

# Humboldt County Nevada



Comprehensive Annual Financial Report  
for the fiscal year ended  
June 30, 2010

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
HUMBOLDT COUNTY, NEVADA**

*For the Fiscal Year Ended June 30, 2010*

PREPARED BY THE HUMBOLDT COUNTY  
COMPTROLLER'S OFFICE  
BRUCE BROOKS, COMPTROLLER

Cover Photo  
(Courtesy of Tyler Turnipseed)

This picture was taken on a beautiful day in early June when the flowers on Hinkey Summit light up the entire hillside with their bright yellow glow. These particular flowers are referred to as "Mule's Ears" and can be found in the Santa Rosa Ranger District at the bottom of Hinkey Summit along with many other wildflowers throughout the range. When people think about Nevada they immediately say "desert" but little do they know that in this large state and especially within Humboldt County there are many hidden wonders available for everyone's viewing pleasure.

**HUMBOLDT COUNTY**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2010**

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# HUMBOLDT COUNTY COMPTROLLER

**BRUCE BROOKS**  
COMPTROLLER

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November 24, 2010

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Residents of Humboldt County  
The Honorable Board of County Commissioners  
Humboldt County, Nevada

We are pleased to submit the Comprehensive Annual Financial Report of Humboldt County, Nevada for the fiscal year ended June 30, 2010.

Nevada Revised Statutes (NRS) 354.624 requires the County to issue an annual report on its financial position and activities and that this report be audited by an independent firm of certified public accountants.

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. Because 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.

Kafoury, Armstrong & Co., Certified Public Accountants, have issued their unqualified ("clean") opinion on Humboldt County's financial statements for the year ended June 30, 2010. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A compliment this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

Humboldt County was created in 1861 and is located in the rugged, high desert region of north-central Nevada, bordered on the north by Oregon and by neighboring Nevada counties to the west, south and east. The County's 9,626 square miles offer some of the most varied, spectacular scenery in the State and a wide array of recreational opportunities.

Humboldt County is located in the rich gold mining center of the Western U.S. and is the leading agricultural county in the State of Nevada with over 100,000 acres under cultivation. Nevada is the third largest gold producer in the world. Tourism is also a large part of the County's economic base due to the large number of visitors the gaming industry brings into the area. These visitors also enjoy the beautiful wide-open spaces, historical sites and great hunting and fishing.

The County provides an array of mandated services including property appraisal and assessment; tax collection; judicial services; public safety; and indigent services. Other services include library; juvenile and adult detention; road construction and maintenance; landfill; and television services. All services are supported by administrative services including management, finance, risk management and human resources.

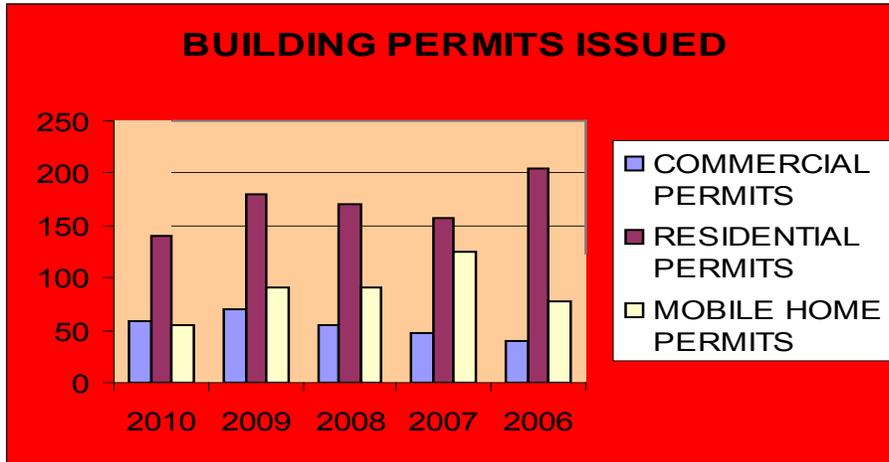
This report includes all funds of the County that are under the control or supervision of the Board of County Commissioners. Humboldt County does not have any discretely presented component units nor blended component units.

The annual budget serves as the financial plan for county operations. After departmental input, County Commission and State review and public hearings, the budget is adopted by June 1. The budget is integrated into the financial system for monitoring and control. The legal level of budgetary control is at the function level for governmental funds and at the operating and non-operating expense level for proprietary funds. The Comptroller, with Board approval, may approve budget adjustments within functions or funds. Adjustments that affect fund balance, or increase the original budget require Board approval. Additional information regarding the budget process and adjustments made can be found in Note 1 to the financial statements.

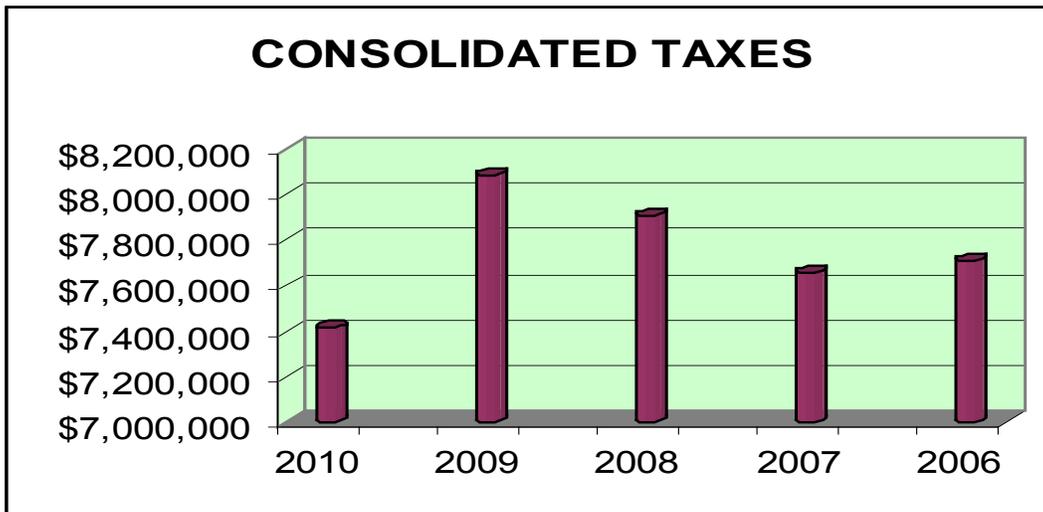
## **ECONOMIC CONDITION AND OUTLOOK**

The County's economy is derived in large part from its main industries: mining, agriculture and agricultural services, tourism and construction. Humboldt County's population decreased over fiscal year 2009 by .002% (18,014 vs. 18,052). Assessed value decreased 2.8% over the previous fiscal year (2009) and this decrease was primarily the result of a reduction in the value of net proceeds of mines. The County's average unemployment rate (unadjusted) for June 2010 was 10.1%, while the State unemployment rate for the same period was 14.3%. Humboldt County's labor force decreased 4% over the previous year. This decrease can be attributed to the economic downturn (business closings) currently being experienced.

The number of County building permits issued, including both commercial and residential permits, decreased 15% over the previous fiscal year (254 permits issued in 09/10 and 299 permits issued in 08/09). The value of these permits decreased 26% over last year. Commercial permit valuations experienced the largest decreases in valuations.

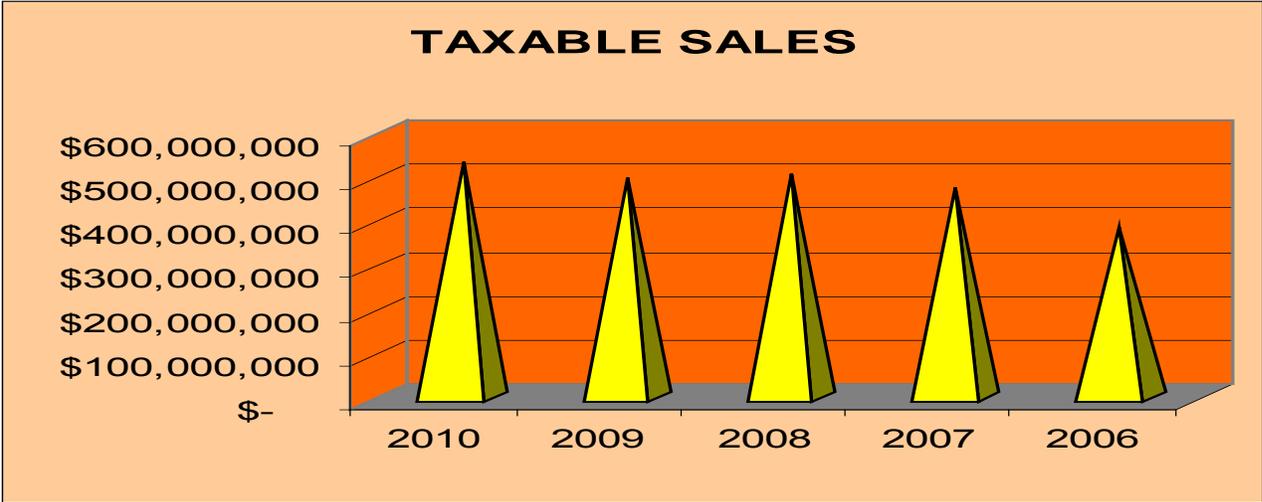


Sales taxes, along with cigarette taxes, liquor taxes, real property transfer taxes, and government services taxes are redistributed monthly back to the County from the State in a single lump sum, are called “Consolidated taxes”. County consolidated tax revenues for the last five years were:

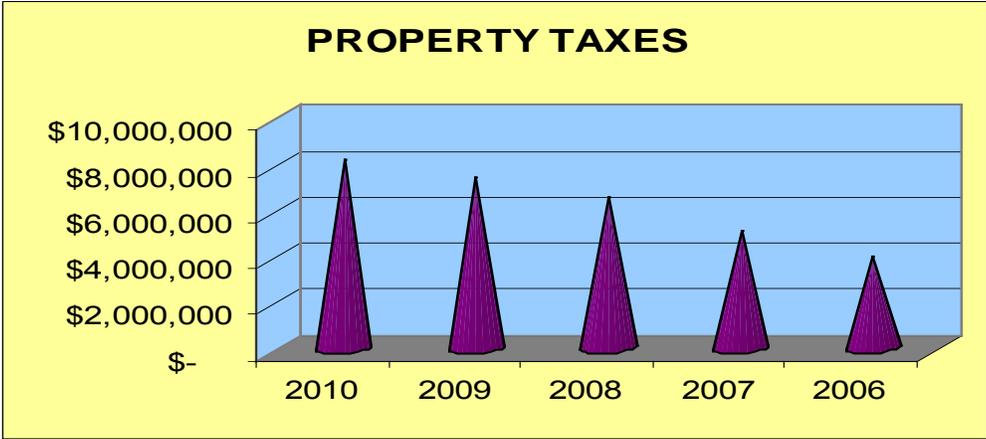


Humboldt County’s taxable sales in fiscal year 2010 increased 7% from fiscal year 2009. However, Combined Tax Revenues (CTX) actually decreased (8.3%) over the prior fiscal year. The decrease in CTX revenues was the result of state law (out-of-state sales tax revenues being allocated first to the urban counties Clark and Washoe) based upon population with only a small portion coming back to the county that receives the merchandise. Only 3 counties (Humboldt County being one of them) out of 17 state-wide, had an increase in taxable sales during the 2009-2010 fiscal year. State-wide taxable sales were down 10.3% from the previous fiscal year.

The areas that had the largest increase in taxable sales during the year were mining related activities, utilities and civil and engineering construction. Taxable sales for Humboldt County for the last five years were:



Property taxes are the County’s second largest source of revenues. Property tax revenues for the last five years were:



The increase in property tax revenues from the prior fiscal year is primarily a result of the increase in taxes on the net proceeds of mines. It should be noted that the receipt of net proceeds of mines received in 2009-2010 includes an estimate for 2010-2011 fiscal year as well. This additional distribution was the result of legislative changes enacted during the 2009 Legislature. Please see Note 1(E) 4 of the notes to the financial statements for additional information. The increase in net proceeds of mines can be directly linked to the price of gold. With the higher price of gold, mining companies increase production, expansion and exploration. This leads to greater profits and ultimately, an increase in net proceeds.

The following table provides the assessed valuation in the County and its only incorporated city.

### **ASSESSED VALUATIONS**

Fiscal Year Ended June 30	Actual 2010	Actual 2009	Actual 2008	Actual 2007	Actual 2006
Unincorporated County	\$519,451,582	\$547,221,149	\$473,699,003	\$436,739,383	\$372,603,229
City of Winnemucca	\$153,735,683	\$145,369,070	\$140,522,651	\$132,491,306	\$117,347,730
Total	\$673,872,265	\$692,590,219	\$614,221,654	\$569,230,689	\$489,950,959
Percent Increase/Decrease	-2.8%	12.8%	7.9%	16.2%	-6.6%

The decrease in assessed value was primarily the result of the value of net proceeds of mines being lower (\$98 million in fiscal 2010 vs. \$150 million in fiscal 2009).

One of the main economic engines of Humboldt County is the mining industry, especially gold production. For fiscal year 2010, an ounce of gold ranged from \$940 per ounce in July, 2009 to over \$1,240 per ounce on June 30, 2010.

The County's first geo-thermal energy plant is operational.

The agricultural industry has remained fairly stable and the number of tourists visiting Humboldt County has increased. Some of the increased tourism activity can be attributed to the Indoor Events Center built by the County in 2000 and the concentrated efforts to bring more events into the County.

Total operating revenues exceeded total operating expenditures for the fifth year in a row, which is an indication that Humboldt County's economy has remained strong, despite the fiscal stresses being realized nationally and throughout the State of Nevada.

### **LONG-TERM FINANCIAL PLANNING**

Unreserved, undesignated fund balance in the general fund (77% percent of general fund expenditures) exceeds the minimum policy guideline set by the County Commission (i.e. minimum of 60 percent of general fund expenditures).

During the fiscal year, the County paid off its only remaining equipment lease. As of June 30, 2010, Humboldt County has NO debt.

The County's Stabilization Fund (created by the Nevada Legislature to stabilize the operations of government and to mitigate the effects of natural disasters) has accumulated the maximum balance allowed by law.

The County's Compensated Absence Fund is now funded at 128% of the total compensated absence liability as of June 30, 2010.

### **RELEVANT FINANCIAL POLICIES**

The County Commission has adopted several policies that provide a framework for financial stability for the residents of Humboldt County. These include:

1. Setting a General Fund Balance minimum of 60% of General Fund Expenditures. Since Nevada's tax structure is primarily based upon sales tax, which is extremely volatile, a larger fund balance is warranted to provide resources when the economy turns downward. In addition, with an economy reliant upon the mining industry, it is also prudent to build up fund balance.
2. An attrition policy that provides vacated positions may not be filled until 120 days (90 days for public safety positions) have passed and that there is ample justification to refill. This policy was adopted a number of years ago and remains in effect.
3. Provide sufficient resources over a 5-year period to fully fund the County's outstanding liability for compensated absences.

### **MAJOR INITIATIVES**

As the National and State economic downturn grew worse, Humboldt County looked for ways to reduce its cost of operations and maintain existing service levels. The County was able to negotiate new employee contracts with its employees that provided for a modest cost of living increase while other jurisdictions were laying employees off, reducing salaries and benefits, and reducing service. The County was able to accomplish this because of past decisions made by the County Commission that built up reserves in anticipation of poor economic times.

Much of the activities this fiscal year could be couched as defensive, meaning as most governments struggled to maintain basic services, Humboldt County continued to build up some of its financial reserves in anticipation of a long economic recovery period. By doing this, money would be available in the future to maintain existing service levels that our residents currently enjoy.

This forward thinking is what has made this County a model for most other rural counties in this State.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Humboldt County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. This is the seventh consecutive year that the County received this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report 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 comprehensive annual financial report 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.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the staff of the Comptroller's Office, specifically, Amber Black and Jessie Lindsey as well as the assistance and support provided by the County's auditors, Kafoury, Armstrong & Co., Certified Public Accountants. Special credit must also be given to the Humboldt County Commissioners and County Administrator, Bill Deist, for their unfailing support for maintaining the highest standards of professionalism in the management of Humboldt County's finances.

On December 4, 2010 I will be retiring from Humboldt County. I leave knowing that the fiscal condition of this County is very sound and I am extremely proud of the accomplishments of the Comptroller's Office these past 12 years. As the first Comptroller for Humboldt County, I believe I have set the standards very high for those who come after me. Thank you for giving me the opportunity to serve you.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Bruce Brooks".

Bruce Brooks  
Comptroller

**HUMBOLDT COUNTY**  
**LISTING OF COUNTY OFFICIALS**  
**AS OF JUNE 30, 2010**

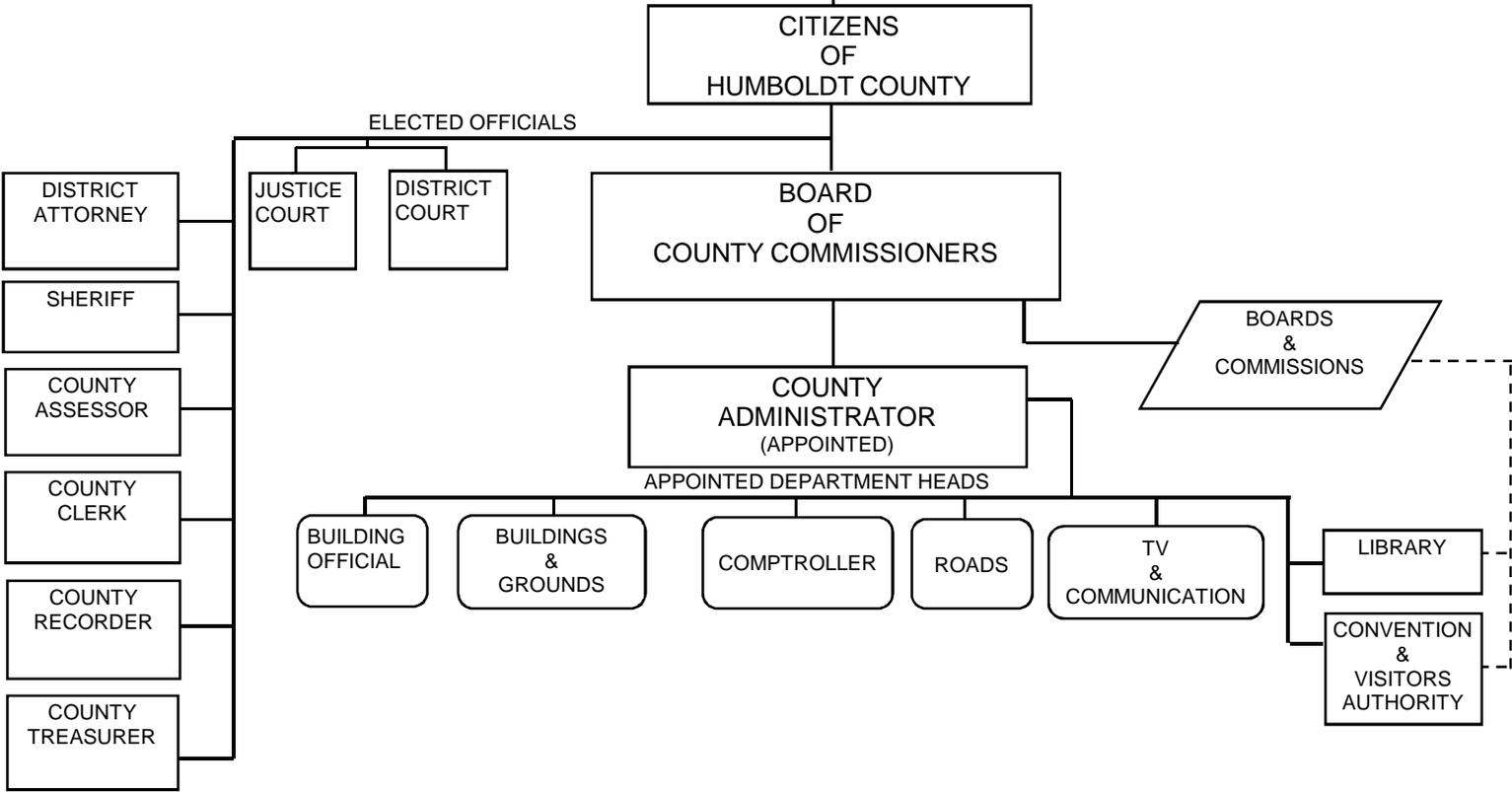
**ELECTED OFFICIALS**

		<b><u>Term Expires</u></b>
COUNTY COMMISSIONER	DAN CASSINELLI	1/11
COUNTY COMMISSIONER, CHAIRMAN	CHUCK GIORDANO	1/11
COUNTY COMMISSIONER, VICE CHAIRMAN	GARLEY AMOS	1/13
COUNTY COMMISSIONER	TOM FRANSWAY	1/13
COUNTY COMMISSIONER	MIKE BELL	1/13
ASSESSOR	JEFF JOHNSON	1/11
COUNTY CLERK	TAMI SPERO	1/11
DISTRICT ATTORNEY	RUSSELL SMITH	1/11
RECORDER	MARY ANN HAMMOND	1/11
SHERIFF	ED KILGORE	1/11
TREASURER	GINA RACKLEY	1/11
JUSTICE COURT	GENE WAMBOLT	1/13
DISTRICT COURT DEPT. 1	RICHARD WAGNER	1/15
DISTRICT COURT DEPT. 2	MICHAEL MONTERO	1/15

**APPOINTED OFFICIALS**

COUNTY ADMINISTRATOR	BILL DEIST
COMPTROLLER	BRUCE BROOKS
BUILDING OFFICIAL	BOBBY THOMAS
BUILDINGS & GROUNDS DIRECTOR	DOUG CAIN
COMMUNICATIONS DIRECTOR	PAUL BURKHOLDER
ROAD SUPERINTENDENT	BEN GARRETT
LIBRARY DIRECTOR	SHARON ALLEN
WINNEMUCCA CONVENTION & VISITOR'S AUTHORITY DIRECTOR	KIM PETERSEN

HUMBOLDT COUNTY ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Humboldt County  
Nevada

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

### **Independent Auditor's Report**

To the Honorable Board of Commissioners of  
Humboldt County, Nevada

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 Humboldt County, Nevada as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Humboldt County. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund, Road Fund, Regional Transportation Fund, 6<sup>th</sup> Judicial District Fund, Indigent Medical Fund and Winnemucca Events Complex Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2010 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the schedule of funding progress for other post employment benefits on pages 3-13 and page 59 respectively are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying introductory section, the schedule of expenditures of federal awards (as required by U.S. Office of Management and Budget Circular A-133

*Audits of States, Local Governments, and Non-Profit Organizations*), the statistical section and the nonmajor combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Kafoury, Armstrong + Co.*

Winnemucca, Nevada  
November 24, 2010

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

As management of Humboldt County, we offer readers of Humboldt County's financial statements this narrative overview and analysis of the financial activities of Humboldt County for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vii of this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

**Financial Highlights**

- ◆ The assets of Humboldt County exceeded its liabilities at the close of the most recent fiscal year by \$90,803,450 (*net assets*). Of this amount, \$30,598,078 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- ◆ The auditor's report offers an unqualified opinion on the financial statements, the highest opinion that can be obtained.
- ◆ The government's total net assets decreased by \$76,807. This decrease is primarily the result of the increase in accumulated depreciation over the previous year.
- ◆ As of the close of the current fiscal year, Humboldt County's governmental funds reported the combined ending fund balances of \$30,204,651, an increase of \$2,012,821 in comparison with the prior year. Approximately 96 percent of this total amount, \$28,853,579 is *available for spending* at the government's discretion (*unreserved, undesignated fund balance*).
- ◆ At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$10,751,893, or 77 percent of total general fund expenditures. This is a \$419,696 increase over the prior year.
- ◆ Humboldt County's total debt decreased by \$73,757 during the current fiscal year. Humboldt County did not add any new debt and now is debt free. Principal payments of \$73,757 contributed to the overall decrease in debt.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to Humboldt County's basic financial statements. Humboldt County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Humboldt County's finances, in a manner similar to that of a private-sector business.

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

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

Both of the government-wide financial statements distinguish the functions of Humboldt County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Humboldt County include general government, public safety, public works, judicial,

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

health, welfare, culture and recreation and community support. The business-type activities of Humboldt County include television services and solid waste management operations.

The government-wide financial statements include only Humboldt County itself (known as the *primary government*). There are no component units included in these statements.

The government-wide financial statements can be found on pages 14-16.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Humboldt 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 Humboldt County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental 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 a government's near-term financing requirements.

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

Humboldt County maintains 21 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road fund, regional transportation fund, 6<sup>th</sup> judicial district fund, indigent medical fund, winnemucca events complex fund, and the building reserve fund, all which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Humboldt County adopts an annual appropriated budget for all of its governmental and proprietary funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17-33 of this report.

**Proprietary funds.** Humboldt County maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Humboldt County uses enterprise funds to account for its television fund and its solid waste management fund. Humboldt County does not utilize *internal service funds*, which are also a proprietary fund type.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the television fund and the solid waste management fund, both of which are considered to be major funds of Humboldt County.

The basic proprietary fund financial statements can be found on pages 34-37 of this report.

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

**Fiduciary funds.** 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 statement because the resources of those funds are *not* available to support Humboldt County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund statements can be found on pages 38-39 of this report.

**Notes to the financial statements and required supplementary information.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40-58 of this report and the required supplementary information can be found on page 59.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*, including individual fund statements and schedules providing budget to actual comparisons. These schedules test compliance with budgetary constraints and management directives to enhance accountability at the fund and function level. This information may be found on pages 60-95 of this report.

Statistical information is provided on a ten-year basis, as available, for trend and historical analysis and can be found on pages 101-126 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Humboldt County, assets exceeded liabilities by \$90,803,450 at the close of the most recent fiscal year.

A large portion of Humboldt County's net assets (66 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Humboldt County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Humboldt County's investment in its assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**HUMBOLDT COUNTY'S NET ASSETS\***

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$31,845,355	\$30,820,820	\$2,216,499	\$2,072,960	\$34,061,854	\$32,893,780
Capital assets	59,905,855	61,557,535	299,517	288,231	60,205,372	61,845,766
Total assets	<u>91,751,210</u>	<u>92,378,355</u>	<u>2,516,016</u>	<u>2,361,191</u>	<u>94,267,226</u>	<u>94,739,546</u>
Long-term liabilities outstanding	1,222,902	1,305,315	9,889	14,448	1,232,791	1,319,763
Other liabilities	2,193,981	2,410,816	37,004	128,710	2,230,985	2,539,526
Total liabilities	<u>3,416,883</u>	<u>3,716,131</u>	<u>46,893</u>	<u>143,158</u>	<u>3,463,776</u>	<u>3,859,289</u>
Net Assets:						
Invested in capital assets, net of related debt	59,905,855	61,483,778	299,517	288,231	60,205,372	61,772,009
Unrestricted	28,428,472	27,178,446	2,169,606	1,929,802	30,598,078	29,108,248
Total Net Assets	<u>\$88,334,327</u>	<u>\$88,662,224</u>	<u>\$2,469,123</u>	<u>\$2,218,033</u>	<u>\$90,803,450</u>	<u>\$90,880,257</u>

\*For more detailed information, see the government-wide Statement of Net Assets and Notes to the Financial Statements.

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

The remaining balance of *unrestricted net assets* (\$30,598,078) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Humboldt County is able to report positive balances in net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The government's net assets decreased by \$76,807 during the current fiscal year. This decrease is primarily the result of the increase in accumulated depreciation.

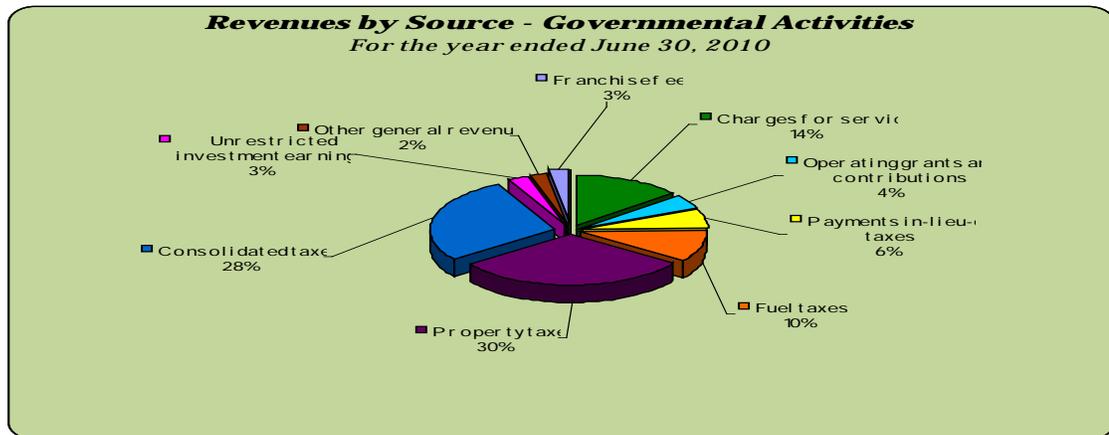
**Governmental activities.** Governmental activities decreased Humboldt County's net assets by \$327,897 thereby accounting for 100 percent of the total decline in the net assets of Humboldt County. Key elements of this decrease are as follows:

**HUMBOLDT COUNTY'S CHANGES IN NET ASSETS**

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$3,694,047	\$3,861,885	\$1,293,633	\$1,194,465	\$4,987,680	\$5,056,350
Operating grants and contributions	1,204,896	1,169,134	36,402	2,700	1,241,298	1,171,834
Capital grants and contributions	-	169,006	-	-	-	169,006
<b>General revenues:</b>						
Property Taxes	8,133,107	7,436,091	-	-	8,133,107	7,436,091
Consolidated Taxes	7,416,350	8,086,841	-	-	7,416,350	8,086,841
Franchise taxes	704,003	650,557	-	-	704,003	650,557
Motor vehicle fuel taxes	2,743,829	2,780,228	-	-	2,743,829	2,780,228
Room taxes	145,296	303,512	-	-	145,296	303,512
Miscellaneous	689,007	532,957	3,343	18,735	709,521	551,692
Unrestricted investment earnings	436,119	619,370	20,514	14,108	439,462	633,478
Payments in-lieu of taxes	1,641,405	2,196,434	-	-	1,641,405	2,196,434
<b>Total revenues</b>	<b>26,808,059</b>	<b>27,806,015</b>	<b>1,353,892</b>	<b>1,230,008</b>	<b>28,161,951</b>	<b>29,036,023</b>
<b>Expenses:</b>						
General government	5,053,275	4,888,465	-	-	5,053,275	4,888,465
Public safety	8,066,873	7,675,416	-	-	8,066,873	7,675,416
Judicial	3,563,509	3,413,771	-	-	3,563,509	3,413,771
Public works	5,367,835	5,493,827	-	-	5,367,835	5,493,827
Health	218,193	229,188	-	-	218,193	229,188
Welfare	557,206	712,746	-	-	557,206	712,746
Culture and recreation	2,066,966	1,912,862	-	-	2,066,966	1,912,862
Community support	2,238,898	2,167,738	-	-	2,238,898	2,167,738
Interest on long-term debt	3,203	12,305	-	-	3,203	12,305
Television	-	-	228,081	213,538	228,081	213,538
Solid waste management	-	-	874,721	846,559	874,721	846,559
<b>Total expenses</b>	<b>27,135,958</b>	<b>26,506,318</b>	<b>1,102,802</b>	<b>1,060,097</b>	<b>28,238,760</b>	<b>27,566,415</b>
Increase (decrease) in net assets	(327,897)	1,299,697	251,090	169,911	(76,807)	1,469,608
<b>Net assets - July 1,</b>	<b>88,662,224</b>	<b>87,362,527</b>	<b>2,218,033</b>	<b>2,048,122</b>	<b>90,880,257</b>	<b>89,410,649</b>
<b>Net assets - June 30,</b>	<b>\$88,334,327</b>	<b>\$88,662,224</b>	<b>\$2,469,123</b>	<b>\$2,218,033</b>	<b>\$90,803,450</b>	<b>\$90,880,257</b>

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

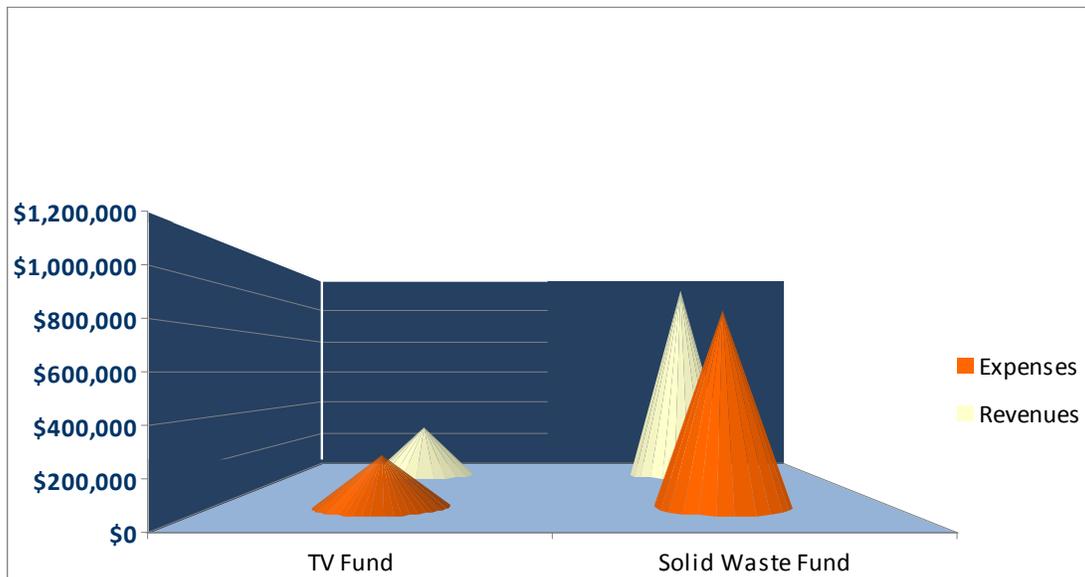
- Consolidated taxes decreased \$670,491 over the previous fiscal year. This decrease can be attributed to an increase in out of state sales taxes returned and distributed first to the urban counties based upon population and the remaining amounts distributed to the county where the merchandise will be used. So, even though taxable sales increased, actual revenue received decreased. The increase in out of state sales can be attributed to the Ruby Pipeline Project ( a natural gas line) that will run through Humboldt County.
- Unrestricted investment earnings decreased (\$183,251) over the previous year as a result of lower interest rates.
- Motor vehicle fuel taxes decreased slightly (\$36,399) as a result of less gallons of gasoline being purchased.
- Franchise fees increased slightly (\$53,446) over the previous year mainly as a result of higher utility rates.
- Property tax revenues increased from the previous year by \$697,016 as result of the increase in net proceeds of mines taxes received from the mining companies. As stated earlier, the County received two annual payments (2009-2010 and 2010-2011). See Note 1 (E) 4 for more detailed information.



**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
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Governmental activities expenses increased 2 percent (\$629,640) over the previous fiscal year. The primary reasons for this increase were: 1) Recording the County's implicit annual OPEB costs (\$644,693) and 2) An increase in the County's Compensated Absences liabilities (\$721,951). The increase in implicit OPEB costs was the result of an updated Actuarial Valuation Report commissioned by the County. The increase in Compensated Absences was the result of increased wages making the eligible hours accumulated worth more.

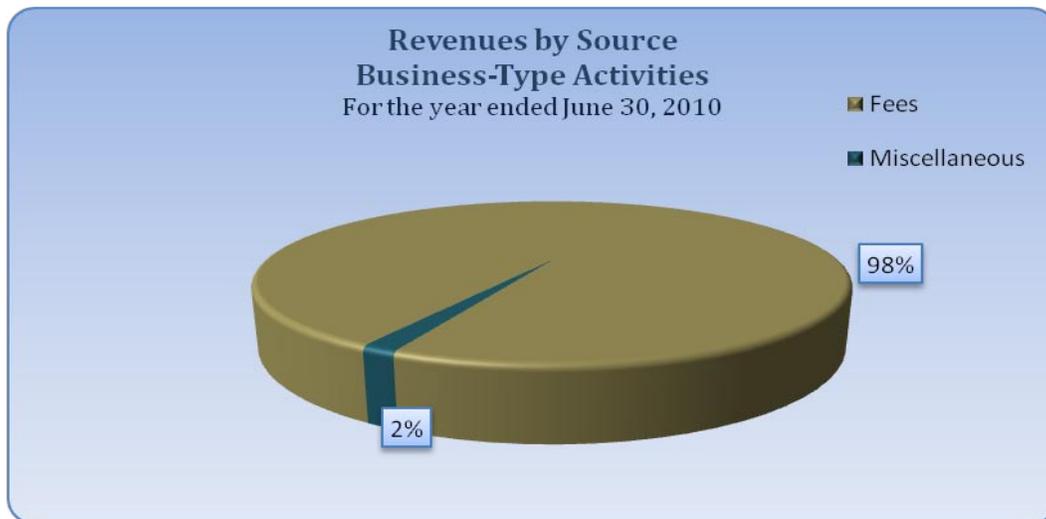
**Business-type activities.** Business-type activities increased Humboldt County's net assets by \$251,090.



The key elements of this increase were:

- Solid waste charges for services (\$1,075,713) exceeded expenses (\$874,721) by \$200,992.
- Solid Waste Management fund expenses increased slightly by \$28,162 over the previous fiscal year. This increase is the result of the increased cost of operations.
- Charges for services in the Solid Waste Management fund increased \$87,546 (9 percent) over the prior year. This increase was the result of a rate increase authorized by the County Commissioners.
- Interest earnings in the Solid Waste Management fund decreased over 76 percent (\$10,765) over last fiscal year as a result of low interest rates.
- Over \$30,000 in grants was received by the Television in the current year contributing to the increase in net assets.
- Television fund expenses increased \$14,543 from the prior year as a result of higher operating costs. Charges for services increased slightly (\$11,622 or 5%) over the prior year's.

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**



**Financial Analysis of the Government's Funds**

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

**Governmental funds.** The focus of Humboldt County's *governmental funds* is to provide information on the near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Humboldt County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Humboldt County's governmental funds reported combined ending fund balances of \$30,204,651, an increase of \$2,012,821 in comparison with the prior year. Approximately 95 percent (\$28,853,579) of the total amount constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved or designated* to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts, including construction contracts and purchase orders of the prior period (\$200,000), 2) to set aside amounts for the stabilization of the government as provided by Nevada law (\$1,050,842), and 3) for a variety of other restricted purposes (\$100,230).

The general fund is the chief operating fund of Humboldt County. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$10,751,893 while the total fund balance reached \$11,567,587. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 77 percent of total general fund expenditures, while total fund balance represents 83 percent of that same amount.

The fund balance of Humboldt County's general fund increased \$229,694 during the current year. The key factor in this increase was the additional net proceeds distribution projection for 2010-2011. General fund revenues increased \$728,105 from the prior year. This increase in revenues was the result of increasing the General Fund property tax rate from \$0.2070 per \$100 of assessed value to \$.03170. This increase did not raise the total tax rate of the County, but merely reallocated the tax rate between funds. The County's Indigent Fund tax rate was reduced \$0.05 cents because this fund's balance was going to exceed the amount allowed by State Law and the Indigent Medical Fund tax rate was reduced \$0.06 cents for the same reason. General fund expenditures increased over the prior fiscal year by \$622,444 or 5%. This increase was primarily the result of increased costs in the District Attorney's Office (additional staff); increased legal

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

counsel fees (outside attorneys) for Justice Court; increase capital outlay costs (vehicles and equipment) for the Sheriff's Office and a general wage increase for all departments and functions.

Humboldt County's road fund has an ending fund balance of \$1,493,332 which is an increase of \$682,913 from the prior year. This increase is the result of additional monies being transferred from the In-Lieu Tax Fund and the close out of the County's Debt Service Fund (remaining balance after 100% of debt satisfied). Revenues increased slightly \$66,580 over the prior year and was the result of equipment sales. Expenditures increased 3% (\$78,097). This increase was due to the final principal payment of \$73,757 on an equipment lease.

The regional transportation fund's ending fund balance decreased (\$5,661) from the prior year. Revenues were down slightly (3%) from the prior fiscal year as the result of fewer gallons of gasoline being purchased. Expenditures were also down (10% or \$154,186) due to the projects undertaken in the current year costing less than the prior year.

The 6<sup>th</sup> judicial district's fund balance increased \$340,021 over the prior year. Current year revenues exceeded prior year revenues by \$232,955 and were the result of the extra net proceeds taxes received as previously mentioned. Expenditures increased \$187,825 over the previous fiscal year. This increase was the result of increases in personnel costs (salary increase) and higher legal counsel fees paid to contract attorneys.

The indigent medical fund's ending fund balance increased \$139,260 or 9% over the prior year. Revenues decreased significantly (60% or \$455,298) as a result of reducing the property tax rate of this fund by \$0.06. This reduction in revenues was necessary in order to meet State law regarding fund balance for this fund. Expenditures were \$172,223 lower than last year. The reduction in expenditures was the result of fewer long-term care patients.

The Winnemucca events complex fund has an ending fund balance of \$578,781, which is an increase of \$93,601 over the prior year. Revenues increased significantly (31% or \$201,805) over the prior year was the result of an increase in property tax revenues (11% or \$37,971) from the extra net proceeds distribution previously discussed and a new intergovernmental revenue source - room taxes of \$145,296. This revenue previously went into the debt service fund to pay for bonds which are now retired. This revenue is now used to help pay for the operations of the facilities. Expenditures rose 11% (\$72,949) over last fiscal year. This increase was due to additional capital outlay expenditures (\$51,020 vs. \$27,712) and a general salary increase.

The building reserve fund's ending fund balance increased \$124,861. Revenues decreased \$172,518 from the prior year mainly due to the fact that more grants were received in the prior year than the current year. Expenditures decreased significantly (\$1,644,481) as a result of several major projects last year not undertaken in the current year such as a land acquisition and an assessment district.

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

Unrestricted net assets of the television fund at the end of the year amounted to \$1,027,736, and those for the solid waste management fund amounted to \$1,441,387. The portion of net assets invested in capital assets was \$284,913 for the TV fund and \$14,604 for the solid waste management fund. The total growth in net assets for both funds was \$46,755 and \$204,335 respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of Humboldt County's business-type activities.

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

**General Fund Budgetary Highlights**

During the year there was a \$360,570 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- General government function – \$121,845. This increase was the result of the following: the County Administrator's budget was increased \$5,100 for a salary increase not budgeted but approved later by the County Commission; the Election budget was increased (\$12,000) for the primary election; the Recorder's budget was augmented from the Recorder's Technology fees (\$38,421) for new technology equipment; the Buildings and Grounds budget (\$14,000) was increase for unanticipated costs associated with the Courthouse sidewalk replacement; the Personnel budget was increased (\$4,245) for addition costs associated with labor negotiations; and Other general government budget (\$195,611) was reduced to provide appropriations to other departments/functions, primarily the Sheriff's, District Attorney's and Justice Court budgets.
- Judicial function - \$44,568 increase. The District Attorney's budget was increased \$12,568 primarily as a result of the receipt of a grant. The Justice Court budget was increased (\$32,000) for additional counsel costs incurred during the year.
- Public safety function - \$333,519 increase. This Sheriff's patrol budget increased \$108,278 was primarily the result of not budgeting for special law enforcement association pays that should have been budgeted. In addition, this office received \$74,053 in grants. Working with the Sheriff and his staff on their future budget requests should eliminate the need for this significant increase in appropriations. The Detention budget was increased \$32,400 in order to provide sufficient appropriations for overtime incurred and increased \$14,709 for a grant that was received. The Dispatch budget was reduced (\$32,400) to provide a resource for the Detention budget increase, the Building Inspection budget was increased (\$9,680), and the Task Force budget was budget was increased (\$126,798) for a grant received of \$75,597 and operating increases of \$51,201.
- Health function - \$2,500 decrease. Budget was decreased to provide additional appropriations for the Culture and Recreation function.
- Culture and Recreation function - \$2,500 increase. An additional annual payment was made to the Virgin Valley Camp Ground since no payment was made in the prior fiscal year.
- Community support function - \$104,328 increase. This increase was the result of the receipt of the Senior Transportation grant.

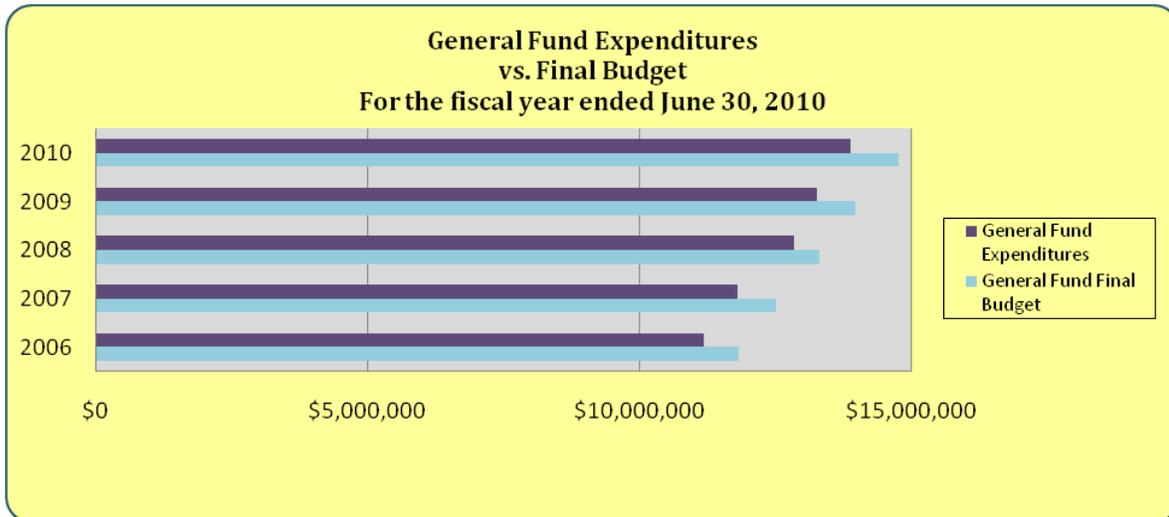
Actual general fund expenditures were less than the final amended budget by \$886,992 or 6 percent. The main factors contributing to this were:

1. Continued efforts by the County Commissioners and staff to reduce the cost of operations. "Don't spend it unless you absolutely need it".
2. Humboldt County's attrition policy, which provides that vacated positions must remain unfilled for 120 days.
3. Budgeted positions not filled either by management's decision not to hire or by not being able to recruit individuals with the necessary skills and abilities for the job.

At the function level, general government expenditures were \$528,511 less than the final budget, judicial expenditures were \$181,808 less and public safety expenditures were \$253,180 less and community support expenditures were \$187,666 over the final budget. These four functions accounted for 87 percent of difference between actual general fund expenditures and the final amended budget.

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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(CONTINUED)**

The following chart details the difference between actual expenditures and final budget for the General Fund for the last five years.



Actual revenues in the general fund exceeded budgeted amounts by 21 percent or \$2,477,678. This significant variance was primarily the result of the additional property taxes (net proceeds of mines and the increase in the property tax rate) and combined tax revenues. The increase in property taxes was the result of: the additional net proceeds of mines distribution mentioned previously. See Note 1 (E) 4 for further details. In addition, the property tax rate for the general fund was increased, however, the total County tax rate was not changed. Combined taxes received exceeded budgeted amounts by \$412,906. The reason for this difference is primarily the conservative budget estimated made by the County for this resource.

**Capital Asset and Debt Administration**

**Capital assets.** Humboldt County's investment in capital assets for its governmental and business-type activities as of June 30, 2010, amounts to \$60,205,372 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, infrastructure and machinery and equipment. Humboldt County's investment in capital assets for the current fiscal year decreased \$1,577,923 in governmental activities. Business-type activities capital assets decreased \$11,286.

**HUMBOLDT COUNTY'S CAPITAL ASSETS (Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land and CIP	\$ 2,375,301	\$ 2,375,301	\$ -	\$ -	\$ 2,375,301	\$ 2,375,301
Land improvements	499,775	549,125	-	-	499,775	549,125
Buildings/ improvements	8,260,906	8,758,755	-	-	8,260,906	8,748,755
Infrastructure	45,971,867	47,423,484	-	-	45,971,867	47,423,484
Equipment	2,798,006	2,450,870	299,517	288,232	3,097,523	2,640,732
<b>Total</b>	<b>\$59,905,855</b>	<b>\$61,557,535</b>	<b>\$ 299,917</b>	<b>\$ 288,232</b>	<b>\$60,205,372</b>	<b>\$61,845,767</b>

**HUMBOLDT COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(CONTINUED)**

Additional information on Humboldt County's capital assets can be found in Notes 1 (E) 4 and Note 5 of the notes to the financial statements.

**Long-term debt.** At the end of the current fiscal year, Humboldt County had no bonded long-term debt outstanding or outstanding capital leases.

**HUMBOLDT COUNTY'S OUTSTANDING DEBT**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Capital Lease	\$ -	\$ 73,757	\$ -	\$ -	\$ -	\$ 73,757
Compensated Absences Payable	721,951	662,498	13,166	8,308	735,117	670,806
Other postemployment Benefits	1,222,902	569,060	9,889	6,140	1,232,791	575,200
<b>Total</b>	<b><u>\$1,944,853</u></b>	<b><u>\$1,305,315</u></b>	<b><u>\$ 23,055</u></b>	<b><u>\$ 14,448</u></b>	<b><u>\$1,967,908</u></b>	<b><u>\$1,319,763</u></b>

The County paid-off its outstanding general obligation bonds during the 2008-2009 fiscal year. These bonds were retired early. The County, in recognition of the economic trouble being experienced, felt it prudent to reduce outstanding debt. In addition, the County's Compensated Absence liability is fully funded.

Additional information on Humboldt County's long-term debt can be found in Notes 1 E (8) and Note 7 of the notes to the financial statements.

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

The 2011 budget for Humboldt County includes a modest cost of living increase ranging from 1.5% - 3% for its employees, despite the growing economic concerns of this country and this State. This County has been somewhat sheltered from the wide-swings in housing values (and foreclosures) and the significant declines in taxable sales compared to the rest of the State. There have been no layoffs, no service reductions or salary/benefit reductions that have become the norm for other local governments, including the State. The mining industry has remained strong and has continued to contribute to our economic success. In addition, recognizing that mining will decline at some point, the County has and will continue to build up its reserves as part of its ongoing program to promote financial stability for its citizens.

The County's unemployment rate continues to be lower than the State and most other counties within Nevada.

The general fund budget (including transfers) for 2010-2011 increased approximately 7 percent over the actual expenditures (including transfers) for fiscal 2010. This increase is the result of budgeting for vacant positions that may not be filled; budgeting for contingencies that historically have not been utilized; equipment purchases that may not be made and the higher cost of operations. Historically, the County spends approximately 90-93 percent of its general fund budget. The County's practice of budgeting conservative on revenues and budgeting liberal on expenditures has resulted in a strong, fiscally responsible government.

Humboldt County continues to maintain one of the lowest tax rates in the State of Nevada.

**Requests for Information**

This financial report is designed to provide a general overview of Humboldt County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Humboldt County, Comptroller's Office, 50 W. Fifth Street, Room 203, Winnemucca, Nevada 89445

**HUMBOLDT COUNTY**  
**Statement of Net Assets**  
**June 30, 2010**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 29,190,382	\$ 2,132,587	\$ 31,322,969
Taxes receivable	55,144	-	55,144
Accounts receivable	266,216	58,946	325,162
Interest receivable	2,634	215	2,849
Prepaid items	926	-	926
Notes receivable	148,942	-	148,942
Intergovernmental receivable	2,179,951	-	2,179,951
Inventories	-	25,911	25,911
Internal balances	1,160	(1,160)	-
Capital assets:			
Land	2,313,835	-	2,313,835
Construction in progress	61,466	-	61,466
Other capital assets net of depreciation	57,530,554	299,517	57,830,071
	<u>91,751,210</u>	<u>2,516,016</u>	<u>94,267,226</u>
<b>Total assets</b>			
<b>LIABILITIES</b>			
Accounts payable	548,525	17,240	565,765
Accrued salaries and benefits	486,193	6,271	492,464
Intergovernmental payable	369,869	327	370,196
Unearned revenue	67,443	-	67,443
Noncurrent liabilities:			
Due within one year:			
Compensated absences	721,951	13,166	735,117
Due in more than one year:			
Other postemployment benefits	1,222,902	9,889	1,232,791
	<u>3,416,883</u>	<u>46,893</u>	<u>3,463,776</u>
<b>Total liabilities</b>			
<b>NET ASSETS</b>			
Invested in capital assets	59,905,855	299,517	60,205,372
Unrestricted	28,428,472	2,169,606	30,598,078
	<u>\$ 88,334,327</u>	<u>\$ 2,469,123</u>	<u>\$ 90,803,450</u>
<b>Total net assets</b>			

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

**HUMBOLDT COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 5,053,275	\$ 1,075,246	\$ 32,644	\$ -
Public safety	8,066,873	1,300,726	313,562	-
Judicial	3,563,509	981,638	235,971	-
Public works	5,367,835	140,383	281,782	-
Health	218,193	-	-	-
Welfare	557,206	-	86,019	-
Culture and recreation	2,066,966	176,172	38,140	-
Community support	2,238,898	19,882	216,778	-
Interest on long-term debt	3,203	-	-	-
Total governmental activities	<u>27,135,958</u>	<u>3,694,047</u>	<u>1,204,896</u>	<u>-</u>
Business-type activities:				
Television	228,081	217,920	36,402	-
Solid waste management	874,721	1,075,713	-	-
Total business-type activities	<u>1,102,802</u>	<u>1,293,633</u>	<u>36,402</u>	<u>-</u>
Total primary government	<u>\$ 28,238,760</u>	<u>\$ 4,987,680</u>	<u>\$ 1,241,298</u>	<u>\$ -</u>

General revenues:

- Property taxes
- Consolidated taxes
- Franchise taxes
- Motor vehicle fuel taxes
- Room taxes
- Miscellaneous revenues
- Unrestricted investment earnings
- Payments in-lieu of taxes
- Total general revenues

Change in Net Assets

- Net assets - beginning
- Net assets - ending

**Net (Expenses) Revenues and  
Changes in Net Assets**

<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business- type</b>	<b>Total</b>
\$ (3,945,384)	\$ -	\$ (3,945,384)
(6,452,584)	-	(6,452,584)
(2,345,900)	-	(2,345,900)
(4,945,670)	-	(4,945,670)
(218,193)	-	(218,193)
(471,187)	-	(471,187)
(1,852,654)	-	(1,852,654)
(2,002,238)	-	(2,002,238)
(3,203)	-	(3,203)
<u>(22,237,013)</u>	<u>-</u>	<u>(22,237,013)</u>
-	26,241	26,241
-	200,992	200,992
<u>-</u>	<u>227,233</u>	<u>227,233</u>
<u>(22,237,013)</u>	<u>227,233</u>	<u>(22,009,780)</u>
8,133,107	-	8,133,107
7,416,350	-	7,416,350
704,003	-	704,003
2,743,829	-	2,743,829
145,296	-	145,296
689,007	20,514	709,521
436,119	3,343	439,462
1,641,405	-	1,641,405
<u>21,909,116</u>	<u>23,857</u>	<u>21,932,973</u>
(327,897)	251,090	(76,807)
88,662,224	2,218,033	90,880,257
<u>\$ 88,334,327</u>	<u>\$ 2,469,123</u>	<u>\$ 90,803,450</u>

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

**HUMBOLDT COUNTY**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2010**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>	<u>6th Judicial District Fund</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 10,073,235	\$1,204,992	\$ 1,790,655	\$ 1,777,078
Taxes receivable	21,474	-	-	14,315
Accounts receivable	171,356	84,287	-	6,334
Interest receivable	1,872	-	275	-
Prepaid items	926	-	-	-
Notes receivable	8,412	-	-	-
Due from other governments	1,240,321	282,004	247,125	103,168
Due from other funds	49,988	46,282	-	-
	<u>11,567,584</u>	<u>1,617,565</u>	<u>2,038,055</u>	<u>1,900,895</u>
<b>Total assets</b>	<b>\$ 11,567,584</b>	<b>\$1,617,565</b>	<b>\$ 2,038,055</b>	<b>\$ 1,900,895</b>
<b>Liabilities</b>				
Accounts payable	\$ 266,942	\$ 81,469	\$ 30,179	\$ 75,377
Accrued salaries/benefits	312,072	42,616	-	87,763
Due to other governments	82,451	124	-	62,430
Due to other funds	36,884	24	-	5,132
Deferred revenue	48,183	-	-	52,549
	<u>746,532</u>	<u>124,233</u>	<u>30,179</u>	<u>283,251</u>
<b>Total liabilities</b>	<b>746,532</b>	<b>124,233</b>	<b>30,179</b>	<b>283,251</b>
<b>Fund Balances</b>				
Reserved for government stabilization	-	-	-	-
Reserved for encumbrances	-	200,000	-	-
Reserved for notes receivable	8,412	-	-	-
Reserved for technology enhancements	34,354	-	-	880
Reserved for pari-mutual betting	-	-	-	-
Reserved for child support	26,393	-	-	-
Unreserved reported in:				
General Fund	10,751,893	-	-	-
Special Revenue Funds	-	1,293,332	2,007,876	1,616,764
Capital Projects Funds	-	-	-	-
	<u>10,821,052</u>	<u>1,493,332</u>	<u>2,007,876</u>	<u>1,617,644</u>
<b>Total fund balances</b>	<b>10,821,052</b>	<b>1,493,332</b>	<b>2,007,876</b>	<b>1,617,644</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 11,567,584</b>	<b>\$1,617,565</b>	<b>\$ 2,038,055</b>	<b>\$ 1,900,895</b>

<b>Indigent Medical Fund</b>	<b>Winnemucca Events Complex Fund</b>	<b>Building Reserve Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$1,731,511	\$ 595,768	\$3,269,814	\$ 8,747,329	\$ 29,190,382
3,182	2,936	734	12,503	55,144
-	-	-	3,635	265,612
266	-	-	221	2,634
-	-	-	-	926
-	-	140,530	-	148,942
1,813	53,485	180,605	72,034	2,180,555
-	-	-	3,337	99,607
<u>\$1,736,772</u>	<u>\$ 652,189</u>	<u>\$3,591,683</u>	<u>\$ 8,839,059</u>	<u>\$ 31,943,802</u>
\$ 1,500	\$ 51,762	\$ -	\$ 41,296	\$ 548,525
-	10,537	-	33,205	486,193
108,676	2,227	-	113,961	369,869
1,487	5,946	-	48,974	98,447
3,182	2,936	114,264	15,003	236,117
<u>114,845</u>	<u>73,408</u>	<u>114,264</u>	<u>252,439</u>	<u>1,739,151</u>
-	-	-	1,050,842	1,050,842
-	-	-	-	200,000
-	-	27,000	-	35,412
-	-	-	-	35,234
-	3,191	-	-	3,191
-	-	-	-	26,393
-	-	-	-	10,751,893
1,621,927	575,590	-	7,059,973	14,175,462
-	-	3,450,419	475,805	3,926,224
<u>1,621,927</u>	<u>578,781</u>	<u>3,477,419</u>	<u>8,586,620</u>	<u>30,204,651</u>
<u>\$1,736,772</u>	<u>\$ 652,189</u>	<u>\$3,591,683</u>	<u>\$ 8,839,059</u>	<u>\$ 31,943,802</u>

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

**HUMBOLDT COUNTY**  
**Reconciliation of the Balance Sheet**  
**To the Statement of Net Assets**  
**Governmental Funds**  
**June 30, 2010**

Total Governmental Fund Balances		\$ 30,204,651
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		
Governmental Capital Assets	\$ 100,288,768	
Less Accumulated Depreciation	<u>(40,382,913)</u>	59,905,855
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Net OPEB obligation	1,222,902	
Compensated absences	<u>721,951</u>	(1,944,853)
Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.		
		<u>168,674</u>
<b>Net Assets of Governmental Activities</b>		<b><u><u>\$ 88,334,327</u></u></b>

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

**HUMBOLDT COUNTY**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2010**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>	<u>6th Judicial District Fund</u>
<b>REVENUES</b>				
Taxes	\$ 3,657,384	\$ -	\$ -	\$ 1,909,934
Licenses and permits	1,006,648	-	-	-
Intergovernmental revenue	7,576,803	1,718,672	1,306,940	1,735,224
Charges for services	428,700	289,801	-	4,899
Fines and forfeits	676,077	-	-	63,397
Miscellaneous revenues	756,039	144,515	3,336	6,946
 Total Revenues	 <u>14,101,651</u>	 <u>2,152,988</u>	 <u>1,310,276</u>	 <u>3,720,400</u>
<b>EXPENDITURES</b>				
Current:				
General government	4,578,722	-	-	-
Judicial	2,164,834	-	-	1,054,208
Public safety	5,770,801	-	-	2,266,974
Public works	19,110	2,714,152	1,315,937	-
Health	220,714	-	-	-
Welfare	-	-	-	-
Culture and recreation	5,000	-	-	-
Community support	647,593	-	-	-
Intergovernmental expenditures	470,183	139,604	-	54,197
Debt service:				
Principal	-	73,757	-	-
Interest	-	3,203	-	-
 Total Expenditures	 <u>13,876,957</u>	 <u>2,930,716</u>	 <u>1,315,937</u>	 <u>3,375,379</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>224,694</u>	 <u>(777,728)</u>	 <u>(5,661)</u>	 <u>345,021</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,000	1,460,641	-	-
Transfers out	-	-	-	(5,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>1,460,641</u>	<u>-</u>	<u>(5,000)</u>
 Net Change in Fund Balances	 229,694	 682,913	 (5,661)	 340,021
 Fund Balances - beginning	 <u>10,591,358</u>	 <u>810,419</u>	 <u>2,013,537</u>	 <u>1,277,623</u>
 Fund Balances - ending	 <u>\$10,821,052</u>	 <u>\$1,493,332</u>	 <u>\$ 2,007,876</u>	 <u>\$ 1,617,644</u>

<b>Indigent Medical Fund</b>	<b>Winnemucca Events Complex Fund</b>	<b>Building Reserve Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 298,552	\$ 391,777	\$ 97,952	\$ 1,790,720	\$ 8,146,319
-	-	-	-	1,006,648
-	267,666	202,303	2,313,575	15,121,183
-	172,973	15,542	36,970	948,885
-	-	-	46,381	785,855
3,774	28,523	41,418	13,537	998,088
<u>302,326</u>	<u>860,939</u>	<u>357,215</u>	<u>4,201,183</u>	<u>27,006,978</u>
-	-	-	193,837	4,772,559
-	-	-	208,127	3,427,169
-	-	-	-	8,037,775
-	-	-	-	4,049,199
-	-	-	-	220,714
65,730	-	-	487,299	553,029
-	767,338	-	1,055,272	1,827,610
-	-	232,354	216,775	1,096,722
97,336	-	-	171,100	932,420
-	-	-	-	73,757
-	-	-	-	3,203
<u>163,066</u>	<u>767,338</u>	<u>232,354</u>	<u>2,332,410</u>	<u>24,994,157</u>
<u>139,260</u>	<u>93,601</u>	<u>124,861</u>	<u>1,868,773</u>	<u>2,012,821</u>
-	-	-	25,000	1,490,641
-	-	-	(1,485,641)	(1,490,641)
-	-	-	(1,460,641)	-
139,260	93,601	124,861	408,132	2,012,821
<u>1,482,667</u>	<u>485,180</u>	<u>3,352,558</u>	<u>8,178,488</u>	<u>28,191,830</u>
<u>\$1,621,927</u>	<u>\$ 578,781</u>	<u>\$3,477,419</u>	<u>\$ 8,586,620</u>	<u>\$ 30,204,651</u>

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

**HUMBOLDT COUNTY**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended June 30, 2010**

Net Change in Fund Balances - Governmental Funds		\$ 2,012,821
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. The cost of those assets is depreciated over their estimated useful lives in the statement of activities.</p>		
Expenditures for capital assets	\$ 1,064,595	
Less current year depreciation	(2,651,736)	
Loss on disposition of assets	<u>(64,539)</u>	
		(1,651,680)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.</p>		
Change in deferred revenue		(49,500)
<p>Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Debt transactions are:</p>		
Capital lease-principal payments		73,757
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.</p>		
Change in net OPEB obligation		(653,842)
Change in long-term compensated absences		<u>(59,453)</u>
<b>Change in Net Assets of Governmental Activities</b>		<b><u>\$ (327,897)</u></b>

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

**HUMBOLDT COUNTY**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual-By Function and Department**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 1,957,291	\$ 1,957,291	\$ 3,657,384	\$ 1,700,093
Licenses and permits	843,000	843,000	1,006,648	163,648
Intergovernmental revenues	6,911,112	7,244,960	7,576,803	331,843
Charges for services	345,000	345,000	428,700	83,700
Fines and forfeits	700,000	700,000	676,077	(23,923)
Miscellaneous	507,000	533,722	756,039	222,317
	<u>11,263,403</u>	<u>11,623,973</u>	<u>14,101,651</u>	<u>2,477,678</u>
<b>EXPENDITURES BY FUNCTION AND DEPARTMENT</b>				
<b>Current:</b>				
General government:				
Commission	259,030	259,030	234,590	24,440
Administrator	276,266	281,366	280,321	1,045
Elections	15,000	27,000	25,652	1,348
Comptroller	346,508	346,508	274,034	72,474
Assessor	637,410	637,410	602,952	34,458
Treasurer	252,610	252,610	246,022	6,588
Clerk	360,905	360,905	358,638	2,267
Recorder	319,075	357,496	327,640	29,856
Computer systems	299,342	299,342	258,027	41,315
Planning	122,509	122,509	116,426	6,083
Buildings and grounds	1,070,570	1,084,570	1,046,049	38,521
Communications	221,295	221,295	196,549	24,746
Personnel	28,000	32,245	28,141	4,104
Miscellaneous	1,220,500	1,024,889	583,681	441,208
	<u>5,429,020</u>	<u>5,307,175</u>	<u>4,578,722</u>	<u>728,453</u>
Total general government function				(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual-By Function and Department**  
**For the Year Ended June 30, 2010**

	2010 Budgeted Amounts		2010	
	Original Budget	Final Budget	Actual	Variance to Final Budget
Judicial:				
Justice court	\$ 689,375	\$ 721,375	\$ 718,180	\$ 3,195
District attorney	953,992	966,560	929,219	37,341
Child support	370,076	370,076	335,345	34,731
Public defender	288,631	288,631	182,090	106,541
Total judicial function	2,302,074	2,346,642	2,164,834	181,808
Public safety:				
Sheriff	2,959,949	3,142,280	3,050,903	91,377
Detention	1,517,744	1,564,853	1,459,721	105,132
Dispatch	807,674	775,274	731,024	44,250
Building official	277,065	286,745	275,557	11,188
Task force	128,030	254,829	253,595	1,234
LEPC	-	-	1	(1)
Total public safety function	5,690,462	6,023,981	5,770,801	253,180
Public works	25,000	25,000	19,110	5,890
Health:				
Health	124,736	124,736	113,725	11,011
Mosquito control	147,930	145,430	106,989	38,441
Total health function	272,666	270,166	220,714	49,452
Culture and recreation	2,500	5,000	5,000	-
Community support	355,599	459,927	647,593	(187,666)
Intergovernmental expenditures	526,000	526,000	470,183	55,817
Total Expenditures	14,603,321	14,963,891	13,876,957	1,086,934

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual-By Function and Department**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,339,918)</u>	<u>\$ (3,339,918)</u>	<u>\$ 224,694</u>	<u>\$ 3,564,612</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,000	5,000	5,000	-
Contingency	<u>(325,000)</u>	<u>(325,000)</u>	<u>-</u>	<u>325,000</u>
Total other financing sources and uses	<u>(320,000)</u>	<u>(320,000)</u>	<u>5,000</u>	<u>325,000</u>
Net change in fund balance	(3,659,918)	(3,659,918)	229,694	3,889,612
Fund balance - beginning	<u>7,772,685</u>	<u>7,772,685</u>	<u>10,591,358</u>	<u>2,818,673</u>
Fund balance - ending	<u><u>\$ 4,112,767</u></u>	<u><u>\$ 4,112,767</u></u>	<u><u>\$ 10,821,052</u></u>	<u><u>\$ 6,708,285</u></u>

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

**HUMBOLDT COUNTY**  
**Road Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	2010 Budgeted Amounts		2010	
	Original Budget	Final Budget	Actual	Variance To Final Budget
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grants	\$ 260,000	\$ 279,207	\$ 281,782	\$ 2,575
Motor vehicle fuel taxes 1.25 cents	490,236	490,236	490,239	3
Motor vehicle fuel taxes 1.75 cents	145,000	145,000	181,908	36,908
Motor vehicle fuel taxes 2.35 cents	777,015	777,015	764,743	(12,272)
Total Intergovernmental revenues	1,672,251	1,691,458	1,718,672	27,214
Charges for services				
Fuel sales reimbursements	200,000	200,000	215,466	15,466
Repair reimbursements	60,000	60,000	74,335	14,335
Total Charges for services	260,000	260,000	289,801	29,801
Miscellaneous	5,000	5,000	144,515	139,515
Total Revenues	1,937,251	1,956,458	2,152,988	196,530
<b>EXPENDITURES</b>				
Public works function:				
Highways and street:				
Salaries and wages	868,580	872,680	872,652	28
Employee benefits	336,510	332,410	330,738	1,672
Services and supplies	1,419,900	1,367,350	1,108,240	259,110
Capital outlay	350,000	412,153	402,522	9,631
Total Public works function	2,974,990	2,984,593	2,714,152	270,441
Intergovernmental expenditure function:				
Services and supplies	130,000	139,604	139,604	-
Debt service function:				
Principal	73,800	73,800	73,757	43
Interest	3,175	3,175	3,203	(28)
Total Debt service function	76,975	76,975	76,960	15
Total Expenditures	3,181,965	3,201,172	2,930,716	270,456
Excess (deficiency) of revenues over (under) expenditures	(1,244,714)	(1,244,714)	(777,728)	466,986

(continued)

**HUMBOLDT COUNTY**  
**Road Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance To Final Budget</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers - in	\$ 1,000,000	\$ 1,000,000	\$ 1,460,641	\$ 460,641
Net change in fund balance	(244,714)	(244,714)	682,913	927,627
Fund balance - beginning	583,642	583,642	810,419	226,777
Fund balance - ending	<u>\$ 338,928</u>	<u>\$ 338,928</u>	<u>\$ 1,493,332</u>	<u>\$ 1,154,404</u>

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

**HUMBOLDT COUNTY**  
**Regional Transportation Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance To Final Budget</u>
<b>REVENUES</b>				
Intergovernmental revenue:				
Gasoline taxes	\$1,060,000	\$1,060,000	\$1,306,940	\$ 246,940
Miscellaneous	<u>7,500</u>	<u>7,500</u>	<u>3,336</u>	<u>(4,164)</u>
Total Revenues	<u>1,067,500</u>	<u>1,067,500</u>	<u>1,310,276</u>	<u>242,776</u>
<b>EXPENDITURES</b>				
Public works function:				
Highways and street:				
Services and supplies	1,170,000	1,170,000	1,315,937	(145,937)
Capital outlay	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Total Expenditures	<u>1,770,000</u>	<u>1,770,000</u>	<u>1,315,937</u>	<u>454,063</u>
Excess (deficiency) of revenues over (under) expenditures	(702,500)	(702,500)	(5,661)	696,839
Fund balance - beginning	<u>2,130,665</u>	<u>2,130,665</u>	<u>2,013,537</u>	<u>(117,128)</u>
Fund balance - ending	<u>\$1,428,165</u>	<u>\$1,428,165</u>	<u>\$2,007,876</u>	<u>\$ 579,711</u>

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

**HUMBOLDT COUNTY**  
**6th Judicial District Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance To Final Budget</u>
<b>REVENUES</b>				
Taxes	<u>\$1,159,722</u>	<u>\$1,159,722</u>	<u>\$1,909,934</u>	<u>\$ 750,212</u>
Intergovernmental revenue:				
Grants:				
OJJDP JBIG grant	-	16,029	16,342	(313)
USJR grant	-	13,380	1,035	(12,345)
OJJDP formula grant	11,042	21,300	14,759	(6,541)
Lovelock indian tribe grant	8,000	8,000	-	(8,000)
Summer school grant	-	4,200	2,575	(1,625)
Parenting project grant	-	16,417	26,000	9,583
OJJDP youth outreach	4,594	5,526	7,590	2,064
OJJDP community partnership grant	15,665	40,340	20,773	(19,567)
Parole fees	7,920	7,920	-	(7,920)
Combined tax	485,672	485,672	519,144	33,472
Pershing county contribution	592,034	592,034	563,503	(28,531)
Lander county contribution	<u>592,034</u>	<u>592,034</u>	<u>563,503</u>	<u>(28,531)</u>
Total Intergovernmental revenues	<u>1,716,961</u>	<u>1,802,852</u>	<u>1,735,224</u>	<u>(68,254)</u>
Charges for services	<u>-</u>	<u>-</u>	<u>4,899</u>	<u>4,899</u>
Fines and forfeits	<u>20,000</u>	<u>20,000</u>	<u>63,397</u>	<u>43,397</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>6,946</u>	<u>6,946</u>
Total Revenues	<u>2,896,683</u>	<u>2,982,574</u>	<u>3,720,400</u>	<u>737,826</u>

(continued)

**HUMBOLDT COUNTY**  
**6th Judicial District Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance To Final Budget</u>
<b>EXPENDITURES</b>				
Public safety function:				
Juvenile probation:				
Salaries and wages	\$1,295,740	\$1,295,740	\$1,287,571	\$ 8,169
Employee benefits	589,330	589,330	572,425	16,905
Services and supplies	343,211	415,722	371,022	44,700
Capital outlay	36,000	36,000	35,956	44
Total Public safety function	<u>2,264,281</u>	<u>2,336,792</u>	<u>2,266,974</u>	<u>69,818</u>
Judicial function:				
District court:				
Salaries and wages	355,850	345,850	337,565	8,285
Employee benefits	120,810	115,810	112,724	3,086
Services and supplies	266,500	288,880	380,714	(91,834)
Capital outlay	4,000	10,000	-	10,000
Total District court	<u>747,160</u>	<u>760,540</u>	<u>831,003</u>	<u>(70,463)</u>
Court reporters:				
Salaries and wages	154,730	154,730	149,786	4,944
Employee benefits	51,360	51,360	49,190	2,170
Services and supplies	40,500	40,500	24,229	16,271
Total Court reporters	<u>246,590</u>	<u>246,590</u>	<u>223,205</u>	<u>23,385</u>
Total Judicial function	<u>993,750</u>	<u>1,007,130</u>	<u>1,054,208</u>	<u>(47,078)</u>
Intergovernmental expenditure function:				
Services and supplies	<u>58,927</u>	<u>58,927</u>	<u>54,197</u>	<u>4,730</u>
Total Expenditures	<u>3,316,958</u>	<u>3,402,849</u>	<u>3,375,379</u>	<u>27,470</u>

(continued)

**HUMBOLDT COUNTY**  
**6th Judicial District Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	2010 Budgeted Amounts		2010	
	Original Budget	Final Budget	Actual	Variance To Final Budget
Excess (deficiency) of revenues over expenditures	\$ (420,275)	\$ (420,275)	\$ 345,021	\$ 765,296
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Net change in fund balance	(425,275)	(425,275)	340,021	765,296
Fund balance - beginning	<u>563,520</u>	<u>563,520</u>	<u>1,277,623</u>	<u>714,103</u>
Fund balance - ending	<u><u>\$ 138,245</u></u>	<u><u>\$ 138,245</u></u>	<u><u>\$1,617,644</u></u>	<u><u>\$ 1,479,399</u></u>

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

**HUMBOLDT COUNTY**  
**Indigent Medical Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	2010 Budgeted Amounts		2010	
	Original Budget	Final Budget	Actual	Variance To Final Budget
<b>REVENUES</b>				
Taxes	\$ 178,419	\$ 178,419	\$ 298,552	\$ 120,133
Miscellaneous	12,000	12,000	3,774	(8,226)
Total Revenues	190,419	190,419	302,326	111,907
<b>EXPENDITURES</b>				
Welfare function:				
Services and supplies	445,000	445,000	65,730	379,270
Intergovernmental expenditure function:				
Services and supplies	60,559	60,559	97,336	(36,777)
Total Expenditures	505,559	505,559	163,066	342,493
Excess (deficiency) of revenues over (under) expenditures	(315,140)	(315,140)	139,260	454,400
Fund balance - beginning	1,081,449	1,081,449	1,482,667	401,218
Fund balance - ending	\$ 766,309	\$ 766,309	\$1,621,927	\$ 855,618

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

**HUMBOLDT COUNTY**  
**Winnemucca Events Complex Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**

	<u>2010 Budgeted Amounts</u>		<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance To Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 237,892	\$ 237,892	\$ 391,777	\$ 153,885
Intergovernmental				
Combined tax	114,480	114,480	122,370	7,890
Room taxes	100,000	100,000	145,296	45,296
Total intergovernmental revenues	214,480	214,480	267,666	53,186
Charges for services	122,600	122,600	172,973	50,373
Miscellaneous	15,000	15,000	28,523	13,523
Total Revenues	589,972	589,972	860,939	270,967
<b>EXPENDITURES</b>				
Culture and Recreation Function:				
Salaries and wages	264,685	265,934	265,807	127
Employee benefits	79,800	79,015	78,984	31
Services and supplies	386,900	386,436	371,527	14,909
Capital outlay	56,150	56,150	51,020	5,130
Total Expenditures	787,535	787,535	767,338	20,197
Excess (deficiency) of revenues over (under) expenditures	(197,563)	(197,563)	93,601	291,164
Fund balance - beginning	277,785	277,785	485,180	207,395
Fund balance - ending	<u>\$ 80,222</u>	<u>\$ 80,222</u>	<u>\$ 578,781</u>	<u>\$ 498,559</u>

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

**HUMBOLDT COUNTY**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2010**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Humboldt Television Fund</b>	<b>Solid Waste Management Fund</b>	<b>Totals Current Year</b>
<b>ASSETS</b>			
Current:			
Cash and Cash Equivalents	\$ 734,673	\$ 1,397,914	\$2,132,587
Accounts receivable	11,331	47,615	58,946
Interest receivable	-	215	215
Due from other funds	-	83	83
Inventories	25,911	-	25,911
<b>Total Current Assets</b>	<b>771,915</b>	<b>1,445,827</b>	<b>2,217,742</b>
Noncurrent Assets:			
Capital assets:			
Buildings	24,195	-	24,195
Machinery and equipment	1,043,639	92,286	1,135,925
Less accumulated depreciation	(782,921)	(77,682)	(860,603)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>284,913</b>	<b>14,604</b>	<b>299,517</b>
<b>Total Assets</b>	<b>1,056,828</b>	<b>1,460,431</b>	<b>2,517,259</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	1,223	16,017	17,240
Accrued liabilities	17,302	2,135	19,437
Due from other governments	109	218	327
Due to other funds	961	282	1,243
<b>Total Current Liabilities</b>	<b>19,595</b>	<b>18,652</b>	<b>38,247</b>
Noncurrent Liabilities:			
Other postemployment benefits	9,497	392	9,889
<b>Total Liabilities</b>	<b>29,092</b>	<b>19,044</b>	<b>48,136</b>
<b>NET ASSETS</b>			
Invested in capital assets	284,913	14,604	299,517
Unrestricted	742,823	1,426,783	2,169,606
<b>Total Net Assets</b>	<b>\$ 1,027,736</b>	<b>\$ 1,441,387</b>	<b>\$2,469,123</b>

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

**HUMBOLDT COUNTY**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and**  
**Changes in Net Assets**  
**For the Year Ended June 30, 2010**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Humboldt Television Fund</b>	<b>Solid Waste Management Fund</b>	<b>Totals Current Year</b>
<b>OPERATING REVENUES</b>			
Charges for services:			
User fees	\$ 217,920	\$ 1,075,713	\$ 1,293,633
Grants	36,402	-	36,402
Miscellaneous	20,514	-	20,514
Total Revenues	274,836	1,075,713	1,350,549
<b>OPERATING EXPENSES</b>			
Salaries and wages	87,904	42,868	130,772
Employee benefits	30,256	12,680	42,936
Services and supplies	52,524	814,015	866,539
Depreciation	57,397	5,158	62,555
Total Operating Expenses	228,081	874,721	1,102,802
Operating Income (Loss)	46,755	200,992	247,747
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest earnings	-	3,343	3,343
Change in Net Assets	46,755	204,335	251,090
<b>NET ASSETS, JULY 1</b>	980,981	1,237,052	2,218,033
<b>NET ASSETS, JUNE 30</b>	\$ 1,027,736	\$ 1,441,387	\$ 2,469,123

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

**HUMBOLDT COUNTY**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2010**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Humboldt Television Fund</u>	<u>Solid Waste Management Fund</u>	<u>Totals Current Year</u>
<b>CASH FLOWS FROM</b>			
<b>OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 276,724	\$ 1,071,305	\$ 1,348,029
Cash payments for personnel costs	(107,935)	(56,488)	(164,423)
Cash payments for services and supplies	(53,986)	(916,320)	(970,306)
Net Cash Provided by Operating Activities	<u>114,803</u>	<u>98,497</u>	<u>213,300</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Purchases of capital assets	<u>(73,841)</u>	<u>-</u>	<u>(73,841)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	<u>-</u>	<u>3,488</u>	<u>3,488</u>
Net Increase (Decrease) in Cash and Cash Equivalents	40,962	101,985	142,947
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	<u>693,711</u>	<u>1,295,929</u>	<u>1,989,640</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u><u>\$ 734,673</u></u>	<u><u>\$ 1,397,914</u></u>	<u><u>\$ 2,132,587</u></u>

(continued)

**HUMBOLDT COUNTY**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2010**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Humboldt Television Fund</b>	<b>Solid Waste Management Fund</b>	<b>Totals Current Year</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 46,755	\$ 200,992	\$ 247,747
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations:			
Depreciation	57,397	5,158	62,555
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	1,888	(4,409)	(2,521)
Inventory	1,585	-	1,585
Increase (decrease) in:			
Accounts payable	(3,047)	(102,304)	(105,351)
Accrued salaries and benefits	10,225	(940)	9,285
Total adjustments	68,048	(102,495)	(34,447)
Net Cash Provided by Operating Activities	\$ 114,803	\$ 98,497	\$ 213,300

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

**HUMBOLDT COUNTY**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2010**

	AGENCY FUNDS	INVESTMENT TRUST FUND
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,799,580	\$ 2,232,713
Interest receivable	-	316
Total Assets	\$ 4,799,580	\$ 2,233,029
<b>LIABILITIES</b>		
Due to other governments	\$ 4,563,507	\$ -
Funds held in trust for others	236,073	-
Total Liabilities	4,799,580	-
<b>NET ASSETS</b>		
Held in trust	\$ -	\$ 2,233,029

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

**HUMBOLDT COUNTY**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2010**

	<b>INVESTMENT TRUST FUND</b>
<b>ADDITIONS</b>	
Investment earnings:	
Interest	\$ 3,946
Net increase (decrease) in share transactions	400,712
Change in net assets	404,658
Net assets - beginning	1,828,371
Net assets - ending	\$ 2,233,029

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

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of Humboldt County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

**A. Reporting entity**

Humboldt County was incorporated as one of the original nine counties of the State of Nevada in 1861 and is governed by a five-member elected Board of Commissioners. The major operations of Humboldt County are property tax assessment and collections, public safety, road maintenance, judicial, recreation and administrative activities. The accompanying financial statements present Humboldt County and any component units. Humboldt County does not have any discretely presented component units nor blended component units.

**B. Basic Financial Statements - Government-wide Statements**

The basic financial statements include both government-wide (based upon Humboldt County as a whole) and fund financial statements. The reporting focus is on either Humboldt County as a whole or major individual funds and nonmajor funds in the aggregate (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type.

The government-wide financial statements (the Statement of Net Assets and Statement of Activities) report information on all of the nonfiduciary activities of Humboldt County. The effect of interfund activity has been removed from these statements. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

In the government-wide Statement of Net Assets, both the governmental and business-type activity columns are presented on a consolidated basis by column, and are reflected on a full-accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. Humboldt County's net assets are reported in two parts – invested in capital assets, net of related debt, and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of Humboldt County's functions and business-type activities. Functions are also supported by general government revenues (property and combined taxes, certain intergovernmental revenues, interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants and capital grants. Program revenues include charges to customers, operating grants and contributions and capital grants and contributions. Program revenues must be directly associated with the function or business-type activity. Operating grants, include operating-specific and discretionary grants while the capital grants reflect capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

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**C. Basic Financial Statements – Fund Financial Statements**

The financial transactions of Humboldt County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter is excluded from the government-wide financial statements.

The emphasis in fund financial statements is on major funds in either governmental or business-type (proprietary) activity categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and business-type categories combined) for the determination of major funds. Humboldt County's management may electively add funds as major funds, when it is determined the funds have specific community or management focus. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The focus of the governmental funds measurement in the fund financial statements is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income.

The focus for proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. 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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

Humboldt County's fiduciary funds are presented in the fiduciary fund financial statements by type. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of Humboldt County, these funds are not incorporated into the government-wide statements.

Humboldt County reports the following major governmental funds:

The **General Fund** is the government's primary operating fund. It is used to account for resources traditionally associated with Humboldt County that are not required legally or by sound financial management to be accounted in another fund.

The **Road Fund** is used to account for resources for expenditures on Humboldt County's roads.

The **Regional Transportation Fund** is used to account for resources for expenditures on road projects of regional significance.

The **6<sup>th</sup> Judicial District Fund** is used to account for the resources and expenditures for the District Court and Juvenile Probation.

The **Winnemucca Events Complex Fund** is used to account for the resources and expenditures associated with the operations of Humboldt County's fairgrounds and indoor events center.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

The **Indigent Medical Fund** is used to account for the resources and expenditures relating to indigent medical care.

The **Building Reserve Fund** is used to account for the resources and expenditures for major capital projects.

Humboldt County reports the following major proprietary funds:

The **Humboldt Television Fund** is used to account for television services provided to most of the residents of Humboldt County (some County residents are provided television services from other districts).

The **Solid Waste Management Fund** is used to account for landfill operations of Humboldt County.

In addition, Humboldt County uses the following funds:

*Agency funds* are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the County as an agent for various governments, special districts and individuals. Included are funds for apportioned property and sales taxes, shared revenues and other financial resources for schools, hospital, special districts, boards and other state and city agencies; bonds posted with the District Court and Justice Courts; funds held for inmates housed at the County jail; unapportioned taxes for other local governments; and assets held on the behalf of special districts, boards and other miscellaneous agencies.

*Investment trust fund* is the external investment pool administered by Humboldt County. Voluntary participants include Humboldt County School District (Debt Service), Golconda Fire Protection District and Paradise Fire Protection District.

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

#### **D. Measurement Focus, Basis of Accounting**

The measurement focus describes the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. It relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year that they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

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recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other postemployment benefits and claims and judgments, are recorded only when payment is due.

Governmental revenues susceptible to accrual are ad valorem taxes, interest, grant revenues and revenues collected and distributed by the State. These include consolidated taxes, government services taxes, and motor vehicle fuel taxes. Licenses and permits, fines, and charges for services are recognized as revenue when they are received.

When both restricted and unrestricted resources are available for use, it is Humboldt County's policy to use restricted resources first, then unrestricted resources as they are needed.

**E. Financial Statement Amounts:**

***1. Cash and Investments***

For purposes of the statement of cash flows presented for proprietary funds, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and have an original maturity date of three months or less to be cash and cash equivalents. Since all cash in proprietary funds is pooled with the rest of Humboldt County's cash and is available upon demand, all cash and investments in those funds are considered cash equivalents.

All interest earned on cash deposits is recognized in the General Fund in accordance with Nevada Revised Statutes, except for amounts credited to various other funds in accordance with law or contract and is allocated based upon their combined investment balances.

Investments are recorded at fair value.

Pursuant to NRS 355.170 and 355.167, Humboldt County may only invest in the following types of securities:

- ◇ Obligations of the United States, or an agency or instrumentality of the United States, or a corporation sponsored by the government, maturing within ten (10) years from the date of purchase.
- ◇ Time certificates of deposit from commercial banks and insured savings and loan associations within the State of Nevada, and certain farm loan bonds.
- ◇ Certain securities issued by local governments of the State of Nevada and other securities expressly provided by other statutes, including repurchase agreements.
- ◇ Money market mutual funds that are registered with the Securities and Exchange Commission, are AAA rated and invest only in securities of the Federal Government for fully collateralized repurchase agreements.
- ◇ State of Nevada Local Government Investment Pool.

NRS 355.172 requires Humboldt County's Treasurer or the appropriate officer to take physical possession of collateral in the name of Humboldt County for all securities except those subject to repurchase by the seller if Humboldt County has a fully perfected, first-priority interest having a fair market value equal to or greater than the repurchase price of the security.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

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Humboldt County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**2. Investment Pool Investment Earnings**

Interest income is recorded on the accrual basis in the investment pool. Net realized gains (losses) on investments are the sum of the differences between the cost (if purchased during the fiscal year) or the fair value of the investment at the beginning of the year, and the net selling price received for investments that are sold or matured.

The net increase (decrease) in the fair value of investments in the investment pool is the difference between the cost (if purchased during the fiscal year) or the fair value of the investments at the beginning of the year, and the fair value of the investments at the end of the year.

**3. Property Taxes Receivable**

All real property in Humboldt County is subject to physical reappraisal every five years. Annual adjustments are made to the assessed valuation to reflect general changes in property values. The assessed valuation of the property and its improvements is computed at 35% of "taxable value" as defined by statute. Taxable value is defined as full cash value for land, replacement cost less straight-line depreciation for land improvements, and statutory depreciation for personal property. The maximum depreciation allowed is 75% of replacement cost.

The maximum tax rate for all overlapping governmental units within any county, as established by the state constitution, is \$5 per \$100 assessed valuation. The combined overlapping rate for any county is further limited by state statute to \$3.64 per \$100 assessed valuation except in cases of severe financial emergency as defined in NRS 354.705. Humboldt County's individual tax rate for fiscal year 2009-2010 was \$0.7512 per \$100 of assessed valuation.

The total combined rate was \$2.2016 per \$100 of assessed valuation in the unincorporated area of Humboldt County, exclusive of special district tax rates.

Tax rates are levied by Humboldt County Commissioners immediately after the Nevada Tax Commission has certified the combined rate. Upon certification, the rates are transmitted to Humboldt County's Treasurer for billing. The tax rate levied is for the current fiscal year, July 1 to June 30, and the taxes are considered a lien against real property attaching on July 1. The tax for the 2009-2010 fiscal year was due and payable on the third Monday in August 2009. Taxes may be paid in four equal installments on the third Monday in August, and the first Mondays in October, January and March. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, a tax deed is issued conveying the property to Humboldt County with a lien for back taxes.

In 2005, the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the ad valorem taxes levied on a qualified property. The abatement will limit the increase of a taxpayer's bill to 3% over the previous year's tax amount for a primary residence and some rental property. All other property will have a higher limit of 6%.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the State Department of Taxation and the tax rates. The major classifications of personal property are commercial, agricultural and mobile homes. In Humboldt County, taxes on motor vehicles are collected by a state agency and remitted to Humboldt County based on statutory formulas as a part of combined taxes.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

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Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. Delinquent taxes from all roll years prior to 2008-2009 have been written off. No provision for uncollectible accounts has been established since management does not anticipate any material collection loss in respect to remaining balances. Personal property taxes receivable reflect only those taxes collected within 60 days of year-end.

**4. Net Proceeds of Mines**

Net proceeds of mines are paid on an annual basis. For the year ended June 30, 2010 net proceeds of mines received on actual business from January through December 2009 are reflected in the financial statements. In addition, due to legislative changes occurring during the year ended June 30, 2010, the payments of net proceeds received on estimated business from January 1, 2010 through December 31, 2010 are reflected in the financial statements.

Additional amounts due, based upon actual business for the January 1, 2010 through December 31, 2010 in comparison to estimated payments, are determined subsequent to the 2010 calendar year. Credits for overpayments, based on actual business for the period of January 1, 2009 through December 31, 2009 in comparison to estimated payments, are applied to future tax payments in accordance with NRS 362.130. The overall financial impact on the County of future additional amounts due or future credits is not determinable at June 30, 2010 and are not reflected in these financial statements. It should be noted that the estimated payments for calendar year 2010 (received in fiscal year 2009-2010) were calculated using fiscal year 2009-2010 tax rates. Any true-up of these estimated payments will use fiscal year 2010-2011 tax rates. It is unknown at June 30, 2010 what, if any, impact this will have on future financial statements.

**5. Inventories**

The Television fund inventories are valued at cost using the first in / first out (FIFO) method. Inventories consist primarily of materials and supplies. For all other funds, Humboldt County charges consumable supplies as expenditures against appropriations at the time of purchase. All inventories of such supplies at June 30 are not material to the individual funds and are not recognized in these financial statements.

**6. Capital Assets**

Capital assets, which include buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by Humboldt County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

Property, plant, and equipment of Humboldt County are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements to buildings	15-30
Improvements other than buildings	15-30
Equipment and motor vehicles	5-15
Infrastructure	30-45

**7. *Compensated Absences***

It is Humboldt County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as an expenditure. The entire amount is accounted for in the governmental column of the government-wide statement of net assets.

The current portion of compensated absences is defined as those benefits actually paid or accrued as a result of employees who have terminated employment by June 30. Agreements with the two employee associations provide for the payment of total accrued compensatory and vacation time in all cases. Accumulated sick leave benefits are payable to terminated employees who meet specific requirements set forth in the negotiated employee association contracts.

**8. *Long-term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**9. *Interfund Activity***

Interfund activity is reported either as a loan, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed at or near market rates, are treated as revenues and expenditures/expenses. Cost allocations for support services are revenue and expense in the fund financial statements and are eliminated in the government-wide Statement of Activities.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

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**10. Equity Classifications**

In government-wide statements, equity is classified as net assets and displayed in two components:

- a. Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Unrestricted net assets – All other net assets that do not meet the definition of “invested in capital assets, net of related debt.”

In fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reservations of fund balance consist of amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Proprietary fund equity is classified the same as in the government-wide statements.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with GAAP for all funds except trust and agency funds, which do not require budgets. All annual appropriations lapse at fiscal year end.

Humboldt County adheres to the Local Government Budget and Finance Act (NRS 354.470-.626) incorporated within state statutes and the procedures set by the Department of Taxation to establish the budgetary data reflected in these financial statements. The Board adopts the budget on or before June 1 and files it with the Nevada State Department of Taxation.

The legal level of budgetary control is at the function level for the General Fund, special revenue funds, debt service and capital projects funds, and by the sum of operating and nonoperating expenses in proprietary funds. Exceptions apply for certain debt service and intergovernmental expenditures. Statutes do not require that capital outlay, debt service payments and other cash transactions normally reflected in the balance sheet of proprietary funds be limited by budget.

All budget amounts presented in these financial statements and schedules reflect the amended budget which has been adjusted for legally authorized revisions of the annual budgets during the year. Original budgets are provided for the General Fund and major special revenue funds in compliance with reporting requirements. The Comptroller may approve budget adjustments within a function. Budget adjustments between functions or funds may be approved by the Comptroller with Board notification. Adjustments that affect fund balance or increase the original budget require Board approval.

Encumbrance accounting is employed in governmental and proprietary funds. In governmental funds, encumbrances, which include purchase orders and contracts awarded for which goods and services have not been received at year-end, are reappropriated in the subsequent year and are reported as a reservation of fund balance.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

**Compliance**

The County conformed to all significant statutory and administrative code constraints on its financial administration during the year with the following exceptions:

Expenditures in the Judicial Function in the 6<sup>th</sup> Judicial District Fund, exceeded appropriations by \$47,078, an apparent violation of NRS 354.626.

The actual expenses of the Solid Waste Management Fund exceeded the sum of the budgeted operating and nonoperating expenses by \$18,710 an apparent violation of NRS 354.626 and NAC 354.626.

**NOTE 3 – CASH AND INVESTMENTS**

**Deposits and investments**

The following is a listing of deposits indicating collateral or insurance on those deposits. The bank balance differs from the carrying amount by outstanding checks and deposits in transit.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured, (FDIC)	\$ 1,189,143	\$ 1,191,307
Uninsured and collateralized, collateral held by the office of the State Treasurer/Nevada Collateral Pool	28,065,088	25,597,324
Petty Cash	<u>11,860</u>	<u>11,860</u>
Total Cash Deposits	<u>\$29,266,091</u>	<u>\$29,800,491</u>

Investments are carried at fair value. The following is a listing of those investments as of June 30, 2010:

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>				
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 3</u>	<u>4 to 5</u>	<u>6 to 10</u>
U.S. Treasury Notes	\$ 917,147	\$ -	\$ 784,390	\$ 132,757	\$ -
Government Agencies	1,888,394	251,161	1,536,702	100,531	-
Asset Backed Fixed Income Securities	901,387	517,445	383,942	-	-
Corporate Bonds	1,406,000	89,626	1,161,657	154,717	-
Mortgage Backed Securities	3,647,184	470,166	398,640	1,007,345	1,771,033
Money Market Mutual Funds	309,228	309,228	-	-	-
State of Nevada Local Government Investment Pool	<u>19,831</u>	<u>19,831</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments	9,089,171	1,657,457	4,265,331	1,395,350	1,771,033
Total Cash (Carrying Amount)	<u>29,266,091</u>	<u>28,076,469</u>	<u>1,189,622</u>	<u>-</u>	<u>-</u>
Total Cash and Investments	<u>\$ 38,355,262</u>	<u>\$ 29,733,926</u>	<u>\$5,454,953</u>	<u>\$1,395,350</u>	<u>\$1,771,033</u>

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

<u>Investment Type</u>	<u>Quality Ratings Average of Moody's and Standard &amp; Poor's</u>				
	<u>Fair Value</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Unrated</u>
<u>Debt Securities</u>					
U.S. Treasury Notes	\$ 917,147	\$ 917,147	\$ -	\$ -	\$ -
Government Agencies	1,888,394	1,888,394	-	-	-
Asset Backed Fixed					
Income Securities	901,387	901,387	-	-	-
Corporate Bonds	1,406,000	211,605	431,255	763,140	-
Mortgage Backed Securities	3,647,184	3,647,184	-	-	-
Money Market Mutual Funds	309,228	309,228	-	-	-
State of Nevada Local					
Government Investment Pool	19,831	-	-	-	19,831
Total Investments	9,089,171	7,874,945	431,255	763,140	19,831
Total Cash (Carrying Amount)	29,266,091	29,266,091	-	-	-
Total Cash and Investments	<u>\$ 38,355,262</u>	<u>\$ 37,141,036</u>	<u>\$ 431,255</u>	<u>\$ 763,140</u>	<u>\$ 19,831</u>

The County is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the State of Nevada Board of Finance.

The County's investments in both pools discussed above is equal to its original investment plus monthly allocations of interest income, and realized and unrealized gains and losses, which is the same as the value of the pool shares. The County's investment in the LGIP is reported at fair value. Wells Fargo determines the fair value of the investments in NVEST on a monthly basis.

As noted, Nevada Revised Statutes (NRS. 355.170) set forth acceptable investments for Nevada local governments. The County has not adopted a formal investment policy that would further limit its investment choices nor further limit its exposure to certain risks as set forth below.

Interest rate risk

Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. As noted above, the County does not have a formal investment policy that limits investment maturities to reduce its exposure to fair value losses arising from increasing interest rates beyond those specified in the Statute.

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of investments. The LGIP is an unrated external investment pool and as noted above the County does not have a formal investment policy that specifies minimum acceptable credit ratings beyond those specified in the statute.

Custodial credit risk on deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. The County's bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool and various other agents in the County's name.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

External Investment Pool

Humboldt County administers an external investment pool combining Humboldt County funds with voluntary investments from Humboldt County School District (Debt Service), Golconda Fire Protection District and Paradise Fire Protection District. The Board of County Commissioners has overall responsibility for investment of funds including the external investment pool in accordance with NRS 355.175. The Humboldt County Treasurer is delegated investment responsibilities. Monthly, Wells Fargo Bank determines the fair value of the pool's investments held by them. Each participant's share is equal to their original investment plus the monthly allocation of interest income. The County has not provided nor obtained any legally binding guarantees to support the value of shares. This is an unrated pool.

<u>Investment Type</u>	<u>Fair Value/ Carrying Amount</u>	<u>Principal Amount Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Wells Fargo Savings	\$11,696,923	\$11,696,923	Variable	July 1, 2010

EXTERNAL INVESTMENT POOL CONDENSED FINANCIAL STATEMENTS  
STATEMENT OF NET ASSETS  
JUNE 30, 2010

**ASSETS:**

Wells Fargo Savings	<u>\$ 11,696,923</u>
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**NET ASSETS HELD IN TRUST FOR POOL PARTICIPANTS:**

Net assets consist of:

Internal participant shares	\$ 9,464,210
External participant shares	<u>2,232,713</u>
Total Participant Shares Outstanding (\$1.00 par)	<u>\$ 11,696,923</u>

**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010**

Net increase (decrease) in net assets resulting from operations:	
Investment income	\$ 43,291
Net assets, July 1	<u>11,653,632</u>
Net assets, June 30	<u>\$ 11,696,923</u>

**NOTE 4 – ASSESSMENT DISTRICT RECEIVABLE**

During the year ended June 30, 2009, Humboldt County completed improvements on a special assessment district. The total cost of the project was \$305,101. The County contributed \$72,144 and \$232,957 was charged back to the land owners in the form of notes receivable from the landowners. The balance remaining on the assessment receivable as of June 30, 2010 is \$113,530.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

**NOTE 5 –CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 2,313,835	\$ -	\$ -	\$ 2,313,835
Construction in progress	<u>61,466</u>	<u>-</u>	<u>-</u>	<u>61,466</u>
Total capital assets, not being depreciated	<u>2,375,301</u>	<u>-</u>	<u>-</u>	<u>2,375,301</u>
Capital assets, being depreciated				
Buildings	19,998,562	73,554	-	20,072,116
Improvements other than buildings	847,233	-	-	847,233
Infrastructure	66,606,071	-	-	66,606,071
Machinery and equipment	<u>10,100,912</u>	<u>991,041</u>	<u>703,906</u>	<u>10,388,047</u>
Total assets, being depreciated	<u>97,552,778</u>	<u>1,064,595</u>	<u>703,906</u>	<u>97,913,467</u>
Less accumulated depreciation for:				
Buildings	(11,239,807)	(571,403)	-	(11,811,210)
Improvements other than buildings	(298,108)	(49,350)	-	(347,458)
Infrastructure	(19,182,587)	(1,451,617)	-	(20,634,204)
Machinery and equipment	<u>(7,650,042)</u>	<u>(579,366)</u>	<u>639,367</u>	<u>(7,590,041)</u>
Total accumulated depreciation	<u>(38,370,544)</u>	<u>(2,651,736)</u>	<u>639,367</u>	<u>(40,382,913)</u>
Total capital assets, being depreciated, net	<u>59,182,234</u>	<u>(1,587,141)</u>	<u>64,539</u>	<u>57,530,554</u>
Governmental activities capital assets, net	<u>\$ 61,557,535</u>	<u>\$ (1,587,141)</u>	<u>\$ 64,539</u>	<u>\$ 59,905,855</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, being depreciated				
Buildings	\$ 24,195	\$ -	\$ -	\$ 24,195
Machinery and equipment	<u>1,082,095</u>	<u>73,841</u>	<u>20,011</u>	<u>1,135,925</u>
Total assets, being depreciated	<u>1,106,290</u>	<u>73,841</u>	<u>20,011</u>	<u>1,160,120</u>
Less accumulated depreciation for:				
Buildings	(24,195)	-	-	(24,195)
Machinery and equipment	<u>(793,863)</u>	<u>(62,556)</u>	<u>20,011</u>	<u>(836,408)</u>
Total accumulated depreciation	<u>(818,058)</u>	<u>(62,556)</u>	<u>20,011</u>	<u>(860,603)</u>
Total capital assets, being depreciated, net	<u>288,232</u>	<u>11,285</u>	<u>-</u>	<u>299,517</u>
Business-type activities capital assets, net	<u>\$ 288,232</u>	<u>\$ 11,285</u>	<u>\$ -</u>	<u>\$ 299,517</u>

Depreciation expense was charged to functions/programs of Humboldt County as follows:

Governmental activities:	
General government	\$ 92,823
Public safety	191,958
Judicial	2,284
Public works	1,643,557
Health	1,491

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

Culture and recreation	39,968
Community support	<u>\$ 679,655</u>
Total depreciation expense – governmental activities	<u>\$ 2,651,736</u>

Business-type activities:

Humboldt Television fund	\$ 57,397
Solid waste management fund	<u>5,158</u>
Total depreciation expense – business-type activities	<u>\$ 62,555</u>

**NOTE 6 – INTERFUND BALANCES AND TRANSFERS**

The composition of interfund balances as of June 30, 2010 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	6 <sup>th</sup> Judicial District Fund	\$ 2,005
	Road Fund	24
	Nonmajor Governmental Funds	47,677
	Solid Waste Fund	<u>282</u>
		<u>49,988</u>
Road Fund	General Fund	35,034
	6 <sup>th</sup> Judicial District Fund	3,127
	Winnemucca Events Complex Fund	5,863
	Nonmajor Governmental Funds	1,297
	Humboldt Television Fund	<u>961</u>
		<u>46,282</u>
Nonmajor Governmental Funds	General Fund	1,850
	Indigent Medical Fund	<u>1,487</u>
		<u>3,337</u>
Humboldt Television Fund	Winnemucca Events Complex Fund	<u>83</u>
Total		<u>\$ 99,690</u>

Interfund receivables and payables include charges incurred by one fund for the benefit of another fund. An example of these types of charges is motor vehicle fuel. Bulk fuel is purchased by the road department for use by other funds. These charges are then allocated to the appropriate fund. Other examples include postage and copy charges.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

Interfund transfers for the year ended June 30, 2010

<u>Transfers from:</u>	<u>Amount</u>	<u>Transfers to:</u>	<u>Amount</u>
6 <sup>th</sup> Judicial District	<u>\$ 5,000</u>	General Fund	<u>\$ 5,000</u>
Nonmajor Governmental Funds	<u>1,485,641</u>	Road Fund	1,460,641
		Nonmajor Governmental Funds	<u>25,000</u>
			<u>1,485,641</u>
Total Transfers Out	<u>\$1,490,641</u>	Total Transfers In	<u>\$1,490,641</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them and (2) use of unrestricted revenues collected in the In-Lieu-of Tax Fund to finance various programs accounted for in other funds in accordance with budgetary authorization and (3) use of Debt Service Fund balance remaining after all debt is satisfied.

**NOTE 7 – LONG TERM DEBT**

**Compensated absences**

The liability for compensated absences is included in the noncurrent liabilities on the government-wide Statement of Net Assets. About 63 percent of the governmental funds' compensated absences were paid by the general fund. For the business-type activities, the Television fund paid for 100 percent of the compensated absences.

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental activities:</u>					
Compensated absences	\$ 662,498	\$ 789,569	\$ 730,116	\$ 721,951	\$ 721,951
Capital lease	<u>73,757</u>	<u>-</u>	<u>73,757</u>	<u>-</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 736,255</u>	<u>\$ 789,569</u>	<u>\$ 803,873</u>	<u>\$ 721,951</u>	<u>\$ 721,951</u>
<u>Business-type activities:</u>					
Compensated absences	<u>\$ 8,308</u>	<u>\$ 11,538</u>	<u>\$ 6,680</u>	<u>\$ 13,166</u>	<u>\$ 13,166</u>
Business-type activities Long-term liabilities	<u>\$ 8,308</u>	<u>\$ 11,538</u>	<u>\$ 6,680</u>	<u>\$ 13,166</u>	<u>\$ 13,166</u>

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

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**Net Other Postemployment Benefits Obligation**

In fiscal year 2009, the County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This statement required the County to calculate and record a net other postemployment benefit obligation. At June 30, 2010, the net other postemployment benefit liability for the County was \$1,232,791. The County finances their liability on the pay-as-you-go basis.

**NOTE 8 – 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 as are all entities. The County has joined together with similar public agencies (cities, counties and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members. The County pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The pool is considered a self-sustaining risk pool that will provide liability coverage for its members up to \$10,000,000 per event and a \$13,000,000 general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

The County has also joined together with similar public agencies effective April 1, 1996, to create a pool under the Nevada Interlocal Cooperation Act for workers compensation insurance. The Public Agency Compensation Trust (PACT) is an intergovernmental self-insurance association for workers compensation insurance.

The County pays premiums based upon payroll costs to the PACT. The PACT is considered a self-sustaining pool that will provide coverage based on established statutory limits.

The County continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by the Pool (bonding and boiler coverage) and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 9 – PENSION PROGRAM**

**Plan Description:**

Humboldt County contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. The PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling 775-687-4200.

**Funding Policy:**

Benefits for plan members are funded under the employer pay contribution plan method. Under this method, the County is required to contribute all amounts due under the plan. The contribution requirements of plan members

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

and the County are established by Chapter 286 of the Nevada Revised Statutes. The funding mechanism may be only amended through legislation.

The County's contribution rates on and amounts contributed (which are equal to/or 100% of the required contribution) for the last three years are as follows:

<u>Fiscal Year</u>	<u>Contribution Rate</u>		<u>Total</u>
	<u>Regular Members</u>	<u>Police Members</u>	<u>Contributions</u>
2009-2010	21.50%	37.0%	\$2,480,209
2008-2009	20.50%	33.5%	\$2,271,033
2007-2008	20.50%	33.5%	\$2,159,446

**NOTE 10 – LANDFILL CLOSURE AND POSTCLOSURE COSTS**

State and federal laws and regulations require the government to place a final cover on the Humboldt County Regional Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. During the year ended June 30, 1999, the County Commissioners approved the County's purchase of insurance to cover the costs of closure and post-closure of the landfill. The County is obligated under the insurance policy to an annual premium of \$61,646 over 15 years, with the first payment due July 1, 1999. The County expects to close the landfill in the year 2031.

At June 30, 2010 financial assurance relative to costs of closure and post-closure of the landfill was fulfilled through insurance coverage.

**NOTE 11 - CONTINGENCIES**

There are legal actions and claims pending against Humboldt County. The financial impact of these actions is not determinable at June 30, 2010, but in the opinion of management and legal counsel, any resulting uninsured liability will not materially affect the financial position or results of operations of the County.

**NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Plan Descriptions:**

The County administers a single-employer defined benefit healthcare plan, Humboldt County Health Insurance Plan (HCHIP). Additionally, the County contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefit Plan (PEBP). Each plan provides medical, vision, dental, and life insurance benefits to eligible retired County employees and beneficiaries.

Benefit provisions for the HCHIP are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of County Commissioners. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the County's group health insurance plan, which covers both active and retired members. Under NRS 287.023 eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2010, 10 retirees were using this plan. The HCHIP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefits provisions to the PEBP nine-member board of trustees. County employees who met

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

the eligibility requirements effective September 1, 2008 for retirement within the Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for County employees who retired after November 29, 2008. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan. As of June 30, 2010, 53 county retirees were utilizing this benefit. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employee's Benefits Program, 901 S. Stewart Street, Suite 1001, Carson City, Nv 89701, by calling (775) 684-7000, or by accessing the website at [www.pebp.state.nv.us/informed/financial.htm](http://www.pebp.state.nv.us/informed/financial.htm).

**Funding Policy and Annual OPEB Cost:**

For HCHIP, contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The County's contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the County. The implicit subsidy as determined by the actuary is \$29,585.

For the PEBP plan, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired County employees. Plan members receiving benefits have their monthly contribution deducted from their pension checks based on the health plan chosen by the retiree as reduced by the amount of the subsidy therefore, their contributions are not available. For the plan year ended June 30, 2010, retirees qualify for a subsidy of \$79 at five years of service and \$436 at 20 years of service with incremental increases for years of service between. The contribution requirements of plan members and the County are established and amended by the PEBP board of trustees. As a participating employer, the County is billed for the subsidy on a monthly basis and is legally required under NRS 287.023 to provide for it. For fiscal year 2010, the County contributed \$145,614 to the plan for current premiums. The County did not prefund any future benefits.

**Annual OPEB Cost and Net OPEB Obligation:**

The County's annual other postemployment benefit (OPEB) cost (expense) for the plans is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal years 2010 and 2009 were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
HCHIP	6/30/10	\$ 651,487	\$ 29,585	4.54%	\$ 1,183,890
HCHIP	6/30/09	\$ 597,515	\$ 35,528	5.95%	\$ 561,987
PEBP	6/30/10	\$ 181,302	\$ 145,614	80.32%	\$ 48,901
PEBP	6/30/09	\$ 178,357	\$ 165,144	92.59%	\$ 13,213
Combined Totals	6/30/10	\$ 832,789	\$ 175,199		\$ 1,232,791
Combined Totals	6/30/09	\$ 775,872	\$ 200,672		\$ 575,200

Note that the fiscal year 2008-09 was the first year of prospective implementation; therefore, only one prior year was available for disclosure.

The net OPEB obligation (NOPEBO) as of June 30, 2010, was calculated as follows:

	HCHIP	PEBP	Totals
Annual required contribution (ARC)	\$ 642,455	\$ 176,308	\$ 818,763
Interest on the beginning net OPEB obligation	41,533	5,758	47,291
ARC Adjustment	(32,500)	(764)	(33,264)
Annual OPEB cost	651,488	181,302	832,790
Contributions made	(29,585)	(145,614)	(175,199)
Increase (decrease) in net OPEB obligation	621,903	35,688	657,591
Net OPEB obligation (asset), beginning of year	561,987	13,213	575,200
Net OPEB obligation (asset), end of year	\$ 1,183,890	\$ 48,901	\$ 1,232,791

**Funded Status and Funding Progress:**

The funded status of the plans as of June 30, 2010, was as follows:

	HCHIP	PEBP	Totals
Accrued actuarial liability (a)	\$ 3,262,137	\$ 4,019,118	\$ 7,281,255
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued liability (a) – (b)	\$ 3,262,137	\$ 4,019,118	\$ 7,281,255
Funded ratio (b) / (a)	0.00%	0.00%	0.00%
Covered payroll (c)	\$ 9,836,233	N/A	
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) – (b)) / (c)	33.16%	N/A	

**HUMBOLDT COUNTY**  
**Notes to the Financial Statements**  
**June 30, 2010**

Actuarial valuations 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 to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actual accrued liabilities for benefits.

**Actuarial Methods and Assumptions:**

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

Significant methods and assumptions used in the October 1, 2007 actuarial valuation were as follows:

	HCHIP	PEBP
Actuarial valuation date	10/01/07	10/01/07
Actuarial cost method	Entry Age Normal Cost – Closed	Entry Age Normal Cost – Closed
Amortization method	Level % of pay	Level % of pay
Amortization period (open)	30 years	30 years
Asset valuation method	Market value	Market value
<u>Actuarial assumptions:</u>		
Investment rate of return	4.00%	4.00%
Projected salary increases-Regular	6.50%	6.50%
Projected salary increases-Police & Fire	8.00%	8.00%
Healthcare inflation rate*	9.00%	9.00%
*Decreasing 1.00% each year until ultimate trend rate of 5.00% is reached		

**HUMBOLDT COUNTY**  
 Required Supplementary Information  
 June 30, 2010

**Schedule of Funding Progress – Other Post Employment Benefits**

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age Normal Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
HCHIP	07/01/08	-	\$3,262,137	\$3,262,137	0.00%	\$9,836,233	33.16%
PEBP	07/01/08	-	\$4,019,118	\$4,019,118	0.00%	N/A	N/A

\*Prospective implementation as of June 30, 2009.

**HUMBOLDT COUNTY**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2010**

	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$8,226,436	\$ 520,893	\$ 8,747,329
Taxes receivable	11,769	734	12,503
Interest receivable	141	80	221
Accounts receivable	3,635	-	3,635
Due from other governments	71,430	604	72,034
Due from other funds	1,560	1,777	3,337
Total assets	<u>\$8,314,971</u>	<u>\$ 524,088</u>	<u>\$ 8,839,059</u>
<b>Liabilities</b>			
Accounts payable	\$ 41,296	\$ -	\$ 41,296
Accrued salaries/benefits	33,205	-	33,205
Due to other governments	113,894	67	113,961
Due to other funds	1,492	47,482	48,974
Deferred revenue	14,269	734	15,003
Total liabilities	<u>204,156</u>	<u>48,283</u>	<u>252,439</u>
<b>Fund Balances</b>			
Reserved for government stabilization	1,050,842	-	1,050,842
Unreserved and undesignated	<u>7,059,973</u>	<u>475,805</u>	<u>7,535,778</u>
Total fund balances	<u>8,110,815</u>	<u>475,805</u>	<u>8,586,620</u>
Total Liabilities and Fund Balances	<u>\$8,314,971</u>	<u>\$ 524,088</u>	<u>\$ 8,839,059</u>

**HUMBOLDT COUNTY**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2010**

	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>REVENUES</b>				
Taxes	\$1,692,777	\$ -	\$ 97,943	\$ 1,790,720
Intergovernmental revenues	2,313,575	-	-	2,313,575
Charges for services	36,970	-	-	36,970
Fines and forfeits	46,381	-	-	46,381
Miscellaneous	12,395	-	1,142	13,537
Total revenues	<u>4,102,098</u>	<u>-</u>	<u>99,085</u>	<u>4,201,183</u>
<b>EXPENDITURES</b>				
Current:				
General government	193,837	-	-	193,837
Judicial	208,127	-	-	208,127
Welfare	487,299	-	-	487,299
Culture and recreation	1,055,272	-	-	1,055,272
Community support	169,293	-	47,482	216,775
Intergovernmental	146,006	-	25,094	171,100
Total expenditures	<u>2,259,834</u>	<u>-</u>	<u>72,576</u>	<u>2,332,410</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,842,264</u>	<u>-</u>	<u>26,509</u>	<u>1,868,773</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:	25,000	-	-	25,000
Transfers out:	<u>(1,025,000)</u>	<u>(460,641)</u>	<u>-</u>	<u>(1,485,641)</u>
Total Other Financing Sources (Uses)	<u>(1,000,000)</u>	<u>(460,641)</u>	<u>-</u>	<u>(1,460,641)</u>
Net Change in Fund Balances	842,264	(460,641)	26,509	408,132
Fund balances - beginning	<u>7,268,551</u>	<u>460,641</u>	<u>449,296</u>	<u>8,178,488</u>
Fund balances - ending	<u><u>\$8,110,815</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 475,805</u></u>	<u><u>\$ 8,586,620</u></u>

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 1,885,291	\$ 1,885,291	\$ 3,529,765	\$ 1,644,474	\$ 2,399,073
Tax penalties	72,000	72,000	127,619	55,619	96,386
Total Taxes	<u>1,957,291</u>	<u>1,957,291</u>	<u>3,657,384</u>	<u>1,700,093</u>	<u>2,495,459</u>
Licenses and Permits:					
Business:					
Business licenses	38,000	38,000	50,829	12,829	52,292
Liquor licenses	6,000	6,000	6,620	620	6,313
Local gaming licenses	40,000	40,000	50,482	10,482	50,254
Franchise fees	600,000	600,000	704,003	104,003	650,557
Nonbusiness:					
Building permits	150,000	150,000	172,496	22,496	180,243
Dog licenses	9,000	9,000	13,697	4,697	12,258
CCW permits	-	-	6,468	6,468	4,486
Marriage licenses	-	-	2,000	2,000	2,340
Other permits	-	-	53	53	88
Total Licenses and Permits	<u>843,000</u>	<u>843,000</u>	<u>1,006,648</u>	<u>163,648</u>	<u>958,831</u>
Intergovernmental Revenues:					
Federal grants:					
Child support enforcement	250,000	250,000	215,903	(34,097)	208,190
Consolidated task force	40,000	160,798	124,427	(36,371)	71,939
Ots/joining forces	-	34,114	38,021	3,907	12,223
Taylor grazing fees	40,000	40,000	32,645	(7,355)	34,622
Senior transportation grant	-	104,328	134,298	29,970	123,248
SCAAP grant	-	14,709	14,709	-	18,456
Violence against women grant	-	12,568	20,068	7,500	36,842
NCATS/traffic safety	-	-	-	-	9,303
Sheriff's stimulus funds	-	27,331	27,331	-	-
State grants:					
NDOW grant	-	20,000	20,000	-	-
Other Intergovernmental revenues:					
City-county sharing agreement	360,000	360,000	364,925	4,925	406,905
Humboldt contribution	20,000	20,000	2,805	(17,195)	20,198
Humboldt river basin authority	55,000	55,000	30,636	(24,364)	37,220
Combined tax	5,991,112	5,991,112	6,404,018	412,906	6,982,987
State gaming license fees	155,000	155,000	147,017	(7,983)	150,085
Lease of federal lands	-	-	-	-	36,925
Total Intergovernmental Revenues	<u>6,911,112</u>	<u>7,244,960</u>	<u>7,576,803</u>	<u>331,843</u>	<u>8,149,143</u>

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Charges for Services:					
General government:					
Clerk fees	\$ 15,000	\$ 15,000	\$ 20,478	\$ 5,478	\$ 22,923
Candidate fees	-	-	2,150	2,150	-
Recorder fees	150,000	150,000	140,163	(9,837)	143,084
Recorder technology fees	-	-	16,365	16,365	16,410
Planning fees	10,000	10,000	12,245	2,245	11,225
Map fees	68,000	68,000	29,946	(38,054)	37,189
Subtotal General government	<u>243,000</u>	<u>243,000</u>	<u>221,347</u>	<u>(21,653)</u>	<u>230,831</u>
Judicial:					
Legal assistance fees	5,000	5,000	5,645	645	6,855
Law library fees	4,000	4,000	4,140	140	5,025
Bail bond fees	6,000	6,000	5,100	(900)	7,060
Civil action fees	30,000	30,000	37,850	7,850	33,727
Public Administrator/guardian fees	-	-	1,525	1,525	-
District court filing fees	-	-	13,187	13,187	18,298
Public defender fees	-	-	5,177	5,177	6,855
Subtotal Judicial	<u>45,000</u>	<u>45,000</u>	<u>72,624</u>	<u>27,624</u>	<u>77,820</u>
Public safety:					
Sheriff fees	20,000	20,000	33,806	13,806	32,826
Detention fees	12,000	12,000	68,073	56,073	48,744
Detention meal preparation	25,000	25,000	26,884	1,884	28,626
Subtotal Public safety	<u>57,000</u>	<u>57,000</u>	<u>128,763</u>	<u>71,763</u>	<u>110,196</u>
Other charges for services	-	-	5,966	5,966	6,865
Total Charges for Services	<u>345,000</u>	<u>345,000</u>	<u>428,700</u>	<u>83,700</u>	<u>425,712</u>
Fines and forfeits	<u>700,000</u>	<u>700,000</u>	<u>676,077</u>	<u>(23,923)</u>	<u>664,579</u>
Miscellaneous Revenues:					
Interest earnings	500,000	500,000	425,592	(74,408)	570,521
Miscellaneous	-	-	295,806	295,806	101,035
NRA foundation grant	-	26,722	26,722	-	-
Forensic services	7,000	7,000	7,919	919	8,266
Total Miscellaneous Revenues	<u>507,000</u>	<u>533,722</u>	<u>756,039</u>	<u>222,317</u>	<u>679,822</u>
Total Revenues	<u>11,263,403</u>	<u>11,623,973</u>	<u>14,101,651</u>	<u>2,477,678</u>	<u>13,373,546</u>

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	2010			2009	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
<b>EXPENDITURES BY FUNCTION AND ACTIVITY</b>					
General government function:					
Legislative:					
Commissioners					
Salaries and wages	\$ 145,665	\$ 145,665	\$ 139,620	\$ 6,045	\$ 139,694
Employee benefits	71,565	71,565	64,919	6,646	64,764
Services and supplies	41,800	41,800	30,051	11,749	34,886
Subtotal Legislative	259,030	259,030	234,590	24,440	239,344
Executive:					
County administrator					
Salaries and wages	205,138	209,738	209,663	75	203,234
Employee benefits	70,028	70,528	70,002	526	68,993
Services and supplies	1,100	1,100	656	444	195
Subtotal Executive	276,266	281,366	280,321	1,045	272,422
Elections:					
Services and supplies	15,000	27,000	25,652	1,348	58,229
Finance:					
Comptroller:					
Salaries and wages	187,812	177,812	135,117	42,695	174,296
Employee benefits	70,671	70,671	46,471	24,200	65,436
Services and supplies	88,025	98,025	92,446	5,579	86,739
	346,508	346,508	274,034	72,474	326,471
Assessor:					
Salaries and wages	424,620	424,620	416,684	7,936	396,301
Employee benefits	158,700	158,700	148,047	10,653	146,771
Services and supplies	54,090	54,090	38,221	15,869	34,501
	637,410	637,410	602,952	34,458	577,573
Treasurer:					
Salaries and wages	163,030	163,030	162,440	590	157,834
Employee benefits	64,980	64,980	63,406	1,574	63,738
Services and supplies	24,600	24,600	20,176	4,424	23,258
	252,610	252,610	246,022	6,588	244,830
Subtotal Finance	1,236,528	1,236,528	1,123,008	113,520	1,148,874

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Other:					
Clerk:					
Salaries and wages	\$ 247,135	\$ 249,735	\$ 249,693	\$ 42	\$ 240,480
Employee benefits	96,170	94,870	94,530	340	93,821
Services and supplies	17,600	16,300	14,415	1,885	14,348
	<u>360,905</u>	<u>360,905</u>	<u>358,638</u>	<u>2,267</u>	<u>348,649</u>
Recorder:					
Salaries and wages	167,500	167,500	163,215	4,285	161,253
Employee benefits	60,900	60,900	57,413	3,487	58,816
Services and supplies	90,675	129,096	107,012	22,084	84,039
	<u>319,075</u>	<u>357,496</u>	<u>327,640</u>	<u>29,856</u>	<u>304,108</u>
Computer systems:					
Salaries and wages	108,404	108,404	94,957	13,447	60,726
Employee benefits	41,310	41,310	35,100	6,210	22,402
Services and supplies	149,628	149,628	127,970	21,658	131,056
	<u>299,342</u>	<u>299,342</u>	<u>258,027</u>	<u>41,315</u>	<u>214,184</u>
Planning:					
Salaries and wages	75,939	77,139	77,067	72	74,894
Employee benefits	32,920	32,720	32,639	81	33,192
Services and supplies	13,650	12,650	6,720	5,930	5,142
	<u>122,509</u>	<u>122,509</u>	<u>116,426</u>	<u>6,083</u>	<u>113,228</u>
Buildings and grounds:					
Salaries and wages	395,640	395,640	395,224	416	381,032
Employee benefits	161,110	161,110	156,815	4,295	157,683
Services and supplies	443,720	457,720	494,010	(36,290)	471,087
Capital outlay	70,100	70,100	-	70,100	40,106
	<u>1,070,570</u>	<u>1,084,570</u>	<u>1,046,049</u>	<u>38,521</u>	<u>1,049,908</u>
Communications:					
Salaries and wages	113,450	113,450	110,931	2,519	111,352
Employee benefits	40,650	40,650	39,194	1,456	38,608
Services and supplies	67,195	67,195	46,424	20,771	51,591
Capital outlay	-	-	-	-	17,636
	<u>221,295</u>	<u>221,295</u>	<u>196,549</u>	<u>24,746</u>	<u>219,187</u>
Personnel:					
Services and supplies	28,000	32,245	28,141	4,104	28,328

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Public administrator:					
Services and supplies	\$ -	\$ -	\$ -	\$ -	\$ 3,573
Miscellaneous:					
Insurance	402,000	406,000	407,030	(1,030)	390,733
Insurance reserve	10,000	18,500	17,378	1,122	4,000
Humboldt river basin authority	45,000	45,000	34,136	10,864	41,221
Miscellaneous	763,500	555,389	125,137	430,252	139,299
	<u>1,220,500</u>	<u>1,024,889</u>	<u>583,681</u>	<u>441,208</u>	<u>575,253</u>
Subtotal Other	<u>3,642,196</u>	<u>3,503,251</u>	<u>2,915,151</u>	<u>588,100</u>	<u>2,856,418</u>
Total General government function	<u>5,429,020</u>	<u>5,307,175</u>	<u>4,578,722</u>	<u>728,453</u>	<u>4,575,287</u>
Judicial function:					
Justice court:					
Salaries and wages	439,780	443,681	442,935	746	433,408
Employee benefits	161,370	158,709	158,622	87	158,101
Services and supplies	88,225	118,985	116,623	2,362	84,426
	<u>689,375</u>	<u>721,375</u>	<u>718,180</u>	<u>3,195</u>	<u>675,935</u>
District attorney:					
Salaries and wages	638,370	638,370	622,118	16,252	568,511
Employee benefits	226,097	226,097	219,446	6,651	205,906
Services and supplies	89,525	102,093	87,655	14,438	58,156
	<u>953,992</u>	<u>966,560</u>	<u>929,219</u>	<u>37,341</u>	<u>832,573</u>
Child support:					
Salaries and wages	229,090	206,370	187,683	18,687	204,653
Employee benefits	95,750	95,750	80,309	15,441	88,271
Services and supplies	45,236	67,956	67,353	603	43,482
	<u>370,076</u>	<u>370,076</u>	<u>335,345</u>	<u>34,731</u>	<u>336,406</u>
Public defender:					
Salaries and wages	196,731	196,731	130,370	66,361	127,760
Employee benefits	68,900	68,900	44,958	23,942	46,243
Services and supplies	23,000	23,000	6,762	16,238	8,529
	<u>288,631</u>	<u>288,631</u>	<u>182,090</u>	<u>106,541</u>	<u>182,532</u>
Total Judicial function	<u>2,302,074</u>	<u>2,346,642</u>	<u>2,164,834</u>	<u>181,808</u>	<u>2,027,446</u>

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Public safety function:					
Sheriff:					
Salaries and wages	\$ 1,555,210	\$ 1,667,324	\$1,630,213	\$ 37,111	\$1,657,303
Employee benefits	792,450	788,614	780,366	8,248	765,614
Services and supplies	362,289	436,342	396,507	39,835	318,757
Capital outlay	250,000	250,000	243,817	6,183	134,215
	<u>2,959,949</u>	<u>3,142,280</u>	<u>3,050,903</u>	<u>91,377</u>	<u>2,875,889</u>
Detention:					
Salaries and wages	856,330	906,330	877,007	29,323	873,292
Employee benefits	452,020	459,620	453,709	5,911	434,779
Services and supplies	184,194	198,903	129,005	69,898	166,816
Capital outlay	25,200	-	-	-	-
	<u>1,517,744</u>	<u>1,564,853</u>	<u>1,459,721</u>	<u>105,132</u>	<u>1,474,887</u>
Dispatch:					
Salaries and wages	521,945	521,945	517,319	4,626	468,884
Employee benefits	179,014	146,614	129,296	17,318	128,162
Services and supplies	78,200	78,200	84,409	(6,209)	54,933
Capital outlay	28,515	28,515	-	28,515	-
	<u>807,674</u>	<u>775,274</u>	<u>731,024</u>	<u>44,250</u>	<u>651,979</u>
Building official:					
Salaries and wages	165,380	169,860	166,950	2,910	160,988
Employee benefits	61,660	62,280	60,813	1,467	60,693
Services and supplies	28,025	31,525	24,724	6,801	28,827
Capital outlay	22,000	23,080	23,070	10	-
	<u>277,065</u>	<u>286,745</u>	<u>275,557</u>	<u>11,188</u>	<u>250,508</u>
Task force:					
Salaries and wages	67,940	95,440	90,580	4,860	63,131
Employee benefits	34,090	40,080	39,348	732	27,591
Services and supplies	25,000	42,712	47,530	(4,818)	22,020
Capital outlay	1,000	76,597	76,137	460	-
	<u>128,030</u>	<u>254,829</u>	<u>253,595</u>	<u>1,234</u>	<u>112,742</u>
LEPC:					
Services and supplies	-	-	1	(1)	52
Total Public safety function	<u>5,690,462</u>	<u>6,023,981</u>	<u>5,770,801</u>	<u>253,180</u>	<u>5,366,057</u>

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
Public works function:					
Services and supplies	\$ 25,000	\$ 25,000	\$ 19,110	\$ 5,890	\$ 18,662
Health function:					
Health:					
Services and supplies	124,736	124,736	113,725	11,011	114,193
Miscellaneous:					
Mosquito control:					
Services and supplies	147,930	145,430	106,989	38,441	117,288
Total Health function	272,666	270,166	220,714	49,452	231,481
Culture and recreation function::					
Virgin valley campground:					
Services and supplies	2,500	5,000	5,000	-	-
Community support function:					
Services and supplies:					
Senior citizens	180,761	180,761	306,808	(126,047)	255,751
Museum	90,838	90,838	153,418	(62,580)	130,456
Senior transportation grant	-	104,328	120,723	(16,395)	136,824
Humboldt development authority	20,000	20,000	20,000	-	20,000
Chamber of commerce	6,500	6,500	6,500	-	6,500
Range improvement districts	50,000	50,000	32,644	17,356	34,622
Vitality center	7,500	7,500	7,500	-	7,500
Total Community support function	355,599	459,927	647,593	(187,666)	591,653
Intergovernmental expenditure function:					
Services and supplies:					
City of Winnemucca gaming licenses	100,000	100,000	100,000	-	100,000
Airport	40,000	40,000	21,369	18,631	13,200
Cemetery	30,000	30,000	27,150	2,850	24,175
Parks and recreation	350,000	350,000	316,100	33,900	301,258
Legal assistance	6,000	6,000	5,564	436	5,236
Total Intergovernmental expenditure function	526,000	526,000	470,183	55,817	443,869
Total Expenditures	14,603,321	14,963,891	13,876,957	1,086,934	13,254,455

(continued)

**HUMBOLDT COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	2010			2009	
	Original Budget	Final Budget	Actual	Variance to Final Budget	Actual
Excess (deficiency) of revenues over expenditures	\$(3,339,918)	\$(3,339,918)	\$ 224,694	\$3,564,612	\$ 119,091
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	5,000	5,000	5,000	-	5,000
Transfers out	-	-	-	-	(600,000)
Contingency	(325,000)	(325,000)	-	325,000	-
Total other financing sources and uses	(320,000)	(320,000)	5,000	325,000	(595,000)
Net change in fund balances	(3,659,918)	(3,659,918)	229,694	3,889,612	(475,909)
Fund balance - beginning	7,772,685	7,772,685	10,591,358	2,818,673	11,067,267
Fund balance - ending	<u>4,112,767</u>	<u>4,112,767</u>	<u>10,821,052</u>	<u>6,708,285</u>	<u>10,591,358</u>

**HUMBOLDT COUNTY**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2010**

	<u>Indigent Fund</u>	<u>Cooperative Extension Fund</u>	<u>Library Fund</u>	<u>Unemployment Insurance Fund</u>	<u>6th Judicial District Drug Court Fund</u>	<u>In-Lieu Tax Trust Fund</u>
<b>Assets</b>						
Cash and cash equivalents	\$ 739,011	\$ 345,108	\$1,412,970	\$ 138,384	\$ 192,323	\$ 2,836,454
Taxes receivable	3,584	1,211	6,974	-	-	-
Interest receivable	-	-	-	-	-	-
Accounts receivable	1,050	-	-	-	-	-
Due from other governments	2,279	10,359	58,792	-	-	-
Due from other funds	1,560	-	-	-	-	-
Total assets	<u>\$ 747,484</u>	<u>\$ 356,678</u>	<u>\$1,478,736</u>	<u>\$ 138,384</u>	<u>\$ 192,323</u>	<u>\$ 2,836,454</u>
<b>Liabilities</b>						
Accounts payable	\$ 10,978	\$ 1,146	\$ 17,140	\$ -	\$ 6,392	\$ -
Accrued salaries/benefits	2,313	3,925	25,713	-	1,254	-
Due to other governments	107,534	1,282	-	4,689	-	-
Due to other funds	87	527	878	-	-	-
Deferred revenue	3,584	3,711	6,974	-	-	-
Total liabilities	<u>124,496</u>	<u>10,591</u>	<u>50,705</u>	<u>4,689</u>	<u>7,646</u>	<u>-</u>
<b>Fund Balances</b>						
Reserved for government stabilization	-	-	-	-	-	-
Unreserved and undesignated	622,988	346,087	1,428,031	133,695	184,677	2,836,454
Total fund balances	<u>622,988</u>	<u>346,087</u>	<u>1,428,031</u>	<u>133,695</u>	<u>184,677</u>	<u>2,836,454</u>
Total Liabilities and Fund Balances	<u>\$ 747,484</u>	<u>\$ 356,678</u>	<u>\$1,478,736</u>	<u>\$ 138,384</u>	<u>\$ 192,323</u>	<u>\$ 2,836,454</u>

<b>Administrative Assessment Fund</b>	<b>Stabilization Fund</b>	<b>Check Restitution Fund</b>	<b>Compensated Absence Fund</b>	<b>Genetic Marker Testing Fund</b>	<b>Assessor's Technology Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 136,983	\$ 1,050,842	\$ 7,773	\$ 920,937	\$ 389	\$ 445,262	\$ 8,226,436
-	-	-	-	-	-	11,769
-	-	-	141	-	-	141
-	-	-	-	-	2,585	3,635
-	-	-	-	-	-	71,430
-	-	-	-	-	-	1,560
<u>\$ 136,983</u>	<u>\$ 1,050,842</u>	<u>\$ 7,773</u>	<u>\$ 921,078</u>	<u>\$ 389</u>	<u>\$ 447,847</u>	<u>\$ 8,314,971</u>
\$ -	\$ -	\$ 792	\$ 48	\$ -	\$ 4,800	\$ 41,296
-	-	-	-	-	-	33,205
-	-	-	-	389	-	113,894
-	-	-	-	-	-	1,492
-	-	-	-	-	-	14,269
<u>-</u>	<u>-</u>	<u>792</u>	<u>48</u>	<u>389</u>	<u>4,800</u>	<u>204,156</u>
-	1,050,842	-	-	-	-	1,050,842
136,983	-	6,981	921,030	-	443,047	7,059,973
<u>136,983</u>	<u>1,050,842</u>	<u>6,981</u>	<u>921,030</u>	<u>-</u>	<u>443,047</u>	<u>8,110,815</u>
<u>\$ 136,983</u>	<u>\$ 1,050,842</u>	<u>\$ 7,773</u>	<u>\$ 921,078</u>	<u>\$ 389</u>	<u>\$ 447,847</u>	<u>\$ 8,314,971</u>

**HUMBOLDT COUNTY**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2010**

	<u>Indigent Fund</u>	<u>Cooperative Extension Fund</u>	<u>Library Fund</u>	<u>Unemployment Insurance Fund</u>	<u>6th Judicial Drug Court Fund</u>	<u>In-Lieu-of Tax Fund</u>
<b>REVENUES</b>						
Taxes	\$ 373,203	\$ 161,613	\$ 930,477	\$ -	\$ -	\$ -
Intergovernmental revenue	86,019	111,381	353,335	-	121,435	1,641,405
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	3,199	-	-	-
Miscellaneous revenues	4,322	250	5,548	-	-	-
<b>Total Revenues</b>	<u>463,544</u>	<u>273,244</u>	<u>1,292,559</u>	<u>-</u>	<u>121,435</u>	<u>1,641,405</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	15,327	-	-
Judicial	-	-	-	-	125,173	-
Welfare	487,299	-	-	-	-	-
Culture and recreation	-	-	1,055,272	-	-	-
Community support	-	169,293	-	-	-	-
Intergovernmental	146,006	-	-	-	-	-
<b>Total Expenditures</b>	<u>633,305</u>	<u>169,293</u>	<u>1,055,272</u>	<u>15,327</u>	<u>125,173</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(169,761)</u>	<u>103,951</u>	<u>237,287</u>	<u>(15,327)</u>	<u>(3,738)</u>	<u>1,641,405</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	25,000	-	-	-	-
Transfers out	-	-	-	-	-	(1,025,000)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,025,000)</u>
<b>Net Change in Fund Balances</b>	<u>(169,761)</u>	<u>128,951</u>	<u>237,287</u>	<u>(15,327)</u>	<u>(3,738)</u>	<u>616,405</u>
Fund Balances - beginning	<u>792,749</u>	<u>217,136</u>	<u>1,190,744</u>	<u>149,022</u>	<u>188,415</u>	<u>2,220,049</u>
Fund Balances - ending	<u>\$ 622,988</u>	<u>\$ 346,087</u>	<u>\$ 1,428,031</u>	<u>\$ 133,695</u>	<u>\$ 184,677</u>	<u>\$ 2,836,454</u>

<u>Administrative Assessment Fund</u>	<u>Stabilization Fund</u>	<u>Check Restitution Fund</u>	<u>Compensated Absence Fund</u>	<u>Genetic Marker Testing Fund</u>	<u>Assessor's Technology Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 26	\$ -	\$ -	\$ -	\$ 227,458	\$ 1,692,777
-	-	-	-	-	-	2,313,575
-	-	33,516	-	3,454	-	36,970
43,182	-	-	-	-	-	46,381
-	-	-	2,275	-	-	12,395
<u>43,182</u>	<u>26</u>	<u>33,516</u>	<u>2,275</u>	<u>3,454</u>	<u>227,458</u>	<u>4,102,098</u>
-	-	-	70,526	-	107,984	193,837
46,654	-	32,846	-	3,454	-	208,127
-	-	-	-	-	-	487,299
-	-	-	-	-	-	1,055,272
-	-	-	-	-	-	169,293
-	-	-	-	-	-	146,006
<u>46,654</u>	<u>-</u>	<u>32,846</u>	<u>70,526</u>	<u>3,454</u>	<u>107,984</u>	<u>2,259,834</u>
<u>(3,472)</u>	<u>26</u>	<u>670</u>	<u>(68,251)</u>	<u>-</u>	<u>119,474</u>	<u>1,842,264</u>
-	-	-	-	-	-	25,000
-	-	-	-	-	-	(1,025,000)
-	-	-	-	-	-	(1,000,000)
<u>(3,472)</u>	<u>26</u>	<u>670</u>	<u>(68,251)</u>	<u>-</u>	<u>119,474</u>	<u>842,264</u>
<u>140,455</u>	<u>1,050,816</u>	<u>6,311</u>	<u>989,281</u>	<u>-</u>	<u>323,573</u>	<u>7,268,551</u>
<u>\$ 136,983</u>	<u>\$ 1,050,842</u>	<u>\$ 6,981</u>	<u>\$ 921,030</u>	<u>\$ -</u>	<u>\$ 443,047</u>	<u>\$ 8,110,815</u>

**HUMBOLDT COUNTY**  
**Indigent Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 224,212	\$ 224,212	\$ 373,203	\$ 148,991	\$ 731,079
Intergovernmental revenue:					
Federal grants	-	86,019	86,019	-	47,017
Miscellaneous	1,000	1,000	4,322	3,322	3,219
<b>Total Revenues</b>	<u>225,212</u>	<u>311,231</u>	<u>463,544</u>	<u>152,313</u>	<u>781,315</u>
<b>EXPENDITURES</b>					
Welfare function:					
Institutional care	336,774	335,614	289,538	46,076	322,288
Old age assistance	13,890	13,890	13,886	4	13,886
General assistance:					
Salaries and wages	46,120	47,280	47,277	3	45,425
Employee benefits	18,480	18,480	18,173	307	18,292
Services and supplies	44,300	130,319	118,425	9,232	63,591
<b>Total Welfare function</b>	<u>459,564</u>	<u>545,583</u>	<u>487,299</u>	<u>58,284</u>	<u>463,482</u>
Intergovernmental expenditure function:					
Services and supplies	90,838	90,838	146,006	(55,168)	130,395
<b>Total Expenditures</b>	<u>550,402</u>	<u>636,421</u>	<u>633,305</u>	<u>3,116</u>	<u>593,877</u>
Excess (deficiency) of revenues over (under) expenditures	(325,190)	(325,190)	(169,761)	155,429	187,438
Fund balance - beginning	577,796	577,796	792,749	214,953	605,311
Fund balance - ending	<u>\$ 252,606</u>	<u>\$ 252,606</u>	<u>\$ 622,988</u>	<u>\$ 370,382</u>	<u>\$ 792,749</u>

**HUMBOLDT COUNTY**  
**Cooperative Extension Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Taxes	\$ 98,130	\$ 98,130	\$ 161,613	\$ 63,483	\$ 145,954
Intergovernmental revenue:					
Combined tax	52,036	52,036	55,623	3,587	60,651
Grants	-	55,758	55,758	-	500
Total Intergovernmental revenues	<u>52,036</u>	<u>107,794</u>	<u>111,381</u>	<u>3,587</u>	<u>61,151</u>
Miscellaneous	-	-	250	250	19,356
Total Revenues	<u>150,166</u>	<u>205,924</u>	<u>273,244</u>	<u>67,320</u>	<u>226,461</u>
<b>EXPENDITURES</b>					
Community Support Function:					
Salaries and wages	79,120	79,120	79,034	86	71,706
Employee benefits	33,840	33,840	33,106	734	29,818
Services and supplies	<u>52,207</u>	<u>107,965</u>	<u>57,153</u>	<u>50,812</u>	<u>72,695</u>
Total Expenditures	<u>165,167</u>	<u>220,925</u>	<u>169,293</u>	<u>51,632</u>	<u>174,219</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,001)</u>	<u>(15,001)</u>	<u>103,951</u>	<u>118,952</u>	<u>52,242</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Net change in fund balance	9,999	9,999	128,951	118,952	77,242
Fund balance - beginning	<u>132,851</u>	<u>132,851</u>	<u>217,136</u>	<u>84,285</u>	<u>139,894</u>
Fund balance - ending	<u>\$ 142,850</u>	<u>\$ 142,850</u>	<u>\$ 346,087</u>	<u>\$ 203,237</u>	<u>\$ 217,136</u>

**HUMBOLDT COUNTY**  
**Library Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Taxes	\$ 564,993	\$ 564,993	\$ 930,477	\$ 365,484	\$ 840,298
Intergovernmental revenue:					
Federal grants	10,000	10,000	26,454	16,454	9,100
State grants	5,000	5,000	11,686	6,686	25,360
Combined tax	294,872	294,872	315,195	20,323	343,691
Total Intergovernmental revenues	<u>309,872</u>	<u>309,872</u>	<u>353,335</u>	<u>43,463</u>	<u>378,151</u>
Fines and forfeits:					
Library fines	<u>3,000</u>	<u>3,000</u>	<u>3,199</u>	<u>199</u>	<u>2,314</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>5,548</u>	<u>5,548</u>	<u>-</u>
Total Revenues	<u>877,865</u>	<u>877,865</u>	<u>1,292,559</u>	<u>414,694</u>	<u>1,220,763</u>
<b>EXPENDITURES</b>					
Culture and Recreation Function:					
Salaries and wages	528,732	528,732	521,509	7,223	475,798
Employee benefits	223,180	223,180	200,190	22,990	185,684
Services and supplies	240,300	240,300	233,628	6,672	209,793
Capital outlay	<u>-</u>	<u>100,000</u>	<u>99,945</u>	<u>55</u>	<u>-</u>
Total Expenditures	<u>992,212</u>	<u>1,092,212</u>	<u>1,055,272</u>	<u>36,940</u>	<u>871,275</u>
Excess (deficiency) of revenues over (under) expenditures	(114,347)	(214,347)	237,287	451,634	(349,488)
Fund balance - beginning	<u>735,147</u>	<u>835,147</u>	<u>1,190,744</u>	<u>355,597</u>	<u>841,256</u>
Fund balance - ending	<u>\$ 620,800</u>	<u>\$ 620,800</u>	<u>\$1,428,031</u>	<u>\$ 807,231</u>	<u>\$1,190,744</u>

**HUMBOLDT COUNTY**  
**Unemployment Insurance Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	2010			Variance to	2009
	Original Budget	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>					
Charges for services:					
Fund assessments	\$ -	\$ -	\$ -	\$ -	\$ 40,450
<b>EXPENDITURES</b>					
General government function:					
Services and supplies	30,000	30,000	15,327	14,673	16,498
Net change in fund balance	(30,000)	(30,000)	(15,327)	14,673	23,952
Fund balance - beginning	135,070	135,070	149,022	13,952	125,070
Fund balance - ending	<u>\$ 105,070</u>	<u>\$ 105,070</u>	<u>\$ 133,695</u>	<u>\$ 28,625</u>	<u>\$ 149,022</u>

**HUMBOLDT COUNTY**  
**6th Judicial District Drug Court Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Intergovernmental revenue:					
A/A Specialty Court Fund	\$ 98,000	\$ 116,592	\$ 121,435	\$ 4,843	\$ 152,167
OJJDP grant	-	-	-	-	100,000
Total Revenues	<u>98,000</u>	<u>116,592</u>	<u>121,435</u>	<u>4,843</u>	<u>252,167</u>
<b>EXPENDITURES</b>					
Judicial function:					
Drug Court:					
Salaries and wages	25,620	25,620	25,186	434	25,515
Employee benefits	9,840	9,840	9,524	316	11,597
Services and supplies	80,000	98,592	90,463	8,129	128,539
Total Expenditures	<u>115,460</u>	<u>134,052</u>	<u>125,173</u>	<u>8,879</u>	<u>165,651</u>
Excess (deficiency) of revenues over (under) expenditures	(17,460)	(17,460)	(3,738)	13,722	86,516
Fund balance - beginning	<u>66,374</u>	<u>66,374</u>	<u>188,415</u>	<u>122,041</u>	<u>101,899</u>
Fund balance - ending	<u>\$ 48,914</u>	<u>\$ 48,914</u>	<u>\$ 184,677</u>	<u>\$ 135,763</u>	<u>\$ 188,415</u>

**HUMBOLDT COUNTY**  
**In-Lieu-of Tax Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Intergovernmental revenue:					
In-lieu-of tax payments	<u>\$1,400,000</u>	<u>\$1,400,000</u>	<u>\$1,641,405</u>	<u>\$ 241,405</u>	<u>\$2,196,434</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	<u>(1,025,000)</u>	<u>(1,025,000)</u>	<u>(1,025,000)</u>	<u>-</u>	<u>(1,025,000)</u>
Net change in fund balance	375,000	375,000	616,405	241,405	1,171,434
Fund balance - beginning	<u>1,023,615</u>	<u>1,023,615</u>	<u>2,220,049</u>	<u>1,196,434</u>	<u>1,048,615</u>
Fund balance - ending	<u><u>\$1,398,615</u></u>	<u><u>\$1,398,615</u></u>	<u><u>\$2,836,454</u></u>	<u><u>\$1,437,839</u></u>	<u><u>\$2,220,049</u></u>

**HUMBOLDT COUNTY**  
**Administrative Assessment Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<b>Variance to Final Budget</b>	<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>REVENUES</b>					
Fines and forfeits:					
Court administrative assessment	\$ 40,000	\$ 40,000	\$ 43,182	\$ 3,182	\$ 45,416
<b>EXPENDITURES</b>					
Judicial function:					
Justice Court:					
Services and supplies	100,000	100,000	46,654	53,346	30,421
Excess (deficiency) of revenues over (under) expenditures	(60,000)	(60,000)	(3,472)	56,528	14,995
Fund balance - beginning	85,460	85,460	140,455	54,995	125,460
Fund balance - ending	<u>\$ 25,460</u>	<u>\$ 25,460</u>	<u>\$ 136,983</u>	<u>\$ 111,523</u>	<u>\$ 140,455</u>

**HUMBOLDT COUNTY**  
**Stabilization Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	\$ -	\$ 26	\$ 26	\$ 3
<b>EXPENDITURES</b>					
General government function:					
Services and supplies	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	26	26	3
Fund balance - beginning	-	-	1,050,816	1,050,816	1,050,813
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,050,842</u>	<u>\$1,050,842</u>	<u>\$1,050,816</u>

**HUMBOLDT COUNTY**  
**Check Restitution Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Charges for services:					
Bad check restitution	\$ 30,000	\$ 30,000	\$ 33,516	\$ 3,516	\$ 51,225
<b>EXPENDITURES</b>					
Judicial function:					
Services and supplies	37,000	37,000	32,846	4,154	57,926
Excess (deficiency) of revenues over (under) expenditures	(7,000)	(7,000)	670	7,670	(6,701)
Fund balance - beginning	8,012	8,012	6,311	(1,701)	13,012
Fund balance - ending	<u>\$ 1,012</u>	<u>\$ 1,012</u>	<u>\$ 6,981</u>	<u>\$ 5,969</u>	<u>\$ 6,311</u>

**HUMBOLDT COUNTY**  
**Compensated Absence Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Miscellaneous:					
Fund assessments	\$ -	\$ -	\$ -	\$ -	\$ 105,001
Interest	-	-	2,275	2,275	5,807
Total Revenues	<u>-</u>	<u>-</u>	<u>2,275</u>	<u>2,275</u>	<u>110,808</u>
<b>EXPENDITURES</b>					
General government function:					
Services and supplies	<u>150,000</u>	<u>150,000</u>	<u>70,526</u>	<u>79,474</u>	<u>100,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(150,000)</u>	<u>(150,000)</u>	<u>(68,251)</u>	<u>81,749</u>	<u>9,920</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600,000</u>
Net change in fund balance	(150,000)	(150,000)	(68,251)	81,749	609,920
Fund balance - beginning	<u>679,361</u>	<u>679,361</u>	<u>989,281</u>	<u>309,920</u>	<u>379,361</u>
Fund balance - ending	<u>\$ 529,361</u>	<u>\$ 529,361</u>	<u>\$ 921,030</u>	<u>\$ 391,669</u>	<u>\$ 989,281</u>

**HUMBOLDT COUNTY**  
**Genetic Marker Testing Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to Final Budget</u>	<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>REVENUES</b>					
Charges for services:					
Fees	\$ -	\$ -	\$ 3,454	\$ 3,454	\$ 6,020
<b>EXPENDITURES</b>					
Judicial function:					
Services and supplies	-	-	3,454	(3,454)	17,035
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(11,015)
Fund balance - beginning	11,015	11,015	-	(11,015)	11,015
Fund balance - ending	<u>\$ 11,015</u>	<u>\$ 11,015</u>	<u>\$ -</u>	<u>\$ (11,015)</u>	<u>\$ -</u>

**HUMBOLDT COUNTY**  
**Assessor's Technology Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	2010			Variance to Final Budget	2009
	Original Budget	Final Budget	Actual		Actual
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 50,000	\$ 50,000	\$ 227,458	\$ 177,458	\$ 200,675
<b>EXPENDITURES</b>					
General government function:					
Services and supplies	108,000	108,000	107,984	16	85,759
Excess (deficiency) of revenues over (under) expenditures	(58,000)	(58,000)	119,474	177,474	114,916
Fund balance - beginning	188,157	188,157	323,573	135,416	208,657
Fund balance - ending	<u>\$ 130,157</u>	<u>\$ 130,157</u>	<u>\$ 443,047</u>	<u>\$ 312,890</u>	<u>\$ 323,573</u>

**HUMBOLDT COUNTY**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>Variance to</u>	<u>2009</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<b>REVENUES</b>					
Intergovernmental revenue:					
Room taxes	\$ -	\$ -	\$ -	\$ -	\$ 303,512
Miscellaneous revenue	-	-	-	-	10,474
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>313,986</u>
Total Revenues	-	-	-	-	313,986
<b>EXPENDITURES</b>					
Debt service:					
Events Center principal	-	-	-	-	480,435
Kings River principal	-	-	-	-	88,625
Events Center interest	-	-	-	-	5,484
Kings River interest	-	-	-	-	3,031
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>577,575</u>
Total Expenditures	-	-	-	-	577,575
Excess (deficiency) of revenues over (under)expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(263,589)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	<u>(417,650)</u>	<u>(460,641)</u>	<u>460,641</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(417,650)	(460,641)	(460,641)	-	(263,589)
Fund balance - beginning	<u>417,650</u>	<u>460,641</u>	<u>460,641</u>	<u>-</u>	<u>724,230</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 460,641</u>

**HUMBOLDT COUNTY**  
**Building Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<b>2010</b>				<b>2009</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Actual</b>
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 59,473	\$ 59,473	\$ 97,952	\$ 38,479	\$ 88,457
Intergovernmental revenue:					
CDBG grant	-	180,000	180,000	-	169,006
NDOW grant	-	-	-	-	80,000
NCOT grant	-	-	-	-	50,000
WCVA grant	-	-	22,303	-	35,197
Total intergovernmental revenues	-	180,000	202,303	22,303	334,203
Charges for services:					
Rents	12,000	12,000	15,542	3,542	18,454
Miscellaneous	-	-	41,418	41,418	88,619
Total Revenues	71,473	251,473	357,215	105,742	529,733
<b>EXPENDITURES</b>					
Community support function:					
Capital outlay	1,050,000	1,050,000	232,354	817,646	1,876,835
Excess (deficiency) of revenues over (under) expenditures	(978,527)	(798,527)	124,861	923,388	(1,347,102)
Other Financing Sources (Uses)					
Transfers in	417,650	417,650	-	(417,650)	-
Net change in fund balance	(560,877)	(380,877)	124,861	505,738	(1,347,102)
Fund balance - beginning	3,048,104	3,048,104	3,352,558	304,454	4,699,660
Fund balance - ending	<u>\$2,487,227</u>	<u>\$2,667,227</u>	<u>\$3,477,419</u>	<u>\$ 810,192</u>	<u>\$ 3,352,558</u>

**HUMBOLDT COUNTY**  
**Nonmajor Capital Projects Fund**  
**June 30, 2010**

**ASSETS**

Cash and cash equivalents	\$ 520,893
Taxes receivable	734
Interest receivable	80
Due from other governments	604
Due from other funds	<u>1,777</u>
 Total Assets	 <u><u>\$ 524,088</u></u>

**LIABILITIES AND FUND BALANCES**

Liabilities:

Due from other governments	\$ 67
Due from other funds	47,482
Deferred revenues	<u>734</u>
 Total Liabilities	 <u>48,283</u>

Fund Balances:

Unreserved:	
Undesignated	<u>475,805</u>
 Total Fund Balances	 <u>475,805</u>
 Total Liabilities and Fund Balances	 <u><u>\$ 524,088</u></u>

**HUMBOLDT COUNTY**  
**Capital Projects Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<b>2010</b>				<b>2009</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Actual</b>
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 59,473	\$ 59,473	\$ 97,943	\$ 38,470	\$ 88,450
Miscellaneous	4,000	4,000	1,142	(2,858)	5,685
Total Revenues	<u>63,473</u>	<u>63,473</u>	<u>99,085</u>	<u>35,612</u>	<u>94,135</u>
<b>EXPENDITURES</b>					
Community support function:					
Services and supplies	5,000	5,000	-	5,000	45,087
Capital outlay	192,000	192,000	47,482	144,518	70,185
Total Community Support	<u>197,000</u>	<u>197,000</u>	<u>47,482</u>	<u>149,518</u>	<u>115,272</u>
Intergovernmental expenditure function:					
Services and supplies	18,000	18,000	25,094	(7,094)	21,445
Total Expenditures	<u>215,000</u>	<u>215,000</u>	<u>72,576</u>	<u>142,424</u>	<u>136,717</u>
Excess (deficiency) of revenues over (under) expenditures	(151,527)	(151,527)	26,509	178,036	(42,582)
Fund balance - beginning	<u>344,822</u>	<u>344,822</u>	<u>449,296</u>	<u>104,474</u>	<u>491,878</u>
Fund balance - ending	<u><u>\$ 193,295</u></u>	<u><u>\$ 193,295</u></u>	<u><u>\$ 475,805</u></u>	<u><u>\$ 282,510</u></u>	<u><u>\$ 449,296</u></u>

**HUMBOLDT COUNTY**  
**Humboldt Television Fund**  
**Schedule of Revenues, Expenses, and**  
**Changes in Net Assets - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>				<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
<b>OPERATING REVENUES</b>					
Charges for services:					
User fees	\$ 195,000	\$ 195,000	\$ 217,920	\$ 22,920	\$ 206,298
PBS grant	-	-	2,319	2,319	2,700
Private grant	-	-	34,083	34,083	-
Miscellaneous revenue	10,000	10,000	20,514	10,514	18,735
 Total Operating Revenues	 <u>205,000</u>	 <u>205,000</u>	 <u>274,836</u>	 <u>69,836</u>	 <u>227,733</u>
<b>OPERATING EXPENSES</b>					
Salaries and wages	81,630	81,630	87,904	(6,274)	77,716
Employee benefits	26,170	26,170	30,256	(4,086)	29,125
Services and supplies	79,540	79,540	52,524	27,016	50,998
Depreciation	90,000	90,000	57,397	32,603	55,699
 Total Operating Expenses	 <u>277,340</u>	 <u>277,340</u>	 <u>228,081</u>	 <u>49,259</u>	 <u>213,538</u>
 Change in Net Assets	 <u>\$ (72,340)</u>	 <u>\$ (72,340)</u>	 46,755	 <u>\$ 119,095</u>	 14,195
 Net assets, July 1			 <u>980,981</u>		 <u>966,786</u>
 Net assets, June 30			 <u>\$1,027,736</u>		 <u>\$ 980,981</u>

**HUMBOLDT COUNTY**  
**Humboldt Television Fund**  
**Schedule of Cash Flows - Budget and Actual**  
**For the Year Ended June 30, 2010**  
(With comparative actual amounts for the fiscal year ended June 30, 2009)

	<u>2010</u>				<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
Cash Flows From Operating Activities:					
Cash received from customers	\$ 205,000	\$ 205,000	\$ 276,724	\$ 71,724	\$ 227,643
Cash payments for personnel costs	(107,800)	(107,800)	(107,935)	(135)	(105,087)
Cash payments for services and supplies	(79,540)	(79,540)	(53,986)	25,554	(96,090)
Net Cash Provided (Used) by Operating Activities	<u>17,660</u>	<u>17,660</u>	<u>114,803</u>	<u>97,143</u>	<u>26,466</u>
Cash Flows From Capital and Related Financing Activities					
Purchases of capital assets	<u>(53,000)</u>	<u>(53,000)</u>	<u>(73,841)</u>	<u>(20,841)</u>	<u>(22,968)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(35,340)	(35,340)	40,962	76,302	3,498
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	<u>648,953</u>	<u>648,953</u>	<u>693,711</u>	<u>44,758</u>	<u>690,213</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u><u>\$ 613,613</u></u>	<u><u>\$ 613,613</u></u>	<u><u>\$ 734,673</u></u>	<u><u>\$ 121,060</u></u>	<u><u>\$ 693,711</u></u>

**HUMBOLDT COUNTY**  
**Humboldt Television Fund**  
**Schedule of Cash Flows - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>				<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>					
<b>TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ (72,340)	\$ (72,340)	\$ 46,755	\$ 119,095	\$ 14,195
Adjustments to Reconcile Operating Income (Loss)					
to Net Cash Provided (Used) by Operating Activities:					
Depreciation	90,000	90,000	57,397	(32,603)	55,699
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	-	-	1,888	1,888	(91)
Inventory	-	-	1,585	1,585	(4,106)
Increase (decrease) in:					
Accounts payable	-	-	(3,047)	(3,047)	(40,985)
Accrued salaries and benefits	-	-	10,225	10,225	1,754
Total Adjustments	<u>90,000</u>	<u>90,000</u>	<u>68,048</u>	<u>(21,952)</u>	<u>12,271</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 17,660</u>	<u>\$ 17,660</u>	<u>\$ 114,803</u>	<u>\$ 97,143</u>	<u>\$ 26,466</u>

**HUMBOLDT COUNTY**  
**Solid Waste Management Fund**  
**Schedule of Revenues, Expenses, and**  
**Changes in Net Assets - Budget and Actual**  
**For the Year Ended June 30, 2010**  
**(With comparative actual amounts for the fiscal year ended June 30, 2009)**

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
<b>OPERATING REVENUES</b>					
Charges for Services:					
User fees	\$ 895,000	\$ 895,000	\$1,075,713	\$ 180,713	\$ 988,167
<b>OPERATING EXPENSES</b>					
Salaries and wages	43,220	43,220	42,868	352	40,930
Employee benefits	15,091	15,091	12,680	2,411	15,136
Services and supplies	789,700	789,700	814,015	(24,315)	784,395
Depreciation	8,000	8,000	5,158	2,842	6,098
Total Operating Expenses	<u>856,011</u>	<u>856,011</u>	<u>874,721</u>	<u>(18,710)</u>	<u>846,559</u>
Operating Income (Loss)	<u>38,989</u>	<u>38,989</u>	<u>200,992</u>	<u>162,003</u>	<u>141,608</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest earnings	<u>10,000</u>	<u>10,000</u>	<u>3,343</u>	<u>(6,657)</u>	<u>14,108</u>
Change in Net Assets	<u>\$ 48,989</u>	<u>\$ 48,989</u>	204,335	<u>\$ 155,346</u>	155,716
Net assets, July 1			<u>1,237,052</u>		<u>1,081,336</u>
Net assets, June 30			<u>\$1,441,387</u>		<u>\$ 1,237,052</u>

**HUMBOLDT COUNTY**  
**Solid Waste Management Fund**  
**Schedule of Cash Flows - Budget and Actual**  
**For the Year Ended June 30, 2010**  
(With comparative actual amounts for the fiscal year ended June 30, 2009)

	<u>2010</u>			<b>Variance to Final Budget</b>	<u>2009</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
Cash Flows From Operating Activities:					
Cash received from customers	\$ 895,000	\$ 895,000	\$1,071,305	\$ 176,305	\$ 994,265
Cash payments for personnel costs	(58,311)	(58,311)	(56,488)	1,823	(54,246)
Cash payments for services and supplies	(789,700)	(789,700)	(916,320)	(126,620)	(699,911)
Net Cash Provided (Used) by Operating Activities	<u>46,989</u>	<u>46,989</u>	<u>98,497</u>	<u>51,508</u>	<u>240,108</u>
Cash Flows From Investing Activities:					
Interest received	<u>10,000</u>	<u>10,000</u>	<u>3,488</u>	<u>(6,512)</u>	<u>15,125</u>
Net Increase (Decrease) in Cash and Cash Equivalents	56,989	56,989	101,985	44,996	255,233
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	<u>1,109,395</u>	<u>1,109,395</u>	<u>1,295,929</u>	<u>186,534</u>	<u>1,040,696</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u><u>\$1,166,384</u></u>	<u><u>\$1,166,384</u></u>	<u><u>\$1,397,914</u></u>	<u><u>\$ 231,530</u></u>	<u><u>\$1,295,929</u></u>

**HUMBOLDT COUNTY**  
**Solid Waste Management Fund**  
**Schedule of Cash Flows - Budget and Actual**  
**For the Year Ended June 30, 2010**  
(With comparative actual amounts for the fiscal year ended June 30, 2009)

	<u>2010</u>			<u>2009</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>	<u>Actual</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>					
<b>TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ 38,989	\$ 38,989	\$ 200,992	\$ 162,003	\$ 141,608
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operations:					
Depreciation	8,000	8,000	5,158	(2,842)	6,098
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	-	-	(4,409)	(4,409)	6,098
Increase (decrease) in:					
Accounts payable	-	-	(102,304)	(102,304)	84,484
Accrued salaries and benefits	-	-	(940)	(940)	1,820
Total Adjustments	<u>8,000</u>	<u>8,000</u>	<u>(102,495)</u>	<u>(110,495)</u>	<u>98,500</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 46,989</u>	<u>\$ 46,989</u>	<u>\$ 98,497</u>	<u>\$ 51,508</u>	<u>\$ 240,108</u>

**HUMBOLDT COUNTY**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
City of Winnemucca:				
Assets:				
Cash and cash equivalents	\$ 34,622	\$ 1,570,943	\$ 1,567,349	\$ 38,216
Liabilities:				
Due to other governments	\$ 34,622	\$ 1,570,943	\$ 1,567,349	\$ 38,216
Court Ordered Restitution:				
Assets:				
Cash and cash equivalents	\$ 14,443	\$ 36,518	\$ 38,093	\$ 12,868
Liabilities:				
Funds held in trust for others	\$ 14,443	\$ 36,518	\$ 38,093	\$ 12,868
Denio Television District:				
Assets:				
Cash and cash equivalents	\$ 20,757	\$ 1,699	\$ 370	\$ 22,086
Liabilities:				
Due to other governments	\$ 20,757	\$ 1,699	\$ 370	\$ 22,086
District Court Bail:				
Assets:				
Cash and cash equivalents	\$ 107,565	\$ 32,761	\$ -	\$ 140,326
Liabilities:				
Funds held in trust for others	\$ 107,565	\$ 32,761	\$ -	\$ 140,326
General Trust Fund:				
Assets:				
Cash and cash equivalents	\$ 15,834	\$ -	\$ -	\$ 15,834
Liabilities:				
Due to other governments	\$ 15,834	\$ -	\$ -	\$ 15,834
Golconda Water District:				
Assets:				
Cash and cash equivalents	\$ 149,169	\$ 52,542	\$ 34,733	\$ 166,978
Liabilities:				
Due to other governments	\$ 149,169	\$ 52,542	\$ 34,733	\$ 166,978
Humboldt County Fire Protection District:				
Assets:				
Cash and cash equivalents	\$ 275,925	\$ 47,489	\$ -	\$ 323,414
Liabilities:				
Due to other governments	\$ 275,925	\$ 47,489	\$ -	\$ 323,414

(continued)

**HUMBOLDT COUNTY**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
Humboldt County General Hospital:				
Assets:				
Cash and cash equivalents	\$ 1,782,197	\$ 4,838,543	\$ 4,919,066	\$ 1,701,674
Liabilities:				
Due to other governments	\$ 1,782,197	\$ 4,838,543	\$ 4,919,066	\$ 1,701,674
Humboldt County School District:				
Assets:				
Cash and cash equivalents	\$ 1,238,701	\$ 7,811,408	\$ 9,029,928	\$ 20,181
Liabilities:				
Due to other governments	\$ 1,238,701	\$ 7,811,408	\$ 9,029,928	\$ 20,181
Humboldt Development Authority:				
Assets:				
Cash and cash equivalents	\$ 231,229	\$ 83,000	\$ 69,161	\$ 245,068
Liabilities:				
Due to other governments	\$ 231,229	\$ 83,000	\$ 69,161	\$ 245,068
Justice Court Bail:				
Assets:				
Cash and cash equivalents	\$ 38,233	\$ 22,956	\$ -	\$ 61,189
Liabilities:				
Funds held in trust for others	\$ 38,233	\$ 22,956	\$ -	\$ 61,189
Kings River GID:				
Assets:				
Cash and cash equivalents	\$ 9,126	\$ 9,154	\$ 8,927	\$ 9,353
Liabilities:				
Due to other governments	\$ 9,126	\$ 9,154	\$ 8,927	\$ 9,353
Library Memorial:				
Assets:				
Cash and cash equivalents	\$ 80,399	\$ 22,245	\$ 22,076	\$ 80,568
Liabilities:				
Due to other governments	\$ 80,399	\$ 22,245	\$ 22,076	\$ 80,568

(continued)

**HUMBOLDT COUNTY**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
McDermitt Fire Protection District:				
Assets:				
Cash and cash equivalents	\$ 8,213	\$ 45,391	\$ 40,279	\$ 13,325
Liabilities:				
Due to other governments	\$ 8,213	\$ 45,391	\$ 40,279	\$ 13,325
McDermitt Sewer District:				
Assets:				
Cash and cash equivalents	\$ 8,292	\$ 828,008	\$ 749,261	\$ 87,039
Liabilities:				
Due to other governments	\$ 8,292	\$ 828,008	\$ 749,261	\$ 87,039
McDermitt Water District:				
Assets:				
Cash and cash equivalents	\$ -	\$ 337,192	\$ 265,812	\$ 71,380
Liabilities:				
Due to other governments	\$ -	\$ 337,192	\$ 265,812	\$ 71,380
Orovada Community Services District:				
Assets:				
Cash and cash equivalents	\$ 100,332	\$ 49,320	\$ 31,000	\$ 118,652
Liabilities:				
Due to other governments	\$ 100,332	\$ 49,320	\$ 31,000	\$ 118,652
Orovada Fire Protection District:				
Assets:				
Cash and cash equivalents	\$ 487,983	\$ 65,929	\$ 24,390	\$ 529,522
Liabilities:				
Due to other governments	\$ 487,983	\$ 65,929	\$ 24,390	\$ 529,522
Orovada General Improvement District:				
Assets:				
Cash and cash equivalents	\$ 43,172	\$ 50,085	\$ 26,278	\$ 66,979
Liabilities:				
Due to other governments	\$ 43,172	\$ 50,085	\$ 26,278	\$ 66,979
Orovada Rodent Control District:				
Assets:				
Cash and cash equivalents	\$ 22,225	\$ 16,692	\$ 4,258	\$ 34,659
Liabilities:				
Due to other governments	\$ 22,225	\$ 16,692	\$ 4,258	\$ 34,659

(continued)

**HUMBOLDT COUNTY**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
Paradise Sewer District:				
Assets:				
Cash and cash equivalents	\$ 8,316	\$ 12,368	\$ 13,682	\$ 7,002
Liabilities:				
Due to other governments	\$ 8,316	\$ 12,368	\$ 13,682	\$ 7,002
Paradise Weed Control District:				
Assets:				
Cash and cash equivalents	\$ 61,772	\$ 88,911	\$ 97,744	\$ 52,939
Liabilities:				
Due to other governments	\$ 61,772	\$ 88,911	\$ 97,744	\$ 52,939
Pueblo Fire Protection District:				
Assets:				
Cash and cash equivalents	\$ 58,228	\$ 25,685	\$ 11,977	\$ 71,936
Liabilities:				
Due to other governments	\$ 58,228	\$ 25,685	\$ 11,977	\$ 71,936
Quinn River Television District:				
Assets:				
Cash and cash equivalents	\$ 111,729	\$ 13,529	\$ 3,590	\$ 121,668
Liabilities:				
Due to other governments	\$ 111,729	\$ 13,529	\$ 3,590	\$ 121,668
Range Improvement:				
Assets:				
Cash and cash equivalents	\$ 8,517	\$ 46,669	\$ 45,726	\$ 9,460
Liabilities:				
Due to other governments	\$ 8,517	\$ 46,669	\$ 45,726	\$ 9,460
State Department of Wildlife:				
Assets:				
Cash and cash equivalents	\$ 370	\$ 2,015	\$ 2,137	\$ 248
Liabilities:				
Due to other governments	\$ 370	\$ 2,015	\$ 2,137	\$ 248

(continued)

**HUMBOLDT COUNTY**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
State of Nevada Trust:				
Cash and cash equivalents	\$ 127,140	\$ 1,703,939	\$ 1,696,939	\$ 134,140
Liabilities:				
Due to other governments	\$ 127,140	\$ 1,703,939	\$ 1,696,939	\$ 134,140
Sheriff's Commissary:				
Assets:				
Cash and cash equivalents	\$ 20,025	\$ 1,669	\$ -	\$ 21,694
Liabilities:				
Funds held in trust for others	\$ 20,025	\$ 1,669	\$ -	\$ 21,694
Winnemucca Convention and Visitors Authority:				
Assets:				
Cash and cash equivalents	\$ 32,636	\$ 427,797	\$ 395,975	\$ 64,458
Liabilities:				
Due to other governments	\$ 32,636	\$ 427,797	\$ 395,975	\$ 64,458
Winnemucca Rural Fire Protection District:				
Assets:				
Cash and cash equivalents	\$ 420,415	\$ 226,595	\$ 172,762	\$ 474,248
Liabilities:				
Due to other governments	\$ 420,415	\$ 226,595	\$ 172,762	\$ 474,248
Other collections:				
Assets:				
Cash and cash equivalents	\$ (48)	\$ 82,524	\$ -	\$ 82,476
Liabilities:				
Due to other governments	\$ (48)	\$ 82,524	\$ -	\$ 82,476
Totals, All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 5,517,517	\$ 18,553,576	\$ 19,271,513	\$ 4,799,580
Liabilities:				
Due to other governments	5,337,251	18,459,676	19,233,420	4,563,507
Funds held in trust for others	180,266	93,900	38,093	236,073
Total Liabilities	\$ 5,517,517	\$ 18,553,576	\$ 19,271,513	\$ 4,799,580

**Humboldt County  
Net Assets by Component,  
Last Eight Fiscal Years**

	Fiscal Year Ended June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental activities</b>								
Invested in capital assets, net of related debt	\$ 13,914,376	\$ 13,538,302	\$ 13,318,841	\$ 64,193,097	\$ 62,756,472	\$ 61,046,506	\$ 61,483,778	\$ 59,905,855
Unrestricted	17,367,538	17,371,218	18,365,259	20,174,864	22,586,181	26,316,021	27,178,446	28,428,472
Total governmental activities net assets	<u>\$ 31,281,914</u>	<u>\$ 30,909,520</u>	<u>\$ 31,684,100</u>	<u>\$ 84,367,961</u>	<u>\$ 85,342,653</u>	<u>\$ 87,362,527</u>	<u>\$ 88,662,224</u>	<u>\$ 88,334,327</u>
<b>Business-type activities</b>								
Invested in capital assets, net of related debt	\$ 354,817	\$ 319,194	\$ 316,676	\$ 285,471	\$ 322,147	\$ 327,060	\$ 288,231	\$ 299,517
Unrestricted	1,335,243	1,376,855	1,413,588	1,489,782	1,597,084	1,721,062	1,929,802	2,169,606
Total business-type activities net assets	<u>\$ 1,690,060</u>	<u>\$ 1,696,049</u>	<u>\$ 1,730,264</u>	<u>\$ 1,775,253</u>	<u>\$ 1,919,231</u>	<u>\$ 2,048,122</u>	<u>\$ 2,218,033</u>	<u>\$ 2,469,123</u>
<b>Primary government</b>								
Invested in capital assets, net of related debt	\$ 14,269,193	\$ 13,857,496	\$ 13,635,517	\$ 64,478,568	\$ 63,078,619	\$ 61,373,566	\$ 61,772,009	\$ 60,205,372
Unrestricted	18,702,781	18,748,073	19,778,847	21,664,646	24,183,265	28,037,083	29,108,248	30,598,078
Total primary government net assets	<u>\$ 32,971,974</u>	<u>\$ 32,605,569</u>	<u>\$ 33,414,364</u>	<u>\$ 86,143,214</u>	<u>\$ 87,261,884</u>	<u>\$ 89,410,649</u>	<u>\$ 90,880,257</u>	<u>\$ 90,803,450</u>

# Humboldt County implemented the infrastructure portion of GASB 34 during fiscal 2006.

Note: Humboldt County began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**Humboldt County  
Changes in Net Assets  
Last Eight Fiscal Years**

	Fiscal Year Ended June 30,			
	2003	2004	2005	2006
<b>Expenses</b>				
Governmental activities:				
General government	\$ 3,264,241	\$ 3,503,667	\$ 3,603,852	\$ 4,055,658
Public safety	5,668,546	5,669,973	5,638,630	6,145,864
Judicial	1,780,621	1,943,925	2,200,344	2,550,980
Public works	2,848,334	3,933,431	3,653,354	4,741,313
Health	215,181	222,260	230,049	232,906
Welfare	782,596	605,525	636,674	752,208
Culture and recreation	1,265,616	1,501,982	1,583,626	1,687,906
Community support	1,459,370	1,262,295	1,382,564	1,568,161
Interest on long-term debt*	363,646	52,870	29,811	31,274
Total governmental activities expenses	<u>17,648,151</u>	<u>18,695,928</u>	<u>18,958,904</u>	<u>21,766,270</u>
Business-type activities:				
Television	209,924	208,298	198,771	194,281
Solid waste management	875,788	734,564	711,305	738,937
Total business-type activities expenses	<u>1,085,712</u>	<u>942,862</u>	<u>910,076</u>	<u>933,218</u>
Total primary government expenses	<u>\$ 18,733,863</u>	<u>\$ 19,638,790</u>	<u>\$ 19,868,980</u>	<u>\$ 22,699,488</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 723,439	\$ 711,227	\$ 877,124	\$ 942,180
Public safety	923,796	957,810	1,028,316	1,052,683
Judicial	771,048	854,191	918,696	1,041,769
Public works	81,203	85,043	92,499	132,182
Culture and recreation	80,158	93,655	107,400	141,975
Community support	204,530	10,717	15,421	15,192
Operating grants and contributions	766,819	817,037	699,481	627,108
Capital grants and contributions	155,429	158,544	226,189	-
Total governmental activities program revenues	<u>3,706,422</u>	<u>3,688,224</u>	<u>3,965,126</u>	<u>3,953,089</u>
Business-type activities:				
Charges for services:				
Television	188,369	191,390	195,837	199,304
Solid waste management	664,435	690,173	702,358	728,900
Operating grants and contributions	-	5,500	-	-
Total business-type activities program revenues	<u>852,804</u>	<u>887,063</u>	<u>898,195</u>	<u>928,204</u>
Total primary government program revenues	<u>\$ 4,559,226</u>	<u>\$ 4,575,287</u>	<u>\$ 4,863,321</u>	<u>\$ 4,881,293</u>
<b>Net (Expenses)/Revenues</b>				
Governmental activities	\$ (13,941,729)	\$ (15,007,704)	\$ (14,993,778)	\$ (17,813,181)
Business-type activities	<u>(232,908)</u>	<u>152,499</u>	<u>186,890</u>	<u>189,267</u>
Total primary government net expenses	<u>\$ (14,174,637)</u>	<u>\$ (14,855,205)</u>	<u>\$ (14,806,888)</u>	<u>\$ (17,623,914)</u>

\*Both principal and interest reflected in first year of GASB 34 implementation.

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$	4,502,273	\$ 4,598,168	\$ 4,888,465	\$ 5,053,275
	6,415,146	7,088,205	7,675,416	8,066,873
	2,770,025	3,110,965	3,413,771	3,563,509
	4,488,386	4,548,668	5,493,827	5,367,835
	176,799	215,027	229,188	218,193
	785,373	518,504	712,746	557,206
	1,802,557	1,957,826	1,912,862	2,066,966
	1,732,468	1,677,192	2,167,738	2,238,898
	26,696	22,084	12,305	3,203
	<u>22,699,723</u>	<u>23,736,639</u>	<u>26,506,318</u>	<u>27,135,958</u>
	213,909	225,871	213,538	228,081
	779,357	824,467	846,559	874,721
	<u>993,266</u>	<u>1,050,338</u>	<u>1,060,097</u>	<u>1,102,802</u>
\$	<u>23,692,989</u>	<u>24,786,977</u>	<u>27,566,415</u>	<u>28,238,760</u>
\$	1,189,166	\$ 1,326,024	\$ 1,305,830	\$ 1,075,246
	1,139,071	1,212,413	1,256,055	1,300,726
	1,202,041	1,123,845	996,177	981,638
	122,192	129,803	123,560	140,383
	147,811	166,122	149,669	176,172
	15,775	15,198	30,594	19,882
	760,450	910,207	1,169,134	1,204,896
	-	-	169,006	-
	<u>4,576,506</u>	<u>4,883,612</u>	<u>5,200,025</u>	<u>4,898,943</u>
	202,307	206,469	206,298	217,920
	870,001	906,271	988,167	1,075,713
	<u>2,700</u>	<u>8,700</u>	<u>2,700</u>	<u>36,402</u>
	<u>1,075,008</u>	<u>1,121,440</u>	<u>1,197,165</u>	<u>1,330,035</u>
\$	<u>5,651,514</u>	<u>6,005,052</u>	<u>6,397,190</u>	<u>6,228,978</u>
\$	(18,123,217)	\$ (18,853,027)	\$ (21,306,293)	\$ (22,237,015)
	<u>295,651</u>	<u>296,973</u>	<u>137,068</u>	<u>227,233</u>
\$	<u>(17,827,566)</u>	<u>(18,556,054)</u>	<u>(21,169,225)</u>	<u>(22,009,780)</u>

(continued)

**Humboldt County  
Changes in Net Assets  
Last Eight Fiscal Years**

	<b>Fiscal Year Ended June 30,</b>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 3,625,615	\$ 4,172,180	\$ 4,125,240	\$ 3,963,433
Consolidated taxes	4,983,127	5,393,737	6,366,894	7,713,455
Franchise taxes	935,115	951,224	936,900	1,157,296
Motor vehicle fuel taxes	2,602,658	2,646,453	2,714,893	2,770,112
Room taxes	-	199,028	218,887	248,447
Miscellaneous revenues	77,333	115,599	103,130	121,572
Unrestricted investment earnings	238,927	154,298	284,851	504,236
Payments in-lieu of taxes	818,663	841,654	859,218	961,407
State gaming license fees	157,847	161,137	158,345	159,535
<b>Total governmental activities</b>	<u>\$ 13,439,285</u>	<u>\$ 14,635,310</u>	<u>\$ 15,768,358</u>	<u>\$ 17,599,493</u>
Business-type activities:				
Investment earnings	14,276	9,115	16,021	24,500
Miscellaneous	25,272	52,673	30,075	25,503
<b>Total business-type activities</b>	<u>39,548</u>	<u>61,788</u>	<u>46,096</u>	<u>50,003</u>
<b>Total primary government</b>	<u>\$ 13,478,833</u>	<u>\$ 14,697,098</u>	<u>\$ 15,814,454</u>	<u>\$ 17,649,496</u>
<b>Change in Net Assets</b>				
Governmental activities	\$ (502,444)	\$ (372,394)	\$ 774,580	\$ (213,688)
Business-type activities	(193,360)	214,287	232,986	239,270
<b>Total primary government</b>	<u>\$ (695,804)</u>	<u>\$ (158,107)</u>	<u>\$ 1,007,566</u>	<u>\$ 25,582</u>

Room taxes included in charges for services in 2003. Moved to general revenues in 2004.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 5,052,103	\$ 6,514,508	\$ 7,436,091	\$ 8,133,107
7,659,830	7,909,794	8,086,841	7,416,350
1,185,403	1,096,256	650,557	704,003
2,761,584	2,658,209	2,780,228	2,743,829
290,681	296,032	303,512	145,296
145,793	313,911	532,957	689,007
886,803	1,139,503	619,370	436,119
957,321	944,688	2,196,434	1,641,405
158,391	-	-	-
<u>\$ 19,097,909</u>	<u>\$ 20,872,901</u>	<u>\$ 22,605,990</u>	<u>\$ 21,909,116</u>
35,946	34,205	14,108	3,343
26,290	23,584	18,735	20,514
<u>62,236</u>	<u>57,789</u>	<u>32,843</u>	<u>23,857</u>
<u>\$ 19,160,145</u>	<u>\$ 20,930,690</u>	<u>\$ 22,638,833</u>	<u>\$ 21,932,973</u>
\$ 974,692	\$ 2,019,874	\$ 1,299,697	\$ (327,897)
<u>357,887</u>	<u>354,762</u>	<u>169,911</u>	<u>251,090</u>
<u>\$ 1,332,579</u>	<u>\$ 2,374,636</u>	<u>\$ 1,469,608</u>	<u>\$ (76,807)</u>

State gaming licenses moved to charges for service in 2008.

Note: Humboldt County began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**Humboldt County**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30,</b>				
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
General Fund					
Reserved	\$ 206,500	\$ 145,162	\$ 149,634	\$ 108,239	\$ 103,670
Unreserved	<u>9,368,379</u>	<u>8,980,057</u>	<u>8,640,830</u>	<u>9,099,370</u>	<u>10,121,819</u>
Total general fund	<u>\$ 9,574,879</u>	<u>\$ 9,125,219</u>	<u>\$ 8,790,464</u>	<u>\$ 9,207,609</u>	<u>\$ 10,225,489</u>
All Other Governmental Funds					
Reserved	\$ 2,523,564	\$ 1,717,208	\$ 1,313,603	\$ 2,026,959	\$ 1,183,432
Unreserved, reported in:					
Special revenue funds	3,980,769	4,591,016	4,678,666	4,791,190	5,260,296
Debt service funds	183,260	254,565	99,458	296,815	367,034
Capital projects funds	<u>3,098,611</u>	<u>2,883,143</u>	<u>3,214,909</u>	<u>2,855,898</u>	<u>2,741,434</u>
Total all other governmental funds	<u>\$ 9,786,204</u>	<u>\$ 9,445,932</u>	<u>\$ 9,306,636</u>	<u>\$ 9,970,862</u>	<u>\$ 9,552,196</u>

<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$ 154,810	\$ 166,299	\$ 173,543	\$ 259,161	\$ 69,159
10,914,794	9,347,449	10,893,724	10,332,197	10,751,893
<u>\$ 11,069,604</u>	<u>\$ 9,513,748</u>	<u>\$ 11,067,267</u>	<u>\$ 10,591,358</u>	<u>\$ 10,821,052</u>
\$ 1,181,111	\$ 1,112,988	\$ 1,487,398	\$ 1,714,519	\$ 1,281,913
5,920,849	6,880,230	8,479,605	11,707,312	14,175,462
448,076	585,170	723,384	460,641	-
2,796,275	5,042,477	5,146,538	3,718,000	3,926,224
<u>\$ 10,346,311</u>	<u>\$ 13,620,865</u>	<u>\$ 15,836,925</u>	<u>\$ 17,600,472</u>	<u>\$ 19,383,599</u>

Note: Information is presented on the modified accrual basis of accounting.

**Humboldt County**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30,</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Revenues</b>				
Taxes	\$ 4,112,511	\$ 3,873,994	\$ 3,625,614	\$ 4,176,705
Licenses and permits	868,693	1,118,510	1,123,411	1,152,732
Intergovernmental	10,820,077	11,624,854	10,822,813	11,309,825
Charges for services	460,013	542,738	651,184	736,150
Fines and forfeits	596,042	548,222	677,306	721,336
Miscellaneous	1,412,644	792,357	357,339	357,832
<b>Total revenues</b>	<b>18,269,980</b>	<b>18,500,675</b>	<b>17,257,667</b>	<b>18,454,580</b>
<b>Expenditures</b>				
General government	3,323,927	3,185,406	3,214,657	3,449,626
Public safety	5,431,037	5,467,653	5,563,431	5,676,700
Judicial	1,755,599	1,915,781	1,797,186	2,014,127
Public works	3,569,144	2,490,889	2,955,309	3,700,997
Health	176,138	170,094	215,654	224,359
Welfare	663,442	671,577	644,954	605,234
Culture and recreation	1,068,591	1,134,754	1,239,010	1,226,903
Community support	3,369,291	2,652,423	660,736	835,049
Intergovernmental	604,930	574,335	592,134	513,924
Debt service				
Principal	770,296	895,285	758,276	411,845
Interest	106,495	132,410	90,370	52,870
<b>Total expenditures</b>	<b>20,838,890</b>	<b>19,290,607</b>	<b>17,731,717</b>	<b>18,711,634</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(2,568,910)</b>	<b>(789,932)</b>	<b>(474,050)</b>	<b>(257,054)</b>

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$	4,126,192	\$ 3,972,206	\$ 5,048,617	\$ 6,500,657	\$ 7,411,425	\$ 8,146,319
	1,156,370	1,439,772	1,503,926	1,431,143	958,831	1,006,648
	12,537,391	13,819,298	14,055,830	14,448,502	16,643,389	14,941,183
	948,035	1,018,388	1,073,495	1,133,177	967,987	948,885
	678,961	847,320	1,108,284	950,257	748,372	785,855
	421,738	635,557	1,043,788	1,461,627	1,056,739	1,178,088
	<u>19,868,687</u>	<u>21,732,541</u>	<u>23,833,940</u>	<u>25,925,363</u>	<u>27,786,743</u>	<u>27,006,978</u>
	3,584,587	4,117,518	4,568,878	4,646,047	4,778,432	4,772,559
	5,755,057	6,286,505	6,513,706	3,108,470	7,509,009	8,042,249
	2,170,794	2,496,097	2,789,045	7,245,851	3,289,334	3,422,695
	3,596,366	3,100,821	2,920,121	3,104,356	4,183,364	4,049,199
	233,609	254,012	178,804	216,921	231,481	220,714
	637,242	752,209	785,424	517,173	711,848	553,029
	1,317,207	1,402,855	1,493,998	1,553,640	1,565,664	1,827,610
	975,185	590,194	1,264,278	773,070	2,757,979	1,096,722
	593,978	668,424	721,447	792,569	876,255	932,420
	616,353	394,405	852,845	175,602	583,434	73,757
	29,811	31,274	26,696	22,084	12,305	3,203
	<u>19,510,189</u>	<u>20,094,314</u>	<u>22,115,242</u>	<u>22,155,783</u>	<u>26,499,105</u>	<u>24,994,157</u>
	358,498	1,638,227	1,718,698	3,769,580	1,287,638	2,012,821

(continued)

**Humboldt County**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30,</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ 537,205	\$ 854,960	\$ 1,256,520	\$ 1,010,000
Proceeds from contracts	159,295	-	-	-
Proceeds from bonds	1,600,000	-	-	1,338,157
Refunding bonds issued	-	-	-	1,280,000
Payment to refunded bonds escrow agent	-	-	-	(1,280,000)
Transfers out	<u>(537,205)</u>	<u>(854,960)</u>	<u>(1,256,520)</u>	<u>(1,010,000)</u>
 Total other financing sources (uses)	 <u>1,759,295</u>	 <u>-</u>	 <u>-</u>	 <u>1,338,157</u>
 Net change in fund balances	 <u>\$ (809,615)</u>	 <u>\$ (789,932)</u>	 <u>\$ (474,050)</u>	 <u>\$ 1,081,103</u>
 Debt service as a percentage of noncapital expenditures	 <u>5.1%</u>	 <u>7.5%</u>	 <u>4.9%</u>	 <u>2.6%</u>

County's bonded debt was paid-off during 2008-2009.

Note: Information is presented on the modified accrual basis of accounting.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 1,366,063	\$ 713,000	\$ 3,770,000	\$ 905,000	\$ 1,630,000	\$ 1,490,641
145,985	-	-	-	-	-
95,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(1,366,063)</u>	<u>(713,000)</u>	<u>(3,770,000)</u>	<u>(905,000)</u>	<u>(1,630,000)</u>	<u>(1,490,641)</u>
<u>240,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 599,483</u>	<u>\$ 1,638,227</u>	<u>\$ 1,718,698</u>	<u>\$ 3,769,580</u>	<u>\$ 1,287,638</u>	<u>\$ 2,012,821</u>
<u>3.5%</u>	<u>2.2%</u>	<u>4.2%</u>	<u>0.9%</u>	<u>2.5%</u>	<u>0.3%</u>

**Humboldt County  
Principal Property Taxpayers  
Fiscal 2010 and 2001**

<u>Taxpayer</u>	FY 2010			FY 2001		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Newmont Gold Corp.	\$ 119,080,512	1	17.7%	\$ 158,346,127	1	26.0%
NV Energy	40,600,411	2	6.0%	37,373,652	3	6.1%
Idaho Power	39,175,458	3	5.8%	23,468,338	4	3.7%
Turquoise Ridge Joint Venture	37,774,797	4	5.6%	69,918,496	2	11.5%
Marigold Mine (gold mining)	24,489,390	5	3.6%	4,408,260	9	0.7%
Nevada Geothermal Power	22,812,227	6	3.4%	-	-	-
Union Pacific Railroad	16,637,798	7	2.5%	9,491,117	5	1.6%
Southwest Gas	10,532,564	8	1.6%	7,295,206	6	1.2%
Hycroft Resources	9,021,239	9	1.3%	5,664,506	8	0.9%
Winnemucca Farms Inc.	5,788,473	10	0.9%	5,991,821	7	1.0%
Wal-Mart Real Estate Bus Trust	3,487,829	-	-	-	-	-
Humboldt Telephone	2,926,758	-	-	-	-	-
Diamond Plastics Corporation	2,603,646	-	-	-	-	-
NA Dagerstrom Inc.	2,309,450	-	-	-	-	-
Hunewill Construction Co Inc	2,302,907	-	-	-	-	-
AT&T	2,180,852	-	-	2,612,723	10	0.4%
Totals	<u>\$ 325,912,869</u>		<u>48.4%</u>	<u>\$ 324,570,246</u>		<u>53.2%</u>
Humboldt County's Total Assessed Value	<u>\$ 673,187,265</u>		<u>100%</u>	<u>\$ 608,541,545</u>		<u>100%</u>

Source: Nevada Department of Taxation and Humboldt County's Assessor's Office

Over the years, Newmont Mining has acquired other mining properties within Humboldt County. As a result, they are presently the largest taxpayer in Humboldt County.

**Humboldt County  
Direct and Overlapping Property Tax Rates,  
Last Ten Fiscal Years**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>COUNTY DIRECT TAX RATES</b>										
General Fund										
General	0.1962	0.2405	0.1743	0.1743	0.1520	0.1620	0.1620	0.1620	0.1620	0.2720
Museum	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
Senior citizens center	<u>0.0150</u>	<u>0.0150</u>	<u>0.0150</u>	<u>0.0150</u>	<u>0.0150</u>	<u>0.0300</u>	<u>0.0300</u>	<u>0.0300</u>	<u>0.0300</u>	<u>0.0300</u>
Total General Fund	0.2262	0.2705	0.2043	0.2043	0.1820	0.2070	0.2070	0.2070	0.2070	0.3170
Indigent Fund	0.0610	0.0692	0.0692	0.0592	0.0877	0.0877	0.0877	0.0877	0.0877	0.0377
Cooperative Extension Fund	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165
Building Reserve Fund	0.0525	0.0300	0.0300	0.0300	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100
6th Judicial District Fund	0.1150	0.1250	0.1250	0.1950	0.1950	0.1950	0.1950	0.1950	0.1950	0.1950
Capital Projects Fund	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100
Stabilization Fund	0.0200	0.0200	0.0200	0.0200	0.0100	0.0000	0.0000	0.0000	0.0000	0.0000
Debt Service Fund	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Library Fund	0.0850	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950
Indigent Medical Fund	0.0500	0.0000	0.0662	0.0662	0.0900	0.0900	0.0900	0.0900	0.0900	0.0300
Winnemucca Events Complex Fund	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0400</u>						
<b>Total Direct rates</b>	0.6362	0.6362	0.6362	0.7362	0.7362	0.7512	0.7512	0.7512	0.7512	0.7512
<b>OVERLAPPING TAX RATES</b>										
<b>County Hospital rates</b>										
Operating rate	0.1604	0.1404	0.1004	0.1004	0.3004	0.3004	0.3004	0.3004	0.3004	0.3004
Debt rate	<u>0.0936</u>	<u>0.0974</u>	<u>0.1110</u>	<u>0.1083</u>	<u>0.1051</u>	<u>0.1069</u>	<u>0.1069</u>	<u>0.095</u>	<u>0.0950</u>	<u>0.0950</u>
<b>Total Hospital rates</b>	0.2540	0.2378	0.2114	0.2087	0.4055	0.4073	0.4073	0.3954	0.3954	0.3954
<b>County School District rates</b>										
Operating rate	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500
Debt rate	<u>0.1000</u>	<u>0.1350</u>								
<b>Total School District rate</b>	0.8500	0.8850	0.8850	0.8850	0.8850	0.8850	0.8850	0.8850	0.8850	0.8850
<b>State of Nevada rates</b>										
	0.1500	0.1500	0.1500	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700
<b>City of Winnemucca rates</b>										
	0.9700	0.9700	0.9700	0.9700	0.9700	0.9700	0.9700	0.9700	0.9700	0.9700

Source: State of Nevada Department of Taxation and Humboldt County Comptroller's Office.

**Humboldt County**  
**Assessed Value and Estimated Actual Value of Property,**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30,</b>	<b>Total Assessed Value (1)</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2010	\$ 673,187,265	0.7512	\$ 1,923,392,186	35%
2009	692,590,219	0.7512	1,978,829,197	35%
2008	614,221,654	0.7512	1,754,919,011	35%
2007	569,230,689	0.7512	1,626,373,397	35%
2006	489,950,959	0.7512	1,399,859,883	35%
2005	524,677,674	0.7362	1,499,079,069	35%
2004	473,582,391	0.7362	1,353,092,546	35%
2003	531,507,117	0.6362	1,518,591,763	35%
2002	594,239,071	0.6362	1,697,825,917	35%
2001	608,541,545	0.6362	1,738,690,129	35%

**Note:** Property in Humboldt County is reassessed once every five years on average. The County assesses property at 35 percent of actual value for all property. Estimated actual value is calculated by dividing assessed value by this percentage. Tax rates are per \$100 of assessed value.

(1) Includes tax-exempt property.

Note: During the fiscal years of 2002-2006, the drop in assessed value can be attributed to the drop in the price of gold. This drop in the price of gold also caused a reduction in the value of mining properties since Nevada law requires that the taxable value must not exceed the full cash value, and if it does, property values must be reduced. In addition, Nevada law was also revised that significantly reduced the value of centrally assessed property (power lines and telephone lines etc.). For fiscal years 2008 and 2009, the increase in assessed value can be directly attributed to the increase in mining net proceeds. The increase in net proceeds is the result of the increase in the price of gold.

**Humboldt County  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Delinquent Tax Collections</b>	<b>Tax Collections</b>	<b>Percent of Taxes Levied</b>
		<b>Amount</b>	<b>Percent of Levy</b>			
2010	\$ 3,117,460	\$ 3,069,667	98.5%	\$ 47,792	\$ 3,117,459	100.0%
2009	3,012,203	2,963,243	98.4%	31,721	2,994,964	99.4%
2008	2,845,637	2,797,023	98.3%	27,486	2,824,509	99.3%
2007	2,695,585	2,671,416	99.1%	22,889	2,694,305	100.0%
2006	2,595,003	2,572,988	99.2%	22,015	2,595,003	100.0%
2005	2,596,576	2,569,331	99.0%	25,772	2,595,103	99.9%
2004	2,450,405	2,421,274	98.8%	29,131	2,450,405	100.0%
2003	2,264,507	2,235,178	98.7%	29,329	2,264,507	100.0%
2002	2,724,083	2,687,197	98.6%	21,692	2,708,889	99.4%
2001	2,719,816	2,694,073	99.1%	# 25,743	2,719,816	100.0%

# Previous Elected Treasurer not available to explain increase and old files not available to new Treasurer.

**Humboldt County**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal income	Per Capita
	General Obligation Bonds	Capital Leases	Contracts Payable	General Obligation Bonds	Capital Leases	Contracts Payable			
2010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	0
2009	-	73,757	-	-	-	-	73,757	N/A	4
2008	569,060	88,131	-	-	-	-	657,191	N/A	37
2007	730,853	101,913	-	-	-	-	832,766	155.21%	48
2006	892,571	115,153	677,887	-	-	-	1,685,611	316.73%	101
2005	1,054,218	127,821	897,977	-	-	-	2,080,016	432.64%	126
2004	1,120,000	33,630	1,301,756	-	-	-	2,455,386	552.54%	151
2003	1,280,000	65,384	185,000	-	-	-	1,530,384	389.40%	95
2002	1,765,000	160,028	357,263	-	-	-	2,282,291	612.68%	141
2001	2,230,000	411,681	535,895	-	-	-	3,177,576	840.52%	186

(2)

(1)

Note: Details regarding the County's debt can be found in the notes to the financial statements.

- 1) See the Schedule of Demographic and Economic Statistics on page 124 for personal income and population data.
  - 2) County paid off 100% of their outstanding GO Debt in 2009.
- N/A-Data not available.

**Humboldt County**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Value of Property</b>	<b>Per Capita</b>
	<b>(3)</b>			<b>(1)</b>	<b>(2)</b>
2010	\$ -	\$ -	\$ -	0.00%	0
2009	-	460,641	(460,641)	-0.01%	(26)
2008	569,060	724,230	(155,170)	-0.01%	(9)
2007	730,853	585,734	145,119	0.01%	8
2006	892,571	448,641	443,930	0.03%	27
2005	1,054,218	367,034	687,184	0.05%	42
2004	1,120,000	272,171	847,829	0.06%	52
2003	1,280,000	99,458	1,180,542	0.08%	73
2002	1,765,000	254,565	1,510,435	0.09%	93
2001	2,230,000	183,260	2,046,740	0.12%	120

Note: Details regarding the County's debt can be found in the notes to the financial statements.

- 1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 116 for property value data.
- 2) See the Schedule of Demographic and Economic Statistics on page 126 for personal income and population data.
- 3) County paid off 100% of GO Bonds during 2009.

**Humboldt County  
Legal Debt Margin Information  
Last Ten Fiscal Years**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Debt limit	\$ 60,854,155	\$ 59,423,907	\$ 53,150,712	\$ 47,358,239
Total net debt applicable to limit	<u>2,230,000</u>	<u>1,765,000</u>	<u>1,280,000</u>	<u>1,120,000</u>
Legal Debt Margin	<u>\$ 58,624,155</u>	<u>\$ 57,658,907</u>	<u>\$ 51,870,712</u>	<u>\$ 46,238,239</u>
Total net debt applicable to the limit as a percentage of debt limit	3.66%	2.97%	2.41%	2.36%

**Legal Debt Margin Calculation for Fiscal 2010**

Total assessed value	\$ 673,187,265
Debt limit (10 % of total assessed value)	67,318,727
Debt applicable to limit:	
General obligation bonds	<u>-</u>
Legal debt margin	<u>\$ 67,318,727</u>

Note: The statutory debt limit for Humboldt County is 10 percent of the assessed value of all taxable property within Humboldt County.

In fiscal 2009, Humboldt County paid off 100% of its outstanding GO debt.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 52,467,767	\$ 48,995,096	\$ 56,923,069	\$ 61,422,165	\$ 69,259,022	\$ 67,318,727
<u>1,054,218</u>	<u>892,571</u>	<u>730,853</u>	<u>569,060</u>	<u>-</u>	<u>-</u>
<u>\$ 51,413,549</u>	<u>\$ 48,102,525</u>	<u>\$ 56,192,216</u>	<u>\$ 60,853,105</u>	<u>\$ 69,259,022</u>	<u>\$ 67,318,727</u>
2.01%	1.82%	1.28%	0.93%	0.00%	0.00%

**HUMBOLDT COUNTY**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2010**  
(amounts expressed in whole dollars)

<u>JURISDICTION</u>	<u>OUTSTANDING GENERAL OBLIGATION DEBT</u>	<u>PERCENT APPLICABLE TO HUMBOLDT COUNTY</u>	<u>AMOUNT APPLICABLE TO HUMBOLDT COUNTY</u>
HUMBOLDT COUNTY SCHOOL DISTRICT	\$ 2,950,000	100.0%	\$ 2,950,000

Source: Nevada Department of Taxation.

**HUMBOLDT COUNTY  
PRINCIPAL EMPLOYERS  
FISCAL YEAR 2010 AND 2001**

EMPLOYER	FY 2010			FY 2001		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Newmont Mining	600-699	1	9.0%	800-899	1	11.8%
Humboldt County School District	500-599	2	7.7%	500-599	2	7.9%
Turquoise Ridge Joint Venture	300-399	3	5.1%	200-299	4	3.9%
Marigold Mining	200-299	4	3.9%	100-199	10	2.6%
Walmart	200-299	5	3.9%	100-199	8	2.6%
Humboldt General Hospital	200-299	6	3.9%	100-199	7	2.6%
Humboldt County	100-199	7	2.6%	100-199	5	2.6%
Hycroft Resources	100-199	8	2.6%	0	0	0.0%
Manpower Temporary Services	100-199	9	2.6%	90-99	17	1.3%
Winner's Hotel and Casino	100-199	10	2.6%	200-299	3	3.9%
Humboldt Human Development	100-199	11	2.6%	0	0	0.0%
Winnemucca Inn	100-199	12	2.6%	100-199	11	2.6%
Parker's Model-T	100-199	13	2.6%	100-199	6	2.6%
Timberline Drilling Inc.	100-199	14	2.6%	0	0	0.0%
Bureau of Land Management	100-199	15	2.6%	90-99	15	1.3%
Great Basin College	90-99	16	1.3%	0	0	0.0%
NV Energy	90-99	17	1.3%	100-199	12	2.6%
City of Winnemucca	80-89	18	1.1%	80-89	20	1.2%
Carry-on Trailer	70-79	19	1.0%	0	0	0.0%
Nevada Dept of Transportation	60-69	20	0.9%	0	0	1.2%
Total County Covered Employment	7,764		62.1%	7,621		50.7%

0 = ranking not in top 20

The swings in the mining companies is the result of mergers and sales of companies.

SOURCE: Nevada Department of Employment, Training and Rehabilitation.

NOTE: Nevada Revised Statutes Chapter 612 stipulates that actual employment for individual employers may not be published.

**Humboldt County  
Full-time Equivalent County Government Employees by Function  
Last Ten Fiscal Years**

<b>Function</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
General government	41.25	41.25	58.75	46.25
Public safety	91.25	91.25	70.25	66.75
Judicial	29.00	29.00	20.75	22.00
Public works	24.00	24.00	22.00	20.00
Health	2.00	2.00	2.00	2.00
Welfare	1.00	1.00	1.00	1.00
Culture and Recreation	17.00	17.00	9.00	19.75
Community Support	2.00	2.00	2.00	2.00
<b>Total</b>	<b>207.50</b>	<b>207.50</b>	<b>185.75</b>	<b>179.75</b>

For Fiscal Year 2003, Library employees were included in General Government instead of Culture & Recreation.

For Fiscal Year 2002, Public Safety employees increased in the Sheriff's Office and the new Juvenile Detention Center.

For Fiscal Years 2003 through 2006, Public Safety employees decreased as a result of the reduction in staff at the Juvenile Detention Center and positions not being filled in the Sheriff's Office.

For Fiscal Year 2007, increases were the result of filling vacant positions and adding new positions. For the Health function, State of Nevada took over operation, and County positions were eliminated.

For Fiscal Year 2009, Sheriff's Department was authorized additional dispatchers and additional staff and the 6th Judicial District was authorized additional staff.

Source: Adopted State Budget Schedule S-2.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
46.25	45.50	48.50	51.50	51.50	46.00
62.25	62.25	71.00	75.00	79.50	84.50
23.00	27.50	29.50	32.00	35.00	34.00
21.00	21.00	19.00	20.00	19.00	18.00
2.00	2.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
19.75	18.50	20.50	16.50	16.50	15.50
<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u><u>177.25</u></u>	<u><u>179.75</u></u>	<u><u>191.50</u></u>	<u><u>198.00</u></u>	<u><u>204.50</u></u>	<u><u>201.00</u></u>

**Humboldt County  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2010	18,260	N/A	N/A	3,311	10.1
2009	18,052	N/A	N/A	3,279	8.5
2008	17,751	\$ 595,750	\$ 33,249	3,310	4.8
2007	17,293	\$ 536,525	\$ 30,687	3,397	3.8
2006	16,692	\$ 532,197	\$ 29,700	3,459	4.3
2005	16,457	\$ 480,775	\$ 28,328	3,461	3.9
2004	16,308	\$ 444,382	\$ 26,379	3,523	4.1
2003	16,164	\$ 393,007	\$ 23,729	3,500	5.1
2002	16,197	\$ 372,512	\$ 23,106	3,616	5.6
2001	17,103	\$ 378,050	\$ 23,650	3,805	5.6

(1)

(2)

(5)

(3)

(4)

(1) Source: State Demographer

(2) Source: Bureau of Economic Analysis

(3) Source: Humboldt County School District

(4) Source: Nevada Workforce Informer, Data Analysis

(5) Source: Bureau of Economic Analysis

N/A-Data is not available.

Note: The significant increase in the unemployment rate for 2009 can be attributed to the economic down-turn faced by this nation, this state and this county.

**Humboldt County  
Operating Indicators by Function  
Last Ten Fiscal Years**

Function	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b><u>General government</u></b>										
Business licenses	N/A	N/A	N/A	N/A	N/A	553	613	639	668	652
<b><u>Public safety</u></b>										
Bookings	1,001	1,098	1,213	1,277	1,277	1,373	1,363	1,164	1,291	1,170
Building permits issued	240	220	246	293	296	381	330	314	299	254
<b><u>Judicial</u></b>										
Justice Court										
Cases filed:										
Criminal	1,829	1,824	2,332	2,906	2,285	2,205	1,512	1,087	1,228	1,078
Civil	924	830	882	851	856	1,055	774	772	706	771
Traffic and parking violations	5,100	3,373	5,264	5,506	4,200	6,882	**11376	7,039	6,466	5,925
Non-traffic	2,753	2,654	3,214	3,757	3,717	N/A	N/A	N/A	699	N/A
Cases disposed:										
Criminal	346	2,011	2,323	2,492	2,237	1,735	882	901	915	767
Civil	683	671	731	692	555	945	1,035	415	392	490
Traffic and parking violations	5,406	2,327	3,772	4,572	3,886	6,756	**10355	6,822	6,401	5,630
Non-traffic	1,029	2,682	3,054	3,184	2,792	N/A	N/A	N/A	647	N/A
District Court										
Cases filed:										
Criminal	112	124	111	141	211	199	182	171	162	118
Civil	95	94	115	123	120	108	119	114	107	134
Family	293	388	290	230	302	338	256	291	365	263
Juvenile	127	131	174	178	106	136	236	171	139	282
Cases disposed:										
Criminal	128	109	146	127	91	188	164	200	159	117
Civil	105	62	61	70	85	70	86	77	74	37
Family	280	246	213	196	210	238	198	142	154	103
Juvenile	72	68	59	86	46	52	56	71	145	*417
<b><u>Public works</u></b>										
Miles of roads graded	N/A	N/A	5,887	5,981	4,134	7,077	4,702	5,474	2,469	2,208
<b><u>Health</u></b>										
Cubic yards deposited at landfill	97,663	96,394	107,768	122,401	124,686	141,627	144,519	126,253	136,798	134,528
<b><u>Welfare (number of individuals helped)</u></b>										
Bus fares	57	66	50	47	64	83	86	72	71	62
Gasoline	173	218	249	206	189	169	151	193	122	123
Lodgings	50	115	46	56	65	91	56	36	211	46
Prescriptions purchased	159	248	177	147	185	165	115	115	138	130
<b><u>Culture and recreation</u></b>										
Library										
Vistors	94,751	96,926	95,410	93,820	93,862	97,754	97,453	98,475	99,172	102,518
Circulation totals	180,203	184,783	184,759	175,371	166,967	175,662	172,545	173,959	184,733	190,498
Volumes in collection	63,385	65,201	67,134	68,694	70,104	71,504	72,891	73,343	74,211	74,441

Sources: Humboldt County Sheriff's Office, Building Department, Road Department, Library, County Administrator's Office, County Clerk, Justice and District Courts

Business license information is not available for years prior to 2006 because file is updated as records are added or deleted.

There are no indicators for the function of Community Support. These are both recurring expenditures and nonrecurring expenditures.

N/A: Information is not available according to departments that provide information.

\*\* Non-traffic numbers included.

# In prior years, only transient lodging was included. Starting with 2009, both transient and lodging assistance are included.

\* Reporting format changed in 2009-2010

**Humboldt County**  
**Capital Assets Statistics By Function/Program**  
**Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Function/Program</b>										
<b><u>General Government:</u></b>										
Vehicles	10	10	10	10	10	12	12	12	13	12
<b><u>Judicial:</u></b>										
District Court	1	1	1	1	1	1	1	1	1	1
Justice Court	1	1	1	1	1	1	1	1	1	1
Digital Recording System	0	0	0	1	1	1	1	1	1	1
<b><u>Public Safety:</u></b>										
Juvenile Service Facilities	1	1	1	1	1	1	1	1	1	1
Detention Center/Substation	2	2	2	2	2	2	2	2	2	2
911 Dispatch System	1	1	1	1	1	1	1	1	1	1
Vehicles	31	35	37	41	46	50	54	59	64	66
<b><u>Public Works:</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Paved Roads (miles)	NR	NR	NR	NR	NR	NR	99	99	99	99
Unpaved Roads (miles)	NR	NR	NR	NR	NR	NR	856	856	856	856
Vehicles	29	30	32	32	33	34	36	37	37	38
<b><u>Health:</u></b>										
Vehicles	3	3	3	3	3	3	3	3	3	3
<b><u>Culture &amp; Recreation:</u></b>										
Buildings	8	8	8	8	8	8	8	8	8	8
Library	3	3	3	3	3	3	3	3	3	3
Vehicles	8	8	9	10	10	10	10	10	11	14
<b><u>Community Support:</u></b>										
Buildings	33	35	36	37	39	40	40	40	40	40
<b><u>Business Type Activities:</u></b>										
Buildings	3	3	3	3	3	3	3	3	3	3
Landfill	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	4	4	4	4	4	4	4	3



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

To the Honorable Board of Commissioners  
of Humboldt County, Nevada

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Humboldt County, Nevada, (the County) as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 24, 2010. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in the internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency in internal control over financial reporting (2010-1). A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on it

This report is intended solely for the information and use of the Honorable Board of Commissioners of Humboldt County, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Kafoury, Armstrong & Co.*

Winnemucca, Nevada  
November 24, 2010



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
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**Independent Auditor's Report on Compliance with Requirements  
That Could Have a Direct and Material Effect on each Major Program and on Internal  
Control Over Compliance in Accordance with OMB Circular A-133**

To the Honorable Board of County Commissioners  
of Humboldt County, Nevada

**Compliance**

We have audited Humboldt County, Nevada's (the County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2010. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

**Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a

reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in the internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the Honorable Board of Commissioners of Humboldt County, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Kafoury, Armstrong + Co.*

Winnemucca, Nevada  
November 24, 2010

HUMBOLDT COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2010  
 (Page 1 of 2)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<u>US Department of Agriculture:</u>			
Passed through State of Nevada Department of Administration:			
<b>Emergency Food Assistance Program Cluster</b>			
Emergency Food Assistance Program, Food Commodities (non-cash)	10.569	N/A	\$ 79,907
ARRA - Emergency Food Assistance Program, Food Commodities (non-cash)	10.569A	N/A	4,450
Emergency Food Assistance Program, Administrative Costs	10.568	N/A	<u>1,662</u>
<b>Total Emergency Food Assistance Program Cluster</b>			<u>86,019</u>
Passed through State of Nevada:			
<b>Schools and Roads Cluster</b>			
Schools and Roads - Grants to States	10.665	N/A	<u>279,207</u>
Direct Programs:			
Soil and Water Conservation - Grazing Lands Conservation Initiative	10.902	68-9327-6-11	<u>17,670</u>
<b>Total US Department of Agriculture</b>			<u>382,896</u>
<u>US Department of Housing and Urban Development:</u>			
<b>CDBG - State-Administered Small Cities Program Cluster</b>			
Passed through State of Nevada Commission on Economic Development:			
ARRA - Community Development Block Grant	14.255	CDBG/08R/PF/123	<u>180,000</u>
<u>US Department of Justice:</u>			
Direct Programs:			
State Criminal Alien Assistance Program	16.606	2009-AP-BX-0111	<u>14,709</u>
ARRA - Edward Byrne Memorial Justice Assistance Grant Program/Grants to Units of Local Government Critical Incident Negotiation Equipment Project	16.804	2009-SB-B9-2308	<u>27,331</u>
Passed through State of Nevada Department of Health and Human Services:			
Juvenile Justice and Delinquency Prevention:			
Basic	16.540	N/A	<u>14,759</u>
Juvenile Accountability Block Grant	16.523	2009-JB-FX-0018	<u>16,342</u>
Passed through State of Nevada Department of Public Safety, Office of Criminal Justice Assistance:			
ARRA - Public Safety Partnership and Community Policing Grants - Tactical Consequences/Safely Reducing Meth. Labs and Transportation	16.710	08-METH-06	<u>26,947</u>
Edward Byrne Memorial Justice Assistance Grant Program:			
Tri-County Drug Enforcement Team	16.738	08-JAG-03S	15,000
Tri-County Drug Enforcement Team	16.738	09-JAG-13	<u>109,427</u>
<b>Total Edward Byrne Memorial Justice Assistance Grant Program</b>			<u>124,427</u>

HUMBOLDT COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2010  
 (Page 2 of 2)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
Passed through State of Nevada Office of the Attorney General: Violence Against Women Grant	16.588	2008-STOP-07	20,068
Total US Department of Justice			244,583
<u>US Department of Transportation:</u>			
Passed through State of Nevada Department of Transportation: <b>Transit Services Programs Cluster</b> FTA for Elderly and Disabled Persons	20.513	PR281-08-802	120,723
<b>Highway Safety Cluster</b> Passed through State of Nevada Department of Public Safety: Joining Forces	20.600	29-JF-1.07	12,827
Joining Forces	20.600	210-JF-1.08	8,086
<b>Total Highway Safety Cluster</b>			20,913
Total US Department of Transportation			141,636
<u>National Foundation on the Arts and the Humanities:</u>			
Passed through Nevada State Library and Archives Institute of Museum and Library Services: General Operating Support - Bookmobile Grant	45.310	LSTA 2009-29	5,100
<u>US Department of Health and Human Services:</u>			
Passed through State of Nevada Department of Health and Human Services - Welfare Division: Sustance Abuse and Mental Health Services Grant - Summer School Program	93.243	N/A	2,575
Child Support Enforcement	93.563	N/A	215,903
Total US Department of Health and Human Services			218,478
<u>US Department of the Interior:</u>			
Direct Programs: Partners for Fish and Wildlife	15.631	N/A	8,471
Total Federal Grant Awards			\$ 1,181,164

See accompanying notes to schedule of expenditures of federal awards.

**HUMBOLDT COUNTY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2010**

**(1) Reporting Entity**

The accompanying schedule of expenditures of federal awards presents the expenditure activity of all federal awards programs of Humboldt County (the County) for the year ended June 30, 2010. The County's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

**(2) Basis of Accounting**

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of the Food Assistance Program represent the fair value of commodity food expended by the County.

**(3) Subrecipients**

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows:

<u>Program Name</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
ARRA - Community Development Block Grant	14.255	\$180,000
FTA for Elderly and Disabled Persons	20.513	<u>120,723</u>
Total		\$300,723

**HUMBOLDT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Summary of Audit Results:**

- Kafoury, Armstrong & Co. issued an unqualified opinion on the financial statements of Humboldt County for the year ended June 30, 2010.
- The audit disclosed no instances of noncompliance, which were material to the financial statements of Humboldt County.
- No significant deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements That Could Have a Direct and Material Effect on each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major programs of Humboldt County.
- The audit disclosed no audit findings that the auditor is required to report under Section 510(a) of Circular A-133.
- Humboldt County had two major programs for the year ended June 30, 2010, as follows:
  - Community Development Block Grant Cluster - CFDA #14.225
  - Schools and Roads Cluster – CFDA #10.665
- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2010, was \$300,000.
- Humboldt County qualified as a low risk auditee for the year ended June 30, 2010.

**Findings Relating to the Financial Statements Reported in Accordance with Generally Accepted Government Auditing Standards (GAGAS):**

**SIGNIFICANT DEFICIENCIES**

**2010-1 Cut-off Procedures**

*Condition and Criteria:* A material receipt for the quarter ended June 30, 2010 received subsequent to year-end was recorded in the 2010-2011 fiscal year instead of the 2009-2010 fiscal year.

*Effect:* Accounts receivable and revenue were understated by \$161,972.

*Auditor's Recommendation:* Control processes should be reviewed and enhanced to ensure that receipts near year-end are properly evaluated to determine the correct period in which they should be posted. All individuals involved in initiating, recording, and posting deposits should review their processes to ensure proper cut-off procedures are being followed.

*Management's Response:* Management has reviewed our processes over cut-off procedures and has established guidelines that will ensure receipts are recorded in the correct period.

**HUMBOLDT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2010**

***Findings and Questioned Costs for Federal Awards:***

There were no findings or questioned costs.

**HUMBOLDT COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2010**

No prior year findings relative to federal awards were reported at June 30, 2009.

**HUMBOLDT COUNTY**  
**SCHEDULE OF FEES IMPOSED SUBJECT TO THE PROVISIONS OF NRS 354.5989**  
**LIMITATION OF FEES FOR BUSINESS LICENSES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Flat Fixed Fees:**

Business license revenue for the year ended June 30, 1991 (base year) adjusted through June 30, 2009	\$ 67,036
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**Adjustment to Base:**

Base year adjusted		
Percentage increase in population of the local government	-0.21%	
Percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated	3.36%	3.15%

2,114

Adjusted base at June 30, 2010	69,150
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Actual revenue	50,829
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Amount under allowable amount	\$ 18,321
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AUDITOR'S COMMENTS

STATUTE COMPLIANCE

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

Efforts were made during the current fiscal year to monitor expenditures to avoid any noncompliance with the provisions of NRS 354.626.

PRIOR YEAR RECOMMENDATIONS

There were no recommendations made in the audit report for the year ended June 30, 2009.

CURRENT YEAR RECOMMENDATIONS

Current year audit recommendations are included in the Schedule of Findings and Questioned Costs.

NEVADA REVISED STATUTES 354.6113 AND 354.6115

There were no funds created by Humboldt County, Nevada under the authority of NRS 354.6113 for the year ended June 30, 2010.



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

### Independent Accountant's Report

To the Honorable Board of Commissioners  
of Humboldt County, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances/restricted net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2010 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conformed to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2010 except as reported in Note 2 to the financial statements,
- The fund balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of Humboldt County.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management referred to above is not fairly stated in all material respects.

*Kafoury, Armstrong & Co.*

Winnemucca, Nevada  
November 24, 2010

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