditors' report on the internal control and compliance with applicable laws and regulations, are presented in a separate publication.

## PROFILE OF THE COUNTY OF NEVADA

### General Information

With an area of about 978 square miles, the County of Nevada is situated in the gold country of northern California. The County is located about 45 miles northeast of Sacramento, 130 miles northeast of San Francisco, and 12 miles southwest of Reno, Nevada. It is bordered by Sierra County to the north, Yuba County to the west, Placer County to the south, and the State of Nevada to the east.



### County Government

Nevada County was organized by an act of the legislature, approved May 18, 1851. Before that time it had been a part of Yuba County, but the growth of population and business following the gold rush of 1849-50, plus the distance of the courts for trial of important criminal and civil business, resulted in the move for a separate county organization.

The County is a general law county and is governed by a five-member Board of Supervisors, elected to serve four-year terms. Each is elected from one of the five supervisorial districts of the County. Supervisors from District 3 and 4 are elected in gubernatorial election years (2010, 2014 etc) while supervisors from Districts 1, 2 and 5 are elected in presidential years (2012, 2016 etc.). District boundaries are adjusted after every federal census to equalize district population as closely as possible.

The Board of Supervisors is the legislative and executive body of County government and also serves as the governing body of the Nevada County Sanitation District No.1. In addition, members of the Board represent the County on numerous intergovernmental bodies. In its legislative duties, the Board adopts ordinances, resolutions and rules within the limits prescribed by State law and are responsible for seeing that all Federal and State mandated functions are properly discharged.

As an executive body, the Board determines annual budget allocation; approves contracts for public improvement projects and other specialized services; conducts public hearings on matters such as zoning appeals and planning issues; provides for the compensation of all County officials and employees; creates offices, boards and commissions as needed, appointing members and fixing the terms of office; directs an annual audit of all County financial records; provides policy direction to the County Executive Officer for the operation and administration of County departments; and exercises executive authority for the provision of

local government services to County residents.

The remaining elected officials are the Assessor, the Auditor-Controller, the Clerk-Recorder, the District Attorney, the Sheriff and the Treasurer-Tax Collector. The County Executive Officer (CEO) is appointed by the Board to run the day-to-day operations of the County.

### **County Services**

The County, with an average 780 full-time equivalent employees, provides a full range of services to its residents including public safety protection; corrections and probation; construction and maintenance of roads, bridges and other infrastructure; health services; public assistance programs; sanitation services; environmental services; libraries; and a variety of other general governmental services. Every resident of the County, directly or indirectly, benefits from these services. Most services performed by the County are provided for all residents, regardless of whether those residents live in cities or unincorporated areas. The County prides itself on being innovative in the delivery of services to its citizens. The following is a sampling of service enhancements recently deployed:

- The Sheriff's Office in conjunction with Probation Department and the Health and Human Services Agency (HHS) began providing in-house wraparound services to inmates that have been sentenced to local detention pursuant the California AB109 legislation. Services include mental health counseling, job preparedness, substance abuse counseling and other evidence based treatment programs.
- The Library began a grant funded project to create a Mobile Technology Center that will bring technology classes and access to underserved area of the County.
- Behavioral Health worked closely with staff from Sierra Nevada Memorial Hospital on the creation of a grant funded Crisis Stabilization Unit at the hospital.
- Building Inspection Department implemented an Over-the-Counter Plan Review Program to enable same day permitting for multiple residential and commercial projects.
- The HHS's Brighton Green Resource Center opened for business with the collaborations efforts of with seven different HHS divisions and the NORTEC Business and Careers Center contractor. The center embodies the Agency's "No Wrong Door" approach which improves customer service and increases service delivery.
- Geographic Information Systems Division deployed a new Open Data Portal which allows the public to view, query and download all publicly available GIS data.

### **Accounting Information**

The accounts of the County are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which the spending activities are controlled.

The governmental reporting entity consists of the County and its component units. Component units are legally separate organizations for which the Board of Supervisors is financially accountable or other organizations for which the nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The following blended component units are considered to be part of the primary government for reporting purposes: Nevada County Sanitation District, the Nevada County Finance Authority, Special Districts governed by the Board, and Special Assessment Debt with County commitment. Note 1 of the Notes to the Financial Statements contains additional information on these entities.

## **Budgetary Process**

The County is required by State law to adopt a balanced budget by October 2nd of each fiscal year. The County's established practice is to complete the budget process and formally adopt by July 1. The process begins in February with budget instructions issued to departments by the County Executive Officer (CEO). Department heads are responsible for preparing and managing their budgets. The County Executive Office reviews departmental projections for expenditure and income accuracy, consistency with budget policies, and planned attainment of the County's goals and objectives. As a recommending body to the CEO, a Budget Subcommittee is appointed, whose members provide a comprehensive review of department requests for service levels, funding, and staffing. The subcommittee consists of two members of the Board of Supervisors. Also serving as advisors are the elected Auditor-Controller, the County Executive Officer and the Deputy County Executive Officer. The Board of Supervisors is responsible for adopting the budget, after considering it as a whole, and gauging its success in reflecting County goals and priorities for the community. After adoption of the budget, the County Executive Officer's staff reviews and monitors revenues and expenditures quarterly and assists departments in fiscal management as necessary.

The County Auditor-Controller is responsible for monitoring and reporting expenditures within budgeted appropriations. Budget information is presented in the statements that follow for the general and special revenue funds. This budget data is prepared on the modified accrual basis consistent with comparable actual amounts. Budgets are also adopted for the enterprise and internal service funds. Budget appropriations represent original amounts adjusted by budget transfers and appropriation amendments. Encumbrance accounting is utilized during the year for budget control purposes. However, encumbrances outstanding at year-end do not constitute expenditures or liabilities, but rather reserves of fund balances. Unencumbered budget appropriations lapse at the end of the fiscal year.

The CEO may approve transfers of appropriations between major objects of expenditure within the same service budget unit (SBU) and fund. The Board must approve amendments or transfers of appropriations between SBUs within any fund and supplemental appropriations necessary and normally financed by unanticipated revenues during the year. Any deficiency of budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning available fund balances.

## **LOCAL ECONOMY**

The County of Nevada is a rural community located within a convenient distance from urban centers in Sacramento, San Francisco Bay Area and Reno. The major sectors of employers in the government's boundaries include Education & Health Services, Leisure & Hospitality, and Federal, State and Local governments.

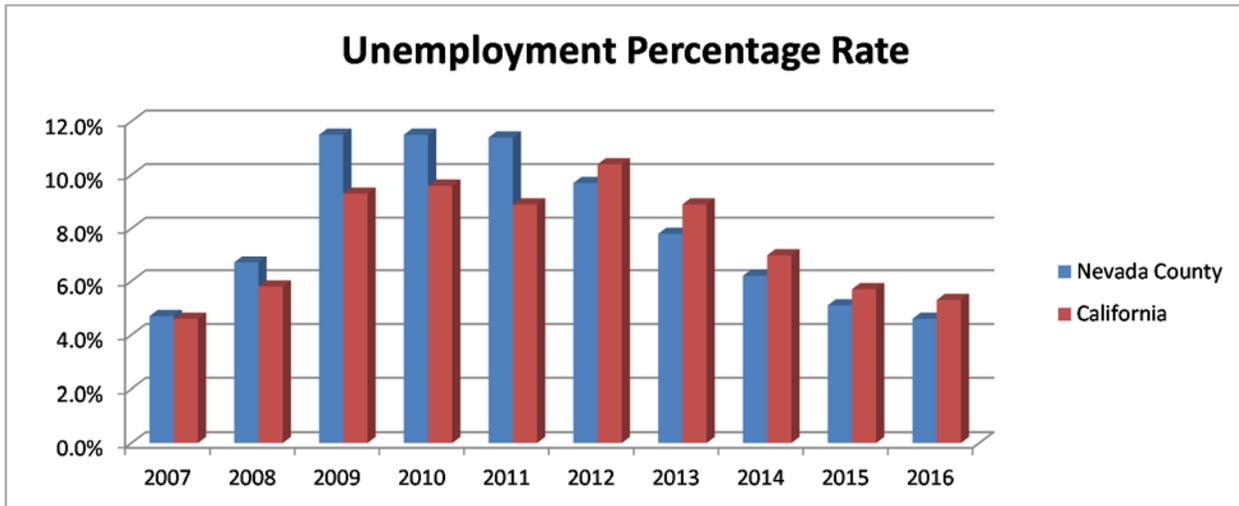
### **Population**

The 2016 estimated population figures, as provided by the State Department of Finance for the County are 98,095. This is a slight increase from 2015 with about 67% or 66,431 of the residents living in the unincorporated areas. The Town of Truckee is the largest of the three cities within the County, with approximately 15,370 residents in 2015. The City of Grass Valley is the second largest city within the boundaries of the County with a population of 12,955. Nevada City serves as the County seat with a population of 3,260.

### **Labor Force**

The County's June 2016 labor force totaled 49,040, which was an increase of 330 from the 2015 figure for the

same month. Nevada County's unemployment rate in June 2016 was 4.9% which was a small decrease from June 2015's unemployment rate of 5.3%, California's statewide rate was 5.7% for the same June time period. The median household income within the County of Nevada is \$57,118 (in 2014 dollars as provided by the US Census Bureau). This is slightly lower than the California median household income of \$61,927.



The County, like many other rural counties, is in the economic recovery cycle and seeing strong indicators of improvements. The Local Sales and Use Tax revenue to the County increased 14.55% from year over year which is an indicator consumer confidence is rising helping the local economy rebound. Sales tax revenue is estimated to increase an additional 5.2% in the subsequent fiscal year.

**Housing**

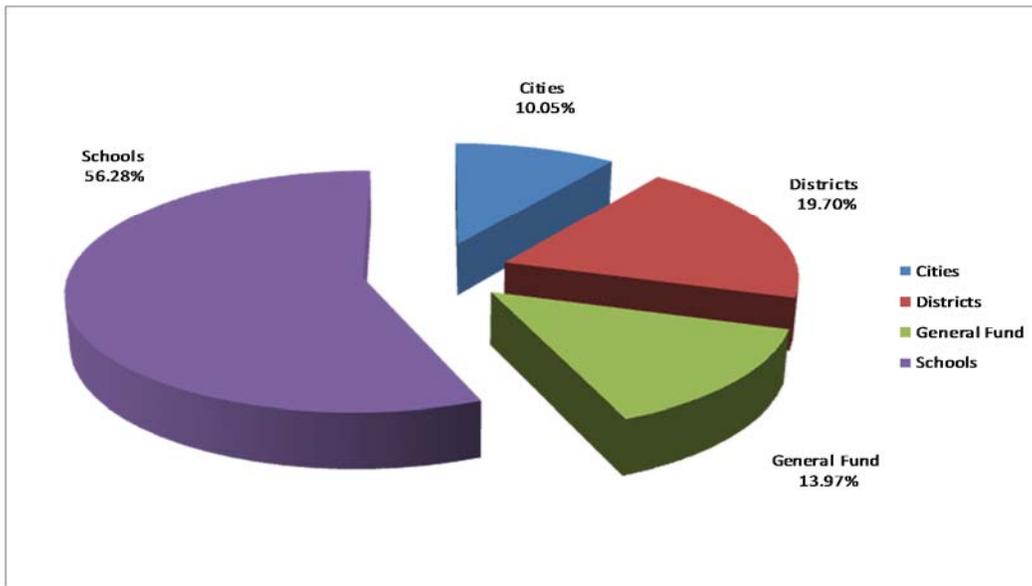
The real estate market continues to show improvement with housing prices on the increase. Per RealtyTrac, the median residential property price in Nevada County increased 3% from \$360,000 in September 2015 to \$372,000 in September of 2016. The real estate market in the eastern portion of the county remains solid with the median sales reported at \$480,000, which is a 2% decrease from 2015. New construction permits are on a slight uptick, however, new construction activity remains far below the pre-recession highs.

**Property Tax Collection and Apportionment**

Property taxes levied countywide (secured, unsecured and unitary) rose in fiscal year 2015-16 to \$168,882,506. This was a 5.52% increase over the previous fiscal year total of \$160,043,315. The rising home values reflected in the activity in the real estate market along with the adjustments to assessed values for those properties under the California Prop 8 assessment program attributed to this growth in property tax revenue.

The Auditor-Controller calculates the local property tax bills based on assessed values as provided by the Assessor. The Treasurer-Tax Collector then mails the tax bills and is charged with the collection. The Auditor-Controller apportions all property tax revenues to the various taxing entities within the boundaries of the County.

**County of Nevada  
2015-2016  
Distribution of 1% Ad Valorem Property Taxes**



The continuing recovery of property values has a positive and direct effect on the County General Fund as property taxes are the largest source of discretionary dollars. The County's 2016-17 Adopted Budget does include an estimated 6% growth in property tax revenues from the prior year.

**Debt Administration**

Contained within the County's tax code area are numerous municipalities, school districts and special-purpose districts providing public services. These entities have outstanding bonds issued in the form of general obligation bonds.

Direct debt constitutes debt directly issued by the County while overlapping debt constitutes that portion of the debt issued by different public entities within the same tax code area as the County's. The County is not responsible for overlapping debt of the other local agencies.

The County has \$32,147,058 in direct debt outstanding as of June 30, 2016. This includes the 2011 Certificates of Participation, capital leases, special assessment debt and loans payable. This amount also includes the Sanitation District's State Revolving Fund loans for three major plant upgrades.

Nevada County's credit rating remains strong with an A+ from Standard & Poor's Rating Services.

**RELEVANT FINANCIAL POLICIES**

**Budget Policies**

The Board of Supervisors adopted several policies to guide the preparation of the budget. The following are several key items:

- Every effort will be made to provide same level service as the prior year. This may require the reorganization or streamlining of current resources.
- There will be no unfunded positions included in the budget. All vacancies will be reviewed for need and potential elimination. Revenue contingent positions that lose their State and Federal funding will be eliminated first before other cuts are enacted.
- The budget will only use reserve funds for emergency and one-time expenditures or for purposes designated to fund. Every effort will be used to preserve reserve funds.
- There will be a high level of fiscal discipline by the Department Heads, Budget Subcommittee, County Executive Office and Board of Supervisors. Every effort will be made to maximize County assets, achieve a high level of funding for employee retirement promises, evaluate cost per service item and develop and maintain contracts with vendors within Nevada County.

## **Financial Management Policies**

### *Fund Balance Policy*

The Board of Supervisors adopted an updated comprehensive fund balance policy for the County's General fund in June 2015. In an effort to maintain the County's credit rating and meet seasonal cash flow shortfalls, the Board has established and committed to maintain a minimum unrestricted fund balance in the General Fund equal to 15% budgeted net General Fund appropriations for expenditures (appropriations less capital outlay, contributions to reserves, and operating contingencies). The policy establishes the guidance for prudent levels of fund balance and reserves to provide the ability to sustain services and planned capital projects with a minimal disruption during cyclical downturns.

### *Debt Management Policy*

The Board of Supervisors adopted a debt management policy in early 2016. The objectives of this policy are to maintain financial discipline and long-term stability; enhance the quality of decisions by establishing a systematic and prudent approach to debt issuance and debt management; facilitate approval of debt issuance using predetermined policies; protect the County's good credit worthiness and minimize the County's borrowing costs; and incorporate debt management practices into the County's planning and project management activities.

## **Long-term Financial Planning**

The County's long term financial planning has focused on the capital and infrastructure improvements needs of Facilities and Roads. Each year a five-year Road Maintenance and Capital Improvement Plan (CIP) is prepared for and approved by the County Board of Supervisors. The CIP is a plan for short range and long-range plans to improve or rehabilitate the 562 miles of County-owned roads. While the CIP covers a five-year planning period, it is updated each year to reflect ongoing changes as new projects are added, existing projects modified, and completed projects deleted from the plan document. The 2016 CIP represents a five-year, \$84 million program from 2016 through 2020. The funding for the CIP projects is a mix of Federal, State and local sources and subject to availability.

The County's Capital Facilities Master Plan is reviewed and updated on a periodic basis. The current plan was presented and adopted by the Board in 2012. The plan document contains a facilities condition assessment of all buildings, the life expectancy of systems and finishes, and the priority of identified projects. The plan provides information on future facility needs and estimated costs. The County has assigned a portion of the General Fund's available fund balance to build toward the funding for future projects.

## **Major Initiatives**

The County Board of Supervisors annually reviews and adopts the County's guiding [Vision, Mission and Value Statements](#) which sets the tone from the top on serving our citizens, providing needed services and operating the government in a fiscally responsible manner.

The County's Value Statements include Collaboration (both internal and external partners) and Innovation. In keeping with these two values and the County's Mission statement to ". . . deliver excellent services in a fiscally responsible manner", the county management looks for opportunities to provide needed services through various alternative delivery options. The primary service model that has proven to be most effective is based upon contracting with a qualified independent service provider which includes for-profit and not-for-profit entities. The most prevalent service area that has embraced this model is in the mental health services. Other service areas that have successfully transitioned to this model include the Animal Shelter services, Para-Transit services and a segment of the Housing and Community Services programs all which are being managed and operated by not-for-profit organizations as well as the and Solid Waste franchise which includes the western county transfer operations by for-profit firm.

The continued success of the alternative service delivery option has provided the County with a means to control a portion of its largest expenditure category, the salaries and benefits of its workforce, while still maintaining the level and quality of services. Staffing levels have gone from a high of 1,055 in 2001-02 to 786 authorized full time equivalent positions for the 2016-17 adopted budget.

## **Other Factors Affecting Financial Condition**

California local governments are particularly susceptible to State and Federal budgetary constraints and legislated changes. The State acts as a pass-through entity for much of the County's program revenues which are a mix of federal and state funding. A change in the funding formulas or shift of programs can cause great concern for the local agency that is required to maintain the program and services.

The recent trend by the State is for the realignment of certain programs. Beginning with the 2011-12 fiscal year, the state shifted \$12.1 million dollars of funding for certain realigned programs in the areas of criminal justice, law enforcement, mental health, Cal WORKS, child welfare, foster care, and adoptions. While this shift promotes local control for service delivery, there is a concern as to whether an adequate flow of funds will be available in the future to support the on-going programs. The County remains cautious on impacts that could occur on funding in the future.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the County of Nevada for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015. This was the ninth consecutive year that the Auditor-Controller's Office has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such CAFRs must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## Acknowledgments

The preparation of this Comprehensive Annual Financial Report was possible with the combined efforts of numerous individuals. I wish to express my sincere appreciation to the staff in the Auditor-Controller's Office for their concerted effort and commitment to the preparation and review of this report. I would like to thank all the departments and agencies who contributed financial information to this report along with our independent auditors, Gallina LLP and staff, for their assistance and guidance in producing this CAFR. Lastly, I would like to thank the Board of Supervisors and the County Executive Office for their leadership and fiscally conservative policies to maintain the financial health of the County.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Marcia L. Salter".

Marcia L. Salter  
Auditor-Controller



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**County of Nevada  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

## COUNTY OF NEVADA

### County Officials

#### Appointed Officials

[www.mynevadacounty.com/pages/appointedofficials.aspx](http://www.mynevadacounty.com/pages/appointedofficials.aspx)

Agricultural Commissioner	Chris Flores
Behavioral Health	Rebecca Slade
Building Inspection	Craig Griesbach
Child Support Services	Tex Ritter
Clerk of the Board	Julie Patterson Hunter
Community Development Agency	Sean Powers
County Counsel	Alison Barratt-Green
County Executive Officer	Rick Haffey
Department of Social Services	Mike Dent
Environmental Health	Amy Irani
Farm Advisor	Roger Ingram
Health & Human Services Agency	Michael Heggarty
Human Resources	Charles Wilson
Information & General Services	Steve Monaghan
Nevada County Library	Laura Pappani
Planning	Brian Foss
Probation	Michael Ertola
Public Defender, Interim	Keri Klein
Public Health	Jill Blake
Public Works	Steve Castleberry

#### Board of Supervisors

<http://www.mynevadacounty.com/Pages/ElectedOfficials.aspx>

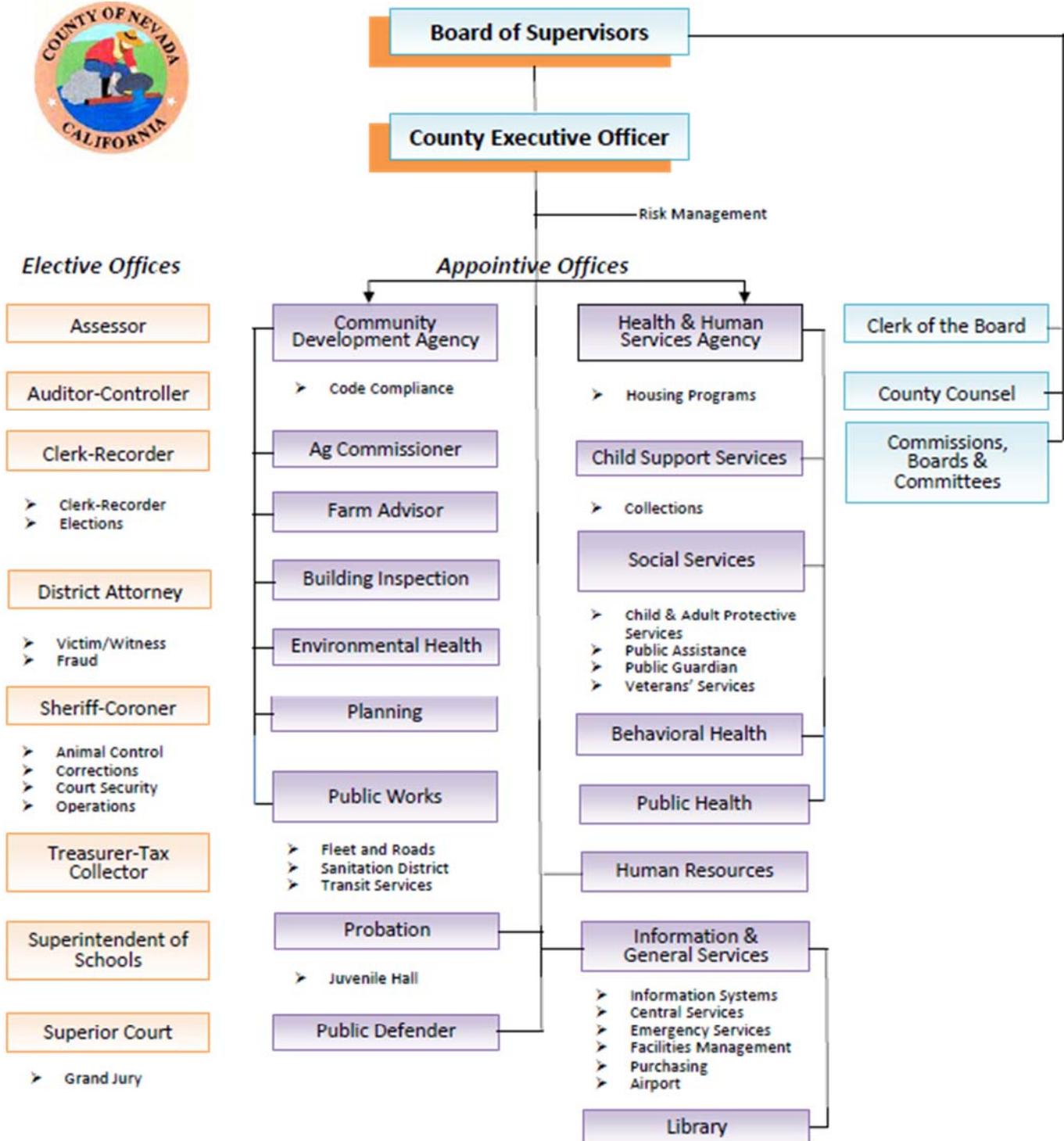
District 1	Nate Beason
District 2	Ed Scofield
District 3	Dan Miller
District 4	Hank Weston
District 5	Richard Anderson

#### Elected Officials

<http://www.mynevadacounty.com/Pages/ElectedOfficials.aspx>

Assessor	Sue Horne
Auditor-Controller	Marcia Salter
Clerk-Recorder/Registrar of Voters	Greg Diaz
District Attorney	Clifford Newell
Sheriff-Coroner-Public Administrator	Keith Royal
Treasurer-Tax Collector	Tina Vernon

# Nevada County Government Organization



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## **FINANCIAL SECTION**

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

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Grand Jury  
County of Nevada  
Nevada City, 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 Nevada, California (County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

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

To the Board of Supervisors and Grand Jury  
County of Nevada

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability and related ratios, the schedule of funding progress – OPEB, infrastructure assets reported using the modified approach, 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 combining and individual nonmajor fund financial statements (supplementary information) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2016 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.



Roseville, California  
December 28, 2016

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

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## COUNTY OF NEVADA

### Management's Discussion and Analysis Required Supplementary Information June 30, 2016

This section of the County of Nevada's (County's) comprehensive annual financial report (CAFR) provides an overview and analysis of the County's financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements and notes to the financial statements following this section.

#### FINANCIAL HIGHLIGHTS

- The County's total net position increased \$14,215,198, or 6%, over the prior year.
- At the end of the fiscal year, the General Fund fund balance increased \$2,159,924 or 7.6% to \$30,447,882. This represents 50.9% of the total General Fund expenditures for the year.
- The County's total long-term debt decreased from \$52,557,055 to \$49,087,382. This decrease of \$3,469,673, or 6.6%, was related to scheduled payments on the Certificates of Participation and loans.
- The governmental activities net position at year-end is \$207,378,296. This represents the amount the assets and deferred outflows of the governmental activities of the County exceeded its liabilities and deferred inflows. Of this amount, \$53,802,320 is restricted for specific purposes (restricted net position), and \$260,166,951 is the net investment in capital assets, while unrestricted net position is a negative (\$106,590,975).
- As of June 30, 2016, the County's governmental fund balance increased \$387,025 to \$82,601,805. Amounts available for spending include *restricted, committed, assigned and unassigned fund balance*, totaling \$82,479,738. Of this amount, \$48,647,789 is restricted by law or externally imposed requirements, \$8,559,507 has been formally committed for specific purposes, and \$22,298,307 has been earmarked for certain uses.

#### 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 comprise 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 the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows, liabilities and deferred inflows, with the difference, as illustrated below, 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.

Net Position = (Assets + Deferred Outflows of Resources) – (Liabilities + Deferred Inflows of Resources)

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in a future fiscal period (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

## COUNTY OF NEVADA

### Management's Discussion and Analysis Required Supplementary Information June 30, 2016

intended to recover all or a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation. The business-type activities of the County include Western Nevada County Solid Waste, Eastern Nevada County Solid Waste, the Sanitation District, Transit Services, and the Airport.

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 County's component units are: Nevada County Sanitation District, Nevada County Finance Authority, Special Districts Governed by the Board, and Special Assessment Debt with County Commitment.

*The government-wide financial statements can be found on pages 21-23 of this report.*

**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 compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the 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 County'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 one hundred thirty-nine individual governmental 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 and other major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual and grouped fund data for the non-major governmental funds are provided in the form of *combining statements* elsewhere in this report.

*The governmental fund financial statements can be found on pages 26-32 of this report.*

## COUNTY OF NEVADA

### Management's Discussion and Analysis Required Supplementary Information June 30, 2016

**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. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. The County maintains thirty-three individual proprietary funds. The Western Nevada County Solid Waste, Eastern Nevada County Solid Waste, the Airport, Transit Services and Sanitation District are used for business-type activity. The County uses internal service funds to account for its Fleet Management, Vision Insurance, Unemployment Insurance, Liability Insurance, Dental Insurance and Central Services. As 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. Western Nevada County Solid Waste, the Airport, Transit Services and the Sanitation District are considered to be major funds of the County and are presented individually. The County's six non-major internal service funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for each of these non-major enterprise and internal service funds are provided in the form of *combining statements* elsewhere in this report.

*The proprietary fund financial statements can be found on pages 34-41 of 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. The County maintains two hundred and ninety nine fiduciary funds.

*The fiduciary fund financial statements can be found on pages 42-43 of this report.*

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

*The notes can be found on pages 45-89 of this report.*

**Required Supplementary Information** consists of funding progress schedules for the County Defined Benefit Pension Plan and Other Post Employment Benefit Plan; the County's General Fund budgetary schedule to demonstrate compliance with the County's adopted budget; the budgetary comparison schedules for all Major Funds, and infrastructure assets reported using the modified approach to account for the County's road subsystem.

*Required supplementary information can be found on pages 91-104 of this report.*

**Combining and individual fund statements and schedules** referred to earlier provide information for non-major governmental funds, internal service funds, and fiduciary funds and are presented immediately following the required supplementary information.

*Combining and individual fund statements and schedules can be found on pages 105-172 of this report.*

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve as a useful indicator of the County's financial position over time. On June 30, 2016, the County's total assets and deferred outflows exceeded its liabilities and deferred inflows (net position) by \$249,882,965.

**County's Net Position  
June 30, 2016 and 2015**

	Governmental Activities		Business-Type Activities		Total		Variance
	2016	2015	2016	2015	2016	2015	
<b>Assets:</b>							
Current and other assets	\$ 103,558,815	\$ 100,118,158	\$ 21,682,426	\$ 20,480,505	\$ 125,241,241	\$ 120,598,663	3.8%
Capital Assets	270,818,115	267,877,841	56,056,620	56,692,312	326,874,735	324,570,153	0.7%
<b>Total Assets</b>	<b>374,376,930</b>	<b>367,995,999</b>	<b>77,739,046</b>	<b>77,172,817</b>	<b>452,115,976</b>	<b>445,168,816</b>	<b>1.6%</b>
<b>Deferred Outflows of Resource</b>	<b>12,827,128</b>	<b>11,945,218</b>	<b>559,296</b>	<b>778,897</b>	<b>13,386,424</b>	<b>12,724,115</b>	<b>5.2%</b>
<b>Liabilities:</b>							
Long-term liabilities	159,444,992	152,318,962	33,013,417	36,675,883	192,458,409	188,994,845	1.8%
Other liabilities	9,792,169	8,019,745	2,379,853	2,634,276	12,172,022	10,654,021	14.2%
<b>Total Liabilities</b>	<b>169,237,161</b>	<b>160,338,707</b>	<b>35,393,270</b>	<b>39,310,159</b>	<b>204,630,431</b>	<b>199,648,866</b>	<b>2.5%</b>
<b>Deferred Inflows of Resources</b>	<b>10,588,601</b>	<b>21,459,970</b>	<b>400,403</b>	<b>1,116,328</b>	<b>10,989,004</b>	<b>22,576,298</b>	<b>-51.3%</b>
<b>Net Position:</b>							
Net Investment in capital assets	260,166,951	255,582,020	35,529,970	34,589,583	295,696,921	290,171,603	1.9%
Restricted	53,802,320	54,491,765			53,802,320	54,491,765	-1.3%
Unrestricted	(106,590,975)	(111,931,245)	6,974,699	2,935,644	(99,616,276)	(108,995,601)	-8.6%
<b>Total Net Position</b>	<b>207,378,296</b>	<b>198,142,540</b>	<b>42,504,669</b>	<b>37,525,227</b>	<b>249,882,965</b>	<b>235,667,767</b>	<b>6.0%</b>

As shown in the schedule above, at June 30, 2016, the County's total assets are \$452,115,976. The total assets held increased \$6,947,160 or 1.6% from the June 30, 2015 balance of \$445,168,816. The increase in total assets was due primarily to an increase in cash and investments, increase in accounts receivable and to the acquisition of capital assets from other governments during the year. Deferred outflows of \$13,386,424 primarily represents pension contributions made by the County during fiscal year 2015-16, but after the pension liability measurement date of June 30, 2015.

The County's total liabilities increased by \$4,981,565 during the current fiscal year to \$204,630,431. The increase resulted from the increase in net pension liability and was partially mitigated by the reduction in loan and COP balances due to scheduled principal payments. Deferred inflows of \$10,989,004 are related to the various components that affect pension liability such as the impact of investment changes, changes in actuarial assumptions and differences between actual and expected projections.

The County's total net position increased from the prior year by \$14,215,198, or 6%. Unrestricted net position of the County at June 30, 2016 was negative (\$99,616,276). The negative position reflects the recognition of net pension liability. On a positive note, Unrestricted Net Position improved \$9,379,325 from prior year.

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

The following table shows the revenue, expenses and changes in net position for governmental and business-type activities:

**County's Change in Net Position  
June 30, 2016 and 2015**

	Governmental Activities		Business-Type Activities		TOTAL		Percent Change
	2016	2015	2016	2015	2016	2015	
<b>Revenues</b>							
<b>Program revenues:</b>							
Charges for Services	\$ 17,704,181	\$ 18,883,044	\$ 9,831,923	\$ 9,850,548	\$ 27,536,104	\$ 28,733,592	-4.2%
Operating Grants and Contributions	77,787,523	74,627,756	1,329,378	468,105	79,116,901	75,095,861	5.4%
Capital Grants and Contributions	1,956,206	957,081	2,139,381	539,278	4,095,587	1,496,359	173.7%
<b>General Revenues:</b>							
Property Taxes	34,807,770	32,967,429	8,471	8,558	34,816,241	32,975,987	5.6%
Other Taxes	9,425,882	8,952,627	1,685,076	2,494,522	11,110,958	11,447,149	-2.9%
Unrestricted Interest and Investment Earnings	856,102	397,556	155,688	120,466	1,011,790	518,022	95.3%
Miscellaneous	2,516,245	2,221,359	4	7,687	2,516,249	2,229,046	12.9%
Special Items	-	-	-	3,527,168	-	3,527,168	-100.0%
Transfers	(2,463)	-	2,463	-	-	-	
<b>Total Revenues</b>	<b>145,051,446</b>	<b>139,006,852</b>	<b>15,152,384</b>	<b>17,016,332</b>	<b>160,203,830</b>	<b>156,023,184</b>	<b>2.7%</b>
<b>Expenses:</b>							
General Government	13,384,738	11,061,515			13,384,738	11,061,515	21.0%
Public Protection	54,044,545	54,646,696			54,044,545	54,646,696	-1.1%
Public Ways and Facilities	9,316,496	8,066,196			9,316,496	8,066,196	15.5%
Health and Sanitation	28,990,411	27,309,965			28,990,411	27,309,965	6.2%
Public Assistance	26,712,084	26,389,112			26,712,084	26,389,112	1.2%
Education	2,887,766	2,686,855			2,887,766	2,686,855	7.5%
Recreation	54,548	108			54,548	108	50407.4%
Interest on long-term debt	425,102	496,861			425,102	496,861	-14.4%
Eastern Nevada County Solid Waste			204,675	199,333	204,675	199,333	2.7%
Western Nevada County Solid Waste			270,983	336,130	270,983	336,130	-19.4%
Transit Services			3,059,165	3,562,401	3,059,165	3,562,401	-14.1%
Airport			1,356,720	1,515,411	1,356,720	1,515,411	-10.5%
Sanitation District			5,281,399	6,372,953	5,281,399	6,372,953	-17.1%
<b>Total Expenses</b>	<b>135,815,690</b>	<b>130,657,308</b>	<b>10,172,942</b>	<b>11,986,228</b>	<b>145,988,632</b>	<b>142,643,536</b>	<b>2.3%</b>
Change in net position	9,235,756	8,349,544	4,979,442	5,030,104	14,215,198	13,379,648	6.2%
Net Position - Beginning of Year	198,142,540	189,792,996	37,525,227	32,495,123	235,667,767	222,288,119	6.0%
Net Position 06/30	\$ 207,378,296	\$ 198,142,540	\$ 42,504,669	\$ 37,525,227	\$ 249,882,965	\$ 235,667,767	6.0%

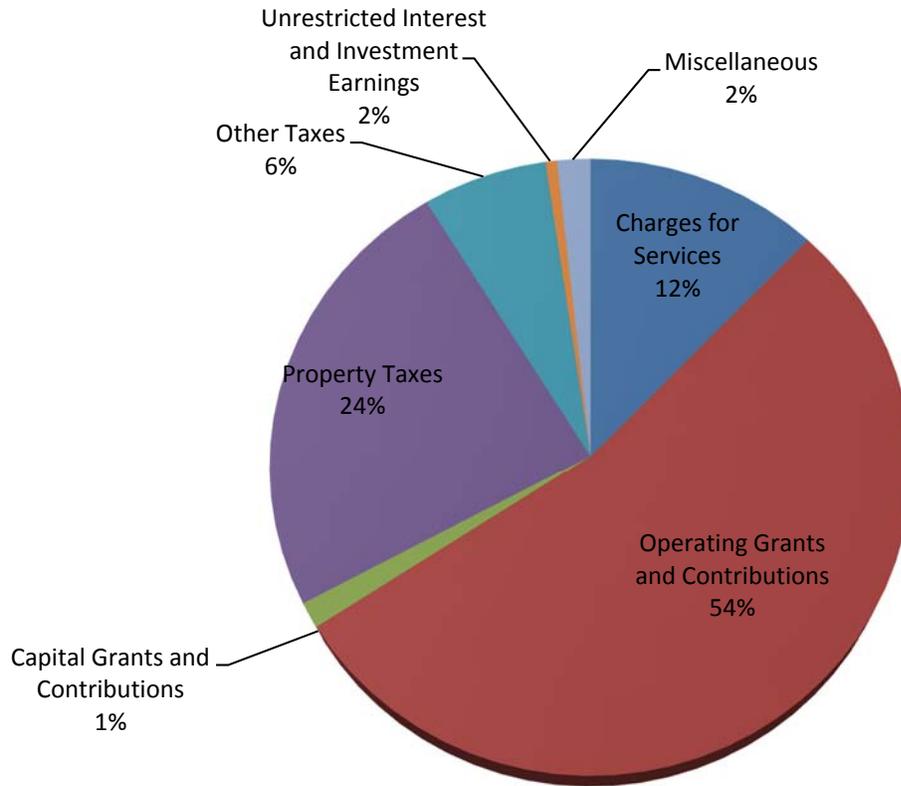
As the chart above indicates, revenues increase \$4,180,646 or 2.7%. Expenses increased \$3,345,096 or 2.3%. The net result was an increase in net position of \$14,215,198.

COUNTY OF NEVADA

Management’s Discussion and Analysis  
Required Supplementary Information  
June 30, 2016

The chart below presents the percentage of total revenues by source for governmental activities totaling \$145,051,446 for the fiscal year ended 2015/16:

Revenues by Source - Governmental Activities



Key factors of the increase/decrease in *revenues* in the governmental activities:

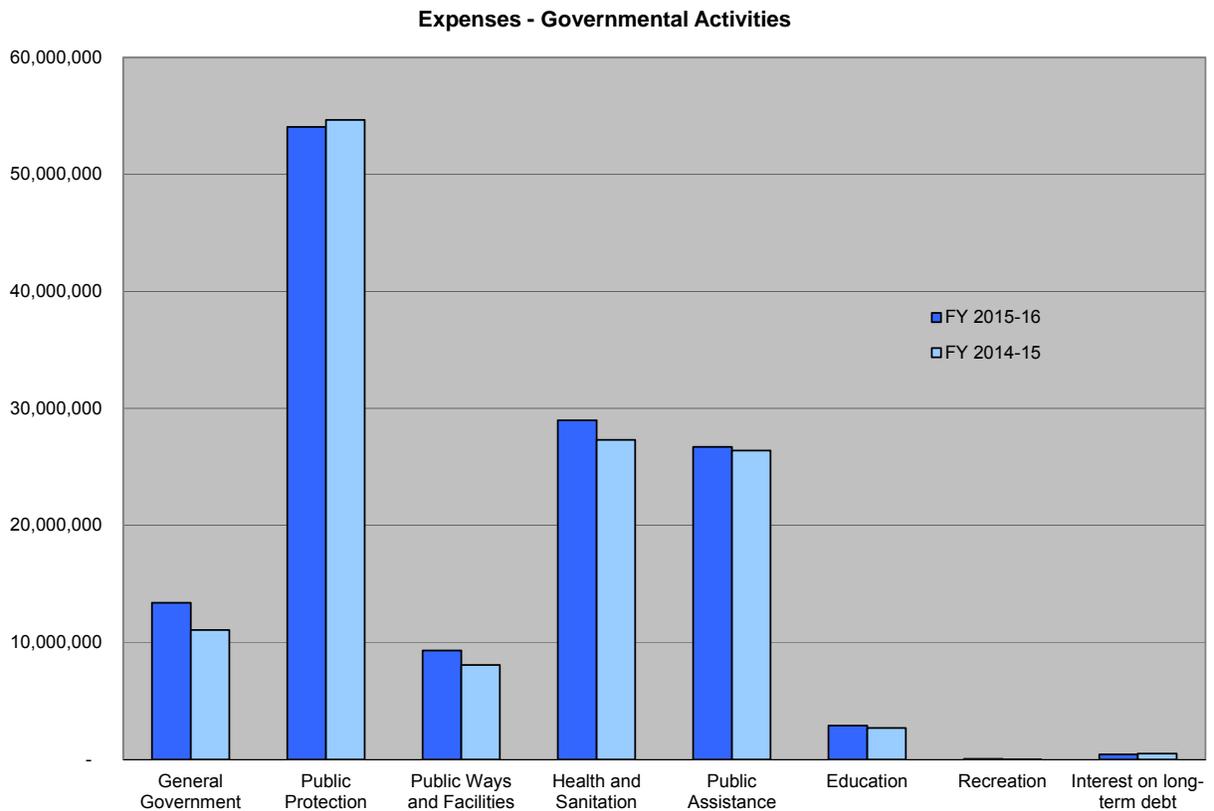
- *Charges for Services* recorded an overall decrease of \$1,178,863 or 6.2% from the prior year. This decrease is actually a return to normal revenues for the County after abnormally high revenues in fiscal year 2014/15. In general, the County continues to provide services to its users - county residents and other agencies – at a similar level of service as in previous fiscal years.
- *Operating Grants and Contributions*, increased by \$3,159,767 or 4.2%. Much of this is due to increased realignment sales tax revenues to Public Protection departments.
- *Capital Grants and Contributions* increased by \$999,125 or 104% due to an increase in Federal revenue related to roads of \$379,595 as well as a \$500,000 state grant for the Crisis Stabilization Unit to the Health and Human Services Agency.
- *Property Taxes* increased by 5.5% or \$1,840,341 over the prior fiscal year directly related to the improvement in the real estate values within the County.

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

- The *Other Taxes* category increased by \$473,255 due to an increase in sales tax revenues of \$227,136, property transfer taxes of \$103,851 and franchise taxes of \$118,249.
- *Unrestricted Interest and Investments* increased \$458,546 related to investment activities.
- The *Miscellaneous* revenue category increased by \$294,886 or 13.2%. The largest increases were in the Community Development Agency and the Public Library. CDA revenues were higher due to unanticipated insurance proceeds transferred from General Liability as repayment for legal costs within the Planning Department, while the Grass Valley branch of the library received a generous donation of \$116,917.

The chart below presents the two-year comparison of the total expenses by function for governmental activities totaling \$135,815,690 for the fiscal year ended 2015/16:



Key factors of the increase/decrease in *expenses* in the governmental activities:

- *General Government* expenses increased by \$2,323,223 or 21%. Salaries and benefits increased \$1,762,915 with the greatest portion being retirement benefits and worker's compensation. In addition, professional services increased by \$864,373.
- *Public Protection* expenses decreased \$602,151 representing a 1.1% change over the prior year. The decrease is due to an adjustment of the pension expense.

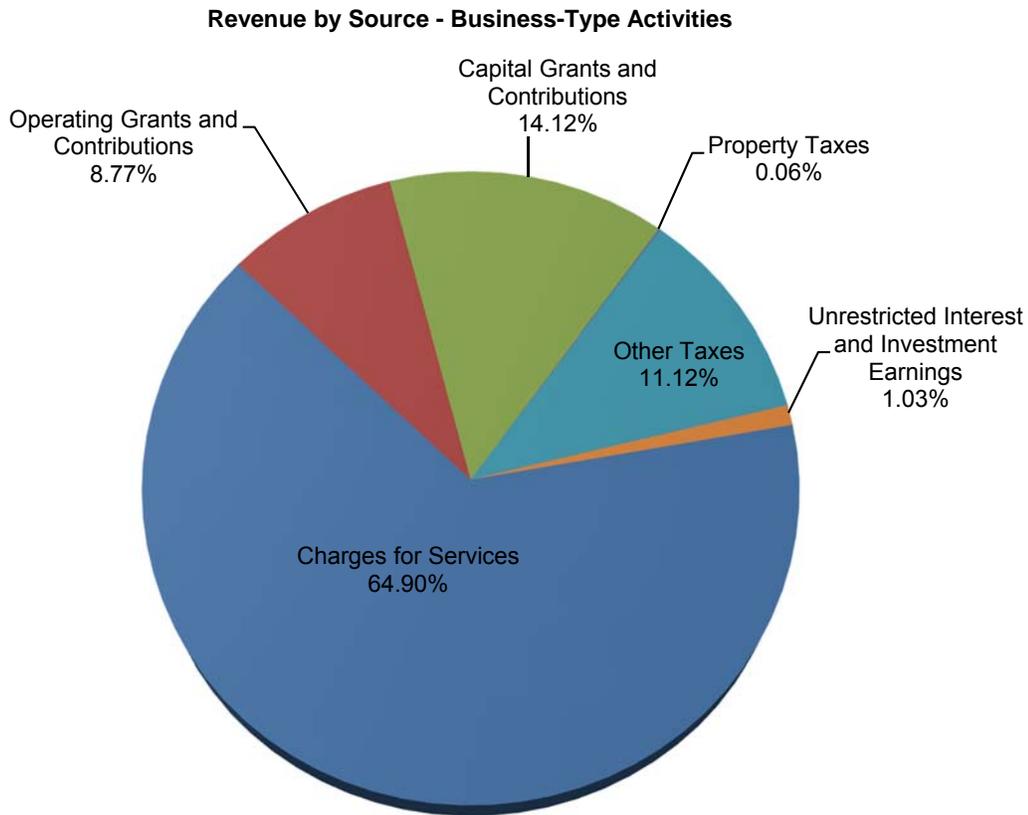
COUNTY OF NEVADA

Management’s Discussion and Analysis  
Required Supplementary Information  
June 30, 2016

- *Public Ways and Facilities* expenses increased by \$1,250,300 or 15.5% from prior year levels due to work on multiple bridge projects.
- *Health and Sanitation* expenses increased by \$1,680,446 or 6.2% over prior year levels. The increase was due to increased out-patient services for adult programs amounting to \$893,731, increased salaries and benefits of \$662,702 and a software purchase of \$184,806.
- *Public Assistance* increased by \$322,972 or 1.2% in relation to the prior year levels. This increase was mainly due to increased salaries and benefits within Health and Human Services Agency (HHSA).

Unlike the governmental activities discussed above, which are principally supported by taxes and intergovernmental revenues, business-type activities intend to recover all or a portion of their costs through user fees and charges.

The chart below presents the percentage of total revenues by source for business-type activities which totaled \$15,152,384 for the year ended 2015/16:



Key factors of the increase/decrease in revenues in the business-type activities:

- *Charges for Services* decreased by \$18,625 or .2% from prior year levels. The decrease can be primarily attributed to decreased Eastern Solid Waste special assessments and decreased Airport fuel sales.

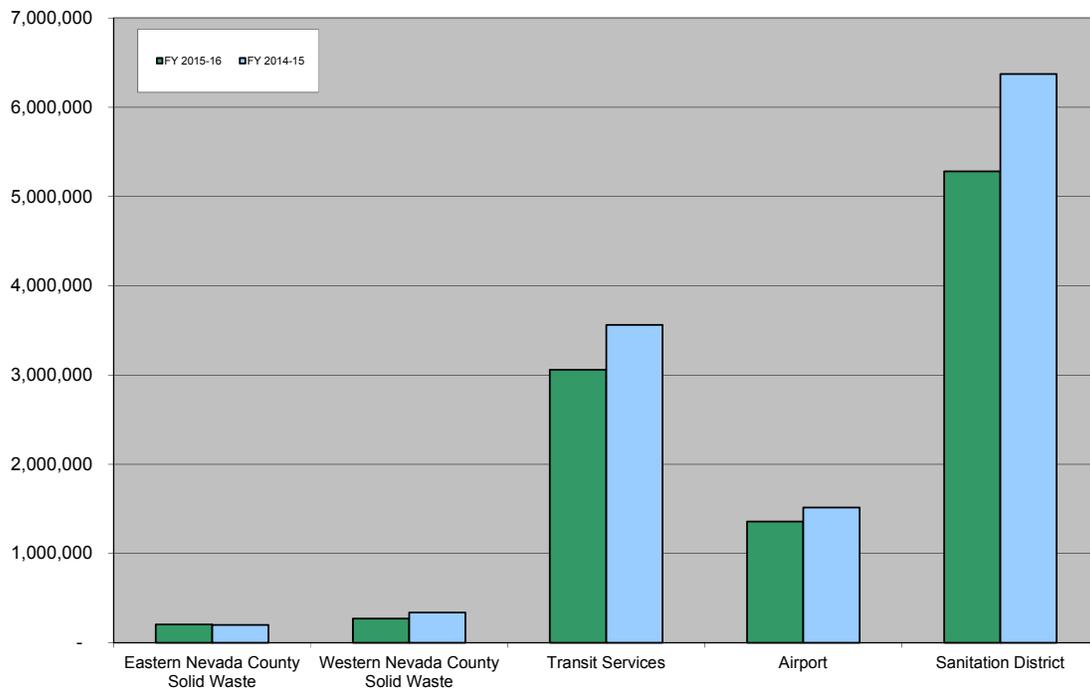
## COUNTY OF NEVADA

### Management's Discussion and Analysis Required Supplementary Information June 30, 2016

- *Operating Grants and Contributions* increased \$861,273 or 184% due to receipt of additional State Public Transportation, Modernization and Service Enhancement Account in the Transit Division.
- *Capital Grants and Contributions* increased \$1,600,103, or 296.7%. Funding in fiscal year 2015/16 was higher due to the receipt of State Public Transportation, Modernization and Service Enhancement Account Funds in the Transit Division.
- *The Other Taxes category* decreased \$809,446 or 32.4%. This was due to reduced Local Transportation Funds eligibility to Transit due to increased Federal Funding.
- *Unrestricted Interest and Investment Earnings* increased from \$120,466 in the prior year to \$155,688 in fiscal year 2015/16. This increase was due to improved investment returns.

The chart below presents the two-year comparison of the total expenses among business-type activities totaling \$10,172,942 for the fiscal year ended 2015/16:

**Expenses - Business-Type Activities**



Key factors of the increase/decrease in *expenses* in the business-type activities:

- *Western Nevada County Solid Waste* expenses declined \$65,147 or 19.4% compared to the prior year. The decrease was a combination of decreased services and supplies spending offset by increased reimbursements.
- Expenses for *Transit Services* decreased by \$503,236 or 14.1% over prior year levels. This decrease was due to entries adjusting the pension liability.

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

- *Airport* operating expenses decreased \$158,691 or 10.5% from the prior year. This was primarily due to a reduction in the purchase of fuel for sale correlated with a reduction in fuel sales for the same period.
- *Sanitation District* operating expenses decreased \$1,091,554 or 17.1% over prior year levels. This decrease is was due to the entries adjusting the pension liability.

**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 Fund, Special Revenue, Debt Service, and Capital Project Funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *total fund balance less the nonspendable portion* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of June 30, 2016, the County's governmental funds reported condensed ending fund balances in the amount of \$107,634,087, an increase of 5.4% or \$5,553,235 from the prior year's ending fund balance. Approximately \$82,479,738 of the total fund balance of \$82,601,805 is available to meet the County's current and future spending needs. Additional information on the County's fund balances can be found in Note 11 on pages 74-76 of this report.

**Governmental Funds  
Condensed Balance Sheet  
June 30, 2016 and 2015**

	2016	2015	Variance	Change
Total Assets and Deferred Outflow s of Resources	\$ 107,634,087	\$ 102,080,852	5.4%	\$ 5,553,235
Total Liabilities	19,629,493	15,525,563	26.4%	4,103,930
Deferred Inflow s of Resources	5,402,789	4,340,509	24.5%	1,062,280
Total Fund Balance	82,601,805	82,214,780	0.5%	387,025
Total Liabilities, Deferred Inflow s, and Fund Balance	\$ 107,634,087	\$ 102,080,852	5.4%	\$ 5,553,235

The Board of Supervisors may commit or assign a portion of the spendable fund balance in the current year within the constraints applied to the various categories of fund balance. Spendable fund balances are available for appropriation at any time, with the exception of the general reserve portion of the committed fund balance, which can only be decreased at the time the budget is adopted, except in cases of a legally declared emergency. An explanation of the various components of fund balance are defined and detailed below.

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

**Governmental Funds  
Combined Balance Sheet  
June 30, 2016**

	General Fund	Major Funds	Other Governmental Funds	Total Governmental Funds
Total Assets	\$ 34,992,561	\$ 35,763,070	\$ 36,878,456	\$ 107,634,087
Total Liabilities	3,291,275	10,100,405	6,237,813	19,629,493
Total Deferred Inflows	1,253,404	3,686,449	462,936	5,402,789
Fund Balances				
Nonspendable	83,451	38,616	-	122,067
Restricted	784,297	18,804,074	29,059,418	48,647,789
Committed	7,080,000	1,432,047	47,460	8,559,507
Assigned	19,525,999	1,701,479	1,070,829	22,298,307
Unassigned	2,974,135	-	-	2,974,135
Total Fund Balances	30,447,882	21,976,216	30,177,707	82,601,805
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 34,992,561	\$ 35,763,070	\$ 36,878,456	\$ 107,634,087

The components of total fund balance are as follows:

*Nonspendable fund balance* \$122,067 are amounts that are not spendable in form, or are legally or contractually required to be maintained intact, and are made up of prepaid expenses of \$83,451 and inventory of \$38,616.

*Restricted fund balance*, \$48,647,789 consists of amounts with externally imposed constraints put on their use by creditors, grantors, contributors, laws, regulations or enabling legislation. Examples of restrictions on funds are those for road improvement projects, whereby funds are restricted in the Road Fund; debt service reserve requirements; and amounts reserved for legislatively realigned Health and Human Service programs.

*Committed fund balance*, \$8,559,507 are amounts established by the Board of Supervisors for a specified purpose before fiscal year-end and requires board action to appropriate. The General Fund general reserve of \$7,080,000 is included in this amount.

*Assigned fund balance*, \$22,298,307 is established by the Board of Supervisors for specified purposes. These items require Board action and may expire at any time. Included in this balance is \$7,187,000 set aside for PERS liability, \$5,450,302 for capital facilities planning, \$1,656,616 for information systems infrastructure, \$1,650,000 for accumulated leave balances, \$750,000 for the next General Plan Update and \$609,000 for Economic Development Infrastructure.

*Unassigned fund balance* represents the remaining fund balance that has not been committed or assigned by the Board of Supervisors.

**COUNTY OF NEVADA**

**Management’s Discussion and Analysis  
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*The General Fund* is the chief operating fund of the County. At June 30, 2016, the total fund balance was \$30,447,882, an increase of \$2,159,924 from the prior fiscal year. The nonspendable portion of fund balance increased to \$83,451, while the spendable portion increased to \$30,364,431.

As a measure of the General Fund’s liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. The total fund balance equates to 50.9% of total General Fund expenditures, while spendable fund balance equates to 50.7% of total General Fund expenditures. Of the General Fund spendable fund balance, \$784,297, or 2.6% is restricted and \$7,080,000 or 23.3% is committed.

One factor that may impact fund balance is the change in revenues from year to year. The following provides explanations for year over year revenue fluctuations by source:

**Revenues Classified by Source  
General Fund**

Revenue Type	FY 2016 Amount	Percent of Total	FY 2015 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
Taxes and assessments	\$ 39,703,305	69.02%	\$ 37,349,227	65.96%	\$ 2,354,078	6.30%
License and permits	2,726,503	4.74%	2,636,472	4.66%	90,031	3.41%
Fines and forfeitures	2,665,441	4.63%	2,941,968	5.20%	(276,527)	-9.40%
Use of money and property	416,777	0.72%	343,693	0.61%	73,084	21.26%
Intergovernmental	3,159,385	5.49%	4,278,351	7.56%	(1,118,966)	-26.15%
Charges for service	7,726,611	13.43%	8,011,244	14.15%	(284,633)	-3.55%
Other revenues	1,127,911	1.96%	1,063,236	1.88%	64,675	6.08%
<b>Total</b>	<b>\$ 57,525,933</b>	<b>100.00%</b>	<b>\$ 56,624,191</b>	<b>100.00%</b>	<b>\$ 901,742</b>	<b>1.59%</b>

*Taxes and Assessments* – Increased \$2,354,078 primarily due to a general increase in taxes over the prior year which reflects the improved assessed values throughout the County.

*License and Permits* – Increased \$90,031 from prior year due to higher franchise revenues for the solid waste franchise agreement of \$37,026, increased Cable TV and Utility franchise revenues of \$19,919 and increased animal license fees of \$12,826.

*Fines and Forfeitures* – Revenues decreased \$276,527 primarily due to a reduction in delinquent property tax penalties.

*Use of Money and Property* – Revenues increased \$73,084 due to higher return on investments.

*Intergovernmental* – There was a large decrease in this category of \$1,118,966, or 26.15%. This was primarily due to one-time payments received in the prior year for state mandated cost reimbursements, dating back to 2004, that did not reoccur at the same rate in the current year.

*Charges for Services* – Revenues generated from charges for services saw an overall decrease of \$284,633 from the prior year. This was primarily due to a \$204,215 decrease in Election services revenue reflecting a non-election year.

*Other Revenues* – The \$64,675 increase in revenues is the result of unanticipated insurance proceeds from CSAC litigation reimbursement.

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
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The following provides an explanation of changes in expenditures by function compared to the prior year levels:

**Expenditures by Function  
General Fund**

Expenditures by Function	FY 2016 Amount	Percent of Total	FY 2015 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
General government	\$ 10,624,832	17.75%	\$ 10,304,475	18.28%	\$ 320,357	3.11%
Public protection	47,787,442	79.81%	44,664,441	79.24%	3,123,001	6.99%
Health and sanitation	108,023	0.18%	133,842	0.24%	(25,819)	-19.29%
Public assistance	339,377	0.57%	314,487	0.56%	24,890	7.91%
Education	48,352	0.08%	42,690	0.08%	5,662	13.26%
Capital outlay	965,361	1.61%	906,355	1.61%	59,006	6.51%
Debt service	-	0.00%	-	0.00%	-	0.00%
<b>Total</b>	<b>\$ 59,873,387</b>	<b>100.00%</b>	<b>\$ 56,366,290</b>	<b>100.00%</b>	<b>\$ 3,507,097</b>	<b>6.22%</b>

*Public Protection* – The components of the \$3,123,001 increase for this category was due to negotiated salary and benefit increases as well as significant changes in county overhead charges.

*Health and Sanitation* – The \$25,819 decrease in this area was due to reduced salaries and benefits expenditures due to position vacancies for part of the year.

*Public Assistance* – The \$24,890 increase is related to negotiated salary and benefit increases.

*Capital outlay* – Capital outlay expenditures were \$59,006 higher in 2015/16 due to increased software expenditures for a new timekeeping system.

**Other Major Funds Highlights**

*The Road Fund* is used to account for the activities associated with the construction and maintenance of county roads and bridges. Overall revenues decreased by \$256,623 or 3.4%. Revenues from State and Federal Highway User Taxes and Federal Aid to Roads decreased. Public Ways and Facilities expenditures increased \$1,387,116 or 19.7% due to increased road maintenance costs. Capital expenditures increased by a total of \$1,527,517 or 69.1% due to the completion of several projects including the Brunswick Road Intersection, Cooper Road, Penn Valley Drive and Scotts Valley Road. The combined effect of the above is that the Road Fund's fund balance decreased by \$2,690,518 or 39.8%.

*The Community Development Agency (CDA) Fund* is used to account for Planning, Building, Environmental Health and Code Enforcement department activities. Revenues increased \$435,438 overall or 9.4% due to a \$257,092 increase in licenses and permits for Building Inspection and a \$166,061 increase in charges for services mainly due to Planning engineering services and Environmental Health land use services. As a result of the above, fund balance in the CDA Fund increased \$331,146 or nearly 11%.

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
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*The Health and Human Services Agency Fund* is used to account for the majority of the Public Health, Behavioral Health and Social Service programs. Total revenues declined \$1,542,473. This was primarily driven by decreases in intergovernmental Motor Vehicle License Fee (MVLFF) revenues. Program expenses were up \$1,347,391 in Health and Sanitation and \$1,564,347 in Public Assistance. The net result was fund balance decreased \$1,013,861.

*The Health and Welfare Realignment Fund* is used to account for direct allocations from the State for sales tax revenues dedicated to certain Health, Mental Health and Social Service programs. Revenues increased \$2,676,608 as a general reflection of an improved statewide economy. Likewise, program spending increased \$2,633,234. The changes combined, resulted in a fund balance increase of \$137,161, or 1.5%, to a total of \$9,262,873.

*The Local Realignment Fund* is used to account for the State's realignment of revenues and services for law enforcement that were previously performed by the State and subsequently transferred to counties. Revenues were \$1,947,838 higher than prior year due to increased realignment sales tax revenues. Expenses and transfers did not increase at the same rate, so the result was an increase in fund balance of \$1,512,445.

**Proprietary funds.** The County's proprietary funds are utilized in two ways: Enterprise funds and Internal Service Funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, but in more detail. Internal Service Funds are used to accumulate and allocate costs internally among the County's various functions. As such, they are included with the governmental activity analysis and are excluded from the following analysis.

**Enterprise Funds  
Condensed Balance Sheet  
June 30, 2016**

	Western Nevada County Solid Waste	Airport	Sanitation District	Transit Services	Nonmajor Proprietary Funds	Total Proprietary Funds
Total Assets	\$ 12,742,665	\$ 5,819,856	\$ 54,533,677	\$ 4,532,747	\$ 143,591	\$ 77,772,536
Deferred Outflows - pensions	45,594	43,327	297,797	172,578	-	559,296
Total Liabilities	7,006,184	604,677	24,337,240	3,572,885	124,042	35,645,028
Deferred Inflows - pensions	32,642	31,018	213,194	123,549	-	400,403
Net Position						
Net Investment in Capital Assets	793,721	5,343,703	26,485,730	2,880,407	26,409	35,529,970
Unrestricted	4,955,712	(116,215)	3,795,310	(1,871,516)	(6,860)	6,756,431
Total Net Position	\$ 5,749,433	\$ 5,227,488	\$ 30,281,040	\$ 1,008,891	\$ 19,549	\$ 42,286,401

Unrestricted net position of the Western Nevada County Solid Waste at June 30, 2016 was \$4,955,712. The unrestricted net position saw an increase due to a \$464,413 reduction in the estimate for post-closure liability and an \$819,646 increase in cash and investments.

The unrestricted net position of the Airport enterprise operation improved \$101,585 to a negative (\$116,215) for the fiscal year ending June 30, 2016. This balance reflects the recognition of the unfunded pension liability.

The Sanitation District's unrestricted net position increased \$1,994,584 to \$3,795,310 compared to the prior year. This was primarily due to recording depreciation entries for the year causing the net investment in capital assets to decrease and a corresponding increase in Unrestricted Net Position.

## COUNTY OF NEVADA

### Management's Discussion and Analysis Required Supplementary Information June 30, 2016

Transit Services fund balance increased \$1,496,732 primarily due to an increase in investment in capital assets of \$1,013,485.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original expenditure budget and the final amended budget was a \$4,345,699 net increase in appropriations (excluding other financing sources and uses). Explanations of significant changes for this increase are as follows:

- The Public Protection budget category increased by \$2,727,231. Of this amount Sheriff Admin Support increased \$992,238 primarily in professional services, automobile equipment purchases, rent and conflict indigent defense. Operations at the Wayne Brown Correctional Facility (WBCF) for salaries and benefits as well as inmate medical costs increased \$669,578. Finally, Probation saw an increase in their budget of \$278,989 for additional professional services.
- Total budgeted Capital Outlay increased by \$1,684,094 with \$676,000 for Information Systems moved from 2014/15 to 2015/16 to budget for capital software expenditures related to the future upgrade of the property tax accounting system. Additional appropriations were made for new time and attendance system, \$142,000, Sheriff mobile data units of \$272,750, Brighton Greens Facilities and development of a Crisis Stabilization Unit for behavioral health patients.

The difference between the final amended budget and the actual results at fiscal year-end was a \$4,515,395 net increase in the ending General Fund fund balance compared to the balance anticipated in the final amended budget. Actual revenues were higher than the budgetary estimate by \$212,789 and expenditures were under the budgetary estimates by \$4,985,434 or 7.7%. Explanations of significant differences between budgeted and actual expenditures are as follows:

- The General Government actual expenditures were \$1,581,550 less than budgeted expenditure levels. Information Systems had the largest variance in expenditures, \$528,014, as planned expenditures for salaries and benefits, software licenses and maintenance were less than anticipated. The next largest variance was in Facilities Management who saw reduced expenditures of \$165,588 primarily in the area of salaries and benefits. In addition, sources and uses decreased \$166,326.
- Public Protection actual expenses were less than budgeted by \$2,456,768, primarily in the area of salaries and benefits. Of this variance, \$372,000 occurred in Probation, \$777,760 in Sheriff's Administrative Support Services, and \$303,052 in the in the District Attorney's office.
- Actual expenditures for Capital Outlay were less than the amounts budgeted by \$881,358 related to the delay in the purchase of software for the new property tax accounting system.

*Additional information on the General Fund and other major funds' budget can be found on pages 96-104.*

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets** The County's investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounted to \$326,874,735 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and software.

**County's Capital Assets  
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total		Variance
	2016	2015	2016	2015	2016	2015	
Land and Easements	\$ 105,338,479	\$ 105,297,359	\$ 3,596,250	\$ 3,596,250	\$ 108,934,729	\$108,893,609	0.04%
Infrastructure (Road Sys)	108,574,970	105,870,330			108,574,970	105,870,330	2.55%
Infrastructure	17,534,666	18,064,926	46,626,708	49,188,099	64,161,374	67,253,025	-4.60%
Structures and Improvements	29,366,126	29,887,548	2,474,123	2,594,484	31,840,249	32,482,032	-1.98%
Construction in Progress	4,420,769	3,054,069	1,378,436	491,897	5,799,205	3,545,966	63.54%
Equipment	5,296,900	5,463,569	1,981,103	821,582	7,278,003	6,285,151	15.80%
Intangible Assets	286,205	240,040			286,205	240,040	19.23%
<b>Total</b>	<b>\$ 270,818,115</b>	<b>\$ 267,877,841</b>	<b>\$ 56,056,620</b>	<b>\$ 56,692,312</b>	<b>\$ 326,874,735</b>	<b>\$324,570,153</b>	<b>0.71%</b>

*Infrastructure (Road System)* – The \$2,704,640 increase in road system infrastructure is due to the completion of Brunswick Road intersection, Cooper Road, Penn Valley Drive and Scotts Valley Road.

*Infrastructure* – The total decrease of \$3,091,651 is a result of annual depreciation in the amount of \$530,260 in governmental activities and \$2,561,391 in the business-type activities.

*Structures and Improvements* – The \$120,361 decrease in business-type activities is due to annual depreciation. Governmental activities decreased by \$521,422 due to depreciation in the amount of \$1,031,089, offset by the addition of the Crisis Stabilization Unit modular for \$509,667.

*Construction in Progress* – Business-type construction in progress increased by \$886,539 due to the Penn Valley Pipeline project and County Airport runway improvements. Governmental-type construction in progress increased by \$1,366,700 mainly due to road and bridge improvement projects. Design work has continued on property purchased to re-locate the Corporation yard.

*Equipment* – Increases are attributable largely due to the purchase and upgrades of buses by Transit Services in the amount of \$1,292,096.

*Intangible Assets* – Increase is attributable to addition of a new timekeeping system, IntelliTime.

*Additional information on the County's capital assets can be found in Note 4 on pages 61-62 of this report.*

**COUNTY OF NEVADA**

**Management's Discussion and Analysis  
Required Supplementary Information  
June 30, 2016**

**Long-term debt.** At June 30, 2016, the County had total debt outstanding of \$49,087,382.

**County's Outstanding Debt**

	Governmental		Business-Type		Total		Variance
	Activities		Activities				
	2016	2015	2016	2015	2016	2015	
Certificate of Participation	\$ 4,361,623	\$ 5,594,528			\$ 4,361,623	\$ 5,594,528	-22.0%
Loans	6,053,574	6,447,393	20,517,650	22,101,845	\$ 26,571,224	28,549,238	-6.9%
Special Assessment Debt	221,000	236,000	9,000	12,000	\$ 230,000	248,000	-7.3%
Capital Leases	14,967	17,900			\$ 14,967	17,900	100.0%
Landfill Post Closure			6,494,193	6,957,881	\$ 6,494,193	6,957,881	-6.7%
Compensated Absences	5,447,058	5,101,499	169,649	167,885	\$ 5,616,707	5,269,384	6.6%
Accrued Claims Liability	1,263,055	1,340,050			\$ 1,263,055	1,340,050	-5.7%
OPEB Obligation	4,273,720	4,316,501	261,893	263,573	\$ 4,535,613	4,580,074	-1.0%
<b>Total</b>	<b>\$ 21,634,997</b>	<b>\$ 23,053,871</b>	<b>\$ 27,452,385</b>	<b>\$ 29,503,184</b>	<b>\$ 49,087,382</b>	<b>\$52,557,055</b>	<b>-6.6%</b>

The County's total outstanding debt decreased by \$3,469,673, or 6.6%, during the fiscal year. The outstanding debt can be classified in one of two ways – issued debt and liability recognition. For issued debt the key factors for the decrease were the annual scheduled principal payments on the Certificates of Participation of \$1,232,905 and loan obligations of \$1,978,014.

For liability recognition, the key factors for the decrease was a reduction of \$463,688 in the estimated liability for the landfill post closure costs and other scheduled principal payments for loans and COPs. The County's Net OPEB Obligation (NOO) decreased by \$44,461, continuing the trend from the prior year. As an offset to reductions in liability recognition, the accrued claims liability decreased by \$76,995 due to an adjustment in the actuarially determined unpaid claim amounts.

*Additional information on the County's long-term debt can be found in Note 6 on pages 66-71 of this report.*

**Infrastructure Assets Reported Under the Modified Approach**

The County is using the modified approach to account for the maintained road system. This method is in-lieu of the depreciation method used for all other assets. The County has set their average Pavement Condition Index (PCI) rating at 62. The rating must be achieved for each three year assessment period. The most recent complete three year assessment occurred in fiscal year 2014/15 with an average PCI rating of 63.7.

**Road System Infrastructure Assets Using Modified Approach  
Summary Activity for Fiscal Year ending June 30, 2016**

Expenditures	Capital Improvements	Preservation Maintenance	General Maintenance	Total Cost
Planned	4,295,718	3,976,250	3,724,286	11,996,254
Actual	3,647,233	2,169,358	3,246,671	9,063,262
Difference	(648,485)	(1,806,892)	(477,615)	(2,932,992)

The reduction in capital improvement expenses from planned levels was due to lower than planned actual expenditures for two projects - Newtown and Empress bike lanes.

Planned preservation maintenance expenditures decreased due to projects planned but postponed until 2016/17.

## COUNTY OF NEVADA

### Management's Discussion and Analysis Required Supplementary Information June 30, 2016

*Additional information on the County's use of the Modified Approach can be found in Required Supplementary Information (RSI) on pages 94-95 of this report.*

#### **Economic Factors and Next Year's Budget for FY 2016/17**

The fiscal year 2016/17 adopted budget for all County funds totals \$213,963,886, a 6% increase when compared to the prior year. General fund spending is projected to be \$71,499,277 or less than 1% higher than prior year. Ending fund balance for the general fund is projected at \$28,541,012.

The local economy is strengthening and much of the County's revenues are recovering as well. The following factors were considered as the budget for fiscal year 2016/17 was prepared.

- The fiscal year 2016/17 budget reflects a 6.0% growth in property tax related revenues to the County. This includes secured, unsecured, and unitary as well as the property transfer tax and supplemental property tax revenues.
  - The annual adjustment of property base year values is tied to the consumer price index (inflationary) factor, and historically, has been a factor of 1.02. The Assessor, however, has continued to review and to adjust property values as allowed by California law to reflect the current fair market value. This activity, in conjunction with the increase in sales prices, resulted in 4.8% positive growth in the assessed values countywide for the fiscal year 2016/17.
- The fiscal year 2016/17 budget contemplates a 2% increase in the sales and use tax revenue stream. This has a direct effect on the sales tax revenue source for the Library fund as well as the Realignment program revenues and other County programs with a direct share of various State allocations based on sales tax collections.

*The 2016/17 budget documents are available online at:*  
[www.mynevadacounty.com/nc/ceo/Pages/budgetmain.aspx](http://www.mynevadacounty.com/nc/ceo/Pages/budgetmain.aspx)

#### **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 County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Nevada County Auditor-Controller, Marcia L. Salter, 950 Maidu Avenue, Nevada City CA 95959. This entire report is available online at [www.mynevadacounty.com/nc/auditor/Pages/Home.aspx](http://www.mynevadacounty.com/nc/auditor/Pages/Home.aspx)

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**Basic Financial Statements**  
**Government-Wide Financial Statements**

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**COUNTY OF NEVADA**

Statement of Net Position  
June 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Cash and investments	\$ 76,338,402	\$ 20,785,620	\$ 97,124,022
Restricted cash	872,245	--	872,245
Accounts receivable	1,370,009	181,701	1,551,710
Due from other governments	16,605,795	661,244	17,267,039
Taxes receivable	3,421,127	575	3,421,702
Deposits with others	115,785	--	115,785
Prepaid expenses	240,509	--	240,509
Inventories	54,906	45,172	100,078
Internal balances	(8,114)	8,114	--
Loans receivable	4,548,151	--	4,548,151
Capital assets:			
Nondepreciable	218,334,218	4,974,686	223,308,904
Depreciable, net	52,483,897	51,081,934	103,565,831
Total Assets	<u>374,376,930</u>	<u>77,739,046</u>	<u>452,115,976</u>
<b>DEFERRED OUTFLOWS</b>			
Deferred outflows - pensions	<u>12,827,128</u>	<u>559,296</u>	<u>13,386,424</u>
<b>LIABILITIES</b>			
Accounts payable	5,876,060	418,830	6,294,890
Salaries and benefits payable	2,368,548	104,406	2,472,954
Interest payable	117,715	342,694	460,409
Deposits from others	109,478	2,000	111,478
Unearned revenue	1,320,368	1,511,923	2,832,291
Long-Term Liabilities:			
Due within one year	4,280,148	2,218,982	6,499,130
Due in more than one year	13,081,129	24,971,510	38,052,639
Other postemployment benefits (OPEB) liability	4,273,720	261,893	4,535,613
Net pension liability	<u>137,809,995</u>	<u>5,561,032</u>	<u>143,371,027</u>
Total Liabilities	<u>169,237,161</u>	<u>35,393,270</u>	<u>204,630,431</u>
<b>DEFERRED INFLOWS</b>			
Deferred inflows - pensions	<u>10,588,601</u>	<u>400,403</u>	<u>10,989,004</u>
<b>NET POSITION</b>			
Net investment in capital assets	260,166,951	35,529,970	295,696,921
Restricted for:			
General Government	2,080,562	--	2,080,562
Public Protection	14,056,185	--	14,056,185
Public Ways and Facilities	9,111,034	--	9,111,034
Health and Sanitation	18,832,649	--	18,832,649
Public Assistance	8,881,545	--	8,881,545
Education	736,421	--	736,421
Recreation and Cultural Services	103,924	--	103,924
Unrestricted	(106,590,975)	6,974,699	(99,616,276)
Total Net Position	<u>\$ 207,378,296</u>	<u>\$ 42,504,669</u>	<u>\$ 249,882,965</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

Statement of Activities  
For the Year Ended June 30, 2016

Functions/Programs	Program Revenues			
	Direct Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 13,384,738	\$ 4,683,641	\$ 841,889	\$ --
Public protection	54,044,545	7,651,215	18,269,631	--
Public ways and facilities	9,316,496	1,745,652	5,832,735	1,456,206
Health and sanitation	28,990,411	3,505,911	30,209,811	500,000
Public assistance	26,712,084	41,963	22,505,685	--
Education	2,887,766	75,799	127,772	--
Recreation and culture	54,548	--	--	--
Interest on long-term debt	425,102	--	--	--
<b>Total Governmental Activities</b>	<b>135,815,690</b>	<b>17,704,181</b>	<b>77,787,523</b>	<b>1,956,206</b>
<b>Business-Type Activities:</b>				
Eastern Nevada County Solid Waste	204,675	70,953	--	--
Western Nevada County Solid Waste	270,983	1,635,930	53,603	--
Transit Services	3,059,165	395,420	1,265,775	1,321,032
Airport	1,356,720	1,026,948	10,000	79,900
Sanitation District	5,281,399	6,702,672	--	738,449
<b>Total Business-type Activities</b>	<b>10,172,942</b>	<b>9,831,923</b>	<b>1,329,378</b>	<b>2,139,381</b>
<b>Total Nevada County</b>	<b>\$ 145,988,632</b>	<b>\$ 27,536,104</b>	<b>\$ 79,116,901</b>	<b>\$ 4,095,587</b>

General Revenues:

Taxes:

- Property taxes
- Sales and use taxes
- Property transfer taxes
- Transient occupancy tax
- Franchise taxes
- Other

Unrestricted interest and investment earnings

Tobacco settlement

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (7,859,208)	\$ --	\$ (7,859,208)
(28,123,699)	--	(28,123,699)
(281,903)	--	(281,903)
5,225,311	--	5,225,311
(4,164,436)	--	(4,164,436)
(2,684,195)	--	(2,684,195)
(54,548)	--	(54,548)
(425,102)	--	(425,102)
<u>(38,367,780)</u>	<u>--</u>	<u>(38,367,780)</u>
--	(133,722)	(133,722)
--	1,418,550	1,418,550
--	(76,938)	(76,938)
--	(239,872)	(239,872)
--	2,159,722	2,159,722
<u>--</u>	<u>3,127,740</u>	<u>3,127,740</u>
<u>(38,367,780)</u>	<u>3,127,740</u>	<u>(35,240,040)</u>
34,807,770	8,471	34,816,241
5,247,649	--	5,247,649
993,284	--	993,284
353,083	21,969	375,052
2,643,225	--	2,643,225
188,641	1,663,107	1,851,748
856,102	155,688	1,011,790
851,265	--	851,265
1,664,980	4	1,664,984
(2,463)	2,463	--
<u>47,603,536</u>	<u>1,851,702</u>	<u>49,455,238</u>
9,235,756	4,979,442	14,215,198
<u>198,142,540</u>	<u>37,525,227</u>	<u>235,667,767</u>
<u>\$ 207,378,296</u>	<u>\$ 42,504,669</u>	<u>\$ 249,882,965</u>

The accompanying notes are an integral part of these financial statements.

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**Basic Financial Statements**  
**Fund Financial Statements**

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**COUNTY OF NEVADA**

Balance Sheet  
Governmental Funds  
June 30, 2016

	<u>General</u>	<u>Road</u>	<u>Community Development Agency</u>
<b>Assets</b>			
Cash and investments	\$22,084,539	\$ 3,649,107	\$ 3,482,012
Accounts receivable	833,809	2,414	166,967
Taxes receivable	3,141,125	--	--
Due from other governments	1,893,969	1,029,510	111,657
Due from other funds	6,825,668	793,944	499,348
Deposits with others	--	--	--
Inventories	--	38,616	--
Prepays	83,451	--	--
Restricted cash and investments	--	--	--
Advances to other funds	130,000		
Loans receivable	--	--	--
<b>Total Assets</b>	<b><u>\$34,992,561</u></b>	<b><u>\$ 5,513,591</u></b>	<b><u>\$ 4,259,984</u></b>
<b>Liabilities</b>			
Accounts payable	\$ 1,417,123	\$ 530,005	\$ 229,974
Salaries and benefits payable	1,426,324	109,952	170,743
Deposits from others	--	5,331	78,899
Due to other funds	437,722	294,475	111,056
Advances from other funds	--	--	--
Unearned revenue	10,106	--	130,953
<b>Total Liabilities</b>	<b><u>3,291,275</u></b>	<b><u>939,763</u></b>	<b><u>721,625</u></b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	<u>1,253,404</u>	<u>506,866</u>	<u>186,271</u>
<b>Fund Balances</b>			
Nonspendable	83,451	38,616	--
Restricted	784,297	4,028,346	218,562
Committed	7,080,000	--	1,432,047
Assigned	19,525,999	--	1,701,479
Unassigned	2,974,135	--	--
<b>Total Fund Balances</b>	<b><u>30,447,882</u></b>	<b><u>4,066,962</u></b>	<b><u>3,352,088</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$34,992,561</u></b>	<b><u>\$ 5,513,591</u></b>	<b><u>\$ 4,259,984</u></b>

The accompanying notes are an integral part of these financial statements.

Human Services Agency	Health and Welfare Realignment	Local Revenue Fund 2011 Realignment	Other Governmental	Total
\$ 321,812	\$ 7,522,838	\$ 4,813,706	\$ 28,238,196	\$ 70,112,210
315,619	--	--	26,367	1,345,176
--	--	--	280,002	3,421,127
5,300,391	1,743,028	1,830,343	2,398,792	14,307,690
2,880,559	626,212	488,340	514,703	12,628,774
20,010	--	--	--	20,010
--	--	--	--	38,616
126,637	--	--	--	210,088
--	--	--	872,245	872,245
--	--	--	--	130,000
--	--	--	4,548,151	4,548,151
<u>\$ 8,965,028</u>	<u>\$ 9,892,078</u>	<u>\$ 7,132,389</u>	<u>\$ 36,878,456</u>	<u>\$107,634,087</u>
\$ 2,427,340	\$ --	\$ 75,000	\$ 983,903	\$ 5,663,345
542,986	--	--	93,823	2,343,828
25,248	--	--	--	109,478
1,488,737	629,205	2,891,611	4,209,668	10,062,474
--	--	--	130,000	130,000
358,890	--	--	820,419	1,320,368
<u>4,843,201</u>	<u>629,205</u>	<u>2,966,611</u>	<u>6,237,813</u>	<u>19,629,493</u>
<u>2,993,312</u>	<u>--</u>	<u>--</u>	<u>462,936</u>	<u>5,402,789</u>
--	--	--	--	122,067
1,128,515	9,262,873	4,165,778	29,059,418	48,647,789
--	--	--	47,460	8,559,507
--	--	--	1,070,829	22,298,307
--	--	--	--	2,974,135
<u>1,128,515</u>	<u>9,262,873</u>	<u>4,165,778</u>	<u>30,177,707</u>	<u>82,601,805</u>
<u>\$ 8,965,028</u>	<u>\$ 9,892,078</u>	<u>\$ 7,132,389</u>	<u>\$ 36,878,456</u>	<u>\$107,634,087</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

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

Fund Balance - total governmental funds (pages 26 and 27)	\$ 82,601,805
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	269,670,599
Other long term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	5,402,789
Deferred outflows of resources reported in the Statement of Net Position	12,674,666
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental fund balance sheets.	(117,715)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Certificates of participation	(4,361,623)
Bonds payable	(221,000)
Loans payable	(6,053,574)
Compensated absences	(5,398,232)
Net OPEB obligation	(4,220,087)
Net pension liability	(136,294,076)
Deferred inflows of resources reported in the Statement of Net Position	(10,479,453)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	<u>4,174,197</u>
Net position of governmental activities (page 21)	<u><u>\$ 207,378,296</u></u>

The accompanying notes are an integral part of these financial statements.

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**COUNTY OF NEVADA**

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

	<u>General</u>	<u>Road</u>	<u>Community Development Agency</u>
Revenues:			
Taxes	\$ 39,703,305	\$ 48,297	\$ 21,969
Licenses and permits	2,726,503	36,996	1,641,438
Fines, forfeitures and penalties	2,665,441	312	22,705
Use of money and property	416,777	34,421	35,718
Intergovernmental	3,159,385	6,829,337	816,536
Charges for services	7,726,611	457,686	2,373,788
Other revenues	1,127,911	2,989	158,536
Total Revenues	<u>57,525,933</u>	<u>7,410,038</u>	<u>5,070,690</u>
Expenditures:			
Current:			
General government	10,624,832	--	--
Public protection	47,787,442	--	4,344,952
Public ways and facilities	--	8,416,471	--
Health and sanitation	108,023	--	2,245,660
Public assistance	339,377	--	--
Education	48,352	--	--
Recreation and culture	--	--	--
Debt Service:			
Principal	--	--	--
Interest	--	--	--
Capital outlay	965,361	3,737,885	316,057
Total Expenditures	<u>59,873,387</u>	<u>12,154,356</u>	<u>6,906,669</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,347,454)</u>	<u>(4,744,318)</u>	<u>(1,835,979)</u>
Other Financing Sources (Uses):			
Transfers in	11,664,645	2,053,800	2,191,113
Transfers out	(7,157,267)	--	(23,988)
Total Other Financing Sources (Uses)	<u>4,507,378</u>	<u>2,053,800</u>	<u>2,167,125</u>
Net Changes in Fund Balances	2,159,924	(2,690,518)	331,146
Fund Balances, Beginning of Year	<u>28,287,958</u>	<u>6,757,480</u>	<u>3,020,942</u>
Fund Balances, End of Year	<u>\$ 30,447,882</u>	<u>\$ 4,066,962</u>	<u>\$ 3,352,088</u>

The accompanying notes are an integral part of these financial statements.

Human Services Agency	Health and Welfare Realignment	Local Revenue Fund 2011 Realignment	Nonmajor Governmental Funds	Total
\$ --	\$ --	\$ --	\$ 1,818,078	\$ 41,591,649
--	--	--	11,730	4,416,667
28,173	--	--	534,536	3,251,167
(4,734)	76,191	40,332	256,771	855,476
29,791,782	9,558,087	13,616,668	15,038,978	78,810,773
1,381,585	--	--	1,667,884	13,607,554
245,237	--	--	765,399	2,300,072
<u>31,442,043</u>	<u>9,634,278</u>	<u>13,657,000</u>	<u>20,093,376</u>	<u>144,833,358</u>
--	--	--	1,025,541	11,650,373
--	--	300,000	3,547,721	55,980,115
--	--	--	934,051	9,350,522
21,909,346	--	--	4,884,237	29,147,266
27,036,589	--	--	676,190	28,052,156
--	--	--	2,789,702	2,838,054
--	--	--	54,548	54,548
--	--	--	1,573,819	1,573,819
--	--	--	511,454	511,454
27,442	--	--	44,948	5,091,693
<u>48,973,377</u>	<u>--</u>	<u>300,000</u>	<u>16,042,211</u>	<u>144,250,000</u>
<u>(17,531,334)</u>	<u>9,634,278</u>	<u>13,357,000</u>	<u>4,051,165</u>	<u>583,358</u>
17,133,080	127,268	--	6,168,847	39,338,753
(615,607)	(9,624,385)	(11,844,555)	(10,269,284)	(39,535,086)
<u>16,517,473</u>	<u>(9,497,117)</u>	<u>(11,844,555)</u>	<u>(4,100,437)</u>	<u>(196,333)</u>
(1,013,861)	137,161	1,512,445	(49,272)	387,025
<u>2,142,376</u>	<u>9,125,712</u>	<u>2,653,333</u>	<u>30,226,979</u>	<u>82,214,780</u>
<u>\$ 1,128,515</u>	<u>\$ 9,262,873</u>	<u>\$ 4,165,778</u>	<u>\$ 30,177,707</u>	<u>\$ 82,601,805</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

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

Net change to fund balance - total governmental funds (pages 30 and 31) \$ 387,025

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

Governmental funds report capital outlay 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 general capital assets, infrastructure, and other related capital assets adjustments	5,169,924	
Less: current year depreciation	<u>(2,462,790)</u>	2,707,134

Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized as revenues in the statement of activities. 1,062,280

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

Principal retirements 1,573,819

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 governmental funds.

Change in compensated absences payable	(348,368)	
Change in net OPEB obligation	42,284	
Change in accrued interest on long-term debt	18,447	
Amortization of premium	67,905	
Change in net pension liability	<u>2,832,454</u>	2,612,722

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities. 892,776

Change in net position of governmental activities (pages 22 and 23) \$ 9,235,756

The accompanying notes are an integral part of these financial statements.

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**COUNTY OF NEVADA**

Statement of Net Position  
Proprietary Funds  
June 30, 2016

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and investments	\$ 11,901,972	\$ 234,512	\$ 6,999,307
Accounts receivable	30,336	118,717	--
Taxes receivable	575	--	--
Due from other governments	2,823	23,502	560,652
Due from other funds	13,238	12,864	2,724
Prepaid costs	--	--	--
Inventory	--	45,172	--
Deposits	--	--	--
<b>Total Current Assets</b>	<b>11,948,944</b>	<b>434,767</b>	<b>7,562,683</b>
<b>Noncurrent Assets:</b>			
<b>Capital assets:</b>			
Non-depreciable	320,972	2,024,527	2,602,778
Depreciable, net	472,749	3,360,562	44,368,216
<b>Total Noncurrent Assets</b>	<b>793,721</b>	<b>5,385,089</b>	<b>46,970,994</b>
<b>Total Assets</b>	<b>12,742,665</b>	<b>5,819,856</b>	<b>54,533,677</b>
Deferred Outflows - pensions	45,594	43,327	297,797
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	50,645	71,732	192,663
Salaries and benefits payable	7,207	10,038	52,500
Interest payable	--	1,332	341,362
Deposits payable	--	2,000	--
Due to other funds	35,587	16,196	116,749
Unearned revenue	--	9,273	--
Compensated absences	3,882	--	16,720
Special assessment bonds	--	--	3,000
Loans and capital leases payable	--	27,672	1,572,030
Accrued claims payable	--	--	--
Postclosure costs	575,288	--	--
<b>Total Current Liabilities</b>	<b>672,609</b>	<b>138,243</b>	<b>2,295,024</b>
<b>Noncurrent Liabilities:</b>			
Compensated absences	16,243	9,280	60,556
Special assessment bonds	--	--	6,000
Loans and capital leases payable	--	13,714	18,904,234
Accrued claims payable	--	--	--
Postclosure costs	5,795,398	--	--
Net OPEB obligation	68,600	12,642	110,452
Net pension liability	453,334	430,798	2,960,974
<b>Total Noncurrent Liabilities</b>	<b>6,333,575</b>	<b>466,434</b>	<b>22,042,216</b>
<b>Total Liabilities</b>	<b>7,006,184</b>	<b>604,677</b>	<b>24,337,240</b>
Deferred Inflows - pensions	32,642	31,018	213,194
<b>NET POSITION</b>			
Net investment in capital assets	793,721	5,343,703	26,485,730
Unrestricted	4,955,712	(116,215)	3,795,310
<b>Total Net Position</b>	<b>\$ 5,749,433</b>	<b>\$ 5,227,488</b>	<b>\$ 30,281,040</b>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.  
Net Position of Business-Type Activities

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds			Governmental Activities
<u>Nonmajor Fund</u>			
Transit Services	Eastern Nevada County Solid Waste	Total Enterprise Funds	Internal Service Funds
\$ 1,532,771	\$ 117,058	\$ 20,785,620	\$ 6,226,192
32,524	124	181,701	24,833
--	--	575	--
74,267	--	661,244	--
12,778	--	41,604	468,778
--	--	--	30,421
--	--	45,172	16,290
--	--	--	95,775
<u>1,652,340</u>	<u>117,182</u>	<u>21,715,916</u>	<u>6,862,289</u>
--	26,409	4,974,686	--
<u>2,880,407</u>	<u>--</u>	<u>51,081,934</u>	<u>1,147,516</u>
<u>2,880,407</u>	<u>26,409</u>	<u>56,056,620</u>	<u>1,147,516</u>
<u>4,532,747</u>	<u>143,591</u>	<u>77,772,536</u>	<u>8,009,805</u>
<u>172,578</u>	<u>--</u>	<u>559,296</u>	<u>152,462</u>
103,255	535	418,830	212,714
34,661	--	104,406	24,721
--	--	342,694	--
--	--	2,000	--
83,226	--	251,758	526,819
1,502,650	--	1,511,923	--
16,420	--	37,022	4,653
--	--	3,000	--
--	--	1,599,702	3,229
--	--	--	878,586
--	3,970	579,258	--
<u>1,740,212</u>	<u>4,505</u>	<u>4,850,593</u>	<u>1,650,722</u>
46,548	--	132,627	44,173
--	--	6,000	--
--	--	18,917,948	11,738
--	--	--	384,469
--	119,537	5,914,935	--
70,199	--	261,893	53,633
<u>1,715,926</u>	<u>--</u>	<u>5,561,032</u>	<u>1,515,919</u>
<u>1,832,673</u>	<u>119,537</u>	<u>30,794,435</u>	<u>2,009,932</u>
<u>3,572,885</u>	<u>124,042</u>	<u>35,645,028</u>	<u>3,660,654</u>
<u>123,549</u>	<u>--</u>	<u>400,403</u>	<u>109,148</u>
2,880,407	26,409	35,529,970	1,132,549
(1,871,516)	(6,860)	6,756,431	3,259,916
<u>\$ 1,008,891</u>	<u>\$ 19,549</u>	<u>42,286,401</u>	<u>\$ 4,392,465</u>
		218,268	
		<u>\$ 42,504,669</u>	

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

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

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
Operating Revenues:			
Charges for services	\$ 1,627,801	\$ 30,207	\$ 6,674,749
Fuel sales	--	722,534	--
Other revenues	--	214,508	27,923
Total Operating Revenues	<u>1,627,801</u>	<u>967,249</u>	<u>6,702,672</u>
Operating Expenses:			
Salaries and benefits	(8,350)	203,224	421,563
Services and supplies	108,573	637,089	1,494,604
Benefit and claim expenses	--	--	--
Other charges	(42,147)	44,205	181,983
Expense transfers	154,559	32,502	481,143
Closure and postclosure costs	63,076	--	--
Depreciation and amortization	1,458	441,249	2,289,124
Total Operating Expenses	<u>277,169</u>	<u>1,358,269</u>	<u>4,868,417</u>
Operating Income (Loss)	<u>1,350,632</u>	<u>(391,020)</u>	<u>1,834,255</u>
Non-Operating Revenue (Expenses):			
Taxes and assessments	--	58,082	--
Forfeitures and penalties	8,129	59,699	--
Intergovernmental revenues	53,603	10,000	--
Interest income	90,013	2,438	49,095
Interest expense	--	(1,891)	(458,897)
Other non-operating revenue	--	--	--
Total Non-Operating Revenue (Expenses)	<u>151,745</u>	<u>128,328</u>	<u>(409,802)</u>
Income (Loss) Before Transfers, Contributions and Special Items	1,502,377	(262,692)	1,424,453
Capital contributions	--	79,900	738,449
Transfers in	2,463	--	--
Change in Net Position	1,504,840	(182,792)	2,162,902
Net Position - Beginning of Year	<u>4,244,593</u>	<u>5,410,280</u>	<u>28,118,138</u>
Net Position - End of Year	<u>\$ 5,749,433</u>	<u>\$ 5,227,488</u>	<u>\$ 30,281,040</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in Net Position of the Business-Type Activities

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds			Governmental Activities
Nonmajor Fund			
Transit Services	Eastern Nevada County Solid Waste	Total Enterprise Funds	Internal Service Funds
\$ 395,420	\$ 70,953	\$ 8,799,130	\$ 6,753,968
--	--	722,534	--
--	--	242,431	323
<u>395,420</u>	<u>70,953</u>	<u>9,764,095</u>	<u>6,754,291</u>
731,457	--	1,347,894	496,156
1,721,410	201,941	4,163,617	3,520,835
--	--	--	916,148
144,554	1,511	330,106	150,763
257,745	--	925,949	514,172
--	1,223	64,299	--
278,611	--	3,010,442	376,895
<u>3,133,777</u>	<u>204,675</u>	<u>9,842,307</u>	<u>5,974,969</u>
<u>(2,738,357)</u>	<u>(133,722)</u>	<u>(78,212)</u>	<u>779,322</u>
1,635,465	--	1,693,547	--
--	--	67,828	1,503
1,265,775	--	1,329,378	--
12,813	1,329	155,688	48,234
--	--	(460,788)	--
4	--	4	--
<u>2,914,057</u>	<u>1,329</u>	<u>2,785,657</u>	<u>49,737</u>
175,700	(132,393)	2,707,445	829,059
1,321,032	--	2,139,381	--
--	--	2,463	193,870
<u>1,496,732</u>	<u>(132,393)</u>	<u>4,849,289</u>	<u>1,022,929</u>
<u>(487,841)</u>	<u>151,942</u>		<u>3,369,536</u>
<u>\$ 1,008,891</u>	<u>\$ 19,549</u>		<u>\$ 4,392,465</u>
		130,153	
		<u>\$ 4,979,442</u>	

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

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

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers	\$ 1,605,703	\$ 960,013	\$ 6,148,471
Payments to suppliers	(787,443)	(677,276)	(2,032,701)
Payments to employees	(130,195)	(276,676)	(1,791,558)
	688,065	6,061	2,324,212
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Grants and other receipts	61,732	127,781	--
Transfers from (to) other funds	24,255	48,294	--
Receipts from other funds	--	--	553,198
Payments to other funds	--	--	(565,074)
	85,987	176,075	(11,876)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(44,419)	(129,377)	(908,857)
Capital grants	--	59,954	738,449
Principal paid on capital debt	--	(27,495)	(1,559,701)
Interest paid on capital debt	--	(2,969)	(472,117)
	(44,419)	(99,887)	(2,202,226)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received (paid)	90,013	2,438	49,095
Net Cash Provided (Used) by Investing Activities	90,013	2,438	49,095
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	819,646	84,687	159,205
<b>Cash and Cash Equivalents, Beginning of Year</b>	11,082,326	149,825	6,840,102
<b>Cash and Cash Equivalents, End of Year</b>	\$ 11,901,972	\$ 234,512	\$ 6,999,307

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds			Governmental Activities
Nonmajor Fund			
Transit Services	Eastern Nevada County Solid Waste	Total Enterprise Funds	Internal Service Funds
\$ 80,189	\$ 70,829	\$ 8,865,205	\$ 6,754,770
(2,134,995)	(203,415)	(5,835,830)	(5,219,577)
(1,227,507)	--	(3,425,936)	(869,346)
(3,282,313)	(132,586)	(396,561)	665,847
2,901,244	--	3,090,757	1,503
(46,480)	--	26,069	193,870
--	--	553,198	259,864
--	--	(565,074)	--
2,854,764	--	3,104,950	455,237
(1,292,096)	--	(2,374,749)	(610,035)
1,330,042	--	2,128,445	--
--	--	(1,587,196)	(2,933)
--	--	(475,086)	--
37,946	--	(2,308,586)	(612,968)
12,813	1,329	155,688	48,234
12,813	1,329	155,688	48,234
(376,790)	(131,257)	555,491	556,350
1,909,561	248,315	20,230,129	5,669,842
<u>\$ 1,532,771</u>	<u>\$ 117,058</u>	<u>\$ 20,785,620</u>	<u>\$ 6,226,192</u>

continued

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

Statement of Cash Flows (continued)  
 Proprietary Funds  
 For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 1,350,632	\$ (391,020)	\$ 1,834,255
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,458	441,249	2,289,125
(Increase) decrease in:			
Accounts receivable	13,719	(3,398)	(554,201)
Prepaid expense	--	--	--
Inventory	--	8,237	--
Deferred outflows of resources	15,967	8,419	141,589
Increase (decrease) in:			
Accounts payable	(38,969)	28,283	125,028
Accrued salaries and benefits	3,692	3,733	11,639
Unearned revenue	(35,817)	(3,838)	--
Deferred inflows of resources	(55,589)	(43,145)	(416,541)
Net pension liability	(113,570)	(45,720)	(1,085,240)
Compensated absences payable	11,033	3,394	(20,517)
Claims liability	--	--	--
Closure and postclosure liability	(464,413)	--	--
Net OPEB obligation	(78)	(133)	(925)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 688,065</b>	<b>\$ 6,061</b>	<b>\$ 2,324,212</b>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds			Governmental Activities
<u>Nonmajor Fund</u>			
Transit Services	Eastern Nevada County Solid Waste	Total Enterprise Funds	Internal Service Funds
\$ (2,738,357)	\$ (133,722)	\$ (78,212)	\$ 779,322
278,611	--	3,010,443	376,895
18,696	(124)	(525,308)	479
--	--	--	(23,140)
--	--	8,237	17,831
53,626	--	219,601	39,253
(11,286)	535	103,591	(35,355)
10,801	--	29,865	6,037
(333,927)	--	(373,582)	--
(200,650)	--	(715,925)	(165,623)
(367,137)	--	(1,611,667)	(249,551)
7,854	--	1,764	(2,809)
--	--	--	(76,995)
--	725	(463,688)	--
(544)	--	(1,680)	(497)
<u>\$ (3,282,313)</u>	<u>\$ (132,586)</u>	<u>\$ (396,561)</u>	<u>\$ 665,847</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

Statement of Fiduciary Net Position  
June 30, 2016

	Investment Trust Fund	Agency Funds
<b>Assets</b>		
Cash and investments	\$ 78,437,320	\$ 2,839,768
Restricted cash and investments	--	518,523
Accounts receivable	352,199	10,454
Taxes receivable	2,099,806	9,846,202
Total Assets	80,889,325	\$ 13,214,947
<b>Liabilities</b>		
Accounts payable	180,126	\$ --
Due to other funds	--	2,298,105
Agency obligations	--	10,916,842
Total Liabilities	180,126	\$ 13,214,947
<b>Net Position</b>		
Net position held in trust for investment pool participants	\$ 80,709,199	

The accompanying notes are an integral part of these financial statements.

**COUNTY OF NEVADA**

Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2016

	Investment Trust Fund
Additions	
Contributions to investment pool	\$ 377,991,332
Net investment income:	
Investment income	<u>617,901</u>
Total Additions	<u>378,609,233</u>
Deductions	
Distributions from investment pool	<u>376,634,186</u>
Total Deductions	<u>376,634,186</u>
Change in net position	1,975,047
Net Position - Beginning of Year	<u>78,734,152</u>
Net Position - End of Year	<u><u>\$ 80,709,199</u></u>

The accompanying notes are an integral part of these financial statements.

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**Basic Financial Statements**  
**Notes to Basic Financial Statements**

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## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### A. Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a county wide basis including law and justice, education, detention, social, health, road construction, road maintenance, transportation, 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 Nevada, Auditor-Controller's Office, 950 Maidu Avenue, Nevada City, CA 95959 or via the web at [www.mynevadacounty.com/nc/auditor](http://www.mynevadacounty.com/nc/auditor).

#### Blended Component Units

*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 administered by the Department of Public Works. Among its duties, the County Board of Supervisors approves the budgets, special taxes and fees of these special districts. As an integral part of the County, these special districts are reported as a nonmajor special revenue fund in the County's financial statements.

*Special Assessment Debt with County Commitment* – These funds were established to administer bonds issued by the County of Nevada on behalf of the County Service Area 22 Assessment District under the Improvement Bond Act of 1915. The County Board of Supervisors is the governing body of these funds and approves all payments. As an integral part of the County, these funds are reported as a nonmajor debt service fund in the County's financial statements.

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. Reporting Entity (continued)

##### Blended Component Units (continued)

*Finance Authority* – The Finance Authority was formed to assist the County in the financing of real or personal property for the benefit of Nevada County. The Finance Authority is the lessor for the County's Certificates of Participation (2011 Refunding) and the Crown Point Building Loan and makes debt service payments on behalf of the County. The County Board of Supervisors appoints the governing body of the Finance Authority and because its financial and operational relationship with the County is closely integrated, the Finance Authority is reported as a nonmajor debt service fund in the County's financial statements.

*Sanitation District* – The County Board of Supervisors is the governing body of the Sanitation District. The Sanitation District accounts for activity related to providing customers with sanitation management and billing for services provided. As an integral part of the County, this special district is reported as a major enterprise fund in the County's financial statements.

##### Discretely Presented Component Units

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

##### Joint Agencies

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

#### B. Basis of Presentation

##### Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Basis of Presentation (continued)

##### Government-Wide Financial Statements (continued)

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and for 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 enterprise funds are separately aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, health and sanitation, public assistance, and education services.
- The Road fund is a special revenue fund used to account for the revenues and expenditures for streets and road expansion. Funding comes primarily from state highway users taxes, state and federal highway improvement grants and local funding.
- The Community Development Agency fund is a special revenue fund used to account for the operation of community development programs. Funding comes primarily from construction permit and inspection fees, state grants and charges for various services.
- The Human Services Agency fund is a special revenue fund used to account for revenues and expenditures for human service programs. Funding comes primarily from state and federal revenues.
- The Health and Welfare Realignment fund is a special revenue fund used to account for revenues and expenditures for public and mental health and social services programs. Funding comes primarily from state realignment revenues.
- The Local Revenue Fund 2011 Realignment fund is a special revenue fund used to account for revenues and expenditures related to public safety programs. Funding comes primarily from state realignment revenues.

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Basis of Presentation (continued)

##### Fund Financial Statements (continued)

The County reports the following enterprise funds:

- The Western Nevada County Solid Waste fund is an enterprise fund used to account for activity related to providing customers with solid waste management and landfill postclosure maintenance services.
- The Airport fund is an enterprise fund used to account for activity related to the County Airport and billing for services provided by the County.
- The Sanitation District fund is an enterprise fund used to account for activity related to providing customers with sanitation management and billing for services provided by the County.
- The Transit Services fund is an enterprise fund that accounts for administration and delivery of public transit and paratransit services, primarily in Western Nevada County.
- The Nonmajor Enterprise Fund is the Eastern Nevada County Solid Waste Fund which accounts for the solid waste support services in Eastern Nevada County.

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet maintenance, mail and self-insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of five separate funds; Special Districts governed by Local Boards, School Districts, School Districts Debt Service, Courts and Jury/Witness and Local Transportation Authority. 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 government agencies and investment earnings awaiting apportionment to other local government agencies.

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

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Basis of Presentation (continued)

##### Fund Financial Statements (continued)

The 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.

#### C. Basis of Accounting and Measurement Focus

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

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

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

#### D. Non-Current Governmental Assets/Liabilities

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

#### E. Cash, Cash Equivalents and Investments

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

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### E. Cash, Cash Equivalents and Investments (continued)

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

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

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

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

#### F. Restricted Cash and Investments

Restricted assets in the governmental funds represent cash and investments held with the Finance Authority for debt service in the amount of \$872,245.

In addition, the Agency funds reflect cash and investments held for various restricted purposes as restricted cash of \$518,523.

#### G. Receivables

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

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### H. Other Assets

##### Inventory

Inventories are stated at average cost for governmental and proprietary funds. Inventory recorded by governmental funds includes 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 supplies for internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

##### Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

#### I. Loans Receivable

For the purpose of the governmental fund financial statements, special revenue fund expenditures relating to long-term loans receivable arising from mortgage subsidy programs are charged to operations upon funding and the loans receivable are recorded. The balance of the long-term receivable includes loans that may be forgiven if certain terms and conditions of the loans are met.

#### J. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items), are defined by the County as assets with a cost of more than \$5,000 for equipment, \$25,000 for intangibles and \$50,000 for structures and infrastructure and an estimated useful life of more than one year. Capital assets are recorded at historical or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their estimated fair market value at the date of donation.

The County has elected to use the modified approach to report its maintained road system. Under the modified approach depreciation is not reported for this system and all expenditures, except for betterments and major improvements made to the system, are expensed.

The County manages its maintained road system using the Metropolitan Transportation Commission's Pavement Management program (Program) and accounts for them using the modified approach. The Program establishes a Pavement Condition Index (PCI) on a scale from zero to one hundred (0-100) for each road segment being maintained by the Department of Public Works. The Program has defined the pavement of roads with PCIs of 40 or better to be in a "Fair" or better condition and roads with a PCI of 55 or better to be in a "Good" or better condition. The system-wide average PCI number for all paved or chip sealed roads in the County maintained road system is calculated on a weighted by section, road area basis. The amount that an individual road section's condition contributes to the overall system average rating is proportionate to the amount of the total systems' surfaced area that the individual segment contains. It is the County's policy relative to maintaining the maintained road system to keep an average PCI rating of 62. This rating must be achieved over a three year period.

**COUNTY OF NEVADA**

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

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Capital Assets** (continued)

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

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	2-25 years
Structures and improvements	5-50 years
Infrastructure (except for the maintained road system)	20-75 years
Intangibles (Computer Software)	5 years

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

**K. Property Tax**

The State of California’s (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1 percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value, as defined by Article XIII A, and may be increased 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 Nevada is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

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

	<u>Secured</u>	<u>Unsecured</u>
Valuation/lien dates	January 1	January 1
Due dates	November 1 (1 <sup>st</sup> installment) February 1 (2 <sup>nd</sup> installment)	July 1
Delinquent dates	December 11 (1 <sup>st</sup> installment) April 11 (2 <sup>nd</sup> installment)	August 31

The County of Nevada apportions secured property tax revenue in accordance with the alternate methods of distribution, the “Teeter Plan”, as described by Sections 4701 through 4717 of the California Revenue and Taxation code. Under the Teeter Plan, the County Auditor-Controller, an elected official is authorized to pay 100 percent of the property taxes billed (secured, supplemental, and debt service) to the taxing agencies within the County. The County recognizes property tax revenues in the period for which the taxes are levied. Previously, such taxes were allocated and paid as the taxes were collected.

## COUNTY OF NEVADA

### Notes to Basic Financial Statements For the Year Ended June 30, 2016

#### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **K. Property Tax (continued)**

To fund the advances, the County borrowed from its pooled cash and investments. The advances are secured by delinquent taxes receivable and will be repaid as delinquencies plus penalties (10 percent) and interest (18 percent, per annum or 1.5% per month) when collected, per R&T code §4103. As of June 30, 2016, the outstanding net borrowing totaled \$2,298,105 and was recorded as a reduction of cash in the General fund with a corresponding due from other funds.

##### **L. Interfund Transactions**

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

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

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

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

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

##### **M. Unearned Revenue**

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

##### **N. Compensated Absences**

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation or personal paid leave. An unlimited amount of sick leave may be accrued in accordance with each bargaining unit's MOU and, upon separation from County's service, will either be paid to employees or converted to PERS service credit. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, 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. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

## COUNTY OF NEVADA

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

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has deferred outflows of resources related to pensions.

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 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 deferred inflows of resources related to unavailable revenues reported under the modified accrual basis of accounting in the governmental funds balance sheet and related to pensions in its proprietary and government-wide statements. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### P. Estimates

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

### NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### B. Rebutable Arbitrage

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

**COUNTY OF NEVADA**

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

**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's 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 the 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 and investments with fiscal agents are considered part of the investment pool.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The investments of involuntary participants in the investment pool totaled \$78,437,320 at June 30, 2016.

**A. Financial Statement Presentation**

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

Primary government	\$ 97,996,267
Investment trust fund	78,437,320
Agency funds	3,358,291
Total Cash and Investments	<u>\$ 179,791,878</u>

**COUNTY OF NEVADA**

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

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

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

Cash:	
Cash on hand	\$ 88,142
Deposits in Treasurer's Pool (less outstanding warrants)	8,446,071
Total Cash in County Pool	<u>8,534,213</u>
Investments:	
In Treasurer's Pool	170,385,420
Total Investments in County Pool	<u>170,385,420</u>
Investments with fiscal agents	872,245
Total Investments	<u>171,257,665</u>
Total Cash and Investments	<u>\$ 179,791,878</u>

**B: Cash**

At year end, the carrying amount of the County's cash deposits (including amount in checking accounts, money market accounts and deposits with fiscal agents) was \$9,406,062 and the bank balance was \$11,389,209. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the County had cash on hand of \$88,142.

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

**C. Investments**

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

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund
- Medium Term Corporate Notes
- Money Market Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Reverse Repurchase Agreements

**COUNTY OF NEVADA**

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

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (continued)**

Securities of the Federal Government or its Agencies  
California State Registered Warrants, Treasury Notes and Bonds  
Local Agency Obligations  
Certificates of Deposit  
Pass-Through Security

Interest Rate Risk – Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The County limits its exposure to interest rate risk inherent in its portfolio by limiting individual maturities to 5 years or less.

As of June 30, 2016, the County had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Book Value	Fair Value	Weighted Average Maturity (Years)
		0-1 Year	1-5 Years			
<b>Pooled Investments</b>						
Government Agencies	.375 - 2.875%	\$ 12,009,732	\$ 43,051,287	\$ 55,061,019	\$ 55,754,380	2.42
Medium Term Notes	0.875 - 6.00%	7,031,643	24,177,638	31,209,281	31,548,600	2.44
Commercial Paper	0.810 - 0.970%	7,969,557	-	7,969,557	7,974,074	0.43
Municipal Bonds	1.310 - 5.728%	-	20,051,560	20,051,560	20,390,010	2.94
Negotiable CD's	0.600 - 2.350%	2,450,000	13,500,000	15,950,000	16,180,019	2.75
Money Market	0.13%	87,746	--	87,746	87,746	--
CAMP	n/a	47,289	--	47,289	47,289	--
LAIF	Variable	40,008,968	--	40,008,968	40,008,968	--
Total Pool Investments		<u>69,604,935</u>	<u>100,780,485</u>	<u>170,385,420</u>	<u>171,991,086</u>	1.83
<b>Investments Held by Fiscal Agents</b>						
IXIS	--	861,000	--	861,000	861,000	
Money Market	--	11,245	--	11,245	11,245	
Total Investments Held by Fiscal Agents		<u>872,245</u>	<u>-</u>	<u>872,245</u>	<u>872,245</u>	
Total Investments		<u>\$ 70,477,180</u>	<u>\$ 100,780,485</u>	<u>\$ 171,257,665</u>	<u>\$ 172,863,331</u>	

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. 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.

**COUNTY OF NEVADA**

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

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (continued)**

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	% of Portfolio
Federal Farm Credit Bank	N/A	AAA	Aaa	1.179%
Federal Home Loan Bank	N/A	AA+	Aaa	5.993%
Federal Home Loan Mortgage	N/A	AA+	Aaa	9.899%
Federal Home Loan Mortgage	N/A	A1+	Aaa	1.159%
Federal National Mortgage Association	N/A	AA+	Aaa	8.728%
Federal National Mortgage Association	N/A	AA	Aaa	1.742%
Federal National Mortgage Association	N/A	A1+	Aaa	3.554%
Medium Term Notes	A	AAA	Aaa	1.748%
Medium Term Notes	A	AA+	Aa1	1.175%
Medium Term Notes	A	AA+	A1	1.193%
Medium Term Notes	A	AA	Aa2	1.176%
Medium Term Notes	A	AA-	Aa2	1.179%
Medium Term Notes	A	AA-	Aa3	2.346%
Medium Term Notes	A	A+	A1	1.768%
Medium Term Notes	A	A+	A2	1.756%
Medium Term Notes	A	A	A1	1.165%
Medium Term Notes	A	A	A2	3.560%
Medium Term Notes	A	N/A	Aaa	0.589%
Medium Term Notes	A	N/A	A1	0.596%
Commercial Paper	A	AA-	Aa2	1.151%
Commercial Paper	A	AA-	Aa3	2.307%
Commercial Paper	A	A+	Aa3	1.156%
Municipal Bonds	N/A	AAA	Aa1	0.594%
Municipal Bonds	N/A	AAA	Aa2	0.563%
Municipal Bonds	N/A	AA+	Aaa	0.160%
Municipal Bonds	N/A	AA+	Aa3	1.217%
Municipal Bonds	N/A	AA+	A1	0.595%
Municipal Bonds	N/A	AA+	N/A	1.568%
Municipal Bonds	N/A	AA	Aa3	0.604%
Municipal Bonds	N/A	AA	A2	0.579%
Municipal Bonds	N/A	AA	N/A	0.311%
Municipal Bonds	N/A	AA-	Aa3	2.986%
Municipal Bonds	N/A	AA-	A2	0.230%
Municipal Bonds	N/A	AA-	N/A	1.196%
Municipal Bonds	N/A	A+	Aa3	0.593%
Municipal Bonds	N/A	N/A	N/A	0.598%
Negotiable CDs	N/A	A+	A2	0.584%
Negotiable CDs	N/A	N/A	N/A	8.776%
Money Market	N/A	Unrated	Unrated	0.057%
CAMP	N/A	Unrated	Unrated	0.027%
LAIF	N/A	Unrated	Unrated	23.145%
IXIS	N/A	Unrated	Unrated	0.498%
Total				<u>100.000%</u>

**COUNTY OF NEVADA**

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

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (continued)**

Custodial Credit Risk for Investments – Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party under contract with the County. At June 30, 2016, the County’s investment pool had no securities exposed to custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the County’s investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law and the investment policy of the County contain limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2016, that represent 5 percent or more of total County investments are as follows:

<u>Investment Type</u>	<u>Amount Invested</u>	<u>Percentage of Investments</u>
Federal Home Loan Mortgage Corporation	\$ 19,115,130	11.114%
Federal Home Loan Bank	10,359,960	6.024%
Federal National Mortgage Association	24,241,050	14.094%

**D. Investment in External Investment Pools**

Investment in Local Agency Investment Fund – The County of Nevada is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code and is managed by the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members as designated by State statute.

Investments in LAIF are available on demand and are stated at amortized cost, which approximates fair value. The fair value of the County’s position in the pool is the same as the value of the pooled shares. At June 30, 2016 the County’s investment position in LAIF was \$40,008,968. The total amount invested by all public agencies in LAIF on that day was \$75,368,904,612. Of that amount, 97.19% is invested in non-derivative financial products and 2.81% in structured notes and asset-backed securities.

Investment in California Asset Management Program – The County of Nevada also maintains an investment in the California Asset Management Program (CAMP) a California JPA established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. The County’s investment with CAMP as of June 30, 2016, was \$47,289, which approximates fair value.

**COUNTY OF NEVADA**

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

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**E. Fair Value Measurement**

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on similar observable assets either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Government Agencies	\$ 55,754,380	\$ 55,754,380	\$ -	\$ -
Medium Term Notes	31,548,600	31,548,600	-	-
Commercial Paper	7,974,074	7,974,074	-	-
Municipal Bonds	20,390,010	20,390,010	-	-
Negotiable CDs	16,180,019		16,180,019	-
Money Market	87,746	87,746	-	-
Total investments measured at fair value	<u>131,934,829</u>	<u>\$ 115,754,810</u>	<u>\$ 16,180,019</u>	<u>\$ -</u>
Investments measured at amortized cost				
LAIF	40,008,968			
CAMP	47,289			
Total pooled and directed investments	<u>\$ 171,991,086</u>			

**F. County Investment Pool Condensed Financial Information**

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

	Total Pool Participants
<b>Statement of Net Position</b>	
Net position held for pool participants	\$ 178,283,135
Equity of internal pool participants	99,845,815
Equity of external pool participants	78,437,320
Net Position at June 30, 2016	<u>\$ 178,283,135</u>
<b>Statement of Changes in Net Position</b>	
Net position at July 1, 2015	\$ 156,908,213
Net changes in investments by pool participants	21,374,922
Net Position at June 30, 2016	<u>\$ 178,283,135</u>

**COUNTY OF NEVADA**

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

**NOTE 4: CAPITAL ASSETS**

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

**Governmental Activities**

	Balance July 1, 2015	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2016
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 105,297,359	\$ 41,120	\$ --	\$ --	\$ 105,338,479
Infrastructure (maintained road system)	105,870,330	--	--	2,704,640	108,574,970
Construction in progress	3,054,069	4,634,575	(28,170)	(3,239,705)	4,420,769
Total Capital Assets, Not Being Depreciated	<u>214,221,758</u>	<u>4,675,695</u>	<u>(28,170)</u>	<u>(535,065)</u>	<u>218,334,218</u>
Capital Assets, Being Depreciated:					
Infrastructure	33,183,846	--	--	--	33,183,846
Structures and improvements	53,141,643	--	--	509,667	53,651,310
Equipment	19,682,174	872,414	(316,640)	214,951	20,452,899
Software	1,885,161	153,612	--	25,398	2,064,171
Total Capital Assets, Being Depreciated	<u>107,892,824</u>	<u>1,026,026</u>	<u>(316,640)</u>	<u>750,016</u>	<u>109,352,226</u>
Less Accumulated Depreciation for:					
Infrastructure	(15,118,920)	(530,260)	--	--	(15,649,180)
Structures and improvements	(23,254,095)	(1,031,089)	--	--	(24,285,184)
Equipment	(14,218,605)	(1,145,491)	208,097	--	(15,155,999)
Software	(1,645,121)	(132,845)	--	--	(1,777,966)
Total Accumulated Depreciation	<u>(54,236,741)</u>	<u>(2,839,685)</u>	<u>208,097</u>	<u>--</u>	<u>(56,868,329)</u>
Total Capital Assets, Being Depreciated, Net	<u>53,656,083</u>	<u>(1,813,659)</u>	<u>(108,543)</u>	<u>750,016</u>	<u>52,483,897</u>
Governmental Activities, Capital Assets, Net	<u>\$ 267,877,841</u>	<u>\$ 2,862,036</u>	<u>\$ (136,713)</u>	<u>\$ 214,951</u>	<u>\$ 270,818,115</u>

**Business-Type Activities**

	Balance July 1, 2015	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2016
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 3,596,250	\$ --	\$ --	\$ --	\$ 3,596,250
Construction in progress	491,897	925,341	-	(38,802)	1,378,436
Total Capital Assets, Not Being Depreciated	<u>4,088,147</u>	<u>925,341</u>	<u>-</u>	<u>(38,802)</u>	<u>4,974,686</u>
Capital Assets, Being Depreciated:					
Infrastructure	78,467,537	-	-	-	78,467,537
Structures and improvements	5,014,757	-	-	-	5,014,757
Equipment	3,789,821	1,449,459	-	38,752	5,278,032
Total Capital Assets, Being Depreciated	<u>87,272,115</u>	<u>1,449,459</u>	<u>-</u>	<u>38,752</u>	<u>88,760,326</u>
Less Accumulated Depreciation for:					
Infrastructure	(29,279,438)	(2,561,391)	-	-	(31,840,829)
Structures and improvements	(2,420,273)	(120,361)	-	-	(2,540,634)
Equipment	(2,968,239)	(328,690)	-	-	(3,296,929)
Total Accumulated Depreciation	<u>(34,667,950)</u>	<u>(3,010,442)</u>	<u>-</u>	<u>-</u>	<u>(37,678,392)</u>
Total Capital Assets, Being Depreciated, Net	<u>52,604,165</u>	<u>(1,560,983)</u>	<u>-</u>	<u>38,752</u>	<u>51,081,934</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 56,692,312</u>	<u>\$ (635,642)</u>	<u>\$ -</u>	<u>\$ (50)</u>	<u>\$ 56,056,620</u>

**COUNTY OF NEVADA**

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

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

**Depreciation**

Depreciation expense was charged to governmental functions as follows:

General government	\$ 622,969
Public protection	861,091
Public ways and facilities	707,236
Health and sanitation	143,028
Public assistance	52,979
Education	75,487
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	376,895
Total	<u>\$ 2,839,685</u>

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

Western Nevada County Solid Waste	\$ 1,458
Airport	441,249
Sanitation District	2,289,124
Transit	<u>278,611</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 3,010,442</u>

**Construction in Progress**

Construction in progress for governmental activities related primarily to work performed on Bear River Corporation Yard, Bost House remodel, Energy project, computer software, Magnolia Road, Brunswick Road, Lime Kiln Road, Penn Valley Drive, Empress Road bike lane, Newtown Road bike lane, Hirschdale Bridge, Wolf Creek Bridge and Maybert Bridge. Construction in progress for the business-type activities related to work performed on the Penn Valley wastewater system and boundary-fence work at the Airport.

**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, 2016:

**COUNTY OF NEVADA**

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

**NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)**

**Due To/From Other Funds (continued)**

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Road Fund	\$ 11,272	Services provided
	Community Development Agency	87,954	Services provided
	Human Services Agency	331,948	Services provided
	Health & Welfare Realignment	217,019	Program funding/match
	Local Revenue Fund 2011	1,161,251	Program funding/match
	Nonmajor Governmental Funds	2,508,988	Services provided
	Airport	15,150	Services provided
	Western Nevada Co Solid Waste	11,586	Services provided
	Sanitation District	4,713	Services provided
	Transit Services	7,126	Services provided
	Agency Funds	2,298,105	Program funding
	Internal Service Funds	<u>170,555</u>	Services provided
		<u>6,825,668</u>	
Road Fund	General Fund	3,728	Services provided
	Community Development Agency	1,039	Services provided
	Nonmajor Governmental Funds	740,050	Services provided
	Airport	869	Services provided
	Western Nevada Co Solid Waste	13,813	Services provided
	Sanitation District	15,607	Services provided
	Transit Services	3,943	Services provided
	Internal Service Funds	<u>14,894</u>	Services provided
		<u>793,944</u>	
Community Development Agency	General Fund	14,979	Services provided
	Road Fund	133,971	Services provided
	Health & Welfare Realignment	5,648	Program funding
	Nonmajor Governmental Funds	10,599	Services provided
	Solid Waste	8,538	Services provided
	Sanitation District	83,874	Services provided
	Transit Services	42,282	Services provided
	Internal Service Funds	<u>199,458</u>	Services provided
		<u>499,348</u>	
Internal Service Funds	General Fund	148,520	Services provided
	Road Fund	134,085	Services provided
	Community Development Agency	22,063	Services provided
	Human Services Agency	23,805	Services provided
	Nonmajor Governmental Funds	3,739	Services provided
	Airport	177	Services provided
	Western Nevada Co Solid Waste	1,650	Services provided
	Sanitation District	12,075	Services provided
	Transit Services	29,875	Services provided
	Internal Service Funds	<u>92,789</u>	Services provided
		<u>468,778</u>	

**COUNTY OF NEVADA**

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

**NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)**

**Due To/From Other Funds (continued)**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Human Services Agency	General Fund	123,750	Services provided
	Health & Welfare Realignment	406,538	Program funding
	Local Revenue Fund 2011	1,450,801	Program funding
	Nonmajor Governmental Funds	863,056	Program funding
	Internal Service Funds	35,934	Services provided
	Sanitation District	480	Services provided
		<u>2,880,559</u>	
Health & Welfare Realignment Fund	General Fund	21,211	Unused funding
	Human Services Agency	605,001	Unused funding
		<u>626,212</u>	
Local Revenue Fund 2011	Human Services Agency	488,340	Unused funding
		<u>488,340</u>	
Nonmajor Governmental Funds	General Fund	100,584	Services provided
	Road Fund	6,344	Services provided
	Local Revenue Fund 2011	279,559	Program funding
	Human Services Agency	39,642	Services provided
	Nonmajor Governmental Funds	83,236	Services provided
	Internal Service Funds	5,338	Services provided
		<u>514,703</u>	
Airport	General Fund	11,941	Services provided
	Internal Service Funds	923	Refund overpayment
		<u>12,864</u>	
Solid Waste	General Fund	13,008	Services provided
	Internal Service Funds	230	Services provided
		<u>13,238</u>	
Nonmajor Enterprise Funds	Road Fund	8,803	Refund overpayment
	Internal Service Funds	3,975	Services provided
		<u>12,778</u>	
Sanitation District	Internal Service Funds	2,724	Services provided
		<u>2,724</u>	

**COUNTY OF NEVADA**

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

**NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)**

**Transfers**

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

Transfer From	Tranfers To	Amount	Purpose
General Fund	Human Services Agency	\$ 885,704	Budget support
	Health & Welfare Realignment	127,268	Unused funding
	Community Development Agency	2,103,796	Budget support
	Nonmajor Governmental Funds	3,878,808	Services provided
	ISF Fleet	161,691	Services provided
		<u>7,157,267</u>	
CDA	ISF Fleet	23,988	Services provided
		<u>23,988</u>	
Human Services Agency	General Fund	468,416	Services provided
	Nonmajor Governmental Funds	139,000	
	ISF Fleet	8,191	Services provided
		<u>615,607</u>	
Health & Welfare Realignment	General Fund	217,019	Program funding
	Human Services Agency	9,373,476	Program funding
	Community Development Agency	33,890	Program funding
		<u>9,624,385</u>	
Local Revenue Fund 2011	General Fund	3,526,346	Program funding
	Human Services Agency	6,701,264	Program funding
	Nonmajor Governmental Funds (other)	1,616,945	Program funding
		<u>11,844,555</u>	
Nonmajor Governmental Funds Various	General Fund	7,452,864	Services provided
	Human Services Agency	172,636	Services provided
	Community Development Agency	53,427	Services provided
	Roads	2,053,800	Services provided
	Nonmajor Governmental Funds (other)	534,094	Services provided
	Western Solid Waste	2,463	Services provided
		<u>10,269,284</u>	
		<u>\$ 39,535,086</u>	

**COUNTY OF NEVADA**

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

**NOTE 6: LONG-TERM LIABILITIES**

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

Type of Indebtedness	Balance July 1, 2015	Additions Adjustments	Retirements/ Adjustments	Balance June 30, 2016	Amounts Due Within One Year
<b>Governmental Activities</b>					
Certificates of participation	\$ 5,255,000	\$ -	\$ (1,165,000)	\$ 4,090,000	\$ 1,162,095
Plus: premium	339,528	-	(67,905)	271,623	67,905
Certificates of participation, net	5,594,528	-	(1,232,905)	4,361,623	1,230,000
Special assessment bonds with County commitment	236,000	-	(15,000)	221,000	16,000
Loans	6,447,393	-	(393,819)	6,053,574	410,622
Accrued claims liability	1,340,050	1,488,102	(1,565,097)	1,263,055	878,586
Capital lease	17,900	-	(2,933)	14,967	3,229
Compensated absences	5,101,499	6,058,647	(5,713,088)	5,447,058	1,741,711
Net OPEB obligation	4,316,501	3,783,650	(3,826,431)	4,273,720	-
<b>Total Governmental Activities</b>	<b>\$ 23,053,871</b>	<b>\$ 11,330,399</b>	<b>\$ (12,749,273)</b>	<b>\$ 21,634,997</b>	<b>\$ 4,280,148</b>
<b>Business-Type Activities</b>					
Special assessment bonds with County commitment	\$ 12,000	\$ -	\$ (3,000)	\$ 9,000	\$ 3,000
Loans	23,558,282	-	(1,784,798)	21,773,484	1,782,980
Less: unamortized discount	(1,456,437)	-	200,603	(1,255,834)	(183,278)
Loans, net	22,101,845	-	(1,584,195)	20,517,650	1,599,702
Post closure	6,957,881	64,299	(527,987)	6,494,193	579,258
Compensated absences	167,885	270,746	(268,982)	169,649	37,022
Net OPEB obligation	263,573	148,352	(150,032)	261,893	-
<b>Total Business-Type Activities</b>	<b>\$ 29,503,184</b>	<b>\$ 483,397</b>	<b>\$ (2,534,196)</b>	<b>\$ 27,452,385</b>	<b>\$ 2,218,982</b>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Estimated claims are liquidated by charges for services collected through individual internal service funds. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The net other postemployment benefit obligation for the governmental activities is generally liquidated by the fund where the accrued liability occurred.

Special assessment bonds with County commitment are not a direct responsibility of the County. Principal and interest payments are funded from the collection of special assessments. For the governmental activities, the debt is accounted for in the Special Assessment Debt with County Commitment component unit debt service fund. For the business-type activities, the debt is accounted for in the Sanitation District component unit enterprise fund. The County is obligated for special assessment debt only to the extent of special assessments collected.

**COUNTY OF NEVADA**

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

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

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

**Governmental Activities**

Certificates of Participation:

Certificates of Participation (2012 Refunding), issued July 5, 2012, in the amount of \$8,610,000 and payable in annual installments of \$105,000 to \$1,290,000, with an interest rate of 2.00% to 5.00% and maturity on October 1, 2019. These bonds were used to refinance the 2001 Certificates of Participation which were used to defease 1991 and 1993 Certificates of Participation financing the acquisition and construction of the County Administration building.

\$ 4,090,000

Total Certificates of Participation

4,090,000

Special Assessment Bonds with County Commitment:

County Service Area 22 Assessment District Limited Obligation Improvement Bonds, issued August 31, 2006, in the amount of \$329,908 and payable in annual installments of \$9,908 to \$25,000 with an interest rate of 5.25% to 5.50% and maturity on September 2, 2026. Bond proceeds were used for the construction of improvements.

221,000

Total Special Assessment Bonds with County Commitment

221,000

Loans:

Crown Point Building Loan, issued November 1, 2005, in the amount of \$3,210,000 and payable in annual installments of \$52,000 to \$120,000, with an interest rate of 4.75% to 6.75% and maturity on November 1, 2025. Loan proceeds were used to finance the acquisition of the Crown Point building to house County health programs.

1,852,926

Laura Wilcox Building Loan, issued August 31, 2005, in the amount of \$880,000 and payable in annual installments of \$13,070 to \$34,174 with an interest rate of 4.99% and maturity on August 31, 2025. Loan proceeds were used to finance the acquisition of the Laura Wilcox building to house County children's programs.

524,893

California Energy Commission Loan, issued March 9, 2010, in the amount of \$1,392,226 and payable in annual installments of \$29,258 to \$61,041 with an interest rate of 3.00% and maturity on June 22, 2025. Loan proceeds were used to finance energy upgrades to the County Administration building and County jail.

970,898

**COUNTY OF NEVADA**

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

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

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

**Governmental Activities (continued)**

Loans (continued):

Calease Public Funding Corporation loan, issued May 1, 2013, in the amount of \$2,930,000 and payable in semi-annual installments of \$111,680 with an interest rate of 4.15% and maturity on March 1, 2033. Proceeds were used for the acquisition of land, an office building and condominium unit and improvements.	<u>\$ 2,704,857</u>
Total Loans	<u>6,053,574</u>
Total Governmental Activities	<u><u>\$ 10,364,574</u></u>

**Business-Type Activities**

Special Assessment Bonds with County Commitment:

USDA Rural Development Bond - North San Juan, issued July 19, 1988, in the amount of \$76,130 and payable in annual installments of \$1,000 to \$3,000 with an interest rate of 5.00% and maturity on September 2, 2018. Bond proceeds were used to construct improvements in the North San Juan Sewer Assessment District.	<u>\$ 9,000</u>
Total Special Assessment Bonds with County Commitment	<u>9,000</u>

Loans:

California Airport Loan, issued November 13, 1998, in the amount of \$360,000 and payable in annual installments of \$17,215 to \$30,519 with an interest rate of 4.28% and maturity on July 26, 2017. Loan proceeds were used to finance the construction of an above ground aircraft fuel storage dispensing system.	23,478
California Airport Loan, issued December 12, 2012, in the amount of \$33,000 and payable in annual installments of \$4,977 with an interest rate of 4.37% and maturity on February 14, 2020. Loan proceeds were used to provide matching funds for runway rehabilitation project.	17,909
State Water Resources Control Board loan, issued November 13, 2010, in the amount of \$339,164 and payable in annual installments of \$16,958, with an interest rate of 0.0% and maturity on June 30, 2029. Loan proceeds were used for the acquisition and construction of improvements to the Cascade Shores Wastewater system. The loan includes a loan discount of \$56,528.	220,457

COUNTY OF NEVADA

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

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

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

**Business-Type Activities (continued)**

Loans (continued):

Banc of America Leasing and Capital, LLC loan, issued August 1, 2009, in the amount of \$2,500,000 and payable in annual installments of \$73,529, with an interest rate of 3.55% and maturity on August 1, 2026. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system.	1,544,118
Banc of America Leasing and Capital, LLC loan, issued August 1, 2009, in the amount of \$1,000,000 and payable in annual installments of \$29,412, with an interest rate of 3.55% and maturity on August 1, 2026. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system.	617,647
State Water Resources Control Board loan, issued September 13, 2010, in the amount of \$12,122,824 plus accrued interest of \$110,523 and payable in annual installments of \$492,213 to \$739,310 with an interest rate of 1.2% and maturity on November 23, 2027. Loan proceeds were used for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system.	7,962,380
State Water Resource Control Board loan, issued September 13, 2010, in the amount of \$18,964,071 and payable in annual installments of \$948,204, with an interest rate of 0.00% and maturity on January 12, 2028. Loan proceeds were used for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system. The loan includes a loan discount of \$3,160,742.	<u>11,387,495</u>
Total Loans	<u>21,773,484</u>
Total Business-Type Activities	<u>\$ 21,782,484</u>

**COUNTY OF NEVADA**

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

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, capital leases which are reported in Note 8, landfill postclosure costs which are reported in Note 9, net OPEB obligation which is reported in Note 14 and accrued claims liability which is reported in Note 15.

**Governmental Activities**

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2017	\$ 1,230,000	\$ 170,950	\$ 1,400,950
2018	1,290,000	107,950	1,397,950
2019	1,290,000	43,450	1,333,450
2020	280,000	5,600	285,600
2021	-	-	-
Total	<u>\$ 4,090,000</u>	<u>\$ 327,950</u>	<u>\$ 4,417,950</u>

Year Ended June 30	Special Assessment Bonds with County Commitment		
	Principal	Interest	Total
2017	\$ 16,000	\$ 11,695	\$ 27,695
2018	16,000	10,835	26,835
2019	17,000	9,928	26,928
2020	18,000	8,965	26,965
2021	19,000	7,948	26,948
2022-2026	110,000	22,550	132,550
2027-2031	25,000	688	25,688
Total	<u>\$ 221,000</u>	<u>\$ 72,609</u>	<u>\$ 293,609</u>

**COUNTY OF NEVADA**

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

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

**Governmental Activities (continued)**

Year Ended June 30	Loans		
	Principal	Interest	Total
2017	\$ 410,622	\$ 251,317	\$ 661,939
2018	428,076	233,863	661,939
2019	446,293	215,643	661,936
2020	465,257	196,681	661,938
2021	485,156	176,783	661,939
2022-2026	2,473,254	555,198	3,028,452
2027-2031	920,441	196,359	1,116,800
2032-2036	424,475	22,242	446,717
Total	<u>\$ 6,053,574</u>	<u>\$ 1,848,086</u>	<u>\$ 7,901,660</u>

**Business-Type Activities**

Year Ended June 30	Special Assessment Bonds with County Commitment		
	Principal	Interest	Total
2017	\$ 3,000	\$ 375	\$ 3,375
2018	3,000	225	3,225
2019	3,000	75	3,075
2020	-	-	-
Total	<u>\$ 9,000</u>	<u>\$ 675</u>	<u>\$ 9,675</u>

Year Ended June 30	Loans			
	Principal	Interest	Service Charge	Total
2017	\$ 1,782,980	\$ 172,807	\$ 79,624	\$ 2,035,411
2018	1,779,635	157,212	73,754	2,010,601
2019	1,789,506	142,008	67,754	1,999,268
2020	1,803,194	127,538	61,623	1,992,355
2021	1,812,212	112,447	55,356	1,980,015
2022-2026	9,278,697	333,078	177,856	9,789,631
2027-2030	3,527,260	28,496	22,213	3,577,969
Total	<u>\$ 21,773,484</u>	<u>\$ 1,073,586</u>	<u>\$ 538,180</u>	<u>\$ 23,385,250</u>

**COUNTY OF NEVADA**

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

**NOTE 7: LEASES**

**Operating Leases**

The County leases office buildings and equipment under non-cancellable operating leases. Total costs for these leases was \$622,676 for the year ended June 30, 2016. The future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Lease Obligations</u>
2017	\$ 717,188
2018	404,044
2019	388,297
2020	381,305
2021	32,259
2022-2025	<u>124,423</u>
Total	<u>\$ 2,047,516</u>

**Capital Leases**

Included in property and equipment are assets held under capital leases as follows:

Equipment	\$ 17,900
Less accumulated depreciation	<u>(3,580)</u>
Total	<u>\$ 14,320</u>

Future minimum lease payments over the next several years are as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2017	4,511
2018	4,511
2019	4,511
2020	<u>4,511</u>
Total minimum lease payments	18,044
Less amount representing interest	<u>3,077</u>
Present value of net minimum lease payments	14,967
Current maturities of capital lease obligations	<u>3,229</u>

## COUNTY OF NEVADA

### Notes to Basic Financial Statements For the Year Ended June 30, 2016

#### **NOTE 8: CLOSURE/POSTCLOSURE**

The County is responsible for two closed solid waste landfill sites. State and federal laws and regulations require the County to place a final cover on its landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. GASB Statement No. 18 requires a portion of these closure and postclosure care costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net assets date. Since the landfills are no longer accepting waste, the entire estimated expense and related liability have been reported.

As of June 30, 2016 the County's estimated remaining liability for postclosure maintenance costs for the closed landfills was \$6,494,193. This estimate is based on the amount that would be paid if all equipment, facilities, and services required to close and/or monitor the landfills were acquired as of June 30, 2016. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County has applied the annual inflation factor to the liability each year and has reduced the liability by actual expenses incurred.

The County is required by the California Code of Regulations to demonstrate financial responsibility for postclosure maintenance costs through a pledge of revenues. The County has met this requirement for one closed landfill through a pledge of annual parcel charges. The other closed landfill is exempt from this requirement and is utilizing the remaining fund balance for postclosure maintenance costs.

#### **NOTE 9: SERVICE CONCESSION ARRANGEMENT**

The County entered into an agreement with USA Waste of California (Waste Management of Nevada County) beginning July 1, 2012 to collect, transport, process and dispose of solid waste and operate the transfer stations in the western county area for the next 20 years. Under the terms of the agreement, Waste Management will be entitled to all collection service fee and tipping fee revenues during the 20 year period. Waste Management will remit to the County a franchise fee of 12% of all collection service revenues and a franchise host fee of \$20 per ton of solid waste and \$10.50 per ton of construction and demolition waste leaving the transfer station. In addition, Waste Management will provide up to \$5.6 million for the construction of a new or improvements to the existing transfer stations. Waste Management is responsible for complying with all applicable state and federal regulations in the performance of services related to this agreement. The County entered into the agreement to improve long range planning and cost stability; facilitate transfer station improvements; reduce risk from changes in regulations; and to facilitate the achievement of the waste diversion mandates and objectives specified in the California Public Resources Code. The County reports the transfer stations and related equipment as capital assets with a carrying amount of \$472,749 at year-end.

#### **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.

## COUNTY OF NEVADA

### Notes to Basic Financial Statements For the Year Ended June 30, 2016

#### **NOTE 10: NET POSITION (CONTINUED)**

- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

#### **Net Position Flow Assumption**

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

#### **Net Position Restricted by Enabling Legislation**

The government-wide Statement of Net Position reports \$54,049,627 of restricted net position, of which \$12,095,521 is restricted by enabling legislation.

#### **NOTE 11: FUND BALANCES**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2016, fund balance for governmental funds is 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.
- 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. The General Reserve portion of committed fund balance is further limited by California Government Code Section 29086 which stated that the general reserve may only be established, canceled, increased or decreased at the time of adopting the budget except in cases of a declared emergency.
- 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. Fund balance is assigned by the Board of Supervisors by resolution and may be changed after the close of the reporting period.

**COUNTY OF NEVADA**

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

**NOTE 11: FUND BALANCES (CONTINUED)**

- 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.

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

	General Fund	Road	Community Development Agency	Human Services Agency	Health & Welfare Realignment	Local Revenue Fund 2011 Relignment	Other Governmental Funds	Total
<b>Nonspendable:</b>								
Inventory	\$ -	\$ 38,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,616
Prepays	83,451	-	-	-	-	-	-	83,451
Subtotal	<u>83,451</u>	<u>38,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122,067</u>
<b>Restricted for:</b>								
General Government								
Dispute Resolution	-	-	-	-	-	-	1,498	1,498
INET & PEG	-	-	-	-	-	-	46,518	46,518
Worker’s Compensation	-	-	-	-	-	-	118,834	118,834
Road Projects	-	-	-	-	-	-	447,889	447,889
Criminal Justice Facilities Constructio	-	-	-	-	-	-	101,503	101,503
Debt Service Obligations	-	-	-	-	-	-	880,560	880,560
Public Protection								
Public Safety Facilities	600,000	-	-	-	-	-	-	600,000
Unfair Competition	184,297	-	-	-	-	-	-	184,297
Fish & Game	-	-	-	-	-	-	31,383	31,383
Child Support Services	-	-	-	-	-	-	223,039	223,039
Public Safety - Prop 172	-	-	-	-	-	-	110,509	110,509
Building Inspection	-	-	218,562	-	-	-	-	218,562
Nuisance Abatement	-	-	-	-	-	-	153,261	153,261
Capital Facilities & Equipment	-	-	-	-	-	-	91,469	91,469
Darkhorse Subdivision Improvements	-	-	-	-	-	-	991,080	991,080
District Attorney Programs	-	-	-	-	-	-	61,753	61,753
Probation Programs	-	-	-	-	-	-	1,930,784	1,930,784
Recorder Programs	-	-	-	-	-	-	536,998	536,998
Sheriff Programs	-	-	-	-	-	-	6,099,641	6,099,641
Animal Control Programs	-	-	-	-	-	-	225,068	225,068
Community Corrections Programs	-	-	-	-	-	1,865,538	-	1,865,538
Public Ways and Facilities								
Road Program	-	4,028,346	-	-	-	-	-	4,028,346
CSA & PRD	-	-	-	-	-	-	2,132,978	2,132,978
Mitigation	-	-	-	-	-	-	2,361,572	2,361,572
Debt Service Obligations	-	-	-	-	-	-	83,426	83,426
Health and Sanitation								
Foster care wrap around services	-	-	-	407,882	-	-	-	407,882
Behavioral Health	-	-	-	329,817	2,114,768	171,202	433,091	3,048,878
Mental Health Services Act	-	-	-	-	-	-	5,610,307	5,610,307
Public Health	-	-	-	390,816	2,210,290	-	148,882	2,749,988
Social Services	-	-	-	-	4,374,735	-	18,999	4,393,734
Environmental Health	-	-	-	-	292,324	-	305,182	597,506
Juvenile Hall Programs	-	-	-	-	270,756	-	-	270,756
Public Assistance								
Housing & Community Services	-	-	-	-	-	-	5,091,329	5,091,329
Social Services	-	-	-	-	-	2,129,038	-	2,129,038
Education								
Grass Valley Library Improvements	-	-	-	-	-	-	692,807	692,807
Forest Reserves	-	-	-	-	-	-	25,134	25,134
Recreation and Cultural Services								
Recreation Mitigation	-	-	-	-	-	-	103,924	103,924
<b>Total Restricted Fund Balance</b>	<u>784,297</u>	<u>4,028,346</u>	<u>218,562</u>	<u>1,128,515</u>	<u>9,262,873</u>	<u>4,165,778</u>	<u>29,059,418</u>	<u>48,647,789</u>
<b>Committed to:</b>								
General Government	-	-	-	-	-	-	47,460	47,460
General Reserve	7,080,000	-	-	-	-	-	-	7,080,000
Public Protection								
Building Inspection	-	-	583,036	-	-	-	-	583,036
Health and Sanitation								
Environmental Health	-	-	849,011	-	-	-	-	849,011
<b>Total Committed Fund Balance</b>	<u>7,080,000</u>	<u>-</u>	<u>1,432,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,460</u>	<u>8,559,507</u>

**COUNTY OF NEVADA**

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

**NOTE 11: FUND BALANCES (CONTINUED)**

	General Fund	Road	Community Development Agency	Human Services Agency	Health & Welfare Realignment	Local Revenue Fund 2011 Relignment	Other Governmental Funds	Total
<b>Assigned to:</b>								
General Government:	284,689							\$ 284,689
State Realignment	325,000	-	-	-	-	-	-	325,000
COP Lease Payment	100,000	-	-	-	-	-	-	100,000
Accum Leave Payment	1,650,000	-	-	-	-	-	-	1,650,000
Information Systems Infrastructure	1,656,616	-	-	-	-	-	-	1,656,616
Facilities Planning	5,450,302	-	-	-	-	-	-	5,450,302
PERS Liability	7,187,000	-	-	-	-	-	-	7,187,000
Civil Litigation	120,000	-	-	-	-	-	-	120,000
General Plan Update	750,000	-	-	-	-	-	-	750,000
Economic Development Infrastructure	609,000	-	-	-	-	-	-	609,000
Next Year's Budget	528,988	-	-	-	-	-	-	528,988
Property Tax System Upgrade	676,000	-	-	-	-	-	-	676,000
Facilities Improvements	42,056	-	-	-	-	-	-	42,056
Public Protection	146,348	-	314,016	-	-	-	-	460,364
Building Inspection	-	-	265,410	-	-	-	-	265,410
Planning Services	-	-	673,548	-	-	-	-	673,548
Land Use Permitting Software	-	-	265,996	-	-	-	-	265,996
Child Support Services	-	-	-	-	-	-	319,055	319,055
Health and Sanitation	-	-	182,509	-	-	-	377	182,886
Public Assistance	-	-	-	-	-	-	32,073	32,073
Education	-	-	-	-	-	-	719,324	719,324
Total Assigned Fund Balance	<u>19,525,999</u>	<u>-</u>	<u>1,701,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,070,829</u>	<u>22,298,307</u>
<b>Unassigned</b>	<u>2,974,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,974,135</u>
Total	<u>\$ 30,447,882</u>	<u>\$ 4,066,962</u>	<u>\$ 3,352,088</u>	<u>\$ 1,128,515</u>	<u>\$ 9,262,873</u>	<u>\$ 4,165,778</u>	<u>\$ 30,177,707</u>	<u>\$ 82,601,805</u>

**Fund Balance Flow Assumption**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN**

**A. Pensions**

In government-wide financial statements, retirement plans are required to be recognized and disclosed using the accrual basis of accounting, regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the County recognizes a net pension liability, which represents the County's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the California Public Employees' Retirement System (CalPERS). The net pension liability is measured as of the County's prior fiscal year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

## COUNTY OF NEVADA

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

### NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

#### A. Pensions (continued)

For purposes of measuring the net pension liability and deferred outflows/inflows of resources relating to pensions and pension expense, information about the fiduciary net position of the County's pension plan with CalPERS 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.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed basis five-year period recognition.

#### B. General Information about the Pension Plans

##### *Plan Description*

All qualified permanent and probationary employees are eligible to participate in the County's Safety (sheriff and certain district attorney members) or Miscellaneous (all others) Plans. The County's Safety Plan is a cost-sharing multiple-employer defined benefit plan while the Miscellaneous Plan is an agent multiple-employer defined benefit pension plan. The County's Safety and Miscellaneous Plans are part of the California Public Employees Retirement System (PERS), a public employee retirement system which acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by State statute and County resolution. The County's defined benefit pension plans provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. The County selects optional benefit provisions by contract with CalPERS and adopts those benefits through County ordinance. CalPERS issues a separate comprehensive annual financial report; however, a separate report for the County's Safety and Miscellaneous Plans are not available. Copies of CalPERS annual financial reports which include required supplementary information (RSI) for each plan may be obtained from CalPERS Executive Offices, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

##### *Benefits Provided*

All pension plans provide benefits, upon retirement, disability or death of members. Retirement benefits are based on years of service, final average compensation, and retirement age. Employees terminating before accruing five years of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within a prescribed time period. Non-vested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Differences between expected and actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**B. General Information about the Pension Plans (continued)**

Service related disability benefits are provided to safety members and are based on final compensation. Non-service related disability benefits are provided to both safety and miscellaneous members. The benefit is based on final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service.

Death benefits are based upon a variety of factors including whether the participant was retired or not.

Annual cost-of-living adjustments (COLAs) after retirement are provided in all plans. COLAs are granted to retired members each May based upon the Bureau of Labor Statistics Average Consumer Price Index for All Urban Consumers for the previous calendar year and is subject to a maximum of 2% per annum.

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

	<b>Muti Agent Miscellaneous Tier 1</b>	<b>Muti Agent Miscellaneous Tier 2</b>	<b>Muti Agent Miscellaneous PEPRA</b>
		Hired December 14, 2012 to December 31, 2012	
Hire date	Hired before or on December 13, 2012		Hired on or after January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	60	62
Monthly benefits, as a % of eligible compensation	2.70%	2.00%	2.00%
Required employee contribution rates	8.00%	7.00%	6.50%
Required employer contribution rates	29.100%	29.100%	29.100%
	<b>Cost Sharing Safety Tier 1</b>	<b>Cost Sharing Safety Tier 2</b>	<b>Cost Sharing Safety PEPRA</b>
		Hired December 14, 2012 to December 31, 2012	
Hire date	Hired before or on December 13, 2012		Hired on or after January 1, 2013
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	55	57
Monthly benefits, as a % of eligible compensation	3.00%	3.00%	2.70%
Required employee contribution rates	9.00%	9.00%	9.00%
Required employer contribution rates	20.230%	17.295%	11.923%

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**B. General Information about the Pension Plans (continued)**

Employees Covered

At June 30, 2016, the following employees were covered by the benefit terms for the Miscellaneous Plan.

	<u>Miscellaneous</u>
Inactive employees or beneficiaries currently receiving benefits	459
Inactive employees entitled to but not yet receiving benefits	1,500
Active employees	<u>656</u>
Total	<u>2,615</u>

The corresponding data is not available for employees included in the Safety Plan as the plan is a cost-sharing multiple employer plan.

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law requires 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 both 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.

**C. Net Pension Liability**

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

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**B. General Information about the Pension Plans (continued)**

***Actuarial Assumptions***

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

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2014	June 30, 2014
Measurement Date	June 30, 2015	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.65%	7.65%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	(1)	(1)
Investment Rate of Return (2)	7.50%	7.50%
Mortality (3)		

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation
- (3) The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a 2010 actuarial experience study for the period 1997 to 2007. Further details of the Experience Study can be found on the CalPERS website.

***Discount Rate***

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

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-2018 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**C. Net Pension Liability** (continued)

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) 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 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 geometric rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (a)</u>	<u>Real Return Years 11+ (b)</u>
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	12.0	6.83	6.95
Real Estate	11.0	4.50	5.13
Infrastructure and Forestland	3.0	4.50	5.09
Liquidity	2.0	(0.55)	(1.05)

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

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

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**D. Changes in the Net Pension Liability**

The changes in the Net Pension Liability for the County's Miscellaneous Plan follows:

<u>Miscellaneous Plan</u>	Increase (Decrease)		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability/(Asset)</u>
<b>Balance at June 30, 2014</b>	\$ 381,274,803	\$ 264,132,539	\$ 117,142,264
Change in the year:			
Service cost	7,556,293	-	7,556,293
Interest on total pension liability	27,758,176	-	27,758,176
Changes of assumptions	(6,284,639)	-	(6,284,639)
Differences between expected and actual experience	(5,598,923)	(523,198)	(5,075,725)
Plan to plan resource movement	-	1,309	(1,309)
Contributions - employer	-	10,588,846	(10,588,846)
Contributions - employee	-	3,057,528	(3,057,528)
Net investment income	-	5,862,079	(5,862,079)
Benefit payments, including refunds of employee contributions	(20,634,843)	(20,634,843)	-
Administrative expenses	-	(297,262)	297,262
<b>Net changes</b>	<u>2,796,063</u>	<u>(1,945,542)</u>	<u>4,741,605</u>
<b>Balance at June 30, 2015</b>	<u>\$ 384,070,865</u>	<u>\$ 262,186,997</u>	<u>\$ 121,883,869</u>

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**D. Changes in the Net Pension Liability (continued)**

***Sensitivity of the Net Pension Liability to Change in the Discount Rate***

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

	Discount Rate <u>-1% (6.65%)</u>	Discount Rate <u>(7.65%)</u>	Discount Rate <u>+1% (8.65%)</u>
<b><u>Miscellaneous</u></b>			
Net Pension Liability	\$ 169,087,353	\$ 121,883,869	\$ 82,544,713
	Discount Rate <u>-1% (6.65%)</u>	Discount Rate <u>(7.65%)</u>	Discount Rate <u>+1% (8.65%)</u>
<b><u>Safety</u></b>			
Net Pension Liability	\$ 35,262,986	\$ 21,487,171	\$ 11,112,598

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2016, the County recognized pension expense of \$13,338,330.

Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**COUNTY OF NEVADA**

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

**NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)**

**E. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Pension contributions subsequent to measurement date	\$ 13,340,723	\$ -
Changes in assumptions	-	(4,835,789)
Differences between expected and actual experience	-	(3,016,818)
Change in proportion	31,132	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	14,569	-
Net difference between projected and actual earnings on plan investments	<u>-</u>	<u>(3,136,397)</u>
 Total	 <u>\$ 13,386,424</u>	 <u>\$ (10,989,004)</u>

\$13,340,723 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended June 30	
	<u>                    </u>	
2017	\$ (7,126,392)	
2018	(3,739,512)	
2019	(2,287,990)	
2020	2,340,701	
2021	(130,110)	
Thereafter	-	

## COUNTY OF NEVADA

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

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

#### A. Plan Description

The County of Nevada provides, under a defined benefit plan, retiree healthcare benefits to qualifying employees retiring directly from the County. The benefit level is determined by date of hire and length of service. The County has contracted for medical coverage to be provided through an agent multiple-employer CalPERS Healthcare (PEMHCA) plan.

The County pays the least expensive available plan single premium up to Medicare eligible age for retirees with more than 20 years of County Service. Employees hired before July 1, 2000, with less than 20 years of County service at retirement, receive a fixed stipend amount. After reaching Medicare eligible age, the County also pays 80% of the least expensive Medicare supplemental plan single premium for all retirees hired before July 1, 2000 and for employees hired after July 1, 2000 with 20 years of County service. For safety employees with disability retirement, the County pays 100% of the least expensive medical single premium for life.

Employees Hired On or After July 1, 2008—Employees hired on or after July 1, 2008, and who retire from the County, the County will continue to provide access to medical insurance coverage for those employees who retire from employment with the County and who constitute “annuitants” as defined by the Public Employees Medical and Hospital Care Act (PEMHCA) only.

#### B. Funding Policy

The OPEB funding policy provides for periodic contributions by the County. The contribution rate is determined on an annual basis by an independent actuary and is authorized by the County Board of Supervisors. The contribution rate is based on the annual required contribution (ARC), an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 45, Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions.

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities as a level percent of pay over a 30 year (closed) period beginning June 30, 2009 and to account for assumption changes and experience gain/losses over a 15 year fixed (closed) period.

The County has established an irrevocable trust with CalPERS – California Employers’ Retiree Benefit Trust Fund (CERBT) to deposit the contributions above the current year pay-as-you-go portion. CERBT issues a publicly available financial report including GASB 43 disclosure information in the aggregate with the other CERBT participating employers. That report may be obtained by contacting CalPERS, P.O. Box 942703, Sacramento, CA 94229-2703 or [www.calpers.ca.gov](http://www.calpers.ca.gov).

**COUNTY OF NEVADA**

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

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

**C. Annual OPEB Cost and Net OPEB Obligation**

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	\$ 3,976,000
Interest on prior year net OPEB obligation	336,000
Amortization of prior year net OPEB obligation	<u>(380,000)</u>
 Annual OPEB Cost	 3,932,000
 Contributions Made:	
Pay as you go contribution	(2,154,461)
Additional funding contribution	<u>(1,822,000)</u>
 Decrease in net OPEB obligation	 (44,461)
Net OPEB Obligation - Beginning of Year	<u>4,580,074</u>
 Net OPEB Obligation - End of Year	 <u><u>\$ 4,535,613</u></u>

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2014	4,258,000	83.5%	4,626,050
6/30/2015	3,824,000	101.2%	4,580,074
6/30/2016	3,932,000	101.1%	4,535,613

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

**COUNTY OF NEVADA**

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

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

**D. Funded Status and Funding Progress**

The unfunded actuarial accrued liability is being amortized as a level percentage of payroll over a closed 30 year period beginning July 1, 2009. The funded status of the plan as of June 30, 2016 (the most recent actuarial valuation date), was as follows:

Actuarial accrued liability (AAL)	\$ 55,147,000
Actuarial value of plan assets	<u>19,990,000</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 35,157,000</u>
Funded ratio (actuarial value of plan assets/AAL)	36.2%
Covered payroll (active plan members)	<u>\$ 47,565,000</u>
UAAL as a percentage of covered payroll	73.9%

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 the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared 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 about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**E. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the 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. In the June 30, 2016, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.25% discount rate, and annual healthcare cost trends for HMO and PPO that start with 8.0% and 8.3%, respectively, and declines to 5.0% over seven years for both plan types. The actuarial assumptions included an annual 3.0% inflation rate and a 3.25% per annum aggregate payroll increases.

**COUNTY OF NEVADA**

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

**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 self-insured risks of loss for public liability, unemployment, dental, and vision. The County is a member of the California State Association of Counties Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. Should actual loss among participants be greater than anticipated, the County will be assessed its pro rata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its pro rata share of the excess.

The County is a member of the County Supervisors Association of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. The Authority is solvent. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$100,000 for each general liability claim, and \$10,000 for each unemployment claim.

Should actual loss among participants be greater than anticipated, the County will be assessed its prorata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its prorata share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

Actual claims unpaid as of June 30, 2016, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2016, was as follows:

Unemployment Liability	\$ 511,055
	<u>752,000</u>
Total	<u>\$ 1,263,055</u>

All funds of the County participate in the program and make payments to the Risk Management Funds based on estimates of the amounts needed to pay prior and current year claims. At June 30, 2016, the Risk Management Fund's fund equity was \$1,194,092. The claims liability of \$1,263,056 reported in the funds at June 30, 2016, 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 determined.

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

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
2014	\$ 1,244,756	\$ 1,126,784	\$ 1,186,990	\$ 1,184,550
2015	1,184,550	1,407,076	1,251,576	1,340,050
2016	1,340,050	1,090,834	1,167,829	1,263,055

The ultimate settlement of specific claims against the County cannot presently be determined and no provision for any other liability that may result has been made in the financial statements. Non-incremental claims adjustment expenses are included as part of liability for claims and judgments.

**COUNTY OF NEVADA**

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

**NOTE 15: OTHER INFORMATION**

**A. Commitments and Contingencies**

The County had active construction projects as of June 30, 2016, including County facility, road, bridge, airport, and wastewater improvements. At year end the County's commitments with contractors were as follows:

	<u>Spent-to-Date</u>	<u>Remaining Commitments</u>
County facility improvements	\$ -	\$ 74,507
Road and bridge infrastructure	3,621,504	3,990,893
Wastewater pipeline	1,074,700	97,577
Total	<u>\$ 4,907,694</u>	<u>\$ 4,162,976</u>

**Encumbrances**

The County has entered into contracts to purchase goods and services from various vendors. These encumbrances are payable upon future performance and are summarized below as of June 30, 2016:

General Fund	\$ 9,907,532
Human Services Agency Fund	2,187,990
Total	<u>\$ 12,095,522</u>

**NOTE 16: SUBSEQUENT EVENTS**

Management has evaluated events subsequent to June 30, 2016 through December 28, 2016, the date on which the financial statements were available for issuance. Management has determined that there were no subsequent events other than the following:

On August 16, 2016, the County approved the issuance of approximately \$10.8 million of New Clean Renewable Energy Bonds (NCREBS), and approximately \$2.0 million of Tax Exempt Bonds (total funding of approximately \$12.8 million) to fund, respectively, the solar equipment and energy conservation measures for the Energy Conservation and Generation Project.

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**Required Supplementary Information  
(Unaudited)**

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**COUNTY OF NEVADA**

Required Supplementary Information  
For the Year Ended June 30, 2016

**1. SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

**Miscellaneous Plan – Agent Multiple-Employer Defined Benefit Plan**

Last 10 Fiscal Years\*

	Miscellaneous Plans	
	6/30/2015	6/30/2014
<b>Total Pension Liability</b>		
Service Cost	\$ 7,556,293	\$ 8,496,046
Interest on total pension liability	27,758,176	26,969,752
Changes of assumptions	(6,284,639)	-
Differences between expected and actual experience	(4,843,687)	-
Benefit payments, including refunds of employee contributions	(20,634,843)	(19,079,317)
<b>Net change in total pension liability</b>	<b>3,551,299</b>	<b>16,386,481</b>
<b>Total pension liability - beginning</b>	<b>380,519,567</b>	<b>364,888,322</b>
<b>Total pension liability - ending</b>	<b>\$ 384,070,865</b>	<b>\$ 381,274,803</b>
 <b>Plan fiduciary net position</b>		
Plan to plan resource movement	1,309	-
Contributions - employer	10,588,846	9,508,354
Contributions - employee	3,057,528	3,106,234
Net investment income	5,862,079	39,782,078
Benefit payments, including refunds of employee contributions	(20,634,843)	(19,079,317)
Administrative expense	(297,262)	-
<b>Net change in plan fiduciary net position</b>	<b>(1,422,344)</b>	<b>33,317,349</b>
<b>Plan fiduciary net position - beginning</b>	<b>263,609,341</b>	<b>230,815,190</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 262,186,997</b>	<b>\$ 264,132,539</b>
 Net pension liability - ending	<b>\$ 121,883,869</b>	<b>\$ 117,142,264</b>
 Plan fiduciary net percentage as a percentage of the total pension liability	68.27%	69.28%
 Covered - employee payroll	\$ 42,683,882	\$ 41,626,878
 Net pension liability as a percentage of covered-employee payroll	285.55%	281.41%

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF NEVADA**

Required Supplementary Information  
For the Year Ended June 30, 2016

**County's Proportionate Share of Net Pension Liability Cost Sharing Plans**

Last 10 years*	Safety Plans	
	6/30/2015	6/30/2014
Proportion of the net pension liability	\$ 21,487,171	\$ 19,295,528
Proportionate share of the net pension liability	0.31%	0.31%
Covered - employee payroll	5,211,981	5,211,981
Proportionate share of the net pension liability as percentage of covered-employee payroll	412.26%	370.21%
Plan's fiduciary net position	61,774,568	62,269,091
Plan fiduciary net position as a percentage of the total pension liability	74.19%	76.34%

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF NEVADA**

Required Supplementary Information  
For the Year Ended June 30, 2016

**Schedule of County's Contribution**

Last 10 Fiscal Years*	Miscellaneous Plans		Safety Plans	
	6/30/2015	6/30/2014	6/30/2015	6/30/2014
Actuarially determined contribution	\$ 11,504,051	\$ 9,508,354	\$ 2,121,455	\$ 2,010,534
Contributions related to the actuarially determined contribution	(11,504,051)	(9,508,354)	(2,121,455)	(2,010,534)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 42,683,882	\$ 41,626,878	\$ 5,278,260	\$ 5,211,981
Contributions as a percentage of covered-employee payroll	26.95%	22.84%	40.19%	38.58%

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

**Notes to schedule**

Valuation date: 6/30/2014

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	For details, see June 30, 2014 Funding Valuation Report.
Asset valuation method	Actuarial value of assets. For details, see June 30, 2014 Funding Valuation Report.
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Payroll growth	3.00%
Investment rate of return	7.50% Net of Pension Plan Investment and Administrative Expense; includes 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 NEVADA**

Required Supplementary Information  
For the Year Ended June 30, 2016

**2. SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

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

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 Post-Employment Benefit Plan.

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2014	14,412,000	52,430,000	38,018,000	27.50%	51,647,000	73.60%
June 30, 2015	16,907,000	52,927,000	36,020,000	31.90%	45,337,000	79.40%
June 30, 2016	19,990,000	55,147,000	35,157,000	36.25%	47,565,000	73.90%

**3. INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH**

The County’s infrastructure assets are recorded at historical cost in the government-wide financial statements as required by the Governmental Accounting Standards Board (GASB) Statement No. 34. The County has elected to use the modified approach to report its maintained road system. Infrastructure assets reported under the modified approach are not subject to depreciation per GASB Statement No. 34.

The County manages its maintained road system using the Metropolitan Transportation Commission’s Pavement Management program (Program) and accounts for them using the modified approach. The Program establishes a Pavement Condition Index (PCI) on a scale from zero to one hundred (0-100) for each road segment being maintained by the Department of Public Works. The Program has defined the pavement of roads with PCIs of 40 or better to be in a “Fair” or better condition and roads with a PCI of 55 or better to be in a “Good” or better condition. The system-wide average PCI number for all paved or chip sealed roads in the County maintained road system is calculated on a weighted by section, road area basis. The amount that an individual road section’s condition contributes to the overall system average rating is proportionate to the amount of the total systems surfaced area that the individual segment contains. It is the County’s policy relative to maintaining the maintained road system to keep an average PCI rating of 62. This rating must be achieved over a three year period.

One third of the County maintained roads are assessed each year, with a complete condition assessment calculated every three years. The last complete condition assessment was completed in fiscal year 2015 with an average PCI rating of 63.7. The overall condition of the County maintained roads decreased from the fiscal year 2012 average PCI rating of 65.3. The history of the condition assessments is provided below.

**COUNTY OF NEVADA**

Required Supplementary Information  
For the Year Ended June 30, 2016

**3. INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH (CONTINUED)**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Average</u>
2015	66	62	63	63.7
2012	64	66	66	65.3
2009	65	66	64	65.0
2006	68	67	65	66.7

For the year ended June 30, 2016, actual maintenance and preservation costs were \$5,416,029, which was \$2,284,507 or 29.7% less than estimated. The decrease was due to lower than expected maintenance costs. A five year history of planned to actual maintenance and preservation costs is provided in the following table.

<u>Maintenance &amp; Preservation Cost</u>			
<u>Fiscal Year</u>	<u>Estimated Costs</u>	<u>Actual Costs</u>	<u>Variance</u>
2012	5,929,387	6,588,781	(659,394)
2013	4,875,842	4,653,777	222,065
2014	5,739,400	5,575,058	164,342
2015	6,723,600	4,731,683	1,991,917
2016	7,700,536	5,416,029	2,284,507

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 39,542,359	\$ 39,751,748	\$ 39,703,305	\$ (48,443)
Licenses and permits	2,672,435	2,672,435	2,726,503	54,068
Fines, forfeits and penalties	2,541,971	2,541,971	2,665,441	123,470
Revenue from use of money and property	273,388	307,996	416,777	108,781
Aid from other governments	2,824,136	3,515,605	3,159,385	(356,220)
Charges for services	7,357,206	7,554,628	7,726,611	171,983
Other revenue	921,167	968,761	1,127,911	159,150
<b>Total Revenues</b>	<b>56,132,662</b>	<b>57,313,144</b>	<b>57,525,933</b>	<b>212,789</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Board of supervisors	1,153,866	1,179,484	1,134,398	45,086
Annual audit	32,026	32,026	32,028	(2)
County executive officer	1,288,096	1,315,232	1,315,232	--
Assessor	2,602,667	2,648,155	2,538,148	110,007
Auditor-controller	1,616,519	1,723,203	1,681,478	41,725
Treasurer-tax collector	1,133,850	1,144,896	1,103,923	40,973
Purchasing	303,670	317,315	312,699	4,616
Collections	269,727	272,907	237,675	35,232
Uses and sources	(6,118,703)	(7,758,462)	(7,924,788)	166,326
Trial court funding	1,431,848	1,431,848	1,431,379	469
WWE Escrow Account	140,560	248,716	245,655	3,061
Provision for contingencies	100,000	100,000	--	100,000
Building debt financing	2,149	155,649	1,849	153,800
County counsel	919,031	1,033,466	1,035,267	(1,801)
Personnel services	1,038,479	1,110,872	1,100,899	9,973
Elections	1,243,463	1,346,635	1,345,488	1,147
Facilities management	2,366,887	2,459,747	2,294,159	165,588
Capital facilities projects	90,294	558,742	473,151	85,591
Economic development	130,000	130,000	117,500	12,500
Assessment appeals board	8,001	8,001	8,134	(133)
General Services Admin	32,662	41,055	28,324	12,731
Insurance	99,284	99,284	100,389	(1,105)
Risk Management Admn.	--	--	(455)	455
Historical landmarks	1,217	1,217	1,221	(4)
Information systems	1,777,337	1,929,506	1,401,492	528,014
Geographic information	459,617	455,454	420,101	35,353
Surveying	128,414	164,414	135,367	29,047
Cable TV services	49,427	57,020	54,119	2,901
<b>Total General Government</b>	<b>12,300,388</b>	<b>12,206,382</b>	<b>10,624,832</b>	<b>1,581,550</b>

continued

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection:				
Court security	\$ 1,347,931	\$ 1,357,813	\$ 1,101,087	\$ 256,726
Grand Jury	110,923	110,923	107,302	3,621
District attorney	4,159,418	4,336,176	4,033,124	303,052
Public defender services	2,130,859	2,223,873	2,223,782	91
Conflict indigent defense	489,690	787,690	694,028	93,662
Sheriff administrative support services	13,663,495	14,655,733	13,877,973	777,760
Dispatch Services	1,709,680	1,752,018	1,614,699	137,319
Department of corrections	9,390,664	9,774,644	9,565,423	209,221
Inmate medical services	2,136,776	2,422,374	2,337,545	84,829
Sheriff Truckee operations	1,740,828	1,771,072	1,740,940	30,132
Juvenile hall	3,103,986	3,200,927	3,067,855	133,072
Probation department	4,698,070	4,977,059	4,605,059	372,000
Ag services	833,540	840,116	831,205	8,911
Clerk recorder	604,210	604,210	723,191	(118,981)
Emergency services	538,389	538,783	519,964	18,819
Animal control	858,520	890,799	744,265	146,534
Total Public Protection	<u>47,516,979</u>	<u>50,244,210</u>	<u>47,787,442</u>	<u>2,456,768</u>
Health and Sanitation:				
Solid Waste Contract Admn	<u>167,722</u>	<u>171,435</u>	<u>108,023</u>	<u>63,412</u>
Total Health and Sanitation	<u>167,722</u>	<u>171,435</u>	<u>108,023</u>	<u>63,412</u>
Public Assistance:				
Community services	15,000	15,000	15,000	--
Victim witness	<u>300,291</u>	<u>324,958</u>	<u>324,377</u>	<u>581</u>
Total Public Assistance	<u>315,291</u>	<u>339,958</u>	<u>339,377</u>	<u>581</u>
Education:				
Farm Advisor	<u>50,117</u>	<u>50,117</u>	<u>48,352</u>	<u>1,765</u>
Total Education	<u>50,117</u>	<u>50,117</u>	<u>48,352</u>	<u>1,765</u>

continued

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Capital Outlay:				
Capital facilities projects	\$ --	\$ 667,613	\$ 479,760	\$ 187,853
Information systems	--	804,969	222,927	582,042
Corrections	--	69,110	43,383	25,727
Sheriff Admin	162,625	152,085	66,747	85,338
Auditor-Controller	--	142,525	142,525	--
Elections	--	10,019	10,019	--
Ag Services	--	398	--	398
Total Capital Outlay	<u>162,625</u>	<u>1,846,719</u>	<u>965,361</u>	<u>881,358</u>
 Total Expenditures	<u>60,513,122</u>	<u>64,858,821</u>	<u>59,873,387</u>	<u>4,985,434</u>
 Excess of Revenues Over (Under) Expenditures	<u>(4,380,460)</u>	<u>(7,545,677)</u>	<u>(2,347,454)</u>	<u>5,198,223</u>
 Other Financing Sources (Uses):				
Transfers in	11,770,706	12,760,350	11,664,645	(1,095,705)
Transfers out	(7,273,206)	(7,570,144)	(7,157,267)	412,877
Total Other Financing Sources (Uses)	<u>4,497,500</u>	<u>5,190,206</u>	<u>4,507,378</u>	<u>(682,828)</u>
 Net Change in Fund Balances	117,040	(2,355,471)	2,159,924	4,515,395
 Fund Balances - Beginning	<u>28,287,958</u>	<u>28,287,958</u>	<u>28,287,958</u>	<u>--</u>
 Fund Balances - Ending	<u>\$ 28,404,998</u>	<u>\$ 25,932,487</u>	<u>\$ 30,447,882</u>	<u>\$ 4,515,395</u>

See required supplementary information note to budgetary comparison schedules

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Road Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 55,000	\$ 91,100	\$ 48,297	\$ (42,803)
Licenses and permits	42,000	42,000	36,996	(5,004)
Fines, forfeits and penalties	--	--	312	312
Revenue from use of money and property	25,000	25,000	34,421	9,421
Aid from other governments	7,798,188	8,768,978	6,829,337	(1,939,641)
Charges for services	558,701	600,401	457,686	(142,715)
Other revenues	--	--	2,989	2,989
<b>Total Revenues</b>	<b>8,478,889</b>	<b>9,527,479</b>	<b>7,410,038</b>	<b>(2,117,441)</b>
<b>Expenditures:</b>				
Current:				
Public way and facilities	9,070,531	9,289,728	8,416,471	873,257
Capital outlay	3,352,200	6,491,674	3,737,885	2,753,789
<b>Total Expenditures</b>	<b>12,422,731</b>	<b>15,781,402</b>	<b>12,154,356</b>	<b>3,627,046</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,943,842)</u>	<u>(6,253,923)</u>	<u>(4,744,318)</u>	<u>1,509,605</u>
Other Financing Sources (Uses):				
Transfers in	2,041,475	2,324,484	2,053,800	(270,684)
<b>Total Other Financing Sources (Uses)</b>	<b>2,041,475</b>	<b>2,324,484</b>	<b>2,053,800</b>	<b>(270,684)</b>
Net Change in Fund Balances	(1,902,367)	(3,929,439)	(2,690,518)	1,238,921
Fund Balances - Beginning of Year	6,757,480	6,757,480	6,757,480	--
Fund Balances - End of Year	<u>\$ 4,855,113</u>	<u>\$ 2,828,041</u>	<u>\$ 4,066,962</u>	<u>\$ 1,238,921</u>

See required supplementary information note to budgetary comparison schedules

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Community Development Agency - Major Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 19,500	\$ 19,500	\$ 21,969	\$ 2,469
Licenses and permits	1,423,099	1,423,099	1,641,438	218,339
Fines, forfeits and penalties	25,000	25,000	22,705	(2,295)
Revenue from use of money and property	14,500	14,500	35,718	21,218
Aid from other governments	765,359	773,163	816,536	43,373
Charges for services	2,067,102	2,236,436	2,373,788	137,352
Other revenues	2,695	17,695	158,536	140,841
Total Revenues	<u>4,317,255</u>	<u>4,509,393</u>	<u>5,070,690</u>	<u>561,297</u>
Expenditures:				
Current:				
Public protection	4,043,667	4,561,137	4,344,952	216,185
Health and sanitation	2,450,195	2,571,614	2,245,660	325,954
Capital outlay	332,297	359,228	316,057	43,171
Total Expenditures	<u>6,826,159</u>	<u>7,491,979</u>	<u>6,906,669</u>	<u>585,310</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,508,904)</u>	<u>(2,982,586)</u>	<u>(1,835,979)</u>	<u>1,146,607</u>
Other Financing Sources (Uses):				
Transfers in	2,092,679	2,331,725	2,191,113	(140,612)
Transfers out	<u>(16,945)</u>	<u>(50,940)</u>	<u>(23,988)</u>	<u>26,952</u>
Total Other Financing Sources (Uses)	<u>2,075,734</u>	<u>2,280,785</u>	<u>2,167,125</u>	<u>(113,660)</u>
Net Change in Fund Balances	(433,170)	(701,801)	331,146	1,032,947
Fund Balances - Beginning of Year	<u>3,020,942</u>	<u>3,020,942</u>	<u>3,020,942</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,587,772</u>	<u>\$ 2,319,141</u>	<u>\$ 3,352,088</u>	<u>\$ 1,032,947</u>

See required supplementary information note to budgetary comparison schedules

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Human Services Agency - Major Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines, forfeits and penalties	750	28,292	\$ 28,173	\$ (119)
Revenue from use of money and property	(10,000)	(16,000)	(4,734)	11,266
Aid from other governments	35,081,616	34,919,514	29,791,782	(5,127,732)
Charges for services	1,485,282	1,623,214	1,381,585	(241,629)
Other revenues	125,198	292,916	245,237	(47,679)
<b>Total Revenues</b>	<b>36,682,846</b>	<b>36,847,936</b>	<b>31,442,043</b>	<b>(5,405,893)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Health and sanitation	22,999,099	23,634,711	21,909,346	1,725,365
Public protection	28,623,914	30,397,944	27,036,589	3,361,355
Capital outlay	30,000	33,000	27,442	5,558
<b>Total Expenditures</b>	<b>51,653,013</b>	<b>54,065,655</b>	<b>48,973,377</b>	<b>5,092,278</b>
<b>Excess (Deficiency) of Revenues     Over (Under) Expenditures</b>	<b>(14,970,167)</b>	<b>(17,217,719)</b>	<b>(17,531,334)</b>	<b>(313,615)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	15,184,197	18,410,197	17,133,080	(1,277,117)
Transfers out	(83,128)	(619,416)	(615,607)	3,809
<b>Total Other Financing Sources (Uses)</b>	<b>15,101,069</b>	<b>17,790,781</b>	<b>16,517,473</b>	<b>(1,273,308)</b>
<b>Net Change in Fund Balances</b>	<b>130,902</b>	<b>573,062</b>	<b>(1,013,861)</b>	<b>(1,586,923)</b>
<b>Fund Balances - Beginning of Year</b>	<b>2,142,376</b>	<b>2,142,376</b>	<b>2,142,376</b>	<b>--</b>
<b>Fund Balances - End of Year</b>	<b>\$ 2,273,278</b>	<b>\$ 2,715,438</b>	<b>\$ 1,128,515</b>	<b>\$ (1,586,923)</b>

See required supplementary information note to budgetary comparison schedules

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Health and Welfare Realignment - Major Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from use of money and property	\$ 50,000	\$ 50,000	\$ 76,191	\$ 26,191
Aid from other governments	5,990,409	8,499,648	9,558,087	1,058,439
Total Revenues	<u>6,040,409</u>	<u>8,549,648</u>	<u>9,634,278</u>	<u>1,084,630</u>
Expenditures:				
Current:				
Health and sanitation	<u>161</u>	<u>161</u>	<u>--</u>	<u>161</u>
Total Expenditures	<u>161</u>	<u>161</u>	<u>--</u>	<u>161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,040,248</u>	<u>8,549,487</u>	<u>9,634,278</u>	<u>1,084,791</u>
Other Financing Sources (Uses):				
Transfers in	127,268	127,268	127,268	--
Transfers out	<u>(8,095,791)</u>	<u>(10,778,435)</u>	<u>(9,624,385)</u>	<u>1,154,050</u>
Total Other Financing Sources (Uses)	<u>(7,968,523)</u>	<u>(10,651,167)</u>	<u>(9,497,117)</u>	<u>1,154,050</u>
Net Change in Fund Balances	(1,928,275)	(2,101,680)	137,161	2,238,841
Fund Balances - Beginning of Year	<u>9,125,712</u>	<u>9,125,712</u>	<u>9,125,712</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 7,197,437</u>	<u>\$ 7,024,032</u>	<u>\$ 9,262,873</u>	<u>\$ 2,238,841</u>

See required supplementary information note to budgetary comparison schedules

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Local Revenue Fund 2011 Realignment - Special Revenue Fund  
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from use of money and property	\$ 15,000	\$ 15,000	\$ 40,332	\$ 25,332
Aid from other governments	11,725,938	12,340,614	13,616,668	1,276,054
Total Revenues	<u>11,740,938</u>	<u>12,355,614</u>	<u>13,657,000</u>	<u>1,301,386</u>
Expenditures:				
Current:				
Public protection	300,000	300,000	300,000	--
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,440,938</u>	<u>12,055,614</u>	<u>13,357,000</u>	<u>1,301,386</u>
Other Financing Sources (Uses):				
Transfers out	(11,481,120)	(12,472,090)	(11,844,555)	627,535
Total Other Financing Sources (Uses)	<u>(11,481,120)</u>	<u>(12,472,090)</u>	<u>(11,844,555)</u>	<u>627,535</u>
Net Change in Fund Balances	(40,182)	(416,476)	1,512,445	1,928,921
Fund Balances - Beginning of Year	<u>2,653,333</u>	<u>2,653,333</u>	<u>2,653,333</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,613,151</u>	<u>\$ 2,236,857</u>	<u>\$ 4,165,778</u>	<u>\$ 1,928,921</u>

See required supplementary information note to budgetary comparison schedules

## COUNTY OF NEVADA

### Required Supplementary Information Note to Budgetary Comparison Schedules For the Year Ended June 30, 2016

#### **BUDGETARY BASIS OF ACCOUNTING**

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General, Special Revenue and Debt Service 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 Ordinance. This ordinance 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 Executive Officer submits to the Board of Supervisors a recommended draft budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The Board of Supervisors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the service budget unit, the amounts stated therein as recommended expenditures, become appropriations to the various County service budget units. The Board of Supervisors may amend the budget by motion during the fiscal year. The County Executive Officer may authorize transfers from one object or purpose to another within the same service budget unit.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year end are recorded as restricted, committed or assigned fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

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**Combining and Individual Fund  
Statement and Schedules**

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## **Nonmajor Governmental Funds**

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**COUNTY OF NEVADA**

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2016

	Special Revenue Funds	Debt Service Funds	Totals
<b>Assets</b>			
Cash and investments	\$ 28,146,455	\$ 91,741	\$ 28,238,196
Accounts receivable	26,367	--	26,367
Taxes receivable	280,002	--	280,002
Due from other governments	2,398,792	--	2,398,792
Due from other funds	514,703	--	514,703
Restricted cash and investments	--	872,245	872,245
Loans receivable	4,548,151	--	4,548,151
<b>Total Assets</b>	<b><u>\$ 35,914,470</u></b>	<b><u>\$ 963,986</u></b>	<b><u>\$ 36,878,456</u></b>
<b>Liabilities</b>			
Accounts payable	\$ 983,903	\$ --	\$ 983,903
Salaries and benefits payable	93,823	--	93,823
Due to other funds	4,209,668	--	4,209,668
Advances from other funds	130,000	--	130,000
Unearned revenue	820,419	--	820,419
<b>Total Liabilities</b>	<b><u>6,237,813</u></b>	<b><u>--</u></b>	<b><u>6,237,813</u></b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	462,936	--	462,936
<b>Fund Balances</b>			
Restricted	28,095,432	963,986	29,059,418
Committed	47,460	--	47,460
Assigned	1,070,829	--	1,070,829
<b>Total Fund Balances</b>	<b><u>29,213,721</u></b>	<b><u>963,986</u></b>	<b><u>30,177,707</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 35,914,470</u></b>	<b><u>\$ 963,986</u></b>	<b><u>\$ 36,878,456</u></b>

**COUNTY OF NEVADA**

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

	Special Revenue Funds	Debt Service Funds	Totals
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Taxes	\$ 1,818,078	\$ --	\$ 1,818,078
Licenses and permits	11,730	--	11,730
Fines, forfeitures and penalties	534,536	--	534,536
Use of money and property	233,213	23,558	256,771
Intergovernmental	15,038,978	--	15,038,978
Charges for services	1,639,435	28,449	1,667,884
Other revenues	765,399	--	765,399
Total Revenues	<u>20,041,369</u>	<u>52,007</u>	<u>20,093,376</u>
Expenditures:			
Current:			
General government	1,011,745	13,796	1,025,541
Public ways and facilities	931,452	2,599	934,051
Public protection	3,547,721	--	3,547,721
Health and sanitation	4,884,237	--	4,884,237
Public assistance	676,190	--	676,190
Education	2,789,702	--	2,789,702
Recreation and culture	54,548	--	54,548
Debt Service:			
Principal	--	1,573,819	1,573,819
Interest and other charges	--	511,454	511,454
Capital outlay	44,948	--	44,948
Total Expenditures	<u>13,940,543</u>	<u>2,101,668</u>	<u>16,042,211</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,100,826</u>	<u>(2,049,661)</u>	<u>4,051,165</u>
Other Financing Sources (Uses):			
Transfers in	4,096,184	2,072,663	6,168,847
Transfers out	(10,198,283)	(71,001)	(10,269,284)
Total Other Financing Sources (Uses)	<u>(6,102,099)</u>	<u>2,001,662</u>	<u>(4,100,437)</u>
Net Changes in Fund Balances	(1,273)	(47,999)	(49,272)
Fund Balances, Beginning of Year	<u>29,214,994</u>	<u>1,011,985</u>	<u>30,226,979</u>
Fund Balances, End of Year	<u>\$ 29,213,721</u>	<u>\$ 963,986</u>	<u>\$ 30,177,707</u>

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**Nonmajor Governmental Funds  
Special Revenue Funds**

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## COUNTY OF NEVADA

### Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. Nonmajor special revenue funds used by the County are listed below:

#### **FISH AND GAME**

The fund provides for expenditures, which are used for the protection and propagation of fish and game. Revenues are from the County's share of fines collected for violations of fish and game laws.

#### **CHILD SUPPORT SERVICES**

The fund provides for services to establish paternity, obtains and enforces court orders for child support, collects and distributes payments, and provides community outreach about those services for the benefit of minor children.

#### **RECYCLED OIL BLOCK GRANT**

The fund was established to record funds received from the State for the California Oil Recycling Enhancement Act to implement the collection of used oil at the County transfer station.

#### **PROBATION FIRE INSURANCE ADMIN GRANT**

The fund provides for the administration of the insurance claims relating to the Probation Department Fire on March 20, 2002.

#### **MOTOR VEHICLE LICENSE**

Fees imposed by State and distributed to Counties. Fund established to track general fund 50% contribution to Roads per Measure F passed by County voters to enhance road maintenance and repairs.

#### **PUBLIC LIBRARY**

The fund finances public library services for 3 branches and 2 stations located in the unincorporated and incorporated areas within the County.

#### **INET MAINTENANCE**

The fund was established for cable franchise agreements that provide payment of grants to support the development of an institutional network (INET) to purchase equipment and to support public, educational and governmental television programming.

#### **WORKERS' COMPENSATION**

The fund provides claims management and pays the premium costs for workers' compensation.

#### **NONMAJOR HUMAN SERVICE AGENCY**

##### **ALCOHOL EDUCATION PROGRAM PC 1463.16**

The fund was established per Penal Code 1463.16 for the County's Alcohol Program Plan which is submitted to the State Department of Alcohol and Drug Programs.

##### **DRUG EDUCATION TRUST**

The fund was established per Health and Safety Code 11372.7 to maintain a drug program fund, amounts to be deposited into the fund shall be allocated by the administrator of the County's Drug Program.

##### **ALCOHOL EDUCATION PG PC 1463.25**

The fund was established per Penal Code 1463.25 pursuant to Vehicle Code Section 23196 and utilized pursuant to Health and Safety Code Section 11802, amounts deposited into the fund shall be allocated by the administrator of the County's Drug Program.

**COUNTY OF NEVADA**

**Nonmajor Special Revenue Funds**

**NONMAJOR HUMAN SERVICE AGENCY (CONTINUED)**

**EMERGENCY MEDICAL SERVICES**

The fund was established to support emergency medical services pursuant to Chapter 2.5, Division 2.5 of the Health and Safety Code.

**LOCAL BIOTERRORISM PREPAREDNESS**

The fund accounts for funding from CA. Dept. of Health Services for public health emergency preparedness including pandemic influenza and other potential emergencies.

**CHILDREN'S TRUST AB-2994**

The fund was established pursuant to Assembly Bill 2994 for child abuse prevention and treatment services.

**HEALTH – VRIP**

The fund provides for the Vital Records Improvement Program.

**HPP**

To track receipt and expenditure of Local Hospital Preparedness Program (HPP) for vaccination, antiviral distribution/dispensing and administration, epidemiology, laboratory, surveillance and other associated pandemic preparedness and response activities.

**ADMINISTRATION**

**FOREST RESERVES**

The fund provides for disbursement of Title III funds at the County's discretion as long as the projects meet the requirements established in the law. Examples of authorized uses are: search, rescue and emergency services to reimburse a County or Sheriff's department for services performed on Federal lands; easement purchases to provide access to public lands; forest related educational opportunities and fire prevention planning.

**COMMUNITY FACILITIES DISTRICT #1990-1 WILDWOOD ESTATES**

The fund accounts for the restricted proceeds of certain amounts related to the workout plan of Wildwood Estates and related infrastructure.

**WILDWOOD ESTATES MELLO-ROOS**

The fund accounts for special taxes and bonds used to finance development projects in Wildwood Estates.

**CRIMINAL JUSTICE TEMPORARY FACILITY CONSTRUCTION**

The fund provides for Criminal Justice construction projects pursuant to Government Code Section 761010.

**PUBLIC SAFETY AUGMENT**

The fund provides for the receipting of and disbursement of Public Safety Augmentation Funds (Proposition 172), according to the agreed upon allocations per County resolution.

**DISPUTE RESOLUTION**

The Dispute Resolution Programs Act of 1986 provided for the local establishment and funding of informal dispute resolution. The County is authorized to allocate up to \$8 from filing fees in superior, municipal and justice court actions to generate new revenues for these local programs.

## COUNTY OF NEVADA

### Nonmajor Special Revenue Funds

#### COMMUNITY DEVELOPMENT AGENCY

##### **PROPERTY MAINTENANCE/NUISANCE ABATEMENT**

This fund was established to deposit building code, fire code, zoning fines and is for the ongoing abatement of violations under regulatory authority in order to improve the quality of life and resolve safety issues within neighborhoods. Nuisance abatement is often a component of problem oriented or community policing programs.

##### **RECREATION MITIGATION**

Funds setup for deposit of fees for the purpose of developing new or rehabilitating existing neighborhood or community park or recreation facilities.

##### **ENVIRONMENTAL HEALTH PENALTIES**

Fund setup for deposit of fines and penalties related to underground storage tanks and tracks expenditures exclusively related to enforcement.

##### **CAPITAL FACILITY MITIGATION**

Fund setup for the receipt and disbursement of Capital Facility Mitigation fees collected under CEQA statutes from subdivisions for fair-share contributions.

#### DISTRICT ATTORNEY

##### **DUI LAB FEES**

To pay the costs of performing analysis of blood, breath or urine for alcohol content or the presence of drugs and the related costs for criminal lab services. Funded by a fee collected for the conviction of specific Vehicle Code Sections.

##### **ASSET FORFEITURE**

The fund was established to hold proceeds from property seized.

##### **ENVIRONMENTAL ENFORCEMENT**

Funds to be used to support environmental enforcement activities, including litigation, training and related expenses.

#### PROBATION

##### **DOMESTIC VIOLENCE PROGRAM**

This fund was established by statute for the deposit of fee per marriage license issued by the County Clerk-Recorder to be used to fund domestic violence shelter-based programs.

##### **CORRECTIONAL TRAINING**

The fund was established for training of eligible juvenile counselors and probation officers to improve the level of competence of such staff. Such application and approval is governed by regulation and procedures established by the Board, subject to the availability of funds.

##### **WARD WELFARE FUND**

This fund was established by statute for the deposit of any funds received from a telephone company that is attributable to the use of pay telephones which are primarily used by confined wards while incarcerated, and to be used for the benefit, education and welfare of the wards detained.

##### **ASSET FORFEITURE**

This fund was established to hold proceeds from property seized.

**COUNTY OF NEVADA**

**Nonmajor Special Revenue Funds**

**PROBATION (CONTINUED)**

**YOUTHFUL OFFENDER BLOCK GRANT**

Fund established to track the revenues and expenditures related to the Youthful Offender Block Grant allocation. The fund is to be used to provide the appropriate rehabilitative, intervention and supervision services.

**JJCPA**

To provide for front-line law enforcement services specific to juveniles as part of the Juvenile Justice Crime Prevention Act.

**RECORDER**

The fund provides for repository of official and vital records for the County and files or records a variety of documents, maintains a record of those documents for posterity, and makes certified copies available to the public.

**SHERIFF**

**AUTOMATED WARRANT SYSTEM**

The fund was established to track vehicle code 40508.5 fines for development and operation of the automated warrant system.

**CIVIL FEE – AB709**

The fund was established per Assembly Bill 709, funds to be used for implementation, maintenance and purchase of equipment and furnishings for Sheriff-Civil.

**ATTACHMENT ASSESSMENT FEE**

The fund was established per Government Code Section 26746, funds to be used for County's cost for vehicle fleet replacement and equipment for the Sheriff.

**RURAL & SMALL COUNTIES LAP (LOCAL ASSISTANCE PROGRAM)**

Grant funds to be used for paying expenses related to law enforcement.

**CORRECTIONAL TRAINING**

The fund was established for training of eligible corrections officers to improve the level of competence of such staff. Such application and approval is governed by regulation and procedures established by the Board, subject to the availability of funds.

**LDFF – LOCAL DETENTION FACILITY FUND**

Allocation from State for the operation, renovation, remodeling and construction of local detention facilities. Fees charged to outside agencies if no appropriation.

**INMATE WELFARE FUND**

The fund was created by statute primarily for the benefit, education and welfare of the inmates confined within the jail.

**ANIMAL HEALTH FUND**

The fund was established to provide treatment for stray animals that could become adoptable with reasonable efforts, Food & Agriculture Code 17005.

**SPAY AND NEUTER FUND**

The fund is utilized as a collection for donations and large animal spay and neuter deposit fees that are to be used for the spay and neuter program, public education and administration of the program.

## COUNTY OF NEVADA

### Nonmajor Special Revenue Funds

#### SHERIFF (CONTINUED)

##### **KREA SPAY AND NEUTER PROGRAM FUND**

The fund was established for a voucher program with set dollar amounts to help defray the costs to the public and ensure dogs and cats are spayed and neutered. The Estate of Nickolaus Krea made a donation for the specific purpose of spaying and neutering dogs and cats.

##### **WILSON FAMILY TRUST**

The fund was established exclusively for food and medical care of the animals under their control and not for administrative, labor, overhead expenses of the like. The Wilson Family Trust made a donation for this specific purpose.

##### **FEDERAL ASSET FORFEITURE FUND**

The fund was established to hold proceeds from property seized until a Federal court order allocates the distribution per Code Section 11489.

##### **FINGERPRINT IDENTIFICATION**

Fund was established for the enhancement of fingerprint facilities funded by monies levied from fines, fee and forfeitures on criminal offenses. Monies are to be used only for the purchase, lease, operation, including personnel and related costs, and maintenance of automated fingerprint equipment, or for the reimbursement to agencies that had previously performed any of these functions.

##### **LAW ENFORCEMENT SERVICES**

Also known as the Citizens for Public Safety grant (COPS). These funds are allocated to the Sheriff – Jail (12.5%) for county jail construction and operations, the District Attorney (12.5%) for the prosecution of criminals and 75% to the County and the cities within the County local front line law enforcement services.

##### **GC76104.6 ST DNA ACT**

The fund was established to collect fines from the DNA Penalty Assessment (Proposition 69). These funds are used for Administrative costs; collection of samples; processing/analysis/tracking and storage of DNA crime scene samples; equipment; software and other.

##### **ANTI-DRUG ABUSE/GANG DIVERSION**

This fund was established per Health and Safety Code. Funds are a portion of State Asset Forfeiture distributions and are to be used solely to fund programs designed to combat drug abuse and divert gang activity.

##### **STATE ASSET FORFEITURE**

The fund was established to hold proceeds from property seized until a State court order allocates the distribution per Code Section 11489.

#### **SPECIAL DISTRICTS GOVERNED BY THE BOARD OF SUPERVISORS**

These funds support a number of special purpose district funds administered by the Department of Public Works. Funding is provided by tax levies and service charges.

##### **PUBLIC WORKS**

The fund provides for the construction and maintenance of county roads, along with transportation planning activities.

##### **HOUSING AND COMMUNITY SERVICES**

The fund provides for the securing of State and Federal grants for affordable housing, economic development, energy assistance, community facilities and various low-income community services.

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**COUNTY OF NEVADA**

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2016

	<u>Fish and Game</u>	<u>Child Support Services</u>	<u>Recycled Oil Block Grant</u>
<b>Assets</b>			
Cash and investments	\$ 31,383	\$ 1,326,032	\$ --
Accounts receivable	--	--	--
Taxes receivable	--	--	--
Due from other governments	--	--	--
Due from other funds	--	24,601	--
Loans receivable	--	--	--
<b>Total Assets</b>	<b><u>\$ 31,383</u></b>	<b><u>\$ 1,350,633</u></b>	<b><u>\$ --</u></b>
<b>Liabilities</b>			
Accounts payable	\$ --	\$ 3,474	\$ --
Salaries and benefits payable	--	51,170	--
Due to other funds	--	40,353	--
Advance from other funds	--	--	--
Unearned revenue	--	713,543	--
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>808,540</u></b>	<b><u>--</u></b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	<u>--</u>	<u>--</u>	<u>--</u>
<b>Fund Balances</b>			
Restricted	31,383	223,038	--
Committed	--	--	--
Assigned	--	319,055	--
<b>Total Fund Balances</b>	<b><u>31,383</u></b>	<b><u>542,093</u></b>	<b><u>--</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 31,383</u></b>	<b><u>\$ 1,350,633</u></b>	<b><u>\$ --</u></b>

**COUNTY OF NEVADA**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2016

	Motor Vehicle License	Public Library	Inet Maintenance	Workers' Compensation
<b>Assets</b>				
Cash and investments	\$ 1,108,333	\$ 1,331,785	\$ 99,658	\$ 211,013
Accounts receivable	--	36	10,494	--
Taxes receivable	--	280,000	--	--
Due from other governments	--	18,480	--	--
Due from other funds	--	2,705	600	--
Loans receivable	--	--	--	--
<b>Total Assets</b>	<b><u>\$ 1,108,333</u></b>	<b><u>\$ 1,633,006</u></b>	<b><u>\$ 110,752</u></b>	<b><u>\$ 211,013</u></b>
<b>Liabilities</b>				
Accounts payable	\$ --	\$ 109,489	\$ --	\$ 86
Salaries and benefits payable	--	42,653	--	--
Due to other funds	660,443	15,013	16,775	92,093
Advance from other funds	--	--	--	--
Unearned revenue	--	35,241	--	--
<b>Total Liabilities</b>	<b><u>660,443</u></b>	<b><u>202,396</u></b>	<b><u>16,775</u></b>	<b><u>92,179</u></b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	--	18,480	--	--
<b>Fund Balances</b>				
Restricted	447,890	692,808	46,517	118,834
Committed	--	--	47,460	--
Assigned	--	719,322	--	--
<b>Total Fund Balances</b>	<b><u>447,890</u></b>	<b><u>1,412,130</u></b>	<b><u>93,977</u></b>	<b><u>118,834</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 1,108,333</u></b>	<b><u>\$ 1,633,006</u></b>	<b><u>\$ 110,752</u></b>	<b><u>\$ 211,013</u></b>

continued

**COUNTY OF NEVADA**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2016

	Nonmajor Human Service Agency	Administration	Community Development Agency	District Attorney
<b>Assets</b>				
Cash and investments	\$ 6,905,935	\$ 238,643	\$ 1,648,046	\$ 67,602
Accounts receivable	12,298	--	--	--
Taxes receivable	--	--	--	--
Due from other governments	708,285	1,137,494	--	--
Due from other funds	--	--	--	--
Loans receivable	--	--	--	--
<b>Total Assets</b>	<b><u>\$ 7,626,518</u></b>	<b><u>\$ 1,376,137</u></b>	<b><u>\$ 1,648,046</u></b>	<b><u>\$ 67,602</u></b>
<b>Liabilities</b>				
Accounts payable	\$ 426,117	\$ 132,626	\$ 20	\$ 5,535
Salaries and benefits payable	--	--	--	--
Due to other funds	839,309	1,004,868	3,109	314
Advance from other funds	--	--	--	--
Unearned revenue	46,537	--	--	--
<b>Total Liabilities</b>	<b><u>1,311,963</u></b>	<b><u>1,137,494</u></b>	<b><u>3,129</u></b>	<b><u>5,849</u></b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	102,899	--	--	--
<b>Fund Balances</b>				
Restricted	6,211,279	238,643	1,644,917	61,753
Committed	--	--	--	--
Assigned	377	--	--	--
<b>Total Fund Balances</b>	<b><u>6,211,656</u></b>	<b><u>238,643</u></b>	<b><u>1,644,917</u></b>	<b><u>61,753</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 7,626,518</u></b>	<b><u>\$ 1,376,137</u></b>	<b><u>\$ 1,648,046</u></b>	<b><u>\$ 67,602</u></b>

continued

**COUNTY OF NEVADA**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2016

	Probation	Recorder	Sheriff	Special Districts Governed by the Board of Supervisors
<b>Assets</b>				
Cash and investments	\$ 2,689,056	\$ 584,931	\$ 6,344,721	\$ 2,203,970
Accounts receivable	--	--	1,908	--
Taxes receivable	--	--	--	2
Due from other governments	162,060	--	17,420	--
Due from other funds	124,686	97,498	154,873	3,292
Loans receivable	--	--	--	--
<b>Total Assets</b>	<b><u>\$ 2,975,802</u></b>	<b><u>\$ 682,429</u></b>	<b><u>\$ 6,518,922</u></b>	<b><u>\$ 2,207,264</u></b>
<b>Liabilities</b>				
Accounts payable	\$ 81	\$ 3,394	\$ 6,141	\$ 31
Salaries and benefits payable	--	--	--	--
Due to other funds	1,044,937	142,037	188,072	74,255
Advance from other funds	--	--	--	--
Unearned revenue	--	--	--	--
<b>Total Liabilities</b>	<b><u>1,045,018</u></b>	<b><u>145,431</u></b>	<b><u>194,213</u></b>	<b><u>74,286</u></b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	--	--	--	--
<b>Fund Balances</b>				
Restricted	1,930,784	536,998	6,324,709	2,132,978
Committed	--	--	--	--
Assigned	--	--	--	--
<b>Total Fund Balances</b>	<b><u>1,930,784</u></b>	<b><u>536,998</u></b>	<b><u>6,324,709</u></b>	<b><u>2,132,978</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 2,975,802</u></b>	<b><u>\$ 682,429</u></b>	<b><u>\$ 6,518,922</u></b>	<b><u>\$ 2,207,264</u></b>

continued

**COUNTY OF NEVADA**

Combining Balance Sheet (continued)  
 Nonmajor Special Revenue Funds  
 June 30, 2016

	Public Works	Housing and Community Services	Totals
<b>Assets</b>			
Cash and investments	\$ 2,597,985	\$ 757,362	\$ 28,146,455
Accounts receivable	--	1,631	26,367
Taxes receivable	--	--	280,002
Due from other governments	--	355,053	2,398,792
Due from other funds	6,344	100,104	514,703
Loans receivable	--	4,548,151	4,548,151
<b>Total Assets</b>	<b><u>\$ 2,604,329</u></b>	<b><u>\$ 5,762,301</u></b>	<b><u>\$ 35,914,470</u></b>
<b>Liabilities</b>			
Accounts payable	\$ 234,029	\$ 62,880	\$ 983,903
Salaries and benefits payable	--	--	93,823
Due to other funds	8,728	79,362	4,209,668
Advance from other funds	--	130,000	130,000
Unearned revenue	--	25,098	820,419
<b>Total Liabilities</b>	<b><u>242,757</u></b>	<b><u>297,340</u></b>	<b><u>6,237,813</u></b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	--	341,557	462,936
<b>Fund Balances</b>			
Restricted	2,361,572	5,091,329	28,095,432
Committed	--	--	47,460
Assigned	--	32,075	1,070,829
<b>Total Fund Balances</b>	<b><u>2,361,572</u></b>	<b><u>5,123,404</u></b>	<b><u>29,213,721</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 2,604,329</u></b>	<b><u>\$ 5,762,301</u></b>	<b><u>\$ 35,914,470</u></b>

**COUNTY OF NEVADA**

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

	Fish and Game	Child Support Services	Recycled Oil Block Grant
Revenues:			
Taxes	\$ --	\$ --	\$ --
Licenses and permits	--	--	--
Fines, forfeitures and penalties	2,842	--	--
Use of money and property	241	12,983	36
Intergovernmental	--	2,319,358	--
Charges for services	--	--	--
Other revenues	--	3	--
Total Revenues	<u>3,083</u>	<u>2,332,344</u>	<u>36</u>
Expenditures:			
Current:			
General government	--	--	--
Public ways and facilities	--	--	--
Public protection	2,977	2,375,889	--
Health and sanitation	--	--	--
Public assistance	--	--	--
Education	--	--	--
Recreation and culture	--	--	--
Capital outlay	--	--	--
Total Expenditures	<u>2,977</u>	<u>2,375,889</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>106</u>	<u>(43,545)</u>	<u>36</u>
Other Financing Sources (Uses):			
Transfers in	--	--	--
Transfers out	--	--	(2,463)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>(2,463)</u>
Net Changes in Fund Balances	106	(43,545)	(2,427)
Fund Balances, Beginning of Year	<u>31,277</u>	<u>585,638</u>	<u>2,427</u>
Fund Balances, End of Year	<u>\$ 31,383</u>	<u>\$ 542,093</u>	<u>\$ --</u>

**COUNTY OF NEVADA**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016

	<u>Motor Vehicle License</u>	<u>Public Library</u>	<u>Inet Maintenance</u>	<u>Workers' Compensation</u>
Revenues:				
Taxes	\$ --	\$ 1,779,691	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	9,054	20,707	728	2,491
Intergovernmental	--	93,628	--	--
Charges for services	--	75,800	6,300	--
Other revenues	--	219,335	63,229	187,832
Total Revenues	<u>9,054</u>	<u>2,189,161</u>	<u>70,257</u>	<u>190,323</u>
Expenditures:				
Current:				
General government	--	--	52,839	372,335
Public ways and facilities	--	--	--	--
Public protection	--	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	2,765,372	--	--
Recreation and culture	--	--	--	--
Capital outlay	--	38,407	--	--
Total Expenditures	<u>--</u>	<u>2,803,779</u>	<u>52,839</u>	<u>372,335</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,054</u>	<u>(614,618)</u>	<u>17,418</u>	<u>(182,012)</u>
Other Financing Sources (Uses):				
Transfers in	1,289,880	588,765	--	--
Transfers out	<u>(1,650,075)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>(360,195)</u>	<u>588,765</u>	<u>--</u>	<u>--</u>
Net Changes in Fund Balances	(351,141)	(25,853)	17,418	(182,012)
Fund Balances, Beginning of Year	<u>799,031</u>	<u>1,437,983</u>	<u>76,559</u>	<u>300,846</u>
Fund Balances, End of Year	<u>\$ 447,890</u>	<u>\$ 1,412,130</u>	<u>\$ 93,977</u>	<u>\$ 118,834</u>

continued

**COUNTY OF NEVADA**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016

	Nonmajor Human Services Agency	Administration	Community Development Agency	District Attorney
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	11,730
Fines, forfeitures and penalties	171,776	140,406	166,035	24,864
Use of money and property	55,313	6,187	13,382	430
Intergovernmental	4,558,500	6,436,358	--	27,191
Charges for services	82,897	--	5,847	--
Other revenues	5,110	12,717	4,968	3,923
Total Revenues	<u>4,873,596</u>	<u>6,595,668</u>	<u>190,232</u>	<u>68,138</u>
Expenditures:				
Current:				
General government	--	586,571	--	--
Public ways and facilities	--	--	787	--
Public protection	--	761,231	145,848	24,447
Health and sanitation	4,868,187	--	16,050	--
Public assistance	--	--	--	12,905
Education	--	24,330	--	--
Recreation and culture	--	--	54,548	--
Capital outlay	6,541	--	--	--
Total Expenditures	<u>4,874,728</u>	<u>1,372,132</u>	<u>217,233</u>	<u>37,352</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,132)</u>	<u>5,223,536</u>	<u>(27,001)</u>	<u>30,786</u>
Other Financing Sources (Uses):				
Transfers in	33,650	--	--	416
Transfers out	<u>(72,636)</u>	<u>(6,031,878)</u>	<u>(5,760)</u>	<u>(2,075)</u>
Total Other Financing Sources (Uses)	<u>(38,986)</u>	<u>(6,031,878)</u>	<u>(5,760)</u>	<u>(1,659)</u>
Net Changes in Fund Balances	(40,118)	(808,342)	(32,761)	29,127
Fund Balances, Beginning of Year	<u>6,251,774</u>	<u>1,046,985</u>	<u>1,677,678</u>	<u>32,626</u>
Fund Balances, End of Year	<u>\$ 6,211,656</u>	<u>\$ 238,643</u>	<u>\$ 1,644,917</u>	<u>\$ 61,753</u>

continued

**COUNTY OF NEVADA**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016

	<u>Probation</u>	<u>Recorder</u>	<u>Sheriff</u>	Special Districts Governed by the Board of Supervisors
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ 38,387
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	28,613	--
Use of money and property	16,150	4,117	45,399	16,270
Intergovernmental	722,758	--	327,148	3
Charges for services	--	209,128	35,881	501,010
Other revenues	1,612	--	184,770	142
Total Revenues	<u>740,520</u>	<u>213,245</u>	<u>621,811</u>	<u>555,812</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public ways and facilities	--	--	--	363,782
Public protection	1,379	75,041	160,909	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	<u>1,379</u>	<u>75,041</u>	<u>160,909</u>	<u>363,782</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>739,141</u>	<u>138,204</u>	<u>460,902</u>	<u>192,030</u>
Other Financing Sources (Uses):				
Transfers in	681,677	--	935,268	40,975
Transfers out	<u>(1,044,937)</u>	--	<u>(559,251)</u>	--
Total Other Financing Sources (Uses)	<u>(363,260)</u>	--	<u>376,017</u>	<u>40,975</u>
Net Changes in Fund Balances	375,881	138,204	836,919	233,005
Fund Balances, Beginning of Year	<u>1,554,903</u>	<u>398,794</u>	<u>5,487,790</u>	<u>1,899,973</u>
Fund Balances, End of Year	<u>\$ 1,930,784</u>	<u>\$ 536,998</u>	<u>\$ 6,324,709</u>	<u>\$ 2,132,978</u>

continued

**COUNTY OF NEVADA**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2016

	Public Works	Housing and Community Services	Totals
Revenues:			
Taxes	\$ --	\$ --	\$ 1,818,078
Licenses and permits	--	--	11,730
Fines, forfeitures and penalties	--	--	534,536
Use of money and property	21,790	7,935	233,213
Intergovernmental	--	554,034	15,038,978
Charges for services	722,572	--	1,639,435
Other revenues	19,520	62,238	765,399
Total Revenues	763,882	624,207	20,041,369
Expenditures:			
Current:			
General government	--	--	1,011,745
Public ways and facilities	566,883	--	931,452
Public protection	--	--	3,547,721
Health and sanitation	--	--	4,884,237
Public assistance	--	663,285	676,190
Education	--	--	2,789,702
Recreation and culture	--	--	54,548
Capital outlay	--	--	44,948
Total Expenditures	566,883	663,285	13,940,543
Excess (Deficiency) of Revenues Over (Under) Expenditures	196,999	(39,078)	6,100,826
Other Financing Sources (Uses):			
Transfers in	--	525,553	4,096,184
Transfers out	(403,725)	(425,483)	(10,198,283)
Total Other Financing Sources (Uses)	(403,725)	100,070	(6,102,099)
Net Changes in Fund Balances	(206,726)	60,992	(1,273)
Fund Balances, Beginning of Year	2,568,298	5,062,412	29,214,994
Fund Balances, End of Year	\$ 2,361,572	\$ 5,123,404	\$ 29,213,721

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Fish and Game - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeits and penalties	\$ 1,200	\$ 1,200	\$ 2,842	\$ 1,642
Revenue from use of money and property	160	160	241	81
Total Revenues	<u>1,360</u>	<u>1,360</u>	<u>3,083</u>	<u>1,723</u>
Expenditures:				
Current:				
Public protection	<u>5,713</u>	<u>5,713</u>	<u>2,977</u>	<u>2,736</u>
Total Expenditures	<u>5,713</u>	<u>5,713</u>	<u>2,977</u>	<u>2,736</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,353)</u>	<u>(4,353)</u>	<u>106</u>	<u>4,459</u>
Fund Balances - Beginning of Year	<u>31,277</u>	<u>31,277</u>	<u>31,277</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 26,924</u>	<u>\$ 26,924</u>	<u>\$ 31,383</u>	<u>\$ 4,459</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Child Support Services - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from use of money and property	\$ 9,000	\$ 9,000	\$ 12,983	\$ 3,983
Aid from other governments	4,301,328	4,301,452	2,319,358	(1,982,094)
Other revenues	--	--	3	3
Total Revenues	<u>4,310,328</u>	<u>4,310,452</u>	<u>2,332,344</u>	<u>(1,978,108)</u>
Expenditures:				
Current:				
Public protection	<u>4,310,328</u>	<u>4,310,452</u>	<u>2,375,889</u>	<u>1,934,563</u>
Total Expenditures	<u>4,310,328</u>	<u>4,310,452</u>	<u>2,375,889</u>	<u>1,934,563</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>(43,545)</u>	<u>(43,545)</u>
Fund Balances - Beginning of Year	<u>585,638</u>	<u>585,638</u>	<u>585,638</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 585,638</u>	<u>\$ 585,638</u>	<u>\$ 542,093</u>	<u>\$ (43,545)</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Recycled Oil Block Grant - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from use of money and property			\$ 36	\$ 36
Total Revenues	--	--	36	36
Expenditures:				
Current:				
Health and sanitation	(1,443)	(1,443)	--	(1,443)
Total Expenditures	(1,443)	(1,443)	--	(1,443)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,443	1,443	36	(1,407)
Other Financing Sources (Uses):				
Transfers out		(2,463)	(2,463)	--
Total Other Financing Sources (Uses)	--	(2,463)	(2,463)	--
Net Change in Fund Balance	1,443	(1,020)	(2,427)	(1,407)
Fund Balances - Beginning of Year	2,427	2,427	2,427	--
Fund Balances - End of Year	\$ 3,870	\$ 1,407	\$ --	\$ (1,407)

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Motor Vehicle License - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from use of money and property	\$ --	\$ --	\$ 9,054	\$ 9,054
Total Revenues	<u>    --</u>	<u>    --</u>	<u>    9,054</u>	<u>    9,054</u>
Other Financing Sources (Uses):				
Transfers in	--	1,650,075	1,289,880	(360,195)
Transfers out	<u>    --</u>	<u>(1,650,075)</u>	<u>(1,650,075)</u>	<u>    --</u>
Total Other Financing Sources (Uses)	<u>    --</u>	<u>    --</u>	<u>(360,195)</u>	<u>(360,195)</u>
Net Change in Fund Balances	--	--	(351,141)	(351,141)
Fund Balances - Beginning of Year	<u>    799,031</u>	<u>    799,031</u>	<u>    799,031</u>	<u>    --</u>
Fund Balances - End of Year	<u>\$    799,031</u>	<u>\$    799,031</u>	<u>\$    447,890</u>	<u>\$ (351,141)</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Public Library - Nonmajor Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes and assessments	\$ 1,815,000	\$ 1,815,000	\$ 1,779,691	\$ (35,309)
Use of money and property	18,100	18,100	20,707	2,607
Intergovernmental	61,245	171,445	93,628	(77,817)
Charges for services	78,700	78,700	75,800	(2,900)
Other revenues	80,875	80,875	219,335	138,460
Total Revenues	<u>2,053,920</u>	<u>2,164,120</u>	<u>2,189,161</u>	<u>25,041</u>
Expenditures:				
Current:				
Education	2,735,729	2,900,475	2,765,372	135,103
Capital outlay	51,814	109,514	38,407	71,107
Total Expenditures	<u>2,787,543</u>	<u>3,009,989</u>	<u>2,803,779</u>	<u>206,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(733,623)</u>	<u>(845,869)</u>	<u>(614,618)</u>	<u>231,251</u>
Other Financing Sources (Uses):				
Transfers in	588,765	601,265	588,765	(12,500)
Total Other Financing Sources (Uses)	<u>588,765</u>	<u>601,265</u>	<u>588,765</u>	<u>(12,500)</u>
Net Change in Fund Balances	(144,858)	(244,604)	(25,853)	218,751
Fund Balances - Beginning of Year	<u>1,437,983</u>	<u>1,437,983</u>	<u>1,437,983</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,293,125</u>	<u>\$ 1,193,379</u>	<u>\$ 1,412,130</u>	<u>\$ 218,751</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 INET Maintenance - Nonmajor Special Revenue Funds  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property			\$ 728	\$ 728
Charges for services	8,100	8,100	6,300	(1,800)
Other revenues	63,000	63,000	63,229	229
Total Revenues	<u>71,100</u>	<u>71,100</u>	<u>70,257</u>	<u>(843)</u>
Expenditures:				
Current:				
General government	69,800	69,800	52,839	16,961
Total Expenditures	<u>69,800</u>	<u>69,800</u>	<u>52,839</u>	<u>16,961</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,300</u>	<u>1,300</u>	<u>17,418</u>	<u>16,118</u>
Other Financing Sources (Uses):				
Transfers out	(400)	(400)	--	400
Total Other Financing Sources (Uses)	<u>(400)</u>	<u>(400)</u>	<u>--</u>	<u>400</u>
Net Change in Fund Balances	900	900	17,418	16,518
Fund Balances - Beginning of Year	<u>76,559</u>	<u>76,559</u>	<u>76,559</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 77,459</u>	<u>\$ 77,459</u>	<u>\$ 93,977</u>	<u>\$ 16,518</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Workers' Compensation - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 1,200	\$ 1,200	\$ 2,491	\$ 1,291
Other revenues	241,200	241,200	187,832	(53,368)
Total Revenues	<u>242,400</u>	<u>242,400</u>	<u>190,323</u>	<u>(52,077)</u>
Expenditures:				
Current:				
General government	447,627	447,627	372,335	75,292
Total Expenditures	<u>447,627</u>	<u>447,627</u>	<u>372,335</u>	<u>75,292</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(205,227)</u>	<u>(205,227)</u>	<u>(182,012)</u>	<u>23,215</u>
Fund Balances - Beginning of Year	<u>300,846</u>	<u>300,846</u>	<u>300,846</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 95,619</u>	<u>\$ 95,619</u>	<u>\$ 118,834</u>	<u>\$ 23,215</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Human Services Agency - Nonmajor Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 193,328	\$ 193,328	\$ 171,776	\$ (21,552)
Use of money and property	35,877	35,877	55,313	19,436
Intergovernmental	4,483,829	4,725,810	4,558,500	(167,310)
Charges for services	71,820	71,820	82,897	11,077
Other revenues	1,890	1,890	5,110	3,220
Total Revenues	<u>4,786,744</u>	<u>5,028,725</u>	<u>4,873,596</u>	<u>(155,129)</u>
Expenditures:				
Current:				
Health and sanitation	4,677,965	5,077,151	4,868,187	208,964
Capital outlay	--	6,543	6,541	2
Total Expenditures	<u>4,677,965</u>	<u>5,083,694</u>	<u>4,874,728</u>	<u>208,966</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>108,779</u>	<u>(54,969)</u>	<u>(1,132)</u>	<u>53,837</u>
Other Financing Sources (Uses):				
Transfers in	33,650	33,650	33,650	--
Transfers out	(73,592)	(95,294)	(72,636)	22,658
Total Other Financing Sources (Uses)	<u>(39,942)</u>	<u>(61,644)</u>	<u>(38,986)</u>	<u>22,658</u>
Net Change in Fund Balances	68,837	(116,613)	(40,118)	76,495
Fund Balances - Beginning of Year	<u>6,251,774</u>	<u>6,251,774</u>	<u>6,251,774</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 6,320,611</u>	<u>\$ 6,135,161</u>	<u>\$ 6,211,656</u>	<u>\$ 76,495</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Administration - Nonmajor Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 143,469	\$ 143,469	\$ 140,406	\$ (3,063)
Use of money and property	5,828	5,828	6,187	359
Intergovernmental	6,360,453	6,432,294	6,436,358	4,064
Other revenues	11,496	11,496	12,717	1,221
Total Revenues	<u>6,521,246</u>	<u>6,593,087</u>	<u>6,595,668</u>	<u>2,581</u>
Expenditures:				
Current:				
General government	2,392	586,591	586,571	20
Public protection	752,589	761,231	761,231	--
Education	22,784	24,331	24,330	1
Total Expenditures	<u>777,765</u>	<u>1,372,153</u>	<u>1,372,132</u>	<u>21</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,743,481</u>	<u>5,220,934</u>	<u>5,223,536</u>	<u>2,602</u>
Other Financing Sources (Uses):				
Transfers out	<u>(5,877,252)</u>	<u>(6,065,676)</u>	<u>(6,031,878)</u>	<u>33,798</u>
Total Other Financing Sources (Uses)	<u>(5,877,252)</u>	<u>(6,065,676)</u>	<u>(6,031,878)</u>	<u>33,798</u>
Net Change in Fund Balances	(133,771)	(844,742)	(808,342)	36,400
Fund Balances - Beginning of Year	<u>1,046,985</u>	<u>1,046,985</u>	<u>1,046,985</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 913,214</u>	<u>\$ 202,243</u>	<u>\$ 238,643</u>	<u>\$ 36,400</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Community Development Agency - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 132,444	\$ 132,444	\$ 166,035	\$ 33,591
Use of money and property	6,696	6,696	13,382	6,686
Charges for services	6,877	6,877	5,847	(1,030)
Other revenues	10,508	10,508	4,968	(5,540)
<b>Total Revenues</b>	<b>156,525</b>	<b>156,525</b>	<b>190,232</b>	<b>33,707</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public ways	153	793	787	6
Public protection	486,107	485,467	145,848	339,619
Health and sanitation	23,000	23,000	16,050	6,950
Recreation	98,665	142,365	54,548	87,817
<b>Total Expenditures</b>	<b>607,925</b>	<b>651,625</b>	<b>217,233</b>	<b>434,392</b>
<b>Excess (Deficiency) of Revenues     Over (Under) Expenditures</b>	<b>(451,400)</b>	<b>(495,100)</b>	<b>(27,001)</b>	<b>468,099</b>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(24,300)	(34,050)	(5,760)	28,290
<b>Total Other Financing Sources (Uses)</b>	<b>(24,300)</b>	<b>(34,050)</b>	<b>(5,760)</b>	<b>28,290</b>
<b>Net Change in Fund Balances</b>	<b>(475,700)</b>	<b>(529,150)</b>	<b>(32,761)</b>	<b>496,389</b>
<b>Fund Balances - Beginning of Year</b>	<b>1,677,678</b>	<b>1,677,678</b>	<b>1,677,678</b>	<b>--</b>
<b>Fund Balances - End of Year</b>	<b>\$ 1,201,978</b>	<b>\$ 1,148,528</b>	<b>\$ 1,644,917</b>	<b>\$ 496,389</b>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 District Attorney - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses, permits and franchise fees	\$ 14,000	\$ 14,000	\$ 11,730	\$ (2,270)
Fines and forfeitures	31,826	31,826	24,864	(6,962)
Use of money and property	150	150	430	280
Intergovernmental	--	--	27,191	27,191
Other revenues	--	--	3,923	3,923
Total Revenues	<u>45,976</u>	<u>45,976</u>	<u>68,138</u>	<u>22,162</u>
Expenditures:				
Current:				
Public protection	28,000	28,000	24,447	3,553
Public assistance	17,826	17,826	12,905	4,921
Total Expenditures	<u>45,826</u>	<u>45,826</u>	<u>37,352</u>	<u>8,474</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>150</u>	<u>150</u>	<u>30,786</u>	<u>30,636</u>
Other Financing Sources (Uses):				
Transfers in	--	--	416	416
Transfers out	--	(2,489)	(2,075)	414
Total Other Financing Sources (Uses)	<u>--</u>	<u>(2,489)</u>	<u>(1,659)</u>	<u>830</u>
Net Change in Fund Balances	150	(2,339)	29,127	31,466
Fund Balances - Beginning of Year	<u>32,626</u>	<u>32,626</u>	<u>32,626</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 32,776</u>	<u>\$ 30,287</u>	<u>\$ 61,753</u>	<u>\$ 31,466</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Probation - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 9,191	\$ 11,551	\$ 16,150	\$ 4,599
Intergovernmental	401,941	453,385	722,758	269,373
Other revenues	3,000	3,000	1,612	(1,388)
Total Revenues	<u>414,132</u>	<u>467,936</u>	<u>740,520</u>	<u>272,584</u>
Expenditures:				
Current:				
Public protection	3,080	3,080	1,379	1,701
Total Expenditures	<u>3,080</u>	<u>3,080</u>	<u>1,379</u>	<u>1,701</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>411,052</u>	<u>464,856</u>	<u>739,141</u>	<u>274,285</u>
Other Financing Sources (Uses):				
Transfers in	459,039	527,539	681,677	154,138
Transfers out	(891,582)	(1,074,167)	(1,044,937)	29,230
Total Other Financing Sources (Uses)	<u>(432,543)</u>	<u>(546,628)</u>	<u>(363,260)</u>	<u>183,368</u>
Net Change in Fund Balances	(21,491)	(81,772)	375,881	457,653
Fund Balances - Beginning of Year	<u>1,554,903</u>	<u>1,554,903</u>	<u>1,554,903</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,533,412</u>	<u>\$ 1,473,131</u>	<u>\$ 1,930,784</u>	<u>\$ 457,653</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Recorder - Nonmajor Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ --	\$ --	\$ 4,117	\$ 4,117
Charges for services	193,900	194,616	209,128	14,512
Total Revenues	<u>193,900</u>	<u>194,616</u>	<u>213,245</u>	<u>18,629</u>
Expenditures:				
Current:				
Public protection	<u>238,497</u>	<u>247,998</u>	<u>75,041</u>	<u>172,957</u>
Total Expenditures	<u>238,497</u>	<u>247,998</u>	<u>75,041</u>	<u>172,957</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(44,597)</u>	<u>(53,382)</u>	<u>138,204</u>	<u>191,586</u>
Net Change in Fund Balances	(44,597)	(53,382)	138,204	191,586
Fund Balances - Beginning of Year	<u>398,794</u>	<u>398,794</u>	<u>398,794</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 354,197</u>	<u>\$ 345,412</u>	<u>\$ 536,998</u>	<u>\$ 191,586</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Sheriff - Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 30,250	\$ 30,250	\$ 28,613	\$ (1,637)
Use of money and property	15,150	15,150	45,399	30,249
Intergovernmental	94,000	340,000	327,148	(12,852)
Charges for services	35,500	35,500	35,881	381
Other revenues	159,250	159,250	184,770	25,520
Total Revenues	<u>334,150</u>	<u>580,150</u>	<u>621,811</u>	<u>41,661</u>
Expenditures:				
Current:				
Public protection	98,600	205,906	160,909	44,997
Total Expenditures	<u>98,600</u>	<u>205,906</u>	<u>160,909</u>	<u>44,997</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>235,550</u>	<u>374,244</u>	<u>460,902</u>	<u>86,658</u>
Other Financing Sources (Uses):				
Transfers in	690,000	690,000	935,268	245,268
Transfers out	(1,076,975)	(1,369,613)	(559,251)	810,362
Total Other Financing Sources (Uses)	<u>(386,975)</u>	<u>(679,613)</u>	<u>376,017</u>	<u>1,055,630</u>
Net Change in Fund Balances	(151,425)	(305,369)	836,919	1,142,288
Fund Balances - Beginning of Year	<u>5,487,790</u>	<u>5,487,790</u>	<u>5,487,790</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 5,336,365</u>	<u>\$ 5,182,421</u>	<u>\$ 6,324,709</u>	<u>\$ 1,142,288</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Special Districts Governed by the Board of Supervisors  
 Nonmajor Special Revenue Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes and assessments	38,700	38,700	\$ 38,387	\$ (313)
Use of money and property	8,313	8,313	16,270	7,957
Intergovernmental	127	127	3	(124)
Charges for services	457,530	457,530	501,010	43,480
Other revenues	--	--	142	142
Total Revenues	<u>504,670</u>	<u>504,670</u>	<u>555,812</u>	<u>51,142</u>
Expenditures:				
Current:				
Public ways and facilities	502,711	569,571	363,782	205,789
Total Expenditures	<u>502,711</u>	<u>569,571</u>	<u>363,782</u>	<u>205,789</u>
Other Financing Sources (Uses):				
Transfers in	--	40,975	40,975	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>40,975</u>	<u>40,975</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,959</u>	<u>(23,926)</u>	<u>233,005</u>	<u>(154,647)</u>
Fund Balances - Beginning of Year	<u>1,899,973</u>	<u>1,899,973</u>	<u>1,899,973</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,901,932</u>	<u>\$ 1,876,047</u>	<u>\$ 2,132,978</u>	<u>\$ 256,931</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Public Works - Nonmajor Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 12,945	\$ 13,165	\$ 21,790	\$ 8,625
Charges for services	611,013	713,825	722,572	8,747
Other revenues	21,000	21,000	19,520	(1,480)
Total Revenues	<u>644,958</u>	<u>747,990</u>	<u>763,882</u>	<u>15,892</u>
Expenditures:				
Current:				
Public ways and facilities	465,883	571,284	566,883	4,401
Total Expenditures	<u>465,883</u>	<u>571,284</u>	<u>566,883</u>	<u>4,401</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>179,075</u>	<u>176,706</u>	<u>196,999</u>	<u>20,293</u>
Other Financing Sources (Uses):				
Transfers out	(391,400)	(677,487)	(403,725)	273,762
Total Other Financing Sources (Uses)	<u>(391,400)</u>	<u>(677,487)</u>	<u>(403,725)</u>	<u>273,762</u>
Net Change in Fund Balances	(212,325)	(500,781)	(206,726)	294,055
Fund Balances - Beginning of Year	<u>2,568,298</u>	<u>2,568,298</u>	<u>2,568,298</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,355,973</u>	<u>\$ 2,067,517</u>	<u>\$ 2,361,572</u>	<u>\$ 294,055</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
Housing and Community Services - Nonmajor Special Revenue Fund  
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 4,175	\$ 4,175	\$ 7,935	\$ 3,760
Intergovernmental	2,262,707	2,401,396	554,034	(1,847,362)
Other revenues	192,200	550,250	62,238	(488,012)
Total Revenues	<u>2,459,082</u>	<u>2,955,821</u>	<u>624,207</u>	<u>(2,331,614)</u>
Expenditures:				
Current:				
Public assistance	2,968,280	3,266,769	663,285	2,603,484
Total Expenditures	<u>2,968,280</u>	<u>3,266,769</u>	<u>663,285</u>	<u>2,603,484</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(509,198)</u>	<u>(310,948)</u>	<u>(39,078)</u>	<u>271,870</u>
Other Financing Sources (Uses):				
Transfers in	58,570	197,570	525,553	327,983
Transfers out	--	(100,000)	(425,483)	(325,483)
Total Other Financing Sources (Uses)	<u>58,570</u>	<u>97,570</u>	<u>100,070</u>	<u>2,500</u>
Net Change in Fund Balances	(450,628)	(213,378)	60,992	274,370
Fund Balances - Beginning of Year	<u>5,062,412</u>	<u>5,062,412</u>	<u>5,062,412</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 4,611,784</u>	<u>\$ 4,849,034</u>	<u>\$ 5,123,404</u>	<u>\$ 274,370</u>

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**Nonmajor Governmental Funds  
Debt Service Funds**

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## COUNTY OF NEVADA

### Nonmajor Debt Service Funds

Debt Service Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. Nonmajor debt service funds used by the County are listed below:

#### **GOVERNMENT DEBT SERVICE**

Fund accounts for other financing requirements of the County, including for Laura Wilcox Memorial building. Amounts are transferred into, and payments made out of, this fund.

#### **SPECIAL ASSESSMENT DEBT WITH COUNTY COMMITMENT**

These funds were established to administer bonds issued by the County of Nevada on behalf of the County Service Area 22 Assessment District under the Improvement Bond Act of 1915.

#### **FINANCE AUTHORITY**

Fund accounts for finance and refinance of any real or personal property for the benefit of Nevada County. The Finance Authority is the lessor for the County's Certificates of Participation, and makes debt service payments on behalf of the County.

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**COUNTY OF NEVADA**

Combining Balance Sheet  
 Nonmajor Debt Service Funds  
 June 30, 2016

	<u>Government Debt Service</u>	<u>Special Assessment Debt with County Commitment</u>	<u>Finance Authority</u>	<u>Totals</u>
<b>Assets</b>				
Cash and investments	\$ 135	\$ 83,426	\$ 8,180	\$ 91,741
Restricted cash and investments	--	--	872,245	872,245
Total Assets	<u>\$ 135</u>	<u>\$ 83,426</u>	<u>\$ 880,425</u>	<u>\$ 963,986</u>
<b>Fund Balances</b>				
Restricted	\$ 135	\$ 83,426	\$ 880,425	\$ 963,986
Total Fund Balances	<u>135</u>	<u>83,426</u>	<u>880,425</u>	<u>963,986</u>
 Total Liabilities and Fund Balances	 <u>\$ 135</u>	 <u>\$ 83,426</u>	 <u>\$ 880,425</u>	 <u>\$ 963,986</u>

**COUNTY OF NEVADA**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Debt Service Funds  
For the Year Ended June 30, 2016

	Government Debt Service	Special Assessment Debt with County Commitment	Finance Authority	Totals
Revenues:				
Use of money and property	\$ 135	\$ 744	\$ 22,679	\$ 23,558
Charges for services	--	28,449	--	28,449
Total Revenues	<u>135</u>	<u>29,193</u>	<u>22,679</u>	<u>52,007</u>
Expenditures:				
Current:				
General government	2,863	981	9,952	13,796
Public ways and facilities	--	2,599	--	2,599
Debt Service:				
Principal	242,621	15,000	1,316,198	1,573,819
Interest and other charges	174,699	12,509	324,246	511,454
Total Expenditures	<u>420,183</u>	<u>31,089</u>	<u>1,650,396</u>	<u>2,101,668</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(420,048)</u>	<u>(1,896)</u>	<u>(1,627,717)</u>	<u>(2,049,661)</u>
Other Financing Sources (Uses):				
Transfers in	420,183	30,026	1,622,454	2,072,663
Transfers out	--	(71,001)	--	(71,001)
Total Other Financing Sources (Uses)	<u>420,183</u>	<u>(40,975)</u>	<u>1,622,454</u>	<u>2,001,662</u>
Net Changes in Fund Balances	135	(42,871)	(5,263)	(47,999)
Fund Balances, Beginning of Year	<u>--</u>	<u>126,297</u>	<u>885,688</u>	<u>1,011,985</u>
Fund Balances, End of Year	<u>\$ 135</u>	<u>\$ 83,426</u>	<u>\$ 880,425</u>	<u>\$ 963,986</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Government Debt Service - Nonmajor Special Service Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 46	\$ 46	\$ 135	\$ 89
Total Revenues	<u>46</u>	<u>46</u>	<u>135</u>	<u>89</u>
Expenditures:				
Current:				
General government	2,863	2,863	2,863	--
Debt Service:				
Principal	242,916	242,916	242,621	295
Interest and other charges	<u>175,015</u>	<u>175,015</u>	<u>174,699</u>	<u>316</u>
Total Expenditures	<u>420,794</u>	<u>420,794</u>	<u>420,183</u>	<u>611</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(420,748)</u>	<u>(420,748)</u>	<u>(420,048)</u>	<u>700</u>
Other Financing Sources (Uses):				
Transfers in	420,794	420,794	420,183	(611)
Transfers out	<u>(46)</u>	<u>(46)</u>	<u>--</u>	<u>46</u>
Total Other Financing Sources (Uses)	<u>420,748</u>	<u>420,748</u>	<u>420,183</u>	<u>(565)</u>
Net Change in Fund Balances	--	--	135	135
Fund Balances - Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>135</u>
Fund Balances - End of Year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 135</u></u>	<u><u>\$ 135</u></u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Special Assessment Debt with County Commitment  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	250	250	\$ 744	\$ 494
Charges for services	29,194	29,194	28,449	(745)
Total Revenues	<u>29,444</u>	<u>29,444</u>	<u>29,193</u>	<u>(251)</u>
Expenditures:				
Current:				
General government	403	981	981	--
Public ways and facilities	578	3,078	2,599	479
Debt Service:				
Principal	14,000	15,000	15,000	--
Interest and other charges	13,270	13,270	12,509	761
Total Expenditures	<u>28,251</u>	<u>32,329</u>	<u>31,089</u>	<u>1,240</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,193</u>	<u>(2,885)</u>	<u>(1,896)</u>	<u>989</u>
Other Financing Sources (Uses):				
Transfers in	27,526	31,026	30,026	(1,000)
Transfers out	(27,526)	(72,001)	(71,001)	1,000
Total Other Financing Sources (Uses)	<u>--</u>	<u>(40,975)</u>	<u>(40,975)</u>	<u>--</u>
Net Change in Fund Balances	1,193	(43,860)	(42,871)	989
Fund Balances - Beginning of Year	<u>126,297</u>	<u>126,297</u>	<u>126,297</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 127,490</u>	<u>\$ 82,437</u>	<u>\$ 83,426</u>	<u>\$ 989</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
 Finance Authority - Nonmajor Debt Service Fund  
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 22,650	\$ 22,650	\$ 22,679	\$ 29
Total Revenues	<u>22,650</u>	<u>22,650</u>	<u>22,679</u>	<u>29</u>
Expenditures:				
Current:				
General government	7,702	9,952	9,952	--
Debt Service:				
Principal	1,316,198	1,316,198	1,316,198	--
Interest and other charges	<u>324,246</u>	<u>324,246</u>	<u>324,246</u>	<u>--</u>
Total Expenditures	<u>1,648,146</u>	<u>1,650,396</u>	<u>1,650,396</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,625,496)</u>	<u>(1,627,746)</u>	<u>(1,627,717)</u>	<u>29</u>
Other Financing Sources (Uses):				
Transfers in	<u>1,625,496</u>	<u>1,627,746</u>	<u>1,622,454</u>	<u>(5,292)</u>
Total Other Financing Sources (Uses)	<u>1,625,496</u>	<u>1,627,746</u>	<u>1,622,454</u>	<u>(5,292)</u>
Net Change in Fund Balances	--	--	(5,263)	(5,263)
Fund Balances - Beginning of Year	<u>885,688</u>	<u>885,688</u>	<u>885,688</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 885,688</u>	<u>\$ 885,688</u>	<u>\$ 880,425</u>	<u>\$ (5,263)</u>

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**Nonmajor Proprietary Funds  
Enterprise Funds**

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## **COUNTY OF NEVADA**

### **Nonmajor Enterprise Funds**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed primarily through user charges; or where the County has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Nonmajor enterprise funds of the County are listed below:

#### **EASTERN NEVADA COUNTY SOLID WASTE**

Fund accounts for the solid waste support services in Eastern Nevada County. Includes administration of refuse collection franchise in Eastern Nevada County. Fees collected from property owners in unincorporated Eastern Nevada County and used for residential refuse collection, recycling, and disposal activities. Also used to administer the Hirschdale Landfill closure and provide post-closure monitoring services.

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**COUNTY OF NEVADA**

Combining Statement of Fund Net Position  
Nonmajor Enterprise Funds  
June 30, 2016

	Eastern Nevada County Solid Waste	Total
<b>ASSETS</b>		
Current Assets:		
Cash and investments	\$ 117,058	\$ 117,058
Accounts receivable	124	124
Total Current Assets	<u>117,182</u>	<u>117,182</u>
Noncurrent Assets:		
Capital assets:		
Non-depreciable	26,409	26,409
Total Noncurrent Assets	<u>26,409</u>	<u>26,409</u>
Total Assets	<u>143,591</u>	<u>143,591</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	535	535
Postclosure costs	3,970	3,970
Total Current Liabilities	<u>4,505</u>	<u>4,505</u>
Noncurrent Liabilities:		
Postclosure costs	119,537	119,537
Total Noncurrent Liabilities	<u>119,537</u>	<u>119,537</u>
Total Liabilities	<u>124,042</u>	<u>124,042</u>
<b>NET POSITION</b>		
Net investment in capital assets	26,409	26,409
Unrestricted	(6,860)	(6,860)
Total Net Position	<u>\$ 19,549</u>	<u>\$ 19,549</u>

**COUNTY OF NEVADA**

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

	Eastern Nevada County Solid Waste	Totals
Operating Revenues:		
Charges for services	\$ 70,953	\$ 70,953
Total Operating Revenues	<u>70,953</u>	<u>70,953</u>
Operating Expenses:		
Services and supplies	201,941	201,941
Other charges	1,511	1,511
Closure and postclosure costs	1,223	1,223
Total Operating Expenses	<u>204,675</u>	<u>204,675</u>
Operating Income (Loss)	<u>(133,722)</u>	<u>(133,722)</u>
Non-Operating Revenue (Expenses):		
Interest income	<u>1,329</u>	<u>1,329</u>
Total Non-Operating Revenue (Expenses)	<u>1,329</u>	<u>1,329</u>
Change in Net Position	(132,393)	(132,393)
Net Position - Beginning of Year, restated	<u>151,942</u>	<u>151,942</u>
Net Position - End of Year	<u>\$ 19,549</u>	<u>\$ 19,549</u>

**COUNTY OF NEVADA**

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

	Eastern Nevada County Solid Waste	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 70,829	\$ 70,829
Payments to suppliers	<u>(203,415)</u>	<u>(203,415)</u>
Net Cash Provided (Used) by Operating Activities	<u>(132,586)</u>	<u>(132,586)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and dividends (expense)	<u>1,329</u>	<u>1,329</u>
Net Cash Provided (Used) by Investing Activities	<u>1,329</u>	<u>1,329</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(131,257)	(131,257)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>248,315</u>	<u>248,315</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 117,058</u>	<u>\$ 117,058</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	\$ (133,722)	\$ (133,722)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
(Increase) decrease in:		
Accounts receivable	(124)	(124)
Increase (decrease) in:		
Accounts payable	535	535
Post closure costs	<u>725</u>	<u>725</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (132,586)</u>	<u>\$ (132,586)</u>

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## **Internal Service Funds**

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## COUNTY OF NEVADA

### Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments on a cost-reimbursement basis. Internal Service Funds used at the County are listed below:

#### **FLEET MANAGEMENT**

The fund accounts for the management of a program to ensure that both current and future vehicle needs are met for all County departments.

#### **VISION INSURANCE**

The fund accounts for the vision insurance component of the self-insurance services provided to County employees.

#### **UNEMPLOYMENT INSURANCE**

The fund accounts for the management of unemployment insurance for the County's self-funded plan.

#### **LIABILITY INSURANCE**

The fund accounts for the services related to the protection of the County from general liability exposures. It provides claims management services, and pays the premium costs for general liability insurance.

#### **CENTRAL SERVICES**

The fund accounts for printing, copier, mail, pool car scheduling, answering the County information line, and scanning services provided to County departments and outside agencies.

#### **DENTAL INSURANCE**

The fund accounts for the dental insurance component of the self-insurance services provided to County employees.

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**COUNTY OF NEVADA**

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

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 2,672,972	\$ 78,092	\$ 1,493,766	\$ 1,352,568
Accounts receivable	--	5,240	--	--
Due from other funds	428,108	--	--	--
Prepaid costs	--	--	--	--
Inventory	16,290	--	--	--
Deposits	--	--	--	--
Total Current Assets	<u>3,117,370</u>	<u>83,332</u>	<u>1,493,766</u>	<u>1,352,568</u>
Noncurrent Assets:				
Capital assets:				
Depreciable, net	1,133,494	--	--	--
Total Noncurrent Assets	<u>1,133,494</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Assets	<u>4,250,864</u>	<u>83,332</u>	<u>1,493,766</u>	<u>1,352,568</u>
Deferred Outflows:				
Deferred outflows - pension	<u>136,651</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	149,614	5,013	--	9,008
Salaries and benefits payable	22,302	--	--	--
Due to other funds	141,839	1,187	150,123	230,056
Compensated absences	1,738	--	--	--
Capital leases payable	--	--	--	--
Accrued claims payable	--	--	511,055	367,531
Total Current Liabilities	<u>315,493</u>	<u>6,200</u>	<u>661,178</u>	<u>606,595</u>
Noncurrent Liabilities:				
Compensated absences	35,816	--	--	--
Capital leases payable	--	--	--	--
Accrued claims payable	--	--	--	384,469
Net OPEB obligation	49,878	--	--	--
Net pension liability	1,358,713	--	--	--
Total Noncurrent Liabilities	<u>1,444,407</u>	<u>--</u>	<u>--</u>	<u>384,469</u>
Total Liabilities	<u>1,759,900</u>	<u>6,200</u>	<u>661,178</u>	<u>991,064</u>
Deferred Inflows:				
Deferred inflows - pension	<u>97,829</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>NET POSITION</b>				
Net investment in capital assets	1,133,494	--	--	--
Unrestricted	1,396,292	77,132	832,588	361,504
Total Net Position	<u>\$ 2,529,786</u>	<u>\$ 77,132</u>	<u>\$ 832,588</u>	<u>\$ 361,504</u>

continued

**COUNTY OF NEVADA**

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

	<u>Central Services</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 60,281	\$ 568,513	\$ 6,226,192
Accounts receivable	673	18,920	24,833
Due from other funds	40,670	--	468,778
Prepaid costs	30,421	--	30,421
Inventory	--	--	16,290
Deposits	--	95,775	95,775
Total Current Assets	<u>132,045</u>	<u>683,208</u>	<u>6,862,289</u>
Noncurrent Assets:			
Capital assets:			
Depreciable, net	14,022	--	1,147,516
Total Noncurrent Assets	<u>14,022</u>	<u>--</u>	<u>1,147,516</u>
Total Assets	<u>146,067</u>	<u>683,208</u>	<u>8,009,805</u>
Deferred Outflows:			
Deferred outflows - pension	<u>15,811</u>	<u>--</u>	<u>152,462</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	29,989	19,090	212,714
Salaries and benefits payable	2,419	--	24,721
Due to other funds	2,404	1,210	526,819
Compensated absences	2,915	--	4,653
Capital leases payable	3,229	--	3,229
Accrued claims payable	--	--	878,586
Total Current Liabilities	<u>40,956</u>	<u>20,300</u>	<u>1,650,722</u>
Noncurrent Liabilities:			
Compensated absences	8,357	--	44,173
Capital leases payable	11,738	--	11,738
Accrued claims payable	--	--	384,469
Net OPEB obligation	3,755	--	53,633
Net pension liability	157,206	--	1,515,919
Total Noncurrent Liabilities	<u>181,056</u>	<u>--</u>	<u>2,009,932</u>
Total Liabilities	<u>222,012</u>	<u>20,300</u>	<u>3,660,654</u>
Deferred Inflows:			
Deferred inflows - pension	<u>11,319</u>	<u>--</u>	<u>109,148</u>
<b>NET POSITION</b>			
Net investment in capital assets	(945)	--	1,132,549
Unrestricted	(70,508)	662,908	3,259,916
Total Net Position	<u>\$ (71,453)</u>	<u>\$ 662,908</u>	<u>\$ 4,392,465</u>

**COUNTY OF NEVADA**

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

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
Operating Revenues:				
Charges for services	\$ 4,277,475	\$ 187,282	\$ 76,195	\$ 827,406
Other revenues	281	--	--	--
Total Operating Revenues	<u>4,277,756</u>	<u>187,282</u>	<u>76,195</u>	<u>827,406</u>
Operating Expenses:				
Salaries and benefits	469,793	--	--	--
Services and supplies	2,381,956	24,845	--	718,105
Benefit and claim expenses	--	170,411	143,122	(38,456)
Other charges	98,852	921	(680)	32,361
Expense transfers	247,221	2,179	488	226,917
Depreciation and amortization	373,315	--	--	--
Total Operating Expenses	<u>3,571,137</u>	<u>198,356</u>	<u>142,930</u>	<u>938,927</u>
Operating Income (Loss)	<u>706,619</u>	<u>(11,074)</u>	<u>(66,735)</u>	<u>(111,521)</u>
Non-Operating Revenue (Expenses):				
Forfeitures and penalties	1,503	--	--	--
Interest income	19,449	783	11,334	11,918
Total Non-Operating Revenue (Expenses)	<u>20,952</u>	<u>783</u>	<u>11,334</u>	<u>11,918</u>
Income (Loss) Before Transfers	727,571	(10,291)	(55,401)	(99,603)
Transfers in	<u>193,870</u>	<u>--</u>	<u>--</u>	<u>--</u>
Change in Net Position	921,441	(10,291)	(55,401)	(99,603)
Net Position - Beginning of Year	<u>1,608,345</u>	<u>87,423</u>	<u>887,989</u>	<u>461,107</u>
Net Position - End of Year	<u>\$ 2,529,786</u>	<u>\$ 77,132</u>	<u>\$ 832,588</u>	<u>\$ 361,504</u>

continued

**COUNTY OF NEVADA**

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

	Central Services	Dental Insurance	Total
Operating Revenues:			
Charges for services	\$ 520,592	\$ 865,018	\$ 6,753,968
Other revenues	42	--	323
Total Operating Revenues	<u>520,634</u>	<u>865,018</u>	<u>6,754,291</u>
Operating Expenses:			
Salaries and benefits	26,363	--	496,156
Services and supplies	322,270	73,659	3,520,835
Benefit and claim expenses	--	641,071	916,148
Other charges	15,388	3,921	150,763
Expense transfers	35,106	2,261	514,172
Depreciation and amortization	3,580	--	376,895
Total Operating Expenses	<u>402,707</u>	<u>720,912</u>	<u>5,974,969</u>
Operating Income (Loss)	<u>117,927</u>	<u>144,106</u>	<u>779,322</u>
Non-Operating Revenue (Expenses):			
Forfeitures and penalties	--	--	1,503
Interest income	382	4,368	48,234
Total Non-Operating Revenue (Expenses)	<u>382</u>	<u>4,368</u>	<u>49,737</u>
Income (Loss) Before Transfers and Contributions	118,309	148,474	829,059
Transfers in	<u>--</u>	<u>--</u>	<u>193,870</u>
Change in Net Position	118,309	148,474	1,022,929
Net Position - Beginning of Year	<u>(189,762)</u>	<u>514,434</u>	<u>3,369,536</u>
Net Position - End of Year	<u>\$ (71,453)</u>	<u>\$ 662,908</u>	<u>\$ 4,392,465</u>

**COUNTY OF NEVADA**

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

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 4,277,756	\$ 187,384	\$ 76,195	\$ 827,406
Payments to suppliers	(2,699,965)	(211,158)	(152,925)	(1,005,536)
Payments to employees	<u>(786,452)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Cash Provided (Used) by Operating Activities	<u>791,339</u>	<u>(23,774)</u>	<u>(76,730)</u>	<u>(178,130)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Grants and other receipts	1,503	--	--	--
Transfers from other funds	193,870	--	--	--
Interfund loans received	(12,584)	--	--	198,485
Interfund loans repaid	<u>(40,666)</u>	<u>850</u>	<u>150,007</u>	<u>--</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>142,123</u>	<u>850</u>	<u>150,007</u>	<u>198,485</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(610,035)	--	--	--
Principal paid on capital debt	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(610,035)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received (paid)	<u>19,449</u>	<u>783</u>	<u>11,334</u>	<u>11,918</u>
Net Cash Provided (Used) by Investing Activities	<u>19,449</u>	<u>783</u>	<u>11,334</u>	<u>11,918</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	342,876	(22,141)	84,611	32,273
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>2,330,096</u>	<u>100,233</u>	<u>1,409,155</u>	<u>1,320,295</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 2,672,972</u></u>	<u><u>\$ 78,092</u></u>	<u><u>\$ 1,493,766</u></u>	<u><u>\$ 1,352,568</u></u>

continued

**COUNTY OF NEVADA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2016

	<u>Central Services</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers	\$ 520,184	\$ 865,845	\$ 6,754,770
Payments to suppliers	(376,901)	(773,092)	(5,219,577)
Payments to employees	<u>(82,894)</u>	<u>--</u>	<u>(869,346)</u>
Net Cash Provided (Used) by Operating Activities	<u>60,389</u>	<u>92,753</u>	<u>665,847</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Grants and other receipts	--	--	1,503
Transfers from other funds	--	--	193,870
Interfund loans received	(6,066)	--	179,835
Interfund loans repaid	<u>(30,969)</u>	<u>807</u>	<u>80,029</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(37,035)</u>	<u>807</u>	<u>455,237</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	--	--	(610,035)
Principal paid on capital debt	<u>(2,933)</u>	<u>--</u>	<u>(2,933)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,933)</u>	<u>--</u>	<u>(612,968)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received (paid)	<u>382</u>	<u>4,368</u>	<u>48,234</u>
Net Cash Provided (Used) by Investing Activities	<u>382</u>	<u>4,368</u>	<u>48,234</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	20,803	97,928	556,350
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>39,478</u>	<u>470,585</u>	<u>5,669,842</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 60,281</u></u>	<u><u>\$ 568,513</u></u>	<u><u>\$ 6,226,192</u></u>

continued

**COUNTY OF NEVADA**

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

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ 706,619	\$ (11,074)	\$ (66,735)	\$ (111,521)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	373,315	--	--	--
Changes in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	--	102	--	--
Prepaid expense	--	--	--	--
Deferred outflows of resources	33,426	--	--	--
Inventory	17,831	--	--	--
Increase (decrease) in:				
Payables	10,233	(12,802)	--	391
Salaries and benefits payable	5,461	--	--	--
Deferred inflows of resources	(145,929)	--	--	--
Net pension liability	(207,494)	--	--	--
Compensated absences payable	(1,674)	--	--	--
Claims payable	--	--	(9,995)	(67,000)
Net OPEB obligation	(449)	--	--	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 791,339</u>	<u>\$ (23,774)</u>	<u>\$ (76,730)</u>	<u>\$ (178,130)</u>

continued

**COUNTY OF NEVADA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2016

	<u>Central Services</u>	<u>Dental Insurance</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 117,927	\$ 144,106	\$ 779,322
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	3,580	--	376,895
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	(450)	827	479
Prepaid expense	(23,140)	--	(23,140)
Deferred outflows of resources	5,827		39,253
Inventory	--	--	17,831
Increase (decrease) in:			
Payables	19,003	(52,180)	(35,355)
Salaries and benefits payable	576	--	6,037
Deferred inflows of resources	(19,694)		(165,623)
Net pension liability	(42,057)		(249,551)
Compensated absences payable	(1,135)	--	(2,809)
Claims payable	--	--	(76,995)
Net OPEB obligation	(48)	--	(497)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 60,389</u>	<u>\$ 92,753</u>	<u>\$ 665,847</u>

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## **Fiduciary Funds**

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## COUNTY OF NEVADA

### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. Fiduciary funds include investment trust funds and agency funds.

#### **INVESTMENT TRUST FUNDS**

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 five separate funds; Independent Districts, School Districts, School Districts Debt Service, Courts and Jury/Witness and Local Transportation Authority. The County is obligated to disburse monies from these funds on demand.

#### **AGENCY FUNDS**

To 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.

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**COUNTY OF NEVADA**

Combining Statement of Fiduciary Net Position  
Investment Trust Fund  
June 30, 2016

	Independent Districts	School Districts	School Districts Debt Service
	<u>                    </u>	<u>                    </u>	<u>                    </u>
ASSETS			
Cash and investments	\$ 20,863,341	\$ 46,148,714	\$ 1,067,256
Accounts receivables	131,209	--	--
Taxes receivables	<u>1,579,006</u>	<u>                    </u>	<u>                    </u>
Total Assets	<u><u>\$ 22,573,556</u></u>	<u><u>\$ 46,148,714</u></u>	<u><u>\$ 1,067,256</u></u>
LIABILITIES			
Accounts payable	<u>\$ 32,089</u>	<u>\$ --</u>	<u>\$ --</u>
Total Liabilities	<u>32,089</u>	<u>                    </u>	<u>                    </u>
NET POSITION			
Net position held in trust for investment pool participants	<u><u>\$ 22,541,467</u></u>	<u><u>\$ 46,148,714</u></u>	<u><u>\$ 1,067,256</u></u>

continued

**COUNTY OF NEVADA**

Combining Statement of Fiduciary Net Position (continued)  
Investment Trust Fund  
June 30, 2016

	<u>Courts and Jury/Witness</u>	<u>Local Transportation Agency</u>	<u>Total Investment Trust Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 1,023,864	\$ 9,334,145	\$ 78,437,320
Accounts receivables	--	220,990	352,199
Taxes receivables	--	520,800	2,099,806
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 1,023,864</u>	<u>\$ 10,075,935</u>	<u>\$ 80,889,325</u>
<b>LIABILITIES</b>			
Accounts payable	<u>\$ --</u>	<u>\$ 148,037</u>	<u>\$ 180,126</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities	--	148,037	180,126
<b>NET POSITION</b>			
Net position held in trust for investment pool participants	<u>\$ 1,023,864</u>	<u>\$ 9,927,898</u>	<u>\$ 80,709,199</u>

**COUNTY OF NEVADA**

Combining Statement of Changes in Fiduciary Net Position  
Investment Trust Fund  
For the Year Ended June 30, 2016

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>
ADDITIONS			
Contributions:			
Contributions to investment pool	\$ 89,131,779	\$ 270,352,131	\$ 8,402,853
Net investment income:			
Interest income	<u>181,388</u>	<u>350,298</u>	<u>6,005</u>
Total Additions	<u>89,313,167</u>	<u>270,702,429</u>	<u>8,408,858</u>
DEDUCTIONS			
Distributions from investment pool	<u>90,329,527</u>	<u>267,230,383</u>	<u>8,416,192</u>
Total Deductions	<u>90,329,527</u>	<u>267,230,383</u>	<u>8,416,192</u>
Change in net position	(1,016,360)	3,472,046	(7,334)
Net Position - Beginning	<u>23,557,827</u>	<u>42,676,668</u>	<u>1,074,590</u>
Net Position - Ending	<u><u>\$ 22,541,467</u></u>	<u><u>\$ 46,148,714</u></u>	<u><u>\$ 1,067,256</u></u>

continued

**COUNTY OF NEVADA**

Combining Statement of Changes in Fiduciary Net Position (continued)  
Investment Trust Fund  
For the Year Ended June 30, 2016

	<u>Courts and Jury/Witness</u>	<u>Local Transportation Agency</u>	<u>Total Investment Trust Funds</u>
<b>ADDITIONS</b>			
Contributions:			
Contributions to investment pool	\$ 3,914,419	\$ 6,190,150	\$ 377,991,332
Net investment income:			
Interest income	<u>8,359</u>	<u>71,851</u>	<u>617,901</u>
Total Additions	<u>3,922,778</u>	<u>6,262,001</u>	<u>378,609,233</u>
<b>DEDUCTIONS</b>			
Distribution from pooled investment	<u>3,913,062</u>	<u>6,745,022</u>	<u>376,634,186</u>
Total Deductions	<u>3,913,062</u>	<u>6,745,022</u>	<u>376,634,186</u>
Change in net position	9,716	(483,021)	1,975,047
Net Position - Beginning	<u>1,014,148</u>	<u>10,410,919</u>	<u>78,734,152</u>
Net Position - Ending	<u><u>\$ 1,023,864</u></u>	<u><u>\$ 9,927,898</u></u>	<u><u>\$ 80,709,199</u></u>

**COUNTY OF NEVADA**

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

	<u>Accrued Trust Funds</u>	<u>County Departmental Agency Funds</u>	<u>Total</u>
<b>Assets</b>			
Cash and investments	1,337,464	1,502,304	\$ 2,839,768
Restricted cash and investments	--	518,523	518,523
Accounts receivable	8,492	1,962	10,454
Taxes receivable	<u>9,846,202</u>	<u>--</u>	<u>9,846,202</u>
 Total Assets	 <u>\$ 11,192,158</u>	 <u>\$ 2,022,789</u>	 <u>\$ 13,214,947</u>
 <b>Liabilities</b>			
Due to other funds	\$ 2,298,105	\$ --	\$ 2,298,105
Agency obligations	<u>8,894,053</u>	<u>2,022,789</u>	<u>10,916,842</u>
 Total Liabilities	 <u>\$ 11,192,158</u>	 <u>\$ 2,022,789</u>	 <u>\$ 13,214,947</u>

**COUNTY OF NEVADA**

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

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
<u>Accrued Trust Funds</u>				
Assets				
Cash and investments	\$ 1,039,331	\$ 2,298,105	\$ (1,999,972)	\$ 1,337,464
Restricted cash and investments	59,197	--	(59,197)	--
Accounts receivable	25,367	--	(16,875)	8,492
Taxes receivable	8,823,906	1,022,296	--	9,846,202
	<u>\$ 9,947,801</u>	<u>\$ 3,320,401</u>	<u>\$ (2,076,044)</u>	<u>\$ 11,192,158</u>
Total Assets				
Liabilities				
Due to other agencies	2,737,573	--	(439,468)	2,298,105
Agency obligations	7,210,228	1,683,825	--	8,894,053
	<u>\$ 9,947,801</u>	<u>\$ 1,683,825</u>	<u>\$ (439,468)</u>	<u>\$ 11,192,158</u>
Total Liabilities				
<u>County Departmental Agency Funds</u>				
Assets				
Cash and investments	\$ 1,231,970	\$ 270,334	\$ --	\$ 1,502,304
Restricted cash and investments	301,493	217,030	--	518,523
Accounts receivable	1,718	244	--	1,962
	<u>\$ 1,535,181</u>	<u>\$ 487,608</u>	<u>\$ --</u>	<u>\$ 2,022,789</u>
Total Assets				
Liabilities				
Agency obligations	\$ 1,535,181	\$ 487,608	\$ --	\$ 2,022,789
	<u>\$ 1,535,181</u>	<u>\$ 487,608</u>	<u>\$ --</u>	<u>\$ 2,022,789</u>
Total Liabilities				
<u>Total Agency Funds</u>				
Assets				
Cash and investments	\$ 2,271,301	\$ 2,568,439	\$ (1,999,972)	\$ 2,839,768
Restricted cash and investments	360,690	217,030	(59,197)	518,523
Accounts receivable	27,085	244	(16,875)	10,454
Taxes receivable	8,823,906	1,022,296	--	9,846,202
	<u>\$ 11,482,982</u>	<u>\$ 3,808,009</u>	<u>\$ (2,076,044)</u>	<u>\$ 13,214,947</u>
Total Assets				
Liabilities				
Due to other agencies	\$ 2,737,573	\$ --	\$ (439,468)	\$ 2,298,105
Agency obligations	8,745,409	2,171,433	--	10,916,842
	<u>\$ 11,482,982</u>	<u>\$ 2,171,433</u>	<u>\$ (439,468)</u>	<u>\$ 13,214,947</u>
Total Liabilities				

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**STATISTICAL SECTION**

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STATISTICAL SECTION  
(UNAUDITED)

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	174-183
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	184-187
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	188-191
<u>Economic and Demographic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	192-193
<u>Operating Information</u> These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	194-199

Note: The County began reporting accrual information when it implemented GASB Statement No. 34 in FY 2003-04  
Source: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial reports for the relevant year.

**COUNTY OF NEVADA**

**Net Position by Component  
Last Ten Fiscal Years**

	2015/2016	2014/2015	2013/2014	2012/2013
Governmental activities				
Net investment in capital assets	260,166,951	255,582,020	253,155,793	251,396,810
Restricted	53,802,320	54,491,765	46,554,104	44,099,225
Unrestricted	(106,590,975)	(111,931,245)	28,797,155	25,737,371
Total governmental activities net position	207,378,296	198,142,540	328,507,052	321,233,406
Business-type activities				
Net investment in capital assets	35,529,970	34,589,583	34,976,980	35,605,071
Unrestricted	6,974,699	2,935,644	5,152,998	2,886,658
Total business-type activities net position	42,504,669	37,525,227	40,129,978	38,491,729
Primary government				
Net investment in capital assets	295,696,921	290,171,603	288,132,773	287,001,881
Restricted	53,802,320	54,491,765	46,554,104	44,099,225
Unrestricted	(99,616,276)	(108,995,601)	33,950,153	28,624,029
Total primary government net position	249,882,965	235,667,767	368,637,030	359,725,135

Source: Nevada County Audited Financial Statements - Statement of Net Assets

**Note:** Accrual-basis financial information for the county government as a whole is available back to 2002/03 only, the year GASB Statement 34 was implemented

**Source:** Comprehensive Annual Financial Reports - County of Nevada, California

2011/2012	2010/2011	2009/2010	2008/2009	2007/2008	2006/2007
253,037,695	250,376,233	248,400,614	245,044,668	240,377,169	238,955,459
43,247,919	40,759,140	40,542,205	36,273,724	38,274,175	40,643,025
21,160,019	24,054,736	19,001,129	18,517,776	15,395,845	14,297,129
317,445,633	315,190,109	307,943,948	299,836,168	294,047,189	293,895,613
32,630,175	31,980,481	29,861,732	30,433,338	25,611,733	17,773,325
3,877,136	2,270,557	108,052	(1,337,369)	(654,360)	650,031
36,507,311	34,251,038	29,969,784	29,095,969	24,957,373	18,423,356
285,667,870	282,356,714	278,262,346	275,478,006	265,988,902	256,728,784
43,247,919	40,759,140	40,542,205	36,273,724	38,274,175	40,643,025
25,037,155	26,325,293	19,109,181	17,180,407	14,741,485	14,947,160
353,952,944	349,441,147	337,913,732	328,932,137	319,004,562	312,318,969

**COUNTY OF NEVADA**

**Changes in Net Position  
Last Ten Fiscal Years**

	2015/2016	2014/2015	2013/2014	2012/2013
<b>Expenses</b>				
Governmental activities:				
General government	\$ 13,384,738	\$ 11,061,515	\$ 10,989,811	\$ 10,970,028
Public protection	54,044,545	54,646,696	50,042,384	49,512,886
Public ways and facilities	9,316,496	8,066,196	11,611,245	8,851,411
Health and sanitation	28,990,411	27,309,965	27,546,994	27,826,134
Public assistance	26,712,084	26,389,112	25,866,638	26,928,270
Education	2,887,766	2,686,855	2,593,778	2,492,903
Recreation	54,548	108	76,301	179,793
Interest on long-term debt	425,102	496,861	570,236	470,363
<b>Total governmental activities expenses</b>	<b>135,815,690</b>	<b>130,657,308</b>	<b>129,297,387</b>	<b>127,231,788</b>
Business type activities:				
Eastern Nevada County Solid Waste	204,675	199,333	192,008	185,901
Western Nevada County Solid Waste	270,983	336,130	464,090	743,678
Transit Services	3,059,165	3,562,401	3,177,824	2,594,522
Airport	1,356,720	1,515,411	1,392,447	1,332,796
Sanitation Districts	5,281,399	6,372,953	6,564,629	6,652,745
<b>Total business-type activities expenses</b>	<b>10,172,942</b>	<b>11,986,228</b>	<b>11,790,998</b>	<b>11,509,642</b>
<b>Total Primary Government expenses</b>	<b>\$ 145,988,632</b>	<b>\$ 142,643,536</b>	<b>\$ 141,088,385</b>	<b>\$ 138,741,430</b>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General Government	\$ 4,683,641	\$ 6,703,471	\$ 6,229,398	\$ 5,927,769
Public Protection	7,651,215	7,263,134	6,579,163	6,246,802
Public Ways and Facilities	1,745,652	1,410,493	1,668,874	1,391,104
Health and Sanitation	3,505,911	3,315,924	2,925,865	3,102,185
Public Assistance	41,963	101,910	67,824	45,482
Education	75,799	88,112	88,573	81,945
Recreation	-	-	-	-
Operating grants and contributions	77,787,523	69,692,984	69,039,845	70,201,674
Capital grants and contributions	1,956,206	957,081	3,202,034	293,760
<b>Total governmental activities revenues</b>	<b>97,447,910</b>	<b>89,533,109</b>	<b>89,801,576</b>	<b>87,290,721</b>
Business type activities:				
Charges for services:				
Eastern Nevada County Solid Waste	70,953	196,994	187,522	178,813
Western Nevada County Solid Waste	1,635,930	1,552,962	1,553,637	1,544,170
Transit Services	395,420	413,630	358,189	323,201
Airport	1,026,948	1,103,587	1,078,617	804,774
Sanitation Districts	6,702,672	6,583,375	6,978,013	6,579,111
Operating grants and contributions	1,329,378	468,105	447,120	330,921
Capital grants and contributions	2,139,381	539,278	435,908	1,609,145
<b>Total business-type activities program revenues</b>	<b>13,300,682</b>	<b>10,857,931</b>	<b>11,039,006</b>	<b>11,370,135</b>
<b>Total Primary government program revenues</b>	<b>\$ 110,748,592</b>	<b>\$ 100,391,040</b>	<b>\$ 100,840,582</b>	<b>\$ 98,660,856</b>
<b>Net (Expense)/Revenue (1)</b>				
Governmental activities	\$ (38,367,780)	\$ (41,124,199)	\$ (39,495,811)	\$ (39,941,067)
Business-type activities	3,127,740	(1,128,297)	(751,992)	(139,507)
<b>Total Primary Government Net Expense</b>	<b>\$ (35,240,040)</b>	<b>\$ (42,252,496)</b>	<b>\$ (40,247,803)</b>	<b>\$ (40,080,574)</b>

2011/2012	2010/2011	2009/2010	2008/2009	2007/2008	2006/2007
\$ 9,210,602	\$ 8,709,767	\$ 10,244,690	\$ 11,873,042	\$ 13,734,811	\$ 12,221,901
52,805,726	53,744,616	53,962,729	54,426,072	52,982,684	46,998,768
10,232,294	11,125,921	10,401,753	13,050,854	10,455,997	10,077,775
26,621,726	27,399,803	24,897,645	23,587,615	21,056,211	17,680,812
25,183,015	29,493,151	29,362,237	28,112,397	25,413,676	23,173,587
2,307,992	2,236,503	2,386,595	2,810,750	3,015,545	2,541,343
176,920	130,174	72,454	98,885	245,653	237,357
643,998	729,736	768,465	814,289	917,161	832,300
<u>127,182,273</u>	<u>133,569,671</u>	<u>132,096,568</u>	<u>134,773,904</u>	<u>127,821,738</u>	<u>113,763,843</u>
179,936	164,274	147,527	132,499	127,515	135,640
7,213,400	6,105,160	6,114,100	6,781,889	7,369,951	6,935,822
2,548,163	2,801,101	3,229,143	4,294,101	3,858,023	3,253,773
1,217,276	1,362,731	1,167,371	1,279,836	1,441,091	1,282,831
6,683,592	6,627,209	7,083,467	5,335,583	5,191,420	4,502,075
<u>17,842,367</u>	<u>17,060,475</u>	<u>17,741,608</u>	<u>17,823,908</u>	<u>17,988,000</u>	<u>16,110,141</u>
<u>\$ 145,024,640</u>	<u>\$ 150,630,146</u>	<u>\$ 149,838,176</u>	<u>\$ 152,597,812</u>	<u>\$ 145,809,738</u>	<u>\$ 129,873,984</u>
\$ 5,718,009	\$ 6,881,565	\$ 6,910,899	\$ 6,838,658	\$ 5,999,606	\$ 5,497,348
6,503,600	7,195,596	7,362,448	7,253,963	5,240,057	4,814,608
1,181,180	1,517,645	1,155,673	1,329,674	2,730,449	3,089,154
2,772,581	2,345,892	2,089,343	1,878,192	1,759,838	1,836,658
57,596	53,261	57,250	62,241	59,647	37,445
84,532	98,850	95,275	88,588	99,526	100,167
-	-	-	-	1,914	476
68,545,772	75,229,137	72,351,303	72,853,677	63,672,782	56,087,452
1,207,605	335,142	628,556	-	-	54,876
<u>86,070,875</u>	<u>93,657,088</u>	<u>90,650,747</u>	<u>90,304,993</u>	<u>79,563,819</u>	<u>71,518,184</u>
170,393	161,867	125,700	116,398	112,302	108,592
7,235,081	7,258,011	6,930,479	7,259,068	7,711,070	7,978,217
325,517	331,846	389,444	568,657	519,658	476,213
604,105	520,937	574,064	683,797	773,809	807,131
6,709,836	6,943,169	6,622,180	6,462,994	5,969,966	6,551,985
350,893	1,126,440	1,127,304	1,846,635	1,039,974	475,587
2,384,581	1,775,682	258,381	1,464,457	75,636	1,380,188
<u>17,780,406</u>	<u>18,117,952</u>	<u>16,027,552</u>	<u>18,402,006</u>	<u>16,202,415</u>	<u>17,777,913</u>
<u>\$ 103,851,281</u>	<u>\$ 111,775,040</u>	<u>\$ 106,678,299</u>	<u>\$ 108,706,999</u>	<u>\$ 95,766,234</u>	<u>\$ 89,296,097</u>
\$ (41,111,398)	\$ (39,912,583)	\$ (41,445,821)	\$ (44,468,911)	\$ (48,257,919)	\$ (42,245,659)
(61,961)	1,057,477	(1,714,056)	578,098	(1,785,585)	1,667,772
<u>\$ (41,173,359)</u>	<u>\$ (38,855,106)</u>	<u>\$ (43,159,877)</u>	<u>\$ (43,890,813)</u>	<u>\$ (50,043,504)</u>	<u>\$ (40,577,887)</u>

**COUNTY OF NEVADA**

**Changes in Net Position  
Last Ten Fiscal Years**

	2015/2016	2014/2015	2013/2014	2012/2013
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Property Taxes	\$ 34,807,770	\$ 32,967,429	\$ 31,361,800	\$ 31,310,243
Sales and use taxes	5,247,649	5,020,513	4,887,511	4,534,294
Property transfer taxes	993,284	889,433	793,836	710,251
Transient occupancy taxes	353,083	363,212	235,836	276,664
Timber yield taxes	-	-	-	21,819
Aircraft taxes	-	-	-	47,750
Franchise taxes	2,643,225	2,524,976	2,572,284	2,415,479
Transportation taxes	-	-	-	9,440
Other taxes	188,641	154,493	178,264	18,437
Grants and contributions - unrestricted		4,934,772	3,248,099	2,876,984
Interest and investment earnings	856,102	397,556	655,749	335,554
Tobacco settlement	851,265	860,945	869,676	1,322,875
Miscellaneous	1,664,980	1,360,414	1,860,215	2,149,012
Insurance Recoveries	-	-	-	-
Gain (loss) on disposal/sale of capital assets	-	-	-	-
Transfers	(2,463)	-	-	-
<b>Total governmental activities</b>	<b>47,603,536</b>	<b>49,473,743</b>	<b>46,663,270</b>	<b>46,028,802</b>
Business-Type Activities:				
Taxes:				
Property taxes	8,471	8,558	8,196	6,990
Transient occupancy taxes	21,969	21,140	14,922	17,398
Timber yield taxes	-	-	-	880
Aircraft taxes	-	-	-	33,806
Transportation taxes	-	-	-	1,730,785
Other taxes	1,663,107	2,473,382	2,181,520	-
Interest and investment earnings	155,688	120,466	178,564	32,412
Miscellaneous	4	7,687	7,990	301,654
Gain (loss) on disposal/sale of capital assets	-	-	-	-
Transfers	2,463	-	-	-
Special item		3,527,168	-	-
<b>Total business-type activities</b>	<b>1,851,702</b>	<b>6,158,401</b>	<b>2,391,192</b>	<b>2,123,925</b>
<b>Total primary government</b>	<b>\$ 49,455,238</b>	<b>\$ 55,632,144</b>	<b>\$ 49,054,462</b>	<b>\$ 48,152,727</b>
<b>Change in Net Position</b>				
Governmental activities	\$ 9,235,756	\$ 8,349,544	\$ 7,167,459	\$ 6,087,735
Business-type activities	4,979,442	5,030,104	1,639,200	1,984,418
<b>Total primary government</b>	<b>\$ 14,215,198</b>	<b>\$ 13,379,648</b>	<b>\$ 8,806,659</b>	<b>\$ 8,072,153</b>

(1) Net expense is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

**Note:** Accrual-basis financial information for the county government as a whole is available back to 2002/03 only, the year GASB Statement 34 was implemented

**Source:** Comprehensive Annual Financial Reports - County of Nevada, California

	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008	2006/2007
\$	30,870,233	\$ 31,655,023	\$ 34,186,337	\$ 34,221,104	\$ 33,565,001	\$ 31,516,285
	4,415,124	4,175,230	4,008,830	4,250,561	5,065,713	5,532,663
	581,333	558,138	581,367	521,261	673,351	974,171
	232,734	257,137	277,712	184,889	285,205	275,728
	24,977	10,704	12,434	45,658	52,232	61,133
	73,894	71,793	75,404	82,535	82,318	46,546
	1,043,464	1,041,684	1,032,693	1,049,170	1,013,065	969,903
	25,362	77,878	8,742	125,683	62,727	69,309
	23,426	29,195	29,730	25,162	41,288	33,718
	2,906,113	3,830,282	3,684,748	3,886,412	4,396,990	4,402,323
	826,145	737,446	449,987	1,403,881	2,441,133	2,412,223
	877,748	860,744	932,217	1,117,967	1,017,403	955,670
	1,529,315	2,816,711	2,233,034	2,125,895	1,032,807	2,724,014
	-	2,707,218	1,962,614	1,331,391	-	-
	-	-	-	(38,760)	800,986	-
	-	(1,670,439)	(252,205)	-	(660,365)	(381,600)
	43,429,868	47,158,744	49,223,644	50,332,809	49,869,854	49,592,086
	7,068	6,960	6,804	6,864	6,723	7,009
	14,718	16,306	17,140	11,455	17,920	16,796
	1,007	432	501	1,841	-	-
	38,499	42,202	47,008	53,661	48,611	40,871
	1,738,449	984,634	1,622,511	2,318,377	2,631,864	2,442,000
	-	-	-	-	-	-
	206,582	179,490	125,785	480,931	1,251,801	1,167,496
	311,911	384,583	515,918	797,649	1,712,677	1,172,322
	-	-	-	19,072	-	-
	-	1,670,439	252,205	-	660,365	381,600
	-	-	-	-	-	-
	2,318,234	3,285,046	2,587,872	3,689,850	6,329,961	5,228,094
\$	45,748,102	\$ 50,443,790	\$ 51,811,516	\$ 54,022,659	\$ 56,199,815	\$ 54,820,180
\$	2,318,470	\$ 7,246,161	\$ 7,777,823	\$ 5,863,898	\$ 1,611,935	\$ 7,346,427
	2,256,273	4,342,523	873,816	4,267,948	4,544,376	6,895,866
\$	4,574,743	\$ 11,588,684	\$ 8,651,639	\$ 10,131,846	\$ 6,156,311	\$ 14,242,293

**County of Nevada**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2009/2010	2008/2009	2007/2008	2006/2007
General fund				
Reserved	\$ 294,709	\$ 557,619	\$ 367,172	\$ 685,415
Unreserved	19,240,144	19,085,430	18,363,975	15,271,699
Total General Fund	<u>19,534,852</u>	<u>19,643,049</u>	<u>18,731,147</u>	<u>15,957,114</u>
All Other Governmental Funds				
Reserved	\$ 9,849,189	\$ 8,796,969	\$ 7,319,385	\$ 6,529,825
Unreserved, Reported in:				
Special revenue funds	30,693,012	27,476,755	30,954,790	34,113,200
Total all other governmental funds	<u>\$ 40,542,201</u>	<u>\$ 36,273,724</u>	<u>\$ 38,274,175</u>	<u>\$ 40,643,025</u>

**Source:** Comprehensive Annual Financial Reports - County of Nevada, California

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011
General Fund						
Nonspendable	\$ 83,451	\$ 57,182	\$ 57,182	\$ 177,182	\$ 57,182	\$ 82,288
Restricted	784,297	784,297	761,423	969,999	182,083	11,308
Committed	7,080,000	7,080,000	3,967,000	3,967,000	3,967,000	3,967,000
Assigned	19,525,999	15,117,489	20,698,696	16,934,910	15,205,934	17,471,504
Unassigned	2,974,135	5,248,990	-	-	-	-
Total General Fund	<u>\$ 30,447,882</u>	<u>\$ 28,287,958</u>	<u>\$ 25,484,301</u>	<u>\$ 22,049,091</u>	<u>\$ 19,412,199</u>	<u>\$ 21,532,100</u>
All Other Governmental Funds						
Nonspendable	\$ 38,616	\$ 46,839	\$ 81,035	\$ 70,123	\$ 79,626	\$ 111,923
Restricted	47,863,492	49,485,894	45,792,679	41,337,836	40,154,597	40,359,584
Committed	1,479,507	1,102,113	265,487	56,764	111,433	178,545
Assigned	2,772,308	3,291,976	3,331,000	2,476,095	2,720,180	1,677,485
Unassigned	-	-	-	(1,977)	(53,019)	(592,387)
Total All Other Governmental Funds	<u>\$ 52,153,923</u>	<u>\$ 53,926,822</u>	<u>\$ 49,470,201</u>	<u>\$ 43,938,841</u>	<u>\$ 43,012,817</u>	<u>\$ 41,735,150</u>

**Notes:** In FY 2010-11 the County implemented GASB 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned.

The implementation of GASB Statement 34 in fiscal year 2003 resulted in the reclassification of funds from fiduciary to governmental in accordance with the expanded definition of governmental fund types. These and other changes necessitated by the implementation of GASB Statement 34 make the information prior to and after the implementation incomparable.

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**COUNTY OF NEVADA**

**Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

	2015/2016	2014/2015	2013/2014	2012/2013
<b>Revenues</b>				
Taxes and assessments	\$ 41,591,649	\$ 39,160,486	\$ 37,226,840	\$ 36,696,656
Licenses and Permits	4,416,667	4,073,168	4,077,068	3,645,049
Fines, Forfeitures and Penalties	3,251,167	3,554,529	3,358,110	3,087,358
Revenue from Use of Money or Property	855,476	660,679	897,953	336,949
Intergovernmental	78,810,773	76,833,387	78,021,146	71,295,266
Charges for Current Services	13,607,554	13,477,243	12,449,016	12,473,351
Other Revenue	2,300,072	2,221,340	2,724,486	3,621,047
<b>Total Revenues</b>	<b>144,833,358</b>	<b>139,980,832</b>	<b>138,754,619</b>	<b>131,155,676</b>
<b>Expenditures</b>				
General Government	11,650,373	10,511,799	10,361,368	10,462,708
Public Protection	55,980,115	52,348,047	9,382,372	49,056,681
Public Ways and Facilities	9,350,522	7,663,665	49,145,226	7,680,513
Health & Sanitation	29,147,266	27,389,889	27,394,928	27,736,395
Public Assistance	28,052,156	26,666,071	25,827,411	26,903,851
Education	2,838,054	2,639,913	2,509,266	2,426,085
Recreation & Cultural	54,548	108	76,301	179,793
Debt Service				
Principal	1,573,819	1,511,881	1,419,390	1,435,181
Interest	511,454	579,678	608,001	548,856
Issuance Cost	-	-	-	-
Capital Outlay	5,091,693	3,335,678	3,154,281	4,051,170
<b>Total Expenditures</b>	<b>144,250,000</b>	<b>132,646,729</b>	<b>129,878,544</b>	<b>130,481,233</b>
Excess of revenues over (under) expenditures	583,358	7,334,103	8,876,075	674,443
<b>Other Financing Sources (Uses)</b>				
Transfers In	39,338,753	35,203,428	34,681,252	33,155,337
Transfers Out	(39,535,086)	(35,304,791)	(34,721,344)	(33,196,864)
Issuance of Debt				2,930,000
Insurance Recovery				
Premium on COP				
Refunded certificates of participation redeemed				
Sale of capital assets		27,538	2,338	
<b>Total Other Financing Sources (Uses)</b>	<b>(196,333)</b>	<b>(73,825)</b>	<b>(37,754)</b>	<b>2,888,473</b>
<b>Net Change in Fund Balances</b>	<b>\$ 387,025</b>	<b>\$ 7,260,278</b>	<b>\$ 8,838,321</b>	<b>\$ 3,562,916</b>
Debt service as a percentage of noncapital expenditures	1.50%	1.62%	1.60%	1.57%

Source: Nevada County Audited Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008	2006/2007
\$	36,006,248	\$ 36,596,536	\$ 38,932,966	\$ 39,411,193	\$ 39,775,603	\$ 38,448,420
	2,352,797	2,504,673	2,289,461	2,470,330	2,820,297	2,679,837
	3,566,846	3,555,911	3,662,504	3,178,606	3,082,100	2,608,195
	696,810	719,633	542,009	1,328,532	2,299,709	2,270,340
	73,303,842	77,459,741	76,952,882	72,146,019	67,333,232	59,710,966
	11,472,871	13,194,382	12,463,056	12,851,550	11,011,305	11,413,424
	2,843,546	3,690,062	3,151,720	3,243,855	2,749,331	4,535,271
	130,242,960	137,720,938	137,994,598	134,630,085	129,071,577	121,666,453

	8,353,064	7,933,521	9,813,116	11,287,807	12,661,374	11,762,482
	52,402,237	51,912,158	53,417,366	53,021,722	51,447,097	46,847,156
	9,312,369	9,330,778	9,118,838	11,624,090	9,157,960	9,314,841
	26,510,578	27,041,986	24,883,675	23,364,784	20,727,217	17,636,022
	25,214,808	29,250,149	29,375,562	27,836,926	25,151,091	23,178,066
	2,277,557	2,135,629	2,334,443	2,708,731	2,888,369	2,516,991
	176,920	130,174	72,454	98,885	245,653	237,357
	464,898	1,177,465	1,120,531	1,084,036	1,044,532	1,049,571
	759,504	732,286	779,445	824,567	866,739	894,794
	242,091	-	-	-	-	-
	3,524,708	4,605,229	4,904,362	5,195,159	4,621,251	3,514,952
	129,238,734	134,249,375	135,819,793	137,046,707	128,811,283	116,952,232

	1,004,226	3,471,563	2,174,806	(2,416,622)	260,294	4,714,221
	29,749,506	24,833,551	22,533,042	28,648,057	29,394,303	26,169,015
	(29,797,114)	(26,507,147)	(22,539,440)	(28,672,801)	(30,083,150)	(26,240,706)
	8,610,000	1,392,226	29,262		32,750	329,908
	-	-	1,962,614	1,331,391		
	611,148					
	(11,020,000)	-	-		-	
	-	-	-	21,426	800,986	
	(1,846,460)	(281,370)	1,985,478	1,328,073	144,889	258,217
\$	(842,234)	\$ 3,190,193	\$ 4,160,284	\$ (1,088,549)	\$ 405,183	\$ 4,972,438

0.97%                      1.47%                      1.45%                      1.45%                      1.54%                      1.71%

**COUNTY OF NEVADA**

**Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Total Secured Real Property</b>	<b>Personal Property</b>	<b>Total (1) Secured and Unsecured</b>	<b>Less: Exemptions</b>	<b>Net Assessed Value</b>	<b>Total Direct Tax Rate</b>
2016	\$ 16,779,152,564	\$ 329,485,023	\$ 17,108,637,587	\$ 556,570,236	\$ 16,552,067,351	1.00%
2015	15,922,822,171	346,626,732	16,269,448,903	548,492,156	15,720,956,747	1.00%
2014	15,145,357,341	350,236,211	15,495,593,552	539,163,724	14,956,429,828	1.00%
2013	14,945,038,224	358,435,747	15,303,473,971	484,419,120	14,819,054,851	1.00%
2012	15,142,005,218	377,512,059	15,519,517,277	512,683,393	15,006,833,884	1.00%
2011	15,537,324,628	394,380,861	15,931,705,489	496,557,370	15,435,148,119	1.00%
2010	16,769,888,355	391,003,163	17,160,891,518	506,420,290	16,654,471,228	1.00%
2009	15,784,303,555	363,067,090	16,147,370,645	429,377,178	15,717,993,467	1.00%
2008	14,435,619,000	335,221,841	14,770,840,841	421,389,982	14,349,450,859	1.00%
2007	12,798,167,869	310,443,412	13,108,611,281	407,602,510	12,701,008,771	1.00%

**Notes:**

Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect:

- a) annual inflation up to 2 percent; or
- b) fair market value at the time of ownership change; or
- c) fair value for new construction

Estimated actual value of taxable property cannot easily be determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.

(1) Includes aircrafts

\* Revised on 10/20/08

**Source:**

Auditor-Controller's office

**COUNTY OF NEVADA**

**Direct and Overlapping Property Tax Rates<sup>1</sup>  
Last Ten Fiscal Years**

<b>Fiscal Year End June 30</b>	<b>Basic County- wide Rate</b>	<b>Schools</b>	<b>Special Districts</b>	<b>Total</b>
2016	1.0000	0.1114	0.0267	1.1381
2015	1.0000	0.0864	0.0300	1.1164
2014	1.0000	0.0822	0.0301	1.1123
2013	1.0000	0.0897	0.0307	1.1204
2012	1.0000	0.0842	0.0236	1.1078
2011	1.0000	0.0848	0.0350	1.1198
2010	1.0000	0.0750	0.0284	1.1034
2009	1.0000	0.0781	0.0300	1.1081
2008	1.0000	0.0741	0.0248	1.0989
* 2007	1.0000	0.0814	0.0267	1.1081

- (1) On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, that limits the taxing power of California public agencies. Legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies may not levy property taxes except to pay debt service on indebtedness approved by voters prior to July 1, 1978 or any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the voting public.
- (2) Proposition 13 allows each county to levy a maximum of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value pursuant to Statutes of 1978, Senate Bill 1656.

\* Revised on 10/20/08

**Source:** Nevada County Auditor-Controller annual tax rate schedule prepared in accordance with Government Code Section 29100

**COUNTY OF NEVADA**

**Principal Property Tax Payers  
Current Year and Nine Years Ago**

**Fiscal Year 2016**

**Fiscal Year 2007**

<b>Secured Taxes</b>		
<b>Taxpayer</b>	<b>Amount</b>	<b>Percent of Total</b>
LDK GC 81 LLC	\$370,864	0.18%
Tahoe Club Company LLC	\$323,767	0.16%
PK II Pinecreek LP Etal	\$312,124	0.16%
Village at Gray's Crossing LP	\$244,674	0.12%
Gray's Station LLC	\$220,374	0.11%
Hidden Lake Properties Inc	\$212,777	0.11%
Longs Drug Stores California Inc	\$207,541	0.10%
Kenwawr-Nevada City LLC	\$183,494	0.09%
GVSC LLC	\$173,760	0.09%
RI-Grass Valley LLC	\$172,632	0.09%
<b>TOTAL</b>	<b>\$2,422,007</b>	<b>1.21%</b>
<b>Total Secured Taxes Levied</b>		<b>\$200,990,322</b>

<b>Secured Taxes</b>		
<b>Taxpayer</b>	<b>Amount</b>	<b>Percent of Total</b>
Gray's Station, LLC	\$1,062,950	0.64%
Old Greenwood, LLC, et al	\$545,220	0.33%
Tahoe Club Company, LLC	\$387,060	0.23%
Old Greenwood, LLC	\$326,098	0.20%
Western/Kienow LP, et all	\$260,314	0.16%
Hidden Lake Properties, Inc.	\$187,742	0.11%
GVSC, LLC	\$144,703	0.09%
Wildwood Resolution, LLC	\$142,664	0.09%
Martis Creek, Inc.	\$142,218	0.09%
Coyote Moon, LLC	\$133,449	0.08%
<b>TOTAL</b>	<b>\$3,332,418</b>	<b>2.00%</b>
<b>Total Secured Taxes Levied</b>		<b>\$166,744,752</b>

<b>Unsecured Taxes</b>		
<b>Taxpayers</b>	<b>Amount</b>	<b>Percent of Total</b>
Boreal Ridge Corp % Accounting D	\$180,589	5.03%
Cequel III Communications I LLC	\$133,196	3.71%
Comcast of California IX Inc	\$120,289	3.35%
Tahoe Express LLC	\$78,599	2.19%
Truckee Meadows Water Authority	\$74,384	2.07%
Tahoe Donner Prop Owners Association	\$71,928	2.00%
AJA Video Systems Inc	\$44,667	1.24%
Teichert A & Son	\$40,367	1.13%
Raley's Supermarket Inc	\$37,909	1.06%
Safeway Inc c/o CPTS	\$36,921	1.03%
<b>TOTAL</b>	<b>\$818,849</b>	<b>22.82%</b>
<b>Total Unsecured Taxes Levied</b>		<b>\$3,587,744</b>

<b>Unsecured Taxes</b>		
<b>Taxpayers</b>	<b>Amount</b>	<b>Percent of Total</b>
Cequel III Communications, LLC	\$118,593	3.46%
Comcast of California IX, Inc.	\$104,380	3.05%
Boreal Ridge Corp.	\$87,515	2.56%
Truckee Meadows Water Auth.	\$64,406	1.88%
Thomas Broadcast & Media Solutions	\$62,000	1.81%
Teichert & Sons	\$59,305	1.73%
Manuel Brothers, Inc.	\$41,182	1.20%
Tahoe Club Co., LLC	\$40,412	1.18%
Tahoe Donner Property Owners Assoc.	\$35,865	1.05%
Suburban Propane, LP	\$31,065	0.91%
<b>TOTAL</b>	<b>\$644,723</b>	<b>18.83%</b>
<b>Total Unsecured Taxes Levied</b>		<b>\$3,424,737</b>

<b>Public Utility Taxes</b>		
<b>Taxpayers</b>	<b>Amount</b>	<b>Percent of Total</b>
Pacific Gas & Electric Co	\$2,044,293	62.22%
Pacific Bell Telephone Co	\$321,447	9.78%
Southwest Gas Corp	\$222,386	6.77%
Liberty Utilities (Calpeco Electric)	\$108,911	3.32%
AT&T Mobility LLC	\$93,494	2.85%
Union Pacific Railroad Company	\$92,410	2.81%
Sierra Pacific Power Company	\$84,887	2.58%
Verizon Wireless	\$84,127	2.56%
CVIN LLC	\$63,808	1.94%
SFPP, L.P.	\$25,830	0.79%
<b>TOTALS</b>	<b>\$ 3,141,593</b>	<b>95.62%</b>
<b>Total Public Utility Taxes Levied</b>		<b>\$3,285,396</b>

<b>Public Utility Taxes</b>		
<b>Taxpayers</b>	<b>Amount</b>	<b>Percent of Total</b>
Pacific Gas & Electric	\$1,411,109	58.99%
AT&T California	\$279,723	11.69%
Southwest Gas	\$217,746	9.10%
Sierra Pacific Power	\$189,665	7.93%
Union Pacific Railroad Co.	\$58,390	2.44%
Sacramento Valley LTD Partnership	\$54,227	2.27%
Cingular Wireless	\$36,391	1.52%
Nextel of California, Inc.	\$25,529	1.07%
T-Mobile	\$21,763	0.91%
SFPP LP	\$20,591	0.86%
<b>TOTALS</b>	<b>\$ 2,315,134</b>	<b>96.77%</b>
<b>Total Public Utility Taxes Levied</b>		<b>\$ 2,392,294</b>

Source: County of Nevada Treasurer Tax Collector

**COUNTY OF NEVADA**

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year Ended June 30,	Tax Levies			Collections within the Fiscal Year of the Levy				Tax Levies moved to the Delinquent Roll (2)	Percent Delinquent
	Secured Tax	Unsecured Tax	Total Tax Levies (1)	Secured Tax	Unsecured Tax	Total Tax Collected (1)	% of Levy		
2016	\$ 200,990,322	\$ 3,587,744	\$ 204,578,065	\$ 197,452,478	\$ 3,489,244	\$ 200,941,722	98.22%	\$ 3,636,343	1.78%
2015	190,518,997	3,672,132	194,191,129	186,923,474	3,608,411	190,531,885	98.12%	3,659,244	1.88%
2014	181,918,148	3,699,820	185,617,968	177,625,842	3,624,388	181,250,229	97.65%	4,367,739	2.35%
2013	179,818,079	3,717,244	183,535,323	175,346,773	3,627,371	178,974,145	97.51%	4,561,178	2.49%
2012	180,629,580	3,989,736	184,619,316	175,214,562	3,795,081	179,009,644	96.96%	5,609,673	3.04%
2011	184,260,769	4,174,830	188,435,599	178,566,075	3,932,216	182,498,292	96.85%	5,937,307	3.15%
2010	194,439,225	4,150,289	198,589,514	186,748,108	3,990,603	190,738,711	96.05%	7,850,803	3.95%
2009	191,210,832	4,351,995	195,562,828	182,585,832	4,220,686	186,806,518	95.52%	8,756,309	4.48%
2008	182,095,672	3,764,991	185,860,663	175,340,918	3,709,730	179,050,648	96.34%	6,810,016	3.66%
2007	167,956,273	3,514,488	171,470,761	163,093,078	3,423,451	166,516,529	97.11%	4,954,232	2.89%

**Notes:**

(1) The levy & collection amounts include special assessments, penalties, cost, and any applicable interest. They do not include Supplemental taxes. Also, the levy is based on the equalized roll and all escaped assessments and assessor's roll corrections processed within the fiscal year.

(2) This reflects the current levies unpaid at year-end. Currently, the County's property tax system does not have the ability to track delinquent collections by the respective year of levy.

**Source:** County of Nevada Auditor's & Tax Collector's Office District Summary reports

**COUNTY OF NEVADA**

**Ratio of Net Obligation Bonded Debt  
to Assessed Value and Net General Obligation  
Bonded Debt per Capita  
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Business-Type Activities			
	Capital Leases	Certificates of Participation	Loans	Special Assessment Bonds	Total	Participation	Special Assessment Debt & Bonds Payable	Loans	Total
2016	\$ 14,967	\$ 4,361,623	\$ 6,274,574	\$ -	\$ 10,651,164	\$ -	\$ 9,000	\$ 20,517,650	\$ 20,526,650
2015	17,900	5,255,000	6,683,393	-	11,956,293	-	12,000	23,558,283	23,570,283
2014	-	6,375,000	7,075,337	-	13,450,337	-	15,000	25,330,213	25,345,213
2013	7,342	7,920,338	7,102,548	263,000	15,293,228	-	17,000	25,167,988	25,184,988
2012	14,875	9,048,243	4,425,114	276,000	13,764,232	-	19,000	26,697,926	26,716,926
2011	23,478	11,020,000	4,662,331	288,000	15,993,809	7,095,000	21,000	28,143,111	35,259,111
2010	44,218	12,000,000	3,441,053	299,000	15,784,271	7,640,000	23,000	29,597,852	37,260,852
2009	29,762	12,940,000	3,601,554	310,000	16,881,316	8,170,000	100,000	30,460,967	38,730,967
2008	48,378	13,850,000	3,752,254	320,000	17,970,632	8,675,000	172,000	31,623,342	40,470,342
2007	33,577	14,730,000	3,893,757	329,908	18,987,242	9,165,000	234,000	23,373,698	32,772,698

(1) See Demographic and Economic Indicators schedule for personal income and population data.

(2) See Assessed Value and Actual Value of Taxable Property schedule for property value data.

(3) Includes bonds, notes, certificates of participation, loans and capital leases. Does not include compensated absences, net pension obligations, landfill postclosure costs or claims and judgments.

(4) Amount available for repayment of debt - deposits with agents.

n/a - information is not available

**Source:** County of Nevada Audited Financial Statements

Source: Nevada County Audited Financial Statements - Notes to the Financial Statements

<b>Business-Type Activities</b>									
<b>Total Primary Government</b>	<b>Less: Amounts Restricted to Repaying Principal (4)</b>		<b>Total</b>	<b>Population per official U.S. Census (1)</b>	<b>Total Assessed Valuation (2)</b>	<b>Income per Capita</b>	<b>Percentage of Personal Income</b>	<b>Percentage of Actual Value of Taxable Property</b>	<b>Net Bonded Debt per Capita</b>
\$ 31,177,814	\$ (872,245)	\$ 30,305,569	98,095	\$ 16,552,067,351	N/A	N/A	0.18%	\$308.94	
35,526,577	(872,245)	34,654,332	98,193	15,720,956,747	N/A	N/A	0.22%	\$352.92	
38,795,550	(872,245)	37,923,305	97,225	14,956,429,828	N/A	N/A	0.25%	\$390.06	
40,478,216	(897,387)	39,580,829	97,019	14,819,054,851	\$50,148	0.13%	0.27%	\$407.97	
40,481,158	(874,960)	39,606,198	97,182	15,006,833,884	\$48,980	0.12%	0.26%	\$407.55	
51,252,920	(3,225,435)	48,027,485	99,111	15,435,148,119	\$44,313	0.09%	0.31%	\$486.28	
53,045,123	(3,175,985)	49,869,138	98,764**	16,654,471,228	\$43,119	0.09%	0.30%	\$505.15	
55,612,283	(3,160,548)	52,451,735	98,721	15,717,993,467	\$44,092	0.08%	0.33%	\$531.31	
58,440,974	(3,111,909)	55,329,065	98,959	14,349,450,859	\$45,618	0.08%	0.39%	\$559.11	
51,759,940	(3,117,296)	48,642,644	99,026	12,701,008,771	\$42,671	0.09%	0.38%	\$491.21	

**COUNTY OF NEVADA**

**Comparison of Computation of Legal Debt Margin  
Last Ten Fiscal Years**

	2016	2015	2014	2013
Assessed Value of Property (1)	\$ 16,552,067,351	\$ 15,720,956,747	\$ 14,956,429,828	\$ 14,819,054,851
Debt limit percentage (2)	1.25%	1.25%	1.25%	1.25%
Total debt limit	206,900,842	196,511,959	186,955,373	185,238,186
Amount applicable to debt limit				
General Bonded Debt (3)	31,177,814	35,526,577	38,795,550	40,478,216
Less: Resources Restricted to Paying Principal	(872,245)	(872,245)	(872,245)	(897,387)
Total Net Debt Applicable to Limit	30,305,569	34,654,332	37,923,305	39,580,829
Legal Debt Margin (4)	\$ 176,595,273	\$ 161,857,627	\$ 149,032,068	\$ 145,657,357
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	14.65%	17.63%	20.28%	21.37%

(1) Assessed value is equal to full cash value.

(2) The legal debt limit is 1.25% of assessed valuation

(3) General bonded debt Includes bonds, notes, certificates of participation, loans and capital leases. Does not include compensated absences, net pension obligations, landfill postclosure costs or claims and judgments.

(4) Legal debt margin is computed by subtracting the County legal general obligation bonded debt from the legal debt limit.

**Source:** County of Nevada Audited Financial Statements

2012	2011	2010	2009	2008	2007
\$ 15,006,833,884	\$ 15,435,148,119	\$ 16,654,471,228	\$ 15,717,993,467	\$ 14,349,450,859	\$ 12,701,008,771
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
187,585,424	192,939,351	208,180,890	196,474,918	179,368,136	158,762,610
40,481,158	51,252,920	53,045,123	55,612,283	58,440,974	51,759,940
(874,960)	(3,225,435)	(3,175,985)	(3,160,548)	(3,111,909)	(3,117,296)
39,606,198	48,027,485	49,869,138	52,451,735	55,329,065	48,642,644
\$ 147,979,226	\$ 144,911,866	\$ 158,311,752	\$ 144,023,183	\$ 124,039,071	\$ 110,119,966
21.11%	24.89%	23.95%	26.70%	30.85%	30.64%

**COUNTY OF NEVADA**

**Demographic and Economic Indicators  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population</b>	<b>Income per Capita</b>	<b>Total Personal Income</b>	<b>Civilian Labor Force June 2013</b>	<b>Unemployment Percentage Rate June 2013</b>	<b>Percent of Population over 65</b>
2016	98,095	N/A	N/A	49,000	4.6%	N/A
2015	98,193	N/A	N/A	48,930	5.1%	N/A
2014	97,225	N/A	N/A	48,620	6.2%	23.4%
2013	97,019	\$50,148	\$4,924,569,000	50,220	7.8%	22.5%
2012	97,182	\$48,980	\$4,813,104,000	51,130	9.7%	21.5%
2011	99,111	\$44,313	\$4,369,841,000	50,170	11.4%	20.3%
2010	98,764**	\$43,119	\$4,258,678,000	51,410	11.5%	19.6%
2009	98,721	\$44,092	\$4,121,926,000	50,630	11.5%	19.0%
2008	98,959	\$45,618	\$4,381,367,000	51,570	6.7%	18.6%
2007	99,026	\$42,671	\$4,132,773,000	51,200	4.7%	18.1%

**Note:** N/A - Information is not available

\*\* Population information for 2010 adjusted per available data from State of California Department of Finance, Census 2010

**Sources:**

Population information from California Department of Finance

Measures of Income information from State of California Employment Development Department

State of California Employment Development Department - Labor Market Information Division - [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

County of Nevada Annual Budget Book

U.S. Census Bureau

**County of Nevada  
Labor Force and Employment  
Current Year and Nine Years Ago**

**Fiscal Year 2016**

<b>Industry Title</b>	<b>Percentage</b>	<b>No. of Employed</b>
Government	19.69%	6,180
Education and Health Services	17.65%	5,540
Retail Trade	12.52%	3,930
Leisure and Hospitality	15.55%	4,880
Natural Resources, Mining & Construction	9.08%	2,850
Professional and Business Services	7.01%	2,200
Manufacturing	4.33%	1,360
Financial Activities	4.08%	1,280
Other Services	6.15%	1,930
Transportation, Warehousing & Utilities	1.47%	460
Wholesale Trade	1.27%	400
Information	0.89%	280
Farming	0.29%	90
<b>Total, All Industries</b>	<b>100.00%</b>	<b>31,380</b>

**Fiscal Year 2007**

<b>Industry Title</b>	<b>Percentage</b>	<b>No. of Employed</b>
Government	18.00%	5,570
Education and Health Services	12.02%	3,720
Retail Trade	13.25%	4,100
Leisure and Hospitality	13.80%	4,270
Natural Resources, Mining & Construction	14.19%	4,390
Professional and Business Services	9.02%	2,790
Manufacturing	6.30%	1,950
Financial Activities	5.27%	1,630
Other Services	3.81%	1,180
Transportation, Warehousing & Utilities	1.65%	510
Wholesale Trade	1.13%	350
Information	1.33%	410
Farming	0.23%	70
<b>Total, All Industries</b>	<b>100.00%</b>	<b>30,940</b>

Source: <http://www.labormarketinfo.edd.ca.gov>

**COUNTY OF NEVADA**

**Full-time Equivalent County Government Employees by Function  
Last Ten Fiscal Years**

**Full-time Equivalent Employees**

<b>Function/Program</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Public Protection	336.60	342.95	343.55	347.30
Health and Sanitation	111.61	109.60	109.00	106.50
Public Assistance	120.00	120.50	112.00	112.50
Education	22.25	21.13	20.38	19.53
Public Ways and Facilities	60.00	61.00	62.00	62.00
General government	127.75	127.35	126.00	124.88
<b>Total</b>	<b>778.21</b>	<b>782.53</b>	<b>772.93</b>	<b>772.70</b>
	15-242	14-227	13-213	12-213

**Source:** Fiscal Year Beginning Authorized Personnel Staffing Resolution (unamended)

2012	2011	2010	2009	2008	2007
352.85	368.80	396.15	414.15	430.25	416.50
84.00	85.05	95.95	105.35	101.15	102.65
112.50	125.70	126.70	129.50	129.00	127.50
19.28	20.63	26.35	29.60	29.60	30.10
84.00	100.00	121.40	122.10	123.10	121.10
123.88	136.08	146.25	175.30	173.30	172.80
776.50	836.26	912.80	976.00	986.40	970.65

11-274      10-257      09-235      08-253      07-262      06-281

**COUNTY OF NEVADA**

**Operating Indicators by Function  
Last Ten Fiscal Years**

<u>Function/Program</u>	2016	2015	2014	2013
<b>Public Protection</b>				
Jail Bookings	4,612	4,576	4,549	4,464
Average daily population	223	228	228	215
<b>Health and Sanitation</b>				
Economic services/support				
Program - unduplicated new cases mental health (Adults in Nevada County)	652	433	596	605
<b>Public Ways and Facilities</b>				
Centerline miles of road maintained				
County	562	562	562	565
State	173	173	173	129
<b>Airport</b>				
Based aircraft	104	125	134	136
Takeoffs and landings	10,000	5,500	5,475	27,740
<b>Total</b>	<b>16,326</b>	<b>11,597</b>	<b>11,717</b>	<b>33,854</b>

**Sources:** Sheriff  
 Human Services Agency  
 Department of Transportation and Sanitation  
 Nevada County Airport

2012	2011	2010	2009	2008	2007
4,945	4,673	4,802	5,048	5,391	5,775
195	186	194	199	167	167
631	670	556	713	465	249
562	563	562	562	562	562
133	133	133	133	133	133
121	135	150	150	150	150
10,000	15,000	20,000	20,000	20,000	20,000
16,587	21,360	26,397	26,805	26,868	27,036

**COUNTY OF NEVADA**

**Capital Asset Statistics by Function  
Last Ten Fiscal Years**

<u>Function/Program</u>	2016	2015	2014	2013
<b>Public Protection</b>				
Correction facility capacities	283	283	283	283
<b>Public Ways and Facilities</b>				
Traffic signals	3	2	2	2
Bridges	75	92	92	80
Active Vehicles in vehicle replacement plan	145	142	146	146
<b>Airport</b>				
Number of runways	1	1	1	1
<b>Total</b>	<b>507</b>	<b>520</b>	<b>524</b>	<b>512</b>

**Note:** n/a - Information is not available

**Source:** Sheriff

Department of Transportation and Sanitation

Nevada County Airport

2012	2011	2010	2009	2008	2007
274	274	274	280	250	250
2	2	2	2	2	2
71	71	71	71	71	71
134	135	140	148	143	143
1	1	1	1	1	1
482	483	488	502	467	467