

MINERAL COUNTY, NEVADA

JUNE 30, 2010

MINERAL COUNTY, NEVADA
JUNE 30, 2010

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

Independent Auditor's Report

To the Honorable Board of Commissioners of
Mineral 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 Mineral 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 Mineral 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 Mineral County, Nevada 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, DOE Grant Fund, In Lieu of Taxes Fund and Road 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 a report dated February 11, 2011, on our consideration of Mineral 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.

Management's Discussion and Analysis and the Schedule of Funding Progress-Other Postemployment Benefits on pages M-1 to M-8 and page 33 respectively, are not required parts of the basic financial statements but is 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 nonmajor combining and individual fund financial statements and schedules and 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*) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The nonmajor combining and individual fund statements and schedules and the 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.

Yerington, Nevada
February 11, 2011

Kafoury, Armstrong & Co.

MINERAL COUNTY, NEVADA
MANAGEMENT'S DISCUSSION & ANALYSIS
For the year ended June 30, 2010

This discussion and analysis of Mineral County's financial performance provides an overview of the County's financial activities for the year ending June 30, 2010. The intent of this discussion and analysis is to look at the County's financial performance as a whole. A comparison of fiscal year 2009-10 to fiscal year 2008-09 financial information is included in this discussion. We encourage readers to read this information in conjunction with the financial statements and notes to gain a more complete picture of the information presented.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Mineral County's basic financial statements. Mineral County's basic financial statements are comprised of three components: 1) countywide financial statements, 2) fund financial statements and 3) notes to the financial statement. This report also contains other supplemental 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 the county's finances in a manner similar to a private-sector business.

The Statement of Net Assets present information on all of the 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 the county is improving or deteriorating. However, in evaluating the overall position of the county, non-financial information such as changes in the county's tax base and the condition of the county's capital assets will also need to be evaluated.

The Statements of Activities presents information showing how the county's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenditures are reported in this statement for some items that will only result in cash flows for future fiscal periods (i.e. uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues, including federal and state grants and other shared revenue (governmental activities) from the 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 the county include general government, judicial, public safety, highways and streets, culture and recreation, welfare, health sanitation and community support. The business-type activities of the county include water, sewer, and sanitary and power systems operations.

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 objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the county can be divided into three categories; governmental funds, proprietary funds, and fiduciary funds. Fund financial statements provide detailed information about the county's funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities on the countywide financial statements. Most of the county's basic services are reported in these funds that focus on how money flows into and out of the funds and the year-end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the county's general government operations and the basic services being provided, along with the financial resources available.

Because the focus of the governmental funds provides a more narrow view than that of the countywide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the countywide financial statements. By doing so, readers may better understand the long-term effect of the government's short-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.

The County maintains a multitude of individual governmental funds. They are divided into three groups; 1) The County's general fund, which accounts for traditional governmental activities, 2) Special Revenue funds, which account for proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes, 3) Capital Projects fund, which accounts for the acquisition and construction of capital facilities and equipment (other than those financed solely by enterprise funds).

Information is presented separately on the government fund balance sheet and on the governmental fund statement of revenues, expenditures and changes in fund balances for the major funds.

Proprietary Funds

The County maintains one type of proprietary fund. Enterprise funds are used to report the same function presented in the business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its water, sewer, sanitary and power systems operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statement provides separate information for the water, sewer, sanitary, and power system funds since these are considered to be major funds for the county.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the county. Fiduciary funds are not reflected on the government-wide financial statement because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statement and schedules.

Government-Wide Financial Analysis

The chart below provides a summary of the County's net assets for 2010 and 2009.

Mineral County Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Current and Other Assets	\$ 6,043,336	\$ 5,169,708	\$ 1,226,529	\$ 1,297,103	\$7,269,865	\$6,466,811
Capital Assets	8,407,379	8,657,616	7,371,453	6,095,934	15,778,832	14,753,550
Total Assets	<u>14,450,715</u>	<u>13,827,324</u>	<u>8,597,982</u>	<u>7,339,037</u>	<u>23,048,697</u>	<u>21,220,361</u>
Current Liabilities	1,532,751	975,439	183,533	139,416	1,716,284	1,115,155
Non-Current Liabilities	2,340,891	1,534,869	146,057	26,603	2,486,948	1,561,472
Total Liabilities	<u>3,873,642</u>	<u>2,510,308</u>	<u>329,590</u>	<u>166,319</u>	<u>4,203,232</u>	<u>2,676,627</u>
Net Assets						
Invested in Capital Assets	8,005,232	8,281,958	7,360,774	6,069,331	15,366,006	14,351,289
Restricted	1,524,548	1,975,000	-	-	1,524,548	1,975,000
Unrestricted	<u>1,047,293</u>	<u>1,060,058</u>	<u>907,618</u>	<u>1,157,387</u>	<u>1,954,911</u>	<u>2,217,445</u>
Total Net Assets	<u>10,577,073</u>	<u>11,317,016</u>	<u>8,268,392</u>	<u>7,226,718</u>	<u>18,845,465</u>	<u>18,543,734</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. By far, the largest portion of the County's assets reflects its investment in capital assets (e.g. land and improvements, buildings and buildings and improvements, machinery and equipment and vehicles) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The table below shows the changes in net assets for 2010 and 2009.

Mineral County Changes in Net Assets

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues						
Charges for Services	\$ 1,531,348	\$ 1,287,698	\$ 1,217,072	\$ 1,243,646	\$ 2,748,420	\$ 2,531,344
Operating Grants/Contributions	1,319,859	1,305,272	-	-	1,319,859	1,305,272
Capital Grants/Contributions	367,871	624,056	1,229,046	74,678	1,596,917	698,734
General Revenues						
Property Taxes	1,916,672	1,746,955	-	-	1,916,672	1,746,955
Investment Earnings	6,079	37,313	438	3,196	6,517	40,509
Miscellaneous	4,374,068	5,732,162	-	-	4,374,068	5,732,162
Total Revenues	9,515,897	10,733,456	2,446,556	1,321,520	11,962,453	12,054,976
Expenses						
General						
Government	2,483,822	2,331,671	-	-	2,483,822	2,331,671
Judicial	1,019,070	898,680	-	-	1,019,070	898,680
Public Safety	3,864,046	3,488,277	-	-	3,864,046	3,488,277
Highways and Streets	986,635	901,604	-	-	986,635	901,604
Welfare	157,126	175,046	-	-	157,126	175,046
Health	385,302	407,795	-	-	385,302	407,795
Intergovernmental	8,962	45,256	-	-	8,962	45,256
Culture and Recreation	549,229	487,618	-	-	549,229	487,618
Interest	16,447	19,112	-	-	16,447	19,112
Community Support	825,201	828,005	-	-	825,201	828,005
Utilities	-	-	1,364,882	1,253,055	1,364,882	1,253,055
Total Expenses	10,295,840	9,583,064	1,364,882	1,253,055	11,660,722	10,836,119
Transfers	40,000	40,000	(40,000)	(40,000)	-	-
Increase (decrease) in Net Assets	(739,943)	1,190,392	1,041,674	28,465	301,731	1,218,857
Net Assets July 1	11,317,016	10,126,624	7,226,718	7,198,253	18,543,734	17,324,877
Net Assets June 30	<u>\$ 10,577,073</u>	<u>\$ 11,317,016</u>	<u>\$ 8,268,392</u>	<u>\$ 7,226,718</u>	<u>\$ 18,845,465</u>	<u>\$ 18,543,734</u>

Governmental Activities

Total net assets decreased by \$739,943. This decrease is due to the implementation of GASB 45 and recording the OPEB liability of \$723,660.

Business-type Activities

Business-type activities net assets increased by \$1,041,674. The increase is due to grant funding received for the Hawthorne Utilities for sewer improvements during the current year.

Financial Analysis of County Funds

The purpose of the County's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, 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.

At June 30, 2010 the County's governmental funds reported combined ending fund balances of \$4,378,820 an increase of \$314,439 in comparison to the prior fiscal year amount of \$ 4,064,381.

The General Fund is the County's chief operating fund. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$ 1,112,392, an increase of \$8,165 as compared to the prior fiscal year.

Business-Type Funds

The County's enterprise funds provide the same type of information found in the county-wide financial statements but in more detail.

Total net assets of the water, sewer and power system funds at the end of the fiscal year were \$8,268,392. Other factors concerning the finance of these funds have already been addressed in the discussion of the County's business-type activities.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2010 amounts to \$15,778,832. This investment in capital assets includes land, buildings, improvements, machinery and equipment. Refer to Note 4 of the financial statements for additional detail regarding capital assets.

Capital Assets (Net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Land	\$ 722,730	\$ 722,730	\$ 23,400	\$ 23,400	\$ 746,130	\$ 746,130
Construction	63,384	156,845	1,498,153	23,246	1,561,537	180,091
Buildings	2,968,814	2,999,309	71,943	77,918	3,040,757	3,077,227
Improvements other than Buildings	185,321	70,720	5,150,127	5,489,107	5,335,448	5,559,827
Infrastructure	3,624,112	3,699,378	-	-	3,624,112	3,699,378
Equipment and Vehicles	843,018	1,008,634	627,830	482,263	1,470,848	1,490,897
Total	<u>\$8,407,379</u>	<u>\$8,657,616</u>	<u>\$7,371,453</u>	<u>\$6,095,934</u>	<u>\$15,778,832</u>	<u>\$14,753,550</u>

Debt Administration

As of June 30, 2010, the County had total long-term obligations outstanding of \$2,486,948, including \$424,782 in liability for compensated absences and \$808,913 for other postemployment benefits obligations. See Note 7 to the financial statements for the long-term obligations of the County.

In fiscal year 2009-2010, the County entered into one new medium term financing note payable for Mineral County Sheriff's vehicles.

The County implemented GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* which resulted in a net OPEB obligation at June 30, 2010 of \$808,913. See Note 11 to the financial statements for Other Postemployment Benefits detail.

General Fund Budgetary Highlights

Revenue Increases

Notable increases in projected revenue include:

Mineral County received unanticipated geothermal revenue of \$456,604

Increase in projected revenue of possessory use taxes of \$ 125,963

Increase in projected revenue of net proceeds of mines (*changes in computation*) \$ 112,758

Revenue Decreases

Notable decreases in projected revenue include:

Shortfall in projected revenue for real roll property taxes \$ 65,459

Unanticipated/Unbudgeted Expenditures

A 5% employee bonus totaling \$159,453 which was granted to employees (*partly contractual by labor agreement*) due to higher than anticipated ending fund balance shown in the fiscal year 2008-2009 financial statements.

Employee retirements including leave payoffs and Public Employees Retirement System buyouts totaled \$ 126,927.

Economic Factors

The County reviews and includes a variety of economic related statistics in the development and monitoring of the operating and capital budgets. Several long-range plans are annually updated to aid in the development of both operating and capital budgets, including 5-year plans for the County's General Fund. The assumptions used in the plans are reviewed by the County Commissioners as background for decisions about revenue projections and cost allocations.

Budgets of FY10-11 were developed based on the following assumptions:

- Economic activity will remain stable
- Increases in expenditures could be supported by revenue projections.

Requests for Information

This financial report is designed to provide a general overview of Mineral County's finances for those interested. Questions concerning any of the information provided in this report or requests for additional financial information can be addressed to the Mineral County Recorder-Auditor's Office, P.O. Box 1447 Hawthorne, NV 89415 or by calling (775) 945-3676 or via e-mail: recorderauditor@mineralcountynv.org.

MINERAL COUNTY, NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2010

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and investments	\$ 4,535,078	\$ 838,872	\$ 5,373,950
Accounts receivable	59,257	125,273	184,530
Taxes receivable	139,643	-	139,643
Interest receivable	-	214	214
Grants receivable	-	241,390	241,390
Due from other governments	1,309,358	-	1,309,358
Inventory	-	20,780	20,780
Capital assets, net of accumulated depreciation			
Land	722,730	23,400	746,130
Construction in progress	63,384	1,498,153	1,561,537
Buildings	2,968,814	71,943	3,040,757
Improvements other than buildings	185,321	5,150,127	5,335,448
Equipment and vehicles	843,018	627,830	1,470,848
Infrastructure	3,624,112	-	3,624,112
Total Assets	<u>14,450,715</u>	<u>8,597,982</u>	<u>23,048,697</u>
LIABILITIES			
Accounts payable	289,184	144,906	434,090
Accrued liabilities	229,544	27,977	257,521
Deposits	-	10,650	10,650
Unearned revenues	1,014,023	-	1,014,023
Noncurrent liabilities:			
Compensated absences due within 1 year	183,584	17,986	201,570
Long-term debt due within 1 year	101,667	10,683	112,350
Compensated absences due in more than one year	191,077	32,135	223,212
Long-term debt due in more than one year	1,140,903	-	1,140,903
Other post-employment benefits obligations	723,660	85,253	808,913
Total Liabilities	<u>3,873,642</u>	<u>329,590</u>	<u>4,203,232</u>
NET ASSETS			
Invested in capital assets, net of related debt	8,005,232	7,360,774	15,366,006
Restricted for:			
Capital projects	41,532	-	41,532
Highways and streets	844,443	-	844,443
Public safety	487,295	-	487,295
General government	151,278	-	151,278
Unrestricted	1,047,293	907,618	1,954,911
Total Net Assets	<u>\$ 10,577,073</u>	<u>\$ 8,268,392</u>	<u>\$ 18,845,465</u>

See accompanying notes.

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Governmental Activities:				
General government	\$ 2,483,822	\$ 182,197	\$ -	\$ -
Judicial	1,019,070	424,778	80,546	-
Public safety	3,864,046	539,299	487,769	-
Highways and streets	986,635	11,020	442,232	-
Welfare	157,126	-	-	-
Health and sanitation	385,302	307,751	-	-
Culture and recreation	549,229	12,178	3,374	27,916
Community support	825,201	54,125	305,938	339,955
Intergovernmental	8,962	-	-	-
Interest	16,447	-	-	-
Total Governmental Activities	<u>10,295,840</u>	<u>1,531,348</u>	<u>1,319,859</u>	<u>367,871</u>
Business-type Activities:				
Utilities	1,364,106	1,170,450	-	1,229,046
Power systems site	236	46,082	-	-
Total Business-type Activities	<u>1,364,342</u>	<u>1,216,532</u>	<u>-</u>	<u>1,229,046</u>
Total County	<u>\$ 11,660,182</u>	<u>\$ 2,747,880</u>	<u>\$ 1,319,859</u>	<u>\$ 1,596,917</u>

General Revenues:

- Ad valorem taxes
- Consolidated taxes
- Net proceeds of mines taxes
- Federal payment in lieu of tax
- State gaming licenses
- State motor vehicle fuel tax
- Franchise fees
- Geothermal revenue
- Unrestricted investment earnings
- Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

NET ASSETS, JULY 1

NET ASSETS, JUNE 30

See accompanying notes.

NET (EXPENSE) REVENUE AND
CHANGES IN NET ASSETS

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT
\$ (2,301,625)	\$ -	\$ (2,301,625)
(513,746)	-	(513,746)
(2,836,978)	-	(2,836,978)
(533,383)	-	(533,383)
(157,126)	-	(157,126)
(77,551)	-	(77,551)
(505,761)	-	(505,761)
(125,183)	-	(125,183)
(8,962)	-	(8,962)
(16,447)	-	(16,447)
<u>(7,076,762)</u>	<u>-</u>	<u>(7,076,762)</u>
-	1,035,390	1,035,390
-	45,846	45,846
-	1,081,236	1,081,236
<u>(7,076,762)</u>	<u>1,081,236</u>	<u>(5,995,526)</u>
1,916,672	-	1,916,672
2,215,212	-	2,215,212
215,851	-	215,851
639,726	-	639,726
146,757	-	146,757
746,320	-	746,320
56,426	-	56,426
72,400	-	72,400
6,079	438	6,517
281,376	-	281,376
40,000	(40,000)	-
<u>6,336,819</u>	<u>(39,562)</u>	<u>6,297,257</u>
(739,943)	1,041,674	301,731
<u>11,317,016</u>	<u>7,226,718</u>	<u>18,543,734</u>
<u>\$ 10,577,073</u>	<u>\$ 8,268,392</u>	<u>\$ 18,845,465</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2010

	GENERAL FUND	DOE GRANT FUND	IN LIEU OF TAXES FUND	ROAD FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and investments	\$ 868,934	\$ 549,829	\$ 421,807	\$ 1,078,499	\$ 1,616,009	\$ 4,535,078
Receivables:						
Taxes, delinquent	117,461	-	-	-	22,182	139,643
Accounts, net	42,863	-	-	-	16,394	59,257
Due from other governments	<u>439,451</u>	<u>83</u>	<u>647,823</u>	<u>93,559</u>	<u>128,442</u>	<u>1,309,358</u>
Total Assets	<u>\$ 1,468,709</u>	<u>\$ 549,912</u>	<u>\$ 1,069,630</u>	<u>\$ 1,172,058</u>	<u>\$ 1,783,027</u>	<u>\$ 6,043,336</u>
LIABILITIES						
Accounts payable	\$ 109,804	\$ 23,438	\$ 22,337	\$ 38,790	\$ 94,815	\$ 289,184
Accrued liabilities	152,518	4,917	-	15,474	56,635	229,544
Deferred revenue	<u>93,995</u>	<u>521,557</u>	<u>-</u>	<u>507,989</u>	<u>22,247</u>	<u>1,145,788</u>
Total Liabilities	<u>356,317</u>	<u>549,912</u>	<u>22,337</u>	<u>562,253</u>	<u>173,697</u>	<u>1,664,516</u>
FUND BALANCES						
Unreserved, reported in:						
General Fund	1,112,392	-	-	-	-	1,112,392
Special Revenue Funds	-	-	1,047,293	609,805	1,567,798	3,224,896
Capital Projects Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,532</u>	<u>41,532</u>
Total Fund Balances	<u>1,112,392</u>	<u>-</u>	<u>1,047,293</u>	<u>609,805</u>	<u>1,609,330</u>	<u>4,378,820</u>
Total Liabilities and Fund Balances	<u>\$ 1,468,709</u>	<u>\$ 549,912</u>	<u>\$ 1,069,630</u>	<u>\$ 1,172,058</u>	<u>\$ 1,783,027</u>	<u>\$ 6,043,336</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

Fund Balances - Governmental Funds \$ 4,378,820

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets	\$ 15,131,864	
Less: accumulated depreciation	<u>(6,724,485)</u>	8,407,379

Long-term liabilities, including notes payable are not due and payable in the current period and, therefore are not reported in governmental funds.

Other post-employment benefits	(723,660)	
Notes payable	(402,147)	
Landfill closure costs	(840,423)	
Compensated absences	<u>(374,661)</u>	(2,340,891)

Deferred revenue represents amounts that were not available to fund current expenditures and, therefore, are not reported in governmental funds.

131,765

Total Net Assets of Governmental Activities

\$ 10,577,073

**MINERAL COUNTY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010**

	GENERAL FUND	DOE GRANT FUND	IN LIEU OF TAXES FUND	ROAD FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	\$ 1,905,817	\$ -	\$ -	\$ -	\$ 563,161	\$ 2,468,978
Licenses and permits	70,966	-	-	-	100,975	171,941
Intergovernmental revenues	2,549,278	363,986	639,726	976,024	703,165	5,232,179
Charges for services	134,965	-	-	11,020	951,458	1,097,443
Fines and forfeits	229,031	-	-	-	146,377	375,408
Miscellaneous	<u>268,476</u>	<u>13,659</u>	<u>2,075</u>	<u>14,337</u>	<u>134,155</u>	<u>432,702</u>
Total Revenues	<u>5,158,533</u>	<u>377,645</u>	<u>641,801</u>	<u>1,001,381</u>	<u>2,599,291</u>	<u>9,778,651</u>
EXPENDITURES						
Current:						
General government	1,823,046	-	303,566	-	117,869	2,244,481
Public safety	2,375,841	372,645	-	-	830,153	3,578,639
Judicial	872,889	-	-	-	56,146	929,035
Highways and streets	-	-	-	800,055	141,745	941,800
Welfare	-	-	-	-	157,126	157,126
Health and sanitation	195,121	-	-	-	220,048	415,169
Culture and recreation	264,818	-	-	-	216,176	480,994
Community support	20,000	-	-	-	737,800	757,800
Intergovernmental	8,962	-	-	-	-	8,962
Debt service:						
Principal	35,977	-	-	25,482	43,086	104,545
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,400</u>	<u>9,047</u>	<u>16,447</u>
Total Expenditures	<u>5,596,654</u>	<u>372,645</u>	<u>303,566</u>	<u>832,937</u>	<u>2,529,196</u>	<u>9,634,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(438,121)</u>	<u>5,000</u>	<u>338,235</u>	<u>168,444</u>	<u>70,095</u>	<u>143,653</u>
OTHER FINANCING SOURCES (USES)						
Issuance of long-term debt	130,786	-	-	-	-	130,786
Transfers in	345,000	-	-	-	194,860	539,860
Transfers out	<u>(29,500)</u>	<u>(5,000)</u>	<u>(351,000)</u>	<u>-</u>	<u>(114,360)</u>	<u>(499,860)</u>
Total Other Financing Sources (Uses)	<u>446,286</u>	<u>(5,000)</u>	<u>(351,000)</u>	<u>-</u>	<u>80,500</u>	<u>170,786</u>
Net Change in in Fund Balances	8,165	-	(12,765)	168,444	150,595	314,439
FUND BALANCES, July 1	<u>1,104,227</u>	<u>-</u>	<u>1,060,058</u>	<u>441,361</u>	<u>1,458,735</u>	<u>4,064,381</u>
FUND BALANCES, June 30	<u>\$ 1,112,392</u>	<u>\$ -</u>	<u>\$ 1,047,293</u>	<u>\$ 609,805</u>	<u>\$ 1,609,330</u>	<u>\$ 4,378,820</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
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 \$ 314,439

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditures for capital assets	\$ 308,856	
Less: Current year depreciation	<u>(465,632)</u>	(156,776)

The net effect of various miscellaneous transactions involving capital assets is to decrease net assets	(93,461)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund statement.

Change in deferred revenue	1,877
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of note principal is an expenditure in the governmental funds, but the payment reduces long-term liabilities on the statement of net assets.

Note payable issued	(130,786)
Principal payments	104,297

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

Change in net OPEB obligation	(723,660)
Change in landfill closure costs payable	(85,461)
Change in long-term compensated absences	<u>29,588</u>

Change in Net Assets of Governmental Activities	<u>\$ (739,943)</u>
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MINERAL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 1,699,952	\$ 1,699,952	\$ 1,905,817	\$ 205,865
Licenses and Permits	51,500	51,500	70,966	19,466
Intergovernmental Revenues	2,496,092	2,496,092	2,549,278	53,186
Charges for Services	103,000	103,000	134,965	31,965
Fines and Forfeits	168,500	168,500	229,031	60,531
Miscellaneous	104,362	104,362	268,476	164,114
Total Revenues	<u>4,623,406</u>	<u>4,623,406</u>	<u>5,158,533</u>	<u>535,127</u>
EXPENDITURES				
Current:				
General Government	1,930,325	1,930,325	1,823,046	107,279
Public Safety	2,280,235	2,411,021	2,375,841	35,180
Judicial	937,988	951,988	872,889	79,099
Health and Sanitation	217,548	217,548	195,121	22,427
Culture and Recreation	283,394	283,394	264,818	18,576
Community Support	20,000	20,000	20,000	-
Intergovernmental	8,962	8,962	8,962	-
Debt service	-	36,000	35,977	(27,015)
Total Expenditures	<u>5,678,452</u>	<u>5,859,238</u>	<u>5,596,654</u>	<u>235,546</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,055,046)</u>	<u>(1,235,832)</u>	<u>(438,121)</u>	<u>(797,711)</u>
OTHER FINANCING SOURCES (USES)				
Contingency	(50,000)	-	-	-
Issuance of long-term debt	-	130,786	130,786	-
Transfers in	345,000	345,000	345,000	-
Transfers out	(25,500)	(25,500)	(29,500)	4,000
Total Other Financing Sources (Uses)	<u>269,500</u>	<u>450,286</u>	<u>446,286</u>	<u>4,000</u>
Net Change in Fund Balances	<u>(785,546)</u>	<u>(785,546)</u>	<u>8,165</u>	<u>793,711</u>
FUND BALANCE, July 1	<u>945,823</u>	<u>945,823</u>	<u>1,104,227</u>	<u>158,404</u>
FUND BALANCE, June 30	<u>\$ 160,277</u>	<u>\$ 160,277</u>	<u>\$ 1,112,392</u>	<u>\$ 952,115</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
DOE GRANT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental revenues	\$ 270,000	\$ 363,986	\$ 363,986	\$ -
Miscellaneous	38,000	38,000	13,659	(24,341)
Total Revenues	<u>308,000</u>	<u>401,986</u>	<u>377,645</u>	<u>(24,341)</u>
EXPENDITURES				
Current:				
Public Safety	303,000	396,986	372,645	24,341
Total Expenditures	<u>303,000</u>	<u>396,986</u>	<u>372,645</u>	<u>24,341</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
OTHER FINANCING USES:				
Transfers out:				
General Fund	(5,000)	(5,000)	(5,000)	-
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IN LIEU OF TAXES FUND
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental Revenues	\$ 450,000	\$ 450,000	\$ 639,726	\$ 189,726
Miscellaneous	-	-	2,075	2,075
Total Revenues	<u>450,000</u>	<u>450,000</u>	<u>641,801</u>	<u>191,801</u>
EXPENDITURES				
Current:				
General Government	<u>470,047</u>	<u>470,047</u>	<u>303,566</u>	<u>166,481</u>
Total Expenditures	<u>470,047</u>	<u>470,047</u>	<u>303,566</u>	<u>166,481</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(20,047)</u>	<u>(20,047)</u>	<u>338,235</u>	<u>358,282</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(351,000)</u>	<u>(351,000)</u>	<u>(351,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(351,000)</u>	<u>(351,000)</u>	<u>(351,000)</u>	<u>-</u>
Net Change in Fund Balance	(371,047)	(371,047)	(12,765)	358,282
FUND BALANCE, July 1	<u>381,407</u>	<u>381,407</u>	<u>1,060,058</u>	<u>678,651</u>
FUND BALANCE, June 30	<u>\$ 10,360</u>	<u>\$ 10,360</u>	<u>\$ 1,047,293</u>	<u>\$ 1,036,933</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD FUND
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental Revenues	\$ 779,888	\$ 779,888	\$ 976,024	\$ 196,136
Charges for Services	18,000	18,000	11,020	(6,980)
Miscellaneous	6,000	6,000	14,337	8,337
Total Revenues	803,888	803,888	1,001,381	197,493
EXPENDITURES				
Current:				
Highways and streets	831,477	831,477	800,055	31,422
Debt service:				
Principal	25,482	25,482	25,482	-
Interest	8,968	8,968	7,400	1,568
Total Expenditures	865,927	865,927	832,937	32,990
Net Change in Fund Balance	(62,039)	(62,039)	168,444	230,483
FUND BALANCE, July 1	412,615	412,615	441,361	28,746
FUND BALANCE, June 30	\$ 350,576	\$ 350,576	\$ 609,805	\$ 259,229

See accompanying notes.

MINERAL COUNTY, NEVADA
PROPRIETY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2010
(Page 1 of 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	HAWTHORNE TOWN UTILITY	MINA TOWN UTILITY	OTHER ENTERPRISE FUNDS	
ASSETS				
Current Assets				
Cash and investments	\$ 706,328	\$ 50,684	\$ 81,860	\$ 838,872
Receivables:				
Interest	202	7	5	214
Accounts, net	105,236	3,555	16,215	125,006
Grant receivable	241,390	-	-	241,390
Miscellaneous	-	127	140	267
Due from other funds	13,407	-	-	13,407
Inventory	20,780	-	-	20,780
Total Current Assets	1,087,343	54,373	98,220	1,239,936
Noncurrent Assets				
Capital Assets:				
Land	4,200	16,200	3,000	23,400
Construction in progress	1,498,153	-	-	1,498,153
Buildings and improvements	275,139	-	-	275,139
Improvements other than buildings	8,040,306	-	-	8,040,306
Equipment and vehicles	1,444,847	1,902,811	2,065,637	5,413,295
	11,262,645	1,919,011	2,068,637	15,250,293
Less: Accumulated Depreciation	(5,078,910)	(868,488)	(1,931,442)	(7,878,840)
Net Capital Assets	6,183,735	1,050,523	137,195	7,371,453
Total Assets	7,271,078	1,104,896	235,415	8,611,389

MINERAL COUNTY, NEVADA
PROPRIETY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2010
(Page 2 of 2)

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	<u>HAWTHORNE TOWN UTILITY</u>	<u>MINA TOWN UTILITY</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTAL</u>
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 124,171	\$ 3,780	\$ 1,161	\$ 129,112
Retainage payable	15,794	-	-	15,794
Accrued salaries	26,641	887	449	27,977
Compensated absences	17,362	506	118	17,986
Due to other funds	-	9,923	3,484	13,407
Customer deposits	9,550	1,100	-	10,650
Current portion of note payable	10,683	-	-	10,683
	<u>204,201</u>	<u>16,196</u>	<u>5,212</u>	<u>225,609</u>
Total Current Liabilities				
Long-term Liabilities				
Other post-employment benefit obligations	85,253	-	-	85,253
Compensated absences	31,200	758	177	32,135
	<u>116,453</u>	<u>758</u>	<u>177</u>	<u>117,388</u>
Total long-term liabilities				
	<u>116,453</u>	<u>758</u>	<u>177</u>	<u>117,388</u>
Total Liabilities	<u>320,654</u>	<u>16,954</u>	<u>5,389</u>	<u>342,997</u>
NET ASSETS				
Invested in capital assets, net of related debt	6,173,056	1,050,523	137,195	7,360,774
Unrestricted	777,368	37,419	92,831	907,618
	<u>6,950,424</u>	<u>1,087,942</u>	<u>230,026</u>	<u>8,268,392</u>
Total Net Assets	<u>\$ 6,950,424</u>	<u>\$ 1,087,942</u>	<u>\$ 230,026</u>	<u>\$ 8,268,392</u>

See accompanying notes.

**MINERAL COUNTY, NEVADA
PROPRIETY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			
	<u>HAWTHORNE TOWN UTILITY</u>	<u>MINA TOWN UTILITY</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTAL</u>
OPERATING REVENUES				
Water use fees	\$ 560,154	\$ 64,002	\$ 16,777	\$ 640,933
Sewer use fees	163,828	-	-	163,828
Utility connection fees	12,345	-	-	12,345
Other use fees	256,203	-	-	256,203
Lease payments	-	-	46,082	46,082
Miscellaneous revenues	95,002	1,528	611	97,141
Total Operating Revenues	<u>1,087,532</u>	<u>65,530</u>	<u>63,470</u>	<u>1,216,532</u>
OPERATING EXPENSES				
Salaries and wages	462,355	25,529	7,542	495,426
Employee benefits	191,735	9,573	1,276	202,584
Services and supplies	331,553	29,282	8,853	369,688
Customer discounts	37,416	-	-	37,416
Bad debt expense	1,612	217	184	2,013
Depreciation	203,991	42,196	9,384	255,571
Total Operating Expenses	<u>1,228,662</u>	<u>106,797</u>	<u>27,239</u>	<u>1,362,698</u>
Operating Income (Loss)	<u>(141,130)</u>	<u>(41,267)</u>	<u>36,231</u>	<u>(146,166)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	356	49	33	438
Interest expense	(1,644)	-	-	(1,644)
Total Nonoperating Revenues (Expenses)	<u>(1,288)</u>	<u>49</u>	<u>33</u>	<u>(1,206)</u>
Income (Loss) before Capital Contributions and Transfers	<u>(142,418)</u>	<u>(41,218)</u>	<u>36,264</u>	<u>(147,372)</u>
CAPITAL CONTRIBUTIONS				
CDBG Grant	795,833	-	-	795,833
EPA Sewer Grant	433,213	-	-	433,213
Total Capital Contributions	<u>1,229,046</u>	<u>-</u>	<u>-</u>	<u>1,229,046</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>
Change in Net Assets	1,086,628	(41,218)	(3,736)	1,041,674
NET ASSETS, July 1	<u>5,863,796</u>	<u>1,129,160</u>	<u>233,762</u>	<u>7,226,718</u>
NET ASSETS, June 30	<u>\$ 6,950,424</u>	<u>\$ 1,087,942</u>	<u>\$ 230,026</u>	<u>\$ 8,268,392</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
PROPRIETY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010
(Page 1 of 2)

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	HAWTHORNE TOWN UTILITY	MINA TOWN UTILITY	OTHER ENTERPRISE FUNDS	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 1,055,749	\$ 65,930	\$ 59,663	\$ 1,181,342
Cash payments to suppliers for goods and services	(454,222)	(33,800)	(6,179)	(494,201)
Cash payments to employees for services	(568,837)	(27,161)	(9,016)	(605,014)
Net Cash Provided (Used) by Operating Activities	<u>32,690</u>	<u>4,969</u>	<u>44,468</u>	<u>82,127</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers out	-	-	(40,000)	(40,000)
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	(40,000)	(40,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Grant revenues	1,432,975	-	-	1,432,975
Principal paid on debt	(15,920)	-	-	(15,920)
Interest paid	(1,644)	-	-	(1,644)
Acquisition of capital assets	(1,644,198)	(1,701)	(909)	(1,646,808)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(228,787)</u>	<u>(1,701)</u>	<u>(909)</u>	<u>(231,397)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	356	49	33	438
Net Cash Provided (Used) by Investing Activities	<u>356</u>	<u>49</u>	<u>33</u>	<u>438</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(195,741)	3,317	3,592	(188,832)
CASH AND CASH EQUIVALENTS, July 1	<u>902,069</u>	<u>47,367</u>	<u>78,268</u>	<u>1,027,704</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 706,328</u>	<u>\$ 50,684</u>	<u>\$ 81,860</u>	<u>\$ 838,872</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
 PROPRIETY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2010
 (Page 2 of 2)

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	<u>HAWTHORNE TOWN UTILITY</u>	<u>MINA TOWN UTILITY</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTAL</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (141,130)	\$ (41,267)	\$ 36,231	\$ (146,166)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	203,991	42,196	9,384	255,571
(Increase) decrease in:				
Receivables	(124,769)	989	(2,199)	(125,979)
Inventory	2,853	-	-	2,853
Increase (decrease) in:				
Payables	89,945	2,651	1,252	93,848
Customer deposits	1,800	400	(200)	2,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Cash Provided (Used) by Operating Activities	\$ <u>32,690</u>	\$ <u>4,969</u>	\$ <u>44,468</u>	\$ <u>82,127</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010

	<u>2010</u>
ASSETS	
Cash and investments	<u>\$ 662,658</u>
 LIABILITIES	
Due to others and governments	<u>\$ 662,658</u>

See accompanying notes.

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 – Summary of Significant Accounting Policies:

The accompanying financial statements of Mineral County, Nevada 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 existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Reporting Entity:

Mineral County is recognized by the State constitution as a corporate body and is governed by a three member Board of Commissioners. The County is fiscally independent of all other governmental entities.

Activities under the jurisdiction of other governing boards, elected or appointed, that are not financially accountable to the County as defined by the Governmental Accounting Standards Board are not considered to be a part of Mineral County government and are reported separately.

Government-Wide and Fund Financial Statements:

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

Government-Wide Financial Statements:

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 revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements:

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 to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within sixty days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, postemployment benefits and compensated absences are recorded only when payment is due.

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Property taxes, consolidated taxes, franchise fees, interest revenue, and charges for services associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year. Fines and forfeitures, as well as licenses and permits, are not susceptible to accrual as they are generally not measurable until received in cash.

The County reports the following major governmental funds:

- **General Fund** – The General Fund is the County’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **DOE Grant Fund** – The DOE Grant Fund accounts for transactions by the County related to the nuclear projects office in Mineral County.
- **In Lieu of Taxes Fund** – The In Lieu of Taxes Fund accounts for transactions by the County related to PILT Funds received and expended by Mineral County.
- **Road Fund** – The Road Fund accounts for transactions by the County related to the streets and highways within the County.

The County reports the following major proprietary funds:

- **Hawthorne Town Utility Fund**– The Utility Fund accounts for the operation of the County’s water, sewer and garbage services.
- **Mina Town Utility Fund** – The Mina Town Utility Fund accounts for the water operations in the Town of Mina.

Additionally, the County reports the following fiduciary funds:

- **Agency Funds** – Agency Funds account for assets held by the County in a trustee capacity or as an agent for other governmental entities.

The government applies all applicable GASB pronouncements, as well as FASB statements and interpretations, APB opinions, and ARB’s (unless those pronouncements conflict with or contradict GASB pronouncements) in accounting and reporting for its government-wide and enterprise funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are charges for services between the governmental activities and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 the proprietary fund’s principal ongoing operations. Revenues and expenses not meeting these definitions are reported as nonoperating.

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

Property Taxes:

All real property in Mineral County is assigned a parcel number in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The valuation of the property and its improvements is computed at 35% of “taxable value” as defined by statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located. The maximum tax rate was established in the State Constitution at \$5.00 per hundred dollars of assessed valuation; however, as a result of legislative action the tax rate was further

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 – Summary of Significant Accounting Policies (Continued):

limited to \$3.64 per \$100 of assessed valuation, except in cases of severe financial emergency as defined in NRS 354.705. In 2005, the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the ad valorem taxes levied on qualified property. For qualified property, the abatement will limit the increase of property taxes based on the previous year's assessed value.

Taxes on real property are a lien on the property and attach on July 1 (the levy date) of the year for which the taxes are levied.

Taxes may be paid in four installments payable on the third Monday in August, and the first Monday 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, if the taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest and costs before sale.

Secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years. Delinquent taxes from all roll years prior to fiscal year 2008-2009 have been written off.

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 Department of Taxation and tax rates described above. The major classifications of personal property are commercial and mobile homes.

Budgets and Budgetary Accounting:

Budget Policies:

Mineral County adheres to the Local Government Budget and Finance Act incorporated within the statutes of the State of Nevada, which includes the following major procedures to establish the budgetary data reflected in these financial statements.

1. On or before April 15, the Mineral County Board of Commissioners files a tentative budget with the Nevada Department of Taxation, for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means to finance them.
2. The Nevada State Department of Taxation notifies the County of its acceptance of the budget.
3. Public hearings on the tentative budget are held on the third Monday in May.
4. After all the changes have been noted and hearings closed, the Board adopts the budget on or before June 1 and files it with the Nevada Department of Taxation.
5. Formal budgetary integration in the financial records of all funds is employed to enhance management control during the year.
6. Budgets for all funds (except fiduciary funds, which are not required to be budgeted) are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations lapse at year end.
7. Budget amounts within funds and between funds may be transferred if amounts do not exceed the original budget. Such transfers must be approved by the Budget Officer and/or the Board of County Commissioners, depending on established criteria. Budget augmentations in excess of original budgetary amounts may not be made without prior approval from the Mineral County Board of Commissioners following a public hearing. The budget reflected in these financial statements has been amended from original amounts in accordance with State Statute.
8. In accordance with State Statute, actual expenditures may not exceed appropriations in the various governmental functions (excluding the debt service function) in the General Fund, Special Revenue and Capital Projects Funds, except as specifically permitted by NRS 354.626. The operating and nonoperating expenses in the Proprietary Funds also may not exceed appropriations.

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Cash and Investments:

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. The County also voluntarily participates in the State of Nevada Local Government Investment Pool (LGIP).

Investments are recorded at fair value based on quoted market prices, net of accrued interest as provided by the pool sponsors.

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

- United States bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Securities of the United States Treasury, United States Postal Service, or the Federal National Mortgage Association maturing within (10) years from the date of purchase.
- Negotiable certificates of deposit issued by commercial banks or insured credit unions or savings and loan associations.
- Certain securities issued by local governments of the State of Nevada.
- State of Nevada Local Government Investment Pool.
- Other securities expressly provided by the other statutes, including repurchase agreements.
- Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States and money market mutual funds.

Investment income is allocated to funds pursuant to the provisions of NRS 355.170-175, which allow income from investments associated with one fund to be assigned to another fund.

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Taxes Receivable:

Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. No provision for uncollectible accounts has been established since management does not anticipate any material collection loss with respect to the remaining balances.

Taxes receivable on personal property and net proceeds of mines reflect only those taxes that are known to be collectible, which generally are those collected within 60 days of year end.

Inventory:

The County's policy is to value inventories at the lower of cost or market, using the first-in-first-out method for the Enterprise Funds. Other County funds follow the policy of considering consumable supplies to be expenditures at the time of purchase. Any inventories of such supplies at June 30 are not material to the individual funds and are not recognized in these financial statements.

Subsequent Events:

Management has evaluated subsequent events through February 11, 2011, which is the date these financial statements were available to be issued and these financial statements have not been updated for subsequent events occurring after that date.

MINERAL COUNTY, NEVADA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Capital Assets:

Capital assets, which include land, buildings, equipment, and infrastructure assets (i.e. roads, bridges, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at their estimated fair market value on the date of donation. The County's capitalization level is \$3,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, except those held in the proprietary funds, are depreciated using the straight-line method over the following estimated useful lives:

	YEARS
Buildings	40-99
Infrastructure	20-40
Improvements	15-40
Vehicles	7
Machinery and equipment	3-15

Depreciation for the proprietary funds is provided for financial reporting purposes using straight-line composite rates.

Equity Classifications:

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

- **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.
- **Restricted net assets** – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or law or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net assets** – All other net assets that do not meet the definition of the above two categories.

Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates based on management's knowledge and experience. Due to their prospective nature, actual results could differ from those estimates.

Compensated Absences:

In the proprietary funds, compensated absences are recognized as expenses when the benefits are earned. In the governmental funds, the current portion is recorded as a payroll expenditure. The long-term portion is accounted for in the governmental column of the government-wide Statement of Net Assets.

NOTE 2 – Compliance with Nevada Revised Statutes and Administrative Code:

Mineral County conformed to all significant statutory constraints on its financial administration during the year, with the following exception: Total expenditures of the Hawthorne JP Assessments Fund exceeded appropriations by \$4,170, which is an apparent violation of NRS 354.626.

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 – Cash and Investments:

Mineral County maintains a cash and investment pool that is available for use by all funds. At June 30, 2010, this pool is displayed by governmental and business-type activities on the Statement of Net Assets as “Cash and Investments.”

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 250,000	\$ 256,100
Insured (ASI)	64,252	64,252
Collateralized, collateral held by County’s agent in County’s name	3,484,748	3,621,148
	\$ 3,799,000	\$ 3,941,500

Investments are carried at fair value. The following is a listing of those investments indicating insurance, collateral, or securities held on those investments through Bank of America:

	Carrying Amount
Investments:	
State of Nevada Local Government Investment Pool:	
Held by Mineral County	\$ 2,237,608
Total Cash (Carrying Amount)	3,799,000
Total Cash and Investments	\$ 6,036,608

As of June 30, 2010, the County had the following investment:

Investment Type	Maturities (average weighted maturity)	Fair Value
State of Nevada Local Government Investment Pool	80 Days	\$ 2,237,608

Mineral 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. Wells Fargo determines the fair value of the LGIP’s investments on a monthly basis.

The County’s investment in the LGIP discussed above is equal to its original investment plus monthly allocation of interest income and realized and unrealized gains and losses, which is the same as the value of pool shares.

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 – Cash and Investments (Continued):

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 as a means of managing its exposure to fair value losses arising from the 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 what is statutorily required.

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, ASI and collateralized by the County's agent in the County's name.

NOTE 4 – Capital Assets:

A summary of changes in capital assets for the year ended June 30, 2010 follows:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 722,730	\$ -	\$ -	\$ 722,730
Construction in progress	156,845	-	93,461	63,384
Total Capital Assets, Not Being Depreciated	879,575	-	93,461	786,114
Capital Assets Being Depreciated:				
Buildings	3,929,479	-	-	3,929,479
Improvements other than buildings	1,043,075	178,444	-	1,221,519
Equipment	5,015,199	130,412	35,985	5,109,626
Infrastructure	4,085,126	-	-	4,085,126
Total Capital Assets Being Depreciated	14,072,879	308,856	35,985	14,345,750
Total Capital Assets	14,952,454	308,856	129,446	15,131,864
Less accumulated depreciation for:				
Buildings	(930,170)	(30,495)	-	(960,665)
Improvements other than buildings	(972,355)	(63,843)	-	(1,036,198)
Equipment	(4,006,565)	(296,028)	(35,985)	(4,266,608)
Infrastructure	(385,748)	(75,266)	-	(461,014)
Total Accumulated Depreciation	(6,294,838)	(465,632)	(35,985)	(6,724,485)
Governmental Activities Capital Assets, Net	\$ 8,657,616	\$ (156,776)	\$ 93,461	\$ 8,407,379

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 – Capital Assets (Continued):

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 23,400	-	-	\$ 23,400
Construction in progress	23,246	1,474,907	-	1,498,153
Total Capital Assets, Not Being Depreciated	46,646	1,474,907	-	1,521,553
Other capital assets:				
Buildings and improvements	276,380	-	-	276,380
Garbage collection equipment	592,399	149,742	-	742,141
General equipment	664,666	28,661	-	693,327
Water distribution system	9,309,742	16,744	138,964	9,187,522
Sewer system	1,190,006	-	-	1,190,006
Transmission and distribution plant leased to Sierra Pacific Power	1,608,818	-	-	1,608,818
General plant leased to Sierra Pacific Power Co.	30,546	-	-	30,546
Total Capital Assets Being Depreciated	13,672,557	195,147	138,964	13,728,740
Total Capital Assets	13,719,203	1,670,054	138,964	15,250,293
Less accumulated depreciation for:				
Buildings and improvements	(198,462)	(5,975)	-	(204,437)
Garbage collection equipment	(479,461)	(18,197)	-	(497,658)
General equipment	(295,341)	(14,639)	-	(309,980)
Water distribution system	(4,130,115)	(159,215)	-	(4,289,330)
Sewer system	(937,860)	(57,309)	-	(995,169)
Transmission and distribution plant leased to Sierra Pacific Power Co.	(1,551,484)	(236)	-	(1,551,720)
General plant leased to Sierra Pacific Power Co.	(30,546)	-	-	(30,546)
Total Accumulated Depreciation	(7,623,269)	(255,571)	-	(7,878,840)
Business-Type Activities Capital Assets, Net	\$ 6,095,934	\$ 1,414,483	\$ 138,964	\$ 7,371,453

Depreciation expense was charged to functions of the County as follows:

Governmental activities:	
General government	\$ 212,607
Judicial	5,926
Public safety	126,020
Highways and streets	58,933
Health and sanitation	13,642
Culture and recreation	21,327
Community support	27,177
Total Depreciation Expense – Governmental Activities	\$ 465,632
Business-Type Activities:	
Utilities	\$ 255,335
Power systems	236
Total Depreciation Expense – Business-Type Activities	\$ 255,571

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

Construction Project Commitments:

	Total Amount of Contract	Amount of Work Completed as of June 30, 2010	Remaining Commitment as of June 30, 2010
Business-Type Activities:			
Sewer Systems	\$ 1,531,500	\$ 554,694	\$ 976,806

NOTE 5 – Defined Benefit Pension Plan:

Plan Description: Mineral County contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan administered by the Public Employees Retirement System of the State of Nevada. 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 Public Employees Retirement System of the State of Nevada 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: Plan members are funded under the employer paid contribution plan: under this method, the County is required to contribute all amounts due under the plan. The contribution requirements of plan members and the County are established by Chapter 286 of the Nevada Revised Statutes. Employer and employee contribution rates may only be amended through legislation. The County's required contribution rates equal to contributions made for the last three years are as follows:

Fiscal Year	Contribution Rate		Total Contribution
	Regular Member	Police/ Fire	
2009-10	21.50%	35.00%	\$ 873,705
2008-09	20.50%	33.50%	\$ 808,013
2007-08	20.50%	33.50%	\$ 826,248

NOTE 6 – Interfund Balances and Transfers:

The composition of interfund transfers which are to meet needs of the different funds as of June 30, 2010 are as follows:

Interfund Transfers

	General Fund	Non Major Governmental Funds	Total
Transfers Out			
Governmental Funds:			
General Fund	\$ -	\$ 29,500	\$ 29,500
DOE Grant Fund	5,000	-	5,000
In Lieu of Taxes Fund	300,000	51,000	351,000
Nonmajor Governmental Funds	-	76,562	76,562
Proprietary Fund:			
Mineral County Power Systems	40,000	-	40,000
	<u>\$ 345,000</u>	<u>\$ 157,062</u>	<u>\$ 502,062</u>

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 - Long-Term Obligations

<u>Governmental Activities:</u>	<u>Date of Issue</u>	<u>Original Note/Issue</u>	<u>Interest Rate</u>	<u>Interest Maturing During Period</u>
<u>Notes Payable</u>				
Capital Projects Fund, annual payment \$52,134	10/06	\$ 257,267	4.88%	\$ 9,047
General Fund, annual payment \$35,727	9/09	130,786	6.25%	-
Road Fund, annual payment \$34,451	05/08	247,980	4.74%	7,400
				<u>16,447</u>
 <u>Other Long-Term Obligations</u>				
Landfill closure costs payable	N/A	N/A	N/A	-
Other post-employment benefits obligations	N/A	N/A	N/A	-
Compensated absences	N/A	N/A	N/A	-
				<u>-</u>
				<u>\$ 16,447</u>
 <u>Business-Type Activities:</u>				
<u>Note Payable</u>				
Hawthorne Utilities-Garbage, monthly payments of \$1,408	03/06	74,191	5.25%	\$ 1,644
 <u>Other Long-Term Obligations</u>				
Other post-employment benefits obligations	N/A	N/A	N/A	-
Compensated absences	N/A	N/A	N/A	-
				<u>-</u>
				<u>\$ 1,644</u>

Hawthorne Utilities received 2 loan commitments totaling \$2,001,000 from the Clean Water and Drinking Water State Revolving Loan Funds during the fiscal year. \$525,089 and \$433,213 draws were taken from the Clean Water and Drinking Water State Revolving Loan Funds respectively during the fiscal year. Both transactions meet the definition of a disadvantaged community and were eligible to receive additional subsidies as spelled out in Nevada's Intended Use Plan, therefore 100% of the principal amount drawn was forgiven during the fiscal year.

Principal Outstanding July 1	Issued or Ratified During Period	Maturing/ Defeased During Period	Principal Outstanding June 30	Payment Due in 2010-2011		Date of Final Payment
				Principal	Interest	
\$ 185,381	\$ -	\$ 43,087	\$ 142,294	\$ 45,190	\$ 6,944	10/12
-	130,786	35,727	95,059	29,786	5,941	09/12
<u>190,277</u>	<u>-</u>	<u>25,483</u>	<u>164,794</u>	<u>26,691</u>	<u>7,760</u>	05/13
<u>375,658</u>	<u>130,786</u>	<u>104,297</u>	<u>402,147</u>	<u>101,667</u>	<u>20,645</u>	
754,962	85,461	-	840,423	-	-	
-	723,660	-	723,660	-	-	
<u>404,249</u>	<u>198,565</u>	<u>228,153</u>	<u>374,661</u>	<u>183,584</u>	<u>-</u>	
<u>1,159,211</u>	<u>1,007,686</u>	<u>228,153</u>	<u>1,938,744</u>	<u>183,584</u>	<u>-</u>	
<u>\$ 1,534,869</u>	<u>\$ 1,138,472</u>	<u>\$ 332,450</u>	<u>\$ 2,340,891</u>	<u>\$ 285,251</u>	<u>\$ 20,645</u>	
\$ 26,603	\$ -	\$ 15,920	\$ 10,683	\$ 10,683	\$ 561	3/11
-	85,253	-	85,253	-	-	
<u>59,199</u>	<u>35,519</u>	<u>44,597</u>	<u>50,121</u>	<u>17,986</u>	<u>-</u>	
<u>59,199</u>	<u>120,772</u>	<u>44,597</u>	<u>135,374</u>	<u>17,986</u>	<u>-</u>	
<u>\$ 85,802</u>	<u>\$ 120,772</u>	<u>\$ 60,517</u>	<u>\$ 146,057</u>	<u>\$ 28,669</u>	<u>\$ 561</u>	

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 – Long-Term Obligations (Continued):

The annual requirements to amortize the debt are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2011	\$ 101,667	\$ 20,645	\$ 10,683	\$ 561
2012	107,000	15,314	-	-
2013	193,480	9,698	-	-
Total	\$ 402,147	\$ 45,657	\$ 10,683	\$ 561

NOTE 8 – Landfill Closure and Post-closure Care Costs:

Federal and state laws and regulations require Mineral County to place a final cover and perform certain maintenance and monitoring functions at the landfill site in Hawthorne for 30 years after closure. In addition to operating expenses related to current activities at the landfill, an amount is being recognized in long-term obligations based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. Recognition of liability for closure and post closure costs is based on landfill capacity used to date. This liability at June 30, 2010, \$840,423 is reported in governmental activities. It is estimated that the landfill will be used for an additional sixty one years and that at June 30, 2010; approximately 45 percent of its capacity has been utilized. The County passes the EPA “financial assurance test” for local governments, and will self-assure payment for its obligations for closure, post closure, and corrective care costs. The estimated total current cost of closure and post closure care, \$2,178,907, has been calculated in 2010 dollars in accordance with current federal and state regulations and will be adjusted each year for the effects of inflation or deflation.

NOTE 9 – Contingencies:

Mineral County Power System:

Article V, Section 6, of the lease with Sierra Pacific Power Company provides that upon the expiration or termination of the lease, Sierra Pacific Power Company and the Mineral County Power System shall agree upon the fair value of the Sierra Pacific Power Company’s net investment in the leasehold area and that such fair value shall be deemed a debt owed by the System to Sierra Pacific Power Company. Net investment in the leasehold area, as defined in the lease agreement, means replacements of leased property and additions in the leasehold area less related accumulated depreciation. As of December 31, 2009, the net investment by Sierra Pacific Power Company in the leasehold area was reported as follows:

	December 31, 2009
Sierra Pacific Power Co. assets in leasehold area	\$ 10,600,603
Less: accumulated depreciation	7,049,470
Net Investment in Leasehold Area	<u>\$ 3,551,134</u>

Claims and Lawsuits Involving Mineral County:

Lawsuits and/or claims are presently pending against Mineral 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.

**MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 10 – Risk Management and Concentration of Credit Risk:

Nevada Public Agency Insurance Pool:

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries of employees; and natural disasters as are all entities.

The County has joined together with similar public agencies (cities, counties, school districts, county-owned hospitals and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (the "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 coverage for its members for up to \$10,000,000 per event and a \$13,000,000 general aggregate per member. The County pays premiums based on payroll costs to the PACT.

Maximum coverage is as follows:

Property	\$300,000,000	All risks of physical loss or damage to all real and personal property
General liability, law enforcement, automobile liability and wrongful acts	10,000,000	Any one event
General liability	13,000,000	Annual aggregate
Products/completed operations	12,500,000	Annual aggregate
Law enforcement liability	13,000,000	Annual aggregate
Wrongful acts	10,000,000	Annual aggregate
Employee dishonesty/faithful performance	500,000	Each loss
Money & securities (inside)	250,000	Each loss
Money & securities (outside)	250,000	Each loss
Money orders and counterfeit currency	250,000	Each loss
Depositors forgery	250,000	Each loss
Boiler and machinery	60,000,000	Each accident

The County continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by the Pool 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.

Public Agency Compensation Trust:

The County has entered into an agreement with PACT (Public Agency Compensation Trust), a self-insured association for workers' compensation coverage. The purpose of the County's participation is to enhance its ability to control costs and to better serve and protect its employees.

PACT is bound by statute as defined in NRS 616A-616D. The County pays an annual assessment to PACT based on a percentage of its annual remuneration. There is a pooled self-insured retention of \$350,000 for each and every loss and/or claim and/or occurrence other than police, fire, and ambulance and \$600,000 each and every loss and/or claim and/or occurrence for police, fire, and ambulance. The indemnity above and beyond the retention amount for each accident or each employee for disease is covered by excess insurance. There is no deductible amount paid by the County for each accident/loss.

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 – Other Post-Employment Benefits:

The County provides other post employment benefits (OPEB) for eligible retired employees through either participation in the State of Nevada's Public Employee Benefit Plan (PEBP) as per NRS 287.023, or through participation in the County's health insurance program, as per County personnel policies.

Plan Descriptions: The County administers a single-employer defined benefit healthcare plan, Mineral County Health Benefits Plan (MCHBP). Additionally, the County contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefits Plan (PEBP). Each plan provides medical, vision and dental benefits to eligible retired County employees and dependents.

Benefit provisions for the MCHBP are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. The plan provides healthcare insurance for eligible retirees and their dependents 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. Certain retirees receive subsidies of from 50% to 100% of premiums over specific periods, other pay 100% of their premiums. As of June 30, 2010, 26 retirees were using this plan. The MCHBP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. County employees who met the eligibility requirements effective November 28, 2008 for retirement within the Nevada 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 retirees who retire from the County after November 28, 2008. Local governments are required to pay the same portion of the cost of coverage for their retirees joining PEBP that the State of Nevada pays for state retirees participating in the plan. As of June 30, 2010, 34 County retirees were utilizing this benefit. PEBP issues a publicly available financial report. The report may be obtained by writing to Public Employees 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.

Funding Policy: For MCHBP, contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and various employee groups. 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 and premium subsidies that results from using the blended rates and is determined in actuarial studies contracted for by the County. The County did not prefund any future benefits.

For the PEBP, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired County employees. The contribution requirements of plan members and the County may be amended by the PEBP board through legislation. Premium rates determined by PEBP are the same for all participating members. The unsubsidized nonstate retiree plan premiums in effect for fiscal year 2010 ranged from \$323 to \$736, depending on the type of plan chosen. 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 qualified for a subsidy of \$79 at five years of service and \$436 at twenty years of service, with incremental increases for years of service in between. As a participating employer, the County is billed for the subsidy on a monthly basis and is legally required to provide for it. For fiscal year 2010, the County contributed \$221,362 to the plan, equal to required contributions. The County did not prefund 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 parameters of GASB Statement 45-*Accounting and Financial Reporting by Employers for Postemployment Plans Other than Pension Plans* (GASB). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations, by plan, for fiscal year 2009-10 were as follows:

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 – Other Post-Employment Benefits (Continued):

	<u>Fiscal Year End</u>	<u>Annual OPEB Cost (Entry Age Normal Cost Method)</u>	<u>Employer Contributions</u>	<u>Percentage of Annual OPEB Contributed</u>	<u>Net OPEB Obligation</u>
MCHBP	June 30, 2010	\$ 1,006,058	\$ 221,362	22%	\$ 784,696
PEBP	June 30, 2010	78,998	54,781	69%	24,217
		<u>\$ 1,085,056</u>	<u>\$ 276,143</u>		<u>\$ 808,913</u>

Note that fiscal year 2010 is the first year of prospective implementation of GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pension Plans*; therefore, prior year information is unavailable.

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

	<u>MCHBP</u>	<u>PEBP</u>	<u>Total</u>
Determination of Annual Required Contribution:			
Normal cost	\$ 547,211	\$ -	\$ 547,211
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	458,847	78,998	537,845
	<u>\$1,006,058</u>	<u>\$ 78,998</u>	<u>\$1,085,056</u>
Determination of Net OPEB Obligation:			
Annual Required Contribution (ARC)	\$ 1,006,058	\$ 78,998	\$1,085,056
Interest on net OPEB obligation	-	-	-
Adjustment to annual required contribution	-	-	-
Annual OPEB cost (expense)	1,006,058	78,998	9,366,056
Employer contributions made	221,362	54,781	276,143
Increase in net OPEB obligation	784,696	24,217	808,913
Net OPEB obligation – beginning of the year	-	-	-
Net OPEB obligation – end of year	<u>\$ 784,696</u>	<u>\$ 24,217</u>	<u>\$ 808,913</u>

Funded Status and Funding Progress: The funded status of the plans as of June 30, 2010 were as follows:

	<u>MCHBP</u>	<u>PEBP</u>	<u>Total</u>
Accrued actuarial liability (AAL)(a)	\$ 12,007,806	\$1,420,672	\$13,428,478
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	<u>\$ 12,007,806</u>	<u>\$1,420,672</u>	<u>\$13,428,478</u>
Funded Ratio (b) / (a)	<u>0%</u>	<u>0%</u>	
Covered payroll (c)	<u>\$ 3,208,378</u>	<u>N/A</u>	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((a) – (b)) / (c)	<u>374%</u>	<u>N/A</u>	

MINERAL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 – Other Post-Employment Benefits (Continued):

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 actuarial accrued liabilities for benefits. Multiyear information will be provided as it becomes available.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the County and 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 actuarial value of assets.

Significant methods and assumptions used in the June 30, 2010 actuarial valuation were as follows:

	<u>MCHBP</u>	<u>PEBP</u>
Actuarial valuation date	June 30, 2010	June 30, 2010
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 years (open)	30 years (closed)
Asset valuation method	Market Value	Market Value
Actuarial Assumptions:		
Investment rate of return	4%	4%
Projected overall salary increase	4%	4%
Medical Healthcare inflation rate*	8.5%	8.5%
Dental Healthcare inflation rate	4.5%	4.5%

*Decreasing 1% each year until ultimate rate of 5% is reached in 2015.

MINERAL COUNTY, NEVADA
 REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2010

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS

	ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF PLAN 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 OF PERCENTAGE OF COVERED PAYROL ([b-a]/c)
MCHBP	June 30, 2010	\$ -	\$ 12,007,806	\$ 12,007,806	0%	\$ 3,208,378	374%
PEBP	June 30, 2010	-	1,420,672	1,420,672	0%	-	-

MINERAL COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2010

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL</u>
ASSETS:			
Cash and investments	\$ 1,574,348	\$ 41,661	\$ 1,616,009
Receivables:			
Taxes, delinquent	19,030	3,152	22,182
Accounts	16,394	-	16,394
Due from other governments	<u>128,442</u>	<u>-</u>	<u>128,442</u>
 Total Assets	 <u>\$ 1,738,214</u>	 <u>\$ 44,813</u>	 <u>\$ 1,783,027</u>
LIABILITIES			
Accounts payable	\$ 94,594	\$ 221	\$ 94,815
Accrued liabilities	56,635	-	56,635
Deferred revenue	<u>19,187</u>	<u>3,060</u>	<u>22,247</u>
 Total Liabilities	 <u>170,416</u>	 <u>3,281</u>	 <u>173,697</u>
FUND BALANCES			
Unreserved, reported in:			
Special Revenue Funds	1,567,798	-	1,567,798
Capital Projects Funds	<u>-</u>	<u>41,532</u>	<u>41,532</u>
 Total Fund Balances	 <u>1,567,798</u>	 <u>41,532</u>	 <u>1,609,330</u>
 Total Liabilities and Fund Balances	 <u>\$ 1,738,214</u>	 <u>\$ 44,813</u>	 <u>\$ 1,783,027</u>

**MINERAL COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL</u>
REVENUES			
Taxes	\$ 512,006	\$ 51,155	\$ 563,161
Licenses and permits	100,975	-	100,975
Intergovernmental resources	703,165	-	703,165
Charges for services	951,458	-	951,458
Fines and forfeits	146,377	-	146,377
Miscellaneous	134,155	-	134,155
	<u>2,548,136</u>	<u>51,155</u>	<u>2,599,291</u>
EXPENDITURES			
Current:			
General government	117,867	-	117,867
Public safety	830,153	-	830,153
Judicial	56,146	-	56,146
Public works	141,745	-	141,745
Health	220,048	-	220,048
Welfare	157,126	-	157,126
Culture and recreation	216,176	-	216,176
Community support	737,800	-	737,800
Debt service	-	52,135	52,135
	<u>2,477,061</u>	<u>52,135</u>	<u>2,529,196</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>71,075</u>	<u>(980)</u>	<u>70,095</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	194,860	-	194,860
Transfers out	(114,360)	-	(114,360)
	<u>80,500</u>	<u>-</u>	<u>80,500</u>
Net Change in Fund Balances	151,575	(980)	150,595
FUND BALANCES, July 1	<u>1,416,223</u>	<u>42,512</u>	<u>1,458,735</u>
FUND BALANCES, June 30	<u>\$ 1,567,798</u>	<u>\$ 41,532</u>	<u>\$ 1,609,330</u>

**MINERAL COUNTY, NEVADA
GENERAL FUND
BALANCE SHEETS
JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2009)**

	2010	2009
ASSETS		
Cash and investments	\$ 868,934	\$ 873,613
Taxes receivable, real rolls	117,461	127,284
Accounts receivable	42,863	49,037
Due from other governments	439,451	411,089
Total Assets	\$ 1,468,709	\$ 1,461,023
LIABILITIES		
Accounts payable	\$ 109,804	\$ 95,155
Accrued payroll	152,518	141,118
Deferred revenue	93,995	120,523
Total Liabilities	356,317	356,796
FUND BALANCE		
Unreserved:	1,112,392	1,104,227
Total Liabilities and Fund Balance	\$ 1,468,709	\$ 1,461,023

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 9)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes:				
Real rolls	\$ 1,429,950	\$ 1,392,557	\$ (37,393)	\$ 1,236,735
Personal property	270,002	310,518	40,516	312,386
Net proceeds of mines	-	202,742	202,742	141,168
	<u>1,699,952</u>	<u>1,905,817</u>	<u>205,865</u>	<u>1,690,289</u>
Subtotal, Taxes				
Licenses and permits:				
Business licenses and permits:				
Business licenses	12,000	16,460	4,460	13,650
Liquor licenses	600	705	105	585
County gaming licenses	8,000	10,592	2,592	9,751
Nonbusiness licenses and permits:				
Marriage licenses	600	588	(12)	483
Other licenses	12,700	13,989	1,289	12,193
Building permits	15,000	27,609	12,609	21,477
Mobile home permits	100	123	23	136
Other permits	2,500	900	(1,600)	1,500
	<u>51,500</u>	<u>70,966</u>	<u>19,466</u>	<u>59,775</u>
Subtotal, Licenses and Permits				
Intergovernmental:				
Federal grants:				
Emergency Management Grant	18,000	21,545	3,545	18,566
Child Support Enforcement	70,000	80,546	10,546	75,508
State shared revenues:				
State gaming licenses	140,000	146,757	6,757	150,085
Consolidated tax distribution	2,262,092	2,215,212	(46,880)	2,333,309
Other grants:				
Substance Abuse Grant	-	17,106	17,106	18,579
Miscellaneous Grants	-	42,122	42,122	40,873
L.E.P.C. Grant	-	19,990	19,990	33,905
Truancy Contract Revenue Grant	6,000	6,000	-	6,000
Task Force Reimbursement Grant	-	-	-	4,298
	<u>2,496,092</u>	<u>2,549,278</u>	<u>53,186</u>	<u>2,681,123</u>
Subtotal, Intergovernmental Revenues				

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 9)

	BUDGET	ACTUAL	VARIANCE	2009
Charges for services:				
Clerk fees	\$ 9,000	\$ 8,523	\$ (477)	\$ 9,388
Recorder fees	52,000	45,239	(6,761)	46,230
Candidate fees	2,000	1,320	(680)	-
Assessor commissions	25,000	55,980	30,980	52,506
Library fees	3,000	4,372	1,372	4,215
Legal aid fees	1,000	1,189	189	1,248
District court reimbursements	500	7,197	6,697	1,475
Sheriff fees	3,500	2,655	(845)	4,808
Prisoner room and board	-	-	-	336
Justice of Peace fees	-	153	153	110
Cemetery charges	4,000	4,950	950	3,775
Analysis fees	2,000	2,337	337	2,719
Blue-line printer	500	540	40	1,001
Child support	500	510	10	441
Subtotal, Charges for Services	<u>103,000</u>	<u>134,965</u>	<u>31,965</u>	<u>128,252</u>
Fines and forfeits:				
Fines:				
Library fines	1,000	619	(381)	1,161
Delinquent fines	35,000	19,246	(15,754)	35,170
Juvenile punishment	1,000	1,368	368	1,254
Forfeits:				
Bail:				
Hawthorne	130,000	191,908	61,908	146,888
Walker Lake Tribal	1,500	15,890	14,390	16,073
Subtotal, Fines and Forfeits	<u>168,500</u>	<u>229,031</u>	<u>60,531</u>	<u>200,546</u>
Miscellaneous:				
Interest earnings	25,000	3,476	(21,524)	19,045
Other:				
Other property sales	-	-	-	65,718
Geothermal revenue	-	72,400	72,400	456,604
Tax penalties and interest	30,000	84,967	54,967	36,846
Public Defender reimbursement	2,500	1,969	(531)	3,616
Miscellaneous reimbursements	28,062	28,495	433	129
Senior citizens property tax rebates	-	464	464	512
Cable TV lease	8,600	9,543	943	9,315
Miscellaneous	10,200	67,162	56,962	57,137
Subtotal, Miscellaneous	<u>104,362</u>	<u>268,476</u>	<u>164,114</u>	<u>648,922</u>
Total Revenues	<u>4,623,406</u>	<u>5,158,533</u>	<u>535,127</u>	<u>5,408,907</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 3 OF 9)

EXPENDITURES	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
General government:				
Legislative:				
County Commissioners:				
Salaries and wages	\$ 66,675	\$ 67,077	\$ (402)	\$ 59,374
Employee benefits	31,167	29,063	2,104	27,839
Services and supplies	<u>4,130</u>	<u>9,032</u>	<u>(4,902)</u>	<u>9,421</u>
Subtotal, Legislative	<u>101,972</u>	<u>105,172</u>	<u>(3,200)</u>	<u>96,634</u>
Elections:				
Election:				
Salaries and wages	1,121	-	1,121	236
Employee benefits	49	-	49	66
Services and supplies	<u>5,300</u>	<u>11,293</u>	<u>(5,993)</u>	<u>40,137</u>
Subtotal, Elections	<u>6,470</u>	<u>11,293</u>	<u>(4,823)</u>	<u>40,439</u>
Finance:				
Clerk-Treasurer:				
Salaries and wages	153,452	150,071	3,381	156,537
Employee benefits	70,174	68,637	1,537	67,707
Services and supplies	<u>16,400</u>	<u>13,100</u>	<u>3,300</u>	<u>11,367</u>
Subtotal, Clerk-Treasurer	<u>240,026</u>	<u>231,808</u>	<u>8,218</u>	<u>235,611</u>
Recorder-Auditor:				
Salaries and wages	160,377	159,351	1,026	147,128
Employee benefits	76,064	72,050	4,014	66,165
Services and supplies	<u>4,850</u>	<u>3,534</u>	<u>1,316</u>	<u>2,845</u>
Subtotal, Recorder-Auditor	<u>241,291</u>	<u>234,935</u>	<u>6,356</u>	<u>216,138</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
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	BUDGET	ACTUAL	VARIANCE	2009
Assessor:				
Salaries and wages	\$ 144,128	\$ 130,243	\$ 13,885	\$ 127,233
Employee benefits	52,821	43,999	8,822	50,008
Services and supplies	<u>19,000</u>	<u>16,809</u>	<u>2,191</u>	<u>17,134</u>
Subtotal, Assessor	<u>215,949</u>	<u>191,051</u>	<u>24,898</u>	<u>194,375</u>
Subtotal, Finance	<u>697,266</u>	<u>657,794</u>	<u>39,472</u>	<u>646,124</u>
Other:				
Planning and Zoning:				
Salaries and wages	13,000	9,581	3,419	10,275
Employee benefits	1,000	560	440	645
Services and supplies	<u>13,500</u>	<u>5,992</u>	<u>7,508</u>	<u>6,428</u>
Subtotal, Planning and Zoning	<u>27,500</u>	<u>16,133</u>	<u>11,367</u>	<u>17,348</u>
Buildings and Grounds:				
Salaries and wages	25,150	28,044	(2,894)	43,097
Employee benefits	14,986	15,374	(388)	13,105
Services and supplies	<u>153,100</u>	<u>116,904</u>	<u>36,196</u>	<u>126,731</u>
Subtotal, Building and Grounds	<u>193,236</u>	<u>160,322</u>	<u>32,914</u>	<u>182,933</u>
Building Department:				
Salaries and wages	42,488	41,884	604	42,690
Employee benefits	19,806	19,166	640	54,423
Services and supplies	<u>6,500</u>	<u>4,810</u>	<u>1,690</u>	<u>4,279</u>
Subtotal, Building Department	<u>68,794</u>	<u>65,860</u>	<u>2,934</u>	<u>101,392</u>
Maintenance Department:				
Salaries and wages	94,871	87,770	7,101	88,626
Employee benefits	50,617	44,731	5,886	45,267
Services and supplies	<u>18,220</u>	<u>14,778</u>	<u>3,442</u>	<u>10,458</u>
Subtotal, Maintenance Department	<u>163,708</u>	<u>147,279</u>	<u>16,429</u>	<u>144,351</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 5 OF 9)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
General Expenses:				
Services and supplies	\$ 78,372	\$ 84,404	\$ (6,032)	\$ 49,509
Subtotal, General Expenses	<u>78,372</u>	<u>84,404</u>	<u>(6,032)</u>	<u>49,509</u>
Miscellaneous:				
Salaries and wages	-	-	-	159,453
Employee benefits	252,662	233,373	19,289	216,520
Services and supplies	<u>340,345</u>	<u>341,416</u>	<u>(1,071)</u>	<u>327,577</u>
Subtotal, Miscellaneous	<u>593,007</u>	<u>574,789</u>	<u>18,218</u>	<u>703,550</u>
Subtotal, Other	<u>1,124,617</u>	<u>1,048,787</u>	<u>75,830</u>	<u>1,199,083</u>
Total General Government	<u>1,930,325</u>	<u>1,823,046</u>	<u>107,279</u>	<u>1,982,280</u>
Public Safety:				
Sheriff:				
Salaries and wages	839,268	822,845	16,423	800,640
Employee benefits	495,184	468,815	26,369	430,047
Services and supplies	227,500	218,561	8,939	196,663
Capital outlay	<u>130,786</u>	<u>130,786</u>	<u>-</u>	<u>-</u>
Subtotal, Sheriff	<u>1,692,738</u>	<u>1,641,007</u>	<u>51,731</u>	<u>1,427,350</u>
Jail:				
Salaries and wages	186,555	198,015	(11,460)	192,339
Employee benefits	124,900	126,189	(1,289)	122,998
Services and supplies	<u>74,900</u>	<u>56,738</u>	<u>18,162</u>	<u>51,535</u>
Subtotal, Jail	<u>386,355</u>	<u>380,942</u>	<u>5,413</u>	<u>366,872</u>
Fire:				
Fire Protection (Schurz):				
Employee benefits	5,000	2,244	2,756	4,729
Services and supplies	<u>4,100</u>	<u>4,259</u>	<u>(159)</u>	<u>3,548</u>
Subtotal, Fire Protection (Schurz)	<u>9,100</u>	<u>6,503</u>	<u>2,597</u>	<u>8,277</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
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	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
Fire Protection (County):				
Salaries and wages	\$ 46,677	\$ 46,848	\$ (171)	\$ 45,500
Employee benefits	32,360	28,753	3,607	26,517
Subtotal, Fire Protection (County)	<u>79,037</u>	<u>75,601</u>	<u>3,436</u>	<u>72,017</u>
Subtotal, Fire	<u>88,137</u>	<u>82,104</u>	<u>6,033</u>	<u>80,294</u>
Emergency Services:				
Services and supplies	3,250	21,162	(17,912)	31,575
Probation and Juvenile Probation:				
Salaries and wages	120,064	126,668	(6,604)	113,099
Employee benefits	76,723	73,205	3,518	55,628
Services and supplies	19,450	27,371	(7,921)	29,515
Subtotal, Probation and Juvenile Probation	<u>216,237</u>	<u>227,244</u>	<u>(11,007)</u>	<u>198,242</u>
Constable:				
Salaries and wages	12,634	12,313	321	12,313
Employee benefits	9,500	9,619	(119)	8,843
Services and supplies	2,170	1,450	720	1,687
Subtotal, Constable	<u>24,304</u>	<u>23,382</u>	<u>922</u>	<u>22,843</u>
Total Public Safety	<u>2,411,021</u>	<u>2,375,841</u>	<u>35,180</u>	<u>2,127,176</u>
Judicial:				
Courts:				
District Court:				
Salaries and wages	35,600	24,814	10,786	12,999
Employee benefits	19,372	14,824	4,548	41,037
Services and supplies	173,325	163,991	9,334	157,731
Subtotal, District Court	<u>228,297</u>	<u>203,629</u>	<u>24,668</u>	<u>211,767</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
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	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
Justice Courts (Hawthorne):				
Salaries and wages	\$ 132,233	\$ 132,100	\$ 133	\$ 122,214
Employee benefits	74,375	66,566	7,809	60,784
Services and supplies	<u>34,100</u>	<u>27,398</u>	<u>6,702</u>	<u>50,766</u>
Subtotal, Justice Courts (Hawthorne)	<u>240,708</u>	<u>226,064</u>	<u>14,644</u>	<u>233,764</u>
District Attorney:				
Salaries and wages	301,638	295,206	6,432	281,235
Employee benefits	131,305	119,095	12,210	114,105
Services and supplies	<u>36,040</u>	<u>18,720</u>	<u>17,320</u>	<u>24,392</u>
Subtotal, District Attorney	<u>468,983</u>	<u>433,021</u>	<u>35,962</u>	<u>419,732</u>
Public Guardian:				
Services and supplies	<u>14,000</u>	<u>10,175</u>	<u>3,825</u>	<u>-</u>
Total Judicial	<u>951,988</u>	<u>872,889</u>	<u>79,099</u>	<u>865,263</u>
Health and Sanitation:				
Health Nurse:				
Salaries and wages	34,559	34,537	22	32,745
Employee benefits	17,689	17,381	308	15,940
Services and supplies	<u>7,739</u>	<u>5,032</u>	<u>2,707</u>	<u>5,084</u>
Subtotal, Health Nurse	<u>59,987</u>	<u>56,950</u>	<u>3,037</u>	<u>53,769</u>
Other Health Services:				
Services and supplies	<u>23,608</u>	<u>25,501</u>	<u>(1,893)</u>	<u>22,408</u>
Subtotal, Other Health Services	<u>23,608</u>	<u>25,501</u>	<u>(1,893)</u>	<u>22,408</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 8 OF 9)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
Cemetery				
Salaries and wages	\$ 25,224	\$ 22,628	\$ 2,596	\$ 23,724
Employee benefits	15,131	12,542	2,589	13,602
Services and supplies	<u>23,088</u>	<u>18,169</u>	<u>4,919</u>	<u>20,630</u>
Subtotal, Cemetery	<u>63,443</u>	<u>53,339</u>	<u>10,104</u>	<u>57,956</u>
Poundmaster				
Salaries and wages	38,067	34,927	3,140	25,455
Employee benefits	15,043	15,968	(925)	13,784
Services and supplies	<u>17,400</u>	<u>8,436</u>	<u>8,964</u>	<u>10,068</u>
Subtotal, Poundmaster	<u>70,510</u>	<u>59,331</u>	<u>11,179</u>	<u>49,307</u>
Total Health and Sanitation	<u>217,548</u>	<u>195,121</u>	<u>22,427</u>	<u>183,440</u>
Culture and Recreation:				
Libraries:				
Hawthorne Library:				
Salaries and wages	92,886	90,327	2,559	89,495
Employee benefits	49,054	48,041	1,013	45,271
Services and supplies	<u>65,630</u>	<u>52,664</u>	<u>12,966</u>	<u>52,740</u>
Subtotal, Hawthorne Library	<u>207,570</u>	<u>191,032</u>	<u>16,538</u>	<u>187,506</u>
Mina Library:				
Salaries and wages	8,916	8,125	791	7,836
Employee benefits	1,016	875	141	879
Services and supplies	<u>5,285</u>	<u>5,028</u>	<u>257</u>	<u>4,428</u>
Subtotal, Mina Library	<u>15,217</u>	<u>14,028</u>	<u>1,189</u>	<u>13,143</u>
Subtotal, Libraries	<u>222,787</u>	<u>205,060</u>	<u>17,727</u>	<u>200,649</u>
Museum:				
Salaries and wages	35,632	35,048	584	32,914
Employee benefits	16,475	16,724	(249)	15,541
Services and supplies	<u>8,500</u>	<u>7,986</u>	<u>514</u>	<u>6,504</u>
Subtotal, Museum	<u>60,607</u>	<u>59,758</u>	<u>849</u>	<u>54,959</u>
Total Culture and Recreation	<u>283,394</u>	<u>264,818</u>	<u>18,576</u>	<u>255,608</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
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	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
Community Support:				
General:				
CAHS	\$ 15,000	\$ 15,000	\$ -	\$ 15,000
Domestic Violence	5,000	5,000	-	5,000
Total Community Support	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Intergovernmental:				
Grant to Luning	-	-	-	8,383
Grant to Mina	-	-	-	24,379
Grant to Walker Lake Town	8,962	8,962	-	12,494
Total Intergovernmental	<u>8,962</u>	<u>8,962</u>	<u>-</u>	<u>45,256</u>
Debt Service, Principal	36,000	35,977	23	-
Total Expenditures	<u>5,859,238</u>	<u>5,596,654</u>	<u>262,584</u>	<u>5,479,023</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,235,832)</u>	<u>(438,121)</u>	<u>797,711</u>	<u>(70,116)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	130,786	130,786	-	-
Transfers in:				
Mineral County Power System Fund	40,000	40,000	-	40,000
DOE Fund	5,000	5,000	-	5,000
In Lieu of Taxes Fund	300,000	300,000	-	285,000
Total Transfers in	<u>475,786</u>	<u>475,786</u>	<u>-</u>	<u>330,000</u>
Transfers out:				
Unemployment Compensation Trust Fund	(4,000)	(8,000)	(4,000)	(6,000)
Medical Indigent Fund	-	-	-	(30,000)
General Indigent Fund	(21,500)	(21,500)	-	(25,500)
Total Transfers out	<u>(25,500)</u>	<u>(29,500)</u>	<u>(4,000)</u>	<u>(61,500)</u>
Total Other Financing Sources (Uses)	<u>450,286</u>	<u>446,286</u>	<u>(4,000)</u>	<u>268,500</u>
Net Change in Fund Balance	(785,546)	8,165	793,711	198,384
FUND BALANCE, July 1	<u>945,823</u>	<u>1,104,227</u>	<u>158,404</u>	<u>905,843</u>
FUND BALANCE, June 30	<u>\$ 160,277</u>	<u>\$ 1,112,392</u>	<u>\$ 952,115</u>	<u>\$ 1,104,227</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOE GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Federal grants:				
Department of Energy	\$ 363,986	\$ 363,986	\$ -	\$ 460,791
Miscellaneous:				
Miscellaneous	30,000	12,761	(17,239)	82,888
Interest earnings	8,000	898	(7,102)	6,603
Subtotal, Miscellaneous	38,000	13,659	(24,341)	89,491
Total Revenues	401,986	377,645	(24,341)	550,282
EXPENDITURES				
Public Safety:				
Salaries	100,544	89,063	11,481	95,895
Employee benefits	52,230	43,989	8,241	47,016
Services and supplies	135,212	239,593	(104,381)	326,539
Capital outlay	109,000	-	109,000	75,832
Total Expenditures	396,986	372,645	24,341	545,282
Excess (Deficiency) of Revenues over Expenditures	5,000	5,000	-	5,000
OTHER FINANCING SOURCES (USES)				
Transfer out:				
General Fund	(5,000)	(5,000)	-	(5,000)
Net Change in Fund Balance	-	-	-	-
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IN LIEU OF TAXES FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of tax	\$ 450,000	\$ 639,726	\$ 189,726	\$ 1,452,574
Miscellaneous				
Other	-	2,075	2,075	6,845
Total Revenues	<u>450,000</u>	<u>641,801</u>	<u>191,801</u>	<u>1,459,419</u>
EXPENDITURES				
General government:				
Salaries and wages	-	17,113	(17,113)	9,694
Employee benefits	-	1,647	(1,647)	1,062
Services and supplies	36,600	195,152	(158,552)	100,157
Capital outlay	433,447	89,654	343,793	80,893
Total Expenditures	<u>470,047</u>	<u>303,566</u>	<u>166,481</u>	<u>191,806</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(20,047)</u>	<u>338,235</u>	<u>358,282</u>	<u>1,267,613</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Road Fund	-	-	-	50,000
Care and Share Fund	-	-	-	25,000
Transfers out:				
General Fund	(300,000)	(300,000)	-	(285,000)
Airport Fund	(20,000)	(20,000)	-	(14,000)
Care and Share Fund	-	-	-	(25,000)
Cooperative Extension Fund	(16,000)	(16,000)	-	(19,264)
Capital Projects Fund	-	-	-	(30,000)
Park and Recreation Fund	(15,000)	(15,000)	-	(73,000)
Total Other Financing Sources (Uses)	<u>(351,000)</u>	<u>(351,000)</u>	<u>-</u>	<u>(371,264)</u>
Net Change in Fund Balance	(371,047)	(12,765)	358,282	896,349
FUND BALANCE, July 1	<u>381,407</u>	<u>1,060,058</u>	<u>678,651</u>	<u>163,709</u>
FUND BALANCE, June 30	<u>\$ 10,360</u>	<u>\$ 1,047,293</u>	<u>\$ 1,036,933</u>	<u>\$ 1,060,058</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Federal grant:				
Schools and Roads	\$ 244,116	\$ 442,232	\$ 198,116	\$ 230,953
State shared revenues:				
Motor vehicle fuel tax, 1.25¢	174,516	174,510	(6)	174,510
Motor vehicle fuel tax, 1.75¢	33,176	36,619	3,443	36,645
Motor vehicle fuel tax, 2.35¢	<u>328,080</u>	<u>322,663</u>	<u>(5,417)</u>	<u>326,904</u>
Subtotal, Intergovernmental	<u>779,888</u>	<u>976,024</u>	<u>196,136</u>	<u>769,012</u>
Charges for Services:				
Other	<u>18,000</u>	<u>11,020</u>	<u>(6,980)</u>	<u>13,670</u>
Miscellaneous:				
Other	<u>6,000</u>	<u>14,337</u>	<u>8,337</u>	<u>9,590</u>
Total Revenues	<u>803,888</u>	<u>1,001,381</u>	<u>197,493</u>	<u>792,272</u>
EXPENDITURES				
Highways and streets:				
Salaries and wages	260,162	243,299	16,863	292,978
Employee benefits	132,399	119,058	13,341	114,529
Services and supplies	388,916	368,418	20,498	132,634
Capital outlay	<u>50,000</u>	<u>69,280</u>	<u>(19,280)</u>	<u>-</u>
Total Highways and Streets	<u>831,477</u>	<u>800,055</u>	<u>31,422</u>	<u>540,141</u>
Debt service:				
Principal	25,482	25,482	-	24,821
Interest	<u>8,968</u>	<u>7,400</u>	<u>1,568</u>	<u>8,061</u>
Total Debt Service	<u>34,450</u>	<u>32,882</u>	<u>1,568</u>	<u>32,882</u>
Total Expenditures	<u>865,927</u>	<u>832,937</u>	<u>32,990</u>	<u>573,023</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(62,039)</u>	<u>168,444</u>	<u>230,483</u>	<u>219,249</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Regional Street and Highway Fund	-	-	-	100,000
Transfers out:				
In Lieu of Taxes Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Net Change in Fund Balance	(62,039)	168,444	230,483	269,249
FUND BALANCE, July 1	<u>412,615</u>	<u>441,361</u>	<u>28,746</u>	<u>172,112</u>
FUND BALANCE, June 30	<u>\$ 350,576</u>	<u>\$ 609,805</u>	<u>\$ 259,229</u>	<u>\$ 441,361</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2010
(Page 1 of 3)

	REGIONAL STREET AND HIGHWAY	GENERAL INDIGENT	MEDICAL INDIGENT	MEDICAL INDIGENT #2
ASSETS				
Cash and investments	\$ 202,538	\$ 45,250	\$ 19,435	\$ -
Taxes receivable, delinquent	-	1,337	5,712	4,991
Accounts receivable	-	-	-	-
Due from other governments	39,279	16	-	-
	<u>241,817</u>	<u>46,603</u>	<u>25,147</u>	<u>4,991</u>
Total Assets	<u>\$ 241,817</u>	<u>\$ 46,603</u>	<u>\$ 25,147</u>	<u>\$ 4,991</u>
LIABILITIES				
Accounts payable	\$ 5,773	\$ 8,049	\$ 5,350	\$ 328
Accrued liabilities	1,406	-	-	-
Deferred revenue	-	1,307	5,532	4,663
	<u>7,179</u>	<u>9,356</u>	<u>10,882</u>	<u>4,991</u>
Total Liabilities	<u>7,179</u>	<u>9,356</u>	<u>10,882</u>	<u>4,991</u>
FUND BALANCES				
Unreserved	<u>234,638</u>	<u>37,247</u>	<u>14,265</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 241,817</u>	<u>\$ 46,603</u>	<u>\$ 25,147</u>	<u>\$ 4,991</u>

AIRPORT	AMBULANCE	PARK AND RECREATION	CARE AND SHARE	LANDFILL
\$ 28,576	\$ 482,876	\$ 47,260	\$ 72,628	\$ 128,086
-	-	-	6,990	-
2,112	10,585	-	439	-
420	-	11,141	40,797	-
<u>\$ 31,108</u>	<u>\$ 493,461</u>	<u>\$ 58,401</u>	<u>\$ 120,854</u>	<u>\$ 128,086</u>
\$ 3,863	\$ 3,815	\$ 10,187	\$ 8,773	\$ 2,406
-	2,351	12,012	12,936	5,884
-	-	-	6,879	-
<u>3,863</u>	<u>6,166</u>	<u>22,199</u>	<u>28,588</u>	<u>8,290</u>
<u>27,245</u>	<u>487,295</u>	<u>36,202</u>	<u>92,266</u>	<u>119,796</u>
<u>\$ 31,108</u>	<u>\$ 493,461</u>	<u>\$ 58,401</u>	<u>\$ 120,854</u>	<u>\$ 128,086</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2010
(Page 2 of 3)

	<u>LANDFILL CLOSURE FUND</u>	<u>LANDFILL EQUIPMENT REPLACEMENT</u>	<u>MINING MAP FEES</u>	<u>JUVENILE DETENTION CENTER</u>	<u>WALKER LAKE LITIGATION</u>
ASSETS					
Cash and investments	\$ 40,640	\$ 38,260	\$ 40,932	\$ 28,331	\$ 88,961
Taxes receivable, delinquent	-	-	-	-	-
Accounts receivable	-	-	-	833	-
Due from other governments	-	-	30	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>40,640</u>	\$ <u>38,260</u>	\$ <u>40,962</u>	\$ <u>29,164</u>	\$ <u>88,961</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 5,520	\$ 3,498	\$ -
Accrued liabilities	-	-	-	13,936	-
Deferred revenue	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	-	-	5,520	17,434	-
FUND BALANCES					
Unreserved	<u>40,640</u>	<u>38,260</u>	<u>35,442</u>	<u>11,730</u>	<u>88,961</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	\$ <u>40,640</u>	\$ <u>38,260</u>	\$ <u>40,962</u>	\$ <u>29,164</u>	\$ <u>88,961</u>

HAWTHORNE JP ASSESSMENTS	JUVENILE ADMINISTRATIVE ASSESSMENTS	HAWTHORNE TOWN GENERAL	MINA TOWN GENERAL	LUNING TOWN GENERAL
\$ 17,652	\$ 21,705	\$ 123,489	\$ 19,047	\$ 3,078
-	-	-	-	-
-	-	2,178	119	28
<u>3,085</u>	<u>912</u>	<u>24,498</u>	<u>204</u>	<u>160</u>
<u>\$ 20,737</u>	<u>\$ 22,617</u>	<u>\$ 150,165</u>	<u>\$ 19,370</u>	<u>\$ 3,266</u>
\$ 5,489	\$ 522	\$ 2,556	\$ 1,641	\$ 1,062
-	-	8,110	-	-
-	-	-	-	-
<u>5,489</u>	<u>522</u>	<u>10,666</u>	<u>1,641</u>	<u>1,062</u>
<u>15,248</u>	<u>22,095</u>	<u>139,499</u>	<u>17,729</u>	<u>2,204</u>
<u>\$ 20,737</u>	<u>\$ 22,617</u>	<u>\$ 150,165</u>	<u>\$ 19,370</u>	<u>\$ 3,266</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2010
(Page 3 of 3)

	WALKER LAKE TOWN GENERAL	RECORDER TECHNOLOGY	DRUG FORFEITURES SHERIFF	COOPERATIVE EXTENSION	ASSESSOR TECHNOLOGY FUND
ASSETS					
Cash and investments	\$ 14,794	\$ 12,544	\$ 6,416	\$ 10,146	\$ 61,165
Taxes receivable, delinquent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Due from other governments	-	267	-	-	90
Total Assets	\$ 14,794	\$ 12,811	\$ 6,416	\$ 10,146	61,255
LIABILITIES					
Accounts payable	\$ 404	\$ -	\$ 410	\$ 4,605	12,000
Accrued liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total Liabilities	404	-	410	4,605	12,000
FUND BALANCES					
Unreserved	14,390	12,811	6,006	5,541	49,255
Total Liabilities and Fund Balances	\$ 14,794	\$ 12,811	\$ 6,416	\$ 10,146	\$ 61,255

CLERK'S TECHNOLOGY FUND	DISTRICT COURT TECHNOLOGY FUND	BROWNSFIELD EPA GRANT	DRUG FORFEITURE DISTRICT ATTORNEY	UNEMPLOYMENT COMPENSATION TRUST	TOTALS
\$ 25	\$ 24	\$ 806	14,717	4,967	\$ 1,574,348
-	-	-	-	-	19,030
-	-	-	100	-	16,394
13	-	7,530	-	-	128,442
<u>38</u>	<u>24</u>	<u>8,336</u>	<u>14,817</u>	<u>4,967</u>	<u>\$ 1,738,214</u>
-	-	7,530	124	689	\$ 94,594
-	-	-	-	-	56,635
-	-	806	-	-	19,187
-	-	8,336	124	689	170,416
<u>38</u>	<u>24</u>	<u>-</u>	<u>14,693</u>	<u>4,278</u>	<u>1,567,798</u>
<u>\$ 38</u>	<u>\$ 24</u>	<u>\$ 8,336</u>	<u>\$ 14,817</u>	<u>\$ 4,967</u>	<u>\$ 1,738,214</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010
(Page 1 of 4)

	REGIONAL STREET AND HIGHWAY	GENERAL INDIGENT	MEDICAL INDIGENT	MEDICAL INDIGENT #2
REVENUES				
Taxes	\$ 212,528	\$ 12,090	\$ 106,402	\$ -
Licenses and permits	-	-	-	-
Intergovernmental resources	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Miscellaneous	1,705	-	-	-
Total Revenues	<u>214,233</u>	<u>12,090</u>	<u>106,402</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Highways and streets	141,745	-	-	-
Health and sanitation	-	-	-	-
Welfare	-	52,457	104,669	-
Culture and recreation	-	-	-	-
Community support	-	-	-	-
Total Expenditures	<u>141,745</u>	<u>52,457</u>	<u>104,669</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>72,488</u>	<u>(40,367)</u>	<u>1,733</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	71,798	-	-
Transfers out	-	-	(12,500)	(37,798)
Total Other Financing Sources (Uses)	<u>-</u>	<u>71,798</u>	<u>(12,500)</u>	<u>(37,798)</u>
Net Change in Fund Balances	<u>72,488</u>	<u>31,431</u>	<u>(10,767)</u>	<u>(37,798)</u>
FUND BALANCES, July 1	<u>162,150</u>	<u>5,816</u>	<u>25,032</u>	<u>37,798</u>
FUND BALANCES, June 30	<u>\$ 234,638</u>	<u>\$ 37,247</u>	<u>\$ 14,265</u>	<u>\$ -</u>

AIRPORT	AMBULANCE	PARK AND RECREATION	CARE AND SHARE	LANDFILL	LANDFILL CLOSURE FUND
\$ -	\$ -	\$ 115,376	\$ 65,610	\$ -	\$ -
-	-	-	-	-	-
-	-	27,916	372,349	-	-
-	142,786	7,806	-	307,751	-
-	-	-	-	-	-
42,441	-	21,041	54,505	-	-
<u>42,441</u>	<u>142,786</u>	<u>172,139</u>	<u>492,464</u>	<u>307,751</u>	<u>-</u>
60,103	-	-	-	-	-
-	-	-	-	-	-
-	114,031	-	-	-	-
-	-	-	-	-	-
-	-	-	-	220,048	-
-	-	-	-	-	-
-	-	212,802	-	-	-
-	-	-	442,273	-	-
<u>60,103</u>	<u>114,031</u>	<u>212,802</u>	<u>442,273</u>	<u>220,048</u>	<u>-</u>
(17,662)	28,755	(40,663)	50,191	87,703	-
20,000	-	15,000	-	-	22,440
-	-	-	-	(34,000)	-
<u>20,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(34,000)</u>	<u>22,440</u>
2,338	28,755	(25,663)	50,191	53,703	22,440
<u>24,907</u>	<u>458,540</u>	<u>61,865</u>	<u>42,075</u>	<u>66,093</u>	<u>18,200</u>
<u>\$ 27,245</u>	<u>\$ 487,295</u>	<u>\$ 36,202</u>	<u>\$ 92,266</u>	<u>\$ 119,796</u>	<u>\$ 40,640</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
JUNE 30, 2010
(Page 2 of 4)

	LANDFILL EQUIPMENT REPLACEMENT	MINING MAP FEES	JUVENILE DETENTION CENTER	WALKER LAKE LITIGATION
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental resources	-	-	17,020	-
Charges for services	-	17,518	396,513	-
Fines and forfeits	-	-	-	-
Miscellaneous	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	17,518	413,533	-
EXPENDITURES				
Current:				
General government	-	19,665	-	25
Judicial	-	-	-	-
Public safety	-	-	480,198	-
Highways and streets	-	-	-	-
Health and sanitation	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community support	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	19,665	480,198	25
Excess (Deficiency) of Revenues Over Expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	-	(2,147)	(66,665)	(25)
OTHER FINANCING SOURCES (USES)				
Transfers in	11,560	-	-	-
Transfers out	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	11,560	-	-	-
Net Change in Fund Balances	11,560	(2,147)	(66,665)	(25)
FUND BALANCES, July 1	<hr/>	<hr/>	<hr/>	<hr/>
	26,700	37,589	78,395	88,986
FUND BALANCES, June 30	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 38,260	\$ 35,442	\$ 11,730	\$ 88,961

HAWTHORNE JP ASSESSMENTS	JUVENILE ADMINISTRATIVE ASSESSMENTS	HAWTHORNE TOWN GENERAL	MINA TOWN GENERAL	LUNING TOWN GENERAL
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	96,979	3,245	751
-	-	-	-	-
37,830	11,540	-	-	-
-	-	146,377	-	-
-	-	-	-	-
<u>37,830</u>	<u>11,540</u>	<u>243,356</u>	<u>3,245</u>	<u>751</u>
-	-	1,888	7,563	2,977
49,170	6,976	-	-	-
-	-	207,267	15,982	8,396
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>49,170</u>	<u>6,976</u>	<u>209,155</u>	<u>23,545</u>	<u>11,373</u>
<u>(11,340)</u>	<u>4,564</u>	<u>34,201</u>	<u>(20,300)</u>	<u>(10,622)</u>
-	-	-	20,962	9,100
-	-	(30,062)	-	-
-	-	(30,062)	20,962	9,100
(11,340)	4,564	4,139	662	(1,522)
<u>26,588</u>	<u>17,531</u>	<u>135,360</u>	<u>17,067</u>	<u>3,726</u>
\$ <u>15,248</u>	\$ <u>22,095</u>	\$ <u>139,499</u>	\$ <u>17,729</u>	\$ <u>2,204</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010

(Page 3 of 4)

REVENUES	WALKER LAKE TOWN GENERAL	RECORDER TECHNOLOGY GRANT	DRUG FORFEITURES SHERIFF	COOPERATIVE EXTENSION
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental resources	8,962	-	-	-
Charges for services	-	6,447	-	-
Fines and forfeits	-	-	-	-
Miscellaneous	-	-	5,070	-
Total Revenues	8,962	6,447	5,070	-
EXPENDITURES				
Current:				
General government	1,522	4,023	-	-
Judicial	-	-	-	-
Public safety	3,698	-	581	-
Highways and streets	-	-	-	-
Health and sanitation	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community support	-	-	-	16,856
Total Expenditures	5,220	4,023	581	16,856
Excess (Deficiency) of Revenues Over Expenditures	3,742	2,424	4,489	(16,856)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	16,000
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	16,000
Net Change in Fund Balances	3,742	2,424	4,489	(856)
FUND BALANCES, July 1	10,648	10,387	1,517	6,397
FUND BALANCES, June 30	\$ 14,390	\$ 12,811	\$ 6,006	\$ 5,541

FAA AIRPORT EXPANSION GRANT	ASSESSOR TECHNOLOGY FUND	CLERK'S TECHNOLOGY FUND	DISTRICT COURT TECHNOLOGY FUND	COLLECTION DEVELOPMENT GRANT
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
139,922	-	-	-	3,374
-	23,244	23	-	-
-	-	-	-	-
-	-	-	-	-
<u>139,922</u>	<u>23,244</u>	<u>23</u>	<u>-</u>	<u>3,374</u>
-	13,476	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	3,374
<u>139,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>139,922</u>	<u>13,476</u>	<u>-</u>	<u>-</u>	<u>3,374</u>
-	9,768	23	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	9,768	23	-	-
-	39,487	15	24	-
<u>\$ -</u>	<u>\$ 49,255</u>	<u>\$ 38</u>	<u>\$ 24</u>	<u>\$ -</u>

MINERAL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
JUNE 30, 2010
(Page 4 of 4)

	DRUG FORFEITURE DISTRICT ATTORNEY	BROWNFIELD EPA GRANT	UNEMPLOYMENT COMPENSATION TRUST	TOTAL
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 512,006
Licenses and permits	-	-	-	100,975
Intergovernmental resources	-	133,622	-	703,165
Charges for services	-	-	-	951,458
Fines and forfeits	-	-	-	146,377
Miscellaneous	9,393	-	-	134,155
	<u>9,393</u>	<u>133,622</u>	<u>-</u>	<u>2,548,136</u>
Total Revenues	9,393	133,622	-	2,548,136
EXPENDITURES				
Current:				
General government	-	-	6,625	117,867
Judicial	-	-	-	56,146
Public safety	5,127	-	-	830,153
Highways and streets	-	-	-	141,745
Health and sanitation	-	-	-	220,048
Welfare	-	-	-	157,126
Culture and recreation	-	-	-	216,176
Community support	-	133,622	-	737,800
	<u>5,127</u>	<u>133,622</u>	<u>6,625</u>	<u>2,477,061</u>
Total Expenditures	5,127	133,622	6,625	2,477,061
Excess (Deficiency) of Revenues Over Expenditures	<u>4,266</u>	<u>-</u>	<u>(6,625)</u>	<u>71,075</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	8,000	194,860
Transfers out	-	-	-	(114,360)
	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>80,500</u>
Total Other Financing Sources (Uses)	-	-	8,000	80,500
Net Change in Fund Balances	4,266	-	1,375	151,575
FUND BALANCES, July 1	<u>10,427</u>	<u>-</u>	<u>2,903</u>	<u>1,416,223</u>
FUND BALANCES, June 30	<u>14,693</u>	<u>\$ -</u>	<u>\$ 4,278</u>	<u>\$ 1,567,798</u>

MINERAL COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
REGIONAL STREET AND HIGHWAY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes:				
County option:				
Motor vehicle fuel tax, 9¢	\$ 191,743	\$ 191,167	\$ (576)	\$ 190,232
Motor vehicle fuel tax, 1¢	<u>-</u>	<u>21,361</u>	<u>21,361</u>	<u>21,258</u>
Subtotal, Taxes	<u>191,743</u>	<u>212,528</u>	<u>20,785</u>	<u>211,490</u>
Miscellaneous:				
Miscellaneous	-	-	-	655
Interest	<u>15,000</u>	<u>1,705</u>	<u>(13,295)</u>	<u>11,665</u>
Subtotal, Miscellaneous	<u>15,000</u>	<u>1,705</u>	<u>(13,295)</u>	<u>12,320</u>
Total Revenues	<u>206,743</u>	<u>214,233</u>	<u>7,490</u>	<u>223,810</u>
EXPENDITURES				
Highways and streets:				
Salaries and wages	21,234	22,197	(963)	19,634
Employee benefits	9,642	14,310	(4,668)	12,130
Services and supplies	170,000	105,238	64,762	329,698
Capital outlay	<u>77,000</u>	<u>-</u>	<u>77,000</u>	<u>-</u>
Total Expenditures	<u>277,876</u>	<u>141,745</u>	<u>136,131</u>	<u>361,462</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(71,133)</u>	<u>72,488</u>	<u>143,621</u>	<u>(137,652)</u>
OTHER FINANCING SOURCES AND USES				
Transfers out:				
Road Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Net Change in Fund Balance	(71,133)	72,488	143,621	(237,652)
FUND BALANCE, July 1	<u>176,970</u>	<u>162,150</u>	<u>(14,820)</u>	<u>399,802</u>
FUND BALANCE, June 30	<u>\$ 105,837</u>	<u>\$ 234,638</u>	<u>\$ 128,801</u>	<u>\$ 162,150</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL INDIGENT FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes:				
Real rolls	\$ 10,502	\$ 9,241	\$ (1,261)	\$ 12,467
Personal property	2,389	1,757	-	-
Net proceeds of mines	900	1,092	192	-
Total Revenues	<u>13,791</u>	<u>12,090</u>	<u>(1,069)</u>	<u>12,467</u>
EXPENDITURES				
Welfare:				
General Assistance:				
Services and supplies (NRS 428.185)	65,400	52,457	12,943	36,912
Excess (Deficiency) of Revenues over Expenditures	<u>(51,609)</u>	<u>(40,367)</u>	<u>11,874</u>	<u>(24,445)</u>
OTHER FINANCING SOURCES				
Transfer in:				
General Fund	21,500	21,500	-	25,500
Medical Indigent	12,500	12,500	-	-
Medical Indigent II	13,378	37,798	24,420	-
Total Other Financing Sources	<u>47,378</u>	<u>71,798</u>	<u>24,420</u>	<u>25,500</u>
Net Change in Fund Balance	(4,231)	31,431	35,662	1,055
FUND BALANCE, July 1	<u>5,130</u>	<u>5,816</u>	<u>686</u>	<u>4,761</u>
FUND BALANCE, June 30	<u>\$ 899</u>	<u>\$ 37,247</u>	<u>\$ 36,348</u>	<u>\$ 5,816</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MEDICAL INDIGENT FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes:				
Real rolls	\$ -	\$ 52,533	\$ 52,533	\$ 30,276
Personal property	4,210	7,227	3,017	8,729
Net proceeds of mines	-	-	-	3,488
Ad valorem (NRS 428.185)	<u>102,114</u>	<u>46,642</u>	<u>(55,472)</u>	<u>1,162</u>
Subtotal, Taxes	<u>106,324</u>	<u>106,402</u>	<u>78</u>	<u>43,655</u>
Miscellaneous:				
Reimbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>
Total Revenues	<u>106,324</u>	<u>106,402</u>	<u>78</u>	<u>43,715</u>
EXPENDITURES				
Welfare:				
Vendor medical payments:				
Payments to State of Nevada	<u>115,642</u>	<u>104,669</u>	<u>10,973</u>	<u>101,022</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(9,318)</u>	<u>1,733</u>	<u>11,051</u>	<u>(57,307)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General Fund	-	-	-	30,000
Transfers out:				
General Indigent Fund	<u>(12,500)</u>	<u>(12,500)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(12,500)</u>	<u>(12,500)</u>	<u>-</u>	<u>30,000</u>
Net Change in Fund Balances	(21,818)	(10,767)	11,051	(27,307)
FUND BALANCE, July 1	<u>23,521</u>	<u>25,032</u>	<u>1,511</u>	<u>52,339</u>
FUND BALANCE, June 30	<u>\$ 1,703</u>	<u>\$ 14,265</u>	<u>\$ 12,562</u>	<u>\$ 25,032</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MEDICAL INDIGENT #2 FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes:				
Real rolls	\$ -	\$ -	\$ -	\$ 39,852
Personal property	-	-	-	10,444
Net proceeds of mines	-	-	-	4,651
	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,947</u>
Total Revenues				
EXPENDITURES				
Welfare:				
Vendor medical payments:				
Services and supplies	-	-	-	31,833
Payment to State of Nevada	-	-	-	5,279
	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,112</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	-	-	-	17,835
OTHER FINANCING SOURCES (USES)				
Transfers out:				
General Indigent Fund	(37,798)	(37,798)	-	-
	<u>(37,798)</u>	<u>(37,798)</u>	<u>-</u>	<u>17,835</u>
Net Change in Fund Balances				
FUND BALANCE, July 1	<u>37,798</u>	<u>37,798</u>	<u>-</u>	<u>19,963</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,798</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AIRPORT FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Miscellaneous:				
Gas tax refunds	\$ 45,000	\$ 32,960	\$ (12,040)	\$ 33,463
Other	<u>8,500</u>	<u>9,481</u>	<u>981</u>	<u>11,876</u>
Total Revenues	<u>53,500</u>	<u>42,441</u>	<u>(11,059)</u>	<u>45,339</u>
EXPENDITURES				
General government:				
Other:				
Services and supplies	<u>79,095</u>	<u>60,103</u>	<u>18,992</u>	<u>48,708</u>
Total Expenditures	<u>79,095</u>	<u>60,103</u>	<u>18,992</u>	<u>48,708</u>
Excess (Deficiency) of Revenues over Expenditures	(25,595)	(17,662)	7,933	(3,369)
OTHER FINANCING SOURCES (USES)				
Transfers in:				
In Lieu of Taxes Fund	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>14,000</u>
Net Change in Fund Balances	(5,595)	2,338	7,933	10,631
FUND BALANCE, July 1	<u>16,474</u>	<u>24,907</u>	<u>8,433</u>	<u>14,276</u>
FUND BALANCE, June 30	<u>\$ 10,879</u>	<u>\$ 27,245</u>	<u>\$ 16,366</u>	<u>\$ 24,907</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AMBULANCE FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
REVENUES				
Charges for services:				
Ambulance charges	\$ 120,000	\$ 113,036	\$ (6,964)	\$ 143,130
Ambulance charges (replacement)	<u>30,000</u>	<u>29,750</u>	<u>(250)</u>	<u>38,540</u>
Total Revenues	<u>150,000</u>	<u>142,786</u>	<u>(7,214)</u>	<u>181,670</u>
EXPENDITURES				
Public safety:				
Salaries and wages	46,752	31,211	15,541	16,149
Employee benefits	30,397	11,891	18,506	13,681
Services and supplies	<u>90,550</u>	<u>70,929</u>	<u>19,621</u>	<u>67,787</u>
Total Expenditures	<u>167,699</u>	<u>114,031</u>	<u>53,668</u>	<u>97,617</u>
Net Change in Fund Balances	(17,699)	28,755	46,454	84,053
FUND BALANCE, July 1	<u>385,380</u>	<u>458,540</u>	<u>73,160</u>	<u>374,487</u>
FUND BALANCE, June 30	<u>\$ 367,681</u>	<u>\$ 487,295</u>	<u>\$ 119,614</u>	<u>\$ 458,540</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK AND RECREATION FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
REVENUES				
Taxes:				
Room tax, 5%	\$ 100,000	\$ 115,376	\$ 15,376	\$ 113,223
Intergovernmental:				
Federal grants:				
Federal Highway Administration				
National Recreation Trails Grant	1,484	1,484	-	32,785
Other grants:				
Nevada State Open Space Grant	26,432	26,432	-	21,980
	<u>27,916</u>	<u>27,916</u>	<u>-</u>	<u>54,765</u>
Charges for services:				
Swimming pool	8,000	7,806	(194)	8,365
Miscellaneous:				
Other	21,900	21,041	(859)	25,357
Total Revenues	<u>157,816</u>	<u>172,139</u>	<u>14,323</u>	<u>201,710</u>
EXPENDITURES				
Culture and recreation:				
Culture and recreation administration:				
Salaries and wages	87,247	92,187	(4,940)	82,527
Employee benefits	25,322	25,577	(255)	23,526
Services and supplies	101,616	95,038	6,578	121,862
Total Expenditures	<u>214,185</u>	<u>212,802</u>	<u>1,383</u>	<u>227,915</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(56,369)</u>	<u>(40,663)</u>	<u>15,706</u>	<u>(26,205)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
In Lieu of Taxes Fund	15,000	15,000	-	73,000
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>73,000</u>
Net Change in Fund Balances	<u>(41,369)</u>	<u>(25,663)</u>	<u>15,706</u>	<u>46,795</u>
FUND BALANCE, July 1	<u>49,637</u>	<u>61,865</u>	<u>12,228</u>	<u>15,070</u>
FUND BALANCE, June 30	<u>\$ 8,268</u>	<u>\$ 36,202</u>	<u>\$ 27,934</u>	<u>\$ 61,865</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CARE AND SHARE FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
REVENUES				
Taxes:				
Real rolls	\$ 50,700	\$ 47,843	\$ (2,857)	\$ 42,795
Personal property	8,805	11,212	2,407	11,208
Net proceeds of mines	-	6,555	6,555	4,650
Subtotal, Taxes	<u>59,505</u>	<u>65,610</u>	<u>6,105</u>	<u>58,653</u>
Intergovernmental:				
Federal grants:				
National Family Caregiver Support Grant	74,300	55,963	(18,337)	55,963
Special Programs for the Aging	97,400	146,233	48,833	102,763
USDA Hawthorne	-	26,051	26,051	21,789
Other grants:				
Independent Living Grant	76,230	77,691	1,461	85,930
Nevada Department of Transportation	78,000	66,411	(11,589)	22,251
Miscellaneous Grants	-	-	-	39,378
Subtotal, Intergovernmental	<u>325,930</u>	<u>372,349</u>	<u>46,419</u>	<u>328,074</u>
Miscellaneous:				
Other	750	380	(370)	925
Project income	65,000	54,125	(10,875)	59,215
Subtotal, Miscellaneous	<u>65,750</u>	<u>54,505</u>	<u>(11,245)</u>	<u>60,140</u>
Total Revenues	<u>451,185</u>	<u>492,464</u>	<u>41,279</u>	<u>446,867</u>
EXPENDITURES				
Community support:				
Salaries and wages	207,087	201,879	5,208	186,091
Employee benefits	107,722	114,739	(7,017)	95,280
Services and supplies	130,000	123,919	6,081	178,371
Capital outlay	-	1,736	(1,736)	-
Total Expenditures	<u>444,809</u>	<u>442,273</u>	<u>2,536</u>	<u>459,742</u>
Net Change in Fund Balances	6,376	50,191	43,815	(12,875)
FUND BALANCE, July 1	<u>62,829</u>	<u>42,075</u>	<u>(20,754)</u>	<u>54,950</u>
FUND BALANCE, June 30	<u>\$ 69,205</u>	<u>\$ 92,266</u>	<u>\$ 23,061</u>	<u>\$ 42,075</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LANDFILL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Charges for services	\$ 310,960	\$ 307,751	\$ (3,209)	\$ 255,748
EXPENDITURES				
Health and sanitation:				
General expenses:				
Salaries and wages	110,126	109,750	376	101,199
Employee benefits	59,747	50,525	9,222	50,337
Services and supplies	116,475	59,773	56,702	63,447
Capital outlay	2,000	-	2,000	9,372
Total Health and Sanitation	<u>288,348</u>	<u>220,048</u>	<u>68,300</u>	<u>224,355</u>
Excess (Deficiency) of Revenues over Expenditures	<u>22,612</u>	<u>87,703</u>	<u>65,091</u>	<u>31,393</u>
OTHER FINANCING USES				
Transfers out				
Landfill Closure Fund	(22,440)	(22,440)	-	(1,500)
Landfill Equipment Replacement Fund	(11,560)	(11,560)	-	(3,000)
Total Other Financing Uses	<u>(34,000)</u>	<u>(34,000)</u>	<u>-</u>	<u>(4,500)</u>
Net Change in Fund Balances	(11,388)	53,703	65,091	26,893
FUND BALANCE, July 1	<u>33,007</u>	<u>66,093</u>	<u>33,086</u>	<u>39,200</u>
FUND BALANCE, June 30	<u>\$ 21,619</u>	<u>\$ 119,796</u>	<u>\$ 98,177</u>	<u>\$ 66,093</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LANDFILL CLOSURE FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
OTHER FINANCING SOURCES				
Transfers in:				
Landfill Fund	\$ 22,440	\$ 22,440	\$ -	\$ 3,000
 FUND BALANCE, July 1	15,200	18,200	3,000	15,200
 FUND BALANCE, June 30	\$ 37,640	\$ 40,640	\$ 3,000	\$ 18,200

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LANDFILL EQUIPMENT REPLACEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OTHER FINANCING SOURCES				
Transfers in:				
Landfill Fund	\$ <u>11,560</u>	\$ <u>11,560</u>	\$ <u>-</u>	\$ <u>100</u>
FUND BALANCE, July 1	<u>25,200</u>	<u>26,700</u>	<u>1,500</u>	<u>26,600</u>
FUND BALANCE, June 30	<u>\$ 36,760</u>	<u>\$ 38,260</u>	<u>\$ 1,500</u>	<u>\$ 26,700</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MINING MAP FEES FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
REVENUES				
Charges for services:				
Map fees	\$ 8,500	\$ 17,518	\$ 9,018	\$ 9,484
EXPENDITURES				
General government:				
Salaries and wages	3,500	-	3,500	2,459
Employee benefits	500	-	500	276
Services and supplies	18,800	15,741	3,059	16,740
Capital outlay	5,000	3,924	1,076	1,339
Total Expenditures	27,800	19,665	8,135	20,814
Net Change in Fund Balances	(19,300)	(2,147)	17,153	(11,330)
 FUND BALANCE, July 1	 26,217	 37,589	 11,372	 48,919
FUND BALANCE, June 30	\$ 6,917	\$ 35,442	\$ 28,525	\$ 37,589

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUVENILE DETENTION CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Federal grants:				
National School Lunch Program	\$ 20,000	\$ 17,020	\$ (2,980)	\$ 19,118
Charges for services:				
Detention center fees	520,000	396,513	(123,487)	491,264
Total Revenues	<u>540,000</u>	<u>413,533</u>	<u>(126,467)</u>	<u>510,382</u>
EXPENDITURES				
Public safety:				
Salaries and wages	274,579	274,331	248	273,462
Employee benefits	128,244	128,358	(114)	127,556
Services and supplies	86,300	77,509	8,791	86,458
Total Expenditures	<u>489,123</u>	<u>480,198</u>	<u>8,925</u>	<u>487,476</u>
Net Change in Fund Balance	50,877	(66,665)	(117,542)	22,906
FUND BALANCE, July 1	<u>120,048</u>	<u>78,395</u>	<u>(41,653)</u>	<u>55,489</u>
FUND BALANCE, June 30	<u>\$ 170,925</u>	<u>\$ 11,730</u>	<u>\$ (159,195)</u>	<u>\$ 78,395</u>

**MINERAL COUNTY, NEVADA
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 WALKER LAKE LITIGATION FUND
 FOR THE YEAR ENDED JUNE 30, 2010
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes:				
Real rolls	\$ -	\$ -	\$ -	\$ 274
Personal property	-	-	-	30
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>304</u>
EXPENDITURES				
General Government:				
Services and supplies	<u>88,757</u>	<u>25</u>	<u>88,732</u>	<u>75</u>
Total Expenditures	<u>88,757</u>	<u>25</u>	<u>88,732</u>	<u>75</u>
Net Change in Fund Balances	(88,757)	(25)	88,732	229
FUND BALANCE, July 1	<u>88,757</u>	<u>88,986</u>	<u>229</u>	<u>88,757</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 88,961</u>	<u>\$ 88,961</u>	<u>\$ 88,986</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HAWTHORNE JP ASSESSMENTS FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
REVENUES				
Charges for services:				
Administrative assessments:				
Justice Court	\$ 30,000	\$ 37,830	\$ 7,830	\$ 35,079
EXPENDITURES				
Judicial:				
Courts:				
Services and supplies	45,000	49,170	(4,170)	33,167
Total Expenditures	45,000	49,170	(4,170)	33,167
Net Change in Fund Balances	(15,000)	(11,340)	3,660	1,912
FUND BALANCE, July 1	16,676	26,588	9,912	24,676
FUND BALANCE, June 30	\$ 1,676	\$ 15,248	\$ 13,572	\$ 26,588

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUVENILE ADMINISTRATIVE ASSESSMENTS FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Charges for services:				
Administrative assessments:				
Juvenile Court	\$ 8,500	\$ 11,540	\$ 3,040	\$ 10,669
Total Revenues	<u>8,500</u>	<u>11,540</u>	<u>3,040</u>	<u>10,669</u>
EXPENDITURES				
Judicial				
Corrections:				
Services and supplies	<u>12,500</u>	<u>6,976</u>	<u>5,524</u>	<u>250</u>
Total Expenditures	<u>12,500</u>	<u>6,976</u>	<u>5,524</u>	<u>250</u>
Net Change in Fund Balances	(4,000)	4,564	8,564	10,419
FUND BALANCE, July 1	<u>7,612</u>	<u>17,531</u>	<u>9,919</u>	<u>7,112</u>
FUND BALANCE, June 30	<u>\$ 3,612</u>	<u>\$ 22,095</u>	<u>\$ 18,483</u>	<u>\$ 17,531</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HAWTHORNE TOWN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Licenses and permits:				
Business licenses	\$ 11,000	\$ 13,738	\$ 2,738	\$ 14,110
Liquor licenses	6,500	6,937	437	6,661
County gaming licenses	25,000	31,436	6,436	28,453
Other licenses	450	988	538	724
Franchise fees, electric	<u>45,000</u>	<u>43,880</u>	<u>(1,120)</u>	<u>58,137</u>
Subtotal, Licenses and Permits	<u>87,950</u>	<u>96,979</u>	<u>9,029</u>	<u>108,085</u>
Fines and forfeits:				
Forfeits, bail	<u>140,000</u>	<u>146,377</u>	<u>6,377</u>	<u>163,046</u>
Total Revenues	<u>227,950</u>	<u>243,356</u>	<u>15,406</u>	<u>271,131</u>
EXPENDITURES				
General government:				
Administration:				
Services and supplies	<u>2,000</u>	<u>1,888</u>	<u>112</u>	<u>1,876</u>
Total General Government	<u>2,000</u>	<u>1,888</u>	<u>112</u>	<u>1,876</u>
Public safety:				
Fire protection:				
Salaries and wages	124,920	114,600	10,320	108,100
Employee benefits	71,733	76,782	(5,049)	62,389
Services and supplies	<u>32,900</u>	<u>15,885</u>	<u>17,015</u>	<u>20,263</u>
Total Public Safety	<u>229,553</u>	<u>207,267</u>	<u>22,286</u>	<u>190,752</u>
Excess (Deficiency) of Revenues over Expenditures	(3,603)	34,201	37,804	78,503
OTHER FINANCING (USES)				
Transfers out:				
Mina Town Fund	(20,962)	(20,962)	-	-
Luning Town Fund	<u>(9,100)</u>	<u>(9,100)</u>	<u>-</u>	<u>-</u>
Total Other Financing Uses	<u>(30,062)</u>	<u>(30,062)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(33,665)	4,139	37,804	78,503
FUND BALANCE, July 1	<u>52,682</u>	<u>135,360</u>	<u>82,678</u>	<u>56,857</u>
FUND BALANCE, June 30	<u>\$ 19,017</u>	<u>\$ 139,499</u>	<u>\$ 120,482</u>	<u>\$ 135,360</u>

**MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MINA TOWN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Licenses and permits:				
Business licenses	\$ 300	\$ 80	\$ (220)	\$ 418
Liquor licenses	400	248	(152)	480
County gaming licenses	750	340	(410)	656
Other licenses and permits	-	125	125	125
Franchise fees, electric	<u>2,600</u>	<u>2,452</u>	<u>(148)</u>	<u>3,313</u>
Subtotal, Licenses and Permits	<u>4,050</u>	<u>3,245</u>	<u>(805)</u>	<u>4,992</u>
Intergovernmental:				
Grant from Mineral County	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,379</u>
Miscellaneous:				
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>400</u>
Total Revenues	<u>4,050</u>	<u>3,245</u>	<u>(805)</u>	<u>29,771</u>
EXPENDITURES				
General government:				
Administration:				
Services and supplies	<u>11,100</u>	<u>7,563</u>	<u>3,537</u>	<u>9,552</u>
Total General Government	<u>11,100</u>	<u>7,563</u>	<u>3,537</u>	<u>9,552</u>
Public safety:				
Fire protection:				
Salaries and wages	2,400	1,980	420	2,250
Employee benefits	1,900	2,589	(689)	1,645
Services and supplies	<u>16,362</u>	<u>11,413</u>	<u>4,949</u>	<u>8,422</u>
Total Public Safety	<u>20,662</u>	<u>15,982</u>	<u>4,680</u>	<u>12,317</u>
Total Expenditures	<u>31,762</u>	<u>23,545</u>	<u>8,217</u>	<u>21,869</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(27,712)</u>	<u>(20,300)</u>	<u>7,412</u>	<u>7,902</u>
OTHER FINANCING SOURCES				
Transfer in:				
Hawthorne Town Fund	<u>20,962</u>	<u>20,962</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(6,750)</u>	<u>662</u>	<u>7,412</u>	<u>7,902</u>
FUND BALANCE, July 1	<u>8,248</u>	<u>17,067</u>	<u>8,819</u>	<u>9,165</u>
FUND BALANCE, June 30	<u>\$ 1,498</u>	<u>\$ 17,729</u>	<u>\$ 16,231</u>	<u>\$ 17,067</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LUNING TOWN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Licenses and permits:				
Business licenses	\$ 176	\$ 200	\$ 24	\$ 80
Franchise fees, electric	<u>600</u>	<u>551</u>	<u>(49)</u>	<u>768</u>
Subtotal, Licenses and Permits	<u>776</u>	<u>751</u>	<u>(25)</u>	<u>848</u>
Intergovernmental:				
Grant from Mineral County	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,383</u>
Total Revenues	<u>776</u>	<u>751</u>	<u>(25)</u>	<u>9,231</u>
EXPENDITURES				
General government:				
Administration:				
Employee benefits	270	187	83	216
Services and supplies	<u>2,940</u>	<u>2,790</u>	<u>150</u>	<u>3,086</u>
Total General Government	<u>3,210</u>	<u>2,977</u>	<u>233</u>	<u>3,302</u>
Public safety:				
Fire protection:				
Employee benefits	1,700	1,848	(148)	1,947
Services and supplies	<u>8,167</u>	<u>6,548</u>	<u>1,619</u>	<u>6,613</u>
Total, Public Safety	<u>9,867</u>	<u>8,396</u>	<u>1,471</u>	<u>8,560</u>
Total Expenditures	<u>13,077</u>	<u>11,373</u>	<u>1,704</u>	<u>11,862</u>
Excess (Deficiency) of Revenues over Expenditures	(12,301)	(10,622)	1,679	(2,631)
OTHER FINANCING SOURCES				
Transfers in:				
Hawthorne Town Fund	<u>9,100</u>	<u>9,100</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(3,201)</u>	<u>(1,522)</u>	<u>1,679</u>	<u>(2,631)</u>
FUND BALANCE, July 1	<u>3,726</u>	<u>3,726</u>	<u>-</u>	<u>6,357</u>
FUND BALANCE, June 30	<u>\$ 525</u>	<u>\$ 2,204</u>	<u>\$ 1,679</u>	<u>\$ 3,726</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WALKER LAKE TOWN GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Grant from Mineral County	\$ 8,962	\$ 8,962	\$ -	\$ 12,494
EXPENDITURES				
General government:				
Administration:				
Salaries and wages	2,300	160	2,140	2,250
Employee benefits	1,025	578	447	897
Services and supplies	500	784	(284)	-
Total General Government	3,825	1,522	2,303	3,147
Public safety:				
Fire protection:				
Employee benefits	1,300	858	442	1,599
Services and supplies	9,950	2,840	7,110	6,252
Total Public Safety	11,250	3,698	7,552	7,851
Total Expenditures	15,075	5,220	9,855	10,998
Net Change in Fund Balances	(6,113)	3,742	9,855	1,496
FUND BALANCE , July 1	7,113	10,648	3,535	9,152
FUND BALANCE, June 30	\$ 1,000	\$ 14,390	13,390	\$ 10,648

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RECORDER TECHNOLOGY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Charges for services:				
Fees for services	\$ 6,000	\$ 6,447	\$ 447	\$ 5,193
EXPENDITURES				
General government:				
Services and supplies	4,500	4,023	477	6,675
Capital outlay	4,000	-	4,000	5,000
Total Expenditures	8,500	4,023	4,477	11,675
Net Change in Fund Balances	(2,500)	2,424	4,924	(6,482)
FUND BALANCE, July 1	8,201	10,387	2,186	16,869
FUND BALANCE, June 30	\$ 5,701	\$ 12,811	\$ 7,110	\$ 10,387

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRUG FORFEITURES FUND-SHERIFF
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
REVENUES				
Miscellaneous:				
Other	\$ 50,000	\$ 5,070	\$ (44,930)	\$ 4,409
EXPENDITURES				
Public safety:				
Services and supplies	50,000	581	49,419	6,184
Net Change in Fund Balances	-	4,489	4,489	(1,775)
FUND BALANCE, July 1	3,207	1,517	(1,690)	3,292
FUND BALANCE, June 30	\$ 3,207	\$ 6,006	\$ 2,799	\$ 1,517

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COOPERATIVE EXTENSION FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Miscellaneous:				
Other	\$ -	\$ -	\$ -	\$ 1,134
EXPENDITURES				
Community support:				
Salaries and wages	13,584	11,135	2,449	6,821
Services and supplies	<u>6,140</u>	<u>5,721</u>	<u>419</u>	<u>13,524</u>
Total Expenditures	<u>19,724</u>	<u>16,856</u>	<u>2,868</u>	<u>20,345</u>
Excess (Deficiency) of Revenues over Expenditures	(19,724)	(16,856)	2,868	(19,211)
OTHER FINANCING SOURCES				
Transfer in				
In Lieu of Taxes Fund	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>19,264</u>
Net Change in Fund Balances	(3,724)	(856)	2,868	53
FUND BALANCE, July 1	<u>6,343</u>	<u>6,397</u>	<u>54</u>	<u>6,344</u>
FUND BALANCE, June 30	<u>\$ 2,619</u>	<u>\$ 5,541</u>	<u>\$ 2,922</u>	<u>\$ 6,397</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FAA AIRPORT EXPANSION GRANT
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Federal				
Airport Improvement Grant	\$ <u>139,922</u>	\$ <u>139,922</u>	\$ <u>-</u>	\$ <u>150,000</u>
EXPENDITURES				
Community support:				
Services and supplies	<u>139,922</u>	<u>139,922</u>	<u>-</u>	<u>150,000</u>
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSESSOR TECHNOLOGY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Charges for services:				
Fees for services	\$ 10,000	\$ 23,244	\$ 13,244	\$ 21,380
EXPENDITURES				
General government:				
Salaries and wages	8,000	-	8,000	-
Employee benefits	2,000	-	2,000	12,213
Capital outlay	17,402	13,476	3,926	5,247
Total Expenditures	27,402	13,476	13,926	17,460
Net Change in Fund Balances	(17,402)	9,768	27,170	3,920
FUND BALANCE, July 1	17,841	39,487	21,646	35,567
FUND BALANCE, June 30	\$ 439	\$ 49,255	\$ 48,816	\$ 39,487

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CLERK'S TECHNOLOGY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Charges for services:				
Fees for services	\$ <u> -</u>	\$ <u> 23</u>	\$ <u> 23</u>	\$ <u> 15</u>
FUND BALANCE, July 1	<u> -</u>	<u> 15</u>	<u> 15</u>	<u> -</u>
FUND BALANCE, June 30	<u><u> -</u></u>	<u><u> 38</u></u>	<u><u> 38</u></u>	<u><u> 15</u></u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT COURT TECHNOLOGY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Charges for services:				
Fees for services	\$ -	\$ -	\$ -	\$ 24
FUND BALANCE, July 1	-	24	24	-
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 24</u>	<u>\$ 24</u>	<u>\$ 24</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COLLECTION DEVELOPMENT GRANT
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Other:				
State Collection Development Grant	\$ <u>3,374</u>	\$ <u>3,374</u>	\$ <u>-</u>	\$ <u>4,095</u>
EXPENDITURES				
Culture and recreation				
Services and supplies	<u>3,374</u>	<u>3,374</u>	<u>-</u>	<u>4,095</u>
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRUG FORFEITURE-DISTRICT ATTORNEY
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Miscellaneous				
Drug forfeitures	\$ 4,600	\$ 9,393	\$ 4,793	\$ 8,399
EXPENDITURES				
Public safety:				
Services and supplies	7,000	5,127	1,873	523
Net Change in Fund Balances	(2,400)	4,266	6,666	7,876
FUND BALANCE, July 1	<u>11,827</u>	<u>10,427</u>	<u>(1,400)</u>	<u>2,551</u>
FUND BALANCE, June 30	<u>\$ 9,427</u>	<u>\$ 14,693</u>	<u>\$ 5,266</u>	<u>\$ 10,427</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BROWNSFIELD/EPA GRANTS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Intergovernmental:				
Federal				
Environmental Protection Agency	\$ 133,622	\$ 133,622	\$ -	\$ 126,707
Brownsfield	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,890</u>
Total Revenues	<u>133,622</u>	<u>133,622</u>	<u>-</u>	<u>136,597</u>
EXPENDITURES				
Community support:				
Services and supplies	<u>133,622</u>	<u>133,622</u>	<u>-</u>	<u>136,597</u>
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
UNEMPLOYMENT COMPENSATION TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	BUDGET	ACTUAL	VARIANCE	2009
EXPENDITURES				
General government				
Services and supplies	\$ 8,100	\$ 6,625	\$ 1,475	\$ 4,894
OTHER FINANCING SOURCES				
Operating transfer in				
General Fund	8,000	8,000	-	6,000
Net Change in Fund Balances	(100)	1,375	1,475	1,106
FUND BALANCE, July 1	1,697	2,903	1,206	1,797
FUND BALANCE, June 30	\$ 1,597	\$ 4,278	\$ 2,681	\$ 2,903

MINERAL COUNTY, NEVADA
BALANCE SHEETS
NONMAJOR CAPITAL PROJECTS FUND
JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2009)

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and investments	\$ 41,661	\$ 42,473
Taxes receivable, real rolls	<u>3,152</u>	<u>3,186</u>
Total Assets	<u>\$ 44,813</u>	<u>\$ 45,659</u>
LIABILITIES		
Accounts payable	\$ 221	\$ -
Deferred revenue	<u>3,060</u>	<u>3,147</u>
Total Liabilities	<u>3,281</u>	<u>3,147</u>
FUND BALANCE		
Unreserved	<u>41,532</u>	<u>42,512</u>
Total Liabilities and Fund Balance	<u>\$ 44,813</u>	<u>\$ 45,659</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
REVENUES				
Taxes				
Real rolls	\$ 38,297	\$ 37,323	\$ (974)	\$ 33,223
Personal property	7,360	8,370	1,010	8,536
Net proceeds of mines	-	5,462	5,462	3,876
Total Revenues	<u>45,657</u>	<u>51,155</u>	<u>5,498</u>	<u>45,635</u>
EXPENDITURES				
Debt service:				
Principal	41,085	43,087	(2,002)	41,082
Interest	11,055	9,048	2,007	11,051
Total Expenditures	<u>52,140</u>	<u>52,135</u>	<u>5</u>	<u>52,133</u>
Excess (Deficiency) of Revenues over Expenditures	(6,483)	(980)	5,503	(6,498)
OTHER FINANCING SOURCES				
Transfers in:				
In Lieu of Taxes Fund	-	-	-	30,000
Net Changes in Fund Balances	(6,483)	(980)	5,503	23,502
FUND BALANCE, July 1	<u>40,576</u>	<u>42,512</u>	<u>1,936</u>	<u>19,010</u>
FUND BALANCE, June 30	<u>\$ 34,093</u>	<u>\$ 41,532</u>	<u>\$ 7,439</u>	<u>\$ 42,512</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS-
BUDGET AND ACTUAL
HAWTHORNE TOWN UTILITY FUND
WATER OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OPERATING REVENUES				
Water use fees	\$ 615,000	\$ 560,154	\$ (54,846)	\$ 561,948
Water connection fees	9,000	9,875	875	4,272
Miscellaneous fees	23,900	31,976	8,076	47,646
Total Operating Revenues	<u>647,900</u>	<u>602,005</u>	<u>(45,895)</u>	<u>613,866</u>
OPERATING EXPENSES				
Salaries and wages	203,616	231,203	(27,587)	175,478
Employee benefits	96,840	85,590	11,250	83,878
Services and supplies	253,400	230,391	23,009	200,884
Customer discounts	44,600	37,416	7,184	38,356
Depreciation	130,000	125,449	4,551	119,559
Bad debt expense	2,500	1,299	1,201	819
Total Operating Expenses	<u>730,956</u>	<u>711,348</u>	<u>19,608</u>	<u>618,974</u>
Operating Income (Loss)	<u>(83,056)</u>	<u>(109,343)</u>	<u>(26,287)</u>	<u>(5,108)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	3,000	98	(2,902)	681
Income (Loss) Before Capital Contributions	<u>(80,056)</u>	<u>(109,245)</u>	<u>(29,189)</u>	<u>(4,427)</u>
CAPITAL CONTRIBUTIONS				
CDBG Grant	-	190,000	190,000	-
EPA Drinking Water State Revolving Loan Fund	-	433,213	433,213	-
Total Capital Contributions	<u>-</u>	<u>623,213</u>	<u>623,213</u>	<u>-</u>
Change in Net Assets	<u>\$ (80,056)</u>	<u>513,968</u>	<u>\$ 594,024</u>	<u>(4,427)</u>
NET ASSETS, July 1		<u>2,099,967</u>		<u>2,104,394</u>
NET ASSETS, June 30		<u>\$ 2,613,935</u>		<u>\$ 2,099,967</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS-
BUDGET AND ACTUAL
HAWTHORNE TOWN UTILITY FUND
SEWER OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OPERATING REVENUES				
Sewer use fees	\$ 190,000	\$ 163,828	\$ (26,172)	\$ 181,633
Sewer connection fees	5,000	2,470	(2,530)	4,790
Miscellaneous fees	3,000	62,204	59,204	63,213
Total Operating Revenues	<u>198,000</u>	<u>228,502</u>	<u>30,502</u>	<u>249,636</u>
OPERATING EXPENSES				
Salaries and wages	105,007	98,718	6,289	96,989
Employee benefits	51,469	40,301	11,168	46,665
Services and supplies	80,190	57,176	23,014	61,508
Depreciation	50,000	53,575	(3,575)	52,589
Bad debt expense	500	150	350	180
Total Operating Expenses	<u>287,166</u>	<u>249,920</u>	<u>37,246</u>	<u>257,931</u>
Operating Income (Loss)	<u>(89,166)</u>	<u>(21,418)</u>	<u>67,748</u>	<u>(8,295)</u>
NONOPERATING REVENUES				
Interest income	21,000	258	20,742	1,945
Total Nonoperating Revenues	<u>21,000</u>	<u>258</u>	<u>20,742</u>	<u>1,945</u>
Income (Loss) Before Capital Contributions	<u>(68,166)</u>	<u>(21,160)</u>	<u>47,006</u>	<u>(6,350)</u>
CAPITAL CONTRIBUTIONS				
CDBG Grant	-	605,833	605,833	29,605
EDA Sewer Grant	-	-	-	45,073
Total Capital Contributions	<u>-</u>	<u>605,833</u>	<u>605,833</u>	<u>74,678</u>
Change in Net Assets	<u>\$ (68,166)</u>	<u>584,673</u>	<u>\$ 652,839</u>	<u>68,328</u>
NET ASSETS, July 1		<u>3,665,428</u>		<u>3,597,100</u>
NET ASSETS, June 30		<u>\$ 4,250,101</u>		<u>\$ 3,665,428</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS-
BUDGET AND ACTUAL
HAWTHORNE TOWN UTILITY FUND
GARBAGE OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OPERATING REVENUES				
Garbage fees	\$ 257,000	\$ 256,203	\$ (797)	\$ 255,981
Miscellaneous fees	500	822	322	400
Total Operating Revenues	<u>257,500</u>	<u>257,025</u>	<u>(475)</u>	<u>256,381</u>
OPERATING EXPENSES				
Salaries and wages	128,678	132,434	(3,756)	120,189
Employee benefits	68,404	65,844	2,560	65,366
Services and supplies	45,055	43,986	1,069	44,051
Bad debt expense	200	163	37	97
Depreciation	34,500	24,967	9,533	19,474
Total Operating Expenses	<u>276,837</u>	<u>267,394</u>	<u>9,443</u>	<u>249,177</u>
Operating Income (Loss)	<u>(19,337)</u>	<u>(10,369)</u>	<u>8,968</u>	<u>7,204</u>
NONOPERATING EXPENSES				
Interest expense	1,105	1,644	(539)	1,831
Changes in Net Assets	<u>\$ (20,442)</u>	<u>(12,013)</u>	<u>\$ 8,429</u>	<u>5,373</u>
NET ASSETS, July 1		<u>98,401</u>		<u>93,028</u>
NET ASSETS, June 30		<u>\$ 86,388</u>		<u>\$ 98,401</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS-
BUDGET AND ACTUAL
MINA TOWN UTILITY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OPERATING REVENUES				
Water use fees	\$ 68,043	\$ 64,002	\$ (4,041)	\$ 61,550
Miscellaneous fees	1,600	1,528	(72)	2,127
Power reimbursement from Luning Town Utility Fund	4,000	-	(4,000)	-
Total Operating Revenues	<u>73,643</u>	<u>65,530</u>	<u>(8,113)</u>	<u>63,677</u>
OPERATING EXPENSES				
Salaries and wages	25,000	25,529	(529)	19,811
Employee benefits	11,167	9,573	1,594	12,796
Services and supplies	33,660	29,282	4,378	22,544
Depreciation	41,400	42,196	(796)	42,079
Bad debt expense	500	217	283	564
Total Operating Expenses	<u>111,727</u>	<u>106,797</u>	<u>4,930</u>	<u>97,794</u>
Operating Income (Loss)	<u>(38,084)</u>	<u>(41,267)</u>	<u>(3,183)</u>	<u>(34,117)</u>
NONOPERATING REVENUES				
Interest income	-	49	49	342
Change in Net Assets	<u>\$ (38,084)</u>	<u>(41,218)</u>	<u>\$ (3,134)</u>	<u>(33,775)</u>
NET ASSETS, July 1		<u>1,129,160</u>		<u>1,162,935</u>
NET ASSETS, June 30		<u>\$ 1,087,942</u>		<u>\$ 1,129,160</u>

MINERAL COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2009)

	MINERAL COUNTY POWER SYSTEMS	LUNING TOWN	TOTALS	
			2010	2009
ASSETS				
Current Assets				
Cash and investments	\$ 59,566	\$ 22,294	\$ 81,860	\$ 78,268
Accounts receivable	14,063	2,202	16,265	13,980
Less allowance for uncollectible accounts and anticipated customer discounts	-	(50)	(50)	(50)
Interest receivable	-	5	5	5
Miscellaneous receivable	-	140	140	226
Total Current Assets	73,629	24,591	98,220	92,429
Noncurrent Assets				
Property, plant and equipment (net)	57,098	80,097	137,195	145,670
Total Assets	130,727	104,688	235,415	238,099
LIABILITIES				
Current Liabilities				
Accounts payable	-	1,161	1,161	215
Accrued wages	-	449	449	101
Due to other funds	-	3,484	3,484	2,980
Customer deposits	-	-	-	200
Compensated absences	-	118	118	841
Total Current Liabilities	-	5,212	5,212	4,337
Long-Term Liabilities				
Compensated absences	-	177	177	-
Total Liabilities	-	5,389	5,389	-
NET ASSETS				
Invested in capital assets	57,098	80,097	137,195	145,670
Unrestricted	73,629	19,202	92,831	88,092
Total Net Assets	\$ 130,727	\$ 99,299	\$ 230,026	\$ 233,762

MINERAL COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2009)

	MINERAL COUNTY POWER SYSTEMS	LUNING TOWN	TOTALS	
			2010	2009
OPERATING REVENUES				
Water use fees	\$ -	\$ 16,777	\$ 16,777	\$ 18,458
Lease payments	46,082	-	46,082	40,955
Miscellaneous fees	-	611	611	673
Total Operating Revenues	46,082	17,388	63,470	60,086
OPERATING EXPENSES				
Salaries and wages	-	7,542	7,542	5,140
Employee benefits	-	1,276	1,276	3,966
Services and supplies	-	8,853	8,853	8,900
Bad debt expense	-	184	184	-
Depreciation	236	9,148	9,384	9,342
Total Operating Expenses	236	27,003	27,239	27,348
Operating Income (Loss)	45,846	(9,615)	36,231	32,738
NONOPERATING REVENUES				
Interest and other income	-	33	33	228
Income (loss) before transfers	45,846	(9,582)	36,264	32,966
TRANSFERS OUT				
	(40,000)	-	(40,000)	(40,000)
Change in Net Assets	5,846	(9,582)	(3,736)	(7,034)
NET ASSETS, July 1	124,881	108,881	233,762	240,796
NET ASSETS, June 30	\$ 130,727	\$ 99,299	\$ 230,026	\$ 233,762

**MINERAL COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2009)**

	MINERAL COUNTY POWER SYSTEMS	LUNING TOWN	TOTALS	
			2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 44,427	\$ 15,236	\$ 59,663	\$ 62,138
Cash payments for personnel costs	-	(9,016)	(9,016)	(9,322)
Cash payments for services and supplies	-	(6,179)	(6,179)	(8,573)
Net Cash Provided (Used) by Operating Activities	<u>44,427</u>	<u>41</u>	<u>44,468</u>	<u>44,243</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(40,000)	-	(40,000)	(40,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(909)	(909)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	33	33	252
Net Increase (Decrease) in Cash	4,427	(835)	3,592	4,495
CASH AND CASH EQUIVALENTS, July 1	<u>55,139</u>	<u>23,129</u>	<u>78,268</u>	<u>73,773</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 59,566</u>	<u>\$ 22,294</u>	<u>\$ 81,860</u>	<u>\$ 78,268</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 45,846	\$ (9,615)	\$ 36,231	\$ 32,738
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	236	9,148	9,384	9,342
Change in current assets and liabilities:				
(Increase) decrease in trade accounts receivable (net)	(1,655)	(544)	(2,199)	1,830
Increase (decrease) in accounts payable	-	1,252	1,252	633
Increase (decrease) in customer deposits	-	(200)	(200)	(300)
Total Adjustments	<u>(1,419)</u>	<u>9,656</u>	<u>8,237</u>	<u>11,505</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 44,427</u>	<u>\$ 41</u>	<u>\$ 44,468</u>	<u>\$ 44,243</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS-
BUDGET AND ACTUAL
MINERAL COUNTY POWER SYSTEM FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OPERATING REVENUES				
Lease payments from Sierra Pacific Power Company	\$ 40,000	\$ 46,082	\$ 6,082	\$ 40,955
OPERATING EXPENSES				
Depreciation	236	236	-	236
Total Operating Expenses	236	236	-	236
Net Income before Transfers	39,764	45,846	6,082	40,719
TRANSFERS OUT				
General Fund	(40,000)	(40,000)	-	(40,000)
Change in Net Assets	<u>\$ (236)</u>	5,846	<u>\$ 6,082</u>	719
NET ASSETS, July 1		<u>124,881</u>		<u>124,162</u>
NET ASSETS, June 30		<u>\$ 130,727</u>		<u>\$ 124,881</u>

MINERAL COUNTY, NEVADA
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS-
BUDGET AND ACTUAL
LUNING TOWN UTILITY FUND
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2009</u>
OPERATING REVENUES				
Water use fees	\$ 20,415	\$ 16,777	\$ (3,638)	\$ 18,458
Miscellaneous fees	1,063	611	(452)	673
Total Operating Revenues	<u>21,478</u>	<u>17,388</u>	<u>(4,090)</u>	<u>19,131</u>
OPERATING EXPENSES				
Salaries and wages	6,809	7,542	(733)	5,140
Employee benefits	3,211	1,276	1,935	3,966
Services and supplies	10,160	8,853	1,307	8,900
Depreciation	7,000	9,148	(2,148)	9,106
Bad debt expense	60	184	(124)	-
Total Operating Expenses	<u>27,240</u>	<u>27,003</u>	<u>237</u>	<u>27,112</u>
Operating Income (Loss)	<u>(5,762)</u>	<u>(9,615)</u>	<u>(3,853)</u>	<u>(7,981)</u>
NONOPERATING REVENUES				
Interest income	-	33	33	228
Change in Net Assets	<u>\$ (5,762)</u>	<u>(9,582)</u>	<u>\$ (3,820)</u>	<u>(7,753)</u>
NET ASSETS, July 1		<u>108,881</u>		<u>116,634</u>
NET ASSETS, June 30		<u>\$ 99,299</u>		<u>\$ 108,881</u>

MINERAL COUNTY, NEVADA
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
JUNE 30, 2010
(WITH COMPARATIVE AMOUNTS AS OF JUNE 30, 2009)

	2010	2009
ASSETS		
Cash and investments	\$ 662,658	\$ 531,934
Total Assets	\$ 662,658	\$ 531,934
LIABILITIES		
Due to other governments	\$ 458,264	\$ 388,736
Due to others	204,394	143,198
Total Liabilities	\$ 662,658	\$ 531,934

MINERAL COUNTY, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (Page 1 of 5)

	BALANCE JULY 1, 2009	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2010
State of Nevada Settlement:				
Assets:				
Cash invested and on deposit	\$ 30,561	\$ 508,917	\$ 492,389	\$ 47,089
Liabilities:				
Due to other governments	\$ 30,561	\$ 508,917	\$ 492,389	\$ 47,089
Range Improvement District:				
Assets:				
Cash invested and on deposit	\$ 1,008	\$ 1,358	\$ 964	\$ 1,402
Liabilities:				
Due to other governments	\$ 1,008	\$ 1,358	\$ 964	\$ 1,402
Fish and Game:				
Assets:				
Cash invested and on deposit	\$ 155	\$ 2,058	\$ 2,213	\$ -
Liabilities:				
Due to others	\$ 155	\$ 2,058	\$ 2,213	\$ -
Library Gift:				
Assets:				
Cash invested and on deposit	\$ 218	\$ 3,761	\$ 2,269	\$ 1,710
Liabilities:				
Due to others	\$ 218	\$ 3,761	\$ 2,269	\$ 1,710
Mineral County School District:				
Assets:				
Cash invested and on deposit	\$ 146	\$ 1,045,869	\$ 1,035,543	\$ 10,472
Liabilities:				
Due to other governments	\$ 146	\$ 1,045,869	\$ 1,035,543	\$ 10,472
Excess Proceeds Trust Property Sales:				
Assets:				
Cash invested and on deposit	\$ 25,062	\$ 58,241	\$ 22,940	\$ 60,363
Liabilities:				
Due to others	\$ 25,062	\$ 58,241	\$ 22,940	\$ 60,363

MINERAL COUNTY, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (Page 2 of 5)

	BALANCE JULY 1, 2009	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2010
Clerk and Treasurer Trust Account:				
Assets:				
Cash invested and on deposit	\$ 44,960	\$ 11,667	\$ 11,103	\$ 45,524
Liabilities:				
Due to others	\$ 44,960	\$ 11,667	\$ 11,103	\$ 45,524
Public Administrator				
Assets:				
Cash invested and on deposit	\$ 5,798	\$ -	\$ -	\$ 5,798
Liabilities:				
Due to others	\$ 5,798	\$ -	\$ -	\$ 5,798
Juvenile Restitution Trust:				
Assets:				
Cash invested and on deposit	\$ 1,319	\$ -	\$ -	\$ 1,319
Liabilities:				
Due to others	\$ 1,319	\$ -	\$ -	\$ 1,319
Mineral County Hospital District:				
Assets:				
Cash invested and on deposit	\$ 39	\$ 216,147	\$ 213,395	\$ 2,791
Liabilities:				
Due to other governments	\$ 39	\$ 216,147	\$ 213,395	\$ 2,791
Mineral Television District No. 1:				
Assets:				
Cash invested and on deposit	\$ 33,175	\$ 43,593	\$ 45,730	\$ 31,038
Liabilities:				
Due to other governments	\$ 33,175	\$ 43,593	\$ 45,730	\$ 31,038
Memorial Rose Garden				
Assets:				
Cash invested and on deposit	\$ 3,553	\$ 326	\$ 773	\$ 3,106
Liabilities:				
Due to others	\$ 3,553	\$ 326	\$ 773	\$ 3,106

MINERAL COUNTY, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (Page 3 of 5)

	<u>BALANCE</u> <u>JULY 1, 2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2010</u>
Mineral County Fair and Recreation Board:				
Assets:				
Cash invested and on deposit	\$ 70,083	\$ 168,774	\$ 150,571	\$ 88,286
Liabilities:				
Due to other governments	\$ 70,083	\$ 168,774	\$ 150,571	\$ 88,286
Museum Gift Fund				
Assets:				
Cash invested and on deposit	\$ 6,984	\$ -	\$ 85	\$ 6,899
Liabilities:				
Due to others	\$ 6,984	\$ -	\$ 85	\$ 6,899
Commissary Fund:				
Assets:				
Cash invested and on deposit	\$ 30,744	\$ 103,985	\$ 102,250	\$ 32,479
Liabilities:				
Due to others	\$ 30,744	\$ 103,985	\$ 102,250	\$ 32,479
Forfeiture and bad checks-DA:				
Assets:				
Cash invested and on deposit	\$ 11,827	\$ -	\$ 11,827	\$ -
Liabilities:				
Due to others	\$ 11,827	\$ -	\$ 11,827	\$ -
Mineral County DARE Program:				
Assets:				
Cash invested and on deposit	\$ 211	\$ -	\$ -	\$ 211
Liabilities:				
Due to others	\$ 211	\$ -	\$ -	\$ 211
Mineral County Jail-Inmate Restricted:				
Assets:				
Cash invested and on deposit	\$ 2,779	\$ 19,646	\$ 18,179	\$ 4,246
Liabilities:				
Due to others	\$ 2,779	\$ 19,646	\$ 18,179	\$ 4,246

MINERAL COUNTY, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (Page 4 of 5)

	<u>BALANCE</u> <u>JULY 1, 2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2010</u>
Sheriff's Gift:				
Assets:				
Cash invested and on deposit	\$ 244	\$ 550	\$ 621	\$ 173
Liabilities:				
Due to others	\$ 244	\$ 550	\$ 621	\$ 173
Care and Share Gift Fund:				
Assets:				
Cash invested and on deposit	\$ 7,386	\$ 9,696	\$ 6,853	\$ 10,229
Liabilities:				
Due to others	\$ 7,386	\$ 9,696	\$ 6,853	\$ 10,229
Walker Lake General Improvement:				
Assets:				
Cash invested and on deposit	\$ 150,885	\$ 178,488	\$ 156,273	\$ 173,100
Liabilities:				
Due to other governments	\$ 150,885	\$ 178,488	\$ 156,273	\$ 173,100
Mina Town Park Donation:				
Assets:				
Cash invested and on deposit	\$ 540	\$ -	\$ -	\$ 540
Liabilities:				
Due to others	\$ 540	\$ -	\$ -	\$ 540
Aid to Victims of Domestic Violence:				
Assets:				
Cash invested and on deposit	\$ 43	\$ -	\$ 43	\$ -
Liabilities:				
Due to others	\$ 43	\$ -	\$ 43	\$ -

MINERAL COUNTY, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (Page 5 of 5)

	<u>BALANCE</u> <u>JULY 1, 2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2010</u>
School Debt:				
Assets:				
Cash invested and on deposit	\$ 87	\$ 487,517	\$ 480,964	\$ 6,640
Liabilities:				
Due to other governments	\$ 87	\$ 487,517	\$ 480,964	\$ 6,640
Mineral County Youth Athletic League:				
Assets:				
Cash invested and on deposit	\$ 28	\$ -	\$ -	\$ 28
Liabilities:				
Due to others	\$ 28	\$ -	\$ -	\$ 28
Mineral County Sheriff Investigative Fund:				
Assets:				
Cash invested and on deposit	\$ 1,347	\$ 31,072	\$ 650	\$ 31,769
Liabilities:				
Due to others	\$ 1,347	\$ 31,072	\$ 650	\$ 31,769
Unapportioned Collections:				
Assets:				
Cash invested and on deposit	\$ 102,752	\$ -	\$ 5,306	\$ 97,446
Liabilities:				
Due to other governments	\$ 102,752	\$ -	\$ 5,306	\$ 97,446
Totals, All Agency Funds and Unapportioned Collections:				
Assets:				
Cash invested and on deposit	\$ 531,934	\$ 2,891,665	\$ 2,760,941	\$ 662,658
Liabilities:				
Due to other governments	\$ 388,736	\$ 2,650,663	\$ 2,581,135	\$ 458,264
Due to others	143,198	241,002	179,806	204,394
	<u>\$ 531,934</u>	<u>\$ 2,891,665</u>	<u>\$ 2,760,941</u>	<u>\$ 662,658</u>



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
Mineral County, Nevada

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mineral County, Nevada as of and for the year ended June 30, 2010, which collectively comprise Mineral County's basic financial statements and have issued our report thereon dated February 11, 2011. 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 Mineral County, Nevada's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an 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.

Our consideration of the internal control over financial reporting was for the limited purpose as described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Question Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of Mineral County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses (Findings 10-1 and 10-2).

Compliance and Other Matters:

As part of obtaining reasonable assurance about whether Mineral County, Nevada's basic 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 were required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Mineral County, Nevada in a separate letter dated February 11, 2011.

The County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, Mineral County Board of County Commissioners, others within the entity, 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.

Yerington, Nevada
February 11, 2011

Kafoury, Armstrong & Co.



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

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 Commissioners
Mineral County, Nevada

Compliance:

We have audited Mineral County, Nevada's 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 Mineral County, Nevada's major federal programs for the year ended June 30, 2010. Mineral County, Nevada'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 major federal program is the responsibility of Mineral County, Nevada's management. Our responsibility is to express an opinion on Mineral County, Nevada'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 Mineral County, Nevada'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 opinion does not provide a legal determination on Mineral County, Nevada's compliance with those requirements.

In our opinion, Mineral County, Nevada complied, in all material respects, with the 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 Mineral County, Nevada is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Mineral County, Nevada's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance to 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 does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, or detect 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 a 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 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 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 management, others within the entity, 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.

Yerington, Nevada
February 11, 2011

Kafoury, Armstrong & Co.

MINERAL COUNTY, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 1 OF 3)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Agriculture:</u>				
Direct Programs:				
Office of Rural Development				
Community Facilities Loans and Grants	10.766	N/A	\$ 4,878	-
Passed through the State of Nevada Controller:				
Schools and Roads - Grants to States (NOTE 4)	10.665	N/A	442,232	\$ 221,116
Passed through the State of Nevada Department of Administration:				
Nutrition Cluster				
National School Lunch Program (NOTE 2)	10.555	N/A	2,846	-
National School Lunch Program	10.555	N/A	17,020	-
Total Nutrition Cluster			<u>19,867</u>	-
Passed through the State of Nevada Department of Administration:				
Emergency Food Assistance Cluster				
Emergency Food Assistance Program (NOTE 2)	10.569	N/A	12,089	-
Total Emergency Food Assistance Cluster			<u>12,089</u>	-
Total U.S. Department of Agriculture			<u>479,066</u>	<u>221,116</u>
<u>U.S. Department of Housing and Urban Development:</u>				
Passed through the State of Nevada Commission on Economic Development:				
State-Administered Small Cities Program Cluster				
Community Development Block Grants/ State Program-Hawthorne Industrial Park Phase II-New Well	14.228	CDBG/07/PF/012	190,000	-
Community Development Block Grants/ Wastewater Project Design	14.228	09/PF/017	120,000	-
Community Development Block Grants/ State Program-Community Ctr Renovation	14.228	CDBG/08/PF/006	21,310	-
Total State-Administered Small Cities Program Cluster			<u>331,310</u>	-
Total U.S. Department of Housing and Urban Development			<u>331,310</u>	-
<u>U.S. Department of the Interior:</u>				
Passed through the State of Nevada Controller:				
Taylor Grazing Act	15.227	N/A	1,358	-
<u>U.S. Department of Justice:</u>				
Direct Programs:				
State Criminal Alien Assistance Program (SCAAP)	16.606	2009-AP-BX-0996	88	-
Passed through Nevada Department of of Public Safety				
Office of Criminal Justice Assistance				
ARRA -Justice Assistance Programs (JAG)	16.804	09-ARRA-08	4679	-
Total U.S. Department of Justice			<u>4,767</u>	-

MINERAL COUNTY, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (PAGE 2 OF 3)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Transportation:</u>				
Direct Programs				
Airport Improvement Programs	20.106	3-32-0009-08	\$ 139,922	\$ -
Passed through the State of Nevada Division of State Parks				
Highway Planning and Construction Cluster				
Recreational Trails Grant	20.219	FY 2007-19	1,484	-
Total Highway Planning and Construction Cluster			<u>1,484</u>	<u>-</u>
Passed through the State of Nevada Department of Transportation				
Formula Grant for other than Urbanized Areas	20.509	PR425-09-802	43,320	-
ARRA - Formula Grant for other than Urbanized Areas	20.509	PR402-09-802	9,360	-
Formula Grant for other than Urbanized Areas	20.509	PRO75-08-802	9,596	-
			<u>62,276</u>	<u>-</u>
Passed through the State of Nevada Department of Public Safety, Office of Traffic Safety				
Highway Safety Cluster				
Joining Forces Law Enforcement Program	20.600	29-JF-1.12	7,612	-
Alcohol Impaired Driving Countermeasures	20.601	210-JF-1.15	2,237	-
Occupant Protection	20.602	210-JF-1.15	2,638	-
Safety Belts and Performance Grants	20.609	210-JF-1.15	4,260	-
Total Highway Safety Cluster			<u>16,747</u>	<u>-</u>
Total U.S. Department of Transportation			<u>220,429</u>	<u>-</u>
<u>U.S. Department of Energy:</u>				
Direct Programs:				
Civilian Radioactive Waste Management:				
Nuclear Waste Disposal Siting	81.065	N/A	363,987	-
Program Income (NOTE 3)	81.065	N/A	13,659	-
			<u>377,646</u>	<u>-</u>
Total U.S. Department of Energy			<u>377,646</u>	<u>-</u>
<u>U.S. Department of Health and Human Services:</u>				
Passed through the State Division for Aging Services:				
Aging Cluster				
Special Programs for the Aging-Title III, Part B - Grants for				
Supportive Services and Senior Centers	93.044	12-000-13-BX-09	13,690	-
Supportive Services and Senior Centers	93.044	12-000-13-BX-10	30,803	-
			<u>44,493</u>	<u>-</u>
Special Programs for the Aging-Title III, Part C - Nutrition Services				
Homebound Meals	93.045	12-000-04-24-09	12,284	-
Program Income			10,677	-
Homebound Meals	93.045	12-000-04-24-10	29,624	-
Program Income			25,750	-
Congregate Meals	93.045	12-000-07-13-10	15,860	-
Program Income			13,786	-
Congregate Meals	93.045	12-000-07-13-09	4,501	-
Program Income			3,912	-
Nutrition Equipment	93.045	12-000-04-24-10	4,378	-
			<u>120,772</u>	<u>-</u>
Nutrition Services Incentive Program				
Nutrition Services Incentive Program	93.053	12-000-57-NX-09	15,446	-
Nutrition Services Incentive Program	93.053	12-000-57-NX-10	10,605	-
			<u>26,051</u>	<u>-</u>
Aging Home-Delivered Nutrition Services for States				
ARRA- Aging Home-Delivered Nutrition	93.705	12-000-04-2AX-10	6,334	-
Aging Congregate Nutrition Services for States				
ARRA- Aging Congregate Nutrition Services	93.707	12-000-07-1AX-10	13,591	-
Total Aging Cluster			<u>211,241</u>	<u>-</u>

MINERAL COUNTY, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2010
 (PAGE 3 OF 3)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Health and Human Services (continued):</u>				
Passed through the State Division for Aging Services (continued):				
National Family Caregiver Support	93.052	12-000-45-EX-10	\$ 41,972	\$ -
National Family Caregiver Support	93.052	12-000-45-EX-09-E	13,991	-
			<u>55,963</u>	<u>-</u>
Passed through the State of Nevada Division of Welfare:				
Child Support Enforcement	93.563	N/A	80,532	-
Total U.S. Department of Health and Human Services			<u>347,736</u>	<u>-</u>
<u>Department of Homeland Security:</u>				
Passed through State Department of Public Safety:				
Division of Emergency Management				
Emergency Management Performance Grant	97.042	Project 9704209	4,993	-
Emergency Management Performance Grant	97.042	Project 9704210	16,553	-
			<u>21,546</u>	<u>-</u>
Total Department of Homeland Security			<u>21,546</u>	<u>-</u>
<u>U.S. Environmental Protection Agency:</u>				
Direct Programs:				
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	BF-96942101-0	133,622	
Passed through Department of Conservation & Natural Resources				
Nevada Division of Environmental Protection:				
Clean Water State Revolving Loan Fund	66.458	Contract CS32-0938S	525,089	-
Drinking Water State Revolving Fund	66.468	N/A	433,213	-
Total U.S. Environmental Protection Agency			<u>1,091,924</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,875,781</u>	<u>\$ 221,116</u>

MINERAL COUNTY, NEVADA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2010

NOTE 1 – BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Mineral County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 – NONCASH EXPENDITURES:

The expenditures reported include noncash items as follows:

National School Lunch Program (10.555)

Expenditures of \$2,846 for this program represent the dollar value of food commodities served at the County's juvenile detention facility. The value of commodities is determined by the U.S. Department of Agriculture.

Emergency Food Assistance Program (Food Commodities (10.569))

Expenditures of \$12,089 for this program represent the dollar value of food commodities used and distributed to eligible recipients through the County's Care & Share facilities. The value of commodities is determined by the U.S. Department of Agriculture.

NOTE 3 – PROGRAM INCOME:

Expenditures reported include income received by the grantee, directly generated by grant-supported activity, totaling \$67,784 and includes the following programs:

- Program income at the County's Care & Share facilities under CFDA 93.045 – Special Programs for the Aging Title III, Part C in the amount of \$54,125 was due to meals served.
- Program income at the County's Nuclear Waste Disposal Siting – CFDA 81.065 in the amount of \$13,659 was due to interest earnings and map fees.

NOTE 4 – SUBRECIPIENTS:

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

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Schools and Roads - Grants to States	10.665	\$ <u>221,116</u>

MINERAL COUNTY, NEVADA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2010

Section I - Summary of Auditor's Results:

- Kafoury, Armstrong & Co. issued an unqualified opinion on the financial statements of Mineral County, Nevada for the year ended June 30, 2010.
- Two material weaknesses were identified during the audit of the financial statements as reported in the 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*.
- The audit disclosed no instances of noncompliance which were material to the financial statements of Mineral County.
- No significant deficiencies in the internal control over major federal programs were disclosed during the audit as reported in the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance with the requirements for the major federal award program of Mineral County.
- The audit discloses no audit findings that the auditor is required to report under Section 510(a) of Circular A-133.
- Mineral County had five major programs for the year ended June 30, 2010, as follows:

CFDA Number	Name of Federal Program
14.228	Community Development Block Grants Cluster
66.458	Clean Water State Revolving Funds
66.468	Drinking Water State Revolving Funds
81.065	Nuclear Waste Disposal Siting
20.106	Airport Improvement Program

- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2010, was \$300,000.
- Mineral County was determined to be a high-risk auditee for the year ended June 30, 2010 under the criteria set forth in section 530 of OMB Circular A-133.

Financial Statements Findings:

- See pages 119-121.

MINERAL COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Section II-Financial Statements Findings:
Finding 10-1-Material Weakness

Criteria and Condition: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system of internal control is a finance staff capable of preparing full disclosure financial statements and schedule of expenditures of federal awards and capable of maintaining accounting records that do not require adjustments as part of the audit process.

During our audit testing, we noted several instances where the trial balance required audit adjustments. (Specific examples are discussed in detail in finding 10-2). Based upon the audit adjustments and the changes in presentation from the County's internally produced financial statements, it appears the County's finance staff would be unable to prepare financial statements and schedule of expenditures of federal awards in accordance with generally accepted accounting principles without the assistance of Kafoury, Armstrong & Co. As such, Kafoury, Armstrong & Co. prepares the County's audited financial statements, related note disclosures and schedule of expenditures of federal awards.

Context: Kafoury, Armstrong & Co. has adjusted the general ledger and prepared the County's audited financial statements, related note disclosures, and schedule of expenditures of federal awards as part of the annual audit process for many years. As such, this appears to be a systemic condition.

Effect: Financial information submitted to the Board during the year may not have been accurate.

Cause: Due to a lack of personnel trained in governmental accounting, software utilization, and financial statement presentation for governments, the County has chosen to contract with Kafoury, Armstrong & Co. to prepare the County's financial statements and schedule of expenditures of federal awards and adjust the general ledger as necessary.

Recommendation: We recommend the County's finance staff obtain training in the preparation of governmental financial statements and schedule of expenditures of federal awards in order to achieve the capability to prepare the County's financial statements internally. We also recommend that the County's management and finance staff obtain additional training in the use of the County's general ledger software in order to fully utilize the software's capabilities.

Management's Response:

Due to constraints on financial resources, the County believes the most cost efficient approach is to outsource the financial preparation function. Therefore, the County will continue to contract with the external auditor to prepare the County's financial statements and adjust the general ledger as necessary.

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

Section II-Financial Statements Findings:
Finding 10-2-Material Weakness

Criteria and Condition: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting in both governmental and business-type funds. One of the key components of an effective system of internal control is that County finance and other personnel who are responsible for grants are capable of maintaining accounting records that reflect current and accurate balances.

While testing the County's other postemployment benefits obligations, grants receivables and grants revenue, we noted the trial balance required adjustments to other postemployment benefits, salaries and wages, grant receivables and grant revenue.

Context: This appears to be a systemic condition.

Effect: The County's business-type activities-enterprise funds salaries and wages and other postemployment benefits were understated and grants receivables and revenues both were overstated and understated in the governmental and business-type activities funds.

Cause: The County's personnel responsible for the business-type activities-enterprise funds did not record the other post-employment obligation. County personnel that are responsible for grants are not providing accurate numbers to the finance personnel for proper recording of grants receivable and grants revenue in the general ledger.

Recommendation: We recommend the County's personnel responsible for recording other postemployment benefits and grant funds obtain training in order to maintain accurate accounting records and supporting documentation.

Management's Response: The finance personnel responsible for business-type activities-enterprise funds will adopt policies and procedures to verify the reconciliation of all general ledger accounts on a regular basis.

County personnel responsible for grants and recordkeeping associated with their grants will obtain training and guidance from County finance personnel on the proper recording of grant funding in the general ledger system.

MINERAL COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

U.S. Department of Transportation

Finding 09-5:

Airport Improvement Program, CFDA 20.106

Grant Award Number: AIP 3-32-0009-07

Conditions & Criteria: As noted in OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Effective November 26, 2003, when a non-federal entity enters into a covered transaction (over \$25,000) with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

During our testing for this area, we noted a consulting contract did not include the necessary clause covering the suspension and debarment requirement. Further review revealed the County did not verify, either through the EPLS system or by collecting a certification from the entity, that they were not suspended or debarred.

Management's Response: The finding occurred when the entity was hired in 2007 to perform a 5-year airport improvement plan and further architectural and engineering services over the next five years. The consulting firm was hired, using proper procurement procedures, on the recommendation of the Airport Advisory Board. The Board has since disbanded and the Public Works Director, in place at the time the contract was awarded, has since retired, which makes retracing the steps taken somewhat difficult. While we cannot find proof of compliance in this instance, we are aware of the suspension and debarment requirement and have

taken steps to ensure this does not occur in the future. We have established and filled the position of Deputy Grant Administrator who will be working with the individual departments to ensure compliance requirements are met. We have also gone back and checked Armstrong Consultants (the entity in question) through the EPLS website and found that they are not suspended or disbarred.

Finding Status:

This finding has been corrected. The County now verifies that all parties have not been suspended or debarred before entering into a contract with the County.



Independent Accountant's Report

To the Honorable Board of Commissioners of
Mineral 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 purpose 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/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 their financial administration during the year ended June 30, 2010 (except as previously noted under statute compliance)
- The balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of Mineral County, Nevada.

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.

Yerington, Nevada
February 11, 2011

Kafoury, Armstrong & Co

MINERAL COUNTY, NEVADA
 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 adjusted base at June 30, 2009		\$49,443
Adjustment to Base:		
Base		
1. Percentage increase in population of the local government	1.10%	
2. 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	<u>2.70%</u>	<u>3.80%</u>
Adjusted base at June 30, 2010		51,322
Actual revenue		<u>30,478</u>
Amount (under) allowable amount		<u><u>\$(20,844)</u></u>

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.

CURRENT YEAR RECOMMENDATIONS

Our recommendations for the current year are included in the Schedule of Findings and Questioned Costs.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The County conformed to all significant statutory constraints on its financial administration during the year ended June 30, 2009.

PRIOR YEAR RECOMMENDATIONS

The prior year findings were implemented while Finding 10-1 is ongoing.



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

To the Board of County Commissioners of
Mineral County

We have completed our audit of the financial statements of Mineral County for the year ended June 30, 2010. This management letter discusses other matters and presents our recommendations to assist in improvements of Mineral County's system of internal control and to encourage refinement of recording procedures.

These items do not constitute a significant deficiencies or material weaknesses as defined by auditing standards generally accepted in the United States of America, nor are they of a financial magnitude to justify inclusion within the audit report. They are presented for your consideration only.

CURRENT YEAR RECOMMENDATIONS

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*:

During the course of our audit, we noted the actuarial report provided to us disclosed a potential statutory violation relating to retiree benefits provided by Mineral County, Nevada. As noted in the actuarial report, life insurance and survivor benefits were not included in the valuation. Nevada Revised Statute states retirees should be allowed to continue the life insurance coverage they had as active employees and that survivors of retirees should be allowed to continue medical, dental and vision coverage that was made available to the retiree. We recommend the following:

- Mineral County, Nevada review with their legal counsel the applicability of this NRS Statute with regards to retiree's benefits.

Cash and Investments:

During the course of our audit, we noted that Mineral County has not established adequate funding to meet the future closure and post-closure costs that will be incurred near or after the date the landfill no longer accepts waste. The County also needs to determine the future estimated costs incurred with the landfill closures and post-closure costs. We recommend the following:

- Mineral County needs to establish funds that will be needed to fund the liability to finance the future costs associated with the landfill closure and post-closure care costs.

We appreciate the cooperation extended to us by all County personnel. Should any of our recommendations require further explanation, we would be pleased to discuss them with you at your convenience.

Yerington, Nevada
February 11, 2011

Kafoury, Armstrong & Co.