

# CHURCHILL COUNTY, NEVADA



Churchill County Courthouse Then and Now  
Celebrating Nevada's 150<sup>th</sup> Anniversary

## Comprehensive Annual Financial Report

*Year Ended June 30, 2014*





**CHURCHILL COUNTY, NEVADA**  
**COMPREHENSIVE ANNUAL**  
**FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2014**

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JUNE 30, 2014**

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**INTRODUCTORY SECTION – UNAUDITED**





# Churchill County Comptroller

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December 1, 2014

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, 2014.

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 fund, 29 non-major special revenue funds, four major proprietary funds, four non-major proprietary fund, five 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, 2014, as of July 1, 2013 is 25,322. This reflects a 0.3% increase over the prior year population of 25,238. The City of Fallon's population is 8,706 compared to the prior year of 8,706 noting no change. 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. The level of taxable sales bottomed out in fiscal year 2011. In fiscal year 2012 and 2013, taxable sales had significant increases due to one-time taxable sales associated with building projects of the Pauta Geothermal Plant near Hazen and the Dairy Farmers of America milk processing plant. These projects were exempt from local sales tax as part of the sales and use tax abatements provided for renewable energy and economic development projects. As noted in the chart below, this amount exceeded the FY 2006 amount due to the geothermal plant construction.

#### **TAXABLE SALES**

Fiscal Year Ended			
6/30	Taxable Sales	Prior Year Change	Percentage Change
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%
2014	252,675,060	(134,894,925)	-34.8%

A review of the trends in taxable sales for the top ten business codes indicates an increase in four classifications. The amount of sales in building materials up \$0.6M or 3.1%, eating and drinking up \$5.3M or 19.4%, food stores up \$1.7M or 15.4%, and miscellaneous retail up \$0.3M or 10.9%. The six of the top ten businesses indicated a decrease with geothermal/renewable energy related business codes down \$138.5M since the Patua project was completed in FY 13. Other decreases were noted in durable goods down \$0.1M or 0.5%, furniture stores down \$.1M or 1.4%, auto dealers down \$0.8M or 2.4%, general merchandise stores down \$.9M or 2.1%, and construction specialty trades down \$.7M or 6.7%. Increases and decreases were seen in the other business codes. Nevada has taken a significant blow to the state economy as the state lead the nation in unemployment and foreclosure rates during the great recession. This has had an impact on our level of taxable sales. The development of new geothermal resources and the major \$300M geothermal project at Gradient's Patua Plant and the \$80M DFA's Dairy plant account for a significant amount of one-time non-sustainable taxable sales in prior years. The sales directly related to these projects 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 decreases in the business classes reflect a downturn from the prior year which had construction project activities. The Nevada economy is starting to show signs of improvement. 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 2<sup>nd</sup> tier breakdown is as follows for fiscal year 2013-2014: County 74.74%, City of Fallon 21.41%, Carson-Truckee Water Conservancy 0.11% and Churchill Mosquito and Weed Abatement 3.74%. The CTX revenue was \$6,693,903 compared to \$6,709,063 in the prior year, which was a decrease of \$15,160 or -0.23%. 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%
2014	1,282,640	4,175,379	99,722	33,002	70,934	1,032,226	6,693,903	-0.23%

The overall decrease in the CTX distribution is primarily a result of a decrease in levels of taxable sales based actual collections (BCCRT and SCCRT) being down \$39,911 or -0.7%. Decreases were also noted in cigarette tax down \$5,559 or -5.3% offset by an increase of \$1,755 or +5.6% in liquor taxes. Furthermore, there was a slight decrease of \$18,323 in real property transfer tax over the prior year due to continued weak real estate market. The increase in Government Services Tax (GST) of \$46,978 or +4.7% is due to the related increase in vehicle values as resident acquire newer automobiles. 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%
2014	707,843,459	2,022,409,883	1.94%

Individual residential construction in the county continued with 8 new single-family dwelling building permits issued during the period of July 1, 2013 to June 30, 2014, at a value of \$2,216,394 an increase compared to the prior year amount of \$1,159,844. Commercial building permits issued were valued at \$422,313 during the year, which was down from the prior year's pace of \$1,487,972. Additionally 122 permits were issued for improvements valued at \$1,503,864. Industrial building permits decreased from \$24,923,451 to \$6,966,564 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 2014, the assessed values for residential properties received economic obsolescence 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 obsolescence 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., county, county school district, 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:

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Budget 2014
Churchill County	1.2529	1.2529	1.2529	1.2529	1.2529	1.2529
C.C. School District	1.3000	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)	2.8029	2.8029	2.8029	2.8029	2.8029	2.8029
Percentage Increase (Decrease)	1.01%	0.00%	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 \$2,199,782 compared to the prior year amount of \$2,053,174. It was apportioned to the following funds: General Fund, Library, Parks and Recreation, Risk Management, Compensated Absence, Water Resources, Debt Service Fund, and Building Reserve Fund. Full funding of PILT has been approved by Congress as part of the economic stimulus package. This full funding will be used in part for capital improvements.

#### MAJOR INITIATIVES

In preparing the 2014 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 provide 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 2014, Churchill County Social Services continued it's partnership 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 15<sup>th</sup>, 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 2013-2014, the Sheriff's Office graduated it's second Reserve Deputy Academy. This program assists in the operations of the Sheriff's Office. All Sheriff's Office personnel have toured each school in the county for familiarization so the department can more effectively respond to any school events as needed. The Sheriff implemented a Lunch with the Law program that puts marked cars and armed deputies in the schools at random times during the day. This allows the deputies the chance to have lunch with the students, provide a positive mentoring opportunity and dissuade any potential bad acts to occur. The Sheriff's Office is continuing 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 worked with the School District 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 127,169 patrons during FY 2013-2014 and circulated 150,413 items. The Library offers story time on Wednesdays and served over 500 children during the Summer Reading Program. The Library launched a new website at [www.churchillcountylibrary.org](http://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 is repurposing its space to better meet the needs of Churchill County residents. Upgrades include lighting, stacks, energy efficient windows, and increased seating. The Library Repurpose Project is expected to be completed by May 2015.

### 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. 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 \$669,150 in the fiscal year ending June 30, 2014, an increase of \$29,535 or 4.6% from the prior year amount of \$639,615. The revenues were apportioned to the General Fund, Social Services Fund, Building Reserve Fund and the Extraordinary Repairs and Maintenance Fund. The current year increase is due to more energy production on public lands, offset by 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 \$6,546,771.

### 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 to 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. Since 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. The total purchase price has been \$12,677,332 with the Navy contributing \$8,801,018 and the County paying \$3,876,314. In Fiscal Year 2014, the county purchased five different conservation easements at \$498,695 with the Navy contributing \$371,250 towards the acquisition. 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 2014 saw a number of capital improvement projects throughout the County. The County continues to develop the water and waste water facilities by making minor capital improvements to the systems to enhance operations.

The County supported public safety by acquiring a portable radio repeater system, purchased tools and a camera system for the Fire Departments as well as replacing fire-fighting equipment as part of their equipment replacement plan. The County purchased golf carts, ice machine and fairway mower for the golf course. The Road Department's Equipment Replacement Program procured a new F350 Super Duty pickup for operations. Several air conditioning units and copiers were replaced during the year.

Several road projects were completed with gas tax revenues. A summary of completed projects included: Candee Lane, Bottom Road, Sunrise Terrace, Penelope Drive, Golden Parkway and Venturacci Lane asphalt overlays and the Wildes Road bridge. Furthermore, the Road Department completed 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. Duncan Golf at Fallon had a successful first season.

#### CC Communications: Enterprise Operations

The 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 broadband, subscription television, telephone, long distance, managed data services, and security system services to customers within the County. The continuing retooling of support mechanisms, combined with customer preferences 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 47% to become leaner and more focused on the services that remain viable. Capital resources continue to flow to the placement of fiber optic cable directly to customer's homes, which has provided County residents with access to the highest amount of bandwidth available anywhere in the Country and the world. CC Communications made significant investments to place these new facilities during the last four years. Upon two years analysis of USF changes to the high cost funding, Management has determined that an increase in capital expenditures is appropriate.

In addition to allocating resources to FTTH projects, the company now offers some new products and services to meet the changing needs of businesses. The Managed Data Services Enterprise Fund ("MDS") includes, C5 computer repair, data center services, web site design and IT support plans. While there is a need for these types of services, the last two years have been enlightening as to both internal and external barriers to success. The market for several of these services is more limited and competitive than anticipated. Further, in some cases providing these services does not play to our traditional capabilities, and hiring staff has been challenging. C5 computer repair has proven to provide a stable revenue stream, while capitalizing on customer contact when the customer misdiagnosis their computer problem as an Internet issue. Website design has shown a profit, as well as potential for growth. In the

upcoming year the company will be implementing a growth plan for this line of business. In the future management will look much more closely at new products to ensure that they (1) align well with the existing services offered and (2) are lines of business that capitalize on our core capabilities. To that end, we will evaluate closely opportunities to expand our footprint with broadband services including the broadband connection, subscription and over-the-top television, ESI and functionally equivalent services, security systems, and telephone.

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. Management is actively seeking a technological solution to providing over-the-top content combined with off-air channels, which can be offered both on network as well as off network.

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 80% 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 85% 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, set top boxes and installation remain the primary challenges to profitability in the subscription television market. As mentioned above, management is working on a solution that incorporates off air channels with over-the-top content to create a package for customers unwilling to pay for the vast quantity of subscription TV available. This solution would also include a set top box that provides for self-install. When realized, the solution would address the three main challenges faced today. While the subscription television landscape is evolving rapidly, 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. Moreover, expansion of the company's footprint would include all three services and allow the company to capitalize on investment made to support Churchill County.

CC Communications-Long Distance continues to modify calling plans and long distance bundles to meet the needs of the competitive marketplace. This past year CC Communications introduced an international plan which for a monthly charge the per minute international rate is reduced for the customer. A savings for the customer and a new revenue stream for Long Distance. Long Distance usage continues to track 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.

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 wireline 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, 2013. This was the ninth 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, and Mary Byrd. Thanks to Linda Rothery, Deputy 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, 2014**

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

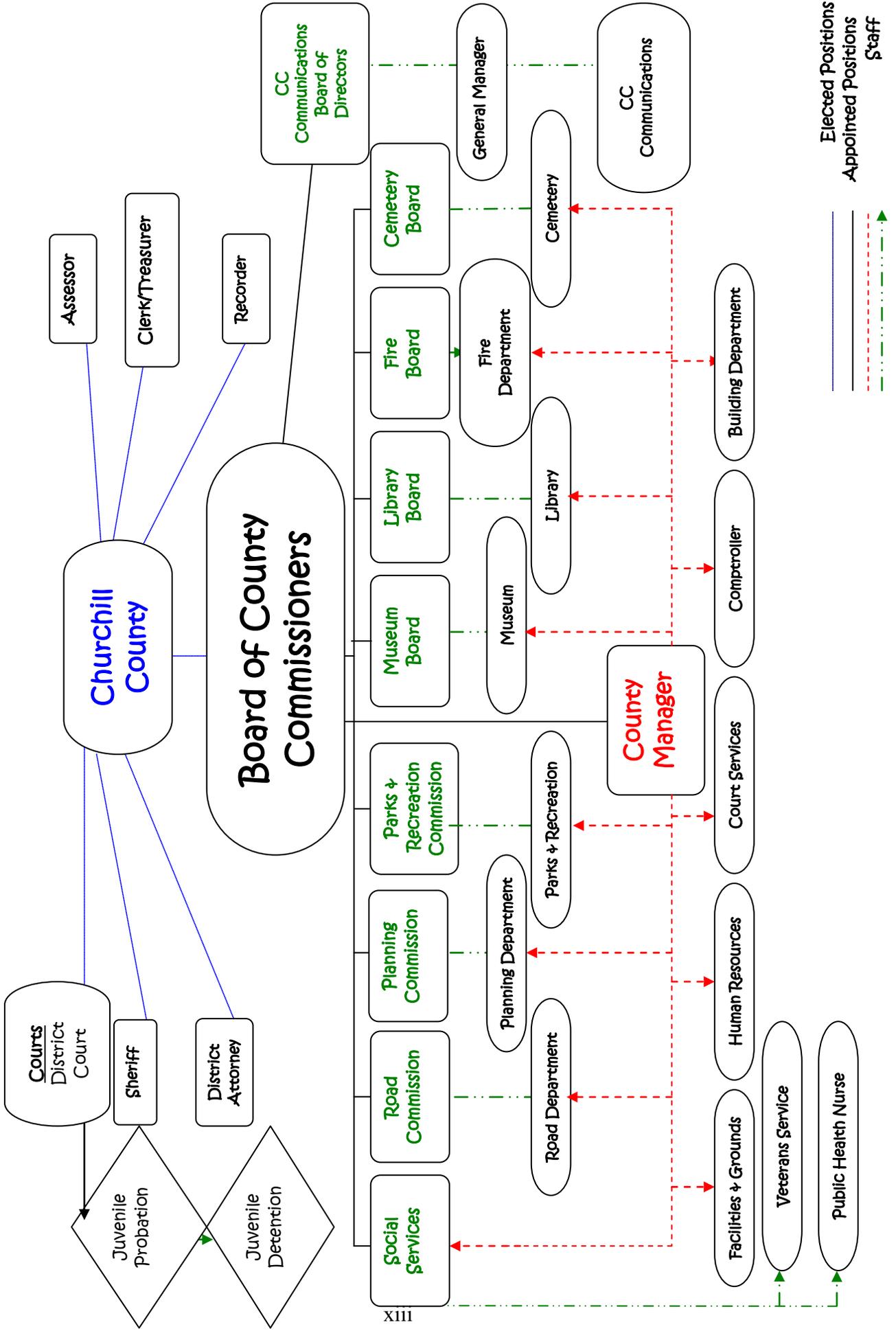
APPOINTED OFFICIALS-GENERAL COUNTY

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/CEO	Mark Feest
Director of Operations	Ed Rybold
Chief Financial Officer	Lorrie Ford
Sales/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, 2013**

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, 2014, 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 from material misstatement.

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

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Churchill County, Nevada, as of June 30, 2014, 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 Regional Transportation 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-15 and 41, 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 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 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 do not express an opinion or provide any assurance 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, 2013 (not presented herein), and have issued our report thereon dated November 26, 2013, 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 combining and individual fund financial statements and schedules related to the 2013 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2013 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 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 December 1, 2014, 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.

*Kafoury, Armstrong & Co.*

Reno, Nevada  
December 1, 2014

**CHURCHILL COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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 \$45,049,813 are available to meet current liabilities, including debt due within one year, of \$3,149,085. This is a conservative measure of cash and investments available to pay current obligations. The County's cash ratio is 14.3, meaning that the County has 14.3 times the unrestricted cash on hand to meet its current obligations. Last year's cash ratio was 13.2.
- The County's current assets for governmental activities exceeded current liabilities by \$30,403,494 and the current assets for business-type activities exceeded current liabilities by \$16,257,674 which is a strong indication of the County's ability to meet current obligations.
- Government-wide net position equal \$170,405,486. Business-type activities contributed \$83,622,850 or 49.1% and governmental activities contributed \$86,782,636 or 50.9% of the total net position. The Business-type activities net position reduced by \$2,518,948 or 2.9% in the current year due to operating revenues over (under) expenses in Telephone (\$1,043,724) Long Distance \$209,133, Broadband (\$249,114), Managed Data Services (\$291,915), Waste Water (\$1,096,063), Water Utility Fund (\$399,592) and the Golf Course (\$30,893). Other Business type revenues included interest income of \$27,389, miscellaneous revenues of \$130,831, and transfers of \$225,000. The governmental activities net position increased by \$267,524 or 0.3%. There was a net reduction in capital assets due to current year depreciation and deletions exceeding the additions to capital assets by \$1,858,755. Current assets increased by \$2,294,681 due primarily to an increase in cash and investments. There was a increase in total liabilities of \$161,384 which was primarily related to increases in the OPEB liability and compensated absences accrued to employees, offset in part by a decrease in unearned revenue.
- Capital assets, net of accumulated depreciation, decreased from \$132,654,029 to \$129,452,819. A decrease of \$3,201,210 or 2.4%. The business-type activities capital assets, net of depreciation, decreased by \$1,342,454 primarily as a result of current year accumulated depreciation of \$4,802,375 offset by capital additions included in the capital improvement plan. See Note 5 Capital Assets for more details. There was a decrease of \$1,858,755 or 3.0% in governmental activity capital assets, including the purchase of land and easements valued at \$508,694 and equipment additions of \$120,215 and infrastructure improvements of the Wildes Road bridge and various roads in the amount of \$387,511, \$776,107 respectively. These increases were offset by current year depreciation of \$2,382,671.
- Total revenues decreased by \$1,539,088 or -3.5% from \$45,780,761 to \$44,241,673. Program revenues were \$20,566,489 or 46.5% of the total. Program revenues decreased by \$2,062,378 primarily as a reduction in Charges for Services of \$2,090,251 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 an increase of \$313,010 in operating grants due to more funding received from the Federal and State government. There were reductions in capital grants and contributions of \$285,137 primarily due to the completion of the CDBG Food Pantry grant in the amount of \$250,000 in the prior year.

- General revenues increased to \$23,675,184 from \$23,151,894 an increase of \$523,290 or 2.3%. The County's primary general governmental revenue sources are ad valorem taxes of \$7,945,734 and consolidated taxes at \$5,017,787. These two revenue sources comprise 33.6% and 21.2% of countywide general revenues, respectively. Ad valorem revenues increased by \$83,350 or 1.1% due to the increase 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 increased as a result of higher replacement cost factors from Marshall and Swift, less economic obsolescence of house values in certain areas of the county due to higher sales values in the residential real estate market and a slight 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 \$17,901 from \$4,999,886 to \$5,017,787 or 0.4% 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. Federal PILT was up \$146,608 from the prior year due to increased funding approved by Congress. The delinquent tax penalties increased by \$206,063 from the prior year due to Enel Geothermal plant paying their taxes late and were assessed the statutory late fee which was approximately \$225,500 in fiscal year 2014.
- Total expenses were \$46,493,097, a decrease of \$793,285 or 1.7% countywide over the prior year. The governmental activities expenses were \$27,849,764 or 59.9% of the total expenses. Whereas, the business-type activities expenses were \$18,643,333 or 40.1% of the total expenses. The increase in governmental activities was \$300,179 or 1.1% due to higher operating cost during the year. The largest functions are public safety, general government, public works, cultural and recreation and judicial. These account for 91.2% of the governmental activities. The decrease in expense of the business-type activities was \$1,093,464 or 5.5% from \$19,736,797 to \$18,643,333. Telephone operations continue to be the largest business-type activity at 68.9% of the business-type activities. Telephone expenses increased \$45,949 or 0.4% from \$12,807,802 to \$12,853,751 due to a slight increase in operating expenses. Wireless decreased by \$932,899 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 prior fiscal year. There was a decrease of \$74,880 or -18.3 % in the Long Distance due to a decrease in the number of subscribers and long distance minutes. There was a decrease of \$48,883 or -1.8% 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 in the prior year. The startup expenses for the first year were \$650,818 compared to \$598,385 in the current year. Waste Water expenses increased from \$1,368,232 to \$1,384,061 due primarily to the bad debt expense on developer agreements due to restructuring of developer agreements. Water Utility expenses increased from \$709,256 to \$724,633 an increase of \$15,377 or 2.2% 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 in fiscal year 2013. Expenses of \$32,715 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 \$2,251,424. This indicates that current year operations relied on prior year net position to provide resources for necessary services.

- At June 30, 2014, the County's governmental funds had a fund balance of \$30,491,706. The Non-spendable portion is \$114,870, Restricted \$7,391,729, Committed \$5,376,298, Assigned \$12,134,933, and Unassigned Balance of \$5,473,876. 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, 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 in fiscal year 2013 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 38 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 Regional Transportation 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 fund, 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, its utility and golf course business-type activities. 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 Enterprise Fund and the Utility Enterprise Fund. The non-major proprietary funds are CC Communications 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 18-40 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 42-128 of this report, with the statistical section immediately following.

### **Financial Statement Analysis**

#### **Government-Wide Financial Statement Analysis**

Total assets as of June 30, 2014, net of accumulated depreciation of \$97,785,185, totaled \$179,950,755. Assets include cash/investments, receivables and capital assets. The majority of Churchill County's net position, \$128,501,467 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 \$9,545,269. Liabilities also include payables and unearned revenue. A comparison of assets and liabilities for the government-wide financial

statements reflect net position of \$170,405,486 as of June 30, 2014. The following table is provided to enhance analysis.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 32,440,311	\$ 30,145,630	\$ 17,369,942	\$ 18,014,852	\$ 49,810,253	\$ 48,160,482
Noncurrent assets	97,332	104,349	590,351	847,080	687,683	951,429
Capital assets	59,810,234	58,620,105	69,642,585	70,985,039	129,452,819	129,605,144
Total Assets	<u>\$ 92,347,877</u>	<u>\$ 88,870,084</u>	<u>\$ 87,602,878</u>	<u>\$ 89,846,971</u>	<u>\$ 179,950,755</u>	<u>\$ 178,717,055</u>
Current liabilities	\$ 2,036,817	\$ 2,233,637	\$ 1,112,268	\$ 868,821	\$ 3,149,085	\$ 3,102,458
Noncurrent liabilities	3,528,424	3,170,220	2,867,760	2,836,352	6,396,184	6,006,572
Total Liabilities	<u>\$ 5,565,241</u>	<u>\$ 5,403,857</u>	<u>\$ 3,980,028</u>	<u>\$ 3,705,173</u>	<u>\$ 9,545,269</u>	<u>\$ 9,109,030</u>
Net Position:						
Net investment in						
capital assets	\$ 59,810,234	\$ 58,620,105	\$ 68,691,233	\$ 69,954,472	\$ 128,501,467	\$ 128,574,577
Restricted	7,396,768	7,227,636	248,017	212,586	7,644,785	7,440,222
Unrestricted	19,575,634	17,618,486	14,683,600	15,974,740	34,259,234	33,593,226
Total Net Position	<u>\$ 86,782,636</u>	<u>\$ 83,466,227</u>	<u>\$ 83,622,850</u>	<u>\$ 86,141,798</u>	<u>\$ 170,405,486</u>	<u>\$ 169,608,025</u>

The governmental and business-type activities for fiscal year 2013-2014 are presented in the Statement of Activities. As indicated on this statement, governmental activities increased net position of Churchill County by \$267,524. The business-type activities decreased net position by \$2,518,948 for an overall decrease of net position of \$2,251,424. 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	
	2014	2013	2014	2013	2014	2013
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 2,884,207	\$ 2,596,070	\$ 15,741,165	\$ 18,119,553	\$ 18,625,372	\$ 20,715,623
Operating grants, interest and contributions	1,931,117	1,618,107	-	-	1,931,117	1,618,107
Capital grants, interest and contributions	10,000	280,000	-	15,137	10,000	295,137
General revenues:						
Ad valorem taxes	7,945,734	7,862,384	-	-	7,945,734	7,862,384
Consolidated taxes	5,017,787	4,999,886	-	-	5,017,787	4,999,886
Other taxes	8,778,447	8,792,512	-	-	8,778,447	8,792,512
Unrestricted investment earnings	95,791	90,600	27,389	25,228	123,180	115,828
Other/Miscellaneous revenues	1,679,205	1,303,485	130,831	77,799	1,810,036	1,381,284
<b>Total Revenues</b>	<b>28,342,288</b>	<b>27,543,044</b>	<b>15,899,385</b>	<b>18,237,717</b>	<b>44,241,673</b>	<b>45,780,761</b>
<b>Expenses:</b>						
General government	6,261,050	6,564,950	-	-	6,261,050	6,564,950
Judicial	3,871,875	3,731,187	-	-	3,871,875	3,731,187
Public safety	9,345,891	8,641,764	-	-	9,345,891	8,641,764
Sanitation	1,250	-	-	-	1,250	-
Public works	3,687,337	3,895,618	-	-	3,687,337	3,895,618
Health	231,425	240,317	-	-	231,425	240,317
Welfare	1,669,279	1,724,628	-	-	1,669,279	1,724,628
Culture and recreation	2,223,468	2,190,280	-	-	2,223,468	2,190,280
Community support	558,189	560,841	-	-	558,189	560,841
Telephone	-	-	12,853,751	12,807,802	12,853,751	12,807,802
Wireless	-	-	-	932,899	-	932,899
Long distance	-	-	334,045	408,925	334,045	408,925
Broadband	-	-	2,715,743	2,764,626	2,715,743	2,764,626
Managed Data Services	-	-	598,385	650,818	598,385	650,818
Waste Water	-	-	1,384,061	1,368,232	1,384,061	1,368,232
Utility-Water	-	-	724,633	709,256	724,633	709,256
Golf Course	-	-	32,715	94,239	32,715	94,239
<b>Total Expenses</b>	<b>27,849,764</b>	<b>27,549,585</b>	<b>18,643,333</b>	<b>19,736,797</b>	<b>46,493,097</b>	<b>47,286,382</b>
Change in net position before transfers	492,524	(6,541)	(2,743,948)	(1,499,080)	(2,251,424)	(1,505,621)
Transfers	(225,000)	(1,025,000)	225,000	1,025,000	-	-
<b>Change in Net Position</b>	<b>267,524</b>	<b>(1,031,541)</b>	<b>(2,518,948)</b>	<b>(474,080)</b>	<b>(2,251,424)</b>	<b>(1,505,621)</b>
Net Position- July 1	83,466,227	84,497,768	86,141,798	88,205,213	169,608,025	172,702,981
Prior Period Adjustment	3,048,885	-	-	(1,589,335)	3,048,885	(1,589,335)
<b>Net Position- June 30</b>	<b>\$ 86,782,636</b>	<b>\$ 83,466,227</b>	<b>\$ 83,622,850</b>	<b>\$ 86,141,798</b>	<b>\$ 170,405,486</b>	<b>\$ 169,608,025</b>

**Revenues:** Total revenues of \$44,241,673 are less than prior year revenue of \$45,780,761 by \$1,539,088 or 3.4%. Total governmental activity revenue increased by \$799,244 or 2.9% while total business-type activity revenues decreased by \$2,338,332 or 12.8%. General revenues, mainly comprised of various taxes and investment earnings, represent \$23,675,184 or 53.5% 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 \$20,566,489 or 46.5% of total revenues.

**Expenses:** Total expenses of \$46,493,097 were less than prior year expenses by \$793,285 or 1.4% to reflect an decrease in cost during the year. Total governmental activity expenses increased by \$300,179 or 1.1% while total business-type activity expenses decreased by \$1,093,464 or 5.5%. 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 68.9% of total business-type expenses. The Telephone expense increased by \$45,949 or 0.4%. The decreases in wireless expenses are a result of the sale of the Wireless assets effective December 30, 2008 with a five year phase out and the corresponding changes in business operations. The Wireless operations were closed out by fiscal year end June 30, 2014. There was a decrease in expenses of \$52,433 in Managed Data Services as that business line had additional startup cost in the prior year as its first year of operations. The increase in Water and Waste Water Operations is due to the 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.

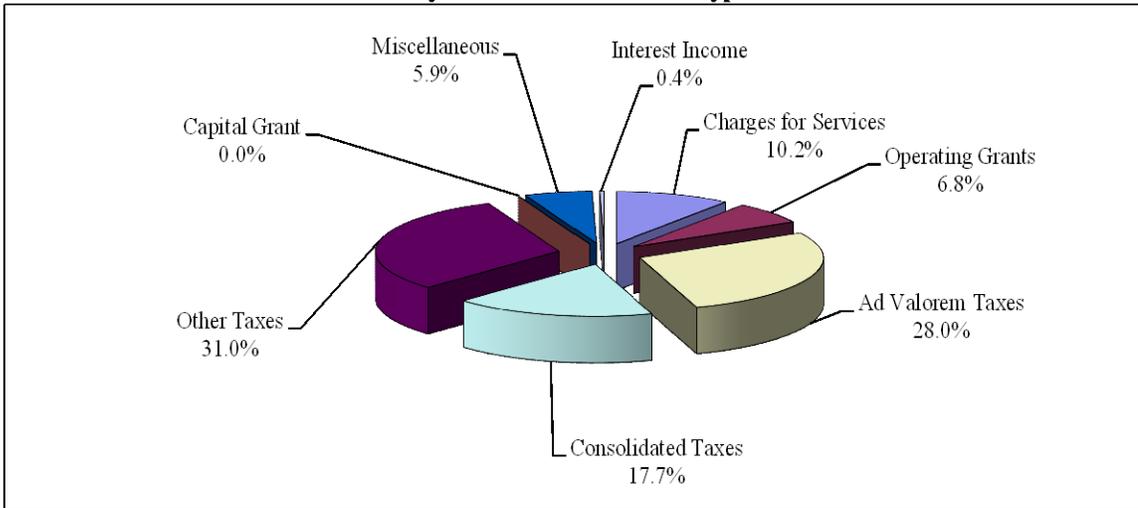
### **Governmental Activities**

Total program revenues and expenses for governmental activities amounted to \$4,825,324 and \$27,849,764, respectively, for the 2013-2014 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 \$288,137, or 11.1%, as there was an effort to increase charges for services to cover the cost of those services. Operating grants increased by \$313,010 primarily as a result of an increase in the level of Federal and State grants obtained by the county. See the Schedule of Expenditures of Federal Awards in the Compliance section of the report. In the current year, there were capital grants and contributions of \$10,000 compared to \$280,000 in the prior year. The County received a capital grant of \$250,000 for a pantry facility of Out of Egypt's food program and law enforcement received a capital grant of \$30,000 for departmental equipment in the prior year.

The County's primary general revenue sources are ad valorem, consolidated taxes and other taxes. These three revenue sources respectively comprise 34.1%, 21.5%, and 37.7% of countywide governmental revenues. Ad valorem revenues increased by \$83,350 or 1.1% due to the increases in the assessed values due to less economic obsolescence applied to residential dwellings due to increase in values in property sales 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 \$17,901 or 0.4% 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.

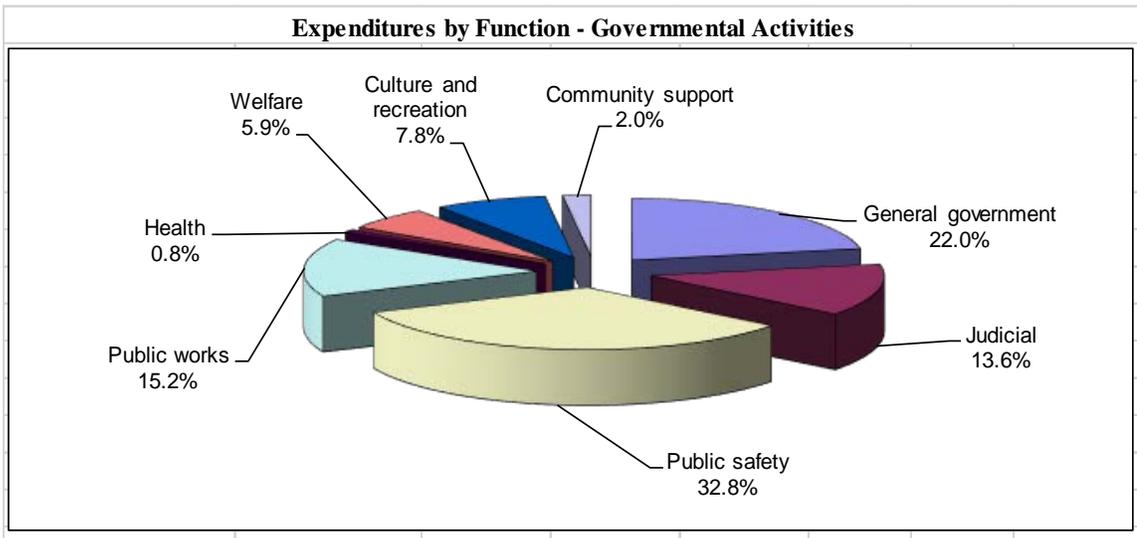
As illustrated on the following chart, other taxes are the largest revenue source at 31.0%, followed by ad valorem taxes at 28.0%, consolidated tax at 17.7%, charges for services at 10.2% and operating grants at 6.8%.

**Revenues by Sources- Governmental-type Activities**



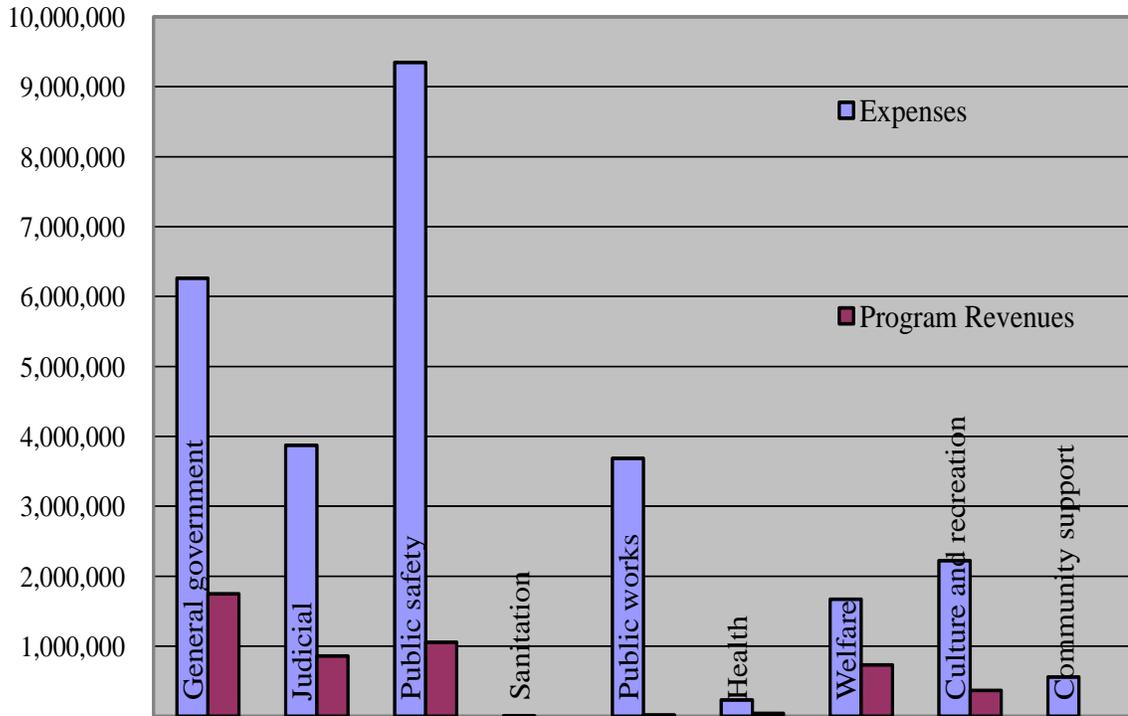
As noted, total governmental activities expenses were \$27,849,764 in the current year compared to \$27,549,585 in the prior year. Public safety, which is comprised of the Sheriff's Office, detention facility, juvenile probation, dispatch, and fire department, constitutes the largest cost to the County at \$9,345,891 or 33.6% of the total governmental activities expenses. This is up \$704,127 or 8.1% from the prior year. The increase is primarily due to personnel cost and equipment purchases. 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 \$6,261,050 or 22.5% of the total governmental activities compared to \$6,564,950 in the prior year. This is a decrease of \$303,900 or -4.6% over the prior year as a result of continuation of budget mitigation measures including gapping positions. Public works had expenses of \$3,687,337 or 13.2% of the total governmental activities expenses. There was an decrease of \$208,281 over the prior year due to timing of projects completed during the year and completion of the Wildes Road bridge costing \$387,511 as part of the economic development project in the Fallon Business Park. The judicial function expenses were \$3,871,875 or 13.9% of the total governmental activities expenses. They increased by \$140,688 or 3.8% 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:

Governmental Activities: Expenses and Program Revenues

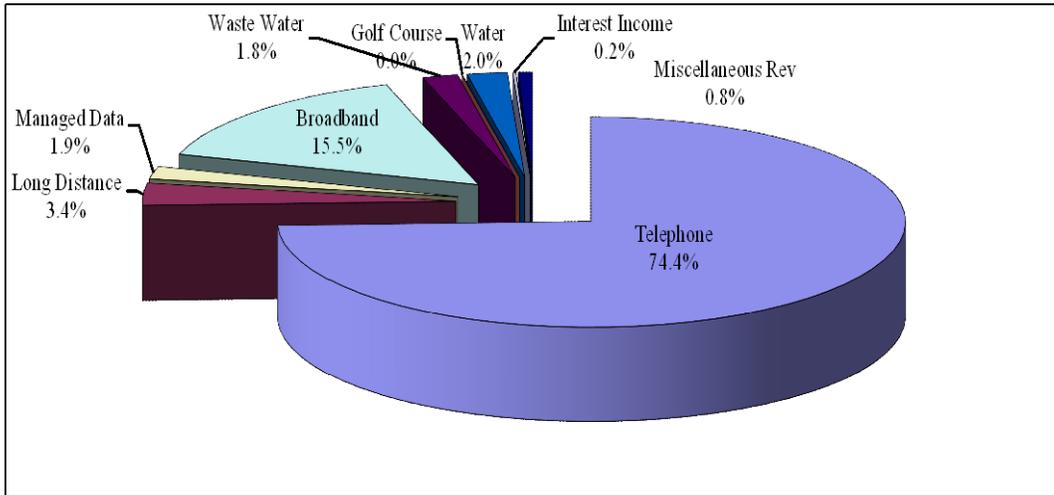


### Business-Type Activities

Business-type activities include the operations of CC Communications and the water utility, waste water, and golf course enterprise operations. There are four Business-type Activities within CC Communications: Telephone, Long Distance, Broadband and Managed Data Services. Total charges for services and expenses are \$15,126,304 and \$16,501,924, respectively, for CC Communications business-type activities for the 2013-2014 fiscal year which results in a decrease in net position of \$1,375,620. The total charges for services for CC Communications business-type activities decreased from fiscal year 2013 by \$2,305,791 or -13.2%. Telephone charges for services decreased by \$1,099,324 or -8.6%, due to a decrease in the number of subscriber lines and changes in the settlement process. Operating expenses increased \$45,949 or 0.4% 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 in the prior year had revenues of \$1,052,135 and expenses of \$932,899. It was closed out in fiscal year ending 6-30-13 in conjunction with closing out of the sale. There were no operations during the fiscal year 2014. Long distance revenues decreased by \$71,251 or -11.6%, 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 \$214,906 or -8.0% 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 \$48,883 or -1.8% 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 \$360,238 to \$325,041 or 9.8% due to reduction in developer payments and a slight increase in users rates effective June 2014. The Waste Water charges for services revenues decreased from \$319,569 to \$287,998 due to decrease in collection of standby fees from developers due to restructured agreements. Golf Course revenue included facility lease revenues.

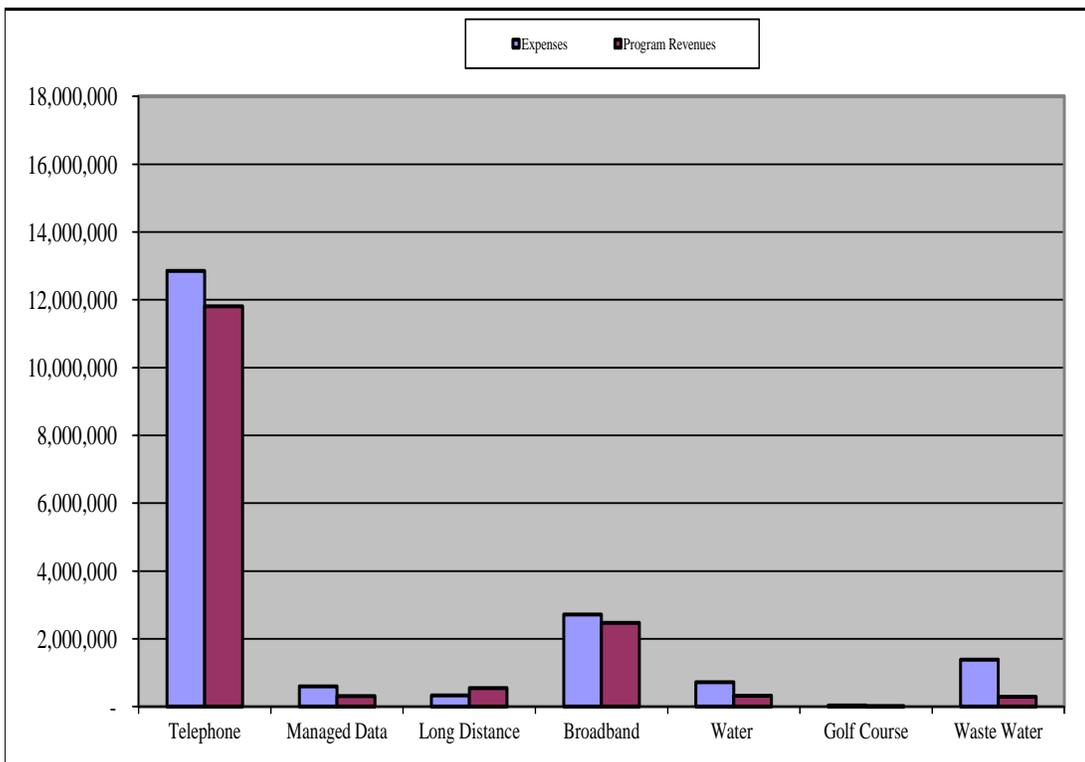
The following chart shows the allocation of business-type activity revenues for the fiscal year ending June 30, 2014:

**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 (\$1,043,724), Long Distance \$209,133, Broadband (\$249,114), Managed Data Services (\$291,915), Water (\$399,592), Waste Water at (\$1,096,063) and Golf Course (\$30,893). Currently, only 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 of the 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, liabilities and deferred inflows of resources of \$33,310,672, \$2,715,772 and \$103,194 respectively. This resulted in a total fund balance of \$30,491,706 of which \$114,870 is non-spendable which comprises of notes receivable of \$97,332 and \$17,538 of prepaids, \$7,391,729 is restricted, committed amount of \$5,376,298, assigned fund balance of \$12,134,933 and unassigned fund balance of \$5,473,876. 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, 2014, the fund balance in the General Fund was \$7,530,262 of which \$17,538 is non-spendable as prepaids, \$2,038,848 is assigned for Fiscal Year 2015 budgetary shortfall. The remaining fund balance of \$5,473,876 was unassigned at June 30, 2014. 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 31.6% of total fund expenditures. This represents over 3 months of expenditures and consistent with the Board's fund balance policy.

The General Fund balance increased by \$782,486 or 11.6% during the fiscal year. This is a result of the levels of revenue, expenditures and transfers. Revenues totaling \$18,092,460 increased by \$192,585 or 1.1% over the prior fiscal year amount of \$17,899,875. Ad valorem taxes increased \$103,161 or 1.8% due to the increases in assessed value due to stipulated agreements with some geothermal plants and less economic obsolescence associated with certain residential areas of the community due to higher sales values due to less short sales and foreclosures in certain areas. Fines and forfeits increased by \$209,834 due to an increase in delinquent tax penalties paid by Enel Geothermal plant for late payment of taxes. The penalty paid was approximately \$225,500. Miscellaneous revenues increased by \$108,324 primarily from the increase in the apportionment of geothermal rents to the General Fund in the amount of \$299,779 compared to prior year of \$182,738. There was a decrease in charges for services of \$163,601 due to the timing of the Assessor's property tax commission earned on the Enel payment. Intergovernmental revenues decreased \$8,868 from \$9,962,984 to \$9,954,116. General Fund expenditures of \$17,341,340 decreased by \$28,772 or -0.2% in the current year of operations due to the County continuing budget mitigation measures. There were reductions in the following General Fund functions: General Government, Public Safety, and Health. This was offset by increases in Judicial, Sanitation, 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. Excess of Revenues over Expenditures in the current year was \$751,120. Total Other Financing Sources/(Uses) totaled (\$31,366) which related to transfers out of \$25,000 to the Golf Course Enterprise Fund for capital purchases for the Fallon Golf Course offset by sale of assets of \$56,366.

#### **Road Fund:**

The Road Fund accounts for the building and maintaining roads and bridges in Churchill County. For the fiscal year ended June 30, 2014, the fund balance in the Fund was \$855,615 compared to \$1,292,875 in the prior year. The committed portion of the fund balance is \$252,686. The remaining fund balance, \$602,929, is assigned for street improvements. The decrease in fund balance of \$437,260 is related primarily to the timing

of projects during the paving season, and the completion of the Fallon Business Park bridge project for economic development. The primary revenues of the Road Fund consist of fuel taxes collected \$989,322, fuel reimbursements of \$199,558, and interest income of \$1,784. Other financing sources were transfers in from the Road Impact Fund of \$100,000 to support the Bottom Rd asphalt overlay project, transfers from Regional Transportation and Public Transit funds in the amount of \$641,659 and \$482,782 respectively for road projects approved by the Regional Transportation Commission. Total expenditures for the year were \$2,623,034 compared to \$4,010,722 in the prior year for a decrease of \$1,387,688. Most of the decrease is related to the replacement of equipment purchases of \$796,850 in the prior year. Road equipment replacement purchases are now reported in the Road Equipment Replacement Capital Project fund approved by the governing board effective July 1, 2013.

#### **Regional Transportation Fund:**

The Regional Transportation Fund accounts for the building and maintaining roads and bridges in Fallon and Churchill County. For the fiscal year ended June 30, 2014, the fund balance in the Fund was \$615,596 compared to \$1,084,635 in the prior year. The restricted portion of the fund balance is \$615,596 for road maintenance projects. The decrease in fund balance of \$469,039 is related primarily to the timing of projects during the paving season. The primary revenues of the Regional Transportation Fund consist of an optional gas tax 9 cent per gallon excise tax on the purchase of fuel. The gas tax collections totaling \$743,532 compared to prior year amount of \$764,624. Total expenditures for the year were \$566,000 compared to \$220,000 in the prior year. A significant part of the increase is due to the approved City project to construct Convention Center Drive in the amount of \$346,000 in the current year. Transfers out to the Road Department for project reimbursement were \$649,708 compared to \$726,275 in the prior year. The increase is the result of completing additional road projects during the year by the Road Department.

#### **Proprietary Funds**

The enterprise funds of Churchill County reflect total assets and liabilities of \$87,861,748 and \$4,238,898 respectively. This resulted in a total net position of \$83,622,850. Unrestricted net position totaled \$14,683,600 and restricted totaled \$248,017. Net investment in capital assets totaled \$68,691,233

#### **Major Proprietary Funds**

CC Communications: Telephone Fund reflects total assets and liabilities of \$53,352,400 and \$3,610,349, respectively, resulting in total net position of \$49,742,051. The decrease of total net position was \$1,023,507. The decrease is primarily the result of business operations.

CC Communications: Broadband Fund reflects total assets and liabilities of \$2,189,363 and \$345,249, respectively, resulting in total net position of \$1,844,114. The total net position decreased from 2012/2013 by \$172,072 or 8.5% due to results of operations.

Waste Water Enterprise Fund reflects total assets and liabilities of \$18,545,262 and \$19,357, respectively, resulting in total net position of \$18,525,905. The total net position decreased by \$917,026 or 4.7 % due primarily from depreciation expense of \$797,922 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 \$9,874,269 and \$20,504, respectively, resulting in total net position of \$9,853,765. This is a reduction of \$396,964 or 3.9% from the prior year. The reduction in net position is due primarily to system depreciation expense of \$278,677 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 \$16,704,579 and increased \$355,899 based on an augmentation for greater than anticipated intergovernmental revenues to \$17,060,478 for the final budget. Actual revenues were \$18,092,460 or \$1,031,982 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 \$19,705,870, which is \$1,258,134 more or 6.8% more than the original budget of \$18,447,736. Actual expenditures were \$17,341,340 which was less than the original budget and 12% 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.

<b>EXPENDITURE BUDGET BY FUNCTION</b>	<b>ORIGINAL</b>	<b>BUDGET FINAL</b>	<b>CHANGE</b>
General Government	\$ 5,335,002	\$ 5,530,097	\$ 195,095
Judicial	3,738,778	4,192,162	453,384
Public Safety	8,256,988	8,690,293	433,305
Health	244,940	271,290	26,350
Sanitation	5,000	5,000	-
Culture and Recreation	302,263	327,263	25,000
Community Support	196,000	246,000	50,000
Intergovernmental	368,765	443,765	75,000
<b>Total Expenditures</b>	<b>\$ 18,447,736</b>	<b>\$ 19,705,870</b>	<b>\$ 1,258,134</b>

**Capital Assets and Long-Term Debt Activity**

At June 30, 2014, Churchill County had a net capital asset investment of \$59,810,234 in governmental activities and \$69,642,585 in business-type activities. This represents a decrease of \$1,858,755 or 3.0% in the governmental activities and a decrease of \$1,342,454 or 1.9% 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 2013-2014 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.
- Completed the Wildes Road bridge for the Fallon Business Park.
- Purchase of equipment for the Volunteer Fire Department.
- Purchase of technology improvements for the Assessor, Recorder and Planning Departments.
- Copier purchases for Assessor’s Office, Museum and Library.
- Purchase of HVAC systems for various county buildings.
- Park & Recreation improvements including playground equipment, basketball court and a horse wash station at the Fairgrounds.
- Purchase of golf carts for the operations at the Golf Course.

CHURCHILL COUNTY'S CAPITAL ASSETS  
(net of depreciation)

	Governmental Activities	
	2014	2013 restated
Land	\$ 17,388,333	\$ 17,250,889
Water rights	6,546,771	6,510,576
Construction in Progress	41,699	423,713
Buildings and improvements	11,677,761	12,266,828
Land improvements	213,880	255,821
Equipment and motor vehicles	3,353,245	4,216,588
Infrastructure	20,588,545	20,744,575
Net Governmental Activities Capital Assets	<u>\$ 59,810,234</u>	<u>\$ 61,668,990</u>
	Business-Type Activities	
	2014	2013 restated
Real estate and easements	\$ 677,741	\$ 677,741
Water Rights	372,812	372,812
Construction in progress	2,194,588	70,260
Buildings and improvements	1,349,623	1,689,645
Central office switching	4,292,897	4,941,342
Outside plant	32,113,349	33,468,705
Computer equipment	854,984	821,822
Other communication equipment	10,877	-
Vehicles and work equipment	108,082	108,781
Leasehold equipment	318,124	371,497
Software	207,189	227,639
Other equipment	1,776,137	1,807,197
Waste Water infrastructure	16,948,790	17,734,992
Water infrastructure	8,417,392	8,692,606
Net Business-Type Activities Capital Assets	<u>\$ 69,642,585</u>	<u>\$ 70,985,039</u>
Net Governmental Activities Capital Assets	\$ 59,810,234	\$ 61,668,990
Net Business-Type Activities Capital Assets	69,642,585	70,985,039
Total Net Capital Assets	<u>\$ 129,452,819</u>	<u>\$ 132,654,029</u>

Long-term debt outstanding at June 30, 2014 for governmental activities was zero as the County paid off their last note in fiscal year 2012. The business-type debt is \$951,352 or \$79,215 less than last year due to the payments made on the capital lease during the year. The total outstanding debt and compensated absences were \$2,622,374. 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	
	2014	2013	2014	2013	2014	2013
Capital leases payable	\$ -	\$ -	\$ 951,352	\$ 1,030,567	\$ 951,352	\$ 1,030,567
Compensated absences	1,047,218	979,959	623,804	632,751	\$ 1,671,022	1,612,710
Total	<u>\$ 1,047,218</u>	<u>\$ 979,959</u>	<u>\$ 1,575,156</u>	<u>\$ 1,663,318</u>	<u>\$ 2,622,374</u>	<u>\$ 2,643,277</u>

**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](mailto:comptroller@churchillcounty.org).

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**CHURCHILL COUNTY, NEVADA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2014**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 29,992,769	\$ 15,057,044	\$ 45,049,813
Receivables:			
Property taxes	151,629	-	151,629
Interest	5,764	422	6,186
Other	66,472	1,732,360	1,798,832
Due from other governments	2,206,139	-	2,206,139
Prepaid expenses	17,538	6,767	24,305
Inventory	-	573,349	573,349
Total Current Assets	<u>32,440,311</u>	<u>17,369,942</u>	<u>49,810,253</u>
Noncurrent Assets:			
Restricted cash	-	248,017	248,017
Note receivable	97,332	224,000	321,332
Goodwill	-	118,334	118,334
Capital assets (not being depreciated)	23,976,803	3,245,141	27,221,944
Capital assets (net of accumulated depreciation)	<u>35,833,431</u>	<u>66,397,444</u>	<u>102,230,875</u>
Total Noncurrent Assets	<u>59,907,566</u>	<u>70,232,936</u>	<u>130,140,502</u>
Total Assets	<u>92,347,877</u>	<u>87,602,878</u>	<u>179,950,755</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	826,635	678,700	1,505,335
Property taxes refundable	15	-	15
Accrued liabilities	474,856	294,058	768,914
Due to other governments	187,019	-	187,019
Current portion of capital leases payable	-	46,869	46,869
Current portion of contract payable	-	4,167	4,167
Current portion of accrued compensated absences	94,074	50,914	144,988
Customer deposits	10,525	37,560	48,085
Unearned revenue	443,693	-	443,693
Total Current Liabilities	<u>2,036,817</u>	<u>1,112,268</u>	<u>3,149,085</u>
Noncurrent Liabilities:			
Contracts payable	-	4,166	4,166
Other postemployment benefits liability	2,575,280	1,386,221	3,961,501
Capital leases payable, net of current portion	-	904,483	904,483
Accrued compensated absences, net of current portion	<u>953,144</u>	<u>572,890</u>	<u>1,526,034</u>
Total Noncurrent Liabilities	<u>3,528,424</u>	<u>2,867,760</u>	<u>6,396,184</u>
Total Liabilities	<u>5,565,241</u>	<u>3,980,028</u>	<u>9,545,269</u>
<b>NET POSITION</b>			
Net investment in capital assets	59,810,234	68,691,233	128,501,467
Restricted for:			
General government	3,140,654	-	3,140,654
Judicial	48,523	-	48,523
Public safety	818,046	-	818,046
Public works	1,120,707	-	1,120,707
Welfare	1,914	-	1,914
Culture and recreation	473,595	-	473,595
Community support	1,793,329	-	1,793,329
Capital improvements	-	248,017	248,017
Unrestricted	<u>19,575,634</u>	<u>14,683,600</u>	<u>34,259,234</u>
Total Net Position	<u>\$ 86,782,636</u>	<u>\$ 83,622,850</u>	<u>\$ 170,405,486</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, 2014**

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
<b>Governmental Activities:</b>							
General government	\$ 6,261,050	\$ 1,237,925	\$ 502,011	\$ 10,000	\$ (4,511,114)	\$ -	\$ (4,511,114)
Judicial	3,871,875	336,663	524,882	-	(3,010,330)	-	(3,010,330)
Public safety	9,345,891	937,530	118,255	-	(8,290,106)	-	(8,290,106)
Sanitation	1,250	-	-	-	(1,250)	-	(1,250)
Public works	3,687,337	18,600	-	-	(3,668,737)	-	(3,668,737)
Health	231,425	38,555	1,850	-	(191,020)	-	(191,020)
Welfare	1,669,279	6,102	727,298	-	(935,879)	-	(935,879)
Culture and recreation	2,223,468	308,832	56,821	-	(1,857,815)	-	(1,857,815)
Community support	558,189	-	-	-	(558,189)	-	(558,189)
Total Governmental Activities	27,849,764	2,884,207	1,931,117	10,000	(23,024,440)	-	(23,024,440)
<b>Business-type Activities:</b>							
Telephone	12,853,751	11,810,027	-	-	-	(1,043,724)	(1,043,724)
Long Distance	334,045	543,178	-	-	-	209,133	209,133
Broadband	2,715,743	2,466,629	-	-	-	(249,114)	(249,114)
Managed Data Services	598,385	306,470	-	-	-	(291,915)	(291,915)
Waste water	1,384,061	287,998	-	-	-	(1,096,063)	(1,096,063)
Water utility	724,633	325,041	-	-	-	(399,592)	(399,592)
Golf Course	32,715	1,822	-	-	-	(30,893)	(30,893)
Total Business-Type Activities	18,643,333	15,741,165	-	-	-	(2,902,168)	(2,902,168)
Total County	\$ 46,493,097	\$ 18,625,372	\$ 1,931,117	\$ 10,000	\$ (23,024,440)	\$ (2,902,168)	\$ (25,926,608)
<b>General Revenues:</b>							
Ad valorem taxes					7,945,734	-	7,945,734
Franchise taxes					133,563	-	133,563
Unrestricted intergovernmental revenues:							
Federal payment in lieu of taxes					2,199,782	-	2,199,782
Local payment in lieu of taxes					2,320,000	-	2,320,000
AB 104 fairshare					1,067,755	-	1,067,755
Consolidated intergovernmental taxes					5,017,787	-	5,017,787
Fuel taxes					1,817,840	-	1,817,840
Optional county sales tax					1,239,507	-	1,239,507
Delinquent tax penalties					436,830	-	436,830
Interest income					95,791	27,389	123,180
Miscellaneous revenues					1,118,398	130,831	1,249,229
Gain on sale of assets					123,977	-	123,977
<b>Transfers:</b>					(225,000)	225,000	-
Total General Revenues and Transfers					23,291,964	383,220	23,675,184
Change in Net Position					267,524	(2,518,948)	(2,251,424)
<b>NET POSITION at July 1, as originally stated</b>					83,466,227	86,141,798	169,608,025
<b>Prior period adjustment</b>					3,048,885	-	3,048,885
<b>NET POSITION, July 1, as restated</b>					86,515,112	86,141,798	172,656,910
<b>NET POSITION at June 30</b>					\$ 86,782,636	\$ 83,622,850	\$ 170,405,486

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

**CHURCHILL COUNTY, NEVADA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2014**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and investments	\$ 7,532,029	\$ 394,843	\$ 879,757	\$ 21,186,140	\$ 29,992,769
Receivables:					
Property Taxes	111,064	-	-	40,565	151,629
Interest	647	96	193	4,828	5,764
Other	21,973	17,828	-	26,671	66,472
Notes	-	-	-	97,332	97,332
Due from other funds	3,750	661,473	-	107,806	773,029
Due from other governments	1,322,629	169,718	130,154	583,638	2,206,139
Prepays	17,538	-	-	-	17,538
	<u>17,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,538</u>
 Total Assets	 <u>\$ 9,009,630</u>	 <u>\$ 1,243,958</u>	 <u>\$ 1,010,104</u>	 <u>\$ 22,046,980</u>	 <u>\$ 33,310,672</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 359,806	\$ 347,181	\$ -	\$ 119,648	\$ 826,635
Property taxes refundable	15	-	-	-	15
Accrued liabilities	195,862	23,784	-	32,100	251,746
Accrued benefits	194,490	13,229	-	15,391	223,110
Due to other funds	105,149	-	394,508	273,372	773,029
Due to other governments	110,298	1,502	-	75,219	187,019
Customer deposits	3,978	2,647	-	3,900	10,525
Unearned revenue	433,888	-	-	9,805	443,693
	<u>433,888</u>	<u>-</u>	<u>-</u>	<u>9,805</u>	<u>443,693</u>
 Total Liabilities	 <u>1,403,486</u>	 <u>388,343</u>	 <u>394,508</u>	 <u>529,435</u>	 <u>2,715,772</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	75,882	-	-	27,312	103,194
	<u>75,882</u>	<u>-</u>	<u>-</u>	<u>27,312</u>	<u>103,194</u>
<b>FUND BALANCES</b>					
Non-Spendable	17,538	-	-	97,332	114,870
Restricted	-	-	615,596	6,776,133	7,391,729
Committed	-	252,686	-	5,123,612	5,376,298
Assigned	2,038,848	602,929	-	9,493,156	12,134,933
Unassigned	5,473,876	-	-	-	5,473,876
	<u>5,473,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,473,876</u>
 Total Fund Balances	 <u>7,530,262</u>	 <u>855,615</u>	 <u>615,596</u>	 <u>21,490,233</u>	 <u>30,491,706</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 9,009,630</u>	 <u>\$ 1,243,958</u>	 <u>\$ 1,010,104</u>	 <u>\$ 22,046,980</u>	 <u>\$ 33,310,672</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, 2014**

<b>Total Fund Balances - Governmental Funds</b>	<b>\$</b>	<b>30,491,706</b>
 Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of related depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		
Capital assets		107,791,832
Less: Accumulated depreciation		(47,981,598)
 Certain liabilities are not reported in the governmental funds because they are not due and payable in the current period:		
Other postemployment benefits liability		(2,575,280)
Compensated absences		(1,047,218)
 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 unavailable revenue in the governmental funds.		
		103,194
<b>Total Net Position - Governmental Activities</b>	<b>\$</b>	<b>86,782,636</b>

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 THE YEAR ENDED JUNE 30, 2014**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Regional Transportation Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Taxes	\$ 5,765,153	\$ -	\$ -	\$ 2,292,631	\$ 8,057,784
Licenses and permits	399,699	200	-	26,400	426,299
Intergovernmental	9,954,116	989,322	743,532	4,247,950	15,934,920
Charges for services	597,520	-	-	486,184	1,083,704
Fines and forfeitures	758,791	-	-	-	758,791
Miscellaneous	617,181	208,641	3,137	859,481	1,688,440
	<u>18,092,460</u>	<u>1,198,163</u>	<u>746,669</u>	<u>7,912,646</u>	<u>27,949,938</u>
Total Revenues					
<b>EXPENDITURES</b>					
Current:					
General government	4,833,450	-	-	1,472,441	6,305,891
Judicial	3,684,333	-	-	75,287	3,759,620
Public safety	7,719,398	-	-	80,755	7,800,153
Sanitation	1,250	-	-	-	1,250
Public works	-	2,623,034	-	109,831	2,732,865
Health	211,279	-	-	2,498	213,777
Welfare	-	-	-	1,662,677	1,662,677
Culture and recreation	285,615	-	-	1,728,854	2,014,469
Community support	213,331	-	-	340,265	553,596
Intergovernmental	392,684	-	566,000	376,332	1,335,016
	<u>17,341,340</u>	<u>2,623,034</u>	<u>566,000</u>	<u>5,848,940</u>	<u>26,379,314</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>751,120</u>	<u>(1,424,871)</u>	<u>180,669</u>	<u>2,063,706</u>	<u>1,570,624</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from insurance recovery	-	-	-	488,133	488,133
Sale of capital and other assets	56,366	13,170	-	620,061	689,597
Transfers in	-	1,224,441	-	461,103	1,685,544
Transfers out	(25,000)	(250,000)	(649,708)	(985,836)	(1,910,544)
	<u>31,366</u>	<u>987,611</u>	<u>(649,708)</u>	<u>583,461</u>	<u>952,730</u>
Total Other Financing Sources (Uses)					
Net Change in Fund Balances	782,486	(437,260)	(469,039)	2,647,167	2,523,354
<b>FUND BALANCE, July 1</b>	<u>6,747,776</u>	<u>1,292,875</u>	<u>1,084,635</u>	<u>18,843,066</u>	<u>27,968,352</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 7,530,262</u></u>	<u><u>\$ 855,615</u></u>	<u><u>\$ 615,596</u></u>	<u><u>\$ 21,490,233</u></u>	<u><u>\$ 30,491,706</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, 2014**

<b>Change in Fund Balances - Governmental Funds</b>	<b>\$ 2,523,354</b>
 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	1,513,863
Less: current year depreciation	(2,382,671)
 Donated capital assets are revenues in the statement of activities that do not provide current financial resources therefore, they are not reported as revenues in the governmental funds.	
	10,000
 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.	
	(999,948)
 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.	
	(67,259)
 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.	
	(299,916)
 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 unavailable revenue in the funds. Unavailable property tax revenues increased (decreased) this year.	
	(29,899)
	(29,899)
<b>Change in Net Position - Governmental Activities</b>	<b>\$ 267,524</b>

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

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR YEAR ENDED JUNE 30, 2014**

	<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>
<b>REVENUES</b>					
Taxes	\$ 5,235,912	\$ 5,235,912	\$ 5,765,153	\$ -	\$ 529,241
Licenses and permits	401,729	401,729	399,699	-	(2,030)
Intergovernmental	8,973,874	9,629,773	9,954,116	655,899	324,343
Charges for services	682,608	682,608	597,520	-	(85,088)
Fines and forfeitures	540,652	540,652	758,791	-	218,139
Miscellaneous	869,804	569,804	617,181	(300,000)	47,377
	<u>16,704,579</u>	<u>17,060,478</u>	<u>18,092,460</u>	<u>355,899</u>	<u>1,031,982</u>
<b>EXPENDITURES</b>					
General government	5,335,002	5,530,097	4,833,450	(195,095)	696,647
Judicial	3,738,778	4,192,162	3,684,333	(453,384)	507,829
Public safety	8,256,988	8,690,293	7,719,398	(433,305)	970,895
Sanitation	5,000	5,000	1,250	-	3,750
Health	244,940	271,290	211,279	(26,350)	60,011
Culture and recreation	302,263	327,263	285,615	(25,000)	41,648
Community support	196,000	246,000	213,331	(50,000)	32,669
Intergovernmental	368,765	443,765	392,684	(75,000)	51,081
	<u>18,447,736</u>	<u>19,705,870</u>	<u>17,341,340</u>	<u>(1,258,134)</u>	<u>2,364,530</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,743,157)</u>	<u>(2,645,392)</u>	<u>751,120</u>	<u>(902,235)</u>	<u>3,396,512</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Contingency	(125,000)	-	-	125,000	-
Sale of capital and other assets	-	-	56,366	-	56,366
Transfers out	(25,000)	(25,000)	(25,000)	-	-
	<u>(150,000)</u>	<u>(25,000)</u>	<u>31,366</u>	<u>125,000</u>	<u>56,366</u>
Net Change in Fund Balances	(1,893,157)	(2,670,392)	782,486	(777,235)	3,452,878
<b>FUND BALANCE, July 1</b>	<u>4,470,541</u>	<u>5,247,776</u>	<u>6,747,776</u>	<u>777,235</u>	<u>1,500,000</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 2,577,384</u></u>	<u><u>\$ 2,577,384</u></u>	<u><u>\$ 7,530,262</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,952,878</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, 2014**

	<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>
<b>REVENUES</b>					
Licenses and permits:					
Licenses and permits	\$ -	\$ -	\$ 200	\$ -	\$ 200
Intergovernmental:					
Motor vehicle fuel tax (\$.0125)	345,576	345,576	335,214	-	(10,362)
Motor vehicle fuel tax (\$.0175)	110,623	110,623	103,597	-	(7,026)
Motor vehicle fuel tax (\$.0360)	566,425	566,425	550,511	-	(15,914)
	<u>1,022,624</u>	<u>1,022,624</u>	<u>989,322</u>	<u>-</u>	<u>(33,302)</u>
Miscellaneous:					
Interest	3,895	3,895	1,784	-	(2,111)
Miscellaneous	-	-	1,095	-	1,095
Water construction	-	-	6,204	-	6,204
Fuel reimbursements	215,525	384,645	199,558	169,120	(185,087)
	<u>219,420</u>	<u>388,540</u>	<u>208,641</u>	<u>169,120</u>	<u>(179,899)</u>
 Total Revenues	 <u>1,242,044</u>	 <u>1,411,164</u>	 <u>1,198,163</u>	 <u>169,120</u>	 <u>(213,001)</u>
<b>EXPENDITURES</b>					
Public works	2,837,482	3,167,116	2,623,034	(329,634)	544,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,595,438)</u>	<u>(1,755,952)</u>	<u>(1,424,871)</u>	<u>(160,514)</u>	<u>331,083</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of capital and other assets	-	-	13,170	-	13,170
Transfers in	1,150,000	1,250,000	1,224,441	100,000	(25,559)
Transfers out	-	(250,000)	(250,000)	(250,000)	-
	<u>1,150,000</u>	<u>1,000,000</u>	<u>987,611</u>	<u>(150,000)</u>	<u>(12,389)</u>
 Net Change in Fund Balances	 (445,438)	 (755,952)	 (437,260)	 (310,514)	 318,694
<b>FUND BALANCE , July 1</b>	<u>982,361</u>	<u>1,292,875</u>	<u>1,292,875</u>	<u>310,514</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 536,923</u></u>	<u><u>\$ 536,923</u></u>	<u><u>\$ 855,615</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 318,694</u></u>

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

**CHURCHILL COUNTY, NEVADA**  
**MAJOR SPECIAL REVENUE FUND - REGIONAL TRANSPORTATION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>BUDGET</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>	
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>ORIGINAL TO FINAL</b>	<b>FINAL TO ACTUAL</b>
<b>REVENUES</b>					
Intergovernmental:					
County Optional Motor Vehicle Tax	\$ 735,335	\$ 735,335	\$ 743,532	\$ -	\$ 8,197
Miscellaneous:					
Interest	2,425	2,425	3,137	-	712
Total Revenues	<u>737,760</u>	<u>737,760</u>	<u>746,669</u>	<u>-</u>	<u>8,909</u>
<b>EXPENDITURES</b>					
Intergovernmental:					
City of Fallon	500,000	591,035	566,000	91,035	25,035
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>237,760</u>	<u>146,725</u>	<u>180,669</u>	<u>(91,035)</u>	<u>33,944</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out:					
Road Fund	(650,000)	(650,000)	(649,708)	-	292
Net Change in Fund Balance	(412,240)	(503,275)	(469,039)	(91,035)	34,236
<b>FUND BALANCE, July 1</b>	<u>993,600</u>	<u>1,084,635</u>	<u>1,084,635</u>	<u>91,035</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 581,360</u></u>	<u><u>\$ 581,360</u></u>	<u><u>\$ 615,596</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 34,236</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, 2014**  
 (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
<b>ASSETS</b>						
Current Assets:						
Cash	\$ 10,309,420	\$ 701,982	\$ 895,454	\$ 642,910	\$ 2,507,278	\$ 15,057,044
Receivables:						
Trade accounts receivable, net	628,165	-	240,405	215,618	-	1,084,188
Other accounts receivable, net	331,665	230,863	-	-	85,644	648,172
Interest receivable	-	-	208	203	11	422
Due from other funds	258,870	-	-	-	-	258,870
Inventory	534,299	34,116	-	-	4,934	573,349
Prepaid expense	5,346	1,000	-	-	421	6,767
Total Current Assets	12,067,765	967,961	1,136,067	858,731	2,598,288	17,628,812
Noncurrent Assets:						
Restricted cash	-	-	-	248,017	-	248,017
Notes receivable, net	-	-	112,000	112,000	-	224,000
Goodwill	-	-	-	-	118,334	118,334
Capital Assets:						
Being depreciated	77,534,189	4,123,756	23,498,796	10,277,861	766,429	116,201,031
Not being depreciated	2,250,401	-	252,243	232,643	509,854	3,245,141
	79,784,590	4,123,756	23,751,039	10,510,504	1,276,283	119,446,172
Less:						
Accumulated depreciation	38,499,955	2,902,354	6,453,844	1,854,983	92,451	49,803,587
Total Capital Assets	41,284,635	1,221,402	17,297,195	8,655,521	1,183,832	69,642,585
Total Noncurrent Assets	41,284,635	1,221,402	17,409,195	9,015,538	1,302,166	70,232,936
Total Assets	53,352,400	2,189,363	18,545,262	9,874,269	3,900,454	87,861,748

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

**CHURCHILL COUNTY, NEVADA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2014**  
(Page 2 of 2)

<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS</b>						
	<b>CC</b>	<b>Communications</b>	<b>Waste Water</b>	<b>Utility Enterprise</b>	<b>Nonmajor</b>	<b>Total Enterprise</b>
	<b>Telephone Fund</b>	<b>Broadband Fund</b>	<b>Enterprise Fund</b>	<b>Fund</b>	<b>Enterprise Funds</b>	<b>Funds</b>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts payable	\$ 636,047	\$ 3,612	\$ 19,357	\$ 15,504	\$ 4,180	\$ 678,700
Contracts payable	-	-	-	-	4,167	4,167
Customer deposits	32,560	-	-	5,000	-	37,560
Other accrued liabilities	294,058	-	-	-	-	294,058
Due to other funds	-	194,180	-	-	64,690	258,870
Capital lease payable, current	46,869	-	-	-	-	46,869
Compensated absences, current	50,914	-	-	-	-	50,914
Total Current Liabilities	1,060,448	197,792	19,357	20,504	73,037	1,371,138
Noncurrent Liabilities:						
Due in more than one year:						
Contracts payable	-	-	-	-	4,166	4,166
Capital lease payable	904,483	-	-	-	-	904,483
Other post employment:						
Benefits payable	1,072,528	147,457	-	-	166,236	1,386,221
Compensated absences	572,890	-	-	-	-	572,890
Total Noncurrent Liabilities	2,549,901	147,457	-	-	170,402	2,867,760
Total Liabilities	3,610,349	345,249	19,357	20,504	243,439	4,238,898
<b>NET POSITION</b>						
Net investment in capital assets	40,333,283	1,221,402	17,297,195	8,655,521	1,183,832	68,691,233
Restricted for capital improvements	-	-	-	248,017	-	248,017
Unrestricted	9,408,768	622,712	1,228,710	950,227	2,473,183	14,683,600
Total Net Position	\$ 49,742,051	\$ 1,844,114	\$ 18,525,905	\$ 9,853,765	\$ 3,657,015	\$ 83,622,850

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 THE YEAR ENDED JUNE 30, 2014**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS					
	CC Communications Telephone Fund	CC Communications Broadband Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds
	\$	\$	\$	\$	\$	\$
<b>OPERATING REVENUES</b>						
Charges for sales and services	11,009,027	2,466,629	287,998	325,041	851,470	14,940,165
<b>OPERATING EXPENSES</b>						
Plant specific operations	2,161,807	-	-	-	-	2,161,807
Plant nonspecific operations	1,743,339	-	-	-	-	1,743,339
Customer operations	970,657	454,947	-	-	54,742	1,480,346
Network operations	-	509,963	-	-	113,830	623,793
Corporate operations	1,981,018	199,298	-	-	124,759	2,305,075
Payments in lieu of taxes	416,615	-	-	-	-	416,615
Access charges	-	1,085,619	-	-	128,304	1,213,923
Networking - Data services	-	-	-	-	292,315	292,315
Networking - Web services	-	-	-	-	84,793	84,793
Networking - Computer & networking	-	-	-	-	60,455	60,455
Warehouse/Inventory	-	-	-	-	21,745	21,745
Miscellaneous operating expenses	-	106,278	276,829	191,957	20,325	595,389
Depreciation and amortization	3,282,760	359,638	797,922	278,677	63,877	4,782,874
Total Operating Expenses	10,556,196	2,715,743	1,074,751	470,634	965,145	15,782,469
Operating Income (Loss)	452,831	(249,114)	(786,753)	(145,593)	(113,675)	(842,304)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest income	18,933	-	2,535	2,628	3,293	27,389
Interest expense	(43,343)	-	-	-	-	(43,343)
Bad debt expense	-	-	(309,310)	(253,999)	-	(563,309)
Nonregulated income	801,000	-	-	-	-	801,000
Nonregulated expense	(350,827)	-	-	-	-	(350,827)
Miscellaneous income	1,284	9,496	1,502	-	51,003	63,285
Payments in lieu of taxes	(1,903,385)	-	-	-	-	(1,903,385)
Miscellaneous nonoperating expense	-	(5)	-	-	-	(5)
Rental income	-	67,551	-	-	-	67,551
Total Nonoperating Revenues (Expenses)	(1,476,338)	77,042	(305,273)	(251,371)	54,296	(1,901,644)
Income (Loss) Before Transfers	(1,023,507)	(172,072)	(1,092,026)	(396,964)	(59,379)	(2,743,948)
<b>TRANSFERS IN</b>						
Change in Net Position	(1,023,507)	(172,072)	(917,026)	(396,964)	(9,379)	(2,518,948)
<b>NET POSITION, July 1</b>	50,765,558	2,016,186	19,442,931	10,250,729	3,666,394	86,141,798
<b>NET POSITION, June 30</b>	<b>49,742,051</b>	<b>1,844,114</b>	<b>18,525,905</b>	<b>9,853,765</b>	<b>3,657,015</b>	<b>83,622,850</b>

**CHURCHILL COUNTY, NEVADA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash received from customers	\$ 11,358,038	\$ 2,562,413	\$ 343,399	\$ 329,088	\$ 860,856	\$ 15,453,794
Cash payments for nonregulated activities	(1,433,712)	-	-	-	-	(1,433,712)
Cash payments for employees	(4,336,475)	(569,204)	-	-	(429,043)	(5,334,722)
Cash payments for services and supplies	(2,013,124)	(1,743,311)	(271,791)	(191,050)	(604,420)	(4,823,696)
Net Cash Provided (Used) by Operating Activities	<u>3,574,727</u>	<u>249,898</u>	<u>71,608</u>	<u>138,038</u>	<u>(172,607)</u>	<u>3,861,664</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Miscellaneous revenue	-	-	-	-	51,003	51,003
Transfer in	-	-	175,000	-	50,000	225,000
Net Cash Provided (Used) by Non-capital Financing Activities	-	-	175,000	-	101,003	276,003
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Principal payment on long-term debt	(79,215)	-	-	-	-	(79,215)
Interest paid on long-term debt	(43,980)	-	-	-	-	(43,980)
Net proceeds from sale of capital assets	14,570	-	-	-	-	14,570
Purchase on long-term contracts	-	-	-	-	(49,584)	(49,584)
Purchase of property, plant and equipment	(3,107,782)	(302,154)	(8,829)	(5,000)	(50,725)	(3,474,490)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,216,407)</u>	<u>(302,154)</u>	<u>(8,829)</u>	<u>(5,000)</u>	<u>(100,309)</u>	<u>(3,632,699)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received on investments	19,022	-	2,509	2,611	3,282	27,424
Net Increase (Decrease) in Cash and Cash Equivalents	377,342	(52,256)	240,288	135,649	(168,631)	532,392
<b>CASH AND CASH EQUIVALENTS, July 1</b>						
<b>CASH AND CASH EQUIVALENTS, June 30 (including restricted cash of \$248,017)</b>	<u>\$ 10,309,420</u>	<u>\$ 701,982</u>	<u>\$ 895,454</u>	<u>\$ 890,927</u>	<u>\$ 2,507,278</u>	<u>\$ 15,305,061</u>

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, 2014**  
(Page 2 of 2)

	CC Communications Telephone Fund	CC Communications Broadband Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds
\$	452,831	(249,114)	(786,753)	(145,593)	(113,675)	(842,304)
	3,282,760	359,638	797,922	278,677	63,877	4,782,874
	1,284	9,491	1,502	-	-	12,277
	-	67,551	-	-	-	67,551
	(1,433,712)	-	-	-	-	(1,433,712)
	202,847	16,292	53,899	3,047	7,737	283,822
	-	-	-	-	1,651	1,651
	139,045	2,450	-	-	200,000	341,495
	490,697	39,670	-	-	(4,000)	526,367
	61,848	99	-	-	(139)	61,808
	307,494	789	5,038	907	2,462	316,690
	(7,764)	-	-	-	-	(7,764)
	5,835	-	-	1,000	-	6,835
	80,509	11,249	-	-	7,801	99,559
	(8,947)	-	-	-	-	(8,947)
	-	(8,217)	-	-	(338,321)	(346,538)
\$	<u>3,574,727</u>	<u>249,898</u>	<u>71,608</u>	<u>138,038</u>	<u>(172,607)</u>	<u>3,861,664</u>

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

Operating income (loss)	
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	
Miscellaneous revenue	
Rental income	
Nonregulated nonoperating revenue (expense)	
Changes in certain assets and liabilities:	
(Increase) decrease in:	
Accounts receivable, net	
Accounts receivable other	
Due from other funds	
Inventory	
Prepaid expenses	
Increase (decrease) in:	
Accounts payable	
Accrued liabilities	
Customer deposits	
Other postemployment benefits	
Compensated absences	
Due to other funds	
Net Cash Provided (Used) by Operating Activities	

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, 2014**

	<b>AGENCY FUNDS</b>
<b>ASSETS</b>	
Cash and investments	\$ 1,474,982
Receivables:	
Taxes	59,956
Interest	15
Due from other governments	88,758
 Total Assets	 \$ 1,623,711
<b>LIABILITIES</b>	
Accounts payable	\$ 2,839
Due to other governments	1,116,382
Held in trust for others	16,176
Due to others	488,314
 Total Liabilities	 \$ 1,623,711

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

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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:**

**Adoption of Accounting Pronouncement:**

In fiscal year 2014, the County implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), which requires governments to adopt provisions of GASB Concepts Statement No. 4, *Elements of Financial Statements*. GASB Concepts Statement No. 4 specifies that recognition of deferred inflows/outflows of resources be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in Concepts Statement No. 4. Based on those definitions, GASB 65 reclassifies certain items previously reported as assets and liabilities to deferred outflows of resources and deferred inflows of resources. As such, the fiscal year 2014 basic financial statements reflect reclassifications of liabilities to deferred inflows of resources for unavailable revenues in the fund financial statements (delinquency property taxes).

**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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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 unavailable revenues in the governmental funds balance sheet. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, compensated absences 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, if they are available. 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.
- **Regional Transportation Fund** – The Regional Transportation 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 gas tax rate \$0.09 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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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. 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, 2014 through December 31, 2014 are reflected in the financial statements.

Additional amounts due, based on actual business for the January 1, 2014 through December 31, 2014 in comparison to estimated payments, are determined subsequent to the 2014 calendar year. Credits for overpayments, based on actual business for the period January 1, 2014 through December 31, 2014 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, 2014 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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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.
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 the sum of operating and nonoperating 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.

**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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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.

**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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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 a resolution that specifically states 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.
- **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.

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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**Comparative Data:**

Comparative data for the prior year has been extracted from the 2012-2013 financial statements. It has been provided to add comparability, but it is not considered full disclosure of transactions for 2012-2013. Such information can only be obtained by referring to the audited financial statements for that year. Certain amounts in the prior year statements have been reclassified for comparison purposes to conform with current year presentation.

**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.

**Deferred Inflows and Outflows of Resources:**

In addition to assets, the Statement of Net Position/Governmental Funds Balance Sheet may report a separate section for deferred outflows of resources. This separate financial statement element represents the consumption of net position/fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any deferred outflows of resources at June 30, 2014.

In addition to liabilities, the Statement of Net Position/Governmental Funds Balance Sheet may report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reflects deferred inflows of resources which are unavailable revenue reported in the governmental funds balance sheet for delinquent property taxes under the modified accrual basis of accounting.

**Impact of Issued Accounting Standards:**

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement 27*. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the County’s financial statements.

**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 welfare function of Indigent Hospital Care Special Revenue Fund exceeded appropriations by \$7,623. This appears to be an allowable exclusion under NRS 354.626(1).
- Total expenditures of the community support function of Senior Citizens Ad Valorem Levy Special Revenue Fund exceeded appropriations by \$1,115. This appears to be an allowable exclusion under NRS 354.626(1).

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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.
- Uncollateralized deposits in domestic banks must meet the rating criteria below:

<u>Rating Agency</u>	<u>Deposit Rating: Short Term</u>	<u>Deposit Rating: Long Term</u>
Moody's	P-1	A
Standard & Poor's	A-1	A
IBCA	A-1	A
Bank Watch	TBW-1	A

A summary schedule of cash and investments for Churchill County at June 30, 2014 is as follows:

Cash and investment balances held by:	
Governmental Funds	\$ 29,992,769
Proprietary Funds	15,057,044
Proprietary Funds – Restricted	248,017
Fiduciary Fund	1,474,982
Total	\$ 46,772,812
Balances at fair value classified by:	
On hand	\$ 4,745
First Independent checking	21,653
First Independent savings	2,003,891
Wells Fargo:	
Checking	14,978,119
Choice IV	19,764,978
Money market mutual fund	14,774
Negotiable certificates of deposit	6,564,219
Local Government Investment Pool	3,420,433
Total	\$ 46,772,812

As of June 30, 2014, the County had the following investments and maturities:

Investments	Fair Value	Investment Maturity (in years)	
		Less than 1	1 to 5
Local Government Investment Pool	\$ 3,420,433	\$ 3,420,433	\$ -
Negotiable certificates of deposit	6,564,219	1,340,219	5,224,000
Money market mutual funds	14,774	14,774	-
	\$ 9,999,426	\$ 4,775,426	\$ 5,224,000

*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, 2014 meet the above requirements. The average duration of the LGIP, an unrated external investment pool, was 80 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

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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.

*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. Some of 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. As of June 30, 2014 and 2013 the County reported \$1,753,891 and \$0 of uncollateralized deposits, respectively. These uncollateralized deposits are not deposited in accordance with the County’s Investment Policy.

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 \$587,108, \$602,978, \$1,271, \$1,279, \$380 and \$2,794, respectively, at June 30, 2014. The County’s notes receivable balances at June 30, 2014 are as follows:

Governmental Activities	Loan Amount	Terms	Balance June 30, 2014	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.	\$ 97,332	\$ -	\$ 97,332
Business-Type Activities	Loan Amount	Terms	Balance June 30, 2014	Current Portion	Remaining Balance
Utility Fund:					
Developer Agreements	\$ 1,120,000	Multiple agreements with various terms	\$1,120,000	\$ -	\$ 1,120,000
Less: Allowance for uncollectibles			<u>1,008,000</u>	<u>-</u>	<u>1,008,000</u>
Net notes receivable			<u>112,000</u>	<u>-</u>	<u>112,000</u>
Waste Water Fund:					
Developer Agreements	<u>1,120,000</u>	Multiple agreements with various terms	1,120,000	-	1,120,000
Less: Allowance for uncollectibles			<u>1,008,000</u>	<u>-</u>	<u>1,008,000</u>
Net notes receivable			<u>112,000</u>	<u>-</u>	<u>112,000</u>
Total Business-Type Activities	<u>\$ 2,240,000</u>		<u>\$ 224,000</u>	<u>\$ -</u>	<u>\$ 224,000</u>

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**NOTE 5 - Capital Assets**

A summary of changes in capital assets for the year ended June 30, 2014 follows:

	Balance July 1, 2013 <u>As restated</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2014</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land and easements	\$ 17,250,889	\$ 508,694	\$ 371,250	\$ 17,388,333
Water rights	6,510,576	36,195	-	6,546,771
Under construction	423,713	29,953	411,967	41,699
	<u>24,185,178</u>	<u>574,842</u>	<u>783,217</u>	<u>23,976,803</u>
Total Capital Assets, Not Being Depreciated				
Capital assets, being depreciated:				
Buildings and improvements	21,126,646	33,441	-	21,160,087
Land improvements	1,505,170	-	-	1,505,170
Equipment	12,923,451	120,215	904,856	12,138,810
Infrastructure	48,234,855	1,163,618	387,511	49,010,962
	<u>83,790,122</u>	<u>1,317,274</u>	<u>1,292,367</u>	<u>83,815,029</u>
Total Capital Assets, Being Depreciated				
Less accumulated depreciation for:				
Buildings and improvements	(8,859,818)	(622,508)	-	(9,482,326)
Land improvements	(1,249,349)	(41,941)	-	(1,291,290)
Equipment	(8,706,863)	(786,085)	707,383	(8,785,565)
Infrastructure	(27,490,280)	(932,137)	-	(28,422,417)
	<u>(46,306,310)</u>	<u>(2,382,671)</u>	<u>707,383</u>	<u>(47,981,598)</u>
Total Accumulated Depreciation				
	<u>37,483,812</u>	<u>(1,065,397)</u>	<u>584,984</u>	<u>35,833,431</u>
Total Capital Assets, Being Depreciated, Net				
	<u>\$ 61,668,990</u>	<u>\$ (490,555)</u>	<u>\$ 1,368,201</u>	<u>\$ 59,810,234</u>
Governmental Activities Capital Assets, Net				
<b>Business-Type Activities:</b>				
Capital assets, not being depreciated:				
Real estate and easements	\$ 677,741	\$ -	\$ -	\$ 677,741
Water rights	372,812	-	-	372,812
Under construction	70,260	3,418,661	1,294,333	2,194,588
	<u>1,120,813</u>	<u>3,418,661</u>	<u>1,294,333</u>	<u>3,245,141</u>
Total Capital Assets, Not Being Depreciated				
Capital assets, being depreciated:				
Buildings and improvements	5,790,195	-	-	5,790,195
Central office switching	18,414,779	339,912	4,032,974	14,721,717
Outside plant	49,712,812	241,386	109,555	49,844,643
Furniture and fixtures	41,926	-	-	41,926
Computer equipment	2,643,130	281,313	493,596	2,430,847
Other communication equipment	312,863	11,061	27,418	296,506
Vehicles and work equipment	2,666,745	102,637	53,271	2,716,111
Leasehold improvements	800,594	-	-	800,594
Software	237,787	-	-	237,787
Other equipment	5,715,620	373,854	406,473	5,683,001
Waste water infrastructure	23,383,262	-	-	23,383,262
Water infrastructure	10,254,442	-	-	10,254,442

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	<u>Balance</u> <u>July 1, 2013</u> <u>As restated</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
Total Capital Assets, Being Depreciated	\$ 119,974,155	\$ 1,350,163	\$ 5,123,287	\$ 116,201,031
Less accumulated depreciation for:				
Buildings and improvements	(4,100,550)	(340,022)	-	(4,440,572)
Central office switching	(13,473,437)	(975,607)	4,020,224	(10,428,820)
Outside plant	(16,244,107)	(1,596,742)	109,555	(17,731,294)
Furniture and fixtures	(41,926)	-	-	(41,926)
Computer equipment	(1,821,307)	(248,152)	493,596	(1,575,863)
Other communication equipment	(312,863)	(184)	27,418	(285,629)
Vehicles and work equipment	(2,557,965)	(101,514)	51,450	(2,608,029)
Leasehold improvements	(429,097)	(53,373)	-	(482,470)
Software	(10,148)	(20,450)	-	(30,598)
Other equipment	(3,908,423)	(404,915)	406,474	(3,906,864)
Waste water infrastructure	(5,648,270)	(786,202)	-	(6,434,472)
Water infrastructure	(1,561,836)	(275,214)	-	(1,837,050)
Total Accumulated Depreciation	<u>(50,109,929)</u>	<u>(4,802,375)</u>	<u>5,108,717</u>	<u>(49,803,587)</u>
Total Capital Assets, Being Depreciated, Net	<u>69,864,226</u>	<u>(3,452,212)</u>	<u>14,570</u>	<u>66,397,444</u>
Business-Type Activities Capital Assets, Net	<u>\$ 70,985,039</u>	<u>\$ (33,551)</u>	<u>\$ 1,308,903</u>	<u>\$ 69,642,585</u>

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

Governmental Activities:		
General government	\$	470,657
Judicial		87,475
Public safety		343,678
Public works		1,222,936
Health		12,639
Welfare		977
Culture and recreation		242,465
Community support		<u>1,844</u>
Total Depreciation Expense – Governmental Activities	<u>\$</u>	<u>2,382,671</u>
Business-Type Activities:		
Telephone - Regulated	\$	3,282,760
Telephone – Non-regulated		19,501
Broadband		359,638
Waste Water		797,922
Utility		278,677
Managed Data Services		46,227
Golf Course		<u>17,650</u>
Total Depreciation Expense – Business-Type Activities	<u>\$</u>	<u>4,802,375</u>

Impairment of Capital Asset: A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. 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. As a result, an impairment loss was recorded in prior years, and at June 30, 2014 this capital asset remains idle. The net book value of the plant was \$926,762 at June 30, 2014.

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**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	
2013-14	25.75%	40.50%	\$ 4,214,596
2012-13	23.75%	39.75%	3,997,563
2011-12	23.75%	39.75%	4,079,554

**NOTE 7 - Long-Term Obligations**

Long-term debt consists of the following at June 30, 2014:

Business-Type Activities	Date Issued	Date of Maturity	Interest Rate	Amount Issued	Balance June 30, 2014
<u>Capital Lease Payable</u>			Imputed at		
Louie's Home Center, Inc.	11/03	2029	3.62%	\$1,623,575	\$951,352
Total					\$951,352

The asset acquired through the capital lease for business-type activities is a building. As of June 30, 2014, the capital asset of \$1,623,575 was offset by accumulated depreciation of \$1,046,304.

The following is a schedule of future minimum lease payments under capital lease obligations as of June 30, 2014:

Year Ending June 30	Business-Type Activities		
	Remaining Payments	Less: Amount Representing Interest	Present Value of Net Minimum Lease Payments
2015	\$ 85,594	\$ 38,725	\$ 46,869
2016	83,003	33,214	49,789
2017	81,516	29,896	51,620
2018	81,516	27,997	53,519
2019	81,516	26,028	55,488
2020 – 2024	407,580	97,975	309,605
2025 – 2029	407,580	36,673	370,907
2030	13,586	31	13,555
Total	\$ 1,241,891	\$ 290,539	\$ 951,352

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Changes in Long-Term Obligations:

Governmental Activities	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Compensated absences	\$ 979,959	\$ 245,226	\$ 177,967	\$ 1,047,218	\$ 94,074
Business-Type Activities	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Capital leases payable	\$ 1,030,567	\$ -	\$ 79,215	\$ 951,352	\$ 46,869
Compensated absences	632,751	504,721	513,668	623,804	50,914
Total	\$ 1,663,318	\$ 504,721	\$ 592,883	\$ 1,575,156	\$ 97,783

Interest expense on long-term obligations for the year ended June 30, 2014 business-type activities was \$43,343.

In accordance with Nevada Revised Statutes 244A.059, the County was within the legal debit limit at June 30, 2014.

**NOTE 8 – Interfund Receivables, Payables, and Transfers**

Interfund receivable and payable balances at June 30, 2014 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	
Due from:					
Governmental Activities:					
Major Governmental					
Fund:					
General Fund	\$ -	\$ -	\$ 105,149	\$ -	\$ 105,149
Regional Transportation Fund	-	394,320	188	-	394,508
Nonmajor Governmental Funds	3,750	267,153	2,469	-	273,372
Business-Type Activities:					
Major Proprietary Funds:					
CC Communications:					
Broadband Fund	-	-	-	194,180	194,180
Nonmajor Proprietary Funds	-	-	-	64,690	64,690
Total Due from Other Funds	\$ 3,750	\$ 661,473	\$ 107,806	\$ 258,870	\$ 1,031,899

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, in the governmental funds. Activity for the year ended June 30, 2014 is as follows:

	Transfers in:				
	Governmental		Business-Type		
	Major Governmental  Road Fund	Other Governmental Funds	Major Proprietary Waste Water Enterprise Fund	Nonmajor Proprietary Funds	Total Transfers Out
Transfers out:					
Governmental activities:					
Major governmental funds:					
General Fund	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000
Road Fund	-	250,000	-	-	250,000
Regional Transportation Fund	641,659	8,049	-	-	649,708
Nonmajor governmental funds	582,782	203,054	175,000	25,000	985,836
Total Transfers In	<u>\$ 1,224,441</u>	<u>\$ 461,103</u>	<u>\$ 175,000</u>	<u>\$ 50,000</u>	<u>\$ 1,910,544</u>

The General Fund and Building Reserve Fund transferred funds to the Golf Course Fund to pay for improvements at the golf course.

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 repurposing 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 Road Fund, Regional Transportation Fund and Public Transit Fund transferred funds to the Road Equipment Replacement Fund to be used to purchase road equipment.

**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.

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.

**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.

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**NOTE 11 - Interfund Transactions**

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, 2014:

	Long Distance Fund	Broadband Fund	Managed Data Services Fund	Total
Special access charges	\$ -	\$ 39,783	\$ -	\$ 39,783
Billing and collection	111,219	117,220	Incl. w/ CS	228,439
Rent	-	6,000	-	6,000
Customer services (CS)	20,534	141,249	8,230	170,013
Administrative costs	5,567	106,339	44,870	156,776
Installation	-	110,242	-	110,242
Engineering and maintenance	-	39,173	-	39,173
	<u>\$ 137,320</u>	<u>\$ 560,006</u>	<u>\$ 53,100</u>	<u>\$ 750,426</u>

CC Communications - Telephone Fund paid CC Communications - Broadband Fund \$10,667 for tower/space rent during the year ended June 30, 2014.

CC Communications - Long Distance, Broadband and Managed Data services Funds revenues are billed in conjunction with CC Communications - Telephone Fund's customers. At the time the revenue is earned the Telephone Fund transfers cash to the Long Distance, Broadband and Managed Data Services Funds for the amount of the earnings. In addition, the Telephone Fund processes and pays all Long Distance, Broadband and Managed Data Services Funds accounts payable and payroll expenses. At the time the expense is incurred, the Long Distance, Broadband and Managed Data Services Funds record a due to the Telephone Fund, therefore no payables or accruals are recorded on the Long Distance, Broadband and Managed Data Services Fund's financial statements, except for the accrual for *Net Other Post Employment Benefits Obligation* which is recorded by the Long Distance, Broadband and Managed Data Services 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, 2014 as follows:

CC Communication – Long Distance	\$ 22,914
CC Communication – Broadband	194,180
CC Communication – Managed Data Services	<u>41,776</u>
Due from other funds	<u>\$ 258,870</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.

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 \$7,644,785 reflected as restricted net position, \$7,126,932 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>Regional Transportation Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Fund Balances</b>					
<i>Nonspendable:</i>					
Long-term notes receivable	\$ -	\$ -	\$ -	\$ 97,332	\$ 97,332
Prepays	17,538	-	-	-	17,538
<b>Total Non-Spendable</b>	<b>17,538</b>	<b>-</b>	<b>-</b>	<b>97,332</b>	<b>114,870</b>
<i>Restricted for:</i>					
Street improvements and rehabilitation	-	-	615,596	417,915	1,033,511
Road surface repairs	-	-	-	87,196	87,196
Drug Task Force equipment	-	-	-	93,032	93,032
Cooperative Extension programs	-	-	-	38,084	38,084
Park expansion projects	-	-	-	271,816	271,816
Technology improvements	-	-	-	392,176	392,176
Library expansion and literacy projects	-	-	-	201,779	201,779
District and Justice Court improvements/technology	-	-	-	48,523	48,523
Long-term indigent hospital care	-	-	-	1,758,503	1,758,503
Senior Citizen Center activities	-	-	-	280	280
Enhancements to E-911 system	-	-	-	46,028	46,028
Water and Waste Water development	-	-	-	1,259,828	1,259,828
Court and Public Safety capital projects	-	-	-	1,484,531	1,484,531
Fire equipment and apparatus purchases	-	-	-	676,442	676,442
<b>Total Restricted</b>	<b>-</b>	<b>-</b>	<b>615,596</b>	<b>6,776,133</b>	<b>7,391,729</b>
<i>Committed to:</i>					
Stabilization of Operations	-	-	-	1,585,660	1,585,660
Technology improvements	-	-	-	44,101	44,101
Road Equipment Replacement Program	-	-	-	482,597	482,597
Street Improvements and rehabilitation	-	252,686	-	505,608	758,294
Social Services programs	-	-	-	1,621,231	1,621,231
Cooperative Extension programs	-	-	-	45,698	45,698
Public Library and Literacy programs	-	-	-	113,046	113,046
Park and Recreation projects	-	-	-	60,477	60,477
Debt Service Purchase of Road Equipment	-	-	-	100,012	100,012
Building Improvements and expansions	-	-	-	91,235	91,235
Judicial programs and projects	-	-	-	49,627	49,627
Economic development	-	-	-	424,320	424,320
<b>Total Committed</b>	<b>-</b>	<b>252,686</b>	<b>-</b>	<b>5,123,612</b>	<b>5,376,298</b>
<i>Assigned to:</i>					
Fiscal year 2015 budget shortfall	2,038,848	-	-	-	2,038,848
Street improvements	-	602,929	-	-	602,929
Land and water right acquisitions	-	-	-	771,768	771,768
Building improvements/repairs	-	-	-	2,824,630	2,824,630
Social Services and Indigent programs	-	-	-	591,937	591,937
Cooperative Extension programs	-	-	-	159,500	159,500
Public Library and Literacy programs	-	-	-	1,435,966	1,435,966
Park and Recreation projects	-	-	-	1,034,194	1,034,194
Cemetery landscape improvements	-	-	-	30,093	30,093
Law Library	-	-	-	67,783	67,783
Risk Management	-	-	-	1,563,867	1,563,867
Payment of Compensated Absences	-	-	-	689,985	689,985
Unemployment Compensation	-	-	-	323,433	323,433
<b>Total Assigned</b>	<b>2,038,848</b>	<b>602,929</b>	<b>-</b>	<b>9,493,156</b>	<b>12,134,933</b>
<b>Unassigned</b>	<b>5,473,876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,473,876</b>
<b>Total Fund Balances</b>	<b>\$ 7,530,262</b>	<b>\$ 855,615</b>	<b>\$ 615,596</b>	<b>\$ 21,490,233</b>	<b>\$ 30,491,706</b>

**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, 2014, 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.

Churchill County requested guidance and a legal opinion from the Department of Taxation in March 2014 on the treatment of the recording of payment in lieu of taxes as intergovernmental revenues reported as "Local in lieu of taxes" in the financial statements. Management does not believe that this revenue is subject to the provisions of Nevada Revised Statutes 354.613 as it does not qualify as a loan or transfer to the General Fund and the Parks and Recreation Fund from the enterprise funds of the County. On November 10, 2014, the Department issued a letter indicating pending advice from the Attorney General, the Department acknowledges the County's request for guidance and agrees the County may continue its current reporting practice for purposes of NRS 354.613 through fiscal year 2015.

**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  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014**

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, 2014 represented 5.2% of total revenue.

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

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

CC Communication – Managed Data Services Fund's customers are located 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, 2014, 6 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, 2014, 66 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 \$31,111. 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 2014 ranged from \$672 to \$2,674, 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

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

the retiree, as reduced by the amount of the subsidy; therefore, their contributions are not available. For the plan year ended June 30, 2014, retirees qualified for a subsidy of \$114 at five years of service and \$627 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 2014, the County primarily funded by the Compensated Absences Special Revenue Fund contributed \$106,416 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 2012, 2013 and 2014 were as follows:

	<u>Fiscal Year End</u>	<u>Annual OPEB Cost (Entry Age Normal Cost Method)</u>	<u>Employer Contributions</u>	<u>Percentage of Annual OPEB Contributed</u>	<u>Net OPEB Obligation</u>
CCEHBP	June 30, 2014	\$ 322,683	\$ 31,111	10%	\$ 2,293,343
PEBP	June 30, 2014	114,760	106,416	93%	281,937
		<u>\$ 437,443</u>	<u>\$ 137,527</u>		<u>\$ 2,575,280</u>
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>

The net OPEB obligation (NOPEBO) as of June 30, 2014 was calculated as follows:

	<u>CCEHBP</u>	<u>PEBP</u>	<u>Total</u>
Annual required Contribution (ARC)	\$ 370,749	\$ 121,329	\$ 492,078
Interest on net OPEB obligation	80,071	10,944	91,015
Adjustment to annual required contribution	(128,137)	(17,513)	(145,650)
Annual OPEB Cost	322,683	114,760	437,443
Less: Contributions made	31,111	106,416	137,527
Increase in net OPEB obligation	291,572	8,344	299,916
Net OPEB obligation - beginning of year	2,001,771	273,593	2,275,364
Net OPEB obligation - end of year	<u>\$ 2,293,343</u>	<u>\$ 281,937</u>	<u>\$ 2,575,280</u>

The net OPEB obligation is liquidated by the funds with the related salaries and benefits; which results in the majority of the obligation being liquidated by the General Fund.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

*Funded Status and Funding Progress:* The funded status of the plans as of the latest actuarial valuation date (January 1, 2014) were as follows:

	CCEHBP	PEBP	Total
Accrued actuarial liability (a)	\$ 2,424,894	\$ 1,933,463	\$ 4,358,357
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	\$ 2,424,894	\$ 1,933,463	\$ 4,358,357
Funded Ratio (b) / (a)	0%	0%	0%
Covered payroll (c)	\$ 9,476,080	N/A	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll $([(a) - (b)] / (c))$	26%	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, 2014 actuarial valuation were as follows:

	CCEHBP	PEBP
Actuarial valuation date	January 1, 2014	January 1, 2014
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level Dollar, closed	Level Dollar, closed
Amortization period (closed)	25 years	25 years
Asset valuation method	Market Value	Market Value
Actuarial Assumptions:		
Investment rate of return	4%	4%
Projected overall salary increase	4%	N/A
Medical Healthcare inflation rate*	8%	8%
PEBP Subsidy inflation rate**	-	8%

\* Decreasing 0.5% each year until ultimate trend rate of 5% is reached in 2022.

\*\*Decreasing 0.5% each year until ultimate trend rate of 5% is reached in 2022.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**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, 2014, 19 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, 2014, 56 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 \$19,360. 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 2014 ranged from \$465 to \$1,218 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, 2014, retirees qualified for a subsidy of \$114 at five years of service and \$627 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 2014, CC Communications contributed \$259,112 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, 2014**

	Fiscal Year End	Annual OPEB Cost (Entry Age Normal Cost Method)	Employer Contributions	Percentage of Annual OPEB Contributed	Net OPEB Obligation
CCCEHBP	June 30, 2014	\$ 131,310	\$ 19,360	15%	\$ 851,596
PEBP	June 30, 2014	246,722	259,112	105%	534,625
		<u>\$ 378,032</u>	<u>\$ 278,472</u>		<u>\$ 1,386,221</u>
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	377,875	291,370	77%	548,747
		<u>\$ 517,079</u>	<u>\$ 304,299</u>		<u>\$ 1,177,530</u>

The net OPEB obligation (NOPEBO) as of June 30, 2014, was calculated as follows:

	CCCEHBP	PEBP	Total
Annual Required Contribution (ARC)	\$ 144,498	\$ 259,857	\$ 404,355
Interest on net OPEB obligation	29,586	21,881	51,467
Adjustment to annual required contribution	(42,774)	(35,016)	(77,790)
Annual OPEB Cost	131,310	246,722	378,032
Less: Contributions made	19,360	259,112	278,472
Increase (Decrease) in net OPEB obligation	111,950	(12,390)	99,560
Net OPEB obligation – beginning of the year	739,646	547,015	1,286,661
Net OPEB obligation – end of year	<u>\$ 851,596</u>	<u>\$ 534,625</u>	<u>\$ 1,386,221</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)	\$ 1,328,019	\$ 4,141,017	\$ 5,469,036
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	<u>\$ 1,328,019</u>	<u>\$ 4,141,017</u>	<u>\$ 5,469,036</u>
Funded Ratio (b) / (a)	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered payroll (c)	<u>\$ 4,725,426</u>	<u>N/A</u>	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((a) – (b)) / (c)	<u>28%</u>	<u>N/A</u>	

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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 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, 2014 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%	N/A
Medical Healthcare inflation rate*	9%	9%

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

**NOTE 17 – Prior Period Adjustment**

During the current year, it was determined that certain prior year expenditures for capital assets were not capitalized for presentation on the government-wide financial statements for the County’s governmental activities. Therefore, restatements of the government-wide financial statements for governmental activities were required to reflect capitalization of the assets and resulting accumulated depreciation. To correct this error, the beginning net position of governmental activities has been increased by \$3,048,885. The prior period adjustment and the restatement represent an increase in capital assets (net of accumulated depreciation) and an offsetting increase to the July 1, 2013 net position.

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**CHURCHILL COUNTY, NEVADA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2014**

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, 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
CCEHBP	January 1, 2014	-	2,424,894	2,424,894	0%	9,476,080	26%
PEBP-CCEHP	January 1, 2014	-	1,933,463	1,933,463	0%	N/A	N/A

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**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>ASSETS</b>		
Cash and investments	\$ 7,532,029	\$ 5,745,930
Receivables:		
Property Taxes	111,064	958,652
Interest	647	1,322
Other	21,973	83,353
Due from other funds	3,750	209,658
Due from other governments	1,322,629	1,251,540
Prepays	17,538	162,080
Total Assets	<b>\$ 9,009,630</b>	<b>\$ 8,412,535</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 359,806	\$ 352,672
Property taxes refundable	15	15
Accrued liabilities	195,862	160,768
Accrued benefits	194,490	171,086
Due to other funds	105,149	-
Due to other governments	110,298	269,400
Customer deposits	3,978	4,053
Unearned revenue	433,888	610,655
Total Liabilities	1,403,486	1,568,649
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	75,882	96,110
<b>FUND BALANCES</b>		
Non-Spendable	17,538	162,080
Assigned	2,038,848	1,893,157
Unassigned	5,473,876	4,692,539
Total Fund Balances	7,530,262	6,747,776
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<b>\$ 9,009,630</b>	<b>\$ 8,412,535</b>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 1 of 7)**

<b>REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>	<b>2013</b>
Property taxes:				
Ad valorem taxes	\$ 5,235,912	\$ 5,765,153	\$ 529,241	\$ 5,661,992
Licenses and permits:				
Business licenses	60,125	65,700	5,575	62,638
Liquor licenses	4,100	4,270	170	4,150
Local gaming license	45,175	44,468	(707)	54,021
Marriage licenses	3,700	4,086	386	4,488
Other permits	12,500	14,707	2,207	13,791
Building permits	125,000	97,615	(27,385)	169,217
Mobile home permits	100	40	(60)	33
Fictitious name/notary bonds	5,000	9,020	4,020	5,680
Drug court fee	7,000	6,415	(585)	5,754
Septic fees	4,250	5,700	1,450	6,100
Manufactured home permits	3,000	2,000	(1,000)	4,225
Other license/permits fees	3,279	12,115	8,836	8,010
Franchise fees	128,500	133,563	5,063	117,857
	<u>401,729</u>	<u>399,699</u>	<u>(2,030)</u>	<u>455,964</u>
Intergovernmental:				
Federal in lieu of taxes	1,200,000	1,200,000	-	1,215,174
Local in lieu of taxes	1,800,000	1,800,000	-	2,000,000
State gaming license	13,250	10,637	(2,613)	8,711
Private car tax	1,810	1,895	85	1,826
AB104 fairshare	1,085,100	1,082,957	(2,143)	1,009,720
Consolidated intergovernmental taxes	4,313,339	4,521,787	208,448	4,595,886
Jail reimbursement:				
Paiute	2,000	3,750	1,750	7,350
Juvenile detention reimbursement	300,000	381,883	81,883	293,389
Task force reimbursement	-	13,563	13,563	14,494
Grants-in-aid:				
Federal grants:				
Title IV-D	326,175	371,627	45,452	358,040
Title IV-D incentive	-	3,456	3,456	437
Planning assistance	232,200	177,283	(54,917)	194,662
Emergency management	-	15,000	15,000	15,039
Public Safety Record Equipment	-	-	-	30,000
Justice assistance	-	-	-	64,244
Equitable sharing program	21,452	22,379	927	6,700
Homeland security	-	-	-	5,915
JPO Block Grant	14,403	14,403	-	-
CASA Funding Revenue	5,000	5,000	-	-
SERC - Equipment	56,454	56,454	-	27,962
SERC - Operations	-	-	-	749
SERC - Training	-	-	-	24,416
District Court JAG Grant	149,799	149,799	-	-
NAS Joint Land Use Study	89,995	89,995	-	52,934

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 2 of 7)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
State grants:				
JPO room and board	\$ 13,450	\$ 26,902	\$ 13,452	\$ 27,027
Joined Forces DUI grant	-	-	-	2,949
SPI sub grant	5,346	5,346	-	5,360
	<u>9,629,773</u>	<u>9,954,116</u>	<u>324,343</u>	<u>9,962,984</u>
Charges for services:				
Administrative assessments:				
Juvenile probation	9,375	9,743	368	9,762
Justice court	33,180	34,105	925	34,177
Municipal court	1,200	1,244	44	1,275
Juvenile court	1,315	830	(485)	1,185
District court	275	313	38	396
Assessor's property tax commissions	325,000	187,867	(137,133)	312,979
BLM L.E. Service fee	-	-	-	5,000
Candidate filing fees	-	1,420	1,420	-
Justice court filing fees	58,175	81,640	23,465	64,411
Justice court forensic fees	7,000	5,416	(1,584)	6,630
Court clerk miscellaneous	36,125	33,904	(2,221)	41,207
County court fees	28,715	29,216	501	27,394
Recorder RPTT collection fees	2,175	1,965	(210)	2,166
Recorder's fees	80,005	75,035	(4,970)	99,311
Public defender fees	12,000	11,254	(746)	13,446
Return check fees	100	136	36	264
Crime lab fees	500	-	(500)	-
Sheriff's fees	27,393	27,415	22	25,439
Sheriff's fees, fingerprint	2,000	8,715	6,715	4,096
Sheriff's fees, concealed weapon	10,125	15,770	5,645	20,875
Sheriff's fees, intermittent	4,000	2,912	(1,088)	3,905
Planning commission appeal fee	-	-	-	250
Cemetery fees	31,000	38,555	7,555	43,815
Forensic fee - task force	1,200	1,822	622	1,628
DMV - spay and neuter fee	400	-	(400)	103
Counseling reimbursement	-	570	570	20,220
Transcript Fees	-	201	201	342
Court Services Fees	3,000	22,718	19,718	11,769
Mining map fees:				
Map fees - mining claims	8,350	4,638	(3,712)	8,930
Land plot maps - copies	-	116	116	146
	<u>682,608</u>	<u>597,520</u>	<u>(85,088)</u>	<u>761,121</u>
Fines and forfeits:				
Forfeited bail	193,325	206,057	12,732	207,440
Fines	54,025	49,962	(4,063)	49,783
AB65 Additional Court Fees	70,127	62,046	(8,081)	56,184
Justice court bond forfeiture	2,000	3,896	1,896	4,783
Delinquent tax penalties	221,175	436,830	215,655	230,767
	<u>540,652</u>	<u>758,791</u>	<u>218,139</u>	<u>548,957</u>
Miscellaneous:				
Miscellaneous sales	1,000	1,048	48	1,609
Mine proceeds tax commissions	12,500	19,344	6,844	13,488
Data proceeds tax commissions	3,000	4,500	1,500	4,500
Building lease revenue	-	1	1	2,002

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 3 of 7)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
Justice court payment setup fee	\$ 5,000	\$ 8,468	\$ 3,468	\$ 8,028
Justice court collection fee	5,000	8,119	3,119	3,769
Juvenile child care reimbursements	1,000	101	(899)	1,848
Juvenile substance abuse reimbursements	1,000	643	(357)	734
Juvenile instructional supervision reimbursement	1,000	10	(990)	90
Juvenile miscellaneous reimbursements	-	22,316	22,316	4,549
Elections reimbursements	-	1,511	1,511	3,981
Sheriff Reimbursements	-	6,412	6,412	-
Geothermal rents/royalties	325,000	299,779	(25,221)	182,738
Enel sales tax payments	175,860	175,860	-	175,860
Other miscellaneous	22,175	47,963	25,788	87,243
Interest	17,269	21,106	3,837	18,418
	<u>569,804</u>	<u>617,181</u>	<u>47,377</u>	<u>508,857</u>
 Total Revenue	 <u>17,060,478</u>	 <u>18,092,460</u>	 <u>1,031,982</u>	 <u>17,899,875</u>
 <b>EXPENDITURES</b>				
General government:				
Commissioners:				
Salaries	81,546	82,437	(891)	82,921
Benefits	50,720	50,882	(162)	38,635
Services and supplies	14,450	10,392	4,058	13,096
	<u>146,716</u>	<u>143,711</u>	<u>3,005</u>	<u>134,652</u>
Clerk/treasurer:				
Salaries	293,129	281,184	11,945	267,182
Benefits	138,337	134,443	3,894	116,518
Services and supplies	24,850	20,491	4,359	20,183
	<u>456,316</u>	<u>436,118</u>	<u>20,198</u>	<u>403,883</u>
Recorder:				
Salaries	162,294	146,634	15,660	143,174
Benefits	73,337	69,948	3,389	65,164
Services and supplies	9,700	3,436	6,264	4,647
	<u>245,331</u>	<u>220,018</u>	<u>25,313</u>	<u>212,985</u>
Records and microfilming:				
Services and supplies	21,250	12,769	8,481	10,379
Assessor:				
Salaries	414,069	400,366	13,703	386,549
Benefits	192,897	186,300	6,597	175,357
Services and supplies	52,355	23,902	28,453	25,782
	<u>659,321</u>	<u>610,568</u>	<u>48,753</u>	<u>587,688</u>
County manager:				
Salaries	180,573	176,432	4,141	147,822
Benefits	75,047	68,750	6,297	59,287
Services and supplies	8,200	4,271	3,929	30,671
	<u>263,820</u>	<u>249,453</u>	<u>14,367</u>	<u>237,780</u>
Buildings and grounds:				
Salaries	236,297	211,875	24,422	222,399
Benefits	127,406	112,341	15,065	112,958
Services and supplies	284,150	246,495	37,655	258,372
Capital outlay	-	-	-	4,304
	<u>647,853</u>	<u>570,711</u>	<u>77,142</u>	<u>598,033</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 4 of 7)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
Elections:				
Salaries	\$ 11,000	\$ 2,586	\$ 8,414	\$ 7,964
Benefits	970	114	856	717
Services and supplies	46,500	29,832	16,668	27,097
	<u>58,470</u>	<u>32,532</u>	<u>25,938</u>	<u>35,778</u>
Personnel operations:				
Salaries	102,584	101,061	1,523	98,674
Benefits	38,726	37,700	1,026	34,683
Services and supplies	3,900	1,235	2,665	5,126
	<u>145,210</u>	<u>139,996</u>	<u>5,214</u>	<u>138,483</u>
Personnel - staff development:				
Services and supplies	14,350	9,656	4,694	2,758
	<u>14,350</u>	<u>9,656</u>	<u>4,694</u>	<u>2,758</u>
Personnel - benefit services:				
Services and supplies	44,000	17,094	26,906	23,827
	<u>44,000</u>	<u>17,094</u>	<u>26,906</u>	<u>23,827</u>
Comptroller:				
Salaries	359,363	344,327	15,036	324,956
Benefits	147,360	142,572	4,788	123,584
Services and supplies	16,250	8,767	7,483	13,440
	<u>522,973</u>	<u>495,666</u>	<u>27,307</u>	<u>461,980</u>
Data processing:				
Services and supplies	219,475	138,149	81,326	176,624
	<u>219,475</u>	<u>138,149</u>	<u>81,326</u>	<u>176,624</u>
General government other:				
Services and supplies	1,058,958	833,989	224,969	1,154,715
	<u>1,058,958</u>	<u>833,989</u>	<u>224,969</u>	<u>1,154,715</u>
Building inspection:				
Salaries	152,961	150,619	2,342	145,681
Benefits	66,240	61,758	4,482	56,325
Services and supplies	9,530	9,378	152	5,342
	<u>228,731</u>	<u>221,755</u>	<u>6,976</u>	<u>207,348</u>
Yucca Mountain:				
Services and supplies	232,200	177,822	54,378	196,094
	<u>232,200</u>	<u>177,822</u>	<u>54,378</u>	<u>196,094</u>
Planning department:				
Salaries	379,992	356,894	23,098	342,483
Benefits	163,784	153,379	10,405	140,610
Services and supplies	21,347	13,170	8,177	17,217
	<u>565,123</u>	<u>523,443</u>	<u>41,680</u>	<u>500,310</u>
Total General Government	<u>5,530,097</u>	<u>4,833,450</u>	<u>696,647</u>	<u>5,083,317</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
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	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
Judicial:				
District court:				
Salaries	\$ 242,381	\$ 242,909	\$ (528)	\$ 225,860
Benefits	121,619	113,163	8,456	99,973
Services and supplies	861,414	685,508	175,906	475,059
Capital outlay	10,000	-	10,000	-
	<u>1,235,414</u>	<u>1,041,580</u>	<u>193,834</u>	<u>800,892</u>
Justice court:				
Salaries	332,106	319,805	12,301	307,965
Benefits	163,475	136,149	27,326	119,655
Services and supplies	266,360	182,245	84,115	153,431
	<u>761,941</u>	<u>638,199</u>	<u>123,742</u>	<u>581,051</u>
District attorney:				
Salaries	1,292,609	1,210,979	81,630	1,193,272
Benefits	570,016	520,614	49,402	479,919
Services and supplies	178,357	124,226	54,131	144,513
	<u>2,040,982</u>	<u>1,855,819</u>	<u>185,163</u>	<u>1,817,704</u>
Court services:				
Salaries	91,339	89,606	1,733	104,160
Benefits	36,736	31,409	5,327	43,976
Services and supplies	25,750	27,720	(1,970)	55,477
	<u>153,825</u>	<u>148,735</u>	<u>5,090</u>	<u>203,613</u>
Total Judicial	<u>4,192,162</u>	<u>3,684,333</u>	<u>507,829</u>	<u>3,403,260</u>
Public safety:				
Sheriff:				
Salaries	3,111,220	2,869,900	241,320	2,815,550
Benefits	1,933,394	1,786,426	146,968	1,724,501
Services and supplies	758,150	609,042	149,108	646,464
Capital outlay	85,000	5,747	79,253	183,112
	<u>5,887,764</u>	<u>5,271,115</u>	<u>616,649</u>	<u>5,369,627</u>
Fire protection:				
Salaries	110,595	106,142	4,453	105,994
Benefits	193,475	193,397	78	194,592
Services and supplies	271,401	225,013	46,388	231,712
Capital outlay	98,000	10,952	87,048	90,391
	<u>673,471</u>	<u>535,504</u>	<u>137,967</u>	<u>622,689</u>
Emergency management:				
Salaries	36,651	36,074	577	34,395
Benefits	11,527	11,301	226	10,029
Services and supplies	139,754	60,144	79,610	67,044
	<u>187,932</u>	<u>107,519</u>	<u>80,413</u>	<u>111,468</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
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	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
Juvenile probation:				
Salaries	\$ 628,879	\$ 609,378	\$ 19,501	\$ 593,690
Benefits	311,954	297,782	14,172	279,382
Services and supplies	84,175	68,580	15,595	71,216
	<u>1,025,008</u>	<u>975,740</u>	<u>49,268</u>	<u>944,288</u>
Juvenile Justice Center:				
Salaries	492,175	445,788	46,387	381,558
Benefits	244,736	223,117	21,619	187,670
Services and supplies	179,207	160,615	18,592	141,720
	<u>916,118</u>	<u>829,520</u>	<u>86,598</u>	<u>710,948</u>
Total Public Safety	<u>8,690,293</u>	<u>7,719,398</u>	<u>970,895</u>	<u>7,759,020</u>
Sanitation:				
Animal control and garbage disposal:				
Services and supplies	5,000	1,250	3,750	-
Health:				
City/County health:				
Services and supplies	48,000	18,468	29,532	36,936
Cemetery:				
Salaries	103,111	101,869	1,242	98,000
Benefits	46,329	44,859	1,470	36,461
Services and supplies	48,850	46,083	2,767	57,586
Capital outlay	25,000	-	25,000	18,586
	<u>223,290</u>	<u>192,811</u>	<u>30,479</u>	<u>210,633</u>
Total Health	<u>271,290</u>	<u>211,279</u>	<u>60,011</u>	<u>247,569</u>
Culture and recreation:				
Museum:				
Salaries	204,858	190,207	14,651	184,671
Benefits	61,905	60,004	1,901	54,906
Services and supplies	35,500	31,363	4,137	26,190
Capital outlay	25,000	4,041	20,959	-
	<u>327,263</u>	<u>285,615</u>	<u>41,648</u>	<u>265,767</u>
Total Culture and Recreation	<u>327,263</u>	<u>285,615</u>	<u>41,648</u>	<u>265,767</u>
Community support:				
Services and supplies	246,000	213,331	32,669	199,777
Intergovernmental:				
Payments to other governments	443,765	392,684	51,081	411,402
Total Expenditures	<u>19,705,870</u>	<u>17,341,340</u>	<u>2,364,530</u>	<u>17,370,112</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(2,645,392)</u>	<u>751,120</u>	<u>3,396,512</u>	<u>529,763</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 7 of 7)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital and other assets	\$ -	\$ 56,366	\$ 56,366	\$ 6,090
Transfers out:				
Golf Course Fund	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>(600,000)</u>
Total Other Financing Sources (Uses)	<u>(25,000)</u>	<u>31,366</u>	<u>56,366</u>	<u>(593,910)</u>
Net Change in Fund Balance	(2,670,392)	782,486	3,452,878	(64,147)
<b>FUND BALANCE, July 1</b>	<u>5,247,776</u>	<u>6,747,776</u>	<u>1,500,000</u>	<u>6,811,923</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 2,577,384</u></u>	<u><u>\$ 7,530,262</u></u>	<u><u>\$ 4,952,878</u></u>	<u><u>\$ 6,747,776</u></u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR SPECIAL REVENUE FUND - ROAD FUND**  
**BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**

	2014	2013
<b>ASSETS</b>		
Cash and investments	\$ 394,843	\$ 343,432
Receivables:		
Interest	96	128
Other	17,828	27,849
Due from other funds	661,473	836,918
Due from other governments	169,718	176,479
	<b>\$ 1,243,958</b>	<b>\$ 1,384,806</b>
Total Assets		
 <b>LIABILITIES</b>		
Accounts payable	\$ 347,181	\$ 26,639
Accrued salaries	23,784	16,930
Accrued benefits	13,229	11,953
Due to other governments	1,502	34,829
Customer deposits	2,647	1,580
	388,343	91,931
Total Liabilities		
 <b>FUND BALANCES</b>		
Committed	252,686	691,042
Assigned	602,929	601,833
	855,615	1,292,875
Total Liabilities and Fund Balances	<b>\$ 1,243,958</b>	<b>\$ 1,384,806</b>

**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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Licenses and permits:				
Licenses and permits	\$ -	\$ 200	\$ 200	\$ 100
Intergovernmental:				
Motor vehicle fuel tax (\$.0125)	345,576	335,214	(10,362)	345,581
Motor vehicle fuel tax (\$.0175)	110,623	103,597	(7,026)	114,757
Motor vehicle fuel tax (\$.0360)	566,425	550,511	(15,914)	567,046
	<u>1,022,624</u>	<u>989,322</u>	<u>(33,302)</u>	<u>1,027,384</u>
Miscellaneous:				
Interest	3,895	1,784	(2,111)	4,588
Miscellaneous	-	1,095	1,095	80,974
Water construction	-	6,204	6,204	4,466
Equipment rental	-	-	-	401
Fuel reimbursements	384,645	199,558	(185,087)	220,966
	<u>388,540</u>	<u>208,641</u>	<u>(179,899)</u>	<u>311,395</u>
 Total Revenues	 <u>1,411,164</u>	 <u>1,198,163</u>	 <u>(213,001)</u>	 <u>1,338,879</u>
<b>EXPENDITURES</b>				
Public works:				
Highways and streets:				
Salaries	946,189	931,164	15,025	902,790
Benefits	435,493	433,840	1,653	392,741
Services and supplies	1,467,034	497,885	969,149	847,277
Capital outlay	318,400	760,145	(441,745)	1,867,914
	<u>3,167,116</u>	<u>2,623,034</u>	<u>544,082</u>	<u>4,010,722</u>
 Total Expenditures	 <u>3,167,116</u>	 <u>2,623,034</u>	 <u>544,082</u>	 <u>4,010,722</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(1,755,952)</u>	 <u>(1,424,871)</u>	 <u>331,081</u>	 <u>(2,671,843)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital and other assets	-	13,170	13,170	-
Transfers in:				
Regional Transportation Fund	650,000	641,659	(8,341)	726,275
Public Transit Fund	500,000	482,782	(17,218)	790,901
Road Impact Fund	100,000	100,000	-	70,000
Transfers out:				
Road Equipment Replacement Fund	(250,000)	(250,000)	-	-
	<u>1,000,000</u>	<u>987,611</u>	<u>(12,389)</u>	<u>1,587,176</u>
 Total Other Financing Sources (Uses)	 <u>1,000,000</u>	 <u>987,611</u>	 <u>(12,389)</u>	 <u>1,587,176</u>
 Net Change in Fund Balances	 <u>(755,952)</u>	 <u>(437,260)</u>	 <u>318,692</u>	 <u>(1,084,667)</u>
<b>FUND BALANCE , July 1</b>	<u>1,292,875</u>	<u>1,292,875</u>	<u>-</u>	<u>2,377,542</u>
<b>FUND BALANCE, June 30</b>	<u><b>\$ 536,923</b></u>	<u><b>\$ 855,615</b></u>	<u><b>\$ 318,692</b></u>	<u><b>\$ 1,292,875</b></u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR SPECIAL REVENUE FUND - REGIONAL TRANSPORTATION FUND**  
**BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**

	2014	2013
<b>ASSETS</b>		
Cash and investments	\$ 879,757	\$ 1,303,228
Interest receivable	193	321
Due from other governments	130,154	132,495
Total Assets	<b>\$ 1,010,104</b>	<b>\$ 1,436,044</b>
 <b>LIABILITIES</b>		
Due to other funds	\$ 394,508	\$ 351,409
 <b>FUND BALANCES</b>		
Restricted	615,596	1,084,635
Total Liabilities and Fund Balances	<b>\$ 1,010,104</b>	<b>\$ 1,436,044</b>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR SPECIAL REVENUE FUND - REGIONAL TRANSPORTATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
County Optional Motor Vehicle	\$ 735,335	\$ 743,532	\$ 8,197	\$ 764,624
Miscellaneous:				
Interest	2,425	3,137	712	3,857
Total Revenues	<u>737,760</u>	<u>746,669</u>	<u>8,909</u>	<u>768,481</u>
<b>EXPENDITURES</b>				
Intergovernmental:				
City of Fallon	<u>591,035</u>	<u>566,000</u>	<u>25,035</u>	<u>220,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	146,725	180,669	33,944	548,481
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Road Fund	<u>(650,000)</u>	<u>(649,708)</u>	<u>292</u>	<u>(726,275)</u>
Net Change in Fund Balance	(503,275)	(469,039)	34,236	(177,794)
<b>FUND BALANCE, July 1</b>	<u>1,084,635</u>	<u>1,084,635</u>	<u>-</u>	<u>1,262,429</u>
<b>FUND BALANCE, June 30</b>	<u><b>\$ 581,360</b></u>	<u><b>\$ 615,596</b></u>	<u><b>\$ 34,236</b></u>	<u><b>\$ 1,084,635</b></u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR GOVERNMENT FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR DEBT SERVICE FUND	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
				2014	2013
<b>ASSETS</b>					
Cash and investments	\$ 15,731,971	\$ 100,000	\$ 5,354,169	\$ 21,186,140	\$ 18,951,706
Receivables:					
Property taxes	31,035	-	9,530	40,565	360,123
Interest	3,609	12	1,207	4,828	4,642
Other	26,671	-	-	26,671	24,332
Notes	97,332	-	-	97,332	104,349
Due from other funds	-	-	107,806	107,806	25,591
Due from other governments	449,900	-	133,738	583,638	615,060
	<u>16,340,518</u>	<u>100,012</u>	<u>5,606,450</u>	<u>22,046,980</u>	<u>20,085,803</u>
Total Assets	<u>\$ 16,340,518</u>	<u>\$ 100,012</u>	<u>\$ 5,606,450</u>	<u>\$ 22,046,980</u>	<u>\$ 20,085,803</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 111,879	\$ -	\$ 7,769	\$ 119,648	\$ 96,987
Accrued salaries	32,100	-	-	32,100	24,219
Accrued benefits	15,391	-	-	15,391	19,058
Due to other funds	247,557	-	25,815	273,372	717,800
Due to other governments	68,451	-	6,768	75,219	325,246
Customer deposits	3,900	-	-	3,900	3,777
Unearned revenue	9,805	-	-	9,805	18,667
	<u>489,083</u>	<u>-</u>	<u>40,352</u>	<u>529,435</u>	<u>1,205,754</u>
Total Liabilities	<u>489,083</u>	<u>-</u>	<u>40,352</u>	<u>529,435</u>	<u>1,205,754</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	20,649	-	6,663	27,312	36,983
	<u>20,649</u>	<u>-</u>	<u>6,663</u>	<u>27,312</u>	<u>36,983</u>
<b>FUND BALANCES</b>					
Non-Spendable	97,332	-	-	97,332	104,349
Restricted	4,615,160	-	2,160,973	6,776,133	6,142,994
Committed	4,449,768	100,012	573,832	5,123,612	4,583,668
Assigned	6,668,526	-	2,824,630	9,493,156	8,012,055
	<u>15,830,786</u>	<u>100,012</u>	<u>5,559,435</u>	<u>21,490,233</u>	<u>18,843,066</u>
Total Fund Balances	<u>15,830,786</u>	<u>100,012</u>	<u>5,559,435</u>	<u>21,490,233</u>	<u>18,843,066</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,340,518</u>	<u>\$ 100,012</u>	<u>\$ 5,606,450</u>	<u>\$ 22,046,980</u>	<u>\$ 20,085,803</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR DEBT SERVICE FUND	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
				2014	2013
<b>REVENUES</b>					
Taxes	\$ 1,659,163	\$ 100,000	\$ 533,468	\$ 2,292,631	\$ 2,279,398
Licenses and permits	26,400	-	-	26,400	12,284
Intergovernmental	3,628,388	-	619,562	4,247,950	4,142,249
Charges for services	486,184	-	-	486,184	438,042
Miscellaneous	499,161	12	360,308	859,481	932,385
<b>Total Revenues</b>	<b>6,299,296</b>	<b>100,012</b>	<b>1,513,338</b>	<b>7,912,646</b>	<b>7,804,358</b>
<b>EXPENDITURES</b>					
Current:					
General government	1,374,078	-	98,363	1,472,441	1,700,926
Judicial	75,287	-	-	75,287	169,973
Public safety	80,192	-	563	80,755	82,118
Public works	55,715	-	54,116	109,831	33,212
Health	2,498	-	-	2,498	3,984
Welfare	1,662,677	-	-	1,662,677	1,751,612
Culture and recreation	1,728,854	-	-	1,728,854	1,717,071
Community support	340,265	-	-	340,265	376,425
Intergovernmental	292,243	-	84,089	376,332	114,914
<b>Total Expenditures</b>	<b>5,611,809</b>	<b>-</b>	<b>237,131</b>	<b>5,848,940</b>	<b>5,950,235</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	687,487	100,012	1,276,207	2,063,706	1,854,123
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from insurance recovery	488,133	-	-	488,133	-
Sale of capital assets and other assets	395,576	-	224,485	620,061	334,499
Transfers in	150,000	-	311,103	461,103	245,000
Transfers out	(960,836)	-	(25,000)	(985,836)	(1,530,901)
<b>Total Other Financing Sources (Uses)</b>	<b>72,873</b>	<b>-</b>	<b>510,588</b>	<b>583,461</b>	<b>(951,402)</b>
<b>Net Change in Fund Balance</b>	<b>760,360</b>	<b>100,012</b>	<b>1,786,795</b>	<b>2,647,167</b>	<b>902,721</b>
<b>FUND BALANCE, July 1</b>	<b>15,070,426</b>	<b>-</b>	<b>3,772,640</b>	<b>18,843,066</b>	<b>17,940,345</b>
<b>FUND BALANCE, June 30</b>	<b>\$ 15,830,786</b>	<b>\$ 100,012</b>	<b>\$ 5,559,435</b>	<b>\$ 21,490,233</b>	<b>\$ 18,843,066</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**  
**(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
<b>ASSETS</b>								
Cash and investments	\$ 1,585,287	\$ 96,446	\$ 320,565	\$ 2,106,399	\$ 264,887	\$ 1,066,387	\$ 1,053,836	\$ 240,780
Receivables:								
Property taxes	-	-	-	10,186	2,429	8,116	-	-
Interest	373	23	75	489	62	249	222	57
Other	-	-	-	412	-	451	6,414	-
Notes	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	118,333	-	-	33,333	-
Total Assets	<u>\$ 1,585,660</u>	<u>\$ 96,469</u>	<u>\$ 320,640</u>	<u>\$ 2,235,819</u>	<u>\$ 267,378</u>	<u>\$ 1,075,203</u>	<u>\$ 1,093,805</u>	<u>\$ 240,837</u>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ 968	\$ -	\$ 33,060	\$ 7,047	\$ 7,869	\$ 19,911	\$ -
Accrued salaries	-	-	-	5,029	1,208	5,916	18,153	-
Accrued benefits	-	-	-	3,084	757	3,465	7,839	-
Due to other funds	-	-	-	3,750	-	-	-	-
Due to other governments	-	-	-	19,451	13,440	2,606	3,787	-
Customer deposit	-	-	-	1,315	-	-	2,585	-
Unearned revenue	-	2,469	-	-	-	-	7,336	-
Total Liabilities	-	<u>3,437</u>	-	<u>65,689</u>	<u>22,452</u>	<u>19,856</u>	<u>59,611</u>	-
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	7,219	1,644	5,604	-	-
<b>FUND BALANCES</b>								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	-	93,032	269,299	-	38,084	-	-	203,759
Committed	1,585,660	-	51,341	1,621,231	45,698	23,974	-	37,078
Assigned	-	-	-	541,680	159,500	1,025,769	1,034,194	-
Total Fund Balances	<u>1,585,660</u>	<u>93,032</u>	<u>320,640</u>	<u>2,162,911</u>	<u>243,282</u>	<u>1,049,743</u>	<u>1,034,194</u>	<u>240,837</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,585,660</u>	<u>\$ 96,469</u>	<u>\$ 320,640</u>	<u>\$ 2,235,819</u>	<u>\$ 267,378</u>	<u>\$ 1,075,203</u>	<u>\$ 1,093,805</u>	<u>\$ 240,837</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**  
**(Page 2 of 4)**

	Cemetery Beautification Fund	Indigent Donations and Gifts Fund	Law Library Fund	Technology Fee Fund	E 911 System Fund	Library Gift Fund	Risk Management Fund	Compensated Absences Fund
<b>ASSETS</b>								
Cash and investments	\$ 30,237	\$ 50,332	\$ 69,941	\$ 437,044	\$ 43,457	\$ 717,678	\$ 1,548,185	\$ 683,879
Receivables:								
Property taxes	-	-	-	976	-	-	-	-
Interest	7	12	17	103	10	169	363	146
Other	-	-	-	-	4,075	-	15,319	-
Notes	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	1,306	2,115	-	-	8,000
Total Assets	<u>\$ 30,244</u>	<u>\$ 50,344</u>	<u>\$ 69,958</u>	<u>\$ 439,429</u>	<u>\$ 49,657</u>	<u>\$ 717,847</u>	<u>\$ 1,563,867</u>	<u>\$ 692,025</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 151	\$ 87	\$ 2,175	\$ 3,152	\$ 3,629	\$ 16,799	\$ -	\$ -
Accrued salaries	-	-	-	-	-	-	-	1,794
Accrued benefits	-	-	-	-	-	-	-	246
Due to other funds	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Customer deposit	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total Liabilities	<u>151</u>	<u>87</u>	<u>2,175</u>	<u>3,152</u>	<u>3,629</u>	<u>16,799</u>	<u>-</u>	<u>2,040</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>FUND BALANCES</b>								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	392,176	46,028	201,779	-	-
Committed	-	-	-	44,101	-	89,072	-	-
Assigned	30,093	50,257	67,783	-	-	410,197	1,563,867	689,985
Total Fund Balances	<u>30,093</u>	<u>50,257</u>	<u>67,783</u>	<u>436,277</u>	<u>46,028</u>	<u>701,048</u>	<u>1,563,867</u>	<u>689,985</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 30,244</u>	<u>\$ 50,344</u>	<u>\$ 69,958</u>	<u>\$ 439,429</u>	<u>\$ 49,657</u>	<u>\$ 717,847</u>	<u>\$ 1,563,867</u>	<u>\$ 692,025</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**  
**(Page 3 of 4)**

	Unemployment Compensation Fund	Graffiti Reward and Abatement Fund	District Court Security Fund	Administrative Assessment Fund	Water Resource Fund	Infrastructure Tax Fund	Recreation Donation Fund	Indigent Hospital Care Fund
<b>ASSETS</b>								
Cash and investments	\$ 324,495	\$ 51,297	\$ 25,019	\$ 18,864	\$ 729,684	\$ 1,150,174	\$ 91,434	\$ 10,110
Receivables:								
Property taxes	-	-	-	-	-	-	-	1,914
Interest	75	12	5	-	159	260	22	-
Other	-	-	-	-	-	-	-	-
Notes	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	4,635	53,869	109,394	-	-
<b>Total Assets</b>	<b>\$ 324,570</b>	<b>\$ 51,309</b>	<b>\$ 25,024</b>	<b>\$ 23,499</b>	<b>\$ 783,712</b>	<b>\$ 1,259,828</b>	<b>\$ 91,456</b>	<b>\$ 12,024</b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ 1,682	\$ -	\$ -	\$ 11,944	\$ -	\$ -	\$ -
Accrued salaries	-	-	-	-	-	-	-	-
Accrued benefits	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Due to other governments	1,137	-	-	-	-	-	-	10,110
Customer deposit	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>1,137</b>	<b>1,682</b>	<b>-</b>	<b>-</b>	<b>11,944</b>	<b>-</b>	<b>-</b>	<b>10,110</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	1,233
<b>FUND BALANCES</b>								
Non-Spendable	-	-	-	-	-	-	-	-
Restricted	-	-	25,024	23,499	-	1,259,828	68,057	681
Committed	-	49,627	-	-	-	-	23,399	-
Assigned	323,433	-	-	-	771,768	-	-	-
<b>Total Fund Balances</b>	<b>323,433</b>	<b>49,627</b>	<b>25,024</b>	<b>23,499</b>	<b>771,768</b>	<b>1,259,828</b>	<b>91,456</b>	<b>681</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 324,570</b>	<b>\$ 51,309</b>	<b>\$ 25,024</b>	<b>\$ 23,499</b>	<b>\$ 783,712</b>	<b>\$ 1,259,828</b>	<b>\$ 91,456</b>	<b>\$ 12,024</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**  
**(Page 4 of 4)**

	Indigent Medical Care Fund	Public Transit Fund	Senior Citizens Ad Valorem Levy Fund	One Cent Fuel Excise Tax Fund	Fairgrounds Sale Proceeds Fund	2014	2013
<b>ASSETS</b>							
Cash and investments	\$ 1,775,923	\$ 691,545	\$ 2,096	\$ 123,771	\$ 424,219	\$ 15,731,971	\$ 15,277,025
Receivables:							
Property taxes	7,133	-	281	-	-	31,035	287,923
Interest	419	151	-	28	101	3,609	3,727
Other	-	-	-	-	-	26,671	24,332
Notes	-	-	-	-	97,332	97,332	104,349
Due from other funds	-	-	-	-	-	-	20,009
Due from other governments	-	109,394	-	9,521	-	449,900	476,150
<b>Total Assets</b>	<b>\$ 1,781,475</b>	<b>\$ 801,090</b>	<b>\$ 2,377</b>	<b>\$ 133,320</b>	<b>\$ 521,652</b>	<b>\$ 16,340,518</b>	<b>\$ 16,193,515</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 784	\$ 299	\$ 2,097	\$ 225	\$ -	\$ 111,879	\$ 93,972
Accrued salaries	-	-	-	-	-	32,100	24,219
Accrued benefits	-	-	-	-	-	15,391	19,058
Due to other funds	-	243,807	-	-	-	247,557	617,800
Due to other governments	17,920	-	-	-	-	68,451	317,207
Customer deposit	-	-	-	-	-	3,900	3,777
Unearned revenue	-	-	-	-	-	9,805	18,667
<b>Total Liabilities</b>	<b>18,704</b>	<b>244,106</b>	<b>2,097</b>	<b>225</b>	<b>-</b>	<b>489,083</b>	<b>1,094,700</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	4,949	-	-	-	-	20,649	28,389
<b>FUND BALANCES</b>							
Non-Spendable	-	-	-	-	97,332	97,332	104,349
Restricted	1,757,822	148,616	280	87,196	-	4,615,160	4,436,577
Committed	-	408,368	-	45,899	424,320	4,449,768	4,525,643
Assigned	-	-	-	-	-	6,668,526	6,003,857
<b>Total Fund Balances</b>	<b>1,757,822</b>	<b>556,984</b>	<b>280</b>	<b>133,095</b>	<b>521,652</b>	<b>15,830,786</b>	<b>15,070,426</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,781,475</b>	<b>\$ 801,090</b>	<b>\$ 2,377</b>	<b>\$ 133,320</b>	<b>\$ 521,652</b>	<b>\$ 16,340,518</b>	<b>\$ 16,193,515</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(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
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ 581,519	\$ 133,165	\$ 430,201	\$ 7,873	\$ -
Licenses and permits	-	-	18,400	-	-	-	-	8,000
Intergovernmental	-	-	-	787,545	46	28,690	895,001	-
Charges for services	-	-	-	-	-	10,833	290,301	-
Miscellaneous	5,344	50,187	1,226	63,588	5,084	4,214	10,932	10,829
Total Revenues	5,344	50,187	19,626	1,432,652	138,295	473,938	1,204,107	18,829
<b>EXPENDITURES</b>								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Public safety	-	22,596	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	1,547,754	-	-	-	-
Culture and recreation	-	-	-	-	-	501,169	1,148,030	27,134
Community support	-	-	-	-	160,077	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Total Expenditures	-	22,596	-	1,547,754	160,077	501,169	1,148,030	27,134
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,344	27,591	19,626	(115,102)	(21,782)	(27,231)	56,077	(8,305)
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from insurance recovery	-	-	-	-	-	-	-	-
Sale of capital and other assets	-	8,621	-	1,700	-	803	10,651	-
Transfers in	-	-	-	100,000	-	-	-	-
Transfers out	-	-	(100,000)	-	-	(50,000)	-	-
Total Other Financing Sources (Uses)	-	8,621	(100,000)	101,700	-	(49,197)	10,651	-
Net Change in Fund Balance	5,344	36,212	(80,374)	(13,402)	(21,782)	(76,428)	66,728	(8,305)
<b>FUND BALANCE at July 1</b>	1,580,316	56,820	401,014	2,176,313	265,064	1,126,171	967,466	249,142
<b>FUND BALANCE, June 30</b>	\$ 1,585,660	\$ 93,032	\$ 320,640	\$ 2,162,911	\$ 243,282	\$ 1,049,743	\$ 1,034,194	\$ 240,837

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 2 of 4)**

	Cemetery Beautification Fund	Indigent Donations and Gifts Fund	Law Library Fund	Technology Fee Fund	E 911 System Fund	Library Gift Fund	Risk Management Fund
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	420	-	-	-	-	50,000
Charges for services	-	-	9,045	-	75,398	-	-
Miscellaneous	1,950	1,244	271	102,208	104	37,973	31,578
Total Revenues	1,950	1,664	9,316	102,208	75,502	37,973	81,578
<b>EXPENDITURES</b>							
General government	-	-	-	136,181	-	-	105,188
Judicial	-	-	29,998	-	-	-	-
Public safety	-	-	-	-	57,596	-	-
Public works	-	-	-	-	-	-	-
Health	2,498	-	-	-	-	-	-
Welfare	-	1,315	-	-	-	-	-
Culture and recreation	-	-	-	-	-	38,797	-
Community support	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Total Expenditures	2,498	1,315	29,998	136,181	57,596	38,797	105,188
Excess (Deficiency) of Revenues Over (Under) Expenditures	(548)	349	(20,682)	(33,973)	17,906	(824)	(23,610)
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from insurance recovery	-	-	-	-	-	-	488,133
Sale of capital and other assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	50,000	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	50,000	488,133
Net Change in Fund Balance	(548)	349	(20,682)	(33,973)	17,906	49,176	464,523
<b>FUND BALANCE at July 1</b>	30,641	49,908	88,465	470,250	28,122	651,872	1,099,344
<b>FUND BALANCE, June 30</b>	<b>30,093</b>	<b>50,257</b>	<b>67,783</b>	<b>436,277</b>	<b>46,028</b>	<b>701,048</b>	<b>1,563,867</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

(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
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	173,000	-	-	-	-	399,617	619,754	-
Charges for services	-	-	574	12,060	47,902	40,071	-	-
Miscellaneous	93,744	1,164	37,408	71	-	5,542	3,375	16,917
Total Revenues	<u>266,744</u>	<u>1,164</u>	<u>37,982</u>	<u>12,131</u>	<u>47,902</u>	<u>445,230</u>	<u>623,129</u>	<u>16,917</u>
<b>EXPENDITURES</b>								
General government	266,382	30,767	-	-	-	336,865	498,695	-
Judicial	-	-	40,224	5,065	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	13,724
Community support	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Total Expenditures	<u>266,382</u>	<u>30,767</u>	<u>40,224</u>	<u>5,065</u>	<u>-</u>	<u>336,865</u>	<u>498,695</u>	<u>13,724</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>362</u>	<u>(29,603)</u>	<u>(2,242)</u>	<u>7,066</u>	<u>47,902</u>	<u>108,365</u>	<u>124,434</u>	<u>3,193</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from insurance recovery	-	-	-	-	-	-	-	-
Sale of capital and other assets	-	-	-	-	-	2,550	371,251	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(35,000)	-	(175,000)	-
Total Other Financing Sources (Uses)	-	-	-	-	<u>(35,000)</u>	<u>2,550</u>	<u>196,251</u>	-
Net Change in Fund Balance	<u>362</u>	<u>(29,603)</u>	<u>(2,242)</u>	<u>7,066</u>	<u>12,902</u>	<u>110,915</u>	<u>320,685</u>	<u>3,193</u>
<b>FUND BALANCE at July 1</b>	<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>
<b>FUND BALANCE, June 30</b>	<u>\$ 689,985</u>	<u>\$ 323,433</u>	<u>\$ 49,627</u>	<u>\$ 25,024</u>	<u>\$ 23,499</u>	<u>\$ 771,768</u>	<u>\$ 1,259,828</u>	<u>\$ 91,456</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 4 of 4)**

	Indigent Hospital Care Fund	Indigent Medical Care Fund	Public Transit Fund	Senior Citizens Ad Valorem Levy Fund	One Cent Fuel Excise Tax Fund	Fairgrounds Sale Proceeds Fund	2014	2013
<b>REVENUES</b>								
Taxes	\$ 102,030	\$ 401,989	\$ -	\$ 2,386	\$ -	\$ -	\$ 1,659,163	\$ 1,753,083
Licenses and permits	-	-	-	-	-	-	26,400	12,284
Intergovernmental	35	138	619,753	-	54,389	-	3,628,388	3,998,067
Charges for services	-	-	-	-	-	-	486,184	438,042
Miscellaneous	-	5,960	2,610	-	415	5,223	499,161	519,201
Total Revenues	102,065	408,087	622,363	2,386	54,804	5,223	6,299,296	6,720,677
<b>EXPENDITURES</b>								
General government	-	-	-	-	-	-	1,374,078	1,534,815
Judicial	-	-	-	-	-	-	75,287	169,973
Public safety	-	-	-	-	-	-	80,192	76,709
Public works	-	-	3,891	-	51,824	-	55,715	33,212
Health	-	-	-	-	-	-	2,498	3,984
Welfare	113,608	-	-	-	-	-	1,662,677	1,751,612
Culture and recreation	-	-	-	-	-	-	1,728,854	1,717,071
Community support	-	178,073	-	2,115	-	-	340,265	376,425
Intergovernmental	-	-	292,243	-	-	-	292,243	58,000
Total Expenditures	113,608	178,073	296,134	2,115	51,824	-	5,611,809	5,721,801
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,543)	230,014	326,229	271	2,980	5,223	687,487	998,876
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from insurance recovery	-	-	-	-	-	-	488,133	-
Sale of capital and other assets	-	-	-	-	-	-	395,576	334,499
Transfers in	-	-	-	-	-	-	150,000	175,000
Transfers out	-	(100,000)	(500,836)	-	-	-	(960,836)	(1,430,901)
Total Other Financing Sources (Uses)	-	(100,000)	(500,836)	-	-	-	72,873	(921,402)
Net Change in Fund Balance	(11,543)	130,014	(174,607)	271	2,980	5,223	760,360	77,474
<b>FUND BALANCE at July 1</b>	12,224	1,627,808	731,591	9	130,115	516,429	15,070,426	14,992,952
<b>FUND BALANCE, June 30</b>	<b>681</b>	<b>1,757,822</b>	<b>556,984</b>	<b>280</b>	<b>133,095</b>	<b>521,652</b>	<b>15,830,786</b>	<b>15,070,426</b>

**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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 4,125	\$ 5,344	\$ 1,219	\$ 5,241
<b>FUND BALANCE, July 1</b>	<u>1,579,800</u>	<u>1,580,316</u>	<u>516</u>	<u>1,575,075</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 1,583,925</u></u>	<u><u>\$ 1,585,660</u></u>	<u><u>\$ 1,735</u></u>	<u><u>\$ 1,580,316</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Forfeitures of seized assets	\$ 100,000	\$ 49,825	\$ (50,175)	\$ -
Interest	175	362	187	237
	<u>100,175</u>	<u>50,187</u>	<u>(49,988)</u>	<u>237</u>
Total Revenues				
	<u>100,175</u>	<u>50,187</u>	<u>(49,988)</u>	<u>237</u>
<b>EXPENDITURES</b>				
Public safety:				
Administration:				
Services and supplies	80,000	22,596	57,404	18,124
	<u>80,000</u>	<u>22,596</u>	<u>57,404</u>	<u>18,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,175	27,591	7,416	(17,887)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital and other assets	-	8,621	8,621	-
	<u>-</u>	<u>8,621</u>	<u>8,621</u>	<u>-</u>
Net Change in Fund Balance	20,175	36,212	16,037	(17,887)
<b>FUND BALANCE, July 1</b>	<u>76,007</u>	<u>56,820</u>	<u>(19,187)</u>	<u>74,707</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 96,182</u></u>	<u><u>\$ 93,032</u></u>	<u><u>\$ (3,150)</u></u>	<u><u>\$ 56,820</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Licenses and permits:				
Area A road impact fee	\$ 3,000	\$ 11,500	\$ 8,500	\$ -
Area B road impact fee	10,000	6,900	(3,100)	9,200
	<u>13,000</u>	<u>18,400</u>	<u>5,400</u>	<u>9,200</u>
Miscellaneous:				
Interest	1,225	1,226	1	1,547
	<u>14,225</u>	<u>19,626</u>	<u>5,401</u>	<u>10,747</u>
<b>EXPENDITURES</b>				
Public works:				
Highways and street:				
Services and supplies	25,000	-	25,000	-
	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,775)	19,626	30,401	10,747
<b>OTHER FINANCING SOURCE (USES)</b>				
Transfer out:				
Road Fund	-	(100,000)	(100,000)	(70,000)
	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(70,000)</u>
Net Change in Fund Balance	(10,775)	(80,374)	(69,599)	(59,253)
<b>FUND BALANCE, July 1</b>	<u>449,517</u>	<u>401,014</u>	<u>(48,503)</u>	<u>460,267</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 438,742</u></u>	<u><u>\$ 320,640</u></u>	<u><u>\$ (118,102)</u></u>	<u><u>\$ 401,014</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 1 of 2)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 470,516	\$ 581,519	\$ 111,003	\$ 573,428
Intergovernmental:				
Private car tax	-	202	202	200
Consolidated intergovernmental taxes	60,000	60,000	-	60,000
Admin Annes WIC Rent	6,000	8,400	2,400	4,900
Grants-in-aid:				
Federal	554,920	679,749	124,829	801,306
State	29,465	39,194	9,729	31,080
	<u>650,385</u>	<u>787,545</u>	<u>137,160</u>	<u>897,486</u>
Miscellaneous:				
Welfare reimbursements	1,500	7,962	6,462	6,121
Geothermal rents/royalties	50,000	46,171	(3,829)	54,815
Miscellaneous	-	2,428	2,428	2,000
Interest	6,107	7,027	920	6,397
	<u>57,607</u>	<u>63,588</u>	<u>5,981</u>	<u>69,333</u>
 Total Revenues	 <u>1,178,508</u>	 <u>1,432,652</u>	 <u>254,144</u>	 <u>1,540,247</u>
<b>EXPENDITURES</b>				
Welfare:				
Grant assistance:				
Services and supplies	1,001,558	615,992	385,566	813,043
Assistance in cash or goods:				
Services and supplies	117,000	77,336	39,664	57,451
Medical assistance-direct:				
Services and supplies	136,085	133,222	2,863	130,225
Welfare operations:				
Salaries	199,887	175,121	24,766	153,709
Benefits	100,972	87,474	13,498	64,541
Services and supplies	18,500	18,655	(155)	30,960
	<u>319,359</u>	<u>281,250</u>	<u>38,109</u>	<u>249,210</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 2 of 2)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
Public health nurse:				
Services and supplies	\$ 117,020	\$ 111,037	\$ 5,983	\$ 111,232
Transitional housing:				
Salaries	42,982	39,104	3,878	32,562
Benefits	22,178	20,251	1,927	14,717
Services and supplies	88,140	56,397	31,743	27,114
	<u>153,300</u>	<u>115,752</u>	<u>37,548</u>	<u>74,393</u>
Public Guardian:				
Services and supplies	47,886	42,632	5,254	18,017
Child protective services:				
Services and supplies	218,570	170,533	48,037	218,570
Total Expenditures	<u>2,110,778</u>	<u>1,547,754</u>	<u>563,024</u>	<u>1,672,141</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(932,270)</u>	<u>(115,102)</u>	<u>817,168</u>	<u>(131,894)</u>
<b>OTHER FINANCING</b>				
<b>SOURCES (USES)</b>				
Sale of capital and other assets	-	1,700	1,700	-
Transfers in:				
Indigent Medical Care Fund	100,000	100,000	-	125,000
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>101,700</u>	<u>1,700</u>	<u>125,000</u>
Net Change in Fund Balance	(832,270)	(13,402)	818,868	(6,894)
<b>FUND BALANCE, July 1</b>	<u>1,962,127</u>	<u>2,176,313</u>	<u>214,186</u>	<u>2,183,207</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 1,129,857</u></u>	<u><u>\$ 2,162,911</u></u>	<u><u>\$ 1,033,054</u></u>	<u><u>\$ 2,176,313</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 121,265	\$ 133,165	\$ 11,900	\$ 131,226
Intergovernmental:				
Private car tax	-	46	46	45
Miscellaneous:				
Interest	721	921	200	960
Miscellaneous	-	4,163	4,163	-
	<u>721</u>	<u>5,084</u>	<u>4,363</u>	<u>960</u>
Total Revenues	<u>121,986</u>	<u>138,295</u>	<u>16,309</u>	<u>132,231</u>
<b>EXPENDITURES</b>				
Community support:				
Salaries	56,569	55,675	894	53,690
Benefits	25,271	23,794	1,477	21,983
Services and supplies	91,332	80,608	10,724	73,042
Total Expenditures	<u>173,172</u>	<u>160,077</u>	<u>13,095</u>	<u>148,715</u>
Net Change in Fund Balance	(51,186)	(21,782)	29,404	(16,484)
<b>FUND BALANCE, July 1</b>	<u>235,619</u>	<u>265,064</u>	<u>29,445</u>	<u>281,548</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 184,433</u></u>	<u><u>\$ 243,282</u></u>	<u><u>\$ 58,849</u></u>	<u><u>\$ 265,064</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 388,661	\$ 430,201	\$ 41,540	\$ 548,579
Intergovernmental:				
Federal payments in lieu of taxes	24,000	24,000	-	40,000
Private car tax	200	147	(53)	191
Grant in aid:				
Federal	-	650	650	-
State	-	3,893	3,893	3,551
	<u>24,200</u>	<u>28,690</u>	<u>4,490</u>	<u>43,742</u>
Charges for services:				
Library fee	4,000	10,833	6,833	5,780
Miscellaneous:				
Sales and rentals	6,975	412	(6,563)	3,597
Gifts and donations	-	37	37	1,000
Interest	2,875	3,765	890	3,698
	<u>9,850</u>	<u>4,214</u>	<u>(5,636)</u>	<u>8,295</u>
Total Revenues	<u>426,711</u>	<u>473,938</u>	<u>47,227</u>	<u>606,396</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Salaries	256,957	241,235	15,722	255,986
Benefits	110,083	101,891	8,192	100,145
Services and supplies	145,628	158,043	(12,415)	168,694
Total Expenditures	<u>512,668</u>	<u>501,169</u>	<u>11,499</u>	<u>524,825</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(85,957)</u>	<u>(27,231)</u>	<u>58,726</u>	<u>81,571</u>
<b>OTHER FINANCING</b>				
<b>SOURCES (USES)</b>				
Sale of capital and other assets	-	803	803	-
Transfers out:				
Library Gift Fund	(50,000)	(50,000)	-	(50,000)
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(49,197)</u>	<u>803</u>	<u>(50,000)</u>
Net Change in Fund Balance	(135,957)	(76,428)	59,529	31,571
<b>FUND BALANCE, July 1</b>	<u>1,047,309</u>	<u>1,126,171</u>	<u>78,862</u>	<u>1,094,600</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 911,352</u>	<u>\$ 1,049,743</u>	<u>\$ 138,391</u>	<u>\$ 1,126,171</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 1 of 2)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
County lodging tax	\$ 4,875	\$ 7,873	\$ 2,998	\$ 6,606
Intergovernmental:				
Federal payments in lieu of taxes	200,000	200,000	-	250,000
Local payments in lieu of taxes	495,000	495,001	1	509,710
Consolidated intergovernmental taxes	200,000	200,000	-	200,000
	<u>895,000</u>	<u>895,001</u>	<u>1</u>	<u>959,710</u>
Charges for services:				
Contract clean-up	-	480	480	763
Concession stand	3,000	4,522	1,522	4,167
Recreation charges	130,000	143,728	13,728	142,794
Swimming pool receipts	52,001	69,690	17,689	57,519
Fairgrounds rentals	60,000	68,691	8,691	59,821
Pro-shop sales	1,000	1,640	640	1,016
Miscellaneous	-	1,550	1,550	2,147
	<u>246,001</u>	<u>290,301</u>	<u>44,300</u>	<u>268,227</u>
Miscellaneous:				
Interest	2,150	3,246	1,096	2,751
Miscellaneous	4,000	7,686	3,686	6,578
	<u>6,150</u>	<u>10,932</u>	<u>4,782</u>	<u>9,329</u>
Total Revenues	<u>1,152,026</u>	<u>1,204,107</u>	<u>52,081</u>	<u>1,243,872</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Administration:				
Salaries	197,727	184,169	13,558	187,159
Benefits	84,106	81,061	3,045	75,329
Services and supplies	24,410	20,776	3,634	23,044
	<u>306,243</u>	<u>286,006</u>	<u>20,237</u>	<u>285,532</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 2 of 2)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
Public parks:				
Salaries	\$ 62,301	\$ 60,454	\$ 1,847	\$ 57,353
Benefits	24,205	23,553	652	21,892
Services and supplies	43,100	40,587	2,513	41,662
Capital outlay	-	-	-	12,092
	<u>129,606</u>	<u>124,594</u>	<u>5,012</u>	<u>132,999</u>
Recreation athletics:				
Salaries	107,654	96,953	10,701	101,884
Benefits	36,383	32,513	3,870	27,397
Services and supplies	77,000	76,604	396	79,628
Capital outlay	-	-	-	6,360
	<u>221,037</u>	<u>206,070</u>	<u>14,967</u>	<u>215,269</u>
Fairgrounds:				
Salaries	109,346	106,329	3,017	103,777
Benefits	34,662	33,329	1,333	31,189
Services and supplies	111,170	106,940	4,230	114,362
Capital outlay	15,000	7,872	7,128	32,189
	<u>270,178</u>	<u>254,470</u>	<u>15,708</u>	<u>281,517</u>
Swimming Pool:				
Salaries	141,969	144,243	(2,274)	136,743
Benefits	35,334	33,132	2,202	31,170
Services and supplies	123,880	99,515	24,365	99,656
	<u>301,183</u>	<u>276,890</u>	<u>24,293</u>	<u>267,569</u>
 Total Expenditures	 <u>1,228,247</u>	 <u>1,148,030</u>	 <u>80,217</u>	 <u>1,182,886</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (76,221)	 56,077	 132,298	 60,986
 <b>OTHER FINANCING</b> <b>SOURCES (USES)</b>				
Sale of capital and other assets	-	10,651	10,651	-
 Net Change in Fund Balance	 (76,221)	 66,728	 142,949	 60,986
 <b>FUND BALANCE, July 1</b>	 <u>863,512</u>	 <u>967,466</u>	 <u>103,954</u>	 <u>906,480</u>
 <b>FUND BALANCE, June 30</b>	 <u><u>\$ 787,291</u></u>	 <u><u>\$ 1,034,194</u></u>	 <u><u>\$ 246,903</u></u>	 <u><u>\$ 967,466</u></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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Licenses and permits:				
Park tax fee	\$ 2,000	\$ 8,000	\$ 6,000	\$ 3,084
Intergovernmental				
Reimbursements	-	-	-	3,650
Miscellaneous:				
Interest	525	829	304	828
Miscellaneous	-	10,000	10,000	-
	<u>525</u>	<u>10,829</u>	<u>10,304</u>	<u>828</u>
Total Revenues	<u>2,525</u>	<u>18,829</u>	<u>16,304</u>	<u>7,562</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Public parks:				
Services and supplies	<u>40,000</u>	<u>27,134</u>	<u>12,866</u>	<u>2,062</u>
Net Change in Fund Balance	(37,475)	(8,305)	29,170	5,500
<b>FUND BALANCE, July 1</b>	<u>211,101</u>	<u>249,142</u>	<u>38,041</u>	<u>243,642</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 173,626</u></u>	<u><u>\$ 240,837</u></u>	<u><u>\$ 67,211</u></u>	<u><u>\$ 249,142</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Gifts and Donations	\$ 5,000	\$ 1,850	\$ (3,150)	\$ -
Interest	100	100	-	110
	<u>5,100</u>	<u>1,950</u>	<u>(3,150)</u>	<u>110</u>
Total Revenues	<u>5,100</u>	<u>1,950</u>	<u>(3,150)</u>	<u>110</u>
<b>EXPENDITURES</b>				
Health:				
Services and supplies	5,000	2,498	2,502	3,984
	<u>5,000</u>	<u>2,498</u>	<u>2,502</u>	<u>3,984</u>
Net Change in Fund Balance	100	(548)	(648)	(3,874)
<b>FUND BALANCE, July 1</b>	<u>29,615</u>	<u>30,641</u>	<u>1,026</u>	<u>34,515</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 29,715</u></u>	<u><u>\$ 30,093</u></u>	<u><u>\$ 378</u></u>	<u><u>\$ 30,641</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Family Vehicle Safety revenues	\$ -	\$ 420	\$ 420	\$ 490
Miscellaneous:				
Gifts and donations	6,000	1,075	(4,925)	1,100
Interest	100	169	69	165
	<u>6,100</u>	<u>1,244</u>	<u>(4,856)</u>	<u>1,265</u>
Total Revenues	<u>6,100</u>	<u>1,664</u>	<u>(4,436)</u>	<u>1,755</u>
<b>EXPENDITURES</b>				
Welfare:				
Services and supplies	<u>6,600</u>	<u>1,315</u>	<u>5,285</u>	<u>1,207</u>
Net Change in Fund Balance	(500)	349	849	548
<b>FUND BALANCE, July 1</b>	<u>45,385</u>	<u>49,908</u>	<u>4,523</u>	<u>49,360</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 44,885</u></u>	<u><u>\$ 50,257</u></u>	<u><u>\$ 5,372</u></u>	<u><u>\$ 49,908</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Charges for services:				
Law library fees	\$ 9,575	\$ 9,045	\$ (530)	\$ 8,515
Miscellaneous:				
Interest	325	271	(54)	344
Total Revenues	<u>9,900</u>	<u>9,316</u>	<u>(584)</u>	<u>8,859</u>
<b>EXPENDITURES</b>				
Judicial:				
Services and supplies	<u>35,000</u>	<u>29,998</u>	<u>5,002</u>	<u>35,191</u>
Net Change in Fund Balance	(25,100)	(20,682)	4,418	(26,332)
<b>FUND BALANCE, July 1</b>	<u>89,447</u>	<u>88,465</u>	<u>(982)</u>	<u>114,797</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 64,347</u></u>	<u><u>\$ 67,783</u></u>	<u><u>\$ 3,436</u></u>	<u><u>\$ 88,465</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Technology fees	\$ 76,000	\$ 100,662	\$ 24,662	\$ 148,294
Interest	1,000	1,546	546	1,694
	<u>77,000</u>	<u>102,208</u>	<u>25,208</u>	<u>149,988</u>
<b>EXPENDITURES</b>				
General government:				
Services and supplies	177,000	129,993	47,007	136,145
Capital outlay	75,000	6,188	68,812	98,375
	<u>252,000</u>	<u>136,181</u>	<u>115,819</u>	<u>234,520</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(175,000)	(33,973)	141,027	(84,532)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital and other assets	-	-	-	1,500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Net Change in Fund Balance	(175,000)	(33,973)	141,027	(83,032)
<b>FUND BALANCE, July 1</b>	<u>371,232</u>	<u>470,250</u>	<u>99,018</u>	<u>553,282</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 196,232</u></u>	<u><u>\$ 436,277</u></u>	<u><u>\$ 240,045</u></u>	<u><u>\$ 470,250</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Charges for services	\$ 110,125	\$ 75,398	\$ (34,727)	\$ 76,898
Miscellaneous:				
Interest	<u>25</u>	<u>104</u>	<u>79</u>	<u>40</u>
Total Revenues	<u>110,150</u>	<u>75,502</u>	<u>(34,648)</u>	<u>76,938</u>
<b>EXPENDITURES</b>				
Public Safety				
Services and supplies	<u>100,000</u>	<u>57,596</u>	<u>42,404</u>	<u>58,585</u>
Net Change in Fund Balance	10,150	17,906	7,756	18,353
<b>FUND BALANCE, July 1</b>	<u>14,826</u>	<u>28,122</u>	<u>13,296</u>	<u>9,769</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 24,976</u></u>	<u><u>\$ 46,028</u></u>	<u><u>\$ 21,052</u></u>	<u><u>\$ 28,122</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 1,725	\$ 2,307	\$ 582	\$ 2,026
Gifts and Donations	<u>15,000</u>	<u>35,666</u>	<u>20,666</u>	<u>12,336</u>
Total Revenues	<u>16,725</u>	<u>37,973</u>	<u>21,248</u>	<u>14,362</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Services and supplies	115,000	23,377	91,623	341
Capital outlay	<u>-</u>	<u>15,420</u>	<u>(15,420)</u>	<u>-</u>
Total Expenditures	<u>115,000</u>	<u>38,797</u>	<u>76,203</u>	<u>341</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(98,275)	(824)	97,451	14,021
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Public Library Fund	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net Change in Fund Balance	(48,275)	49,176	97,451	64,021
<b>FUND BALANCE, July 1</b>	<u>611,976</u>	<u>651,872</u>	<u>39,896</u>	<u>587,851</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 563,701</u></u>	<u><u>\$ 701,048</u></u>	<u><u>\$ 137,347</u></u>	<u><u>\$ 651,872</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 50,000	\$ 50,000	\$ -	\$ 75,000
Miscellaneous:				
Interest	2,175	3,960	1,785	3,417
Miscellaneous	-	27,618	27,618	-
	<u>2,175</u>	<u>31,578</u>	<u>29,403</u>	<u>3,417</u>
Total Revenues	<u>52,175</u>	<u>81,578</u>	<u>29,403</u>	<u>78,417</u>
<b>EXPENDITURES</b>				
General government:				
Services and supplies	150,000	105,188	44,812	16,607
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,825)	(23,610)	74,215	61,810
<b>OTHER FINANCING</b>				
<b>SOURCES (USES)</b>				
Proceeds from insurance recovery	-	488,133	488,133	1,155
Net Change in Fund Balance	(97,825)	464,523	562,348	62,965
<b>FUND BALANCE, July 1</b>	<u>1,045,604</u>	<u>1,099,344</u>	<u>53,740</u>	<u>1,036,379</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 947,779</u></u>	<u><u>\$ 1,563,867</u></u>	<u><u>\$ 616,088</u></u>	<u><u>\$ 1,099,344</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 125,000	\$ 125,000	\$ -	\$ 125,000
Consolidated intergovernmental taxes	48,000	48,000	-	48,000
	<u>173,000</u>	<u>173,000</u>	<u>-</u>	<u>173,000</u>
Miscellaneous:				
Interest	1,750	2,037	287	2,281
Miscellaneous	65,000	91,707	26,707	79,554
	<u>66,750</u>	<u>93,744</u>	<u>26,994</u>	<u>81,835</u>
 Total Revenues	 <u>239,750</u>	 <u>266,744</u>	 <u>26,994</u>	 <u>254,835</u>
<b>EXPENDITURES</b>				
General government:				
Benefits	306,000	184,294	121,706	325,886
Services and supplies	125,000	82,088	42,912	86,111
	<u>431,000</u>	<u>266,382</u>	<u>164,618</u>	<u>411,997</u>
 Total Expenditures	 <u>431,000</u>	 <u>266,382</u>	 <u>164,618</u>	 <u>411,997</u>
 Net Change in Fund Balance	 (191,250)	 362	 191,612	 (157,162)
 <b>FUND BALANCE, July 1</b>	 <u>596,589</u>	 <u>689,623</u>	 <u>93,034</u>	 <u>846,785</u>
 <b>FUND BALANCE, June 30</b>	 <u><u>\$ 405,339</u></u>	 <u><u>\$ 689,985</u></u>	 <u><u>\$ 284,646</u></u>	 <u><u>\$ 689,623</u></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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 1,003	\$ 1,164	\$ 161	\$ 1,268
<b>EXPENDITURES</b>				
General government:				
Administration:				
Benefits	<u>40,000</u>	<u>30,767</u>	<u>9,233</u>	<u>34,542</u>
Net Change in Fund Balance	(38,997)	(29,603)	9,394	(33,274)
<b>FUND BALANCE, July 1</b>	<u>347,435</u>	<u>353,036</u>	<u>5,601</u>	<u>386,310</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 308,438</u></u>	<u><u>\$ 323,433</u></u>	<u><u>\$ 14,995</u></u>	<u><u>\$ 353,036</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Charges for services:				
Truancy fees	\$ 2,000	\$ 200	\$ (1,800)	\$ 1,345
Restitution processing	750	374	(376)	549
	<u>2,750</u>	<u>574</u>	<u>(2,176)</u>	<u>1,894</u>
Miscellaneous:				
District Attorney restitution collections	150,000	33,040	(116,960)	128,804
Juvenile probation restitution collections	25,000	2,568	(22,432)	1,233
Sheriff's office evidence	-	1,626	1,626	20
Interest	-	174	174	180
	<u>175,000</u>	<u>37,408</u>	<u>(137,592)</u>	<u>130,237</u>
 Total Revenues	 <u>177,750</u>	 <u>37,982</u>	 <u>(139,768)</u>	 <u>132,131</u>
<b>EXPENDITURES</b>				
Judicial:				
Services and supplies	175,000	40,224	134,776	134,782
	<u>175,000</u>	<u>40,224</u>	<u>134,776</u>	<u>134,782</u>
 Net Change in Fund Balance	 2,750	 (2,242)	 (4,992)	 (2,651)
 <b>FUND BALANCE, July 1</b>	 <u>43,570</u>	 <u>51,869</u>	 <u>8,299</u>	 <u>54,520</u>
 <b>FUND BALANCE, June 30</b>	 <u><u>\$ 46,320</u></u>	 <u><u>\$ 49,627</u></u>	 <u><u>\$ 3,307</u></u>	 <u><u>\$ 51,869</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Charges for services:				
Security fee	\$ 20,000	\$ 12,060	\$ (7,940)	\$ 10,929
Miscellaneous:				
Interest	<u>95</u>	<u>71</u>	<u>(24)</u>	<u>38</u>
Total Revenues	<u>20,095</u>	<u>12,131</u>	<u>(7,964)</u>	<u>10,967</u>
<b>EXPENDITURES</b>				
Judicial:				
Services and supplies	15,000	5,065	9,935	-
Capital outlay	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Total Expenditures	<u>30,000</u>	<u>5,065</u>	<u>24,935</u>	<u>-</u>
Net Change in Fund Balance	(9,905)	7,066	16,971	10,967
<b>FUND BALANCE, July 1</b>	<u>12,021</u>	<u>17,958</u>	<u>5,937</u>	<u>6,991</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 2,116</u></u>	<u><u>\$ 25,024</u></u>	<u><u>\$ 22,908</u></u>	<u><u>\$ 17,958</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Charges for services:				
Administrative assessments	\$ 60,000	\$ 47,902	\$ (12,098)	\$ 48,585
<b>OTHER FINANCING</b>				
<b>SOURCES (USES)</b>				
Transfers out:				
Extraordinary Repairs and Maintenance Fund	<u>(60,000)</u>	<u>(35,000)</u>	<u>25,000</u>	<u>(70,000)</u>
Net Change in Fund Balance	-	12,902	12,902	(21,415)
<b>FUND BALANCE, July 1</b>	<u>12,012</u>	<u>10,597</u>	<u>(1,415)</u>	<u>32,012</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 12,012</u></u>	<u><u>\$ 23,499</u></u>	<u><u>\$ 11,487</u></u>	<u><u>\$ 10,597</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 125,000	\$ 125,000	\$ -	\$ 300,000
CWSD Reimbursements	-	19,286	19,286	33,204
Grants-in-aid:				
Federal	234,733	234,733	-	215,754
Refuge revenue sharing	15,000	20,598	5,598	17,551
	<u>374,733</u>	<u>399,617</u>	<u>24,884</u>	<u>566,509</u>
Charges for services:				
Water right dedication fees	10,000	40,071	30,071	17,214
Miscellaneous:				
Interest	595	2,042	1,447	1,363
Other miscellaneous	-	3,500	3,500	3,886
	<u>595</u>	<u>5,542</u>	<u>4,947</u>	<u>5,249</u>
 Total Revenues	 <u>385,328</u>	 <u>445,230</u>	 <u>59,902</u>	 <u>588,972</u>
<b>EXPENDITURES</b>				
General government:				
Salaries	-	-	-	52,332
Benefits	-	-	-	15,262
Services and supplies	375,733	300,670	75,063	319,490
Capital outlay	-	36,195	(36,195)	3,810
	<u>375,733</u>	<u>336,865</u>	<u>38,868</u>	<u>390,894</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>9,595</u>	 <u>108,365</u>	 <u>98,770</u>	 <u>198,078</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital and other assets	-	2,550	2,550	-
Transfers out:				
Golf Course Enterprise Fund	-	-	-	(100,000)
	<u>-</u>	<u>2,550</u>	<u>2,550</u>	<u>(100,000)</u>
 Total Other Financing Sources (Uses)	 <u>-</u>	 <u>2,550</u>	 <u>2,550</u>	 <u>(100,000)</u>
 Net Change in Fund Balances	 9,595	 110,915	 101,320	 98,078
 <b>FUND BALANCE at July 1</b>	 <u>535,800</u>	 <u>660,853</u>	 <u>125,053</u>	 <u>562,775</u>
 <b>FUND BALANCE, June 30</b>	 <u><u>\$ 545,395</u></u>	 <u><u>\$ 771,768</u></u>	 <u><u>\$ 226,373</u></u>	 <u><u>\$ 660,853</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 538,250	\$ 619,754	\$ 81,504	\$ 611,181
Miscellaneous:				
Interest	1,275	3,375	2,100	2,488
Total Revenues	<u>539,525</u>	<u>623,129</u>	<u>83,604</u>	<u>613,669</u>
<b>EXPENDITURES</b>				
General government:				
Infrastructure development:				
Services and supplies	10,000	-	10,000	-
Capital outlay	691,667	498,695	192,972	446,255
Total Expenditures	<u>701,667</u>	<u>498,695</u>	<u>202,972</u>	<u>446,255</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(162,142)</u>	<u>124,434</u>	<u>286,576</u>	<u>167,414</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales of capital and other assets	500,000	371,251	(128,749)	332,999
Transfers out:				
Waste Water Enterprise Fund	(175,000)	(175,000)	-	(225,000)
Total Other Financing Sources (Uses)	<u>325,000</u>	<u>196,251</u>	<u>(128,749)</u>	<u>107,999</u>
Net Change in Fund Balance	162,858	320,685	157,827	275,413
<b>FUND BALANCE, July 1</b>	<u>759,813</u>	<u>939,143</u>	<u>179,330</u>	<u>663,730</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 922,671</u></u>	<u><u>\$ 1,259,828</u></u>	<u><u>\$ 337,157</u></u>	<u><u>\$ 939,143</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, 2014  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Gifts and donations	\$ 9,000	\$ 16,610	\$ 7,610	\$ 16,094
Interest	-	307	307	278
	<u>9,000</u>	<u>16,917</u>	<u>7,917</u>	<u>16,372</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Services and supplies	<u>30,000</u>	<u>13,724</u>	<u>16,276</u>	<u>6,957</u>
Net Change in Fund Balance	(21,000)	3,193	24,193	9,415
<b>FUND BALANCE, July 1</b>	<u>60,123</u>	<u>88,263</u>	<u>28,140</u>	<u>78,848</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 39,123</u></u>	<u><u>\$ 91,456</u></u>	<u><u>\$ 52,333</u></u>	<u><u>\$ 88,263</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 90,950	\$ 102,030	\$ 11,080	\$ 98,261
Intergovernmental:				
Private car tax	<u>35</u>	<u>35</u>	<u>-</u>	<u>34</u>
Total Revenues	<u>90,985</u>	<u>102,065</u>	<u>11,080</u>	<u>98,295</u>
<b>EXPENDITURES</b>				
Welfare:				
Payments to State of Nevada	<u>105,985</u>	<u>113,608</u>	<u>(7,623)</u>	<u>78,264</u>
Net Change in Fund Balance	(15,000)	(11,543)	3,457	20,031
<b>FUND BALANCE, July 1</b>	<u>15,000</u>	<u>12,224</u>	<u>(2,776)</u>	<u>(7,807)</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ -</u></u>	<u><u>\$ 681</u></u>	<u><u>\$ 681</u></u>	<u><u>\$ 12,224</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 362,623	\$ 401,989	\$ 39,366	\$ 394,705
Intergovernmental:				
Private car tax	133	138	5	136
Miscellaneous:				
Interest	<u>2,895</u>	<u>5,960</u>	<u>3,065</u>	<u>4,844</u>
Total Revenues	<u>365,651</u>	<u>408,087</u>	<u>42,436</u>	<u>399,685</u>
<b>EXPENDITURES</b>				
Community support:				
Services and supplies	<u>889,463</u>	<u>178,073</u>	<u>711,390</u>	<u>227,160</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(523,812)	230,014	753,826	172,525
<b>OTHER FINANCING</b>				
<b>SOURCES (USES)</b>				
Transfers out:				
Social Services Fund	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>(125,000)</u>
Net Change in Fund Balance	(623,812)	130,014	753,826	47,525
<b>FUND BALANCE, July 1</b>	<u>1,095,256</u>	<u>1,627,808</u>	<u>532,552</u>	<u>1,580,283</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 471,444</u></u>	<u><u>\$ 1,757,822</u></u>	<u><u>\$ 1,286,378</u></u>	<u><u>\$ 1,627,808</u></u>

**CHURCHILL COUNTY, NEVADA**  
**PUBLIC TRANSIT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 538,250	\$ 619,753	\$ 81,503	\$ 610,942
Miscellaneous:				
Interest	2,175	2,610	435	3,485
Total Revenues	<u>540,425</u>	<u>622,363</u>	<u>81,938</u>	<u>614,427</u>
<b>EXPENDITURES</b>				
Public Works:				
Services and Supplies	7,000	3,891	3,109	3,571
Intergovernmental:				
City of Fallon	<u>321,955</u>	<u>292,243</u>	<u>29,712</u>	<u>58,000</u>
Total Expenditures	<u>328,955</u>	<u>296,134</u>	<u>32,821</u>	<u>61,571</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>211,470</u>	<u>326,229</u>	<u>114,759</u>	<u>552,856</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Road Fund	(500,000)	(482,782)	17,218	(790,901)
Road Equipment Repair Fund	<u>(20,000)</u>	<u>(18,054)</u>	<u>1,946</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(520,000)</u>	<u>(500,836)</u>	<u>19,164</u>	<u>(790,901)</u>
Net Change in Fund Balance	(308,530)	(174,607)	133,923	(238,045)
<b>FUND BALANCE, July 1</b>	<u>731,591</u>	<u>731,591</u>	<u>-</u>	<u>969,636</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 423,061</u></u>	<u><u>\$ 556,984</u></u>	<u><u>\$ 133,923</u></u>	<u><u>\$ 731,591</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 500	\$ 2,386	\$ 1,886	\$ 278
<b>EXPENDITURES</b>				
Community support:				
Services and supplies	<u>1,000</u>	<u>2,115</u>	<u>(1,115)</u>	<u>550</u>
Net Change in Fund Balance	(500)	271	771	(272)
<b>FUND BALANCE, July 1</b>	<u>782</u>	<u>9</u>	<u>(773)</u>	<u>281</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 282</u></u>	<u><u>\$ 280</u></u>	<u><u>\$ (2)</u></u>	<u><u>\$ 9</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Optional county motor vehicle fuel tax	\$ 53,917	\$ 54,389	\$ 472	\$ 56,142
Miscellaneous:				
Interest	200	415	215	342
Total Revenues	<u>54,117</u>	<u>54,804</u>	<u>687</u>	<u>56,484</u>
<b>EXPENDITURES</b>				
Public works:				
Highway and streets:				
Services and supplies	<u>90,000</u>	<u>51,824</u>	<u>38,176</u>	<u>29,641</u>
Net Change in Fund Balance	(35,883)	2,980	38,863	26,843
<b>FUND BALANCE, July 1</b>	<u>78,516</u>	<u>130,115</u>	<u>51,599</u>	<u>103,272</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 42,633</u></u>	<u><u>\$ 133,095</u></u>	<u><u>\$ 90,462</u></u>	<u><u>\$ 130,115</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 800	\$ 5,223	\$ 4,423	\$ 6,592
<b>EXPENDITURES</b>				
Community support:				
Capital outlay	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balance	(99,200)	5,223	104,423	6,592
<b>FUND BALANCE, July 1</b>	<u>492,587</u>	<u>516,429</u>	<u>23,842</u>	<u>509,837</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 393,387</u></u>	<u><u>\$ 521,652</u></u>	<u><u>\$ 128,265</u></u>	<u><u>\$ 516,429</u></u>

**CHURCHILL COUNTY, NEVADA**  
**DEBT SERVICE FUND**  
**BALANCE SHEET**  
**JUNE 30, 2014**

	<u>2014</u>
<b>ASSETS</b>	
Current assets:	
Cash and investments	\$ 100,000
Interest	<u>12</u>
Total Assets	<u><u>\$ 100,012</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>	
 <b>FUND BALANCES</b>	
Fund balance:	
Committed	<u>\$ 100,012</u>
Total Liabilities and Fund Balances	<u><u>\$ 100,012</u></u>

**CHURCHILL COUNTY, NEVADA**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES</b>			
Taxes:			
Federal in lieu of taxes	\$ -	\$ 100,000	\$ 100,000
Miscellaneous:			
Interest	-	12	12
	<u>-</u>	<u>100,012</u>	<u>100,012</u>
Total Revenues	-	100,012	100,012
	<u>-</u>	<u>100,012</u>	<u>100,012</u>
Net Change in Fund Balance	-	100,012	100,012
	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, July 1</b>	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u>\$ -</u>	<u>\$ 100,012</u>	<u>\$ 100,012</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEET**

JUNE 30, 2014

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)

	Building Reserve Fund	Special Ad Valorem Capital Projects Fund	Extraordinary Repairs and Maintenance Fund	Fire Equipment Apparatus Fund	Road Equipment Repair Fund	TOTALS	
						2014	2013
<b>ASSETS</b>							
Cash and investments	\$ 2,193,282	\$ 1,409,002	\$ 576,205	\$ 675,234	\$ 500,446	\$ 5,354,169	\$ 3,674,681
Receivables:							
Property Taxes	-	5,935	-	3,595	-	9,530	72,200
Interest	467	331	136	157	116	1,207	915
Due from other funds	24,999	80,150	-	-	2,657	107,806	5,582
Due from other governments	107,767	-	20,778	-	5,193	133,738	138,910
Total Assets	<b>\$ 2,326,515</b>	<b>\$ 1,495,418</b>	<b>\$ 597,119</b>	<b>\$ 678,986</b>	<b>\$ 508,412</b>	<b>\$ 5,606,450</b>	<b>\$ 3,892,288</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 7,769	-	-	-	-	\$ 7,769	\$ 3,015
Due to other funds	-	-	-	-	25,815	25,815	100,000
Due to other governments	-	6,768	-	-	-	6,768	8,039
Total Liabilities	7,769	6,768	-	-	25,815	40,352	111,054
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	-	4,119	-	2,544	-	6,663	8,594
<b>FUND BALANCES</b>							
Restricted	-	1,484,531	-	676,442	-	2,160,973	1,706,417
Committed	67,467	-	23,768	-	482,597	573,832	58,025
Assigned	2,251,279	-	573,351	-	-	2,824,630	2,008,198
Total Fund Balance	2,318,746	1,484,531	597,119	676,442	482,597	5,559,435	3,772,640
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<b>\$ 2,326,515</b>	<b>\$ 1,495,418</b>	<b>\$ 597,119</b>	<b>\$ 678,986</b>	<b>\$ 508,412</b>	<b>\$ 5,606,450</b>	<b>\$ 3,892,288</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	Building Reserve Fund	Special Ad Valorem Capital Project Fund	Extraordinary Repair and Maintenance Fund	Fire Equipment Apparatus Fund	Road Equipment Repair Fund	TOTALS
						2014
						2013
<b>REVENUES</b>						
Taxes	\$ -	\$ 332,654	\$ -	\$ 200,814	\$ -	\$ 533,468
Intergovernmental	540,781	115	48,000	69	30,597	144,182
Miscellaneous	295,241	4,524	53,042	1,973	5,528	413,184
Total Revenues	836,022	337,293	101,042	202,856	36,125	1,513,338
<b>EXPENDITURES</b>						
General government	45,213	941	52,209	-	-	98,363
Public safety	-	-	-	563	-	563
Public works	-	-	-	-	54,116	54,116
Intergovernmental	-	84,089	-	-	-	84,089
Total Expenditures	45,213	85,030	52,209	563	54,116	237,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	790,809	252,263	48,833	202,293	(17,991)	1,276,207
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of capital and other assets	-	-	-	-	224,485	-
Transfers in	-	-	35,000	-	276,103	70,000
Transfers out	(25,000)	-	-	-	-	(100,000)
Total Other Financing Sources (Uses)	(25,000)	-	35,000	-	500,588	(30,000)
Net Change in Fund Balance	765,809	252,263	83,833	202,293	482,597	1,786,795
<b>FUND BALANCE, July 1</b>	1,552,937	1,232,268	513,286	474,149	-	3,772,640
<b>FUND BALANCE, June 30</b>	<b>\$ 2,318,746</b>	<b>\$ 1,484,531</b>	<b>\$ 597,119</b>	<b>\$ 676,442</b>	<b>\$ 482,597</b>	<b>\$ 5,559,435</b>
						<b>\$ 3,772,640</b>

**CHURCHILL COUNTY, NEVADA**  
**BUILDING RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 150,000	\$ 375,782	\$ 225,782	\$ 48,000
Local payments in lieu of taxes	25,000	24,999	(1)	-
Consolidated intergovernmental taxes	140,000	140,000	-	48,000
	<u>315,000</u>	<u>540,781</u>	<u>225,781</u>	<u>96,000</u>
Miscellaneous:				
Geothermal rents/royalties	300,000	277,028	(22,972)	365,540
Interest	3,000	5,653	2,653	4,185
Miscellaneous	-	12,560	12,560	-
	<u>303,000</u>	<u>295,241</u>	<u>(7,759)</u>	<u>369,725</u>
 Total Revenues	 <u>618,000</u>	 <u>836,022</u>	 <u>218,022</u>	 <u>465,725</u>
<b>EXPENDITURES</b>				
General government:				
Capital outlay	275,000	45,213	229,787	10,080
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 343,000	 790,809	 447,809	 455,645
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Golf Course Fund	(25,000)	(25,000)	-	-
 Net Change in Fund Balance	 318,000	 765,809	 447,809	 455,645
 <b>FUND BALANCE, July 1</b>	 <u>1,446,042</u>	 <u>1,552,937</u>	 <u>106,895</u>	 <u>1,097,292</u>
 <b>FUND BALANCE, June 30</b>	 <u><u>\$ 1,764,042</u></u>	 <u><u>\$ 2,318,746</u></u>	 <u><u>\$ 554,704</u></u>	 <u><u>\$ 1,552,937</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 303,167	\$ 332,654	\$ 29,487	\$ 328,034
Intergovernmental:				
Private car tax	113	115	2	114
Miscellaneous:				
Interest	2,395	4,524	2,129	3,705
	<u>305,675</u>	<u>337,293</u>	<u>31,618</u>	<u>331,853</u>
Total Revenues				
<b>EXPENDITURES</b>				
General government:				
Services and supplies	-	941	(941)	9,015
Capital outlay	245,000	-	245,000	3,015
	<u>245,000</u>	<u>941</u>	<u>244,059</u>	<u>12,030</u>
Intergovernmental:				
City of Fallon	100,000	84,089	15,911	56,914
	<u>345,000</u>	<u>85,030</u>	<u>259,970</u>	<u>68,944</u>
Total Expenditures				
Net Change in Fund Balance	(39,325)	252,263	291,588	262,909
<b>FUND BALANCE, July 1</b>	<u>950,446</u>	<u>1,232,268</u>	<u>281,822</u>	<u>969,359</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 911,121</u></u>	<u><u>\$ 1,484,531</u></u>	<u><u>\$ 573,410</u></u>	<u><u>\$ 1,232,268</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Intergovernmental:				
Consolidated intergovernmental taxes	\$ 48,000	\$ 48,000	\$ -	\$ 48,000
Miscellaneous:				
Geothermal rents/royalties	50,000	51,064	1,064	36,522
Interest	1,295	1,978	683	1,961
	<u>51,295</u>	<u>53,042</u>	<u>1,747</u>	<u>38,483</u>
Total Revenues	<u>99,295</u>	<u>101,042</u>	<u>1,747</u>	<u>86,483</u>
<b>EXPENDITURES</b>				
General government:				
Capital outlay	200,000	52,209	147,791	144,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(100,705)</u>	<u>48,833</u>	<u>149,538</u>	<u>(57,518)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Administrative Assessment Fund	60,000	35,000	(25,000)	70,000
Transfers out:				
Golf Course Enterprise Fund	-	-	-	(100,000)
Total Other Financing Sources (Uses)	<u>60,000</u>	<u>35,000</u>	<u>(25,000)</u>	<u>(30,000)</u>
Net Change in Fund Balance	(40,705)	83,833	124,538	(87,518)
<b>FUND BALANCE, July 1</b>	<u>590,054</u>	<u>513,286</u>	<u>(76,768)</u>	<u>600,804</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 549,349</u></u>	<u><u>\$ 597,119</u></u>	<u><u>\$ 47,770</u></u>	<u><u>\$ 513,286</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 184,696	\$ 200,814	\$ 16,118	\$ 198,281
Intergovernmental:				
Private car tax	-	69	69	68
Miscellaneous:				
Interest	735	1,973	1,238	1,271
	<u>185,431</u>	<u>202,856</u>	<u>17,425</u>	<u>199,620</u>
Total Revenues				
	<u>185,431</u>	<u>202,856</u>	<u>17,425</u>	<u>199,620</u>
<b>EXPENDITURES</b>				
Public safety:				
Services and supplies	75,000	563	74,437	5,409
Capital outlay	300,000	-	300,000	-
	<u>375,000</u>	<u>563</u>	<u>374,437</u>	<u>5,409</u>
Total Expenditures				
	<u>375,000</u>	<u>563</u>	<u>374,437</u>	<u>5,409</u>
Net Change in Fund Balance	(189,569)	202,293	391,862	194,211
<b>FUND BALANCE, July 1</b>	<u>265,631</u>	<u>474,149</u>	<u>208,518</u>	<u>279,938</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ 76,062</u></u>	<u><u>\$ 676,442</u></u>	<u><u>\$ 600,380</u></u>	<u><u>\$ 474,149</u></u>

**CHURCHILL COUNTY, NEVADA  
ROAD EQUIPMENT REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES</b>			
Intergovernmental:			
Motor vehicle fuel tax (\$.0125)	\$ -	\$ 10,367	\$ 10,367
Motor vehicle fuel tax (\$.0175)	-	3,204	3,204
Motor vehicle fuel tax (\$.0360)	20,000	17,026	(2,974)
	<u>20,000</u>	<u>30,597</u>	<u>10,597</u>
Miscellaneous:			
Interest	-	1,071	1,071
Miscellaneous	-	4,457	4,457
	<u>-</u>	<u>5,528</u>	<u>5,528</u>
 Total Revenues	 <u>20,000</u>	 <u>36,125</u>	 <u>16,125</u>
<b>EXPENDITURES</b>			
Public Works:			
Highway and Streets:			
Capital outlay	494,500	54,116	440,384
	<u>494,500</u>	<u>54,116</u>	<u>440,384</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(474,500)</u>	<u>(17,991)</u>	<u>(424,259)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of capital and other assets	224,500	224,485	(15)
Transfers In:			
Road Fund	250,000	250,000	-
Public Transit Fund	-	18,054	18,054
Regional Transportation Fund	-	8,049	8,049
	<u>-</u>	<u>8,049</u>	<u>8,049</u>
Total Other Financing Sources (Uses)	<u>474,500</u>	<u>500,588</u>	<u>26,088</u>
Net Change in Fund Balance	-	482,597	482,597
<b>FUND BALANCE, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u><u>\$ -</u></u>	<u><u>\$ 482,597</u></u>	<u><u>\$ 482,597</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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Local network services	\$ 2,541,546	\$ 2,799,074	\$ 257,528	\$ 2,837,602
Network access services	4,293,663	4,585,296	291,633	4,280,481
Interstate pooling revenue	4,179,086	2,827,431	(1,351,655)	4,282,547
Miscellaneous revenue	688,999	808,454	119,455	758,635
Uncollectible revenue	(25,000)	(11,228)	13,772	(18,591)
	<u>11,678,294</u>	<u>11,009,027</u>	<u>(669,267)</u>	<u>12,140,674</u>
<b>OPERATING EXPENSES</b>				
Plant specific operations	2,182,517	2,161,807	20,710	2,145,351
Plant nonspecific operations	1,546,580	1,743,339	(196,759)	1,393,121
Customer operations	839,705	970,657	(130,952)	976,366
Corporate operations	2,257,057	1,981,018	276,039	1,951,324
Payments in lieu of taxes	845,630	416,615	429,015	1,345,450
Depreciation and amortization	3,445,404	3,282,760	162,644	3,272,251
	<u>11,116,893</u>	<u>10,556,196</u>	<u>560,697</u>	<u>11,083,863</u>
Operating Income (Loss)	<u>561,401</u>	<u>452,831</u>	<u>(108,570)</u>	<u>1,056,811</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	13,000	18,933	5,933	18,509
Interest expense	(250)	(43,343)	(43,093)	(44,619)
Nonregulated income	779,400	801,000	21,600	768,677
Nonregulated expense	(439,599)	(350,827)	88,772	(515,058)
Miscellaneous income	-	1,284	1,284	160
Payments in lieu of taxes	(1,474,370)	(1,903,385)	(429,015)	(1,164,260)
Total Nonoperating Revenues (Expenses)	<u>(1,121,819)</u>	<u>(1,476,338)</u>	<u>(354,519)</u>	<u>(936,592)</u>
Change in Net Position	<u>\$ (560,418)</u>	<u>(1,023,507)</u>	<u>\$ (463,089)</u>	<u>120,219</u>
<b>NET POSITION, July 1</b>		<u>50,765,558</u>		<u>50,645,340</u>
<b>NET POSITION, June 30</b>		<u><b>\$ 49,742,051</b></u>		<u><b>\$ 50,765,558</b></u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR ENTERPRISE FUND - CC COMMUNICATIONS - TELEPHONE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 11,358,038	\$ 12,934,453
Cash payments for employees	(4,336,475)	(4,457,824)
Cash payments for services and supplies	(2,013,124)	(3,290,603)
Cash payments for nonregulated activities	(1,433,712)	(891,142)
Net Cash Provided (Used) by Operating Activities	3,574,727	4,294,884
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,107,782)	(1,161,823)
Proceeds from sale of capital assets	14,570	20,986
Demolition cost of disposing of capital assets	-	(34)
Principal payment on long-term debt	(79,215)	(76,404)
Interest paid on long-term debt	(43,980)	(41,287)
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,216,407)	(1,258,562)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	19,022	18,596
Net Increase (Decrease) in Cash and Cash Equivalents	377,342	3,054,918
<b>CASH AND CASH EQUIVALENTS, July 1</b>	9,932,078	6,877,159
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<b>\$ 10,309,420</b>	<b>\$ 9,932,078</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 452,831	\$ 1,056,811
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense - regulated plant	3,282,760	3,272,251
Income from nonregulated operations, net of expenses	(1,433,712)	(891,142)
Miscellaneous income	1,284	160
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	202,847	666,578
Due from other funds	139,045	133,251
Prepaid expenses	61,848	(51,356)
Inventory of materials and supplies	490,697	125,347
Increase (decrease) in:		
Accounts payable	307,494	(35,280)
Customer deposits	5,835	(6,210)
Other accrued liabilities	(7,764)	(14,804)
Other postemployment benefits liability	80,509	83,108
Compensated absences	(8,947)	(43,830)
Net Cash Provided (Used) by Operating Activities	<b>\$ 3,574,727</b>	<b>\$ 4,294,884</b>
<b>SUPPLEMENTAL SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Digital	\$ 1,617,500	\$ 1,628,934	\$ 11,434	\$ 1,641,153
Internet	1,116,354	829,492	(286,862)	1,072,791
Other - CAP	75,000	24,039	(50,961)	-
Uncollectible revenue	(8,166)	(15,836)	(7,670)	(32,409)
	<u>2,800,688</u>	<u>2,466,629</u>	<u>(334,059)</u>	<u>2,681,535</u>
<b>OPERATING EXPENSES</b>				
Customer operations:				
Digital	258,431	178,630	79,801	225,218
Internet	405,102	276,317	128,785	365,927
Network operations:				
Digital	482,101	463,168	18,933	399,035
Internet	68,768	46,795	21,973	32,745
Corporate operations	152,874	199,298	(46,424)	218,331
Access charges	1,056,721	1,085,619	(28,898)	1,058,911
Miscellaneous operating expense:				
Digital	52,430	90,553	(38,123)	63,076
Internet	-	15,725	(15,725)	9,593
Other CAP	14,881	-	14,881	-
Depreciation:				
Digital	315,661	291,269	24,392	327,697
CAP	24,495	29,910	(5,415)	28,181
Internet	36,854	38,459	(1,605)	35,912
	<u>2,868,318</u>	<u>2,715,743</u>	<u>152,575</u>	<u>2,764,626</u>
Total Operating Expenses	<u>2,868,318</u>	<u>2,715,743</u>	<u>152,575</u>	<u>2,764,626</u>
Operating Income (Loss)	<u>(67,630)</u>	<u>(249,114)</u>	<u>(181,484)</u>	<u>(83,091)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Miscellaneous income	31,000	9,496	(21,504)	11,878
Miscellaneous nonoperating expense	-	(5)	(5)	(29)
Rental income	66,000	67,551	1,551	65,388
	<u>97,000</u>	<u>77,042</u>	<u>(19,958)</u>	<u>77,237</u>
Total Nonoperating Revenues (Expenses)	<u>97,000</u>	<u>77,042</u>	<u>(19,958)</u>	<u>77,237</u>
Change in Net Position	<u>\$ 29,370</u>	<u>(172,072)</u>	<u>\$ (201,442)</u>	<u>(5,854)</u>
<b>NET POSITION, July 1</b>		<u>2,016,186</u>		<u>2,022,040</u>
<b>NET POSITION, June 30</b>		<u>\$ 1,844,114</u>		<u>\$ 2,016,186</u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR ENTERPRISE FUND - CC COMMUNICATIONS - BROADBAND FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers and others	\$ 2,562,413	\$ 2,787,006
Cash payments for employees	(569,204)	(669,172)
Cash payments for services and supplies	(1,743,311)	(1,702,424)
Net Cash Provided (Used) by Operating Activities	249,898	415,410
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of equipment	(302,154)	(120,568)
Net Increase (Decrease) in Cash and Cash Equivalents	(52,256)	294,842
 <b>CASH AND CASH EQUIVALENTS, July 1</b>	754,238	459,396
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<b>\$ 701,982</b>	<b>\$ 754,238</b>
 <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (249,114)	\$ (83,091)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	359,638	391,790
Miscellaneous revenue	9,491	11,851
Rental income	67,551	65,388
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	16,292	33,192
Due from other funds	2,450	-
Inventory	39,670	(4,432)
Prepaid expenses	99	(1,099)
Increase (decrease) in:		
Accounts payable	789	1,789
Due to other funds	(8,217)	(11,525)
Other postemployment benefits liability	11,249	11,547
Net Cash Provided (Used) by Operating Activities	<b>\$ 249,898</b>	<b>\$ 415,410</b>

**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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Service charges	\$ 191,300	\$ 630,195	\$ 438,895	\$ 544,833
Wastewater connection fee	-	20,250	20,250	-
Uncollectible revenue	-	(362,447)	(362,447)	(225,264)
Total Operating Revenues	<u>191,300</u>	<u>287,998</u>	<u>96,698</u>	<u>319,569</u>
<b>OPERATING EXPENSES</b>				
Telephone	4,000	3,161	839	3,119
Contracted services	205,500	174,799	30,701	192,659
Operating supplies	20,000	22,853	(2,853)	26,536
Repairs and maintenance	77,000	53,368	23,632	22,196
Utilities	30,000	22,648	7,352	27,093
Miscellaneous	1,000	-	1,000	403
Depreciation	1,500,000	797,922	702,078	829,880
Total Operating Expenses	<u>1,837,500</u>	<u>1,074,751</u>	<u>762,749</u>	<u>1,101,886</u>
Operating Income (Loss)	<u>(1,646,200)</u>	<u>(786,753)</u>	<u>859,447</u>	<u>(782,317)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	595	2,535	1,940	1,741
Bad debt	(125,000)	(309,310)	(184,310)	(266,346)
Miscellaneous	-	1,502	1,502	402
Total Nonoperating Revenues (Expenses)	<u>(124,405)</u>	<u>(305,273)</u>	<u>(180,868)</u>	<u>(264,203)</u>
Income (Loss) Before Contributions and Transfers	<u>(1,770,605)</u>	<u>(1,092,026)</u>	<u>678,579</u>	<u>(1,046,520)</u>
<b>CAPITAL CONTRIBUTIONS</b>				
Federal grants	-	-	-	15,137
<b>TRANSFERS</b>				
Transfers in:				
Infrastructure Tax	<u>175,000</u>	<u>175,000</u>	<u>-</u>	<u>225,000</u>
Change in Net Position	<u>\$ (1,595,605)</u>	<u>(917,026)</u>	<u>\$ 678,579</u>	<u>(806,383)</u>
<b>NET POSITION, July 1</b>		<u>19,442,931</u>		<u>20,249,314</u>
<b>NET POSITION, June 30</b>		<u><b>\$ 18,525,905</b></u>		<u><b>\$ 19,442,931</b></u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR ENTERPRISE FUND - WASTE WATER ENTERPRISE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 343,399	\$ 200,351
Cash payments for services and supplies	(271,791)	(286,589)
Net Cash Provided (Used) by Operating Activities	71,608	(86,238)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfer from:		
Infrastructure Tax	175,000	225,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital federal grants	-	15,137
Purchase of property, plant and equipment	(8,829)	(8,028)
Net Cash Provided (Used) for Capital and Related Financing Activities	(8,829)	7,109
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	2,509	1,710
Net Increase (Decrease) in Cash and Cash Equivalents	240,288	147,581
<b>CASH AND CASH EQUIVALENTS, July 1</b>	655,166	507,585
<b>CASH AND CASH EQUIVALENTS, June 30</b>	\$ 895,454	\$ 655,166
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (786,753)	\$ (782,317)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	797,922	829,880
Miscellaneous revenue	1,502	402
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable, net	53,899	(119,620)
Increase (decrease) in:		
Accounts payable	5,038	(14,583)
Net Cash Provided (Used) by Operating Activities	\$ 71,608	\$ (86,238)

**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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Service charges	\$ 285,165	\$ 668,355	\$ 383,190	\$ 567,286
Uncollectible revenue	-	(343,314)	(343,314)	(207,048)
	<u>285,165</u>	<u>325,041</u>	<u>39,876</u>	<u>360,238</u>
<b>OPERATING EXPENSES</b>				
Telephone	6,000	4,751	1,249	5,188
Contracted services	161,000	134,559	26,441	137,066
Operating supplies	7,000	14,936	(7,936)	10,102
Repairs and maintenance	90,000	10,517	79,483	6,208
Utilities	29,000	27,194	1,806	25,353
Depreciation	800,000	278,677	521,323	283,212
	<u>1,093,000</u>	<u>470,634</u>	<u>622,366</u>	<u>467,129</u>
Operating Income (Loss)	<u>(807,835)</u>	<u>(145,593)</u>	<u>662,242</u>	<u>(106,891)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	1,125	2,628	1,503	2,271
Bad debt	(125,000)	(253,999)	(128,999)	(242,127)
	<u>(123,875)</u>	<u>(251,371)</u>	<u>(127,496)</u>	<u>(239,856)</u>
Total Nonoperating Revenues (Expenses)	<u>(123,875)</u>	<u>(251,371)</u>	<u>(127,496)</u>	<u>(239,856)</u>
Change in Net Position	<u>\$ (931,710)</u>	<u>(396,964)</u>	<u>\$ 534,746</u>	<u>(346,747)</u>
<b>NET POSITION, July 1</b>		<u>10,250,729</u>		<u>10,597,476</u>
<b>NET POSITION, June 30</b>		<u>\$ 9,853,765</u>		<u>\$ 10,250,729</u>

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**CHURCHILL COUNTY, NEVADA**  
**MAJOR ENTERPRISE FUND - UTILITY ENTERPRISE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 329,088	\$ 272,216
Cash payments for services and supplies	(191,050)	(184,416)
Net Cash Provided (Used) for Operating Activities	138,038	87,800
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of property, plant and equipment	(5,000)	(4,876)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	2,611	2,258
Net Increase (Decrease) in Cash and Cash Equivalents	135,649	85,182
<b>CASH AND CASH EQUIVALENTS, July 1</b>	755,278	670,096
<b>CASH AND CASH EQUIVALENTS, June 30 (including restricted cash of \$248,017)</b>	\$ 890,927	\$ 755,278
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (145,593)	\$ (106,891)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	278,677	283,212
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable, net	3,047	(88,922)
Increase (decrease) in:		
Accounts payable	907	(499)
Customer deposits	1,000	900
Net Cash Provided (Used) for Operating Activities	\$ 138,038	\$ 87,800

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**  
**(Page 1 of 2)**

	CC Communications			Totals	
	CC Communications Long Distance Fund	Managed Data Services Fund	Golf Course Fund	2014	2013
<b>ASSETS</b>					
Current Assets:					
Cash	\$ 1,111,810	\$ 1,350,953	\$ 44,515	\$ 2,507,278	\$ 2,675,909
Investments					
Receivables:					
Trade accounts receivable, net	-	-	-	-	93,378
Other accounts receivable, net	51,627	34,017	-	85,644	1,651
Interest receivable	-	-	11	11	-
Due from other funds	-	-	-	-	200,000
Inventory	-	4,934	-	4,934	935
Prepaid expense	106	315	-	421	282
Total Current Assets	<u>1,163,543</u>	<u>1,390,219</u>	<u>44,526</u>	<u>2,598,288</u>	<u>2,972,155</u>
Noncurrent Assets:					
Goodwill	-	118,334	-	118,334	118,334
Capital Assets:					
Being depreciated	-	514,797	251,632	766,429	708,558
Not being depreciated	-	-	509,854	509,854	517,000
Less:					
Accumulated depreciation	-	514,797	761,486	1,276,283	1,225,558
	-	70,034	22,417	92,451	28,574
Total Capital Assets	-	444,763	739,069	1,183,832	1,196,984
Total Noncurrent Assets	-	563,097	739,069	1,302,166	1,315,318
Total Assets	<u>1,163,543</u>	<u>1,953,316</u>	<u>783,595</u>	<u>3,900,454</u>	<u>4,287,473</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2013)**  
**(Page 2 of 2)**

	Totals		
	2014	2013	2013
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ -	\$ 4,180	\$ -
Contracts payable	-	4,167	51,301
Due to other funds	22,914	41,776	403,011
Total Current Liabilities	22,914	50,123	454,312
Noncurrent Liabilities:			
Due in more than one year:			
Contracts payable	-	4,166	8,333
Other post employment: Benefits payable	31,646	134,590	158,434
Total Noncurrent Liabilities	31,646	138,756	166,767
Total Liabilities	54,560	188,879	621,079
<b>NET POSITION</b>			
Net investment in capital assets Unrestricted	-	444,763	1,196,984
	1,108,983	1,319,674	2,469,410
Total Net Position	\$ 1,108,983	\$ 1,764,437	\$ 3,666,394

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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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	Totals		
	2014	2013	2013
	CC Communications Long Distance Fund	CC Communications Managed Data Services Fund	Golf Course Fund
	\$ 543,178	\$ 306,470	\$ 1,822
	\$	\$	\$
<b>OPERATING REVENUES</b>			
Charges for sales and services			1,848,860
<b>OPERATING EXPENSES</b>			
Customer operations	36,953	17,789	409,350
Network operations	113,830	-	581,812
Corporate operations	49,698	75,061	166,614
Access charges	128,304	-	143,376
Equipment sales expense	-	-	101,721
Networking - Data services	-	292,315	336,904
Networking - Web services	-	84,793	98,605
Networking - Computer & networking	-	60,455	110,351
Warehouse/Inventory	-	21,745	14,562
Miscellaneous operating expenses	5,260	-	94,971
Depreciation and amortization	-	46,227	28,574
Total Operating Expenses	334,045	598,385	2,086,840
Operating Income (Loss)	209,133	(291,915)	(237,980)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest income	1,036	2,184	2,707
Interest expense	-	-	(41)
Miscellaneous income	-	-	-
Total Nonoperating Revenues (Expenses)	1,036	2,184	2,666
Income (Loss) Before Transfers	210,169	(289,731)	(235,314)
<b>TRANSFERS IN</b>			
<b>TRANSFERS OUT</b>			
Total Transfers	-	-	800,000
Change in Net Position	210,169	(289,731)	564,686
<b>NET POSITION, July 1</b>	898,814	2,054,168	3,101,708
<b>NET POSITION, June 30</b>	<b>1,108,983</b>	<b>1,764,437</b>	<b>3,666,394</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**  
**(Page 1 of 2)**

	CC Communications			Totals	
	CC Communications Long Distance Fund	Managed Data Services Fund	Golf Course Fund	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 547,210	\$ 310,173	\$ 3,473	\$ 860,856	\$ 1,997,689
Cash payments for employees	(149,108)	(279,935)	-	(429,043)	(854,244)
Cash payments for services and supplies	(187,433)	(398,964)	(18,023)	(604,420)	(1,291,956)
Net Cash Provided (Used) by Operating Activities	<u>210,669</u>	<u>(368,726)</u>	<u>(14,550)</u>	<u>(172,607)</u>	<u>(148,511)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Miscellaneous revenue	-	-	51,003	51,003	-
Transfer in	-	-	50,000	50,000	3,511,233
Transfer out	-	-	-	-	(2,711,233)
Net Cash Provided (Used) by Non-capital Financing Activities	<u>-</u>	<u>-</u>	<u>101,003</u>	<u>101,003</u>	<u>800,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Payment on long-term contracts	-	(49,584)	-	(49,584)	(60,417)
Purchase of property, plant and equipment	-	(8,725)	(42,000)	(50,725)	(1,225,558)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(58,309)</u>	<u>(42,000)</u>	<u>(100,309)</u>	<u>(1,285,975)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received on investments	1,036	2,184	62	3,282	2,666
Net Increase (Decrease) in Cash and Cash Equivalents	211,705	(424,851)	44,515	(168,631)	(631,820)
<b>CASH AND CASH EQUIVALENTS, July 1</b>	900,105	1,775,804	-	2,675,909	3,307,729
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<u>\$ 1,111,810</u>	<u>\$ 1,350,953</u>	<u>\$ 44,515</u>	<u>\$ 2,507,278</u>	<u>\$ 2,675,909</u>



**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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Initiation fees	\$ -	\$ -	\$ -	\$ 23,672
Service charges	-	-	-	728,396
Local air time	-	-	-	35,342
Miscellaneous revenue	-	-	-	280,920
Equipment sales/installation	-	-	-	9,980
Uncollectible revenue	-	-	-	(26,175)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,052,135</u>
Total Operating Revenues	-	-	-	1,052,135
<b>OPERATING EXPENSES</b>				
Customer operations	-	-	-	338,842
Network operations	-	-	-	440,737
Corporate operations	-	-	-	51,558
Equipment sales expense	-	-	-	101,721
	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,721</u>
Total Operating Expenses	-	-	-	932,858
Operating Income (Loss)	-	-	-	119,277
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	-	-	-	1,812
Interest expense	-	-	-	(41)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(41)</u>
Total Nonoperating Revenues (Expenses)	-	-	-	1,771
Income (Loss) Before Transfers	-	-	-	121,048
<b>TRANSFERS</b>				
Transfers out:				
CC Communications - Managed Data Services	-	-	-	(2,529,446)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,529,446)</u>
Change in Net Position	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>(2,408,398)</u>
<b>NET POSITION, July 1</b>		<u>-</u>		<u>2,408,398</u>
<b>NET POSITION, June 30</b>		<u>\$ -</u>		<u>\$ -</u>

**CHURCHILL COUNTY, NEVADA**  
**CC COMMUNICATIONS - WIRELESS FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ -	\$ 1,226,192
Cash payments for employees	-	(273,972)
Cash payments for services and supplies	-	(844,445)
Net Cash Provided (Used) by Operating Activities	-	107,775
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfer to CC Communications - Managed Data Services	-	(2,711,233)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	-	1,771
Net Increase (Decrease) in Cash and Cash Equivalents	-	(2,601,687)
<b>CASH AND CASH EQUIVALENTS, July 1</b>	-	2,601,687
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<b>\$ -</b>	<b>\$ -</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ -	\$ 119,277
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
Inventory	-	88,360
Increase (decrease) in:		
Accounts payable	-	14,224
Customer deposits	-	(6,295)
Accounts payable - other	-	(1,303)
Accrued interest	-	(37)
Due to other funds	-	(284,792)
Other postemployment benefits liability	-	4,284
Net Cash Provided (Used) by Operating Activities	<b>\$ -</b>	<b>\$ 107,775</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Service charges	\$ 544,113	\$ 543,178	\$ (935)	\$ 612,779
Uncollectible revenue	(1,000)	-	1,000	1,650
Total Operating Revenues	<u>543,113</u>	<u>543,178</u>	<u>65</u>	<u>614,429</u>
<b>OPERATING EXPENSES</b>				
Customer operations	51,234	36,953	14,281	55,633
Network operations	107,058	113,830	(6,772)	141,075
Corporate operations	61,341	49,698	11,643	63,342
Access charges	148,500	128,304	20,196	143,376
Miscellaneous operating expense	4,550	5,260	(710)	5,499
Total Operating Expenses	<u>372,683</u>	<u>334,045</u>	<u>38,638</u>	<u>408,925</u>
Operating Income (Loss)	<u>170,430</u>	<u>209,133</u>	<u>38,703</u>	<u>205,504</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	-	1,036	1,036	-
Change in Net Position	<u>\$ 170,430</u>	210,169	<u>\$ 39,739</u>	205,504
<b>NET POSITION, July 1</b>		<u>898,814</u>		<u>693,310</u>
<b>NET POSITION, June 30</b>		<u>\$ 1,108,983</u>		<u>\$ 898,814</u>

**CHURCHILL COUNTY, NEVADA**  
**CC COMMUNICATIONS - LONG DISTANCE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 547,210	\$ 608,889
Cash payments for employees	(149,108)	(194,700)
Cash payments for services and supplies	(187,433)	(220,126)
Net Cash Provided (Used) by Operating Activities	<b>210,669</b>	<b>194,063</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	1,036	-
Net Increase (Decrease) in Cash and Cash Equivalents	211,705	194,063
 <b>CASH AND CASH EQUIVALENTS, July 1</b>	900,105	706,042
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<b>\$ 1,111,810</b>	<b>\$ 900,105</b>
 <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 209,133	\$ 205,503
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in certain assets and liabilities:		
(Increase) Decrease in:		
Trade accounts receivable	4,032	(5,539)
Prepaid expenses	29	(135)
Increase (Decrease) in:		
Due to other funds	(5,159)	(8,914)
Other postemployment benefits liability	2,634	3,148
Net Cash Provided (Used) by Operating Activities	<b>\$ 210,669</b>	<b>\$ 194,063</b>

**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, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>	<b>2013</b>
<b>OPERATING REVENUES</b>				
Charges for services:				
Data services	\$ 325,020	\$ 125,259	\$ (199,761)	\$ 28,407
Web services	128,525	99,614	(28,911)	86,831
Computer & networking support	74,170	81,597	7,427	59,407
Uncollectible Revenue	(1,588)	-	(1,588)	-
	<u>526,127</u>	<u>306,470</u>	<u>(222,833)</u>	<u>174,645</u>
<b>OPERATING EXPENSES</b>				
Networking - Data services	319,126	292,315	26,811	336,904
Networking - Web services	98,623	84,793	13,830	98,605
Networking - Computer & networking	65,731	60,455	5,276	110,351
Warehouse/Inventory	6,100	21,745	(15,645)	14,562
Customer operations	117,895	17,789	100,106	14,875
Corporate operations	39,855	75,061	(35,206)	51,714
Depreciation	51,000	46,227	4,773	23,807
	<u>698,330</u>	<u>598,385</u>	<u>99,945</u>	<u>650,818</u>
Total Operating Expenses				
	<u>(172,203)</u>	<u>(291,915)</u>	<u>(122,888)</u>	<u>(476,173)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	-	2,184	2,184	895
	<u>-</u>	<u>2,184</u>	<u>2,184</u>	<u>895</u>
Income (Loss) Before Transfers	(172,203)	(289,731)	(120,704)	(475,278)
	<u>(172,203)</u>	<u>(289,731)</u>	<u>(120,704)</u>	<u>(475,278)</u>
<b>TRANSFERS</b>				
Transfers in:				
CC Communications - Wireless	-	-	-	2,529,446
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,529,446</u>
Change in Net Position	\$ (172,203)	(289,731)	\$ (120,704)	\$ 2,054,168
	<u>\$ (172,203)</u>	<u>(289,731)</u>	<u>\$ (120,704)</u>	<u>\$ 2,054,168</u>
<b>NET POSITION, July 1</b>		<u>2,054,168</u>		<u>-</u>
<b>NET POSITION, June 30</b>		<u>\$ 1,764,437</u>		<u>\$ 2,054,168</u>

**CHURCHILL COUNTY, NEVADA**  
**CC COMMUNICATIONS - MANAGED DATA SERVICES FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 310,173	\$ 156,608
Cash payments for employees	(279,935)	(385,572)
Cash payments for services and supplies	(398,964)	(140,871)
Net Cash Provided (Used) by Operating Activities	<u>(368,726)</u>	<u>(369,835)</u>
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfer from CC Communications - Wireless	<u>-</u>	<u>2,711,233</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Payments on long-term contracts	(49,584)	(60,417)
Purchase of equipment	(8,725)	(506,072)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(58,309)</u>	<u>(566,489)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	<u>2,184</u>	<u>895</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(424,851)	1,775,804
 <b>CASH AND CASH EQUIVALENTS, July 1</b>	<u>1,775,804</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<u><u>\$ 1,350,953</u></u>	<u><u>\$ 1,775,804</u></u>
 <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (291,915)	\$ (476,173)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	46,227	23,807
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Trade accounts receivable	3,705	(18,034)
Inventory	(4,000)	(935)
Prepaid expenses	(168)	(147)
Increase (decrease) in:		
Accounts payable	2,462	1,717
Due to other funds	(130,204)	49,599
Other postemployment benefits liability	5,167	50,331
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (368,726)</u></u>	<u><u>\$ (369,835)</u></u>
 <b>SUPPLEMENTAL SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Goodwill purchase with contracts payable	<u>\$ -</u>	<u>\$ 57,917</u>
Transfer of assets and liabilities from CC Communications - Wireless	<u>\$ -</u>	<u>\$ 181,787</u>

**CHURCHILL COUNTY, NEVADA**  
**GOLF COURSE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2013</u>
<b>OPERATING REVENUES</b>				
Charges for services:				
Golf course lease	\$ 1,600	\$ 1,822	\$ 222	\$ 1,651
<b>OPERATING EXPENSES</b>				
Supplies	-	15,065	(15,065)	89,472
Depreciation	45,000	17,650	27,350	4,767
Total Operating Expenses	45,000	32,715	12,285	94,239
Operating Income (Loss)	(43,400)	(30,893)	12,507	(92,588)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	-	73	73	-
Miscellaneous income	25,000	51,003	26,003	6,000
Other	(50,000)	-	50,000	-
Total Nonoperating Revenues (Expenses)	(25,000)	51,076	76,076	6,000
Income (Loss) Before Transfers	(68,400)	20,183	88,583	(86,588)
<b>TRANSFERS</b>				
Transfers in:				
General Fund	25,000	25,000	-	600,000
Water Resource Fund	-	-	-	100,000
Building Reserve Fund	25,000	25,000	-	-
Extraordinary Repairs and Maintenance Fund	-	-	-	100,000
Total Other Financing Sources (Uses)	50,000	50,000	-	800,000
Change in Net Position	<u>\$ (18,400)</u>	70,183	<u>\$ 88,583</u>	713,412
<b>NET POSITION, July 1</b>		<u>713,412</u>		<u>-</u>
<b>NET POSITION, June 30</b>		<u><u>\$ 783,595</u></u>		<u><u>\$ 713,412</u></u>

**CHURCHILL COUNTY, NEVADA**  
**GOLF COURSE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)**

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 3,473	\$ 6,000
Cash payments for services and supplies	<u>(18,023)</u>	<u>(86,514)</u>
Net Cash Provided (Used) by Operating Activities	<u>(14,550)</u>	<u>(80,514)</u>
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Miscellaneous revenue	51,003	-
Transfers in	<u>50,000</u>	<u>800,000</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>101,003</u>	<u>800,000</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of equipment	<u>(42,000)</u>	<u>(719,486)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	<u>62</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	44,515	-
 <b>CASH AND CASH EQUIVALENTS, July 1</b>	<u>-</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, June 30</b>	<u><u>\$ 44,515</u></u>	<u><u>\$ -</u></u>
 <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (30,893)	\$ (86,588)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	17,650	4,767
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Other accounts receivable	1,651	(1,651)
Due from other funds	200,000	(200,000)
Increase (decrease) in:		
Due to other funds	<u>(202,958)</u>	<u>202,958</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (14,550)</u></u>	<u><u>\$ (80,514)</u></u>

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(Page 1 of 4)**

	<u>BALANCE</u> <u>JULY 1, 2013</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2014</u>
<b>State of Nevada</b>				
<b>ASSETS</b>				
Cash	\$ 32,293	\$ 1,675,468	\$ 1,645,990	\$ 61,771
Accounts receivable	15	-	15	-
Taxes receivable	135,092	-	131,442	3,650
	<u>\$ 167,400</u>	<u>\$ 1,675,468</u>	<u>\$ 1,777,447</u>	<u>\$ 65,421</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,491	\$ 348	\$ -	\$ 2,839
Due to other governments	164,909	1,543,869	1,646,196	62,582
	<u>\$ 167,400</u>	<u>\$ 1,544,217</u>	<u>\$ 1,646,196</u>	<u>\$ 65,421</u>
<b>City of Fallon</b>				
<b>ASSETS</b>				
Cash	\$ 28,141	\$ 1,603,365	\$ 1,592,578	\$ 38,928
Taxes receivable	3,740	2,156	-	5,896
	<u>\$ 31,881</u>	<u>\$ 1,605,521</u>	<u>\$ 1,592,578</u>	<u>\$ 44,824</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 31,881	\$ 1,605,521	\$ 1,592,578	\$ 44,824
<b>Range Improvement Districts</b>				
<b>Number 2, Number 3, and Number 6</b>				
<b>ASSETS</b>				
Cash	\$ 2,525	\$ 5,783	\$ 7,432	\$ 876
<b>LIABILITIES</b>				
Due to other governments	\$ 2,525	\$ 5,783	\$ 7,432	\$ 876
<b>Truckee-Carson Irrigation District</b>				
<b>ASSETS</b>				
Cash	\$ 5,752	\$ 2,716,111	\$ 2,713,715	\$ 8,148
<b>LIABILITIES</b>				
Due to other governments	\$ 5,752	\$ 2,716,111	\$ 2,713,715	\$ 8,148
<b>State of Nevada Department of Wildlife</b>				
<b>ASSETS</b>				
Cash	\$ 4,547	\$ -	\$ 2,192	\$ 2,355
<b>LIABILITIES</b>				
Due to other governments	\$ 4,547	\$ -	\$ 2,192	\$ 2,355
<b>Churchill County School District</b>				
<b>Operating</b>				
<b>ASSETS</b>				
Cash	\$ 129,498	\$ 5,673,660	\$ 5,429,489	\$ 373,669
Taxes receivable	596,349	-	569,080	27,269
Due from other governments	36,090	-	6,167	29,923
	<u>\$ 761,937</u>	<u>\$ 5,673,660</u>	<u>\$ 6,004,736</u>	<u>\$ 430,861</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 761,937	\$ 5,104,580	\$ 5,435,656	\$ 430,861

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(Page 2 of 4)**

	<u>BALANCE</u> <u>JULY 1, 2013</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2014</u>
<b>Churchill County School District</b>				
<b>Debt Service</b>				
<b>ASSETS</b>				
Cash	\$ 90,759	\$ 4,116,168	\$ 3,939,223	\$ 267,704
Taxes receivable	437,340	-	417,105	20,235
	<u>\$ 528,099</u>	<u>\$ 4,116,168</u>	<u>\$ 4,356,328</u>	<u>\$ 287,939</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 528,099</u>	<u>\$ 3,699,063</u>	<u>\$ 3,939,223</u>	<u>\$ 287,939</u>
<b>Churchill County Mosquito</b>				
<b>Abatement District</b>				
<b>ASSETS</b>				
Cash	\$ 63,976	\$ 920,045	\$ 894,034	\$ 89,987
Taxes receivable	63,608	-	60,702	2,906
Due from other governments	59,191	-	356	58,835
	<u>\$ 186,775</u>	<u>\$ 920,045</u>	<u>\$ 955,092</u>	<u>\$ 151,728</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 186,775</u>	<u>\$ 858,987</u>	<u>\$ 894,034</u>	<u>\$ 151,728</u>
<b>Scholarship Trust</b>				
<b>ASSETS</b>				
Cash	\$ 10,700	\$ 7,877	\$ 2,405	\$ 16,172
Interest receivable	3	1	-	4
	<u>\$ 10,703</u>	<u>\$ 7,878</u>	<u>\$ 2,405</u>	<u>\$ 16,176</u>
<b>LIABILITIES</b>				
Funds held in trust for others	<u>\$ 10,703</u>	<u>\$ 7,878</u>	<u>\$ 2,405</u>	<u>\$ 16,176</u>
<b>Court Clerk Trust</b>				
<b>ASSETS</b>				
Cash	<u>\$ 285,518</u>	<u>\$ 13,543</u>	<u>\$ 15,968</u>	<u>\$ 283,093</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 285,518</u>	<u>\$ 13,543</u>	<u>\$ 15,968</u>	<u>\$ 283,093</u>
<b>Justice Court Trust</b>				
<b>ASSETS</b>				
Cash	<u>\$ 53,277</u>	<u>\$ 94,951</u>	<u>\$ 36,230</u>	<u>\$ 111,998</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 53,277</u>	<u>\$ 94,951</u>	<u>\$ 36,230</u>	<u>\$ 111,998</u>
<b>Miscellaneous Trust</b>				
<b>ASSETS</b>				
Cash	<u>\$ 2,017</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,017</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 2,017</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,017</u>

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(Page 3 of 4)**

	<u>BALANCE</u> <u>JULY 1, 2013</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2014</u>
<b>Assistance to Victims of Domestic Violence Fund</b>				
<b>ASSETS</b>				
Cash	\$ 970	\$ 5,915	\$ 5,915	\$ 970
<b>LIABILITIES</b>				
Due to other governments	\$ 970	\$ 5,915	\$ 5,915	\$ 970
<b>Excess Proceeds</b>				
<b>ASSETS</b>				
Cash	\$ 79,194	\$ 69,320	\$ 78,978	\$ 69,536
Interest receivable	12	-	1	11
	<u>\$ 79,206</u>	<u>\$ 69,320</u>	<u>\$ 78,979</u>	<u>\$ 69,547</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 79,206</u>	<u>\$ 69,320</u>	<u>\$ 78,979</u>	<u>\$ 69,547</u>
<b>Jail Commissary</b>				
<b>ASSETS</b>				
Cash	\$ 29,009	\$ -	\$ 7,350	\$ 21,659
<b>LIABILITIES</b>				
Due to others	<u>\$ 29,009</u>	<u>\$ -</u>	<u>\$ 7,350</u>	<u>\$ 21,659</u>
<b>Recorder Trust</b>				
<b>ASSETS</b>				
Cash	\$ 138,199	\$ 418,219	\$ 432,101	\$ 124,317
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 138,199</u>	<u>\$ 418,219</u>	<u>\$ 432,101</u>	<u>\$ 124,317</u>
<b>Churchill County School District Residential Construction Tax</b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 7,128	\$ 5,346	\$ 1,782
<b>LIABILITIES</b>				
Due to other governments	<u>\$ -</u>	<u>\$ 7,128</u>	<u>\$ 5,346</u>	<u>\$ 1,782</u>

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(Page 4 of 4)**

<u>Totals</u>	<u>BALANCE</u> <u>JULY 1, 2013</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2014</u>
<b>ASSETS</b>				
Cash	\$ 956,375	\$ 17,327,553	\$ 16,808,946	\$ 1,474,982
Accounts receivable	15	-	15	-
Taxes receivable	1,236,129	2,156	1,178,329	59,956
Interest receivable	15	1	1	15
Due from other governments	95,281	-	6,523	88,758
	<u>\$ 2,287,815</u>	<u>\$ 17,329,710</u>	<u>\$ 17,993,814</u>	<u>\$ 1,623,711</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,491	\$ 348	\$ -	\$ 2,839
Due to other governments	1,825,594	15,965,176	16,674,388	1,116,382
Held in trust for others	10,703	7,878	2,405	16,176
Due to others	449,027	177,814	138,527	488,314
	<u>\$ 2,287,815</u>	<u>\$ 16,151,216</u>	<u>\$ 16,815,320</u>	<u>\$ 1,623,711</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.*

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> 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
<b>Revenue Capacity</b> 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
<b>Debt Capacity</b> 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
<b>Demographic and Economic Information</b> 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
<b>Operating Information</b> 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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>Governmental Activities:</i>										
Net investment in capital assets	\$ 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	\$ 59,810,234
Restricted	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	7,396,768
Unrestricted	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	19,575,634
Total governmental activities net position	\$ 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	\$ 86,782,636
<i>Business-type Activities:</i>										
Net investment in capital assets	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	68,691,233
Restricted	23,283	36,700	-	-	-	-	37,100	212,586	212,586	248,017
Unrestricted	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	14,683,600
Total business-type activities net position	\$ 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	\$ 83,622,850
<i>Primary Government:</i>										
Net investment in capital assets	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	128,501,467
Restricted	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	7,644,785
Unrestricted	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	34,259,234
Total primary government net position	\$ 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	\$ 170,405,486

**CHURCHILL COUNTY, NEVADA**

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Expenses</b>										
<i>Governmental Activities:</i>										
General Government	\$ 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	\$ 6,261,050
Judicial	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	3,871,875
Public Safety	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	9,345,891
Public Works	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	3,687,337
Health & Sanitation	231,116	233,208	257,076	277,864	288,786	292,002	257,993	292,414	240,317	232,675
Welfare	1,286,989	1,349,477	1,085,025	1,086,643	1,094,676	1,493,043	1,493,043	1,632,111	1,724,428	1,669,279
Culture & Recreation	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	2,223,468
Community Support	471,294	620,020	704,482	960,707	854,941	642,884	648,028	695,982	560,841	558,189
Intergovernmental	912,284	-	-	-	-	-	-	-	-	-
Interest & Fiscal Charges	39,253	120,806	127,337	69,876	79,431	68,031	32,116	291	-	-
Total governmental activities expenses	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	27,849,764
<i>Business-type Activities:</i>										
Telephone	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	12,853,751
Wireless	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	1,497,698	1,925,914	1,189,024	692,538	641,110	487,404	468,029	440,695	408,925	334,045
Broadband	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	2,715,743
Managed Data Services	-	-	269,812	787,079	843,580	988,500	1,526,193	1,267,623	650,818	598,385
Waste Water	-	236	98,970	391,487	573,662	577,421	708,604	610,479	709,256	724,633
Water Utility	-	237	-	-	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-	-	-	94,239	32,715
Total business-type activities expenses	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	18,643,333
Total primary government expenses	\$ 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	\$ 46,493,097
<b>Program Revenues</b>										
<i>Governmental Activities:</i>										
Charges for services										
General government	1,360,663	1,568,728	1,270,461	1,108,433	960,116	971,336	1,019,073	1,010,489	995,104	1,237,925
Judicial	170,398	178,691	202,141	197,129	177,975	203,327	394,629	331,778	390,359	336,663
Public safety	451,241	378,439	369,360	404,246	399,964	417,964	441,169	810,797	799,600	937,530
Public works	238,655	573,640	376,899	178,005	169,841	28,521	149	14,000	86,889	18,600
Culture and recreation	254,889	308,335	276,771	286,047	323,269	317,452	289,955	261,669	277,091	308,832
Other activities	80,846	84,157	72,212	47,957	88,126	77,916	59,585	33,831	47,027	44,657
Operating grants and contributions	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	1,931,117
Capital grants and contributions	3,108,887	2,336,339	804,170	7,724,013	641,325	-	-	4,575	280,000	10,000
Total governmental activities program revenues	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	4,825,324
<i>Business-type Activities:</i>										
Charges for services										
Telephone	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	11,810,027
Wireless	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	1,809,467	2,330,170	1,315,277	1,240,090	1,119,834	978,290	762,496	682,634	614,429	543,178
Broadband	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	2,466,629
Managed Data Services	-	-	-	-	-	-	-	-	-	306,470
Waste Water (1)	-	-	5,212,583	2,557,791	225,732	201,748	424,824	284,269	319,569	287,998
Water Utility (1)	-	-	2,760,811	1,163,622	331,686	272,385	358,491	372,104	360,238	325,041
Golf Course	-	-	-	-	-	-	-	-	7,651	1,822
Operating grants and contributions	-	2,494,563	4,765,816	7,604,534	557,373	1,624,242	674,592	451,312	15,137	-
Capital grants and contributions	-	28,670,139	41,105,574	40,824,115	27,481,096	21,373,933	21,310,642	20,420,433	18,134,690	15,741,165
Total business-type activities program revenues	25,607,810	35,759,526	46,845,444	52,890,290	33,193,892	26,029,936	25,461,951	24,676,078	22,628,867	20,566,489
Total primary government program revenues	\$ 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	\$ 20,566,489

(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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Net (Expense)/Revenue</b>										
Government activities	\$ (1,697,377)	\$ (14,581,494)	\$ (17,422,187)	\$ (12,417,842)	\$ (21,874,840)	\$ (21,711,763)	\$ (22,390,408)	\$ (23,507,803)	\$ (23,055,408)	\$ (23,024,440)
Business-type activities	1,808,993	3,181,124	14,615,377	13,751,171	2,506,640	823,583	699,665	83,451	(1,602,107)	(2,902,168)
	<u>\$ (10,888,384)</u>	<u>\$ (11,400,370)</u>	<u>\$ (2,806,810)</u>	<u>\$ 1,333,329</u>	<u>\$ (19,368,200)</u>	<u>\$ (20,888,180)</u>	<u>\$ (21,690,743)</u>	<u>\$ (23,424,352)</u>	<u>\$ (24,657,515)</u>	<u>\$ (25,926,608)</u>
Total primary government net expense										
<b>General Revenues and Other Changes in Net Position</b>										
<i>Governmental activities:</i>										
Ad valorem taxes	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	7,945,734
Franchise taxes	134,709	166,914	179,593	171,130	159,439	161,549	153,336	132,583	117,857	133,563
Federal in lieu of taxes	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	2,199,782
Local payment in lieu of taxes	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	2,320,000
AB 104 fairshare	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	1,067,755
Consolidated intergovernmental taxes	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	5,017,787
Fuel taxes	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	1,817,840
Optional county sales tax	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	1,239,507
Delinquent tax penalties	124,203	117,288	129,376	140,273	204,493	251,945	279,052	228,496	230,767	436,830
Interest income	363,816	870,566	1,166,080	996,366	517,326	180,530	132,933	93,993	90,600	95,791
Gain on sale of assets (1)	1,543,366	48,161	377,714	(250,365)	611,380	-	-	81,606	2,258	123,977
Miscellaneous revenues	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	1,118,398
Transfers	-	-	-	(2,750,000)	(500,000)	(255,702)	(4,947,927)	(325,000)	(1,025,000)	(225,000)
Total governmental activities	<u>20,209,022</u>	<u>22,566,606</u>	<u>22,930,789</u>	<u>20,840,176</u>	<u>28,730,476</u>	<u>25,096,419</u>	<u>20,537,750</u>	<u>24,179,621</u>	<u>22,023,867</u>	<u>23,291,964</u>
<i>Business-type activities:</i>										
Interest income	150,095	238,576	339,420	414,903	222,339	112,684	43,005	21,796	25,228	27,389
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	130,831
Transfers	-	-	-	2,750,000	500,000	255,702	4,947,927	325,000	1,025,000	225,000
Total business-type activities	<u>213,607</u>	<u>256,576</u>	<u>357,798</u>	<u>3,207,363</u>	<u>1,556,433</u>	<u>430,102</u>	<u>5,066,061</u>	<u>411,302</u>	<u>1,128,027</u>	<u>383,220</u>
Total primary government	<u>20,422,629</u>	<u>22,823,182</u>	<u>23,288,587</u>	<u>24,047,539</u>	<u>30,286,909</u>	<u>25,526,521</u>	<u>25,603,811</u>	<u>24,590,923</u>	<u>23,151,894</u>	<u>23,675,184</u>
<b>Change in Net Position</b>										
Government activities	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)	267,524
Business-type activities	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)	(2,518,948)
Total change to net position	<u>\$ 9,534,245</u>	<u>\$ 11,422,812</u>	<u>\$ 20,481,777</u>	<u>\$ 25,380,868</u>	<u>\$ 10,918,709</u>	<u>\$ 4,638,341</u>	<u>\$ 3,913,068</u>	<u>\$ 1,166,571</u>	<u>\$ (1,505,621)</u>	<u>\$ (2,251,424)</u>

(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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,049,714	2,430,485	2,722,384	3,036,491	3,488,236	4,102,297	-	-	-	-
Non-Spendable	-	-	-	-	-	-	-	145,694	162,080	17,538
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	92,932	-	-	-
Assigned	-	-	-	-	-	-	3,948,798	2,555,367	1,893,157	2,038,848
Unassigned	-	-	-	-	-	-	4,145,167	4,110,862	4,692,539	5,473,876
<b>Total general fund</b>	<b>2,049,714</b>	<b>2,430,485</b>	<b>2,722,384</b>	<b>3,036,491</b>	<b>3,488,236</b>	<b>4,102,297</b>	<b>8,186,897</b>	<b>6,811,923</b>	<b>6,747,776</b>	<b>7,530,262</b>
All Other Governmental Funds										
Reserved	1,712,461	2,561,949	2,412,262	2,441,032	2,508,021	3,027,237	-	-	-	-
Unreserved reported in:										
Special revenue funds	11,215,047	13,995,186	14,247,770	13,851,837	17,774,466	17,963,051	-	-	-	-
Debt service fund	186,442	456,351	740,323	768,562	832,605	836,953	-	-	-	-
Capital projects funds	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	97,332
Restricted	-	-	-	-	-	-	6,241,775	6,981,389	7,227,629	7,391,729
Committed	-	-	-	-	-	-	5,659,038	5,786,164	5,274,710	5,376,298
Assigned	-	-	-	-	-	-	5,675,263	8,695,721	8,613,888	10,096,085
Unassigned	-	-	-	-	-	-	(535)	(7,807)	-	-
<b>Total all other governmental funds</b>	<b>16,440,904</b>	<b>20,769,213</b>	<b>20,746,492</b>	<b>21,318,023</b>	<b>26,555,651</b>	<b>27,632,079</b>	<b>17,738,180</b>	<b>21,580,317</b>	<b>21,220,576</b>	<b>22,961,444</b>
<b>Total governmental funds</b>	<b>\$ 18,490,618</b>	<b>\$ 23,199,698</b>	<b>\$ 23,468,876</b>	<b>\$ 24,354,514</b>	<b>\$ 30,043,887</b>	<b>\$ 31,734,376</b>	<b>\$ 25,925,077</b>	<b>\$ 28,392,240</b>	<b>\$ 27,968,352</b>	<b>\$ 30,491,706</b>

**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
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
2014	8,057,784	426,299	15,934,920	1,083,704	758,791	1,688,440	27,949,938

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	
# 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	\$ 143,254	\$ 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
2014	5,745,510	3,751,120	7,765,512	1,898,282	185,074	1,657,994	1,973,347	553,596	1,335,016	1,513,863	-	-	26,379,314

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)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total revenues (S-5)	\$ 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	\$ 27,949,938
Total expenditures (S-6)	(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)	(26,379,314)
Excess of revenues over (under) expenditures	(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	1,570,624
<b>Other Financing Sources (Uses)</b>										
Proceeds - medium-term financing	3,300,001	256,500	-	-	-	-	-	-	-	-
Proceeds from capital lease	97,025	-	-	-	-	-	-	-	-	-
Proceeds from insurance recovery	-	-	-	-	-	-	-	-	-	488,133
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	689,597
Transfer in	842,990	1,012,904	730,519	55,832	249,343	1,547,442	3,090,754	1,067,691	1,832,176	1,685,544
Transfer out	(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)	(1,910,544)
Total other financing sources (uses)	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)	952,730
Net Change in fund balances	1,583,947	4,709,080	269,178	885,638	5,689,373	1,690,489	(5,436,721)	2,467,163	(423,888)	2,523,354
Debt service as a percentage of noncapital expenditures	0.86%	2.55%	3.89%	1.78%	1.57%	1.70%	6.13%	0.18%	0.00%	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 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						
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	
2014	539,040,774	96,590,613	442,450,161	31,096,741	125,487,262	567,937,423	1,622,678,351	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											Total Tax Rate	Overlapping Rates*						County Assessed Valuation	
	General	Social Services	Co-op Ext	Public Library	Capital Improv	Tax Act 1991	Youth Services	Hosp Care		Ind Med Care	Sr-Cnt Levy		Fire Eqp Levy	Churchill Co. School District	State of Nevada	Mosquito Abatement	Carson Water Subconservancy	City of Fallon		Total
								MVA	MCA											
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	
2013-14	0.8240	0.0879	0.0200	0.0641	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	695,624,777	

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 2014					Fiscal Year 2005				
		Rank	Taxable Estimated Appraised Value (1)	Approximate Taxable Assessed Value	% of Taxable Assessed Valuation	Rank	Taxable Estimated Appraised Value (1)	Approximate Taxable Assessed Value	% of Taxable Assessed Valuation		
ENEL Stillwater (Stillwater) Geothermal Plant	Geothermal	1	\$ 227,195,143	\$ 79,518,300	14.00%	1	\$ 57,807,343	\$ 20,232,570	0.00%		
Sierra Pacific Power Company	Utility	2	103,422,171	36,197,760	6.37%	2	54,298,629	19,004,520	5.53%		
Terra-Gen Dixie Valley LLC (Caithness)	Geothermal	3	72,417,666	25,346,183	4.46%	6	14,003,577	4,901,252	5.20%		
Patua Project, LLC	Geothermal	4	39,392,751	13,787,463	2.43%	4	19,200,503	6,720,176	0.00%		
Union Pacific System	Railroad	5	33,960,371	11,886,130	2.09%				1.34%		
Southwest Gas Corp	Utility	6	32,125,946	11,244,081	1.98%				1.84%		
Northrop Grumman	Base Contractor	7	29,778,574	10,422,501	1.84%				0.00%		
AT&T Communications, Inc.	Communications	8	21,559,069	7,545,674	1.33%				0.00%		
Quail Hollow, LLC	Milk Plant	9	19,102,366	6,685,828	1.18%				0.00%		
Rocket CrillCo, LLC	Geothermal	10	18,810,966	6,583,838	1.16%				0.00%		
Brady Power Partners	Geothermal					3	19,521,886	6,832,660	1.87%		
AMP Resources Geothermal	Geothermal					5	17,699,629	6,194,870	1.69%		
Magma Energy (Constellation Power)	Geothermal					7	11,666,371	4,083,230	1.12%		
Kennametal, Inc.	Manufacturing					8	9,394,734	3,288,157	0.90%		
Peters, James R. Trustee (Stockman's)	Casino					9	7,714,260	2,699,991	0.74%		
Western States Holdings	Geothermal					10	7,578,314	2,652,410	0.73%		

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
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%	250,525	12,329,120	99.993%	877	0.007%
2008	13,897,422	13,419,092	96.558%	477,423	13,896,515	99.993%	907	0.007%
2009	14,914,689	14,284,217	95.773%	628,205	14,912,422	99.985%	2,267	0.015%
2010	15,707,402	15,183,754	96.666%	521,179	15,704,933	99.984%	2,469	0.016%
2011	14,938,415	14,524,846	97.232%	411,093	14,935,939	99.983%	2,476	0.017%
2012	13,867,055	13,523,233	97.521%	327,420	13,850,653	99.882%	16,402	0.118%
2013	12,858,661	12,560,762	97.683%	238,794	12,799,556	99.540%	59,105	0.460%
2014	12,720,183	12,473,908	98.064%	2,333	12,476,241	98.082%	243,942	1.918%

Source: Churchill County Clerk/Treasurer's Office

**CHURCHILL COUNTY, NEVADA**

Taxable Sales by Category  
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Wholesale trade - durable goods	\$ 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	\$16,033,774
Building merchandise, hardware	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	19,984,752
General merchandise stores	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	42,103,019
Food stores(1)	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	12,806,168
Automotive dealers & parts	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	32,640,583
Home furniture & fixtures	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	5,374,868
Eating and drinking places	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	32,489,607
Miscellaneous retail	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	22,300,202
Business services	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	2,286,103
Automotive repairs & services	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	8,430,607
All other categories	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	58,225,377
<b>Total</b>	<b>\$279,114,753</b>	<b>\$324,645,606</b>	<b>\$306,426,359</b>	<b>\$294,410,639</b>	<b>\$321,713,562</b>	<b>\$251,247,089</b>	<b>\$249,111,479</b>	<b>\$320,188,210</b>	<b>\$387,569,985</b>	<b>\$252,675,060</b>

**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%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
	2.75%	3.00%	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			
2005	\$ 206,697	\$ 97,025	\$ 3,218,853	\$ 1,575,888	\$ 2,405,940	\$ -	\$ -	\$ 7,504,403	0.85%	\$ 282.28
2006	140,254	353,525	2,832,566	1,511,709	1,619,266	-	4,000,000	10,457,320	1.14%	382.06
2007	-	97,025	2,475,986	1,450,196	817,024	-	4,544,376	9,384,607	0.99%	345.15
2008	-	76,409	2,163,207	1,386,419	-	-	4,485,261	8,111,296	0.80%	300.63
2009	-	76,409	1,850,454	1,320,297	-	-	4,437,042	7,684,202	0.81%	286.09
2010	-	43,693	1,537,701	1,251,741	-	-	4,386,804	7,219,939	0.72%	273.90
2011	-	43,693	-	1,180,663	-	-	-	1,224,356	0.12%	48.71
2012	-	-	-	1,106,971	-	-	-	1,106,971	0.15%	43.86
2013	-	-	-	1,030,567	-	59,634	-	1,090,201	0.15%	43.05
2014	-	-	-	951,352	-	8,333	-	959,685	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		
2005	\$ 3,522,575	\$ 186,442	\$ 3,336,133	0.76%	\$ 125.49
2006	3,326,345	456,351	2,869,994	0.59%	104.86
2007	2,573,011	740,323	1,832,688	0.32%	67.40
2008	2,239,616	768,562	1,471,054	0.21%	54.52
2009	1,926,863	832,605	1,094,258	0.15%	40.74
2010	1,581,394	836,953	744,441	0.09%	28.24
2011	43,693	-	43,693	0.01%	1.74
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	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 2014**

Assessed Value	\$ 695,624,777
Debt limit (15% of assessed value)	104,343,717
Debt applicable to limit:	
General obligation debt	-
CC Communications debt	951,352
Utility Bond Debt	-
Total debt applicable to limit	<u>951,352</u>
Legal debt margin	<u>\$ 103,392,365</u>

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 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	\$ 104,343,717
Total debt applicable to limit	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	959,685
Legal debt margin	\$ 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	\$ 103,384,032

Total debt applicable to the limit										
as a percentage of debt limit	11.33%	14.28%	10.97%	7.88%	7.06%	6.09%	1.00%	1.01%	1.05%	0.92%

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, 2014

Name of Government Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
State of Nevada	\$ 1,887,605,000	6.1%	\$ 114,486,014
City of Fallon	10,286,174	100.0%	10,286,174
Churchill County School District	35,218,600	100.0%	<u>35,218,600</u>
Subtotal, overlapping debt			159,990,788
County direct debt (S-13)			<u>-</u>
Total direct and overlapping debt			<u>\$ 159,990,788</u>

**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		
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)	
2014	14,940,165	15,782,469	(842,304)	46,869	38,725	(9.84)	

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

<u>Fiscal Year Ended June 30,</u>	<u>Population (5)</u>	<u>Personal Income(1)</u>	<u>Per Capita Personal Income (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment rate (3)</u>
2005	26,585	\$ 885,097,000	\$ 35,990	4,507	4.0%
2006	27,371	914,247,000	36,802	4,462	3.8%
2007	27,190	946,406,000	37,915	4,410	4.1%
2008	26,981	1,012,739,000	40,430	4,409	5.7%
2009	26,859	951,195,000	37,946	4,352	8.7%
2010	26,360	997,661,000	40,222	4,206	11.4%
2011	25,136	1,041,680,000	42,281	4,169	10.9%
2012	25,238	735,004,554 (4)	29,123 (4)	4,048	9.5%
2013	25,322	751,232,725 (4)	29,667 (4)	3,740	8.2%
2014	Unavailable	Unavailable	Unavailable	3,675	6.4%

(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

(5) Source: Estimates from NV Department of Taxation and NV State Demographer, University of NV, Reno

**CHURCHILL COUNTY, NEVADA**

Principal Employers

Current Year and Nine Years Ago

2014	2005
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Rank	Employer	2014		2005	
		Product/Service	Number of Employees	Product/Service	Number of Employees
1	NAS-Fallon Military Personnel (1)	U.S. Navy	883	U.S. Navy	1,663
2	Churchill County School District	Education	600 to 699	Education	712
3	Banner Churchill Community Hospital	Health Care	200 to 299	Health Care	400
4	Wal-Mart Supercenter	Retail	200 to 299	Various	347
5	Churchill County	Local Government	200 to 299	Manufacturing	225
6	L-3 Comm/Vertex Aerospace, LCC	Aviation	200 to 299	Aviation	225
7	Department of Defense	Federal Government	200 to 299	Local Government	220
8	A & K Earthmovers	Construction	100 to 199	Retail	210
9	Chugach Support Services, Inc.	Various	100 to 199	Aviation	200
10	New Millennium Building System	bricated Structural M€	100 to 199	Retail & Recreation	190

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

(1) NAS-Fallon

2005 Data - Churchill Economic Development Authority

**CHURCHILL COUNTY, NEVADA**

Property Value and Construction

June 30, 2014

Fiscal Year Ended June 30,	Commercial Construction		Residential Construction	
	Number of Permits	Value	Number of Permits	Value
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
2014	3	15,529,333	2	501,126

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, 2014

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
Middle School (grades 6-8)	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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Commissioners	3	3	3	3	3	3	3	3	3	3
Clerk/Treasurer	9	8	8	8	9	9	6	6	5	6
Recorder	3	3	4	3	3	3	3	3	3	3
Assessor	8	9	8	8	8	8	8	8	8	7
County Manager	2	2	2	2	2	2	2	1	2	2
Facilities & Grounds	5	5	6	6	7	7	7	5	6	6
Human Resources	2	1	1	1	1	1	1	1	1	1
Comptroller	4	4	5	4	4	4	4	4	5	5
Sheriff	44	44	47	47	49	48	46	47	48	48
Fire	1	1	1	1	1	1	1	1	1	1
Emergency Management	-	-	-	-	1	1	1	1	1	1
District Court	2	2	2	2	2	2	5	4	5	5
District Attorney	19	18	19	18	21	21	20	21	21	20
Justice Court	5	6	7	6	6	6	6	6	6	6
Juvenile Probation	12	14	12	11	10	10	11	9	10	10
Juvenile Justice Center	-	-	-	-	-	-	1	11	11	12
Court Services	-	-	-	-	-	2	2	2	1	2
Parks & Recreation	15	15	16	19	19	19	17	17	19	17
Museum	9	10	5	5	5	5	3	4	4	5
Building	2	3	3	3	3	2	2	2	2	2
Planning	7	7	6	7	7	7	7	8	8	7
Cemetery	3	3	2	2	3	3	3	2	3	3
Water Resource	-	-	1	1	1	1	1	1	-	-
Welfare	4	4	2	3	3	5	4	5	4	5
Road	17	16	17	15	15	17	17	18	18	18
Cooperative Extension	1	1	1	1	1	2	2	2	2	2
Library	7	6	7	7	7	7	6	5	5	6
CC Communications	107	105	96	97	83	77	74	66	62	60
<b>Total FTE</b>	<b>291</b>	<b>290</b>	<b>281</b>	<b>280</b>	<b>274</b>	<b>273</b>	<b>263</b>	<b>263</b>	<b>264</b>	<b>263</b>

Source: Churchill County Comptroller's Office

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

Department/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Museum</b>										
Number of visitors	12,000	12,000	10,000	10,582	11,627	8,624	9,458	10,414	11,175	12,104
Items in collection	47,752	50,000	48,588	50,500	53,145	54,000	55,261	55,880	56,320	57,556
Bus tours	26	61	69	50	56	36	30	56	57	56
<b>Public Library</b>										
Items owned by library	93,855	101,445	101,300	101,931	103,676	103,647	104,997	107,772	90,891	65,570
Circulation	159,914	169,903	168,878	170,137	173,578	177,862	172,697	166,675	152,046	149,629
<b>Justice Court</b>										
Criminal filings	6,380	5,615	4,932	4,344	4,717	4,923	5,429	7,418	5,591	6,161
Civil filings	1,371	1,624	1,488	1,655	1,305	1,254	1,369	999	1,042	1,005
<b>Parks &amp; Recreation</b>										
Programs/Events	35	30	68	35	35	37	35	41	35	36
Event attendance	8,638	8,145	3,795	7,823	7,833	7,276	7,430	7,104	8,015	10,426
Fairground attendance	72,346	70,597	82,702	96,502	84,285	89,883	89,282	73,098	75,881	80,803
Fairground event days	207	178	149	177	186	197	200	142	203	228
<b>Cemetery</b>										
Full burials	45	55	50	49	42	42	38	35	35	37
Cremations	33	41	37	52	39	42	30	33	50	27
<b>Sheriff</b>										
Reports by patrol	11,467	12,477	16,127	19,102	17,715	15,446	7,604	7,762	7,732	7,830
Civil papers received	4,858	6,122	4,168	4,879	4,227	3,744	3,084	2,881	2,869	2,755
Average inmate population	44.40	48.23	52.00	44.50	45.00	42.50	36.00	42.00	43.00	42.00
<b>Fire</b>										
Rescue calls	16	18	7	10	11	17	22	14	21	16
Fire calls	129	220	363	230	185	181	243	272	234	257
<b>CC Communications (1)</b>										
Subscriber lines	13,397	12,849	12,249	12,082	11,423	10,507	9,878	9,247	8,742	8,259

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b><u>Public Safety</u></b>										
<b>Sheriff</b>										
Office locations	3	3	3	3	3	3	3	3	3	3
Vehicles	19	18	24	19	18	19	23	22	22	22
All-terrain vehicles	4	4	4	4	4	4	4	2	3	2
Command trailer	1	1	1	1	1	1	1	1	1	1
Detention facility	1	1	1	1	1	1	1	1	1	1
<b>Fire</b>										
Stations	4	4	4	4	4	4	4	4	4	4
<b><u>Public Works</u></b>										
<b>Road</b>										
Paved roads (miles)	166.9	170.8	186.12	193.69	194.4	194.4	194.82	194.82	194.82	194.84
Unpaved roads (miles)	402.6	321.89	275.01	273.49	273.49	273.49	273.49	273.49	273.49	272.69
Major bridges (over 26 feet)	21	21	21	21	21	21	21	21	21	21
<b><u>Culture and Recreation</u></b>										
<b>Library</b>										
Building	1	1	1	1	2	2	2	2	2	2
<b>Museum</b>										
Building	1	1	1	1	1	1	1	1	1	1
<b>Parks and Recreation</b>										
Acreage (2)	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	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
<b><u>Health</u></b>										
<b>Cemetery</b>										
Acreage	28	63.5	63.5	63.5	63.5	63.5	63.5	63.5	63.5	63.5
<b><u>General Government</u></b>										
<b>Water Resources</b>										
Water rights (acre feet) (1)	2,819	3,604	3,604	3,614	3,624	3,624	3,624	3,624	3,624	3,624
<b><u>Water Utility</u></b>										
Maximum daily capacity (thousands of gallons)	-	-	-	1650	1650	1650	1650	1650	1650	1650
<b><u>Waste Water Utility</u></b>										
Maximum daily capacity (thousands of gallons)	-	-	345	345	900	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, 2014, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements and have issued our report thereon dated December 1, 2014.

**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 certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect 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 deficiencies described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002 to be material weaknesses.

**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 Findings**

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

### **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.

*Kafoory, Armstrong & Co.*

Reno, Nevada  
December 1, 2014



## **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, 2014. 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, 2014.

## 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

*Kafoury, Armstrong & Co.*

Reno, Nevada  
December 1, 2014

**CHURCHILL COUNTY, NEVADA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(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>
<b><u>Department of Defense:</u></b>			
Direct Program:			
Office of Economic Adjustment:			
Community Economic Adjustment Planning Assistance for Joint Land Use	12.610	HQ00051210031	\$ 89,995
Total Department of Defense			<u>89,995</u>
<b><u>Department of Housing and Urban Development:</u></b>			
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 - Access to Health Care Network	14.228	CDBG/13/1PS/101	196,718
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii - ADA	14.228	CDBG/13/ABR/02	<u>49,214</u>
Total CDBG - State-Administered CDBG Program Cluster:			<u>245,932</u>
State Housing Division:			
Emergency Solutions Grants Program	14.231	E11-DC-32-0001	<u>19,836</u>
Direct Program:			
Continuum of Care Program	14.267	NV0058B9T021101	15,855
Continuum of Care Program	14.267	NV0058L9T021202	<u>47,621</u>
			<u>63,476</u>
Total Department of Housing and Urban Development			<u>329,244</u>
<b><u>Department of Interior:</u></b>			
Direct Program:			
Bureau of Reclamation:			
Dixie Valley Ground Water Export Study	15.562	R10AC80887	<u>234,733</u>
<b><u>Department of Justice:</u></b>			
Direct Program:			
Criminal Division:			
Equitable Sharing Program	16.922	13-DEA	<u>22,379</u>
Passed through State of Nevada:			
Office of Juvenile Justice and Delinquency Prevention:			
Juvenile Accountability Block Grants	16.523	JABG-2013-002	<u>14,403</u>
Department of Public Safety:			
JAG Cluster:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	13-JAG-08	<u>149,799</u>
Total Department of Justice			<u>186,581</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(Page 2 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>
<b><u>Department of Transportation:</u></b>			
Passed through State of Nevada:			
Department of Transportation:			
Formula Grants for Other Than Urbanized Areas - Area 49 USC 5311	20.509	NV-18-X034 PR433-12-802	\$ 63,733
Formula Grants for Other Than Urbanized Areas - Area 49 USC 5311	20.509	NV-18-X035 PR400-13-802	<u>204,493</u>
			<u>268,226</u>
Transit Services Program Cluster:			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PR 206-04-802	<u>763</u>
Total Department of Transportation			<u>268,989</u>
<b><u>Department of Energy:</u></b>			
Direct Program:			
Nuclear Waste Disposal Siting	81.065	89-5227-0-2-271	<u>177,283</u>
Total Department of Energy			<u>177,283</u>
<b><u>Department of Health and Human Services:</u></b>			
Passed through State of Nevada:			
Division of Welfare and Supportive Services:			
Child Support Enforcement	93.563	T81032440F	371,627
Child Support Enforcement - Incentive	93.563	T81032440F	<u>3,456</u>
			<u>375,083</u>
Department of Health and Human Services:			
Community Services Block Grant - Discretionary	93.569	T81032440-Community Action	6,260
Community Services Block Grant - Emergency Assistance	93.569	T81032440-Community Action	<u>72,306</u>
			<u>78,566</u>
The Nevada Administrative Office of the Courts			
Nevada Supreme Court:			
State Court Improvement Program	93.586	1484-11	<u>5,000</u>
Total Department of Health and Human Services			<u>458,649</u>
<b><u>Department of Homeland Security:</u></b>			
Direct Program:			
Emergency Food and Shelter National Board Program	97.024	LRO ID: 586500-002	<u>2,950</u>
Passed through State of Nevada:			
Department of Public Safety:			
Division of Emergency Management:			
Emergency Management Performance Grants	97.042	9704212	<u>15,000</u>
Interoperable Emergency Communications - SERC Equipment	97.055	14-SERC-02-01	<u>56,454</u>
Total Department of Homeland Security			<u>74,404</u>
Total Expenditures of Federal Awards			<u>\$ 1,819,878</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**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, 2014. 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	\$ 905,396
Other Governmental Funds:	
Social Service Fund	679,749
Water Resource Fund	234,733
	<hr/>
	<u>\$1,819,878</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 \$196,718 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.

**CHURCHILL COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

**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>          </u>	Yes	<u>  X  </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>          </u>	Yes	<u>  X  </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
Dixie Valley Ground Water Export Study	CFDA 15.562
Nuclear Waste Disposal Siting	CFDA 81.065
Child Support Enforcement	CFDA 93.563

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

Auditee qualified as a low-risk auditee?	<u>          </u>	Yes	<u>  X  </u>	No
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**SECTION II – FINANCIAL STATEMENT FINDINGS**

See pages C-9 and C-10.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no findings related to major federal award programs.

**CHURCHILL COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

Material Weakness:

Finding 2014-001:

Capital Assets:

- 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 capital assets in accordance with U.S. generally accepted accounting principles (GAAP).
- Condition and Context:* During our audit testing we noted, the County's books and records included expenditures for various road and bridge projects that were not capitalized on the government-wide financial statements for governmental activities. These expenditures were identified as either relating to the construction long-lived assets (bridges), or improvements to existing long-lived assets (roads) that substantially extended the useful life of the underlying long-lived asset.
- Effect:* The County's capital asset values in the government-wide financial statements were understated \$3,682,714 and beginning net position was understated \$3,048,885.
- Cause:* The County does not have sufficient internal controls or capitalization policies in place to ensure that all capital expenditures are identified and capitalized as applicable in the government-wide financial statements in accordance with GAAP.
- Recommendation:* We recommend the County enhance internal controls and capitalization policies to ensure that all capital expenditures are identified and capitalized as applicable in the government-wide financial statements in accordance with GAAP.
- Management's Response:* The County will enhance its internal controls and update the capitalization policy to ensure that all capital expenditures are identified and capitalized as applicable in the government-wide financial statements in accordance with GAAP.

**CHURCHILL COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

Material Weakness:

Finding 2014-002:

Revenue Recognition:

- 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 revenues, including the collectability of the revenues, in accordance with U.S. generally accepted accounting principles (GAAP).
- Condition and Context:* During our audit testing, we noted significant recognition of revenues related to interest and penalties on developer standby fees in the Waste Water and Utility Enterprise Funds. Interest and penalties were charged on outstanding balances at 5% per month.
- Historically, interest and penalties of this nature have not been collectible. Therefore, an allowance for doubtful accounts should be established for interest and penalties when collection is doubtful. We noted that the allowance for doubtful accounts was not adequate, when considering the historical collectability of interest and penalties on the standby fees.
- Effect:* Adjustments were required to the allowance for doubtful accounts and related bad debt accounts in the amount of \$214,853 in the Waste Water Enterprise Fund and an additional \$214,852 in the Utility Enterprise Fund.
- Cause:* The County does not have sufficient internal controls or allowance for doubtful account policies in place to ensure that the allowance for doubtful accounts is reasonable based on historical information and currently known conditions in accordance with GAAP.
- Recommendation:* We recommend the County enhance internal controls and allowance for doubtful account policies to ensure that the allowance for doubtful accounts is reasonable based on historical information and currently known conditions in accordance with GAAP.
- Management's Response:* The County will enhance internal controls and allowance for doubtful account policies to ensure that the allowance for doubtful accounts is reasonable based on historical information and currently known conditions in accordance with GAAP.

**CHURCHILL COUNTY, NEVADA**  
**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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

Finding 2013-002:

Community Development Block Grant, CFDA 14.228

<i>Grant Award Number:</i>	Potentially affects all grant awards included under CFDA 14.228 on the Schedule of Expenditures of Federal Awards that pass-through grant funds.
<i>Criteria:</i>	<i>OMB Circular A-133</i> 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.
<i>Condition and Context:</i>	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 <i>OMB Circular A-133</i> .
<i>Questioned Costs:</i>	None.
<i>Effect:</i>	Subrecipients may be unaware of specific Federal award information and requirements, which could result in noncompliance at the subrecipient level.
<i>Cause:</i>	Churchill County did not have adequate procedures in place to ensure subrecipient awards contained all of the required information.
<i>Recommendation:</i>	We recommend Churchill County enhance procedures to ensure subrecipient awards contain all of the required information.
<i>Current Status:</i>	Churchill County developed 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  
 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, 2014

Flat Fixed Fees:					
Adjusted base, June 30, 2013	\$ 72,285				
Adjustment to Base:					
Base Year					
1. Percentage increase in population of the local government	0.33%				
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="text-align: right; border-bottom: 1px solid black;">1.50%</td> <td style="text-align: right; border-bottom: 1px solid black;">1.83%</td> </tr> <tr> <td></td> <td style="text-align: right; border-bottom: 3px double black;">1,325</td> </tr> </table>	1.50%	1.83%		1,325
1.50%	1.83%				
	1,325				
Adjusted base, June 20, 2014	73,610				
Actual business license revenue, 2013-2014	<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="text-align: right; border-bottom: 1px solid black;">65,700</td> </tr> </table>	65,700			
65,700					
Amount over (under) adjusted base amount	<table style="margin-left: auto; margin-right: 0; border-collapse: collapse;"> <tr> <td style="text-align: right; border-bottom: 3px double black;">\$ (7,910)</td> </tr> </table>	\$ (7,910)			
\$ (7,910)					

## **AUDITOR'S COMMENTS**

### **STATUTE COMPLIANCE**

The required disclosure on compliance with Nevada Revised Statutes (NRS) and the Nevada Administrative Code (NAC) 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 in the prior year. Expenditures were monitored during the current year to avoid over-expenditures in accordance with NRS.

### **PRIOR YEAR'S AUDIT RECOMMENDATIONS**

See the Summary Schedule of Prior Audit Findings on page 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 \$85,030 worth of expenditures for the general government and intergovernmental functions.

### **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.