

CHURCHILL COUNTY, NEVADA



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Comprehensive Annual Financial Report

Year Ended June 30, 2013



CHURCHILL COUNTY, NEVADA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2013

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JUNE 30, 2013**

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INTRODUCTORY SECTION – UNAUDITED



Churchill County Comptroller

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November 26, 2013

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

We are pleased to submit the Comprehensive Annual Financial Report of Churchill County, Nevada for the fiscal year ended June 30, 2013.

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

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with county management based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatements. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County; and that all disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This Comprehensive Annual Financial Report presents all funds of Churchill County, the primary government.

REPORT PRESENTATION

We are presenting Management's Discussion and Analysis as an introduction to the financial information. It immediately follows the auditor's opinion. This section provides an overview and analysis of the County's significant transactions to aid readers in understanding their financial impact and relationship to the financial statements and schedules provided. This section is presented to provide more meaningful information to our readers and to demonstrate accountability for our financial actions.

The Financial Reporting Entity and Its Services

Churchill County was incorporated in 1861 and is a political subdivision of the State of Nevada operating under the general laws of the State. The County covers an area of approximately 4,900 square miles in the north central section of the State. The county seat is in the City of Fallon.

The County provides for the health, safety and welfare of its citizens through many programs. Programs for health and welfare include immunization, cancer screening and flu vaccinations at the Community Health Nurse Office, one-time assistance with utility bills and transportation through the Social Services department. Planning, zoning and building permits, tax assessment and collections, and general governmental services are also provided by the County. The County also provides for new construction and maintenance on various streets and highways, builds and maintains parks, maintains a public cemetery, operates both a library and a museum; adjudicates various civil and criminal matters in its State and local courts; maintains the civil peace through the Sheriff's Department and its law enforcement officers; fire protection through the Insurance Services Office (ISO) 1-rated volunteer fire department; and houses adult and juvenile offenders in its detention facilities.

The County has established various funds to account for these activities in compliance with legal requirements, to facilitate management control, or to satisfy the requirements of generally accepted accounting

principles. Governmental, proprietary and fiduciary fund types are employed to record all financial transactions of the County. This annual report summarizes the activities of the general fund, two major special revenue funds, 29 non-major special revenue funds, four major proprietary funds, four non-major proprietary fund, four non-major capital projects funds, one debt service fund, and 17 agency funds. Churchill County adheres to the Local Government Budget and Finance Act incorporated within the statutes of the State of Nevada. The budget is adopted annually for all governmental and proprietary funds of the County. See Note 1-Summary of Significant Accounting Policies: Budget for more details.

Local Economic Condition and Outlook

Churchill County’s most recent population as certified by the Governor on February 15, 2013, as of July 1, 2012 is 25,238. This reflects a 0.4% increase over the prior year population of 25,136. The city of Fallon’s population is 8,706 compared to the prior year of 8,609. The overall increase in population is due to the stabilization of population after a decline due to poor economic climate and high unemployment that has forced residents to relocate to look for jobs. Our citizens enjoy a unique rural lifestyle with modern services being provided. After several years of a growth economy, which seems to have topped-out in fiscal year 2006, taxable sales have decreased over the past several years due to decline in population, high unemployment and poor economic conditions. The increase in FY 2009 was due to a significant geothermal development plant expansion project in our county. In the year just ended June 30, 2013, taxable sales demonstrated an increase from \$320.2 million to \$387.6 million. This increase represents an overall increase of 21.0%. It should be noted that FY 12 and FY 13 numbers include one-time taxable sales that were exempt from local sales tax as part of the sales and use tax abatements provided for renewable energy projects. The Enel Solar project was included in FY 2012 numbers and the Pauta Geothermal Plant is included in Fiscal Year 2013 taxable sales. As noted in the chart below, this amount exceeded the FY 2006 amount due to the geothermal plant construction.

TAXABLE SALES

Fiscal Year Ended	Taxable Sales	Prior Year Change	Percentage Change
6/30			
2005	279,114,753	40,382,942	5.42%
2006	324,645,606	45,530,853	16.31%
2007	306,426,359	(18,219,247)	-5.61%
2008	294,410,639	(12,015,720)	-3.92%
2009	321,713,562	27,302,923	9.27%
2010	251,257,089	(70,456,473)	-21.90%
2011	249,111,479	(2,145,610)	-0.85%
2012	320,188,210	71,076,731	28.53%
2013	387,569,985	67,381,775	21.0%

A review of the trends in taxable sales for the top ten business codes indicates an increase in eight classifications. The amount of sales in automotive dealers was up \$3.0M or +9.7%, building materials up \$0.3M or +1.6%, home furnishing up \$0.4M or 7.2%, construction specialty trades up \$1.6M or +18.9%, food stores up \$.6M or +5.5%, durable goods up \$0.1M or +0.0%, furniture stores up \$.4M or 7.2% and a significant increase of \$78.2M or 101.9% increase in geothermal/renewable energy related business codes. The two top ten business codes that had decreases include general merchandise stores down \$0.130M or -0.3%, and eating and drinking establishments down \$1.1m or -4.0% for the year. Increases and decreases were seen in the other business codes. Nevada has taken a significant blow to the state economy as the state leads the nation in unemployment and foreclosure rates. This has had an impact on our level of taxable sales over the past three years. The development of new geothermal resources and the major \$200M geothermal project at Gradient’s Patua Plant account for a significant amount of one-time non-sustainable taxable sales. The sales directly related to the geothermal project received tax abatement from the local sales taxes therefore do not have a positive fiscal impact to the local government’s revenues in Churchill County. The increases in the other business classes reflect an uptick from the prior year which had historic low levels of taxable sales. The increase in auto sales is due in part to the trend to purchase more fuel efficient autos to deal with the significant increase in the cost of gas as well as the pent up demand as consumers held on to their cars longer due to the economic conditions. The real estate economy and housing starts decreased significantly during the past five fiscal years. The credit crunch and job market has affected the local real estate pricing and foreclosure market. The

Churchill Economic Development Authority (CEDA) is working on securing additional retail and industrial businesses to the area to stabilize the tax base.

Conflicts over state distribution of intergovernmental revenues have continued to be among the main topics for review and change over the past five legislative sessions. This has required smaller counties to be active in the legislative arena as the major urban areas exercise their greater representation. The major change resulting from the 1997 session was a consolidated tax distribution (CTX) formula for combined intergovernmental revenues such as cigarette, liquor, motor vehicle privilege tax, real property transfer tax and sales tax. Under the revised formula, the County received a modest increase in distributions of CTX over the prior year in response to growing population compared to the City of Fallon. The CTX is apportioned based on statutory formula and the 2nd tier breakdown is as follows for fiscal year 2012-2013: County 74.73%, City of Fallon 21.42%, Carson-Truckee Water Conservancy 0.11% and Churchill Mosquito and Weed Abatement 3.74%. The CTX revenue was \$6,709,063 compared to \$6,496,871 in the prior year, which was an increase of \$212,192 or 3.27%. This is off over \$2.5M from the record level for CTX in fiscal year 2005-2006 and places us near FY 2004 levels. See the chart below:

Year	BCCRT	SCCRT	Cigarette Tax	Liquor Tax	RPTT	GST	Total	Change
2004	1,244,634	3,958,378	174,419	31,835	158,577	1,226,213	6,794,056	6.14%
2005	1,448,994	4,731,365	176,227	31,296	248,232	1,312,773	7,948,886	17.00%
2006	1,696,276	5,593,641	171,855	32,868	340,460	1,426,207	9,261,307	16.51%
2007	1,637,619	5,297,892	165,753	33,397	152,845	1,404,095	8,691,601	-6.15%
2008	1,522,033	4,899,629	159,061	33,322	118,631	1,379,282	8,111,958	-6.67%
2009	1,503,470	4,940,101	134,114	29,478	81,286	1,302,715	7,991,164	-1.49%
2010	1,097,035	3,486,764	120,498	31,402	73,107	1,285,453	6,094,259	-23.74%
2011	1,165,048	3,733,127	116,779	32,732	368,544	1,099,726	6,515,956	6.92%
2012	1,224,759	4,034,285	109,371	33,400	73,642	1,021,414	6,496,871	-0.29%
2013	1,280,044	4,217,886	105,281	31,347	89,257	985,248	6,709,063	3.27%

The overall increase in the CTX distribution is primarily a result of an increase in levels of taxable sales based actual collections (BCCRT and SCCRT) being up approximately \$238,886 or +4.5%. Furthermore, there was a slight increase of \$15,615 in real property transfer tax over the prior year due to slowly rising real estate prices. The decrease in Government Services Tax (GST) of \$36,166 or -3.5% is due to the related decrease in vehicle values due to depreciation and reduction in population. This reduction was offset in part to increases in taxable sales from auto dealers. GST is based on the vehicle value at registration or renewal of vehicle license plates. The slowing national, state and local economy had an impact on our CTX collections. CTX is considered general revenues as it is not restricted to a specific function or activity. In the current year, CTX revenues were apportioned to the following funds: General Fund, Social Services, Parks and Recreation, Compensated Absence, Building Reserve and Extraordinary Repairs and Maintenance funds.

Property taxes are the second largest revenue resource for the County. The following table provides the assessed valuation in the County and the City of Fallon.

Fiscal Year	Assessed Value	Actual Value	% Change
2004	433,003,700	1,237,153,429	0.83%
2005	441,486,591	1,261,390,260	1.96%
2006	488,296,936	1,395,134,103	10.60%
2007	570,368,036	1,629,622,960	16.81%
2008	686,529,426	1,961,512,646	20.37%
2009	725,891,895	2,073,976,843	5.73%
2010	790,819,558	2,259,484,451	8.94%
2011	816,469,865	2,332,771,043	3.24%
2012	757,194,834	2,163,413,811	-7.26%
2013	694,365,680	1,983,901,943	-8.30%

Individual residential construction in the county continued with 8 new single-family dwelling building permits issued during the period of July 1, 2012 to June 30, 2013, at a value of \$1,159,844 a decrease compared to the prior year amount of \$1,209,618. Commercial building permits issued were valued at \$1,487,972 during the year, which was down from the prior year's pace of \$1,670,776. Additionally 137 permits were issued for improvements

valued at \$1,587,200. Industrial building permits increased from \$19,346,600 to \$24,923,451 with the construction of the Patua geothermal plant. The value of Net Proceeds of Mine decreased \$23.7M in valuations due to stipulated agreements between the geothermal operators and the Department of Taxation due to economic conditions and resource depletion of the geothermal plants. Statutes require that residential properties are valued at replacement cost new less depreciation compared to fair value. During FY 2013, the assessed values for residential properties received economic obsolesce due to declines in market values due to foreclosures and short sales which had a negative impact on fair values of the homes. The application of economic obsolesce to various properties has had a negative impact on property tax revenues.

The State Constitution limits total taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the county, the county school district, the State, and any other city, town or and special district) to an amount not exceeding \$5 per \$100 of assessed valuation of the property taxed. The combined overlapping tax rate is further limited, by statute, to \$3.64 per \$100 of assessed valuation in all counties of the State with certain statutory exceptions. The 2004 Legislature passed Assembly Bill 489 which caps the amount of increase in property taxes for residential housing to 3% and 8% for commercial and industrial properties in any one year. Any taxes above the cap will be abated to the taxpayer. Most taxpayers continued to see their assessments increase by the cap amount due to increases in their homes assessed value. Their abated amount was reduced in accordance with state statute.

The overlapping tax rate per \$100 of assessed valuation for Churchill County not including the City of Fallon rate is presented below:

	PROPERTY TAX RATES					
	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Budget 2013
Churchill County	1.1750	1.2529	1.2529	1.2529	1.2529	1.2529
C.C. School District	1.3500	1.3000	1.3000	1.3000	1.3000	1.3000
State of Nevada	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700
Mosquito Abatement	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Total (Excluding City Rate)	2.7750	2.8029	2.8029	2.8029	2.8029	2.8029
Percentage Increase (Decrease)		1.01%	0.00%	0.00%	0.00%	0.00%

Over 89% of Churchill County is public lands and not subject to property tax in the same manner as private ownership. The Federal government makes an annual appropriation to local governments in the form of a payment in lieu of taxes. This program has been fully funded at \$.75 per acre for the first time in Fiscal Year 2009 since inception. This revenue has been classified as intergovernmental revenues as there is no restriction to the specific function or activities that these funds maybe use for. In the current year, the total Federal Payment In Lieu of Taxes was \$2,053,174 compared to the prior year amount of \$2,151,359. It was apportioned to the following funds: General Fund, Library, Parks and Recreation, Risk Management, Compensated Absence, Water Resources, and Building Reserve Fund. Full funding of PILT has been approved by Congress as part of the economic stimulus package. This full funding has been assured by legislation for a period of four years and will be used in part for capital improvements.

MAJOR INITIATIVES

In preparing the 2013 budget, the County Commissioners identified a number of programs to meet the needs of our citizens. The programs include the following initiatives:

Churchill Area Regional Transportation (CART)

During the past fiscal year, Churchill County and the CART Advisory Committee had another successful year. The program continued a fixed route operation in addition to the existing Dial-A-Ride service for residents of the County. Churchill County Senior Center coordinates and cooperates with the CART Advisory Committee, Nevada Department of Transportation, Churchill County and the City of Fallon to define and implement the transportation needs of the community and to insure an efficient and effective transportation service for local residents. The program has been operational since March 2000. During the past fiscal year, the number of riders stabilized and the number of miles decreased slightly due to improved efficiency measures implemented in the face of decreased state and federal dollars. The County contributed more local dollars to support this transportation program.

Transitional Housing

Since 2003, Churchill County Social Services began serving homeless residents through the transitional housing program that is designed to assist individuals and families who are homeless to become self-sufficient through short and long term transitional housing and supportive services. Participants are required to take an active role in addressing their significant life issues through the development and implementation of a Family Enhancement Plan. Many significant achievements have been completed in this program including individuals obtaining a GED, starting a local moving company, and furthering their education by participating in classes at the local community college.

Employment

Through Stimulus dollar in 2009, the Social Services Department was awarded funds to assist in the employment crisis in Churchill County. Partnerships were developed with Western Nevada College as we are now able to assist in paying for employment training. There was a need to train dislocated construction workers for the geothermal boom. Since 2010, 42 Churchill County residents have been trained as riggers and continue to be hired on to exploring geothermal companies within Churchill County and surrounding counties. Additional local residents are obtaining skills on interviewing, resume' writing skills, work ethics, C.N.A., Truck Driving, and obtaining their GED's which will make them better candidates for local employers.

The Social Services Department is partnering with the Churchill Economic Development Authority to assist in developing jobs in the community. By funding a part-time Employer Coordinator through CSBG funds it allows a professional to work with the businesses to identify the personnel needs, offer wage subsidies to develop and support the new hires. We are providing direct customer service to the businesses and mentors in the program.

Family Car Safety Seat Program

Churchill County Social Services has partnered with a local certified car seat technician and Nevada Department of Transportation to provided car seat educational courses to families within the community. Eligible families may receive a new car seat to ensure proper safety for our youth. Ongoing events are held monthly free of charge to the community to ensure proper access for all families.

Community Partners and Resource Coalition

Through partnerships with over 65 members including non-profits, federal, state, and local agencies, this coalition was formed in January 2012 to identify gaps and duplication of services within the community. Through this initiative, it was identified that services have evolved throughout the years and many consumers have been uninformed of the resources available. The coalition provides a referral process that give guidance on the proper access to available resources to meet their specific needs.

Annually, the Coalition sponsors a Community Family Day in partnership with the Elks Club. The event allows residents to speak with the community resource partners about what is offered and how to obtain necessary services. On July 27, 2013, over 55 partners gathered to provide FREE back to school supplies and backpacks for 400 youth, provided lunch to over 700 community members, and haircuts to 36 recipients. This year, Dr. Jacques Office provided free dental care for youth and adults to obtain x-rays, cleanings, sealants, and oral services as needed.

Volunteer Income Tax Assistance (VITA)

In 2013, Churchill County Social Services partnered with the United Way of Northern Nevada and the IRS to provide free tax preparation. The program assists low income residence in filing taxes and accessing the Earned Income Tax Credit. Through a partnership with these agencies, volunteers in the community were trained on tax preparation. Additional funding was obtained for this program from the Community Services Block Grant program to provide a Safeway Gift Card to all recipients in the 'Fight Against Hunger'. This program was a larger success in meeting three national objectives: Food cards for "The War Against Hunger", stipends for volunteers, and the education of the availability of tax credits for qualifying individuals to stimulate the economy of local communities.

Community Services Block Grant Program

Churchill County annually develops a Housing and Community Needs Assessment. The report is based on communities expressed needs, gaps in services, and other identified projects by local officials. In 2013, two large needs were identified; building capacity for food distribution and removing ADA barriers to public facilities. In July 2012, two grants were obtained from the Community Development Block Grant program to assist in meeting these

needs. The County received grant dollars to assist Out of Egypt to purchase property located at 1075 Taylor Place to assist them in expanding their food program. Furthermore, funding was made available to construct handicap accessible restrooms at the fairground soccer / baseball fields, provide a handicap ramp at the CARE Afterschool Center, and additional handicap parking throughout the fairground facilities.

Western Regional Youth Facility in Silver Springs

Churchill County has been an active partner in this regional drug and alcohol abuse treatment facility for youth in Silver Springs, Nevada. Churchill, Lyon, Carson City, Storey and Douglas Counties formed a coalition to make this regional facility a reality. The facility was constructed with state funding. Operational costs are allocated between the five counties. The facility became operational August 1, 2000. The facility is overseen by the Oversight and Technical Committee (OTC) comprising of the Chief Juvenile Probation Officers and County Managers of the involved counties. In the course of the last year, WNRYS staff has worked to become Medicaid eligible for certain youth. It is believed that 10% of the youth placed in WNRYS will fit within this criterion which will allow for the girl's program to return.

FIT (Focused Intervention Training)

Begun in October of 2011 and supported by State Room and Board Medicaid dollars, Focused Intervention Training was established to continue Churchill County's efforts to reduce commitments to state correctional care. FIT provides intense support and services to probation youth (and their families) who are struggling in the community. Placement in the FIT program is considered as an alternative to a state commitment or an out-of-county placement for those youth who do not pose a serious threat to others. It is not considered to be an alternative to the WNRYS program but can be used as either a step up (precursor) or step down (transitional) program for WNRYS youth. FIT is a 45 day residential program that is based on both Cognitive Behavior and Behavior Modification interventions. The goal of the program is to assist our residents to make positive changes in their thinking and behavior. Prospective residents and their parents/guardians must be court ordered into the program.

The program operates seven days a week for about seven weeks. The program continues to reduce state commitments for both Churchill and Lyon Counties.

Teurman Hall

This 16 bed detention facility began operations on August 15th, 2011. It provides short term placement for youth who pose a serious risk to themselves or the community. Youth are maintained for a short period of time within the facility until such time as they can appear in court, are placed in programs or other facilities or can be stabilized and returned home. This regional facility houses youth from Churchill, Lyon, Nye and Mineral Counties and youth from ROP (Rites of Passage). Douglas and Washoe counties have also used the facility. The goal of the facility is to provide for the care, custody and control of the youth placed within the facility. The facility offers programs to each youth that includes: school, individual and group counseling, medical services, life skills development and recreation.

During the last year, the facility has been able to offer mental health and drug and alcohol counseling to its residents, and developed a contract with West Hills Hospital for emergency mental health assessments through Skype, which has saved staff time and has completely eliminated transporting youth to the facility that do not fit the criteria thus saving staff time and transport costs.

Alternative Education Program

Teurman Hall also houses the alternative high school for the school district. The alternative high school, known as Wave High School, can house up to 25 high school students who work through a distance education program. Under the umbrella of Churchill County School District's Distance Education Program, the alternative education program offers on-line education for those students who have been suspended or expelled, students who are at risk, students needing credit recovery and others.

Sheriff's Office

During Fiscal Year 2012-2013, the Sheriff's Office completed narrow-banding and an upgrade to a digital radio frequency. The Sheriff's Office also implemented the LAW program which consists of reading material on various topics such as drugs and alcohol, safety, identity theft and violence that is distributed through the School District and other communication channels. The Sheriff's Office is working with the School District was able to streamline DARE, allowing the DARE Officer to spend 47 weeks on the street (versus the previous 30 weeks) without

reducing DARE instruction time for the students. The Sheriff's Office in collaboration with the Churchill Community Coalition implemented the "Prescription Drug Drop Box Program which, to date, has kept well over 200-pounds of medication out of the sewers, ground water and off the streets. The one year agreement between the Fallon Tribe and the Sheriff's Office was extended for an additional 3 years and continues to answer many liability concerns that had been previously unaddressed. Budget mitigation is a foremost consideration in planning for the future. Through gapping, we continue to maintain a reduced salary commitment and, through extending the life of our equipment, we strive to cut overall budget costs.

Court Services

Through the efforts of the local Criminal Justice Committee a Court Services department was formed and operational in November 2009. Court Services provides services to the courts, detention facility, law enforcement, prosecutors, defense counsel and criminal offenders. The goal of the department is to proactively manage the jail population with monitored release programs. This innovative program has consistently met its goal to maintain a jail population of 42 or less since its inception. Court Services also offers a community service program and an ankle bracelet monitoring program available to the courts and Parole and Probation. This department received an achievement award from the National Association of Counties "in recognition of an effective and innovative program which contributes to and enhances county government in the United States" in 2011 and was nominated by the Nevada Department of Public Safety, Office of Criminal Justice Assistance for the National Criminal Justice Association's 2013 Outstanding Criminal Justice Program Award.

County Library Programs and Expansion plan

The Churchill County Library served 123,999 patrons during FY 2012-2013 and circulated 152,046 items. The Library offers story time two times a week and served over 500 children during the Summer Reading Program. The Library launched a new website at www.churchillcountylibrary.org. In addition to traditional print and non-print material which can be checked out during Library hours, offerings also include downloadable independent films, audiobooks, e-books and magazines remotely 24/7. The Library received over \$67,000 in grants and gifts, is open 57 hours a week, and has over 13,000 registered users.

County Museum Projects

The Churchill County Museum, in connection with the Museum Association, completed a project to renovate the museum's main room in March of 2010. This included asbestos removal, ceiling painting, and the addition of track lighting. Visitors continue to enjoy exhibits in the Dodge-Fitz Changing Exhibit Gallery and the West Annex. The Children's Discovery Room, with twelve hands-on activity centers, has been constructed so that children and families can explore fossil history, the beef industry, natural history at the microscope, weaving, agricultural history of the state, waterfowl identification, school days from the past, touch and play with artifacts and many other activities. Public programs include Hidden Cave tours, two lecture series per year, Teacher's In-service classes, and publication of our annual publication, *In Focus*. Over 2,000 new artifacts were donated to the Museum during the year.

Renewable Energy Geothermal Projects

Churchill County continues to see expansion of geothermal developments within our community. This "green energy" will assist the regional power suppliers to meet the mandated green energy requirements. Counties have benefited from the rents and royalties agreements included in the 2005 Energy Bill approved by the United States Congress. This legislation allows for 25% of the rents and royalties paid by the geothermal producers on public lands to be distributed to the Counties where the resources are extracted. There was federal legislation that eliminated the distribution as of September 30, 2009 but it was reversed in a subsequent federal action that allowed counties to share in this revenue through September 30, 2012. The County continues to work with the geothermal industry, congressional representatives and affect units of local governments to retain these rents and royalties for the counties that have the resource. Churchill County has one of the largest geothermal resources in the United States. The County received \$639,615 in the fiscal year ending June 30, 2013 a decrease of \$731,116 or 53.3% from the prior year amount of \$1,370,721. The revenues were apportioned to the General Fund, Social Services Fund, Building Reserve Fund and the Extraordinary Repairs and Maintenance Fund. The current year decrease is due to less energy production on public lands, lower values for the energy sold and federal sequestration in the current year.

Water Resource Fund and Water Right Dedication

In November 2000, the Board of County Commissioners approved a water dedication ordinance in an effort to keep the water in the valley to recharge the groundwater aquifers. Developers have been required to dedicate water rights or pay impact fees equal to one and one half times current cash value to divide and develop land or build permanent structures. In the last ten years, upstream interests and the USFWS have been aggressively purchasing water rights under the Federal Programs authorized under PL 101-618, transferring the water to wildlife and habitat uses resulting in reduced agricultural irrigation and less groundwater recharge. As a result, there is a real possibility of the aquifers which serve as our only source of domestic water diminishing in both quality and quantity. A Water Resource Fund was established to account for the activities mandated under the water dedication ordinance. Funds are being accumulated to implement the recommendations in the water resources plan including development of a County municipal system in the urbanizing area, recharge to the aquifer through continued surface application, and recharge via injection wells. During fiscal year 2005, the County purchased surface water rights and 2,649 acre feet of underground water rights from the Wild Goose Ltd. Ranch for use in the municipal system. A subsequent sale of 1,002 equivalent dwelling units, (EDUs), or 1,122.24 acre feet of water were sold to retire a portion of the debt used to acquire the land and water. Since inception, the county has acquired by dedication or purchase, water rights valued at \$6,510,576.

Transfer of Development Rights

The Planning Department developed a Transfer of Development Rights program that was approved by the Board of County Commissioners in 2006. This program seeks to retain conservation easements on agriculture lands to preserve the open space and ground water recharge while allowing the landowners the ability to sell development rights for use on non-productive lands. An agreement with United States of America on behalf of Naval Air Station Fallon and Churchill County seeks to facilitate the placement of conservation easements on critical agricultural land and lands adjacent to or under critical military training areas. By June 30, 2007, the implementation of the TDR program resulted in eleven sending sites being approved, potentially preserving 2,000 acres of agricultural lands and 1,460 water righted acres in perpetuity. The purchases amounted to \$1,854,685 and were made within the Water Resource Fund. During Fiscal Year 2008, the County was able acquire a conservation easement on the Rambling River Ranches valued at \$6,099,767. This easement will provide water recharge and open space within the gateway to the community. During fiscal year 2009, the County in cooperation with the United States Department of Defense continued to buy conservation easements and TDRs within the base buffer zone. There were 9 properties purchased at a total cost of \$3,424,373 with the Navy paying \$2,353,217 or nearly 75% and the County paying the balance of \$1,071,156. In Fiscal Year 2010, additional properties were purchased valued at \$3,862,221 with the Navy paying \$2,449,424 of the value. In Fiscal Year 2011, the County purchased TDRs valued at \$3,404,774 with the Navy contributing \$2,515,252 of the purchase price. In Fiscal Year 2012, the county purchased TDRs valued at \$1,041,014 with the Navy contributing \$778,875 of the purchase price. In Fiscal Year 2013, the county purchased TDRs valued at \$446,255 with the Navy contributing \$333,000. This plan continues to expand the buffer zone around the Naval Air Station which will allow for much needed base expansion and economic development within the military industry in our community.

Capital Improvement Projects

Fiscal year 2013 saw a number of capital improvement projects throughout the County. The County continues to develop the water and waste water facilities by installing a SCADA system. Minor capital improvements were made to the systems to enhance operations.

The County supported public safety by replacing four of the Sheriff's Office vehicles, in car computers and the Fire Department replaced fire-fighting equipment as part of their equipment replacement plan. The County installed new audio/visual/recording equipment in the Commission Chambers. The County purchased the local nine hole golf course and three parcels of land next to the County Museum for future expansion. The Road Department's Equipment Replacement Program procured a new 14M motor grader, dump trailer, a semi-trailer, and bottom dump necessary to build and maintain roads. The boiler at the swimming pool was replaced during the year.

Several road projects were completed with gas tax revenues. A summary of completed projects included: River Village Road, North Harmon Road, Wade Lane gravel upgrade, Airport Road asphalt overlay, South Downs Double chip seal, Gummow Road paving project and culvert and bridge replacement, cattle guard replacements, road crack sealing, gravel road upgrades, operating the gravel plant and various other road improvements.

Water and Sewer Development

In July 2003, the Board adopted the Facilities plan which is a feasibility plan for the development of a County owned and operated water and sewer system. The County immediately took steps to ensure that new development

within the County would be designed to connect to the County water and sewer system or develop facilities that would eventually become a part of the capitalized county owned and operated utilities. By November 2003, the County had adopted water and sewer design standards, revisions to the County Master Plan requiring development in the urbanizing area to incorporate design and construction of water and sewer utilities and revisions to County Ordinances pertaining to subdivision standards and development.

During the period January 2004 to June 2004, the County actively sought funding from State and Federal agencies to design and construct the first phase of the County water and sewer system. By May 2004, the County had commitments from USDA Rural Development for the design and construction of the water system. In June 2004, the County was awarded a two million dollar grant through AB198 for a portion of the water system and support was also committed from USDA Rural Development to begin preliminary engineering design on the Waste Water Treatment Plant.

During fiscal year 2006, phase I of the County water and wastewater distribution system was designed and construction was well underway. Phase I comprised a new municipal well with a treatment facility and a million gallon storage tank and a package treatment plant with a capacity to treat 160,000 gallons of waste water per day. Phase I is complete and became operational in August 2007. During Fiscal Year 2007, a developer deeded their water and waste water system to the County. The system was integrated into the phase I water and waste water project upon completion. This system currently serves 257 homes.

During fiscal year 2009, the County worked diligently on the Phase II wastewater system at Moody Lane. The state of the art facility was funded by the United States Army Corp of Engineers and developers. The plant became operational in December 2008. Currently, there are 257 waste water customers.

During fiscal year 2010, the County awarded a contract to A&K Earthmovers for the Oasis Mobile Home Waste Water project. This project hooked-up a failing septic system on to the County system protecting the ground water resources in the area. The \$2M project funded with ARRA funds and became fully operational in December 2010. This improvement project allows residents along the project to voluntarily connect to the County water and waste water system. Improvements were made to various lift stations and the Moody Lane plant to improve overall operations of the systems.

Golf Course Enterprise Operations

On March 1, 2013, the County purchased the local 9 hole golf course, land and water rights from a group of local investors for approximately \$700,000. This purchase preserves this recreational asset, retains water rights in the valley and provides open space for the community. The County entered into a long-term five year facility lease with Duncan Golf at Fallon, LLC to operate the facility and pay a minimum guaranteed annual rental of \$1,651 for the facility plus contingent rents of five percent of gross receipts above \$400,000 annually. The County provided \$100,000 to be used for capital equipment and improvements to the course.

CC Communications: Enterprise Operations

The County owned and operated enterprise operations of CC Communications have been vital to the support of the County for more than 120 years by providing excellent telecommunications services together with financial support. CC Communications provides telephone, long distance, managed data services, broadband, subscription television and security system services to customers within the County. The recent implementation of the National Broadband Plan by the FCC, combined with the needs of our residents transitioning from telephone to broadband services, necessitates a significant change to the company's focus. This change had been anticipated, and as such, the company took steps to prepare for this transition over the last few years. These steps have primarily taken the form of reallocation of both human and financial resources. Between FY 05-06 and today, the company has reduced employees by 46% to become leaner and more focused on the services that remain viable. Capital resources have flowed to the placement of fiber optic cable directly to customer's homes, which has allowed County residents to potentially receive the highest amount of bandwidth that is available anywhere in the Country and the world. Significant investments have been made to place these new facilities during the last four years, however, due to the tenuous state of the current USF regime, plans for future fiber optic placement has been significantly reduced.

In addition to allocating resources to FTTH projects, the company now offers some new products and services that provide greater opportunity for growth. The Managed Data Services Enterprise Fund ("MDS") was established on July 1, 2012 and houses these new products and services. MDS includes, or will include, C5 computer repair, data center services, web site design and IT support plans. CC Communications also continues to enhance the telephone enterprise fund's revenue through the introduction of Security Alarms, Personal Emergency Response

systems and now hosted PBX systems. Each product aligns well with the existing services offered by the telephone fund and will enhance opportunities to both add and maintain current customers.

CC Communications-Broadband enterprise fund is comprised of both the Internet Service Provider (ISP) and CC Communications Digital TV. The ISP has been bolstered by the acquisition of additional capacity between Churchill County and the Internet Gateway, which supports both higher and more consistent speeds. We have taken the initiative to increase speeds delivered to many business customers, while maintaining or even lowering rates. Further, we continue to promote advantages of higher upload speeds, and we continually seek to upgrade packages sold to end users.

Market saturation combined with a lack of population growth in the service area resulted in broadband customers remaining relatively flat. This is a national trend that CC Communications will address by focusing on increasing average revenue per user (ARPU) on both the ISP and digital TV sides. Starting with national benchmarks for service penetration where available, we have set goals to increase horizontal services, thereby driving increased revenue in an otherwise flat market. Employing this strategy we have seen increases in the number of DVR customers, while total digital TV customers have remained flat. On the ISP side we have experienced increases in SecureIT and LiveDrive subscribers while overall ISP customers have remained flat.

We will continue to focus a major portion of our capital expense budget for outside plant on Fiber to the Home (FTTH) construction in existing neighborhoods. With the completion of last year's projects nearly 75% of our customer base now has "fiber" within a "drops" distance of the premise. The projects planned in the next year combined with previous upgrades will have nearly 80% of our network able to provide FTTH upon the installation of the drop. Sales of advanced services in FTTH areas are resulting in over 20% of customers upgrading their product packages despite difficult economic times. Finally, demand for construction of new facilities remains at a virtual standstill.

Rising content costs remain the primary challenge to profitability in the subscription television market. Additionally, the cost of maintaining a head end to deliver more and more high-definition channels is a challenge. While the HD channels keep the service competitive with cable and satellite, FTTH provides a superior delivery mechanism to that of our competitors. Our aggressive content acquisition was highlighted in a Reno Gazette Journal article noting the fact that the UNR/UNLV game could be seen on CC Communications Digital TV, but not on Charter. The TV service remains an important part of our differentiation strategy as CC Communications is the only provider in Churchill County offering three major communications services: Telephone, Broadband, and subscription television.

CC Communications-Long Distance continues to modify calling plans and long distance bundles to meet the needs of the competitive marketplace. Long Distance usage has tracked downward with national averages, and we anticipate the line of business will continue to experience a decrease in minutes of use as customers substitute other technologies such as wireless and voice over internet protocol for these services. To maintain profitability in this enterprise fund we will continue to focus on expense reduction and bundling services.

CC Communications-Wireless service was discontinued as of December 31, 2012. All assets, liabilities and equity of CC Communications – Wireless Enterprise Fund was transferred to CC Communications – Data Services Enterprise Fund June 30, 2013.

The external challenges are many and include increased competition from national providers, product and service substitution, adverse legislation, unfavorable changes to federal regulatory policy, and potential changes to state regulation that affect CC Communications. USF's Telephone funding mechanisms have changed significantly thereby reducing the recovery CC Communications receives from Universal Service Administrative Company (USAC). Competition from other telephone, cable and wireless carriers has direct impact on the revenues received from the customer and from the National Exchange Carrier Association (NECA) pool. CC Communications is tracking with the industry trend and seeing a shift from wire line to wireless, Voice over Internet Protocol (VoIP) and other technologies. While in some instances the impact is direct, in other cases the challenges to one product negatively affects our ability to bundle services and provide a competitive suite of offerings. To remain competitive in today's business environment, CC Communications is continually exploring for new complimentary revenue streams, new technology and focusing on expense reduction. By utilizing both a product champion, as well as inter-departmental teams, CC Communications meets these challenges in a comprehensive manner.

OTHER INFORMATION

Independent Audit

Nevada Revised Statutes (NRS 354.624) require an annual audit of the affairs, transactions and financial records of the County by independent auditors. The firm of Kafoury, Armstrong & Co. was selected by the County to perform an audit that addressed statutory requirements and the requirements of federal OMB Circular A-133 and the 1996 Single Audit Act Amendments. The auditor's report on the financial statements is included in the financial section of this report. Their reports on internal controls and compliance with applicable laws and regulations are included in the compliance section.

Those who wish to obtain a true understanding of the financial condition and results of operations of Churchill County are encouraged to review this report, including the detailed notes to the financial statements, which are an integral part of the statements.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Churchill County for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the eighth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Comptroller's Office entire staff. The Comptroller's Office comprises of Alan Kalt, Sherry Wideman, Sharon Chicvara, Mary Byrd and Kari Maffi. Thanks to Kelly Helton, Clerk/Treasurer and Norma Green, Assessor for all their efforts. Thanks also to the dedicated professional staff from Kafoury, Armstrong & Company, Certified Public Accountants, for their contribution and support throughout the process. Special thanks to the Board of County Commissioners for their keen interest and support in the planning and conducting of the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

Alan F. Kalt, C.P.A.
Comptroller

**CHURCHILL COUNTY, NEVADA
LISTING OF COUNTY OFFICIALS
AS OF JUNE 30, 2013**

ELECTED OFFICIALS

	*	
District 1: Commissioner	2017	Harry Scharmann
District 2: Commissioner	2015	H. Pete Olsen
District 3: Commissioner	2017	Carl Erquiaga
County Clerk/Treasurer	2015	Kelly Helton
County Recorder	2015	Joan Sims
County Assessor	2015	Norma Green
District Attorney	2015	Arthur Mallory
Justice of the Peace	2019	Michael Richards
Sheriff	2015	Ben Trotter

*Term expires first Monday in January of the year indicated

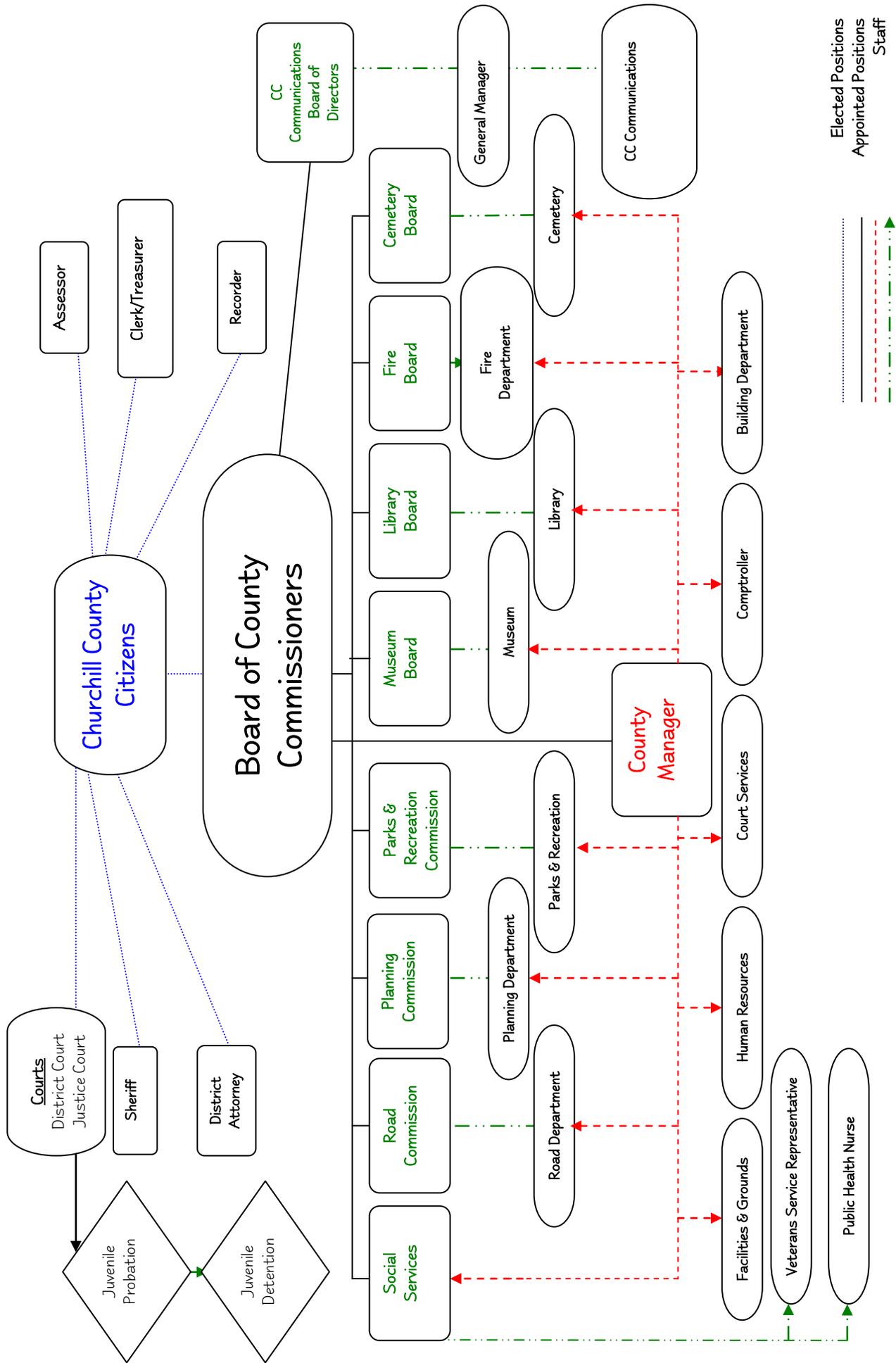
APPOINTED OFFICIALS-GENERAL COUNTY

County Manager	Eleanor Lockwood
Comptroller	Alan Kalt
Human Resources Director	Geof Stark
Building Official	Cliff Van Woert
Chief Juvenile Probation Officer	DeVere Karlson
Library Director	Carol Lloyd
Museum Administrator	Donna Cossette
Director of Parks & Recreation/Facilities/Cemetery	Jorge Guerrero
Planning Director	Michael Johnson
Road Supervisor	Patti Lingenfelter
Social Services Director	Shannon Ernst

APPOINTED OFFICIALS-CC COMMUNICATIONS

General Manager	Mark Feest
Operations Manager	John Powell
Chief Financial Officer	Lorrie Ford
Customer Service/Marketing Manager	Chester Caulder

Churchill County, Nevada Organization Chart



..... Elected Positions
 _____ Appointed Positions
 - - - - - Staff



Government Finance Officers Association

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

Presented to

**Churchill County
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

FINANCIAL SECTION

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Independent Auditor's Report

To the Honorable Board of Commissioners of
Churchill County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Churchill County, Nevada, (the "County"), as of and for the year ended June 30, 2013, and related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Churchill County, Nevada, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Road and Public Transit Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedule of funding progress on pages M-1 through M-13 and 43, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the

methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying introductory section, combining and individual fund statements and schedules, including budgetary comparisons, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Prior Year Comparative Information

We have previously audited, in accordance with accounting standards generally accepted in the United States of America, the basic financial statements of the County as of and for the year ended June 30, 2012 (not presented herein), and have issued our report thereon dated December 10, 2012, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The nonmajor combining and individual fund financial statements and schedules related to the 2012 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The nonmajor combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 2012 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2012 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the nonmajor combining and individual fund financial statements and schedules are fairly stated in all material aspects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Reno, Nevada
November 26, 2013

**CHURCHILL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Churchill County's discussion and analysis is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activities, (c) identify changes in the County's financial position (its ability to address next and subsequent years challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

We encourage readers to read this information in conjunction with the transmittal letter, financial statements and notes to gain a more complete understanding of the information presented.

Financial Highlights

- The financial statements are prepared in conformance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government*, which presents Churchill County's financial information on a government-wide basis enhancing analysis, short and long-term, and accountability for the use of total resources.
- The auditor's report offers an unmodified opinion on the financial statements, the best opinion that can be attained.
- Cash and investments of \$40,904,379 are available to meet current liabilities, including debt due within one year, of \$3,105,416. This is a conservative measure of cash and investments available to pay current obligations. The County's cash ratio is 13.2, meaning that the County has 13.2 times the unrestricted cash on hand to meet its current obligations. Last year's cash ratio was 10.1.
- The County's current assets for governmental activities exceeded current liabilities by \$27,911,993 and the current assets for business-type activities exceeded current liabilities by \$17,146,031 which is a strong indication of the County's ability to meet current obligations.
- Government-wide net position equal \$169,608,025. Business-type activities contributed \$86,141,798 or 50.8% and governmental activities contributed \$83,466,227 or 49.2% of the total net position. The Business-type activities net position reduced by \$474,080 or 0.5% in the current year after prior period adjustment, due to operating revenues over (under) expenses in Telephone \$101,549, Wireless \$119,236, Long Distance \$205,504, Broadband (\$83,091), Managed Data Services (\$476,173), Waste Water (\$1,033,526), Water Utility Fund (\$349,018) and the Golf Course (\$86,588). Other Business type revenues included interest income of \$25,228, and miscellaneous revenues of \$77,799. The governmental activities net position decreased by (\$1,031,541) or 1.2%. There was a net reduction in capital assets due to current year depreciation exceeding the additions to capital assets. The most significant reduction to total assets of governmental activities was the decrease in cash from \$27,778,316 to \$26,344,296. Cash decreased due to continued weak economic activity causing the county to use prior period net position to fund current levels of services to the residents.
- Capital assets, net of accumulated depreciation, decreased from \$132,522,088 to \$129,605,144. A decrease of \$2,916,944 or 2.2%. The business-type activities capital assets, net of depreciation, decreased by \$2,325,307 primarily as a result of current year accumulated depreciation of \$4,825,206 offset by capital additions included in the capital improvement plan. See Note 5 Capital Assets for more details. There was a decrease of \$591,637 or - 1.0% in governmental activity capital assets, including the purchase of land and easements valued at \$456,334 and equipment additions of \$1,266,579. These increases were offset by current year depreciation of \$2,292,807.
- Total revenues decreased by \$3,486,240 or -7.1% from \$49,267,001 to \$45,780,761. Program revenues were \$22,628,867 or 52.3% of the total. Program revenues decreased by \$2,047,211 primarily as a reduction in Charges for Services of \$1,716,062 from the prior year due to lower revenues for all enterprise funds other than the waste water fund due to the slowing economic conditions and a reduction of \$170,399 in operating grants due to less funding received from the Federal and State government. There were reductions in capital grants and contributions of \$160,750 primarily due to the completion of the Telephone fiber grant project in the prior year and no new grants in the current year for the CC Communications Telephone Enterprise Fund.
- General revenues decreased to \$23,151,894 from \$24,590,923 a decrease of \$1,439,029 or -5.9%. The County's primary general governmental revenue sources are ad valorem taxes of \$7,862,384 and consolidated taxes at \$4,999,886. These two revenue sources comprise 34.0% and 21.6% of countywide general revenues, respectively. Ad valorem revenues decreased by \$475,521 or -5.7% due to the decrease in the valuation rate applied to assessed value. The property tax rate has remained the same from the prior year at \$2.8029. The assessed value decreased as a result of lower replacement cost factors from Marshall and Swift, economic obsolesces of house values in certain areas of the county due to lower sales values due to foreclosures and short sales in the residential real estate market and a significant decrease in values associated with the geothermal plants due to stipulated agreements approved by the State

Board of Equalization during the year as a result of legislative changes that provides for property tax abatements to geothermal plants to promote economic development. The consolidated tax revenues which includes sales tax revenues (SCCRT & BCCRT), Cigarette, Liquor Taxes, Real Property Transfer Tax and Government Services Tax, increased \$144,879 from \$4,855,007 to \$4,999,886 or 3.0% primarily due to an increase in taxable sales. The Department of Taxation data indicates a significant increase in taxable sales, however, due to tax abatements granted to geothermal operators as economic development incentives to expand their operations, no county sales taxes were collected related to these projects. Thus, the increase in taxable sales is misleading. Miscellaneous revenues were down from \$1,963,532 to \$1,148,259 a decrease of \$815,273 or -41.5% due to a weak economy with high unemployment, lower home values and lack of consumer confidence.

- Total expenses were \$47,286,382, a decrease of \$814,048 or -1.7% countywide over the prior year. The governmental activities expenses were \$27,549,585 or 58.3% of the total expenses. Whereas, the business-type activities expenses were \$19,736,797 or 41.7% of the total expenses. The decrease in governmental activities was \$213,863 or -0.8% due to budget mitigation measures in place during the year. The largest functions are public safety, general government, public works, cultural and recreation and judicial. These account for 90.8% of the governmental activities. The decrease in expense of the business-type activities was \$600,185 or -3.0% from \$20,336,982 to \$19,736,797. Telephone operations continue to be the largest business-type activity at 64.9% of the business-type activities. Telephone expenses increased \$38,331 or 0.3% from \$12,769,471 to \$12,807,802 due to a slight increase in operating expenses. Wireless decreased by \$1,415,203 or -60.3% due to reduction in roaming minutes paid to outside providers as a result of a reduction in the number of subscribers and the sale of wireless capital assets which resulted in the close out of the Wireless Fund by the end of the fiscal year. There was a decrease of \$31,770 or -7.2 % in the Long Distance due to a decrease in the number of subscribers and long distance minutes. There was a decrease of \$135,986 or -4.7% in the Broadband due to new contracts addressing the cost of content and access charges for Broadband television services. CC Communications established a new enterprise fund Managed Data Services during the year. The startup expenses for the first year were \$650,818. Waste Water expenses increased from \$1,267,623 to \$1,368,232 due primarily to the bad debt expense on developer agreements due to restructuring of developer agreements. Water Utility expenses increased from \$610,479 to \$709,256 an increase of \$98,777 due in large part to increased operation and maintenance cost and the write off associated with a new developer agreement. The County purchased the local golf course and established the Golf Course Enterprise Fund to account for the financial activities. Expenses of \$94,239 were made for course improvements as part of the facility lease with the course operator.
- Current year revenues, including capital grants, interest and contributions, fell short of expenses by \$1,505,621. This indicates that current year operations relied on prior year net position to provide resources for necessary services.
- At June 30, 2013, the County's governmental funds had a fund balance of \$27,968,352. The Non-spendable portion is \$266,429, Restricted \$7,227,629, Committed \$5,274,710, Assigned \$10,507,045, and Unassigned Balance of \$4,692,539. These classifications do not appear to have a negative effect on the availability of funds for the subsequent fiscal year.

Financial Overview

The basic financial statements of Churchill County are comprised of government-wide financial statements, major fund financial statements, and notes to the financial statements. Additionally, supplemental information to the financial statements is contained in this report.

Government-wide Financial Statements

The *government-wide financial statements* are presented to provide readers with a broad overview of Churchill County that is similar to that of the private sector.

The *Statement of Net Position* presents information on all assets and liabilities of Churchill County. The difference between the total assets, total liabilities, and deferred inflows/outflows of resources is reported as "net position". Over time, increases and decreases in net position may serve as an indicator of improvement or deterioration of financial condition.

The *Statement of Activities* reflects the changes which have occurred during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as earned, but unused, vacation leave.

Governmental activities which are supported primarily by taxes and intergovernmental revenues are distinguished from activities which are intended to recover all or a significant portion of costs through user fees and charges, as is the case with business-type functions, in the government-wide financial statements. Churchill County governmental activities include those associated with general government, judicial, public safety, sanitation, public works, health, welfare, culture and recreation, community support, and interest and fiscal charges. The business-type activities of Churchill County include the enterprise funds of CC Communications, utility operations and the Golf Course Fund. The funds included in CC Communications are Telephone Fund, Wireless Fund, Long Distance Fund, Broadband Fund and

Managed Data Services. The Utility Enterprise Funds include Water Utility Fund and Waste Water Fund. The County acquired the Fallon Golf Course and accounts for its activities in the Golf Course Enterprise Fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

Churchill County maintains 36 separate funds that make up the governmental fund category. Information is presented separately in the governmental balance sheet and the governmental statement of revenues, expenditures, and changes in fund balance for the General Fund, Road Fund, and Public Transit Fund because they qualify as a major fund under the GASB 34 definition. Information for the remaining funds, which meet the definition of non-major funds, is aggregated into a single column for reporting purposes.

Churchill County adopts an annual budget for all funds other than its fiduciary funds as a management control device. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the budget.

Proprietary Funds

Churchill County maintains only one type of proprietary funds, that being enterprise funds. Enterprise funds are used to account for functions presented in the business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its communication business-type activities and its utility business-type activity. The four proprietary funds that qualify as major funds under the GASB 34 definition are CC Communications-Telephone Fund, CC Communications-Broadband Fund, Waste Water Fund and the Water Utility Enterprise Fund. The non-major proprietary funds are CC Communications Wireless Fund, Long Distance, Managed Data Services Fund, and the Golf Course Fund. Churchill County is one of the only counties in the United States that owns and operates a communications business-type activity. CC Communications offers home grown world class services of telephone, managed data services, internet, broadband and television to customers within Churchill County. The Utility funds account for the business activities of the water and waste water operations in certain areas of the county. The Golf Course Fund accounts for the business activities of the golf course.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds

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

Notes to the 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. The notes to the financial statements can be found on pages 18-42 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. This includes the combining and individual fund financial statements and schedules and statistical information. Combining and individual fund statements and schedules can be found on pages 44-127 of this report, with the statistical section immediately following.

Financial Statement Analysis

Government-Wide Financial Statement Analysis

Total assets as of June 30, 2013, net of accumulated depreciation of \$96,009,124, totaled \$178,717,055. Assets include cash/investments, receivables and capital assets. The majority of Churchill County's net position, \$128,574,577 is reflected as net investment in capital assets (e.g., land, buildings, equipment and construction in progress). Churchill County uses these capital assets to provide services to citizens. Therefore, they are not generally available for future spending. Although investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities. Liabilities, which consist primarily of accrued compensated absences and other post-employment benefits, totaled \$9,109,030. Liabilities also include payables and unearned revenue. A comparison of assets and liabilities for the government-wide financial statements reflect net position of \$169,608,025 as of June 30, 2013. The following table is provided to enhance analysis.

CHURCHILL COUNTY NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012 (restated)	2013	2012 (restated)
Current and other assets	\$ 30,145,630	\$ 30,970,572	\$ 18,014,852	\$ 15,894,171	\$ 48,160,482	\$ 46,864,743
Noncurrent assets	104,349	124,850	847,080	1,226,348	951,429	1,351,198
Capital assets	58,620,105	59,211,742	70,985,039	73,310,346	129,605,144	132,522,088
Total Assets	\$ 88,870,084	\$ 90,307,164	\$ 89,846,971	\$ 90,430,865	\$ 178,717,055	\$ 180,738,029
Current liabilities	\$ 2,233,637	\$ 2,926,675	\$ 868,821	\$ 970,633	3,102,458	3,897,308
Noncurrent liabilities	3,170,220	2,882,721	2,836,352	2,828,000	6,006,572	5,710,721
Total Liabilities	\$ 5,403,857	\$ 5,809,396	\$ 3,705,173	\$ 3,798,633	\$ 9,109,030	\$ 9,608,029
Net Position:						
Net investment in capital assets	\$ 58,620,105	\$ 59,211,742	\$ 69,954,472	\$ 72,203,375	\$ 128,574,577	\$ 131,415,117
Restricted	7,227,636	6,981,388	212,586	212,586	7,440,222	7,193,974
Unrestricted	17,618,486	18,304,638	15,974,740	14,199,917	33,593,226	32,504,555
Total Net Position	\$ 83,466,227	\$ 84,497,768	\$ 86,141,798	\$ 86,615,878	\$ 169,608,025	\$ 171,113,646

The business-type activities statement of net position has been restated in the amount of \$16,534, to account for errors noted by the National Exchange Carrier Association on Interstate Pooling in the CC Communications Telephone Fund, and a reduction of \$1,572,981 to account for increased accumulation depreciation due to reporting an impairment loss in fiscal year 2012 within the Waste Water Fund. See Note 18 for more details.

The governmental and business-type activities for fiscal year 2012-2013 are presented in the Statement of Activities. As indicated on this statement, governmental activities decreased net position of Churchill County by \$1,031,541. The business-type activities decreased net position by \$474,080 for an overall decrease of net position of \$1,505,621. These decreases were the result of the excess of expenses over revenues. Key elements of the changes are noted on the following table.

CHURCHILL COUNTY CHANGE IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 2,596,070	\$ 2,462,564	\$ 18,119,553	\$ 19,969,121	\$ 20,715,623	\$ 22,431,685
Operating grants, interest and contributions	1,618,107	1,788,506	-	-	1,618,107	1,788,506
Capital grants, interest and contributions	280,000	4,575	15,137	451,312	295,137	455,887
General revenues:						
Ad valorem taxes	7,862,384	8,337,905	-	-	7,862,384	8,337,905
Consolidated taxes	4,999,886	4,855,007	-	-	4,999,886	4,855,007
Other taxes	8,792,512	9,008,588	-	-	8,792,512	9,008,588
Unrestricted investment earnings	90,600	93,993	25,228	21,796	115,828	115,789
Other/Miscellaneous revenues	1,303,485	2,209,128	77,799	64,506	1,381,284	2,273,634
Total Revenues	<u>27,543,044</u>	<u>28,760,266</u>	<u>18,237,717</u>	<u>20,506,735</u>	<u>45,780,761</u>	<u>49,267,001</u>
Expenses:						
General government	6,564,950	7,384,377	-	-	6,564,950	7,384,377
Judicial	3,731,187	3,447,483	-	-	3,731,187	3,447,483
Public safety	8,641,764	8,979,772	-	-	8,641,764	8,979,772
Sanitation	-	70,962	-	-	-	70,962
Public works	3,895,618	3,128,985	-	-	3,895,618	3,128,985
Health	240,317	221,452	-	-	240,317	221,452
Welfare	1,724,628	1,632,111	-	-	1,724,628	1,632,111
Culture and recreation	2,190,280	2,202,033	-	-	2,190,280	2,202,033
Community support	560,841	695,982	-	-	560,841	695,982
Interest and fiscal charges	-	291	-	-	-	291
Telephone	-	-	12,807,802	12,769,471	12,807,802	12,769,471
Wireless	-	-	932,899	2,348,102	932,899	2,348,102
Long distance	-	-	408,925	440,695	408,925	440,695
Broadband	-	-	2,764,626	2,900,612	2,764,626	2,900,612
Managed Data Services	-	-	650,818	-	650,818	-
Waste Water	-	-	1,368,232	1,267,623	1,368,232	1,267,623
Utility-Water	-	-	709,256	610,479	709,256	610,479
Golf Course	-	-	94,239	-	94,239	-
Total Expenses	<u>27,549,585</u>	<u>27,763,448</u>	<u>19,736,797</u>	<u>20,336,982</u>	<u>47,286,382</u>	<u>48,100,430</u>
Increase in net position before transfers	(6,541)	996,818	(1,499,080)	169,753	(1,505,621)	1,166,571
Transfers	(1,025,000)	(325,000)	1,025,000	325,000	-	-
Change in Net Position	(1,031,541)	671,818	(474,080)	494,753	(1,505,621)	1,166,571
Net Position- July 1, 2012	84,497,768	83,825,950	88,205,213	87,710,460	172,702,981	171,536,410
Prior Period Adjustment	-	-	(1,589,335)	-	(1,589,335)	-
Net Position- June 30, 2013	<u>\$ 83,466,227</u>	<u>\$ 84,497,768</u>	<u>\$ 86,141,798</u>	<u>\$ 88,205,213</u>	<u>\$ 169,608,025</u>	<u>\$ 172,702,981</u>

Revenues: Total revenues of \$45,780,761 are less than prior year revenue of \$49,267,001 by \$3,486,240 or -7.1%. Total governmental activity revenue decreased by \$1,217,222 or -4.4% while total business-type activity revenues decreased by \$2,269,018 or -11.1%. General revenues, mainly comprised of various taxes and investment earnings, represent \$23,151,894 or 50.6% of total revenue. Program revenues are directly related to service activities of a function and include charges for services, operating and capital grants and contributions, and related investment earnings when restricted for use in programs. Total program revenues were \$22,628,867 or 49.4% of total revenues.

Expenses: Total expenses of \$47,286,382 were less than prior year expenses by \$814,048 to reflect reduction in cost during the year. Total governmental activity expenses decreased by \$213,863 or -0.8% while total business-type activity expenses decreased by \$600,185 or -3.0%. The largest expenses in the governmental activities were Public Safety, General Government, Public Works, Culture and Recreation and Judicial. The business-type activity expenses were mostly within CC Communications business operations. The Telephone activity is the largest portion at 64.9% of total business-type expenses. The Telephone expense increased by \$38,331 or 0.3%. The decreases in wireless expenses are a result of the sale of the Wireless assets effective December 30, 2008 and the corresponding changes in business operations. The Wireless operations were closed out by fiscal year end June 30, 2013. There was an increase in expenses of \$650,818 in Managed Data Services as that business line is being developed. The increase in Water and Waste Water Operations is due to the significant allowance for Bad Debt in the current year due to economic conditions facing real estate developers in this housing crisis as well as a restructuring of an agreement with the new owners of the Onde Verde subdivision.

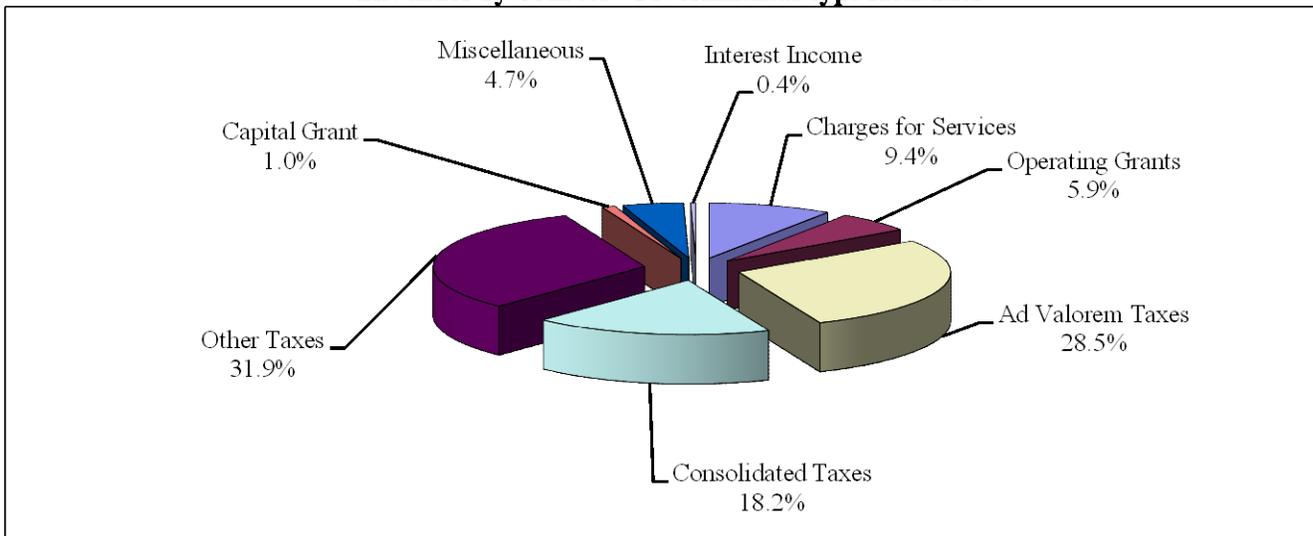
Governmental Activities

Total program revenues and expenses for governmental activities amounted to \$4,494,177 and \$27,549,585, respectively, for the 2012-2013 fiscal year. Program revenues are those revenues that derive directly from the program itself or from parties outside the County’s taxpayers or citizenry. These include charges for services, operating grants and contributions, and capital grants and contributions. They reduce the net cost of the function to be financed from the County’s general revenues, which include property taxes, consolidated taxes, and other resources not associated with a specific program. Charges for services increased by \$133,506, or 5.4%, as there was an effort to increase charges for services to cover the cost of those services. Operating grants decreased by \$170,399 primarily as a result of a reduction in the level of Federal and State grants obtained by the county. In the current year, there were capital grants of \$280,000 compared to \$4,575 in the prior year. The County received a capital grant of \$250,000 for a pantry facility of Out of Egypt’s food program. Law enforcement received a capital grant of \$30,000 for departmental equipment.

The County’s primary general revenue sources are ad valorem, consolidated taxes and other taxes. These three revenue sources respectively comprise 28.5%, 18.2%, and 31.9% of countywide governmental revenues. Ad valorem revenues decreased by \$475,521 or -5.7% due to the decreases in the assessed values due to economic obsolescence applied to residential dwellings due to the significant decline in values due to high number of foreclosures and short sales that have significantly impacted the fair values and stipulated agreements approved by the State Board of Equalization and the Department of Taxation for three geothermal plants. The property tax rate remained the same at \$2.8029. The consolidated tax revenues increased \$144,879 or 3.0% due to an increase level of taxable sales due to economic activities of the construction of a geothermal plant and a milk processing plant. Other taxes decreased due to modest decreases in fuel taxes and the county optional sales tax related to a decrease in the level of gas sales due to a reduction in population and higher fuel prices.

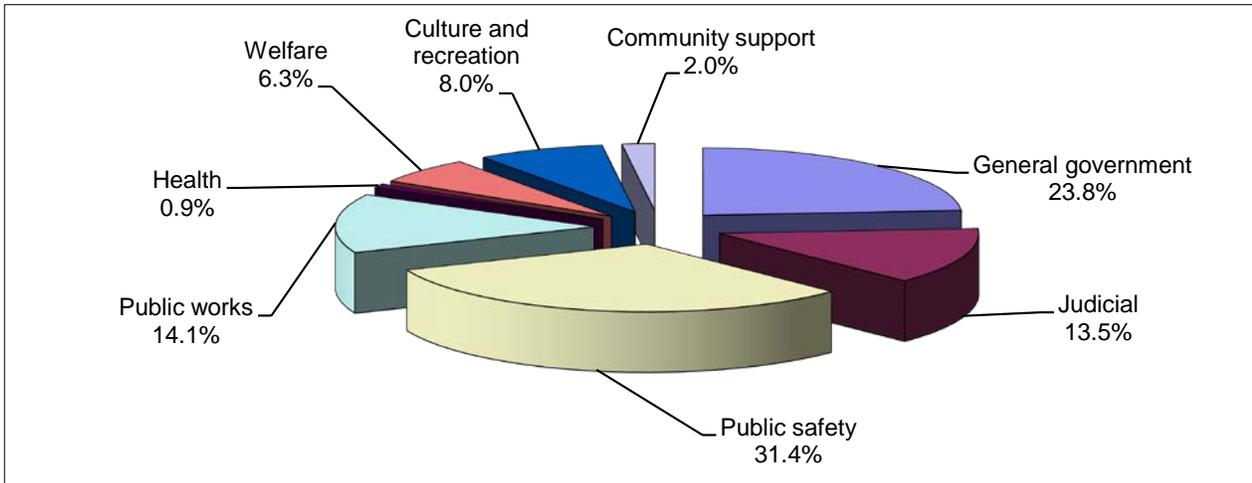
As illustrated on the following chart, other taxes are the largest revenue source at 31.9%, followed by ad valorem taxes at 28.5%, consolidated tax at 18.2%, charges for services at 9.4% and miscellaneous revenues at 4.7%.

Revenues by Sources- Governmental-type Activities

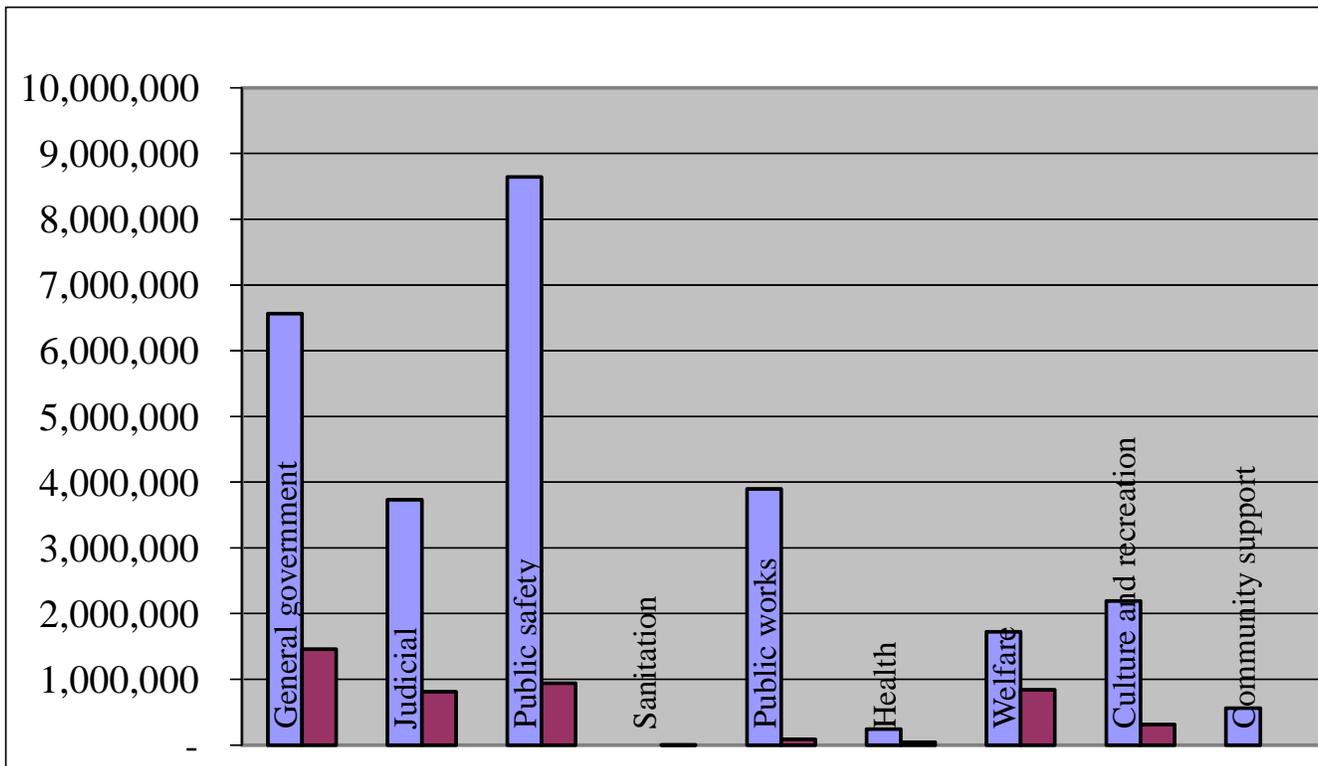


As noted, total governmental activities expenses were \$27,549,585 in the current year compared to \$27,763,448 in the prior year. Public safety, which is comprised of the Sheriff’s Office, detention facility, juvenile probation, dispatch, and fire department, constitutes the largest cost to the County at \$8,641,764 or 31.4% of the total governmental activities expenses. This is down \$338,008 or -3.8% from the prior year. The decrease is primarily due to budget mitigation measures in place. General government which includes the following departments: Commissioners, Clerk/Treasurer, Assessor, Recorder, Records and Microfilming, County Manager, Elections, Personnel, Buildings, Comptroller, Data Processing, Facilities and Grounds, General Government, and Planning Department had expenses of \$6,564,950 or 23.8% of the total governmental activities compared to \$7,384,377 in the prior year. This is a decrease of \$819,427 or -11.1% over the prior year as a result of continuation of budget mitigation measures. Public works had expenses of \$3,895,618 or 14.1% of the total governmental activities expenses. There was an increase of \$766,633 over the prior year due to timing of projects completed during the year and completion of the economic development bridge project in the Fallon Business Park. The judicial function expenses were \$3,731,187 or 13.5% of the total governmental activities expenses. They increased by \$283,704 or 8.2% due in part to filling gapped positions. The aforementioned increases and decreases were somewhat offset by mitigation measures taken by all departments. The other functions had similar levels of program expenses during the past two fiscal years. See the detailed statements for further details.

Expenditures by Function - Governmental Activities



The following chart compares the expenses for a particular program and the revenues generated by the program to defray those expenses



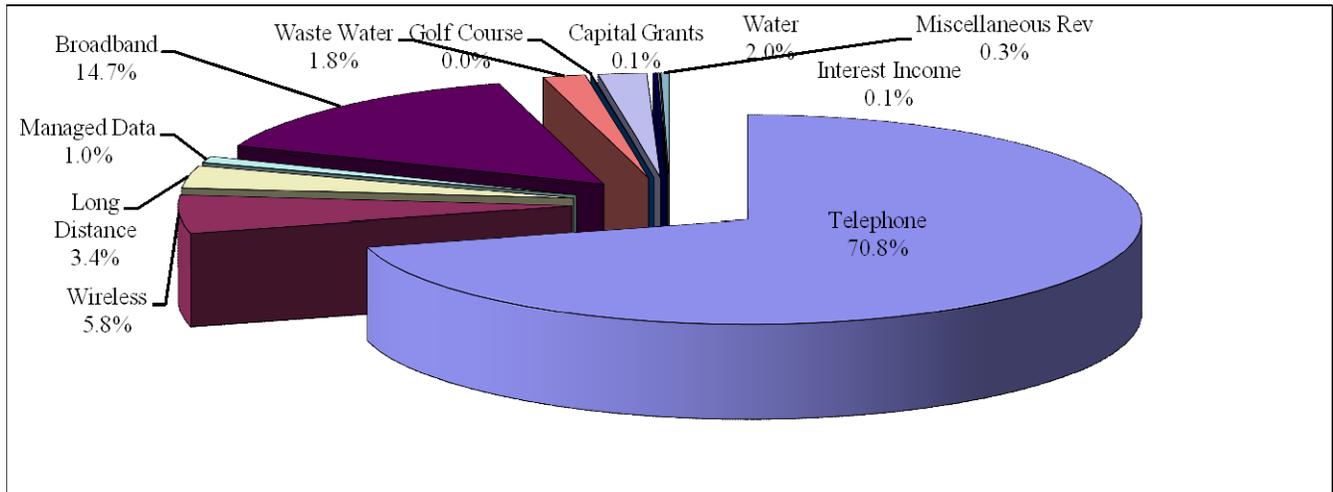
Business-Type Activities

Business-type activities include the operations of CC Communications and the water utility, waste water, and golf course enterprise operations. There are five Business-type Activities within CC Communications: Telephone, Wireless, Long Distance, Broadband and Managed Data Services. Total charges for services and expenses are \$17,432,095 and \$17,565,070, respectively, for CC Communications business-type activities for the 2012-2013 fiscal year which results in a decrease in net position of \$132,975. The total charges for services for CC Communications business-type activities decreased from the 2011/2012 fiscal year by \$1,880,653 or -9.7%. Telephone charges for services decreased by \$78,604 or -0.6%, due to a decrease in the number of subscriber lines and changes in the settlement process. Operating expenses increased \$38,331 or 0.3% due to increases in the cost of doing business. CC Communications continues to implement new technologies and improvements to address competition. One such service is fiber to the home (FTTH). Wireless charges for services decreased by \$1,773,153 or -62.8% and operating expenses decreased by \$1,415,235 or -60.3% in conjunction with closing out operations during the year. Long distance revenues decreased by \$68,205 or -10.0%, due to decreased minutes and a significant reduction in the number of subscribers. Long distance continues to see a decrease in customers, as customers move to other technologies for this service, such as Wireless and Voice over Internet (VOIP). Broadband revenues decreased by \$135,336 or -4.8% over the prior year amounts due

to decrease in number of subscribers and the various programming packages being purchased such as HDTV. Operating expenses decreased \$135,986 or -4.7% due to the decrease cost of content and access charges due to less subscribers. CC Communications continues to see substantial capital investment in Broadband as it expands the service area that is able to receive the OnNow! service. The business activities of the Water Utility Fund and the Waste Water Fund came online during the fiscal year ending June 30, 2008. The Water Utility fund charges for services revenue decreased from \$372,104 to \$360,238 as the users implemented water conservation measures to reduce their monthly water bills. The Waste Water charges for services revenues increased from \$284,269 to \$319,569 due to increase in collection of standby fees from developers due to restructured agreements. Golf Course revenue included facility lease revenues and miscellaneous revenue for sale of golf carts.

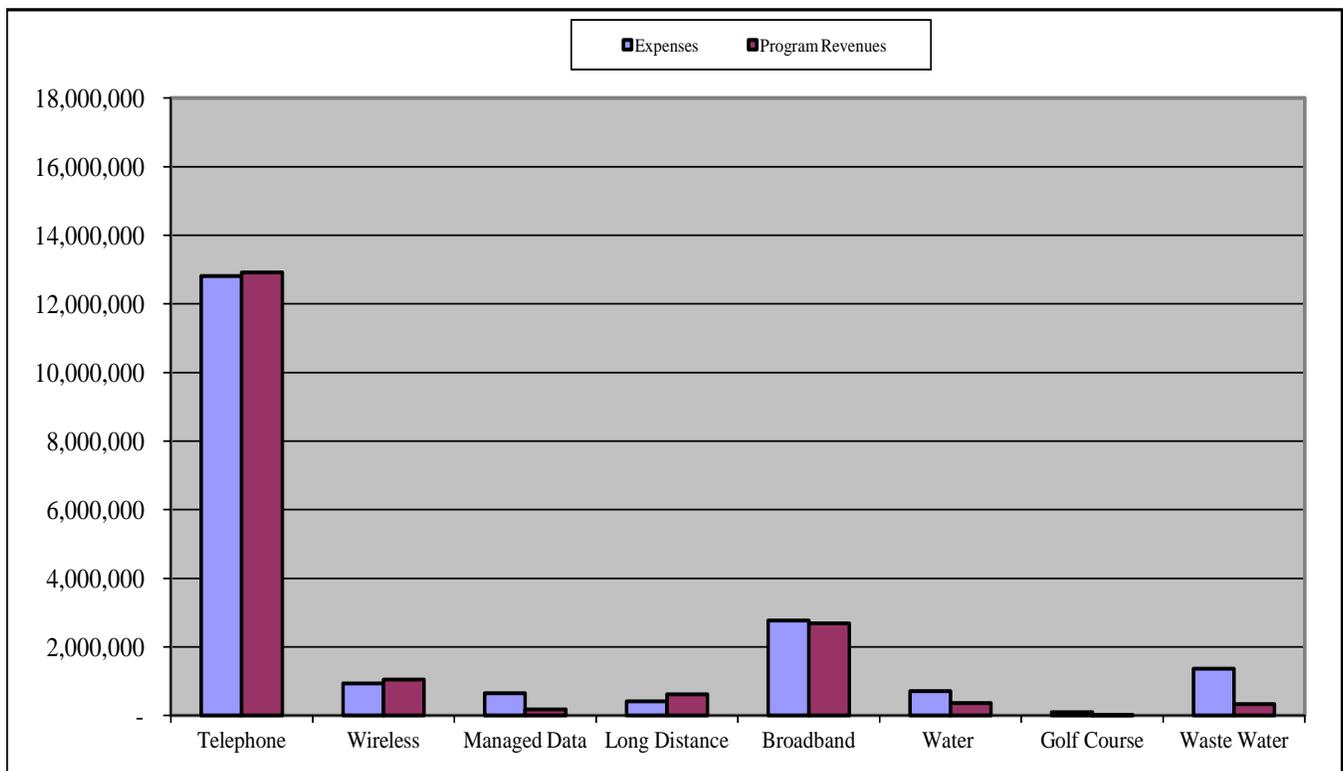
The following chart show the allocation of business-type activity revenues for the fiscal year ending June 30, 2013:

Revenues by Sources - Business-type Activities



The following chart compares the revenues and expenses for the various business programs:

Business-type Activities - Expenses and Program Revenues



The increases (decreases) in net position from business-type activities as noted on the statement of activities are as follows: Telephone activities \$101,549, Wireless activities \$119,239, Long Distance \$205,504, Broadband (\$83,091), Managed Data Services (\$476,173), Water (\$349,018), Waste Water at (\$1,033,526) and Golf Course (\$86,588). Currently, Telephone, Wireless and Long Distance activities account for the net increase respectively for all business-type activity within CC Communications. CC Communications continues to invest in capital assets related to the network. The trend in the United States indicates a movement from wire line phones to wireless phones as technology and demographics continue to change. CC Communications is closely monitoring the regulatory/legislative issues as several key topics will be debated on the national level by the Federal Communication Commission (FCC) that may have a direct impact on the financial operations of CC Communications. The second phase waste water plant at Moody Lane significantly increased the net assets for the Waste Water system in FY 2008-09. During FY 2010-11, construction was completed on the Oasis Mobile Home Park Waste Water Interceptor enhancement project through federal grant funding. The limited customer base for the water and waste water utilities remains the same as there has been limited residential development of new homes due to the number of foreclosures, short sales and high unemployment rate in the County.

Financial Analysis of the Government's Funds

As previously discussed, the focus of fund accounting for governmental funds is to measure inflows and outflows of current resources. This serves as an important measure of working capital for service provision to the County's residents. In particular, unrestricted fund balance is useful in measuring resources available for spending the subsequent fiscal year. Since the focus in fund accounting is on current resource activity, the balance sheet does not reflect long-term assets and liabilities.

Governmental Funds

The governmental funds of Churchill County reflect total assets and liabilities of \$31,319,188 and \$3,350,836 respectively. This resulted in a total fund balance of \$27,968,352 of which \$266,429 is non-spendable as it is notes receivable of \$104,349 and \$162,080 as prepaids, \$7,227,629 is restricted, committed amount of \$5,274,710, assigned fund balance of \$10,507,045 and unassigned fund balance of \$4,692,539. See note 12 for Fund Balance information.

Major Governmental Funds

General Fund:

The primary operating fund of Churchill County is the General Fund. For the fiscal year ended June 30, 2013, the fund balance in the General Fund was \$6,747,776 of which \$162,080 is non-spendable as prepaids, \$1,893,157 is assigned for Fiscal Year 2014 budgetary shortfall. The remaining fund balance of \$4,692,539 was unassigned at June 30, 2013. As a measure of the General Fund's liquidity, it is useful to compare the total unassigned fund balance to total fund expenditures. Unassigned fund balance represents 27.0% of total fund expenditures. This represents nearly 3 months of expenditures and consistent with the Board's fund balance policy.

The General Fund balance decreased by \$64,147 or -0.9% during the fiscal year. This is a result of the levels of revenue, expenditures and transfers. Revenues totaling \$17,899,875 decreased by \$322,986 or -1.8% over the prior fiscal year amount of \$18,222,861. Ad valorem taxes decreased \$265,455 or -4.5% due to the reductions in assessed value due to stipulated agreements with some geothermal plants and economic obsolescence associated with certain residential areas of the community due to lower values associated with short sales and foreclosures. Other revenue decreases were noted in fines and forfeitures of \$57,598 or -9.5% due to reductions in court bail collected. Miscellaneous revenues were down \$504,602 or 49.8% due to less revenue received from the geothermal rents and royalties due to less production with lower prices for geothermal energy and sequestration by the Federal government. Furthermore, Vulcan Power's sales and use tax PILT agreement was paid off in the prior year. These decreases were offset by increases in licenses and permits of \$16,213, charges for services increase of \$48,396 due to increase business activities. Intergovernmental revenues were up \$440,060 or 5.0% due to a greater appointment of CTX to the General Fund. General Fund expenditures of \$17,370,112 increased by \$246,827 or +1.4% in the current year of operations. The increase is primarily due to increases in salaries and wages as the County discontinued furlough days, absorbed increases in worker compensation cost and an overall increase in services and supplies expenditures due to lifting various budget mitigation measures to allow for purchases of computer and technology improvements. There was reduction in the following General Fund General Government function. This was offset by increases in Judicial, Public Safety, Sanitation, Health, Culture and Recreation, Intergovernmental and Community support. These increases related to increased program and employee costs to carry out the services directed by the Board of County Commissioners. These increases in expenditures are due to increases in personnel costs related to wages and employee benefits. Overall, services and supplies increased slightly as a result of additional operating costs. Excess of Revenues over Expenditures in the current year was \$529,763. Total Other Financing Sources/(Uses) totaled (\$593,910) related transfers out of \$600,000 to the Golf Course Enterprise Fund to purchase the Fallon Golf Course and related water rights offset by sale of assets of \$6,090.

Road Fund:

The Road Fund accounts for the building and maintaining roads and bridges in Churchill County. For the fiscal year ended June 30, 2013, the fund balance in the Fund was \$1,292,875 compared to \$2,377,542 in the prior year. The committed portion of the fund balance is \$691,042 for the Equipment Replacement Plan. The remaining fund balance, \$601,833, is assigned for street improvements. The decrease in fund balance of \$1,084,667 is related primarily to the timing of projects during the paving season, completion of the Fallon Business Park bridge project for economic development and the purchase of a new motor grader. The primary revenues of the Road Fund consist of fuel taxes collected \$1,027,384, fuel reimbursements of \$220,966, interest income of \$4,588. Other financing sources were transfers in from the Road Impact Fund of \$70,000 to support the Gummow Drive asphalt overlay project, transfers from Regional Transportation and Public Transit funds in the amount of \$726,275 and \$790,901 respectively for road projects approved by the Regional Transportation

Commission. Total expenditures for the year were \$4,010,724 compared to \$2,817,319 in the prior year for an increase of \$1,193,405. Most of the increase was related to equipment replacement purchases of \$796,852 and the bridge project.

Public Transit Fund:

The Public Transit Fund accounts for the building and maintaining roads and bridges in Fallon and Churchill County. For the fiscal year ended June 30, 2013, the fund balance in the Fund was \$731,591 compared to \$969,636 in the prior year. The restricted portion of the fund balance is \$325,834 for road maintenance projects. The remaining fund balance, \$405,757, is committed for street improvements. The decrease in fund balance of \$238,045 is related primarily to the timing of projects during the paving season. The primary revenues of the Public Transit Fund consist of an optional county sales tax of \$.0025 with collections totaling \$610,942 compared to prior year amount of \$629,124. Total expenditures for the year were \$61,571 compared to \$102,598 in the prior year for a decrease of \$41,027. Transfers out to the Road Department for project reimbursement were \$790,901 compared to \$263,817 in the prior year. The increase is the result of completing additional road projects during the year.

Proprietary Funds

The enterprise funds of Churchill County reflect total assets and liabilities of \$92,025,359 and \$4,310,580 respectively. This resulted in a total net position of \$87,714,779. Unrestricted net position totaled \$15,974,740 and restricted totaled \$212,586. Net investment in capital assets totaled \$71,527,453.

Major Proprietary Funds

CC Communications: Telephone Fund reflects total assets and liabilities of \$54,080,715 and \$3,315,157, respectively, resulting in total net position of \$50,765,558. The increase of total net position including prior period adjustment is \$103,864 or 0.2% from the 2011/2012 fiscal year. The increase is primarily the result of business operations.

CC Communications: Broadband Fund reflects total assets and liabilities of \$2,357,614 and \$341,428, respectively, resulting in total net position of \$2,016,186. The total net position decreased from 2011/2012 by \$5,854 or 0.3% due to results of operations.

Waste Water Enterprise Fund reflects total assets and liabilities of \$19,457,250 and \$14,319, respectively, resulting in total net position of \$19,442,931. The total net position decreased by \$806,383 or 3.7% due primarily from depreciation expense of \$829,880 within the system with no major capital improvements during the year. This fund has been established to account for the waste water operations. The county took over the Pine Grove Waste Water plant and developed a waste water treatment plant with federal and state grant funding at the Golf Course. The plant was placed into operation in fiscal year 2006/2007. During 2009-2010, the county constructed a state of the art membrane technology waste water plant at Moody Lane. The Waste Water Plant construction was completed and came on line for operations.

Water Utility Enterprise Fund reflects total assets and liabilities of \$10,269,326 and \$18,597, respectively, resulting in total net position of \$10,250,729. This is a reduction of \$346,747 or 3.3% from the prior year. The reduction in net position is due primarily to system depreciation expense of \$283,212 during the year. This fund has been established to account for the water operations. The County took over Pine Grove Water operations in fiscal year 2006/2007. In addition, construction in progress has occurred on the phase I water plant that will replace five smaller water systems that were not able to meet the water quality standards. The plant came on line in fiscal year 2007/2008.

Budgetary Highlights for the General Fund

The General Fund total revenues in the original budget were \$16,412,341 and increased \$200,305 based on an augmentation for greater than anticipated intergovernmental revenues to \$16,612,646 for the final budget. Actual revenues were \$17,899,875 or \$1,287,229 greater than final budgeted total revenues in the General Fund. Functions represent the legal level of budgetary control. Final budget appropriations for the General Fund expenditures totaled \$19,689,381, which is \$999,239 more or 5.3% more than the original budget of \$18,690,142. Actual expenditures were \$17,370,112 which was less than the original budget and 11.8% less than final budgeted expenditures. The expenditure budget was augmented to allow for additional appropriations for projects, services and supplies approved by the Board of County Commissioners during the year based on greater than anticipated revenue resources, grants and opening fund balances. Budget augmentations were prepared in accordance with the provisions of Nevada Revised Statutes Chapter 354 the Local Government Budget and Finance Act.

The following charts provide a comparison of original budget and final budget numbers for expenditures by function.

EXPENDITURE BUDGET BY FUNCTION	ORIGINAL	BUDGET FINAL	CHANGE
General Government	\$ 5,487,984	\$ 5,678,983	\$ 190,999
Judicial	3,557,112	3,896,046	338,934
Public Safety	8,411,949	8,851,255	439,306
Health	254,292	284,292	30,000
Sanitation	7,000	7,000	-
Culture and Recreation	297,040	297,040	-
Community Support	226,000	226,000	-
Intergovernmental	448,765	448,765	-
Total Expenditures	\$ 18,690,142	\$ 19,689,381	\$ 999,239

Capital Assets and Long-Term Debt Activity

At June 30, 2013, Churchill County had a net capital asset investment of \$58,620,105 in governmental activities and \$69,954,472 in business-type activities. This represents a decrease of \$591,637 or 1.0% in the governmental activities and a decrease of \$2,248,903 or 3.1% decrease in the business-type activities when compared to the prior year. This amount includes investment in land, water rights, buildings, improvements other than buildings, equipment and motor vehicles, and infrastructure.

Major capital investment activities for fiscal year 2012-2013 in the governmental activities include:

- Purchase of land, water rights and TDRs/conservation easements to support the future County Water System.
- Infrastructure improvements related to Road Department projects as approved in the County Five Year Road Plan.
- Purchase of Road Equipment within the Road Equipment Replacement Plan.
- Enhancements to the Sheriff's Department's communications system, patrol cars and in car digital video systems.
- Purchase of equipment for the Volunteer Fire Department.
- Purchase of technology improvements for the Assessor, Recorder and Planning Departments.
- Equipment purchases for Justice Court and District Attorney's Office.
- Purchase of HVAC systems for various county buildings.
- Park & Recreation improvements at the Fairgrounds.
- Purchase of the Golf Course at Fallon and related water rights.
- Purchase of audio and video equipment for the County Commission Chambers.

CHURCHILL COUNTY'S CAPITAL ASSETS
(net of depreciation)

	Governmental Activities	
	2013	2012
Land	\$ 17,250,889	\$ 17,127,555
Water rights	6,510,576	6,506,766
Construction in Progress	423,713	110,934
Buildings and improvements	12,266,828	12,904,886
Land improvements	255,821	299,824
Equipment and motor vehicles	4,216,588	3,773,656
Infrastructure	17,695,690	18,488,121
Net Governmental Activities Capital Assets	<u>\$ 58,620,105</u>	<u>\$ 59,211,742</u>
	Business-Type Activities	
	2013	2012 (restated)
Real estate and easements	\$ 677,741	\$ 540,699
Water Rights	372,812	-
Construction in progress	70,260	472,312
Buildings and improvements	1,689,645	1,672,338
Central office switching	4,941,342	5,636,043
Outside plant	33,468,705	34,127,339
Computer equipment	821,822	1,007,235
Vehicles and work equipment	108,781	183,412
Leasehold equipment	371,497	424,870
Software	227,639	-
Other equipment	1,807,197	1,718,462
Waste Water infrastructure	17,734,992	18,559,326
Water infrastructure	8,692,606	8,968,310
Net Business-Type Activities Capital Assets	<u>\$ 70,985,039</u>	<u>\$ 73,310,346</u>
Net Governmental Activities Capital Assets	\$ 58,620,105	\$ 59,211,742
Net Business-Type Activities Capital Assets	70,985,039	73,310,346
Total Net Capital Assets	<u>\$ 129,605,144</u>	<u>\$ 132,522,088</u>

Long-term debt outstanding at June 30, 2013 for governmental activities was zero as the County paid off their last note in fiscal year 2012. The business-type debt is \$1,030,567 or \$76,404 less than last year due to the payments made on the capital lease during the year. The total outstanding debt and compensated absences were \$2,643,277. For more information of capital assets and long-term debt activity, please refer to the Note 5 Capital Assets and Note 7 Long Term Obligations in the financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Capital leases payable	\$ -	\$ -	\$ 1,030,567	\$ 1,106,971	\$ 1,030,567	\$ 1,106,971
Compensated absences	979,959	1,009,180	632,751	676,582	\$ 1,612,710	1,685,762
Total	<u>\$ 979,959</u>	<u>\$ 1,009,180</u>	<u>\$ 1,663,318</u>	<u>\$ 1,783,553</u>	<u>\$ 2,643,277</u>	<u>\$ 2,792,733</u>

Currently known facts, decisions and conditions of future significance

On August 5, 2013, the Nevada Tax Commission approved a refund agreement with TAS Energy, Inc. for overpayment of sales and use taxes for the Patua Geothermal project. A portion of the tax was abated as an economic development incentive for the project. The County's share of the repayment has been estimated at \$345,921. The repayment will take place over nine distributions in fiscal year 2014. The financial statements reflect the agreement and the related due to other governments in the following funds; General Fund \$125,317, Public Transit Fund \$110,302, and Infrastructure Tax Fund for \$110,302. On September 5, 2013, the Board of County Commissioners approved the new Road Equipment Replacement Plan and Resolution 28-2013 that created a capital projects fund known as the Road Equipment Replacement Fund for the Road Department. Previously, all road equipment replacements were reported in the Road Fund. As of June 30, 2013 the Road Fund had a committed balance of \$691,041 for the equipment replacement plan. On October 3, 2013, the Board of County Commissioners approved the transfer of \$250,000 into the Road Equipment Replacement Fund from the Road Department.

Requests for Information

This financial report is designed to provide a general overview of the financial activity and condition of Churchill County to all having an interest in Churchill County. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Churchill County Comptroller's Office, 155 North Taylor Street, Suite 182, Fallon, Nevada 89406 or email at comptroller@churchillcounty.org.

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CHURCHILL COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 26,344,296	\$ 14,560,083	\$ 40,904,379
Receivables:			
Property taxes	1,318,775	-	1,318,775
Interest	6,413	368	6,781
Other	135,534	2,289,067	2,424,601
Internal balances	2,958	(2,958)	-
Due from other governments	2,175,574	-	2,175,574
Prepaid expenses	162,080	68,575	230,655
Inventory	-	1,099,717	1,099,717
Total Current Assets	<u>30,145,630</u>	<u>18,014,852</u>	<u>48,160,482</u>
Noncurrent Assets:			
Restricted cash	-	212,586	212,586
Note receivable	104,349	516,160	620,509
Goodwill	-	118,334	118,334
Capital assets (not being depreciated)	24,185,178	1,120,813	25,305,991
Capital assets (net of accumulated depreciation)	<u>34,434,927</u>	<u>69,864,226</u>	<u>104,299,153</u>
Total Noncurrent Assets	<u>58,724,454</u>	<u>71,832,119</u>	<u>130,556,573</u>
Total Assets	<u>88,870,084</u>	<u>89,846,971</u>	<u>178,717,055</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	476,298	362,377	838,675
Property taxes refundable	15	-	15
Accrued liabilities	404,014	302,458	706,472
Due to other governments	629,475	-	629,475
Current portion of capital leases payable	-	72,504	72,504
Current portion of contract payable	-	51,301	51,301
Current portion of accrued compensated absences	85,103	49,456	134,559
Customer deposits	9,410	30,725	40,135
Unearned revenue	<u>629,322</u>	<u>-</u>	<u>629,322</u>
Total Current Liabilities	<u>2,233,637</u>	<u>868,821</u>	<u>3,102,458</u>
Noncurrent Liabilities:			
Contracts payable	-	8,333	8,333
Other postemployment benefits liability	2,275,364	1,286,661	3,562,025
Capital leases payable, net of current portion	-	958,063	958,063
Accrued compensated absences, net of current portion	<u>894,856</u>	<u>583,295</u>	<u>1,478,151</u>
Total Noncurrent Liabilities	<u>3,170,220</u>	<u>2,836,352</u>	<u>6,006,572</u>
Total Liabilities	<u>5,403,857</u>	<u>3,705,173</u>	<u>9,109,030</u>
NET POSITION			
Net investment in capital assets	58,620,105	69,954,472	128,574,577
Restricted for:			
General government	2,599,105	-	2,599,105
Judicial	28,555	-	28,555
Public safety	559,093	-	559,093
Public works	1,846,001	-	1,846,001
Welfare	12,226	-	12,226
Culture and recreation	489,886	-	489,886
Community support	1,692,770	-	1,692,770
Capital improvements	-	212,586	212,586
Unrestricted	<u>17,618,486</u>	<u>15,974,740</u>	<u>33,593,226</u>
Total Net Position	<u>\$ 83,466,227</u>	<u>\$ 86,141,798</u>	<u>\$ 169,608,025</u>

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

CHURCHILL COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 6,564,950	\$ 995,104	\$ 463,350	\$ -	\$ (5,106,496)	\$ -	\$ (5,106,496)
Judicial	3,731,187	390,359	422,721	-	(2,918,107)	-	(2,918,107)
Public safety	8,641,764	799,600	109,417	30,000	(7,702,747)	-	(7,702,747)
Sanitation	-	103	-	-	103	-	103
Public works	3,895,618	86,889	-	-	(3,808,729)	-	(3,808,729)
Health	240,317	43,815	-	-	(196,502)	-	(196,502)
Welfare	1,724,628	3,109	586,988	250,000	(884,531)	-	(884,531)
Culture and recreation	2,190,280	277,091	35,631	-	(1,877,558)	-	(1,877,558)
Community support	560,841	-	-	-	(560,841)	-	(560,841)
Total Governmental Activities	27,549,585	2,596,070	1,618,107	280,000	(23,055,408)	-	(23,055,408)
Business-type Activities:							
Telephone	12,807,802	12,909,351	-	-	-	101,549	101,549
Wireless	932,899	1,052,135	-	-	-	119,236	119,236
Long Distance	408,925	614,429	-	-	-	205,504	205,504
Broadband	2,764,626	2,681,535	-	-	-	(83,091)	(83,091)
Managed Data Services	650,818	174,645	-	-	-	(476,173)	(476,173)
Waste water	1,368,232	319,569	-	15,137	-	(1,033,526)	(1,033,526)
Water utility	709,256	360,238	-	-	-	(349,018)	(349,018)
Golf Course	94,239	7,651	-	-	-	(86,588)	(86,588)
Total Business-Type Activities	19,736,797	18,119,553	-	15,137	-	(1,602,107)	(1,602,107)
Total County	\$ 47,286,382	\$ 20,715,623	\$ 1,618,107	\$ 295,137	\$ (23,055,408)	\$ (1,602,107)	\$ (24,657,515)
General Revenues:							
Ad valorem taxes					7,862,384	-	7,862,384
Franchise taxes					117,857	-	117,857
Unrestricted intergovernmental revenues:							
Federal payment in lieu of taxes					2,053,174	-	2,053,174
Local payment in lieu of taxes					2,509,710	-	2,509,710
AB 104 fairshare					1,041,498	-	1,041,498
Consolidated intergovernmental taxes					4,999,886	-	4,999,886
Fuel taxes					1,848,150	-	1,848,150
Optional county sales tax					1,222,123	-	1,222,123
Delinquent tax penalties					230,767	-	230,767
Interest income					90,600	25,228	115,828
Miscellaneous revenues					1,070,460	77,799	1,148,259
Gain on sale of assets					2,258	-	2,258
Transfers:					(1,025,000)	1,025,000	-
Total General Revenues and Transfers					22,023,867	1,128,027	23,151,894
Change in Net Position					(1,031,541)	(474,080)	(1,505,621)
NET POSITION at July 1, as originally stated					84,497,768	88,205,213	172,702,981
Adjustment					-	(1,589,335)	(1,589,335)
NET POSITION, July 1, as restated					84,497,768	86,615,878	171,113,646
NET POSITION at June 30					\$ 83,466,227	\$ 86,141,798	\$ 169,608,025

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

CHURCHILL COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013

	<u>General Fund</u>	<u>Road Fund</u>	<u>Public Transit Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments	\$ 5,745,930	\$ 343,432	\$ 1,146,773	\$ 19,108,161	\$ 26,344,296
Receivables:					
Property Taxes	958,652	-	-	360,123	1,318,775
Interest	1,322	128	276	4,687	6,413
Other	83,353	27,849	-	24,332	135,534
Notes	-	-	-	104,349	104,349
Due from other funds	209,658	836,918	-	25,591	1,072,167
Due from other governments	1,251,540	176,479	110,643	636,912	2,175,574
Prepays	162,080	-	-	-	162,080
	<u>162,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,080</u>
Total Assets	<u>\$ 8,412,535</u>	<u>\$ 1,384,806</u>	<u>\$ 1,257,692</u>	<u>\$ 20,264,155</u>	<u>\$ 31,319,188</u>
LIABILITIES					
Accounts payable	\$ 352,672	\$ 26,639	\$ 291	\$ 96,696	\$ 476,298
Property taxes refundable	15	-	-	-	15
Accrued liabilities	160,768	16,930	-	24,219	201,917
Accrued benefits	171,086	11,953	-	19,058	202,097
Due to other funds	-	-	415,508	653,701	1,069,209
Due to other governments	269,400	34,829	110,302	214,944	629,475
Customer deposits	4,053	1,580	-	3,777	9,410
Deferred revenues	706,765	-	-	55,650	762,415
	<u>706,765</u>	<u>-</u>	<u>-</u>	<u>55,650</u>	<u>762,415</u>
Total Liabilities	<u>1,664,759</u>	<u>91,931</u>	<u>526,101</u>	<u>1,068,045</u>	<u>3,350,836</u>
FUND BALANCES					
Non-Spendable	162,080	-	-	104,349	266,429
Restricted	-	-	325,834	6,901,795	7,227,629
Committed	-	691,042	405,757	4,177,911	5,274,710
Assigned	1,893,157	601,833	-	8,012,055	10,507,045
Unassigned	4,692,539	-	-	-	4,692,539
	<u>4,692,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,692,539</u>
Total Fund Balances	<u>6,747,776</u>	<u>1,292,875</u>	<u>731,591</u>	<u>19,196,110</u>	<u>27,968,352</u>
Total Liabilities and Fund Balances	<u>\$ 8,412,535</u>	<u>\$ 1,384,806</u>	<u>\$ 1,257,692</u>	<u>\$ 20,264,155</u>	<u>\$ 31,319,188</u>

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

CHURCHILL COUNTY, NEVADA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total Fund Balances - Governmental Funds	\$	27,968,352
<p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Capital assets, net of related depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds:</p>		
Capital assets		104,519,300
Less: Accumulated depreciation		(45,899,195)
<p>Certain liabilities are not reported in the governmental funds because they are not due and payable in the current period:</p>		
Other postemployment benefits liability		(2,275,364)
Compensated absences		(979,959)
<p>Some of the County's property taxes will be collected after year-end, but not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the governmental funds.</p>		
		133,093
Total Net Position - Governmental Activities	\$	83,466,227

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

CHURCHILL COUNTY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR YEAR ENDED JUNE 30, 2013

	<u>General Fund</u>	<u>Road Fund</u>	<u>Public Transit Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes	\$ 5,661,992	\$ -	\$ -	\$ 2,279,398	\$ 7,941,390
Licenses and permits	455,964	100	-	12,284	468,348
Intergovernmental	9,962,984	1,027,384	610,942	4,295,931	15,897,241
Charges for services	761,121	-	-	438,042	1,199,163
Fines and forfeitures	548,957	-	-	-	548,957
Miscellaneous	508,857	311,395	3,485	932,756	1,756,493
	<u>17,899,875</u>	<u>1,338,879</u>	<u>614,427</u>	<u>7,958,411</u>	<u>27,811,592</u>
Total Revenues					
EXPENDITURES					
Current:					
General government	5,083,317	-	-	1,700,926	6,784,243
Judicial	3,403,260	-	-	169,973	3,573,233
Public safety	7,759,020	-	-	82,118	7,841,138
Public works	-	4,010,722	3,571	29,641	4,043,934
Health	247,569	-	-	3,984	251,553
Welfare	-	-	-	1,751,612	1,751,612
Culture and recreation	265,767	-	-	1,717,071	1,982,838
Community support	199,777	-	-	376,425	576,202
Intergovernmental	411,402	-	58,000	276,914	746,316
	<u>17,370,112</u>	<u>4,010,722</u>	<u>61,571</u>	<u>6,108,664</u>	<u>27,551,069</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>529,763</u>	<u>(2,671,843)</u>	<u>552,856</u>	<u>1,849,747</u>	<u>260,523</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital and other assets	6,090	-	-	334,499	340,589
Transfers in	-	1,587,176	-	245,000	1,832,176
Transfers out	(600,000)	-	(790,901)	(1,466,275)	(2,857,176)
	<u>(593,910)</u>	<u>1,587,176</u>	<u>(790,901)</u>	<u>(886,776)</u>	<u>(684,411)</u>
Total Other Financing Sources (Uses)					
Net Change in Fund Balances	(64,147)	(1,084,667)	(238,045)	962,971	(423,888)
FUND BALANCE, July 1	<u>6,811,923</u>	<u>2,377,542</u>	<u>969,636</u>	<u>18,233,139</u>	<u>28,392,240</u>
FUND BALANCE, June 30	<u><u>\$ 6,747,776</u></u>	<u><u>\$ 1,292,875</u></u>	<u><u>\$ 731,591</u></u>	<u><u>\$ 19,196,110</u></u>	<u><u>\$ 27,968,352</u></u>

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

CHURCHILL COUNTY, NEVADA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Change in Fund Balances - Governmental Funds **\$ (423,888)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures.

However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation in the statement of activities:

Expenditures for capital assets	2,039,502
Less: current year depreciation	(2,292,807)

In the statement of activities, the gain or loss on the disposal of capital assets is reported. In the governmental funds, the gain or loss is not reported. Thus, the change in net position differs from the change in fund balances by the cost of the assets sold less the balance in accumulated depreciation.	(338,332)
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The liability for compensated absences is not recorded in the governmental funds, but it is reported in the statement of net position. This is the current year change in the liability, reported as an expense in the statement of activities.	29,221
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The liability for other postemployment benefits is not recorded in the governmental funds, but it is reported in the statement of net position. This is the current year changes in the liability, reported as an expense in the statement of activities.	(316,678)
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The liability for the subsequent settlement of the refund for property taxes is not recorded in the governmental funds, but it is reported in the statement of net position. This is the current year changes in the liability, reported as an expense in the statement of activities.	321,281
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Some of the County's property taxes will be collected after year-end, but not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds. Deferred property tax revenues increased (decreased) this year.	(49,840)
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Change in Net Position - Governmental Activities **\$ (1,031,541)**

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR YEAR ENDED JUNE 30, 2013

	<u>BUDGET</u>			<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>ORIGINAL TO FINAL</u>	<u>FINAL TO ACTUAL</u>
REVENUES					
Taxes	\$ 5,114,647	\$ 5,114,647	\$ 5,661,992	\$ -	\$ 547,345
Licenses and permits	420,895	420,895	455,964	-	35,069
Intergovernmental	8,730,764	9,231,069	9,962,984	500,305	731,915
Charges for services	698,225	698,225	761,121	-	62,896
Fines and forfeitures	512,500	512,500	548,957	-	36,457
Miscellaneous	935,310	635,310	508,857	(300,000)	(126,453)
Total Revenues	<u>16,412,341</u>	<u>16,612,646</u>	<u>17,899,875</u>	<u>200,305</u>	<u>1,287,229</u>
EXPENDITURES					
General government	5,487,984	5,678,983	5,083,317	(190,999)	595,666
Judicial	3,557,112	3,896,046	3,403,260	(338,934)	492,786
Public safety	8,411,949	8,851,255	7,759,020	(439,306)	1,092,235
Sanitation	7,000	7,000	-	-	7,000
Health	254,292	284,292	247,569	(30,000)	36,723
Culture and recreation	297,040	297,040	265,767	-	31,273
Community support	226,000	226,000	199,777	-	26,223
Intergovernmental	448,765	448,765	411,402	-	37,363
Total Expenditures	<u>18,690,142</u>	<u>19,689,381</u>	<u>17,370,112</u>	<u>(999,239)</u>	<u>2,319,269</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,277,801)</u>	<u>(3,076,735)</u>	<u>529,763</u>	<u>(798,934)</u>	<u>3,606,498</u>
OTHER FINANCING SOURCES (USES)					
Contingency	(275,000)	(275,000)	-	-	275,000
Sale of capital and other assets	-	-	6,090	-	6,090
Transfers out	-	-	(600,000)	-	(600,000)
Total Other Financing Sources (Uses)	<u>(275,000)</u>	<u>(275,000)</u>	<u>(593,910)</u>	<u>-</u>	<u>(318,910)</u>
Net Change in Fund Balances	<u>(2,552,801)</u>	<u>(3,351,735)</u>	<u>(64,147)</u>	<u>(798,934)</u>	<u>3,287,588</u>
FUND BALANCE, July 1	<u>5,012,989</u>	<u>5,811,923</u>	<u>6,811,923</u>	<u>798,934</u>	<u>1,000,000</u>
FUND BALANCE, June 30	<u><u>\$ 2,460,188</u></u>	<u><u>\$ 2,460,188</u></u>	<u><u>\$ 6,747,776</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,287,588</u></u>

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

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - ROAD FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>ORIGINAL TO FINAL</u>	<u>FINAL TO ACTUAL</u>
REVENUES					
Licenses and permits:					
Licenses and permits	\$ 250	\$ 250	\$ 100	\$ -	\$ (150)
Intergovernmental:					
Motor vehicle fuel tax (\$.0125)	345,576	345,576	345,581	-	5
Motor vehicle fuel tax (\$.0175)	121,320	121,320	114,757	-	(6,563)
Motor vehicle fuel tax (\$.0360)	566,425	566,425	567,046	-	621
	<u>1,033,321</u>	<u>1,033,321</u>	<u>1,027,384</u>	<u>-</u>	<u>(5,937)</u>
Miscellaneous:					
Interest	3,695	3,695	4,588	-	893
Miscellaneous	3,125	3,125	80,976	-	77,851
Water construction	4,000	4,000	4,466	-	466
Equipment rental	-	-	401	-	401
Fuel reimbursements	205,000	205,000	220,966	-	15,966
	<u>215,820</u>	<u>215,820</u>	<u>311,397</u>	<u>-</u>	<u>95,577</u>
Total Revenues	<u>1,249,391</u>	<u>1,249,391</u>	<u>1,338,881</u>	<u>-</u>	<u>89,490</u>
EXPENDITURES					
Public works:					
Highways and streets:					
Salaries	935,650	935,650	902,790	-	32,860
Benefits	427,946	427,946	392,741	-	35,205
Services and supplies	1,421,900	1,571,900	1,630,144	(150,000)	(58,244)
Capital outlay	175,000	1,025,000	1,085,049	(850,000)	(60,049)
Total Expenditures	<u>2,960,496</u>	<u>3,960,496</u>	<u>4,010,724</u>	<u>(1,000,000)</u>	<u>(50,228)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,711,105)</u>	<u>(2,711,105)</u>	<u>(2,671,843)</u>	<u>(1,000,000)</u>	<u>39,262</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Regional Transportation Fund	500,000	500,000	726,275	-	226,275
Public Transit Fund	500,000	500,000	790,901	-	290,901
Road Impact Fund	-	-	70,000	-	70,000
Total Other Financing Sources (Uses)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,587,176</u>	<u>-</u>	<u>587,176</u>
Net Change in Fund Balances	(711,105)	(1,711,105)	(1,084,667)	(1,000,000)	626,438
FUND BALANCE , July 1	<u>930,746</u>	<u>1,930,746</u>	<u>2,377,542</u>	<u>1,000,000</u>	<u>446,796</u>
FUND BALANCE, June 30	<u>\$ 219,641</u>	<u>\$ 219,641</u>	<u>\$ 1,292,875</u>	<u>\$ -</u>	<u>\$ 1,073,234</u>

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

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - PUBLIC TRANSIT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>ORIGINAL TO FINAL</u>	<u>FINAL TO ACTUAL</u>
REVENUES					
Intergovernmental:					
Optional county sales tax (\$.0025)	\$ 521,250	\$ 521,250	\$ 610,942	\$ -	\$ 89,692
Miscellaneous:					
Interest	2,125	2,125	3,485	-	1,360
Total Revenues	<u>523,375</u>	<u>523,375</u>	<u>614,427</u>	<u>-</u>	<u>91,052</u>
EXPENDITURES					
Public works:					
Highways and streets:					
Services and supplies	-	5,000	3,571	5,000	1,429
Intergovernmental:					
City of Fallon	300,000	420,000	58,000	120,000	362,000
Total Expenditures	<u>300,000</u>	<u>425,000</u>	<u>61,571</u>	<u>125,000</u>	<u>363,429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	223,375	98,375	552,856	(125,000)	454,481
OTHER FINANCING SOURCES (USES)					
Transfers out:					
Road Fund	(500,000)	(912,608)	(790,901)	(412,608)	121,707
Net Change in Fund Balance	(276,625)	(814,233)	(238,045)	(537,608)	576,188
FUND BALANCE, July 1	<u>432,028</u>	<u>969,636</u>	<u>969,636</u>	<u>537,608</u>	<u>-</u>
FUND BALANCE, June 30	<u><u>\$ 155,403</u></u>	<u><u>\$ 155,403</u></u>	<u><u>\$ 731,591</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 576,188</u></u>

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

CHURCHILL COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013
(Page 1 of 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS					
	CC Telephone Fund	CC Communications Broadband Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds
ASSETS						
Current assets:						
Cash	\$ 9,932,078	\$ 754,238	\$ 655,166	\$ 542,692	\$ 2,675,909	\$ 14,560,083
Receivables:						
Trade accounts receivable, net	644,913	247,155	433,314	350,804	93,378	1,769,564
Other accounts receivable, net	517,852	-	-	-	1,651	519,503
Interest receivable	-	-	182	186	-	368
Due from other funds	399,999	2,450	-	-	200,000	602,449
Inventory	1,024,996	73,786	-	-	935	1,099,717
Prepaid expense	67,194	1,099	-	-	282	68,575
Total Current Assets	<u>12,587,032</u>	<u>1,078,728</u>	<u>1,088,662</u>	<u>893,682</u>	<u>2,972,155</u>	<u>18,620,259</u>
Noncurrent Assets:						
Restricted cash	-	-	-	212,586	-	212,586
Notes receivable, net	-	-	282,300	233,860	-	516,160
Noncurrent Assets	<u>-</u>	<u>-</u>	<u>282,300</u>	<u>446,446</u>	<u>-</u>	<u>728,746</u>
Other Noncurrent Assets:						
Goodwill	-	-	-	-	118,334	118,334
Capital Assets:						
Being depreciated	81,294,280	4,208,489	23,489,967	10,272,861	708,558	119,974,155
Not being depreciated	118,927	-	252,243	232,643	517,000	1,120,813
	<u>81,413,207</u>	<u>4,208,489</u>	<u>23,742,210</u>	<u>10,505,504</u>	<u>1,225,558</u>	<u>121,094,968</u>
Less:						
Accumulated depreciation	39,919,524	2,929,603	5,655,922	1,576,306	28,574	50,109,929
Total Capital Assets	<u>41,493,683</u>	<u>1,278,886</u>	<u>18,086,288</u>	<u>8,929,198</u>	<u>1,196,984</u>	<u>70,985,039</u>
Total Noncurrent Assets	<u>41,493,683</u>	<u>1,278,886</u>	<u>18,368,588</u>	<u>9,375,644</u>	<u>1,315,318</u>	<u>71,832,119</u>
Total Assets	<u>54,080,715</u>	<u>2,357,614</u>	<u>19,457,250</u>	<u>10,269,326</u>	<u>4,287,473</u>	<u>90,452,378</u>

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

CHURCHILL COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013
(Page 2 of 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS						Total Enterprise Funds
	CC Telephone Fund	CC Communications Broadband Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	Nonmajor Enterprise Funds		
LIABILITIES							
Current Liabilities:							
Accounts payable	\$ 330,637	\$ 2,824	\$ 14,319	\$ 14,597	\$ -	\$ -	362,377
Contracts payable	-	-	-	-	51,301	-	51,301
Customer deposits	26,725	-	-	4,000	-	-	30,725
Other accrued liabilities	302,458	-	-	-	-	-	302,458
Due to other funds	-	202,396	-	-	403,011	-	605,407
Capital lease payable, current	72,504	-	-	-	-	-	72,504
Compensated absences, current	49,456	-	-	-	-	-	49,456
Total Current Liabilities	781,780	205,220	14,319	18,597	454,312		1,474,228
Noncurrent Liabilities:							
Due in more than one year:							
Contracts payable	-	-	-	-	8,333	-	8,333
Capital lease payable	958,063	-	-	-	-	-	958,063
Other post employment:							
Benefits payable	992,019	136,208	-	-	158,434	-	1,286,661
Compensated absences	583,295	-	-	-	-	-	583,295
Total Noncurrent Liabilities	2,533,377	136,208	-	-	166,767		2,836,352
Total Liabilities	3,315,157	341,428	14,319	18,597	621,079		4,310,580
NET POSITION							
Net investment in capital assets	40,463,116	1,278,886	18,086,288	8,929,198	1,196,984		69,954,472
Restricted for capital improvements	-	-	-	212,586	-	-	212,586
Unrestricted	10,302,442	737,300	1,356,643	1,108,945	2,469,410		15,974,740
Total Net Position	\$ 50,765,558	\$ 2,016,186	\$ 19,442,931	\$ 10,250,729	\$ 3,666,394		\$ 86,141,798

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

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CHURCHILL COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR YEAR ENDED JUNE 30, 2013

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS					Total Enterprise Funds
	CC Communications Telephone Fund	CC Communications Broadband Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	Nonmajor Enterprise Funds	
OPERATING REVENUES	\$ 12,140,674	\$ 2,681,535	\$ 319,569	\$ 360,238	\$ 1,848,860	\$ 17,350,876
Charges for sales and services						
OPERATING EXPENSES						
Plant specific operations	2,145,353	-	-	-	-	2,145,353
Plant nonspecific operations	1,393,121	-	-	-	-	1,393,121
Customer operations	976,366	591,145	-	-	409,350	1,976,861
Network operations	-	431,780	-	-	581,812	1,013,592
Corporate operations	1,951,324	218,331	-	-	166,614	2,336,269
Payments in lieu of taxes	1,345,450	-	-	-	-	1,345,450
Access charges	-	1,058,911	-	-	143,376	1,202,287
Equipment sales expense	-	-	-	-	101,721	101,721
Networking - Data services	-	-	-	-	336,904	336,904
Networking - Web services	-	-	-	-	98,605	98,605
Networking - Computer & networking	-	-	-	-	110,351	110,351
Warehouse/Inventory	-	-	-	-	14,562	14,562
Miscellaneous operating expenses	-	72,669	272,006	183,917	94,971	623,563
Depreciation and amortization	3,272,251	391,790	829,880	283,212	28,574	4,805,707
Total Operating Expenses	11,083,865	2,764,626	1,101,886	467,129	2,086,840	17,504,346
Operating Income (Loss)	1,056,809	(83,091)	(782,317)	(106,891)	(237,980)	(153,470)
NONOPERATING REVENUES (EXPENSES)						
Interest income	18,509	-	1,741	2,271	2,707	25,228
Interest expense	(44,619)	-	-	-	(41)	(44,660)
Bad debt expense	-	-	(266,346)	(242,127)	-	(508,473)
Nonregulated income	768,677	-	-	-	-	768,677
Nonregulated expense	(515,058)	-	-	-	-	(515,058)
Miscellaneous income	160	11,878	402	-	-	12,440
Payments in lieu of taxes	(1,164,260)	-	-	-	-	(1,164,260)
Miscellaneous nonoperating expense	-	(29)	-	-	-	(29)
Rental income	-	65,388	-	-	-	65,388
Total Nonoperating Revenues (Expenses)	(936,591)	77,237	(264,203)	(239,856)	2,666	(1,360,747)
Income (Loss) Before Contributions and Transfers	120,218	(5,854)	(1,046,520)	(346,747)	(235,314)	(1,514,217)
CAPITAL CONTRIBUTIONS						
Federal Grant	-	-	15,137	-	-	15,137
TRANSFERS IN						
TRANSFERS OUT	-	-	225,000	-	3,329,446	3,554,446
Total Transfers	-	-	225,000	-	(2,529,446)	(2,529,446)
Change in Net Position	120,218	(5,854)	(806,383)	(346,747)	564,686	(474,080)
NET POSITION, July 1, as originally stated	50,661,694	2,022,040	21,822,295	10,597,476	3,101,708	88,205,213
Prior period adjustment	(16,354)	-	(1,572,981)	-	-	(1,589,335)
NET POSITION, July 1 as restated	50,645,340	2,022,040	20,249,314	10,597,476	3,101,708	86,615,878
NET POSITION, June 30	\$ 50,765,558	\$ 2,016,186	\$ 19,442,931	\$ 10,250,729	\$ 3,666,394	\$ 86,141,798

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

**CHURCHILL COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

(Page 1 of 2)

	CC Communications Telephone Fund	CC Communications Broadband Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 12,934,453	\$ 2,787,006	\$ 200,351	\$ 272,216	\$ 1,997,689	\$ 18,191,715
Cash received from other funds for services	(891,141)	-	-	-	-	(891,141)
Cash payments for employees	(4,457,824)	(669,172)	-	-	(854,244)	(5,981,240)
Cash payments for services and supplies	(3,290,603)	(1,702,424)	(286,589)	(184,416)	(1,291,956)	(6,755,988)
Net Cash Provided (Used) by Operating Activities	4,294,885	415,410	(86,238)	87,800	(148,511)	4,563,346
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfer in	-	-	225,000	-	3,511,233	3,736,233
Transfer out	-	-	-	-	(2,711,233)	(2,711,233)
Net Cash Provided (Used) by Non-capital Financing Activities	-	-	225,000	-	800,000	1,025,000
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Principal payment on long-term debt	(76,404)	-	-	-	-	(76,404)
Interest paid on long-term debt	(41,287)	-	-	-	-	(41,287)
Capital federal grants	-	-	15,137	-	-	15,137
Net proceeds from sale of capital assets	20,986	-	-	-	-	20,986
Demolition cost of disposing of capital assets	(34)	-	-	-	-	(34)
Purchase of goodwill	-	-	-	-	(60,417)	(60,417)
Purchase of property, plant and equipment	(1,161,823)	(120,568)	(8,028)	(4,876)	(1,225,558)	(2,520,853)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,258,562)	(120,568)	7,109	(4,876)	(1,285,975)	(2,662,872)
CASH FLOW FROM INVESTING ACTIVITIES						
Principal payments on notes receivable	-	-	-	-	-	-
Interest received on investments	18,596	-	1,710	2,258	2,666	25,230
Net Cash Provided (Used) by Investing Activities	18,596	-	1,710	2,258	2,666	25,230
Net Increase (Decrease) in Cash and Cash Equivalents	3,054,919	294,842	147,581	85,182	(631,820)	2,950,704
CASH AND CASH EQUIVALENTS, July 1						
CASH AND CASH EQUIVALENTS, June 30 (including restricted cash of \$212,586)	6,877,159	459,396	507,585	670,096	3,307,729	11,821,965
	\$ 9,932,078	\$ 754,238	\$ 655,166	\$ 755,278	\$ 2,675,909	\$ 14,772,669

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

CHURCHILL COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013

	AGENCY FUNDS
ASSETS	
Cash and investments	\$ 956,375
Receivables:	
Taxes	1,236,129
Interest	12
Other	15
Due from other governments	<u>95,281</u>
 Total Assets	 <u><u>\$ 2,287,812</u></u>
LIABILITIES	
Accounts payable	\$ 2,491
Due to other governments	1,825,594
Held in trust for others	10,700
Due to others	<u>449,027</u>
 Total Liabilities	 <u><u>\$ 2,287,812</u></u>

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

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - Summary of Significant Accounting Policies

The accompanying financial statements of Churchill 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:

Churchill 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 Churchill County government and are reported separately.

Government-Wide and Fund Financial Statements:

The government-wide financial statements (the statement of net position 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. Amounts accrued or received but not yet earned are reflected as unearned revenues on the statement of net position. Agency funds have no measurement focus but are reported using the accrual basis of accounting.

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.

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. Amounts accrued or collected that are not available are reflected as deferred revenues in the governmental funds balance sheet. Expenditures generally are recorded when a

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

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

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 accounted for in another fund.
- **Road Fund** – The Road Fund accounts for transactions by the County related to construction and maintenance of roads. Revenue resources of this fund include licenses and permits, intergovernmental, and miscellaneous revenues.
- **Public Transit Fund** – The Public Transit Fund accounts for transactions by the County and City for the maintenance of road projects approved by the Regional Transportation Commission. Revenue resources of this fund include an optional county sales tax rate \$0.0025 and interest income.

The County reports the following major proprietary funds:

- **CC Communications – Telephone Fund** – The Telephone Fund accounts for the operation of the County’s telephone system.
- **CC Communications – Broadband Fund** – The Broadband Fund accounts for the operation of the County’s television and internet services.
- **Waste Water Enterprise Fund** – The Waste Water Enterprise Fund accounts for the operation of the County’s waste water system.
- **Utility Enterprise Fund** – The Utility Enterprise Fund accounts for the operation of the County’s water system.

Additionally, the County reports the following fiduciary funds:

- **Agency Funds** – Agency Funds are custodial in nature and do not involve measurements of results of operations. The funds account for assets held by the County as an agent for various local governments, special districts and individuals. Included are funds for apportioned property taxes, shared revenues and other financial resources for schools, special districts and other state agencies; funds held for inmates housed at the County jail; and assets held on behalf of special districts, boards and other miscellaneous agencies.

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. In the case of CC Communications – Telephone fund, operating revenues are those revenues that are generated directly from the telephone service activity. Operating expenses are the necessary regulated costs incurred to provide telephone service. Regulated costs are associated with the tariff filing requirements contained in Title II of the Communications Act of 1934, as amended. Revenues and expenses not meeting these definitions are reported as nonoperating.

Property Taxes:

All real property in Churchill 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. In 2005, the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the property tax levied on qualified property. For qualified property, the abatement will limit the increase of property taxes based on the previous year’s assessed value.

**CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

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.

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.

Net Proceeds of Mines:

Net proceeds of mines are paid on an annual basis. Payments of net proceeds received on estimated business from January 1, 2013 through December 31, 2013 are reflected in the financial statements.

Additional amounts due, based on actual business for the January 1, 2013 through December 31, 2013 in comparison to estimated payments, are determined subsequent to the 2013 calendar year. Credits for overpayments, based on actual business for the period January 1, 2013 through December 31, 2013 in comparison to estimated payments, are applied to future tax payments in accordance with NRS 362.130. The overall financial impact to the County of future additional amounts due or future credits is not determinable at June 30, 2013 and are not reflected in these financial statements.

Budgets and Budgetary Accounting:

Budget Policies:

Churchill 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 Churchill 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 Churchill 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.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

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. Generally, the expenses in the Proprietary Funds also may not exceed appropriations.

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, Churchill 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. Generally, County allocates to funds that have investments.

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.

Investment Pool Investment Income:

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

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.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Allowance for Uncollectible Receivables:

The allowance method is used to provide for estimated uncollectible accounts in the Utility Enterprise Fund, Waste Water Enterprise Fund, CC Communications – Telephone Fund, CC Communications – Broadband Fund, CC Communications – Long Distance Fund and CC Communications – Managed Data Services Fund.

Inventory and Prepaid Expenses:

For all funds, except the Proprietary Funds, Churchill County charges consumable supplies against appropriations 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. New material and supplies and reusable salvaged material of the CC Communications-Telephone Fund, CC Communications-Broadband Fund, and CC Communications-Managed Data Services Fund are carried in inventory at average cost which approximates market value.

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

Capital Assets:

Capital assets, which include land, easements, 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 threshold is \$3,000 except for the CC Communications enterprise funds. In accordance with the Federal Communications Commission's 47 C.F.R. Part 32 – Uniform System of Accounts for Telecommunications Companies, the CC Communications enterprise funds capitalization threshold is \$2,000 except for computer equipment which is \$500. 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.

For regulated assets in the CC Communications – Telephone Fund, in accordance with the requirements of the uniform system of accounts prescribed by the Federal Communications Commission and generally accepted accounting practices in the industry, upon retirement of telecommunications plant, related costs are removed from the plant accounts and charged to the accumulated depreciation accounts. All costs of plant removal are likewise charged to the accumulated depreciation accounts. Any salvage realized from the retirement of telecommunications plant is credited to the related accumulated depreciation accounts, and no gain or loss on the disposition of such plant is reflected in the financial statements.

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

	<u>Years</u>
Buildings	40
Improvements	15-20
Vehicles	7
Machinery and equipment	3-15
Infrastructure	15-50

Depreciation for CC Communications – Telephone Fund is provided for financial reporting purposes using straight-line composite rates which will amortize the depreciable telecommunications plant over its estimated useful lives ranging from three to forty years. CC Communications - Broadband Fund's depreciation is provided for financial statement purposes using straight-line rates, which will amortize the depreciable assets over their estimated useful lives from five to seven years. CC Communications – Managed Data Services Fund's depreciation is provided for financial statement purposes using straight-line rates, which will amortize the depreciable assets over their estimated useful lives of ten years.

Goodwill:

Goodwill is subject to at least an annual assessment for impairment by applying a fair-value based test. GAAP requires the CC Communications – Managed Data Services Fund to compare the fair value of the reporting unit with its carrying amount to determine if there is potential impairment of goodwill. If the fair value of the reporting unit is less than its carrying value at the valuation date, an impairment loss would be recorded to the extent that the fair value of the goodwill with the reporting unit is less than its carrying value. Fair value is based on various valuation metrics.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Water Rights:

Nevada law states that any "person" may appropriate water for beneficial use. A "person" may be an individual, group of individuals, organization, corporation, government agency, etc. Water rights in Nevada are considered real property and are protected as such. As a result, a water right can be conveyed or transferred. Water rights, however, are appurtenant to the land and are conveyed by deed with the land unless the seller specifically reserves the water right in the deed. Water rights are not depreciable or amortizable.

A water right in Nevada can be lost only by abandonment. Abandonment is determined by the intent of the water user to stop using a water right and it does not have a statutory time period. Until recently, water rights could be lost by forfeiture which occurred if a right was not used for five consecutive years. This, however, has changed and water rights can now only be lost through voluntary abandonment. Water lost through abandonment reverts back to the public and is available for future appropriation.

Equity Classifications:

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

- **Net investment in capital assets** – 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 net of unspent financing proceeds.
- **Restricted net position** – consists of net position with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or law or regulations of other governments; or b) law through constitutional provisions or enabling legislation. The County first utilizes restricted resources to finance qualifying activities, then unrestricted resources as they are needed.
- **Unrestricted net position** – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

In governmental fund financial statements, fund balances are classified based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources in the fund as follows:

- **Nonspendable Fund Balances** – Consist of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, if any.
- **Restricted Fund Balances** – Consist of amounts with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions of enabling legislation.
- **Committed Fund Balances** – Consist of resource balances with constraints imposed by formal action of the Board of County Commissioners through passage of board policy, resolution, or ordinance that specifically state the revenue source and purpose of the commitment. Commitments can only be modified or rescinded through a similar action taken by the Board of County Commissioners. Commitments can also include resources required to meet contractual obligations approved by the Board of County Commissioners.
- **Assigned Fund Balances** – Consist of resource balances intended to be used for specific purpose that do not meet the criteria to be classified as restricted or committed. The Board of County Commissioners has, by formal board action, adopted the County’s fund balance policy delegating authority to assign fund balance to the Board of County Commissioners, the County Manager, and the Comptroller. In the General Fund, the assigned fund balances represents Commissioner’s approved projects that have been re-appropriated in the subsequent year, and amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources.
- **Unassigned Fund Balances** – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed or assigned.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Based on the County's policy regarding the fund balance classification as noted above, when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it. Then committed funds are to be spent first, assigned funds second, and unassigned funds last.

The Board of County Commissioners has adopted a minimum fund balance policy for the General Fund, Special Revenue funds and Capital Project funds. The policy seeks a benchmark of at least two months of total budgeted expenditures representing 16.67% for the General Fund and 25% of operating expenditures for the special revenue and capital project funds.

Comparative Data:

Comparative data for the prior year has been extracted from the 2011-2012 financial statements. It has been provided to add comparability, but it is not considered full disclosure of transactions for 2011-2012. Such information can only be obtained by referring to the audited financial statements for that year.

Proprietary Funds Interexchanged Revenue:

The CC Communications – Telephone Fund is operating under various settlement/compensation agreements with connecting carriers and the National Exchange Carrier Association (NECA), whereby interexchanged revenues are settled between the connecting carriers and NECA based on tariffs, contracts and cost studies. The Fund receives interim monthly revenue settlements from NECA based upon cost studies performed at the end of each calendar year for this Fund and all other carriers participating in the NECA revenue pool. Interim settlements are subject to retroactive adjustment at any point in time, based upon cost and revenue data submitted to NECA by all members of the pool, on the basis of a 24 month "look back". This means that 24 months must elapse before actual revenue settlements for any particular month are finally determined. It is the Fund's policy to record revenue accruals from NECA at the end of each fiscal year based upon the most current information available at the time and to reflect any retroactive adjustments related to prior years in the operating results of the year when such adjustments become known.

Compensated Absences:

In the government-wide and proprietary fund financial statements, compensated absences are recognized as expenses when the benefits are earned. In the governmental funds, the costs involved in vacation time, comp time and sick leave benefits are not accrued as earned, but are recorded as payroll expenditures within the individual funds and functions only when the time is actually used or in the Compensated Absences Fund when accumulated benefits are paid or accrued as the result of an actual or planned termination of service. Therefore, the Compensated Absences Fund has typically been used in prior years to liquidate the liability for compensated absences.

Adoption of Accounting Pronouncement:

The County implemented GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, in the current year which redefined net assets as net position.

NOTE 2 - Compliance with Nevada Revised Statutes and Administrative Code

Churchill County conformed to all significant statutory constraints on its financial administration during the year, with the following possible exceptions:

- Total expenditures of the public works function of the Road Fund Special Revenue Fund exceeded appropriations by \$50,226.
- Total expenditures of the community support function of the Senior Citizens Ad Valorem Levy Special Revenue Fund exceeded appropriations by \$50. This appears to be an allowable exclusion under NRS 354.626(1).
- Total expenses (excluding depreciation) of the Golf Course Enterprise Fund exceeded appropriations by \$89,472.
- Total expenses of the CC Communications Telephone Fund exceeded appropriations by \$45,220.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 3 - Cash and Investments

The County has adopted a formal investment policy. The policy stipulates that the asset selection and allocation should conform to the following restraints:

- No more than 15% of the portfolio is to be invested in any single issuer except the U.S. Government or its agencies.
- No more than 33% of the portfolio will be invested in obligations of any single Federal Agency.
- All of the securities purchased must mature or have a demand feature within three years.
- Average maturity shall not exceed eighteen months.
- Term to maturity will be selected first on the basis of the County's cash flow needs and investment objectives, then structured to maximize investment return.
- No more than 20% of the portfolio will be invested in commercial paper.

A summary schedule of cash and investments for Churchill County at June 30, 2013 is as follows:

Cash and investment balances held by:	
Governmental Funds	\$ 26,344,296
Proprietary Funds	14,560,083
Proprietary Funds - Restricted	212,586
Fiduciary Fund	956,375
Total	\$ 42,073,340

Balances at fair value classified by:	
On hand	\$ 4,705
Bank of America checking	29,009
Wells Fargo:	
Checking	11,357,723
Choice IV	18,739,912
Money market mutual fund	347,559
Negotiable certificates of deposit	6,178,531
Local Government Investment Pool	5,415,901
Total	\$ 42,073,340

As of June 30, 2013, the County had the following investments and maturities:

Investments	Fair Value	Investment Maturity (in years)	
		Less than 1	1 to 4
Local Government Investment Pool	\$ 5,415,901	\$ 5,415,901	\$ -
Negotiable certificates of deposit	6,178,531	3,752,930	2,425,601
Money market mutual funds	347,559	347,559	-
	\$ 11,941,991	\$ 9,516,390	\$ 2,425,601

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. This risk can be reduced by the limitation of the length of investment maturities. Churchill County's investment policy requires all securities purchased to mature or have a demand feature within three years and requires the average maturity to not exceed eighteen months. All investments held by Churchill County as of June 30, 2013 meet the above requirements. The average duration of the LGIP, an unrated external investment pool, was 97 days.

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 its investments. The County follows state statutes for reducing exposure to investment credit risk by investing in "AAA" rated money market mutual funds that invest in securities issued by the U.S. Government or agencies of the U.S. Government.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Custodial Credit Risk – 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 and the certificates of deposit are covered by FDIC insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

Churchill County is a voluntary participant in the unrated State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the State of Nevada Board of Finance. The County’s investment in the LGIP 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 the pool shares. The County’s investment in the LGIP is reported at fair value.

NOTE 4 - Receivables

The accounts receivable balances in the Utility Enterprise Fund, Waste Water Enterprise Fund, the CC Communications - Telephone Fund, the CC Communication - Broadband Fund, the CC Communications - Long Distance Fund, and the CC Communications – Managed Data Services Fund are presented net of an estimated allowance for uncollectible accounts totaling \$196,313, \$203,640, \$1,955, \$1,279, \$380 and \$2,794, respectively, at June 30, 2013. In addition, interest receivable in the Utility Enterprise Fund and the Waste Water Enterprise Fund is presented net of an estimated allowance for uncollectible accounts totaling \$13,588 and \$13,588, respectively, at June 30, 2013. The County’s notes receivable balances at June 30, 2013 are as follows:

Governmental Activities	Loan Amount	Terms	Balance June 30, 2013	Current Portion	Remaining Balance
Nonmajor Governmental Fund					
Fairgrounds Sale Proceeds Fund: Motor Sports Safety, Inc.	\$ 309,983	Bi-annual payments of \$22,000 including interest at 5% per annum for seven years.	\$ 104,349	\$ -	\$ 104,349
Business type Activities	Loan Amount	Terms	Balance June 30, 2013	Current Portion	Remaining Balance
Utility Fund:					
Developer Agreements	\$ 1,468,702	Multiple agreements with various terms	\$1,468,702	\$ -	\$ 1,468,702
Less: Allowance for uncollectibles			1,234,842	-	1,234,842
Net notes receivable			233,860	-	233,860
Waste Water Fund:					
Developer Agreements	1,710,902	Multiple agreements with various terms	1,710,902	-	1,710,902
Less: Allowance for uncollectibles			1,428,602	-	1,428,602
Net notes receivable			282,300	-	282,300
Total Business-Type Activities	\$ 3,179,604		\$ 516,160	\$ -	\$ 516,160

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 5 - Capital Assets

A summary of changes in capital assets for the year ended June 30, 2013 follows:

	Balance July 1, 2012 As restated	Additions	Deletions	Balance June 30, 2013
Governmental Activities:				
Capital assets, not being depreciated:				
Land and easements	\$ 17,127,555	\$ 456,334	\$ 333,000	\$ 17,250,889
Water rights	6,506,766	3,810	-	6,510,576
Under construction	110,934	312,779	-	423,713
Total Capital Assets, Not Being Depreciated	23,745,255	772,923	333,000	24,185,178
Capital assets, being depreciated:				
Buildings and improvements	21,126,646	-	-	21,126,646
Land improvements	1,505,170	-	-	1,505,170
Equipment	11,789,432	1,266,579	132,560	12,923,451
Infrastructure	44,778,855	-	-	44,778,855
Total Capital Assets, Being Depreciated	79,200,103	1,266,579	132,560	80,334,122
Less accumulated depreciation for:				
Buildings and improvements	(8,221,760)	(638,058)	-	(8,859,818)
Land improvements	(1,205,346)	(44,003)	-	(1,249,349)
Equipment	(8,015,776)	(818,315)	127,228	(8,706,863)
Infrastructure	(26,290,734)	(792,431)	-	(27,083,165)
Total Accumulated Depreciation	(43,733,616)	(2,292,807)	127,228	(45,899,195)
Total Capital Assets, Being Depreciated, Net	35,466,487	(1,026,228)	5,332	34,434,927
Governmental Activities Capital Assets, Net	\$ 59,211,742	\$ (253,305)	\$ 338,332	\$ 58,620,105
Business-Type Activities:				
Capital assets, not being depreciated:				
Real estate and easements	\$ 540,699	\$ 137,042	\$ -	\$ 677,741
Water rights	-	372,812	-	372,812
Under construction	472,312	1,791,660	2,193,712	70,260
Total Capital Assets, Not Being Depreciated	1,013,011	2,301,514	2,193,712	1,120,813
Capital assets, being depreciated:				
Buildings and improvements	5,441,432	348,763	-	5,790,195
Central office switching	18,370,800	339,966	295,987	18,414,779
Outside plant	48,814,642	913,304	15,134	49,712,812
Furniture and fixtures	41,926	-	-	41,926
Computer equipment	2,598,085	52,235	7,190	2,643,130
Other communication equipment	312,863	-	-	312,863
Vehicles and work equipment	2,664,277	2,468	-	2,666,745
Leasehold improvements	800,594	-	-	800,594
Software	-	237,787	-	237,787
Other equipment	5,201,936	513,684	-	5,715,620
Waste water infrastructure	23,383,262	-	-	23,383,262
Water infrastructure	10,249,565	4,877	-	10,254,442

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

	Balance July 1, 2012 As restated	Additions	Deletions	Balance June 30, 2013
Total Capital Assets, Being Depreciated	\$ 117,879,382	\$ 2,413,084	\$ 318,311	\$ 119,974,155
Less accumulated depreciation for:				
Buildings and improvements	(3,769,094)	(331,456)	-	(4,100,550)
Central office switching	(12,734,757)	(1,013,680)	275,000	(13,473,437)
Outside plant	(14,687,303)	(1,571,938)	15,134	(16,244,107)
Furniture and fixtures	(41,926)	-	-	(41,926)
Computer equipment	(1,590,850)	(237,647)	7,190	(1,821,307)
Other communication equipment	(312,863)	-	-	(312,863)
Vehicles and work equipment	(2,480,865)	(77,100)	-	(2,557,965)
Leasehold improvements	(375,724)	(53,373)	-	(429,097)
Software	-	(10,148)	-	(10,148)
Other equipment	(3,483,474)	(424,949)	-	(3,908,423)
Waste water infrastructure	(4,823,936)	(824,334)	-	(5,648,270)
Water infrastructure	(1,281,255)	(280,581)	-	(1,561,836)
Total Accumulated Depreciation	(45,582,047)	(4,825,206)	297,324	(50,109,929)
Total Capital Assets, Being Depreciated, Net	72,297,335	(2,412,122)	20,987	69,864,226
Business-Type Activities Capital Assets, Net	\$ 73,310,346	\$ (110,608)	\$ 2,214,699	\$ 70,985,039

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

Governmental Activities:		
General government	\$	483,133
Judicial		99,945
Public safety		390,428
Public works		1,061,522
Health		13,751
Welfare		643
Culture and recreation		240,825
Community support		2,560
Total Depreciation Expense – Governmental Activities	\$	2,292,807
Business-Type Activities:		
Telephone	\$	3,272,251
Broadband		391,790
Waste Water		829,880
Utility		283,212
Managed Data Services		23,807
Golf Course		4,767
Total Depreciation Expense – Business-Type Activities	\$	4,805,707

Impairment of Capital Assets: A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The County has evaluated events or changes in circumstances that may have affected the County's assets and has determined that impairment of a capital asset did occur in one circumstance. In 2009, one of the County's waste water treatment plants was voluntarily taken out of service due to the decline in service capacity need when the new Moody Lane treatment plant was put into service. The net book value of this plant was \$1,094,315 as of June 30, 2013. The \$1,572,981 loss from impairment has been reported as a prior period adjustment in the statement of activities and in the statement of revenues, expenses and changes in net position. See Note 18 for additional information.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 6 - Defined Benefit Pension Plan

Plan Description: Churchill 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. Funding provisions may only be amended through legislation. The County's contribution rates and amounts contributed (which equaled the required contributions) for the last three years are as follows:

Fiscal Year	Contribution Rate		Total Contribution
	Regular Member	Police/ Fire	
2012-13	23.75%	39.75%	\$3,997,563
2011-12	23.75%	39.75%	4,079,554
2010-11	21.50%	37.00%	3,642,734

NOTE 7 - Long-Term Obligations

Long-term debt consists of the following at June 30, 2013:

Business-Type Activities	Date Issued	Date of Maturity	Interest Rate	Amount Issued	Balance June 30, 2013
Capital Lease Payable			Imputed at		
Louie's Home Center, Inc.	11/03	2029	3.62%	\$1,623,575	\$1,030,567
Total					\$1,030,567

The asset acquired through the capital lease for business-type activities is a building. As of June 30, 2013, the capital asset of \$1,623,575 was offset by accumulated depreciation of \$938,065.

The following is a schedule of future minimum lease payments under capital lease obligations as of June 30, 2013:

Year Ending June 30	Business-Type Activities		
	Remaining Payments	Less: Amount Representing Interest	Present Value of Net Minimum Lease Payments
2014	\$ 112,427	\$ 39,923	\$ 72,504
2015	88,543	34,963	53,580
2016	81,696	31,908	49,788
2017	81,696	30,076	51,620
2018	81,696	28,177	53,519
2019 – 2023	408,480	109,860	298,620
2024 – 2028	408,480	50,735	357,745
2029 – 2030	95,312	2,121	93,191
Total	\$ 1,358,330	\$ 327,763	\$ 1,030,567

CHURCHILL COUNTY, NEVADA
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Changes in Long-Term Obligations:

Governmental Activities	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due Within One Year
Compensated absences	\$ 1,009,180	\$ 148,747	\$ 177,968	\$ 979,959	\$ 85,103

Business-Type Activities	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due Within One Year
Capital leases payable	\$ 1,106,971	\$ -	\$ 76,404	\$ 1,030,567	\$ 72,504
Compensated absences	676,582	534,368	578,199	632,751	49,456
Total	\$ 1,783,553	\$ 534,368	\$ 654,603	\$ 1,663,318	\$ 121,960

Interest expense on long-term obligations for the year ended June 30, 2013 business-type activities was \$44,619.

In accordance with Nevada Revised Statutes 244A.059, the County was within the legal debit limit at June 30, 2013.

NOTE 8 – Interfund Receivables, Payables, and Transfers

Interfund receivable and payable balances at June 30, 2013 are as follows:

	Due to:						Total Due To Other Funds
	Governmental			Proprietary			
	General Fund	Road Fund	Other Governmental Funds	Major CC Communi- cations Telephone Fund	Major CC Communi- cations Broadband Fund	Nonmajor Proprietary Funds	
Due from:							
Governmental Activities:							
Major Governmental Fund:							
Public Transit Fund	\$ -	\$ 415,508	\$ -	\$ -	\$ -	\$ -	\$ 415,508
Other Governmental Funds	6,700	421,410	25,591	-	-	200,000	653,701
Business-Type Activities:							
Major Proprietary Funds:							
CC Communications:							
Broadband Fund	-	-	-	202,396	-	-	202,396
Nonmajor Proprietary Funds	202,958	-	-	197,603	2,450	-	403,011
Total Due from Other Funds	\$ 209,658	\$ 836,918	\$ 25,591	\$ 399,999	\$ 2,450	\$ 200,000	\$ 1,674,616

The above are the result of entries to allocate either revenues or expenditures to the appropriate funds.

CHURCHILL COUNTY, NEVADA
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Interfund transfers are shown as other financing sources or uses, as appropriate. Activity for the year ended June 30, 2013 is as follows:

	Transfers in:				Total Transfers Out
	Governmental		Business-Type		
	Major Governmental Road Fund	Other Governmental Funds	Major Proprietary Waste Water Enterprise Fund	Nonmajor Proprietary Funds	
Transfers out:					
Governmental activities:					
Major governmental fund:					
General Fund	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000
Public Transit Fund	790,901	-	-	-	790,901
Other governmental funds	796,275	245,000	225,000	200,000	1,466,275
Business-type Activities:					
Nonmajor proprietary funds:	-	-	-	2,529,446	2,529,446
Total Transfers In	\$ 1,587,176	\$ 245,000	\$ 225,000	\$ 3,329,446	\$5,386,622

The General Fund and Water Resource Fund transferred funds to the Golf Course Enterprise Fund to provide resources to acquire the golf course and related water rights.

The Infrastructure Tax Fund transferred funds to the Waste Water Enterprise Fund to be used to subsidize operations.

The Indigent Medical Care Fund transferred funds to the Social Services Fund to be used for medical care.

The Road Impact Fund, Regional Transportation Fund, and Public Transit Fund transferred funds to the Road Fund for qualified road construction and maintenance projects.

The Public Library Fund transferred funds to the Library Gift Fund to assist in the future construction and remodel of the library.

The Administrative Assessment Fund transferred funds to the Extraordinary Repairs and Maintenance Fund so the assessment fees are expended in accordance with statute requirements.

The Extraordinary Repairs and Maintenance Fund transferred funds to the Golf Course Enterprise Fund to pay for improvements at the golf course.

The CC Communications-Wireless Fund transferred funds to the CC Communications Managed Data Services Fund to support operations.

NOTE 9 - Operating Leases

CC Communications - Telephone Fund is party to various right-of-way grants and rental agreements for transmittal site locations. The lease payments on these agreements are determined annually. CC Communications - Telephone Fund subleases a portion of these facilities to other entities. All operating leases are cancelable.

CC Communications - Telephone is a party to the right-of-way agreement with Union Pacific Railroad. CC Communications - Telephone valued the right of way for the fiber to Reno project at \$659,904, consisting of both cash and fiber given to Union Pacific Railroad. The agreement is a non-cancelable 30 year lease with no future payments to Union Pacific unless renewed after the initial 30 year lease.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 10 – Property on Lease to Others

The County entered into a noncancelable operating lease with Duncan Golf at Fallon, LLC which allows Duncan Golf at Fallon, LLC to operate the Fallon Golf Course starting March 1, 2013. The cost of the leased property at that time was \$701,764. The lease will expire on February 28, 2018, at which time, the lease can be extended for an additional five year term. The lease agreement provides for a minimum guaranteed annual rental of \$1,651 for the first year and adjusted each year by the percentage increase in the Consumer Price Index for All Urban Consumers. In addition, the County receives contingent rentals of five percent of gross receipts above \$400,000 annually.

NOTE 11 - Interfund Transactions

CC Communications - Wireless Fund, CC Communications - Long Distance Fund, CC Communications - Broadband Fund and CC Communications – Managed Data Services Fund rent office space and other facility space on a month-to-month basis from the CC Communications - Telephone Fund. Following is a schedule of payments from these funds to CC Communications - Telephone Fund for the year ended June 30, 2013:

	Wireless Fund	Long Distance Fund	Broadband Fund	Managed Data Services Fund	Total
Special access charges	\$ -	\$ -	\$ 23,620	\$ -	\$ 23,620
Billing and collection	64,994	138,253	151,449	Incl. w/ CS	354,696
Rent	8,400	-	6,000	-	14,400
Customer services (CS)	183,103	33,257	223,746	7,889	447,995
Administrative costs	32,281	14,679	115,331	41,692	203,983
Installation	-	-	41,028	-	41,028
Engineering and maintenance	-	-	80,162	-	80,162
	<u>\$ 288,778</u>	<u>\$ 186,189</u>	<u>\$ 641,336</u>	<u>\$ 49,581</u>	<u>\$ 1,165,884</u>

CC Communications - Telephone Fund paid CC Communications - Wireless Fund \$9,609 for cellular phone service fees during the year ended June 30, 2013.

CC Communications - Telephone Fund paid CC Communications - Broadband Fund \$10,246 for tower/space rent during the year ended June 30, 2013.

CC Communications - Wireless, Long Distance, and Broadband Funds revenues are billed in conjunction with CC Communications - Telephone Fund's customers. The Long Distance, and Broadband Funds do not record any accounts receivable on their financial statements. In addition, the Telephone Fund processes and pays all Wireless, Long Distance, and Broadband Funds accounts payable and payroll expenses. The Wireless, Long Distance, and Broadband Funds transfer cash to the Telephone Fund at the time the expense is incurred, therefore no payables or accruals are recorded on the Wireless, Long Distance, and Broadband Fund's financial statements, except for the accrual for *Net Other Post Employment Benefits Obligation* which is recorded by the Wireless, Long Distance, and Broadband Fund due to the fact the liability is not anticipated to be liquidated within the current period. The above transactions resulted in a due from other funds by the Telephone Fund at June 30, 2013 as follows:

CC Communication – Long Distance	\$ 28,073
CC Communication – Broadband	202,396
CC Communication – Managed Data Services	169,530
Due from other funds	<u>\$ 399,999</u>

NOTE 12 – Fund Balances/Net Position

Government-wide Financial Statements

The government-wide Statement of Net Position utilizes a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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Restricted net position consists of equity with externally imposed (statutory, contract or grantor) limitations on their use. Restricted net position is classified either by function, debt service, capital projects, or claims, and relate to net position of governmental and enterprise funds whose use is legally limited by outside parties for specific purpose. Of the County's \$7,440,222 reflected as restricted net position, \$7,163,500 is restricted by enabling legislation.

Fund Financial Statements

Governmental Funds

Governmental fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the fund.

Fund balance classifications by County function by the following:

CHURCHILL COUNTY, NEVADA
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	<u>General Fund</u>	<u>Road Fund</u>	<u>Public Transit Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances					
<i>Nonspendable:</i>					
Long-term notes receivable	\$ -	\$ -	\$ -	\$ 104,349	\$ 104,349
Prepays	162,080	-	-	-	162,080
Total Non-Spendable	162,080	-	-	104,349	266,429
<i>Restricted for:</i>					
Street improvements and rehabilitation	-	-	-	1,435,535	1,435,535
Road surface repairs	-	-	325,834	84,631	410,465
Drug Task Force equipment	-	-	-	56,820	56,820
Cooperative Extension programs	-	-	-	64,952	64,952
Park expansion projects	-	-	-	278,065	278,065
Technology improvements	-	-	-	427,694	427,694
Library expansion and literacy projects	-	-	-	211,821	211,821
District and Justice Court improvements/technology	-	-	-	28,555	28,555
Long-term indigent hospital care	-	-	-	1,640,031	1,640,031
Senior Citizen Center activities	-	-	-	9	9
Enhancements to E-911 system	-	-	-	28,122	28,122
Water and Waste Water development	-	-	-	939,143	939,143
Court and Public Safety capital projects	-	-	-	1,232,268	1,232,268
Fire equipment and apparatus purchases	-	-	-	474,149	474,149
Total Restricted	-	-	325,834	6,901,795	7,227,629
<i>Committed to:</i>					
Stabilization of Operations	-	-	-	1,580,316	1,580,316
Technology improvements	-	-	-	42,554	42,554
Road Equipment Replacement Program	-	691,042	-	-	691,042
Street Improvements and rehabilitation	-	-	405,757	95,600	501,357
Social Services programs	-	-	-	1,651,833	1,651,833
Cooperative Extension programs	-	-	-	40,610	40,610
Public Library and Literacy programs	-	-	-	185,683	185,683
Park and Recreation projects	-	-	-	59,340	59,340
Building Improvements and expansions	-	-	-	58,025	58,025
Judicial programs and projects	-	-	-	51,869	51,869
Economic development	-	-	-	412,081	412,081
Total Committed	-	691,042	405,757	4,177,911	5,274,710
<i>Assigned to:</i>					
Fiscal year 2014 budget shortfall	1,893,157	-	-	-	1,893,157
Street improvements	-	601,833	-	-	601,833
Land and water right acquisitions	-	-	-	660,853	660,853
Building improvements/repairs	-	-	-	2,008,199	2,008,199
Social Services and Indigent programs	-	-	-	524,480	524,480
Cooperative Extension programs	-	-	-	159,502	159,502
Public Library and Literacy programs	-	-	-	1,380,537	1,380,537
Park and Recreation projects	-	-	-	967,466	967,466
Cemetery landscape improvements	-	-	-	30,641	30,641
Law Library	-	-	-	88,466	88,466
Social Services and indigent programs	-	-	-	49,909	49,909
Risk Management	-	-	-	1,099,345	1,099,345
Payment of Compensated Absences	-	-	-	689,623	689,623
Unemployment Compensation	-	-	-	353,034	353,034
Total Assigned	1,893,157	601,833	-	8,012,055	10,507,045
Unassigned	4,692,539	-	-	-	4,692,539
Total Fund Balances	\$ 6,747,776	\$ 1,292,875	\$ 731,591	\$ 19,196,110	\$ 27,968,352

**CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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NOTE 13 - Stabilization Arrangements

On June 15, 2011, the Board of County Commissioners adopted Resolution 12-11 which created a fiscal policy, under which greater than anticipated intergovernmental revenues are committed to the Special Revenue Fund known as the Stabilization of Operations Fund.

The Stabilization of Operations Special Revenue Fund may only be used if one of the following conditions exists:
 (a) If total actual revenues of the General Fund falls at least 10 percent or more short of total anticipated revenues, or
 (b) to pay expenditures incurred to mitigate the effects of a natural disaster upon formal declaration by the Board of County Commissioners. The transfer is limited to bringing the ending fund balance to 8.3% of prior year total expenditures.

NOTE 14 - Contingencies

Claims and Lawsuits Involving Churchill County:

Several lawsuits are presently pending against Churchill County and/or some of its elected and appointed officials. The financial impact of these actions is not determinable at June 30, 2013, but in the opinion of management and legal counsel, any resulting uninsured liability will not materially affect the financial position or results of operations of the County.

NOTE 15 - 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 to, 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 liability coverage for its members up to \$10,000,000 per event and a \$10,000,000 general aggregate per member. Property crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

Maximum coverage is as follows:

Property/Crime/Equipment:		
Blanket limit per schedule of Locations	\$300,000,000	Per loss
Sub-limit for earthquake coverage	100,000,000	Annual aggregate
Sub-limit for flood coverage	100,000,000	Annual aggregate
Sub-limit for flood coverage, Zone A	10,000,000	Annual aggregate
Sub-limit for equipment breakdown, boiler, and machinery	60,000,000	Each accident
Sub-limit for money and securities	500,000	Each loss
Casualty: Bodily Injury, property damage, personal injury, employment based benefits administration, law enforcement activities, and wrongful acts:		
	10,000,000	Each and every event
	10,000,000	Annual aggregate

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.

CHURCHILL COUNTY, NEVADA
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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.

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

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 \$500,000 for each and every loss and/or claim. 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.

Proprietary Funds Concentration of Credit Risk:

Most of CC Communications - Telephone Fund's customers are located in Churchill County, Nevada. CC Communications - Telephone Fund's billings to one customer, the Naval Air Station – Fallon for the year ended June 30, 2013 represented 4.7% of total revenue.

CC Communications - Wireless Fund's customers are located in Northern Nevada.

CC Communications - Long Distance Fund's customers are located in Northern Nevada.

CC Communications - Broadband Fund's customers are located in Northern Nevada.

NOTE 16 – Post Employment Health Care Plans

County Plans Excluding CC Communications Funds:

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

Benefit provisions for the CCEHBP are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of Trustees. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the County's group health insurance plan, which covers both active and retired members. Under NRS 287.023, eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2013, 8 retirees were using this plan. The CCEHBP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. County employees who met the eligibility requirements effective September 1, 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 County employees who retired after November 29, 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, 2013, 62 County retirees were utilizing this benefit.

Funding Policy: For CCEHBP, contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The County's contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the County. The implicit subsidy as determined by the actuary is \$24,790. 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. Premium rates determined by PEBP are the same for all participating members. The unsubsidized nonstate retiree plan premiums in effect for fiscal year 2013 ranged from \$510 to \$1,338, depending on the type of plan chosen.

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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, 2013, retirees qualified for a subsidy of \$118 at five years of service and \$650 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 2013, the County primarily funded by the Compensated Absences Special Revenue Fund contributed \$114,598 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. 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 years 2011, 2012 and 2013 were as follows:

	Fiscal Year End	Annual OPEB Cost (Entry Age Normal Cost Method)	Employer Contributions	Percentage of Annual OPEB Contributed	Net OPEB Obligation
CCEHBP	June 30, 2013	\$ 302,490	\$ 24,790	8%	\$ 2,001,771
PEBP	June 30, 2013	153,576	114,598	75%	273,593
		<u>\$ 456,066</u>	<u>\$ 139,388</u>		<u>\$ 2,275,364</u>
CCEHBP	June 30, 2012	\$ 284,998	\$ 39,650	14%	\$ 1,724,071
PEBP	June 30, 2012	152,782	131,519	86%	234,615
		<u>\$ 437,780</u>	<u>\$ 171,169</u>		<u>\$ 1,958,686</u>
CCEHBP	June 30, 2011	\$ 555,835	\$ 74,597	13%	\$ 1,478,723
PEBP	June 30, 2011	213,895	164,049	77%	213,352
		<u>\$ 769,730</u>	<u>\$ 238,646</u>		<u>\$ 1,692,075</u>

The net OPEB obligation (NOPEBO) as of June 30, 2013 was calculated as follows:

	CCEHBP	PEBP	Total
Annual required Contribution (ARC)	\$ 341,398	\$158,744	\$ 500,142
Interest on net OPEB obligation	68,963	9,160	78,123
Adjustment to annual required contribution	<u>(107,871)</u>	<u>(14,328)</u>	<u>(122,199)</u>
Annual OPEB Cost	302,490	153,576	456,066
Less: Contributions made	<u>24,790</u>	<u>114,598</u>	<u>139,388</u>
Increase in net OPEB obligation	277,700	38,978	316,678
Net OPEB obligation - beginning of year	<u>1,724,071</u>	<u>234,615</u>	<u>1,958,686</u>
Net OPEB obligation - end of year	<u>\$2,001,771</u>	<u>\$273,593</u>	<u>\$2,275,364</u>

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Funded Status and Funding Progress: The funded status of the plans as of the latest actuarial valuation date (January 1, 2012) were as follows:

	CCEHBP	PEBP	Total
Accrued actuarial liability (a)	\$ 2,093,240	\$ 2,620,156	\$ 4,713,396
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	\$ 2,093,240	\$ 2,620,156	\$ 4,713,396
Funded Ratio (b) / (a)	0%	0%	0%
Covered payroll (c)	\$ 8,624,426	N/A	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((a) – (b)) / (c)	24%	N/A	

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 multiyear information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing 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 January 1, 2012 actuarial valuation were as follows:

	CCEHBP	PEBP
Actuarial valuation date	January 1, 2012	January 1, 2012
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level Dollar	Level Dollar
Amortization period (closed)	27 years	27 years
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*	9%	9%
PEBP Subsidy inflation rate**	-	9%

* Decreasing 0.5% each year until ultimate trend rate of 5% is reached in 2021.

**Decreasing 0.5% each year until ultimate trend rate of 5% is reached in 2021.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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CC Communications Funds' Plans Excluding All Other Churchill County Funds:

Plan Descriptions: CC Communications administers a single-employer defined benefit healthcare plan, CC Communications' Employee Health Benefits Plan (CCCEHBP). Additionally, the County contributes to an agent multiple-employer defined benefit postemployment healthcare plan, Public Employees' Benefits Plan (PEBP). Each plan provides medical, vision, dental, and life insurance benefits to eligible retired CC Communications' employees and beneficiaries.

Benefit provisions for the CCCEHBP are established pursuant to NRS 287.023 and amended through negotiations between CC Communications and their employee association. NRS 288.150 assigns the authority to establish benefit provisions to the Board of Trustees. The plan provides healthcare insurance for eligible retirees and their beneficiaries through CC Communications' group health insurance plan, which covers both active and retired members. Under NRS 287.023, eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2013, 16 retirees were using this plan. The CCCEHBP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. CC Communications' employees who met the eligibility requirements effective September 1, 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 CC Communications' employees who retired after November 29, 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, 2013, 57 CC Communications' retirees were utilizing this benefit.

Funding Policy: For CCCEHBP, contribution requirements of the plan members and CC Communications are established and may be amended through negotiations between CC Communications and the association. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. CC Communications contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by CC Communications. The implicit subsidy as determined by the actuary is \$13,923. CC Communications 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 CC Communications' employees. The contribution requirements of plan members and CC Communications may be amended by the PEBP board. Premium rates determined by PEBP are the same for all participating members. The unsubsidized nonstate retiree plan premiums in effect for fiscal year 2013 ranged from \$510 to \$1,338 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, 2013, retirees qualified for a subsidy of \$118 at five years of service and \$650 at twenty years of service, with incremental increases for years of service in between. As a participating employer, CC Communication is billed for the subsidy on a monthly basis and is legally required to provide for it. For fiscal year 2013, CC Communications contributed \$248,211 to the plan, equal to the required contributions. CC Communications did not prefund future benefits.

Annual OPEB Cost and Net OPEB Obligation. CC Communications' 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. 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.

CC Communications' annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations, by plan, for current year and two previous fiscal years were as follows:

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

	Fiscal Year End	Annual OPEB Cost (Entry Age Normal Cost Method)	Employer Contributions	Percentage of Annual OPEB Contributed	Net OPEB Obligation
CCCEHBP	June 30, 2013	\$ 124,786	\$ 13,923	11%	\$ 739,646
PEBP	June 30, 2013	246,479	248,211	101%	547,015
		<u>\$ 371,265</u>	<u>\$ 262,134</u>		<u>\$ 1,286,661</u>
CCCEHBP	June 30, 2012	\$ 139,204	\$ 12,929	9%	\$ 628,783
PEBP	June 30, 2012	385,287	291,370	77%	548,747
		<u>\$ 524,491</u>	<u>\$ 304,299</u>		<u>\$ 1,177,530</u>
CCCEHBP	June 30, 2011	\$ 132,047	\$ 14,550	11%	\$ 502,508
PEBP	June 30, 2011	379,967	273,588	72%	454,831
		<u>\$ 512,014</u>	<u>\$ 288,138</u>		<u>\$ 957,339</u>

The net OPEB obligation (NOPEBO) as of June 30, 2013, was calculated as follows:

	CCCEHBP	PEBP	Total
Annual Required Contribution (ARC)	\$ 135,998	\$ 258,863	\$ 394,861
Interest on net OPEB obligation	25,151	21,950	47,101
Adjustment to annual required contribution	(36,363)	(34,334)	(70,697)
Annual OPEB Cost	124,786	246,479	371,265
Less: Contributions made	13,923	248,211	262,134
Increase (Decrease) in net OPEB obligation	110,863	(1,732)	109,131
Net OPEB obligation – beginning of the year	628,783	548,747	1,177,530
Net OPEB obligation – end of year	<u>\$ 739,646</u>	<u>\$ 547,015</u>	<u>\$ 1,286,661</u>

Funded Status and Funding Progress: The funded status of the plans as of January 1, 2013 (date of latest actuarial valuation), was as follows:

	CCCEHBP	PEBP	Total
Accrued actuarial liability (a)	\$ 1,225,056	\$ 4,220,412	\$ 5,445,468
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	<u>\$ 1,225,056</u>	<u>\$ 4,220,412</u>	<u>\$ 5,445,468</u>
Funded Ratio (b) / (a)	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered payroll (c)	<u>\$ 4,543,679</u>	<u>N/A</u>	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((a) – (b)) / (c)	<u>27%</u>	<u>N/A</u>	

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

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

following the notes to the financial statements, presents multiyear information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between CC Communications 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 January 1, 2013 actuarial valuation were as follows:

	<u>CCCEHBP</u>	<u>PEBP</u>
Actuarial valuation date	January 1, 2013	January 1, 2013
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level Dollar Amount	Level Dollar Amount
Amortization period (open)	30 years	26 years
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*	9%	9%

* Decreasing 1/2% each year until ultimate trend rate of 5% is reached in 2021.

NOTE 17 - Discontinuation of Cellular Service and Transfers

CC Communications management determined that the competitive nature of Cellular service made it an unprofitable product line and discontinued service to the customers as of December 31, 2012. Therefore, on May 02, 2013, the Board of County Commissioners of Churchill County authorized the dissolution of the CC Communications – Wireless Enterprise Fund as of June 30, 2013. The Board of County Commissioners approved the transfer of the assets, liabilities and equity of CC Communications – Wireless Enterprise fund to CC Communications – Managed Data Services Enterprise Fund.

The Board of County Commissioners of Churchill County approved an equity transfer from CC Communications – Wireless Fund to CC Communications – Managed Data Services fund on July 7, 2012, in order to start operations of the new fund.

Schedule of Transfers to CC Communications – Managed Data Services Enterprise Fund

<u>Type of Transfer</u>	<u>Purpose of Transfer</u>	
Cash	Start-Up Funding for Data Services	\$ 1,200,000
Cash	Closing of Wireless Fund	502,368
Cash (Designated for OPEB Funding)	Closing of Wireless Fund	1,008,865
Accounts Receivable	Closing of Wireless Fund	22,478
Accounts Payable	Closing of Wireless Fund	(79,090)
OPEB Liability	Closing of Wireless Fund	(122,381)
Uncollectible Reserve	Closing of Wireless Fund	(2,794)
	Total Transfers:	<u><u>2,529,446</u></u>

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 18 – Prior Period Adjustments:

CC Communications – Telephone received notification from the National Exchange Carrier Association, that due to errors in reporting by CC Communications, Interstate Pooling revenues received were overstated in the amount of \$235,504 and understated in the amount of \$219,150, for a net effect of \$16,354. CC Communications – Telephone has restated the financial statements for the year ended June 30, 2012. The effect of the correction is a decrease to accounts receivables and a similar decrease in revenues.

During the current year, it was determined that an impairment loss should have been recorded on certain waste water infrastructure capital assets. Therefore, restatements of the government-wide financial statements for business-type activities and the corresponding proprietary fund financial statements were required. To correct this error, the beginning net position of the Waste Water Enterprise Fund has been decreased by \$1,572,981. The prior period adjustment and the restatement represent an increase in accumulated depreciation and an offsetting reduction to the July 1, 2012 net position.

NOTE 19 – Subsequent Events

On August 5, 2013, the Nevada Tax Commission approved a refund agreement with TAS Energy, Inc for overpayment of sales and use taxes for the Patua Geothermal project. A portion of the tax was abated as an economic development incentive for the project. The estimated repayment is \$975,349, of which \$345,921 has been apportioned to the County. The repayment will take place over nine distributions in fiscal year 2014. The financial statements reflect the agreement and the related due to other governments in the following funds; General Fund \$125,317, Public Transit Fund \$110,302, and Infrastructure Tax Fund for \$110,302.

On September 5, 2013, the Board of County Commissioners approved the new Road Equipment Replacement Plan and Resolution 28-2013 that created a capital projects fund known as the Road Equipment Replacement Fund for the Road Department. Previously, all road equipment replacements were reported in the Road Fund. As of June 30, 2013 the Road Fund had a committed balance of \$691,041 for the equipment replacement plan. On October 3, 2013, the Board of County Commissioners approved the transfer of \$250,000 into the Road Equipment Replacement Fund from the Road Fund.

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CHURCHILL COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013

SCHEDULE OF FUNDING PROGRESS-OTHER POSTEMPLOYMENT BENEFIT PLANS

	ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF PLAN ASSETS (a)	ACTUARIAL ACCRUED LIABILITY (AAL)- ENTRY AGE NORMAL COST (b)	UNFUNDED AAL (UAAL) (a-b)	FUNDED RATIO (b/a)	COVERED PAYROLL (c)	UAAL AS A PERCENTAGE OF COVERED PAYROLL ((a-b)/c)
CCEHBP	January 1, 2008	\$ -	\$ 13,342,973	\$ 13,342,973	0%	\$ 13,299,360	100%
PEBP	January 1, 2008	-	14,696,394	14,696,394	0%	N/A	N/A
CCEHBP	January 1, 2010	-	3,617,413	3,617,413	0%	9,961,270	36%
CCCEHBP	January 1, 2010	-	1,071,261	1,071,261	0%	5,113,079	21%
PEBP-CCEHP	January 1, 2010	-	3,700,675	3,700,675	0%	N/A	N/A
PEBP-CCCEHP	January 1, 2010	-	6,811,924	6,811,924	0%	N/A	N/A
CCEHBP	January 1, 2012	-	2,093,240	2,093,240	0%	8,624,426	24%
PEBP-CCEHP	January 1, 2012	-	2,620,156	2,620,156	0%	N/A	N/A
CCCEHBP	January 1, 2013	-	1,225,056	1,225,056	0%	4,543,679	27%
PEBP-CCCEHP	January 1, 2013	-	4,220,412	4,220,412	0%	N/A	N/A

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CHURCHILL COUNTY, NEVADA
GENERAL FUND
BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)

	<u>2013</u>	<u>2012</u>
ASSETS		
Current assets:		
Cash and investments	\$ 5,745,930	\$ 7,159,117
Receivables:		
Property Taxes	958,652	214,653
Interest	1,322	1,845
Other	83,353	71,677
Due from other funds	209,658	110,934
Due from other governments	1,251,540	1,188,228
Prepays	<u>162,080</u>	<u>145,694</u>
 Total Assets	 <u><u>\$ 8,412,535</u></u>	 <u><u>\$ 8,892,148</u></u>
LIABILITIES		
Accounts payable	352,672	256,443
Property taxes refundable	15	503,630
Accrued liabilities	160,768	151,138
Accrued benefits	171,086	143,225
Due to other governments	269,400	86,440
Customer deposits	4,053	4,915
Deferred revenues	<u>706,765</u>	<u>934,434</u>
 Total Liabilities	 <u>1,664,759</u>	 <u>2,080,225</u>
FUND BALANCES		
Non-Spendable	162,080	145,694
Assigned	1,893,157	2,555,367
Unassigned	<u>4,692,539</u>	<u>4,110,862</u>
	<u>6,747,776</u>	<u>6,811,923</u>
 Total Liabilities and Fund Balances	 <u><u>\$ 8,412,535</u></u>	 <u><u>\$ 8,892,148</u></u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
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REVENUES	BUDGET	ACTUAL	VARIANCE	2012
Property taxes:				
Ad valorem taxes	\$ 5,114,647	\$ 5,661,992	\$ 547,345	\$ 5,927,447
Licenses and permits:				
Business licenses	62,500	62,638	138	60,631
Liquor licenses	4,100	4,150	50	4,240
Local gaming license	44,250	54,021	9,771	46,360
Marriage licenses	3,600	4,488	888	4,053
Other permits	12,500	13,791	1,291	13,375
Building permits	125,000	169,217	44,217	151,627
Mobile home permits	100	33	(67)	33
Fictitious name/notary bonds	5,000	5,680	680	5,650
Drug court fee	7,000	5,754	(1,246)	7,050
Septic fees	3,800	6,100	2,300	5,366
Inspection fees	100	-	(100)	-
Manufactured home permits	3,000	4,225	1,225	3,800
Other license/permits fees	2,695	8,010	5,315	4,983
Franchise fees	147,250	117,857	(29,393)	132,583
	<u>420,895</u>	<u>455,964</u>	<u>35,069</u>	<u>439,751</u>
Intergovernmental:				
Federal in lieu of taxes	1,000,000	1,215,174	215,174	1,000,000
Local in lieu of taxes	2,000,000	2,000,000	-	2,000,000
State gaming license	14,000	8,711	(5,289)	13,785
Bi-county reimbursements	-	-	-	25,712
Private car tax	1,475	1,826	351	1,937
AB104 fairshare	1,001,275	1,009,720	8,445	1,085,571
Consolidated intergovernmental taxes	4,213,339	4,595,886	382,547	4,523,007
Jail reimbursement:				
Paiute	500	7,350	6,850	4,800
City	-	-	-	70,962
Juvenile detention reimbursement	300,000	293,389	(6,611)	266,500
Task force reimbursement	-	14,494	14,494	13,856
Grants-in-aid:				
Federal grants:				
Title IV-D	305,175	358,040	52,865	350,784
Title IV-D incentive	-	437	437	3,360
Planning assistance	135,000	194,662	59,662	179,804
Emergency management	15,038	15,039	1	15,000
Public Safety Record Equipment	30,000	30,000	-	-
Community Facilities Grant	-	-	-	2,440
Justice assistance	63,000	64,244	1,244	80,000
Equitable sharing program	-	6,700	6,700	-
Homeland security	-	5,915	5,915	-
SERC - Equipment	60,000	27,962	(32,038)	59,547
SERC - Operations	-	749	749	-
SERC - Training	24,416	24,416	-	-
NAS Joint Land Use Study	32,999	52,934	19,935	-
Nevada works summer employment	-	-	-	19,272
Juvenile accountability	-	-	-	119
Energy assistance	-	-	-	13,632

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 2 of 7)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
State grants:				
JPO family management	\$ -	\$ -	\$ -	\$ 6,289
JPO room and board	27,027	27,027	-	26,902
Coalition - meth education	-	-	-	3,000
Joined Forces DUI grant	3,000	2,949	(51)	3,145
DMV-PS Traffic grant	-	-	-	20,000
SPI sub grant	4,825	5,360	535	-
	<u>9,231,069</u>	<u>9,962,984</u>	<u>731,915</u>	<u>9,789,424</u>
Charges for services:				
Administrative assessments:				
Juvenile probation	8,750	9,762	1,012	12,572
Justice court	32,175	34,177	2,002	44,019
Municipal court	1,500	1,275	(225)	1,093
Juvenile court	1,200	1,185	(15)	1,315
District court	250	396	146	378
Assessor's property tax commissions	345,000	312,979	(32,021)	329,530
BLM L.E. Service fee	-	5,000	5,000	-
Candidate filing fees	1,200	-	(1,200)	1,080
Justice court filing fees	59,175	64,411	5,236	60,205
Justice court forensic fees	7,000	6,630	(370)	7,332
Court clerk miscellaneous	31,250	41,207	9,957	39,347
County court fees	27,000	27,394	394	31,936
Recorder RPTT collection fees	2,000	2,166	166	2,014
Recorder's fees	89,125	99,311	10,186	80,541
Public defender fees	6,000	13,446	7,446	9,699
Return check fees	100	264	164	100
Crime lab fees	1,000	-	(1,000)	-
Sheriff's fees	31,000	25,439	(5,561)	26,385
Sheriff's fees, fingerprint	1,500	4,096	2,596	1,805
Sheriff's fees, concealed weapon	8,000	20,875	12,875	13,830
Sheriff's fees, intermittent	5,000	3,905	(1,095)	4,718
Planning commission appeal fee	-	250	250	-
Cemetery fees	30,000	43,815	13,815	29,545
Forensic fee - task force	1,200	1,628	428	2,424
DMV - spay and neuter fee	400	103	(297)	578
Inmate phone revenue	700	-	(700)	-
Counseling reimbursement	-	20,220	20,220	640
Transcript Fees	-	342	342	-
Court Services Fees	100	11,769	11,669	3,013
Mining map fees:				
Map fees - mining claims	7,500	8,930	1,430	8,549
Land plot maps - copies	100	146	46	77
	<u>698,225</u>	<u>761,121</u>	<u>62,896</u>	<u>712,725</u>
Fines and forfeits:				
Forfeited bail	182,000	207,440	25,440	248,332
Fines	52,375	49,783	(2,592)	52,407
AB65 Additional Court Fees	69,750	56,184	(13,566)	70,381
Justice court bond forfeiture	3,200	4,783	1,583	6,939
Delinquent tax penalties	205,175	230,767	25,592	228,496
	<u>512,500</u>	<u>548,957</u>	<u>36,457</u>	<u>606,555</u>
Miscellaneous:				
Miscellaneous sales	1,000	1,609	609	1,961
Mine proceeds tax commissions	8,000	13,488	5,488	15,614
Data proceeds tax commissions	3,500	4,500	1,000	4,500
Building lease revenue	-	2,002	2,002	3

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
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	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
Justice court payment setup fee	\$ 5,000	\$ 8,028	\$ 3,028	\$ 9,964
Justice court collection fee	5,750	3,769	(1,981)	4,974
Juvenile transport reimbursements	200	-	(200)	305
Juvenile child care reimbursements	2,500	1,848	(652)	12,045
Juvenile substance abuse reimbursements	2,000	734	(1,266)	1,614
Juvenile instructional supervision reimbursement	2,000	90	(1,910)	1,351
Juvenile miscellaneous reimbursements	-	4,549	4,549	241
Elections reimbursements	-	3,981	3,981	19,965
Vulcan PILT payment	140,000	-	(140,000)	160,851
Geothermal rents/royalties	250,000	182,738	(67,262)	250,000
Enel sales tax payments	175,860	175,860	-	175,860
Other miscellaneous	23,500	87,243	63,743	65,364
Interest	16,000	18,418	2,418	22,347
	<u>635,310</u>	<u>508,857</u>	<u>(126,453)</u>	<u>746,959</u>
 Total Revenue	 <u>16,612,646</u>	 <u>17,899,875</u>	 <u>1,287,229</u>	 <u>18,222,861</u>

EXPENDITURES

General government:

Commissioners:

Salaries	86,983	82,921	4,062	85,665
Benefits	52,879	38,635	14,244	41,673
Services and supplies	17,250	13,096	4,154	9,723
	<u>157,112</u>	<u>134,652</u>	<u>22,460</u>	<u>137,061</u>

Clerk/treasurer:

Salaries	283,304	267,182	16,122	263,163
Benefits	136,355	116,518	19,837	117,343
Services and supplies	26,350	20,183	6,167	24,050
	<u>446,009</u>	<u>403,883</u>	<u>42,126</u>	<u>404,556</u>

Recorder:

Salaries	159,162	143,174	15,988	144,724
Benefits	69,998	65,164	4,834	65,639
Services and supplies	12,400	4,647	7,753	5,176
	<u>241,560</u>	<u>212,985</u>	<u>28,575</u>	<u>215,539</u>

Records and microfilming:

Services and supplies	26,800	10,379	16,421	16,299
	<u>26,800</u>	<u>10,379</u>	<u>16,421</u>	<u>16,299</u>

Assessor:

Salaries	401,559	386,549	15,010	377,056
Benefits	189,125	175,357	13,768	172,230
Services and supplies	66,755	25,782	40,973	34,286
	<u>657,439</u>	<u>587,688</u>	<u>69,751</u>	<u>583,572</u>

County manager:

Salaries	152,151	147,822	4,329	160,816
Benefits	65,110	59,287	5,823	55,428
Services and supplies	48,050	30,671	17,379	26,378
	<u>265,311</u>	<u>237,780</u>	<u>27,531</u>	<u>242,622</u>

Buildings and grounds:

Salaries	235,938	222,399	13,539	249,031
Benefits	124,030	112,958	11,072	119,685
Services and supplies	312,550	258,372	54,178	314,645
Capital outlay	10,000	4,304	5,696	7,986
	<u>682,518</u>	<u>598,033</u>	<u>84,485</u>	<u>691,347</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 4 of 7)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
Elections:				
Salaries	\$ 11,000	\$ 7,964	\$ 3,036	\$ 6,909
Benefits	970	717	253	479
Services and supplies	46,500	27,097	19,403	44,383
	<u>58,470</u>	<u>35,778</u>	<u>22,692</u>	<u>51,771</u>
Personnel operations:				
Salaries	100,379	98,674	1,705	97,445
Benefits	36,746	34,683	2,063	34,248
Services and supplies	5,450	5,126	324	4,878
	<u>142,575</u>	<u>138,483</u>	<u>4,092</u>	<u>136,571</u>
Personnel - staff development:				
Services and supplies	7,500	2,758	4,742	3,542
	<u>7,500</u>	<u>2,758</u>	<u>4,742</u>	<u>3,542</u>
Personnel - benefit services:				
Services and supplies	43,500	23,827	19,673	15,944
	<u>43,500</u>	<u>23,827</u>	<u>19,673</u>	<u>15,944</u>
Comptroller:				
Salaries	360,393	324,956	35,437	293,225
Benefits	142,670	123,584	19,086	112,154
Services and supplies	17,500	13,440	4,060	14,756
	<u>520,563</u>	<u>461,980</u>	<u>58,583</u>	<u>420,135</u>
Data processing:				
Services and supplies	228,750	176,624	52,126	203,601
Capital outlay	-	-	-	11,633
	<u>228,750</u>	<u>176,624</u>	<u>52,126</u>	<u>215,234</u>
General government other:				
Services and supplies	1,099,344	1,154,715	(55,371)	1,365,366
Capital outlay	-	-	-	58,881
	<u>1,099,344</u>	<u>1,154,715</u>	<u>(55,371)</u>	<u>1,424,247</u>
Building inspection:				
Salaries	148,237	145,681	2,556	138,848
Benefits	59,481	56,325	3,156	55,019
Services and supplies	8,860	5,342	3,518	18,720
	<u>216,578</u>	<u>207,348</u>	<u>9,230</u>	<u>212,587</u>
Yucca Mountain:				
Services and supplies	296,700	196,094	100,606	179,804
	<u>296,700</u>	<u>196,094</u>	<u>100,606</u>	<u>179,804</u>
Planning department:				
Salaries	402,091	342,483	59,608	381,679
Benefits	166,613	140,610	26,003	152,909
Services and supplies	19,550	17,217	2,333	13,879
	<u>588,254</u>	<u>500,310</u>	<u>87,944</u>	<u>548,467</u>
Total General Government	<u>5,678,983</u>	<u>5,083,317</u>	<u>595,666</u>	<u>5,499,298</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 5 of 7)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
Judicial:				
District court:				
Salaries	\$ 263,032	\$ 225,860	\$ 37,172	\$ 213,647
Benefits	115,719	99,973	15,746	103,430
Services and supplies	547,800	475,059	72,741	443,417
Capital outlay	15,000	-	15,000	-
	<u>941,551</u>	<u>800,892</u>	<u>140,659</u>	<u>760,494</u>
Justice court:				
Salaries	321,271	307,965	13,306	294,324
Benefits	128,423	119,655	8,768	118,607
Services and supplies	177,594	153,431	24,163	97,849
	<u>627,288</u>	<u>581,051</u>	<u>46,237</u>	<u>510,780</u>
District attorney:				
Salaries	1,306,306	1,193,272	113,034	1,150,364
Benefits	556,560	479,919	76,641	471,375
Services and supplies	200,507	144,513	55,994	158,566
Capital outlay	11,500	-	11,500	5,406
	<u>2,074,873</u>	<u>1,817,704</u>	<u>257,169</u>	<u>1,785,711</u>
Court services:				
Salaries	112,587	104,160	8,427	105,393
Benefits	50,147	43,976	6,171	46,692
Services and supplies	89,600	55,477	34,123	5,434
	<u>252,334</u>	<u>203,613</u>	<u>48,721</u>	<u>157,519</u>
Total Judicial	<u>3,896,046</u>	<u>3,403,260</u>	<u>492,786</u>	<u>3,214,504</u>
Public safety:				
Sheriff:				
Salaries	3,055,836	2,815,550	240,286	2,747,230
Benefits	1,910,630	1,724,501	186,129	1,660,256
Services and supplies	743,250	646,464	96,786	619,998
Capital outlay	251,000	183,112	67,888	45,526
	<u>5,960,716</u>	<u>5,369,627</u>	<u>591,089</u>	<u>5,073,010</u>
Fire protection:				
Salaries	102,595	105,994	(3,399)	100,182
Benefits	208,475	194,592	13,883	182,764
Services and supplies	288,201	231,712	56,489	219,112
Capital outlay	200,000	90,391	109,609	9,149
	<u>799,271</u>	<u>622,689</u>	<u>176,582</u>	<u>511,207</u>
Emergency management:				
Salaries	35,002	34,395	607	32,811
Benefits	10,121	10,029	92	9,416
Services and supplies	123,254	67,044	56,210	62,337
	<u>168,377</u>	<u>111,468</u>	<u>56,909</u>	<u>104,564</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 6 of 7)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
Juvenile probation:				
Salaries	\$ 644,742	\$ 593,690	\$ 51,052	\$ 559,606
Benefits	320,275	279,382	40,893	274,482
Services and supplies	148,327	71,216	77,111	120,912
	<u>1,113,344</u>	<u>944,288</u>	<u>169,056</u>	<u>955,000</u>
Juvenile Justice Center:				
Salaries	432,499	381,558	50,941	368,198
Benefits	206,784	187,670	19,114	139,954
Services and supplies	170,264	141,720	28,544	149,183
	<u>809,547</u>	<u>710,948</u>	<u>98,599</u>	<u>657,335</u>
Total Public Safety	<u>8,851,255</u>	<u>7,759,020</u>	<u>1,092,235</u>	<u>7,301,116</u>
Sanitation:				
Animal control and garbage disposal:				
Services and supplies	7,000	-	7,000	70,962
	<u>7,000</u>	<u>-</u>	<u>7,000</u>	<u>70,962</u>
Health:				
City/County health:				
Services and supplies	47,750	36,936	10,814	37,091
	<u>47,750</u>	<u>36,936</u>	<u>10,814</u>	<u>37,091</u>
Cemetery:				
Salaries	103,071	98,000	5,071	92,284
Benefits	44,971	36,461	8,510	38,065
Services and supplies	63,500	57,586	5,914	39,461
Capital outlay	25,000	18,586	6,414	9,500
	<u>236,542</u>	<u>210,633</u>	<u>25,909</u>	<u>179,310</u>
Total Health	<u>284,292</u>	<u>247,569</u>	<u>36,723</u>	<u>216,401</u>
Culture and recreation:				
Museum:				
Salaries	207,957	184,671	23,286	168,510
Benefits	59,083	54,906	4,177	50,212
Services and supplies	30,000	26,190	3,810	26,554
Total Culture and Recreation	<u>297,040</u>	<u>265,767</u>	<u>31,273</u>	<u>245,276</u>
Community support:				
Services and supplies	226,000	199,777	26,223	174,222
	<u>226,000</u>	<u>199,777</u>	<u>26,223</u>	<u>174,222</u>
Intergovernmental:				
Payments to other governments	448,765	411,402	37,363	401,506
Total Expenditures	<u>19,689,381</u>	<u>17,370,112</u>	<u>2,319,269</u>	<u>17,123,285</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(3,076,735)</u>	<u>529,763</u>	<u>3,606,498</u>	<u>1,099,576</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 7 of 7)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OTHER FINANCING SOURCES (USES)				
Contingency	\$ (275,000)	\$ -	\$ 275,000	\$ -
Sale of capital and other assets	-	6,090	6,090	3,385
Transfers out:				
Road Fund	-	-	-	(250,000)
Debt Service Fund	-	-	-	(45,000)
Golf Course Fund	-	(600,000)	(600,000)	-
Total Other Financing Sources (Uses)	<u>(275,000)</u>	<u>(593,910)</u>	<u>(318,910)</u>	<u>(291,615)</u>
Net Change in Fund Balance	(3,351,735)	(64,147)	3,287,588	807,961
FUND BALANCE, July 1	<u>5,811,923</u>	<u>6,811,923</u>	<u>1,000,000</u>	<u>6,003,962</u>
FUND BALANCE, June 30	<u><u>\$ 2,460,188</u></u>	<u><u>\$ 6,747,776</u></u>	<u><u>\$ 4,287,588</u></u>	<u><u>\$ 6,811,923</u></u>

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - ROAD FUND
BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)

	2013	2012
ASSETS		
Cash and investments	\$ 343,432	\$ 1,515,313
Receivables:		
Interest	128	352
Other	27,849	19,199
Due from other funds	836,918	360,963
Due from other governments	176,479	666,929
Total Assets	\$ 1,384,806	\$ 2,562,756
 LIABILITIES		
Accounts payable	\$ 26,639	\$ 44,792
Accrued salaries	16,930	16,431
Accrued benefits	11,953	10,368
Due to other funds	-	110,934
Due to other governments	34,829	1,689
Customer deposits	1,580	1,000
Total Liabilities	91,931	185,214
 FUND BALANCES		
Committed	691,042	1,219,179
Assigned	601,833	1,158,363
	1,292,875	2,377,542
Total Liabilities and Fund Balances	\$ 1,384,806	\$ 2,562,756

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - ROAD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Licenses and permits:				
Licenses and permits	\$ 250	\$ 100	\$ (150)	\$ 200
Intergovernmental:				
Federal in lieu of taxes	-	-	-	337,359
Motor vehicle fuel tax (\$.0125)	345,576	345,581	5	345,581
Motor vehicle fuel tax (\$.0175)	121,320	114,757	(6,563)	124,603
Motor vehicle fuel tax (\$.0360)	566,425	567,046	621	568,006
	<u>1,033,321</u>	<u>1,027,384</u>	<u>(5,937)</u>	<u>1,375,549</u>
Miscellaneous:				
Interest	3,695	4,588	893	4,581
Miscellaneous	3,125	80,974	77,849	14,783
Geothermal rents and royalties	-	-	-	495,721
Water construction	4,000	4,466	466	5,845
Equipment rental	-	401	401	-
Fuel reimbursements	205,000	220,966	15,966	244,755
	<u>215,820</u>	<u>311,395</u>	<u>95,575</u>	<u>765,685</u>
Total Revenues	<u>1,249,391</u>	<u>1,338,879</u>	<u>89,488</u>	<u>2,141,434</u>
EXPENDITURES				
Public works:				
Highways and streets:				
Salaries	935,650	902,790	32,860	810,757
Benefits	427,946	392,741	35,205	358,243
Services and supplies	1,571,900	1,630,142	(58,242)	979,327
Capital outlay	1,025,000	1,085,049	(60,049)	668,992
Total Expenditures	<u>3,960,496</u>	<u>4,010,722</u>	<u>(50,226)</u>	<u>2,817,319</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,711,105)</u>	<u>(2,671,843)</u>	<u>39,262</u>	<u>(675,885)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General Fund	-	-	-	250,000
Regional Transportation Fund	500,000	726,275	226,275	220,441
Public Transit Fund	500,000	790,901	290,901	263,817
Road Impact Fund	-	70,000	70,000	-
Sale of capital and other assets	-	-	-	352,000
Total Other Financing Sources	<u>1,000,000</u>	<u>1,587,176</u>	<u>587,176</u>	<u>1,086,258</u>
Net Change in Fund Balances	(1,711,105)	(1,084,667)	626,438	410,373
FUND BALANCE , July 1	<u>1,930,746</u>	<u>2,377,542</u>	<u>446,796</u>	<u>1,967,169</u>
FUND BALANCE, June 30	<u>\$ 219,641</u>	<u>\$ 1,292,875</u>	<u>\$ 1,073,234</u>	<u>\$ 2,377,542</u>

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - PUBLIC TRANSIT FUND
BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)

	2013	2012
ASSETS		
Current assets:		
Cash and investments	\$ 1,146,773	\$ 1,118,304
Interest receivable	276	284
Due from other governments	110,643	111,976
Total Assets	\$ 1,257,692	\$ 1,230,564
 LIABILITIES		
Accounts payable	\$ 291	\$ 220
Due to other funds	415,508	215,708
Due to other governments	110,302	45,000
Total Liabilities	526,101	260,928
 FUND BALANCES		
Restricted	325,834	567,365
Committed	405,757	402,271
	731,591	969,636
Total Liabilities and Fund Balances	\$ 1,257,692	\$ 1,230,564

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - PUBLIC TRANSIT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 521,250	\$ 610,942	\$ 89,692	\$ 629,124
Miscellaneous:				
Interest	2,125	3,485	1,360	2,774
Total Revenues	<u>523,375</u>	<u>614,427</u>	<u>91,052</u>	<u>631,898</u>
EXPENDITURES				
Public works:				
Highways and streets:				
Services and supplies	5,000	3,571	1,429	3,598
Intergovernmental:				
City of Fallon	420,000	58,000	362,000	99,000
Total Expenditures	<u>425,000</u>	<u>61,571</u>	<u>363,429</u>	<u>102,598</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>98,375</u>	<u>552,856</u>	<u>454,481</u>	<u>529,300</u>
OTHER FINANCING SOURCES (USES)				
Transfers out:				
Road Fund	(912,608)	(790,901)	121,707	(263,817)
Net Change in Fund Balance	(814,233)	(238,045)	576,188	265,483
FUND BALANCE, July 1	<u>969,636</u>	<u>969,636</u>	<u>-</u>	<u>704,153</u>
FUND BALANCE, June 30	<u><u>\$ 155,403</u></u>	<u><u>\$ 731,591</u></u>	<u><u>\$ 576,188</u></u>	<u><u>\$ 969,636</u></u>

CHURCHILL COUNTY, NEVADA
NONMAJOR GOVERNMENT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
			2013	2012
ASSETS				
Cash and investments	\$ 15,433,480	\$ 3,674,681	\$ 19,108,161	\$ 17,985,582
Receivables:				
Property taxes	287,923	72,200	360,123	74,538
Interest	3,772	915	4,687	4,658
Other	24,332	-	24,332	22,749
Notes	104,349	-	104,349	124,850
Due from other funds	20,009	5,582	25,591	2,101
Due from other governments	498,002	138,910	636,912	669,474
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 16,371,867</u></u>	<u><u>\$ 3,892,288</u></u>	<u><u>\$ 20,264,155</u></u>	<u><u>\$ 18,883,952</u></u>
LIABILITIES				
Accounts payable	\$ 93,681	\$ 3,015	\$ 96,696	\$ 141,958
Property taxes refundable	-	-	-	216,763
Accrued salaries	24,219	-	24,219	28,454
Accrued benefits	19,058	-	19,058	15,306
Deferred revenue	47,056	8,594	55,650	62,329
Due to other funds	553,701	100,000	653,701	147,356
Due to other governments	206,905	8,039	214,944	36,590
Customer deposits	3,777	-	3,777	2,057
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>948,397</u>	<u>119,648</u>	<u>1,068,045</u>	<u>650,813</u>
FUND BALANCES				
Non-Spendable	104,349	-	104,349	124,850
Restricted	5,195,378	1,706,417	6,901,795	6,414,024
Committed	4,119,886	58,025	4,177,911	4,164,714
Assigned	6,003,857	2,008,198	8,012,055	7,537,358
Unassigned	-	-	-	(7,807)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>15,423,470</u>	<u>3,772,640</u>	<u>19,196,110</u>	<u>18,233,139</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u><u>\$ 16,371,867</u></u>	<u><u>\$ 3,892,288</u></u>	<u><u>\$ 20,264,155</u></u>	<u><u>\$ 18,883,952</u></u>

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CHURCHILL COUNTY, NEVADA
NONMAJOR GOVERNMENT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
			2013	2012
REVENUES				
Taxes	\$ 1,753,083	\$ 526,315	\$ 2,279,398	\$ 2,424,312
Licenses and permits	12,284	-	12,284	19,400
Intergovernmental	4,151,749	144,182	4,295,931	3,692,237
Charges for services	438,042	-	438,042	380,018
Miscellaneous	519,572	413,184	932,756	980,163
Total Revenues	<u>6,874,730</u>	<u>1,083,681</u>	<u>7,958,411</u>	<u>7,496,130</u>
EXPENDITURES				
Current:				
General government	1,534,815	166,111	1,700,926	2,087,767
Judicial	169,973	-	169,973	82,128
Public safety	76,709	5,409	82,118	301,803
Public works	29,641	-	29,641	97,700
Health	3,984	-	3,984	671
Welfare	1,751,612	-	1,751,612	1,597,501
Culture and recreation	1,717,071	-	1,717,071	1,723,209
Community support	376,425	-	376,425	494,808
Intergovernmental	220,000	56,914	276,914	803,111
Total Expenditures	<u>5,880,230</u>	<u>228,434</u>	<u>6,108,664</u>	<u>7,188,698</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>994,500</u>	<u>855,247</u>	<u>1,849,747</u>	<u>307,432</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	334,499	-	334,499	778,875
Transfers in	175,000	70,000	245,000	730,913
Transfers out	(1,366,275)	(100,000)	(1,466,275)	(833,874)
Total Other Financing Sources (Uses)	<u>(856,776)</u>	<u>(30,000)</u>	<u>(886,776)</u>	<u>675,914</u>
Net Change in Fund Balance	137,724	825,247	962,971	983,346
FUND BALANCE, July 1	<u>15,285,746</u>	<u>2,947,393</u>	<u>18,233,139</u>	<u>17,249,793</u>
FUND BALANCE, June 30	<u>\$ 15,423,470</u>	<u>\$ 3,772,640</u>	<u>\$ 19,196,110</u>	<u>\$ 18,233,139</u>

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)
(Page 1 of 4)

	Stabilization of Operations Fund	Forfeitures/ Seized Assets Fund	Road Impact Fee Fund	Social Services Fund	Cooperative Extension Fund	Public Library Fund	Parks and Recreation Fund	Residential Construction Tax Fund
ASSETS								
Cash and investments	\$ 1,579,917	\$ 73,132	\$ 470,895	\$ 2,019,802	\$ 264,990	\$ 1,072,720	\$ 1,088,783	\$ 249,621
Receivables:								
Property taxes	-	-	-	79,173	18,034	75,844	-	-
Interest	399	18	119	507	68	269	241	63
Other	-	-	-	-	-	110	6,013	-
Notes	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	5,673	1,395	5,868	-	-
Due from other governments	-	-	-	105,707	-	-	33,333	-
Total Assets	\$ 1,580,316	\$ 73,150	\$ 471,014	\$ 2,210,862	\$ 284,487	\$ 1,154,811	\$ 1,128,370	\$ 249,684

LIABILITIES								
Accounts payable	\$ -	\$ 454	\$ -	\$ 9,288	\$ 7,929	\$ 5,167	\$ 21,542	\$ 542
Property taxes refundable	-	-	-	-	-	-	-	-
Accrued salaries	-	-	-	3,297	998	4,418	15,506	-
Accrued benefits	-	-	-	2,295	715	3,280	7,757	-
Deferred revenue	-	9,176	-	9,292	2,129	8,971	9,491	-
Due to other funds	-	6,700	70,000	-	-	-	100,000	-
Due to other governments	-	-	-	10,102	7,652	6,804	3,106	-
Customer deposit	-	-	-	275	-	-	3,502	-
Total Liabilities	-	16,330	70,000	34,549	19,423	28,640	160,904	542

FUND BALANCES								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	-	56,820	350,899	-	64,952	-	-	212,894
Committed	1,580,316	-	50,115	1,651,833	40,610	105,830	-	36,248
Assigned	-	-	-	524,480	159,502	1,020,341	967,466	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	1,580,316	56,820	401,014	2,176,313	265,064	1,126,171	967,466	249,142
Total Liabilities and Fund Balances	\$ 1,580,316	\$ 73,150	\$ 471,014	\$ 2,210,862	\$ 284,487	\$ 1,154,811	\$ 1,128,370	\$ 249,684

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)
(Page 2 of 4)

	Cemetery Beautification Fund	Indigent Donations and Gifts Fund	Law Library Fund	Regional Transportation Fund	Technology Fee Fund	E-911 System Fund	Library Gift Fund	Risk Management Fund
ASSETS								
Cash and investments	\$ 30,633	\$ 49,895	\$ 90,577	\$ 1,303,228	\$ 469,420	\$ 25,452	\$ 651,707	\$ 1,091,705
Receivables:								
Property taxes	-	-	-	-	47,230	-	-	-
Interest	8	13	23	321	118	6	165	266
Other	-	-	-	-	-	4,037	-	13,922
Notes	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	132,495	-	2,249	-	-
	<u>\$ 30,641</u>	<u>\$ 49,908</u>	<u>\$ 90,600</u>	<u>\$ 1,436,044</u>	<u>\$ 516,768</u>	<u>\$ 31,744</u>	<u>\$ 651,872</u>	<u>\$ 1,105,893</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 2,135	\$ -	\$ -	\$ 3,622	\$ -	\$ -
Property taxes refundable	-	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-	-
Accrued benefits	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	351,409	25,592	-	-	-
Due to other governments	-	-	-	-	20,926	-	-	6,549
Customer deposit	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,135</u>	<u>351,409</u>	<u>46,518</u>	<u>3,622</u>	<u>-</u>	<u>6,549</u>
FUND BALANCES								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	1,084,635	427,694	28,122	211,821	-
Committed	-	-	-	-	42,556	-	79,853	-
Assigned	30,641	49,908	88,465	-	-	-	360,198	1,099,344
Unassigned	-	-	-	-	-	-	-	-
	<u>30,641</u>	<u>49,908</u>	<u>88,465</u>	<u>1,084,635</u>	<u>470,250</u>	<u>28,122</u>	<u>651,872</u>	<u>1,099,344</u>
Total Fund Balances	<u>\$ 30,641</u>	<u>\$ 49,908</u>	<u>\$ 90,600</u>	<u>\$ 1,436,044</u>	<u>\$ 516,768</u>	<u>\$ 31,744</u>	<u>\$ 651,872</u>	<u>\$ 1,105,893</u>
Total Liabilities and Fund Balances	<u>\$ 30,641</u>	<u>\$ 49,908</u>	<u>\$ 90,600</u>	<u>\$ 1,436,044</u>	<u>\$ 516,768</u>	<u>\$ 31,744</u>	<u>\$ 651,872</u>	<u>\$ 1,105,893</u>

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)
(Page 3 of 4)

	Compensated Absences Fund	Unemployment Compensation Fund	Graffiti Reward and Abatement Fund	District Court Security Fund	Administrative Assessment Fund	Water Resource Fund	Infrastructure Tax Fund	Recreation Donation Fund
ASSETS								
Cash and investments	\$ 686,476	\$ 365,753	\$ 52,001	\$ 17,954	\$ 6,801	\$ 609,665	\$ 938,565	\$ 88,933
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Interest	158	92	13	4	-	115	228	22
Other	-	-	250	-	-	-	-	-
Notes	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	8,000	-	-	-	3,796	92,042	110,652	-
	<u>\$ 694,634</u>	<u>\$ 365,845</u>	<u>\$ 52,264</u>	<u>\$ 17,958</u>	<u>\$ 10,597</u>	<u>\$ 701,822</u>	<u>\$ 1,049,445</u>	<u>\$ 88,955</u>
Total Assets								
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 395	\$ -	\$ -	\$ 40,969	\$ -	\$ 692
Property taxes refundable	-	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-	-
Accrued benefits	5,011	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Due to other governments	-	12,809	-	-	-	-	110,302	-
Customer deposit	-	-	-	-	-	-	-	-
	<u>\$ 5,011</u>	<u>\$ 12,809</u>	<u>\$ 395</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,969</u>	<u>\$ 110,302</u>	<u>\$ 692</u>
Total Liabilities								
FUND BALANCES								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	17,958	10,597	-	939,143	65,171
Committed	-	-	51,869	-	-	-	-	23,092
Assigned	689,623	353,036	-	-	-	660,853	-	-
Unassigned	-	-	-	-	-	-	-	-
	<u>\$ 689,623</u>	<u>\$ 353,036</u>	<u>\$ 51,869</u>	<u>\$ 17,958</u>	<u>\$ 10,597</u>	<u>\$ 660,853</u>	<u>\$ 939,143</u>	<u>\$ 88,263</u>
Total Fund Balances								
	<u>\$ 694,634</u>	<u>\$ 365,845</u>	<u>\$ 52,264</u>	<u>\$ 17,958</u>	<u>\$ 10,597</u>	<u>\$ 701,822</u>	<u>\$ 1,049,445</u>	<u>\$ 88,955</u>
Total Liabilities and Fund Balances								

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)
(Page 4 of 4)

	Indigent Hospital Care Fund	Indigent Medical Care Fund	Senior Citizens Ad Valorem Levy Fund	One Cent Fuel Excise Tax Fund	Fairgrounds Sale Proceeds Fund	2013	2012
ASSETS							
Cash and investments	\$ 5,123	\$ 1,597,399	\$ -	\$ 120,357	\$ 411,976	\$ 15,433,480	\$ 14,999,392
Receivables:							
Property taxes	13,523	54,110	9	-	-	287,923	58,377
Interest	-	402	-	30	104	3,772	3,881
Other	-	-	-	-	-	24,332	22,749
Notes	-	-	-	-	104,349	104,349	124,850
Due from other funds	1,047	6,026	-	-	-	20,009	2,101
Due from other governments	-	-	-	9,728	-	498,002	661,474
Total Assets	\$ 19,693	\$ 1,657,937	\$ 9	\$ 130,115	\$ 516,429	\$ 16,371,867	\$ 15,872,824
LIABILITIES							
Accounts payable	\$ -	\$ 946	\$ -	\$ -	\$ -	\$ 93,681	\$ 141,958
Property taxes refundable	-	-	-	-	-	-	170,766
Accrued salaries	-	-	-	-	-	24,219	28,454
Accrued benefits	-	-	-	-	-	19,058	15,306
Deferred revenue	1,598	6,399	-	-	-	47,056	50,266
Due to other funds	-	-	-	-	-	553,701	147,356
Due to other governments	5,871	22,784	-	-	-	206,905	30,915
Customer deposit	-	-	-	-	-	3,777	2,057
Total Liabilities	7,469	30,129	-	-	-	948,397	587,078
FUND BALANCES							
Non-Spendable	-	-	-	-	104,349	104,349	124,850
Restricted	12,224	1,627,808	9	84,631	-	5,195,378	5,164,727
Committed	-	-	-	45,484	412,080	4,119,886	4,094,536
Assigned	-	-	-	-	-	6,003,857	5,909,440
Unassigned	-	-	-	-	-	-	(7,807)
Total Fund Balances	12,224	1,627,808	9	130,115	516,429	15,423,470	15,285,746
Total Liabilities and Fund Balances	\$ 19,693	\$ 1,657,937	\$ 9	\$ 130,115	\$ 516,429	\$ 16,371,867	\$ 15,872,824

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 1 of 4)

	Stabilization of Operations Fund	Forfeitures/Seized Assets Fund	Road Impact Fee Fund	Social Services Fund	Cooperative Extension Fund	Public Library Fund	Parks and Recreation Fund	Residential Construction Tax Fund
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ 573,428	\$ 131,226	\$ 548,579	\$ 6,606	\$ -
Licenses and permits	-	-	9,200	-	-	-	-	3,084
Intergovernmental	-	-	-	897,486	45	43,742	959,710	3,650
Charges for services	-	-	-	-	-	5,780	268,227	-
Miscellaneous	5,241	237	1,547	69,333	960	8,295	9,329	828
Total Revenues	5,241	237	10,747	1,540,247	132,231	606,396	1,243,872	7,562
EXPENDITURES								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Public safety	-	18,124	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	1,672,141	-	-	-	-
Culture and recreation	-	-	-	-	-	524,825	1,182,886	2,062
Community support	-	-	-	-	148,715	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Total Expenditures	-	18,124	-	1,672,141	148,715	524,825	1,182,886	2,062
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,241	(17,887)	10,747	(131,894)	(16,484)	81,571	60,986	5,500
OTHER FINANCING SOURCES (USES)								
Sale of capital and other asset	-	-	-	-	-	-	-	-
Transfers in	-	-	-	125,000	-	-	-	-
Transfers out	-	-	(70,000)	-	-	(50,000)	-	-
Total Other Financing Sources (Uses)	-	-	(70,000)	125,000	-	(50,000)	-	-
Net Change in Fund Balance	5,241	(17,887)	(59,253)	(6,894)	(16,484)	31,571	60,986	5,500
FUND BALANCE at July 1	1,575,075	74,707	460,267	2,183,207	281,548	1,094,600	906,480	243,642
FUND BALANCE, June 30	\$ 1,580,316	\$ 56,820	\$ 401,014	\$ 2,176,313	\$ 265,064	\$ 1,126,171	\$ 967,466	\$ 249,142

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

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	Cemetery Beautification Fund	Indigent Donations and Gifts Fund	Law Library Fund	Regional Transportation Fund	Technology Fee Fund	E-911 System Fund	Library Gift Fund	Risk Management Fund
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	490	-	764,624	-	-	-	75,000
Charges for services	-	-	8,515	-	-	76,898	-	-
Miscellaneous	110	1,265	344	3,856	149,988	40	14,362	4,572
Total Revenues	110	1,755	8,859	768,480	149,988	76,938	14,362	79,572
EXPENDITURES								
General government	-	-	-	-	234,520	-	-	16,607
Judicial	-	-	35,191	-	-	-	-	-
Public safety	-	-	-	-	-	58,585	-	-
Public works	-	-	-	-	-	-	-	-
Health	3,984	-	-	-	-	-	-	-
Welfare	-	1,207	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	341	-
Community support	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	220,000	-	-	-	-
Total Expenditures	3,984	1,207	35,191	220,000	234,520	58,585	341	16,607
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,874)	548	(26,332)	548,480	(84,532)	18,353	14,021	62,965
OTHER FINANCING SOURCES (USES)								
Sale of capital and other asset	-	-	-	-	1,500	-	-	-
Transfers in	-	-	-	-	-	-	50,000	-
Transfers out	-	-	-	(726,275)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(726,275)	1,500	-	50,000	-
Net Change in Fund Balance	(3,874)	548	(26,332)	(177,795)	(83,032)	18,353	64,021	62,965
FUND BALANCE at July 1	34,515	49,360	114,797	1,262,430	553,282	9,769	587,851	1,036,379
FUND BALANCE, June 30	\$ 30,641	\$ 49,908	\$ 88,465	\$ 1,084,635	\$ 470,250	\$ 28,122	\$ 651,872	\$ 1,099,344

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

(Page 3 of 4)

	Compensated Absences Fund	Unemployment Compensation Fund	Graffiti Reward and Abatement Fund	District Court Security Fund	Administrative Assessment Fund	Water Resource Fund	Infrastructure Tax Fund	Recreation Donation Fund
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	173,000	-	-	-	-	566,509	611,181	-
Charges for services	-	-	1,894	10,929	48,585	17,214	-	-
Miscellaneous	81,835	1,268	130,237	38	-	5,249	2,488	16,372
Total Revenues	254,835	1,268	132,131	10,967	48,585	588,972	613,669	16,372
EXPENDITURES								
General government	411,997	34,542	-	-	-	390,894	446,255	-
Judicial	-	-	134,782	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Community support	-	-	-	-	-	-	-	6,957
Intergovernmental	-	-	-	-	-	-	-	-
Total Expenditures	411,997	34,542	134,782	-	-	390,894	446,255	6,957
Excess (Deficiency) of Revenues Over (Under) Expenditures	(157,162)	(33,274)	(2,651)	10,967	48,585	198,078	167,414	9,415
OTHER FINANCING SOURCES (USES)								
Sale of capital and other asset	-	-	-	-	-	-	332,999	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(70,000)	(100,000)	(225,000)	-
Total Other Financing Sources (Uses)	-	-	-	-	(70,000)	(100,000)	107,999	-
Net Change in Fund Balance	(157,162)	(33,274)	(2,651)	10,967	(21,415)	98,078	275,413	9,415
FUND BALANCE at July 1	846,785	386,310	54,520	6,991	32,012	562,775	663,730	78,848
FUND BALANCE, June 30	689,623	353,036	51,869	17,958	10,597	660,853	939,143	88,263

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

(Page 4 of 4)

	Indigent Hospital Care Fund	Indigent Medical Care Fund	Senior Citizens Ad Valorem Levy Fund	One Cent Fuel Excise Tax Fund	Fairgrounds Sale Proceeds Fund	2013	2012
REVENUES							
Taxes	\$ 98,261	\$ 394,705	\$ 278	\$ -	\$ -	\$ 1,753,083	\$ 1,864,280
Licenses and permits	-	-	-	-	-	12,284	19,400
Intergovernmental	34	136	-	56,142	-	4,151,749	3,620,045
Charges for services	-	-	-	-	-	438,042	380,018
Miscellaneous	-	4,844	-	342	6,592	519,572	421,409
Total Revenues	98,295	399,685	278	56,484	6,592	6,874,730	6,305,152
EXPENDITURES							
General government	-	-	-	-	-	1,534,815	1,973,738
Judicial	-	-	-	-	-	169,973	82,128
Public safety	-	-	-	-	-	76,709	15,674
Public works	-	-	-	29,641	-	29,641	97,700
Health	-	-	-	-	-	3,984	671
Welfare	78,264	-	-	-	-	1,751,612	1,597,501
Culture and recreation	-	-	-	-	-	1,717,071	1,723,209
Community support	-	227,160	550	-	-	376,425	494,808
Intergovernmental	-	-	-	-	-	220,000	491,001
Total Expenditures	78,264	227,160	550	29,641	-	5,880,230	6,476,430
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,031	172,525	(272)	26,843	6,592	994,500	(171,278)
OTHER FINANCING SOURCES (USES)							
Sale of capital and other asset	-	-	-	-	-	334,499	778,875
Transfers in	-	-	-	-	-	175,000	680,913
Transfers out	-	(125,000)	-	-	-	(1,366,275)	(833,874)
Total Other Financing Sources (Uses)	-	(125,000)	-	-	-	(856,776)	625,914
Net Change in Fund Balance	20,031	47,525	(272)	26,843	6,592	137,724	454,636
FUND BALANCE at July 1	(7,807)	1,580,283	281	103,272	509,837	15,285,746	14,831,110
FUND BALANCE, June 30	\$ 12,224	\$ 1,627,808	\$ 9	\$ 130,115	\$ 516,429	\$ 15,423,470	\$ 15,285,746

CHURCHILL COUNTY, NEVADA
STABILIZATION OF OPERATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Interest	\$ 4,725	\$ 5,241	\$ 516	\$ 5,270
FUND BALANCE, July 1	<u>1,576,305</u>	<u>1,575,075</u>	<u>(1,230)</u>	<u>1,569,805</u>
FUND BALANCE, June 30	<u><u>\$ 1,581,030</u></u>	<u><u>\$ 1,580,316</u></u>	<u><u>\$ (714)</u></u>	<u><u>\$ 1,575,075</u></u>

CHURCHILL COUNTY, NEVADA
FORFEITURES/SEIZED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Forfeitures of seized assets	\$ 50,000	\$ -	\$ (50,000)	\$ 2,059
Interest	500	237	(263)	265
	<u>50,500</u>	<u>237</u>	<u>(50,263)</u>	<u>2,324</u>
Total Revenues	50,500	237	(50,263)	2,324
EXPENDITURES				
Public safety:				
Administration:				
Services and supplies	<u>85,000</u>	<u>18,124</u>	<u>66,876</u>	<u>15,674</u>
Net Change in Fund Balance	(34,500)	(17,887)	16,613	(13,350)
FUND BALANCE, July 1	<u>78,557</u>	<u>74,707</u>	<u>(3,850)</u>	<u>88,057</u>
FUND BALANCE, June 30	<u><u>\$ 44,057</u></u>	<u><u>\$ 56,820</u></u>	<u><u>\$ 12,763</u></u>	<u><u>\$ 74,707</u></u>

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CHURCHILL COUNTY, NEVADA
ROAD IMPACT FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Licenses and permits:				
Area A road impact fee	\$ 3,000	\$ -	\$ (3,000)	\$ -
Area B road impact fee	3,000	9,200	6,200	13,800
	<u>6,000</u>	<u>9,200</u>	<u>3,200</u>	<u>13,800</u>
Miscellaneous:				
Interest	<u>1,000</u>	<u>1,547</u>	<u>547</u>	<u>1,521</u>
Total Revenues	<u>7,000</u>	<u>10,747</u>	<u>3,747</u>	<u>15,321</u>
EXPENDITURES				
Public works:				
Highways and street:				
Services and supplies	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(18,000)</u>	<u>10,747</u>	<u>28,747</u>	<u>15,321</u>
OTHER FINANCING SOURCE (USES)				
Transfer out:				
Road fund	<u>-</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>(18,000)</u>	<u>(59,253)</u>	<u>(41,253)</u>	<u>15,321</u>
FUND BALANCE, July 1	<u>436,446</u>	<u>460,267</u>	<u>23,821</u>	<u>444,946</u>
FUND BALANCE, June 30	<u><u>\$ 418,446</u></u>	<u><u>\$ 401,014</u></u>	<u><u>\$ (17,432)</u></u>	<u><u>\$ 460,267</u></u>

CHURCHILL COUNTY, NEVADA
SOCIAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 1 of 2)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 470,516	\$ 573,428	\$ 102,912	\$ 606,481
Intergovernmental:				
Social Security reimbursements	7,000	-	(7,000)	1,055
Private car tax	228	200	(28)	212
City utility assistance	5,000	-	(5,000)	-
Consolidated intergovernmental taxes	60,000	60,000	-	60,000
Admin Annes WIC Rent	-	4,900	4,900	-
Grants-in-aid:				
Federal	816,127	801,306	(14,821)	665,880
State	10,000	31,080	21,080	43,968
	<u>898,355</u>	<u>897,486</u>	<u>(869)</u>	<u>771,115</u>
Miscellaneous:				
Welfare reimbursements	1,000	6,121	5,121	4,163
Geothermal rents/royalties	75,000	54,815	(20,185)	75,000
Miscellaneous	-	2,000	2,000	275
Interest	5,250	6,397	1,147	6,266
	<u>81,250</u>	<u>69,333</u>	<u>(11,917)</u>	<u>85,704</u>
 Total Revenues	 <u>1,450,121</u>	 <u>1,540,247</u>	 <u>90,126</u>	 <u>1,463,300</u>
EXPENDITURES				
Welfare:				
Grant assistance:				
Services and supplies	873,527	813,043	60,484	576,304
Assistance in cash or goods:				
Services and supplies	126,985	57,451	69,534	69,190
Medical assistance-direct:				
Services and supplies	130,225	130,225	-	124,617
Welfare operations:				
Salaries	157,068	153,709	3,359	140,183
Benefits	72,153	64,541	7,612	61,341
Services and supplies	14,313	30,960	(16,647)	56,228
	<u>243,534</u>	<u>249,210</u>	<u>(5,676)</u>	<u>257,752</u>

CHURCHILL COUNTY, NEVADA
SOCIAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 2 of 2)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
Public health nurse:				
Services and supplies	\$ 117,020	\$ 111,232	\$ 5,788	\$ 110,947
Transitional housing:				
Salaries	48,169	32,562	15,607	45,296
Benefits	23,636	14,717	8,919	21,462
Services and supplies	64,900	27,114	37,786	44,079
	<u>136,705</u>	<u>74,393</u>	<u>62,312</u>	<u>110,837</u>
Public Guardian:				
Services and supplies	13,870	18,017	(4,147)	8,832
Child protective services:				
Services and supplies	218,570	218,570	-	214,156
	<u>1,860,436</u>	<u>1,672,141</u>	<u>188,295</u>	<u>1,472,635</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(410,315)</u>	<u>(131,894)</u>	<u>278,421</u>	<u>(9,335)</u>
OTHER FINANCING				
SOURCES (USES)				
Transfers in:				
Indigent Medical Care Fund	125,000	125,000	-	200,000
Net Change in Fund Balance	(285,315)	(6,894)	278,421	190,665
FUND BALANCE, July 1	<u>1,805,300</u>	<u>2,183,207</u>	<u>377,907</u>	<u>1,992,542</u>
FUND BALANCE, June 30	<u><u>\$ 1,519,985</u></u>	<u><u>\$ 2,176,313</u></u>	<u><u>\$ 656,328</u></u>	<u><u>\$ 2,183,207</u></u>

CHURCHILL COUNTY, NEVADA
COOPERATIVE EXTENSION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 121,265	\$ 131,226	\$ 9,961	\$ 139,700
Intergovernmental:				
Private car tax	65	45	(20)	48
Miscellaneous:				
Interest	985	960	(25)	1,096
	<u>122,315</u>	<u>132,231</u>	<u>9,916</u>	<u>140,844</u>
Total Revenues				
EXPENDITURES				
Community support:				
Salaries	55,293	53,690	1,603	52,201
Benefits	24,016	21,983	2,033	22,092
Services and supplies	85,435	73,042	12,393	96,968
	<u>164,744</u>	<u>148,715</u>	<u>16,029</u>	<u>171,261</u>
Total Expenditures				
Net Change in Fund Balance	(42,429)	(16,484)	25,945	(30,417)
FUND BALANCE, July 1	<u>282,213</u>	<u>281,548</u>	<u>(665)</u>	<u>311,965</u>
FUND BALANCE, June 30	<u><u>\$ 239,784</u></u>	<u><u>\$ 265,064</u></u>	<u><u>\$ 25,280</u></u>	<u><u>\$ 281,548</u></u>

CHURCHILL COUNTY, NEVADA
PUBLIC LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 509,926	\$ 548,579	\$ 38,653	\$ 585,322
Intergovernmental:				
Federal payments in lieu of taxes	40,000	40,000	-	40,000
Private car tax	228	191	(37)	203
Grant in aid:				
State	3,551	3,551	-	4,051
	<u>43,779</u>	<u>43,742</u>	<u>(37)</u>	<u>44,254</u>
Charges for services:				
Library fee	-	5,780	5,780	-
Miscellaneous:				
Sales and rentals	7,000	3,597	(3,403)	8,570
Gifts and donations	-	1,000	1,000	-
Interest	3,125	3,698	573	3,756
	<u>10,125</u>	<u>8,295</u>	<u>(1,830)</u>	<u>12,326</u>
Total Revenues	<u>563,830</u>	<u>606,396</u>	<u>42,566</u>	<u>641,902</u>
EXPENDITURES				
Culture and recreation:				
Salaries	285,328	255,986	29,342	275,522
Benefits	124,444	100,145	24,299	107,421
Services and supplies	156,100	168,694	(12,594)	173,816
Total Expenditures	<u>565,872</u>	<u>524,825</u>	<u>41,047</u>	<u>556,759</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,042)	81,571	83,613	85,143
OTHER FINANCING				
SOURCES (USES)				
Transfers out:				
Library Gift Fund	(50,000)	(50,000)	-	(38,433)
Net Change in Fund Balance	(52,042)	31,571	83,613	46,710
FUND BALANCE, July 1	<u>1,030,040</u>	<u>1,094,600</u>	<u>64,560</u>	<u>1,047,890</u>
FUND BALANCE, June 30	<u>\$ 977,998</u>	<u>\$ 1,126,171</u>	<u>\$ 148,173</u>	<u>\$ 1,094,600</u>

CHURCHILL COUNTY, NEVADA
PARKS AND RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 1 of 2)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
County lodging tax	\$ 4,275	\$ 6,606	\$ 2,331	\$ 6,904
Intergovernmental:				
Federal payments in lieu of taxes	250,000	250,000	-	250,000
Local payments in lieu of taxes	509,711	509,710	(1)	442,480
Consolidated intergovernmental taxes	200,000	200,000	-	200,000
	<u>959,711</u>	<u>959,710</u>	<u>(1)</u>	<u>892,480</u>
Charges for services:				
Contract clean-up	-	763	763	-
Concession stand	3,000	4,167	1,167	4,122
Recreation charges	125,000	142,794	17,794	130,890
Swimming pool receipts	52,000	57,519	5,519	58,721
Fairgrounds rentals	72,000	59,821	(12,179)	60,181
Pro-shop sales	1,200	1,016	(184)	1,057
Miscellaneous	-	2,147	2,147	1,098
	<u>253,200</u>	<u>268,227</u>	<u>15,027</u>	<u>256,069</u>
Miscellaneous:				
Interest	2,150	2,751	601	2,628
Miscellaneous	4,250	6,578	2,328	6,138
	<u>6,400</u>	<u>9,329</u>	<u>2,929</u>	<u>8,766</u>
Total Revenues	<u>1,223,586</u>	<u>1,243,872</u>	<u>20,286</u>	<u>1,164,219</u>
EXPENDITURES				
Culture and recreation:				
Administration:				
Salaries	197,378	187,159	10,219	165,067
Benefits	80,672	75,329	5,343	71,342
Services and supplies	27,410	23,044	4,366	29,155
	<u>305,460</u>	<u>285,532</u>	<u>19,928</u>	<u>265,564</u>

CHURCHILL COUNTY, NEVADA
PARKS AND RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 2 of 2)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
Public parks:				
Salaries	\$ 61,496	\$ 57,353	\$ 4,143	\$ 52,146
Benefits	23,518	21,892	1,626	21,185
Services and supplies	45,900	41,662	4,238	50,355
Capital outlay	12,000	12,092	(92)	8,612
	<u>142,914</u>	<u>132,999</u>	<u>9,915</u>	<u>132,298</u>
Recreation athletics:				
Salaries	106,386	101,884	4,502	90,733
Benefits	28,708	27,397	1,311	26,022
Services and supplies	83,200	79,628	3,572	82,628
Capital outlay	-	6,360	(6,360)	-
	<u>218,294</u>	<u>215,269</u>	<u>3,025</u>	<u>199,383</u>
Fairgrounds:				
Salaries	112,013	103,777	8,236	97,640
Benefits	32,652	31,189	1,463	30,411
Services and supplies	114,550	114,362	188	109,829
Capital outlay	25,000	32,189	(7,189)	29,046
	<u>284,215</u>	<u>281,517</u>	<u>2,698</u>	<u>266,926</u>
Swimming Pool:				
Salaries	130,377	136,743	(6,366)	132,149
Benefits	31,629	31,170	459	30,194
Services and supplies	123,130	99,656	23,474	97,353
Capital outlay	8,000	-	8,000	7,700
	<u>293,136</u>	<u>267,569</u>	<u>25,567</u>	<u>267,396</u>
Total Expenditures	<u>1,244,019</u>	<u>1,182,886</u>	<u>61,133</u>	<u>1,131,567</u>
Net Change in Fund Balance	(20,433)	60,986	81,419	32,652
FUND BALANCE, July 1	<u>838,929</u>	<u>906,480</u>	<u>67,551</u>	<u>873,828</u>
FUND BALANCE, June 30	<u>\$ 818,496</u>	<u>\$ 967,466</u>	<u>\$ 148,970</u>	<u>\$ 906,480</u>

CHURCHILL COUNTY, NEVADA
RESIDENTIAL CONSTRUCTION TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Licenses and permits:				
Park tax fee	\$ 2,000	\$ 3,084	\$ 1,084	\$ 5,600
Intergovernmental				
Reimbursements	-	3,650	3,650	4,750
Miscellaneous:				
Interest	725	828	103	836
	<u>2,725</u>	<u>7,562</u>	<u>4,837</u>	<u>11,186</u>
Total Revenues				
	2,725	7,562	4,837	11,186
EXPENDITURES				
Culture and recreation:				
Public parks:				
Services and supplies	40,000	2,062	37,938	20,060
	<u>40,000</u>	<u>2,062</u>	<u>37,938</u>	<u>20,060</u>
Net Change in Fund Balance	(37,275)	5,500	42,775	(8,874)
FUND BALANCE, July 1	<u>226,941</u>	<u>243,642</u>	<u>16,701</u>	<u>252,516</u>
FUND BALANCE, June 30	<u><u>\$ 189,666</u></u>	<u><u>\$ 249,142</u></u>	<u><u>\$ 59,476</u></u>	<u><u>\$ 243,642</u></u>

**CHURCHILL COUNTY, NEVADA
CEMETERY BEAUTIFICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Gifts and Donations	\$ -	\$ -	\$ -	\$ 1,250
Interest	100	110	10	114
	<u>100</u>	<u>110</u>	<u>10</u>	<u>1,364</u>
Total Revenues	100	110	10	1,364
 EXPENDITURES				
Health:				
Services and supplies	5,000	3,984	1,016	671
	<u>5,000</u>	<u>3,984</u>	<u>1,016</u>	<u>671</u>
Net Change in Fund Balance	(4,900)	(3,874)	1,026	693
 FUND BALANCE, July 1	<u>23,922</u>	<u>34,515</u>	<u>10,593</u>	<u>33,822</u>
 FUND BALANCE, June 30	<u><u>\$ 19,022</u></u>	<u><u>\$ 30,641</u></u>	<u><u>\$ 11,619</u></u>	<u><u>\$ 34,515</u></u>

CHURCHILL COUNTY, NEVADA
INDIGENT DONATIONS AND GIFT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Family Vehicle Safety revenues	\$ -	\$ 490	\$ 490	\$ 1,610
Miscellaneous:				
Project Food revenue	6,000	-	(6,000)	5,472
Gifts and donations	2,500	1,100	(1,400)	4,608
Interest	125	165	40	163
	<u>8,625</u>	<u>1,265</u>	<u>(7,360)</u>	<u>10,243</u>
Total Revenues	8,625	1,755	(6,870)	11,853
EXPENDITURES				
Welfare:				
Services and supplies	30,000	1,207	28,793	13,300
	<u>30,000</u>	<u>1,207</u>	<u>28,793</u>	<u>13,300</u>
Net Change in Fund Balance	(21,375)	548	21,923	(1,447)
FUND BALANCE, July 1	<u>31,614</u>	<u>49,360</u>	<u>17,746</u>	<u>50,807</u>
FUND BALANCE, June 30	<u><u>\$ 10,239</u></u>	<u><u>\$ 49,908</u></u>	<u><u>\$ 39,669</u></u>	<u><u>\$ 49,360</u></u>

CHURCHILL COUNTY, NEVADA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Charges for services:				
Law library fees	\$ 9,275	\$ 8,515	\$ (760)	\$ 10,215
Miscellaneous:				
Interest	<u>375</u>	<u>344</u>	<u>(31)</u>	<u>431</u>
Total Revenues	9,650	8,859	(791)	10,646
EXPENDITURES				
Judicial:				
Services and supplies	<u>38,211</u>	<u>35,191</u>	<u>3,020</u>	<u>32,810</u>
Net Change in Fund Balance	(28,561)	(26,332)	2,229	(22,164)
FUND BALANCE, July 1	<u>114,797</u>	<u>114,797</u>	<u>-</u>	<u>136,961</u>
FUND BALANCE, June 30	<u><u>\$ 86,236</u></u>	<u><u>\$ 88,465</u></u>	<u><u>\$ 2,229</u></u>	<u><u>\$ 114,797</u></u>

CHURCHILL COUNTY, NEVADA
REGIONAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
County optional motor vehicle fuel	\$ 728,195	\$ 764,624	\$ 36,429	\$ 837,192
Miscellaneous:				
Interest	2,425	3,856	1,431	3,661
Total Revenues	730,620	768,480	37,860	840,853
EXPENDITURES				
Intergovernmental:				
City of Fallon	500,000	220,000	280,000	491,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	230,620	548,480	317,860	349,852
OTHER FINANCING SOURCES (USES)				
Transfers out:				
Road Fund	(913,619)	(726,275)	187,344	(220,441)
Net Change in Fund Balance	(682,999)	(177,795)	505,204	129,411
FUND BALANCE, July 1	<u>1,262,430</u>	<u>1,262,430</u>	<u>-</u>	<u>1,133,019</u>
FUND BALANCE, June 30	<u><u>\$ 579,431</u></u>	<u><u>\$ 1,084,635</u></u>	<u><u>\$ 505,204</u></u>	<u><u>\$ 1,262,430</u></u>

CHURCHILL COUNTY, NEVADA
TECHNOLOGY FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Technology fees	\$ 147,500	\$ 148,294	\$ 794	\$ 149,157
Interest	1,200	1,694	494	1,689
	<u>148,700</u>	<u>149,988</u>	<u>1,288</u>	<u>150,846</u>
EXPENDITURES				
General government:				
Services and supplies	200,000	136,145	63,855	91,505
Capital outlay	100,000	98,375	1,625	-
	<u>300,000</u>	<u>234,520</u>	<u>65,480</u>	<u>91,505</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(151,300)</u>	<u>(84,532)</u>	<u>66,768</u>	<u>59,341</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital and other assets	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Net Change in Fund Balance	(151,300)	(83,032)	68,268	59,341
FUND BALANCE, July 1	<u>397,191</u>	<u>553,282</u>	<u>156,091</u>	<u>493,941</u>
FUND BALANCE, June 30	<u><u>\$ 245,891</u></u>	<u><u>\$ 470,250</u></u>	<u><u>\$ 224,359</u></u>	<u><u>\$ 553,282</u></u>

CHURCHILL COUNTY, NEVADA
E 911 SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Charges for services	\$ 68,250	\$ 76,898	\$ 8,648	\$ 9,769
Miscellaneous:				
Interest	<u>-</u>	<u>40</u>	<u>40</u>	<u>-</u>
Total Revenues	<u>68,250</u>	<u>76,938</u>	<u>8,688</u>	<u>9,769</u>
EXPENDITURES				
Public Safety				
Services and supplies	<u>68,250</u>	<u>58,585</u>	<u>9,665</u>	<u>-</u>
Net Change in Fund Balance	-	18,353	18,353	9,769
FUND BALANCE, July 1	<u>-</u>	<u>9,769</u>	<u>9,769</u>	<u>-</u>
FUND BALANCE, June 30	<u><u>\$ -</u></u>	<u><u>\$ 28,122</u></u>	<u><u>\$ 28,122</u></u>	<u><u>\$ 9,769</u></u>

CHURCHILL COUNTY, NEVADA
LIBRARY GIFT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Interest	\$ 2,125	\$ 2,026	\$ (99)	\$ 1,880
Gifts and Donations	<u>2,100</u>	<u>12,336</u>	<u>10,236</u>	<u>3,141</u>
Total Revenues	<u>4,225</u>	<u>14,362</u>	<u>10,137</u>	<u>5,021</u>
EXPENDITURES				
Culture and recreation:				
Services and supplies	<u>52,000</u>	<u>341</u>	<u>51,659</u>	<u>1,428</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,775)	14,021	61,796	3,593
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Public Library Fund	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>38,433</u>
Net Change in Fund Balance	2,225	64,021	61,796	42,026
FUND BALANCE, July 1	<u>479,208</u>	<u>587,851</u>	<u>108,643</u>	<u>545,825</u>
FUND BALANCE, June 30	<u><u>\$ 481,433</u></u>	<u><u>\$ 651,872</u></u>	<u><u>\$ 170,439</u></u>	<u><u>\$ 587,851</u></u>

CHURCHILL COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 75,000	\$ 75,000	\$ -	\$ 75,000
Miscellaneous:				
Interest	4,125	3,417	(708)	3,656
Miscellaneous	100	1,155	1,055	609
	<u>4,225</u>	<u>4,572</u>	<u>347</u>	<u>4,265</u>
Total Revenues	79,225	79,572	347	79,265
EXPENDITURES				
General government:				
Services and supplies	195,000	16,607	178,393	13,906
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(115,775)</u>	<u>62,965</u>	<u>178,740</u>	<u>65,359</u>
OTHER FINANCING SOURCES (USES)				
Transfers out:				
Utility Fund	-	-	-	(100,000)
Waste Water Fund	-	-	-	(100,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>
Net Change in Fund Balance	(115,775)	62,965	178,740	(134,641)
FUND BALANCE, July 1	<u>931,770</u>	<u>1,036,379</u>	<u>104,609</u>	<u>1,171,020</u>
FUND BALANCE, June 30	<u><u>\$ 815,995</u></u>	<u><u>\$ 1,099,344</u></u>	<u><u>\$ 283,349</u></u>	<u><u>\$ 1,036,379</u></u>

**CHURCHILL COUNTY, NEVADA
 COMPENSATED ABSENCES FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2013
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 125,000	\$ 125,000	\$ -	\$ 125,000
Consolidated intergovernmental taxes	48,000	48,000	-	24,000
	<u>173,000</u>	<u>173,000</u>	<u>-</u>	<u>149,000</u>
Miscellaneous:				
Interest	4,250	2,281	(1,969)	2,750
Miscellaneous	-	79,554	79,554	55,750
	<u>4,250</u>	<u>81,835</u>	<u>77,585</u>	<u>58,500</u>
 Total Revenues	 <u>177,250</u>	 <u>254,835</u>	 <u>77,585</u>	 <u>207,500</u>
EXPENDITURES				
General government:				
Benefits	357,000	325,886	31,114	264,810
Services and supplies	150,000	86,111	63,889	107,820
	<u>507,000</u>	<u>411,997</u>	<u>95,003</u>	<u>372,630</u>
 Total Expenditures	 <u>507,000</u>	 <u>411,997</u>	 <u>95,003</u>	 <u>372,630</u>
 Net Change in Fund Balance	 (329,750)	 (157,162)	 172,588	 (165,130)
 FUND BALANCE, July 1	 <u>663,915</u>	 <u>846,785</u>	 <u>182,870</u>	 <u>1,011,915</u>
 FUND BALANCE, June 30	 <u>\$ 334,165</u>	 <u>\$ 689,623</u>	 <u>\$ 355,458</u>	 <u>\$ 846,785</u>

CHURCHILL COUNTY, NEVADA
UNEMPLOYMENT COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Interest	\$ 1,125	\$ 1,268	\$ 143	\$ 1,323
EXPENDITURES				
General government:				
Administration:				
Benefits	<u>40,000</u>	<u>34,542</u>	<u>5,458</u>	<u>11,196</u>
Net Change in Fund Balance	(38,875)	(33,274)	5,601	(9,873)
FUND BALANCE, July 1	<u>343,433</u>	<u>386,310</u>	<u>42,877</u>	<u>396,183</u>
FUND BALANCE, June 30	<u><u>\$ 304,558</u></u>	<u><u>\$ 353,036</u></u>	<u><u>\$ 48,478</u></u>	<u><u>\$ 386,310</u></u>

CHURCHILL COUNTY, NEVADA
GRAFFITI REWARD AND ABATEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Charges for services:				
Truancy fees	\$ 2,000	\$ 1,345	\$ (655)	\$ 2,195
Restitution processing	750	549	(201)	686
	<u>2,750</u>	<u>1,894</u>	<u>(856)</u>	<u>2,881</u>
Miscellaneous:				
District Attorney restitution collections	118,581	128,804	10,223	30,539
Juvenile probation restitution collections	10,000	1,233	(8,767)	3,477
Sheriff's office evidence	100	20	(80)	48
Interest	200	180	(20)	203
	<u>128,881</u>	<u>130,237</u>	<u>1,356</u>	<u>34,267</u>
 Total Revenues	 131,631	 132,131	 500	 37,148
EXPENDITURES				
Judicial:				
Services and supplies	147,581	134,782	12,799	45,478
 Net Change in Fund Balance	 (15,950)	 (2,651)	 13,299	 (8,330)
 FUND BALANCE, July 1	 <u>56,450</u>	 <u>54,520</u>	 <u>(1,930)</u>	 <u>62,850</u>
 FUND BALANCE, June 30	 <u><u>\$ 40,500</u></u>	 <u><u>\$ 51,869</u></u>	 <u><u>\$ 11,369</u></u>	 <u><u>\$ 54,520</u></u>

**CHURCHILL COUNTY, NEVADA
DISTRICT COURT SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Charges for services:				
Security fee	\$ 10,000	\$ 10,929	\$ 929	\$ 10,831
Miscellaneous:				
Interest	-	38	38	-
Total Revenues	<u>10,000</u>	<u>10,967</u>	<u>967</u>	<u>10,831</u>
EXPENDITURES				
Judicial:				
Salaries	6,000	-	6,000	3,000
Benefits	<u>1,725</u>	<u>-</u>	<u>1,725</u>	<u>840</u>
Total Expenditures	<u>7,725</u>	<u>-</u>	<u>7,725</u>	<u>3,840</u>
Net Change in Fund Balance	2,275	10,967	8,692	6,991
FUND BALANCE, July 1	<u>7,156</u>	<u>6,991</u>	<u>(165)</u>	<u>-</u>
FUND BALANCE, June 30	<u><u>\$ 9,431</u></u>	<u><u>\$ 17,958</u></u>	<u><u>\$ 8,527</u></u>	<u><u>\$ 6,991</u></u>

CHURCHILL COUNTY, NEVADA
ADMINISTRATIVE ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Charges for services:				
Administrative assessments	\$ 80,000	\$ 48,585	\$ (31,415)	\$ 62,357
OTHER FINANCING				
SOURCES (USES)				
Transfers out:				
Extraordinary Repairs and Maintenance Fund	<u>(80,000)</u>	<u>(70,000)</u>	<u>10,000</u>	<u>(50,000)</u>
Net Change in Fund Balance	-	(21,415)	(21,415)	12,357
FUND BALANCE, July 1	<u>22,655</u>	<u>32,012</u>	<u>9,357</u>	<u>19,655</u>
FUND BALANCE, June 30	<u><u>\$ 22,655</u></u>	<u><u>\$ 10,597</u></u>	<u><u>\$ (12,058)</u></u>	<u><u>\$ 32,012</u></u>

CHURCHILL COUNTY, NEVADA
WATER RESOURCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 300,000	\$ 300,000	\$ -	\$ 300,000
CWSD Reimbursements	-	33,204	33,204	20,479
Grants-in-aid:				
Federal	245,423	215,754	(29,669)	256,313
Refuge revenue sharing	15,000	17,551	2,551	18,677
	<u>560,423</u>	<u>566,509</u>	<u>6,086</u>	<u>595,469</u>
Charges for services:				
Water right dedication fees	10,000	17,214	7,214	27,896
Miscellaneous:				
Interest	975	1,363	388	859
Other miscellaneous	-	3,886	3,886	3,470
	<u>975</u>	<u>5,249</u>	<u>4,274</u>	<u>4,329</u>
 Total Revenues	 <u>571,398</u>	 <u>588,972</u>	 <u>17,574</u>	 <u>627,694</u>
EXPENDITURES				
General government:				
Salaries	110,801	52,332	58,469	103,081
Benefits	39,377	15,262	24,115	36,422
Services and supplies	466,773	319,490	147,283	303,147
Capital outlay	733,333	3,810	729,523	110,048
	<u>1,350,284</u>	<u>390,894</u>	<u>959,390</u>	<u>552,698</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(778,886)</u>	 <u>198,078</u>	 <u>976,964</u>	 <u>74,996</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital and other assets	550,000	-	(550,000)	81,375
Transfers out:				
Golf Course Enterprise Fund	-	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	<u>550,000</u>	<u>(100,000)</u>	<u>(650,000)</u>	<u>81,375</u>
 Net Change in Fund Balances	 <u>(228,886)</u>	 <u>98,078</u>	 <u>326,964</u>	 <u>156,371</u>
 FUND BALANCE at July 1	 <u>486,422</u>	 <u>562,775</u>	 <u>76,353</u>	 <u>406,404</u>
 FUND BALANCE, June 30	 <u><u>\$ 257,536</u></u>	 <u><u>\$ 660,853</u></u>	 <u><u>\$ 403,317</u></u>	 <u><u>\$ 562,775</u></u>

CHURCHILL COUNTY, NEVADA
INFRASTRUCTURE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 521,250	\$ 611,181	\$ 89,931	\$ 629,512
Miscellaneous:				
Interest	1,000	2,488	1,488	1,769
Total Revenues	<u>522,250</u>	<u>613,669</u>	<u>91,419</u>	<u>631,281</u>
EXPENDITURES				
General government:				
Infrastructure development:				
Services and supplies	10,000	-	10,000	-
Capital outlay	691,667	446,255	245,412	931,803
Total Expenditures	<u>701,667</u>	<u>446,255</u>	<u>255,412</u>	<u>931,803</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(179,417)</u>	<u>167,414</u>	<u>346,831</u>	<u>(300,522)</u>
OTHER FINANCING				
SOURCES (USES)				
Sales of capital and other assets	500,000	332,999	(167,001)	697,500
Transfers out:				
Waste Water Enterprise Fund	(225,000)	(225,000)	-	(125,000)
Total Other Financing Sources (Uses)	<u>275,000</u>	<u>107,999</u>	<u>(167,001)</u>	<u>572,500</u>
Net Change in Fund Balance	95,583	275,413	179,830	271,978
FUND BALANCE, July 1	<u>259,122</u>	<u>663,730</u>	<u>404,608</u>	<u>391,752</u>
FUND BALANCE, June 30	<u><u>\$ 354,705</u></u>	<u><u>\$ 939,143</u></u>	<u><u>\$ 584,438</u></u>	<u><u>\$ 663,730</u></u>

**CHURCHILL COUNTY, NEVADA
RECREATION DONATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Gifts and donations	\$ 7,000	\$ 16,094	\$ 9,094	\$ 12,146
Interest	150	278	128	259
	<u>7,150</u>	<u>16,372</u>	<u>9,222</u>	<u>12,405</u>
Total Revenues				
	<u>7,150</u>	<u>16,372</u>	<u>9,222</u>	<u>12,405</u>
EXPENDITURES				
Culture and recreation:				
Services and supplies	35,000	6,957	28,043	13,395
	<u>35,000</u>	<u>6,957</u>	<u>28,043</u>	<u>13,395</u>
Net Change in Fund Balance	(27,850)	9,415	37,265	(990)
	<u>(27,850)</u>	<u>9,415</u>	<u>37,265</u>	<u>(990)</u>
FUND BALANCE, July 1	<u>52,047</u>	<u>78,848</u>	<u>26,801</u>	<u>79,838</u>
FUND BALANCE, June 30	<u><u>\$ 24,197</u></u>	<u><u>\$ 88,263</u></u>	<u><u>\$ 64,066</u></u>	<u><u>\$ 78,848</u></u>

CHURCHILL COUNTY, NEVADA
INDIGENT HOSPITAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 90,950	\$ 98,261	\$ 7,311	\$ 104,259
Intergovernmental:				
Private car tax	<u>35</u>	<u>34</u>	<u>(1)</u>	<u>35</u>
Total Revenues	90,985	98,295	7,310	104,294
EXPENDITURES				
Welfare:				
Payments to State of Nevada	<u>90,950</u>	<u>78,264</u>	<u>12,686</u>	<u>111,566</u>
Net Change in Fund Balance	35	20,031	19,996	(7,272)
FUND BALANCE, July 1	<u>6,046</u>	<u>(7,807)</u>	<u>(13,853)</u>	<u>(535)</u>
FUND BALANCE, June 30	<u><u>\$ 6,081</u></u>	<u><u>\$ 12,224</u></u>	<u><u>\$ 6,143</u></u>	<u><u>\$ (7,807)</u></u>

CHURCHILL COUNTY, NEVADA
INDIGENT MEDICAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 362,623	\$ 394,705	\$ 32,082	\$ 420,913
Intergovernmental:				
Private car tax	125	136	11	145
Miscellaneous:				
Interest	<u>2,975</u>	<u>4,844</u>	<u>1,869</u>	<u>5,786</u>
Total Revenues	365,723	399,685	33,962	426,844
EXPENDITURES				
Community support:				
Services and supplies	<u>1,026,453</u>	<u>227,160</u>	<u>799,293</u>	<u>323,072</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(660,730)	172,525	833,255	103,772
OTHER FINANCING				
SOURCES (USES)				
Transfers out:				
Social Services Fund	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>	<u>(200,000)</u>
Total Other Financing Sources				
Net Change in Fund Balance	(785,730)	47,525	833,255	(96,228)
FUND BALANCE, July 1	<u>920,281</u>	<u>1,580,283</u>	<u>660,002</u>	<u>1,676,511</u>
FUND BALANCE, June 30	<u><u>\$ 134,551</u></u>	<u><u>\$ 1,627,808</u></u>	<u><u>\$ 1,493,257</u></u>	<u><u>\$ 1,580,283</u></u>

CHURCHILL COUNTY, NEVADA
SENIOR CITIZENS AD VALOREM LEVY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 500	\$ 278	\$ (222)	\$ 701
EXPENDITURES				
Community support:				
Services and supplies	<u>500</u>	<u>550</u>	<u>(50)</u>	<u>475</u>
Net Change in Fund Balance	-	(272)	(272)	226
FUND BALANCE, July 1	<u>-</u>	<u>281</u>	<u>281</u>	<u>55</u>
FUND BALANCE, June 30	<u><u>\$ -</u></u>	<u><u>\$ 9</u></u>	<u><u>\$ 9</u></u>	<u><u>\$ 281</u></u>

CHURCHILL COUNTY, NEVADA
ONE CENT FUEL EXCISE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Optional county motor vehicle fuel tax	\$ 59,969	\$ 56,142	\$ (3,827)	\$ 61,915
Miscellaneous:				
Interest	275	342	67	430
Total Revenues	<u>60,244</u>	<u>56,484</u>	<u>(3,760)</u>	<u>62,345</u>
EXPENDITURES				
Public works:				
Highway and streets:				
Services and supplies	<u>85,000</u>	<u>29,641</u>	<u>55,359</u>	<u>97,700</u>
Net Change in Fund Balance	(24,756)	26,843	51,599	(35,355)
FUND BALANCE, July 1	<u>116,279</u>	<u>103,272</u>	<u>(13,007)</u>	<u>138,627</u>
FUND BALANCE, June 30	<u><u>\$ 91,523</u></u>	<u><u>\$ 130,115</u></u>	<u><u>\$ 38,592</u></u>	<u><u>\$ 103,272</u></u>

CHURCHILL COUNTY, NEVADA
FAIRGROUNDS SALE PROCEEDS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Miscellaneous:				
Interest	\$ 7,750	\$ 6,592	\$ (1,158)	\$ 8,926
EXPENDITURES				
Community support:				
Capital outlay	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balance	(92,250)	6,592	98,842	8,926
FUND BALANCE, July 1	<u>509,651</u>	<u>509,837</u>	<u>186</u>	<u>500,911</u>
FUND BALANCE, June 30	<u><u>\$ 417,401</u></u>	<u><u>\$ 516,429</u></u>	<u><u>\$ 99,028</u></u>	<u><u>\$ 509,837</u></u>

CHURCHILL COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2013

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2012)

	Building Reserve Fund	Special Ad Valorem Capital Projects Fund	Extraordinary Repairs and Maintenance Fund	Fire Equipment Apparatus Fund	TOTALS	
					2013	2012
ASSETS						
Current assets:						
Cash and investments	\$ 1,432,841	\$ 1,198,283	\$ 593,972	\$ 449,585	\$ 3,674,681	\$ 2,986,190
Receivables:						
Property Taxes	-	45,079	-	27,121	72,200	16,161
Interest	351	302	149	113	915	777
Due from other funds	-	3,489	-	2,093	5,582	-
Due from other governments	119,745	-	19,165	-	138,910	8,000
Total Assets	\$ 1,552,937	\$ 1,247,153	\$ 613,286	\$ 478,912	\$ 3,892,288	\$ 3,011,128
LIABILITIES						
Accounts payable	-	\$ 3,015	-	-	\$ 3,015	-
Property taxes refundable	-	-	-	-	-	45,997
Due to other funds	-	-	100,000	-	100,000	-
Due to other governments	-	6,544	-	1,495	8,039	5,675
Deferred revenues	-	5,326	-	3,268	8,594	12,063
Total Liabilities	-	14,885	100,000	4,763	119,648	63,735
FUND BALANCES						
Restricted	-	1,232,268	-	474,149	1,706,417	1,249,297
Committed	58,025	-	-	-	58,025	70,178
Assigned	1,494,912	-	513,286	-	2,008,198	1,627,918
Total Fund Balance	1,552,937	1,232,268	513,286	474,149	3,772,640	2,947,393
Total Liabilities and Fund Balances	\$ 1,552,937	\$ 1,247,153	\$ 613,286	\$ 478,912	\$ 3,892,288	\$ 3,011,128

CHURCHILL COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Building Reserve Fund	Special Ad Valorem Capital Project Fund	Extraordinary Repair and Maintenance Fund	Fire Equipment Apparatus Fund	TOTALS	
					2013	2012
REVENUES						
Taxes	\$ -	\$ 328,034	\$ -	\$ 198,281	\$ 526,315	\$ 560,032
Intergovernmental	96,000	114	48,000	68	144,182	72,192
Miscellaneous	369,725	3,705	38,483	1,271	413,184	558,754
Total Revenues	465,725	331,853	86,483	199,620	1,083,681	1,190,978
EXPENDITURES						
General government	10,080	12,030	144,001	-	166,111	114,029
Public safety	-	-	-	5,409	5,409	286,129
Intergovernmental	-	56,914	-	-	56,914	312,110
Total Expenditures	10,080	68,944	144,001	5,409	228,434	712,268
Excess (Deficiency) of Revenues Over (Under) Expenditures	455,645	262,909	(57,518)	194,211	855,247	478,710
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	70,000	-	70,000	50,000
Transfers out	-	-	(100,000)	-	(100,000)	-
Total Other Financing Sources (Uses)	-	-	(30,000)	-	(30,000)	50,000
Net Change in Fund Balance	455,645	262,909	(87,518)	194,211	825,247	528,710
FUND BALANCE, July 1	1,097,292	969,359	600,804	279,938	2,947,393	2,418,683
FUND BALANCE, June 30	\$ 1,552,937	\$ 1,232,268	\$ 513,286	\$ 474,149	\$ 3,772,640	\$ 2,947,393

CHURCHILL COUNTY, NEVADA
BUILDING RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 48,000	\$ 48,000	\$ -	\$ 24,000
Consolidated intergovernmental taxes	48,000	48,000	-	24,000
	<u>96,000</u>	<u>96,000</u>	<u>-</u>	<u>48,000</u>
Miscellaneous:				
Geothermal rents/royalties	500,000	365,540	(134,460)	500,000
Interest	2,750	4,185	1,435	2,906
	<u>502,750</u>	<u>369,725</u>	<u>(133,025)</u>	<u>502,906</u>
 Total Revenues	 <u>598,750</u>	 <u>465,725</u>	 <u>(133,025)</u>	 <u>550,906</u>
EXPENDITURES				
General government:				
Capital outlay	275,000	10,080	264,920	79,681
Intergovernmental:				
City of Fallon	50,000	-	50,000	235,000
	<u>325,000</u>	<u>10,080</u>	<u>314,920</u>	<u>314,681</u>
 Total Expenditures	 <u>325,000</u>	 <u>10,080</u>	 <u>314,920</u>	 <u>314,681</u>
 Net Change in Fund Balance	 273,750	 455,645	 181,895	 236,225
 FUND BALANCE, July 1	 <u>904,067</u>	 <u>1,097,292</u>	 <u>193,225</u>	 <u>861,067</u>
 FUND BALANCE, June 30	 <u><u>\$ 1,177,817</u></u>	 <u><u>\$ 1,552,937</u></u>	 <u><u>\$ 375,120</u></u>	 <u><u>\$ 1,097,292</u></u>

CHURCHILL COUNTY, NEVADA
SPECIAL AD VALOREM CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 303,167	\$ 328,034	\$ 24,867	\$ 347,098
Intergovernmental:				
Private car tax	115	114	(1)	120
Miscellaneous:				
Interest	2,134	3,705	1,571	2,994
	<u>305,416</u>	<u>331,853</u>	<u>26,437</u>	<u>350,212</u>
Total Revenues				
	<u>305,416</u>	<u>331,853</u>	<u>26,437</u>	<u>350,212</u>
EXPENDITURES				
General government:				
Services and supplies	-	9,015	(9,015)	28,748
Capital outlay	225,000	3,015	221,985	-
	<u>225,000</u>	<u>12,030</u>	<u>212,970</u>	<u>28,748</u>
Intergovernmental:				
City of Fallon	100,000	56,914	43,086	77,110
	<u>100,000</u>	<u>56,914</u>	<u>43,086</u>	<u>77,110</u>
Total Expenditures	<u>325,000</u>	<u>68,944</u>	<u>256,056</u>	<u>105,858</u>
Net Change in Fund Balance	(19,584)	262,909	282,493	244,354
FUND BALANCE, July 1	<u>689,300</u>	<u>969,359</u>	<u>280,059</u>	<u>725,005</u>
FUND BALANCE, June 30	<u><u>\$ 669,716</u></u>	<u><u>\$ 1,232,268</u></u>	<u><u>\$ 562,552</u></u>	<u><u>\$ 969,359</u></u>

CHURCHILL COUNTY, NEVADA
EXTRAORDINARY REPAIRS AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Intergovernmental:				
Consolidated intergovernmental taxes	\$ 48,000	\$ 48,000	\$ -	\$ 24,000
Miscellaneous:				
Geothermal rents/royalties	50,000	36,522	(13,478)	50,000
Interest	1,250	1,961	711	1,777
	<u>51,250</u>	<u>38,483</u>	<u>(12,767)</u>	<u>51,777</u>
Total Revenues	99,250	86,483	(12,767)	75,777
EXPENDITURES				
General government:				
Capital outlay	<u>366,052</u>	<u>144,001</u>	<u>222,051</u>	<u>5,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(266,802)</u>	<u>(57,518)</u>	<u>209,284</u>	<u>70,177</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Administrative Assessment Fund	80,000	70,000	(10,000)	50,000
Transfers out:				
Golf Course Enterprise Fund	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>(30,000)</u>	<u>(110,000)</u>	<u>50,000</u>
Net Change in Fund Balance	(186,802)	(87,518)	99,284	120,177
FUND BALANCE, July 1	<u>600,804</u>	<u>600,804</u>	<u>-</u>	<u>480,627</u>
FUND BALANCE, June 30	<u><u>\$ 414,002</u></u>	<u><u>\$ 513,286</u></u>	<u><u>\$ 99,284</u></u>	<u><u>\$ 600,804</u></u>

CHURCHILL COUNTY, NEVADA
FIRE EQUIPMENT APPARATUS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 184,696	\$ 198,281	\$ 13,585	\$ 212,934
Intergovernmental:				
Private car tax	-	68	68	72
Miscellaneous:				
Interest	785	1,271	486	1,077
	<u>185,481</u>	<u>199,620</u>	<u>14,139</u>	<u>214,083</u>
Total Revenues				
EXPENDITURES				
Public safety:				
Services and supplies	75,000	5,409	69,591	247,738
Capital outlay	370,000	-	370,000	38,391
	<u>445,000</u>	<u>5,409</u>	<u>439,591</u>	<u>286,129</u>
Total Expenditures				
Net Change in Fund Balance	(259,519)	194,211	453,730	(72,046)
FUND BALANCE, July 1	<u>418,476</u>	<u>279,938</u>	<u>(138,538)</u>	<u>351,984</u>
FUND BALANCE, June 30	<u><u>\$ 158,957</u></u>	<u><u>\$ 474,149</u></u>	<u><u>\$ 315,192</u></u>	<u><u>\$ 279,938</u></u>

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - CC COMMUNICATIONS - TELEPHONE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OPERATING REVENUES				
Charges for services:				
Local network services	\$ 2,943,080	\$ 2,837,602	\$ (105,478)	\$ 3,025,815
Network access services	4,475,470	4,280,481	(194,989)	4,395,637
Interstate pooling revenue	3,302,400	4,282,547	980,147	3,984,915
Miscellaneous revenue	714,000	758,635	44,635	775,694
Uncollectible revenue	(10,000)	(18,591)	(8,591)	(9,062)
	<u>11,424,950</u>	<u>12,140,674</u>	<u>715,724</u>	<u>12,172,999</u>
OPERATING EXPENSES				
Plant specific operations	2,201,066	2,145,353	55,713	2,249,614
Plant nonspecific operations	1,132,138	1,393,121	(260,983)	1,406,256
Customer operations	967,661	976,366	(8,705)	1,017,305
Corporate operations	2,307,606	1,951,324	356,282	2,185,328
Payments in lieu of taxes	1,345,451	1,345,450	1	1,256,365
Depreciation and amortization	3,167,538	3,272,251	(104,713)	2,844,203
	<u>11,121,460</u>	<u>11,083,865</u>	<u>37,595</u>	<u>10,959,071</u>
Operating Income (Loss)	<u>303,490</u>	<u>1,056,809</u>	<u>753,319</u>	<u>1,213,928</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	10,000	18,509	8,509	16,397
Interest expense	(45,850)	(44,619)	1,231	(44,887)
Nonregulated income	772,368	768,677	(3,691)	814,956
Nonregulated expense	(398,010)	(515,058)	(117,048)	(546,398)
Miscellaneous income	-	160	160	1,423
Payments in lieu of taxes	(1,164,260)	(1,164,260)	-	(1,186,115)
Donation of community emergency services	(33,000)	-	33,000	(33,000)
Total Nonoperating Revenues (Expenses)	<u>(858,752)</u>	<u>(936,591)</u>	<u>(77,839)</u>	<u>(977,624)</u>
Income (Loss) Before Contributions and Transfers	<u>(555,262)</u>	<u>120,218</u>	<u>675,480</u>	<u>236,304</u>
CAPITAL CONTRIBUTIONS				
Other	-	-	-	372,384
Net Change in Net Position	<u>\$ (555,262)</u>	<u>120,218</u>	<u>\$ 675,480</u>	<u>608,688</u>
NET POSITION, July 1 as originally stated		50,661,694		50,053,006
Prior period adjustment		(16,354)		-
NET POSITION, July 1 as adjusted		<u>50,645,340</u>		<u>50,053,006</u>
NET POSITION, June 30		<u><u>\$ 50,765,558</u></u>		<u><u>\$ 50,661,694</u></u>

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - CC COMMUNICATIONS - TELEPHONE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 12,934,453	\$ 11,893,741
Cash payments for employees	(4,457,824)	(4,427,195)
Cash payments for services and supplies	(3,290,603)	(4,058,387)
Cash payments from other funds for services	(891,141)	(912,678)
Net Cash Provided (Used) by Operating Activities	4,294,885	2,495,481
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Donation of community emergency services	-	(33,000)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property, plant and equipment	(1,161,823)	(8,237,092)
Proceeds from sale of capital assets	20,986	329,952
Demolition cost of disposing of capital assets	(34)	(16,767)
Principal payment on long-term debt	(76,404)	(73,693)
Interest paid on long-term debt	(41,287)	(42,820)
Net Cash Provided (Used) for Capital and Related Financing Activities	(1,258,562)	(8,040,420)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received on investments	18,596	16,552
Net Increase (Decrease) in Cash and Cash Equivalents	3,054,919	(5,561,387)
CASH AND CASH EQUIVALENTS, July 1	6,877,159	12,438,546
CASH AND CASH EQUIVALENTS, June 30	\$ 9,932,078	\$ 6,877,159
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 1,056,809	\$ 1,213,928
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense - regulated plant	3,272,251	2,844,203
Income from nonregulated operations, net of expenses	(891,141)	(912,678)
Miscellaneous income	160	1,423
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	666,580	(248,505)
Due from other funds	133,251	(32,936)
Prepaid expenses	(51,356)	13,160
Inventory of materials and supplies	125,347	(172,048)
Increase (decrease) in:		
Accounts payable	(35,280)	(463,484)
Customer deposits	(6,210)	760
Other accrued liabilities	(14,804)	37,148
Other postemployment benefits liability	83,108	173,542
Compensated absences	(43,830)	40,968
Net Cash Provided (Used) by Operating Activities	\$ 4,294,885	\$ 2,495,481
SUPPLEMENTAL SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
Noncash asset acquired	\$ -	\$ 372,384

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - CC COMMUNICATIONS - BROADBAND FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OPERATING REVENUES				
Charges for services:				
Digital	\$ 1,725,200	\$ 1,641,153	\$ (84,047)	\$ 1,710,581
Internet	1,054,600	1,072,791	18,191	1,113,355
Uncollectible revenue	<u>(3,300)</u>	<u>(32,409)</u>	<u>(29,109)</u>	<u>(7,065)</u>
Total Operating Revenues	<u>2,776,500</u>	<u>2,681,535</u>	<u>(94,965)</u>	<u>2,816,871</u>
OPERATING EXPENSES				
Customer operations:				
Digital	196,686	225,218	(28,532)	204,015
Internet	420,240	365,927	54,313	402,385
Network operations:				
Digital	520,972	399,035	121,937	592,931
Internet	92,581	32,745	59,836	48,022
Corporate operations	189,739	218,331	(28,592)	205,573
Access charges	1,005,000	1,058,911	(53,911)	1,061,324
Miscellaneous operating expense:				
Digital	34,000	63,076	(29,076)	60,429
Internet	5,000	9,593	(4,593)	9,304
Depreciation:				
Digital	280,000	327,697	(47,697)	281,419
CAP	-	28,181	(28,181)	2,871
Internet	<u>34,000</u>	<u>35,912</u>	<u>(1,912)</u>	<u>32,339</u>
Total Operating Expenses	<u>2,778,218</u>	<u>2,764,626</u>	<u>13,592</u>	<u>2,900,612</u>
Operating Income (Loss)	<u>(1,718)</u>	<u>(83,091)</u>	<u>(81,373)</u>	<u>(83,741)</u>
NONOPERATING REVENUES (EXPENSES)				
Miscellaneous income	-	11,878	11,878	4,945
Miscellaneous nonoperating expense	-	(29)	(29)	-
Rental income	<u>36,000</u>	<u>65,388</u>	<u>29,388</u>	<u>58,138</u>
Total Nonoperating Revenues (Expenses)	<u>36,000</u>	<u>77,237</u>	<u>41,237</u>	<u>63,083</u>
Net Change in Net Position	<u>\$ 34,282</u>	<u>\$ (5,854)</u>	<u>\$ (40,136)</u>	<u>\$ (20,658)</u>
NET POSITION, July 1		<u>2,022,040</u>		<u>2,042,698</u>
NET POSITION, June 30		<u>\$ 2,016,186</u>		<u>\$ 2,022,040</u>

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - CC COMMUNICATIONS - BROADBAND FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and others	\$ 2,787,006	\$ 2,594,909
Cash payments for employees	(669,172)	(798,784)
Cash payments for services and supplies	(1,702,424)	(1,770,576)
Net Cash Provided (Used) for Operating Activities	415,410	25,549
 CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of equipment	(120,568)	(562,164)
Net Increase (Decrease) in Cash and Cash Equivalents	294,842	(536,615)
 CASH AND CASH EQUIVALENTS, July 1	459,396	996,011
CASH AND CASH EQUIVALENTS, June 30	\$ 754,238	\$ 459,396
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (83,091)	\$ (83,741)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	391,790	316,629
Miscellaneous revenue	11,851	5,040
Rental income	65,388	58,041
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	33,192	(284,479)
Inventory	(4,432)	(8,877)
Prepaid expenses	(1,099)	-
Increase (decrease) in:		
Accounts payable	1,789	(43)
Due to other funds	(11,525)	(948)
Other postemployment benefits liability	11,547	23,927
Net Cash Provided (used) for Operating Activities	\$ 415,410	\$ 25,549

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - WASTE WATER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OPERATING REVENUES				
Charges for services:				
Service charges	\$ 111,300	\$ 544,833	\$ 433,533	\$ 424,384
Uncollectible revenue	-	(225,264)	(225,264)	(140,115)
Total Operating Revenues	<u>111,300</u>	<u>319,569</u>	<u>208,269</u>	<u>284,269</u>
OPERATING EXPENSES				
Telephone	3,000	3,119	(119)	3,021
Contracted services	190,200	192,659	(2,459)	220,088
Operating supplies	15,650	26,536	(10,886)	9,819
Repairs and maintenance	203,000	22,196	180,804	11,319
Utilities	20,000	27,093	(7,093)	25,758
Miscellaneous	500	403	97	-
Depreciation	825,000	829,880	(4,880)	825,177
Total Operating Expenses	<u>1,257,350</u>	<u>1,101,886</u>	<u>155,464</u>	<u>1,095,182</u>
Operating Income (Loss)	<u>(1,146,050)</u>	<u>(782,317)</u>	<u>363,733</u>	<u>(810,913)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	400	1,741	1,341	1,108
Bad debt	(125,000)	(266,346)	(141,346)	(172,441)
Miscellaneous	-	402	402	-
Total Nonoperating Revenues (Expenses)	<u>(124,600)</u>	<u>(264,203)</u>	<u>(139,603)</u>	<u>(171,333)</u>
Income (Loss) Before Contributions and Transfers	<u>(1,270,650)</u>	<u>(1,046,520)</u>	<u>224,130</u>	<u>(982,246)</u>
CAPITAL CONTRIBUTIONS				
Federal grants	-	15,137	15,137	78,928
TRANSFERS				
Transfers in:				
Infrastructure Tax	225,000	225,000	-	125,000
Risk Management	-	-	-	100,000
Total Transfers	<u>225,000</u>	<u>225,000</u>	<u>-</u>	<u>225,000</u>
Net Change in Net Position	<u>\$ (1,045,650)</u>	<u>(806,383)</u>	<u>\$ 239,267</u>	<u>(678,318)</u>
NET POSITION, July 1		21,822,295		22,500,613
Prior period adjustment		(1,572,981)		-
NET POSITION, July 1 as adjusted		<u>20,249,314</u>		<u>22,500,613</u>
NET POSITION, June 30		<u>\$ 19,442,931</u>		<u>\$ 21,822,295</u>

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - WASTE WATER ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 200,351	\$ 234,082
Cash payments for services and supplies	(286,589)	(282,391)
Net Cash Provided (Used) for Operating Activities	(86,238)	(48,309)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer from:		
Risk Management	-	100,000
Infrastructure Tax	225,000	125,000
Net Cash Provided (Used) for Non-capital Financing Activities	225,000	225,000
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital federal grants	15,137	100,699
Purchase of property, plant and equipment	(8,028)	(86,037)
Net Cash Provided (Used) for Capital and Related Financing Activities	7,109	14,662
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received on investments	1,710	1,130
Net Cash Provided (Used) for Investing Activities	1,710	1,130
Net Increase (Decrease) in Cash and Cash Equivalents	147,581	192,483
CASH AND CASH EQUIVALENTS, July 1	507,585	315,102
CASH AND CASH EQUIVALENTS, June 30	\$ 655,166	\$ 507,585
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (782,317)	\$ (810,913)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	829,880	825,177
Miscellaneous revenue	402	-
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(119,620)	(61,826)
Due from other funds	-	11,639
Increase (decrease) in:		
Accounts payable	(14,583)	(12,386)
Net Cash Provided (used) for Operating Activities	\$ (86,238)	\$ (48,309)

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - UTILITY ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OPERATING REVENUES				
Charges for services:				
Service charges	\$ 222,500	\$ 567,286	\$ 344,786	\$ 451,344
Uncollectible revenue	-	(207,048)	(207,048)	(79,240)
Total Operating Revenues	<u>222,500</u>	<u>360,238</u>	<u>137,738</u>	<u>372,104</u>
OPERATING EXPENSES				
Telephone	5,000	5,188	(188)	4,968
Contracted services	155,750	137,066	18,684	142,409
Operating supplies	9,000	10,102	(1,102)	4,889
Repairs and maintenance	151,000	6,208	144,792	3,082
Utilities	17,500	25,353	(7,853)	24,037
Depreciation	300,000	283,212	16,788	282,864
Total Operating Expenses	<u>638,250</u>	<u>467,129</u>	<u>171,121</u>	<u>462,249</u>
Operating Income (Loss)	<u>(415,750)</u>	<u>(106,891)</u>	<u>308,859</u>	<u>(90,145)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	1,000	2,271	1,271	1,793
Bad debt	(125,000)	(242,127)	(117,127)	(148,230)
Total Nonoperating Revenues (Expenses)	<u>(124,000)</u>	<u>(239,856)</u>	<u>(115,856)</u>	<u>(146,437)</u>
Income (Loss) Before Transfers	<u>(539,750)</u>	<u>(346,747)</u>	<u>193,003</u>	<u>(236,582)</u>
TRANSFERS				
Transfers in:				
Risk Management Fund	-	-	-	100,000
Net Change in Net Position	<u>\$ (539,750)</u>	<u>(346,747)</u>	<u>\$ 193,003</u>	<u>(136,582)</u>
NET POSITION, July 1		<u>10,597,476</u>		<u>10,734,058</u>
NET POSITION, June 30		<u>\$ 10,250,729</u>		<u>\$ 10,597,476</u>

CHURCHILL COUNTY, NEVADA
MAJOR ENTERPRISE FUND - UTILITY ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 272,216	\$ 260,159
Cash payments for services and supplies	(184,416)	(189,345)
Net Cash Provided (Used) for Operating Activities	87,800	70,814
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer from:		
Risk Management	-	100,000
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property, plant and equipment	(4,876)	-
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received on investments	2,258	1,860
Net Cash Provided (Used) for Investing Activities	2,258	1,860
Net Increase (Decrease) in Cash and Cash Equivalents	85,182	172,674
CASH AND CASH EQUIVALENTS, July 1	670,096	497,422
CASH AND CASH EQUIVALENTS, June 30 (including restricted cash of \$212,586)	\$ 755,278	\$ 670,096
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (106,891)	\$ (90,145)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	283,212	282,864
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(88,922)	(111,745)
Increase (decrease) in:		
Accounts payable	(499)	1,679
Customer deposits	900	(200)
Due to other funds	-	(11,639)
Net Cash Provided (used) for Operating Activities	\$ 87,800	\$ 70,814

CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION

JUNE 30, 2013

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 1 of 2)

	CC Communications			CC Communications		Totals	
	Wireless Fund	Long Distance Fund	Managed Data Services Fund	Golf Course Fund	2013	2012	
ASSETS							
Current assets:							
Cash	\$ -	\$ 900,105	\$ 1,775,804	\$ -	\$ 2,675,909	\$ 3,307,729	
Receivables:							
Trade accounts receivable, net	-	55,658	37,720	-	93,378	243,862	
Other accounts receivable, net	-	-	-	1,651	1,651	-	
Due from other funds	-	-	-	200,000	200,000	-	
Inventory	-	-	935	-	935	88,360	
Prepaid expense	-	135	147	-	282	-	
Total Current Assets	-	955,898	1,814,606	201,651	2,972,155	3,639,951	
Other Noncurrent Assets:							
Goodwill	-	-	118,334	-	118,334	-	
Capital Assets:							
Being depreciated	-	-	505,647	202,911	708,558	-	
Not being depreciated	-	-	425	516,575	517,000	-	
Less:							
Accumulated depreciation	-	-	506,072	719,486	1,225,558	-	
Total Capital Assets	-	-	23,807	4,767	28,574	-	
Total Noncurrent Assets	-	-	482,265	714,719	1,196,984	-	
Total Assets	-	955,898	2,415,205	916,370	4,287,473	3,639,951	

**CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION**

JUNE 30, 2013

**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
(Page 2 of 2)**

	Totals					
	CC Communications Wireless Fund	CC Communications Long Distance Fund	CC Communications Managed Data Services Fund	Golf Course Fund	2013	2012
LIABILITIES						
Current Liabilities:						
Accounts payable	-	-	-	-	-	\$ 66,170
Contracts payable	-	-	51,301	-	51,301	-
Customer deposits	-	-	-	-	-	6,295
Accrued interest	-	-	-	-	-	37
Due to other funds	-	28,073	171,980	202,958	403,011	321,781
Total Current Liabilities	-	28,073	223,281	202,958	454,312	394,283
Noncurrent Liabilities:						
Due in more than one year:						
Contracts payable	-	-	8,333	-	8,333	-
Other post employment: Benefits payable	-	29,011	129,423	-	158,434	143,960
Total Noncurrent Liabilities	-	29,011	137,756	-	166,767	143,960
Total Liabilities	-	57,084	361,037	202,958	621,079	538,243
NET POSITION						
Net investment in capital assets Unrestricted	-	898,814	482,265 1,571,903	714,719 (1,307)	1,196,984 2,469,410	- 3,101,708
Total Net Position	-	898,814	2,054,168	713,412	3,666,394	\$ 3,101,708

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CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Totals						
	CC Communications Wireless Fund	CC Communications Long Distance Fund	CC Communications Managed Data Services Fund	Golf Course Fund	2012	2013	2012
OPERATING REVENUES							
Charges for sales and services	\$ 1,052,135	\$ 614,429	\$ 174,645	\$ 7,651	\$	\$ 1,848,860	\$ 3,507,922
OPERATING EXPENSES							
Current:							
Customer operations	338,842	55,633	14,875	-	-	409,350	851,495
Network operations	440,737	141,075	-	-	-	581,812	1,328,397
Corporate operations	51,558	63,342	51,714	-	-	166,614	188,885
Access charges	-	143,376	-	-	-	143,376	158,813
Equipment sales expense	101,721	-	-	-	-	101,721	256,074
Networking - Data services	-	-	336,904	-	-	336,904	-
Networking - Web services	-	-	98,605	-	-	98,605	-
Networking - Computer & networking	-	-	110,351	-	-	110,351	-
Warehouse/Inventory	-	-	14,562	-	-	14,562	-
Miscellaneous operating expenses	-	5,499	-	89,472	-	94,971	5,124
Depreciation and amortization	-	-	23,807	4,767	-	28,574	-
Total Operating Expenses	932,858	408,925	650,818	94,239	2,086,840	2,788,788	2,788,788
Operating Income (Loss)	119,277	205,504	(476,173)	(86,588)	(237,980)	(237,980)	719,134
NONOPERATING REVENUES (EXPENSES)							
Interest income	1,812	-	895	-	-	2,707	2,498
Interest expense	(41)	-	-	-	-	(41)	(9)
Total Nonoperating Revenues (Expenses)	1,771	-	895	-	-	2,666	2,489
Income (Loss) Before Contributions and Transfers	121,048	205,504	(475,278)	(86,588)	(86,588)	(235,314)	721,623
TRANSFERS IN							
TRANSFERS OUT	(2,529,446)	-	2,529,446	800,000	-	3,329,446	-
Total Transfers	(2,529,446)	-	2,529,446	800,000	-	(2,529,446)	-
Change in Net Position	(2,408,398)	205,504	2,054,168	713,412	-	564,686	721,623
NET POSITION, July 1	2,408,398	693,310	-	-	-	3,101,708	2,380,085
NET POSITION, June 30	-	\$ 898,814	\$ 2,054,168	\$ 713,412	\$	\$ 3,666,394	\$ 3,101,708

CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
 (Page 1 of 2)

	Totals				
	CC Communications Wireless Fund	CC Communications Long Distance Fund	CC Communications Managed Data Services Fund	Golf Course Fund	2012
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	1,226,192	608,889	156,608	6,000	\$ 3,264,060
Cash payments for employees	(273,972)	(194,700)	(385,572)	-	(791,353)
Cash payments for services and supplies	(844,445)	(220,126)	(140,871)	(86,514)	(1,933,264)
Net Cash Provided (Used) by Operating Activities	107,775	194,063	(369,835)	(80,514)	519,443
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer in	-	-	2,711,233	800,000	3,511,233
Transfer out	(2,711,233)	-	-	-	(2,711,233)
Net Cash Provided (Used) by Non-capital Financing Activities	(2,711,233)	-	2,711,233	800,000	-
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of goodwill	-	-	(60,417)	-	(60,417)
Purchase of property, plant and equipment	-	-	(506,072)	(719,486)	(1,225,558)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(566,489)	(719,486)	(1,285,975)
CASH FLOW FROM INVESTING ACTIVITIES					
Interest received on investments	1,771	-	895	-	2,666
Net Increase (Decrease) in Cash and Cash Equivalents	(2,601,687)	194,063	1,775,804	-	(631,820)
CASH AND CASH EQUIVALENTS, July 1	2,601,687	706,042	-	-	3,307,729
CASH AND CASH EQUIVALENTS, June 30	-	\$ 900,105	\$ 1,775,804	\$ -	\$ 3,307,729

CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)
 (Page 2 of 2)

	Totals			
	2013	2012	2013	2012
	CC Communications Wireless Fund	CC Communications Long Distance Fund	CC Communications Managed Data Services Fund	Golf Course Fund
\$	119,277	205,504	(476,173)	(86,588)
	-	-	23,807	4,767
	174,057	(5,540)	(18,034)	(1,651)
	-	-	-	-
	88,360	-	(935)	-
	-	(135)	(147)	-
	14,224	-	1,717	-
	(1,303)	-	-	-
	(37)	-	-	-
	(6,295)	-	-	-
	4,284	3,148	50,331	-
	(284,792)	(8,914)	49,599	-
\$	<u>107,775</u>	<u>194,063</u>	<u>(369,835)</u>	<u>2,958</u>
			<u>(80,514)</u>	<u>519,443</u>

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED
 (USED) BY OPERATING ACTIVITIES:**

Operating income (loss)	\$ 719,134
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	-
Changes in certain assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	148,832
Accounts receivable other	-
Due from other funds	-
Inventory	-
Prepaid expenses	87,425
Increase (decrease) in:	
Accounts payable	(282)
Accounts payable - other	15,941
Accrued Interest	(1,303)
Customer deposits	(37)
Other postemployment benefits	(6,295)
Due to other funds	57,763
Net Cash Provided (Used) by Operating Activities	\$ (241,149)

**NONCASH INVESTING AND CAPITAL AND RELATED
 FINANCING ACTIVITIES**

Transfers	\$ 181,787
Goodwill purchase with contracts payable	\$ 57,917

CHURCHILL COUNTY, NEVADA
CC COMMUNICATIONS - WIRELESS FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OPERATING REVENUES				
Charges for services:				
Initiation fees	\$ 30,000	\$ 23,672	\$ (6,328)	\$ 51,036
Service charges	1,855,000	728,396	(1,126,604)	1,982,860
Local air time	60,000	35,342	(24,658)	109,168
Roamer air time	60,000	-	(60,000)	25,014
Miscellaneous revenue	353,000	280,920	(72,080)	486,634
Equipment sales/installation	194,000	9,980	(184,020)	169,814
Uncollectible revenue	(8,000)	(26,175)	(18,175)	762
	<u>2,544,000</u>	<u>1,052,135</u>	<u>(1,491,865)</u>	<u>2,825,288</u>
OPERATING EXPENSES				
Customer operations	660,164	338,842	321,322	786,565
Network operations	1,319,500	440,737	878,763	1,193,726
Corporate operations	228,974	51,558	177,416	111,728
Equipment sales expense	303,807	101,721	202,086	256,074
	<u>2,512,445</u>	<u>932,858</u>	<u>1,579,587</u>	<u>2,348,093</u>
Total Operating Expenses	<u>2,512,445</u>	<u>932,858</u>	<u>1,579,587</u>	<u>2,348,093</u>
Operating Income (Loss)	<u>31,555</u>	<u>119,277</u>	<u>87,722</u>	<u>477,195</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	-	1,812	1,812	2,498
Interest expense	-	(41)	(41)	(9)
	<u>-</u>	<u>1,771</u>	<u>1,771</u>	<u>2,489</u>
Total Nonoperating Revenues	<u>-</u>	<u>1,771</u>	<u>1,771</u>	<u>2,489</u>
Income (Loss) Before Transfers	31,555	121,048	89,493	479,684
TRANSFERS				
Transfers out:				
CC Communications - Managed Data Services	-	(2,529,446)	(2,529,446)	-
	<u>-</u>	<u>(2,529,446)</u>	<u>(2,529,446)</u>	<u>-</u>
Net Change in Net Position	<u>\$ 31,555</u>	<u>\$ (2,408,398)</u>	<u>\$ (2,439,953)</u>	<u>479,684</u>
NET POSITION, July 1		<u>2,408,398</u>		<u>1,928,714</u>
NET POSITION, June 30		<u>\$ -</u>		<u>\$ 2,408,398</u>

CHURCHILL COUNTY, NEVADA
CC COMMUNICATIONS - WIRELESS FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 1,226,192	\$ 2,631,546
Cash payments for employees	(273,972)	(583,253)
Cash payments for services and supplies	(844,445)	(1,717,322)
Net Cash Provided (Used) by Operating Activities	107,775	330,971
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer to CC Communications - Managed Data Services	(2,711,233)	-
 CASH FLOW FROM INVESTING ACTIVITIES		
Interest received on investments	1,771	3,285
Net Increase (Decrease) in Cash and Cash Equivalents	(2,601,687)	334,256
 CASH AND CASH EQUIVALENTS, July 1	2,601,687	2,267,431
CASH AND CASH EQUIVALENTS, June 30	\$ -	\$ 2,601,687
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 119,277	\$ 477,195
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	174,057	(193,743)
Inventory	88,360	4,782
Increase (decrease) in:		
Accounts payable	14,224	(15,107)
Customer deposits	(6,295)	(2,111)
Accounts payable - other	(1,303)	-
Accrued interest	(37)	-
Due to other funds	(284,792)	42,939
Other postemployment benefits liability	4,284	17,016
Net Cash Provided (Used) by Operating Activities	\$ 107,775	\$ 330,971
 SUPPLEMENTAL CASH FLOW INFORMATION:		
Transfer of assets and liabilities to CC Communications - Managed Data Services	\$ 181,787	\$ -

CHURCHILL COUNTY, NEVADA
CC COMMUNICATIONS - LONG DISTANCE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2012</u>
OPERATING REVENUES				
Charges for services:				
Service charges	\$ 615,090	\$ 612,779	\$ (2,311)	\$ 677,672
Uncollectible revenue	(90)	1,650	1,740	4,962
	<u>615,000</u>	<u>614,429</u>	<u>(571)</u>	<u>682,634</u>
OPERATING EXPENSES				
Customer operations	57,745	55,633	2,112	64,930
Network operations	126,610	141,075	(14,465)	134,671
Corporate operations	77,659	63,342	14,317	77,157
Access charges	170,500	143,376	27,124	158,813
Miscellaneous operating expense	3,600	5,499	(1,899)	5,124
	<u>436,114</u>	<u>408,925</u>	<u>27,189</u>	<u>440,695</u>
Net Change in Net Position	<u>\$ 178,886</u>	205,504	<u>\$ 26,618</u>	241,939
NET POSITION, July 1		<u>693,310</u>		<u>451,371</u>
NET POSITION, June 30		<u>\$ 898,814</u>		<u>\$ 693,310</u>

CHURCHILL COUNTY, NEVADA
CC COMMUNICATIONS - LONG DISTANCE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 608,889	\$ 632,514
Cash payments for employees	(194,700)	(208,100)
Cash payments for services and supplies	(220,126)	(235,942)
Net Cash Provided (Used) by Operating Activities	<u>194,063</u>	<u>188,472</u>
CASH AND CASH EQUIVALENTS, July 1	<u>706,042</u>	<u>517,570</u>
CASH AND CASH EQUIVALENTS, June 30	<u><u>\$ 900,105</u></u>	<u><u>\$ 706,042</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 205,504	\$ 241,939
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in certain assets and liabilities:		
(Increase) Decrease in:		
Accounts receivable	(5,540)	(50,118)
Prepaid expenses	(135)	-
Increase (Decrease) in:		
Due to other funds	(8,914)	(9,055)
Other postemployment benefits liability	3,148	5,706
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 194,063</u></u>	<u><u>\$ 188,472</u></u>

CHURCHILL COUNTY, NEVADA
CC COMMUNICATIONS - MANAGED DATA SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
OPERATING REVENUES			
Charges for services:			
Data services	\$ 585,000	\$ 28,407	\$ (556,593)
Web services	80,000	86,831	6,831
Computer & networking support	<u>46,700</u>	<u>59,407</u>	<u>12,707</u>
 Total Operating Revenues	 <u>711,700</u>	 <u>174,645</u>	 <u>(537,055)</u>
OPERATING EXPENSES			
Networking - Data services	403,060	336,904	66,156
Networking - Web services	67,090	98,605	(31,515)
Networking - Computer & networking	62,932	110,351	(47,419)
Warehouse/Inventory	-	14,562	(14,562)
Customer operations	75,000	14,875	60,125
Corporate operations	119,000	51,714	67,286
Depreciation	<u>65,000</u>	<u>23,807</u>	<u>41,193</u>
 Total Operating Expenses	 <u>792,082</u>	 <u>650,818</u>	 <u>141,264</u>
 Operating Income (Loss)	 <u>(80,382)</u>	 <u>(476,173)</u>	 <u>(395,791)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	<u>-</u>	<u>895</u>	<u>895</u>
 Income (Loss) Before Contributions and Transfers	 <u>(80,382)</u>	 <u>(475,278)</u>	 <u>(394,896)</u>
TRANSFERS			
CC Communications - Wireless	<u>-</u>	<u>2,529,446</u>	<u>2,529,446</u>
 Net Change in Net Position	 <u>\$ (80,382)</u>	 <u>\$ 2,054,168</u>	 <u>\$ 2,134,550</u>
 NET POSITION, July 1		 <u>-</u>	
 NET POSITION, June 30		 <u><u>\$ 2,054,168</u></u>	

CHURCHILL COUNTY, NEVADA
CC COMMUNICATIONS - MANAGED DATA SERVICES FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

	2013
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 156,608
Cash payments for employees	(385,572)
Cash payments for services and supplies	(140,871)
Net Cash Provided (Used) by Operating Activities	(369,835)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer from CC Communications - Wireless	2,711,233
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of goodwill	(60,417)
Purchase of equipment	(506,072)
Net Cash Provided (Used) by Capital and Related Financing Activities	(566,489)
CASH FLOW FROM INVESTING ACTIVITIES	
Interest received on investments	895
Net Increase (Decrease) in Cash and Cash Equivalents	1,775,804
CASH AND CASH EQUIVALENTS, July 1	-
CASH AND CASH EQUIVALENTS, June 30	\$ 1,775,804
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (476,173)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	23,807
Changes in certain assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	(18,034)
Inventory	(935)
Prepaid expenses	(147)
Increase (decrease) in:	
Accounts payable	1,717
Due to other funds	49,599
Other postemployment benefits liability	50,331
Net Cash Provided (Used) by Operating Activities	\$ (369,835)
SUPPLEMENTAL SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:	
Goodwill purchase with contracts payable	\$ 57,917
SUPPLEMENTAL CASH FLOW INFORMATION:	
Transfer of assets and liabilities from CC Communications - Wireless	\$ 181,787

CHURCHILL COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
OPERATING REVENUES			
Charges for services:			
Golf course lease	\$ -	\$ 1,651	\$ 1,651
Miscellaneous	-	6,000	6,000
	<u>-</u>	<u>7,651</u>	<u>7,651</u>
Total Operating Revenues	<u>-</u>	<u>7,651</u>	<u>7,651</u>
OPERATING EXPENSES			
Supplies	-	89,472	(89,472)
Depreciation	-	4,767	(4,767)
	<u>-</u>	<u>94,239</u>	<u>(94,239)</u>
Total Operating Expenses	<u>-</u>	<u>94,239</u>	<u>(94,239)</u>
Operating Income (Loss)	<u>-</u>	<u>(86,588)</u>	<u>(86,588)</u>
TRANSFERS			
Transfers in:			
General Fund	-	600,000	600,000
Water Resource Fund	-	100,000	100,000
Extraordinary Repairs and Maintenance Fund	-	100,000	100,000
	<u>-</u>	<u>800,000</u>	<u>800,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>800,000</u>	<u>800,000</u>
Net Change in Net Position	<u>\$ -</u>	<u>\$ 713,412</u>	<u>\$ 713,412</u>
NET POSITION, July 1		<u>-</u>	
NET POSITION, June 30		<u>\$ 713,412</u>	

**CHURCHILL COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

	2013
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 6,000
Cash payments for services and supplies	(86,514)
Net Cash Provided (Used) by Operating Activities	(80,514)
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	800,000
 CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of equipment	(719,486)
Net Increase (Decrease) in Cash and Cash Equivalents	-
CASH AND CASH EQUIVALENTS, July 1	-
CASH AND CASH EQUIVALENTS, June 30	\$ -
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (86,588)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	4,767
Changes in certain assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	(1,651)
Increase (decrease) in:	
Due to other funds	2,958
Net Cash Provided (Used) by Operating Activities	\$ (80,514)

CHURCHILL COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013
(Page 1 of 4)

	<u>BALANCE</u> <u>JULY 1, 2012</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2013</u>
State of Nevada				
ASSETS				
Cash	\$ 55,929	\$ 1,503,222	\$ 1,526,858	\$ 32,293
Accounts receivable	67	-	52	15
Taxes receivable	7,532	127,560	-	135,092
	<u>\$ 63,528</u>	<u>\$ 1,630,782</u>	<u>\$ 1,526,910</u>	<u>\$ 167,400</u>
LIABILITIES				
Accounts payable	\$ -	\$ 2,491	\$ -	\$ 2,491
Due to other governments	63,528	1,534,512	1,433,131	164,909
	<u>\$ 63,528</u>	<u>\$ 1,537,003</u>	<u>\$ 1,433,131</u>	<u>\$ 167,400</u>
City of Fallon				
ASSETS				
Cash	\$ 21,043	\$ 1,615,398	\$ 1,608,300	\$ 28,141
Taxes receivable	27,542	-	23,802	3,740
	<u>\$ 48,585</u>	<u>\$ 1,615,398</u>	<u>\$ 1,632,102</u>	<u>\$ 31,881</u>
LIABILITIES				
Due to other governments	\$ 48,585	\$ 1,591,596	\$ 1,608,300	\$ 31,881
	<u>\$ 48,585</u>	<u>\$ 1,591,596</u>	<u>\$ 1,608,300</u>	<u>\$ 31,881</u>
Range Improvement Districts Number 2, Number 3, and Number 6				
ASSETS				
Cash	\$ 1,744	\$ 8,665	\$ 7,884	\$ 2,525
LIABILITIES				
Due to other governments	\$ 1,744	\$ 8,665	\$ 7,884	\$ 2,525
	<u>\$ 1,744</u>	<u>\$ 8,665</u>	<u>\$ 7,884</u>	<u>\$ 2,525</u>
Truckee-Carson Irrigation District				
ASSETS				
Cash	\$ 5,848	\$ 2,702,795	\$ 2,702,891	\$ 5,752
Taxes receivable				
LIABILITIES				
Due to other governments	\$ 5,848	\$ 2,702,795	\$ 2,702,891	\$ 5,752
	<u>\$ 5,848</u>	<u>\$ 2,702,795</u>	<u>\$ 2,702,891</u>	<u>\$ 5,752</u>
State of Nevada Department of Wildlife				
ASSETS				
Cash	\$ 3,916	\$ 1,179	\$ 548	\$ 4,547
LIABILITIES				
Due to other governments	\$ 3,916	\$ 1,179	\$ 548	\$ 4,547
	<u>\$ 3,916</u>	<u>\$ 1,179</u>	<u>\$ 548</u>	<u>\$ 4,547</u>
Churchill County School District Operating				
ASSETS				
Cash	\$ 203,739	\$ 4,447,905	\$ 4,522,146	\$ 129,498
Taxes receivable	40,979	555,370	-	596,349
Due from other governments	134,640	-	98,550	36,090
	<u>\$ 379,358</u>	<u>\$ 5,003,275</u>	<u>\$ 4,620,696</u>	<u>\$ 761,937</u>
LIABILITIES				
Due to other governments	\$ 379,358	\$ 5,003,275	\$ 4,620,696	\$ 761,937
	<u>\$ 379,358</u>	<u>\$ 5,003,275</u>	<u>\$ 4,620,696</u>	<u>\$ 761,937</u>

CHURCHILL COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013
(Page 2 of 4)

	<u>BALANCE</u> <u>JULY 1, 2012</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2013</u>
Churchill County School District				
Debt Service				
ASSETS				
Cash	\$ 135,739	\$ 3,159,080	\$ 3,204,060	\$ 90,759
Taxes receivable	30,051	407,289	-	437,340
	<u>\$ 165,790</u>	<u>\$ 3,566,369</u>	<u>\$ 3,204,060</u>	<u>\$ 528,099</u>
LIABILITIES				
Due to other governments	<u>\$ 165,790</u>	<u>\$ 3,566,369</u>	<u>\$ 3,204,060</u>	<u>\$ 528,099</u>
Churchill County Mosquito				
Abatement District				
ASSETS				
Cash	\$ 65,361	\$ 790,096	\$ 791,481	\$ 63,976
Taxes receivable	4,368	59,240	-	63,608
Due from other governments	56,478	2,713	-	59,191
	<u>\$ 126,207</u>	<u>\$ 852,049</u>	<u>\$ 791,481</u>	<u>\$ 186,775</u>
LIABILITIES				
Due to other governments	<u>\$ 126,207</u>	<u>\$ 852,049</u>	<u>\$ 791,481</u>	<u>\$ 186,775</u>
Scholarship Trust				
ASSETS				
Cash	\$ 9,757	\$ 5,248	\$ 4,305	\$ 10,700
Interest receivable	3	-	-	3
	<u>\$ 9,760</u>	<u>\$ 5,248</u>	<u>\$ 4,305</u>	<u>\$ 10,703</u>
LIABILITIES				
Funds held in trust for others	<u>\$ 9,760</u>	<u>\$ 5,248</u>	<u>\$ 4,305</u>	<u>\$ 10,703</u>
Court Clerk Trust				
ASSETS				
Cash	<u>\$ 309,967</u>	<u>\$ 27,231</u>	<u>\$ 51,680</u>	<u>\$ 285,518</u>
LIABILITIES				
Due to others	<u>\$ 309,967</u>	<u>\$ 27,231</u>	<u>\$ 51,680</u>	<u>\$ 285,518</u>
Justice Court Trust				
ASSETS				
Cash	<u>\$ 93,487</u>	<u>\$ 90,086</u>	<u>\$ 130,296</u>	<u>\$ 53,277</u>
LIABILITIES				
Due to others	<u>\$ 93,487</u>	<u>\$ 90,086</u>	<u>\$ 130,296</u>	<u>\$ 53,277</u>
Miscellaneous Trust				
ASSETS				
Cash	<u>\$ 1,741</u>	<u>\$ 401</u>	<u>\$ 125</u>	<u>\$ 2,017</u>
LIABILITIES				
Due to others	<u>\$ 1,741</u>	<u>\$ 401</u>	<u>\$ 125</u>	<u>\$ 2,017</u>

CHURCHILL COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013
(Page 3 of 4)

	<u>BALANCE JULY 1, 2012</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2013</u>
Assistance to Victims of Domestic Violence Fund				
ASSETS				
Cash	\$ 1,075	\$ 6,610	\$ 6,715	\$ 970
LIABILITIES				
Due to other governments	\$ 1,075	\$ 6,610	\$ 6,715	\$ 970
Excess Proceeds				
ASSETS				
Cash	\$ 36,316	\$ 188,246	\$ 145,368	\$ 79,194
Interest receivable	4	8	-	12
	<u>\$ 36,320</u>	<u>\$ 188,254</u>	<u>\$ 145,368</u>	<u>\$ 79,206</u>
LIABILITIES				
Due to others	\$ 36,320	\$ 188,254	\$ 145,368	\$ 79,206
Jail Commissary				
ASSETS				
Cash	\$ 21,456	\$ 7,553	\$ -	\$ 29,009
LIABILITIES				
Due to others	\$ 21,456	\$ 7,553	\$ -	\$ 29,009
Recorder Trust				
ASSETS				
Cash	\$ 86,008	\$ 96,804	\$ 44,613	\$ 138,199
Due from other funds	-	-	-	-
	<u>\$ 86,008</u>	<u>\$ 96,804</u>	<u>\$ 44,613</u>	<u>\$ 138,199</u>
LIABILITIES				
Due to other governments	\$ 86,008	\$ 96,804	\$ 44,613	\$ 138,199
Churchill County School District Residential Construction Tax				
ASSETS				
Cash	\$ -	\$ 3,564	\$ 3,564	\$ -
LIABILITIES				
Due to other governments	\$ -	\$ 3,564	\$ 3,564	\$ -

CHURCHILL COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013
(Page 4 of 4)

Totals	BALANCE JULY 1, 2012	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2013
ASSETS				
Cash	\$ 1,053,126	\$ 14,654,083	\$ 14,750,834	\$ 956,375
Accounts receivable	67	-	52	15
Taxes receivable	110,472	1,149,459	23,802	1,236,129
Due from other funds	-	-	-	-
Interest receivable	7	8	-	15
Due from other governments	191,118	2,713	98,550	95,281
	<u>\$ 1,354,790</u>	<u>\$ 15,806,263</u>	<u>\$ 14,873,238</u>	<u>\$ 2,287,815</u>
LIABILITIES				
Accounts payable	\$ -	\$ 2,491	\$ -	\$ 2,491
Due to other governments	882,059	15,367,418	14,423,883	1,825,594
Due to other funds	-	-	-	-
Held in trust for others	9,760	5,248	4,305	10,703
Due to others	462,971	313,525	327,469	449,027
	<u>\$ 1,354,790</u>	<u>\$ 15,688,682</u>	<u>\$ 14,755,657</u>	<u>\$ 2,287,815</u>

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STATISTICAL SECTION – UNAUDITED

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STATISTICAL SECTION

This part of Churchill County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.	S-1 to S-7
Revenue Capacity These schedules contain information to help the reader assess the county's two most significant local revenue sources, property tax and sales tax.	S-8 to S-12
Debt Capacity These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.	S-13 to S-17
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.	S-18 to S-21
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.	S-22 to S-24

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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CHURCHILL COUNTY, NEVADA

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<i>Governmental Activities:</i>										
Net investment in capital assets	\$ 30,526,736	\$ 39,873,985	\$ 40,304,859	\$ 45,563,408	\$ 53,107,597	\$ 54,172,246	\$ 56,221,970	\$ 60,437,565	\$ 59,211,742	\$ 58,620,105
Restricted	6,974,262	7,696,537	9,283,221	11,546,731	10,002,950	11,910,396	12,573,847	6,241,774	6,981,388	7,227,636
Unrestricted	9,312,796	6,754,918	13,156,877	11,143,420	13,565,346	16,583,887	17,255,368	17,146,611	18,304,638	17,618,486
Total governmental activities net position	46,813,794	54,325,440	62,744,957	68,253,559	76,675,893	82,666,529	86,051,185	83,825,950	84,497,768	83,466,227
<i>Business-type Activities:</i>										
Net investment in capital assets	29,336,590	30,550,434	38,092,591	44,973,324	58,015,534	54,081,376	60,205,347	69,046,807	73,776,356	69,954,472
Restricted	-	23,283	36,700	-	-	-	-	37,100	212,586	212,586
Unrestricted	9,035,581	9,821,054	5,703,181	13,832,323	17,748,647	25,745,879	20,875,593	18,626,553	14,216,271	15,974,740
Total business-type activities net position	38,372,171	40,394,771	43,832,472	58,805,647	75,764,181	79,827,255	81,080,940	87,710,460	88,205,213	86,141,798
<i>Primary Government:</i>										
Net investment in capital assets	59,863,326	70,424,419	78,397,450	90,536,732	111,123,131	108,253,622	116,427,317	129,484,372	132,988,098	128,574,577
Restricted	6,974,262	7,719,820	9,319,921	11,546,731	10,002,950	11,910,396	12,573,847	6,278,874	7,193,974	7,440,222
Unrestricted	18,348,377	16,575,972	18,860,058	24,975,743	31,313,993	42,329,766	38,130,961	35,773,164	32,520,909	33,593,226
Total primary government net position	\$ 85,185,965	\$ 94,720,211	\$ 106,577,429	\$ 127,059,206	\$ 152,440,074	\$ 162,493,784	\$ 167,132,125	\$ 171,536,410	\$ 172,702,981	\$ 169,608,025

CHURCHILL COUNTY, NEVADA

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Page 1 of 2

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
<i>Governmental Activities:</i>										
General Government	\$ 4,816,466	\$ 5,738,745	\$ 5,476,938	\$ 6,023,426	\$ 6,215,096	\$ 8,158,909	\$ 7,002,902	\$ 6,899,761	\$ 7,384,377	\$ 6,564,950
Judicial	2,249,588	2,480,177	2,707,588	2,908,455	2,971,738	3,182,250	3,188,923	3,523,166	3,447,483	3,731,187
Public Safety	5,199,687	5,819,578	7,007,531	7,803,606	7,603,614	8,311,974	8,144,478	8,319,657	8,979,772	8,641,764
Public Works	2,358,526	1,195,487	2,224,763	2,210,246	3,180,901	3,243,179	3,135,451	3,226,784	3,128,985	3,895,618
Health & Sanitation	178,623	231,116	233,208	257,076	277,864	288,786	292,002	257,993	292,414	240,317
Welfare	1,182,556	1,286,989	1,349,477	1,085,025	1,086,643	1,094,676	1,596,025	1,493,043	1,632,111	1,724,628
Culture & Recreation	1,583,404	1,806,818	1,930,550	2,042,404	2,117,578	2,373,490	2,296,223	2,141,169	2,202,033	2,190,280
Community Support	436,695	471,294	620,020	704,482	960,707	854,941	642,884	648,028	695,982	560,841
Intergovernmental	675,209	912,284	-	-	-	-	-	-	-	-
Interest & Fiscal Charges	11,960	39,253	120,806	127,337	69,876	79,431	68,031	32,116	291	-
Total governmental activities expenses	18,692,714	19,981,741	21,670,881	23,162,057	24,484,017	27,587,636	26,367,766	26,541,717	27,763,448	27,549,585
<i>Business-type Activities:</i>										
Telephone	16,669,012	15,961,728	15,615,524	14,694,394	14,496,600	14,046,402	11,922,649	12,214,342	12,769,471	12,807,802
Wireless	4,713,632	4,640,842	5,902,437	7,543,354	8,021,572	5,658,091	3,334,552	2,794,841	2,348,102	932,899
Long Distance	1,498,543	1,497,698	1,925,914	1,189,024	692,538	641,110	487,404	468,029	440,695	408,925
Broadband	1,413,234	1,698,549	2,044,667	2,694,643	2,683,668	3,211,611	3,239,824	2,898,968	2,900,612	2,764,626
Managed Data Services	-	-	-	-	-	-	-	-	-	650,818
Waste Water	-	-	236	269,812	787,079	843,580	988,500	1,526,193	1,267,623	1,368,232
Water Utility	-	-	237	98,970	391,487	573,662	577,421	708,604	610,479	709,256
Golf Course	-	-	-	-	-	-	-	-	-	94,239
Total business-type activities expenses	24,294,421	23,798,817	25,489,015	26,490,197	27,072,944	24,974,456	20,550,350	20,610,977	20,336,982	19,736,797
Total primary government expenses	\$ 42,987,135	\$ 43,780,558	\$ 47,159,896	\$ 49,652,254	\$ 51,556,961	\$ 52,562,092	\$ 46,918,116	\$ 47,152,694	\$ 48,100,430	\$ 47,286,382
Program Revenues										
<i>Governmental Activities:</i>										
Charges for services										
General government	1,222,132	1,360,663	1,568,728	1,270,461	1,108,433	960,116	971,336	1,019,073	1,010,489	995,104
Judicial	155,895	170,398	178,691	202,141	197,129	177,975	203,327	394,629	331,778	390,359
Public safety	472,693	451,241	378,439	369,360	404,246	399,964	417,964	441,169	810,797	799,600
Public works	129,899	238,655	573,640	376,899	178,005	169,841	28,521	149	14,000	86,889
Culture and recreation	232,072	254,889	308,335	276,771	286,047	323,269	317,452	289,955	261,669	277,091
Other activities	86,796	80,846	84,157	72,212	47,957	88,126	77,916	59,585	33,831	47,027
Operating grants and contributions	1,538,337	1,618,785	1,661,058	2,367,856	2,120,345	2,952,180	2,639,487	1,946,749	1,788,506	1,618,107
Capital grants and contributions	735,000	3,108,887	2,336,339	804,170	7,724,013	641,325	-	-	4,575	280,000
Total governmental activities program revenues	4,572,824	7,284,364	7,089,387	5,739,870	12,066,175	5,712,796	4,656,003	4,151,309	4,255,645	4,494,177
<i>Business-type Activities:</i>										
Charges for services										
Telephone	17,774,825	17,024,606	15,491,858	15,312,192	14,620,235	14,367,316	12,603,429	13,156,739	12,987,955	12,909,351
Wireless	4,907,496	6,156,416	7,690,330	9,773,140	10,824,637	8,338,204	2,976,518	3,044,203	2,825,288	1,052,135
Long Distance	1,766,700	1,809,467	2,330,170	1,315,277	1,240,090	1,119,834	978,290	762,496	682,634	614,429
Broadband	688,923	617,321	663,218	1,965,755	2,123,518	2,540,951	2,717,321	2,889,297	2,816,871	2,681,535
Managed Data Services	-	-	-	-	-	-	-	-	-	174,645
Waste Water (1)	-	-	-	5,212,583	2,557,791	225,732	201,748	424,824	284,269	319,569
Water Utility (1)	-	-	-	2,760,811	1,163,622	331,686	272,385	358,491	372,104	360,238
Golf Course	-	-	-	-	-	-	-	-	-	7,651
Operating grants and contributions	725,000	-	-	-	689,688	557,373	1,624,242	674,592	451,312	15,137
Capital grants and contributions	25,862,944	25,607,810	28,670,139	41,105,574	40,824,115	27,481,096	21,373,933	21,310,642	20,420,433	18,134,690
Total business-type activities program revenues	\$ 30,433,768	\$ 32,892,174	\$ 35,759,526	\$ 46,845,444	\$ 52,890,290	\$ 33,193,892	\$ 26,029,936	\$ 25,461,951	\$ 24,676,078	\$ 22,628,867

(1) In 2007 and 2008, tap fees were charged for connections to the Water Utilities, \$7,846,014 and \$3,318,971, respectively.

CHURCHILL COUNTY, NEVADA

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Page 2 of 2

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue										
Government activities	\$ (14,119,890)	\$ (12,697,377)	\$ (14,581,494)	\$ (17,422,187)	\$ (12,417,842)	\$ (21,874,840)	\$ (21,711,763)	\$ (22,390,408)	\$ (23,507,803)	\$ (23,055,408)
Business-type activities	1,568,523	1,808,993	3,181,124	14,615,377	13,751,171	2,506,640	823,583	699,665	83,451	(1,602,107)
Total primary government net expense	\$ (12,551,367)	\$ (10,888,384)	\$ (11,400,370)	\$ (2,806,810)	\$ 1,333,329	\$ (19,368,200)	\$ (20,888,180)	\$ (21,690,743)	\$ (23,424,352)	\$ (24,657,515)
General Revenues and Other Changes in Net Position										
<i>Governmental activities:</i>										
Ad valorem taxes	5,577,083	6,063,988	6,408,357	6,877,814	7,309,259	8,903,720	9,355,013	9,042,417	8,337,905	7,862,384
Franchise taxes	160,863	134,709	166,914	179,593	171,130	159,439	161,549	153,336	132,583	117,857
Federal in lieu of taxes	1,183,436	1,236,886	1,230,360	1,157,509	1,237,704	2,790,842	2,088,531	2,060,410	2,151,359	2,053,174
Local payment in lieu of taxes	1,600,910	1,718,901	1,801,313	1,851,280	1,937,269	1,990,700	2,018,639	2,249,073	2,442,480	2,509,710
AB 104 fairshare	978,651	1,095,451	1,241,371	1,179,848	1,093,539	1,059,969	998,130	1,085,263	1,086,233	1,041,498
Consolidated intergovernmental taxes	5,083,657	6,035,350	7,013,035	6,555,570	6,016,895	5,927,194	4,554,601	4,856,743	4,855,007	4,999,886
Fuel taxes	1,041,120	1,022,808	1,078,069	1,045,577	1,025,893	1,008,609	1,017,349	2,021,899	1,937,297	1,848,150
Optional county sales tax	588,281	678,796	1,398,142	1,508,527	1,413,203	1,437,398	1,050,588	1,102,981	1,258,636	1,222,123
Delinquent tax penalties	163,213	124,203	117,288	129,376	140,273	204,493	251,945	279,052	228,496	230,767
Interest income	177,714	363,816	870,566	1,166,080	996,366	517,326	180,530	132,933	93,993	90,600
Gain on sale of assets (1)	-	1,543,366	48,161	377,714	(250,365)	611,380	-	-	81,606	2,258
Miscellaneous revenues	61,706	190,748	1,193,030	901,901	2,499,010	4,619,406	3,675,246	2,501,570	1,899,026	1,070,460
Transfers	-	-	-	-	(2,750,000)	(500,000)	(255,702)	(4,947,927)	(325,000)	(1,025,000)
Total governmental activities	16,616,634	20,209,022	22,566,606	22,930,789	20,840,176	28,730,476	25,096,419	20,537,750	24,179,621	22,023,867
<i>Business-type activities:</i>										
Interest income	79,794	150,095	238,576	339,420	414,903	222,339	112,684	43,005	21,796	25,228
Gain on sale of assets	-	-	-	-	-	810,043	-	-	-	-
Miscellaneous income	-	63,512	18,000	18,378	42,460	24,051	61,716	75,129	64,506	77,799
Transfers	-	-	-	-	2,750,000	500,000	255,702	4,947,927	325,000	1,025,000
Total business-type activities	79,794	213,607	256,576	357,798	3,207,363	1,556,433	430,102	5,066,061	411,302	1,128,027
Total primary government	16,696,428	20,422,629	22,823,182	23,288,587	24,047,539	30,286,909	25,526,521	25,603,811	24,590,923	23,151,894
Change in Net Position										
Government activities	2,496,744	7,511,645	7,985,112	5,508,602	8,422,334	6,855,636	3,384,656	(1,852,658)	671,818	(1,031,541)
Business-type activities	1,648,317	2,022,600	3,437,700	14,973,175	16,958,534	4,063,073	1,253,685	5,765,726	494,753	(474,080)
Total change to net position	\$ 4,145,061	\$ 9,534,245	\$ 11,422,812	\$ 20,481,777	\$ 25,380,868	\$ 10,918,709	\$ 4,638,341	\$ 3,913,068	\$ 1,166,571	\$ (1,505,621)

(1) The County sold water rights in fiscal year 2005 for a gain of \$1.5 million.

CHURCHILL COUNTY, NEVADA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,686,549	2,049,714	2,430,485	2,722,384	3,036,491	3,488,236	4,102,297	-	-	-
Non-Spendable	-	-	-	-	-	-	-	-	145,694	162,080
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	92,932	-	-
Assigned	-	-	-	-	-	-	-	3,948,798	2,555,367	1,893,157
Unassigned	-	-	-	-	-	-	-	4,145,167	4,110,862	4,692,539
Total general fund	1,686,549	2,049,714	2,430,485	2,722,384	3,036,491	3,488,236	4,102,297	8,186,897	6,811,923	6,747,776
All Other Governmental Funds										
Reserved	187,535	1,712,461	2,561,949	2,412,262	2,441,032	2,508,021	3,027,237	-	-	-
Unreserved reported in:										
Special revenue funds	12,133,186	11,215,047	13,995,186	14,247,770	13,851,837	17,774,466	17,963,051	-	-	-
Debt service fund	130,461	186,442	456,351	740,323	768,562	832,605	836,953	-	-	-
Capital projects funds	2,768,940	3,326,954	3,755,727	3,346,137	4,256,592	5,440,559	5,804,838	-	-	-
Non-Spendable	-	-	-	-	-	-	-	162,639	124,850	104,349
Restricted	-	-	-	-	-	-	-	6,241,775	6,981,389	7,227,629
Committed	-	-	-	-	-	-	-	5,659,038	5,786,164	5,274,710
Assigned	-	-	-	-	-	-	-	5,675,263	8,695,721	8,613,888
Unassigned	-	-	-	-	-	-	-	(535)	(7,807)	-
Total all other governmental funds	15,220,122	16,440,904	20,769,213	20,746,492	21,318,023	26,555,651	27,632,079	17,738,180	21,580,317	21,220,576
Total governmental funds	\$ 16,906,671	\$ 18,490,618	\$ 23,199,698	\$ 23,468,876	\$ 24,354,514	\$ 30,043,887	\$ 31,734,376	\$ 25,925,077	\$ 28,392,240	\$ 27,968,352

CHURCHILL COUNTY, NEVADA
 General Government Revenues By Source
 For Government Fund Types
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year Ended June 30,	Taxes	Licenses and Permits	Intergovernmental Revenues	Charges for Services	Fines and Forfeits	Interest and Miscellaneous	Total
2004	\$ 4,713,992	\$ 527,787	\$ 13,107,209	\$ 1,020,576	\$ 428,266	\$ 2,431,242	\$ 22,229,072
2005	5,305,274	736,126	14,409,766	1,144,284	380,590	2,822,223	24,798,263
2006	5,325,114	1,096,278	18,188,800	1,501,023	385,831	4,500,147	30,997,193
2007	5,959,835	840,656	17,031,077	1,179,522	376,078	4,491,991	29,879,159
2008	6,481,581	678,522	20,925,538	1,057,580	427,578	7,018,974	36,589,773
2009	7,974,989	443,523	16,872,274	1,309,647	463,247	8,577,825	35,641,505
2010	9,029,447	390,479	14,663,440	1,082,614	586,119	4,415,196	30,167,295
2011	9,150,053	406,780	15,569,786	1,164,724	612,116	3,002,398	29,905,857
2012	8,351,759	459,351	15,662,314	1,092,743	606,555	2,762,081	28,934,803
2013	7,941,390	468,348	15,897,241	1,199,163	548,957	1,756,493	27,811,592

Includes: General, Special Revenue, Capital Projects and Debt Service Funds.

CHURCHILL COUNTY, NEVADA
 Governmental Expenditures by Function
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health & Sanitation	Welfare	Culture & Recreation	Community Support	Intergovernmental	Capital Outlay	Debt Service		Totals
											Principal	Interest	
2004	\$ 4,455,696	\$ 2,192,355	\$ 4,971,306	\$ 1,471,284	\$ 200,512	\$ 1,175,267	\$ 1,515,064	\$ 439,347	\$ 675,208	\$ 1,868,323	\$ 161,050	\$ 13,499	\$ 19,138,911
2005	5,541,113	2,414,781	5,357,489	1,539,338	216,103	1,294,209	1,651,557	465,538	912,284	10,842,082	145,254	23,693	30,403,441
2006	5,913,322	2,632,137	5,870,039	2,713,820	221,793	1,355,305	1,802,157	618,486	609,653	2,452,775	452,730	115,845	24,758,062
2007	6,641,330	2,830,348	5,788,960	740,749	244,917	1,085,511	1,833,003	701,676	1,428,863	6,269,425	753,334	109,240	28,427,355
2008	6,931,905	2,903,773	6,453,987	2,497,706	267,488	1,080,457	1,921,372	958,878	672,951	6,951,121	333,369	96,879	31,069,886
2009	7,589,203	2,969,485	6,585,269	2,408,861	258,159	1,073,827	1,982,872	848,581	889,447	3,572,568	312,753	80,090	28,571,115
2010	6,208,393	3,130,831	6,705,715	2,319,332	261,812	1,658,626	2,015,362	638,279	1,093,252	6,229,729	345,468	70,055	30,676,854
2011	6,429,031	3,127,582	7,004,019	2,354,927	240,367	1,481,706	1,903,214	641,377	999,655	7,246,791	1,537,701	41,460	33,007,830
2012	6,383,037	3,291,226	7,490,825	2,249,625	278,534	1,597,501	1,903,695	669,030	1,303,617	2,064,810	43,693	1,307	27,276,900
2013	6,172,033	3,573,233	7,553,087	2,958,885	221,221	1,751,612	1,958,978	576,202	746,316	2,039,502	-	-	27,551,069

In Fiscal Year 2005, the County purchased the "Wild Goose" property (\$8.8 mil).

The following governmental fund types are included above:

General, Special Revenue, Debt Service and Capital Projects.

CHURCHILL COUNTY, NEVADA
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total revenues (S-5)	\$ 22,229,072	\$ 24,798,263	\$ 30,997,193	\$ 29,879,159	\$ 36,589,773	\$ 35,641,505	\$ 30,167,295	\$ 29,905,857	\$ 28,934,803	\$ 27,811,592
Total expenditures (S-6)	(19,138,911)	(30,403,441)	(24,758,062)	(28,427,355)	(31,069,886)	(28,571,115)	(30,676,854)	(33,007,830)	(27,276,900)	(27,551,069)
Excess of revenues over (under) expenditures	3,090,161	(5,605,178)	6,239,131	1,451,804	5,519,887	7,070,390	(509,559)	(3,101,973)	1,657,903	260,523
Other Financing Sources (Uses)										
Proceeds - medium-term financing	-	3,300,001	256,500	-	-	-	-	-	-	-
Proceeds from capital lease	-	97,025	-	-	-	-	-	-	-	-
Principal received	-	-	-	-	-	-	-	-	-	-
Proceeds from sales	-	5,511,000	14,762	668,654	53,020	1,109,683	2,455,750	2,515,252	1,134,260	340,589
Transfer in	364,752	842,990	1,012,904	730,519	55,832	249,343	1,547,442	3,090,754	1,067,691	1,832,176
Transfer out	(1,965,662)	(2,561,891)	(2,814,217)	(2,581,799)	(4,743,101)	(2,740,043)	(1,803,144)	(7,940,754)	(1,392,691)	(2,857,176)
Total other financing sources (uses)	(1,600,910)	7,189,125	(1,530,051)	(1,182,626)	(4,634,249)	(1,381,017)	2,200,048	(2,334,748)	809,260	(684,411)
Net Change in fund balances	1,489,251	1,583,947	4,709,080	269,178	885,638	5,689,373	1,690,489	(5,436,721)	2,467,163	(423,888)
Debt service as a percentage of noncapital expenditures	1.01%	0.86%	2.55%	3.89%	1.78%	1.57%	1.70%	6.13%	0.18%	0.00%

CHURCHILL COUNTY, NEVADA
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Property		Personal Property		Total Assessed Value	Total Taxable Assessed Value	Estimated Actual Taxable Value	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
	Assessed Value	Less: Tax Exempt	Assessed Value	Less: Tax Exempt					
2004	\$ 366,449,903	\$ 67,116,197	\$ 299,333,706	\$ 289,461	\$ 66,264,336	\$ 365,598,042	\$ 1,044,565,834	35%	1.0731
2005	364,014,786	75,427,477	288,587,309	262,534	77,209,272	365,796,580	1,045,133,086	35%	1.0850
2006	417,819,803	82,687,755	335,132,048	269,625	70,207,508	405,339,556	1,158,113,017	35%	1.0950
2007	494,132,674	100,808,265	393,324,409	315,324	75,920,038	469,244,447	1,340,698,420	35%	1.0950
2008	596,832,131	107,466,746	489,365,385	546,482	89,150,813	578,516,198	1,652,903,423	35%	1.1450
2009	616,935,264	114,197,275	502,737,989	623,718	108,332,913	611,070,902	1,745,916,863	35%	1.2229
2010	626,060,135	110,649,310	515,410,825	5,049,812	159,709,611	675,120,436	1,928,915,531	35%	1.2229
2011	636,746,092	105,999,370	530,746,722	4,731,529	171,752,991	702,499,713	2,007,142,037	35%	1.2229
2012	535,498,220	88,815,421	446,682,799	1,755,249	196,032,704	642,715,503	1,836,330,009	35%	1.2229
2013	485,218,337	104,024,476	381,193,861	2,108,591	207,038,752	588,232,613	1,680,664,609	35%	1.2229

Source: Churchill County Assessor's Office

Note: Property in Churchill County is reassessed once every four years on average. The county assesses property at approximately 35 percent of actual value. Estimated actual value is calculated by dividing the assessed value by the assessed ratio. Tax rates are per \$100 of assessed value.

CHURCHILL COUNTY, NEVADA
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Collected in Fiscal Year	County Direct Tax Rate										Overlapping Rates*				County Assessed Valuation				
	County Direct Tax Rate										Overlapping Rates*								
	General	Social Services	Co-op Ext	Public Library	Capital Improv	Tax Act 1991	Youth Services	Hosp Care	Ind Med Care	Sr Cnt Levy	Fire Exp Levy	Total County Direct Tax Rate	Churchill Co. School District	State of Nevada		Mosquito Abatement	Carson Water Subconservancy	City of Fallon	Total
2003-04	0.6584	0.1100	0.0325	0.0875	0.0500	0.0219	0.0628	0.0000	0.0100	0.0200	0.0200	0.0200	1.3700	0.1700	0.0800	0.0300	0.8471	3.5702	433,003,700
2004-05	0.6534	0.1100	0.0325	0.0875	0.0500	0.0219	0.0647	0.0150	0.0100	0.0200	0.0200	0.0200	1.3700	0.1700	0.0800	0.0300	0.8171	3.5521	441,486,591
2005-06	0.6668	0.1000	0.0325	0.0841	0.0500	0.0219	0.0647	0.0150	0.0100	0.0300	0.0200	0.0200	1.3700	0.1700	0.0800	0.0300	0.8171	3.5621	488,296,936
2006-07	0.6684	0.0500	0.0325	0.0841	0.0500	0.0219	0.0631	0.0150	0.0600	0.0300	0.0200	0.0200	1.3500	0.1700	0.0800	0.0300	0.8271	3.5521	570,368,036
2007-08	0.6862	0.0700	0.0325	0.0841	0.0500	0.0219	0.0553	0.0150	0.1000	0.0300	0.0000	0.0000	1.3500	0.1700	0.0800	0.0300	0.8371	3.6121	686,529,426
2008-09	0.7215	0.0979	0.0325	0.1041	0.0500	0.0219	0.0500	0.0150	0.1000	0.0300	0.0000	0.0000	1.3000	0.1700	0.0800	0.0300	0.8371	3.6400	725,891,895
2009-10	0.7215	0.0979	0.0325	0.1041	0.0500	0.0219	0.0500	0.0150	0.1000	0.0000	0.0300	0.0300	1.3000	0.1700	0.0800	0.0300	0.8371	3.6400	790,819,558
2010-11	0.7740	0.0779	0.0200	0.0841	0.0500	0.0219	0.0500	0.0150	0.1000	0.0000	0.0300	0.0300	1.3000	0.1700	0.0800	0.0300	0.8371	3.6400	813,230,612
2011-12	0.8040	0.0879	0.0200	0.0841	0.0500	0.0219	0.0500	0.0150	0.0600	0.0000	0.0300	0.0300	1.3000	0.1700	0.0800	0.0300	0.8371	3.6400	733,286,173
2012-13	0.8040	0.0879	0.0200	0.0841	0.0500	0.0219	0.0500	0.0150	0.0600	0.0000	0.0300	0.0300	1.3000	0.1700	0.0800	0.0300	0.8371	3.6400	694,365,680

Source: Churchill County Clerk/Treasurer's Office

Note: The County's basic property tax rate may be increased only by a majority vote of the county's residents.

* All of the above listed overlapping rates apply to the property owners of Churchill County, with the exception of the City of Fallon rate. The additional City of Fallon rate is only applicable to the property owners within the city limits.

CHURCHILL COUNTY, NEVADA
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2013					Fiscal Year 2004				
		Rank	Taxable Estimated Appraised Value (I)	Approximate Taxable Assessed Value	% of Taxable Assessed Valuation	Rank	Taxable Estimated Appraised Value (I)	Approximate Taxable Assessed Value	% of Taxable Assessed Valuation		
ENEL Stillwater (Stillwater) Geothermal Plant	Geothermal	1	\$ 164,654,049	\$ 57,628,917	27.55%	6	\$ 11,910,943	4,168,830	6.26%		
Sierra Pacific Power Company	Utility	2	89,379,160	31,282,706	14.96%	1	62,924,766	22,023,668	33.09%		
Terra-Gen Dixie Valley LLC (Caithness)	Geothermal	3	72,652,120	25,428,242	12.16%	2	52,802,629	18,480,920	27.77%		
Northrop Grumman	Base Contractor	4	38,444,689	13,455,641	6.43%						
ENEL Stillwater (Salt Wells) Geothermal Plant *	Geothermal	5	35,923,294	12,573,153	6.01%						
Ormat Nevada, Inc (Desert Peak)*	Geothermal	6	30,324,451	10,613,558	5.07%						
Union Pacific System	Railroad	7	27,811,823	9,734,138	4.65%	5	12,786,706	4,475,347	6.72%		
AT&T Communications, Inc.	Communications	8	26,842,737	9,394,958	4.49%						
Southwest Gas Corp	Utility	9	26,041,049	9,114,367	4.36%	4	18,393,489	6,437,721	9.67%		
Magma Energy (Constellation Power)	Geothermal	10	21,110,906	7,388,817	3.53%	7	11,780,600	4,123,210	6.20%		
Brady Power Partners	Geothermal					3	19,255,629	6,739,470	10.13%		
Kennametal, Inc.	Manufacturing					8	8,839,643	3,093,875	4.65%		
Sierra Touch America	Geothermal					9	8,262,411	2,891,844	4.35%		
Western States Holdings	Geothermal					10	7,819,714	2,736,900	4.11%		

Source: Churchill County Tax Assessor's Office

(1) Estimated appraised value assumes that assessed value is 35% of appraised value.

* Denotes pending State Board of Equalization Notice of Decisions

CHURCHILL COUNTY, NEVADA

Property Tax Collections
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Total Tax Levy	Current Tax Collections	Percentage of Current Tax Collected	Delinquent Tax Collections	Total Tax Collection	Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2004	\$ 9,331,950	9,140,581	97.949%	\$ 191,355	9,331,936	100.000%	14	0.000%
2005	9,845,411	9,697,516	98.498%	147,881	9,845,397	100.000%	14	0.000%
2006	10,711,267	10,564,755	98.632%	145,656	10,710,411	99.992%	856	0.008%
2007	12,329,997	12,078,595	97.961%	250,240	12,328,835	99.991%	1,162	0.009%
2008	13,897,422	13,419,092	96.558%	477,134	13,896,226	99.991%	1,196	0.009%
2009	14,914,689	14,284,217	95.773%	627,900	14,912,117	99.983%	2,572	0.017%
2010	15,707,402	15,183,754	96.666%	514,188	15,697,942	99.940%	9,460	0.060%
2011	14,938,415	14,524,846	97.232%	335,407	14,860,253	99.477%	78,162	0.523%
2012	13,867,055	13,523,233	97.521%	239,643	13,762,876	99.249%	104,179	0.751%
2013	12,858,661	12,560,762	97.683%	21,305	12,582,067	97.849%	276,594	2.151%

Source: Churchill County Clerk/Treasurer's Office

CHURCHILL COUNTY, NEVADA

Taxable Sales by Category
Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Wholesale trade - durable goods	\$ 12,398,313	\$ 15,685,515	\$ 22,660,724	\$16,119,291	\$22,263,594	\$25,254,866	\$14,508,333	\$14,469,943	\$16,036,142	\$16,054,559
Building merchandise, hardware	20,232,336	28,020,278	33,173,959	25,941,813	20,177,778	22,694,208	19,204,306	19,337,205	18,722,718	19,015,149
General merchandise stores	43,028,716	47,634,499	56,442,958	60,910,456	56,438,228	47,821,345	43,777,822	42,771,768	43,150,097	43,020,000
Food stores(1)	12,540,170	13,190,554	12,617,952	13,336,226	11,597,634	10,057,349	9,864,765	10,188,992	11,056,021	11,665,896
Automotive dealers & parts	53,920,392	64,791,467	64,290,574	53,288,419	44,336,953	29,160,740	25,040,453	25,509,259	30,840,673	33,852,358
Home furniture & fixtures	9,271,098	9,349,861	11,482,066	6,742,159	6,916,754	6,863,055	6,051,143	4,530,561	5,087,411	5,453,322
Eating and drinking places	21,270,821	23,144,099	28,723,713	30,959,935	29,568,371	30,491,176	26,840,492	27,296,189	28,720,363	27,584,993
Miscellaneous retail	17,575,407	23,883,610	26,967,481	30,218,763	28,343,952	26,902,665	21,561,191	21,401,112	19,831,655	18,166,876
Business services	4,363,705	4,311,275	6,323,478	4,692,929	2,543,325	2,148,401	1,615,818	1,285,107	2,420,564	2,958,374
Automotive repairs & services	6,663,898	6,499,354	6,990,272	5,036,129	5,044,368	5,416,434	4,723,421	5,229,914	6,220,508	7,769,636
All other categories	37,466,955	42,604,241	54,972,429	59,180,239	67,179,682	114,903,323	78,059,345	77,091,429	138,102,058	202,028,822
Total	\$238,731,811	\$279,114,753	\$324,645,606	\$306,426,359	\$294,410,639	\$321,713,562	\$251,247,089	\$249,111,479	\$320,188,210	\$387,569,985

County direct sales tax rate

Basic City-County Relief Tax	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Supplemental City-County Relief Tax	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Public Mass Transportation & Construction of Roads	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Local Government Tax Act	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Infrastructure Development	0.00%	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

Source: Nevada Department of Taxation

(1) General grocery items are not taxable; the sales tax applies only to prepared food items and nonfood items.

CHURCHILL COUNTY, NEVADA

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	% of Personal Income (1)	Per Capita (1)
	Capital Leases	Contract/Note Payable	Revenue Bond	Capital Leases	Telecommunications Equipment Payable	Contract/Note Payable	Utility Bond Payable			
2004	\$ 270,806	\$ -	\$ -	\$ 1,623,575	\$ 3,177,128	\$ -	\$ -	\$ 5,071,509	0.62%	209.34
2005	206,697	97,025	3,218,853	1,575,888	2,405,940	-	-	7,504,403	0.85%	305.14
2006	140,254	353,525	2,832,566	1,511,709	1,619,266	-	4,000,000	10,457,320	1.14%	420.95
2007	-	97,025	2,475,986	1,450,196	817,024	-	4,544,376	9,384,607	0.99%	375.97
2008	-	76,409	2,163,207	1,386,419	-	-	4,485,261	8,111,296	0.80%	323.82
2009	-	76,409	1,850,454	1,320,297	-	-	4,437,042	7,684,202	0.81%	306.55
2010	-	43,693	1,537,701	1,251,741	-	-	4,386,804	7,219,939	0.72%	291.08
2011	-	43,693	-	1,180,663	-	-	-	1,224,356	0.12%	49.70
2012	-	-	-	1,106,971	-	-	-	1,106,971	0.15%	44.93
2013	-	-	-	1,030,567	-	59,634	-	1,090,201	Unavailable	Unavailable

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

(1) See S-18 for personal income and population data.

CHURCHILL COUNTY, NEVADA
Ratio of General Obligation Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Debt Outstanding			Percentage of Assessed Value of Property (1)	Per Capita (2)
	General Obligation Debt	Less: Amounts Available in Debt Service Fund	Total		
2004	\$ 270,806	\$ 130,461	\$ 140,345	0.03%	5.79
2005	3,522,575	186,442	3,336,133	0.76%	135.65
2006	3,326,345	456,351	2,869,994	0.59%	115.53
2007	2,573,011	740,323	1,832,688	0.32%	73.42
2008	2,239,616	768,562	1,471,054	0.21%	58.73
2009	1,926,863	832,605	1,094,258	0.15%	43.65
2010	1,581,394	836,953	744,441	0.09%	30.01
2011	43,693	-	43,693	0.01%	1.77
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	Unavailable

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

(1) See S-8 for property value data.

(2) See S-18 for personal income and population data.

CHURCHILL COUNTY, NEVADA
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed Value	\$ 694,365,680
Debt limit (15% of assessed value)	104,154,852
Debt applicable to limit:	
General obligation debt	-
CC Communications debt	-
Utility Bond Debt	1,106,971
Total debt applicable to limit	<u>1,106,971</u>
Legal debt margin	<u>\$ 103,047,881</u>

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 64,950,555	\$ 66,222,989	\$ 73,244,540	\$ 85,555,205	\$ 102,979,414	\$ 108,883,784	\$ 118,622,934	\$ 121,984,592	\$ 109,992,926	\$ 104,154,852
Total debt applicable to limit	5,071,509	7,504,403	10,457,320	9,384,607	8,111,296	7,684,202	7,219,939	1,224,356	1,106,971	1,090,201
Legal debt margin	\$ 59,879,046	\$ 58,718,586	\$ 62,787,221	\$ 76,170,598	\$ 94,868,118	\$ 101,199,582	\$ 111,402,995	\$ 120,760,236	\$ 108,885,955	\$ 103,064,651

Total debt applicable to the limit as a percentage of debt limit	7.81%	11.33%	14.28%	10.97%	7.88%	7.06%	6.09%	1.00%	1.01%	1.05%
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The statutory county debt limit is 15% of the assessed value of all taxable property in the County, as set forth in Chapter 244A.059 of the Nevada Revised Statutes.

CHURCHILL COUNTY, NEVADA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2013

Name of Government Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
State of Nevada	\$ 1,180,465,000	6.1%	\$ 71,596,935
City of Fallon	11,487,261	100.0%	11,487,261
Churchill County School District	37,344,200	100.0%	37,344,200
Subtotal, overlapping debt			120,428,396
County direct debt (S-13)			-
Total direct and overlapping debt			\$ 120,428,396

Sources: Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Churchill County. This process recognizes that, when considering the county's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) Estimated percentage applicable was based upon the percentage of State tax rate to County direct tax rate (\$.1700/\$2.8029)

CHURCHILL COUNTY, NEVADA

Pledged Revenue Coverage

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Business-Type Activities - Bond, Note Payable & Capital Lease						Coverage
	Business-Type Activities Revenue	Less: Operating Expenses	Net Available Revenue	Principal	Interest		
2004	\$ 21,000,775	\$ 20,212,467	\$ 788,308	\$ 804,454	\$ 90,603	0.88	
2005	22,640,872	20,745,091	1,895,781	845,611	97,947	2.01	
2006	23,772,292	23,157,556	614,736	858,292	253,365	0.55	
2007	27,100,541	24,538,123	2,562,418	934,513	230,634	2.20	
2008	27,751,265	24,901,165	2,850,100	108,739	229,357	8.43	
2009	25,788,872	23,638,054	2,150,818	112,985	225,111	6.36	
2010	18,950,696	19,013,080	(62,384)	117,399	220,697	(0.18)	
2011	19,825,727	18,430,941	1,394,786	67,450	38,150	13.21	
2012	19,154,165	18,205,902	948,263	67,449	41,042	8.74	
2013	17,350,876	17,504,346	(153,470)	72,504	39,923	(1.37)	

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

CHURCHILL COUNTY, NEVADA
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population (1)	Personal Income(1)	Per Capita Personal Income (1)	School Enrollment (2)	Unemployment rate (3)
2004	24,226	\$ 813,840,000	\$ 33,594	4,500	5.0%
2005	24,593	885,097,000	35,990	4,507	4.0%
2006	24,842	914,247,000	36,802	4,462	3.8%
2007	24,961	946,406,000	37,915	4,410	4.1%
2008	25,049	1,012,739,000	40,430	4,409	5.7%
2009	25,067	951,195,000	37,946	4,352	8.7%
2010	24,804	997,661,000	40,222	4,206	11.4%
2011	24,637	1,041,680,000	42,281	4,169	10.9%
2012	24,636 (4)	735,004,554 (4)	29,835 (4)	4,048	9.5%
2013	Unavailable	Unavailable	Unavailable	3,740	8.2%

(1) Source: U.S. Dept. of Commerce, Bureau of Economic Analysis

(2) Source: Nevada Department of Education

(3) Source: Nevada State Employment Training and Rehabilitation

(4) Source: Nevada Governor's Office of Economic Development

CHURCHILL COUNTY, NEVADA

Principal Employers

Current Year and Nine Years Ago

		2013			2004				
Rank	Employer	Product/Service	Number of Employees	Percentage of Total County Employment	Rank	Employer	Product/Service	Number of Employees	Percentage of Total County Employment
1	NAS-Fallon Military Personnel (1)	U.S. Navy	1,120	9.40%	1	NAS-Fallon Military Personnel	U.S. Navy	1,663	13.84%
2	Churchill County School District	Education	600 to 699	5.46%	2	Churchill County School District	Education	712	5.92%
3	Banner Churchill Community Hospital	Health Care	300 to 399	2.94%	3	Churchill Community Hospital	Health Care	400	3.33%
4	Wal-Mart Supercenter	Retail	200 to 299	2.10%	4	NAS-Fallon - Civil Service	Various	347	2.89%
5	Churchill County	Local Government	200 to 299	2.10%	5	SMI Joist	Manufacturing	225	1.87%
6	L-3 Comm/Vertex Aerospace, LCC	Aviation	200 to 299	2.10%	6	Boeing Aerospace	Aviation	225	1.87%
7	Department of Defense	Federal Government	200 to 299	2.10%	7	Churchill County	Local Government	220	1.83%
8	A & K Earthmovers	Construction	100 to 199	1.26%	8	Wal-Mart Supercenter	Retail	210	1.75%
9	Chugach Support Services, Inc.	Various	100 to 199	1.26%	9	Lockheed Martin Systems Support	Aviation	200	1.66%
10	Northrop Grumman Technical	Various	100 to 199	1.26%	10	Non-appropriated Fund Instrumentality (NAFI)	Retail	190	1.58%

Source: Nevada Department of Employment, Training and Rehabilitation (Specific number of employees not available for current year)

(1) NAS-Fallon

2004 Data - Churchill Economic Development Authority

CHURCHILL COUNTY, NEVADA

Property Value and Construction

June 30, 2013

Fiscal Year Ended June 30,	Commercial Construction		Residential Construction	
	Number of Permits	Value	Number of Permits	Value
2004	23	\$ 6,716,325	223	\$ 23,017,541
2005	22	14,744,769	330	32,905,412
2006	20	3,302,870	264	28,651,637
2007	25	4,272,306	165	18,971,522
2008	26	14,327,226	107	10,961,026
2009	19	6,665,507	60	4,701,661
2010	1	79,292	4	173,250
2011	5	500,417	3	338,806
2012	1	38,298	6	1,301,024
2013	1	349,140	2	328,665

Note: Fencing, roofing, garages and other small jobs are not included.

Source: Churchill County Tax Assessor's Office

CHURCHILL COUNTY, NEVADA

Miscellaneous Statistical Data

June 30, 2013

DATE COUNTY CREATED: 1861

FORM OF GOVERNMENT:

Type: County Commission
Commission composed of three elected members

TERMS OF OFFICE:

Commissioners - 4 year terms

AREA: 4,929 square miles

CLIMATE:

Elevation: 3,965 ft.
Avg. Temp: 51.3 F
Jan Avg. Temp: 31.7 F
Jul Avg. Temp: 72.8 F
Annual Precip: 4.88"
Avg. Growing Season: 120 days



ECONOMY:

Farming: Alfalfa, Corn & "Hearts of Gold" cantaloupes
Ranching: Cattle, sheep, hogs, horses & dairy cows
Over 180 million pounds of milk produced each year
Military: Fallon Naval Air Station employs approximately 3,000 residents
Home of "Top Gun" fighter pilot training
Geothermal: Over 300 megawatts of geothermal power produced annually by seven power plants

EDUCATION:

Elementary Schools	4
Junior High School (grades 7-8)	1
High School (grades 9-12)	1
Parochial/Christian	2
Academy/Charter School	1
Western Nevada Community College	
Embry-Riddle Aeronautical University	
Sierra Nevada College	

MEDICAL AND HEALTH SERVICES:

Banner Churchill Community Hospital - This 40-bed facility provides emergency rooms, designated trauma center, surgery, maternity and intensive care services, as well as full service out patient diagnostics. The hospital also offers regular clinics in cardiology, gastroenterology, neurology, orthopedics, oncology, ophthalmology and urology.

CHURCHILL COUNTY, NEVADA
 Full-time Equivalent County Government Employees by Department
 Last Ten Fiscal Years

Department	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Commissioners	3	3	3	3	3	3	3	3	3	3
Clerk/Treasurer	9	9	8	8	8	9	9	6	6	5
Recorder	3	3	3	4	3	3	3	3	3	3
Assessor	7	8	9	8	8	8	8	8	8	8
County Manager	2	2	2	2	2	2	2	2	1	2
Facilities & Grounds	5	5	5	6	6	7	7	7	5	6
Human Resources	2	2	1	1	1	1	1	1	1	1
Comptroller	4	4	4	5	4	4	4	4	4	5
Sheriff	44	44	44	47	47	49	48	46	47	48
Fire	1	1	1	1	1	1	1	1	1	1
Emergency Management	-	-	-	-	-	1	1	1	1	1
District Court	2	2	2	2	2	2	2	5	4	5
District Attorney	18	19	18	19	18	21	21	20	21	21
Justice Court	5	5	6	7	6	6	6	6	6	6
Juvenile Probation	11	12	14	12	11	10	10	11	9	10
Juvenile Justice Center	-	-	-	-	-	-	-	1	11	11
Court Services	-	-	-	-	-	-	2	2	2	1
Parks & Recreation	16	15	15	16	19	19	19	17	17	19
Museum	9	9	10	5	5	5	5	3	4	4
Building	-	2	3	3	3	3	2	2	2	2
Planning	8	7	7	6	7	7	7	7	8	8
Cemetery	3	3	3	2	2	3	3	3	2	3
Water Resource	-	-	-	1	1	1	1	1	1	-
Welfare	5	4	4	2	3	3	5	4	5	4
Road	17	17	16	17	15	15	17	17	18	18
Cooperative Extension	1	1	1	1	1	1	2	2	2	2
Library	7	7	6	7	7	7	7	6	5	5
CC Communications	105	107	105	96	97	83	77	74	66	62
Total FTE	287	291	290	281	280	274	273	263	263	264

Source: Churchill County Comptroller's Office

CHURCHILL COUNTY, NEVADA
Operating Indicators by Department/Program
Last Ten Fiscal Years

Department/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Museum										
Number of visitors	12,000	12,000	12,000	10,000	10,582	11,627	8,624	9,458	10,414	11,175
Items in collection	NA	47,752	50,000	48,588	50,500	53,145	54,000	55,261	55,880	56,320
Bus tours	48	26	61	69	50	56	36	30	56	57
Public Library										
Items owned by library	91,312	93,855	101,445	101,300	101,931	103,676	103,647	104,997	107,772	90,891
Circulation	168,603	159,914	169,903	168,878	170,137	173,578	177,862	172,697	166,675	152,046
Justice Court										
Criminal filings	6,283	6,380	5,615	4,932	4,344	4,717	4,923	5,429	7,418	5,591
Civil filings	1,185	1,371	1,624	1,488	1,655	1,305	1,254	1,369	999	1,042
Parks & Recreation										
Programs/Events	33	35	30	68	35	35	37	35	41	35
Event attendance	7,008	8,638	8,145	3,795	7,823	7,833	7,276	7,430	7,104	8,015
Fairground attendance	84,000	72,346	70,597	82,702	96,502	84,285	89,883	89,282	73,098	75,881
Fairground event days	234	207	178	149	177	186	197	200	142	203
Cemetery										
Full burials	55	45	55	50	49	42	42	38	35	35
Cremations	47	33	41	37	52	39	42	30	33	50
Sheriff										
Reports by patrol	11,468	11,467	12,477	16,127	19,102	17,715	15,446	7,604	7,762	7,732
Civil papers received	4,541	4,858	6,122	4,168	4,879	4,227	3,744	3,084	2,881	2,869
Average inmate population	40.32	44.40	48.23	52.00	44.50	45.00	42.50	36.00	42.00	43.00
Fire										
Rescue calls	12	16	18	7	10	11	17	22	14	21
Fire calls	147	129	220	363	230	185	181	243	272	234
CC Communications (1)										
Subscriber lines	13,509	13,397	12,849	12,249	12,082	11,423	10,507	9,878	9,247	8,742

Sources: Various county departments.

Note: Indicators not available for the general government function.

(1) Due to the competitive nature of the telecommunications industry, management has elected to limit the information available for this schedule.

CHURCHILL COUNTY, NEVADA

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Public Safety</u>										
Sheriff										
Office locations	2	3	3	3	3	3	3	3	3	3
Vehicles	14	19	18	24	19	18	19	23	22	22
All-terrain vehicles	4	4	4	4	4	4	4	4	2	3
Command trailer	1	1	1	1	1	1	1	1	1	1
Detention facility	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
<u>Public Works</u>										
Road										
Paved roads (miles)	165.4	166.9	170.8	186.12	193.69	194.4	194.4	194.82	194.82	194.82
Unpaved roads (miles)	402.6	402.6	321.89	275.01	273.49	273.49	273.49	273.49	273.49	273.49
Major bridges (over 26 feet)	20	21	21	21	21	21	21	21	21	21
<u>Culture and Recreation</u>										
Library										
Building	1	1	1	1	1	2	2	2	2	2
Museum										
Building	1	1	1	1	1	1	1	1	1	1
Parks and Recreation										
Acreage (2)	108	108	1,134.19	1,136.45	1,136.45	1,136.45	1,173.51	1,173.51	1,173.51	1,173.51
Swimming pool (indoor)	1	1	1	1	1	1	1	1	1	1
Tennis courts	4	4	4	4	4	4	4	4	4	4
Community centers	2	2	2	2	2	2	2	2	2	2
<u>Health</u>										
Cemetery										
Acreage	28	28	63.5	63.5	63.5	63.5	63.5	63.5	63.5	63.5
<u>General Government</u>										
Water Resources										
Water rights (acre feet) (1)	51	2,819	3,604	3,604	3,614	3,624	3,624	3,624	3,624	3,624
<u>Water Utility</u>										
Maximum daily capacity (thousands of gallons)	-	-	-	-	1650	1650	1650	1650	1650	1650
<u>Waste Water Utility</u>										
Maximum daily capacity (thousands of gallons)	-	-	-	345	345	900	900	900	900	900

Sources: Various county departments.

(1) Wild Goose property purchased in Fiscal Year 2005.

(2) Soda Lake property purchased in Fiscal Year 2006.

COMPLIANCE SECTION

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

To the Honorable Board of Commissioners of
Churchill County, Nevada

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Churchill County, Nevada, (the “County”), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements and have issued our report thereon dated November 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness on the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2013-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The

results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Reno, Nevada
November 26, 2013



Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by OMB Circular A-133

To the Honorable Board of Commissioners of
Churchill County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Churchill County, Nevada's, (the "County"), compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2013. Churchill County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County 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, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questions costs as item 2013-002. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2013-002, which we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Reno, Nevada
November 26, 2013

CHURCHILL COUNTY, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013
(Page 1 of 2)

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROJECT/ PASS-THROUGH GRANTOR'S NUMBER</u>	<u>EXPENDITURES</u>
<u>Department of Defense:</u>			
Direct Program:			
Office of Economic Adjustment:			
Community Economic Adjustment Planning Assistance for Joint Land Use Studies	12.610	HQ00051210031	\$ 52,934
Total Department of Defense			<u>52,934</u>
<u>Department of Housing and Urban Development:</u>			
Passed through State of Nevada:			
Commission on Economic Development:			
CDBG - State-Administered CDBG Program Cluster:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - NSBDC Business Counseling	14.228	CDBG/11/ED/02	6,762
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - ADA	14.228	CDBG/11/PF/05	147,825
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - Rural Nevada Continuum of Care	14.228	CDBG/12/AQ/03	250,000
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - NSBDC Entrepreneurial Training	14.228	CDBG/11/PCB/03	<u>4,839</u>
Total CDBG - State-Administered Small Cities Program Cluster:			<u>409,426</u>
State Housing Division:			
Emergency Shelter Grants Program	14.231	PATH I & II	3,392
Emergency Solutions Grants Program	14.231	E11-DC-32-0001	<u>27,791</u>
			<u>31,183</u>
Direct Program:			
Supportive Housing Program - Primary Assistance and Transitional Housing (PATH)	14.235	NV0058B9T021101	<u>30,801</u>
Total Department of Housing and Urban Development			<u>471,410</u>
<u>Department of Interior:</u>			
Direct Program:			
Bureau of Reclamation:			
Dixie Valley Ground Water Export Study	15.562	R10AC80887	<u>215,754</u>
Total Department of Interior			<u>215,754</u>
<u>Department of Justice:</u>			
Direct Program:			
Criminal Division:			
Equitable Sharing Program	16.922	13-DEA	<u>6,700</u>
Passed through State of Nevada:			
Department of Public Safety:			
JAG Cluster:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12-JAG-06	64,154
ARRA Edward Byrne Memorial Justice Assistance Grant Program (JAG) Program/Grants to States and Territories	16.803	09-ARRA-35	<u>30,000</u>
Total JAG Cluster:			<u>94,154</u>
Total Department of Justice			<u>100,854</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013
(Page 2 of 2)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT/ PASS-THROUGH GRANTOR'S NUMBER	EXPENDITURES
<u>Department of Transportation:</u>			
Passed through State of Nevada:			
Department of Transportation:			
Formula Grants for Other Than Urbanized Areas - Area 49 USC 5311	20.509	NV-18-X032 PR520-11-802	\$ 40,350
Formula Grants for Other Than Urbanized Areas - Area 49 USC 5311	20.509	NV-18-X034 PR433-12-802	185,358
ARRA Formula Grants for Other Than Urbanized Areas - Area 49 USC 5311 - Non-cash Assistance (Vehicle)	20.509	NV-86-X001 NM076-13-802	13,933
			<hr/> 239,641 <hr/>
Transit Services Program Cluster:			
Capital Assistance Program for Elderly Persons and Persons With Disabilities	20.513	NV-16-0037 PR516-11-802	6,830
National Highway Traffic Safety Administration:			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	22-JF-1.03	819
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	22-JF-1.03	1,200
Safety Belt Performance Grants	20.609	22-JF-1.03	930
Total Highway Safety Cluster			<hr/> 2,949 <hr/>
Total Department of Transportation			<hr/> 249,420 <hr/>
<u>U. S. Environmental Protection Agency:</u>			
Passed through State of Nevada:			
Department of Conservation and Natural Resources - Division of Environmental Protection			
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS32-0928S	15,137
Total U.S. Environmental Protection Agency			<hr/> 15,137 <hr/>
<u>Department of Energy:</u>			
Direct Program:			
Nuclear Waste Disposal Siting	81.065	89-5227-0-2-271	194,662
Total Department of Energy			<hr/> 194,662 <hr/>
<u>Department of Health and Human Services:</u>			
Passed through State of Nevada:			
Division of Welfare and Supportive Services:			
Child Support Enforcement	93.563	T81032440F	358,040
Child Support Enforcement - Incentive	93.563	T81032440F	437
			<hr/> 358,477 <hr/>
Department of Health and Human Services:			
Community Services Block Grant - Discretionary	93.569	T81032440-Community Action	8,811
Community Services Block Grant - Emergency Assistance	93.569	T81032440-Community Action	74,614
			<hr/> 83,425 <hr/>
Total Department of Health and Human Services			<hr/> 441,902 <hr/>
<u>Department of Homeland Security:</u>			
Passed through State of Nevada:			
Department of Public Safety:			
Division of Emergency Management:			
Emergency Management Performance Grants	97.042	9704212	15,039
Interoperable Emergency Communications - SERC Equipment	97.055	13-SERC-02-01	13,536
Interoperable Emergency Communications - SERC Equipment	97.055	12-UWS-02-01	24,593
Interoperable Emergency Communications - SERC Equipment	97.055	13-UWS-02-01	14,999
			<hr/> 53,128 <hr/>
2010 State Homeland Security Program (SHSP)	97.067	9704212	5,915
Total Department of Homeland Security			<hr/> 74,082 <hr/>
Total Expenditures of Federal Awards			<hr/> \$ 1,816,155 <hr/>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

A. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the expenditure activity of all federal award programs of Churchill County, Nevada, (“the County”), for the year ended June 30, 2013. The County’s reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

B. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting.

C. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Expenditures of federal awards have been included in the individual funds of the County as follows:

Governmental Activities:	
Major Governmental Fund:	
General Fund	\$ 783,958
Social Service Fund	801,306
Other Governmental Funds:	
Water Resource Fund	215,754
Business-Type Activities:	
Major Business-Type Funds:	
Waste Water Enterprise Fund	<u>15,137</u>
	<u>\$ 1,816,155</u>

D. SUBRECIPIENTS

All expenditures related to the **Formula Grants for Other Than Urbanized Areas (20.509)** award from the State of Nevada Department of Transportation were passed through to Churchill Area Regional Transportation, Inc. (CART), a Nevada non-profit corporation.

Expenditures of \$250,000 related to the **Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii (14.228)** from the State of Nevada Commission on Economic Development were passed through to a Nevada non-profit corporation.

E. NONCASH EXPENDITURES

The expenditures reported include noncash items as follows:

ARRA Formula Grants for Other Than Urbanized Areas (20.509)

Expenditures of \$13,933 for this program represent the dollar value of a used transportation van passed through to Churchill Area Regional Transportation, Inc. The value of the van was determined using the purchase price paid by the Nevada State Department of Transportation less the amount calculated using their standard depreciation method.

**CHURCHILL COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	<u> X </u> Yes	<u> </u> No	
Significant deficiency(ies)?	<u> </u> Yes	<u> X </u> None reported	
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No	

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No	
Significant deficiency(ies)?	<u> X </u> Yes	<u> </u> None reported	
Type of auditor’s report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	<u> X </u> Yes	<u> </u> No	

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
State-Administered CDBG Cluster:	
Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	CFDA 14.228
Nuclear Waste Disposal Siting	CFDA 81.065

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee?	<u> X </u> Yes	<u> </u> No
--	------------------	------------------

SECTION II – FINANCIAL STATEMENT FINDINGS

See page C-9.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

See page C-10.

**CHURCHILL COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Material Weakness:

Finding 2013-001:

Capital Asset Impairment:

- Criteria:* Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. An important component of an effective system of internal control over financial reporting includes the identification and proper recording of impaired assets.
- Condition and Context:* The County's books and records included capital assets that were determined to be impaired; yet had not been appropriately written down to reflect the impairment. Governmental Accounting Standards Board (GASB) Statement No. 42 *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* states that a capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The County built a sewer treatment plant during the fiscal year ended June 30, 2007. Due to expected population growth, the County built a larger sewer treatment plant during fiscal year ended June 30, 2009, which significantly reduced the service utility of the older sewer treatment plant. The County did not identify the older sewer treatment plant as impaired although the service utility had significantly declined.
- Effect:* The County's capital asset values and beginning net position in the Waste Water Enterprise Fund were overstated by \$1,572,981.
- Cause:* The County has not implemented sufficient controls to ensure that capital assets are assessed for impairment on an annual basis as required by GASB Statement No. 42.
- Recommendation:* We recommend the County implement procedures to review capital assets for indications of impairment.
- Management's Response:* Annually, each department will certify and reevaluate their capital assets for impairment to ensure appropriate valuations.

**CHURCHILL COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; PASSED THROUGH THE STATE OF NEVADA:

Finding 2013-002:

Community Development Block Grant, CFDA 14.228

Grant Award Number: Potentially affects all grant awards included under CFDA 14.228 on the Schedule of Expenditures of Federal Awards that pass-through grant funds.

Criteria: *OMB Circular A-133* provides that a pass-through entity is responsible for communicating certain Federal award information to each subrecipient, including the Catalog of Federal Domestic Assistance (CFDA) title and number, award name and number, and the name of the Federal awarding agency. In addition, the pass-through entity shall advise subrecipients of requirements imposed on them by Federal laws, regulations and the provisions of the grant agreement.

Condition and Context: As part of our testing over subrecipient monitoring, we reviewed the subrecipient award for communication of required information and noted that the award did not include the CFDA number, award name and number, or the name of the Federal awarding agency. In addition, the assurances included in the award did not indicate the funding was Federal in nature and that the subrecipient was subject to compliance requirements under *OMB Circular A-133*.

Questioned Costs: None.

Effect: Subrecipients may be unaware of specific Federal award information and requirements, which could result in noncompliance at the subrecipient level.

Cause: Churchill County did not have adequate procedures in place to ensure subrecipient awards contained all of the required information.

Recommendation: We recommend Churchill County enhance procedures to ensure subrecipient awards contain all of the required information.

Management's Response: Churchill County is developing procedures to ensure that all subrecipients are provided with the specific award information and requirements in accordance with the Single Audit Act. This information will be included in grant training to the various departments and agencies.

**CHURCHILL COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013**

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no prior year Federal award findings.

CHURCHILL COUNTY, NEVADA
SCHEDULE OF FEES IMPOSED SUBJECT TO THE
PROVISIONS OF NRS 354.5989
LIMITATION OF FEES FOR BUSINESS LICENSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Flat Fixed Fees:						
Adjusted base, June 30, 2012	\$ 70,794					
Adjustment to Base:						
Base Year						
1. Percentage increase in population of the local government	0.41%					
2. Percentage increase in Consumer Price index for the year ending on December 31 next preceding year for which the limit is being calculated.	<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">1.70%</td> <td style="border-bottom: 1px solid black; padding: 0 10px;">2.11%</td> </tr> <tr> <td colspan="2" style="text-align: right; padding-right: 10px;"> <table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">1,491</td> </tr> </table> </td> </tr> </table>	1.70%	2.11%	<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">1,491</td> </tr> </table>		1,491
1.70%	2.11%					
<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">1,491</td> </tr> </table>		1,491				
1,491						
Adjusted base, June 20, 2013	72,285					
Actual business license revenue, 2012-2013	<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">62,638</td> </tr> </table>	62,638				
62,638						
Amount over (under) adjusted base amount	<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="border-bottom: 3px double black; padding: 0 10px;">\$ (9,647)</td> </tr> </table>	\$ (9,647)				
\$ (9,647)						

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.

PRIOR YEAR'S STATUTE COMPLIANCE

An apparent violation of NRS 354.626 for expenditures in excess of budgetary authority was noted. Although attempts were made to monitor expenditures during the year, expenditures/expenses in excess of budget were again noted as disclosed in Note 2 to the financial statements.

PRIOR YEAR'S AUDIT RECOMMENDATIONS

See the Summary Schedule of Prior Audit Findings on pages C-11.

CURRENT YEAR'S AUDIT RECOMMENDATIONS

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

NEVADA REVISED STATUTE 244.186 (1)(a) & (b)

Churchill County is authorized pursuant to NRS 711.175 to sell video service to the general public over a video service network. As such, NRS 244.186 prohibits the County from (a) selling such video service at a price that is less than the actual cost of the video service or sell a bundle of services containing such video service at a price that is less than the actual cost of the bundle of services or; (b) use any money from the county general fund for the provision of such video service over its video service network. No evidence was discovered to indicate the County was selling its services in violation of paragraph (a), and no general fund monies were used in support of providing such video services.

NEVADA REVISED STATUTE 354.598155

The Special Ad Valorem Capital Projects Fund made \$68,944 worth of expenditures for the general government and intergovernmental functions.

NEVADA REVISED STATUTES 710.140 AND 710.145

Churchill County provides wireless services outside its territorial boundaries and is therefore subject to the provisions of NRS 710.140 and NRS 710.145. No evidence was discovered to indicate the County was not in compliance with the provisions of those sections with regard to the facilities and property it maintains and the services it provides outside its territorial boundaries.

NRS 354.6115

The financial statements of the Revenue Stabilization Fund are located in this report. As noted above, compliance with Nevada Revised Statutes is contained in Note 2 to the financial statements.

