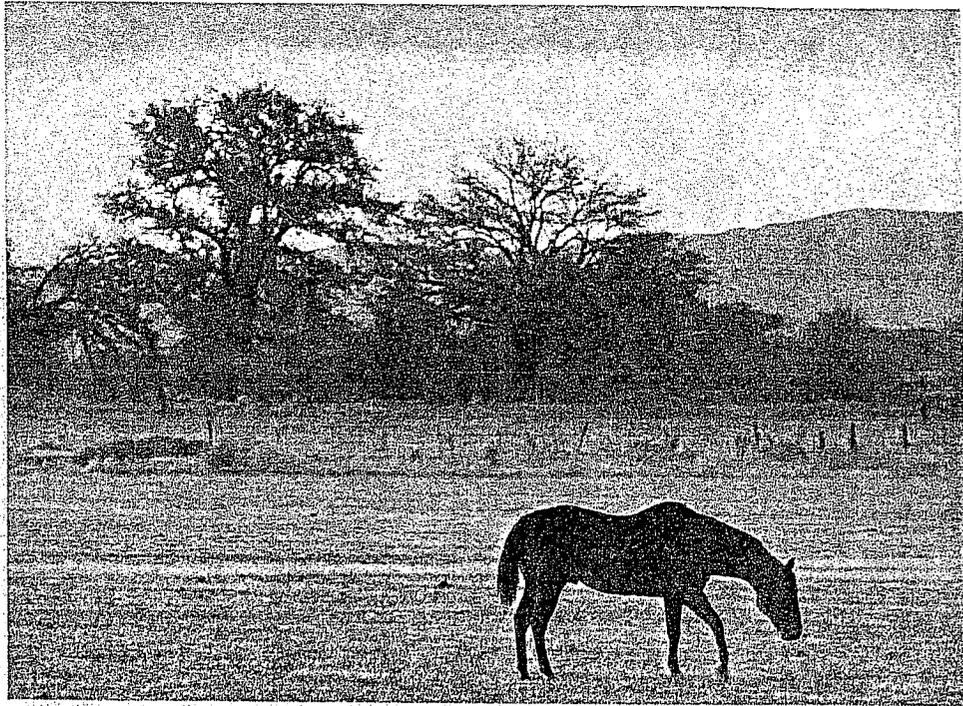


CHURCHILL COUNTY, NEVADA



By Kim Lamb

Comprehensive Annual Financial Report

Year Ended June 30, 2007

CHURCHILL COUNTY, NEVADA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2007

PREPARED BY COMPTROLLER'S OFFICE
ALAN F. KALT, CPA COMPTROLLER
CHURCHILL COUNTY, NEVADA
155 N. TAYLOR STREET, SUITE 182
FALLON, NEVADA 89406
WWW.CHURCHILLCOUNTY.ORG

CHURCHILL COUNTY, NEVADA
JUNE 30, 2007

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INTRODUCTORY SECTION - UNAUDITED

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Churchill County Comptroller

155 N. Taylor Street, Suite 182, Fallon, Nevada 89406-2748
(775) 428-1414 • Fax (775) 428-0270
E-mail comptroller@churchillcounty.org

November 30, 2007

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, 2007.

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. 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, Project Food providing supplemental groceries, 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 offenders in its detention facility.

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, three major special revenue funds, 27 non-

major special revenue funds, four major proprietary funds, two non-major proprietary funds, four non-major capital projects funds, one debt service fund, one investment trust fund, and 16 agency funds.

Local Economic Condition and Outlook

Churchill County's most recent population as certified by the Governor on February 15, 2007, as of July 1, 2006 is 27,371. This reflects a 3.0% increase over the prior year population of 26,585. The city of Fallon's population is 8,299 compared to the prior year of 8,339. 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 in current year. In the year just ended June 30, 2007, taxable sales demonstrated a decrease from \$324.6 million to \$306.4 million. This decrease represents an overall decrease of 5.61%. As noted in the chart below, this is the first decrease in the past 6 years.

TAXABLE SALES

Fiscal Year Ended		Taxable Sales	Prior Year Change	Percentage Change
6/30				
1999	\$	220,504,520	\$	-
2000		222,296,949	1,792,429	0.81%
2001		213,005,794	(9,291,155)	-4.18%
2002		220,679,253	7,673,459	3.60%
2003		226,454,294	5,775,041	2.62%
2004		238,731,811	12,277,517	5.42%
2005		279,114,753	40,382,942	16.92%
2006		324,645,606	45,530,853	16.31%
2007		306,426,359	(18,219,247)	-5.61%

A review of the trends in taxable sales for the top ten business codes indicates a decrease in the amount of sales in automotive dealers down \$6.9M or 10.7%, geothermal expansion down \$6.5M or 76.5%, food stores down approximately \$0.2M or 1.6%, wholesale durable goods down \$5.5M or 24.1%, building materials down \$6.7M or 20.0%, home furnishing down \$4.5M or 38.6% and miscellaneous retail down \$1.9M or 7.8% due to changes in classifications of businesses from the prior year. Increases were noted in the general merchandise stores up \$4M or 7.1%, and eating and drinking establishments up \$2.2M or 7.5%. Increases and decreases were seen in the other business codes. Higher interest rates for housing, automobiles and big ticket items hampered taxable sales for these items. The development of new geothermal resources, commercial and residential development in the prior year accounted for a significant amount of one-time taxable sales related to this growth in FY 2006. The real estate economy and housing starts decreased during the year ended June 30, 2007. The credit crunch affected the local real estate pricing and foreclosure market. The Churchill Economic Development Authority (CEDA) is working on securing additional retail and industrial businesses to the area to stabilize the tax base.

Conflicts over state distribution of intergovernmental revenues have continued to be among the main topics for review and change over the past three 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 breakdown is as follows for fiscal year 2006-2007: County 75.42%, City of Fallon 20.91%, Carson-Truckee Water Conservancy 0.11% and Churchill Mosquito and Weed Abatement 3.56%. The CTX revenue was \$8,691,601, compared to \$9,261,307 in the prior year, which was an decrease of (\$569,706) or (6.15%). This is off the record level for CTX in the prior fiscal year.

CONSOLIDATED TAX DISTRIBUTION

Fiscal Year	BCCRT	SCCRT	Cigarette Tax	Liquor Tax	RPTT	MVPT	Total	% Change
2000	1,142,095	3,627,378	213,232	31,291	69,690	981,230	6,064,916	
2001	1,149,677	3,625,670	219,515	30,990	68,212	945,293	6,039,357	-0.42%
2002	1,122,700	3,517,110	195,194	28,713	74,769	1,062,105	6,000,591	-0.64%
2003	1,183,078	3,723,804	200,595	29,194	100,901	1,163,178	6,400,750	6.67%
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%

The overall decrease in the CTX distribution is primarily a result of reduced levels of taxable sales based collections (BCCRT and SCCRT) being down approximately \$354,406 or 4.86%. In addition, the Real Property Transfer Tax (RPTT) decreased \$187,615 or 55.1% due to lower home values and a sluggish local real estate market. This decrease is due in part to fewer homes being sold and the high levels of sales when the real estate market peaked in FY 2005-06. The slight decrease in Motor Vehicle Privilege Tax (MVPT) of \$22,112 or 1.6% is due to the related decrease in autos values and taxable sales. MVPT is based on the vehicle value at registration or renewal of vehicle license plates. 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, Water Resources, 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.

ASSESSED VALUE

Fiscal Year	Assessed Value	Estimated Actual Value	% Change
1999	\$ 396,478,377	\$ 1,058,509,649	-
2000	398,226,147	1,126,360,420	0.44%
2001	403,920,033	1,143,200,094	1.43%
2002	409,762,377	1,161,606,791	1.45%
2003	429,459,479	1,209,884,226	4.81%
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%

Individual residential construction in the county continued with 70 new single-family dwelling building permits issued during the period of July 1, 2006 to June 30, 2007, at a value of \$13,561,490, a decrease from the prior year of \$15,090,147. Commercial building permits issued were valued at \$4,169,508 during the year, which was up from the prior year's pace of \$3,302,870. There has been an upswing in assessed values as the assessment replacement factors have increased as well as significant increases in land values leading to the housing market price appreciation. The assessed values lagged the significant real estate market increases from FY 04-06. This increase in value is subject to tax abatement as discussed below.

The State Constitution limits total taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the county, the county school district, the State, and any other city, town or and special district) to an amount not exceeding \$5 per \$100 of assessed valuation of the property taxed. The combined overlapping tax rate is further limited, by statute, to \$3.64 per \$100 of assessed valuation in all counties of the State with certain statutory exceptions. The 2004 Legislature passed Assembly Bill 489 which caps the amount of increase in property taxes for residential housing to 3% and 8% for commercial and industrial properties in any one year. Any taxes above the cap will be abated to the taxpayer. In spite of a tax rate reduction in FY 2007, 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 statutes. The property tax rate increase in Budget 2008 will primarily generate revenue from new construction only as existing homes are limited to the property tax caps.

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

	PROPERTY TAX RATES					
	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008
Churchill County	1.1006	1.1031	1.1150	1.1250	1.1250	1.1750
C.C. School District	1.3700	1.3700	1.3700	1.3700	1.3500	1.3500
State of Nevada	0.1500	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)	2.7006	2.7231	2.7350	2.7450	2.7250	2.7750
Percentage Increase (Decrease)	-	0.83%	0.44%	0.37%	-0.73%	1.83%

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 not been fully funded at \$.75 per acre. This revenue has been classified 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 \$1,157,509. It was apportioned to the following funds: General Fund, Road, Cooperative Extension, Library, Parks and Recreation, Risk Management, Compensated Absence, Water Resources and Building Reserve Funds.

MAJOR INITIATIVES

In preparing the 2007 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.

Project Food

The Social Services department continues the Project Food Program in a collaborative effort with various local agencies and businesses. Project Food is a community development project in which people work together and pool their money and time in order to receive a greater amount of nutritious food into needy households. Each month an average of 70 families participate in this program. Participants volunteer a minimum of two hours per month and donate \$15.00 to receive a food basket, which includes 2-3 meats from a local butcher, a \$5.00 gift card to Safeway's Supermarket and additional package items that compliment the food package. The monthly food packages have an estimated value of at least \$50 per month. Additional community food programs include the Holiday Food Basket program that serves over 400 meals for families during the holiday season.

In 2007, the Project Food Program expanded to offer Backpack for Youth Food Program. The program has been designed to assist in filling the gaps of the school district's breakfast and lunch program. The backpack program provides meals for up to 50 children per week when they are not in school or other community meal programs are not available. This program was made possible by funding through United Way of Northern Nevada and the Community Services Block Grant Program.

Transitional Housing

In 2003, Churchill County Social Services began serving homeless residents through the transitional housing program that is designed to assist individual 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 including individuals obtaining a GED, starting a local moving company, and furthering their education by participating in classes at the local community college. Four families have completed this program and have become 100% self-sufficient.

The short-term transitional housing program which is an intensive stabilization program that assists families or individuals for up to fourteen days in a motel room with housing counseling has assisted over seventy families in obtaining and maintaining safe adequate housing for a minimum of 60 days, through short and long-term enhancement plans.

In January 2006, a new housing program was put into effect. Through new funds received through Western Nevada Housing Consortium, two families every six months will receive reduced rents and housing counseling to better stabilize their housing situations. Through collaborations within the community, the families and individuals will learn how to address and avoid situations in the future that put them in a homeless or an at risk homeless situation.

Churchill County Housing / Impediments Needs Analysis

During the 2007 Community Development Block Grant Program, Churchill County was successful in accessing fund to move forward in a housing needs assessment for the community. The assessment was not only to have a look at housing, wages and the primary demographics of the community members but was to gather past trends to look at future needs in housing. Through the full assessment, recommendations were made as to the affordable housing needs that will need to be present within our community and possible solutions to those needs for the next 10 years.

Western Regional Youth Facility in Silver Springs

Churchill County has been an active partner in the development of a regional youth facility 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. During the 2001 Legislative session, the state approved funding for a female juvenile correctional facility called Aurora Pines located adjacent to the China Springs facility in Douglas County. This facility opened in July, 2002. Churchill County has access to use the facility and is required to assist in funding operations. In 2002, the Churchill County Juvenile Probation Department created the Regional Aftercare Treatment Services (RAFTS) Program to support the youth exiting the Western Regional Youth Facility program. In the RAFTS program, youths receive ten hours of aftercare services each week for a period of six months following discharge from a treatment facility. The RAFTS program also has a parent component requiring parents to attend parenting classes and meet with the RAFTS Coordinator on a weekly basis to resolve family issues and concerns. These programs continue to be successful. The Western Regional Youth Facility has been operating at or near capacity during the fiscal year.

Wilderness Program

In 2007, the Churchill County Juvenile Probation Department was awarded \$40,000 through the Churchill Community Coalition for the Leadership and Resiliency Program (LRP) which included an additional \$20,000 to incorporate a Youth Summer Employment Program. The LRP program is a model program that has undergone scientific evaluation that has proven it to be effective in reducing delinquent behavior. LRP is operated twice a year, each program being conducted for six months. The components of the Youth Summer Employment Program included 20 hours of employability skills training and a 125 hour aid work experience within the community. Many local businesses participated in the program.

Methamphetamine Prevention Program

As a Churchill Community Coalition member, Churchill County participated in a number of methamphetamine prevention forums for the community at large. The Juvenile Probation department conducted prevention classes in four of the five elementary schools, the junior high and the high school. Churchill County is actively participating in a statewide effort to reduce methamphetamine use in the state.

County Library Planning Grant for Expansion

The County was awarded a Community Development Block Grant and contracted with an architectural firm to develop a Library expansion plan. The library has held numerous fund raisers for the building project and currently has over \$350,000 in the Library Gift and Donation Fund for the fiscal year ending June 30, 2007. The library had a record year for the number of items that were checked out as well as people using the facilities. The use of free internet access has proven to be very popular as travelers seek to catch up with their e-mail at the computer kiosks. The library added wireless internet access this last year, and each month its usage increases. In early 2008, through a grant from the Bill & Melinda Gates Foundation and matching funds from the community, the library will make available wireless laptop computers to patrons and visitors.

County Museum Expansion

The Churchill County Museum in connection with the Museum Association has completed some building improvements to the main room and heating and cooling system in the addition. 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. Program expansions included "Senior College" which includes a history field trip to Fort Churchill State Park and Lahontan Dam, Teacher's In-service, publication of In Focus Volume #10 relating to ranching and rodeos and over 1,500 new objects donated to the Museum during the year.

Desert and Community Clean-up Efforts

A non-profit group Churchill Desert Defense Coalition (CDDC) has been organized this year to take the lead in cleaning up dump sites on public lands. Three major sites have been cleaned up this calendar year and the County has provided assistance in the provision of tools and a flatbed trailer. The CDDC has collected several donations to date and is hoping to access State and Federal funds to expand this community and open space clean-up effort.

Orthophotography and GIS Upgrades

Orthophotography continues to be a very important planning tool. In April 2007, the County participated in a contract with Washoe County to obtain aerial photos of a portion of the county. It is anticipated that, if this contractual agreement is successful, we will fly portions of the County annually to keep the orthophotography current. The orthophotography obtained in October 2005 is being used extensively in planning for roads, utilities, infrastructure and facilities, appraisal and assessment planning. The parcel base map and the aerial photos have been rectified to ensure a more exact overlap exists. We continue to enhance the GIS system and will continue to expand its applications.

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. The County received over \$580,000 in the fiscal year ending June 30, 2007. The revenue was apportioned to the Road Department Equipment Replacement Program, the Building Reserve, as well as funding for long term liability of compensated absences.

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 some surface water rights and 2,649 acre feet of underground water rights on 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 was 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 \$6,318,757.

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 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.

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 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 comprises 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 a day. Phase I is complete and became operational in August 2007. The system will initially serve 300 water and 250 waste water customers. During Fiscal Year 2007, a developer deeded their water and waste water system to the County. The system will be integrated into the phase I water and waste water project upon completion. This system has approximately 115 homes.

Capital Improvement Projects

Fiscal year 2007 saw a number of capital improvement projects completed throughout the County. The County continues to develop the water and waste water facilities. These projects are recorded in the enterprise operations of the County. Construction in progress is over \$9.2 million for the water utility and \$8.0 million on the waste water project. The County acquired land at 107 North Carson and 120 N LaVerne for building a professional office complex in the downtown area. The County acquired property for future economic development expansion along the major highway which is considered the Gateway for our Community. The County is looking for an appropriate business willing to relocate to Churchill County.

The County has completed the capital improvements on the first floor of the Historic Courthouse at a cost of nearly \$450,000. The space will be utilized by the Justice Court and be able to accommodate an additional courtroom when required. The County has also made a grant donation to the Churchill County Library in the amount of \$25,000 for their building fund. In addition, the County has made donations to the Museum for their expansion program and assisted in repaving the parking lot with the Museum Association.

The county made a substantial investment in its equipment replacement program. The Sheriff's Office replaced 4 patrol vehicles costing over \$110,000; the Fire Department purchased two new brush trucks totaling over \$350,000 and other essential equipment was purchased as approved by the Board of County Commissioners. The Road Department established an Equipment Replacement Program with funding and procured over \$1.2M worth of new and used equipment necessary to build and maintain roads. The road equipment was purchased using geothermal rents and royalties, charges for services, sale proceeds of old equipment and greater than anticipated revenues.

Several road projects were completed with gas tax revenues. A summary of completed projects include: South Crook Road chip seals, St Clair Road, Rio Vista, South Allen Road asphalt overlays, culvert projects at Old River Road and Rogers Road, St. Clair bridge replacement at Conrad Road and various other road improvements.

CC Communications: Enterprise Operations

The County owned and operated enterprise operations of CC Communications have been vital to the support of the County over the past 100 plus years of operations. CC Communication continues to provide home grown world class service for telephone, wireless, Internet, and broadband to customers within the County. During the past year, the Telephone operations implemented a new billing system that better serves the customers. New technologies and improvements have been made to provide a superior product. One such service is Fiber To The Home (FTTH). Other projects include Phase II of Highway 50 with fiber additions, and development of Controlled Environment Cabinet, CEC's, to store electronic fibers and controls to provide service to the customers. CC Communications is closely watching the regulatory and legislative issues that will affect the future of the telecommunications industry.

CC Communications-Wireless has increased capital spending to increase the number of cell sites and upgrade existing sites with new technologies. The upgrades has assisted in the competitive position and increased customer growth and roaming on the CC Communications networks.

CC Communications-Long Distance has rolled out additional calling plans and long distance bundles to meet the needs of the competitive marketplace. There has been an exceptional take rate on the new bundles by the existing customers. However, Long Distance sees a decrease in the number of customers as customers move to other technologies for these services such as wireless and voice over internet.

CC Communications-Broadband has seen an increase in the number of customers for the OnNow! video product. CC Communications continues to make investments in content and accessing channels to remain competitive with similar video providers. Furthermore, capital improvements have been made to the system to expand the service area in Churchill County for OnNow! During the past year, the internet business as an internet service provider, ISP, was moved into the Broadband enterprise fund.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the County's accounting system, consideration was given to the adequacy of internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of such costs and benefits requires estimates and judgments by management. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In addition, the accounting system must provide sufficient information to ensure compliance with statutory budgetary controls and applicable laws, and regulations relating to federal, state, and local financial assistance. The budget is prepared on the accrual or modified accrual basis as appropriate for the fund involved, in accordance with statutory requirements. Annual operating budgets are required for all funds except agency funds. Capital transactions within proprietary funds, and debt service payments and transfers, are included in the annual budget. However, these items are not subject to statutory budget limitations.

Budgetary controls over expenditures are specified by statute at the function level. The budget is integrated into the accounting system to provide adequate budget to actual comparisons throughout the year.

As part of the County's single audit, tests were made of the government's internal control structure and of its compliance with applicable laws and regulations, including those related to federal financial assistance programs. Although this testing was not sufficient to support an opinion on the government's internal control system or its

compliance with laws and regulations related to federal financial assistance programs, the audit disclosed no material internal control weaknesses or material violations of laws and regulations. The related auditor's reports are included in the compliance section of this report.

CASH MANAGEMENT

The County is authorized by statute to invest in bonds or other obligations of the United States Treasury, its agencies and instrumentalities, bonds of the State of Nevada, obligations of other local governments of the State of Nevada, certificates of deposit and bankers acceptances, and obligations of other state and local governments if they are rated "A" or better by one of the nationally recognized bond credit rating agencies.

The County internally pools its funds and invests its excess cash with the State of Nevada Local Government Investment Pool and Wells Fargo Investment Services, and Wells Fargo Custodial Money Market Agency. These investments provide liquidity, security and excellent rates of return. All interest earned is allocated back to each fund based on its monthly fund balance. See details of cash and investments in Note 3 of the financial statements.

RISK MANAGEMENT

The County funds a self-insurance program for unemployment claims. The County has a contract with State of Nevada Department of Employment Security to pay claims that have been approved. The County reimburses the State for payments made on our behalf. The ending fund balance for the Unemployment Compensation Fund as of June 30, 2007 is \$388,094. 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 an insurance pool under the Nevada Interlocal Cooperation Act for property, liability and related insurance. The Nevada Public Agency Insurance Pool is a public entity risk pool currently operating as a common risk management and insurance program for its members. The County has also entered into an agreement with PACT (Public Agency Compensation Trust), a self-insured association for worker's 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. Adequate insurance coverage is maintained for all other traditional areas for risk or concerns. See the related notes to the financial statements for more details.

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, 2006. This was the third 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 Sherry Wideman, Sharon Chicvara, Ben Adams, and Mary Byrd. Thanks to Kelly Helton, Clerk/Treasurer and Norma Green, Assessor for all their efforts. Thanks also to the dedicated professional staff from Kafoury, Armstrong & Co., 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, 2007**

ELECTED OFFICIALS

	*	
District 1: Commissioner	2009	Norman Frey
District 2: Commissioner	2011	Gwen Washburn
District 3: Commissioner	2009	Lynn Pearce
County Clerk/Treasurer	2011	Kelly Helton
County Recorder	2011	Vickie Tripp
County Assessor	2011	Norma Green
District Attorney	2011	Arthur Mallory
Justice of the Peace	2013	Michael Richards
Sheriff	2011	Richard Ingram

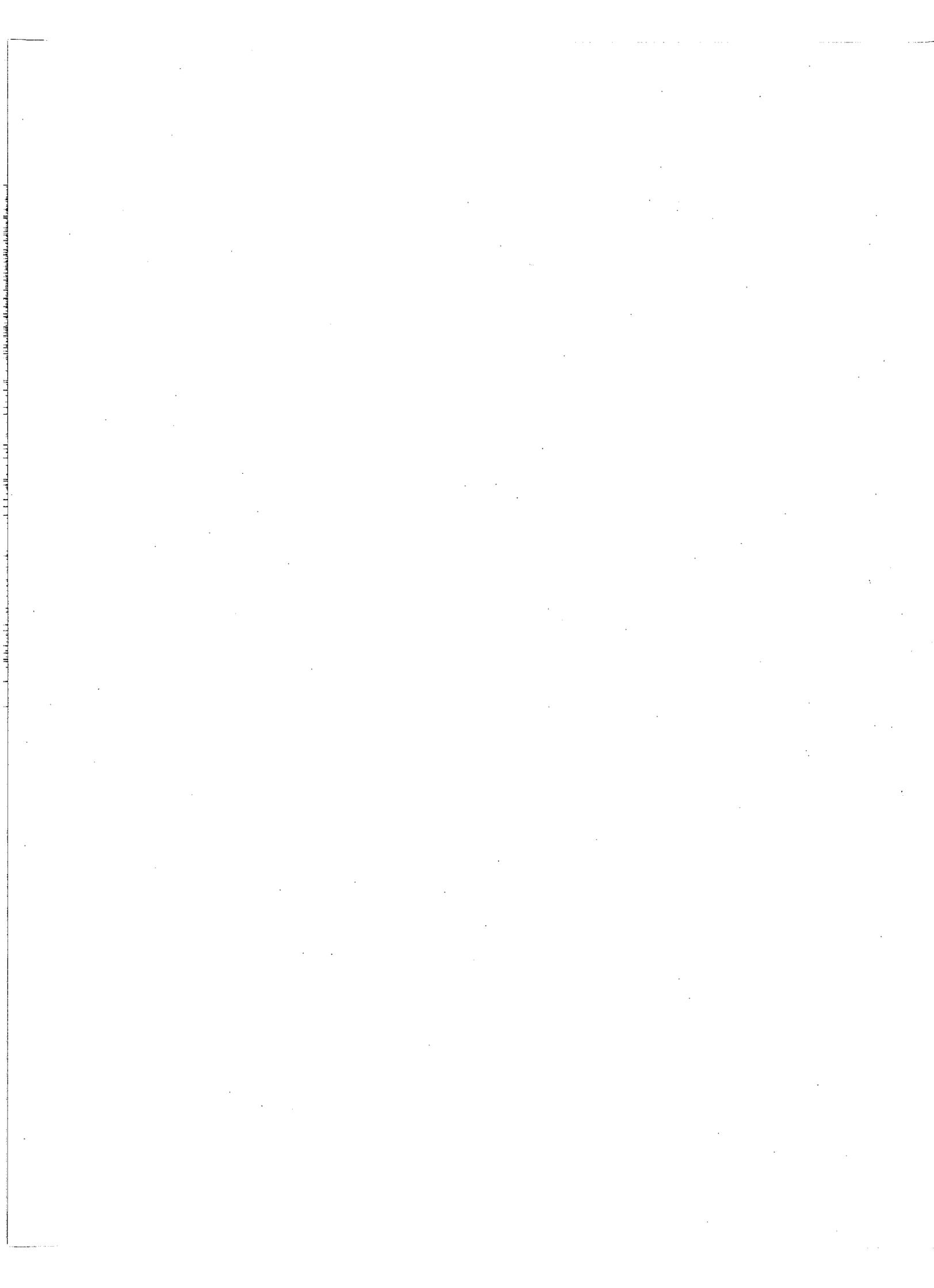
*Term expires first Monday in January of the year indicated

APPOINTED OFFICIALS-GENERAL COUNTY

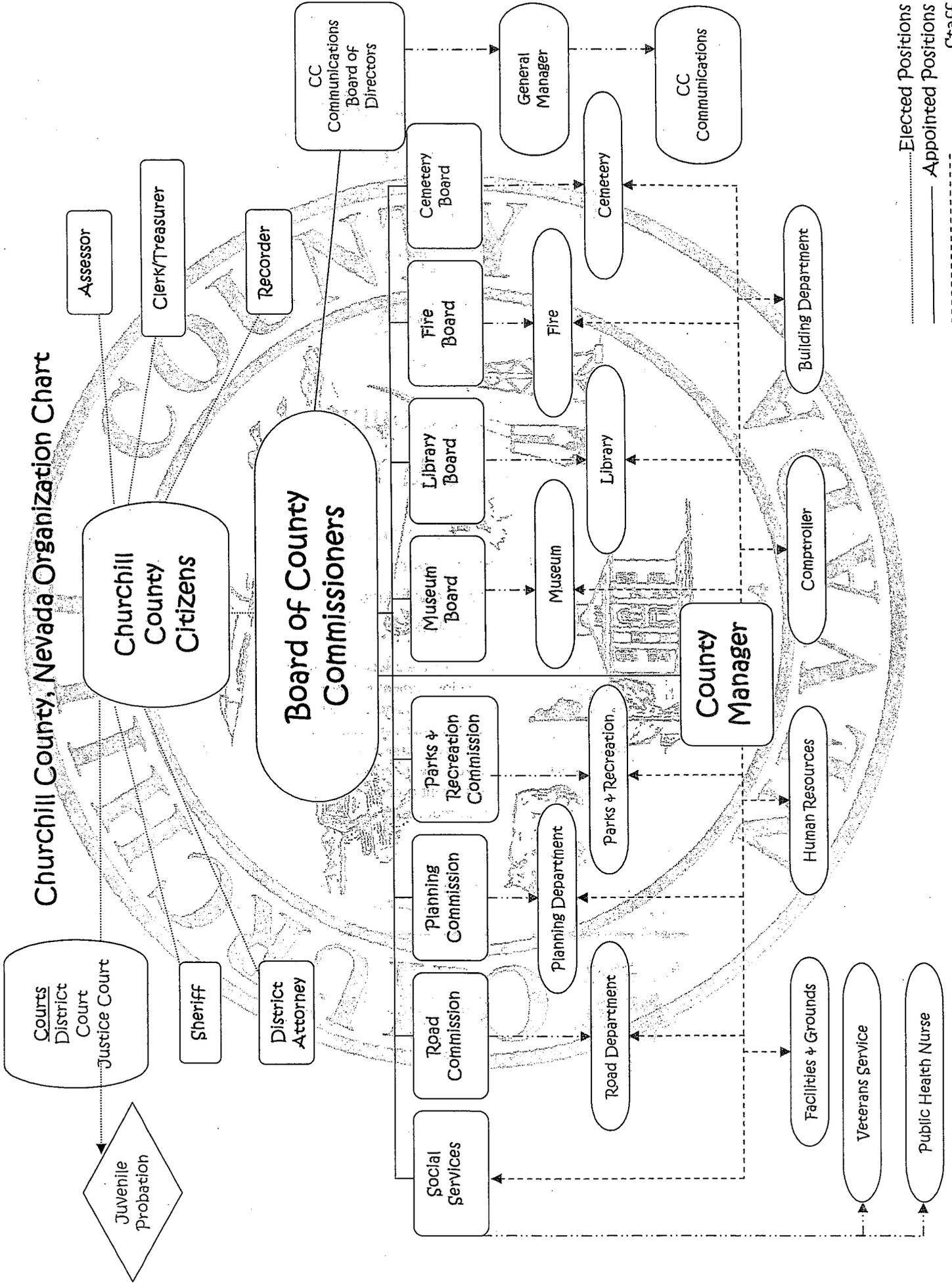
County Manager	Brad Goetsch
Building Official	Cliff Van Woert
Facilities & Grounds Supervisor	Gary Gulden
Comptroller	Alan Kalt
Capital Projects/Engineering	Milorod Stojicevic
HR/Personnel Director	Geof Stark
Chief Juvenile Probation Officer	DeVere Karlson
Library Director	Barbara Mathews
Museum Director	Jane Pieplow
Director of Parks & Recreation / Sexton	Jorge Guerrero
Planning Director	Eleanor Lockwood
Road Supervisor	Patti Lingenfelter
Social Services Director	Shannon Ernst

APPOINTED OFFICIALS-CC COMMUNICATIONS

General Manager	Robert Adams
General Counsel & Director of Regulatory Affairs	Mark Feest
Operations Manager	John Powell
Chief Financial Officer	Lorrie Ford
Human Resources Manager	Jane Jenkins
Marketing and Customer Service Manager	Dale White
Information Technology Supervisor	Don Travis



Churchill County, Nevada Organization Chart



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

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, 2006

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



Oliver S. Cox

President

Jeffrey R. Emery

Executive Director

FINANCIAL SECTION

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

Independent Auditor's Report

To the Honorable Board of Commissioners of
Churchill County, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Churchill County, Nevada, (the "County"), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Road Fund, and the Water Resource Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2007, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages M-1 through M-12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respect in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Kafoury, Armstrong & Co.

Fallon, Nevada
November 30, 2007

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CHURCHILL COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

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 unqualified opinion on the financial statements, the best opinion that can be attained.
- Cash and investments of \$32,415,716 are available to meet current liabilities, including debt due within one year, of \$5,142,115. This is a conservative measure of cash and investments available to pay current obligations. The County's cash ratio is 6.3, meaning that the County has 6.3 times the unrestricted cash on hand to meet its current obligations. Last year's cash ratio was 2.2.
- The County's current assets for governmental activities exceeded current liabilities by \$22,899,709 and the current assets for business-type activities exceeded current liabilities by \$13,355,884 which is a strong indication of the County's ability to meet current obligations.
- Government-wide net assets equal \$127,059,206. Business-type activities contributed \$58,805,647 and governmental activities contributed \$68,253,559. The Business-type activities net assets grew by \$14,973,175 or 34% in the current year due to net revenues and contributions over expenses in Telephone \$617,798, Wireless \$2,229,786, Long Distance \$126,253, Broadband \$138,531. The development of the Waste Water and Water Utilities added \$1,467,866 and \$2,189,129 respectively to the increase in net assets. Tap fees collected of \$7,846,014 for future water and waste water connections increased business-type net assets. The governmental activities net assets increased by \$5,508,602 or 8.8% due to an increase in land and water rights associated with the purchase of conservation easements/transfer of development rights \$1,733,500, property purchase for development of professional office complex and economic development in the amount of \$766,192, purchase of road equipment \$1,304,885 in connection with the Road Equipment Replacement Plan, and the balance from overall operations.
- Capital assets, net of accumulated depreciation increased from \$88,854,770 to \$99,921,339. This increase of \$11,066,569 or 12.5% is due to increases of \$4,505,215 in governmental activity capital increases of which \$1,733,500 related to the purchase of conservation easement/transfer of development rights, purchase of property in the amount of \$766,192 and the purchase of road equipment in the amount of \$1,304,885. The business-type activities capital assets, net of depreciation increased by \$6,561,354 primarily as a result of construction in progress (CIP) for the water and waste water utilities. The CIP for the Utility fund was \$9,272,837 and \$834,888 in the Waste Water Fund. The CIP for the wireless was \$533,079 for improvements to the network. These increases were offset by current year depreciation.
- Total revenues increased 19.7% from \$58,582,708 to \$70,134,031. Program revenues were \$38,972,274 or 55.6% of the total. Program revenues increased by \$4,589,421 as a result of business activities. The Wireless operations had an increase of revenue of \$2,082,810. Capital grants and contributions increased by \$2,271,253 related primarily to the grants received in the Waste Water and Water business activities. General revenues increased to \$31,165,177 from \$22,851,482 an increase of \$8,313,695. The primary increase is due to tap fees of \$7,846,014 related to the future water and waste water hook-ups for future development. This increase was offset by a reduction in Consolidated Tax Distribution (CTX) in the amount of \$457,465.
- The County's primary general governmental revenue sources are ad valorem and consolidated taxes. These two revenue sources comprise 22.1% and 21.0% of countywide general revenues. New this year to the general revenues were tap fees collected in connection with the water and waste water utility systems. Tap fees collected were \$7,846,014 or 25.2% of general revenues. Ad valorem revenues increased by \$469,457 or 7.3% due to the increase in the valuation rate applied to assessed value. The property tax rate had a slight reduction \$2.745 to \$2.725 from the prior year. The assessed value increased as a result of higher land values, higher replacement cost facts from Marshall and Swift and increased level of new residential and commercial development. The consolidated tax revenues which includes sales tax revenues (SCCRT & BCCRT), Cigarette, Liquor Taxes, Real Property Transfer Tax and Government

Services Tax, decreased (\$457,465) or (6.53)% primarily due to decreases in taxable sales. Taxable sales related to residential and commercial development were off over 10% in the current period due to slowdown in the housing market.

- Total expenses were \$49,652,254, an increase of approximately \$2,492,358 or 5.3% county wide over the prior year. The governmental activities expenses were \$23,162,057 or 46.6% of the total expenses whereas, the business-type activities expenses were \$26,490,197 or 53.4% of the total expenses. The increase in governmental activities was \$1,491,176 or 6.9%. The largest functions are public safety, general government, public works, cultural and recreation and judicial. These account for 90.3% of the governmental activities. The increase in expense of the business-type activities was \$1,001,182 or 3.9% from \$25,489,015 to \$26,490,197. Telephone operations continue to be the largest business-type activity at 55% of the business-type activities. Wireless increased by \$1,640,917 or 27.8% due to capital improvements to the network and more roaming minutes paid to outside providers. There was a decrease of (\$736,890) or (38.3)% in the Long Distance due to a decrease in the number of subscribers and an increase of \$649,976 or 31.8% in the Broadband due to moving the internet service provider business into the Broadband fund as well as increases in the cost of content and access charges for Broadband television services.
- Current year revenues, including capital grants, interest and contributions, exceeded expenses by \$20,481,777. This indicates that current year operations did not rely on debt or reserves to provide resources for necessary services.
- At June 30, 2007, the County's governmental funds had a fund balance of \$23,468,876. The unreserved portion of Debt Service Fund was \$740,323; reserved for notes receivable was \$1,026,305 and the reserved portion for revenue shortfall was \$1,385,957. The unreserved fund balance of the General Fund was \$2,722,384 of which \$2,394,175 is designated as opening fund balance for the 2007-2008 fiscal year budget. The Unreserved fund balance total reported in Special Revenue Funds was \$14,247,770 and \$3,346,137 was unreserved in the Capital Projects Funds.

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 Assets* presents information on all assets and liabilities of Churchill County. The difference between the total assets and total liabilities is reported as "net assets". Over time, increases and decreases in net assets 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 assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, 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 and the utility operations. The funds included in CC Communications are Telephone Fund, Wireless Fund, Long Distance Fund, and Broadband Fund. The Utility Enterprise Funds include Water Utility and Waste Water Fund.

Fund Financial Statements

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

Governmental Funds

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

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

Churchill County maintains 36 separate funds that make up the governmental fund category. Information is presented separately in the governmental balance sheet and the governmental statement of revenues, expenditures, and changes in fund balance for the General Fund, and Road Fund because they qualify as major funds under the GASB 34 definition. Given the importance in our community of preserving and planning for our water resources, management believes that the activities of the Water Resource Fund should be classified as a Major Fund in the FYE 6-30-07 CAFR as it is of importance to the readers of the financial statements and provides comparability from year to year. Information for the remaining funds, which meet the definition of non-major funds, is aggregated into a single column for reporting purposes.

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

Proprietary Funds

Churchill County maintains only one type of proprietary funds, that being enterprise funds. Enterprise funds are used to account for functions presented in the business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its communication business type activities and its utility business-type activity. The four proprietary funds that qualify as major funds under the GASB 34 definition are CC Communications-Telephone Fund, CC Communications-Wireless Fund, Waste Water Fund and the Utility Enterprise Fund. Churchill County is one of the only counties in the United States that owns and operates a communications business type activity. This enterprise fund has been in operations over 100 years. CC Communications offers home grown world class services of telephone, wireless, internet, broadband and television to customers within Churchill County. CC Communications provides an annual in lieu of tax payment to the General County based on what a private company would likely pay in taxes. These payments are not program revenues as they are not restricted to specific funding or activities. These transfers are classified as other financing sources in the various financial statements. The Utility funds account for the business activities of the water and waste water operations.

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 23-40 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 41-117 of this report, with the statistical section immediately following.

Financial Statement Analysis

Government-Wide Financial Statement Analysis

Total assets as of June 30, 2007, net of accumulated depreciation of \$75,493,738, totaled \$141,640,956. Assets include cash/investments, receivables, prepaid items, and capital assets. The majority of Churchill County's net assets, \$90,595,848 (71%) are reflected as investment in capital assets net of related debt (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 long-term debt, totaled \$9,439,635. Liabilities also include payables and unearned revenue. A comparison of assets and liabilities for the government-wide financial statements reflected net assets of \$127,059,206. The following table is provided to enhance analysis.

CHURCHILL COUNTY NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 25,545,319	\$ 28,755,147	\$ 15,852,389	\$ 11,209,226	\$ 41,397,708	\$ 39,964,373
Noncurrent assets	217,394	249,322	104,515	37,655	321,909	286,977
Capital assets	48,136,419	43,631,204	51,784,920	45,223,566	99,921,339	88,854,770
Total Assets	\$ 73,899,132	\$ 72,635,673	\$ 67,741,824	\$ 56,470,447	\$ 141,640,956	\$ 129,106,120
Current liabilities	\$ 2,645,610	\$ 6,471,514	\$ 2,496,505	\$ 6,008,008	5,142,115	12,479,522
Noncurrent liabilities	2,999,963	3,419,202	6,439,672	6,629,967	9,439,635	10,049,169
Total Liabilities	\$ 5,645,573	\$ 9,890,716	\$ 8,936,177	\$ 12,637,975	\$ 14,581,750	\$ 22,528,691
Net Assets:						
Invested in capital assets						
net of related debt	\$ 45,563,408	\$ 40,304,859	\$ 44,973,324	\$ 38,092,591	90,536,732	78,397,450
Restricted	11,546,731	9,553,433	-	36,700	11,546,731	9,590,133
Unrestricted	11,143,420	12,886,665	13,832,323	5,703,181	24,975,743	18,589,846
Total Net Assets	\$ 68,253,559	\$ 62,744,957	\$ 58,805,647	\$ 43,832,472	\$ 127,059,206	\$ 106,577,429

The governmental and business-type activities for fiscal year 2006-2007 are presented in the Statement of Activities. As indicated on this statement, governmental activities increased net assets of Churchill County by \$5,508,602, thereby accounting for 26.9% of the total growth in net assets. The business-type activities increased net assets by \$14,973,175, accounting for 73.1% of the total growth. These increases were the result of the excess of revenues over expenses. Key elements of the increases are noted on the following table.

CHURCHILL COUNTY CHANGE IN NET ASSET

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 2,540,688	\$ 3,063,690	\$ 28,493,744	\$ 26,175,576	\$ 31,034,432	\$ 29,239,266
Operating grants, interest and contributions	2,367,856	1,661,058	-	-	2,367,856	1,661,058
Capital grants, interest and contributions	804,170	2,336,339	4,765,816	2,494,563	5,569,986	4,830,902
General revenues:						
Ad valorem taxes	6,877,814	6,408,357	-	-	6,877,814	6,408,357
Consolidated taxes	6,555,570	7,013,035	-	-	6,555,570	7,013,035
Other taxes	7,078,866	7,061,757	-	-	7,078,866	7,061,757
Unrestricted investment earnings	1,166,080	870,566	339,420	238,576	1,505,500	1,109,142
Other	1,279,615	1,241,191	7,864,392	18,000	9,144,007	1,259,191
Total Revenues	\$ 28,670,659	\$ 29,655,993	\$ 41,463,372	\$ 28,926,715	\$ 70,134,031	\$ 58,582,708
Expenses:						
General government	6,023,426	5,476,938	-	-	6,023,426	5,476,938
Judicial	2,908,455	2,707,588	-	-	2,908,455	2,707,588
Public safety	7,803,606	7,007,531	-	-	7,803,606	7,007,531
Sanitation	65,986	45,473	-	-	65,986	45,473
Public works	2,210,246	2,224,763	-	-	2,210,246	2,224,763
Health	191,090	187,735	-	-	191,090	187,735
Welfare	1,085,025	1,349,477	-	-	1,085,025	1,349,477
Culture and recreation	2,042,404	1,930,550	-	-	2,042,404	1,930,550
Community support	704,482	620,021	-	-	704,482	620,021
Intergovernmental	-	-	-	-	-	-
Interest and fiscal charges	127,337	120,805	-	-	127,337	120,805
Telephone	-	-	14,694,394	15,615,524	14,694,394	15,615,524
Wireless	-	-	7,543,354	5,902,437	7,543,354	5,902,437
Long distance	-	-	1,189,024	1,925,914	1,189,024	1,925,914
Broadband	-	-	2,694,643	2,044,667	2,694,643	2,044,667
Waste Water	-	-	269,812	236	269,812	236
Utility-Water	-	-	98,970	237	98,970	237
Total Expenses	\$ 23,162,057	\$ 21,670,881	\$ 26,490,197	\$ 25,489,015	\$ 49,652,254	\$ 47,159,896
Increase in Net Assets	\$ 5,508,602	\$ 7,985,112	\$ 14,973,175	\$ 3,437,700	\$ 20,481,777	\$ 11,422,812

Revenues: Total revenues of \$70,134,031 exceeded prior year revenue by 19.7%. Total governmental activity revenue decreased by (\$985,334) or (3.3)% while total business-type activity revenues increased by \$12,536,657 or 43.3%. General revenues, mainly comprised of various taxes and investment earnings, represent 33% 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 \$38,972,274 or 55% of total revenues. The increase of \$7,888,236 in other revenues was the result of \$7,864,302 in the tap fees collected for future water and waste water connections.

Expenses: Total expenses of \$49,652,254 exceeded prior year expenses by 5.3%. Total governmental activity expenses increased by \$1,491,176 or 6.9% while total business-type activity expenses increased by \$1,001,182 or 3.9%. The largest expenses in the governmental activities were incurred Public Safety, General Government, 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 56% of total business-type expenses. The reduction in Telephone expense is related in part to the classifying the internet service provider business in the Broadband fund and a reduction in land line usage as more and more subscribers are using wireless phones. The increases in wireless expenses are due to more roamer minutes paid to outside carriers.

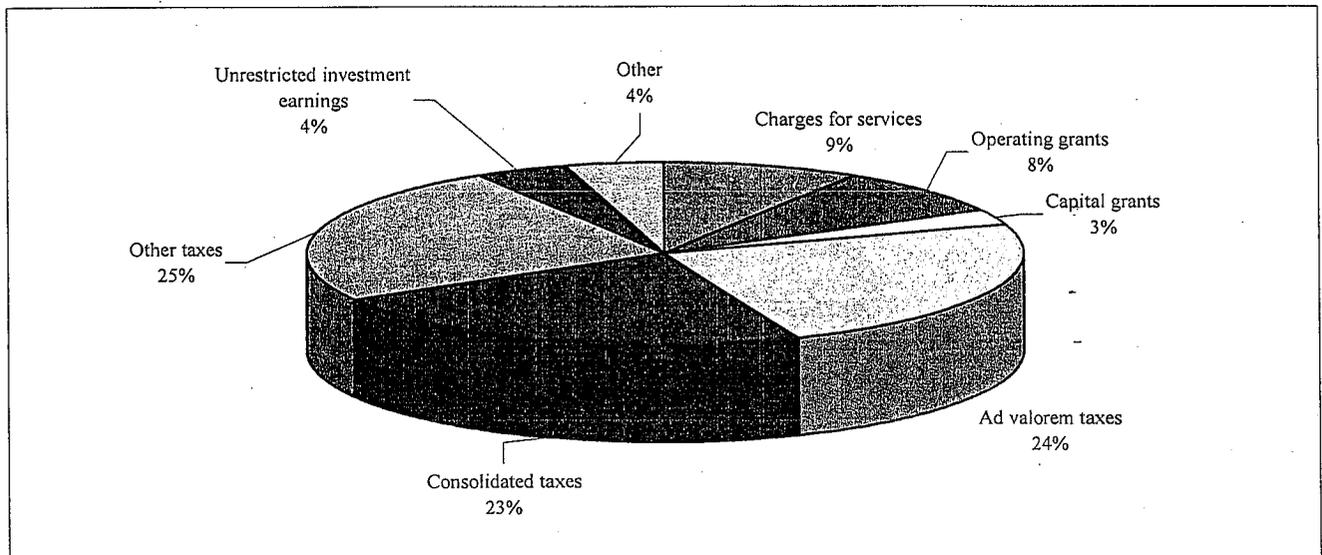
Governmental Activities

Total program revenues and expenses for governmental activities amounted to \$5,712,714 and \$23,162,057, respectively, for the 2006-2007 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 decreased by 17.2% as there were a significant reduction in the number of commercial and residential building permits due to the slowdown in the real estate and construction economy in Churchill County. Capital grants decreased by \$1,532,169 as a result of the County receiving a \$1,966,775 grant related to the purchase of Soda Lake 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 30%, 28.6% and 30.8% of countywide general revenues. Ad valorem revenues increased by \$469,457 or 7.3% due to the increases in the assessed values due to growth in commercial, industrial and residential activities. The property tax rate had a slight reduction from \$2.745 to \$2.725. The consolidated tax revenues decreased (\$457,465) or (6.52)% due to decreases in level of taxable sales primarily from the slowdown in commercial, industrial and residential growth. Other taxes increased \$41,844 or 3.4% due to increase in level of activity.

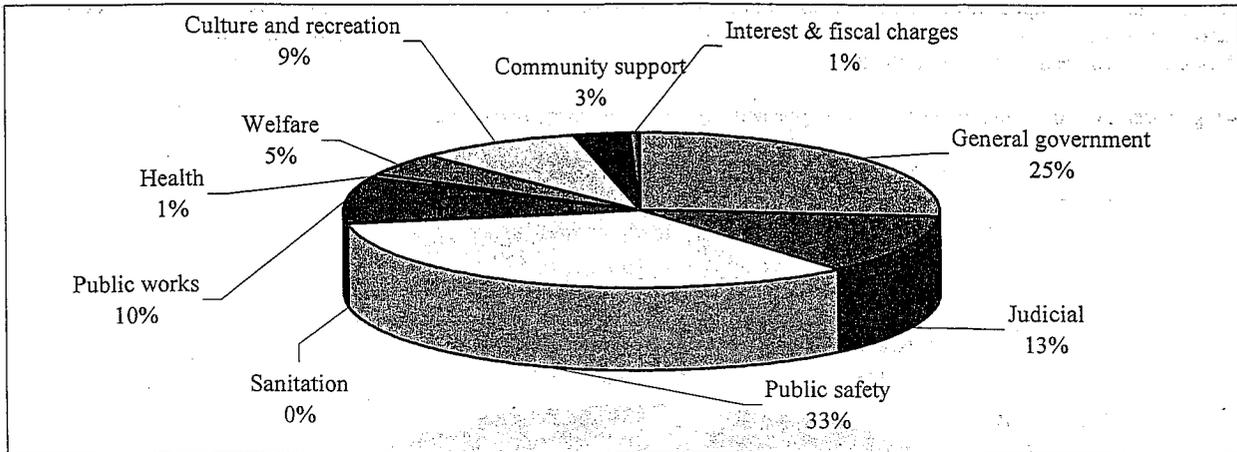
As illustrated on the following chart, other taxes are the largest revenue source at 24%, followed by consolidated taxes at 23%, ad valorem taxes at 22%, charges for services at 10% and capital grants at 8%.

Revenues by Sources - Governmental Activities

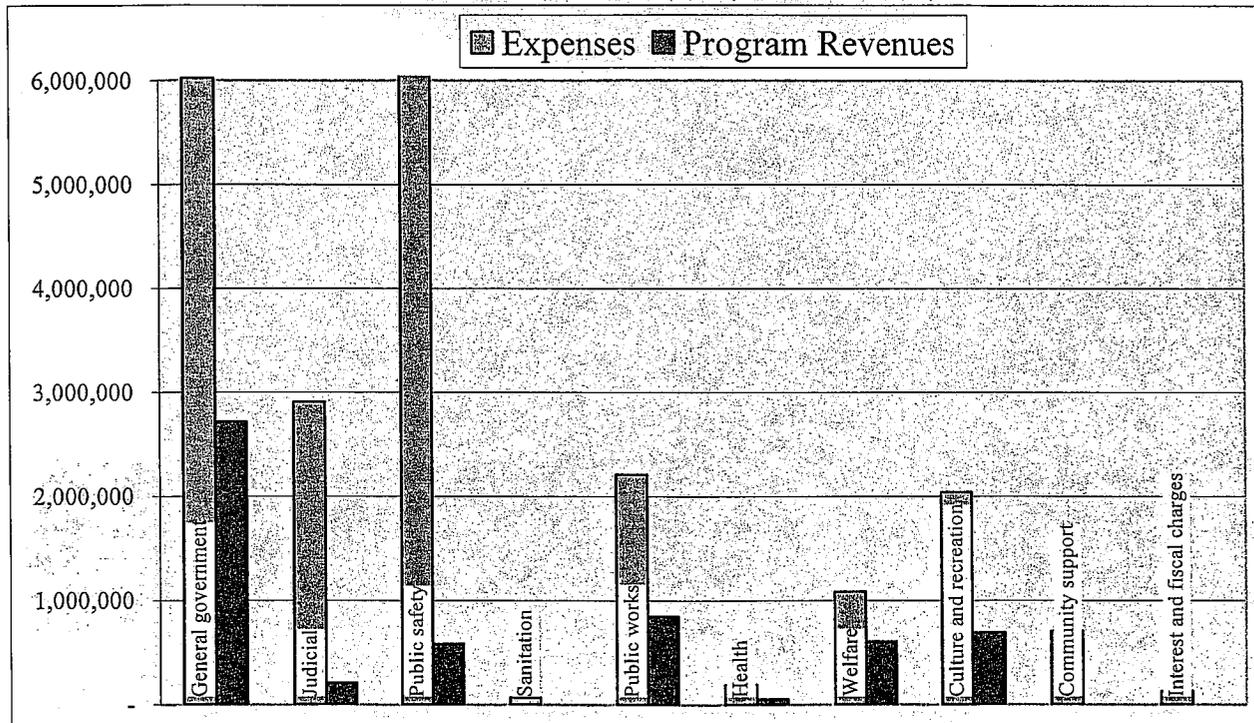


As noted, total governmental activities expenses were \$23,162,057 in the current year compared to \$21,670,881 in the prior year. Public safety, which is comprised of the Sheriff, detention facility, juvenile probation, dispatch, and fire department, constitutes the largest cost to the County at \$7,803,606 or 33.7% of the total governmental activities expenses. This is up 11.3% from the prior year. The increase is primarily due to increases in personnel and personnel cost for merit wage increases (2.5%) and a general wage adjustment of 2.5%. Increases were noted in employee benefits with the largest in the health insurance cost. Capital additions were approximately \$375,000. 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 \$6,023,426 or 26.0% of the total governmental activities expenses. This is an increase of \$546,488 or 9.9% over the prior year. Increases were noted due to additional personnel and personnel cost increases similar to those in the public safety function. Public works had expenses of \$2,210,246 or 9.5% of the total governmental activities expenses. This slight decrease is due to timing of projects completed during the year as well as a reduction in the amount of gas tax collected during the year. The judicial function expenses were \$2,908,455 or 12.6% of the total governmental activities expenses. They increased by \$200,867 or 7.4% due to an increase in the number of professional and support staff serving in the District Attorney's Office as well as increases in wages, employee benefits and court related cost due to increased court case loads. The other functions had similar levels of program expenses during the past two fiscal years. See the detailed statements for further details.

Expenditures by Function - Governmental Activities



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



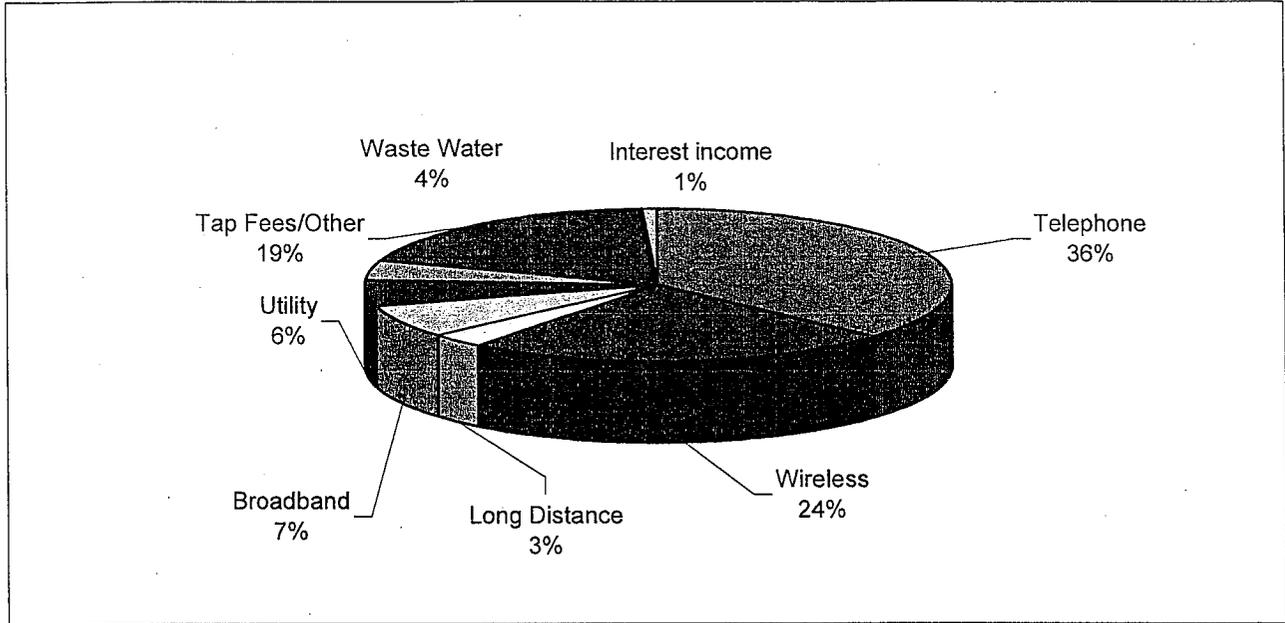
Business-Type Activities

Business-type activities include the operations of CC Communications and the water and waste water utility enterprise operations. There are four Business-type Activities within CC Communications: Telephone, Wireless, Long Distance and Broadband. Total revenues and expenses are \$29,233,783 and \$26,121,415, respectively, for CC Communications business-type activities for the 2006-2007 fiscal year which results in an increase in net assets of \$3,112,368. The total revenues for CC Communications business-type activities increased slightly from the 2005/2006 fiscal year by \$3,058,207 or 8.4%. Telephone revenues decreased by (\$179,660) or (1.2%), due to a decrease in the number of subscriber lines and the transfer of the internet business to the Broadband fund. Operating expenses declined due to decreases in plant specific and customer operation expenses. CC Communications continues to implement new technologies and improvements to address competition. One such service is fiber to the home (FTTH). Wireless revenues increased by \$2,082,810 or 27.1% due to increases from service charges due to an increase in the customer base. The costs per minute roamer charges continue to decrease as the minutes of use continue to increase. The roamer revenue continues to increase despite the lowering of the per minute charge. Operating expenses increased in conjunction with increasing wireless revenues. Long distance revenues decreased by (\$1,014,893) or (43.6%), 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

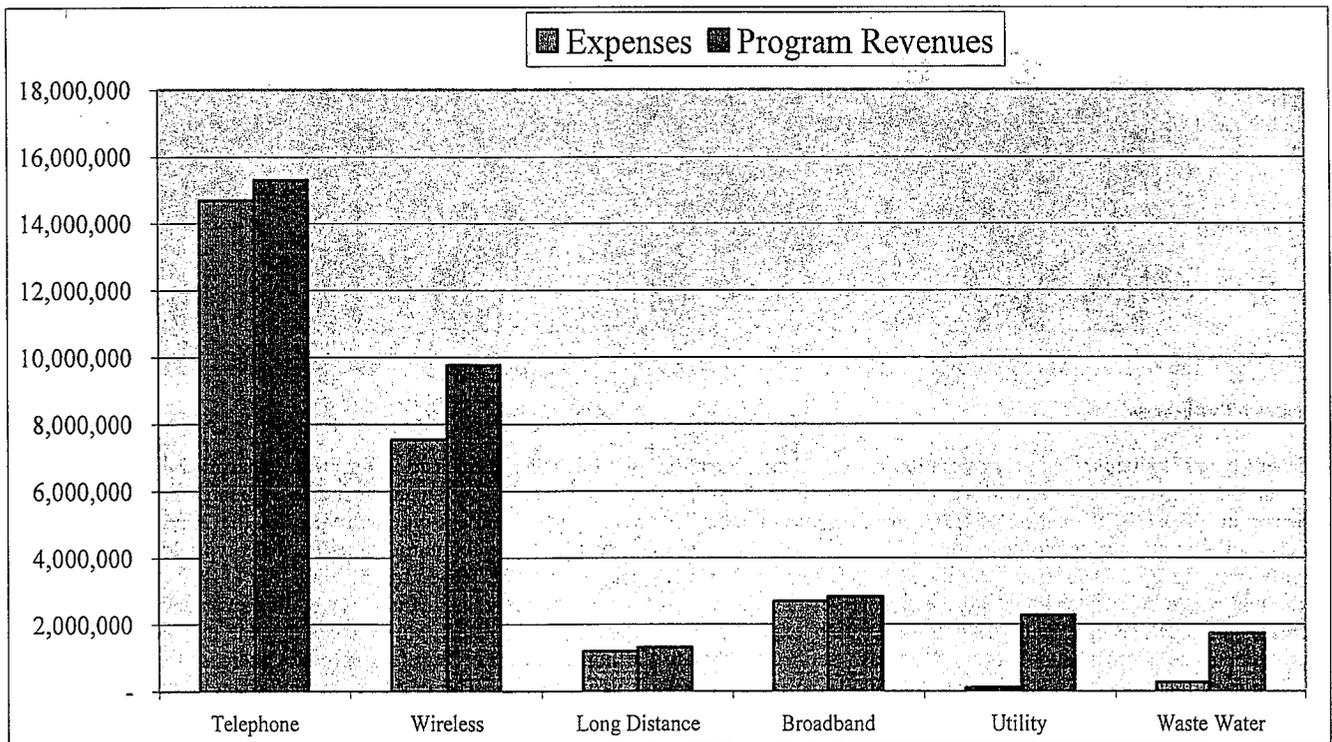
revenues increased by \$2,169,956 over the prior year amounts due to increased number of subscribers and obtaining the ISP operations from the Telephone fund. Operating expenses increased due to the increase cost of content and access charges. CC Communications continues to see substantial capital investment in Broadband as it expands the service area that is able to receive the OnNow! service. The business activities at the Utility Fund and the Waste Water Fund were minimal as the systems were coming online and construction in progress during the fiscal year ending June 30, 2007.

The following charts show the allocation of business-type activity revenues for the fiscal year ending June 30, 2007:

Revenues by Sources - Business-type Activities



Business-type Activities - Expenses and Program Revenues



The increases in net assets from business-type activities are as follows: Telephone activities \$617,798, Wireless activities \$2,229,786, Long Distance \$126,253, Broadband \$138,531, Water \$1,467,866 and Waste Water at \$2,189,129, Tap fees at \$7,846,014 Interest income \$339,420 and miscellaneous revenues of \$18,378. Currently, Wireless activities account for 71.6% of the net increase for all business-type activity within in CC Communications. CC Communications continues to invest in capital assets related to the network. We anticipate that the percentage of telephone revenue will decline as a percentage of all business-type activities in the future as Wireless and Broadband business-types continue to expand and grow. 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 Utility business activities net assets increased as the construction in progress for the development of the Phase 1 Water and Waste Water systems are developed.

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, unreserved fund balance is useful in measuring resources available for spending the subsequent fiscal year. Since the focus in fund accounting is on current resource activity, the balance sheet does not reflect long-term assets and liabilities.

Governmental Funds

The governmental funds of Churchill County reflect total assets and liabilities of \$25,790,120 and \$2,321,244, respectively. This resulted in a total fund balance of \$23,468,876 of which \$1,026,305 is reserved for notes receivable, and \$1,385,957 of the fund balance is reserved for revenue shortfalls. The unreserved portion of this fund balance totaled \$21,056,614.

Major Governmental Funds

General Fund:

The primary operating fund of Churchill County is the General Fund. For the fiscal year ended June 30, 2007, the fund balance in the General Fund was \$2,722,384 of which all was unreserved. As a measure of the General Fund's liquidity, it is useful to compare the total fund balance to total fund expenditures. Unreserved fund balance represents 17.7% of total fund expenditures. This represents approximately 2.12 months of expenditures.

The General Fund balance increased by \$291,899 during the fiscal year. This is a result of the levels of revenue, expenditures and transfers. Revenues of \$14,380,726 increased by \$917,011 or 6.8% over the prior year, primarily due to increases in taxes and intergovernmental revenues, which make up 86.9% of General Fund revenues. The increase in ad valorem taxes is due to the rate apportioned to the General Fund as well as the increase in assessed value. The increase in intergovernmental revenues is due to increases in sales tax related revenues and additional grants received by the County. General Fund expenditures of \$15,385,045 increased by \$975,788 or 6.8%, in the current year of operations. The increase is primarily due to increases in general government expenditures of approximately \$295,825, judicial of \$215,227, public safety of \$326,449 and other increases related to increased program and employee costs to carry out the services directed by the Board of County Commissioners. These increases in expenditures are due to increases in personnel costs related to wages and employee benefits. Overall, services and supplies increased slightly as a result of additional operating costs. Capital outlay purchased included vehicles for the Sheriff's office and a fire truck for the fire department. Deficiency of Revenues under Expenditures in the current year of (\$979,381) was offset by payments in lieu of taxes by CC Communications of \$1,601,280. Transfers to other funds in the total amount of \$330,000 support Cemetery Beautification, Law Library, Risk Management, Compensated Absences, and Unemployment Compensation Funds. The net other financing sources were \$1,271,280. These transfers were to support subsequent year operations.

Road Fund:

The Road Fund accounts for the building and maintaining of roads in Churchill County. For the fiscal year ended June 30, 2007, the fund balance in the Road Fund was \$2,149,824 compared to \$2,643,388 in the prior year. The decrease in fund balance of (\$493,564) related to the timing of road projects and purchasing equipment for the equipment replacement program. The Board of County Commissioners approved an Equipment Replacement Program and provided revenues to support future equipment acquisitions. The dedicated resources included AB 104 Fair Share revenues of \$24,366, Federal payment in lieu of taxes \$78,003, property sales of \$532,000, geothermal rents and royalties \$194,282. Revenues of \$994,337 were collected during the fiscal year to support subsequent year's acquisition of equipment. The other revenues of this fund consist of various fuel taxes totaling \$1,045,577, licenses and permits, \$2,250, interest income of \$123,976, fuel reimbursement of \$218,477 and miscellaneous revenues of \$7,245. Other financing sources were transfers in from the Regional Transportation Fund in the amount of \$682,899 and the Public Transit Fund in the amount of \$503,900 to pay for qualifying projects. Expenditures of \$3,783,789 were to assist in building and maintaining County roads. In addition, a transfer to debt service was made to pay for the principal and interest on a note to obtain road equipment.

Water Resource Fund:

The Water Resource Fund accounts for the acquisition of water resources and the development of water resources for Churchill County. For the fiscal year ending June 30, 2007, the fund balance in the Water Resource Fund was \$3,065,405 compared to \$3,936,411 in the prior year. The revenues of this fund consist of federal payment in lieu of taxes, \$58,003, consolidated intergovernmental taxes, \$160,000, AB 104 Fair Share revenues of \$24,366, U.S. Navy easement contribution \$865,000, refuge revenue sharing of \$35,089, water right dedication

fees of \$222,799, interest income of \$119,729, geothermal rents and royalties of \$194,282 and miscellaneous revenues of \$3,703. Expenses of \$86,008 were to assist in water resource projects. In addition, capital outlay purchase of land and water rights in the amount of \$1,854,685. Other financing sources and uses included the transfer of \$750,000 to debt service to defease debt related to the purchase of water rights, proceeds from the sale of water rights of \$111,716 and a General Fund transfer of \$25,000.

Proprietary Funds

The enterprise funds of Churchill County reflect total assets and liabilities of \$68,040,699 and \$9,235,052 respectively. This resulted in a total net asset balance of \$58,805,647. Unrestricted net assets totaled \$13,773,207. Restricted net assets totaled \$45,032,440.

Major Proprietary Funds

CC Communications: Telephone Fund reflects total assets and liabilities of \$32,214,552 and \$3,775,978 respectively, resulting in total net assets of \$28,438,574. The increase of total net assets is 2.8% for the 2006/2007 fiscal year.

CC Communications: Wireless Fund reflects total assets and liabilities of \$13,271,019 and \$255,399 respectively, resulting in total net assets of \$13,015,620. The total net assets increased from 2005/2006 to 2006/2007 by \$2,360,890 or 2.2 %.

Waste Water Enterprise Fund reflects total assets and liabilities of \$9,105,765 and \$2,329,795 respectively, resulting in total net assets of \$6,775,970. 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 state of the art waste water treatment plant with federal and state grant funding. The plant was placed into operation in fiscal year 2006/2007.

Utility Enterprise Fund reflects total assets and liabilities of \$10,187,794 and \$2,873,880 respectively, resulting in total net assets of \$7,313,914. 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 is projected to come on line in fiscal year 2007/2008.

Budgetary Highlights for the General Fund

The General Fund total revenues in the original budget were \$14,084,938 and \$14,502,886 for the final budget. The increase in the budgeted amount was to recognize greater than anticipated revenue resources and grants received during the current year. Actual revenues were \$14,380,726 or .72% less 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 \$17,054,064, which is \$947,671 or 5.8% more than the original budget of \$16,106,393. Actual expenditures were \$15,385,045, which was less than the original budget and 9.8% less than final budgeted expenditures. The expenditure budget was augmented to allow for additional appropriations for projects, services and supplies approved by the Board of County Commissioners during the year based on greater than anticipated revenue resources, grants and opening fund balances. Budget augmentations were prepared in accordance with the provisions of Nevada Revised Statutes Chapter 354 the Local Government Budget and Finance Act.

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

EXPENDITURE BUDGET BY FUNCTION	ORIGINAL	BUDGET FINAL	CHANGE
General Government	\$ 5,450,657	\$ 5,737,107	\$ (286,450)
Judicial	2,692,859	2,924,435	(231,576)
Public Safety	6,741,967	7,056,612	(314,645)
Health	223,429	223,429	-
Sanitation	56,000	96,000	(40,000)
Culture and Recreation	325,216	325,216	-
Community Support	177,500	177,500	-
Intergovernmental	438,765	513,765	(75,000)
Debt Service	-	-	-
Total Expenditures	\$ 16,106,393	\$ 17,054,064	\$ (947,671)

Capital Assets and Long-Term Debt Activity

At June 30, 2007, Churchill County had a net capital asset investment of \$48,136,419 in governmental activities and \$51,784,920 in business-type activities. This represents increases of 10.3% and 14.5%, respectively, 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 2006-2007 in the governmental activities include:

- Building Improvements at the Cemetery and improvements the County Fairgrounds.
- Purchase of land, water rights and conservation easements to support the future County Water System.
- Land and Improvements located at 491 Sheckler Cutoff, 2525 Beasley Drive, 107 N. Carson Street and 120 N. LaVerne Street.
- Infrastructure improvements related to Road Department projects as approved in the County Five Year Road Plan. Museum parking lot paving
- Donated roads from developers into the county system.
- Purchase of Road Equipment within the Road Equipment Replacement Plan.
- County Courthouse 1st Floor Remodel.
- Enhancements to the Sheriff's Department's dispatch system.
- Replacement of four Sheriff's Department Vehicles.
- Purchase of two brush trucks for the Volunteer Fire Department

CHURCHILL COUNTY'S CAPITAL ASSETS
(net of depreciation)

	Governmental Activities	
	2007	2006
Land	\$ 8,860,355	\$ 6,359,463
Water rights	6,318,757	6,206,362
Buildings and improvements	8,213,685	8,046,742
Land improvements	481,615	530,960
Equipment and motor vehicles	3,909,275	2,799,989
Infrastructure	20,352,732	19,687,688
Net Governmental Activities Capital Assets	<u>\$ 48,136,419</u>	<u>\$ 43,631,204</u>
	Business-Type Activities	
	2007	2006
Real estate and easements	\$ 540,699	\$ 540,699
Construction in progress	11,420,261	11,609,644
Buildings and improvements	2,940,708	3,104,275
Central office switching	1,622,367	2,558,482
Outside plant	18,256,274	17,721,855
Furniture and fixtures	1,457	7,102
Computer equipment	1,157,375	1,579,529
Other communication equipment	-	1,331
Vehicles and work equipment	15,427	95,447
Leasehold equipment	637,347	684,913
Other equipment	1,287,317	1,599,378
Cell sites	5,340,331	4,645,663
Transport facilities	1,473,690	
Sewer infrastructure	6,808,731	
Water infrastructure	282,936	1,075,248
Net Business-Type Activities Capital Assets	<u>\$ 51,784,920</u>	<u>\$ 45,223,566</u>
Net Governmental Activities Capital Assets	\$ 48,136,419	\$ 43,631,204
Net Business-Type Activities Capital Assets	51,784,920	45,223,566
Total Net Capital Assets	<u>\$ 99,921,339</u>	<u>\$ 88,854,770</u>

Long-term debt outstanding at June 30, 2007 totaled \$2,573,011 for governmental activities, a decrease of \$753,334 when compared to the prior year. The decrease is due to the current year principal payments. The business-type debt is \$6,811,596 or \$319,379 more than last year. The increase is the result of the issuance of \$4,544,376 in revenue bonds for the utility and waste water facilities offset by current year principal payments which included the payoff of the \$4,000,000 interim construction debenture. The total outstanding debt and compensated absences were \$10,819,107. The County's debt limit is \$57,036,804. 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	
	2007	2006	2007	2006	2007	2006
Capital leases payable	\$ -	\$ 140,254	\$ 1,450,196	\$ 1,511,709	\$ 1,450,196	\$ 1,651,963
Revenue bonds	2,475,986	2,832,566	4,544,376	4,000,000	7,020,362	6,832,566
Compensated absences	832,320	801,090	602,180	396,386	1,434,500	1,197,476
Notes/Contract payable	97,025	353,525	817,024	1,619,266	914,049	1,972,791
Total	\$ 3,405,331	\$ 4,127,435	\$ 7,413,776	\$ 7,527,361	\$ 10,819,107	\$ 11,654,796

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.

CHURCHILL COUNTY, NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2007

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Current Assets:			
Cash and investments	\$ 21,841,706	\$ 10,574,010	\$ 32,415,716
Receivables:			
Property taxes	106,851	-	106,851
Interest	133,648	38,480	172,128
Other	89,208	3,033,352	3,122,560
Current portion of notes receivable	808,911	-	808,911
Internal balances	147,745	(147,745)	-
Due from other governments	2,417,250	363,298	2,780,548
Prepaid expenses	-	8,250	8,250
Inventory	-	1,982,744	1,982,744
Total Current Assets	<u>25,545,319</u>	<u>15,852,389</u>	<u>41,397,708</u>
Noncurrent Assets:			
Goodwill	-	18,900	18,900
Debt issuance costs, net of accumulated amortization	-	1,818	1,818
Other intangibles	-	83,797	83,797
Note receivable, net of current portion	217,394	-	217,394
Capital assets (not being depreciated)	15,240,705	11,960,960	27,201,665
Capital assets (net of accumulated depreciation)	<u>32,895,714</u>	<u>39,823,960</u>	<u>72,719,674</u>
Total Noncurrent Assets	<u>48,353,813</u>	<u>51,889,435</u>	<u>100,243,248</u>
Total Assets	<u>73,899,132</u>	<u>67,741,824</u>	<u>141,640,956</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	458,347	1,164,642	1,622,989
Accrued liabilities	475,343	313,082	788,425
Accrued interest	40,018	5,234	45,252
Due to other governments	426,154	-	426,154
Current portion of capital leases payable	-	58,373	58,373
Current portion of notes and contract payable	20,616	817,024	837,640
Current portion of bonds payable	312,753	59,116	371,869
Current portion of accrued compensated absences	71,999	39,591	111,590
Customer deposits	11,075	39,443	50,518
Unearned revenue	829,305	-	829,305
Total Current Liabilities	<u>2,645,610</u>	<u>2,496,505</u>	<u>5,142,115</u>
Noncurrent Liabilities:			
Capital leases payable, net of current portion	-	1,391,823	1,391,823
Note and contract payable, net of current portion	76,409	-	76,409
Bonds payable, net of current portion	2,163,233	4,485,260	6,648,493
Accrued compensated absences, net of current portion	<u>760,321</u>	<u>562,589</u>	<u>1,322,910</u>
Total Noncurrent Liabilities	<u>2,999,963</u>	<u>6,439,672</u>	<u>9,439,635</u>
Total Liabilities	<u>5,645,573</u>	<u>8,936,177</u>	<u>14,581,750</u>
NET ASSETS			
Invested in capital assets, net of related debt	45,563,408	44,973,324	90,536,732
Restricted for:			
General government	3,583,612	-	3,583,612
Judicial	67,975	-	67,975
Public safety	1,678,436	-	1,678,436
Public works	4,621,303	-	4,621,303
Health	33,717	-	33,717
Welfare	52,549	-	52,549
Culture and recreation	669,080	-	669,080
Community support	840,059	-	840,059
Unrestricted	<u>11,143,420</u>	<u>13,832,323</u>	<u>24,975,743</u>
Total Net Assets	<u>\$ 68,253,559</u>	<u>\$ 58,805,647</u>	<u>\$ 127,059,206</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUES AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
General government	\$ 6,023,426	\$ 1,243,305	\$ 1,473,714	\$ -	\$ (3,306,407)	\$ -	\$ (3,306,407)
Judicial	2,908,455	202,141	7,635	-	(2,698,679)	-	(2,698,679)
Public safety	7,803,606	369,360	214,020	-	(7,220,226)	-	(7,220,226)
Sanitation	65,986	-	-	-	(65,986)	-	(65,986)
Public works	2,210,246	376,899	-	472,660	(1,360,687)	-	(1,360,687)
Health	191,090	52,350	250	-	(138,490)	-	(138,490)
Welfare	1,085,025	19,862	584,977	-	(480,186)	-	(480,186)
Culture and recreation	2,042,404	276,771	87,260	331,510	(1,346,863)	-	(1,346,863)
Community support	704,482	-	-	-	(704,482)	-	(704,482)
Interest and fiscal changes	127,337	-	-	-	(127,337)	-	(127,337)
Total Governmental Activities	23,162,057	2,540,688	2,367,856	804,170	(17,449,343)	-	(17,449,343)
Business-type Activities:							
Telephone	14,694,394	15,312,192	-	-	-	617,798	617,798
Wireless	7,543,354	9,773,140	-	-	-	2,229,786	2,229,786
Long Distance	1,189,024	1,315,277	-	-	-	126,253	126,253
Broadband	2,694,643	1,965,755	-	867,419	-	138,531	138,531
Waste water	269,812	61,365	-	1,676,313	-	1,467,866	1,467,866
Water	98,970	66,015	-	2,222,084	-	2,189,129	2,189,129
Total Business-type Activities	26,490,197	28,493,744	-	4,765,816	-	6,769,363	6,769,363
Total County	\$ 49,652,254	\$ 31,034,432	\$ 2,367,856	\$ 5,569,986	(17,449,343)	6,769,363	(10,679,980)
General Revenues:							
Property taxes					6,877,814		6,877,814
Franchise taxes					179,593		179,593
Gaming licenses					27,156		27,156
Unrestricted intergovernmental revenues:							
Federal in lieu of taxes					1,157,509		1,157,509
CC Communications in lieu of taxes					1,851,280		1,851,280
AB 104 fairshare					1,179,848		1,179,848
Consolidated intergovernmental taxes					6,555,570		6,555,570
Fuel taxes					1,045,577		1,045,577
Optional county sales tax					1,508,527		1,508,527
Delinquent tax penalties					129,376		129,376
Interest income					1,166,080	339,420	1,505,500
Gain on sale of assets					377,714	-	377,714
Tap fees					-	7,846,014	7,846,014
Miscellaneous revenues					901,901	18,378	920,279
Total General Revenues					22,957,945	8,203,812	31,161,757
Change in Net Assets					5,508,602	14,973,175	20,481,777
NET ASSETS, July 1					62,744,957	43,832,472	106,577,429
NET ASSETS, June 30					\$ 68,253,559	\$ 58,805,647	\$ 127,059,206

See accompanying notes.

CHURCHILL COUNTY, NEVADA
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2007

	GENERAL FUND	ROAD FUND	WATER RESOURCE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and investments	\$ 2,843,117	\$ 1,985,586	\$ 2,193,844	\$ 14,819,159	\$ 21,841,706
Receivables:					
Property taxes	74,227	-	-	32,624	106,851
Interest	10,593	9,112	48,157	65,786	133,648
Other	25,198	21,001	-	43,009	89,208
Notes	-	-	792,750	233,555	1,026,305
Due from other funds	1,407	-	-	173,745	175,152
Due from other governments	1,444,806	217,576	70,946	683,922	2,417,250
Total Assets	\$ 4,399,348	\$ 2,233,275	\$ 3,105,697	\$ 16,051,800	\$ 25,790,120
LIABILITIES					
Accounts payable	\$ 261,427	\$ 42,649	\$ 9,911	\$ 144,360	\$ 458,347
Accrued liabilities	388,523	33,404	4,381	49,035	475,343
Due to other funds	-	-	26,000	1,407	27,407
Due to other governments	129,377	1,598	-	295,179	426,154
Customer deposits	3,285	5,800	-	1,990	11,075
Deferred revenue	894,352	-	-	28,566	922,918
Total Liabilities	1,676,964	83,451	40,292	520,537	2,321,244
FUND BALANCES					
Reserved for:					
Notes receivable	-	-	792,750	233,555	1,026,305
Revenue shortfalls	-	-	-	1,385,957	1,385,957
Unreserved reported in:					
General fund	2,722,384	-	-	-	2,722,384
Special revenue funds	-	2,149,824	2,272,655	9,825,291	14,247,770
Debt service fund	-	-	-	740,323	740,323
Capital projects funds	-	-	-	3,346,137	3,346,137
Total Fund Balances	2,722,384	2,149,824	3,065,405	15,531,263	23,468,876
Total Liabilities and Fund Balances	\$ 4,399,348	\$ 2,233,275	\$ 3,105,697	\$ 16,051,800	\$ 25,790,120

See accompanying notes.

CHURCHILL COUNTY, NEVADA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS TO THE STATEMENT OF NET ASSETS
JUNE 30, 2007

Total Fund Balances - Governmental Funds	\$ 23,468,876
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets, net of the related depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Capital assets	83,762,968
Less: Accumulated depreciation	(35,626,549)
Certain liabilities are not reported in the governmental funds because they are not due and payable in the current period:	
Contract payable	(97,025)
Bonds payable	(2,475,986)
Compensated absences	(832,320)
Accrued interest	(40,018)
Some of the County's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds.	<u>93,613</u>
Total Net Assets - Governmental Activities	<u>\$ 68,253,559</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007

	GENERAL FUND	ROAD FUND	WATER RESOURCE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 4,002,791	\$ 2,250	-	\$ 2,842,897	\$ 6,847,938
Licenses and permits	615,074	-	-	225,582	840,656
Intergovernmental	8,516,670	1,147,946	1,142,458	3,484,620	14,291,694
Charges for services	627,331	-	222,799	329,392	1,179,522
Fines and forfeits	376,078	-	-	-	376,078
Miscellaneous	242,782	546,230	317,714	1,533,985	2,640,711
Total Revenues	<u>14,380,726</u>	<u>1,696,426</u>	<u>1,682,971</u>	<u>8,416,476</u>	<u>26,176,599</u>
EXPENDITURES					
Current:					
General government	5,081,279	-	1,940,693	1,682,721	8,704,693
Judicial	2,763,756	-	-	86,864	2,850,620
Public safety	6,335,121	-	-	4,250	6,339,371
Sanitation	65,986	-	-	-	65,986
Public works	-	3,783,789	-	130,550	3,914,339
Health	182,780	-	-	1,016	183,796
Welfare	-	-	-	-	-
Culture and recreation	304,700	-	-	1,085,511	1,085,511
Community support	170,649	-	-	1,975,210	2,279,910
Intergovernmental	480,774	-	-	541,043	711,692
Debt service:	-	-	-	948,089	1,428,863
Principal	-	-	-	753,334	753,334
Interest	-	-	-	109,240	109,240
Total Expenditures	<u>15,385,045</u>	<u>3,783,789</u>	<u>1,940,693</u>	<u>7,317,828</u>	<u>28,427,355</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,004,319)</u>	<u>(2,087,363)</u>	<u>(257,722)</u>	<u>1,098,648</u>	<u>(2,250,756)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in lieu of taxes:					
CC Communications - Telephone Fund	1,601,280	-	-	250,000	1,851,280
Sale of capital and other assets	24,938	532,000	111,716	-	668,654
Transfers in	-	1,186,799	25,000	1,370,000	2,581,799
Transfers out	(330,000)	(125,000)	(750,000)	(1,376,799)	(2,581,799)
Total Other Financing Sources (Uses)	<u>1,296,218</u>	<u>1,593,799</u>	<u>(613,284)</u>	<u>243,201</u>	<u>2,519,934</u>
Net Change in Fund Balances	291,899	(493,564)	(871,006)	1,341,849	269,178
FUND BALANCE, July 1	<u>2,430,485</u>	<u>2,643,388</u>	<u>3,936,411</u>	<u>14,189,414</u>	<u>23,199,698</u>
FUND BALANCE, June 30	<u>\$ 2,722,384</u>	<u>\$ 2,149,824</u>	<u>\$ 3,065,405</u>	<u>\$ 15,531,263</u>	<u>\$ 23,468,876</u>

See accompanying notes.

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, 2007

Net Change in Fund Balances - Governmental Funds \$ 269,178

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 assets and allocated over their estimated useful lives as annual depreciation in the statement of activities:

Expenditures for capital assets	6,269,425
Less: Current year depreciation	(1,936,482)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund statements:

Donated capital assets	575,275
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In the statement of activities, the gain on the disposal of capital assets is reported. In the governmental funds, the gain is not reported. Thus, the change in net assets differs from the change in fund balances by the cost of the assets sold less the balance in accumulated depreciation.

(403,003)

The liability for compensated absences is not recorded in the governmental funds, but it is reported in the statement of net assets. This is the current year change in the liability, reported as an expense in the statement of activities.

(31,230)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due and thus require current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues regardless of when it is due.

(18,095)

Some of the County's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds. Deferred property tax revenues increased this year.

30,200

The issuance of long-term debt provides current financial resources to governmental funds, issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal payments	753,334
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Change in Net Assets - Governmental Activities

\$ 5,508,602

See accompanying notes.

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(Page 1 of 6)

	BUDGET			VARIANCE WITH	
	ORIGINAL	FINAL	ACTUAL	ORIGINAL TO FINAL	FINAL TO ACTUAL
REVENUES					
Property taxes:					
Ad valorem taxes	\$ 3,901,306	\$3,901,306	\$4,002,791	\$ -	\$ 101,485
Licenses and permits:					
Business licenses	56,195	56,195	44,444	-	(11,751)
Liquor licenses	6,250	6,250	4,560	-	(1,690)
Local gaming licenses	47,750	47,750	48,822	-	1,072
Marriage licenses	5,400	5,400	3,984	-	(1,416)
Other permits	42,000	42,000	27,863	-	(14,137)
Building permits	401,250	401,250	169,712	-	(231,538)
Mobile home permits	300	300	117	-	(183)
Fictitious name/notary bonds	7,500	7,500	7,265	-	(235)
Passport fees	6,700	6,700	11,610	-	4,910
Drug court fee	6,000	6,000	5,477	-	(523)
Septic fees	32,000	32,000	19,500	-	(12,500)
Inspection fees	-	-	32,887	-	32,887
Manufactured home permits	7,500	7,500	19,025	-	11,525
Other license/permits fees	39,100	39,100	40,215	-	1,115
Franchise fees	124,750	124,750	179,593	-	54,843
	<u>782,695</u>	<u>782,695</u>	<u>615,074</u>	<u>-</u>	<u>(167,621)</u>
Intergovernmental:					
Federal in lieu of taxes	450,000	450,000	450,000	-	-
State gaming license	28,625	28,625	27,156	-	(1,469)
Bi-county reimbursements	-	-	52,151	-	52,151
Private car tax	-	-	1,926	-	1,926
AB104 fairshare	1,106,750	1,106,750	1,106,750	-	-
Consolidated intergovernmental taxes	6,076,000	6,076,000	5,988,570	-	(87,430)
Jail reimbursements, City of Fallon	65,000	65,000	41,994	-	(23,006)
Task force reimbursement	10,000	10,000	2,652	-	(7,348)
Grants-in-aid:					
Federal grants:					
Title IV-D	265,000	364,591	324,220	99,591	(40,371)
Title IV-D incentive	21,000	21,000	40,371	-	19,371
Wilderness program	-	9,084	9,084	9,084	-
Planning assistance	215,000	313,830	240,445	98,830	(73,385)
FEMA - emergency management	-	9,559	9,559	9,559	-
Title V mentor link	-	7,500	10,000	7,500	2,500
State criminal assistance program (SCAAP)	-	7,988	7,988	7,988	-
Wilderness	-	20,558	20,558	20,558	-
OJJDP - CCBC - rafts	-	30,917	38,646	30,917	7,729
COPS grant	-	-	-	-	-
OJJDP girl's circle	-	6,000	8,000	6,000	2,000
SERC - Operations	-	988	988	988	-
SERC - Equipment	-	43,627	43,627	43,627	-
Drug free schools	-	8,356	17,035	8,356	8,679
State grants:					
AOC - Justice Court	-	7,635	7,635	7,635	-
Volunteer firemen	-	9,000	9,000	9,000	-
Nevada works summer employment	-	28,468	28,468	28,468	-
SB 62 water grant	-	9,780	9,780	9,780	-
Rafts	-	20,067	20,067	20,067	-
	<u>8,237,375</u>	<u>8,655,323</u>	<u>8,516,670</u>	<u>417,948</u>	<u>(138,653)</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(Page 2 of 6)

	BUDGET			VARIANCE WITH	
	ORIGINAL	FINAL	ACTUAL	ORIGINAL TO FINAL	FINAL TO ACTUAL
Charges for services:					
Administrative assessments:					
Juvenile probation	\$ 9,750	\$ 9,750	\$ 9,128	\$ -	\$ (622)
Justice court	40,125	40,125	31,959	-	(8,166)
Municipal court	2,100	2,100	1,540	-	(560)
Juvenile court	2,175	2,175	890	-	(1,285)
District court	400	400	299	-	(101)
Assessor's property tax commissions	181,629	181,629	154,492	-	(27,137)
Assessor's department fee	2,100	2,100	-	-	(2,100)
Candidate filing fees	500	500	-	-	(500)
Justice court filing fees	61,275	61,275	66,606	-	5,331
Justice court forensic fees	8,629	8,629	6,264	-	(2,365)
Court clerk miscellaneous	12,180	12,180	23,060	-	10,880
County court fees	21,386	21,386	23,739	-	2,353
Recorder RPTT collection fees	4,175	4,175	3,613	-	(562)
Recorder's fees	186,175	186,175	164,275	-	(21,900)
Public defender fees	7,500	7,500	7,624	-	124
Return check fees	-	-	40	-	40
Crime lab fees	1,000	1,000	567	-	(433)
Sheriff's fees	32,625	32,625	38,329	-	5,704
Sheriff's fees, fingerprint	2,500	2,500	3,290	-	790
Sheriff's fees, concealed weapon	3,200	3,200	6,165	-	2,965
Sheriff's fees, intermittent	2,000	2,000	4,475	-	2,475
CC Communications retainer	9,000	9,000	13,280	-	4,280
BLM service fee	-	-	7,217	-	7,217
Planning commission appeal fee	-	-	300	-	300
Child support withheld fee	500	500	1,641	-	1,141
Cemetery fees	51,125	51,125	52,350	-	1,225
Mining map fees:					
Map fees - mining claims	3,500	3,500	6,004	-	2,504
Land plot maps - copies	200	200	184	-	(16)
	<u>645,749</u>	<u>645,749</u>	<u>627,331</u>	<u>-</u>	<u>(18,418)</u>
Fines and forfeits:					
Forfeited bail	182,175	182,175	191,437	-	9,262
Fines	97,950	97,950	51,027	-	(46,923)
Justice court bond forfeiture	2,100	2,100	4,238	-	2,138
Delinquent tax penalties	121,605	121,605	129,376	-	7,771
	<u>403,830</u>	<u>403,830</u>	<u>376,078</u>	<u>-</u>	<u>(27,752)</u>
Miscellaneous:					
Interest	52,650	52,650	86,670	-	34,020
Miscellaneous sales	2,000	2,000	29,274	-	27,274
Oil and gas leases	3,033	3,033	3,034	-	1
Mine proceeds tax commissions	-	-	17,253	-	17,253
Senior citizen processing fees	-	-	872	-	872
Data processing	3,750	3,750	6,975	-	3,225
Buildings lease revenue	-	-	2,242	-	2,242
Justice court payment setup fee	1,200	1,200	4,053	-	2,853
Justice court collection fee	1,000	1,000	12,442	-	11,442
Juvenile transport reimbursements	5,000	5,000	10,496	-	5,496
Juvenile child care reimbursements	4,500	4,500	4,627	-	127
Juvenile substance abuse reimbursements	2,750	2,750	699	-	(2,051)
Juvenile instructional supervision reimbursements	2,000	2,000	448	-	(1,552)
Juvenile miscellaneous reimbursements	100	100	328	-	228
CWSD reimbursements	30,000	30,000	30,000	-	-
Mathew Homes Hazen project	-	-	17,976	-	17,976
Other miscellaneous	6,000	6,000	15,393	-	9,393
	<u>113,983</u>	<u>113,983</u>	<u>242,782</u>	<u>-</u>	<u>128,799</u>
Total Revenues	<u>14,084,938</u>	<u>14,502,886</u>	<u>14,380,726</u>	<u>417,948</u>	<u>(122,160)</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(Page 3 of 6)

EXPENDITURES	BUDGET			VARIANCE WITH	
	ORIGINAL	FINAL	ACTUAL	ORIGINAL TO FINAL	FINAL TO ACTUAL
General government:					
Commissioners:					
Salaries	\$ 80,859	\$ 80,859	\$ 79,028	\$ -	\$ 1,831
Benefits	41,268	41,518	40,381	(250)	1,137
Services and supplies	9,575	16,575	14,122	(7,000)	2,453
	<u>131,702</u>	<u>138,952</u>	<u>133,531</u>	<u>(7,250)</u>	<u>5,421</u>
Clerk/treasurer:					
Salaries	402,677	402,677	363,859	-	38,818
Benefits	175,025	175,025	156,642	-	18,383
Services and supplies	48,650	48,650	33,472	-	15,178
	<u>626,352</u>	<u>626,352</u>	<u>553,973</u>	<u>-</u>	<u>72,379</u>
Recorder:					
Salaries	192,950	192,950	165,061	-	27,889
Benefits	73,337	73,337	65,522	-	7,815
Services and supplies	15,310	15,310	29,293	-	(13,983)
	<u>281,597</u>	<u>281,597</u>	<u>259,876</u>	<u>-</u>	<u>21,721</u>
Records and microfilming:					
Services and supplies	22,000	47,000	46,382	(25,000)	618
Assessor:					
Salaries	405,440	405,440	388,972	-	16,468
Benefits	165,913	165,913	158,624	-	7,289
Services and supplies	116,230	116,230	60,448	-	55,782
	<u>687,583</u>	<u>687,583</u>	<u>608,044</u>	<u>-</u>	<u>79,539</u>
County manager:					
Salaries	162,135	169,635	168,848	(7,500)	787
Benefits	50,418	54,918	53,436	(4,500)	1,482
Services and supplies	13,300	11,300	9,422	2,000	1,878
	<u>225,853</u>	<u>235,853</u>	<u>231,706</u>	<u>(10,000)</u>	<u>4,147</u>
Buildings and grounds:					
Salaries	223,792	223,792	216,673	-	7,119
Benefits	99,572	99,572	97,061	-	2,511
Services and supplies	371,500	414,000	413,757	(42,500)	243
	<u>694,864</u>	<u>737,364</u>	<u>727,491</u>	<u>(42,500)</u>	<u>9,873</u>
Elections:					
Salaries	20,000	14,000	13,685	6,000	315
Benefits	1,300	700	485	600	215
Services and supplies	95,000	86,200	87,459	8,800	(1,259)
	<u>116,300</u>	<u>100,900</u>	<u>101,629</u>	<u>15,400</u>	<u>(729)</u>
Personnel operations:					
Salaries	91,255	79,555	78,932	11,700	623
Benefits	27,498	25,998	25,867	1,500	131
Services and supplies	13,900	11,900	9,190	2,000	2,710
	<u>132,653</u>	<u>117,453</u>	<u>113,989</u>	<u>15,200</u>	<u>3,464</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007

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	BUDGET			VARIANCE WITH	
	ORIGINAL	FINAL	ACTUAL	ORIGINAL TO FINAL	FINAL TO ACTUAL
Personnel - staff development:					
Services and supplies	\$ 4,500	\$ 4,500	\$ 3,139	\$ -	\$ 1,361
Personnel - benefit services:					
Services and supplies	21,100	21,100	16,783	-	4,317
Comptroller:					
Salaries	232,098	232,098	217,558	-	14,540
Benefits	86,969	86,969	82,441	-	4,528
Services and supplies	18,250	18,250	15,878	-	2,372
	<u>337,317</u>	<u>337,317</u>	<u>315,877</u>	<u>-</u>	<u>21,440</u>
Data processing:					
Services and supplies	126,500	150,190	124,329	(23,690)	25,861
Capital outlay	65,000	65,000	6,714	-	58,286
	<u>191,500</u>	<u>215,190</u>	<u>131,043</u>	<u>(23,690)</u>	<u>84,147</u>
General government other:					
Services and supplies	1,060,300	1,165,080	930,136	(104,780)	234,944
Capital outlay	-	5,000	3,612	(5,000)	1,388
	<u>1,060,300</u>	<u>1,170,080</u>	<u>933,748</u>	<u>(109,780)</u>	<u>236,332</u>
Building inspection:					
Salaries	160,218	160,218	123,394	-	36,824
Benefits	62,473	62,473	52,978	-	9,495
Services and supplies	15,500	15,500	12,002	-	3,498
Capital outlay	20,000	20,000	17,028	-	2,972
	<u>258,191</u>	<u>258,191</u>	<u>205,402</u>	<u>-</u>	<u>52,789</u>
Yucca Mountain:					
Services and supplies	192,800	291,630	235,924	(98,830)	55,706
Planning department:					
Salaries	303,228	303,228	289,431	-	13,797
Benefits	116,607	116,607	114,086	-	2,521
Services and supplies	41,210	41,210	54,850	-	(13,640)
Capital outlay	5,000	5,000	4,375	-	625
	<u>466,045</u>	<u>466,045</u>	<u>462,742</u>	<u>-</u>	<u>3,303</u>
Total General Government	<u>5,450,657</u>	<u>5,737,107</u>	<u>5,081,279</u>	<u>(286,450)</u>	<u>655,828</u>
Judicial:					
District court:					
Salaries	105,168	108,168	107,654	(3,000)	514
Benefits	40,571	41,821	41,519	(1,250)	302
Services and supplies	424,400	472,400	467,179	(48,000)	5,221
	<u>570,139</u>	<u>622,389</u>	<u>616,352</u>	<u>(52,250)</u>	<u>6,037</u>
Justice court:					
Salaries	302,292	293,655	293,154	8,637	501
Benefits	109,917	111,167	110,500	(1,250)	667
Services and supplies	121,950	131,950	131,023	(10,000)	927
Capital outlay	-	22,922	15,272	(22,922)	7,650
	<u>534,159</u>	<u>559,694</u>	<u>549,949</u>	<u>(25,535)</u>	<u>9,745</u>
District attorney:					
Salaries	1,006,830	1,106,421	987,079	(99,591)	119,342
Benefits	392,381	388,781	373,965	3,600	14,816
Services and supplies	189,350	242,150	231,411	(52,800)	10,739
Capital outlay	-	5,000	5,000	(5,000)	-
	<u>1,588,561</u>	<u>1,742,352</u>	<u>1,597,455</u>	<u>(153,791)</u>	<u>144,897</u>
Total Judicial	<u>2,692,859</u>	<u>2,924,435</u>	<u>2,763,756</u>	<u>(231,576)</u>	<u>160,679</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
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	BUDGET			VARIANCE WITH	
	ORIGINAL	FINAL	ACTUAL	ORIGINAL TO FINAL	FINAL TO ACTUAL
Public safety:					
Sheriff:					
Salaries	\$ 2,737,557	\$2,700,090	\$2,542,634	\$ 37,467	\$ 157,456
Benefits	1,387,715	1,387,715	1,318,760	-	68,955
Services and supplies	629,065	687,053	549,321	(57,988)	137,732
Capital outlay	198,000	198,000	192,766	-	5,234
	<u>4,952,337</u>	<u>4,972,858</u>	<u>4,603,481</u>	<u>(20,521)</u>	<u>369,377</u>
Fire protection:					
Salaries	100,595	100,595	75,072	-	25,523
Benefits	144,175	164,175	142,118	(20,000)	22,057
Services and supplies	207,201	283,201	214,099	(76,000)	69,102
Capital outlay	284,000	297,000	177,361	(13,000)	119,639
	<u>735,971</u>	<u>844,971</u>	<u>608,650</u>	<u>(109,000)</u>	<u>236,321</u>
Emergency management:					
Services and supplies	11,000	65,174	52,084	(54,174)	13,090
Juvenile probation:					
Salaries	601,614	706,203	586,235	(104,589)	119,968
Benefits	268,820	270,486	236,708	(1,666)	33,778
Services and supplies	172,225	196,920	245,040	(24,695)	(48,120)
Capital outlay	-	-	2,923	-	(2,923)
	<u>1,042,659</u>	<u>1,173,609</u>	<u>1,070,906</u>	<u>(130,950)</u>	<u>102,703</u>
Total Public Safety	<u>6,741,967</u>	<u>7,056,612</u>	<u>6,335,121</u>	<u>(314,645)</u>	<u>721,491</u>
Sanitation:					
Animal control and garbage disposal:					
Services and supplies	56,000	96,000	65,986	(40,000)	30,014
Health:					
City/County health:					
Services and supplies	3,000	3,000	-	-	3,000
Cemetery:					
Salaries	110,808	110,808	89,192	-	21,616
Benefits	45,821	45,821	36,436	-	9,385
Services and supplies	48,800	48,800	52,287	-	(3,487)
Capital outlay	15,000	15,000	4,865	-	10,135
	<u>220,429</u>	<u>220,429</u>	<u>182,780</u>	<u>-</u>	<u>37,649</u>
Total Health	<u>223,429</u>	<u>223,429</u>	<u>182,780</u>	<u>-</u>	<u>40,649</u>
Culture and recreation:					
Museum:					
Salaries	226,582	226,582	208,829	-	17,753
Benefits	57,209	57,209	55,613	-	1,596
Services and supplies	41,425	41,425	40,258	-	1,167
Total Culture and Recreation	<u>325,216</u>	<u>325,216</u>	<u>304,700</u>	<u>-</u>	<u>20,516</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(Page 6 of 6)

	<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>
Community support:					
Services and supplies	\$ 177,500	\$ 177,500	\$ 170,649	\$ -	\$ 6,851
Intergovernmental:					
Services and supplies	438,765	513,765	480,774	(75,000)	32,991
Total Expenditures	<u>16,106,393</u>	<u>17,054,064</u>	<u>15,385,045</u>	<u>(947,671)</u>	<u>1,669,019</u>
Deficiency of Revenues Under Expenditures	<u>(2,021,455)</u>	<u>(2,551,178)</u>	<u>(1,004,319)</u>	<u>(529,723)</u>	<u>1,546,859</u>
OTHER FINANCING SOURCES (USES)					
Transfers in lieu of taxes:					
CC Communications - Telephone Fund	1,601,280	1,601,280	1,601,280	-	-
Contingency	125,000	73,967	-	51,033	73,967
Sale of capital and other assets	6,000	6,000	24,938	-	18,938
Transfers out:					
Parks and Recreation Fund	-	-	(50,000)	-	(50,000)
Water Resource Fund	-	-	(25,000)	-	(25,000)
Library Gift Fund	(30,000)	(30,000)	(30,000)	-	-
Law Library Fund	(25,000)	(25,000)	(25,000)	-	-
Risk Management Fund	(50,000)	(50,000)	(50,000)	-	-
Compensated Absences Fund	-	-	(125,000)	-	(125,000)
Unemployment Compensation Fund	(25,000)	(25,000)	(25,000)	-	-
Total Other Financing Sources (Uses)	<u>1,602,280</u>	<u>1,551,247</u>	<u>1,296,218</u>	<u>51,033</u>	<u>(107,095)</u>
Net Change in Fund Balances	(419,175)	(999,931)	291,899	(478,690)	1,439,764
FUND BALANCE, July 1	<u>1,951,795</u>	<u>2,430,485</u>	<u>2,430,485</u>	<u>478,690</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 1,532,620</u>	<u>\$ 1,430,554</u>	<u>\$ 2,722,384</u>	<u>\$ -</u>	<u>\$ 1,439,764</u>

See accompanying notes.

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, 2007

	<u>BUDGET</u>			<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>ORIGINAL TO FINAL</u>	<u>FINAL TO ACTUAL</u>
REVENUES					
Licenses and permits:					
Licenses and permits	\$ 322,500	\$ 322,500	\$ 2,250	\$ -	\$ (320,250)
Intergovernmental:					
Federal in lieu of taxes	-	-	78,003	-	78,003
AB104 fairshare	-	-	24,366	-	24,366
Consolidated intergovernmental taxes	70,000	70,000	-	-	(70,000)
Motor vehicle fuel tax (\$.0125)	345,576	345,576	345,581	-	5
Motor vehicle fuel tax (\$.0175)	110,282	110,282	129,676	-	19,394
Motor vehicle fuel tax (\$.0360)	570,025	570,025	570,320	-	295
Other licenses and permits	100	100	-	-	(100)
	<u>1,095,983</u>	<u>1,095,983</u>	<u>1,147,946</u>	<u>-</u>	<u>51,963</u>
Miscellaneous:					
Interest	29,675	29,675	123,976	-	94,301
Miscellaneous	-	-	7,245	-	7,245
Other sales	250	250	-	-	(250)
Inspection fees	-	-	750	-	750
Meter fees	-	-	1,500	-	1,500
Geothermal rents and royalties	-	-	194,282	-	194,282
Fuel reimbursements	169,375	169,375	218,477	-	49,102
	<u>199,300</u>	<u>199,300</u>	<u>546,230</u>	<u>-</u>	<u>346,930</u>
Total Revenues	<u>1,617,783</u>	<u>1,617,783</u>	<u>1,696,426</u>	<u>-</u>	<u>78,643</u>
EXPENDITURES					
Public works:					
Highways and streets:					
Salaries	781,431	781,431	709,184	-	72,247
Benefits	327,211	327,211	290,465	-	36,746
Services and supplies	1,592,075	1,567,075	1,479,255	25,000	87,820
Capital outlay	1,167,000	2,142,000	1,304,885	(975,000)	837,115
Total Expenditures	<u>3,867,717</u>	<u>4,817,717</u>	<u>3,783,789</u>	<u>(950,000)</u>	<u>1,033,928</u>
Deficiency of Revenues Over Expenditures	<u>(2,249,934)</u>	<u>(3,199,934)</u>	<u>(2,087,363)</u>	<u>(950,000)</u>	<u>1,112,571</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Regional Street and Highway Fund	600,000	600,000	682,899	-	82,899
Public Transit Fund	500,000	500,000	503,900	-	3,900
Transfers out:					
Debt Service Fund	(225,000)	(125,000)	(125,000)	100,000	-
Sale of capital and other assets	1,000	1,000	532,000	-	531,000
Proceeds from short-term financing	1,160,000	1,160,000	-	-	(1,160,000)
Total Other Financing Sources (Uses)	<u>2,036,000</u>	<u>2,136,000</u>	<u>1,593,799</u>	<u>100,000</u>	<u>(542,201)</u>
Net Change in Fund Balances	<u>(213,934)</u>	<u>(1,063,934)</u>	<u>(493,564)</u>	<u>(850,000)</u>	<u>570,370</u>
FUND BALANCE, July 1	<u>1,268,845</u>	<u>2,118,845</u>	<u>2,643,388</u>	<u>850,000</u>	<u>524,543</u>
FUND BALANCE, June 30	<u>\$ 1,054,911</u>	<u>\$ 1,054,911</u>	<u>\$ 2,149,824</u>	<u>\$ -</u>	<u>\$ 1,094,913</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - WATER RESOURCE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007

	BUDGET		ACTUAL	VARIANCE WITH	
	ORIGINAL	FINAL		ORIGINAL TO FINAL	FINAL TO ACTUAL
REVENUES					
Intergovernmental:					
Federal payments in lieu of taxes	\$ 50,000	\$ 50,000	\$ 58,003	\$ -	\$ 8,003
Consolidated intergovernmental taxes	160,000	160,000	160,000	-	-
AB104 fairshare	-	-	24,366	-	24,366
U.S. Navy easement contributions	-	-	865,000	-	865,000
Refuge revenue sharing	-	-	35,089	-	35,089
	<u>210,000</u>	<u>210,000</u>	<u>1,142,458</u>	<u>-</u>	<u>932,458</u>
Charges for services:					
Water rights dedication fees	-	-	222,799	-	222,799
Miscellaneous:					
Interest	30,175	30,175	119,729	-	89,554
Wild Goose water right sales	2,250,000	2,250,000	-	-	(2,250,000)
Geothermal rents and royalties	-	-	194,282	-	194,282
Other miscellaneous	1,000	1,000	3,703	-	2,703
	<u>2,281,175</u>	<u>2,281,175</u>	<u>317,714</u>	<u>-</u>	<u>(1,963,461)</u>
Total Revenues	<u>2,491,175</u>	<u>2,491,175</u>	<u>1,682,971</u>	<u>-</u>	<u>(808,204)</u>
EXPENDITURES					
General government					
Salaries	77,120	77,120	39,777	-	37,343
Benefits	25,924	25,924	7,667	-	18,257
Services and supplies	1,175,000	175,000	38,564	1,000,000	136,436
Capital outlay	-	1,835,705	1,854,685	(1,835,705)	(18,980)
Total Expenditures	<u>1,278,044</u>	<u>2,113,749</u>	<u>1,940,693</u>	<u>(835,705)</u>	<u>173,056</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,213,131</u>	<u>377,426</u>	<u>(257,722)</u>	<u>(835,705)</u>	<u>(635,148)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
General Fund	-	-	25,000	-	25,000
Water right sales	-	-	111,716	-	111,716
Transfers out:					
Debt Service Fund	(750,000)	(750,000)	(750,000)	-	-
Total Other Financing Sources (Uses)	<u>(750,000)</u>	<u>(750,000)</u>	<u>(613,284)</u>	<u>-</u>	<u>136,716</u>
Net Change in Fund Balances	463,131	(372,574)	(871,006)	(835,705)	(498,432)
FUND BALANCE, July 1	<u>2,100,706</u>	<u>2,936,411</u>	<u>3,936,411</u>	<u>835,705</u>	<u>1,000,000</u>
FUND BALANCE, June 30	<u>\$ 2,563,837</u>	<u>\$ 2,563,837</u>	<u>\$ 3,065,405</u>	<u>\$ -</u>	<u>\$ 501,568</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2007
 (Page 1 of 2)

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					TOTAL ENTERPRISE FUNDS
	CC COMMUNICATIONS TELEPHONE FUND	CC COMMUNICATIONS WIRELESS FUND	WASTE WATER ENTERPRISE FUND	UTILITY ENTERPRISE FUND	OTHER ENTERPRISE FUNDS	
ASSETS						
Current Assets:						
Cash	\$ 3,355,443	\$ 4,078,003	\$ 1,009,219	\$ 49,563	\$ 2,081,782	\$ 10,574,010
Trade accounts receivable, net	1,341,314	-	-	-	-	1,341,314
Other accounts receivable, net	966,629	702,827	11,228	11,354	-	1,692,038
Interest receivable	7,905	13,850	5,396	8,094	3,235	38,480
Due from other governments	-	-	183,061	180,237	-	363,298
Due from other funds	-	-	13,000	138,130	-	151,130
Prepaid expenses	-	-	-	-	8,250	8,250
Inventory	1,070,369	751,054	-	-	161,321	1,982,744
Total Current Assets	6,741,660	5,545,734	1,221,904	387,378	2,254,588	16,151,264
Noncurrent Assets:						
Goodwill, net of accumulated amortization	18,900	-	-	-	-	18,900
Debt issuance costs, net of accumulated amortization	1,818	-	-	-	-	1,818
Other intangibles	-	83,797	-	-	-	83,797
Total Noncurrent Assets	20,718	83,797	-	-	-	104,515
Capital Assets:						
In service	57,209,675	10,999,134	7,221,197	538,643	4,263,198	80,231,847
Under construction	774,464	533,079	834,888	9,272,837	4,994	11,420,262
Less: Accumulated depreciation	57,984,139	11,532,213	8,056,085	9,811,480	4,268,192	91,652,109
Total Capital Assets	32,531,965	3,890,725	172,224	11,064	3,261,211	39,867,189
Total Noncurrent Assets	25,452,174	7,641,488	7,883,861	9,800,416	1,006,981	51,784,920
Total Assets	25,472,892	7,725,285	7,883,861	9,800,416	1,006,981	51,889,435
Total Assets	32,214,552	13,271,019	9,105,765	10,187,794	3,261,569	68,040,699
LIABILITIES						
Current Liabilities:						
Accounts payable	761,903	45,056	74,341	283,342	-	1,164,642
Customer deposits	9,218	29,025	-	1,200	-	39,443
Accrued interest	2,214	1,479	693	848	-	5,234
Other accrued liabilities	313,082	-	-	-	-	313,082
Due to other funds	-	-	212,003	86,872	-	298,875
Total Current Liabilities	1,086,417	75,560	287,037	372,262	-	1,821,276

CHURCHILL COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2007
 (Page 2 of 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							TOTAL ENTERPRISE FUNDS
	CC COMMUNICATIONS TELEPHONE FUND	CC COMMUNICATIONS WIRELESS FUND	WASTE WATER ENTERPRISE FUND	UTILITY ENTERPRISE FUND	OTHER ENTERPRISE FUNDS	OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
Noncurrent Liabilities:								
Due within one year:								
Note payable	\$ 637,185	\$ 179,839	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 817,024
Bonds payable	-	-	26,571	32,545	-	-	-	59,116
Capital lease payable	58,373	-	-	-	-	-	-	58,373
Compensated absences	39,591	-	-	-	-	-	-	39,591
	<u>735,149</u>	<u>179,839</u>	<u>26,571</u>	<u>32,545</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>974,104</u>
Due in more than one year:								
Bonds payable	-	-	2,016,187	2,469,073	-	-	-	4,485,260
Capital lease payable	1,391,823	-	-	-	-	-	-	1,391,823
Compensated absences	562,589	-	-	-	-	-	-	562,589
	<u>1,954,412</u>	<u>-</u>	<u>2,016,187</u>	<u>2,469,073</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,439,672</u>
Total Noncurrent Liabilities	<u>2,689,561</u>	<u>179,839</u>	<u>2,042,758</u>	<u>2,501,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,413,776</u>
Total Liabilities	<u>3,775,978</u>	<u>255,399</u>	<u>2,329,795</u>	<u>2,873,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,235,052</u>
NET ASSETS								
Invested in capital assets, net of related debt	23,364,793	7,461,649	5,841,103	7,298,798	1,006,981	1,006,981	44,973,324	44,973,324
Unrestricted	5,073,781	5,553,971	934,867	15,116	2,254,588	2,254,588	13,832,323	13,832,323
Total Net Assets	<u>\$ 28,438,574</u>	<u>\$ 13,015,620</u>	<u>\$ 6,775,970</u>	<u>\$ 7,313,914</u>	<u>\$ 3,261,569</u>	<u>\$ 3,261,569</u>	<u>\$ 58,805,647</u>	<u>\$ 58,805,647</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					TOTAL ENTERPRISE FUNDS
	CC COMMUNICATIONS TELEPHONE FUND	CC COMMUNICATIONS WIRELESS FUND	WASTE WATER ENTERPRISE FUND	UTILITY ENTERPRISE FUND	OTHER ENTERPRISE FUNDS	
OPERATING REVENUES						
Charges for sales and services	\$ 13,918,989	\$ 9,773,140	\$ 61,365	\$ 66,015	\$ 3,281,032	\$ 27,100,541
OPERATING EXPENSES						
Plant specific operations	2,367,679	-	-	-	-	2,367,679
Plant nonspecific operations	1,856,416	-	-	-	-	1,856,416
Customer operations	1,281,571	1,346,378	-	-	910,501	3,538,450
Network operations	-	3,074,551	-	-	1,021,780	4,096,331
Corporate operations	2,357,907	459,100	-	-	259,067	3,076,074
Access charges	-	-	-	-	1,232,228	1,232,228
Equipment sales expenses	-	985,920	-	-	-	985,920
Miscellaneous operating expenses	-	12,536	96,895	87,906	6,323	203,660
Transfers to County in lieu of taxes	1,395,651	-	-	-	-	1,395,651
Depreciation and amortization	4,141,053	1,007,605	172,224	11,064	453,768	5,785,714
Total Operating Expenses	13,400,277	6,886,090	269,119	98,970	3,883,667	24,538,123
Operating Income (Loss)	518,712	2,887,050	(207,754)	(32,955)	(602,635)	2,562,418
NONOPERATING REVENUE (EXPENSE)						
Interest income	145,505	131,104	25,953	28,492	8,366	339,420
Interest expense	(75,520)	(7,265)	(693)	-	-	(83,478)
Nonregulated income	1,393,203	-	-	-	-	1,393,203
Nonregulated expenses	(477,016)	-	-	-	-	(477,016)
Miscellaneous income	-	-	-	-	1,028	1,028
Rental income	-	-	-	-	17,350	17,350
Federal grants	-	-	1,338,234	958,932	-	2,297,166
State grants	-	-	-	952,573	-	952,573
Tap fees	-	-	5,151,218	2,694,796	-	7,846,014
Loss on write down of goodwill	(15,120)	-	-	-	-	(15,120)
Contributions out	(217,420)	-	-	-	-	(217,420)
Transfers to County in lieu of taxes	(455,629)	(649,999)	-	-	-	(867,419)
Donations to County	(53,412)	-	-	-	-	(53,412)
Total Nonoperating Revenue (Expense)	244,591	(526,160)	6,514,712	4,634,793	26,744	10,894,680
Income (Loss) Before Capital Contributions	763,303	2,360,890	6,306,958	4,601,838	(575,891)	13,457,098
CAPITAL CONTRIBUTIONS						
Change in Net Assets	763,303	2,360,890	6,645,037	310,579	867,419	14,973,175
NET ASSETS, July 1	27,675,271	10,654,730	130,933	2,401,497	2,970,041	43,832,472
NET ASSETS, June 30	\$ 28,438,574	\$ 13,015,620	\$ 6,775,970	\$ 7,313,914	\$ 3,261,569	\$ 58,805,647

See accompanying notes.

CHURCHILL COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 1 of 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							TOTAL ENTERPRISE FUNDS
	CC COMMUNICATIONS TELEPHONE FUND	CC COMMUNICATIONS WIRELESS FUND	WASTE WATER ENTERPRISE FUND	UTILITY ENTERPRISE FUND	OTHER ENTERPRISE FUNDS			
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from customers	\$ 16,095,766	\$ 9,765,467	\$ 6,943,761	\$ 8,156,972	\$ 3,299,410		\$ 44,261,376	
Cash payments to employees	(4,002,879)	(696,566)	-	-	(491,138)		(5,190,583)	
Cash payments for services and supplies	(6,710,435)	(5,627,671)	(2,831,478)	(5,398,620)	(2,925,862)		(23,494,066)	
Net Cash Provided (Used) by Operating Activities	5,382,452	3,441,230	4,112,283	2,758,352	(117,590)		15,576,727	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Contributions in	-	-	16,579	16,579	649,999		683,157	
Transfers out	-	(649,999)	-	-	-		(649,999)	
Net Cash Provided (Used) by Noncapital Financing Activities	-	(649,999)	16,579	16,579	649,999		33,158	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Purchase of property, plant, and equipment	(2,705,520)	(973,585)	(4,391,246)	(3,394,150)	(129,151)		(11,593,652)	
Purchase of other intangibles	-	(83,797)	-	-	-		(83,797)	
Debt issued	-	-	2,042,758	2,501,618	-		4,544,376	
Principal payment on long-term debt	(687,169)	(176,586)	(2,000,000)	(2,000,000)	-		(4,863,755)	
Interest payment on long-term debt	(75,649)	(5,241)	(89,843)	(89,843)	-		(260,576)	
Net Cash Used for Capital and Related Financing Activities	(3,468,338)	(1,239,209)	(4,438,331)	(2,982,375)	(129,151)		(12,257,404)	
CASH FLOWS FROM INVESTING ACTIVITIES:								
Interest received on investments	141,258	131,014	25,110	21,227	5,131		323,740	
Net Increase (Decrease) in Cash	2,055,372	1,683,036	(284,359)	(186,217)	408,389		3,676,221	
CASH, July 1	1,300,071	2,394,967	1,293,578	235,780	1,673,393		6,897,789	
CASH, June 30	\$ 3,355,443	\$ 4,078,003	\$ 1,009,219	\$ 49,563	\$ 2,081,782		\$ 10,574,010	
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:								
Contributions of equipment by CC Communications - Telephone Fund to CC Communications - Broadband Fund	\$ (217,420)	\$ -	\$ -	\$ -	\$ 217,420		\$ -	
Donated capital improvements	\$ -	\$ -	\$ 321,500	\$ 294,000	\$ -		\$ 615,500	
Write-down of goodwill	\$ (15,120)	\$ -	\$ -	\$ -	\$ -		\$ (15,120)	

CHURCHILL COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 2 of 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							TOTAL ENTERPRISE FUNDS
	CC TELEPHONE FUND	COMMUNICATIONS WIRELESS FUND	CC COMMUNICATIONS	WASTE WATER ENTERPRISE FUND	UTILITY ENTERPRISE FUND	OTHER ENTERPRISE FUND	ENTERPRISE FUNDS	
	\$ 518,712	\$ 2,887,050		\$ (207,754)	\$ (32,955)	\$ (602,635)	\$ 2,562,418	
	4,183,198	1,007,605		172,224	11,064	453,768	5,827,859	
	1,817	-		-	-	-	1,817	
	916,187	-		1,338,234	958,932	-	916,187	
	-	-		-	952,573	-	2,297,166	
	-	-		5,151,218	2,694,796	-	952,573	
	-	-		-	-	1,028	7,846,014	
	-	-		-	-	17,350	1,028	
	(455,629)	-		-	-	-	17,350	
	(53,412)	-		-	-	-	(455,629)	
	-	(1,771)		-	-	-	(53,412)	
	-	-		-	-	-	(1,771)	
	341,599	(5,827)		(11,228)	(11,354)	-	313,190	
	440,357	-		1,987,000	1,965,370	-	4,392,727	
	-	-		(64,123)	2,195,388	-	2,131,265	
	-	-		-	-	(8,250)	(8,250)	
	441,281	(46,412)		-	-	79,645	474,514	
	(827,742)	43,698		(50,708)	(180,238)	(56,099)	(1,071,089)	
	-	-		(1,518,705)	(665,948)	-	(2,184,653)	
	-	(437,960)		(2,683,875)	(5,130,476)	(2,397)	(8,254,708)	
	1,618	(75)		-	1,200	-	2,743	
	(125,534)	(5,078)		-	-	-	(130,612)	
	\$ 5,382,452	\$ 3,441,230		\$ 4,112,283	\$ 2,758,352	\$ (117,590)	\$ 15,576,727	

RECONCILIATION OF OPERATING (LOSS) INCOME 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	
Amortization of loan costs	
Income from nonregulated operations, net of expenses	
Federal grants	
State grants	
Tap fees	
Miscellaneous income	
Rental income	
Payments to County in lieu of taxes - nonoperating	
Donations to County	
Interest paid on subscriber deposits	
Changes in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	
Due from other funds	
Due from other governments	
Prepaid expenses	
Inventory	
Increase (decrease) in:	
Accounts payable	
Deferred revenue	
Due to other funds	
Customer deposits	
Other accrued liabilities	
Net Cash Provided (Used) by Operating Activities	

See accompanying notes.

CHURCHILL COUNTY, NEVADA
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2007

	<u>INVESTMENT TRUST FUND</u>	<u>AGENCY FUNDS</u>
ASSETS		
Cash	\$ 3,169,412	\$ 1,717,676
Accounts receivable	-	3,273
Taxes receivable	-	20,140
Interest receivable	13,332	147
Due from other governments	-	88,057
	<u>3,182,744</u>	<u>1,829,293</u>
LIABILITIES		
Liabilities:		
Accounts payable	-	2,735
Due to other governments	-	705,287
Due to others	-	1,121,271
	<u>-</u>	<u>1,829,293</u>
NET ASSETS		
Reserved for pool participants	<u>\$ 3,182,744</u>	<u>\$ -</u>

See accompanying notes.

CHURCHILL COUNTY, NEVADA
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2007

	INVESTMENT TRUST FUND
ADDITIONS	
Investment income	\$ 186,317
Capital share transactions	183,587
Change in Net Assets	369,904
NET ASSETS, July 1	2,812,840
NET ASSETS, June 30	\$ 3,182,744

See accompanying notes.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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 assets and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

Government-Wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds have no measurement focus but are reported using the accrual basis of accounting.

Governmental Fund Financial Statements:

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within sixty days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

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

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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

The County reports the following major governmental funds:

- **General Fund** - The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **Road Fund** - The Road Fund accounts for transactions by the County related to construction and maintenance of roads.
- **Water Resource Fund** - The Water Resource Fund accounts for transactions by the County related to the acquisition of water resources.

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 - Wireless Fund** - The Wireless Fund accounts for the operation of the County's cellular telephone service.
- **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:

- **Investment Trust Fund** - This fund accounts for the external portion of the County investment pool.
- **Agency Funds** - Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets held by Churchill County in a trustee capacity or as an agent, prior to allocation to the other governmental entities.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Revenues and expenses not meeting these definitions are reported as nonoperating. In the case of CC Communications - Telephone fund, operating revenues are those revenues that are generated directly from the telephone service activity. Operating expenses are the necessary regulated costs incurred to provide telephone service. Regulated costs are associated with the tariff filing requirements contained in Title II of the Communications Act of 1934, as amended. Revenues and expenses not meeting these definitions are reported as nonoperating.

Property Taxes:

All real property in Churchill County is assigned a parcel number in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The valuation of the property and its improvements is computed at 35% of "taxable value" as defined by statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located. In 2005, the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the property tax levied on qualified property. For qualified property, the abatement will limit the increase of property taxes based on the previous year's assessed value.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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

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

Taxes may be paid in four installments payable on the third Monday in August, and the first Monday in October, January, and March. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two year waiting period, if the taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest and costs before sale.

Secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years. Delinquent taxes from all roll years prior to fiscal year 2005-2006 have been written off.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation and tax rates described above.

The major classifications of personal property are commercial and mobile homes.

Budgets and Budgetary Accounting:

Budget Policies:

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

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

Cash and Investments:

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

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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

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.

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 CC Communications - Telephone Fund and the CC Communications - Wireless Fund. The allowances at June 30, 2007 were \$10,693 and \$1,347, respectively.

Inventory:

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 are carried in inventory at average cost which approximates market value. Inventories of the CC Communications - Wireless Fund and the CC Communications - Broadband Fund are stated at cost (which approximates market value), with cost computed on a first-in/first-out basis.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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

Capital Assets:

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

For all CC Communications' proprietary funds, 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:

	Years
Buildings	40
Improvements	15-20
Vehicles	7
Machinery and equipment	3-15
Roads, bridges, etc.	15-50

Depreciation for all CC Communications' proprietary funds 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. Annual composite depreciation rates range from 2½% for certain outside plant facilities to 33% for certain equipment for the CC Communications - Telephone Fund. The annual composite rates for all fixed assets of the CC Communications - Wireless Fund and the CC Communications - Broadband Fund are 10% and 20%, respectively.

Water Rights:

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

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

Equity Classifications:

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

- **Invested in capital assets, net of related debt** – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net assets** – consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or law or regulations of other governments; or 2) law through constitutional provisions or enabling legislation. The County first utilizes restricted resources to finance qualifying activities, then unrestricted resources as they are needed.
- **Unrestricted net assets** – All other net assets that do not meet the definition of the above two categories.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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

Proprietary Funds Interexchanged Revenue:

CC Communications – Telephone Fund:

The 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.

CC Communications – Wireless Proprietary Fund:

On May 6, 2004, the Churchill County Commission sitting as the "state commission" pursuant to NRS 710 and 47 USC 3(41), entered an order designating CC Communications - Wireless as an Eligible Telecommunications Carrier (ETC) for operations within Churchill County Nevada. Designation as an ETC entitles CC Communications - Wireless to receive Federal USF distributed by the Universal Service Administration Corporation (USAC) for customers located within Churchill County at the same per line rate as the incumbent local exchange carrier (ILEC).

The ILEC operates under various settlement/compensation agreements with connecting carriers and the National Exchange Carrier Association (NECA) whereby interexchanged revenue is settled between the connecting carriers and NECA based on tariffs, contracts and cost studies. Further, the ILEC receives universal service funding distributions from USAC, paid through NECA, as part of the settlement and compensation process. CC Communications-Wireless receives interim monthly revenue distributions from USAC based upon cost studies performed on the ILEC at the end of each calendar year for all local exchange carriers participating in the NECA revenue pool. Interim USAC distributions to CC Communications - Wireless 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 USAC distributions for any particular month are finally determined. It is CC Communications - Wireless policy to record revenue accruals from USAC 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.

Estimates:

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

Compensated Absences:

In the 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.

Transfers in Lieu of Taxes:

CC Communications – Telephone Fund is exempt from federal and state income taxes. However, the Fund makes transfers in lieu of taxes to several governmental funds of Churchill County which is based on a percentage of CC Communications – Telephone Fund's net assets for the previous fiscal year. These payments are reflected as transfers in lieu of taxes in each of the governmental funds. In the CC Communications Telephone Fund the portion allowed for regulatory purposes is shown as operating expenses. The remaining portion is shown as nonoperating expenses.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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

Reclassification of Prior Year Information:

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

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 intergovernmental function of the Regional Transportation Fund exceeded appropriations by \$49,198.
- Total expenditures of the intergovernmental function of the Public Transit Fund exceeded appropriations by \$239,479.
- Total expenditures of the community support function of the Senior Citizens Ad Valorem Levy Fund exceeded appropriations by \$285.
- Expenses of the CC Communications – Wireless Fund exceeded appropriations by \$71,540.

The above are apparent violations of NRS 354.626..

NOTE 3 - Cash and Investments:

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

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

A summary schedule of cash and investments for Churchill County at June 30, 2007 is as follows:

Cash and investment balances held by:	
Governmental Funds	\$ 21,841,706
Proprietary Funds	10,574,010
Fiduciary Funds	4,887,088
	<hr/>
Total	\$ 37,302,804
	<hr/>

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 3 - Cash and Investments (Continued):

Balances at fair value classified by:	
On hand	\$ 4,210
Bank of America checking	7,555
Wells Fargo:	
Checking	7,942,824
Money market	152,314
Certificates of deposit	189,915
U.S. government securities	4,995,440
Local Government Investment Pool	24,010,546
	\$ 37,302,804
Total	\$ 37,302,804

As of June 30, 2007, the County had the following investments and maturities:

Investments	Fair Value	Investment Maturity (in years) Less than 1
Freddie Mac and Fannie Mae discount notes	\$ 4,995,440	\$ 4,995,440
Local Government Investment Pool	24,010,546	24,010,546
	\$ 29,005,986	\$ 29,005,986

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, 2007 meet the above requirements.

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's investments in certificates of deposit are rated by IDC Financial Publishing, Inc. IDC Publishing, Inc. has six ratings: superior, excellent, average, below average, lowest ratios, and rank of one. Of the two certificates of deposit held by Churchill County as of June 30, 2007, one was rated superior and one was rated excellent. The Local Government Investment Pool is unrated. Churchill County's policy does not specify minimum acceptable credit ratings beyond those specified in the Nevada Revised Statutes. Refer to Note 1 for further discussion of the types of investments allowed by State law.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. The County's bank deposits are covered by FDIC insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

Churchill County is a voluntary participant in the 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.

Churchill County administers an external investment pool combining Churchill County money with involuntary investments from the Churchill County School District. Each participant's share is equal to their original investment plus or minus monthly allocations of interest income. The Board of Commissioners has overall responsibility for investment of County funds, including the Investment Trust Fund in accordance with NRS 355.175. The Churchill County Chief Investment Official is the Churchill County Clerk-Treasurer, under authority delegated by the Board of Commissioners. The fair value of Churchill County investments is determined annually. The County has not provided or obtained any legally binding guarantees during the period to support the value of shares. The external investment pool is not required to and is not registered with the SEC as an investment company.

CHURCHILL COUNTY, NEVADA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2007

NOTE 3 - Cash and Investments (Continued):

Summary of investments held in the external investment pool at June 30, 2007:

Investment Type	Fair Value	Number of Shares	Interest Rate	Maturity Dates
State of Nevada Local Government Investment Pool	\$ 3,169,412	3,169,412 shares	Variable	07/01/07

External Investment Pool financial statements:

Statement of Net Assets, June 30, 2007

Assets

Investments in securities:	
State of Nevada Local Government Investment Pool	\$ 3,169,412
Interest receivable	13,332
	<hr/>
Total Assets	3,182,744

Net Assets

Net assets consist of:	
External participants	3,182,744
	<hr/>
Total Net Assets Held in Trust for Pool Participants (Participant Units Outstanding, \$1/par)	\$ 3,182,744

Statement of Changes in Net Assets, Year Ended June 30, 2007

Net increase resulting from operations:	
Investment earnings	\$ 186,317
Capital share transactions	183,587
	<hr/>
Total Increase	369,904
Net assets:	
Beginning of year	2,812,840
	<hr/>
End of year	\$ 3,182,744

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 4 - Notes Receivable:

Governmental Activities	Loan Amount	Terms	Balance June 30, 2007	Current Portion	Remaining Balance
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.	\$ 233,555	\$ 16,161	\$ 217,394
Water Resource Fund: EDU Will Serve Certificates	1,432,750	Balance was due by 12/31/05 including interest at prime plus 3% through 06/01/06 when it became prime plus 4%.	792,750	792,750	-
			<u>\$ 1,026,305</u>	<u>\$ 808,911</u>	<u>\$ 217,394</u>

NOTE 5 - Capital Assets:

A summary of changes in capital assets for the year ended June 30, 2007 follows:

Governmental Activities:	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
Capital assets, not being depreciated:				
Land and easements	\$ 6,359,463	\$ 2,500,892	-	\$ 8,860,355
Water rights	6,206,362	112,395	-	6,318,757
Under construction	-	61,593	-	61,593
Total Capital Assets, Not Being Depreciated	<u>12,565,825</u>	<u>2,674,880</u>	<u>-</u>	<u>15,240,705</u>
Capital assets, being depreciated:				
Buildings and improvements	13,536,164	563,492	-	14,099,656
Land improvements	1,458,109	-	-	1,458,109
Equipment	8,208,567	1,999,785	616,259	9,592,093
Infrastructure	42,314,595	1,606,543	548,733	43,372,405
Total Capital Assets, Being Depreciated	<u>65,517,435</u>	<u>4,169,820</u>	<u>1,164,992</u>	<u>68,522,263</u>
Less accumulated depreciation for:				
Buildings and improvements	(5,489,422)	(396,549)	-	(5,885,971)
Land improvements	(927,149)	(49,345)	-	(976,494)
Equipment	(5,408,578)	(634,464)	360,224	(5,682,818)
Infrastructure	(22,626,907)	(856,124)	401,765	(23,081,266)
Total Accumulated Depreciation	<u>(34,452,056)</u>	<u>(1,936,482)</u>	<u>761,989</u>	<u>(35,626,549)</u>
Total Capital Assets, Being Depreciated, Net	<u>31,065,379</u>	<u>2,233,338</u>	<u>403,003</u>	<u>32,895,714</u>
Governmental Activities Capital Assets, Net	<u>\$ 43,631,204</u>	<u>\$ 4,908,218</u>	<u>\$ (403,003)</u>	<u>\$ 48,136,419</u>

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 5 - Capital Assets (Continued):

	Balance July 1, 2006	Additions	Deletions	Transfers	Balance June 30, 2007
Business-Type Activities:					
Capital assets, not being depreciated:					
Real estate and easements	\$ 540,699	\$ -	\$ -	\$ -	\$ 540,699
Under construction	11,609,644	5,632,028	5,821,411	-	11,420,261
Total Capital Assets, Not Being Depreciated	12,150,343	5,632,028	5,821,411	-	11,960,960
Capital assets, being depreciated:					
Buildings and improvements	5,232,367	89,259	-	(23,886)	5,297,740
Central office switching	14,862,962	623,860	924,753	568,035	15,130,104
Outside plant	26,703,830	2,080,687	80,362	(549,324)	28,154,831
Furniture and fixtures	56,442	-	-	-	56,442
Computer equipment	2,892,155	169,616	191,710	1,416	2,871,477
Other communication equipment	429,533	-	-	-	429,533
Vehicles and work equipment	2,849,184	216,446	407,759	-	2,657,871
Leasehold improvements	767,055	-	-	3,759	770,814
Other equipment	6,249,412	198,314	74,605	-	6,373,121
Cell sites	7,476,145	1,683,751	117,099	-	9,042,797
Transport facilities	1,219,904	411,560	-	-	1,631,464
Waste water infrastructure	-	6,980,955	-	-	6,980,955
Water infrastructure	-	294,000	-	-	294,000
Total Capital Assets, Being Depreciated	68,738,989	12,748,448	1,796,288	-	79,691,149
Less accumulated depreciation for:					
Buildings and improvements	(2,128,092)	(228,940)	-	-	(2,357,032)
Central office switching	(12,304,480)	(2,070,692)	867,435	-	(13,507,737)
Outside plant	(8,981,975)	(985,351)	68,769	-	(9,898,557)
Furniture and fixtures	(49,340)	(5,645)	-	-	(54,985)
Computer equipment	(1,312,626)	(593,186)	191,710	-	(1,714,102)
Other communication equipment	(428,202)	(1,331)	-	-	(429,533)
Vehicles and work equipment	(2,753,737)	(195,525)	306,818	-	(2,642,444)
Leasehold improvements	(82,142)	(51,325)	-	-	(133,467)
Other equipment	(4,650,034)	(510,375)	74,605	-	(5,085,804)
Cell sites	(2,830,482)	(989,083)	117,099	-	(3,702,466)
Transport facilities	(144,656)	(13,118)	-	-	(157,774)
Waste water infrastructure	-	(172,224)	-	-	(172,224)
Water infrastructure	-	(11,064)	-	-	(11,064)
Total Accumulated Depreciation	(35,665,766)	(5,827,859)	1,626,436	-	(39,867,189)
Total Capital Assets, Being Depreciated, Net	33,073,223	6,920,589	169,852	-	39,823,960
Business-Type Activities Capital Assets, Net	\$ 45,223,566	\$ 12,552,617	\$ 5,991,263	-	\$ 51,784,920

CHURCHILL COUNTY, NEVADA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2007

NOTE 5 - Capital Assets (Continued):

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

Governmental activities:		
General government	\$	357,651
Judicial		58,347
Public safety		405,362
Public works		950,500
Health		11,731
Culture and recreation		150,600
Community support		2,291
		2,291
Total Depreciation Expense – Governmental Activities	\$	1,936,482
Business-Type Activities:		
Telephone	\$	4,183,198
Wireless		1,007,605
Broadband		453,768
Waste Water		172,224
Utility		11,064
		11,064
Total Depreciation Expense – Business-Type Activities	\$	5,827,859
Telephone:		
Regulated	\$	4,141,053
Nonregulated		42,145
		42,145
	\$	4,183,198

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. 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	
2006-07	19.75%	32.00%	\$3,008,625
2005-06	19.75%	32.00%	2,935,061
2004-05	20.25%	28.50%	2,801,041

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 7 - Long-Term Obligations:

Long-term debt consists of the following at June 30, 2007:

Governmental Activities	Date Issued	Date of Maturity	Interest Rate	Amount Issued	Balance June 30, 2007
<u>Revenue Bonds</u>					
Bank of America	05/05	2015	Variable based on Prime, LIBOR or Treasury rate with cap of 8%. Beginning January 5, 2006, rate is locked at 3.92% until January 5, 2011.	\$ 3,300,001	\$ 2,475,986
<u>Contract Payable</u>					
Development rights	05/05	2015	1.474%	97,025	97,025
					<u>\$ 2,573,011</u>

The County has pledged all income and revenue received from the sale of water right shares, water right dedication fees and revenues of the County's municipal water system for payment of principal and interest on the revenue bonds.

Business-Type Activities	Date Issued	Date of Maturity	Interest Rate	Amount Issued	Balance June 30, 2007
<u>Note Payable</u>					
Bank of America	07/03	2008	3.92%	\$ 3,904,940	\$ 817,024
<u>Revenue Bonds</u>					
USDA	06/07	2047	4.125%	1,213,000	1,213,000
USDA	06/07	2047	4.125%	1,288,618	1,288,618
USDA	06/07	2047	4.125%	2,042,758	2,042,758
<u>Capital Lease Payable</u>					
Louie's Home Center, Inc.	11/03	2029	Imputed at 3.62%	1,623,575	1,450,196
Total					<u>\$ 6,811,596</u>

Summary of debt service requirements to maturity for the bonds, notes and contract payable:

Bonds, Notes and Contract Payable Year Ending June 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
			Requirements			Requirements
2008	\$ 333,369	\$ 96,844	\$ 430,213	\$ 876,140	\$ 183,407	\$ 1,059,547
2009	312,753	80,200	392,953	48,218	184,278	232,496
2010	345,469	70,224	415,693	50,238	182,258	232,496
2011	312,753	55,680	368,433	52,343	180,153	232,496
2012	312,753	43,421	356,174	54,536	177,960	232,496
2013-2017	955,914	58,009	1,013,923	308,924	853,556	1,162,480
2018-2022	-	-	-	379,286	783,194	1,162,480
2023-2027	-	-	-	465,673	696,807	1,162,480
2028-2032	-	-	-	571,736	590,744	1,162,480
2033-2037	-	-	-	701,957	460,523	1,162,480
2038-2042	-	-	-	861,836	300,644	1,162,480
2043-2047	-	-	-	990,513	104,445	1,094,958
Total	<u>\$ 2,573,011</u>	<u>\$404,378</u>	<u>\$ 2,977,389</u>	<u>\$ 5,361,400</u>	<u>\$ 4,697,969</u>	<u>\$ 10,059,369</u>

The asset acquired through the capital lease for business-type activities is a building. As of June 30, 2007, the capital asset of \$1,623,575 was offset by accumulated depreciation of \$288,636.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 7 - Long-Term Obligations (Continued):

The following is a schedule of future minimum lease payments under capital lease obligations as of June 30, 2007:

Year Ending June 30	Business-Type Activities		
	Remaining Payments	Less: Amount Representing Interest	Present Value of Net Minimum Lease Payments
2008	\$ 105,600	\$ 47,227	\$ 58,373
2009	115,200	49,276	65,924
2010	115,200	46,851	68,349
2011	115,200	44,336	70,864
2012	115,200	41,729	73,471
2013 - 2017	481,072	170,933	310,139
2018 - 2022	408,480	120,457	288,023
2023 - 2027	408,480	63,430	345,050
2028 - 2030	177,008	7,005	170,003
Total:	\$ 2,041,440	\$ 591,244	\$ 1,450,196

Changes in Long-term Obligations:

Governmental Activities	Balance July 1, 2006	Additions	Reductions	Balance June 30, 2007	Due Within One Year
	Revenue bonds			\$ 2,832,566	\$ -
Promissory note	256,500	-	256,500	-	-
Contract payable	97,025	-	-	97,025	20,616
Capital leases payable	140,254	-	140,254	-	-
Compensated absences	801,090	121,366	90,136	832,320	71,999
Total	\$ 4,127,435	\$ 121,366	\$ 843,470	\$ 3,405,331	\$ 405,368

Business-Type Activities	Balance July 1, 2006	Additions	Reductions	Balance June 30, 2007	Due Within One Year
	Notes payable			\$ 1,619,266	\$ -
Bonds payable	4,000,000	4,544,376	4,000,000	4,544,376	59,116
Capital leases payable	1,511,709	-	61,513	1,450,196	58,373
Compensated absences	396,386	574,338	368,544	602,180	39,591
Total	\$ 7,527,361	\$ 5,118,714	\$ 5,232,299	\$ 7,413,776	\$ 974,104

Interest expense on long-term obligations for the year ended June 30, 2007 for governmental and business-type activities was \$109,240 and \$83,478, respectively. Interest capitalized was \$289,775.

In accordance with Nevada Revised Statutes 244A.059, the County was within the legal debit limit at June 30, 2007.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 8 – Interfund Receivables, Payables, and Transfers:

Interfund receivable and payable balances at June 30, 2007 are as follows:

Governmental Activities	Governmental Activities		Business-Type Activities		Total Due to Other Funds
	Major Governmental Fund	Non-Major Governmental Fund	Major Proprietary Funds		
	General Fund	Debt Service Fund	Waste Water Enterprise Fund	Utility Enterprise Fund	
Due from:					
Governmental Activities:					
Major Governmental Fund:					
Water Resource Fund	\$ -	\$ -	\$ 13,000	\$ 13,000	\$ 26,000
Non-Major Governmental Fund:					
Graffiti Reward and Abatement Fund	1,407	-	-	-	1,407
Business-Type Activities:					
Major Proprietary Funds:					
Waste Water Enterprise Fund	-	86,873	-	125,130	212,003
Utility Enterprise Fund	-	86,872	-	-	86,872
Total Due from Other Funds	\$ 1,407	\$ 173,745	\$ 13,000	\$ 138,130	\$ 326,282

The above are the result of entries to allocate either revenues or expenditures to the appropriate funds except for the transactions between the Water Resource Fund and the Waste Water Enterprise Fund and the Utility Enterprise Fund. Transactions between these funds were to move the utility functions to the proper funds.

Interfund transfers are shown as other financing sources or uses, as appropriate. Activity for the year ended June 30, 2007 is as follows:

Transfers from:	Transfers to:			
	Road Fund	Water Resource Fund	Other Governmental Funds	Total Transfers to Other Funds
Governmental activities:				
Major governmental funds:				
General Fund	\$ -	\$ 25,000	\$ 305,000	\$ 330,000
Road Fund	-	-	125,000	125,000
Water Resource Fund	-	-	750,000	750,000
Other governmental funds	1,186,799	-	190,000	1,376,799
Total Transfers from Other Funds	\$ 1,186,799	\$ 25,000	\$ 1,370,000	\$ 2,581,799

The General Fund transferred funds to the Water Resource Fund, Parks and Recreation Fund, Law Library, Library Gift, Risk Management, Compensated Absences, and Unemployment Compensation Funds to subsidize these programs.

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

The Water Resource Fund and the Road Fund transferred funds to the Debt Service Fund for payments on debt.

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

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

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 9 – Major Contracts and Other Commitments Outstanding:

Contractor	Contract Amount	Portion Completed	Uncompleted Contract Balance at June 30, 2007	Description
Resource Development	\$ 576,946	\$ 549,444	\$ 27,502	Water system
A & K Earthmovers	3,755,976	3,750,976	5,000	Water system
Hungerford & Terry	544,150	521,024	23,126	Water system
A & K Earthmovers	1,476,514	1,473,101	3,413	Waste water phase I
K.G. Walters	1,964,489	1,856,079	108,410	Waste water phase I
A & K Earthmovers	1,432,600	-	1,432,600	Waste water phase II
K.G. Walters	7,674,000	-	7,674,000	Waste water phase II
Shaw Engineering	1,442,000	680,543	761,457	Waste water phase II
	<u>\$ 18,866,675</u>	<u>\$ 8,831,167</u>	<u>\$ 10,035,508</u>	

NOTE 10 - Operating Leases:

CC Communications - Telephone Fund and CC Communications - Wireless Fund are parties 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 and CC Communications - Wireless Fund sublease a portion of these facilities to other entities.

NOTE 11 - Interfund Transactions:

CC Communications - Wireless Fund, CC Communications Long Distance Fund, and CC Communications - Broadband Fund rent office space and other facility space on a month-to-month basis. Following is a schedule of payments from these funds to CC Communications - Telephone Fund for the year ended June 30, 2007:

	Wireless Fund	Long Distance Fund	Broadband Fund	Total
Special access charges	\$ 67,018	\$ -	\$ 23,052	\$ 90,070
Billing and collection	79,648	243,677	43,160	366,485
Rent	30,685	6,000	6,000	42,685
Customer services	491,622	69,260	425,936	986,818
Administrative costs	188,674	5,132	31,260	225,066
Installation	-	-	45,465	45,465
Engineering and maintenance	231,404	-	75,296	306,700
	<u>\$ 1,089,051</u>	<u>\$ 324,069</u>	<u>\$ 650,169</u>	<u>\$ 2,063,289</u>

CC Communications - Telephone Fund paid CC Communications - Wireless Fund \$20,541 for cellular phone service fees during the year ended June 30, 2007.

CC Communications - Wireless Fund paid CC Communications - Long Distance Fund \$295,160 for toll charges for Wireless customers.

The above transactions were not eliminated so the cost of operations would not be distorted.

NOTE 12 - 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, 2007, 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, NEVADA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2007

NOTE 13 - 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 coverage for its members up to \$10,000,000 per event and a \$13,000,000 general aggregate per member.

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

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 equipment breakdown, boiler, and machinery	60,000,000	Each accident
Sub-limit for money and securities	500,000	Each loss
Casualty:		
General liability, law enforcement, automobile liability and wrongful acts	10,000,000	Each and every event
General liability	13,000,000	General annual aggregate
Products/completed operations	13,000,000	Annual aggregate
Law enforcement liability	13,000,000	Annual aggregate
Wrongful acts	10,000,000	Annual aggregate
	48,750,000	Annual aggregate all members

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

Public Agency Compensation Trust:

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

PACT is bound by statute as defined in NRS 616A-616D. The County pays an annual assessment to PACT based on a percentage of its annual remuneration. There is a pooled self-insured retention of \$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, 2007 represented 4.9% of total revenue.

CHURCHILL COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 13 - Risk Management and Concentration of Credit Risk (Continued):

Most of CC Communications – Wireless Fund’s customers are located in Northern Nevada. CC Communications – Wireless Fund’s billings to a single carrier for roamer revenue for the year ended June 30, 2007 represented 45% of total revenue.

CC Communications – Broadband Fund’s customers are located in Northern Nevada.

NOTE 14 – Post Retirement Health Insurance Benefits:

A portion of the cost of coverage under the Public Employees’ Benefits Program is paid by the County for those employees retiring and joining the Public Employees’ Benefits Program. The portion is established by Nevada Revised Statutes and is based on date of retirement and service years.

As of June 30, 2007, eighty-four retirees were participating in the Public Employees’ Benefits Program. The County funded \$287,102 in the current fiscal year. Premium payments are funded by operating resources within the Compensated Absences Fund as incurred and no provision has been made to permanently fund future liabilities.

NOTE 15 - Revenue Stabilization Fund:

The Revenue Stabilization Fund established in accordance with NRS 354.6115 did not have any expenditures during the 2006-2007 fiscal year.

The budgeted resource for the Revenue Stabilization Fund for the 2007-2008 fiscal year is interest income in the amount of \$62,000. There are no budgeted expenditures for the 2007-2008 fiscal year.

Churchill County plans to accumulate funds to stabilize operations in the event of shortfalls in budgeted revenues. The County has accumulated 10% of General Fund expenditures in this fund as allowed by state statutes. It is the County’s intention that interest earnings will allow the fund to grow to continue to meet the thresholds allowed by NRS 354.6115.

CHURCHILL COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR DEBT SERVICE FUND	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
				2007	2006
ASSETS					
Cash and investments	\$10,899,772	\$ 563,572	\$ 3,355,815	\$ 14,819,159	\$ 13,584,797
Receivables:					
Property taxes	26,011	-	6,613	32,624	23,492
Interest	47,421	3,006	15,359	65,786	46,351
Other	17,991	-	25,018	43,009	16,552
Notes	233,555	-	-	233,555	264,704
Due from other funds	-	173,745	-	173,745	719,154
Due from other governments	651,709	-	32,213	683,922	912,398
Total Assets	<u>\$11,876,459</u>	<u>\$ 740,323</u>	<u>\$ 3,435,018</u>	<u>\$ 16,051,800</u>	<u>\$ 15,567,448</u>
LIABILITIES					
Accounts payable	\$ 70,921	\$ -	\$ 73,439	\$ 144,360	\$ 180,824
Accrued liabilities	49,035	-	-	49,035	52,852
Deferred revenue	22,772	-	5,794	28,566	19,342
Due to other funds	1,407	-	-	1,407	886,285
Due to other governments	285,531	-	9,648	295,179	237,376
Customer deposits	1,990	-	-	1,990	1,355
Total Liabilities	<u>431,656</u>	<u>-</u>	<u>88,881</u>	<u>520,537</u>	<u>1,378,034</u>
FUND BALANCES					
Reserved for:					
Notes receivable	233,555	-	-	233,555	264,704
Revenue shortfalls	1,385,957	-	-	1,385,957	1,304,495
Unreserved	9,825,291	740,323	3,346,137	13,911,751	12,620,215
Total Fund Balances	<u>11,444,803</u>	<u>740,323</u>	<u>3,346,137</u>	<u>15,531,263</u>	<u>14,189,414</u>
Total Liabilities and Fund Balances	<u>\$11,876,459</u>	<u>\$ 740,323</u>	<u>\$ 3,435,018</u>	<u>\$ 16,051,800</u>	<u>\$ 15,567,448</u>

CHURCHILL COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR DEBT SERVICE FUND	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
				2007	2006
REVENUES					
Taxes	\$ 2,459,583	\$ -	\$ 383,314	\$ 2,842,897	\$ 2,850,699
Licenses and permits	225,582	-	-	225,582	297,794
Intergovernmental	3,211,620	-	273,000	3,484,620	5,018,458
Charges for services	329,392	-	-	329,392	368,703
Miscellaneous	1,076,340	15,046	442,599	1,533,985	1,294,709
Total Revenues	7,302,517	15,046	1,098,913	8,416,476	9,830,363
EXPENDITURES					
Current:					
General government	424,130	-	1,258,591	1,682,721	909,057
Judicial	86,864	-	-	86,864	89,174
Public safety	4,250	-	-	4,250	10,206
Public works	130,550	-	-	130,550	149,676
Health	1,016	-	-	1,016	1,922
Welfare	1,085,511	-	-	1,085,511	1,355,305
Culture and recreation	1,975,210	-	-	1,975,210	3,593,196
Community support	541,043	-	-	541,043	477,361
Intergovernmental	889,677	-	58,412	948,089	227,089
Debt service:					
Principal	-	496,834	256,500	753,334	452,730
Interest	-	109,240	-	109,240	115,845
Total Expenditures	5,138,251	606,074	1,573,503	7,317,828	7,381,561
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,164,266	(591,028)	(474,590)	1,098,648	2,448,802
OTHER FINANCING SOURCES (USES)					
Issuance of medium-term financing	-	-	-	-	256,500
Transfers in Lieu of Taxes - CC Communications - Telephone Fund	250,000	-	-	250,000	225,000
Transfers in	430,000	875,000	65,000	1,370,000	1,275,000
Transfers out	(1,376,799)	-	-	(1,376,799)	(1,734,217)
Total Other Financing Sources (Uses)	(696,799)	875,000	65,000	243,201	22,283
Net Change in Fund Balances	1,467,467	283,972	(409,590)	1,341,849	2,471,085
FUND BALANCE, July 1	9,977,336	456,351	3,755,727	14,189,414	11,718,329
FUND BALANCE, June 30	\$ 11,444,803	\$ 740,323	\$ 3,346,137	\$ 15,531,263	\$ 14,189,414

CHURCHILL COUNTY, NEVADA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

	2007	2006
ASSETS		
Cash and investments	\$ 2,843,117	\$ 3,673,327
Receivables:		
Property taxes	74,227	52,903
Interest	10,593	10,661
Other	25,198	8,602
Due from other funds	1,407	66,381
Due from other governments	1,444,806	1,958,638
Total Assets	\$ 4,399,348	\$ 5,770,512
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 261,427	\$ 374,337
Accrued salaries	239,900	254,946
Accrued benefits	148,623	131,063
Deferred revenue	894,352	765,832
Due to other funds	-	1,623,461
Due to other governments	129,377	187,103
Customer deposits	3,285	3,285
Total Liabilities	1,676,964	3,340,027
Fund Balance:		
Unreserved	2,722,384	2,430,485
Total Liabilities and Fund Balance	\$ 4,399,348	\$ 5,770,512

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
(Page 1 of 6)

REVENUES	BUDGET	ACTUAL	VARIANCE	2006
Property taxes:				
Ad valorem taxes	\$3,901,306	\$4,002,791	\$ 101,485	\$ 3,559,637
Licenses and permits:				
Business licenses	56,195	44,444	(11,751)	40,370
Liquor licenses	6,250	4,560	(1,690)	5,390
Local gaming licenses	47,750	48,822	1,072	45,762
Marriage licenses	5,400	3,984	(1,416)	4,836
Other permits	42,000	27,863	(14,137)	27,067
Building permits	401,250	169,712	(231,538)	381,297
Mobile home permits	300	117	(183)	152
Fictitious name/notary bonds	7,500	7,265	(235)	7,595
Passport fees	6,700	11,610	4,910	8,670
Drug court fee	6,000	5,477	(523)	5,136
Septic fees	32,000	19,500	(12,500)	30,100
Inspection fees	-	32,887	32,887	-
Manufactured home permits	7,500	19,025	11,525	34,900
Other license/permits fees	39,100	40,215	1,115	40,295
Franchise fees	124,750	179,593	54,843	166,914
	782,695	615,074	(167,621)	798,484
Intergovernmental:				
Federal in lieu of taxes	450,000	450,000	-	425,000
State gaming license	28,625	27,156	(1,469)	28,300
Bi-county reimbursements	-	52,151	52,151	31,710
Private car tax	-	1,926	1,926	1,827
AB104 fairshare	1,106,750	1,106,750	-	1,000,000
Consolidated intergovernmental taxes	6,076,000	5,988,570	(87,430)	5,216,000
City jail reimbursements	65,000	41,994	(23,006)	28,463
Task force reimbursement	10,000	2,652	(7,348)	3,514
Grants-in-aid:				
Federal grants:				
Title IV-D	364,591	324,220	(40,371)	317,193
Title IV-D incentive	21,000	40,371	19,371	35,094
Wilderness program	9,084	9,084	-	370
Rural fire assistance	-	-	-	3,700
Planning assistance	313,830	240,445	(73,385)	172,769
FEMA - emergency management	9,559	9,559	-	4,756
Title V mentor link	7,500	10,000	2,500	9,975
State criminal assistance program (SCAAP)	7,988	7,988	-	11,816
Wilderness	20,558	20,558	-	20,594
OJJDP - CCBC - rafts	30,917	38,646	7,729	30,917
COPS grant	-	-	-	62,833
OJJDP challenge grant	-	-	-	17,372
OJJDP girl's circle	6,000	8,000	2,000	8,700
Homeland security	-	-	-	176,390
Coalition - mentor link	-	-	-	30,429
Traffic safety	-	-	-	24,330
SERC - Operations	988	988	-	-
SERC - Equipment	43,627	43,627	-	15,563
Drug free schools	8,356	17,035	8,679	74,332
State grants:				
CCSD summer school	-	-	-	10,000
Volunteer firemen	9,000	9,000	-	-

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
(Page 2 of 6)

	BUDGET	ACTUAL	VARIANCE	2006
SB 62 water grant	\$ 9,780	\$ 9,780	\$ -	\$ 26,720
AOC - Justice Court	7,635	7,635	-	-
Nevada works summer employment	28,468	28,468	-	-
Rafts	20,067	20,067	-	18,506
	<u>8,655,323</u>	<u>8,516,670</u>	<u>(138,653)</u>	<u>7,807,173</u>
Charges for services:				
Administrative assessments:				
Juvenile probation	9,750	9,128	(622)	10,045
Justice court	40,125	31,959	(8,166)	35,185
Municipal court	2,100	1,540	(560)	1,390
Juvenile court	2,175	890	(1,285)	850
District court	400	299	(101)	397
Assessor's property tax commissions	181,629	154,492	(27,137)	181,249
Assessor's department fee	2,100	-	(2,100)	2,148
Candidate filing fees	500	-	(500)	1,950
Justice court filing fees	61,275	66,606	5,331	62,755
Justice court forensic fees	8,629	6,264	(2,365)	8,790
Court clerk miscellaneous	12,180	23,060	10,880	16,129
County court fees	21,386	23,739	2,353	22,477
Recorder RPTT collection fees	4,175	3,613	(562)	8,047
Recorder's fees	186,175	164,275	(21,900)	206,113
Public defender fees	7,500	7,624	124	6,172
Return check fees	-	40	40	60
Crime lab fees	1,000	567	(433)	1,051
Sheriff's fees	32,625	38,329	5,704	38,035
Sheriff's fees, fingerprint	2,500	3,290	790	1,999
Sheriff's fees, concealed weapon	3,200	6,165	2,965	7,465
Sheriff's fees, intermittent	2,000	4,475	2,475	1,550
CC Communications retainer	9,000	13,280	4,280	12,350
BLM service fee	-	7,217	7,217	2,500
Planning commission appeal fee	-	300	300	300
Child support withheld fee	500	1,641	1,141	1,658
Cemetery fees	51,125	52,350	1,225	49,385
Ortho photo fees	-	-	-	21,226
Mining map fees:				
Map fees - mining claims	3,500	6,004	2,504	8,999
Land plot maps - copies	200	184	(16)	205
	<u>645,749</u>	<u>627,331</u>	<u>(18,418)</u>	<u>710,480</u>
Fines and forfeits:				
Forfeited bail	182,175	191,437	9,262	189,109
Fines	97,950	51,027	(46,923)	76,308
Justice court bond forfeiture	2,100	4,238	2,138	3,126
Delinquent tax penalties	121,605	129,376	7,771	117,288
	<u>403,830</u>	<u>376,078</u>	<u>(27,752)</u>	<u>385,831</u>
Miscellaneous:				
Interest	52,650	86,670	34,020	63,187
Miscellaneous sales	2,000	29,274	27,274	14,642
Oil and gas leases	3,033	3,034	1	-
Mine proceeds tax commissions	-	17,253	17,253	14,023
Senior citizen processing fees	-	872	872	872
Data processing	3,750	6,975	3,225	8,587
Buildings lease revenue	-	2,242	2,242	-
Justice court payment setup fee	1,200	4,053	2,853	2,121
Justice court collection fee	1,000	12,442	11,442	7,074
Juvenile transport reimbursements	5,000	10,496	5,496	10,068
Juvenile child care reimbursements	4,500	4,627	127	799
Juvenile substance abuse reimbursements	2,750	699	(2,051)	1,155
Juvenile instructional supervision reimbursements	2,000	448	(1,552)	1,299
Juvenile miscellaneous reimbursements	100	328	228	-
Gifts and donations	-	-	-	21,100

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
(Page 3 of 6)

	BUDGET	ACTUAL	VARIANCE	2006
CWSD reimbursements	\$ 30,000	\$ 30,000	\$ -	\$ -
Mathew Homes Hazen project	-	17,976	17,976	32,242
Other miscellaneous	6,000	15,393	9,393	23,341
	<u>113,983</u>	<u>242,782</u>	<u>128,799</u>	<u>200,510</u>
Total Revenues	<u>14,502,886</u>	<u>14,380,726</u>	<u>(122,160)</u>	<u>13,462,115</u>
EXPENDITURES				
General government:				
Commissioners:				
Salaries	80,859	79,028	1,831	78,714
Benefits	41,518	40,381	1,137	38,040
Services and supplies	16,575	14,122	2,453	7,512
	<u>138,952</u>	<u>133,531</u>	<u>5,421</u>	<u>124,266</u>
Clerk/treasurer:				
Salaries	402,677	363,859	38,818	355,996
Benefits	175,025	156,642	18,383	141,887
Services and supplies	48,650	33,472	15,178	35,263
	<u>626,352</u>	<u>553,973</u>	<u>72,379</u>	<u>533,146</u>
Recorder:				
Salaries	192,950	165,061	27,889	172,321
Benefits	73,337	65,522	7,815	57,810
Services and supplies	15,310	29,293	(13,983)	10,358
	<u>281,597</u>	<u>259,876</u>	<u>21,721</u>	<u>240,489</u>
Records and microfilming:				
Services and supplies	47,000	46,382	618	46,649
Assessor:				
Salaries	405,440	388,972	16,468	361,655
Benefits	165,913	158,624	7,289	140,644
Services and supplies	116,230	60,448	55,782	89,784
	<u>687,583</u>	<u>608,044</u>	<u>79,539</u>	<u>592,083</u>
County manager:				
Salaries	169,635	168,848	787	154,903
Benefits	54,918	53,436	1,482	46,401
Services and supplies	11,300	9,422	1,878	11,260
	<u>235,853</u>	<u>231,706</u>	<u>4,147</u>	<u>212,564</u>
Buildings and grounds:				
Salaries	223,792	216,673	7,119	183,471
Benefits	99,572	97,061	2,511	77,671
Services and supplies	414,000	413,757	243	311,195
Capital outlay	-	-	-	9,500
	<u>737,364</u>	<u>727,491</u>	<u>9,873</u>	<u>581,837</u>
Elections:				
Salaries	14,000	13,685	315	-
Benefits	700	485	215	-
Services and supplies	86,200	87,459	(1,259)	7,280
	<u>100,900</u>	<u>101,629</u>	<u>(729)</u>	<u>7,280</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
(Page 4 of 6)

	BUDGET	ACTUAL	VARIANCE	2006
Personnel operations:				
Salaries	\$ 79,555	\$ 78,932	\$ 623	\$ 87,546
Benefits	25,998	25,867	131	26,881
Services and supplies	11,900	9,190	2,710	9,205
	<u>117,453</u>	<u>113,989</u>	<u>3,464</u>	<u>123,632</u>
Personnel - staff development:				
Services and supplies	4,500	3,139	1,361	4,140
Personnel - benefit services:				
Services and supplies	21,100	16,783	4,317	16,675
Comptroller:				
Salaries	232,098	217,558	14,540	212,593
Benefits	86,969	82,441	4,528	74,447
Services and supplies	18,250	15,878	2,372	12,781
	<u>337,317</u>	<u>315,877</u>	<u>21,440</u>	<u>299,821</u>
Data processing:				
Services and supplies	150,190	124,329	25,861	122,157
Capital outlay	65,000	6,714	58,286	-
	<u>215,190</u>	<u>131,043</u>	<u>84,147</u>	<u>122,157</u>
General government other:				
Services and supplies	1,165,080	930,136	234,944	1,131,154
Capital outlay	5,000	3,612	1,388	15,999
	<u>1,170,080</u>	<u>933,748</u>	<u>236,332</u>	<u>1,147,153</u>
Building inspection:				
Salaries	160,218	123,394	36,824	100,225
Benefits	62,473	52,978	9,495	36,050
Services and supplies	15,500	12,002	3,498	14,793
Capital outlay	20,000	17,028	2,972	-
	<u>258,191</u>	<u>205,402</u>	<u>52,789</u>	<u>151,068</u>
Yucca Mountain:				
Services and supplies	291,630	235,924	55,706	172,769
Planning department:				
Salaries	303,228	289,431	13,797	275,887
Benefits	116,607	114,086	2,521	102,508
Services and supplies	41,210	54,850	(13,640)	31,330
Capital outlay	5,000	4,375	625	-
	<u>466,045</u>	<u>462,742</u>	<u>3,303</u>	<u>409,725</u>
Total General Government	<u>5,737,107</u>	<u>5,081,279</u>	<u>655,828</u>	<u>4,785,454</u>
Judicial:				
District court:				
Salaries	108,168	107,654	514	101,360
Benefits	41,821	41,519	302	37,034
Services and supplies	472,400	467,179	5,221	439,398
	<u>622,389</u>	<u>616,352</u>	<u>6,037</u>	<u>577,792</u>
Justice court:				
Salaries	293,655	293,154	501	275,108
Benefits	111,167	110,500	667	89,775
Services and supplies	131,950	131,023	927	113,530
Capital outlay	22,922	15,272	7,650	5,566
	<u>559,694</u>	<u>549,949</u>	<u>9,745</u>	<u>483,979</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
(Page 5 of 6)

	BUDGET	ACTUAL	VARIANCE	2006
District attorney:				
Salaries	\$1,106,421	\$ 987,079	\$ 119,342	\$ 925,290
Benefits	388,781	373,965	14,816	328,957
Services and supplies	242,150	231,411	10,739	232,511
Capital outlay	5,000	5,000	-	-
	<u>1,742,352</u>	<u>1,597,455</u>	<u>144,897</u>	<u>1,486,758</u>
Total Judicial	<u>2,924,435</u>	<u>2,763,756</u>	<u>160,679</u>	<u>2,548,529</u>
Public safety:				
Sheriff:				
Salaries	2,700,090	2,542,634	157,456	2,475,181
Benefits	1,387,715	1,318,760	68,955	1,210,844
Services and supplies	687,053	549,321	137,732	537,920
Capital outlay	198,000	192,766	5,234	89,862
	<u>4,972,858</u>	<u>4,603,481</u>	<u>369,377</u>	<u>4,313,807</u>
Fire protection:				
Salaries	100,595	75,072	25,523	75,242
Benefits	164,175	142,118	22,057	137,692
Services and supplies	283,201	214,099	69,102	150,234
Capital outlay	297,000	177,361	119,639	58,977
	<u>844,971</u>	<u>608,650</u>	<u>236,321</u>	<u>422,145</u>
Emergency management:				
Services and supplies	65,174	52,084	13,090	201,036
Juvenile probation:				
Salaries	706,203	586,235	119,968	598,965
Benefits	270,486	236,708	33,778	227,276
Services and supplies	196,920	245,040	(48,120)	245,443
Capital outlay	-	2,923	(2,923)	-
	<u>1,173,609</u>	<u>1,070,906</u>	<u>102,703</u>	<u>1,071,684</u>
Total Public Safety	<u>7,056,612</u>	<u>6,335,121</u>	<u>721,491</u>	<u>6,008,672</u>
Sanitation:				
Animal control and garbage disposal:				
Services and supplies	96,000	65,986	30,014	45,473
Health:				
City/County health:				
Services and supplies	3,000	-	3,000	-
Cemetery:				
Salaries	110,808	89,192	21,616	87,331
Benefits	45,821	36,436	9,385	31,877
Services and supplies	48,800	52,287	(3,487)	55,190
Capital outlay	15,000	4,865	10,135	30,275
	<u>220,429</u>	<u>182,780</u>	<u>37,649</u>	<u>204,673</u>
Total Health	<u>223,429</u>	<u>182,780</u>	<u>40,649</u>	<u>204,673</u>

CHURCHILL COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
(Page 6 of 6)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
Culture and recreation:				
Museum:				
Salaries	\$ 226,582	\$ 208,829	\$ 17,753	\$ 198,393
Benefits	57,209	55,613	1,596	47,823
Services and supplies	41,425	40,258	1,167	37,935
Total Culture and Recreation	<u>325,216</u>	<u>304,700</u>	<u>20,516</u>	<u>284,151</u>
Community support:				
Services and supplies	<u>177,500</u>	<u>170,649</u>	<u>6,851</u>	<u>149,741</u>
Intergovernmental:				
Payments to other governments	<u>513,765</u>	<u>480,774</u>	<u>32,991</u>	<u>382,564</u>
Total Expenditures	<u>17,054,064</u>	<u>15,385,045</u>	<u>1,669,019</u>	<u>14,409,257</u>
Deficiency of Revenues Under Expenditures	<u>(2,551,178)</u>	<u>(1,004,319)</u>	<u>(1,546,859)</u>	<u>(947,142)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in lieu of taxes:				
CC Communications - Telephone Fund	1,601,280	1,601,280	-	1,576,313
Contingency	73,967	-	73,967	-
Sale of capital and other assets	6,000	24,938	18,938	1,600
Transfers out:				
Parks and Recreation Fund	-	(50,000)	(50,000)	-
Water Resource Fund	-	(25,000)	(25,000)	-
Library Gift Fund	(30,000)	(30,000)	-	(80,000)
Cemetery Beautification Fund	-	-	-	(25,000)
Law Library Fund	(25,000)	(25,000)	-	(20,000)
Risk Management Fund	(50,000)	(50,000)	-	(50,000)
Compensated Absences Fund	-	(125,000)	(125,000)	(50,000)
Unemployment Compensation Fund	(25,000)	(25,000)	-	(25,000)
Total Other Financing Sources (Uses)	<u>1,551,247</u>	<u>1,296,218</u>	<u>(107,095)</u>	<u>1,327,913</u>
Net Change in Fund Balances	<u>(999,931)</u>	<u>291,899</u>	<u>1,291,830</u>	<u>380,771</u>
FUND BALANCE, July 1	<u>2,430,485</u>	<u>2,430,485</u>	<u>-</u>	<u>2,049,714</u>
FUND BALANCE, June 30	<u>\$1,430,554</u>	<u>\$2,722,384</u>	<u>\$ 1,291,830</u>	<u>\$ 2,430,485</u>

CHURCHILL COUNTY, NEVADA
 MAJOR SPECIAL REVENUE FUND - ROAD FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2007 AND 2006

	2007	2006
ASSETS		
Cash and investments	\$1,985,586	\$1,223,806
Receivables:		
Interest	9,112	4,525
Other	21,001	29,061
Due from other funds		1,227,485
Due from other governments	217,576	275,179
Total Assets	\$2,233,275	\$2,760,056
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 42,649	\$ 77,025
Accrued salaries	25,296	25,772
Accrued benefits	8,108	9,756
Customer deposits	5,800	9,756
Due to other governments	1,598	4,115
Total Liabilities	83,451	126,424
Fund Balance:		
Unreserved	2,149,824	2,633,632
Total Liabilities and Fund Balance	\$2,233,275	\$2,760,056

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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

REVENUES	BUDGET	ACTUAL	VARIANCE	2006
Licenses and permits:				
Licenses and permits	\$ 322,500	\$ 2,250	\$ (320,250)	\$ 2,750
Intergovernmental:				
Federal in lieu of taxes	-	78,003	78,003	134,120
AB104 fairshare	-	24,366	24,366	41,986
Consolidated intergovernmental taxes	70,000	-	(70,000)	430,345
Motor vehicle fuel tax (\$.0125)	345,576	345,581	5	345,629
Motor vehicle fuel tax (\$.0175)	110,282	129,676	19,394	164,217
Motor vehicle fuel tax (\$.0360)	570,025	570,320	295	568,223
Other licenses and permits	100	-	(100)	-
	<u>1,095,983</u>	<u>1,147,946</u>	<u>51,963</u>	<u>1,684,520</u>
Miscellaneous:				
Interest	29,675	123,976	94,301	58,845
Miscellaneous	-	7,245	7,245	23,038
Other sales	250	-	(250)	-
Inspection fees	-	750	750	1,500
Geothermal rents and royalties	-	194,282	194,282	311,019
Fuel reimbursements	169,375	218,477	49,102	217,521
Meter fees	-	1,500	1,500	-
	<u>199,300</u>	<u>546,230</u>	<u>346,930</u>	<u>611,923</u>
Total Revenues	<u>1,617,783</u>	<u>1,696,426</u>	<u>78,643</u>	<u>2,299,193</u>
EXPENDITURES				
Public works:				
Highways and streets:				
Salaries	781,431	709,184	72,247	702,644
Benefits	327,211	290,465	36,746	268,663
Services and supplies	1,567,075	1,479,255	87,820	1,763,403
Capital outlay	2,142,000	1,304,885	837,115	4,223
Total Expenditures	<u>4,817,717</u>	<u>3,783,789</u>	<u>1,033,928</u>	<u>2,738,933</u>
Deficiency of Revenues Under Expenditures	<u>(3,199,934)</u>	<u>(2,087,363)</u>	<u>1,112,571</u>	<u>(439,740)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Regional Transportation Fund	600,000	682,899	82,899	860,200
Public Transit Fund	500,000	503,900	3,900	679,017
Proceeds from short-term financing	1,160,000	-	(1,160,000)	-
Sale of capital and other assets	1,000	532,000	531,000	76,867
Transfers out:				
Debt Service Fund	(125,000)	(125,000)	-	(80,000)
Total Other Financing Sources (Uses)	<u>2,136,000</u>	<u>1,593,799</u>	<u>(542,201)</u>	<u>1,536,084</u>
Net Change in Fund Balances	<u>(1,063,934)</u>	<u>(493,564)</u>	<u>570,370</u>	<u>1,096,344</u>
FUND BALANCE, July 1	<u>2,118,845</u>	<u>2,643,388</u>	<u>524,543</u>	<u>1,547,044</u>
FUND BALANCE, June 30	<u>\$ 1,054,911</u>	<u>\$ 2,149,824</u>	<u>\$ 1,094,913</u>	<u>\$ 2,643,388</u>

CHURCHILL COUNTY, NEVADA
 MAJOR SPECIAL REVENUE FUND - WATER RESOURCE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2007 AND 2006

	2007	2006
ASSETS		
Cash and investments	\$ 2,193,844	\$ 1,658,544
Receivables:		
Interest	48,157	141,454
Other	-	4,411
Notes	792,750	992,750
Due from other funds	-	8,609,952
Due from other governments	70,946	112,588
	<u>\$ 3,105,697</u>	<u>\$ 11,519,699</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 9,911	\$ 3,478,305
Accrued salaries	3,038	1,223
Accrued benefits	1,343	260
Due to other funds	26,000	4,103,500
	<u>40,292</u>	<u>7,583,288</u>
Fund Balance:		
Reserved for notes receivable	792,750	992,750
Unreserved	2,272,655	2,943,661
	<u>3,065,405</u>	<u>3,936,411</u>
Total Liabilities and Fund Balance	<u>\$ 3,105,697</u>	<u>\$ 11,519,699</u>

CHURCHILL COUNTY, NEVADA
MAJOR SPECIAL REVENUE FUND - WATER RESOURCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 50,000	\$ 58,003	\$ 8,003	\$ 159,120
Consolidated intergovernmental taxes	160,000	160,000	-	550,345
AB104 fairshare	-	24,366	24,366	41,987
U.S. Navy easement contributions	-	865,000	865,000	-
Refuge revenue sharing	-	35,089	35,089	37,912
	<u>210,000</u>	<u>1,142,458</u>	<u>932,458</u>	<u>789,364</u>
Charges for services:				
Water rights dedication fees	-	222,799	222,799	421,840
Miscellaneous:				
Interest	30,175	119,729	89,554	185,187
CWSD reimbursements	-	-	-	11,506
Wild Goose water right sales	2,250,000	-	(2,250,000)	-
Geothermal rents and royalties	-	194,282	194,282	311,019
Other miscellaneous	1,000	3,703	2,703	5,513
	<u>2,281,175</u>	<u>317,714</u>	<u>(1,963,461)</u>	<u>513,225</u>
Total Revenues	<u>2,491,175</u>	<u>1,682,971</u>	<u>(808,204)</u>	<u>1,724,429</u>
EXPENDITURES				
General government				
Salaries	77,120	39,777	37,343	-
Benefits	25,924	7,667	18,257	-
Services and supplies	175,000	38,564	136,436	57,745
Capital outlay	1,835,705	1,854,685	(18,980)	170,566
Total Expenditures	<u>2,113,749</u>	<u>1,940,693</u>	<u>173,056</u>	<u>228,311</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>377,426</u>	<u>(257,722)</u>	<u>(635,148)</u>	<u>1,496,118</u>
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	-	25,000	25,000	-
Sales of water rights	-	111,716	111,716	14,762
Transfers out:				
Debt Service Fund	(750,000)	(750,000)	-	(750,000)
Total Other Financing Sources (Uses)	<u>(750,000)</u>	<u>(613,284)</u>	<u>136,716</u>	<u>(735,238)</u>
Net Change in Fund Balances	<u>(372,574)</u>	<u>(871,006)</u>	<u>(498,432)</u>	<u>760,880</u>
FUND BALANCE, July 1	<u>6,276,090</u>	<u>3,936,411</u>	<u>(2,339,679)</u>	<u>3,175,531</u>
FUND BALANCE, June 30	<u>\$ 5,903,516</u>	<u>\$ 3,065,405</u>	<u>\$ (2,838,111)</u>	<u>\$ 3,936,411</u>

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)
(Page 1 of 4)

	REVENUE STABILIZATION FUND	SOCIAL SERVICES FUND	COOPERATIVE EXTENSION FUND	PUBLIC LIBRARY FUND	PARKS AND RECREATION FUND	CEMETERY BEAUTIFICATION FUND	INDIGENT DONATIONS AND GIFTS FUND	LAW LIBRARY FUND	REGIONAL TRANSPORTATION FUND
ASSETS									
Cash and investments	\$ 1,379,693	\$ 572,836	\$ 98,800	\$ 485,329	\$ 493,790	\$ 33,564	\$ 51,059	\$ 157,111	\$ 570,068
Receivables:									
Property taxes	-	5,503	3,070	7,973	-	-	-	-	-
Interest	6,264	2,581	457	2,120	1,702	153	231	718	2,457
Other	-	13	67	360	3,576	-	-	30	-
Notes	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	1,916	33,333	-	225	-	177,840
Due from other governments	-	121,583	-	-	-	-	-	-	-
Total Assets	\$ 1,385,957	\$ 702,516	\$ 102,394	\$ 497,698	\$ 532,401	\$ 33,717	\$ 51,515	\$ 157,859	\$ 750,365
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$ -	\$ 10,019	\$ 12,539	\$ 5,267	\$ 22,847	\$ -	\$ 274	\$ 2,446	\$ -
Accrued salaries	-	4,684	1,903	9,051	21,370	-	-	-	-
Accrued benefits	-	1,967	708	3,964	5,065	-	103	-	-
Deferred revenue	-	4,779	2,690	6,981	-	-	-	-	-
Due to other funds	-	-	2,978	1,740	3,223	-	-	-	200,000
Due to other governments	-	-	-	-	1,990	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total Liabilities	-	21,449	20,818	27,003	54,495	-	377	2,446	200,000
Fund Balance:									
Reserved for notes receivable	-	-	-	-	-	-	-	-	-
Reserved for revenue shortfalls	1,385,957	-	-	470,695	477,906	33,717	51,138	155,413	550,365
Unreserved	-	681,067	81,576	470,695	477,906	33,717	51,138	155,413	550,365
Total Fund Balance	1,385,957	681,067	81,576	\$ 497,698	\$ 532,401	\$ 33,717	\$ 51,515	\$ 157,859	\$ 750,365
Total Liabilities and Fund Balance	\$ 1,385,957	\$ 702,516	\$ 102,394	\$ 497,698	\$ 532,401	\$ 33,717	\$ 51,515	\$ 157,859	\$ 750,365

CHURCHILL COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)
(Page 2 of 4)

	LIBRARY GIFT FUND	RISK MANAGEMENT FUND	COMPENSATED ABSENCES FUND	UNEMPLOYMENT COMPENSATION FUND	FORFEITURES/ SEIZED ASSETS FUND	GRAFFITI REWARD AND ABATEMENT FUND	ADMINISTRATIVE ASSESSMENT FUND
ASSETS							
Cash and investments	\$ 382,653	\$ 1,039,930	\$ 1,093,992	\$ 386,339	\$ 96,803	\$ 41,026	\$ 29,651
Receivables:							
Property taxes	-	-	-	-	-	-	-
Interest	1,737	4,672	4,420	1,755	438	181	-
Other	-	9,849	3,849	-	-	220	-
Notes	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	-	4,214	24,749	-	-	-	-
Total Assets	\$ 384,390	\$ 1,058,665	\$ 1,129,010	\$ 388,094	\$ 97,241	\$ 41,427	\$ 29,651
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts payable	\$ -	\$ 1,050	\$ -	\$ -	\$ -	\$ 1,696	\$ -
Accrued salaries	-	-	-	-	-	-	-
Accrued benefits	-	-	220	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,407	-
Due to other governments	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-
Total Liabilities	-	1,050	220	-	-	3,103	-
Fund Balance:							
Reserved for notes receivable	-	-	-	-	-	-	-
Reserved for revenue shortfalls	-	-	-	-	-	-	-
Unreserved	384,390	1,057,615	1,128,790	388,094	97,241	38,324	29,651
Total Fund Balance	384,390	1,057,615	1,128,790	388,094	97,241	38,324	29,651
Total Liabilities and Fund Balance	\$ 384,390	\$ 1,058,665	\$ 1,129,010	\$ 388,094	\$ 97,241	\$ 41,427	\$ 29,651

CHURCHILL COUNTY, NEVADA
 NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)
 (Page 3 of 4)

	RECREATION DONATION FUND	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	HOSPITAL SUPPORT FUND	TECHNOLOGY FEE FUND
ASSETS									
Cash and investments	\$ 57,006	\$ 8,123	\$ 897,463	\$ 429,307	\$ 12,021	\$ 81,297	\$ 424,966	\$ 5,279	\$ 256,265
Receivables:									
Property taxes	-	1,407	4,924	-	3,118	-	-	9	7
Interest	256	-	4,006	1,640	-	470	1,880	-	1,185
Other	-	4	15	-	8	-	233,555	-	-
Notes	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	137,484	-	13,481	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Total Assets	\$ 57,262	\$ 9,534	\$ 906,408	\$ 568,431	\$ 15,147	\$ 95,248	\$ 660,401	\$ 5,288	\$ 257,457
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ 257	\$ 12,029	\$ -	\$ -	\$ -	\$ 2,497
Accrued salaries	-	-	-	-	-	-	-	-	-
Accrued benefits	-	-	-	-	-	-	-	-	-
Deferred revenue	-	1,241	4,347	-	2,734	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Due to other governments	-	8,123	69,467	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total Liabilities	-	9,364	73,814	257	14,763	-	-	-	2,497
Fund Balance:									
Reserved for notes receivable	-	-	-	-	-	-	233,555	-	-
Reserved for revenue shortfalls	-	-	-	-	-	-	426,846	5,288	254,960
Unreserved	57,262	170	832,594	568,174	384	95,248	660,401	5,288	254,960
Total Fund Balance	57,262	170	832,594	568,174	384	95,248	660,401	5,288	254,960
Total Liabilities and Fund Balance	\$ 57,262	\$ 9,534	\$ 906,408	\$ 568,431	\$ 15,147	\$ 95,248	\$ 660,401	\$ 5,288	\$ 257,457

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CHURCHILL COUNTY, NEVADA
 NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)
 (Page 4 of 4)

	<u>ROAD IMPACT FEE FUND</u>	<u>RESIDENTIAL CONSTRUCTION TAX FUND</u>	<u>INFRASTRUCTURE TAX FUND</u>	<u>2007</u>	<u>TOTALS 2006</u>
ASSETS					
Cash and investments	\$ 321,777	\$ 231,926	\$ 1,259,698	\$ 10,899,772	\$ 9,495,868
Receivables:					
Property taxes	-	-	-	26,011	18,775
Interest	1,444	1,046	5,608	47,421	32,319
Other	-	-	-	17,991	16,552
Notes	-	-	-	233,555	264,704
Due from other funds	-	-	-	-	652,774
Due from other governments	-	-	136,884	651,709	848,578
Total Assets	<u>\$ 323,221</u>	<u>\$ 232,972</u>	<u>\$ 1,402,190</u>	<u>\$ 11,876,459</u>	<u>\$ 11,329,570</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	-	-	-	\$ 70,921	\$ 166,319
Accrued salaries	-	-	-	37,008	38,911
Accrued benefits	-	-	-	12,027	13,941
Deferred revenue	-	-	-	22,772	15,382
Due to other funds	-	-	-	1,407	886,285
Due to other governments	-	-	-	285,531	230,041
Customer deposits	-	-	-	1,990	1,355
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>431,656</u>	<u>1,352,234</u>
Fund Balance:					
Reserved for notes receivable	-	-	-	233,555	264,704
Reserved for revenue shortfalls	-	-	-	1,385,957	1,304,495
Unreserved	323,221	232,972	1,402,190	9,825,291	8,408,137
Total Fund Balance	<u>323,221</u>	<u>232,972</u>	<u>1,402,190</u>	<u>11,444,803</u>	<u>9,977,336</u>
Total Liabilities and Fund Balance	<u>\$ 323,221</u>	<u>\$ 232,972</u>	<u>\$ 1,402,190</u>	<u>\$ 11,876,459</u>	<u>\$ 11,329,570</u>

CHURCHILL COUNTY, NEVADA
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)
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	REVENUE STABILIZATION FUND	SOCIAL SERVICES FUND	AGRICULTURAL EXTENSION FUND	PUBLIC LIBRARY FUND	PARKS AND RECREATION FUND	CEMETERY BEAUTIFICATION FUND	INDIGENT DONATIONS AND GIFTS FUND	LAW LIBRARY FUND	REGIONAL TRANSPORTATION FUND
REVENUES									
Taxes	\$ -	\$ 277,771	\$ 178,007	\$ 460,740	\$ 4,886	\$ -	\$ -	\$ -	\$ 888,103
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	677,705	8,500	75,767	748,753	-	-	-	-
Charges for services	-	-	-	-	273,649	-	-	8,205	-
Miscellaneous	81,462	26,470	5,491	38,202	29,842	2,326	13,942	8,708	41,782
Total Revenues	81,462	981,946	191,998	574,709	1,057,130	2,326	13,942	16,913	929,885
EXPENDITURES									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	29,143	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	1,016	-	-	-
Welfare	-	994,796	-	-	1,387,228	-	8,658	-	-
Culture and recreation	-	-	-	556,368	-	-	-	-	-
Community support	-	-	179,888	-	-	-	-	-	650,198
Intergovernmental	-	-	-	-	-	-	-	-	-
Total Expenditures	-	994,796	179,888	556,368	1,387,228	1,016	8,658	29,143	650,198
Excess (Deficiency) of Revenues Over (Under) Expenditures	81,462	(12,850)	12,110	18,341	(330,098)	1,310	5,284	(12,230)	279,687
OTHER FINANCING SOURCES (USES)									
Transfers in lieu of taxes:	-	-	-	-	250,000	-	-	-	-
CC Communications - Telephone Fund	-	-	-	-	-	-	-	-	-
Issuance of medium-term financing	-	-	-	-	50,000	-	-	25,000	-
Transfers in	-	125,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(682,899)
Total Other Financing Sources (Uses)	-	125,000	-	-	300,000	-	-	25,000	(682,899)
Net Change in Fund Balances	81,462	112,150	12,110	18,341	(30,098)	1,310	5,284	12,770	(403,212)
FUND BALANCE, July 1	1,304,495	568,917	69,466	452,354	508,004	32,407	45,854	142,643	953,577
FUND BALANCE, June 30	\$ 1,385,957	\$ 681,067	\$ 81,576	\$ 470,695	\$ 477,906	\$ 33,717	\$ 51,138	\$ 155,413	\$ 550,365

CHURCHILL COUNTY, NEVADA
 NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)
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	LIBRARY GIFT FUND	RISK MANAGEMENT FUND	COMPENSATED ABSENCES FUND	UNEMPLOYMENT COMPENSATION FUND	FORFEITURES/ SEIZED ASSETS FUND	GRAFFITI REWARD AND ABATEMENT FUND	ADMINISTRATIVE ASSESSMENT FUND
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	24,000	168,369	-	-	-	-
Charges for services	34,690	80,012	212,124	22,242	23,666	2,000	45,538
Miscellaneous	-	-	-	-	-	61,219	-
Total Revenues	<u>34,690</u>	<u>104,012</u>	<u>380,493</u>	<u>22,242</u>	<u>23,666</u>	<u>63,219</u>	<u>45,538</u>
EXPENDITURES							
General government	-	75,740	287,604	9,543	-	-	-
Judicial	-	-	-	-	-	57,721	-
Public safety	-	-	-	-	4,250	-	-
Public works	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-
Culture and recreation	137	-	-	-	-	-	-
Community support	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Total Expenditures	<u>137</u>	<u>75,740</u>	<u>287,604</u>	<u>9,543</u>	<u>4,250</u>	<u>57,721</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>34,553</u>	<u>28,272</u>	<u>92,889</u>	<u>12,699</u>	<u>19,416</u>	<u>5,498</u>	<u>45,538</u>
OTHER FINANCING SOURCES (USES)							
Transfers in lieu of taxes:							
CC Communications - Telephone Fund	-	-	-	-	-	-	-
Issuance of medium-term financing	30,000	50,000	125,000	25,000	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(65,000)
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>50,000</u>	<u>125,000</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>(65,000)</u>
FUND BALANCE, July 1	<u>64,553</u>	<u>78,272</u>	<u>217,889</u>	<u>37,699</u>	<u>19,416</u>	<u>5,498</u>	<u>(19,462)</u>
FUND BALANCE, June 30	<u>319,837</u>	<u>979,343</u>	<u>910,901</u>	<u>350,395</u>	<u>77,825</u>	<u>32,826</u>	<u>49,113</u>
FUND BALANCE, June 30	<u>\$ 384,390</u>	<u>\$ 1,057,615</u>	<u>\$ 1,128,790</u>	<u>\$ 388,094</u>	<u>\$ 97,241</u>	<u>\$ 38,324</u>	<u>\$ 29,651</u>

CHURCHILL COUNTY, NEVADA
 NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)
 (Page 3 of 4)

	RECREATION DONATION FUND	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	HOSPITAL SUPPORT FUND	TECHNOLOGY FEE FUND
REVENUES									
Taxes	\$ -	\$ 82,072	\$ 324,951	\$ -	\$ 175,222	\$ 67,566	\$ -	\$ 265	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	757,356	-	-	-	-	-
Charges for services	-	-	57,910	22,932	-	7,741	36,358	-	158,813
Miscellaneous	30,267	-	-	-	-	-	-	-	-
Total Revenues	30,267	82,072	382,861	780,288	175,222	75,307	36,358	265	158,813
EXPENDITURES									
General government	-	-	-	-	-	-	-	-	51,243
Judicial	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	3,223	-	127,327	-	-	-
Health	-	-	-	-	-	-	-	-	-
Welfare	-	82,057	-	-	-	-	-	-	-
Culture and recreation	31,477	-	186,032	-	175,123	-	-	-	-
Community support	-	-	-	239,479	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Total Expenditures	31,477	82,057	186,032	242,702	175,123	127,327	-	-	51,243
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,210)	15	196,829	537,586	99	(52,020)	36,358	265	107,570
OTHER FINANCING SOURCES (USES)									
Transfers in lieu of taxes:	-	-	-	-	-	-	-	-	-
CC Communications - Telephone Fund	-	-	-	-	-	-	-	-	-
Issuance of medium-term financing	-	-	-	-	-	-	-	-	-
Transfers in	-	-	(125,000)	(503,900)	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(125,000)	(503,900)	-	-	-	-	-
Net Change in Fund Balances	(1,210)	15	71,829	33,686	99	(52,020)	36,358	265	107,570
FUND BALANCE, July 1	58,472	155	760,765	534,488	285	147,268	624,043	5,023	147,390
FUND BALANCE, June 30	\$ 57,262	\$ 170	\$ 832,594	\$ 568,174	\$ 384	\$ 95,248	\$ 660,401	\$ 5,288	\$ 254,960

CHURCHILL COUNTY, NEVADA
 NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)
 (Page 4 of 4)

	ROAD IMPACT FEE FUND	RESIDENTIAL CONSTRUCTION TAX FUND	INFRASTRUCTURE TAX FUND	TOTALS	
				2007	2006
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 2,459,583	\$ 2,509,126
Licenses and permits	154,100	71,482	-	225,582	297,794
Intergovernmental	-	-	751,170	3,211,620	4,764,458
Charges for services	-	-	-	329,392	368,703
Miscellaneous	15,447	12,166	52,528	1,076,340	817,128
Total Revenues	169,547	83,648	803,698	7,302,517	8,757,209
EXPENDITURES					
General government	-	-	-	424,130	280,521
Judicial	-	-	-	86,864	89,174
Public safety	-	-	-	4,250	10,206
Public works	-	-	-	130,550	149,676
Health	-	-	-	1,016	1,922
Welfare	-	-	-	1,085,511	1,355,305
Culture and recreation	-	-	-	1,975,210	3,593,196
Community support	-	-	-	541,043	477,361
Intergovernmental	-	-	-	889,677	174,728
Total Expenditures	-	-	-	5,138,251	6,132,089
Excess (Deficiency) of Revenues Over (Under) Expenditures	169,547	83,648	803,698	2,164,266	2,625,120
OTHER FINANCING SOURCES (USES)					
Transfers in lieu of taxes:					
CC Communications - Telephone Fund	-	-	-	250,000	225,000
Issuance of medium-term financing	-	-	-	-	256,500
Transfers in	-	-	-	430,000	400,000
Transfers out	-	-	-	(1,376,799)	(1,734,217)
Total Other Financing Sources (Uses)	-	-	-	(696,799)	(852,717)
Net Change in Fund Balances	169,547	83,648	803,698	1,467,467	1,772,403
FUND BALANCE, July 1	153,674	149,324	598,492	9,977,336	8,204,933
FUND BALANCE, June 30	\$ 323,221	\$ 232,972	\$ 1,402,190	\$ 11,444,803	\$ 9,977,336

CHURCHILL COUNTY, NEVADA
REVENUE STABILIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
AB104 fairshare	\$ -	\$ -	\$ -	\$ 115,412
Miscellaneous:				
Interest	41,675	81,462	39,787	58,522
Net Change in Fund Balances	41,675	81,462	39,787	173,934
FUND BALANCE, July 1	<u>1,167,736</u>	<u>1,304,495</u>	<u>136,759</u>	<u>1,130,561</u>
FUND BALANCE, June 30	<u>\$1,209,411</u>	<u>\$1,385,957</u>	<u>\$ 176,546</u>	<u>\$1,304,495</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 259,591	\$ 277,771	\$ 18,180	\$ 489,878
Intergovernmental:				
Social Security reimbursements	26,000	19,508	(6,492)	34,772
City utility assistance	-	90	90	-
Consolidated intergovernmental taxes	84,000	84,000	-	82,000
Grants-in-aid:				
Federal	503,153	459,907	(43,246)	446,253
State	88,159	114,200	26,041	36,015
	<u>701,312</u>	<u>677,705</u>	<u>(23,607)</u>	<u>599,040</u>
Miscellaneous:				
Welfare reimbursements	2,000	264	(1,736)	-
Interest	9,175	26,206	17,031	20,424
Sales and rentals	750	-	(750)	-
Miscellaneous	-	-	-	75
	<u>11,925</u>	<u>26,470</u>	<u>14,545</u>	<u>20,499</u>
Total Revenues	<u>972,828</u>	<u>981,946</u>	<u>9,118</u>	<u>1,109,417</u>
EXPENDITURES				
Welfare:				
Grant assistance:				
Services and supplies	576,162	528,072	48,090	472,383
Assistance in cash or goods:				
Services and supplies	40,000	12,406	27,594	7,924
Medical assistance-direct:				
Services and supplies	100,000	116,721	(16,721)	479,781
Welfare operations:				
Salaries	98,214	90,234	7,980	67,799
Benefits	38,348	33,519	4,829	23,893
Services and supplies	33,889	16,584	17,305	11,183
	<u>170,451</u>	<u>140,337</u>	<u>30,114</u>	<u>102,875</u>
Public health nurse:				
Salaries	-	-	-	34,584
Benefits	-	-	-	15,470
Services and supplies	126,000	101,772	24,228	48,470
	<u>126,000</u>	<u>101,772</u>	<u>24,228</u>	<u>98,524</u>
Transitional housing:				
Salaries	39,497	36,145	3,352	31,418
Benefits	24,933	16,923	8,010	13,190
Services and supplies	156,512	42,070	114,442	63,398
	<u>220,942</u>	<u>95,138</u>	<u>125,804</u>	<u>108,006</u>
Public Guardian				
Services and supplies	-	350	(350)	-
Total Expenditures	<u>1,233,555</u>	<u>994,796</u>	<u>238,759</u>	<u>1,269,493</u>
Deficiency of Revenues Under Expenditures	(260,727)	(12,850)	247,877	(160,076)
OTHER FINANCING SOURCES				
Transfers in:				
Indigent Medical Care Fund	125,000	125,000	-	100,000
Net Change in Fund Balances	(135,727)	112,150	247,877	(60,076)
FUND BALANCE, July 1	568,917	568,917	-	628,993
FUND BALANCE, June 30	<u>\$ 433,190</u>	<u>\$ 681,067</u>	<u>\$ 247,877</u>	<u>\$ 568,917</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 168,732	\$ 178,007	\$ 9,275	\$ 158,842
Intergovernmental:				
Federal payments in lieu of taxes	8,500	8,500	-	8,000
Miscellaneous:				
Interest	2,000	5,491	3,491	4,371
Total Revenues	<u>179,232</u>	<u>191,998</u>	<u>12,766</u>	<u>171,213</u>
EXPENDITURES				
Community support:				
Salaries	45,551	45,177	374	42,012
Benefits	17,976	17,882	94	15,889
Services and supplies	107,192	106,813	379	109,204
Capital outlay	10,025	10,016	9	8,616
Total Expenditures	<u>180,744</u>	<u>179,888</u>	<u>856</u>	<u>175,721</u>
Net Change in Fund Balances	(1,512)	12,110	13,622	(4,508)
FUND BALANCE, July 1	<u>57,692</u>	<u>69,466</u>	<u>11,774</u>	<u>73,974</u>
FUND BALANCE, June 30	<u>\$ 56,180</u>	<u>\$ 81,576</u>	<u>\$ 25,396</u>	<u>\$ 69,466</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 436,628	\$ 460,740	\$ 24,112	\$ 410,642
Intergovernmental:				
Federal payments in lieu of taxes	45,000	45,000	-	45,000
Grants-in-aid:				
Federal	18,695	18,695	-	6,500
State	12,072	12,072	-	14,238
	<u>75,767</u>	<u>75,767</u>	<u>-</u>	<u>65,738</u>
Miscellaneous:				
Sales and rentals	12,000	11,445	(555)	12,268
Interest	9,675	26,757	17,082	23,142
	<u>21,675</u>	<u>38,202</u>	<u>16,527</u>	<u>35,410</u>
Total Revenues	<u>534,070</u>	<u>574,709</u>	<u>40,639</u>	<u>511,790</u>
EXPENDITURES				
Culture and recreation:				
Salaries	263,366	256,936	6,430	250,732
Benefits	100,217	98,315	1,902	90,109
Services and supplies	261,823	194,423	67,400	183,447
Capital outlay	7,800	6,694	1,106	3,197
Total Expenditures	<u>633,206</u>	<u>556,368</u>	<u>76,838</u>	<u>527,485</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,136)	18,341	117,477	(15,695)
OTHER FINANCING SOURCES				
Transfers out:				
Library Gift Fund	-	-	-	(50,000)
Net Change in Fund Balances	(99,136)	18,341	117,477	(65,695)
FUND BALANCE, July 1	<u>466,845</u>	<u>452,354</u>	<u>(14,491)</u>	<u>518,049</u>
FUND BALANCE, June 30	<u>\$ 367,709</u>	<u>\$ 470,695</u>	<u>\$ 102,986</u>	<u>\$ 452,354</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
 (Page 1 of 2)

REVENUES	BUDGET	ACTUAL	VARIANCE	2006
Taxes:				
County lodging tax	\$ 6,000	\$ 4,886	\$ (1,114)	\$ 6,685
Intergovernmental:				
Federal payments in lieu of taxes	200,000	200,000	-	175,000
Consolidated intergovernmental taxes	200,000	200,000	-	200,000
Grants-in-aid:				
Federal	17,243	17,243	-	4,187
State	331,510	331,510	-	1,592,488
	<u>748,753</u>	<u>748,753</u>	<u>-</u>	<u>1,971,675</u>
Charges for services:				
Contract clean-up	8,000	-	(8,000)	7,409
Concession stand	9,000	10,844	1,844	12,717
Recreation charges	125,000	127,559	2,559	148,745
Swimming pool receipts	58,175	55,159	(3,016)	67,729
Fairgrounds rentals	61,000	71,317	10,317	68,572
Public parks miscellaneous	-	-	-	361
Utilities reimbursements	-	298	298	863
Pro-shop sales	2,000	8,472	6,472	3,163
	<u>263,175</u>	<u>273,649</u>	<u>10,474</u>	<u>309,559</u>
Miscellaneous:				
Interest	12,750	22,129	9,379	23,602
Miscellaneous	5,000	7,713	2,713	29,433
	<u>17,750</u>	<u>29,842</u>	<u>12,092</u>	<u>53,035</u>
Total Revenues	<u>1,035,678</u>	<u>1,057,130</u>	<u>21,452</u>	<u>2,340,954</u>
EXPENDITURES				
Culture and recreation:				
Administration:				
Salaries	146,453	143,550	2,903	138,094
Benefits	58,223	58,165	58	52,895
Services and supplies	30,620	24,419	6,201	24,019
Capital outlay	6,335	6,335	-	-
	<u>241,631</u>	<u>232,469</u>	<u>9,162</u>	<u>215,008</u>
Public parks:				
Salaries	43,370	34,400	8,970	39,124
Benefits	16,394	15,516	878	15,035
Services and supplies	54,799	54,799	-	52,940
Capital outlay	393,253	368,458	24,795	2,015,749
	<u>507,816</u>	<u>473,173</u>	<u>34,643</u>	<u>2,122,848</u>
Recreation athletics:				
Salaries	64,405	64,378	27	69,195
Benefits	20,929	18,775	2,154	19,177
Services and supplies	78,350	78,136	214	91,236
Capital outlay	3,850	3,827	23	-
	<u>167,534</u>	<u>165,116</u>	<u>2,418</u>	<u>179,608</u>
Fairgrounds:				
Salaries	105,795	93,791	12,004	83,757
Benefits	31,591	25,295	6,296	20,754
Services and supplies	136,750	137,499	(749)	132,161
Capital outlay	-	-	-	56,244
	<u>274,136</u>	<u>256,585</u>	<u>17,551</u>	<u>292,916</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)
 (Page 2 of 2)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
Swimming pool:				
Salaries	\$ 116,587	\$ 116,110	\$ 477	\$ 105,409
Benefits	23,875	21,758	2,117	22,258
Services and supplies	127,299	122,017	5,282	119,271
	<u>267,761</u>	<u>259,885</u>	<u>7,876</u>	<u>246,938</u>
Total Expenditures	<u>1,458,878</u>	<u>1,387,228</u>	<u>71,650</u>	<u>3,057,318</u>
Deficiency of Revenues Under Expenditures	<u>(423,200)</u>	<u>(330,098)</u>	<u>93,102</u>	<u>(716,364)</u>
OTHER FINANCING SOURCES				
Issuance of medium-term financing	-	-	-	256,500
Transfers in:				
General Fund	-	50,000	50,000	-
Transfers in lieu of taxes:				
CC Communications - Telephone Fund	250,000	250,000	-	225,000
Total Other Financing Sources	<u>250,000</u>	<u>300,000</u>	<u>50,000</u>	<u>481,500</u>
Net Change in Fund Balances	<u>(173,200)</u>	<u>(30,098)</u>	<u>143,102</u>	<u>(234,864)</u>
FUND BALANCE, July 1	<u>508,004</u>	<u>508,004</u>	<u>-</u>	<u>742,868</u>
FUND BALANCE, June 30	<u>\$ 334,804</u>	<u>\$ 477,906</u>	<u>\$ 143,102</u>	<u>\$ 508,004</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 250	\$ 2,076	\$ 1,826	\$ 444
Gifts and donations	1,000	250	(750)	564
Total Revenues	1,250	2,326	1,076	1,008
EXPENDITURES				
Health:				
Services and supplies	3,000	1,016	1,984	1,922
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,750)	1,310	3,060	(914)
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	-	-	-	25,000
Net Change in Fund Balances	(1,750)	1,310	3,060	24,086
FUND BALANCE, July 1	<u>6,471</u>	<u>32,407</u>	<u>25,936</u>	<u>8,321</u>
FUND BALANCE, June 30	<u>\$ 4,721</u>	<u>\$ 33,717</u>	<u>\$ 28,996</u>	<u>\$ 32,407</u>

CHURCHILL COUNTY, NEVADA
 INDIGENT DONATIONS AND GIFTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 1,200	\$ 3,072	\$ 1,872	\$ 2,210
Project Food revenue	10,000	10,870	870	11,932
Gifts and donations	1,000	-	(1,000)	-
Total Revenues	12,200	13,942	1,742	14,142
EXPENDITURES				
Welfare:				
Services and supplies	25,000	8,658	16,342	13,091
Net Change in Fund Balances	(12,800)	5,284	18,084	1,051
FUND BALANCE, July 1	37,253	45,854	8,601	44,803
FUND BALANCE, June 30	<u>\$ 24,453</u>	<u>\$ 51,138</u>	<u>\$ 26,685</u>	<u>\$ 45,854</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Charges for services:				
Law library fees	\$ 7,500	\$ 8,205	\$ 705	\$ 7,710
Miscellaneous:				
Interest	2,600	8,708	6,108	6,479
Total Revenues	10,100	16,913	6,813	14,189
EXPENDITURES				
Judicial:				
Services and supplies	33,425	29,143	4,282	28,381
Deficiency of Revenues Under Expenditures	(23,325)	(12,230)	11,095	(14,192)
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	25,000	25,000	-	20,000
Net Change in Fund Balances	1,675	12,770	11,095	5,808
FUND BALANCE, July 1	<u>137,063</u>	<u>142,643</u>	<u>5,580</u>	<u>136,835</u>
FUND BALANCE, June 30	<u>\$ 138,738</u>	<u>\$ 155,413</u>	<u>\$ 16,675</u>	<u>\$ 142,643</u>

CHURCHILL COUNTY, NEVADA
 REGIONAL TRANSPORTATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
County option motor vehicle fuel	\$ 776,000	\$ 888,103	\$ 112,103	\$1,087,972
Miscellaneous:				
Interest	<u>18,000</u>	<u>41,782</u>	<u>23,782</u>	<u>44,214</u>
Total Revenues	794,000	929,885	135,885	1,132,186
EXPENDITURES				
Intergovernmental:				
City of Fallon	<u>601,000</u>	<u>650,198</u>	<u>(49,198)</u>	<u>-</u>
Excess of Revenues Over Expenditures	193,000	279,687	86,687	1,132,186
OTHER FINANCING USES				
Transfers out:				
Road Fund	<u>(877,893)</u>	<u>(682,899)</u>	<u>194,994</u>	<u>(860,200)</u>
Net Change in Fund Balances	(684,893)	(403,212)	281,681	271,986
FUND BALANCE, July 1	<u>953,577</u>	<u>953,577</u>	<u>-</u>	<u>681,591</u>
FUND BALANCE, June 30	<u>\$ 268,684</u>	<u>\$ 550,365</u>	<u>\$ 281,681</u>	<u>\$ 953,577</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 4,500	\$ 21,029	\$ 16,529	\$ 8,890
Gifts and donations	50,800	13,661	(37,139)	55,668
Total Revenues	55,300	34,690	(20,610)	64,558
EXPENDITURES				
Culture and recreation:				
Services and supplies	25,000	137	24,863	1,116
Excess of Revenues Over Expenditures	30,300	34,553	4,253	63,442
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	30,000	30,000	-	80,000
Public Library Fund	-	-	-	50,000
Net Change in Fund Balances	30,000	30,000	-	130,000
Net Change in Fund Balances	60,300	64,553	4,253	193,442
FUND BALANCE, July 1	<u>153,595</u>	<u>319,837</u>	<u>166,242</u>	<u>126,395</u>
FUND BALANCE, June 30	<u>\$ 213,895</u>	<u>\$ 384,390</u>	<u>\$ 170,495</u>	<u>\$ 319,837</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
Consolidated intergovernmental taxes	\$ 24,000	\$ -	\$ (24,000)	\$ -
Federal payments in lieu of taxes	-	24,000	24,000	-
	<u>24,000</u>	<u>24,000</u>	<u>-</u>	<u>-</u>
Miscellaneous:				
Interest	20,000	60,174	40,174	40,308
Insurance reimbursement	20,000	19,838	(162)	38,640
	<u>40,000</u>	<u>80,012</u>	<u>40,012</u>	<u>78,948</u>
Total Revenues	<u>64,000</u>	<u>104,012</u>	<u>40,012</u>	<u>78,948</u>
EXPENDITURES				
General government:				
Services and supplies	120,000	49,240	70,760	48,180
Capital outlay	-	26,500	(26,500)	-
Total Expenditures	<u>120,000</u>	<u>75,740</u>	<u>44,260</u>	<u>48,180</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56,000)	28,272	84,272	30,768
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	50,000	50,000	-	50,000
Net Change in Fund Balances	(6,000)	78,272	84,272	80,768
FUND BALANCE, July 1	<u>835,375</u>	<u>979,343</u>	<u>143,968</u>	<u>898,575</u>
FUND BALANCE, June 30	<u>\$ 829,375</u>	<u>\$ 1,057,615</u>	<u>\$ 228,240</u>	<u>\$ 979,343</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	BUDGET	ACTUAL	VARIANCE	2006
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 40,000	\$ 144,003	\$ 104,003	\$ 134,120
Consolidated intergovernmental taxes	96,000	-	(96,000)	430,345
AB104 fairshare	-	24,366	24,366	41,986
	<u>136,000</u>	<u>168,369</u>	<u>32,369</u>	<u>606,451</u>
Miscellaneous:				
Interest	9,000	46,424	37,424	15,912
Miscellaneous	-	165,700	165,700	77,952
	<u>9,000</u>	<u>212,124</u>	<u>203,124</u>	<u>93,864</u>
Total Revenues	<u>145,000</u>	<u>380,493</u>	<u>235,493</u>	<u>700,315</u>
EXPENDITURES				
General government:				
Benefits	301,250	199,580	101,670	155,354
Services and supplies	190,000	88,024	101,976	61,345
Total Expenditures	<u>491,250</u>	<u>287,604</u>	<u>203,646</u>	<u>216,699</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(346,250)	92,889	439,139	483,616
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	-	125,000	125,000	50,000
Net Change in Fund Balances	(346,250)	217,889	564,139	533,616
FUND BALANCE, July 1	437,285	910,901	473,616	377,285
FUND BALANCE, June 30	<u>\$ 91,035</u>	<u>\$ 1,128,790</u>	<u>\$ 1,037,755</u>	<u>\$ 910,901</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 12,500	\$ 22,242	\$ 9,742	\$ 15,609
EXPENDITURES				
General government:				
Benefits	<u>25,000</u>	<u>9,543</u>	<u>15,457</u>	<u>15,642</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,500)	12,699	25,199	(33)
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Net Change in Fund Balances	12,500	37,699	25,199	24,967
FUND BALANCE, July 1	<u>309,531</u>	<u>350,395</u>	<u>40,864</u>	<u>325,428</u>
FUND BALANCE, June 30	<u>\$ 322,031</u>	<u>\$ 388,094</u>	<u>\$ 66,063</u>	<u>\$ 350,395</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 2,500	\$ 5,491	\$ 2,991	\$ 3,790
Miscellaneous	-	-	-	-1,305
Forfeitures of seized assets	65,000	18,175	(46,825)	4,165
Total Revenues	67,500	23,666	(43,834)	9,260
EXPENDITURES				
Public safety:				
Services and supplies	66,000	4,250	61,750	10,206
Net Change in Fund Balances	1,500	19,416	17,916	(946)
FUND BALANCE, July 1	<u>76,771</u>	<u>77,825</u>	<u>1,054</u>	<u>78,771</u>
FUND BALANCE, June 30	<u>\$ 78,271</u>	<u>\$ 97,241</u>	<u>\$ 18,970</u>	<u>\$ 77,825</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Charges for services:				
Graffiti collections	\$ 1,250	\$ -	\$ (1,250)	\$ -
Restitution processing	2,000	2,000	-	1,995
	<u>3,250</u>	<u>2,000</u>	<u>(1,250)</u>	<u>1,995</u>
Miscellaneous:				
District Attorney restitution collections	80,000	56,581	(23,419)	53,212
Juvenile probation restitution collections	20,000	2,214	(17,786)	4,472
Sheriff's office evidence	-	110	110	1,236
Interest	1,000	2,314	1,314	1,654
	<u>101,000</u>	<u>61,219</u>	<u>(39,781)</u>	<u>60,574</u>
Total Revenues	<u>104,250</u>	<u>63,219</u>	<u>(41,031)</u>	<u>62,569</u>
EXPENDITURES				
Judicial:				
Services and supplies	94,500	57,721	36,779	60,793
Net Change in Fund Balances	9,750	5,498	(4,252)	1,776
FUND BALANCE, July 1	<u>70,750</u>	<u>32,826</u>	<u>(37,924)</u>	<u>31,050</u>
FUND BALANCE, June 30	<u>\$ 80,500</u>	<u>\$ 38,324</u>	<u>\$ (42,176)</u>	<u>\$ 32,826</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Charges for services:				
Administrative assessments	\$ 47,500	\$ 45,538	\$ (1,962)	\$ 48,439
OTHER FINANCING USES				
Transfers out:				
Extraordinary Repairs and Maintenance Fund	(65,000)	(65,000)	-	(45,000)
Net Change in Fund Balances	(17,500)	(19,462)	(1,962)	3,439
FUND BALANCE, July 1	45,674	49,113	3,439	45,674
FUND BALANCE, June 30	<u>\$ 28,174</u>	<u>\$ 29,651</u>	<u>\$ 1,477</u>	<u>\$ 49,113</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 1,000	\$ 3,809	\$ 2,809	\$ 1,759
Gifts and donations	26,965	26,458	(507)	38,962
Total Revenues	27,965	30,267	2,302	40,721
EXPENDITURES				
Culture and recreation:				
Services and supplies	47,901	31,477	16,424	7,277
Net Change in Fund Balances	(19,936)	(1,210)	18,726	33,444
FUND BALANCE, July 1	58,472	58,472	-	25,028
FUND BALANCE, June 30	<u>\$ 38,536</u>	<u>\$ 57,262</u>	<u>\$ 18,726</u>	<u>\$ 58,472</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 83,136	\$ 82,072	\$ (1,064)	\$ 72,735
EXPENDITURES				
Welfare:				
Payments to State of Nevada	<u>82,057</u>	<u>82,057</u>	<u>-</u>	<u>72,721</u>
Net Change in Fund Balances	1,079	15	(1,064)	14
FUND BALANCE, July 1	<u>606</u>	<u>155</u>	<u>(451)</u>	<u>141</u>
FUND BALANCE, June 30	<u>\$ 1,685</u>	<u>\$ 170</u>	<u>\$ (1,515)</u>	<u>\$ 155</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 304,309	\$ 324,951	\$ 20,642	\$ 48,792
Miscellaneous:				
Interest	<u>26,750</u>	<u>57,910</u>	<u>31,160</u>	<u>44,125</u>
Total Revenues	331,059	382,861	51,802	92,917
EXPENDITURES				
Community support:				
Services and supplies	<u>501,370</u>	<u>186,032</u>	<u>315,338</u>	<u>155,527</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,311)	196,829	367,140	(62,610)
OTHER FINANCING USES				
Transfers out:				
Social Services Fund	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>	<u>(100,000)</u>
Net Change in Fund Balances	(295,311)	71,829	367,140	(162,610)
FUND BALANCE, July 1	<u>650,778</u>	<u>760,765</u>	<u>109,987</u>	<u>923,375</u>
FUND BALANCE, June 30	<u>\$ 355,467</u>	<u>\$ 832,594</u>	<u>\$ 477,127</u>	<u>\$ 760,765</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 707,069	\$ 757,356	\$ 50,287	\$ 805,804
Miscellaneous:				
Interest	12,693	22,932	10,239	31,830
Total Revenues	<u>719,762</u>	<u>780,288</u>	<u>60,526</u>	<u>837,634</u>
EXPENDITURES				
Public works:				
Highways and streets:				
Services and supplies	324,500	3,223	321,277	132,896
Intergovernmental:				
City of Fallon	-	239,479	(239,479)	174,728
Total Expenditures	<u>324,500</u>	<u>242,702</u>	<u>81,798</u>	<u>307,624</u>
Excess of Revenues Over Expenditures	395,262	537,586	142,324	530,010
OTHER FINANCING USES				
Transfers out:				
Road Fund	(505,000)	(503,900)	1,100	(679,017)
Net Change in Fund Balances	(109,738)	33,686	143,424	(149,007)
FUND BALANCE, July 1	<u>422,775</u>	<u>534,488</u>	<u>111,713</u>	<u>683,495</u>
FUND BALANCE, June 30	<u>\$ 313,037</u>	<u>\$ 568,174</u>	<u>\$ 255,137</u>	<u>\$ 534,488</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes				
Ad valorem taxes	\$ 174,838	\$ 175,222	\$ 384	\$ 146,215
EXPENDITURES				
Community support:				
Services and supplies	<u>174,838</u>	<u>175,123</u>	<u>(285)</u>	<u>146,113</u>
Net Change in Fund Balances	-	99	99	102
FUND BALANCE, July 1	<u>1,095</u>	<u>285</u>	<u>(810)</u>	<u>183</u>
FUND BALANCE, June 30	<u>\$ 1,095</u>	<u>\$ 384</u>	<u>\$ (711)</u>	<u>\$ 285</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Optional county motor vehicle fuel tax	\$ 71,500	\$ 67,566	\$ (3,934)	\$ 82,342
Miscellaneous:				
Interest	700	7,741	7,041	4,557
Total Revenues	72,200	75,307	3,107	86,899
EXPENDITURES				
Public works:				
Highways and streets:				
Services and supplies	170,734	127,327	43,407	16,780
Net Change in Fund Balances	(98,534)	(52,020)	46,514	70,119
FUND BALANCE, July 1	<u>127,268</u>	<u>147,268</u>	<u>20,000</u>	<u>77,149</u>
FUND BALANCE, June 30	<u>\$ 28,734</u>	<u>\$ 95,248</u>	<u>\$ 66,514</u>	<u>\$ 147,268</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 21,975	\$ 36,358	\$ 14,383	\$ 29,497
EXPENDITURES				
Community support:				
Capital outlay	175,000	-	175,000	-
Net Change in Fund Balances	(153,025)	36,358	189,383	29,497
FUND BALANCE, July 1	481,821	624,043	142,222	594,546
FUND BALANCE, June 30	<u>\$ 328,796</u>	<u>\$ 660,401</u>	<u>\$ 331,605</u>	<u>\$ 624,043</u>

CHURCHILL COUNTY, NEVADA
HOSPITAL SUPPORT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ -	\$ 265	\$ 265	\$ 5,023
FUND BALANCE, July 1	-	5,023	5,023	
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 5,288</u>	<u>\$ 5,288</u>	<u>\$ 5,023</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Charges for services:				
Ortho photo fee	\$ -	\$ -	\$ -	\$ 1,000
Miscellaneous:				
Interest	1,750	13,094	11,344	4,088
Technology fees	80,000	145,719	65,719	90,459
	<u>81,750</u>	<u>158,813</u>	<u>77,063</u>	<u>94,547</u>
Total Revenues	<u>81,750</u>	<u>158,813</u>	<u>77,063</u>	<u>95,547</u>
EXPENDITURES				
General government:				
Services and supplies	88,789	42,603	46,186	-
Capital outlay	-	8,640	(8,640)	-
	<u>88,789</u>	<u>51,243</u>	<u>37,546</u>	<u>-</u>
Total Expenditures	<u>88,789</u>	<u>51,243</u>	<u>37,546</u>	<u>-</u>
Net Change in Fund Balances	(7,039)	107,570	114,609	95,547
FUND BALANCE, July 1	94,843	147,390	52,547	51,843
FUND BALANCE, June 30	<u>\$ 87,804</u>	<u>\$ 254,960</u>	<u>\$ 167,156</u>	<u>\$ 147,390</u>

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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Licenses and permits:				
Area A road impact fee	\$ 320,000	\$ 48,300	\$(271,700)	\$ 89,700
Area B road impact fee	<u>32,000</u>	<u>105,800</u>	<u>73,800</u>	<u>62,100</u>
	352,000	154,100	(197,900)	151,800
Miscellaneous:				
Interest	<u>750</u>	<u>15,447</u>	<u>14,697</u>	<u>1,874</u>
Total Revenues	352,750	169,547	(183,203)	153,674
EXPENDITURES				
Public works:				
Highways and streets:				
Capital outlay	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>
Net Change in Fund Balances	2,750	169,547	166,797	153,674
FUND BALANCE, July 1	<u>50,000</u>	<u>153,674</u>	<u>103,674</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 52,750</u>	<u>\$ 323,221</u>	<u>\$ 270,471</u>	<u>\$ 153,674</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Licenses and permits:				
Park tax fee	\$ 136,000	\$ 71,482	\$ (64,518)	\$ 145,994
Miscellaneous:				
Interest	<u>1,275</u>	<u>12,166</u>	<u>10,891</u>	<u>3,330</u>
Total Revenues	137,275	83,648	(53,627)	149,324
EXPENDITURES				
Culture and recreation:				
Public parks:				
Services and supplies	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balances	37,275	83,648	46,373	149,324
FUND BALANCE, July 1	<u>125,975</u>	<u>149,324</u>	<u>23,349</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 163,250</u>	<u>\$ 232,972</u>	<u>\$ 69,722</u>	<u>\$ 149,324</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 678,795	\$ 751,170	\$ 72,375	\$ 592,338
Miscellaneous:				
Interest	6,750	52,528	45,778	6,154
Total Revenues	<u>685,545</u>	<u>803,698</u>	<u>118,153</u>	<u>598,492</u>
EXPENDITURES				
General government:				
Infrastructure development:				
Services and supplies	100,000	-	100,000	-
Capital outlay	250,000	-	250,000	-
Total Expenditures	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>-</u>
Net Change in Fund Balances	335,545	803,698	468,153	598,492
FUND BALANCE, July 1	<u>378,421</u>	<u>598,492</u>	<u>220,071</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 713,966</u>	<u>\$ 1,402,190</u>	<u>\$ 688,224</u>	<u>\$ 598,492</u>

CHURCHILL COUNTY, NEVADA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and investments	\$ 563,572	\$ 454,753
Receivables:		
Interest	3,006	1,598
Due from other funds	<u>173,745</u>	<u>-</u>
Total Assets	<u>\$ 740,323</u>	<u>\$ 456,351</u>
LIABILITIES AND FUND BALANCE		
Fund Balance		
Unreserved	<u>\$ 740,323</u>	<u>\$ 456,351</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Miscellaneous:				
Interest	\$ 1,000	\$ 15,046	\$ 14,046	\$ 8,484
EXPENDITURES				
Debt service:				
Principal	5,318,652	496,834	4,821,818	452,730
Interest	202,461	109,240	93,221	115,845
Total Expenditures	<u>5,521,113</u>	<u>606,074</u>	<u>4,915,039</u>	<u>568,575</u>
Deficiency of Revenues Under Expenditures	<u>(5,520,113)</u>	<u>(591,028)</u>	<u>4,929,085</u>	<u>(560,091)</u>
OTHER FINANCING SOURCES				
Transfers in:				
Water Resource Fund	750,000	750,000		750,000
Road Fund	225,000	125,000	(100,000)	80,000
Waste Water Enterprise Fund	2,501,618	-	(2,501,618)	-
Utility Enterprise Fund	2,042,758	-	(2,042,758)	-
Total Other Financing Sources	<u>5,519,376</u>	<u>875,000</u>	<u>(4,644,376)</u>	<u>830,000</u>
Net Change in Fund Balances	(737)	283,972	284,709	269,909
FUND BALANCE, July 1	<u>456,351</u>	<u>456,351</u>	<u>-</u>	<u>186,442</u>
FUND BALANCE, June 30	<u>\$ 455,614</u>	<u>\$ 740,323</u>	<u>\$ 284,709</u>	<u>\$ 456,351</u>

CHURCHILL COUNTY, NEVADA
 NONMAJOR CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET

JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)

	ASSETS				TOTALS	
	BUILDING RESERVE FUND	SPECIAL AD VALOREM CAPITAL PROJECTS FUND	EXTRAORDINARY REPAIRS AND MAINTENANCE FUND	FIRE EQUIPMENT APPARATUS FUND	2007	2006
Cash and investments	\$ 1,888,269	\$ 856,494	\$ 520,303	\$ 90,749	\$ 3,355,815	\$ 3,634,176
Receivables:						
Property taxes	-	4,735	-	1,878	6,613	4,717
Interest	8,785	3,842	2,348	384	15,359	12,434
Other	25,000	13	-	5	25,018	-
Due from other funds	-	-	-	-	-	66,380
Due from other governments	24,213	-	8,000	-	32,213	63,820
Total Assets	\$ 1,946,267	\$ 865,084	\$ 530,651	\$ 93,016	\$ 3,435,018	\$ 3,781,527

LIABILITIES AND FUND BALANCE

Liabilities:						
Accounts payable	\$ 72,887	\$ -	\$ 552	\$ -	\$ 73,439	\$ 14,505
Due to other governments	-	9,648	-	-	9,648	7,335
Deferred revenue	-	4,148	-	1,646	5,794	3,960
Total Liabilities	72,887	13,796	552	1,646	88,881	25,800
Fund Balance						
Unreserved	1,873,380	851,288	530,099	91,370	3,346,137	3,755,727
Total Liabilities and Fund Balance	\$ 1,946,267	\$ 865,084	\$ 530,651	\$ 93,016	\$ 3,435,018	\$ 3,781,527

CHURCHILL COUNTY, NEVADA
 NONMAJOR CAPITAL PROJECTS FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	BUILDING RESERVE FUND	SPECIAL AD VALOREM CAPITAL PROJECTS FUND	EXTRAORDINARY REPAIRS AND MAINTENANCE FUND	FIRE EQUIPMENT APPARATUS FUND	2007	2006
REVENUES	TOTALS					
Taxes	\$ -	\$ 273,832	\$ -	\$ 109,482	\$ 383,314	\$ 341,573
Intergovernmental	225,000	-	48,000	-	273,000	254,000
Miscellaneous	352,482	44,709	35,004	10,404	442,599	469,097
Total Revenues	<u>577,482</u>	<u>318,541</u>	<u>83,004</u>	<u>119,886</u>	<u>1,098,913</u>	<u>1,064,670</u>
EXPENDITURES						
General government	866,753	-	214,477	177,361	1,258,591	628,536
Intergovernmental	-	58,412	-	-	58,412	52,361
Debt Service:						
Principal	256,500	-	-	-	256,500	-
Total Expenditures	<u>1,123,253</u>	<u>58,412</u>	<u>214,477</u>	<u>177,361</u>	<u>1,573,503</u>	<u>680,897</u>
Excess (Deficiency) of Revenues (Under) Over Expenditures	(545,771)	260,129	(131,473)	(57,475)	(474,590)	383,773
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	65,000	-	65,000	45,000
Net Change in Fund Balances	(545,771)	260,129	(66,473)	(57,475)	(409,590)	428,773
FUND BALANCE, July 1	2,419,151	591,159	596,572	148,845	3,755,727	3,326,954
FUND BALANCE, June 30	<u>\$ 1,873,380</u>	<u>\$ 851,288</u>	<u>\$ 530,099</u>	<u>\$ 91,370</u>	<u>\$ 3,346,137</u>	<u>\$ 3,755,727</u>

CHURCHILL COUNTY, NEVADA
BUILDING RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 150,000	\$ 150,000	\$ -	\$ 150,000
Consolidated intergovernmental taxes	75,000	75,000	-	56,000
	<u>225,000</u>	<u>225,000</u>	<u>-</u>	<u>206,000</u>
Miscellaneous:				
Interest	12,000	133,200	121,200	92,429
Geothermal rents and royalties	-	194,282	194,282	311,019
Miscellaneous	-	25,000	25,000	-
	<u>12,000</u>	<u>352,482</u>	<u>340,482</u>	<u>403,448</u>
Total Revenues	<u>237,000</u>	<u>577,482</u>	<u>340,482</u>	<u>609,448</u>
EXPENDITURES				
General government:				
Capital outlay	1,512,069	866,753	645,316	190,371
Debt Service:				
Principal	-	256,500	(256,500)	-
Total Expenditures	<u>1,512,069</u>	<u>1,123,253</u>	<u>388,816</u>	<u>190,371</u>
Net Change in Fund Balances	(1,275,069)	(545,771)	729,298	419,077
FUND BALANCE, July 1	<u>2,019,151</u>	<u>2,419,151</u>	<u>400,000</u>	<u>2,000,074</u>
FUND BALANCE, June 30	<u>\$ 744,082</u>	<u>\$ 1,873,380</u>	<u>\$ 1,129,298</u>	<u>\$ 2,419,151</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 253,592	\$ 273,832	\$ 20,240	\$ 244,239
Miscellaneous:				
Interest	3,800	44,709	40,909	23,518
Total Revenues	<u>257,392</u>	<u>318,541</u>	<u>61,149</u>	<u>267,757</u>
EXPENDITURES				
General government:				
Capital projects	220,000	-	220,000	-
Intergovernmental:				
City of Fallon	62,250	58,412	3,838	52,361
Total Expenditures	<u>282,250</u>	<u>58,412</u>	<u>223,838</u>	<u>52,361</u>
Net Change in Fund Balances	(24,858)	260,129	284,987	215,396
FUND BALANCE, July 1	<u>540,228</u>	<u>591,159</u>	<u>50,931</u>	<u>375,763</u>
FUND BALANCE, June 30	<u>\$ 515,370</u>	<u>\$ 851,288</u>	<u>\$ 335,918</u>	<u>\$ 591,159</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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Intergovernmental:				
Consolidated intergovernmental taxes	\$ 48,000	\$ 48,000	\$ -	\$ 48,000
Miscellaneous:				
Interest	<u>9,675</u>	<u>35,004</u>	<u>25,329</u>	<u>29,200</u>
Total Revenues	57,675	83,004	25,329	77,200
EXPENDITURES				
General government:				
Capital outlay	<u>375,000</u>	<u>214,477</u>	<u>160,523</u>	<u>224,362</u>
Deficiency of Revenues Under Expenditures	(317,325)	(131,473)	185,852	(147,162)
OTHER FINANCING SOURCES				
Transfers in:				
Administrative Assessment Fund	<u>65,000</u>	<u>65,000</u>	<u>-</u>	<u>45,000</u>
Net Change in Fund Balances	(252,325)	(66,473)	185,852	(102,162)
FUND BALANCE, July 1	<u>433,342</u>	<u>596,572</u>	<u>163,230</u>	<u>698,734</u>
FUND BALANCE, June 30	<u>\$ 181,017</u>	<u>\$ 530,099</u>	<u>\$ 349,082</u>	<u>\$ 596,572</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
REVENUES				
Taxes:				
Ad valorem taxes	\$ 101,439	\$ 109,482	\$ 8,043	\$ 97,334
Miscellaneous:				
Interest	4,175	10,404	6,229	12,931
Total Revenues	105,614	119,886	14,272	110,265
EXPENDITURES				
General government:				
Capital outlay	284,000	177,361	106,639	213,803
Net Change in Fund Balances	(178,386)	(57,475)	120,911	(103,538)
FUND BALANCE, July 1	278,387	148,845	(129,542)	252,383
FUND BALANCE, June 30	<u>\$ 100,001</u>	<u>\$ 91,370</u>	<u>\$ (8,631)</u>	<u>\$ 148,845</u>

CHURCHILL COUNTY, NEVADA
MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - TELEPHONE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGE IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	BUDGET	ACTUAL	VARIANCE	2006
OPERATING REVENUE				
Local network services	\$ 4,059,000	\$ 3,626,591	\$ (432,409)	\$ 3,824,870
Network access services	4,631,000	4,609,398	(21,602)	4,442,266
Interstate pooling revenue	5,000,000	4,930,111	(69,889)	4,079,764
Miscellaneous revenue	795,000	784,073	(10,927)	765,861
Uncollectible revenue	(30,000)	(31,184)	(1,184)	(24,187)
Total Operating Revenue	14,455,000	13,918,989	(536,011)	13,088,574
OPERATING EXPENSES				
Plant specific operations	2,909,015	2,367,679	541,336	2,284,941
Plant nonspecific operations	1,178,315	1,856,416	(678,101)	1,697,988
Customer operations	1,208,543	1,281,571	(73,028)	1,316,162
Corporate operations	2,566,288	2,357,907	208,381	2,409,122
Transfers to County in lieu of taxes	1,395,651	1,395,651	-	1,378,651
Depreciation and amortization	4,710,900	4,141,053	569,847	4,207,383
Total Operating Expenses	13,968,712	13,400,277	568,435	13,294,247
Operating Income	486,288	518,712	32,424	(205,673)
NONOPERATING REVENUE (EXPENSE)				
Interest income	62,000	145,505	83,505	69,081
Interest expense	(90,000)	(75,520)	14,480	(89,407)
Nonregulated income	1,327,800	1,393,203	65,403	2,403,284
Nonregulated expenses	(638,200)	(477,016)	161,184	(1,747,892)
Loss on write down of goodwill	-	(15,120)	(15,120)	(6,480)
Contributions to CC Communications - Broadband Fund	-	(217,420)	(217,420)	(310,000)
Miscellaneous	(1,500)	-	1,500	-
Transfers to County in lieu of taxes	(455,629)	(455,629)	-	(422,662)
Donations to County	(65,000)	(53,412)	11,588	(54,836)
Total Nonoperating Revenue (Expense)	139,471	244,591	105,120	(158,912)
Income (Loss) Before Capital Contributions	\$ 625,759	763,303	\$ 137,544	(364,585)
CAPITAL CONTRIBUTIONS				
CC Communications - Wireless		-		1,105,000
CC Communications - Long Distance		-		488,000
		-		1,593,000
Change in Net Assets		763,303		1,228,415
NET ASSETS, July 1		27,675,271		26,446,856
NET ASSETS, June 30		\$28,438,574		\$27,675,271

CHURCHILL COUNTY, NEVADA
 MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - TELEPHONE FUND
 SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 16,095,766	\$ 13,926,761
Cash payments to employees	(4,002,879)	(3,655,526)
Cash payments for services and supplies	(6,710,435)	(7,098,701)
	5,382,452	- 3,172,534
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Capital contributions from:		
CC Communications - Wireless Fund	-	1,105,000
CC Communications - Long Distance Fund	-	488,000
Capital contribution to CC Communications - Broadband Fund	-	(310,000)
	-	1,283,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of property, plant and equipment	(2,705,520)	(4,434,676)
Purchase of nonregulated investments	-	(107,812)
Principal payment on long-term debt	(687,169)	(677,694)
Interest payment on long-term debt	(75,649)	(92,867)
	(3,468,338)	(5,313,049)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on investments	141,258	69,847
	2,055,372	(787,668)
CASH, July 1	1,300,071	2,087,739
CASH, June 30	\$ 3,355,443	\$ 1,300,071
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Contributions of equipment to CC Communications - Broadband Fund	\$ (217,420)	\$ -
Write-down of goodwill	\$ (15,120)	\$ (6,480)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 518,712	\$ (205,673)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation - regulated plant	4,141,053	4,207,383
Depreciation - nonregulated plant	42,145	291,615
Amortization of loan costs	1,817	-
Income from nonregulated operations, net of expenses	916,187	655,392
Payments to County in lieu of taxes - nonoperating	(455,629)	(422,662)
Donations to County	(53,412)	(54,836)
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Receivables	341,599	(665,751)
Due from other funds	440,357	(275,692)
Inventory of materials and supplies	441,281	259,968
Increase (decrease) in:		
Accounts payable	(827,742)	(159,731)
Advance billings and payments	-	(430,184)
Due to other funds	-	(194,937)
Customer deposits	1,618	1,467
Other accrued liabilities	(125,534)	166,175
	\$ 5,382,452	\$ 3,172,534

CHURCHILL COUNTY, NEVADA
MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - WIRELESS FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGE IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	BUDGET	ACTUAL	VARIANCE	2006
OPERATING REVENUE				
Initiation fees	\$ 36,960	\$ 50,574	\$ 13,614	\$ 37,983
Service charges	1,903,104	2,215,526	312,422	1,851,930
Local air time	237,888	146,079	(91,809)	201,130
Roamer air time	5,510,000	5,321,618	(188,382)	4,044,730
Interconnection revenue	12,000	17,000	5,000	16,906
USF revenue	1,200,000	1,718,358	518,358	1,220,611
Miscellaneous revenue	136,890	31,999	(104,891)	35,720
Equipment sales/installation	240,000	316,656	76,656	289,135
Uncollectible revenue	(43,559)	(44,670)	(1,111)	(7,816)
Total Operating Revenue	<u>9,233,283</u>	<u>9,773,140</u>	<u>539,857</u>	<u>7,690,329</u>
OPERATING EXPENSES				
Customer operations	679,423	1,346,378	(666,955)	1,314,052
Network operations	921,540	3,074,551	(2,153,011)	2,648,958
Corporate operations	2,171,290	459,100	1,712,190	354,107
Equipment sales expenses	914,000	985,920	(71,920)	780,120
Miscellaneous operating expenses	1,129,940	12,536	1,117,404	11,865
Depreciation	1,039,621	1,007,605	32,016	783,626
Total Operating Expenses	<u>6,855,814</u>	<u>6,886,090</u>	<u>(30,276)</u>	<u>5,892,728</u>
Operating Income	<u>2,377,469</u>	<u>2,887,050</u>	<u>509,581</u>	<u>1,797,601</u>
NONOPERATING REVENUE (EXPENSE)				
Interest income	90,000	131,104	41,104	154,825
Interest expense	(16,000)	(7,265)	8,735	(9,709)
Contributions to:				
CC Communications - Telephone Fund	-	-	-	(1,105,000)
CC Communications - Broadband Fund	(600,000)	(649,999)	(49,999)	(920,000)
Total Nonoperating Revenue (Expense)	<u>(526,000)</u>	<u>(526,160)</u>	<u>(160)</u>	<u>(1,879,884)</u>
Change in Net Assets	<u>\$ 1,851,469</u>	<u>2,360,890</u>	<u>\$ 509,421</u>	<u>(82,283)</u>
NET ASSETS, July 1		<u>10,654,730</u>		<u>10,737,013</u>
NET ASSETS, June 30		<u>\$ 13,015,620</u>		<u>\$ 10,654,730</u>

CHURCHILL COUNTY, NEVADA
MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - WIRELESS FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 9,765,467	\$ 7,948,188
Cash payments to employees	(696,566)	(620,785)
Cash payments for services and supplies	<u>(5,627,671)</u>	<u>(4,440,843)</u>
Net Cash Provided by Operating Activities	<u>3,441,230</u>	<u>2,886,560</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Capital contribution to:		
CC Communications - Telephone Fund	-	(1,105,000)
CC Communications - Broadband Fund	<u>(649,999)</u>	<u>(920,000)</u>
Net Cash Used by Noncapital Financing Activities	<u>(649,999)</u>	<u>(2,025,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payment on long-term debt	(176,586)	(173,159)
Interest paid on long-term debt	(5,241)	(8,720)
Purchase of other intangibles	(83,797)	
Purchase of property, plant and equipment	<u>(973,585)</u>	<u>(2,639,190)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(1,239,209)</u>	<u>(2,821,069)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>131,014</u>	<u>150,912</u>
Net Decrease in Cash	1,683,036	(1,808,597)
CASH, July 1	<u>2,394,967</u>	<u>4,203,564</u>
CASH, June 30	<u>\$ 4,078,003</u>	<u>\$ 2,394,967</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 2,887,050	\$ 1,797,602
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation	1,007,605	783,626
Interest paid on subscriber deposits	(1,771)	(785)
Decrease in provision for uncollectible accounts	-	(13,515)
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(5,827)	488,299
Inventory	(46,412)	(219,590)
Increase (decrease) in:		
Accounts payable	43,698	(48,614)
Due to other fund	(437,960)	320,323
Advance billings and payments	-	(228,091)
Customer deposits	(75)	11,950
Other accrued liabilities	<u>(5,078)</u>	<u>(4,645)</u>
Net Cash Provided by Operating Activities	<u>\$ 3,441,230</u>	<u>\$ 2,886,560</u>

CHURCHILL COUNTY, NEVADA
MAJOR PROPRIETARY FUND - WASTE WATER ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
OPERATING REVENUE				
Service charges	\$ 167,040	\$ 61,365	\$ (105,675)	\$ -
OPERATING EXPENSES				
Telephone	5,000	408	4,592	-
Contracted services	170,000	81,048	88,952	-
Operating supplies	10,000	426	9,574	-
Repairs and maintenance	95,000	495	94,505	-
Utilities	25,000	14,518	10,482	-
Depreciation	30,000	172,224	(142,224)	-
Total Operating Expenses	<u>335,000</u>	<u>269,119</u>	<u>65,881</u>	<u>-</u>
Operating Loss	<u>(167,960)</u>	<u>(207,754)</u>	<u>(39,794)</u>	<u>-</u>
NONOPERATING REVENUE (EXPENSE)				
Interest income	1,000	25,953	24,953	12,231
State grants	-	-	-	118,938
Federal grants	3,652,000	1,338,234	(2,313,766)	-
Tap fees	472,500	5,151,218	4,678,718	-
Interest expense	(120,000)	(693)	119,307	(236)
Total Nonoperating Revenue (Expense)	<u>4,005,500</u>	<u>6,514,712</u>	<u>2,509,212</u>	<u>130,933</u>
Income Before Capital Contributions	3,837,540	6,306,958	2,469,418	130,933
CAPITAL CONTRIBUTIONS	-	338,079	338,079	-
Change in Net Assets	<u>\$ 3,837,540</u>	6,645,037	<u>\$ 2,807,497</u>	130,933
NET ASSETS, July 1		<u>130,933</u>		<u>-</u>
NET ASSETS, June 30		<u>\$ 6,775,970</u>		<u>\$ 130,933</u>

CHURCHILL COUNTY, NEVADA
 MAJOR PROPRIETARY FUND - WASTE WATER ENTERPRISE FUND
 SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 6,943,761	\$ 1,285,900
Cash payments for services and supplies	(2,831,478)	-
Net Cash Provided by Operating Activities	<u>4,112,283</u>	<u>1,285,900</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Capital contributions	<u>16,579</u>	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payment on long-term debt	(2,000,000)	-
Debt issued	2,042,758	-
Interest paid on long-term debt	(89,843)	-
Purchase of property, plant and equipment	(4,391,246)	-
Net Cash Used by Capital and Related Financing Activities	<u>(4,438,331)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>25,110</u>	<u>7,678</u>
Net Increase (Decrease) in Cash	(284,359)	1,293,578
CASH, July 1	<u>1,293,578</u>	-
CASH, June 30	<u>\$ 1,009,219</u>	<u>\$ 1,293,578</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Land, easements, and a portion of the water and waste water systems that were exchanged for utility hook ups, reduction in connections fees, and water	<u>\$ -</u>	<u>\$ 232,805</u>
Capital improvements for which payments were advanced by the Water Resource Fund	<u>\$ -</u>	<u>\$ 895,878</u>
Donated capital improvements	<u>\$ 321,500</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating loss	\$ (207,754)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	172,224	-
Federal grants	1,338,234	-
Tap fees	5,151,218	-
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(11,228)	-
Due from other governments	(64,123)	-
Due from other funds	1,987,000	-
Increase (decrease) in:		
Accounts payable	(50,708)	-
Deferred revenue	(1,518,705)	1,285,900
Due to other funds	(2,683,875)	-
Net Cash Provided by Operating Activities	<u>\$ 4,112,283</u>	<u>\$ 1,285,900</u>

CHURCHILL COUNTY, NEVADA
MAJOR PROPRIETARY FUND - UTILITY ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGE IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
OPERATING REVENUE				
Service charges	\$ 310,932	\$ 66,015	\$ (244,917)	\$ -
OPERATING EXPENSES				
Telephone	-	767	(767)	-
Contracted services	120,000	63,901	56,099	-
Operating supplies	27,000	2,447	24,553	-
Repairs and maintenance	-	3,548	(3,548)	-
Utilities	-	17,243	(17,243)	-
Depreciation	40,500	11,064	29,436	-
Total Operating Expenses	<u>187,500</u>	<u>98,970</u>	<u>88,530</u>	<u>-</u>
Operating Income	<u>123,432</u>	<u>(32,955)</u>	<u>(156,387)</u>	<u>-</u>
NONOPERATING REVENUE (EXPENSE)				
Interest income	1,725	28,492	26,767	2,439
State grants	2,000,000	952,573	(1,047,427)	2,375,625
Federal grants	4,471,000	958,932	(3,512,068)	-
Tap fees	1,000,000	2,694,796	1,694,796	-
Interest expense	(120,000)	-	120,000	(237)
Total Nonoperating Revenue (Expense)	<u>7,352,725</u>	<u>4,634,793</u>	<u>(2,717,932)</u>	<u>2,377,827</u>
Income (Loss) Before Capital Contributions	7,476,157	4,601,838	(2,874,319)	2,377,827
CAPITAL CONTRIBUTIONS	-	310,579	310,579	-
Change in Net Assets	<u>\$ 7,476,157</u>	4,912,417	<u>\$ (2,563,740)</u>	2,377,827
NET ASSETS, July 1		<u>2,401,497</u>		<u>23,670</u>
NET ASSETS, June 30		<u>\$ 7,313,914</u>		<u>\$ 2,401,497</u>

CHURCHILL COUNTY, NEVADA
 MAJOR PROPRIETARY FUND - UTILITY ENTERPRISE FUND
 SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 8,156,972	\$ 314,000
Cash payments for services and supplies	(5,398,620)	-
Net Cash Provided by Operating Activities	2,758,352	314,000
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Capital contributions	16,579	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Principal payment on long-term debt	(2,000,000)	-
Debt issued	2,501,618	-
Interest paid on long-term debt	(89,843)	-
Purchase of property, plant and equipment	(3,394,150)	(103,500)
Net Cash Used by Capital and Related Financing Activities	(2,982,375)	(103,500)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	21,227	1,610
Net Increase in Cash	(186,217)	212,110
CASH, July 1	235,780	23,670
CASH, June 30	\$ 49,563	\$ 235,780
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Land, easements, and a portion of the water and waste water systems that were exchanged for utility hook ups, reduction in connections fees, and water	\$ -	\$ 351,948
Capital improvements for which payments were advanced by the Water Resource Fund	\$ -	\$ 3,113,848
Donated capital improvements	\$ 294,000	\$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating loss	\$ (32,955)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	11,064	-
State grants	952,573	-
Federal grants	958,932	-
Tap fees	2,694,796	-
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(11,354)	-
Due from other governments	2,195,388	-
Due from other funds	1,965,370	-
Increase (decrease) in:		
Accounts payable	(180,238)	-
Deferred revenue	(665,948)	314,000
Customer deposits	1,200	-
Due to other funds	(5,130,476)	-
Net Cash Provided by Operating Activities	\$ 2,758,352	\$ 314,000

CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING SCHEDULE OF NET ASSETS
JUNE 30, 2007

	CC COMMUNICATIONS LONG DISTANCE FUND	CC COMMUNICATIONS BROADBAND FUND	TOTAL
ASSETS			
Current Assets:			
Cash	\$ 1,317,922	\$ 763,860	\$ 2,081,782
Interest receivable	3,235	-	3,235
Prepaid expenses	-	8,250	8,250
Inventory	-	161,321	161,321
Total Current Assets	<u>1,321,157</u>	<u>933,431</u>	<u>2,254,588</u>
Noncurrent Assets:			
Property, Plant and Equipment			
In service	-	4,263,198	4,263,198
Under construction	-	4,994	4,994
	-	4,268,192	4,268,192
Less: Accumulated depreciation	-	3,261,211	3,261,211
Total Noncurrent Assets	<u>-</u>	<u>1,006,981</u>	<u>1,006,981</u>
Total Assets	<u>1,321,157</u>	<u>1,940,412</u>	<u>3,261,569</u>
LIABILITIES			
NET ASSETS			
Invested in capital assets	-	1,006,981	1,006,981
Unrestricted	<u>1,321,157</u>	<u>933,431</u>	<u>2,254,588</u>
Total Net Assets	<u>\$ 1,321,157</u>	<u>\$ 1,940,412</u>	<u>\$ 3,261,569</u>

CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007

	CC COMMUNICATIONS LONG DISTANCE FUND	CC COMMUNICATIONS BROADBAND FUND	TOTAL
OPERATING REVENUES			
Charges for sales and services	\$ 1,315,277	\$ 1,965,755	\$ 3,281,032
OPERATING EXPENSES			
Customer operations	97,155	813,346	910,501
Network operations	269,806	751,974	1,021,780
Corporate operations	121,332	137,735	259,067
Access charges	694,408	537,820	1,232,228
Miscellaneous operating expenses	6,323	-	6,323
Depreciation and amortization	-	453,768	453,768
Total Operating Expenses	1,189,024	2,694,643	3,883,667
Operating Income (Loss)	126,253	(728,888)	(602,635)
NONOPERATING REVENUE (EXPENSE)			
Interest income	8,366	-	8,366
Miscellaneous income	-	1,028	1,028
Rental income	-	17,350	17,350
Total Nonoperating Revenue (Expense)	8,366	18,378	26,744
Loss Before Capital Contributions	134,619	(710,510)	(575,891)
CAPITAL CONTRIBUTIONS			
Change in Net Assets	134,619	156,909	291,528
NET ASSETS, July 1	<u>1,186,538</u>	<u>1,783,503</u>	<u>2,970,041</u>
NET ASSETS, June 30	<u>\$ 1,321,157</u>	<u>\$ 1,940,412</u>	<u>\$ 3,261,569</u>

CHURCHILL COUNTY, NEVADA
NONMAJOR PROPRIETARY FUNDS
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007

	CC COMMUNICATIONS LONG DISTANCE FUND	CC COMMUNICATIONS BROADBAND FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 1,315,277	\$ 1,984,133	\$ 3,299,410
Cash payments to employees	(65,037)	(426,101)	(491,138)
Cash payments for services and supplies	<u>(1,180,086)</u>	<u>(1,745,776)</u>	<u>(2,925,862)</u>
Net Cash Provided (Used) by Operating Activities	70,154	(187,744)	(117,590)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Capital contributions in	-	649,999	649,999
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of property, plant, and equipment	-	(129,151)	(129,151)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received on investments	<u>5,131</u>	<u>-</u>	<u>5,131</u>
Net Increase in Cash	75,285	333,104	408,389
CASH, July 1	<u>1,242,637</u>	<u>430,756</u>	<u>1,673,393</u>
CASH, June 30	<u>\$ 1,317,922</u>	<u>\$ 763,860</u>	<u>\$ 2,081,782</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Contributions of equipment from CC Communications - Telephone Fund	<u>\$ -</u>	<u>\$ 217,420</u>	<u>\$ 217,420</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 126,253	\$ (728,888)	\$ (602,635)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	453,768	453,768
Miscellaneous income	-	1,028	1,028
Rental income	-	17,350	17,350
Changes in assets and liabilities:			
(Increase) decrease in:			
Prepaid expenses	-	(8,250)	(8,250)
Inventory	-	79,645	79,645
Increase (decrease) in:			
Accounts payable	(56,099)	-	(56,099)
Due to other funds	<u>-</u>	<u>(2,397)</u>	<u>(2,397)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 70,154</u>	<u>\$ (187,744)</u>	<u>\$ (117,590)</u>

CHURCHILL COUNTY, NEVADA
 CC COMMUNICATIONS - LONG DISTANCE FUND
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGE IN NET ASSETS - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2006</u>
OPERATING REVENUE				
Service charges	\$ 1,662,800	\$ 1,355,895	\$ (306,905)	\$ 2,348,040
Uncollectible revenue	(8,160)	(40,618)	(32,458)	(17,870)
Total Operating Revenue	<u>1,654,640</u>	<u>1,315,277</u>	<u>(339,363)</u>	<u>2,330,170</u>
OPERATING EXPENSES				
Customer operations	101,811	97,155	4,656	75,593
Network operations	274,500	269,806	4,694	279,483
Corporate operations	155,200	121,332	33,868	132,138
Access charges	784,800	694,408	90,392	1,432,547
Miscellaneous operating expenses	-	6,323	(6,323)	6,153
Total Operating Expenses	<u>1,316,311</u>	<u>1,189,024</u>	<u>127,287</u>	<u>1,925,914</u>
Operating Income	<u>338,329</u>	<u>126,253</u>	<u>(212,076)</u>	<u>404,256</u>
NONOPERATING REVENUE (EXPENSE)				
Interest income	-	8,366	8,366	
Capital contributions to CC Communications - Telephone Fund	-	-	-	(488,000)
Total Nonoperating Revenue (Expense)	<u>-</u>	<u>8,366</u>	<u>8,366</u>	<u>(488,000)</u>
Change in Net Assets	<u>\$ 338,329</u>	<u>134,619</u>	<u>\$ (203,710)</u>	<u>(83,744)</u>
NET ASSETS, July 1		<u>1,186,538</u>		<u>1,270,282</u>
NET ASSETS, June 30		<u>\$ 1,321,157</u>		<u>\$ 1,186,538</u>

CHURCHILL COUNTY, NEVADA
 CC COMMUNICATIONS - LONG DISTANCE FUND
 SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,315,277	\$ 2,467,486
Cash payments to employees	(65,037)	(42,781)
Cash payments for services and supplies	(1,180,086)	(1,859,829)
Net Cash Provided by Operating Activities	70,154	564,876
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Capital contribution to CC Communications - Telephone Fund	-	(488,000)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on investments	5,131	-
Net Increase in Cash	75,285	76,876
CASH, July 1	<u>1,242,637</u>	<u>1,165,761</u>
CASH, June 30	<u>\$ 1,317,922</u>	<u>\$ 1,242,637</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 126,253	\$ 404,256
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in certain assets and liabilities:		
Decrease in due from other fund	-	137,316
Increase (decrease) in accounts payable	(56,099)	23,304
Net Cash Provided by Operating Activities	<u>\$ 70,154</u>	<u>\$ 564,876</u>

CHURCHILL COUNTY, NEVADA
 CC COMMUNICATIONS - BROADBAND FUND
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGE IN NET ASSETS - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	BUDGET	ACTUAL	VARIANCE	2006
OPERATING REVENUE				
Service charges	\$ 1,837,990	\$ 2,032,434	\$ 194,444	\$ 683,894
Uncollectible revenue	-	(66,679)	(66,679)	(20,676)
	<u>1,837,990</u>	<u>1,965,755</u>	<u>127,765</u>	<u>663,218</u>
OPERATING EXPENSES				
Customer operations				
OnNow!	373,500	335,609	37,891	300,452
Internet	175,000	477,737	(302,737)	-
Network operations				
OnNow!	478,100	695,299	(217,199)	558,880
Internet	514,000	56,675	457,325	-
Corporate operations	51,800	137,735	(85,935)	126,482
Access charges	405,000	537,820	(132,820)	403,803
Miscellaneous operating expenses	250	-	250	-
Depreciation				
OnNow!	738,993	373,912	365,081	655,050
Internet	198,630	79,856	118,774	-
Total Operating Expenses	<u>2,935,273</u>	<u>2,694,643</u>	<u>240,630</u>	<u>2,044,667</u>
Operating Loss	<u>(1,097,283)</u>	<u>(728,888)</u>	<u>368,395</u>	<u>(1,381,449)</u>
NONOPERATING REVENUE				
Miscellaneous income		1,028	1,028	-
Rental income	24,720	17,350	(7,370)	18,000
Total Nonoperating Revenue	<u>24,720</u>	<u>18,378</u>	<u>(6,342)</u>	<u>18,000</u>
Loss Before Capital Contributions	<u>(1,072,563)</u>	<u>(710,510)</u>	<u>362,053</u>	<u>(1,363,449)</u>
CAPITAL CONTRIBUTIONS				
CC Communications - Telephone Fund	-	217,420	217,420	310,000
CC Communications - Wireless Fund	600,000	649,999	49,999	920,000
	<u>600,000</u>	<u>867,419</u>	<u>267,419</u>	<u>1,230,000</u>
Change in Net Assets	<u>\$ (472,563)</u>	<u>156,909</u>	<u>\$ 629,472</u>	<u>(133,449)</u>
NET ASSETS, July 1		<u>1,783,503</u>		<u>1,916,952</u>
NET ASSETS, June 30		<u>\$ 1,940,412</u>		<u>\$ 1,783,503</u>

CHURCHILL COUNTY, NEVADA
 CC COMMUNICATIONS - BROADBAND FUND
 SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and others	\$ 1,984,133	\$ 629,182
Cash payments to employees	(426,101)	(260,077)
Cash payments for services and supplies	<u>(1,745,776)</u>	<u>(1,112,124)</u>
Net Cash Used by Operating Activities	<u>(187,744)</u>	<u>(743,019)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Capital contributions from:		
CC Communications - Telephone Fund	-	310,000
CC Communications - Wireless Fund	<u>649,999</u>	<u>920,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>649,999</u>	<u>1,230,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(129,151)</u>	<u>(160,692)</u>
Net Increase in Cash	333,104	326,289
CASH, July 1	<u>430,756</u>	<u>104,467</u>
CASH, June 30	<u>\$ 763,860</u>	<u>\$ 430,756</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Contributions of equipment from CC Communications - Telephone Fund	<u>\$ 217,420</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating loss	\$ (728,888)	\$ (1,381,449)
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:		
Depreciation	453,768	655,050
Miscellaneous income	1,028	-
Rental income	17,350	18,000
Changes in assets and liabilities:		
(Increase) decrease:		
Prepaid expenses	(8,250)	-
Inventory	79,645	15,019
Due from other fund	-	10,594
Increase (decrease):		
Advance billing and payments	-	(62,630)
Due to other funds	<u>(2,397)</u>	<u>2,397</u>
Net Cash Used by Operating Activities	<u>\$ (187,744)</u>	<u>\$ (743,019)</u>

CHURCHILL COUNTY, NEVADA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 1 of 4)

	BALANCE JULY 1, 2006	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2007
State of Nevada				
ASSETS				
Cash	\$ 36,076	\$ 1,523,883	\$ 1,397,638	\$ 162,321
Accounts receivable	-	178	-	178
Taxes receivable	11,358	-	9,398	1,960
Due from other governments	197,745	-	197,745	-
	<u>\$ 245,179</u>	<u>\$ 1,524,061</u>	<u>\$ 1,604,781</u>	<u>\$ 164,459</u>
LIABILITIES				
Accounts payable	\$ 2,989	\$ -	\$ 254	\$ 2,735
Due to other governments	242,190	1,524,061	1,604,527	161,724
	<u>\$ 245,179</u>	<u>\$ 1,524,061</u>	<u>\$ 1,604,781</u>	<u>\$ 164,459</u>
City of Fallon				
ASSETS				
Cash	\$ 28,151	\$ 1,493,820	\$ 1,495,431	\$ 26,540
Taxes receivable	9,261	-	7,903	1,358
Due from other governments	50	56	-	106
	<u>\$ 37,462</u>	<u>\$ 1,493,876</u>	<u>\$ 1,503,334</u>	<u>\$ 28,004</u>
LIABILITIES				
Due to other governments	\$ 37,462	\$ 1,493,876	\$ 1,503,334	\$ 28,004
Range Improvement Districts Number 2, Number 3, and Number 6				
ASSETS				
Cash	\$ 5,644	\$ 9,346	\$ 8,648	\$ 6,342
LIABILITIES				
Due to other governments	\$ 5,644	\$ 9,346	\$ 8,648	\$ 6,342
Truckee-Carson Irrigation District				
ASSETS				
Cash	\$ 3,228	\$ 1,666,640	\$ 1,666,782	\$ 3,086
LIABILITIES				
Due to other governments	\$ 3,228	\$ 1,666,640	\$ 1,666,782	\$ 3,086
State of Nevada Department of Wildlife				
ASSETS				
Cash	\$ 838	\$ 875	\$ 2,059	\$ (346)
LIABILITIES				
Due to other governments	\$ 838	\$ 875	\$ 2,059	\$ (346)
Churchill County School District Operating				
ASSETS				
Cash	\$ 38,052	\$ 4,128,268	\$ 3,861,061	\$ 305,259
Taxes receivable	50,650	-	41,853	8,797
Due from other governments	66,384	-	50,870	15,514
	<u>\$ 155,086</u>	<u>\$ 4,128,268</u>	<u>\$ 3,953,784</u>	<u>\$ 329,570</u>
LIABILITIES				
Due to other governments	\$ 155,086	\$ 4,128,268	\$ 3,953,784	\$ 329,570

CHURCHILL COUNTY, NEVADA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 2 of 4)

	<u>BALANCE</u> <u>JULY 1, 2006</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2007</u>
Churchill County School District				
Debt Service				
ASSETS				
Cash	\$ -	\$ 3,473,646	\$ 3,473,646	\$ -
Taxes receivable	41,872	-	34,782	7,090
	<u>\$ 41,872</u>	<u>\$ 3,473,646</u>	<u>\$ 3,508,428</u>	<u>\$ 7,090</u>
LIABILITIES				
Due to other governments	<u>\$ 41,872</u>	<u>\$ 3,473,646</u>	<u>\$ 3,508,428</u>	<u>\$ 7,090</u>
Churchill County Mosquito				
Abatement District				
ASSETS				
Cash	\$ 35,572	\$ 831,149	\$ 798,496	\$ 68,225
Taxes receivable	5,361	-	4,426	935
Due from other governments	76,665	-	4,228	72,437
	<u>\$ 117,598</u>	<u>\$ 831,149</u>	<u>\$ 807,150</u>	<u>\$ 141,597</u>
LIABILITIES				
Due to other governments	<u>\$ 117,598</u>	<u>\$ 831,149</u>	<u>\$ 807,150</u>	<u>\$ 141,597</u>
Scholarship Trust				
ASSETS				
Cash	\$ 21,352	\$ 2,665	\$ 6,326	\$ 17,691
Accounts receivable	175	-	175	-
Interest receivable	92	11	-	103
	<u>\$ 21,619</u>	<u>\$ 2,676</u>	<u>\$ 6,501</u>	<u>\$ 17,794</u>
LIABILITIES				
Funds held in trust for others	<u>\$ 21,619</u>	<u>\$ 2,676</u>	<u>\$ 6,501</u>	<u>\$ 17,794</u>
Court Clerk Trust				
ASSETS				
Cash	\$ 82,854	\$ 1,077,224	\$ 171,260	\$ 988,818
LIABILITIES				
Due to others	<u>\$ 82,854</u>	<u>\$ 1,077,224</u>	<u>\$ 171,260</u>	<u>\$ 988,818</u>
Justice Court Trust				
ASSETS				
Cash	\$ 73,429	\$ 131,686	\$ 188,378	\$ 16,737
Accounts receivable	10,539	-	10,539	-
	<u>\$ 83,968</u>	<u>\$ 131,686</u>	<u>\$ 198,917</u>	<u>\$ 16,737</u>
LIABILITIES				
Due to others	<u>\$ 83,968</u>	<u>\$ 131,686</u>	<u>\$ 198,917</u>	<u>\$ 16,737</u>
Miscellaneous Trust				
ASSETS				
Cash	\$ 1,717	\$ 3,816	\$ 3,878	\$ 1,655
LIABILITIES				
Due to others	<u>\$ 1,717</u>	<u>\$ 3,816</u>	<u>\$ 3,878</u>	<u>\$ 1,655</u>

CHURCHILL COUNTY, NEVADA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 3 of 4)

	BALANCE JULY 1, 2006	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2007
Assistance to Victims of Domestic Violence Fund				
ASSETS				
Cash	\$ 500	\$ 3,780	\$ 4,040	\$ 240
LIABILITIES				
Due to other governments	\$ 500	\$ 3,780	\$ 4,040	\$ 240
Excess Proceeds				
ASSETS				
Cash	\$ 24,889	\$ 63,779	\$ -	\$ 88,668
Accounts receivable	88,731	-	88,731	-
Interest receivable	10	34	-	44
	<u>\$ 113,630</u>	<u>\$ 63,813</u>	<u>\$ 88,731</u>	<u>\$ 88,712</u>
LIABILITIES				
Due to others	<u>\$ 113,630</u>	<u>\$ 63,813</u>	<u>\$ 88,731</u>	<u>\$ 88,712</u>
Jail Commissary				
ASSETS				
Cash	\$ 5,786	\$ 1,769	\$ -	\$ 7,555
LIABILITIES				
Due to others	<u>\$ 5,786</u>	<u>\$ 1,769</u>	<u>\$ -</u>	<u>\$ 7,555</u>
Recorder Trust				
ASSETS				
Cash	\$ 267,785	\$ 754	\$ 271,455	\$ (2,916)
Accounts receivable	-	3,095	-	3,095
	<u>\$ 267,785</u>	<u>\$ 3,849</u>	<u>\$ 271,455</u>	<u>\$ 179</u>
LIABILITIES				
Due to other governments	<u>\$ 267,785</u>	<u>\$ 3,849</u>	<u>\$ 271,455</u>	<u>\$ 179</u>
Churchill County School District Residential Construction Tax				
ASSETS				
Cash	\$ 37,575	\$ 93,897	\$ 103,671	\$ 27,801
LIABILITIES				
Due to other governments	<u>\$ 37,575</u>	<u>\$ 93,897</u>	<u>\$ 103,671</u>	<u>\$ 27,801</u>

CHURCHILL COUNTY, NEVADA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 4 of 4)

Totals	BALANCE JULY 1, 2006	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2007
ASSETS				
Cash	\$ 663,448	\$ 14,506,997	\$ 13,452,769	\$ 1,717,676
Accounts receivable	99,445	3,273	99,445	3,273
Taxes receivable	118,502	-	98,362	20,140
Interest receivable	102	45	-	147
Due from other governments	340,844	56	252,843	88,057
	<u>\$ 1,222,341</u>	<u>\$ 14,510,371</u>	<u>\$ 13,903,419</u>	<u>\$ 1,829,293</u>
LIABILITIES				
Accounts payable	\$ 2,989	\$ -	\$ 254	\$ 2,735
Due to other governments	909,778	13,229,387	13,433,878	705,287
Due to others	309,574	1,280,984	469,287	1,121,271
	<u>\$ 1,222,341</u>	<u>\$ 14,510,371</u>	<u>\$ 13,903,419</u>	<u>\$ 1,829,293</u>

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.

Contents

Page

Financial Trends

S-1 to S-7

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

Revenue Capacity

S-8 to S-12

These schedules contain information to help the reader assess the county's two most significant local revenue sources, property tax and sales tax.

Debt Capacity

S-13 to S-17

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.

Demographic and Economic Information

S-18 to S-21

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.

Operating Information

S-22 to S-24

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.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The county implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CHURCHILL COUNTY, NEVADA
Net Assets by Component
Last Five Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007
<i>Governmental Activities:</i>					
Invested in capital assets, net of related debt	\$ 29,443,134	\$ 30,526,736	\$ 39,873,985	\$ 40,304,859	45,563,408
Restricted	-	6,974,262	7,696,537	9,283,221	11,546,731
Unrestricted	14,873,916	9,312,796	6,754,918	13,156,877	11,143,420
Total governmental activities net assets	<u>44,317,050</u>	<u>46,813,794</u>	<u>54,325,440</u>	<u>62,744,957</u>	<u>68,253,559</u>
<i>Business-type Activities:</i>					
Invested in capital assets, net of related debt	25,897,900	29,336,590	30,550,434	38,092,591	44,973,324
Restricted	-	-	23,283	36,700	0
Unrestricted	10,825,954	9,035,581	9,821,054	5,703,181	13,832,323
Total business-type activities net assets	<u>36,723,854</u>	<u>38,372,171</u>	<u>40,394,771</u>	<u>43,832,472</u>	<u>58,805,647</u>
<i>Primary Government:</i>					
Invested in capital assets, net of related debt	55,341,034	59,863,326	70,424,419	78,397,450	90,536,732
Restricted	-	6,974,262	7,719,820	9,319,921	11,546,731
Unrestricted	25,699,870	18,348,377	16,575,972	18,860,058	24,975,743
Total primary government net assets	<u>\$ 81,040,904</u>	<u>\$ 85,185,965</u>	<u>\$ 94,720,211</u>	<u>\$ 106,577,429</u>	<u>127,059,206</u>

Churchill County implemented GASB 34 in Fiscal Year 2003, which requires the Government-wide Statement of Activities.

CHURCHILL COUNTY, NEVADA

Changes in Net Assets
Last Five Fiscal Years
(accrual basis of accounting)

Page 1 of 2

	2003	2004	2005	2006	2007
Expenses					
<i>Governmental Activities:</i>					
General Government	\$ 4,764,913	\$ 4,816,466	\$ 5,738,745	\$ 5,476,938	\$ 6,023,426
Judicial	1,824,443	2,249,588	2,480,177	2,707,588	2,908,455
Public Safety	4,829,737	5,199,687	5,819,578	7,007,531	7,803,606
Public Works	2,237,184	2,358,526	1,195,487	2,224,763	2,210,246
Health & Sanitation	194,704	178,623	231,116	233,208	257,076
Welfare	1,301,822	1,182,556	1,286,989	1,349,477	1,085,025
Culture & Recreation	1,354,439	1,583,404	1,806,818	1,930,550	2,042,404
Community Support	487,889	436,695	471,294	620,020	704,482
Intergovernmental	550,720	675,209	912,284	-	-
Interest & Fiscal Charges	2,941	11,960	39,253	120,806	127,337
Total governmental activities expenses	17,548,792	18,692,714	19,981,741	21,670,881	23,162,057
<i>Business-type Activities:</i>					
Telephone	15,241,445	16,669,012	15,961,728	15,615,524	14,694,394
Wireless	4,056,763	4,713,632	4,640,842	5,902,437	7,543,354
Long Distance	1,989,913	1,498,543	1,497,698	1,925,914	1,189,024
Broadband	1,031,808	1,413,234	1,698,549	2,044,667	2,694,643
Waste Water	-	-	-	236	269,812
Utility	-	-	-	237	98,970
Total business-type activities expenses	22,319,929	24,294,421	23,798,817	25,489,015	26,490,197
Total primary government expenses	\$ 39,868,721	\$ 42,987,135	\$ 43,780,558	\$ 47,159,896	\$ 49,652,254
Program Revenues					
<i>Governmental activities:</i>					
Charges for services					
General government	923,274	1,192,230	1,333,553	1,540,428	1,243,305
Judicial	139,152	155,895	170,398	178,691	202,141
Public safety	439,651	472,693	451,241	378,439	369,360
Public works	89,424	129,899	238,655	573,640	376,899
Culture and recreation	216,228	232,072	254,889	308,335	276,771
Other activities	68,168	86,796	80,846	84,157	72,212
Operating grants and contributions	1,271,975	1,538,337	1,618,785	1,661,058	2,367,856
Capital grants and contributions	109,389	735,000	3,108,887	2,336,339	804,170
Total governmental activities program revenues	3,257,261	4,542,922	7,257,254	7,061,087	5,712,714
<i>Business-type activities:</i>					
Charges for services					
Telephone	17,620,445	17,774,825	17,024,606	15,491,858	15,312,192
Wireless	5,323,073	4,907,496	6,156,416	7,690,330	9,773,140
Long Distance	2,103,009	1,766,700	1,809,467	2,330,170	1,315,277
Broadband	232,183	688,923	617,321	663,218	1,965,755
Water Utilities	-	-	-	-	127,380
Capital grants and contributions	-	725,000	-	2,494,563	4,765,816
Total business-type activities program revenues	25,278,710	25,862,944	25,607,810	28,670,139	33,259,560
Total primary government program revenues	\$ 28,535,971	\$ 30,405,866	\$ 32,865,064	\$ 35,731,226	\$ 38,972,274

Churchill County implemented GASB 34 in Fiscal Year 2003, which requires the Government-wide Statement of Activities.

CHURCHILL COUNTY, NEVADA
Changes in Net Assets
Last Five Fiscal Years
 (accrual basis of accounting)
 Page 2 of 2

	2003	2004	2005	2006	2007
Net (Expense)/Revenue					
Government activities	(14,291,531)	\$ (14,149,792)	\$ (12,724,487)	\$ (14,609,794)	\$ (17,449,343)
Business-type activities	2,958,781	1,568,523	1,808,993	3,181,124	6,769,363
Total primary government net expense	(11,332,750)	\$ (12,581,269)	\$ (10,915,494)	\$ (11,428,670)	\$ (10,679,980)
 General Revenues and Other Changes in Net Assets					
<i>Governmental activities:</i>					
Property taxes	5,689,424	5,577,083	6,063,988	6,408,357	6,877,814
Franchise fees	100,357	160,863	134,709	166,914	179,593
Federal in lieu of taxes	1,151,139	1,183,436	1,236,886	1,230,360	1,157,509
CC Communication in lieu of taxes	1,576,767	1,600,910	1,718,901	1,801,313	1,851,280
Gaming licenses	26,612	29,902	27,110	28,300	27,156
AB104 fairshare	891,290	978,651	1,095,451	1,241,371	1,179,848
Consolidated intergovernmental taxes	4,790,166	5,083,657	6,035,350	7,013,035	6,555,570
Unrestricted fuel taxes	1,050,537	1,041,120	1,022,808	1,078,069	1,045,577
Optional county sales tax	546,182	588,281	678,796	1,398,142	1,508,527
Delinquent tax penalties	161,851	163,213	124,203	117,288	129,376
Interest income	195,779	177,714	363,816	870,566	1,166,080
Gain on sale of assets (1)	-	-	1,543,366	48,161	377,714
Miscellaneous revenues	156,622	61,706	190,748	1,193,030	901,901
Total governmental activities	16,336,726	16,646,536	20,236,132	22,594,906	22,957,945
<i>Business-type activities:</i>					
Interest income	118,270	79,794	150,095	238,576	339,420
Miscellaneous income	-	-	63,512	18,000	18,378
Tap Fees	-	-	-	-	7,846,014
Total business-type activities	118,270	79,794	213,607	256,576	8,203,812
Total primary government	16,454,996	\$ 16,726,330	\$ 20,449,739	\$ 22,851,482	31,161,757
 Change in Net Assets					
Government activities	2,045,195	2,496,744	7,511,645	7,985,112	5,508,602
Business-type activities	3,077,051	1,648,317	2,022,600	3,437,700	14,973,175
Total primary government	5,122,246	\$ 4,145,061	\$ 9,534,245	\$ 11,422,812	\$ 20,481,777

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

Churchill County implemented GASB 34 in Fiscal Year 2003, which requires the Government-wide Statement of Activities.

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

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved		\$ 1,714,168	\$ 1,035,248	\$ 1,704,306	\$ 1,761,165	\$ 2,212,723	\$ 1,686,549	\$ 2,049,714	\$ 2,430,485	\$ 2,722,384
Unreserved	\$ 1,474,241	\$ 1,714,168	\$ 1,035,248	\$ 1,704,306	\$ 1,761,165	\$ 2,212,723	\$ 1,686,549	\$ 2,049,714	\$ 2,430,485	\$ 2,722,384
Total general fund	\$ 1,474,241	\$ 1,714,168	\$ 1,035,248	\$ 1,704,306	\$ 1,761,165	\$ 2,212,723	\$ 1,686,549	\$ 2,049,714	\$ 2,430,485	\$ 2,722,384
All Other Governmental Funds										
Reserved	304,975	261,477	327,419	308,854	316,154	248,342	187,535	1,712,461	2,561,949	2,412,262
Unreserved reported in:										
Special revenue funds	6,375,244	6,893,666	7,137,731	8,010,751	9,580,211	11,204,208	12,133,186	11,215,047	13,995,186	14,247,770
Debt service fund	175,138	231,294	247,864	278,655	2,871	83,059	130,461	186,442	456,351	740,323
Capital projects funds	1,769,633	2,480,695	3,589,368	1,790,051	1,604,310	1,669,088	2,768,940	3,326,954	3,755,727	3,346,137
Total all other governmental funds	\$ 8,624,990	\$ 9,867,132	\$ 11,302,382	\$ 10,388,311	\$ 11,503,546	\$ 13,204,697	\$ 15,220,122	\$ 16,440,904	\$ 20,769,213	\$ 20,746,492
Total governmental funds	\$ 10,099,231	\$ 11,581,300	\$ 12,337,630	\$ 12,092,617	\$ 13,264,711	\$ 15,417,420	\$ 16,906,671	\$ 18,490,618	\$ 23,199,698	\$ 23,468,876

CHURCHILL COUNTY, NEVADA
General Government Revenues By Source
For Government Fund Types
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes	Licenses and Permits	Intergovernmental Revenues	Charges for Services	Fines and Forfeits	Interest and Miscellaneous	Total
1998	4,048,471	329,024	7,823,661	594,723	303,428	1,046,309	14,145,616
1999	4,220,593	383,863	7,836,223	610,045	267,679	1,091,206	14,409,609
2000	4,992,187	372,110	8,562,451	241,539	328,249	1,365,402	15,861,938
2001	4,926,646	355,822	8,883,199	659,210	289,376	1,508,181	16,622,434
2002	5,132,580	379,254	10,354,321	713,717	325,755	946,883	17,852,510
2003	5,708,390	399,855	10,031,125	865,389	398,637	773,134	18,176,530
2004	5,609,961	527,787	10,610,330	1,020,576	428,266	830,332	19,027,252
2005	6,071,418	736,126	11,924,721	1,144,284	380,590	1,103,322	21,360,461
2006	6,413,086	1,096,278	15,299,515	1,501,023	385,831	2,698,834	27,394,567
2007	6,847,938	840,656	14,291,694	1,179,522	376,078	2,640,711	26,176,599

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

CHURCHILL COUNTY, NEVADA
 Governmental Expenditures by Function
 Last Ten Fiscal Years

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health & Sanitation	Welfare	Culture & Recreation	Community Support	Intergovernmental	Capital Outlay	Debt Service		Totals
											Principal	Interest	
1998	3,325,952	626,592	3,609,102	1,063,458	196,487	767,364	1,184,562	796,641	324,422	2,553,316	437,721	58,981	14,944,598
1999	3,829,604	659,807	3,809,055	1,146,713	164,405	719,891	1,238,898	736,187	453,413	1,125,348	555,162	35,886	14,474,369
2000	3,994,615	767,075	4,111,100	1,237,016	191,367	895,716	1,315,209	921,962	672,643	2,454,584	366,859	22,640	16,950,786
2001	4,226,153	755,341	4,180,440	1,226,978	199,278	1,112,232	1,271,574	855,133	889,588	3,810,214	169,998	17,278	18,714,207
2002	3,694,491	1,896,780	4,330,850	1,389,763	182,475	1,234,840	1,362,444	465,787	890,568	2,188,784	427,755	17,440	18,081,977
2003	3,855,012	2,000,113	4,727,244	1,219,459	188,516	1,297,303	1,419,499	484,783	550,720	2,289,794	69,228	-	18,101,671
2004	4,455,696	2,192,355	4,971,306	1,471,284	200,512	1,175,267	1,515,064	439,347	675,208	1,868,323	161,050	13,499	19,138,911
2005	5,541,113	2,414,781	5,357,489	1,539,338	216,103	1,294,209	1,651,557	465,538	912,284	10,842,082	145,254	23,693	30,403,441
2006	5,913,322	2,632,137	5,870,039	2,713,820	221,793	1,355,305	1,802,157	618,486	609,653	2,452,775	452,730	115,845	24,758,062
2007	6,353,692	2,830,348	5,788,960	453,111	244,917	1,085,511	1,833,003	701,676	1,428,863	6,844,700	753,334	109,240	28,427,355

*In Fiscal Year 2002, the District Attorney's Office changed functions from General to Judicial.
 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 Balance - Governmental Funds
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total revenues (S-5)	\$ 14,145,616	\$ 14,409,609	\$ 15,861,938	\$ 16,622,434	\$ 17,852,510	\$ 18,176,530	\$ 19,027,252	\$ 21,360,461	\$ 27,394,567	\$ 26,176,599
Total expenditures (S-6)	(14,944,598)	(14,474,369)	(16,950,786)	(18,714,207)	(18,081,977)	(18,101,671)	(19,138,911)	(30,403,441)	(24,758,062)	(28,427,355)
Excess of revenues over (under) expenditures	(798,982)	(64,760)	(1,088,848)	(2,091,773)	(229,467)	74,859	(111,659)	(9,042,980)	2,636,505	(2,250,756)
Other Financing Sources (Uses)										
Payment in lieu of taxes:										
CC Communications	1,271,182	1,332,288	1,437,005	1,449,113	1,441,561	1,576,767	1,600,910	1,718,901	1,801,313	1,851,280
Proceeds - medium-term financing	-	212,369	-	393,930	-	501,083	-	3,300,001	256,500	-
Proceeds from capital lease	-	-	-	-	-	-	-	97,025	-	-
Principal received	2,991	3,222	3,172	3,717	-	-	-	-	-	-
Proceeds from sales	-	-	-	-	-	-	-	5,511,000	14,762	668,654
Transfer in	1,294,081	1,616,916	1,976,754	1,293,271	1,800,064	1,574,183	1,965,662	2,561,891	2,814,217	2,581,799
Transfer out	(1,294,081)	(1,616,916)	(1,976,754)	(1,293,271)	(1,800,064)	(1,574,183)	(1,965,662)	(2,561,891)	(2,814,217)	(2,581,799)
Total other financing sources (uses)	1,274,173	1,547,879	1,440,177	1,846,760	1,441,561	2,077,850	1,600,910	10,626,927	2,072,575	2,519,934
Net Change in fund balances	475,191	1,483,119	351,329	(245,013)	1,212,094	2,152,709	1,489,251	1,583,947	4,709,080	269,178
Debt service as a percentage of noncapital expenditures	4.01%	4.43%	2.69%	1.26%	2.80%	0.44%	1.01%	0.86%	2.55%	4.00%

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

Fiscal Year Ended June 30,	Real and Personal Property		Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
	Assessed Value	Estimated Actual Value		
1998	395,744,384	1,130,698,240	35%	0.8466
1999	396,478,377	1,132,795,363	35%	0.9063
2000	398,226,147	1,137,788,991	35%	1.0077
2001	403,920,033	1,154,057,237	35%	0.9577
2002	409,762,377	1,170,749,649	35%	1.0004
2003	429,459,479	1,227,027,083	35%	1.0706
2004	433,003,700	1,237,153,429	35%	1.0731
2005	441,486,591	1,261,390,260	35%	1.0850
2006	488,296,936	1,395,134,103	35%	1.0950
2007	570,368,036	1,629,622,960	35%	1.0950

Source: Churchill County Assessor's Office

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

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

Collected in Fiscal Year	County Direct Tax Rate	Overlapping Rates#					City of Fallon	Total	County Assessed Valuation
		Churchill Co. School District	State of Nevada	Mosquito Abatement	Carson Water Subconservancy				
1997-98	0.8466	1.3700	0.1500	0.0800	0.0300	0.5389	3.0155	395,744,384	
1998-99	0.9063	1.3700	0.1500	0.0600	0.0300	0.7876	3.3039	396,478,377	
1999-00	1.0077	1.3700	0.1500	0.0600	0.0300	0.7730	3.3907	398,226,147	
2000-01	0.9577	1.3700	0.1500	0.0600	0.0300	0.7837	3.3514	403,920,033	
2001-02	1.0004	1.3700	0.1500	0.0720	0.0300	0.8471	3.4695	409,762,377	
2002-03	1.0706	1.3700	0.1500	0.0800	0.0300	0.8471	3.5477	429,459,479	
2003-04	1.0731	1.3700	0.1700	0.0800	0.0300	0.8471	3.5702	433,003,700	
2004-05	1.0850	1.3700	0.1700	0.0800	0.0300	0.8171	3.5521	441,486,591	
2005-06	1.0950	1.3700	0.1700	0.0800	0.0300	0.8171	3.5621	488,296,936	
2006-07	1.0950	1.3500	0.1700	0.0800	0.0300	0.8271	3.5521	570,368,036	

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 Five Years Ago

Taxpayer	Type of Business	Fiscal Year 2007				Fiscal Year 2002			
		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
Sierra Pacific Power Company	Utility	1	\$ 55,988,634	\$ 19,596,022	3.44%	1	\$ 67,766,234	\$ 23,718,182	5.79%
Caifness Geothermal	Geothermal	2	\$ 53,592,143	18,757,250	3.29%	2	\$ 55,438,657	19,403,530	4.74%
Ormat Nevada, Inc (Brady Power)	Geothermal	3	\$ 36,865,154	12,902,804	2.26%	4	\$ 15,749,286	5,512,250	1.35%
Southwest Gas Corp	Utility	4	\$ 19,560,814	6,846,285	1.20%	3	\$ 20,849,094	7,297,183	1.78%
AMP Resources	Geothermal	5	\$ 18,530,257	6,485,590	1.14%				
Wal Mart Stores	Retail	6	\$ 16,452,157	5,758,255	1.01%	5	\$ 11,054,406	3,869,042	0.94%
Union Pacific System	Railroad	7	\$ 15,643,966	5,475,388	0.96%	6	\$ 9,810,000	3,433,500	0.84%
Constellation Power	Utility	8	\$ 9,810,971	3,433,840	0.60%	10	\$ 6,547,831	2,291,741	0.56%
Peters, Jim (Stockmans)	Casino	9	\$ 9,027,126	3,159,494	0.55%				
Kinder Morgan, LP	Gas	10	\$ 5,502,754	1,925,964	0.34%	7	\$ 8,869,840	3,104,444	0.76%
Kennametal, Inc.	Manufacturing					8	\$ 6,883,831	2,409,341	0.59%
AT&T Communications	Communications					9	\$ 6,644,694	2,325,643	0.57%
United Airlines, Inc.	Airline								

Source: Churchill County Tax Assessor's Office

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

Churchill County implemented GASB 34 in Fiscal Year 2003, which requires the Government-wide Statement of Activities.

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
1998	6,428,173	6,303,791	98.065%	124,382	6,428,173	100.000%	-	0.000%
1999	7,204,412	7,055,320	97.931%	149,092	7,204,412	100.000%	-	0.000%
2000	8,006,883	7,896,710	98.624%	110,173	8,006,883	100.000%	-	0.000%
2001	8,160,947	7,926,072	97.122%	234,875	8,160,947	100.000%	-	0.000%
2002	8,635,011	8,342,968	96.618%	292,043	8,635,011	100.000%	-	0.000%
2003	9,120,824	8,904,601	97.629%	216,214	9,120,815	100.000%	9	0.000%
2004	9,331,950	9,140,581	97.949%	189,341	9,329,922	99.978%	2,028	0.022%
2005	9,845,411	9,697,516	98.498%	143,030	9,840,546	99.951%	4,865	0.049%
2006	10,711,267	10,564,755	98.632%	112,789	10,677,543	99.685%	33,724	0.315%
2007	12,329,997	12,078,595	97.961%	0	12,078,595	97.961%	251,402	2.039%

Source: Churchill County Clerk/Treasurer's Office

CHURCHILL COUNTY, NEVADA
Taxable Sales by Category
Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Wholesale trade - durable goods	\$ 12,187,977	\$ 12,649,431	\$ 10,492,164	\$ 7,835,817	\$ 9,391,045	\$ 11,535,049	\$ 12,398,313	\$ 15,685,515	\$ 22,660,724	\$ 16,123,824
Building merchandise, hardware	21,090,754	21,839,275	20,591,673	17,792,294	17,891,507	17,640,309	20,232,336	28,020,278	33,173,959	25,844,760
General merchandise stores	33,559,154	37,473,392	39,026,304	36,979,951	38,548,913	40,937,038	43,028,716	47,634,499	56,442,958	60,935,793
Food stores(1)	14,375,785	14,665,139	12,952,380	12,050,635	12,761,045	12,482,687	12,540,170	13,190,554	12,617,952	13,310,926
Automotive dealers & gasoline	42,059,332	45,399,706	48,982,170	44,440,309	46,832,165	51,080,003	53,920,392	64,791,467	64,290,574	56,198,951
Home furniture & fixtures	9,456,973	9,467,878	7,851,832	7,442,088	10,494,981	7,243,908	9,271,098	9,349,861	11,482,066	6,742,158
Eating and drinking places	18,386,862	18,109,612	18,430,959	19,599,442	19,166,629	20,857,034	21,270,821	23,144,099	28,723,713	30,959,934
Miscellaneous retail	14,850,334	18,496,150	22,876,257	19,767,961	17,440,784	18,815,834	17,575,407	23,883,610	26,967,481	30,063,541
Business services	5,095,761	5,308,929	3,924,907	7,926,607	5,188,351	4,312,436	4,363,705	4,311,275	6,323,478	3,827,179
Automotive repairs & services	4,391,354	4,889,276	4,973,820	6,705,802	6,057,195	7,203,971	6,663,898	6,499,354	6,990,272	5,036,130
All other categories	34,423,136	32,205,732	32,194,483	32,464,888	36,906,638	34,346,025	37,466,955	42,604,241	54,972,429	59,531,479
Total	\$209,877,422	\$220,504,520	\$222,296,949	\$213,005,794	\$220,679,253	\$226,454,294	\$238,731,811	\$279,114,753	\$324,645,606	\$308,576,675
County direct sales tax rate	0.50%									
Basic City-County Relief Tax										
Supplemental City-County Relief Tax	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Public Mass Transportation & Construction of Roads	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Local Government Tax Act	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Infrastructure Development	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.25%	0.25%
	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%

Sources: 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	Utility Bond Payable			
1998	355,287	558,188	-	-	3,000,000	-	3,913,475	0.71%	162.93
1999	285,245	285,438	-	-	2,642,455	-	3,213,138	0.56%	126.95
2000	285,245	81,615	-	-	2,254,883	-	2,621,743	0.44%	99.89
2001	89,375	80,623	-	-	4,320,791	-	4,490,789	0.70%	180.15
2002	-	-	-	-	3,699,414	-	3,699,414	0.55%	147.29
2003	431,856	-	-	-	3,904,940	-	4,336,796	0.61%	168.04
2004	270,806	-	-	1,623,575	3,177,128	-	5,071,509	0.65%	194.27
2005	206,697	97,025	3,218,853	1,575,888	2,405,940	-	7,504,403	0.90%	282.28
2006	140,254	353,525	2,832,566	1,511,709	1,619,266	4,000,000	10,457,320	Unavailable	382.06
2007	-	97,025	2,475,986	1,450,196	817,024	4,544,376	9,384,607	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	CC Communications Debt	Utility Debt	Total		
1998	913,475	3,000,000	-	3,913,475	0.99%	162.93
1999	570,683	2,642,455	-	3,213,138	0.81%	126.95
2000	366,860	2,254,883	-	2,621,743	0.66%	99.89
2001	169,998	4,320,791	-	4,490,789	1.11%	180.15
2002	-	3,699,414	-	3,699,414	0.90%	147.29
2003	431,856	3,904,940	-	4,336,796	1.01%	168.04
2004	270,806	4,800,703	-	5,071,509	1.17%	194.27
2005	3,522,575	3,981,828	-	7,504,403	1.70%	282.28
2006	3,326,345	3,130,976	4,000,000	10,457,321	2.14%	382.06
2007	2,573,011	2,267,220	4,544,376	9,384,607	1.65%	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 2007

Assessed Value	\$ 570,368,036
Debt limit (10% of assessed value)	57,036,804
Debt applicable to limit:	
General obligation debt	2,573,011
CC Communications debt	2,267,220
Utility Bond Debt	4,544,376
Total debt applicable to limit	<u>9,384,607</u>
Legal debt margin	<u>\$ 47,652,197</u>

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$ 39,574,438	\$ 39,647,838	\$ 39,822,615	\$ 40,392,003	\$ 40,976,238	\$ 42,945,948	\$ 43,300,370	\$ 44,148,659	\$ 48,829,694	\$ 57,036,804
Total debt applicable to limit	3,913,475	3,213,138	2,621,743	4,490,789	3,699,414	4,336,796	5,071,509	7,504,403	10,457,321	9,384,607
Legal debt margin	\$ 35,660,963	\$ 36,434,700	\$ 37,200,872	\$ 35,901,214	\$ 37,276,824	\$ 38,609,152	\$ 38,228,861	\$ 36,644,256	\$ 38,372,373	\$ 47,652,197
Total debt applicable to the limit as a percentage of debt limit	9.89%	8.10%	6.58%	11.12%	9.03%	10.10%	11.71%	17.00%	21.42%	16.45%

The statutory county debt limit is 10% 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, 2007

<u>Name of Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
State of Nevada	\$ 3,944,105,000	6.2%	\$ 244,261,512
City of Fallon	13,400,287	100.0%	13,400,287
Churchill County School District	20,641,000	100.0%	<u>20,641,000</u>
Subtotal, overlapping debt			278,302,799
County direct debt (S-13)			<u>9,324,581</u>
Total direct and overlapping debt			<u>\$ 287,627,380</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/\$2.745)

CHURCHILL COUNTY, NEVADA
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Business-Type Activities - Bond, Note Payable & Capital Lease			Principal	Interest	Coverage
	Business-Type Activities Revenue	Less: Operating Expenses	Net Available Revenue			
1998	13,568,582	11,320,217	2,248,365	229,939	150,065	5.92
1999	14,525,000	13,466,538	1,058,462	291,749	88,255	2.79
2000	14,586,476	13,615,685	970,791	277,837	102,207	2.55
2001	17,517,144	13,938,233	3,578,911	576,554	196,510	4.63
2002	19,624,555	14,455,354	5,169,201	614,516	201,686	6.33
2003	19,393,439	15,820,414	3,573,025	649,776	166,426	4.38
2004	18,774,202	17,300,690	1,473,512	804,454	90,603	1.65
2005	20,214,084	17,548,844	2,665,240	845,611	97,947	2.82
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

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

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

Fiscal Year Ended June 30,	Population (1)	Personal Income(2)	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment rate (4)
1998	24,020	551,488,000	23,465	4,766	6.3%
1999	25,310	569,063,000	23,851	4,824	7.5%
2000	26,247	601,860,000	25,052	4,736	7.4%
2001	24,928	642,315,000	26,247	4,678	8.6%
2002	25,116	666,725,000	27,494	4,610	6.1%
2003	25,808	706,554,000	29,164	4,544	5.8%
2004	26,106	785,839,000	32,347	4,500	5.0%
2005	26,585	831,247,000	33,681	4,507	4.0%
2006	27,371	Unavailable	Unavailable	4,462	3.8%
2007	Unavailable	Unavailable	Unavailable	4,410	4.1%

- (1) Source: Nevada State Demographer's Office
- (2) Source: U.S. Dept. of Commerce, Bureau of Economic Analysis
- (3) Source: Churchill County School District
- (4) Source: Nevada State Employment Agency

CHURCHILL COUNTY, NEVADA
Principal Employers
Current Year and Five years Ago

		2007			2002				
Rank	Employer	Product/Service	Number of Employees (1)	Percentage of Total County Employment (2)	Rank	Employer	Product/Service	Number of Employees (1)	Percentage of Total County Employment (2)
1	NAS-Fallon Military Personnel	U.S. Navy	1,800	20.86%	1	NAS-Fallon Military Personnel	U.S. Navy	1,164	15.07%
2	Churchill County School District	Education	712	8.25%	2	Churchill County School District	Education	561	7.26%
3	Churchill Community Hospital	Health Care	320	3.71%	3	Day & Zimmerman	Various	423	5.48%
4	Wal-Mart	Retail	300	3.48%	4	NAS-Fallon - Civil Service	Various	377	4.88%
5	Boeing Aerospace	Aviation	225	2.61%	5	SMT Joist	Manufacturing	325	4.21%
5	CMC Joist Steel Fabricators	Manufacturing	225	2.61%	6	Boeing Aerospace	Aviation	280	3.62%
7	Churchill County	Local Government	187	2.17%	7	Churchill Community Hospital	Health Care	280	3.62%
8	A&K Earthmovers	Construction	175	2.03%	8	Non-appropriated Fund Instrumentality (NAFI)	Retail	240	3.11%
9	Chugach Support Services	Technology	150	1.74%	9	Wal-Mart	Retail	190	2.46%
10	Kennametal	Manufacturing	140	1.62%	10	Lockheed Martin Systems Support	Aviation	178	2.30%

Sources: (1) Churchill Economic Development Authority
(2) Nevada Department of Employment, Training and Rehabilitation

Churchill County implemented GASB 34 in Fiscal Year 2003, which requires the Government-wide Statement of Activities.

CHURCHILL COUNTY, NEVADA
 Property Value and Construction
 June 30, 2007

Fiscal Year Ended June 30,	Commercial Construction		Residential Construction	
	Number of Permits	Value	Number of Permits	Value
1998	47	9,856,623	272	17,597,943
1999	32	5,638,476	300	19,686,807
2000	38	5,108,532	162	12,351,098
2001	30	5,629,670	134	10,268,561
2002	34	3,104,538	165	13,820,520
2003	15	3,189,790	132	12,341,108
2004	23	6,716,325	223	23,017,541
2005	22	14,744,769	330	32,905,412
2006	20	3,302,870	264	28,651,637
2007	25	4,169,508	70	13,561,490

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, 2007

DATE COUNTY CREATED: 1864

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 2,900 residents
Home of "Top Gun" fighter pilot training

EDUCATION:

Elementary Schools	5
Junior High School (grades 7-8)	1
High School (grades 9-12)	1
Parochial/Christian	2
Academy/Charter School	1
Western Nevada Community College	
Embry-Riddle Aeronautical University	
Sierra Nevada College	

MEDICAL AND HEALTH SERVICES:

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

Other Medical Sources:

Chiropractors (5)	Full-Service Hospital (1)	Pharmacies (6)
Clinics (4)	Internists (2)	Physical Therapy (3)
Convalescent Center (1)	Nursing Home/Guest Home (2)	Specialists from Reno, Daily (1)
Dentists/Orthodontists (9)	Optometrists (4)	Surgeons (2)
Family Practices (8)	Pediatricians (3)	

Source: Churchill County Economic Development

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

Department	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Commissioners	3	3	3	3	3	3	3	3	3	3
Clerk/Treasurer	7	8	8	8	8	9	9	9	8	8
Recorder	3	3	3	3	3	3	3	3	3	4
Assessor	7	8	7	7	7	7	7	8	9	8
County Manager	2	2	2	2	2	2	2	2	2	2
Facilities & Grounds	3	3	3	3	5	5	5	5	5	6
Human Resources	1	1	1	2	2	2	2	2	1	1
Comptroller	3	3	4	4	4	4	4	4	4	5
Sheriff	41	44	44	44	43	44	44	44	44	47
Fire	1	1	1	1	1	1	1	1	1	1
District Court	2	2	2	2	2	2	2	2	2	2
District Attorney	10	10	15	17	17	17	18	19	18	19
Justice Court	5	5	4	5	5	5	5	5	6	7
Juvenile Probation	8	8	9	9	8	10	11	12	14	12
Parks & Recreation	16	16	16	17	17	16	16	15	15	13
Museum	10	10	10	10	10	10	9	9	10	5
Building	-	-	-	-	-	-	-	2	3	3
Planning	6	5	4	6	7	7	8	7	7	6
Cemetery	4	4	3	3	3	3	3	3	3	2
Water Resource	0	0	0	0	0	0	0	0	0	1
Welfare	3	3	5	5	5	5	5	4	4	2
Road	18	20	20	20	20	20	17	17	16	17
Cooperative Extension	1	1	1	1	1	1	1	1	1	1
Library	8	8	8	8	8	8	7	7	6	7
CC Communications	96	99	100	100	100	102	105	107	105	96
Total FTE	258	267	273	280	281	286	287	291	290	278

Source: Churchill County Comptroller's Office

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

Department/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Museum										
Number of visitors	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	10,000
Items in collection	NA	47,752	50,000	48,588						
Bus tours	70	73	63	66	57	56	48	26	61	69
Public Library										
Items owned by library	72,301	72,301	71,629	71,629	88,387	92,613	91,312	93,855	101,445	101,300
Circulation	148,374	138,185	143,738	145,156	149,684	154,911	168,603	159,914	169,903	168,878
Justice Court										
Criminal filings	2,980	3,035	2,887	3,626	3,503	4,556	6,283	6,380	5,615	4,932
Civil filings	706	679	915	1,036	1,078	1,065	1,185	1,371	1,624	1,488
Parks & Recreation										
Programs/Events	NA	NA	23	37	32	34	33	35	30	68
Event attendance	NA	4,266	4,855	5,000	5,761	8,120	7,008	8,638	8,145	3,795
Fairground attendance	NA	72,000	71,850	73,000	71,850	80,000	84,000	72,346	70,597	82,702
Fairground event days	NA	NA	NA	212	222	221	234	207	178	149
Cemetery										
Full burials	69	70	55	52	64	65	55	45	55	50
Cremations	34	38	31	33	31	47	47	33	41	37
Sheriff										
Reports by patrol	8,223	7,797	7,985	8,314	8,244	9,802	11,468	11,467	12,477	16,127
Civil papers received	3,663	3,907	4,178	4,363	4,147	4,222	4,541	4,858	6,122	4,168
Average inmate population	NA	NA	NA	46.41	49.20	44.27	40.32	44.40	48.23	52
Fire										
Rescue calls	NA	10	12	9	17	15	12	16	18	7
Fire calls	NA	175	156	157	174	133	147	129	220	363
CC Communications (1)										
Subscriber lines	NA	NA	NA	14,939	14,318	13,886	13,509	13,397	12,849	12,249

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 Department
 Last Ten Fiscal Years

Department	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Sheriff										
Office locations	2	2	2	2	2	2	2	3	3	3
Vehicles	14	14	17	14	17	19	14	19	18	24
All-terrain vehicles	4	4	4	4	4	4	4	4	4	4
Command trailer	-	-	-	-	-	-	1	1	1	1
Detention facility	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	2	3	3	3	3	3	3	3	3	3
Road										
Paved roads (miles)	136.9	137.2	137.7	140.4	144.0	146.4	165.4	166.9	170.8	186.12
Unpaved roads (miles)	402.6	402.6	402.6	402.6	402.6	402.6	402.6	402.6	321.89	275.01
Major bridges (over 26 feet)	18	18	19	19	20	20	20	21	21	21
Library										
Building	1	1	1	1	1	1	1	1	1	1
Museum										
Building	1	1	1	1	1	1	1	1	1	1
Parks and Recreation										
Acreage (2)	93	108	108	108	108	108	108	108	1,134.19	1,136.45
Cemetery										
Acreage	28	28	28	28	28	28	28	28	63.5	63.5
Water Resource										
Water rights (acre feet) (1)	-	-	-	-	-	-	51	2,819	3,604	3,604

Sources: Various county departments.

- (1) Wild Goose property purchased in Fiscal Year 2005.
- (2) Soda Lake property purchased in Fiscal Year 2006.

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COMPLIANCE SECTION

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

**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 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, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 30, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. See findings 07-1 and 07-2.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

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

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

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

Kafury, Armstrong & Co.

Fallon, Nevada
November 30, 2007



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

**Report on Compliance with Requirements Applicable to Each
Major Program and on Internal Control over Compliance in
Accordance with OMB Circular A-133**

To the Honorable Board of Commissioners of
Churchill County, Nevada

Compliance

We have audited the compliance of Churchill County, Nevada, (the "County"), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. Churchill County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2007.

Internal Control over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

Kafoury, Armstrong & Co.

CHURCHILL COUNTY, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 1 of 2)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Department of Agriculture:		
Direct Program:		
Water and Waste Disposal Systems for Rural Communities	10.760	\$ 6,238,711
Department of Housing and Urban Development:		
Passed through State of Nevada:		
Commission on Economic Development:		
CDBG - New Frontier	14.228	9,600
CDBG - Homeowner Rehabilitation	14.228	17,249
CDBG - RNCOC	14.228	36,311
CDBG - Library	14.228	13,695
CDBG - Impediments Analysis	14.228	6,239
Emergency Shelter Grants Program	14.231	13,228
Supportive Housing Program	14.235	28,068
Total Department of Housing and Urban Development		124,390
Department of Justice:		
Passed through State of Nevada:		
Department of Health and Human Services:		
Division of Child and Family Services:		
OJJDP - CCBC - RAFT Grant	16.540	38,646
OJJDP Girls Circle	16.540	8,000
OJJDP Challenge Grant Suns	16.540	9,084
OJJDP - Title V mentor link	16.548	10,000
Bureau of Justice Assistance:		
State Criminal Alien Assistance Program (SCAAP)	16.606	7,988
Total Department of Justice		73,718
Department of the Transportation:		
Passed through State of Nevada:		
Department of Transportation:		
Highway Planning and Construction	20.205	17,243
Formula Grant for Nonurbanized Area Formula Program	20.509	154,617
Capital Assistance Program for Elderly and Persons With Disabilities Program	20.513	123,357
Total Department of Transportation		295,217
National Endowment for the Humanities:		
Passed through State of Nevada:		
Library and Archives:		
LSTA - Audio Books Project	45.310	5,000
Department of Energy:		
Direct Program:		
Nuclear Waste Disposal Siting	81.065	240,445

CHURCHILL COUNTY, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2007
 (Page 2 of 2)

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>EXPENDITURES</u>
<u>Department of Health and Human Services:</u>		
Passed through State of Nevada:		
Bureau of Drug and Alcohol Abuse:		
SAMSHA	93.243	\$ 20,558
Drug Free Communities Support Program	93.276	17,035
Nevada State Welfare Division:		
Title IV-D Child Support, Incentive	93.563	40,371
Title IV-D Child Support	93.563	324,220
Department of Health and Human Services:		
CSBG, Disc Fund/Tripair	93.569	6,530
CSBG, Emergency Assistance	93.569	60,514
Total Department of Human Resources		<u>469,228</u>
<u>Department of Homeland Security:</u>		
Direct Program:		
Emergency Food and Shelter National Board Program	97.024	4,194
Passed through State of Nevada:		
Department of Motor Vehicles and Public Safety:		
Division of Emergency Management:		
Emergency Management Assistance	97.055	9,559
SERC - Operations	97.055	988
SERC - Equipment	97.055	43,627
Total Federal Emergency Management Agency		<u>58,368</u>
<u>United States Army Corps of Engineers:</u>		
Direct Program		
		<u>568,506</u>
Total Expenditures of Federal Awards		<u>\$ 8,073,583</u>

CHURCHILL COUNTY, NEVADA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

A. REPORTING ENTITY:

The accompanying schedule of expenditures of federal awards presents the expenditure activity of all federal awards programs of Churchill County, Nevada, ("the County"), for the year ended June 30, 2007. 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	\$ 770,521
Other Governmental Funds:	
Social Service Fund	459,907
Public Library Fund	18,695
Parks and Recreation Fund	17,243
Business-Type Activities:	
Major Business-Type Funds:	
Waste Water Enterprise Fund	3,380,992
Utility Enterprise Fund	3,426,225
	<u>\$ 8,073,583</u>

CHURCHILL COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

A. SUMMARY OF AUDITORS' RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Churchill County, Nevada for the year ended June 30, 2007.
2. Two significant deficiencies relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of Churchill County, Nevada, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Churchill County, Nevada expresses an unqualified opinion on the major federal award program.
6. There were no audit findings relative to the major federal award program for Churchill County, Nevada as reported in Part C of this schedule.
7. The program tested as a major program was:

Water and Waste Disposal Systems for Rural Communities, CFDA 10.760
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Churchill County, Nevada was determined to be a low-risk auditee.

B: FINDINGS – FINANCIAL STATEMENT AUDIT:

Finding 07-1:

Condition: Nine of the eleven adjusting journal entries proposed by the auditor and agreed to by management, involved the Waste Water Enterprise Fund and the Utility Enterprise Fund. These entries resulted in material changes to the financial statements.

Criteria: Enterprise funds use the accrual basis of accounting.

Effect: Capital assets, depreciation, grant revenues and tap fee revenues were not properly recorded until the adjusting journal entries were recorded.

Cause: In the past, the only enterprise funds of the County were the CC Communication enterprise funds which have separate management and accounting staff from other County operations other than the governing board. The County Comptroller's office was not involved in accounting for these funds and is not as familiar with proper recording of transactions using the full accrual basis of accounting. In addition, the Comptroller's office was also not fully staffed during much of the fiscal year, which caused delays in recording transactions.

Recommendation: We recommend procedures are implemented to ensure reporting for these funds is performed timely and accurately.

CHURCHILL COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

Client response: County will develop procedures that provide for periodic statements and reconciliations for the Enterprise Funds. In addition, staff will take continuing professional education classes related to Enterprise fund accounting.

Finding 07-2:

Condition: Capital asset records were incomplete and not reconciled to the general ledger at the time audit field work began. When the auditors eventually received the capital asset records they were still found to not reconcile to the general ledger and were therefore returned several times to the comptroller's staff. They were not fully completed until November 16, 2007.

Criteria: Capital asset records need to be maintained in a timely and accurate manner

Effect: The delay prevented completion of the preparation of the financial statements.

Cause: In previous years, infrastructure assets were not maintained in the capital asset program. The transfer of these assets from a spreadsheet to the capital asset program was not performed in a timely manner and the reconciliation received by the auditors was found to be incorrect.

Recommendation: We recommend all capital assets be maintained in the capital asset program and that entries are made as transactions occur rather than waiting until after year end to record any additions and/or reconcile beginning balances from the prior year.

Client response: Capital assets are now maintained in the capital asset program. Procedures are in place to provide for timely recording of transactions and reconciliation to the general ledger and beginning balances to financial statements.

C: FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT:

None.

CHURCHILL COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007

Finding 06-1:

Grant award number: U.S. Department of Energy CFDA 81.065.

Condition: Of the nineteen disbursements that were tested, one disbursement's supporting documentation did not agree to the invoice amount paid. The invoice was computed using ninety-two hours when the supporting timesheets only showed ninety hours. The difference resulted in an overpayment of \$160. (Projected difference is \$204).

Criteria: All supporting documentation should be traced to the invoice and the invoice should be recalculated before payment is made.

Questioned costs: None (below OMB Circular A-133 designated \$10,000).

Effect: Invoice was overpaid.

Cause: Invoice hours were not traced to supporting documentation before payment was made.

Recommendation: We recommend procedures are implemented to ensure supporting documentation is traced to invoices before payment is made.

Client response: Policies and procedures are in place requiring supporting documentation prior to the payment of invoices. County personnel involved in accounts payable processing have had additional training on the review process. Furthermore, the vendor has been advised to improve the format of their invoices to allow for tracing to the supporting documentation.

Current status: Of the invoices tested during the current year, we did not find any that did not agree to supporting documentation.

Finding 06-2:

Grant award number: U.S. Department of Health and Human Services CFDA 93.563.

Condition: Supporting documentation and proper calculation was tested on two of the twelve monthly IV-D reports submitted to the State of Nevada. The following errors were noted:

1. The total indirect regular salaries on the payroll summary sheet did not foot either month; however, the right number did carry forward to the summary page in the report.
2. On the December 2005 payroll summary, the direct salary for one employee was reported at \$1,000 less than the actual salary.
3. On the December 2005 payroll summary, the fringe benefits for one of the direct employees was reported at 200% rather than 100% resulting in reporting \$1,113 more than actual expenditures.
4. The SIIS column for three of the direct employees on the December 2005 payroll summary did not agree to the detail. The total difference resulted in \$25 more than actual expenses being reported and \$34 less than actual expenses being reported.
5. In December 2005, telephone expenses reported were \$80 less than the actual invoices.
6. One line of the postage log did not compute correctly either month. This resulted in reporting \$25 less than actual expenses in December 2005 and \$34 less than actual expenses in May 2006.

The above resulted in \$1,138 in unreimbursed costs. (Projected difference is \$5,719.)

Criteria: Reports submitted to the State of Nevada for reimbursement should be accurate.

Questioned costs: None (below OMB Circular A-133 designated \$10,000).

CHURCHILL COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007

Effect: The dollar amounts in total result in less being submitted to the State of Nevada than the costs actually incurred.

Cause: Reports do not appear to be reviewed by someone other than the preparer before submission to the State of Nevada.

Recommendation: We recommend procedures an employee is designated to trace the amounts to supporting documentation and to foot the spreadsheets before the reports are submitted to the State of Nevada.

Client response: Policies and procedures have been developed at the District Attorney's office requiring the grant submittal be reviewed and proofed prior to submittal to the State of Nevada. Furthermore, the Comptroller's office will conduct periodic internal audits on grant submittals.

Current status: During the 2006-07 fiscal years the Comptroller's office reviewed the reports before they were submitted to the State of Nevada.

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

Independent Accountant's Report on Nevada Revised Statute 354.6241

To the Honorable Board of Commissioners of
Churchill County, Nevada

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

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2007 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for funds are as noted in the financial statements,
- The funds conform to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2007 (except as noted under statute compliance),
- The fund balance and net assets of the funds are as noted in the financial statements.

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

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

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

Kafoury, Armstrong & Co.

Fallon, Nevada
November 30, 2007

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CHURCHILL COUNTY, NEVADA
 SCHEDULE OF FEES IMPOSED SUBJECT TO THE
 PROVISIONS OF NRS 354.5989
 LIMITATION OF FEES FOR BUSINESS LICENSES
 FOR THE YEAR ENDED JUNE 30, 2007

Flat Fixed Fees:

Adjusted base, June 30, 2006	\$ 63,230
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Adjustment to Base:

Base year		
1.	Percentage increase in population of the local government.	1.83 %
2.	Percentage increase in Consumer Price index for the year ending on December 31 next preceding year for which the limit is being calculated.	3.40 %
		5.23%
		3,307

Adjusted base, June 30, 2007	66,537
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Actual business license revenue, 2006-07	44,444
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Amount over (under) adjusted base amount	\$(22,093)
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AUDITOR'S COMMENTS

STATUTE COMPLIANCE

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

PRIOR YEAR'S STATUTE COMPLIANCE

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

Activity occurred in the Waste Water Enterprise Fund during the 2005-06 fiscal year. The resolution to establish this fund was not approved until the following fiscal year which is an apparent violation of NRS 354.612. No new funds were established during the 2006-07 fiscal year.

AB 104 Fair Share revenues were not apportioned in accordance with NRS 360.690 during the 2005-06 fiscal year. We did not note any instances of revenues not being apportioned correctly during the 2006-07 fiscal year.

PRIOR YEAR'S AUDIT RECOMMENDATIONS

We recommended procedures be implemented to ensure supporting documentation is traced to invoices before payment is made. See current year status at finding 06-1.

We recommended an employee be designated to trace the amounts to supporting documentation and to foot the spreadsheets before the reports for reimbursement were submitted to the State of Nevada. See current year status at finding 06-2.

CURRENT YEAR'S AUDIT RECOMMENDATIONS

We identified financial weaknesses that have been reported as significant deficiencies. See findings 07-1 and 07-2 reported on the Schedule of Findings and Questioned Costs.