



# CHURCHILL COUNTY, NEVADA



*Carson River Reflections By Mike Sevon*

## **Comprehensive Annual Financial Report**

*Year Ended June 30, 2009*

**CHURCHILL COUNTY, NEVADA**  
**COMPREHENSIVE ANNUAL**  
**FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2009**

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JUNE 30, 2009**

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**INTRODUCTORY SECTION - UNAUDITED**

November 30, 2009

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, 2009.

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. During the fiscal year, the City of Fallon has been celebrating its Centennial with many activities and functions.

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, 28 non-

major special revenue funds, five major proprietary funds, one non-major proprietary fund, four non-major capital projects funds, one debt service fund, one investment trust fund, and 17 agency funds.

Local Economic Condition and Outlook

Churchill County’s most recent population as certified by the Governor on February 15, 2009, as of July 1, 2008 is 26,981. This reflects a 0.8% decrease over the prior year population of 27,190. The city of Fallon’s population is 9,258 compared to the prior year of 8,452. The overall decrease in population is due to the poor economic climate and high unemployment that has forced residents to relocate to look for jobs. Our citizens enjoy a unique rural lifestyle with modern services being provided. After several years of a growth economy, which seems to have topped-out in fiscal year 2006 taxable sales have increased in current year due to geothermal energy development. In the year just ended June 30, 2009, taxable sales demonstrated an increase from \$294.4 million to \$321.4 million. This increase represents an overall increase of 9.27%. As noted in the chart below, this reverses the trend of decreases in the past two years.

Fiscal Year Ended	Taxable Sales	Prior Year Change	Percentage Change
6/30			
2002	220,679,253		
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%
2008	294,410,639	(12,015,720)	-3.92%
2009	321,713,562	27,302,923	9.27%

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 \$15.3M or -34.4%, food stores down approximately \$1.2M or -10.4%, general merchandise stores down \$8.7M or 15.5%, clothing stores down \$.31M or -11.1%, and home furnishing down \$.05M or -0.6%. Increases were noted in wholesale durable goods up \$3.1M or 14.3%, building materials up \$2.0M or 9.8%, construction specialty trades up \$2.6M or 25.5%, eating and drinking establishments up \$.9M or 9.5% and Geothermal development related business codes up \$45.1M or +256.6% due to increased geothermal development activities and construction of two power plants during the fiscal year. Increases and decreases were seen in the other business codes. The credit crisis has affected housing, automobiles and big ticket items taxable sales. The development of new geothermal resources, commercial and residential development account for a significant amount of one-time taxable sales. The real estate economy and housing starts decreased significantly during the past two fiscal years. 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 four 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 City of Fallon received a modest increase in distributions of CTX over the prior year in response to growing population compared to the County. The CTX is apportioned based on statutory formula and the breakdown is as follows for fiscal year 2008-2009: County 74.17%, City of Fallon 22.05%, Carson-Truckee Water Conservancy 0.11% and Churchill Mosquito and Weed Abatement 3.67%. The CTX revenue was \$7,991,164 compared to \$8,111,958 in the prior year, which was a decrease of (\$120,794) or (1.49%). This is off over \$1,200,000 from the record level for CTX in fiscal year 2005-2006. See the chart below:

## CONSOLIDATED TAX DISTRIBUTION

Fiscal Year	BCCRT	SCCRT	Cigarette Tax	Liquor Tax	RPTT	MVPT	Total	%
								Change
2002	1,122,700	3,517,110	195,194	28,713	74,769	1,062,105	6,000,591	
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%
2008	1,522,033	4,899,629	159,061	33,322	118,631	1,379,282	8,111,958	-6.67%
2009	1,503,470	4,940,101	134,114	29,478	81,286	1,302,715	7,991,164	-1.49%

The overall decrease in the CTX distribution is primarily a result of an increase in levels of taxable sales based collections (BCCRT and SCCRT) being up approximately \$21,909 or 0.3%. Furthermore, the Real Property Transfer Tax (RPTT) decreased (\$37,345) or -31.5% due to lower home values, foreclosures and a sluggish local real estate market due to credit crisis. 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 (\$76,567) or -5.6% is due to the related decrease in vehicle values and related reduction in taxable sales from auto dealers. MVPT is based on the vehicle value at registration or renewal of vehicle license plates. The slowing national, state and local economy had an impact on our CTX collections. CTX is considered general revenues as it is not restricted to a specific function or activity. In the current year, CTX revenues were apportioned to the following funds: General Fund, Social Services, Parks and Recreation, Compensated Absences, Building Reserve and Extraordinary Repairs and Maintenance funds.

During the year it became apparent the projected CTX revenues and related building permit and real estate development fees were not going to reach the budgeted amounts. The County Commissioners approved a Budget Mitigation Plan that addressed the budgeted shortfalls. Within the plan, there were reductions of expenditures, personnel and a focus on providing essential services. There were revenue enhancements and collection efforts to collect program and operational revenues. The plan was implemented and resulted in efficiency measures by the various departments. The collection of geothermal rents and royalties assisted in reducing the overall shortfall.

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
2002	409,762,377	1,161,606,791	
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%
2008	686,529,426	1,961,512,646	20.37%
2009	725,891,895	2,073,976,843	5.73%

Individual residential construction in the county continued with 17 new single-family dwelling building permits issued during the period of July 1, 2008 to June 30, 2009, at a value of \$3,148,214, a decrease from the prior year of \$8,181,713. Commercial building permits issued were valued at \$1,016,711 during the year, which was down from the prior year's pace of \$14,069,377. During the past year, the Enel Stillwater Geothermal Plant was brought on line. This plant has an assessed value of \$25,777,610. There has been an upswing in assessed values as the assessment replacement factors increased. 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. Most taxpayers continued to see their assessments increase by the cap amount due to increases in their homes assessed value. Their abated amount was reduced in accordance with state statute.

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

<b>PROPERTY TAX RATES</b>						
	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Budget 2010
Churchill County	1.1150	1.1250	1.1250	1.1750	1.2529	1.2529
C.C. School District	1.3700	1.3700	1.3500	1.3500	1.3000	1.3000
State of Nevada	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700
Mosquito Abatement	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Total (Excluding City Rate)	2.7350	2.7450	2.7250	2.7750	2.8029	2.8029
Percentage Increase (Decrease)		0.37%	-0.73%	1.83%	1.01%	0.00%

Over 89% of Churchill County is public lands and not subject to property tax in the same manner as private ownership. The Federal government makes an annual appropriation to local governments in the form of a payment in lieu of taxes. This program has been fully funded at \$.75 per acre for the first time in Fiscal Year 2009 since inception. This revenue has been classified intergovernmental revenues as there is no restriction to the specific function or activities that these funds maybe use for. In the current year, the total Federal Payment In Lieu of Taxes was \$2,790,842 compared to the prior year amount of \$1,237,704. It was apportioned to the following funds: General Fund, Cooperative Extension, Library, Parks and Recreation, Compensated Absence, Water Resources and Building Reserve Funds. Full funding of PILT has been approved by Congress as part of the economic stimulus package. This full funding has been assured by legislation for a period of four years and will be used in part for capital improvements.

### MAJOR INITIATIVES

In preparing the 2009 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 get a greater amount of nutritious food into needy households. Each month an average of 120 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 2009, 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 100 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 individuals and families who are homeless to become self-sufficient through short and long term transitional housing and supportive services. Participants are required to take an active role in addressing their significant life issues through the development and implementation of a Family Enhancement Plan. Many significant achievements have been completed including individuals obtaining a GED, starting a local moving company, and furthering their education by participating in classes at the local community college.

During the 2007 Special Legislative Session Churchill County received an appropriation through AB198 of \$25,000. The funding was awarded for supportive services for transitional housing based on efforts made on a statewide effort to end homelessness. Funds assisted clients in case management to elevate their homeless situations and transition to permanent housing.

As of January 2006 a new housing program was put into effect using new funds received through Western Nevada Housing Consortium. The funding allows consumers to receive up to six months of subsidized rents and housing counseling to better stabilize their housing situations. As of January 2009 funding allowed the services to be increased from 2 families to 5 at a given time. Full case management is provided throughout a 6 month period to assist the families in developing the skills to avoid future situations that put them in the homeless status.

#### Youth Mentoring

Churchill County Community Response Team is a coordinated effort by the community to assist in identifying and coordinating responses to issues in the community. The team in 2008 identified that at risk youth in elementary schools needed positive mentoring to assist them not only on an educational, but on a social level. Through a collaborative effort Churchill County Social Services, Churchill County Juvenile Probation, Churchill Community Coalition, Churchill County Parks & Recreation, and Churchill County School District with the Community Services Block Grant program for funding to implement the Students Succeeding Mentoring Program, 30 High School Youth were paired with 30 at risk 3-6 grade youth to receive positive academic and social engagement. In addition 15 families were identified in need of wraparound service coordination for financial assistance / counseling and 8 individual and group counseling sessions to benefit the entire family. The program was recognized by the State as a model program and has been funded for the upcoming year.

#### 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. Studies are underway to build and operate a youth detention center in Churchill County.

### Truancy Program

Funds from the Ready For Life Foundation allowed the Churchill County Juvenile Probation Department, in partnership with the Churchill County School District and the Juvenile Court Master, to establish a Truancy Court. This program was created in January of 2009 with the goal of reducing truancy among junior high and high school students. Youth and parents were required to attend an "Education for Success" class, youth were required to attend school for the duration of the contract established and meet with their school counselor and develop an education plan. Those youth who failed the contract were then fined up to \$100 per truancy and assessed additional consequences. The program was highly successful and has reduced truancy referrals by 50%.

### 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 fundraisers for the building project and currently has over \$575,000 in the Library Gift and Donation Fund as of the fiscal year ending June 30, 2009. 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 has made available wireless laptop computers to patrons and visitors. During fiscal year 2009, the County purchased property located at 507 South Maine to assist in the relocation of the Friends of the Library bookstore and allow additional space in the current library.

### County Museum Expansion

The Churchill County Museum in connection with the Museum Association has made building improvements to the main room and the ADA restrooms in the addition. They are embarking on a project to renovate the lighting in the museum's main room. Visitors enjoy exhibits in the Dodge-Fitz Changing Exhibit Gallery and the West Annex. The Children's Discovery Room with twelve hands-on activity centers has been constructed so that children and families can explore fossil history, the beef industry, natural history at the microscope, weaving, agricultural history of the state, waterfowl identification, school days from the past, touch and play with artifacts and many other activities. Public programs include Hidden Cave tours, two lecture series per year, Teacher's In-service classes, and publication of In Focus. Over 1,500 new objects were donated to the Museum during the year.

### Desert and Community Clean-up Efforts

Churchill County Juvenile Probation department conducted a Desert Clean-up project that employed 46 at risk youth to conduct a desert clean up operation. The program increased the employability and job readiness skills of the youth, reduced their rate of delinquency and removed 130,000 pounds of trash from the desert. This grant funded program paid for the project coordinator, the youth and for a job readiness skills correspondence class through Brigham Young University. Over forty youth successfully completed the program. The referral rate during the program dropped by 35% over the previous summer as the youth involved had little time or energy for negative behaviors.

### 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 \$4,216,610 in the fiscal year ending June 30, 2009 an increase of \$1,740,610 or 70%. The revenue was apportioned to the General Fund, Stabilization of Operations, Social Services, Risk Management, Water Resource Fund, Building Reserve and the Extraordinary Repairs and Maintenance Fund. In August 2008, the BLM conducted another geothermal lease sale which provided significant financial benefit to Churchill County in Fiscal Year 2009. The sales total was \$27.9M of which \$15.5M was for leases within Churchill County. The County continues to work with the geothermal companies to promote the development of this renewable energy in Churchill County. The Board of County Commissioners have

approved a geothermal sales and use tax abatement agreement that provides support to the industry for the entire allowed abatement after a payment in lieu of tax (PILT) agreement has been entered into with the County.

#### Water Resource Fund and Water Right Dedication

In November 2000, the Board of County Commissioners approved a water dedication ordinance in an effort to keep the water in the valley to recharge the groundwater aquifers. Developers have been required to dedicate water rights or pay impact fees equal to one and one half times current cash value to divide and develop land or build permanent structures. In the last ten years, upstream interests and the USFWS have been aggressively purchasing water rights under the Federal Programs authorized under PL 101-618, transferring the water to wildlife and habitat uses resulting in reduced agricultural irrigation and less groundwater recharge. As a result, there is a real possibility of the aquifers which serve as our only source of domestic water diminishing in both quality and quantity. A Water Resource Fund was established to account for the activities mandated under the water dedication ordinance. Funds are being accumulated to implement the recommendations in the water resources plan including development of a County municipal system in the urbanizing area, recharge to the aquifer through continued surface application, and recharge via injection wells. During fiscal year 2005, the County purchased surface water rights and 2,649 acre feet of underground water rights from the Wild Goose Ltd. Ranch for use in the municipal system. A subsequent sale of 1,002 equivalent dwelling units, (EDUs), or 1,122.24 acre feet of water 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 \$6,488,723.

#### Transfer of Development Rights

The Planning Department developed a Transfer of Development Rights program that was approved by the Board of County Commissioners in 2006. This program seeks to retain conservation easements on agriculture lands to preserve the open space and ground water recharge while allowing the landowners the ability to sell development rights for use on non-productive lands. An agreement with United States of America on behalf of Naval Air Station Fallon and Churchill County seeks to facilitate the placement of conservation easements on critical agricultural land and lands adjacent to or under critical military training areas. By June 30, 2007, the implementation of the TDR program resulted in eleven sending sites being approved, potentially preserving 2,000 acres of agricultural lands and 1,460 water righted acres in perpetuity. The purchases amounted to \$1,854,685 and were made within the Water Resource Fund. During Fiscal Year 2008, the County was able acquire a conservation easement on the Rambling River Ranches valued at \$6,099,767. This easement will provide water recharge and open space within the gateway to the community. During fiscal year 2009, the County in cooperation with the United States continued to buy conservation easements and TDRs within the base buffer zone. There were 5 properties purchased at a total cost of \$1,355,060 with the Navy paying \$965,410 or nearly 75% and the County paying the balance of \$389,650.

#### Water and Sewer Development

In July 2003, the Board adopted the Facilities plan which is a feasibility plan for the development of a County owned and operated water and sewer system. The County immediately took steps to ensure that new development within the County would be designed to connect to the County water and sewer system or develop facilities that would eventually become a part of the capitalized county owned and operated utilities. By November 2003, the County had adopted water and sewer design standards, revisions to the County Master Plan requiring development in the urbanizing area to incorporate design and construction of water and sewer utilities and revisions to County Ordinances pertaining to subdivision standards and development.

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

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

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

#### Capital Improvement Projects

Fiscal year 2009 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. The County acquired properties for operations. The properties included land at Rice Road that will be used for the utility operations, office space located at 485 West B Street and vacant land located at 1245 Austin Highway for future economic development opportunities.

The County supported public safety by improving the Sheriff's Office communications system and erected a new communication tower at a combined cost over \$175,000, and purchased two new water trucks for the fire department for approximately \$350,000. The county made a substantial investment in its equipment replacement program. Facilities and Grounds obtained a new bucket truck and mower valued at over \$50,000, the District Attorney computer system upgrade for \$10,000 and technology improvements for the Planning, Assessor and Recorders office for over \$40,000. The Road Department's Equipment Replacement Program procured over \$350,000 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: Swope Lane asphalt overlay, Pasture Road asphalt overlay, Stillwater Chip Seal project, Pioneer Road bridge replacement, road crack sealing, operating the gravel plant 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 essentially sold all its capital assets to Comment of Nevada, LLC on December 30, 2008. CC Communications-Wireless retained the subscribers and continues to sell and deliver wireless services to its subscribers. The sale of the capital assets and wireless network eliminates future roaming revenues other than those roaming revenues to be received for a period of time that are part of the sales price. See Note 5-Capital Assets for more details on the transaction.

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, 2009 is \$448,649. 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. The ending fund balance in the Risk Management Fund as of June 30, 2009 is \$3,343,734.

#### 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, 2008. This was the fourth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Comptroller's Office entire staff. The Comptroller's Office comprises of Alan Kalt, Sherry Wideman, Sharon Chicvara, and Mary Byrd. Thanks to 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, 2009**

ELECTED OFFICIALS

	*	
District 1: Commissioner	2013	Norman Frey
District 2: Commissioner	2011	Gwen Washburn
District 3: Commissioner	2013	Carl Erquiaga
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

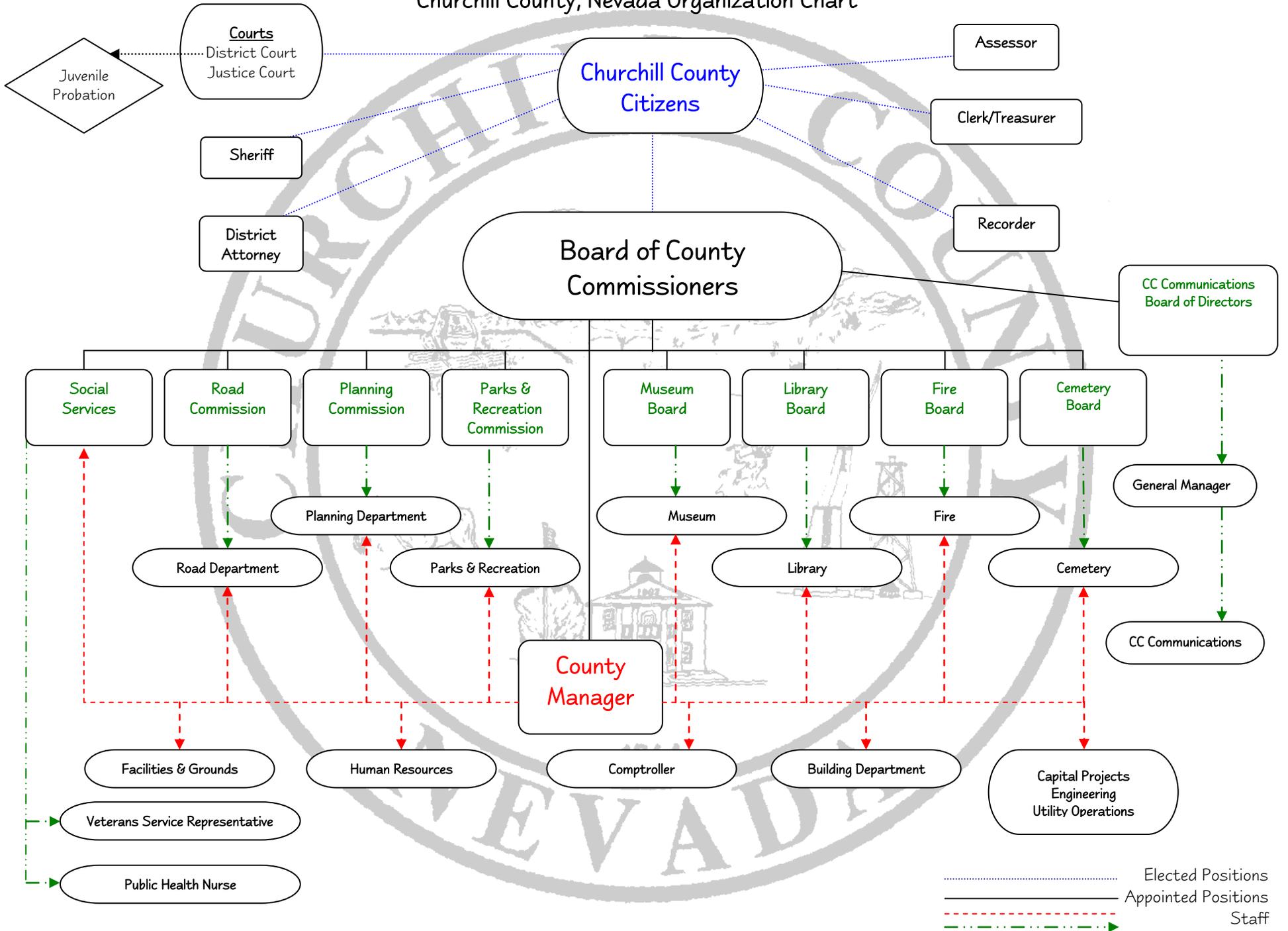
APPOINTED OFFICIALS-GENERAL COUNTY

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

# Churchill County, Nevada Organization Chart



..... Elected Positions  
 \_\_\_\_\_ Appointed Positions  
 - - - - - Staff  
 - - - - - 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, 2008

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.



A handwritten signature in black ink, appearing to read "M. L. R. M.", written in a cursive style.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emmer", written in a cursive style.

Executive Director

## **FINANCIAL SECTION**

**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, 2009, 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, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparisons 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, 2009, 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 and the schedule related to other postemployment benefits on page 44 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The 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 respects 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.

  
Fallon, Nevada  
November 30, 2009

**CHURCHILL COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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 \$51,229,098 are available to meet current liabilities, including debt due within one year, of \$5,756,949. This is a conservative measure of cash and investments available to pay current obligations. The County's cash ratio is 8.9, meaning that the County has 8.9 times the unrestricted cash on hand to meet its current obligations. Last year's cash ratio was 6.0
- The County's current assets for governmental activities exceeded current liabilities by \$28,954,994 and the current assets for business-type activities exceeded current liabilities by \$26,909,304 which is a strong indication of the County's ability to meet current obligations.
- Government-wide net assets equal \$162,493,784. Business-type activities contributed \$79,827,255 and governmental activities contributed \$82,666,529. The Business-type activities net assets grew by \$4,063,073 or 5.4% in the current year due to program revenues over (under) expenses in Telephone \$320,914 Wireless \$2,680,113, Long Distance \$478,724, Broadband (\$670,660). There was a gain on the sales of Wireless assets of \$810,013 during the year. The net assets of the Waste Water and Water Utilities decreased by (\$261,918) and (\$75,590) respectively as there were no significant capital improvements during the year. Tap fees collected of \$35,057 for future water and waste water connections increased business-type net assets. The governmental activities net assets increased by \$6,855,636 or 9.0% due primarily to the collection of \$4,216,610 in geothermal rents and royalties and full funding of federal payment in lieu of taxes in the amount of \$2,790,842 in the current year. These revenues assisted acquiring capital assets during the year such as land and water rights associated with the purchase of conservation easements/transfer of development rights \$1,355,060 and purchase of road equipment \$351,915 in connection with the Road Equipment Replacement Plan.
- Capital assets, net of accumulated depreciation decreased from \$119,234,427 to \$115,937,824. A decrease of (\$3,296,603) or 2.76%. The business-type activities capital assets, net of depreciation decreased by (\$4,048,499) primarily as a result of the sale of the wireless assets with a book value of \$7,150,768. See Note 5 Capital Assets for more details on the sale of the wireless assets. Other increases were noted in the Telephone, Long Distance and Broadband funds due to capital improvements to the system. The capital construction for the Waste Water Fund was \$15,293. These increases were offset by current year depreciation. This decrease is offset by increases of \$751,896 in governmental activity capital increases, including purchase of land and building valued at \$1,301,050, fire trucks for \$355,614, Sheriff's Office communications equipment and tower at \$177,335 and conservation easement net purchase value of \$389,650.
- Total revenues decreased 17.5% from \$76,937,829 to \$63,480,801. Program revenues were \$33,139,985 or 52.2% of the total. Program revenues decreased by (\$16,980,831) primarily as a result of business activities. Capital grants and contributions decreased by (\$13,987,702) related primarily to the grants received in the Waste Water and Water business activities received in the prior year for construction of facilities and conservation easements. Telephone revenues decreased by (\$253,009) or 1.7% due to a decrease in the number of subscriber lines and an overall slow down in the national and local economy. The Wireless operations had a decrease of revenue of (\$2,486,433) or 23.0% due to loss of roaming and USF revenues as a result of the sale of the wireless assets. The Long Distance revenues decreased by (\$120,236) or 9.7% because a reduction in subscribers and other communications alternatives. General revenues increased to \$30,340,816 from \$27,388,961 an increase of \$2,951,855. The primary reasons for the increase is due to property taxes up \$1,594,461, full funding of Federal payment in lieu of taxes resulting in an increase of \$1,553,138 and an increase in geothermal rents and royalties of \$4,216,610. These increases were decreased by a

reduction in Consolidated Tax Distribution (CTX) in the amount of \$89,701, the third year in a row a reduction in CTX taxes has occurred.

- The County's primary general governmental revenue sources are ad valorem and consolidated taxes. These two revenue sources comprise 29.3% and 19.5% of countywide general revenues. Ad valorem revenues increased by \$1,594,461 or 21.8% due to the increase in the valuation rate applied to assessed value. The property tax rate had a slight increase \$2.775 to \$2.8029 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 industrial geothermal development. The consolidated tax revenues which includes sales tax revenues (SCCRT & BCCRT), Cigarette, Liquor Taxes, Real Property Transfer Tax and Government Services Tax, decreased (\$89,701) from \$6,016,895 to \$5,927,194 or 1.5% primarily due to decreases in taxable sales. Taxable sales related to residential and commercial development were down over 10% in the current year due to the slowdown in the housing market. Federal payment in lieu of taxes increased from \$1,237,704 to \$2,790,842 due to full funding at the Federal level as part of the stimulus program.
- Total expenses were \$52,562,092, an increase of approximately \$1,005,131 or 1.9% county wide over the prior year. The governmental activities expenses were \$27,587,636 or 52.5% of the total expenses whereas, the business-type activities expenses were \$24,974,456 or 47.5% of the total expenses. The increase in governmental activities was \$3,103,619 or 12.7%. The largest functions are public safety, general government, public works, cultural and recreation and judicial. These account for 91.6% of the governmental activities. The decrease in expense of the business-type activities was (\$2,098,488) or 7.8% from \$27,072,944 to \$24,974,456. Telephone operations continue to be the largest business-type activity at 56.0% of the business-type activities. Wireless decreased by (\$2,366,481) or 24.50% due to reduction in roaming minutes paid to outside providers as a result of a reduction in the number of subscribers and the sale of wireless capital assets. There was a decrease of (\$51,428) or (7.4)% in the Long Distance due to a decrease in the number of subscribers. There was an increase of \$527,943 or 19.7% in the Broadband due to moving the internet service provider business into the Broadband fund in the prior year 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 \$10,918,709. This indicates that current year operations did not rely on debt or reserves to provide resources for necessary services.
- At June 30, 2009, the County's governmental funds had a fund balance of \$30,043,887. The unreserved portion of Debt Service Fund was \$832,605; reserved for notes receivable was \$959,195 and the reserved portion for revenue shortfall was \$1,548,826. The unreserved fund balance of the General Fund was \$3,488,236 of which \$2,714,533 is designated as opening fund balance in the 2009-2010 fiscal year budget. The Unreserved fund balance total reported in Special Revenue Funds was \$17,774,466 and \$5,440,559 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 road and water resources, management believes that the activities of the Road Fund and Water Resource Fund should be classified as Major Funds in the FYE 6-30-09 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 five proprietary funds that qualify as major funds under the GASB 34 definition are CC Communications-Telephone Fund, CC Communications-Wireless Fund, CC Communications-Broadband 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 miscellaneous revenue in the governmental fund 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 23-43 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 45-118 of this report, with the statistical section immediately following.

## Financial Statement Analysis

### Government-Wide Financial Statement Analysis

Total assets as of June 30, 2009, net of accumulated depreciation of \$80,116,597, totaled \$178,584,027. Assets include cash/investments, receivables, prepaid items, and capital assets. The majority of Churchill County's net assets, \$108,253,622 (66.6%) 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 \$16,090,243. Liabilities also include payables and unearned revenue. A comparison of assets and liabilities for the government-wide financial statements reflect net assets of \$162,493,784 as of June 30, 2009. The following table is provided to enhance analysis.

#### CHURCHILL COUNTY NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 31,896,128	\$ 26,159,030	\$ 29,725,119	\$ 20,886,212	\$ 61,621,247	\$ 47,045,242
Noncurrent assets	941,356	897,324	83,600	354,147	1,024,956	1,251,471
Capital assets	56,099,109	55,347,213	59,838,715	63,887,214	115,937,824	119,234,427
<b>Total Assets</b>	<b>\$ 88,936,593</b>	<b>\$ 82,403,567</b>	<b>\$ 89,647,434</b>	<b>\$ 85,127,573</b>	<b>\$ 178,584,027</b>	<b>\$ 167,531,140</b>
Current liabilities	\$ 2,941,134	\$ 2,997,313	\$ 2,815,815	\$ 3,007,674	5,756,949	6,004,987
Noncurrent liabilities	3,328,930	2,730,361	7,004,364	6,355,718	10,333,294	9,086,079
<b>Total Liabilities</b>	<b>\$ 6,270,064</b>	<b>\$ 5,727,674</b>	<b>\$ 9,820,179</b>	<b>\$ 9,363,392</b>	<b>\$ 16,090,243</b>	<b>\$ 15,091,066</b>
Net Assets:						
Invested in capital assets						
net of related debt	\$ 54,172,246	\$ 53,107,597	\$ 54,081,376	\$ 58,015,534	108,253,622	111,123,131
Restricted	11,910,396	10,002,950		-	11,910,396	10,002,950
Unrestricted	16,583,887	13,565,346	25,745,879	17,748,647	42,329,766	31,313,993
<b>Total Net Assets</b>	<b>\$ 82,666,529</b>	<b>\$ 76,675,893</b>	<b>\$ 79,827,255</b>	<b>\$ 75,764,181</b>	<b>\$ 162,493,784</b>	<b>\$ 152,440,074</b>

The governmental and business-type activities for fiscal year 2008-2009 are presented in the Statement of Activities. As indicated on this statement, governmental activities increased net assets of Churchill County by \$6,855,636, thereby accounting for 62.8% of the total growth in net assets. The business-type activities increased net assets by \$4,063,073, accounting for 37.2% 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	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 2,100,441	\$ 2,199,366	\$ 26,888,666	\$ 29,210,922	\$ 28,989,107	\$ 31,410,288
Operating grants, interest and contributions	2,952,180	2,120,345	-	689,688	2,952,180	2,810,033
Capital grants, interest and contributions	641,325	7,724,013	557,373	7,604,534	1,198,698	15,328,547
General revenues:						
Ad valorem taxes	8,903,720	7,309,259			8,903,720	7,309,259
Consolidated taxes	5,927,194	6,016,895			5,927,194	6,016,895
Other taxes	8,670,300	7,041,462			8,670,300	7,041,462
Unrestricted investment earnings	517,326	996,366	222,339	414,903	739,665	1,411,269
Other/Transfers	4,730,786	(501,355)	1,369,151	6,111,431	6,099,937	5,610,076
Total Revenues	<u>\$ 34,443,272</u>	<u>\$ 32,906,351</u>	<u>\$ 29,037,529</u>	<u>\$ 44,031,478</u>	<u>\$ 63,480,801</u>	<u>\$ 76,937,829</u>
Expenses:						
General government	8,158,909	6,215,096	-	-	8,158,909	6,215,096
Judicial	3,182,250	2,971,738	-	-	3,182,250	2,971,738
Public safety	8,311,974	7,603,614	-	-	8,311,974	7,603,614
Sanitation	80,547	82,121	-	-	80,547	82,121
Public works	3,243,179	3,180,901	-	-	3,243,179	3,180,901
Health	208,239	195,743	-	-	208,239	195,743
Welfare	1,094,676	1,086,643	-	-	1,094,676	1,086,643
Culture and recreation	2,373,490	2,117,578	-	-	2,373,490	2,117,578
Community support	854,941	960,707	-	-	854,941	960,707
Interest and fiscal charges	79,431	69,876	-	-	79,431	69,876
Telephone			14,046,402	14,496,600	14,046,402	14,496,600
Wireless			5,658,091	8,021,572	5,658,091	8,021,572
Long distance			641,110	692,538	641,110	692,538
Broadband			3,211,611	2,683,668	3,211,611	2,683,668
Waste Water			843,580	787,079	843,580	787,079
Utility-Water			573,662	391,487	573,662	391,487
Total Expenses	<u>\$ 27,587,636</u>	<u>\$ 24,484,017</u>	<u>\$ 24,974,456</u>	<u>\$ 27,072,944</u>	<u>\$ 52,562,092</u>	<u>\$ 51,556,961</u>
Increase in Net Assets	<u>\$ 6,855,636</u>	<u>\$ 8,422,334</u>	<u>\$ 4,063,073</u>	<u>\$ 16,958,534</u>	<u>\$ 10,918,709</u>	<u>\$ 25,380,868</u>

**Revenues:** Total revenues of \$63,480,801 is less than prior year revenue by (\$13,457,028) or 17.5%. Total governmental activity revenue increased by \$1,536,921 or 4.7% while total business-type activity revenues decreased by (\$14,993,949) or 34.0%. General revenues, mainly comprised of various taxes and investment earnings, represents \$30,340,816 or 47.8% 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 \$33,139,985 or 52.2% of total revenues. The significant decrease of \$14,129,849 in capital grants, interest and contributions was the result of \$557,373 in water and waste water grants for fiscal year 2009 compared to \$7,604,534 in the prior year. The grants provided funding for the capital construction of the facilities. Furthermore, last year the tap fees collected for future water and waste water connections in the prior year \$7,864,302 compared to \$35,057 in the current year.

**Expenses:** Total expenses of \$52,562,092 exceeded prior year expenses by 1.9%. Total governmental activity expenses increased by \$2,098,488 or 12.7% while total business-type activity expenses decreased by \$2,098,488 or 7.75%. The largest expenses in the governmental activities were 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 56.2% of total business-type expenses. The reduction in Telephone expense is related in part to a reduction in land line usage as more and more subscribers are using wireless phones. The decreases in wireless expenses are due to less network improvements prior to the sale and fewer roamer minutes paid to outside carriers due to changes in market share and resale agreements and the sell of the Wireless assets effective December 30, 2008.

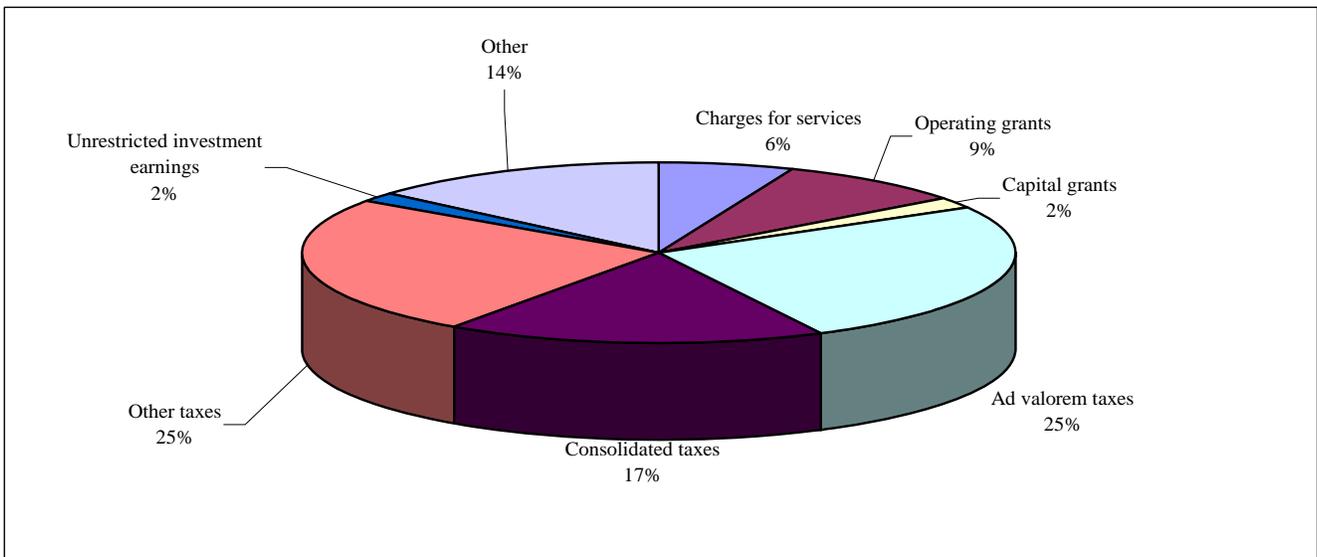
**Governmental Activities**

Total program revenues and expenses for governmental activities amounted to \$5,693,946 and \$27,587,636, respectively, for the 2008-2009 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 4.5% 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 \$7,082,688 primarily as a result of the County receiving a \$6,110,733 grant for the purchase of conservation easements 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 29.3%, 19.5% and 28.6% of countywide general revenues. Ad valorem revenues increased by \$1,594,461 or 21.8% due to the increases in the assessed values due to growth in industrial activity of geothermal plants and residential activities. The property tax rate had a slight increase from \$2.7750 to \$2.8029. The consolidated tax revenues decreased \$89,701 or 1.5% due to decreases in level of taxable sales primarily from the slowdown in commercial, industrial and residential growth. Other taxes increased \$1,628,838, due to an increase in the Federal PILT payment.

As illustrated on the following chart, ad valorem taxes are the largest revenue source at 25%, followed by other taxes at 25%, consolidated tax at 17%, and other at 14%.

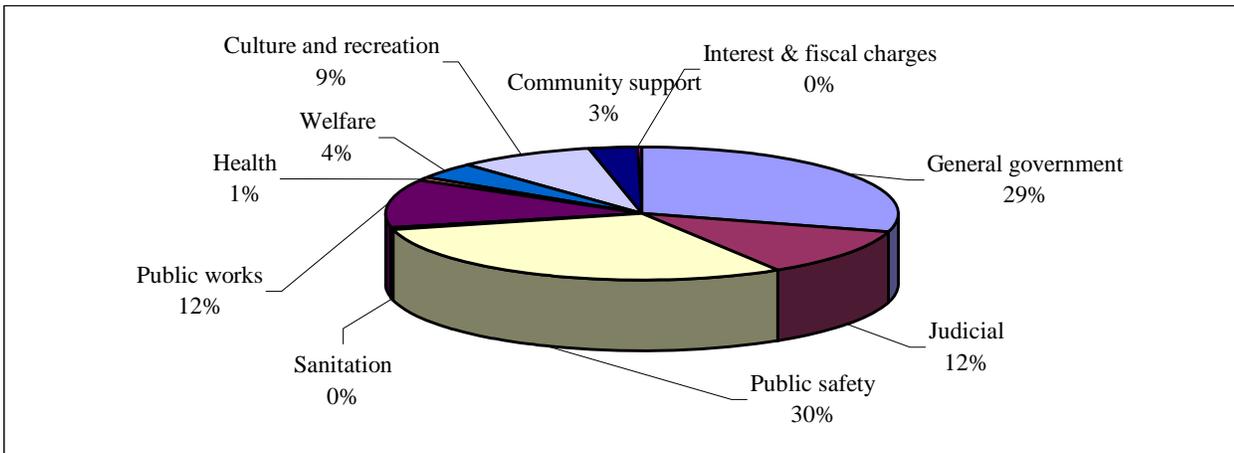
**Revenues by Sources - Governmental Activities**



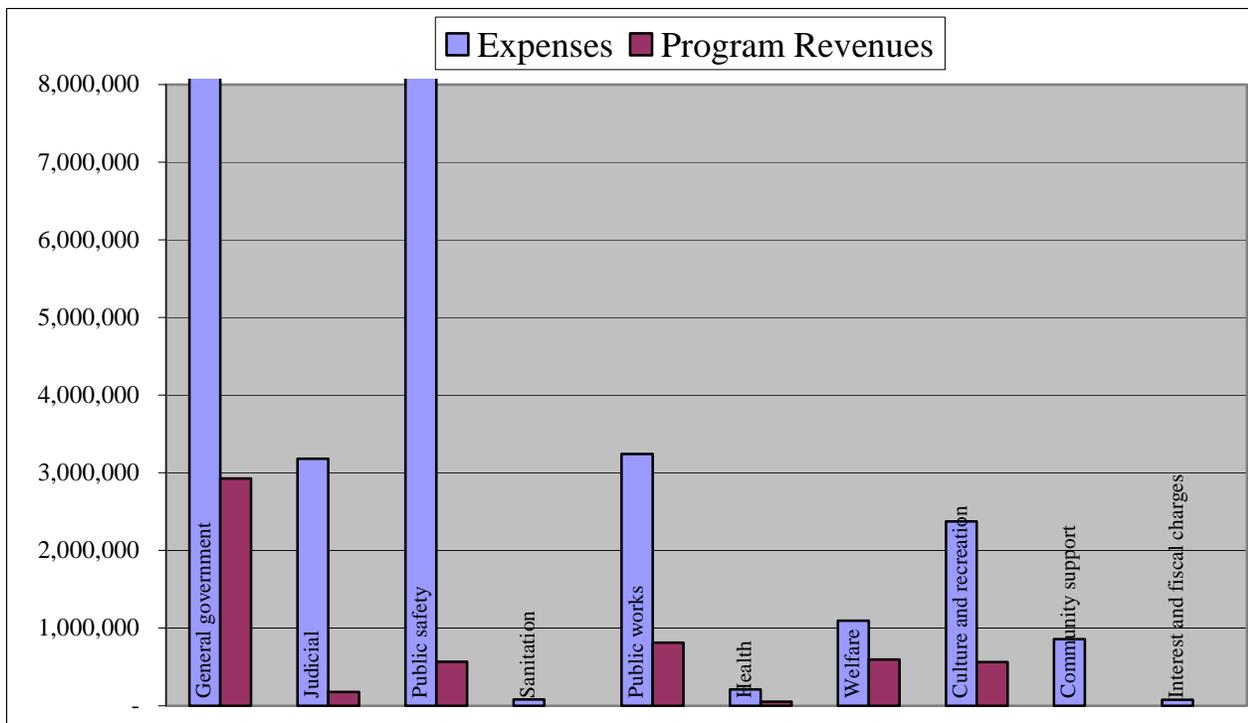
As noted, total governmental activities expenses were \$27,587,636 in the current year compared to \$24,484,017 in the prior year. Public safety, which is comprised of the Sheriff, detention facility, juvenile probation, dispatch, and fire department, constitutes the largest cost to the County at \$8,311,974 or 30.1% of the total governmental activities expenses. This is up \$708,360 or 9.3% from the prior year. The increase is primarily due to increases in personnel and personnel costs 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 \$337,000. 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 \$8,158,909 or 29.5% of the total governmental activities expenses. This is an increase of \$1,943,813 or 31.3% over the prior year. Increases were noted due to additional personnel and personnel cost increases similar to those in the public safety function as well as purchase of conservation easements. Public works had expenses of \$3,243,179 or 11.8% of the total governmental activities expenses. There was a slight increase over the prior year 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 \$3,182,250 or 11.5% of the total governmental activities expenses. They increased by \$210,512 or 7% due to an increase in personnel costs. The aforementioned

increases were somewhat offset by mitigation measures taken by all departments. The other functions had similar levels of program expenses during the past two fiscal years. See the detailed statements for further details.

### Expenditures by Function - Governmental Activities



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

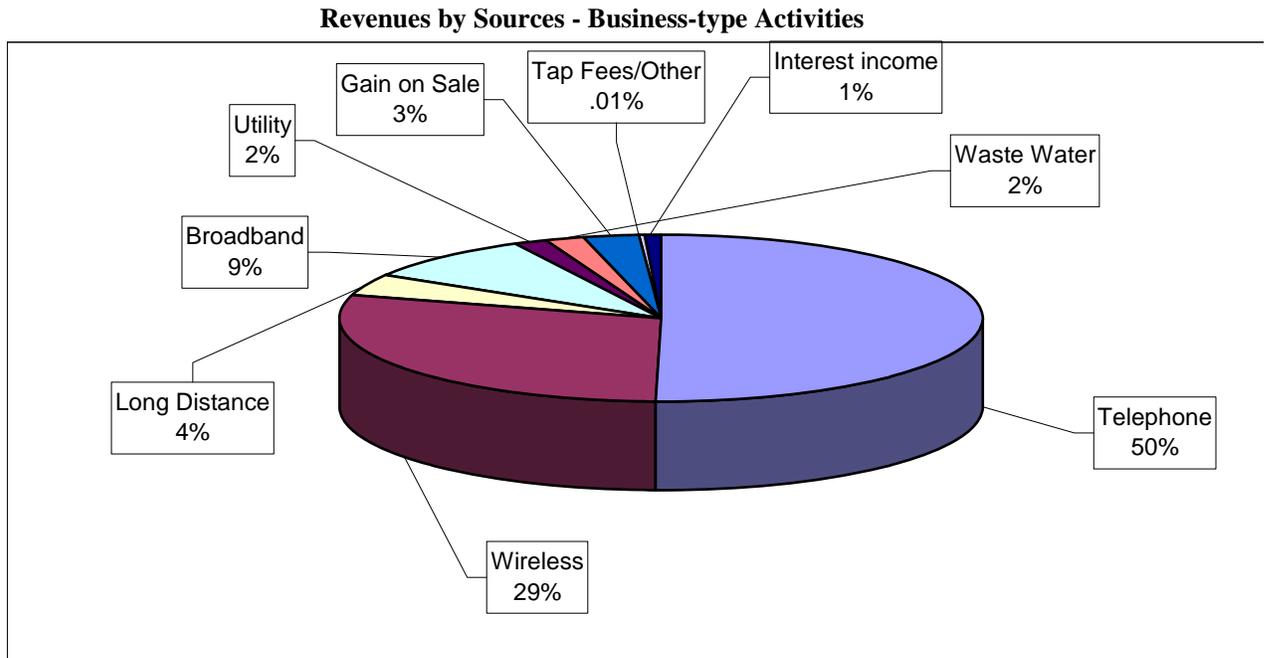


### Business-Type Activities

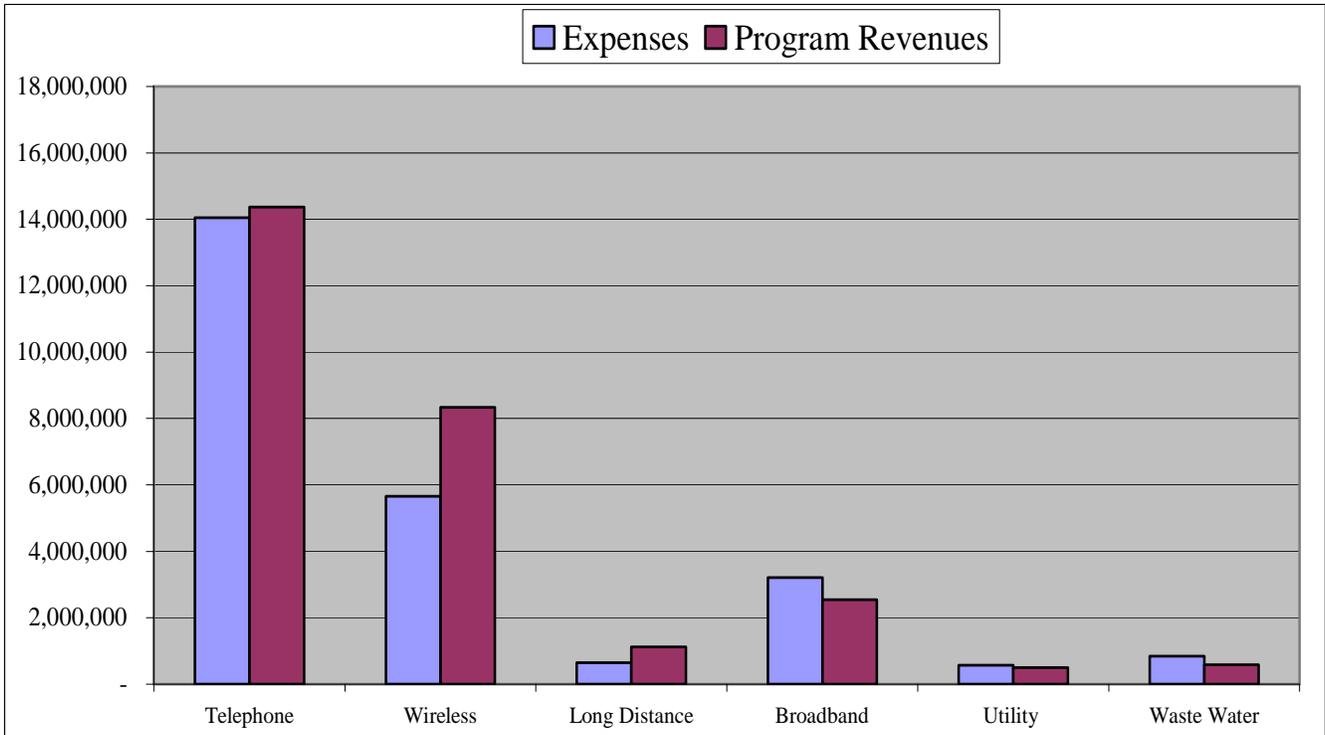
Business-type activities include the operations of CC Communications and the water and waste water utility enterprise operations. There are four Business-type Activities within CC Communications: Telephone, Wireless, Long Distance and Broadband. Total operating revenues and expenses are \$26,366,305 and \$23,557,214, respectively, for CC Communications business-type activities for the 2008-2009 fiscal year which results in an increase in net assets of \$2,809,091. The total operating revenues for CC Communications business-type activities decreased from the 2007/2008 fiscal year by (\$2,442,175) or (8.5%). Telephone operating revenues decreased by (\$252,919) or (1.7%), due to a decrease in the number of subscriber lines. 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 operating revenues decreased by (\$2,486,433) or (22.9%) due to reductions in subscribers and loss of roamer minutes from other carriers as the result of them building out their network. Operating expenses decreased in conjunction with decreasing wireless revenues. Long distance revenues decreased by (\$120,256) or (9.7%), 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 \$417,433 over the prior year amounts due to increased number of subscribers and the various programming packages being purchased such as HDTV. 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 of the Utility Fund and the Waste Water Fund came online during the fiscal year ending June 30, 2008. The Utility fund charges for services revenue increased from \$244,003 to \$314,157 and the Waste Water revenues increased from \$158,439 to \$208,204 due to the first complete year of operations of the new utilities.

The following charts show the allocation of business-type activity revenues for the fiscal year ending June 30, 2009:



## Business-type Activities - Expenses and Program Revenues



The increases (decreases) in net assets from business-type activities as noted on the statement of revenues, expenses and changes in net assets are as follows: Telephone activities \$2,363,342, Wireless activities \$997,682, Long Distance \$498,672, Broadband (\$46,609), Water \$223,466 and Waste Water at \$26,520. These amounts are reflective of the transfers made during the year. Currently, Telephone and Wireless activities account for 62% and 26% of the net increase respectively for all business-type activity within CC Communications. CC Communications continues to invest in capital assets related to the network. The trend in the United States indicates a movement from wire line phones to Wireless phones as technology and demographics continue to change. CC Communications is closely monitoring the regulatory/legislative issues as several key topics will be debated on the national level by the Federal Communication Commission (FCC) that may have a direct impact on the financial operations of CC Communications. The second phase waste water plant at Moody Lane significantly increased the net assets for the Waste Water system. The Moody Lane plant was brought on line in FY 2008-09. The waste water net assets increased by \$26,520 and the water utility increase by \$223,466 during the year.

### 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 \$33,094,685 and \$3,050,798, respectively. This resulted in a total fund balance of \$30,043,887 of which \$959,195 is reserved for notes receivable, and \$1,548,826 of the fund balance is reserved for revenue shortfalls. The unreserved portion of this fund balance totaled \$27,535,866.

### Major Governmental Funds

#### General Fund:

The primary operating fund of Churchill County is the General Fund. For the fiscal year ended June 30, 2009, the fund balance in the General Fund was \$3,488,236 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 21.2% of total fund expenditures. This represents approximately 2.5 months of expenditures.

The General Fund balance increased by \$451,745 during the fiscal year. This is a result of the levels of revenue, expenditures and transfers. Revenues totaling \$17,536,530 increased by \$772,389 or 4.6% over the prior fiscal year amount of \$16,764,141. Taxes and

intergovernmental revenues increased, which make up 77.2% 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 \$16,469,468 increased by \$429,434 or 2.7%, in the current year of operations. The increase is primarily due to increases in general government expenditures of approximately \$270,596, judicial of \$102,311, public safety of \$70,172 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. Excess of Revenues over Expenditures in the current year was \$1,067,062. Transfers to other funds in the total amount of \$705,000 were made to support Parks and Recreation, Law Library, Cemetery Beautification, Risk Management, Compensated Absences, and Unemployment Compensation Funds. The net other financing sources and uses was \$615,317. 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, 2009, the fund balance in the Road Fund was \$1,870,924 compared to \$2,282,517 in the prior year. The decrease in fund balance of \$411,593 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 revenues of Road Fund consist of various fuel taxes totaling \$1,008,609, licenses and permits \$350, interest income of \$38,189, fuel reimbursement of \$210,994, inspection and meter fees of \$3,952 and miscellaneous revenues of \$109,007. Other financing sources were transfers in from the Regional Transportation Fund in the amount of \$349,325 and the Public Transit Fund in the amount of \$587,501 to pay for qualifying projects. Expenditures of \$2,720,069 were to assist in building and maintaining County roads and bridges.

#### **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, 2009, the fund balance in the Water Resource Fund was \$1,479,898 compared to \$1,699,845 in the prior year. The revenues of this fund consist of federal payment in lieu of taxes, \$148,000, U.S. Navy easement contribution \$965,410, federal grants for Dixie Valley Water study of \$265,384, refuge revenue sharing of \$26,508, water right dedication fees of \$49,341, interest income of \$13,937, and geothermal rents and royalties of \$715,685. Expenses of \$538,900 were to assist in water resource management. In addition, capital outlay purchase of land and water rights in the amount of \$1,422,095 during the year. Other financing sources and uses included the transfer of \$443,217 to debt service to defease debt related to the purchase of land and water rights at Wild Goose.

#### **Proprietary Funds**

The enterprise funds of Churchill County reflect total assets and liabilities of \$89,647,434 and \$9,820,179 respectively. This resulted in a total net asset balance of \$79,827,255. Unrestricted net assets totaled \$25,745,879. Invested in capital assets net of related debt totaled \$54,081,376.

#### **Major Proprietary Funds**

CC Communications: Telephone Fund reflects total assets and liabilities of \$35,342,972 and \$4,141,925 respectively, resulting in total net assets of \$31,201,047. The increase of total net assets is \$2,363,342 or 8.2% from the 2007/2008 fiscal year.

CC Communications: Wireless Fund reflects total assets and liabilities of \$17,570,869 and \$587,413 respectively, resulting in total net assets of \$16,983,456. The total net assets increased from 2007/2008 to 2008/2009 by \$997,682 or 6.2 %.

CC Communications: Broadband Fund reflects total assets and liabilities of \$2,041,350 and \$90,237 respectively, resulting in total net assets of \$1,951,113. The total net assets decreased from 2007/2008 to 2008/2009 by (\$46,609) or -2.3 % as a result of operational losses during the year.

Waste Water Enterprise Fund reflects total assets and liabilities of \$20,778,442 and \$2,474,521 respectively, resulting in total net assets of \$18,303,921. This fund has been established to account for the waste water operations. The county took over the Pine Grove Waste Water plant and developed a waste water treatment plant with federal and state grant funding at the Golf Course. The plant was placed into operation in fiscal year 2006/2007. During 2008-2009, the county constructed a state of the art membrane technology waste water plant at Moody Lane. The Waste Water Plant construction was completed and came on line for operations.

Utility Enterprise Fund reflects total assets and liabilities of \$11,493,804 and \$2,514,792 respectively, resulting in total net assets of \$8,979,012. This fund has been established to account for the water operations. The County took over Pine Grove Water operations in fiscal year 2006/2007. In addition, construction in progress has occurred on the phase I water plant that will replace five smaller water systems that were not able to meet the water quality standards. The plant came on line in fiscal year 2007/2008.

**Budgetary Highlights for the General Fund**

The General Fund total revenues in the original budget were \$16,613,474 and \$16,776,414 for the final budget. The increase in the budgeted amount was an increase in the amount of federal and state grants received during the year. Actual revenues were \$17,536,530 or 4.5% greater than final budgeted total revenues in the General Fund. Functions represent the legal level of budgetary control. Final budget appropriations for the General Fund expenditures totaled \$17,570,870, which is \$389,675 more or 2.2% more than the original budget of \$17,181,195. Actual expenditures were \$16,469,468, which was less than the original budget and 6.3% less than final budgeted expenditures. The expenditure budget was augmented to allow for additional appropriations for projects, services and supplies approved by the Board of County Commissioners during the year based on greater than anticipated revenue resources, grants and opening fund balances. Budget augmentations were prepared in accordance with the provisions of Nevada Revised Statutes Chapter 354 the Local Government Budget and Finance Act.

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

<b>EXPENDITURE BUDGET BY FUNCTION</b>	<b>ORIGINAL</b>	<b>BUDGET FINAL</b>	<b>CHANGE</b>
General Government	\$ 5,624,552	\$ 5,883,071	\$ (258,519)
Judicial	3,098,989	3,097,997	992
Public Safety	7,117,200	7,372,345	(255,145)
Health	193,837	193,840	(3)
Sanitation	92,000	92,000	-
Culture and Recreation	347,352	347,352	-
Community Support	138,500	150,500	(12,000)
Intergovernmental	568,765	433,765	135,000
Debt Service	-	-	-
<b>Total Expenditures</b>	<b>\$ 17,181,195</b>	<b>\$ 17,570,870</b>	<b>\$ (389,675)</b>

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

At June 30, 2009, Churchill County had a net capital asset investment of \$56,099,109 in governmental activities and \$59,838,715 in business-type activities. This represents an increase of 1.4% in the governmental activities and a \$4,048,499 or 6.4% decrease in the business-type activities when compared to the prior year. This amount includes investment in land, water rights, buildings, improvements other than buildings, equipment and motor vehicles, and infrastructure.

Major capital investment activities for fiscal year 2008-2009 in the governmental activities include:

- Building a columbarium 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 1245 Austin Highway, 485 West B Street and 507 S. Maine Street.
- Infrastructure improvements related to Road Department projects as approved in the County Five Year Road Plan.
- Donated roads from developers into the county system.
- Purchase of Road Equipment within the Road Equipment Replacement Plan.
- Enhancements to the Sheriff’s Department’s communications system and communications tower.
- Purchase of two water trucks for the Volunteer Fire Department.
- Purchase of technology improvements for the Assessor, Recorder and Planning Departments.
- Equipment purchases for Facilities and Grounds.

CHURCHILL COUNTY'S CAPITAL ASSETS  
(net of depreciation)

	Governmental Activities	
	2009	2008
Land	\$ 14,493,280	\$ 14,935,122
Water rights	6,488,723	6,432,124
Construction in Progress	803,756	-
Buildings and improvements	8,957,433	8,533,633
Land improvements	392,516	432,270
Equipment and motor vehicles	4,304,016	4,151,024
Infrastructure	20,659,385	20,863,041
Net Governmental Activities Capital Assets	<u>\$ 56,099,109</u>	<u>\$ 55,347,214</u>
	Business-Type Activities	
	2009	2008
Real estate and easements	\$ 540,699	\$ 540,699
Construction in progress	1,934,226	15,027,516
Buildings and improvements	2,515,976	2,750,253
Central office switching	2,277,323	508,608
Outside plant	21,421,044	18,628,196
Furniture and fixtures	-	-
Computer equipment	373,947	717,614
Other communication equipment	-	-
Vehicles and work equipment	153,969	10,024
Leasehold equipment	535,316	585,959
Other equipment	1,056,755	1,229,734
Cell sites	-	6,004,430
Transport facilities	-	1,623,410
Waste Water infrastructure	19,220,453	6,210,917
Water infrastructure	9,809,009	10,049,854
Net Business-Type Activities Capital Assets	<u>\$ 59,838,717</u>	<u>\$ 63,887,214</u>
Net Governmental Activities Capital Assets	\$ 56,099,109	\$ 55,347,214
Net Business-Type Activities Capital Assets	59,838,717	63,887,214
Total Net Capital Assets	<u>\$ 115,937,826</u>	<u>\$ 119,234,428</u>

Long-term debt outstanding at June 30, 2009 totaled \$1,926,863 for governmental activities, a decrease of \$312,753 when compared to the prior year. The decrease is due to the current year principal payments. The business-type debt is \$5,757,339 or \$114,340 less than last year. The decrease is the result of current year principal payments. The total outstanding debt and compensated absences were \$9,228,439. The County's debt limit is \$108,883,784. 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	
	2009	2008	2009	2008	2009	2008
Capital leases payable	\$ -	\$ -	\$ 1,320,297	\$ 1,386,419	\$ 1,320,297	\$ 1,386,419
Revenue bonds	1,850,454	2,163,207	4,437,042	4,485,261	6,287,496	6,648,468
Compensated absences	941,734	874,168	602,503	623,474	1,544,237	1,497,642
Notes/Contract payable	76,409	76,409	-	-	76,409	76,409
Total	<u>\$ 2,868,597</u>	<u>\$ 3,113,784</u>	<u>\$ 6,359,842</u>	<u>\$ 6,495,154</u>	<u>\$ 9,228,439</u>	<u>\$ 9,608,938</u>

**Requests for Information**

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

**CHURCHILL COUNTY, NEVADA**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 28,763,408	\$ 22,465,690	\$ 51,229,098
Receivables:			
Property taxes	304,241	-	304,241
Interest	166,044	53,813	219,857
Other	177,866	5,522,783	5,700,649
Current portion of notes receivable	17,839	-	17,839
Internal balances	297	(297)	-
Due from other governments	2,466,433	-	2,466,433
Prepaid expenses	-	4,326	4,326
Inventory	-	1,678,804	1,678,804
	<u>31,896,128</u>	<u>29,725,119</u>	<u>61,621,247</u>
Total Current Assets			
Noncurrent Assets:			
Restricted cash	-	83,600	83,600
Note receivable, net of current portion	941,356	-	941,356
Capital assets (not being depreciated)	21,785,759	2,474,923	24,260,682
Capital assets (net of accumulated depreciation)	34,313,350	57,363,792	91,677,142
	<u>57,040,465</u>	<u>59,922,315</u>	<u>116,962,780</u>
Total Noncurrent Assets			
Total Assets	<u>88,936,593</u>	<u>89,647,434</u>	<u>178,584,027</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	583,178	2,200,482	2,783,660
Accrued liabilities	682,998	299,612	982,610
Accrued interest	12,383	16,926	29,309
Due to other governments	318,930	-	318,930
Current portion of capital leases payable	-	62,747	62,747
Current portion of contract payable	32,716	-	32,716
Current portion of bonds payable	312,753	50,238	362,991
Current portion of accrued compensated absences	68,127	59,659	127,786
Customer deposits	8,358	36,285	44,643
Unearned revenue	921,691	89,866	1,011,557
	<u>2,941,134</u>	<u>2,815,815</u>	<u>5,756,949</u>
Total Current Liabilities			
Noncurrent Liabilities:			
Other postemployment benefits liability	873,929	817,166	1,691,095
Capital leases payable, net of current portion	-	1,257,550	1,257,550
Contract payable, net of current portion	43,693	-	43,693
Bonds payable, net of current portion	1,537,701	4,386,804	5,924,505
Accrued compensated absences, net of current portion	873,607	542,844	1,416,451
	<u>3,328,930</u>	<u>7,004,364</u>	<u>10,333,294</u>
Total Noncurrent Liabilities			
Total Liabilities	<u>6,270,064</u>	<u>9,820,179</u>	<u>16,090,243</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	54,172,246	54,081,376	108,253,622
Restricted for:			
General government	4,624,153	-	4,624,153
Judicial	67,444	-	67,444
Public safety	2,319,098	-	2,319,098
Public works	3,023,921	-	3,023,921
Health	38,399	-	38,399
Welfare	52,277	-	52,277
Culture and recreation	849,130	-	849,130
Community support	935,974	-	935,974
Unrestricted	16,583,887	25,745,879	42,329,766
	<u>\$ 82,666,529</u>	<u>\$ 79,827,255</u>	<u>\$ 162,493,784</u>
Total Net Assets			

See accompanying notes.

**CHURCHILL COUNTY, NEVADA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009**

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
<b>Governmental Activities:</b>							
General government	\$ 8,158,909	\$ 941,266	\$ 1,986,941	\$ -	\$ (5,230,702)	\$ -	\$ (5,230,702)
Judicial	3,182,250	177,975	-	-	(3,004,275)	-	(3,004,275)
Public safety	8,311,974	399,964	167,280	-	(7,744,730)	-	(7,744,730)
Sanitation	80,547	540	-	-	(80,007)	-	(80,007)
Public works	3,243,179	169,841	-	641,325	(2,432,013)	-	(2,432,013)
Health	208,239	37,360	17,500	-	(153,379)	-	(153,379)
Welfare	1,094,676	50,226	542,451	-	(501,999)	-	(501,999)
Culture and recreation	2,373,490	323,269	238,008	-	(1,812,213)	-	(1,812,213)
Community support	854,941	-	-	-	(854,941)	-	(854,941)
Interest and fiscal charges	79,431	-	-	-	(79,431)	-	(79,431)
Total Governmental Activities	<u>27,587,636</u>	<u>2,100,441</u>	<u>2,952,180</u>	<u>641,325</u>	<u>(21,893,690)</u>	<u>-</u>	<u>(21,893,690)</u>
<b>Business-type Activities:</b>							
Telephone	14,046,402	14,367,316	-	-	-	320,914	320,914
Wireless	5,658,091	8,338,204	-	-	-	2,680,113	2,680,113
Long Distance	641,110	1,119,834	-	-	-	478,724	478,724
Broadband	3,211,611	2,540,951	-	-	-	(670,660)	(670,660)
Waste water	843,580	208,204	-	373,458	-	(261,918)	(261,918)
Water	573,662	314,157	-	183,915	-	(75,590)	(75,590)
Total Business-type Activities	<u>24,974,456</u>	<u>26,888,666</u>	<u>-</u>	<u>557,373</u>	<u>-</u>	<u>2,471,583</u>	<u>2,471,583</u>
Total County	<u>\$ 52,562,092</u>	<u>\$ 28,989,107</u>	<u>\$ 2,952,180</u>	<u>\$ 1,198,698</u>	<u>(21,893,690)</u>	<u>2,471,583</u>	<u>(19,422,107)</u>
<b>General Revenues:</b>							
Property taxes					8,903,720	-	8,903,720
Franchise taxes					159,439	-	159,439
Gaming licenses					18,850	-	18,850
Unrestricted intergovernmental revenues:							
Federal in lieu of taxes					2,790,842	-	2,790,842
AB 104 fairshare					1,059,969	-	1,059,969
Consolidated intergovernmental taxes					5,927,194	-	5,927,194
Fuel taxes					1,008,609	-	1,008,609
Optional county sales tax					1,437,398	-	1,437,398
Delinquent tax penalties					204,493	-	204,493
Interest income					517,326	222,339	739,665
Gain on sale of assets					611,380	810,043	1,421,423
Tap fees					-	35,057	35,057
CC Communications in lieu of taxes					1,990,700	-	1,990,700
Miscellaneous revenues					4,619,406	24,051	4,643,457
<b>Transfers</b>					<u>(500,000)</u>	<u>500,000</u>	<u>-</u>
Total General Revenues and Transfers					<u>28,749,326</u>	<u>1,591,490</u>	<u>30,340,816</u>
Change in Net Assets					<u>6,855,636</u>	<u>4,063,073</u>	<u>10,918,709</u>
<b>NET ASSETS, July 1, as originally reported</b>					<u>76,675,893</u>	<u>75,764,182</u>	<u>152,440,075</u>
Prior period adjustment for change in value of easements					<u>(865,000)</u>	<u>-</u>	<u>(865,000)</u>
<b>NET ASSETS, July 1, as adjusted</b>					<u>75,810,893</u>	<u>75,764,182</u>	<u>151,575,075</u>
<b>NET ASSETS, June 30</b>					<u>\$ 82,666,529</u>	<u>\$ 79,827,255</u>	<u>\$ 162,493,784</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2009**

	<u>GENERAL FUND</u>	<u>ROAD FUND</u>	<u>WATER RESOURCE FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>					
Cash and investments	\$ 3,889,650	\$ 1,637,239	\$ 321,589	\$ 22,914,930	\$ 28,763,408
Receivables:					
Property taxes	204,849	-	-	99,392	304,241
Interest	3,929	1,615	138,971	21,529	166,044
Other	59,523	105,738	-	12,605	177,866
Notes	-	-	792,750	166,445	959,195
Due from other funds	341	194,664	25,000	37,493	257,498
Due from other governments	<u>1,305,846</u>	<u>176,121</u>	<u>311,390</u>	<u>673,076</u>	<u>2,466,433</u>
Total Assets	<u>\$ 5,464,138</u>	<u>\$ 2,115,377</u>	<u>\$ 1,589,700</u>	<u>\$ 23,925,470</u>	<u>\$ 33,094,685</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 203,903	\$ 189,025	\$ 41,664	\$ 148,586	\$ 583,178
Accrued liabilities	556,276	47,205	5,664	73,853	682,998
Due to other funds	-	-	44	257,157	257,201
Due to other governments	108,237	6,290	62,430	141,973	318,930
Customer deposits	3,285	1,933	-	3,140	8,358
Deferred revenue	<u>1,104,201</u>	<u>-</u>	<u>-</u>	<u>95,932</u>	<u>1,200,133</u>
Total Liabilities	<u>1,975,902</u>	<u>244,453</u>	<u>109,802</u>	<u>720,641</u>	<u>3,050,798</u>
<b>FUND BALANCES</b>					
Reserved for:					
Notes receivable	-	-	792,750	166,445	959,195
Revenue shortfalls	-	-	-	1,548,826	1,548,826
Unreserved reported in:					
General fund	3,488,236	-	-	-	3,488,236
Special revenue funds	-	1,870,924	687,148	15,216,394	17,774,466
Debt service fund	-	-	-	832,605	832,605
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,440,559</u>	<u>5,440,559</u>
Total Fund Balances	<u>3,488,236</u>	<u>1,870,924</u>	<u>1,479,898</u>	<u>23,204,829</u>	<u>30,043,887</u>
Total Liabilities and Fund Balances	<u>\$ 5,464,138</u>	<u>\$ 2,115,377</u>	<u>\$ 1,589,700</u>	<u>\$ 23,925,470</u>	<u>\$ 33,094,685</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**

**Total Fund Balances - Governmental Funds** **\$ 30,043,887**

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	94,505,792
Less: Accumulated depreciation	(38,406,683)

Certain liabilities are not reported in the governmental funds because they are not due and payable in the current period:

Other postemployment benefits liability	(873,929)
Contract payable	(76,409)
Bonds payable	(1,850,454)
Compensated absences	(941,734)
Accrued interest	(12,383)

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.

278,442

**Total Net Assets - Governmental Activities**

**\$ 82,666,529**

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>GENERAL FUND</u>	<u>ROAD FUND</u>	<u>WATER RESOURCE FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES</b>					
Taxes	\$ 5,191,482	\$ -	\$ -	\$ 3,531,825	\$ 8,723,307
Licenses and permits	412,523	350	-	31,000	443,873
Intergovernmental	8,340,759	1,008,609	439,892	4,343,646	14,132,906
Charges for services	600,140	-	49,341	660,166	1,309,647
Fines and forfeits	463,247	-	-	-	463,247
Miscellaneous	2,528,379	362,691	1,695,032	3,991,723	8,577,825
	<u>17,536,530</u>	<u>1,371,650</u>	<u>2,184,265</u>	<u>12,558,360</u>	<u>33,650,805</u>
Total Revenues					
<b>EXPENDITURES</b>					
Current:					
General government	5,471,058	-	1,960,995	2,903,450	10,335,503
Judicial	2,915,796	-	-	63,455	2,979,251
Public safety	6,916,009	-	-	5,777	6,921,786
Sanitation	80,547	-	-	-	80,547
Public works	-	2,720,069	-	40,707	2,760,776
Health	178,826	-	-	1,964	180,790
Welfare	-	-	-	1,073,827	1,073,827
Culture and recreation	330,176	-	-	1,777,588	2,107,764
Community support	148,038	-	-	700,543	848,581
Intergovernmental	429,018	-	-	460,429	889,447
Debt service:					
Principal	-	-	-	312,753	312,753
Interest	-	-	-	80,090	80,090
	<u>16,469,468</u>	<u>2,720,069</u>	<u>1,960,995</u>	<u>7,420,583</u>	<u>28,571,115</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,067,062</u>	<u>(1,348,419)</u>	<u>223,270</u>	<u>5,137,777</u>	<u>5,079,690</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of capital and other assets	89,683	-	-	1,020,000	1,109,683
Transfers in	-	936,826	-	1,303,217	2,240,043
Transfers out	(705,000)	-	(443,217)	(1,591,826)	(2,740,043)
	<u>(615,317)</u>	<u>936,826</u>	<u>(443,217)</u>	<u>731,391</u>	<u>609,683</u>
Total Other Financing Sources (Uses)					
Net Change in Fund Balances	451,745	(411,593)	(219,947)	5,869,168	5,689,373
<b>FUND BALANCE, July 1</b>	<u>3,036,491</u>	<u>2,282,517</u>	<u>1,699,845</u>	<u>17,335,661</u>	<u>24,354,514</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 3,488,236</u>	<u>\$ 1,870,924</u>	<u>\$ 1,479,898</u>	<u>\$ 23,204,829</u>	<u>\$ 30,043,887</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, 2009**

**Net Change in Fund Balances - Governmental Funds** **\$ 5,689,373**

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	3,572,568
Less: Current year depreciation	(2,188,377)

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	641,325
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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. (408,620)

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. (67,566)

The liability for other postemployment benefits 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. (873,929)

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. 659

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. 177,450

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	312,753
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**Change in Net Assets - Governmental Activities** **\$ 6,855,636**

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, 2009**  
(Page 1 of 6)

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>TO FINAL</u>	<u>FINAL TO ACTUAL</u>
<b>REVENUES</b>					
Property taxes:					
Ad valorem taxes	\$ 4,192,531	\$ 4,192,531	\$ 5,191,482	\$ -	\$ 998,951
Licenses and permits:					
Business licenses	54,500	54,500	62,022	-	7,522
Liquor licenses	4,875	4,875	3,590	-	(1,285)
Local gaming licenses	48,750	48,750	46,825	-	(1,925)
Marriage licenses	3,750	3,750	4,347	-	597
Other permits	12,500	12,500	20,923	-	8,423
Building permits	215,000	215,000	70,010	-	(144,990)
Mobile home permits	200	200	60	-	(140)
Fictitious name/notary bonds	6,350	6,350	10,830	-	4,480
Passport fees	6,545	6,545	5,775	-	(770)
Drug court fee	5,000	5,000	5,320	-	320
Septic fees	12,500	12,500	5,750	-	(6,750)
Inspection fees	20,175	20,175	2,235	-	(17,940)
Manufactured home permits	14,175	14,175	6,425	-	(7,750)
Other license/permits fees	33,250	33,250	8,972	-	(24,278)
Franchise fees	156,000	156,000	159,439	-	3,439
	<u>593,570</u>	<u>593,570</u>	<u>412,523</u>	<u>-</u>	<u>(181,047)</u>
Intergovernmental:					
Federal in lieu of taxes	675,000	675,000	675,000	-	-
State gaming license	-	-	18,850	-	18,850
Bi-county reimbursements	30,000	30,000	34,322	-	4,322
Private car tax	-	-	1,857	-	1,857
AB104 fairshare	1,250,750	1,250,750	1,059,969	-	(190,781)
Consolidated intergovernmental taxes	5,675,000	5,675,000	5,526,194	-	(148,806)
Jail reimbursements:					
Paiute	-	-	1,200	-	1,200
City	35,000	35,000	49,452	-	14,452
Task force reimbursement	5,000	5,000	3,156	-	(1,844)
Grants-in-aid:					
Federal grants:					
Title IV-D	350,175	350,175	339,311	-	(10,864)
Title IV-D incentive	20,000	20,000	12,193	-	(7,807)
Planning assistance	480,000	480,000	404,643	-	(75,357)
FEMA - emergency management	-	19,185	19,185	19,185	-
State criminal assistance program (SCAAP)	-	-	7,442	-	7,442
Rural fire assistance	-	8,958	8,958	8,958	-
OJJDP - CCBC - rafts	-	28,805	28,805	28,805	-
JABG boys' council	-	14,349	14,349	14,349	-
SERC - Operations	-	4,599	4,599	4,599	-
SERC - Equipment	-	28,531	28,531	28,531	-
HMEP - training	-	-	15,750	-	15,750
Stinulus NV works	-	16,638	16,638	16,638	-
Nevada works summer employment	-	41,875	41,875	41,875	-
Traffic safety	-	-	4,691	-	4,691
State grants:					
JPO family management	-	-	6,289	-	6,289
Coalition - meth education	-	-	17,500	-	17,500
	<u>8,520,925</u>	<u>8,683,865</u>	<u>8,340,759</u>	<u>162,940</u>	<u>(343,106)</u>

**CHURCHILL COUNTY, NEVADA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(Page 2 of 6)**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>TO FINAL</u>	<u>FINAL TO ACTUAL</u>
Charges for services:					
Administrative assessments:					
Juvenile probation	\$ -	\$ -	\$ 8,036	\$ -	\$ 8,036
Justice court	32,750	32,750	28,106	-	(4,644)
Municipal court	1,750	1,750	1,694	-	(56)
Juvenile court	700	700	1,395	-	695
District court	400	400	294	-	(106)
Assessor's property tax commissions	167,500	167,500	198,939	-	31,439
Assessor's department fee	1,000	1,000	-	-	(1,000)
Candidate filing fees	-	-	100	-	100
Justice court filing fees	61,750	61,750	61,618	-	(132)
Justice court forensic fees	6,200	6,200	8,646	-	2,446
Court clerk miscellaneous	21,750	21,750	30,064	-	8,314
County court fees	23,400	23,400	23,384	-	(16)
Recorder RPTT collection fees	2,100	2,100	1,921	-	(179)
Recorder's fees	105,000	105,000	100,147	-	(4,853)
Public defender fees	9,000	9,000	11,146	-	2,146
Return check fees	50	50	320	-	270
Crime lab fees	500	500	1,806	-	1,306
Sheriff's fees	37,175	37,175	34,949	-	(2,226)
Sheriff's fees, fingerprint	2,750	2,750	1,605	-	(1,145)
Sheriff's fees, concealed weapon	5,100	5,100	10,725	-	5,625
Sheriff's fees, intermittent	1,000	1,000	4,503	-	3,503
CC Communications retainer	12,000	12,000	13,120	-	1,120
BLM service fee	10,000	10,000	-	-	(10,000)
Planning commission appeal fee	100	100	120	-	20
Child support withheld fee	1,600	1,600	-	-	(1,600)
Cemetery fees	33,750	33,750	37,360	-	3,610
Forensic fees - task force	500	500	970	-	470
DMV - spay and neuter fee	200	200	540	-	340
Inmate phone revenue	-	-	2,606	-	2,606
Counseling reimbursement	-	-	12,723	-	12,723
Mining map fees:					
Map fees - mining claims	8,125	8,125	3,107	-	(5,018)
Land plot maps - copies	100	100	196	-	96
	<u>546,250</u>	<u>546,250</u>	<u>600,140</u>	<u>-</u>	<u>53,890</u>
Fines and forfeits:					
Forfeited bail	172,835	172,835	185,213	-	12,378
Fines	48,750	48,750	71,106	-	22,356
Justice court bond forfeiture	2,000	2,000	2,435	-	435
Delinquent tax penalties	115,000	115,000	204,493	-	89,493
	<u>338,585</u>	<u>338,585</u>	<u>463,247</u>	<u>-</u>	<u>124,662</u>
Miscellaneous:					
Interest	94,000	94,000	58,811	-	(35,189)
Miscellaneous sales	2,000	2,000	7,384	-	5,384
Oil and gas leases	3,033	3,033	-	-	(3,033)
Mine proceeds tax commissions	-	-	50,001	-	50,001
Senior citizen processing fees	-	-	780	-	780
Data processing	4,800	4,800	4,950	-	150
Buildings lease revenue	8,970	8,970	2,244	-	(6,726)
Justice court payment setup fee	6,000	6,000	9,775	-	3,775
Justice court collection fee	9,000	9,000	12,140	-	3,140
Juvenile transport reimbursements	3,750	3,750	1,177	-	(2,573)
Juvenile child care reimbursements	3,100	3,100	6,054	-	2,954
Juvenile substance abuse reimbursements	1,500	1,500	2,104	-	604
Juvenile instructional supervision reimbursements	1,500	1,500	2,869	-	1,369
Juvenile miscellaneous reimbursements	100	100	1,545	-	1,445
Geothermal rents/royalties	400,000	400,000	475,000	-	75,000
Enel sales tax payments	175,860	175,860	175,860	-	-
CC Communications in lieu of taxes	1,700,000	1,700,000	1,700,000	-	-
Other miscellaneous	8,000	8,000	17,685	-	9,685
	<u>2,421,613</u>	<u>2,421,613</u>	<u>2,528,379</u>	<u>-</u>	<u>106,766</u>
Total Revenues	<u>16,613,474</u>	<u>16,776,414</u>	<u>17,536,530</u>	<u>162,940</u>	<u>760,116</u>

**CHURCHILL COUNTY, NEVADA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(Page 3 of 6)**

EXPENDITURES	BUDGET			VARIANCE WITH	
	ORIGINAL	FINAL	ACTUAL	ORIGINAL TO FINAL	FINAL TO ACTUAL
Current:					
General government:					
Commissioners:					
Salaries	\$ 91,635	\$ 86,635	\$ 85,224	\$ 5,000	\$ 1,411
Benefits	49,413	49,413	44,478	-	4,935
Services and supplies	9,750	20,750	20,167	(11,000)	583
	<u>150,798</u>	<u>156,798</u>	<u>149,869</u>	<u>(6,000)</u>	<u>6,929</u>
Clerk/treasurer:					
Salaries	382,482	382,484	357,664	(2)	24,820
Benefits	172,691	172,693	155,129	(2)	17,564
Services and supplies	49,050	49,050	45,469	-	3,581
	<u>604,223</u>	<u>604,227</u>	<u>558,262</u>	<u>(4)</u>	<u>45,965</u>
Recorder:					
Salaries	153,338	153,339	150,321	(1)	3,018
Benefits	63,361	63,361	59,284	-	4,077
Services and supplies	8,450	21,700	18,995	(13,250)	2,705
	<u>225,149</u>	<u>238,400</u>	<u>228,600</u>	<u>(13,251)</u>	<u>9,800</u>
Records and microfilming:					
Services and supplies	37,500	37,500	26,546	-	10,954
Assessor:					
Salaries	422,556	400,056	394,072	22,500	5,984
Benefits	175,218	165,219	152,154	9,999	13,065
Services and supplies	83,380	73,380	54,916	10,000	18,464
	<u>681,154</u>	<u>638,655</u>	<u>601,142</u>	<u>42,499</u>	<u>37,513</u>
County manager:					
Salaries	170,698	177,950	172,300	(7,252)	5,650
Benefits	54,833	52,084	51,343	2,749	741
Services and supplies	10,450	8,450	6,456	2,000	1,994
	<u>235,981</u>	<u>238,484</u>	<u>230,099</u>	<u>(2,503)</u>	<u>8,385</u>
Buildings and grounds:					
Salaries	228,504	288,505	286,020	(60,001)	2,485
Benefits	101,005	122,005	121,724	(21,000)	281
Services and supplies	354,285	399,285	331,741	(45,000)	67,544
Capital outlay	-	56,000	54,454	(56,000)	1,546
	<u>683,794</u>	<u>865,795</u>	<u>793,939</u>	<u>(182,001)</u>	<u>71,856</u>
Elections:					
Salaries	15,000	15,000	7,418	-	7,582
Benefits	700	700	1,100	-	(400)
Services and supplies	100,250	70,250	68,273	30,000	1,977
	<u>115,950</u>	<u>85,950</u>	<u>76,791</u>	<u>30,000</u>	<u>9,159</u>

**CHURCHILL COUNTY, NEVADA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(Page 4 of 6)**

	<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>
Personnel operations:					
Salaries	\$ 89,100	\$ 89,100	\$ 89,972	\$ -	\$ (872)
Benefits	30,450	30,450	28,619	-	1,831
Services and supplies	5,100	5,100	3,550	-	1,550
	<u>124,650</u>	<u>124,650</u>	<u>122,141</u>	<u>-</u>	<u>2,509</u>
Personnel - staff development:					
Benefits	-	-	209	-	(209)
Services and supplies	3,500	4,500	3,883	(1,000)	617
	<u>3,500</u>	<u>4,500</u>	<u>4,092</u>	<u>(1,000)</u>	<u>408</u>
Personnel - benefit services:					
Services and supplies	15,850	15,850	13,542	-	2,308
Comptroller:					
Salaries	281,901	281,902	276,589	(1)	5,313
Benefits	104,388	104,388	95,732	-	8,656
Services and supplies	17,800	17,800	11,916	-	5,884
	<u>404,089</u>	<u>404,090</u>	<u>384,237</u>	<u>(1)</u>	<u>19,853</u>
Data processing:					
Services and supplies	149,700	149,700	148,565	-	1,135
Capital outlay	30,000	21,250	-	8,750	21,250
	<u>179,700</u>	<u>170,950</u>	<u>148,565</u>	<u>8,750</u>	<u>22,385</u>
General government other:					
Services and supplies	822,200	1,057,200	985,922	(235,000)	71,278
Building inspection:					
Salaries	166,659	166,660	163,121	(1)	3,539
Benefits	68,130	68,132	62,951	(2)	5,181
Services and supplies	9,500	9,500	6,435	-	3,065
	<u>244,289</u>	<u>244,292</u>	<u>232,507</u>	<u>(3)</u>	<u>11,785</u>
Yucca Mountain:					
Services and supplies	529,500	429,500	404,642	100,000	24,858
Planning department:					
Salaries	361,593	361,595	358,304	(2)	3,291
Benefits	138,332	138,335	129,703	(3)	8,632
Services and supplies	66,300	66,300	22,155	-	44,145
	<u>566,225</u>	<u>566,230</u>	<u>510,162</u>	<u>(5)</u>	<u>56,068</u>
Total General Government	<u>5,624,552</u>	<u>5,883,071</u>	<u>5,471,058</u>	<u>(258,519)</u>	<u>412,013</u>
Judicial:					
District court:					
Salaries	114,867	114,868	110,925	(1)	3,943
Benefits	46,358	46,360	41,507	(2)	4,853
Services and supplies	440,253	440,254	419,183	(1)	21,071
	<u>601,478</u>	<u>601,482</u>	<u>571,615</u>	<u>(4)</u>	<u>29,867</u>
Justice court:					
Salaries	304,282	304,284	298,190	(2)	6,094
Benefits	117,261	116,262	107,991	999	8,271
Services and supplies	122,650	123,650	103,212	(1,000)	20,438
	<u>544,193</u>	<u>544,196</u>	<u>509,393</u>	<u>(3)</u>	<u>34,803</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(Page 5 of 6)**

	<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>
District attorney:					
Salaries	\$ 1,230,643	\$ 1,230,643	\$ 1,180,472	\$ -	\$ 50,171
Benefits	494,177	494,178	425,735	(1)	68,443
Services and supplies	221,498	215,498	218,815	6,000	(3,317)
Capital outlay	7,000	12,000	9,766	(5,000)	2,234
	<u>1,953,318</u>	<u>1,952,319</u>	<u>1,834,788</u>	<u>999</u>	<u>117,531</u>
Total Judicial	<u>3,098,989</u>	<u>3,097,997</u>	<u>2,915,796</u>	<u>992</u>	<u>182,201</u>
Public safety:					
Sheriff:					
Salaries	3,055,288	3,055,290	2,816,390	(2)	238,900
Benefits	1,608,097	1,608,097	1,443,927	-	164,170
Services and supplies	600,500	627,199	588,937	(26,699)	38,262
Capital outlay	30,000	30,000	-	-	30,000
	<u>5,293,885</u>	<u>5,320,586</u>	<u>4,849,254</u>	<u>(26,701)</u>	<u>471,332</u>
Fire protection:					
Salaries	85,595	105,595	101,836	(20,000)	3,759
Benefits	143,175	145,175	144,807	(2,000)	368
Services and supplies	238,101	269,101	263,866	(31,000)	5,235
Capital outlay	338,790	338,790	328,517	-	10,273
	<u>805,661</u>	<u>858,661</u>	<u>839,026</u>	<u>(53,000)</u>	<u>19,635</u>
Emergency management:					
Salaries	-	10,000	9,219	(10,000)	781
Benefits	-	2,500	2,239	(2,500)	261
Services and supplies	19,000	80,273	63,577	(61,273)	16,696
	<u>19,000</u>	<u>92,773</u>	<u>75,035</u>	<u>(73,773)</u>	<u>17,738</u>
Juvenile probation:					
Salaries	563,229	563,231	585,940	(2)	(22,709)
Benefits	259,300	259,302	232,459	(2)	26,843
Services and supplies	176,125	277,792	326,295	(101,667)	(48,503)
Capital outlay	-	-	8,000	-	(8,000)
	<u>998,654</u>	<u>1,100,325</u>	<u>1,152,694</u>	<u>(101,671)</u>	<u>(52,369)</u>
Total Public Safety	<u>7,117,200</u>	<u>7,372,345</u>	<u>6,916,009</u>	<u>(255,145)</u>	<u>456,336</u>
Sanitation:					
Animal control and garbage disposal:					
Services and supplies	92,000	92,000	80,547	-	11,453
Health:					
City/County health:					
Services and supplies	4,200	4,200	703	-	3,497

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(Page 6 of 6)**

	<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>
Cemetery:					
Salaries	\$ 99,467	\$ 99,468	\$ 98,087	\$ (1)	\$ 1,381
Benefits	40,170	40,172	35,050	(2)	5,122
Services and supplies	44,000	44,000	41,808	-	2,192
Capital outlay	6,000	6,000	3,178	-	2,822
	<u>189,637</u>	<u>189,640</u>	<u>178,123</u>	<u>(3)</u>	<u>11,517</u>
Total Health	<u>193,837</u>	<u>193,840</u>	<u>178,826</u>	<u>(3)</u>	<u>15,014</u>
Culture and recreation:					
Museum:					
Salaries	252,396	252,396	239,541	-	12,855
Benefits	64,956	64,956	60,541	-	4,415
Services and supplies	30,000	30,000	30,094	-	(94)
Total Culture and Recreation	<u>347,352</u>	<u>347,352</u>	<u>330,176</u>	<u>-</u>	<u>17,176</u>
Community support:					
Services and supplies	<u>138,500</u>	<u>150,500</u>	<u>148,038</u>	<u>(12,000)</u>	<u>2,462</u>
Intergovernmental:					
Services and supplies	<u>568,765</u>	<u>433,765</u>	<u>429,018</u>	<u>135,000</u>	<u>4,747</u>
Total Expenditures	<u>17,181,195</u>	<u>17,570,870</u>	<u>16,469,468</u>	<u>(389,675)</u>	<u>1,101,402</u>
Deficiency of Revenues Under Expenditures	<u>(567,721)</u>	<u>(794,456)</u>	<u>1,067,062</u>	<u>(226,735)</u>	<u>1,861,518</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Contingency	(100,000)	-	-	100,000	-
Sale of capital and other assets	5,000	5,000	89,683	-	84,683
Transfers out:					
Parks and Recreation Fund	-	-	(200,000)	-	(200,000)
Library Gift Fund	-	-	(5,000)	-	(5,000)
Law Library Fund	-	-	(25,000)	-	(25,000)
Risk Management Fund	-	-	(50,000)	-	(50,000)
Compensated Absences Fund	-	-	(400,000)	-	(400,000)
Unemployment Compensation Fund	-	-	(25,000)	-	(25,000)
Total Other Financing Sources (Uses)	<u>(95,000)</u>	<u>5,000</u>	<u>(615,317)</u>	<u>100,000</u>	<u>(620,317)</u>
Net Change in Fund Balances	<u>(662,721)</u>	<u>(789,456)</u>	<u>451,745</u>	<u>(126,735)</u>	<u>1,241,201</u>
<b>FUND BALANCE, July 1</b>	<u>2,309,792</u>	<u>2,436,527</u>	<u>3,036,491</u>	<u>126,735</u>	<u>599,964</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,647,071</u>	<u>\$ 1,647,071</u>	<u>\$ 3,488,236</u>	<u>\$ -</u>	<u>\$ 1,841,165</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, 2009**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>ORIGINAL TO FINAL</u>	<u>FINAL TO ACTUAL</u>
<b>REVENUES</b>					
Licenses and permits:					
Licenses and permits	\$ 2,000	\$ 2,000	\$ 350	\$ -	\$ (1,650)
Intergovernmental:					
Motor vehicle fuel tax (\$.0125)	345,576	345,576	345,581	-	5
Motor vehicle fuel tax (\$.0175)	104,244	104,244	94,785	-	(9,459)
Motor vehicle fuel tax (\$.0360)	490,651	490,651	568,243	-	77,592
	<u>940,471</u>	<u>940,471</u>	<u>1,008,609</u>	<u>-</u>	<u>68,138</u>
Miscellaneous:					
Interest	72,352	72,352	38,189	-	(34,163)
Miscellaneous	300	300	7,803	-	7,503
Inspection fees	4,000	4,000	2,452	-	(1,548)
Meter fees	1,500	1,500	1,500	-	-
Water construction	2,000	2,000	11,204	-	9,204
Equipment rental	-	-	549	-	549
Road reimbursements	-	-	90,000	-	90,000
Fuel reimbursements	225,000	225,000	210,994	-	(14,006)
	<u>305,152</u>	<u>305,152</u>	<u>362,691</u>	<u>-</u>	<u>57,539</u>
Total Revenues	<u>1,247,623</u>	<u>1,247,623</u>	<u>1,371,650</u>	<u>-</u>	<u>124,027</u>
<b>EXPENDITURES</b>					
Current:					
Public works:					
Highways and streets:					
Salaries	841,001	766,001	750,051	75,000	15,950
Benefits	353,434	353,434	289,209	-	64,225
Services and supplies	1,596,200	1,396,200	1,328,894	200,000	67,306
Capital outlay	100,000	375,000	351,915	(275,000)	23,085
Total Expenditures	<u>2,890,635</u>	<u>2,890,635</u>	<u>2,720,069</u>	<u>-</u>	<u>170,566</u>
Deficiency of Revenues Under Expenditures	<u>(1,643,012)</u>	<u>(1,643,012)</u>	<u>(1,348,419)</u>	<u>-</u>	<u>294,593</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in:					
Regional Street and Highway Fund	600,000	600,000	349,325	-	(250,675)
Public Transit Fund	500,000	500,000	587,501	-	87,501
Sale of capital and other assets	25,000	25,000	-	-	(25,000)
Total Other Financing Sources	<u>1,125,000</u>	<u>1,125,000</u>	<u>936,826</u>	<u>-</u>	<u>(188,174)</u>
Net Change in Fund Balances	(518,012)	(518,012)	(411,593)	-	106,419
<b>FUND BALANCE, July 1</b>	<u>1,762,827</u>	<u>1,762,827</u>	<u>2,282,517</u>	<u>-</u>	<u>519,690</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,244,815</u>	<u>\$ 1,244,815</u>	<u>\$ 1,870,924</u>	<u>\$ -</u>	<u>\$ 626,109</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, 2008**

	<u>BUDGET</u>			<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>ORIGINAL TO FINAL</u>	<u>FINAL TO ACTUAL</u>
<b>REVENUES</b>					
Intergovernmental:					
Federal payments in lieu of taxes	\$ 48,000	\$ 48,000	\$ 148,000	\$ -	\$ 100,000
Grants-in-aid					
Federal	-	265,384	265,384	265,384	-
Refuge revenue sharing	-	-	26,508	-	26,508
	<u>48,000</u>	<u>313,384</u>	<u>439,892</u>	<u>265,384</u>	<u>126,508</u>
Charges for services:					
Water rights dedication fees	<u>50,000</u>	<u>50,000</u>	<u>49,341</u>	<u>-</u>	<u>(659)</u>
Miscellaneous:					
Interest	25,000	25,000	13,937	-	(11,063)
Geothermal rents and royalties	-	651,852	715,685	651,852	63,833
Development contribution conservation easement	-	965,410	965,410	965,410	-
Other miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>
	<u>30,000</u>	<u>1,647,262</u>	<u>1,695,032</u>	<u>1,617,262</u>	<u>47,770</u>
Total Revenues	<u>128,000</u>	<u>2,010,646</u>	<u>2,184,265</u>	<u>1,882,646</u>	<u>173,619</u>
<b>EXPENDITURES</b>					
Current:					
General government					
Salaries	96,577	96,577	94,541	-	2,036
Benefits	32,945	32,945	29,808	-	3,137
Services and supplies	206,200	471,584	414,551	(265,384)	57,033
Capital outlay	<u>125,000</u>	<u>1,742,262</u>	<u>1,422,095</u>	<u>(1,617,262)</u>	<u>320,167</u>
Total Expenditures	<u>460,722</u>	<u>2,343,368</u>	<u>1,960,995</u>	<u>(1,882,646)</u>	<u>382,373</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(332,722)	(332,722)	223,270	-	555,992
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out:					
Debt Service Fund	<u>(443,217)</u>	<u>(443,217)</u>	<u>(443,217)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(775,939)	(775,939)	(219,947)	-	555,992
<b>FUND BALANCE, July 1</b>	<u>2,055,597</u>	<u>2,055,597</u>	<u>1,699,845</u>	<u>-</u>	<u>(355,752)</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,279,658</u>	<u>\$ 1,279,658</u>	<u>\$ 1,479,898</u>	<u>\$ -</u>	<u>\$ 200,240</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**  
**(Page 1 of 2)**

**BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

	<b>MAJOR</b>				<b>NONMAJOR</b>		<b>TOTAL ENTERPRISE FUNDS</b>
	<b>CC COMMUNICATIONS TELEPHONE FUND</b>	<b>CC COMMUNICATIONS WIRELESS FUND</b>	<b>CC COMMUNICATIONS BROADBAND FUND</b>	<b>WASTE WATER ENTERPRISE FUND</b>	<b>UTILITY ENTERPRISE FUND</b>	<b>CC COMMUNICATIONS LONG DISTANCE FUND</b>	
<b>ASSETS</b>							
Current Assets:							
Cash	\$ 2,620,200	\$ 15,308,935	\$ 654,974	\$ 485,159	\$ 968,670	\$ 2,427,752	\$ 22,465,690
Trade accounts receivable, net	1,439,435	-	-	722,946	299,402	-	2,461,783
Other accounts receivable, net	764,537	2,186,893	-	35,414	74,156	-	3,061,000
Interest receivable	87	2,397	-	36,408	14,452	469	53,813
Due from other funds	-	-	-	1,627	6,300	-	7,927
Prepaid expenses	4,326	-	-	-	-	-	4,326
Inventory	1,498,783	72,644	107,377	-	-	-	1,678,804
Total Current Assets	<u>6,327,368</u>	<u>17,570,869</u>	<u>762,351</u>	<u>1,281,554</u>	<u>1,362,980</u>	<u>2,428,221</u>	<u>29,733,343</u>
Noncurrent Assets:							
Restricted cash	-	-	-	20,902	62,698	-	83,600
Capital Assets:							
In service and depreciable	64,348,903	-	4,253,330	20,203,488	10,267,985	-	99,073,706
Under construction and not being depreciated	1,747,087	-	227,660	255,533	244,643	-	2,474,923
	66,095,990	-	4,480,990	20,459,021	10,512,628	-	101,548,629
Less: Accumulated depreciation	<u>37,080,386</u>	<u>-</u>	<u>3,201,991</u>	<u>983,035</u>	<u>444,502</u>	<u>-</u>	<u>41,709,914</u>
Total Capital Assets	<u>29,015,604</u>	<u>-</u>	<u>1,278,999</u>	<u>19,475,986</u>	<u>10,068,126</u>	<u>-</u>	<u>59,838,715</u>
Total Noncurrent Assets	<u>29,015,604</u>	<u>-</u>	<u>1,278,999</u>	<u>19,496,888</u>	<u>10,130,824</u>	<u>-</u>	<u>59,922,315</u>
Total Assets	<u>35,342,972</u>	<u>17,570,869</u>	<u>2,041,350</u>	<u>20,778,442</u>	<u>11,493,804</u>	<u>2,428,221</u>	<u>89,655,658</u>
<b>LIABILITIES</b>							
Current Liabilities:							
Accounts payable	1,285,817	478,605	-	420,285	15,775	-	2,200,482
Customer deposits	16,310	16,775	-	-	3,200	-	36,285
Accrued interest	1,190	815	-	6,707	8,214	-	16,926
Other accrued liabilities	299,612	-	-	-	-	-	299,612
Due to other funds	-	-	-	6,597	1,627	-	8,224
Unearned revenue	-	-	-	46,418	43,448	-	89,866
Bonds payable, current	-	-	-	22,580	27,658	-	50,238
Capital lease payable, current	62,747	-	-	-	-	-	62,747
Compensated absences, current	59,659	-	-	-	-	-	59,659
Total Current Liabilities	<u>1,725,335</u>	<u>496,195</u>	<u>-</u>	<u>502,587</u>	<u>99,922</u>	<u>-</u>	<u>2,824,039</u>

CHURCHILL COUNTY, NEVADA  
 PROPRIETARY FUNDS  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2009  
 (Page 2 of 2)

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>						<b>TOTAL ENTERPRISE FUNDS</b>
	<b>MAJOR</b>			<b>NONMAJOR</b>			
	<b>CC COMMUNICATIONS TELEPHONE FUND</b>	<b>CC COMMUNICATIONS WIRELESS FUND</b>	<b>CC COMMUNICATIONS BROADBAND FUND</b>	<b>WASTE WATER ENTERPRISE FUND</b>	<b>UTILITY ENTERPRISE FUND</b>	<b>CC COMMUNICATIONS LONG DISTANCE FUND</b>	
Noncurrent Liabilities:							
Due in more than one year:							
Bonds payable	\$ -	\$ -	\$ -	\$ 1,971,934	\$ 2,414,870	\$ -	\$ 4,386,804
Capital lease payable	1,257,550	-	-	-	-	-	1,257,550
Other postemployment benefits payable	616,196	91,218	90,237	-	-	19,515	817,166
Compensated absences	542,844	-	-	-	-	-	542,844
Total Noncurrent Liabilities	<u>2,416,590</u>	<u>91,218</u>	<u>90,237</u>	<u>1,971,934</u>	<u>2,414,870</u>	<u>19,515</u>	<u>7,004,364</u>
Total Liabilities	<u>4,141,925</u>	<u>587,413</u>	<u>90,237</u>	<u>2,474,521</u>	<u>2,514,792</u>	<u>19,515</u>	<u>9,828,403</u>
<b>NET ASSETS</b>							
Invested in capital assets, net of related debt	27,695,307	-	1,278,999	17,481,472	7,625,598	-	54,081,376
Unrestricted	<u>3,505,740</u>	<u>16,983,456</u>	<u>672,114</u>	<u>822,449</u>	<u>1,353,414</u>	<u>2,408,706</u>	<u>25,745,879</u>
Total Net Assets	<u>\$ 31,201,047</u>	<u>\$ 16,983,456</u>	<u>\$ 1,951,113</u>	<u>\$ 18,303,921</u>	<u>\$ 8,979,012</u>	<u>\$ 2,408,706</u>	<u>\$ 79,827,255</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGE IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>						<b>TOTAL ENTERPRISE FUNDS</b>
	<b>MAJOR</b>					<b>NONMAJOR</b>	
	<b>CC COMMUNICATIONS TELEPHONE FUND</b>	<b>CC COMMUNICATIONS WIRELESS FUND</b>	<b>CC COMMUNICATIONS BROADBAND FUND</b>	<b>WASTE WATER ENTERPRISE FUND</b>	<b>UTILITY ENTERPRISE FUND</b>	<b>CC COMMUNICATIONS LONG DISTANCE FUND</b>	
<b>OPERATING REVENUES</b>							
Charges for sales and services	\$ 13,267,522	\$ 8,338,204	\$ 2,540,951	\$ 208,204	\$ 314,157	\$ 1,119,834	\$ 25,788,872
<b>OPERATING EXPENSES</b>							
Plant specific operations	2,372,768	-	-	-	-	-	2,372,768
Plant nonspecific operations	1,715,901	-	-	-	-	-	1,715,901
Customer operations	1,463,171	841,760	673,703	-	-	100,610	3,079,244
Network operations	-	3,178,699	1,142,509	-	-	206,973	4,528,181
Corporate operations	2,643,305	562,052	146,179	-	-	100,976	3,452,512
Access charges	-	-	842,036	-	-	225,300	1,067,336
Equipment sales expenses	-	542,298	-	-	-	-	542,298
Miscellaneous operating expenses	-	-	16,761	321,752	190,129	7,251	535,893
Payments to County in lieu of taxes	1,368,041	-	-	-	-	-	1,368,041
Depreciation and amortization	3,276,030	533,028	390,423	494,496	281,903	-	4,975,880
Total Operating Expenses	12,839,216	5,657,837	3,211,611	816,248	472,032	641,110	23,638,054
Operating Income (Loss)	428,306	2,680,367	(670,660)	(608,044)	(157,875)	478,724	2,150,818
<b>NONOPERATING REVENUE (EXPENSE)</b>							
Interest income	40,625	109,329	-	20,908	31,529	19,948	222,339
Interest expense	(49,190)	(254)	-	(27,332)	(101,630)	-	(178,406)
Nonregulated income	1,099,794	-	-	-	-	-	1,099,794
Nonregulated expenses	(486,817)	-	-	-	-	-	(486,817)
Miscellaneous income	-	-	16	-	-	-	16
Rental income	-	-	24,035	-	-	-	24,035
Federal grants	-	-	-	373,458	-	-	373,458
State grants	-	-	-	-	183,915	-	183,915
Tap fees	-	-	-	17,530	17,527	-	35,057
Gain on sale of assets	-	810,043	-	-	-	-	810,043
Payments to County in lieu of taxes	(622,659)	-	-	-	-	-	(622,659)
Donation of community emergency services	(48,520)	-	-	-	-	-	(48,520)
Total Nonoperating Revenue (Expense)	(66,767)	919,118	24,051	384,564	131,341	19,948	1,412,255
Income (Loss) Before Transfers	361,539	3,599,485	(646,609)	(223,480)	(26,534)	498,672	3,563,073
<b>TRANSFERS IN</b>	2,001,803	-	600,000	250,000	250,000	-	3,101,803
<b>TRANSFERS OUT</b>	-	(2,601,803)	-	-	-	-	(2,601,803)
Change in Net Assets	2,363,342	997,682	(46,609)	26,520	223,466	498,672	4,063,073
<b>NET ASSETS, July 1</b>	28,837,705	15,985,774	1,997,722	18,277,401	8,755,546	1,910,034	75,764,182
<b>NET ASSETS, June 30</b>	\$ 31,201,047	\$ 16,983,456	\$ 1,951,113	\$ 18,303,921	\$ 8,979,012	\$ 2,408,706	\$ 79,827,255

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
(Page 1 of 2)

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>						<b>TOTAL ENTERPRISE FUNDS</b>
	<b>MAJOR</b>					<b>NONMAJOR</b>	
	<b>CC COMMUNICATIONS TELEPHONE FUND</b>	<b>CC COMMUNICATIONS WIRELESS FUND</b>	<b>CC COMMUNICATIONS BROADBAND FUND</b>	<b>WASTE WATER ENTERPRISE FUND</b>	<b>UTILITY ENTERPRISE FUND</b>	<b>CC COMMUNICATIONS LONG DISTANCE FUND</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Cash received from customers	\$ 13,749,751	\$ 9,588,981	\$ 2,565,002	\$ 1,359,392	\$ 417,590	\$ 1,119,834	\$ 28,800,550
Cash payments to employees	(3,527,352)	(522,170)	(516,552)	-	-	(111,708)	(4,677,782)
Cash payments for services and supplies	(6,929,738)	(4,454,004)	(2,165,281)	(788,466)	(194,302)	(509,887)	(15,041,678)
Net Cash Provided (Used) by Operating Activities	<u>3,292,661</u>	<u>4,612,807</u>	<u>(116,831)</u>	<u>570,926</u>	<u>223,288</u>	<u>498,239</u>	<u>9,081,090</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
Transfers in	2,000,000	-	600,000	-	-	-	2,600,000
Transfers out	-	(2,600,000)	-	-	-	-	(2,600,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>2,000,000</u>	<u>(2,600,000)</u>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Purchase of property, plant, and equipment	(6,918,133)	-	(581,947)	(672,016)	(24,625)	-	(8,196,721)
Purchase of other intangibles	-	(293,797)	-	-	-	-	(293,797)
Sale of intangibles	293,797	-	-	-	-	-	293,797
Sale of capital assets	-	6,504,314	-	-	-	-	6,504,314
Transfers in	-	-	-	250,000	250,000	-	500,000
Federal grants	-	-	-	373,458	-	-	373,458
State grants	-	-	-	-	183,915	-	183,915
Tap fees	-	-	-	17,530	17,527	-	35,057
Interest paid on subscriber's deposits	-	(502)	-	-	-	-	(502)
Principal payment on long-term debt	(66,122)	-	-	(21,672)	(26,547)	-	(114,341)
Interest payment on long-term debt	(49,302)	-	-	(27,179)	(101,442)	-	(177,923)
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(6,739,760)</u>	<u>6,210,015</u>	<u>(581,947)</u>	<u>(79,879)</u>	<u>298,828</u>	<u>-</u>	<u>(892,743)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Interest received on investments	46,988	116,994	-	4,563	17,801	21,430	207,776
Net Increase (Decrease) in Cash	(1,400,111)	8,339,816	(98,778)	495,610	539,917	519,669	8,396,123
<b>CASH, July 1</b>	<u>4,020,311</u>	<u>6,969,119</u>	<u>753,752</u>	<u>10,451</u>	<u>491,451</u>	<u>1,908,083</u>	<u>14,153,167</u>
<b>CASH, June 30</b>	<u>\$ 2,620,200</u>	<u>\$ 15,308,935</u>	<u>\$ 654,974</u>	<u>\$ 506,061</u>	<u>\$ 1,031,368</u>	<u>\$ 2,427,752</u>	<u>\$ 22,549,290</u>

**CHURCHILL COUNTY, NEVADA  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2009  
 (Page 2 of 2)**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>						<b>TOTAL ENTERPRISE FUNDS</b>
	<b>MAJOR</b>					<b>NONMAJOR</b>	
	<b>CC COMMUNICATIONS TELEPHONE FUND</b>	<b>CC COMMUNICATIONS WIRELESS FUND</b>	<b>CC COMMUNICATIONS BROADBAND FUND</b>	<b>WASTE WATER ENTERPRISE FUND</b>	<b>UTILITY ENTERPRISE FUND</b>	<b>CC COMMUNICATIONS LONG DISTANCE FUND</b>	
<b>SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>							
Transfers of equipment by CC Communications - Wireless Fund to CC Communications - Telephone Fund	\$ 1,803	\$ (1,803)	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable related to sale of assets	\$ -	\$ 2,050,942	\$ -	\$ -	\$ -	\$ -	\$ 2,050,942
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>							
Operating income (loss)	\$ 428,306	\$ 2,680,367	\$ (670,660)	\$ (608,044)	\$ (157,875)	\$ 478,724	\$ 2,150,818
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	3,296,029	533,028	390,423	494,496	281,903	-	4,995,879
Income from nonregulated operations, net of expenses	612,977	-	-	-	-	-	612,977
Miscellaneous income	-	-	16	-	-	-	16
Rental income	-	-	24,035	-	-	-	24,035
Payments to County in lieu of taxes - nonoperating	(622,659)	-	-	-	-	-	(622,659)
Donation of community emergency services	(48,520)	-	-	-	-	-	(48,520)
Changes in assets and liabilities:							
(Increase) decrease in:							
Accounts receivable	(137,718)	776,372	-	(5,139)	(7,620)	-	625,895
Due from other funds	(4,326)	-	-	(813)	11,190	-	6,051
Due from other governments	-	-	49,118	1,110,722	55,665	-	1,215,505
Inventory	(497,391)	57,417	-	-	-	-	(439,974)
Increase (decrease) in:							
Accounts payable	(336,474)	478,605	-	(455,821)	(4,986)	-	(318,676)
Due to other funds	-	-	-	(10,893)	813	-	(10,080)
Customer deposits	6,970	(4,200)	-	-	750	-	3,520
Other accrued liabilities	242	-	-	-	-	-	242
Deferred revenue	-	-	-	46,418	43,448	-	89,866
Other postemployment benefits liability	616,196	91,218	90,237	-	-	19,515	817,166
Compensated absences	(20,971)	-	-	-	-	-	(20,971)
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,292,661</u>	<u>\$ 4,612,807</u>	<u>\$ (116,831)</u>	<u>\$ 570,926</u>	<u>\$ 223,288</u>	<u>\$ 498,239</u>	<u>\$ 9,081,090</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**JUNE 30, 2009**

	<b>INVESTMENT TRUST FUND</b>	<b>AGENCY FUNDS</b>
<b>ASSETS</b>		
Cash	\$ 2,338,010	\$ 596,896
Accounts receivable	-	19,828
Taxes receivable	-	34,581
Interest receivable	1,620	11
Due from other governments	-	56,268
	<u>2,339,630</u>	<u>707,584</u>
<b>LIABILITIES</b>		
Accounts payable	-	3,586
Due to other governments	-	343,773
Due to others	-	360,225
	<u>-</u>	<u>707,584</u>
<b>NET ASSETS</b>		
Reserved for pool participants	<u>\$ 2,339,630</u>	<u>\$ -</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>INVESTMENT TRUST FUND</u>
<b>ADDITIONS</b>	
Investment income	\$ 64,282
<b>DEDUCTIONS</b>	
Capital share transactions	<u>1,295,967</u>
Change in Net Assets	(1,231,685)
<b>NET ASSETS, July 1</b>	<u>3,571,315</u>
<b>NET ASSETS, June 30</b>	<u>\$2,339,630</u>

See accompanying notes.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**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. Amounts accrued or received but not yet earned are reflected as unearned revenues on the statement of net assets. 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. Amounts accrued or collected that are not available are reflected as deferred revenues in the governmental funds balance sheet. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, and other postemployment benefits, are recorded only when payment is due.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

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

The County reports the following major governmental funds:

- **General Fund** - The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **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.
- **CC Communications - Broadband Fund** - The Broadband Fund accounts for the operation of the County's television and internet services.
- **Waste Water Enterprise Fund** - The Waste Water Enterprise Fund accounts for the operation of the County's waste water system.
- **Utility Enterprise Fund** - The Utility Enterprise Fund accounts for the operation of the County's water system.

Additionally, the County reports the following fiduciary funds:

- **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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

**Property Taxes:**

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

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

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

Secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years. Delinquent taxes from all roll years prior to fiscal year 2007-2008 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.

**Net Proceeds of Mines:**

Net proceeds of mines are paid on an annual basis. For the year ended June 30, 2009, net proceeds of mines received on actual business from January 1, 2008 through December 31, 2008 are reflected in the financial statements. In addition, due to legislative changes occurring during the year ended June 30, 2009, the payments of net proceeds received on estimated business from January 1, 2009 through December 31, 2009 are reflected in the financial statements.

Additional amounts due, based on actual business for the January 1, 2009 through December 31, 2009 in comparison to estimated payments, are determined subsequent to the 2009 calendar year. Credits for overpayments, based on actual business for the period January 1, 2009 through December 31, 2009 in comparison to estimated payments, are applied to future tax payments in accordance with NRS 362.130. The overall financial impact to the County of future additional amounts due or future credits is not determinable at June 30, 2009 and are not reflected in these financial statements.

**Budgets and Budgetary Accounting:**

**Budget Policies:**

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

1. On or before April 15, the Churchill County Board of Commissioners files a tentative budget with the Nevada Department of Taxation, for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means to finance them.
2. The Nevada State Department of Taxation notifies the County of its acceptance of the budget.
3. Public hearings on the tentative budget are held on the third Monday in May.
4. After all the changes have been noted and hearings closed, the Board adopts the budget on or before June 1 and files it with the Nevada Department of Taxation.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

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).

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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

**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, 2009 were \$11,291 and \$336, 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.

**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 threshold is \$3,000 except for the CC Communications enterprise funds. In accordance with the Federal Communications Commission's 47 C.F.R. Part 32 - Uniform System of Accounts for Telecommunications Companies, the CC Communications enterprise funds capitalization threshold is \$2,000 except for computer equipment which is \$500. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

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

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

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

**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.

**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 Service Fund (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). In connection with the sale of assets to Commnet of Nevada, LLC, CC Communications – Wireless no longer will receive distributions from the Federal Universal Fund.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

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.

**CC Communications 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. 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.

**Subsequent Events:**

Management has evaluated subsequent events through November 30, 2009, which is the date these financial statements were available to be issued and these financial statements have not been updated for subsequent events occurring after that date.

**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 welfare function of the Indigent Hospital Care Fund exceeded appropriations by \$11,080.
- Total expenditures of the general government function of the Building Reserve Fund exceeded appropriations by \$366,945.
- Expenses of the Utility Enterprise Fund exceeded appropriations by \$256,545.

The above are apparent violations of NRS 354.626.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**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, 2009 is as follows:

Cash and investment balances held by:	
Governmental Funds	\$ 28,763,408
Proprietary Funds	22,549,290
Fiduciary Funds	2,934,906
Total	\$ 54,247,604
Balances at fair value classified by:	
On hand	\$ 4,305
Bank of America checking	14,463
Wells Fargo:	
Checking	9,137,363
Money market	231,765
Choice IV	7,000,001
Certificates of deposit	5,495,440
Local Government Investment Pool	32,364,267
Total	\$ 54,247,604

As of June 30, 2009, the County had the following investments and maturities:

Investments	Fair Value	Investment Maturity (in years) Less than 1
Local Government Investment Pool	\$ 32,364,267	\$ 32,364,267

*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, 2009 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 forty-six certificates of deposit held by Churchill County as of June 30, 2009, fourteen were rated superior, four were rated excellent, eight were rated average, nine were rated below average, eight were rated lowest ratios, none were rated rank of one and three were not rated. 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.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 3 - Cash and Investments (Continued):**

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

Churchill County is a voluntary participant in the 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.

Summary of investments held in the external investment pool at June 30, 2009:

Investment Type	Fair Value	Number of Shares	Interest Rate	Maturity Dates
State of Nevada Local Government Investment Pool	\$ 2,338,010	2,338,010 shares	Variable	07/01/09

External Investment Pool financial statements:

**Statement of Net Assets, June 30, 2009**

**Assets**

Investments in securities:

State of Nevada Local Government Investment Pool	\$ 2,338,010
Interest receivable	1,620

Total Assets	2,339,630
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**Net Assets**

Net assets consist of:

External participants	2,339,630
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Total Net Assets Held in Trust for Pool Participants (Participant Units Outstanding, \$1/par)	\$ 2,339,630
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**Statement of Changes in Net Assets, Year Ended June 30, 2009**

Net increase resulting from operations:

Investment earnings	\$ 64,282
Capital share transactions	(1,295,967)
Total Increase	(1,231,685)

Net assets:

Beginning of year	3,571,315
End of year	\$ 2,339,630

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 4 - Notes Receivable:**

Governmental Activities	Loan Amount	Terms	Balance June 30, 2009	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.	\$166,445	\$17,839	\$ 148,606
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%. As of August 4, 2008, a new agreements was reached returning the rate to prime plus 3% but requiring accrued interest and at least 10% of the outstanding balance be paid by June 15 <sup>th</sup> each year. The note is in Delinquent status.	<u>792,750</u>	-	<u>792,750</u>
			<u>\$959,195</u>	<u>\$17,839</u>	<u>\$ 941,356</u>

**NOTE 5 - Capital Assets:**

A summary of changes in capital assets for the year ended June 30, 2009 follows:

	Balance July 1, 2008	Adjustments*	Additions	Deletions	Balance June 30, 2009
Governmental Activities:					
Capital assets, not being depreciated:					
Land and easements	\$ 14,935,122	\$ (865,000)	\$ 819,937	\$ 396,779	\$ 14,493,280
Water rights	6,432,123	-	56,600	-	6,488,723
Under construction	-	-	803,756	-	803,756
Total Capital Assets, Not Being Depreciated	<u>21,367,245</u>	<u>\$ (865,000)</u>	<u>1,680,293</u>	<u>396,779</u>	<u>21,785,759</u>
Capital assets, being depreciated:					
Buildings and improvements	14,853,510	-	891,530	-	15,745,040
Land improvements	1,458,109	-	7,158	-	1,465,267
Equipment	10,173,954	-	993,587	238,020	10,929,521
Infrastructure	43,938,880	-	641,325	-	44,580,205
Total Capital Assets, Being Depreciated	<u>70,424,453</u>	<u>-</u>	<u>2,533,600</u>	<u>238,020</u>	<u>72,720,033</u>
Less accumulated depreciation for:					
Buildings and improvements	(6,319,877)	-	(467,730)	-	(6,787,607)
Land improvements	(1,025,839)	-	(46,912)	-	(1,072,751)
Equipment	(6,022,930)	-	(828,754)	226,179	(6,625,505)
Infrastructure	(23,075,839)	-	(844,981)	-	(23,920,820)
Total Accumulated Depreciation	<u>(36,444,485)</u>	<u>-</u>	<u>(2,188,377)</u>	<u>226,179</u>	<u>(38,406,683)</u>
Total Capital Assets, Being Depreciated, Net	<u>33,979,968</u>	<u>-</u>	<u>345,223</u>	<u>11,841</u>	<u>34,313,350</u>
Governmental Activities Capital Assets, Net	<u>\$ 55,347,213</u>	<u>\$ (865,000)</u>	<u>\$ 2,025,516</u>	<u>\$ 408,620</u>	<u>\$ 56,099,109</u>

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 5 - Capital Assets (Continued):**

\* The adjustment represents a prior period adjustment for the change in value of easements.

	Balance July 1, 2008	Additions	Deletions	Transfers	Balance June 30, 2009
<b>Business-Type Activities:</b>					
Capital assets, not being depreciated:					
Real estate and easements	\$ 540,699	\$ -	\$ -	\$ -	\$ 540,699
Under construction	15,027,516	1,934,224	15,027,516	-	1,934,224
<b>Total Capital Assets, Not Being Depreciated</b>	<b>15,568,215</b>	<b>1,934,224</b>	<b>15,027,516</b>	<b>-</b>	<b>2,474,923</b>
Capital assets, being depreciated:					
Buildings and improvements	5,337,550	16,755	-	-	5,354,305
Central office switching	15,554,983	3,075,054	1,602,843	20,294	17,047,488
Outside plant	29,280,055	3,807,306	71,632	-	33,015,729
Furniture and fixtures	46,408	-	-	-	46,408
Computer equipment	2,966,034	313,522	-	(20,294)	3,259,262
Other communication equipment	336,818	-	-	-	336,818
Vehicles and work equipment	2,772,043	224,199	271,019	-	2,725,223
Leasehold improvements	758,621	-	-	-	758,621
Other equipment	5,981,037	396,405	300,643	-	6,076,799
Cell sites	8,027,486	-	8,027,486	-	-
Transport facilities	1,838,175	-	1,838,175	-	-
Waste water infrastructure	6,699,456	13,504,032	-	-	20,203,488
Water infrastructure	10,211,138	38,427	-	-	10,249,565
<b>Total Capital Assets, Being Depreciated</b>	<b>89,809,804</b>	<b>21,375,700</b>	<b>12,111,798</b>	<b>-</b>	<b>99,073,706</b>
Less accumulated depreciation for:					
Buildings and improvements	(2,587,297)	(251,032)	-	-	(2,838,329)
Central office switching	(15,046,375)	(1,242,914)	1,517,771	1,353	(14,770,165)
Outside plant	(10,651,859)	(1,015,646)	72,820	-	(11,594,685)
Furniture and fixtures	(46,408)	-	-	-	(46,408)
Computer equipment	(2,248,420)	(635,542)	-	(1,353)	(2,885,315)
Other communication equipment	(336,818)	-	-	-	(336,818)
Vehicles and work equipment	(2,762,019)	(80,253)	271,018	-	(2,571,254)
Leasehold improvements	(172,662)	(50,643)	-	-	(223,305)
Other equipment	(4,751,303)	(469,009)	200,268	-	(5,020,044)
Cell sites	(2,023,056)	(265,599)	2,288,655	-	-
Transport facilities	(214,765)	(211,473)	426,238	-	-
Waste water infrastructure	(488,539)	(494,496)	-	-	(983,035)
Water infrastructure	(161,284)	(279,272)	-	-	(440,556)
<b>Total Accumulated Depreciation</b>	<b>(41,490,805)</b>	<b>(4,995,879)</b>	<b>4,776,770</b>	<b>-</b>	<b>(41,709,914)</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>48,318,999</b>	<b>16,379,821</b>	<b>7,335,028</b>	<b>-</b>	<b>57,363,792</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 63,887,214</b>	<b>\$ 18,314,045</b>	<b>\$ 22,362,544</b>	<b>-</b>	<b>\$ 59,838,715</b>

On December 30, 2008 CC Communications – Wireless essentially sold all its capital assets to Commnet of Nevada, LLC. CC Communications – Wireless retained the subscribers and continues to sell and deliver wireless services to its subscribers. The sale of the capital assets and wireless network eliminates future roaming revenues other than those roaming revenues to be received for a period of time that are part of the sales price.

**CHURCHILL COUNTY, NEVADA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 5 - Capital Assets (Continued):**

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

Governmental Activities:		
General government	\$	420,178
Judicial		62,213
Public safety		465,030
Public works		1,021,754
Health		14,878
Welfare		3,974
Culture and recreation		198,057
Community support		2,293
Total Depreciation Expense – Governmental Activities	\$	2,188,377
Business-Type Activities:		
Telephone*	\$	3,296,029
Wireless		533,028
Broadband		390,423
Waste Water		494,496
Utility		281,903
Total Depreciation Expense – Business-Type Activities	\$	4,995,879

\*Includes \$19,999 of depreciation expense which is part of nonoperating, nonregulated expenses.

**NOTE 6 - Defined Benefit Pension Plan:**

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

Funding Policy: Plan members are funded under the employer paid contribution plan: under this method, the County is required to contribute all amounts due under the plan. The contribution requirements of plan members and the County are established by Chapter 286 of the Nevada Revised Statutes. Funding provisions may only be amended through legislation. The County's contribution rates and amounts contributed (which equaled the required contributions) for the last three years are as follows:

Fiscal Year	Contribution Rate		Total Contribution
	Regular Member	Police/ Fire	
2008-09	20.50%	33.50%	\$3,335,129
2007-08	20.50%	33.50%	3,346,366
2006-07	19.75%	32.00%	3,008,625

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 7 - Long-Term Obligations:**

Long-term debt consists of the following at June 30, 2009:

Governmental Activities	Date Issued	Date of Maturity	Interest Rate	Amount Issued	Balance June 30, 2009
<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	\$ 1,850,454
<u>Contract Payable</u>					
Development rights	05/05	2015	1.474%	97,025	76,409
					<u>\$ 1,926,863</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, 2009
<u>Revenue Bonds</u>					
USDA	06/07	2047	4.125%	1,213,000	1,184,347
USDA	06/07	2047	4.125%	1,288,618	1,258,181
USDA	06/07	2047	4.125%	2,042,758	1,994,514
<u>Capital Lease Payable</u>					
Louie's Home Center, Inc.	11/03	2029	Imputed at 3.62%	1,623,575	1,320,297
Total					<u>\$ 5,757,339</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
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	356,446	44,728	401,174	54,536	177,960	232,496
2013	312,752	31,161	343,913	56,821	175,675	232,496
2014	312,753	18,901	331,654	59,201	173,295	232,496
2015-2019	286,690	6,640	293,330	335,350	827,130	1,162,480
2020-2024	-	-	-	411,730	750,750	1,162,480
2025-2029	-	-	-	505,507	656,973	1,162,480
2030-2034	-	-	-	620,643	541,837	1,162,480
2035-2039	-	-	-	762,002	400,478	1,162,480
2040-2044	-	-	-	935,558	226,922	1,162,480
2045-2047	-	-	-	593,113	36,853	629,966
Total	<u>\$ 1,926,863</u>	<u>\$227,334</u>	<u>\$ 2,154,197</u>	<u>\$ 4,437,042</u>	<u>\$ 4,330,284</u>	<u>\$ 8,767,326</u>

The asset acquired through the capital lease for business-type activities is a building. As of June 30, 2009, the capital asset of \$1,623,575 was offset by accumulated depreciation of \$505,112.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 7 - Long-Term Obligations (Continued):**

The following is a schedule of future minimum lease payments under capital lease obligations as of June 30, 2009:

Year Ending June 30	Business-Type Activities		
	Remaining Payments	Less: Amount Representing Interest	Present Value of Net Minimum Lease Payments
2010	\$ 105,600	\$ 42,853	\$ 62,747
2011	115,200	44,336	70,864
2012	115,200	41,729	73,471
2013	115,200	39,026	76,174
2014	115,200	36,223	78,977
2015 – 2019	414,064	150,068	263,996
2020 – 2024	408,480	98,874	309,606
2025 – 2029	408,480	37,573	370,907
2030	13,616	61	13,555
<b>Total</b>	<b>\$ 1,811,040</b>	<b>\$ 490,743</b>	<b>\$ 1,320,297</b>

Changes in Long-term Obligations:

Governmental Activities	Balance July 1, 2008	Additions	Reductions	Balance June 30, 2009	Due Within One Year
Revenue bonds	\$ 2,163,207	\$ -	\$ 312,753	\$ 1,850,454	\$ 312,753
Contract payable	76,409	-	-	76,409	32,716
Compensated absences	874,168	88,574	21,008	941,734	68,127
<b>Total</b>	<b>\$ 3,113,784</b>	<b>\$ 88,574</b>	<b>\$ 333,761</b>	<b>\$ 2,868,597</b>	<b>\$ 413,596</b>
Business-Type Activities	Balance July 1, 2008	Additions	Reductions	Balance June 30, 2009	Due Within One Year
Bonds payable	\$ 4,485,261	\$ -	\$ 48,219	\$ 4,437,042	\$ 50,238
Capital leases payable	1,386,419	-	66,122	1,320,297	62,747
Compensated absences	623,474	684,481	705,452	602,503	59,659
<b>Total</b>	<b>\$ 6,495,154</b>	<b>\$ 684,481</b>	<b>\$ 819,793</b>	<b>\$ 6,359,842</b>	<b>\$ 172,644</b>

Interest expense on long-term obligations for the year ended June 30, 2009 for governmental and business-type activities was \$79,431 and \$178,406, respectively.

In accordance with Nevada Revised Statutes 244A.059, the County was within the legal debit limit at June 30, 2009.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

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

Interfund receivable and payable balances at June 30, 2009 are as follows:

	Due to:						Total Due to Other Funds
	Governmental			Business-Type			
	Major Governmental			Major Proprietary			
	General Fund	Road Fund	Water Resource Fund	Other Governmental Funds	Enterprise Fund	Enterprise Fund	
Due from:							
Governmental							
Activities:							
Major							
Governmental							
Funds:							
Water Resource							
Fund	\$ 44	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44
Other Governmental							
Funds	-	194,664	25,000	37,493	-	-	257,157
Business-Type							
Activities:							
Major Proprietary							
Funds:							
Waste Water							
Enterprise							
Fund	297	-	-	-	-	6,300	6,597
Utility Enterprise							
Fund	-	-	-	-	1,627	-	1,627
Total Due from Other							
Funds	<u>\$ 341</u>	<u>\$194,664</u>	<u>\$ 25,000</u>	<u>\$ 37,493</u>	<u>\$ 1,627</u>	<u>\$ 6,300</u>	<u>\$265,425</u>

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

Interfund transfers are shown as other financing sources or uses, as appropriate. Activity for the year ended June 30, 2009 is as follows:

	Transfers in:				Total Transfers Out
	Governmental		Business-Type		
	Major Governmental	Other Governmental Funds	Major Proprietary		
	Road Fund		Waste Water Enterprise Fund	Utility Enterprise Fund	
Transfers out:					
Governmental activities:					
Major governmental funds:					
General Fund	\$ -	\$ 705,000	\$ -	\$ -	\$ 705,000
Water Resource Fund	-	443,217	-	-	443,217
Other governmental funds	936,826	155,000	250,000	250,000	1,591,826
Total Transfers In	<u>\$ 936,826</u>	<u>\$ 1,303,217</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 2,740,043</u>

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

The Water Resource Fund transferred funds to the Debt Service Funds to be used for payments on debt.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 8 – Interfund Receivables, Payables, and Transfers (Continued):**

The Infrastructure Tax Fund transferred funds to the Utility Enterprise and the Waste Water Enterprise Fund to assist with the construction of facilities.

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

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.

CC Communications in Lieu of Taxes:

CC Communications – Telephone Fund makes payments in lieu of taxes to governmental funds of Churchill County. These payments are based on a rate believed to approximate the assessment that would be charged if CC Communications were a private business, and the County believes that these charges are reasonably equivalent to the value of the services provided to the fund by the County. For this reason, the payments are reported as expenses in the enterprise fund and revenues in the effected governmental funds. CC Communications – Telephone Fund financial statements are prepared in conformity with accounting principles generally accepted in the United States of America applicable to regulated utilities, utilizing the uniform system of accounts prescribed by the Federal Communications Commission for telecommunications companies. As such, the payments in lieu of taxes for regulatory purposes in the amount of \$1,368,041 are reported as an operating expense, while the remaining payments in lieu of taxes of \$622,659 are reported as a nonoperating expense.

**NOTE 9 - 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. All operating leases are cancelable.

**NOTE 10 - 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, 2009:

	Wireless Fund	Long Distance Fund	Broadband Fund	Total
Special access charges	\$ 57,410	\$ -	\$ 60,340	\$ 117,750
Billing and collection	123,658	183,556	74,093	381,307
Rent	66,608	3,000	6,000	75,608
Customer services	334,611	60,613	307,007	702,231
Administrative costs	104,996	10,371	32,994	148,361
Installation	-	-	47,822	47,822
Engineering and maintenance	401,890	-	102,058	503,948
	<u>\$ 1,089,173</u>	<u>\$ 257,540</u>	<u>\$ 630,314</u>	<u>\$ 1,977,027</u>

CC Communications - Telephone Fund paid CC Communications - Wireless Fund \$29,694 for cellular phone service fees during the year ended June 30, 2009.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 10 - Interfund Transactions (Continued):**

CC Communications - Telephone Fund paid CC Communications - Broadband Fund \$8,776 for tower/space rent during the year ended June 30, 2009.

CC Communications - Wireless Fund paid CC Communications - Broadband Fund \$57,630 for tower/space rent during the year ended June 30, 2009.

CC Communications - Broadband Fund paid CC Communications - Wireless Fund \$4,230 for tower/space rent during the year ended June 30, 2009.

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

CC Communications – Wireless, Long Distance, and Broadband Funds revenues are billed in conjunction with CC Communications – Telephone Fund’s customers. At the time the revenue is earned the Telephone Fund transfers cash to the Wireless, Long Distance, and Broadband Funds for the amount of the earnings, therefore the Wireless, Long Distance, and Broadband Funds do not record any accounts receivable on their financial statements. In addition, the Telephone Fund processes and pays all Wireless, Long Distance, and Broadband Funds accounts payable and payroll expenses. The Wireless, Long Distance, and Broadband Funds transfer cash to the Telephone Fund at the time the expense is incurred, therefore no payables or accruals are recorded on the Wireless, Long Distance, and Broadband Fund’s financial statements, except for the accrual for *Net Other Post Employment Benefits Obligation* which is recorded by the Wireless, Long Distance, and Broadband Fund due to the fact the liability is not anticipated to be liquidated within the current period.

**NOTE 11 - 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, 2009, but in the opinion of management and legal counsel, any resulting uninsured liability will not materially affect the financial position or results of operations of the County.

**NOTE 12 - Risk Management and Concentration of Credit Risk:**

Nevada Public Agency Insurance Pool:

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

The County has joined together with similar public agencies (cities, counties, school districts, county-owned hospitals and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (the “Pool”) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The County pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that will provide liability coverage for its members up to \$10,000,000 per event and a \$13,000,000 general aggregate per member. Property crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

The County 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.

**CHURCHILL COUNTY, NEVADA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 12 - Risk Management and Concentration of Credit Risk (Continued):**

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
	50,000,000	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, 2009 represented 4.7% of total revenue.

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, 2009 represented 48% of total revenue.

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

**NOTE 13 – Post Employment Health Care Plans:**

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

**CHURCHILL COUNTY, NEVADA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 13 – Post Employment Health Care Plans (Continued):**

Benefit provisions for the CCEHBP are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of Trustees. The plan provides healthcare insurance for eligible retirees and their beneficiaries through the District’s group health insurance plan, which covers both active and retired members. Under NRS 287.023, eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to pay 100% of their premiums under the plan. As of June 30, 2009, 37 retirees were using this plan. The CCEHBP does not issue a publicly available financial report.

Benefit provisions for the PEBP are administered by the State of Nevada. NRS 287.043 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. County employees who met the eligibility requirements effective September 1, 2008 for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP. NRS 287.023 sunsetted the option to join PEBP for County employees who retired after November 29, 2008. Local governments are required to pay the same portion of the cost of coverage for their retirees joining PEBP that the State of Nevada pays for state retirees participating in the plan. As of June 30, 2009, 137 County retirees were utilizing this benefit.

*Funding Policy:* For CCEHBP, contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The County’s contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the District. The implicit subsidy as determined by the actuary is \$68,027. The County did not prefund any future benefits.

For the PEBP, NRS 287.046 establishes the subsidies to be contributed toward the premium costs of the eligible retired County employees. The contribution requirements of plan members and the County may be amended by the PEBP board. Premium rates determined by PEBP are the same for all participating members. The unsubsidized nonstate retiree plan premiums in effect for fiscal year 2009 ranged from \$323 to \$736, depending on the type of plan chosen. Plan members receiving benefits have their monthly contribution deducted from their pension checks based on the health plan chosen by the retiree, as reduced by the amount of the subsidy; therefore, their contributions are not available. For the plan year ended June 30, 2009, retirees qualified for a subsidy of \$91 at five years of service and \$503 at twenty years of service, with incremental increases for years of service in between. As a participating employer, the County is billed for the subsidy on a monthly basis and is legally required to provide for it. For fiscal year 2009, the County contributed \$481,092 to the plan, equal to required contributions. The County did not prefund future benefits.

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

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations, by plan, for fiscal year 2008-09 were as follows:

	Fiscal Year End	Annual OPEB Cost (Entry Age Normal Cost Method)	Employer Contributions	Percentage of Annual OPEB Contributed	Net OPEB Obligation
CCEHBP	June 30, 2009	\$ 873,889	\$ 68,027	8%	\$ 805,862
PEBP	June 30, 2009	817,206	481,092	59%	336,114
		\$ 1,691,095	\$ 549,119		\$ 1,141,976

Note that fiscal year 2009 is the first year of prospective implementation of GASB 45, Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pension Plans; therefore, prior year information is unavailable.

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 13 – Post Employment Health Care Plans (Continued):**

The net OPEB obligation (NOPEBO) as of June 30, 2009, was calculated as follows:

	<u>CCEHBP</u>	<u>PEBP</u>	<u>Total</u>
Annual Required Contribution (ARC)	\$ 873,889	\$ 817,206	\$1,691,095
Interest on net OPEB obligation	-	-	-
Adjustment to annual required contribution	-	-	-
Annual Required Contribution	873,889	817,206	1,691,095
Contributions made	68,027	481,092	549,119
Increase in net OPEB obligation	805,862	336,114	1,141,976
Net OPEB obligation – beginning of the year	-	-	-
Net OPEB obligation – end of year	<u>\$ 805,862</u>	<u>\$ 336,114</u>	<u>\$ 1,141,976</u>

*Funded Status and Funding Progress:* The funded status of the plans as of June 30, 2009 were as follows:

	<u>CCEHBP</u>	<u>PEBP</u>	<u>Total</u>
Accrued actuarial liability (a)	\$ 13,342,973	\$ 14,696,394	\$ 28,039,367
Actuarial value of plan assets (b)	-	-	-
Unfunded Actuarial Accrued Liability (a) – (b)	<u>\$ 13,342,973</u>	<u>\$ 14,696,394</u>	<u>\$ 28,039,367</u>
Funded Ratio (b) / (a)	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered payroll (c)	<u>\$ 13,299,360</u>	<u>N/A</u>	
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((a) – (b)) / (c)	<u>100%</u>	<u>N/A</u>	

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Multiyear information will be provided as it becomes available.

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

**CHURCHILL COUNTY, NEVADA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009**

**NOTE 13 – Post Employment Health Care Plans (Continued):**

Significant methods and assumptions used in the January 1, 2008 actuarial valuation were as follows:

	CCEHBP	PEBP
Actuarial valuation date	January 1, 2008	January 1, 2008
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period (open)	30 years	30 years
Asset valuation method	Market Value	Market Value
Actuarial Assumptions:		
Investment rate of return	4%	4%
Projected overall salary increase		
Regular	6.5%	6.5%
Police/fire	8%	8%
Medical Healthcare inflation rate*	12%	12%
Dental Healthcare inflation rate**	7%	7%
PEBP Subsidy inflation rate***	-	12%

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

\*\*Decreasing .5% each year until ultimate trend rate of 4.5% is reached in 2015.

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

**NOTE 14 - Revenue Stabilization Fund:**

The Revenue Stabilization Fund established in accordance with NRS 354.6115 did not have any expenditures during the 2008-2009 fiscal year.

The budgeted resource for the Revenue Stabilization Fund for the 2009-2010 fiscal year is interest income in the amount of \$25,000. There are no budgeted expenditures for the 2009-2010 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  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2009**

**SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFIT PLANS**

	<b>ACTUARIAL VALUATION DATE</b>	<b>ACTUARIAL VALUE OF ASSETS (a)</b>	<b>ACTUARIAL ACCRUED LIABILITY (AAL) - ENTRY AGE NORMAL COST (b)</b>	<b>UNFUNDED AAL (UAAL) (b - a)</b>	<b>FUNDED RATIO (a/b)</b>	<b>COVERED PAYROLL (c)</b>	<b>UAAL AS A PERCENTAGE OF COVERED PAYROLL ([b - a]/c)</b>
CCEHBP	January 1, 2008	\$ -	\$13,342,973	\$13,342,973	0%	\$ 13,299,360	100%
PEBP	January 1, 2008	-	14,696,394	14,696,394	0%	-	0%

Multi-year data will be provided as it becomes available.

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)**

	<b>NONMAJOR SPECIAL REVENUE FUNDS</b>	<b>NONMAJOR DEBT SERVICE FUND</b>	<b>NONMAJOR CAPITAL PROJECTS FUNDS</b>	<b>TOTALS</b>	
				<b>2009</b>	<b>2008</b>
<b>ASSETS</b>					
Cash and investments	\$16,649,941	\$ 856,785	\$ 5,408,204	\$ 22,914,930	\$16,981,236
Receivables:					
Property taxes	86,838	-	12,554	99,392	65,536
Interest	15,272	820	5,437	21,529	25,830
Other	12,575	-	30	12,605	38,333
Notes	166,445	-	-	166,445	200,828
Due from other funds	37,493	-	-	37,493	65,640
Due from other governments	573,066	-	100,010	673,076	947,385
	<u>\$17,541,630</u>	<u>\$ 857,605</u>	<u>\$ 5,526,235</u>	<u>\$ 23,925,470</u>	<u>\$18,324,788</u>
Total Assets					
<b>LIABILITIES</b>					
Accounts payable	\$ 84,938	\$ -	\$ 63,648	\$ 148,586	\$ 160,354
Accrued liabilities	73,853	-	-	73,853	64,562
Deferred revenue	84,363	-	11,569	95,932	66,232
Due to other funds	232,157	25,000	-	257,157	405,813
Due to other governments	131,514	-	10,459	141,973	288,738
Customer deposits	3,140	-	-	3,140	3,428
	<u>609,965</u>	<u>25,000</u>	<u>85,676</u>	<u>720,641</u>	<u>989,127</u>
Total Liabilities					
<b>FUND BALANCES</b>					
Reserved for:					
Notes receivable	166,445	-	-	166,445	200,828
Revenue shortfalls	1,548,826	-	-	1,548,826	1,447,454
Unreserved	15,216,394	832,605	5,440,559	21,489,558	15,687,379
	<u>16,931,665</u>	<u>832,605</u>	<u>5,440,559</u>	<u>23,204,829</u>	<u>17,335,661</u>
Total Fund Balances					
Total Liabilities and Fund Balances	<u>\$17,541,630</u>	<u>\$ 857,605</u>	<u>\$ 5,526,235</u>	<u>\$ 23,925,470</u>	<u>\$18,324,788</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	NONMAJOR SPECIAL REVENUE FUNDS	NONMAJOR DEBT SERVICE FUND	NONMAJOR CAPITAL PROJECTS FUNDS	TOTALS	
				2009	2008
<b>REVENUES</b>					
Taxes	\$ 3,184,572	\$ -	\$ 347,253	\$ 3,531,825	\$ 2,963,209
Licenses and permits	31,000	-	-	31,000	82,200
Intergovernmental	3,925,675	-	417,971	4,343,646	3,701,468
Charges for services	660,166	-	-	660,166	334,942
Miscellaneous	1,985,643	13,669	1,992,411	3,991,723	1,496,225
Total Revenues	<u>9,787,056</u>	<u>13,669</u>	<u>2,757,635</u>	<u>12,558,360</u>	<u>8,578,044</u>
<b>EXPENDITURES</b>					
Current:					
General government	365,211	-	2,538,239	2,903,450	833,928
Judicial	63,455	-	-	63,455	96,123
Public safety	5,777	-	-	5,777	9,609
Public works	40,707	-	-	40,707	62,066
Health	1,964	-	-	1,964	563
Welfare	1,073,827	-	-	1,073,827	1,080,457
Culture and recreation	1,777,588	-	-	1,777,588	2,366,669
Community support	700,543	-	-	700,543	797,891
Intergovernmental	375,000	-	85,429	460,429	244,425
Debt service:					
Principal	-	312,753	-	312,753	333,369
Interest	-	80,090	-	80,090	96,879
Total Expenditures	<u>4,404,072</u>	<u>392,843</u>	<u>2,623,668</u>	<u>7,420,583</u>	<u>5,921,979</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,382,984</u>	<u>(379,174)</u>	<u>133,967</u>	<u>5,137,777</u>	<u>2,656,065</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Property sales	-	-	1,020,000	1,020,000	250,000
Transfers in	830,000	443,217	30,000	1,303,217	1,038,217
Transfers out	(1,591,826)	-	-	(1,591,826)	(2,139,884)
Total Other Financing Sources (Uses)	<u>(761,826)</u>	<u>443,217</u>	<u>1,050,000</u>	<u>731,391</u>	<u>(851,667)</u>
Net Change in Fund Balances	4,621,158	64,043	1,183,967	5,869,168	1,804,398
<b>FUND BALANCE, July 1</b>	<u>12,310,507</u>	<u>768,562</u>	<u>4,256,592</u>	<u>17,335,661</u>	<u>15,531,263</u>
<b>FUND BALANCE, June 30</b>	<u>\$16,931,665</u>	<u>\$ 832,605</u>	<u>\$ 5,440,559</u>	<u>\$ 23,204,829</u>	<u>\$17,335,661</u>

**CHURCHILL COUNTY, NEVADA  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and investments	\$ 3,889,650	\$ 3,008,448
Receivables:		
Property taxes	204,849	145,031
Interest	3,929	4,140
Other	59,523	65,702
Due from other funds	341	11,667
Due from other governments	<u>1,305,846</u>	<u>1,742,900</u>
Total Assets	<u>\$ 5,464,138</u>	<u>\$ 4,977,888</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 203,903	\$ 222,494
Accrued salaries	371,295	309,722
Accrued benefits	184,981	166,628
Deferred revenue	1,104,201	1,127,194
Due to other governments	108,237	112,074
Customer deposits	<u>3,285</u>	<u>3,285</u>
Total Liabilities	1,975,902	1,941,397
 Fund Balance:		
Unreserved	<u>3,488,236</u>	<u>3,036,491</u>
Total Liabilities and Fund Balance	<u>\$ 5,464,138</u>	<u>\$ 4,977,888</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 1 of 6)**

<b>REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>	<b>2008</b>
Property taxes:				
Ad valorem taxes	\$ 4,192,531	\$ 5,191,482	\$ 998,951	\$ 4,335,438
Licenses and permits:				
Business licenses	54,500	62,022	7,522	54,040
Liquor licenses	4,875	3,590	(1,285)	4,302
Local gaming licenses	48,750	46,825	(1,925)	40,432
Marriage licenses	3,750	4,347	597	5,097
Other permits	12,500	20,923	8,423	20,705
Building permits	215,000	70,010	(144,990)	223,296
Mobile home permits	200	60	(140)	115
Fictitious name/notary bonds	6,350	10,830	4,480	8,070
Passport fees	6,545	5,775	(770)	10,185
Drug court fee	5,000	5,320	320	5,159
Septic fees	12,500	5,750	(6,750)	8,300
Inspection fees	20,175	2,235	(17,940)	18,347
Manufactured home permits	14,175	6,425	(7,750)	12,600
Other license/permits fees	33,250	8,972	(24,278)	14,544
Franchise fees	156,000	159,439	3,439	171,130
	<u>593,570</u>	<u>412,523</u>	<u>(181,047)</u>	<u>596,322</u>
Intergovernmental:				
Federal in lieu of taxes	675,000	675,000	-	661,704
State gaming license	-	18,850	18,850	22,451
Bi-county reimbursements	30,000	34,322	4,322	36,291
Private car tax	-	1,857	1,857	2,182
AB104 fairshare	1,250,750	1,059,969	(190,781)	1,093,539
Consolidated intergovernmental taxes	5,675,000	5,526,194	(148,806)	5,594,895
Jail reimbursements:				
Paiute	-	1,200	1,200	-
City	35,000	49,452	14,452	28,354
Task force reimbursement	5,000	3,156	(1,844)	3,591
Grants-in-aid:				
Federal grants:				
Title IV-D	350,175	339,311	(10,864)	315,342
Title IV-D incentive	20,000	12,193	(7,807)	-
Wilderness program	-	-	-	3,028
Planning assistance	480,000	404,643	(75,357)	235,820
FEMA - emergency management	19,185	19,185	-	6,748
Title V mentor link	-	-	-	2,500
State criminal assistance program (SCAAP)	-	7,442	7,442	11,039
Rural fire assistance	8,958	8,958	-	-
OJJDP - CCBC - rafts	28,805	28,805	-	28,805
OJJDP intensive supervision	-	-	-	4,800
JABG boys' council	14,349	14,349	-	-
Homeland security	-	-	-	89,575
SERC - Operations	4,599	4,599	-	952
SERC - Training	-	-	-	999
SERC - Equipment	28,531	28,531	-	59,113
HMEP - training	-	15,750	15,750	4,950
Stimulus NV works	16,638	16,638	-	-
Nevada works summer employment	41,875	41,875	-	47,885
Traffic safety	-	4,691	4,691	-
State grants:				
Homeland security - County	-	-	-	236
Homeland security - City	-	-	-	6,203

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 2 of 6)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
JPO family management	\$ -	\$ 6,289	\$ 6,289	\$ 11,095
Coalition - tobacco prevention	-	-	-	5,181
Coalition - meth education	-	17,500	17,500	12,500
Rafts	-	-	-	20,067
	<u>8,683,865</u>	<u>8,340,759</u>	<u>(343,106)</u>	<u>8,309,845</u>
Charges for services:				
Administrative assessments:				
Juvenile probation	-	8,036	8,036	7,850
Justice court	32,750	28,106	(4,644)	27,457
Municipal court	1,750	1,694	(56)	1,476
Juvenile court	700	1,395	695	1,040
District court	400	294	(106)	250
Assessor's property tax commissions	167,500	198,939	31,439	160,119
Assessor's department fee	1,000	-	(1,000)	-
Candidate filing fees	-	100	100	600
Justice court filing fees	61,750	61,618	(132)	79,756
Justice court forensic fees	6,200	8,646	2,446	6,151
Court clerk miscellaneous	21,750	30,064	8,314	28,740
County court fees	23,400	23,384	(16)	22,632
Recorder RPTT collection fees	2,100	1,921	(179)	2,807
Recorder's fees	105,000	100,147	(4,853)	117,947
Public defender fees	9,000	11,146	2,146	12,637
Return check fees	50	320	270	80
Crime lab fees	500	1,806	1,306	669
Sheriff's fees	37,175	34,949	(2,226)	45,516
Sheriff's fees, fingerprint	2,750	1,605	(1,145)	2,525
Sheriff's fees, concealed weapon	5,100	10,725	5,625	7,685
Sheriff's fees, intermittent	1,000	4,503	3,503	3,055
CC Communications retainer	12,000	13,120	1,120	15,060
BLM service fee	10,000	-	(10,000)	10,000
Planning commission appeal fee	100	120	20	100
Child support withheld fee	1,600	-	(1,600)	-
Cemetery fees	33,750	37,360	3,610	38,580
Forensic fees - task force	500	970	470	800
DMV - spay and neuter fee	200	540	340	415
Inmate phone revenue	-	2,606	2,606	635
Counseling reimbursement	-	12,723	12,723	-
Mining map fees:				
Map fees - mining claims	8,125	3,107	(5,018)	12,027
Land plot maps - copies	100	196	96	124
	<u>546,250</u>	<u>600,140</u>	<u>53,890</u>	<u>606,733</u>
Fines and forfeits:				
Forfeited bail	172,835	185,213	12,378	216,933
Fines	48,750	71,106	22,356	66,032
Justice court bond forfeiture	2,000	2,435	435	4,340
Delinquent tax penalties	115,000	204,493	89,493	140,273
	<u>338,585</u>	<u>463,247</u>	<u>124,662</u>	<u>427,578</u>
Miscellaneous:				
Interest	94,000	58,811	(35,189)	55,355
Miscellaneous sales	2,000	7,384	5,384	5,814
Oil and gas leases	3,033	-	(3,033)	-
Mine proceeds tax commissions	-	50,001	50,001	19,589
Senior citizen processing fees	-	780	780	832
Data processing	4,800	4,950	150	6,600
Buildings lease revenue	8,970	2,244	(6,726)	8,971
Justice court payment setup fee	6,000	9,775	3,775	9,586
Justice court collection fee	9,000	12,140	3,140	12,380
Juvenile transport reimbursements	3,750	1,177	(2,573)	2,452
Juvenile child care reimbursements	3,100	6,054	2,954	3,817
Juvenile substance abuse reimbursements	1,500	2,104	604	1,198

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 3 of 6)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
Juvenile instructional supervision reimbursements	\$ 1,500	\$ 2,869	\$ 1,369	\$ 1,706
Juvenile miscellaneous reimbursements	100	1,545	1,445	-
Gifts and donations	-	-	-	200
Mathew Homes Hazen project	-	-	-	7,275
Geothermal rents/royalties	400,000	475,000	75,000	555,478
Enel sales tax payments	175,860	175,860	-	87,930
CC Communications in lieu of taxes	1,700,000	1,700,000	-	1,687,269
Other miscellaneous	8,000	17,685	9,685	21,773
	<u>2,421,613</u>	<u>2,528,379</u>	<u>103,952</u>	<u>2,488,225</u>
Total Revenues	<u>16,776,414</u>	<u>17,536,530</u>	<u>757,302</u>	<u>16,764,141</u>
<b>EXPENDITURES</b>				
General government:				
Commissioners:				
Salaries	86,635	85,224	1,411	84,095
Benefits	49,413	44,478	4,935	43,536
Services and supplies	20,750	20,167	583	14,566
	<u>156,798</u>	<u>149,869</u>	<u>6,929</u>	<u>142,197</u>
Clerk/treasurer:				
Salaries	382,484	357,664	24,820	349,243
Benefits	172,693	155,129	17,564	149,880
Services and supplies	49,050	45,469	3,581	31,855
Capital outlay	-	-	-	1,000
	<u>604,227</u>	<u>558,262</u>	<u>45,965</u>	<u>531,978</u>
Recorder:				
Salaries	153,339	150,321	3,018	160,210
Benefits	63,361	59,284	4,077	66,531
Services and supplies	21,700	18,995	2,705	19,852
	<u>238,400</u>	<u>228,600</u>	<u>9,800</u>	<u>246,593</u>
Records and microfilming:				
Services and supplies	37,500	26,546	10,954	16,339
Assessor:				
Salaries	400,056	394,072	5,984	395,840
Benefits	165,219	152,154	13,065	154,958
Services and supplies	73,380	54,916	18,464	58,774
	<u>638,655</u>	<u>601,142</u>	<u>37,513</u>	<u>609,572</u>
County manager:				
Salaries	177,950	172,300	5,650	160,873
Benefits	52,084	51,343	741	49,314
Services and supplies	8,450	6,456	1,994	11,389
	<u>238,484</u>	<u>230,099</u>	<u>8,385</u>	<u>221,576</u>
Buildings and grounds:				
Salaries	288,505	286,020	2,485	245,026
Benefits	122,005	121,724	281	105,024
Services and supplies	399,285	331,741	67,544	391,293
Capital outlay	56,000	54,454	1,546	4,607
	<u>865,795</u>	<u>793,939</u>	<u>71,856</u>	<u>745,950</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 4 of 6)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
Elections:				
Salaries	\$ 15,000	\$ 7,418	\$ 7,582	\$ 33
Benefits	700	1,100	(400)	-
Services and supplies	<u>70,250</u>	<u>68,273</u>	<u>1,977</u>	<u>6,088</u>
	<u>85,950</u>	<u>76,791</u>	<u>9,159</u>	<u>6,121</u>
Personnel operations:				
Salaries	89,100	89,972	(872)	82,275
Benefits	30,450	28,619	1,831	26,243
Services and supplies	<u>5,100</u>	<u>3,550</u>	<u>1,550</u>	<u>6,537</u>
	<u>124,650</u>	<u>122,141</u>	<u>2,509</u>	<u>115,055</u>
Personnel - staff development:				
Benefits	-	209	(209)	-
Services and supplies	<u>4,500</u>	<u>3,883</u>	<u>617</u>	<u>1,761</u>
	<u>4,500</u>	<u>4,092</u>	<u>408</u>	<u>1,761</u>
Personnel - benefit services:				
Services and supplies	<u>15,850</u>	<u>13,542</u>	<u>2,308</u>	<u>15,171</u>
Comptroller:				
Salaries	281,902	276,589	5,313	298,198
Benefits	104,388	95,732	8,656	106,044
Services and supplies	<u>17,800</u>	<u>11,916</u>	<u>5,884</u>	<u>14,016</u>
	<u>404,090</u>	<u>384,237</u>	<u>19,853</u>	<u>418,258</u>
Data processing:				
Services and supplies	149,700	148,565	1,135	137,303
Capital outlay	<u>21,250</u>	<u>-</u>	<u>21,250</u>	<u>106,931</u>
	<u>170,950</u>	<u>148,565</u>	<u>22,385</u>	<u>244,234</u>
General government other:				
Services and supplies	1,057,200	985,922	71,278	924,569
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,627</u>
	<u>1,057,200</u>	<u>985,922</u>	<u>71,278</u>	<u>931,196</u>
Building inspection:				
Salaries	166,660	163,121	3,539	149,300
Benefits	68,132	62,951	5,181	58,582
Services and supplies	<u>9,500</u>	<u>6,435</u>	<u>3,065</u>	<u>8,113</u>
	<u>244,292</u>	<u>232,507</u>	<u>11,785</u>	<u>215,995</u>
Yucca Mountain:				
Services and supplies	<u>429,500</u>	<u>404,642</u>	<u>24,858</u>	<u>236,061</u>
Planning department:				
Salaries	361,595	358,304	3,291	334,444
Benefits	138,335	129,703	8,632	122,689
Services and supplies	<u>66,300</u>	<u>22,155</u>	<u>44,145</u>	<u>45,272</u>
	<u>566,230</u>	<u>510,162</u>	<u>56,068</u>	<u>502,405</u>
Total General Government	<u>5,883,071</u>	<u>5,471,058</u>	<u>412,013</u>	<u>5,200,462</u>
Judicial:				
District court:				
Salaries	114,868	110,925	3,943	115,222
Benefits	46,360	41,507	4,853	40,766
Services and supplies	<u>440,254</u>	<u>419,183</u>	<u>21,071</u>	<u>453,112</u>
	<u>601,482</u>	<u>571,615</u>	<u>29,867</u>	<u>609,100</u>

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 5 of 6)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
Justice court:				
Salaries	\$ 304,284	\$ 298,190	\$ 6,094	\$ 313,562
Benefits	116,262	107,991	8,271	115,420
Services and supplies	123,650	103,212	20,438	102,247
Capital outlay	-	-	-	5,835
	<u>544,196</u>	<u>509,393</u>	<u>34,803</u>	<u>537,064</u>
District attorney:				
Salaries	1,230,643	1,180,472	50,171	1,057,371
Benefits	494,178	425,735	68,443	385,963
Services and supplies	215,498	218,815	(3,317)	223,987
Capital outlay	12,000	9,766	2,234	-
	<u>1,952,319</u>	<u>1,834,788</u>	<u>117,531</u>	<u>1,667,321</u>
Total Judicial	<u>3,097,997</u>	<u>2,915,796</u>	<u>182,201</u>	<u>2,813,485</u>
Public safety:				
Sheriff:				
Salaries	3,055,290	2,816,390	238,900	2,821,495
Benefits	1,608,097	1,443,927	164,170	1,411,192
Services and supplies	627,199	588,937	38,262	561,275
Capital outlay	30,000	-	30,000	371,940
	<u>5,320,586</u>	<u>4,849,254</u>	<u>471,332</u>	<u>5,165,902</u>
Fire protection:				
Salaries	105,595	101,836	3,759	78,274
Benefits	145,175	144,807	368	146,542
Services and supplies	269,101	263,866	5,235	220,801
Capital outlay	338,790	328,517	10,273	6,111
	<u>858,661</u>	<u>839,026</u>	<u>19,635</u>	<u>451,728</u>
Emergency management:				
Salaries	10,000	9,219	781	-
Benefits	2,500	2,239	261	-
Services and supplies	80,273	63,577	16,696	89,320
	<u>92,773</u>	<u>75,035</u>	<u>17,738</u>	<u>89,320</u>
Juvenile probation:				
Salaries	563,231	585,940	(22,709)	609,417
Benefits	259,302	232,459	26,843	244,819
Services and supplies	277,792	326,295	(48,503)	261,243
Capital outlay	-	8,000	(8,000)	23,408
	<u>1,100,325</u>	<u>1,152,694</u>	<u>(52,369)</u>	<u>1,138,887</u>
Total Public Safety	<u>7,372,345</u>	<u>6,916,009</u>	<u>456,336</u>	<u>6,845,837</u>
Sanitation:				
Animal control and garbage disposal:				
Services and supplies	92,000	80,547	11,453	82,121
Health:				
City/County health:				
Services and supplies	4,200	703	3,497	983

**CHURCHILL COUNTY, NEVADA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 6 of 6)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
Cemetery:				
Salaries	\$ 99,468	\$ 98,087	\$ 1,381	\$ 92,349
Benefits	40,172	35,050	5,122	34,290
Services and supplies	44,000	41,808	2,192	57,182
Capital outlay	6,000	3,178	2,822	-
	<u>189,640</u>	<u>178,123</u>	<u>11,517</u>	<u>183,821</u>
Total Health	<u>193,840</u>	<u>178,826</u>	<u>15,014</u>	<u>184,804</u>
Culture and recreation:				
Museum:				
Salaries	252,396	239,541	12,855	228,975
Benefits	64,956	60,541	4,415	57,706
Services and supplies	30,000	30,094	(94)	37,131
Total Culture and Recreation	<u>347,352</u>	<u>330,176</u>	<u>17,176</u>	<u>323,812</u>
Community support:				
Services and supplies	<u>150,500</u>	<u>148,038</u>	<u>2,462</u>	<u>160,987</u>
Intergovernmental:				
Payments to other governments	<u>433,765</u>	<u>429,018</u>	<u>4,747</u>	<u>428,526</u>
Total Expenditures	<u>17,570,870</u>	<u>16,469,468</u>	<u>1,101,402</u>	<u>16,040,034</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(794,456)</u>	<u>1,067,062</u>	<u>1,861,518</u>	<u>724,107</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital and other assets	5,000	89,683	84,683	-
Transfers out:				
Parks and Recreation Fund	-	(200,000)	(200,000)	-
Cemetery Beautification Fund	-	(5,000)	(5,000)	-
Library Gift Fund	-	-	-	(30,000)
Recreation Donation Fund	-	-	-	(30,000)
Law Library Fund	-	(25,000)	(25,000)	(25,000)
Risk Management Fund	-	(50,000)	(50,000)	(50,000)
Compensated Absences Fund	-	(400,000)	(400,000)	(250,000)
Unemployment Compensation Fund	-	(25,000)	(25,000)	(25,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>(615,317)</u>	<u>(620,317)</u>	<u>(410,000)</u>
Net Change in Fund Balances	<u>(789,456)</u>	<u>451,745</u>	<u>1,241,201</u>	<u>314,107</u>
<b>FUND BALANCE, July 1</b>	<u>2,436,527</u>	<u>3,036,491</u>	<u>599,964</u>	<u>2,722,384</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,647,071</u>	<u>\$ 3,488,236</u>	<u>\$ 1,841,165</u>	<u>\$ 3,036,491</u>

**CHURCHILL COUNTY, NEVADA  
MAJOR SPECIAL REVENUE FUND - ROAD FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Cash and investments	\$ 1,637,239	\$ 1,702,792
Receivables:		
Interest	1,615	2,834
Other	105,738	40,054
Due from other funds	194,664	369,146
Due from other governments	176,121	396,127
Total Assets	<b>\$ 2,115,377</b>	<b>\$ 2,510,953</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 189,025	\$ 116,927
Accrued salaries	35,028	31,797
Accrued benefits	12,177	10,967
Customer deposits	1,933	1,933
Due to other funds	-	65,640
Due to other governments	6,290	1,172
Total Liabilities	244,453	228,436
Fund Balance:		
Unreserved	1,870,924	2,282,517
Total Liabilities and Fund Balance	<b>\$ 2,115,377</b>	<b>\$ 2,510,953</b>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR SPECIAL REVENUE FUND - ROAD FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Licenses and permits:				
Licenses and permits	\$ 2,000	\$ 350	\$ (1,650)	\$ 300
Intergovernmental:				
Motor vehicle fuel tax (\$.0125)	345,576	345,581	5	345,581
Motor vehicle fuel tax (\$.0175)	104,244	94,785	(9,459)	109,992
Motor vehicle fuel tax (\$.0360)	490,651	568,243	77,592	570,320
	<u>940,471</u>	<u>1,008,609</u>	<u>68,138</u>	<u>1,025,893</u>
Miscellaneous:				
Interest	72,352	38,189	(34,163)	79,981
Miscellaneous	300	7,803	7,503	61,225
Inspection fees	4,000	2,452	(1,548)	3,075
Geothermal rents and royalties	-	-	-	555,478
Fuel reimbursements	225,000	210,994	(14,006)	245,587
Road reimbursements	-	90,000	90,000	-
Water construction	2,000	11,204	9,204	6,375
Equipment rental	-	549	549	1,878
Meter fees	1,500	1,500	-	3,000
	<u>305,152</u>	<u>362,691</u>	<u>57,539</u>	<u>956,599</u>
Total Revenues	<u>1,247,623</u>	<u>1,371,650</u>	<u>124,027</u>	<u>1,982,792</u>
<b>EXPENDITURES</b>				
Public works:				
Highways and streets:				
Salaries	766,001	750,051	15,950	763,735
Benefits	353,434	289,209	64,225	288,952
Services and supplies	1,396,200	1,328,894	67,306	1,382,952
Capital outlay	375,000	351,915	23,085	369,343
Total Expenditures	<u>2,890,635</u>	<u>2,720,069</u>	<u>170,566</u>	<u>2,804,982</u>
Deficiency of Revenues Under Expenditures	<u>(1,643,012)</u>	<u>(1,348,419)</u>	<u>294,593</u>	<u>(822,190)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Regional Transportation Fund	600,000	349,325	(250,675)	455,749
Public Transit Fund	500,000	587,501	87,501	499,135
Sale of capital and other assets	25,000	-	(25,000)	-
Total Other Financing Sources (Uses)	<u>1,125,000</u>	<u>936,826</u>	<u>(188,174)</u>	<u>954,884</u>
Net Change in Fund Balances	<u>(518,012)</u>	<u>(411,593)</u>	<u>106,419</u>	<u>132,694</u>
<b>FUND BALANCE, July 1</b>	<u>1,762,827</u>	<u>2,282,517</u>	<u>519,690</u>	<u>2,149,823</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,244,815</u>	<u>\$ 1,870,924</u>	<u>\$ 626,109</u>	<u>\$ 2,282,517</u>

**CHURCHILL COUNTY, NEVADA  
MAJOR SPECIAL REVENUE FUND - WATER RESOURCE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Cash and investments	\$ 321,589	\$ 538,454
Receivables:		
Interest	138,971	141,210
Notes	792,750	792,750
Due from other funds	25,000	25,000
Due from other governments	311,390	216,764
Total Assets	<b>\$ 1,589,700</b>	<b>\$ 1,714,178</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 41,664	\$ 9,345
Accrued salaries	4,399	3,823
Accrued benefits	1,265	1,165
Due to other funds	44	-
Due to other governments	62,430	-
Total Liabilities	109,802	14,333
Fund Balance:		
Reserved for notes receivable	792,750	792,750
Unreserved	687,148	907,095
Total Fund Balance	1,479,898	1,699,845
Total Liabilities and Fund Balance	<b>\$ 1,589,700</b>	<b>\$ 1,714,178</b>

**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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 48,000	\$ 148,000	\$ 100,000	\$ 75,000
Grants-in-aid:				
Federal	265,384	265,384	-	2,080,837
State	-	-	-	2,943,930
Refuge revenue sharing	-	26,508	26,508	33,930
	<u>313,384</u>	<u>439,892</u>	<u>126,508</u>	<u>5,133,697</u>
Charges for services:				
Water rights dedication fees	50,000	49,341	(659)	115,905
Miscellaneous:				
Interest	25,000	13,937	(11,063)	200,050
Geothermal rents and royalties	651,852	715,685	63,833	555,478
Development contribution conservation easement	965,410	965,410	-	1,050,000
Other miscellaneous	5,000	-	(5,000)	22,397
	<u>1,647,262</u>	<u>1,695,032</u>	<u>47,770</u>	<u>1,827,925</u>
Total Revenues	<u>2,010,646</u>	<u>2,184,265</u>	<u>173,619</u>	<u>7,077,527</u>
<b>EXPENDITURES</b>				
General government				
Salaries	96,577	94,541	2,036	92,879
Benefits	32,945	29,808	3,137	28,661
Services and supplies	471,584	414,551	57,033	70,617
Capital outlay	1,742,262	1,422,095	320,167	6,110,733
Total Expenditures	<u>2,343,368</u>	<u>1,960,995</u>	<u>382,373</u>	<u>6,302,890</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(332,722)</u>	<u>223,270</u>	<u>555,992</u>	<u>774,637</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales of water rights	-	-	-	53,020
Transfers out:				
Debt Service Fund	(443,217)	(443,217)	-	(443,217)
Waste Water Enterprise Fund	-	-	-	(1,750,000)
Total Other Financing Sources (Uses)	<u>(443,217)</u>	<u>(443,217)</u>	<u>-</u>	<u>(2,140,197)</u>
Net Change in Fund Balances	<u>(775,939)</u>	<u>(219,947)</u>	<u>555,992</u>	<u>(1,365,560)</u>
<b>FUND BALANCE, July 1</b>	<u>2,055,597</u>	<u>1,699,845</u>	<u>(355,752)</u>	<u>3,065,405</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,279,658</u>	<u>\$ 1,479,898</u>	<u>\$ 200,240</u>	<u>\$ 1,699,845</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)**  
**(Page 1 of 4)**

	<b>REVENUE STABILIZATION FUND</b>	<b>SOCIAL SERVICES FUND</b>	<b>COOPERATIVE EXTENSION FUND</b>	<b>PUBLIC LIBRARY FUND</b>	<b>PARKS AND RECREATION FUND</b>	<b>CEMETERY BEAUTIFICATION FUND</b>	<b>INDIGENT DONATIONS AND GIFTS FUND</b>	<b>LAW LIBRARY FUND</b>	<b>REGIONAL TRANSPORTATI FUND</b>
<b>ASSETS</b>									
Cash and investments	\$ 1,547,345	\$ 1,222,164	\$ 228,669	\$ 707,156	\$ 763,364	\$ 38,364	\$ 52,583	\$ 172,907	\$ 804,748
Receivables:									
Property taxes	-	19,780	8,129	23,873	-	-	-	-	-
Interest	1,481	1,184	225	688	535	35	50	154	921
Other	-	758	25	294	1,446	-	-	-	-
Notes	-	-	-	-	-	-	-	-	-
Due from other funds	-	37,493	-	-	-	-	-	-	-
Due from other governments	-	160,906	-	-	61,824	-	40	-	127,800
Total Assets	<u>\$ 1,548,826</u>	<u>\$ 1,442,285</u>	<u>\$ 237,048</u>	<u>\$ 732,011</u>	<u>\$ 827,169</u>	<u>\$ 38,399</u>	<u>\$ 52,673</u>	<u>\$ 173,061</u>	<u>\$ 933,469</u>
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Accounts payable	\$ -	\$ 16,488	\$ 6,876	\$ 6,549	\$ 22,239	\$ -	\$ 590	\$ 2,246	\$ -
Accrued salaries	-	6,600	2,394	13,679	34,094	-	-	-	-
Accrued benefits	-	2,351	803	4,798	8,161	-	85	-	-
Deferred revenue	-	18,409	7,511	22,133	3,682	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	117,894
Due to other governments	-	11,182	3,355	2,005	3,648	-	-	-	-
Customer deposits	-	-	-	-	3,140	-	-	-	-
Total Liabilities	<u>-</u>	<u>55,030</u>	<u>20,939</u>	<u>49,164</u>	<u>74,964</u>	<u>-</u>	<u>675</u>	<u>2,246</u>	<u>117,894</u>
Fund Balance:									
Reserved for notes receivable	-	-	-	-	-	-	-	-	-
Reserved for revenue shortfalls	1,548,826	-	-	-	-	-	-	-	-
Unreserved	-	1,387,255	216,109	682,847	752,205	38,399	51,998	170,815	815,575
Total Fund Balance	<u>1,548,826</u>	<u>1,387,255</u>	<u>216,109</u>	<u>682,847</u>	<u>752,205</u>	<u>38,399</u>	<u>51,998</u>	<u>170,815</u>	<u>815,575</u>
Total Liabilities and Fund Balance	<u>\$ 1,548,826</u>	<u>\$ 1,442,285</u>	<u>\$ 237,048</u>	<u>\$ 732,011</u>	<u>\$ 827,169</u>	<u>\$ 38,399</u>	<u>\$ 52,673</u>	<u>\$ 173,061</u>	<u>\$ 933,469</u>

**CHURCHILL COUNTY, NEVADA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)  
(Page 2 of 4)**

	<b>LIBRARY GIFT FUND</b>	<b>RISK MANAGEMENT FUND</b>	<b>COMPENSATED ABSENCES FUND</b>	<b>UNEMPLOYMENT COMPENSATION FUND</b>	<b>FORFEITURES/ SEIZED ASSETS FUND</b>	<b>GRAFFITI REWARD AND ABATEMENT FUND</b>	<b>ADMINISTRATIVE ASSESSMENT FUND</b>
<b>ASSETS</b>							
Cash and investments	\$ 595,251	\$ 3,332,242	\$ 1,545,465	\$ 448,533	\$ 116,855	\$ 50,301	\$ 18,661
Receivables:							
Property taxes	-	-	-	-	-	-	-
Interest	569	2,692	1,260	417	115	48	-
Other	-	10,002	-	-	-	50	-
Notes	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	-	-	8,693	-	-	-	-
	<u>595,820</u>	<u>3,344,936</u>	<u>1,555,418</u>	<u>448,950</u>	<u>116,970</u>	<u>50,399</u>	<u>18,661</u>
Total Assets	<u>\$ 595,820</u>	<u>\$ 3,344,936</u>	<u>\$ 1,555,418</u>	<u>\$ 448,950</u>	<u>\$ 116,970</u>	<u>\$ 50,399</u>	<u>\$ 18,661</u>
<b>LIABILITIES AND FUND BALANCE</b>							
Liabilities:							
Accounts payable	\$ 18,725	\$ 1,202	\$ -	\$ -	\$ -	\$ 616	\$ -
Accrued salaries	-	-	-	-	-	-	-
Accrued benefits	-	-	888	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Due to other governments	-	-	-	301	-	-	-
Customer deposits	-	-	-	-	-	-	-
	<u>18,725</u>	<u>1,202</u>	<u>888</u>	<u>301</u>	<u>-</u>	<u>616</u>	<u>-</u>
Total Liabilities	<u>18,725</u>	<u>1,202</u>	<u>888</u>	<u>301</u>	<u>-</u>	<u>616</u>	<u>-</u>
Fund Balance:							
Reserved for notes receivable	-	-	-	-	-	-	-
Reserved for revenue shortfalls	-	-	-	-	-	-	-
Unreserved	577,095	3,343,734	1,554,530	448,649	116,970	49,783	18,661
	<u>577,095</u>	<u>3,343,734</u>	<u>1,554,530</u>	<u>448,649</u>	<u>116,970</u>	<u>49,783</u>	<u>18,661</u>
Total Fund Balance	<u>577,095</u>	<u>3,343,734</u>	<u>1,554,530</u>	<u>448,649</u>	<u>116,970</u>	<u>49,783</u>	<u>18,661</u>
Total Liabilities and Fund Balance	<u>\$ 595,820</u>	<u>\$ 3,344,936</u>	<u>\$ 1,555,418</u>	<u>\$ 448,950</u>	<u>\$ 116,970</u>	<u>\$ 50,399</u>	<u>\$ 18,661</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)**  
**(Page 3 of 4)**

	<b>RECREATION DONATION FUND</b>	<b>INDIGENT HOSPITAL CARE FUND</b>	<b>INDIGENT MEDICAL CARE FUND</b>	<b>PUBLIC TRANSIT FUND</b>	<b>SENIOR CITIZENS AD VALOREM LEVY FUND</b>	<b>ONE CENT FUEL EXCISE TAX FUND</b>	<b>FAIRGROUNDS SALE PROCEEDS FUND</b>	<b>HOSPITAL SUPPORT FUND</b>	<b>TECHNOLOGY FEE FUND</b>
<b>ASSETS</b>									
Cash and investments	\$ 59,839	\$ 11,546	\$ 1,077,339	\$ 910,194	\$ 1,588	\$ 115,912	\$ 544,362	\$ 5,393	\$ 333,394
Receivables:									
Property taxes	-	3,730	21,598	-	9,678	-	-	-	50
Interest	57	-	1,030	823	-	109	511	-	315
Other	-	-	-	-	-	-	-	-	-
Notes	-	-	-	-	-	-	166,445	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	101,999	-	9,835	-	-	-
	<u>59,839</u>	<u>11,546</u>	<u>1,077,339</u>	<u>910,194</u>	<u>1,588</u>	<u>115,912</u>	<u>544,362</u>	<u>5,393</u>	<u>333,394</u>
Total Assets	<u>\$ 59,896</u>	<u>\$ 15,276</u>	<u>\$ 1,099,967</u>	<u>\$ 1,013,016</u>	<u>\$ 11,266</u>	<u>\$ 125,856</u>	<u>\$ 711,318</u>	<u>\$ 5,393</u>	<u>\$ 333,759</u>
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Accounts payable	\$ 23	\$ -	\$ 9,112	\$ 272	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries	-	-	-	-	-	-	-	-	-
Accrued benefits	-	-	-	-	-	-	-	-	-
Deferred revenue	-	3,451	20,178	-	8,999	-	-	-	-
Due to other funds	-	-	37,493	76,770	-	-	-	-	-
Due to other governments	-	11,546	97,889	-	1,588	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
	<u>23</u>	<u>14,997</u>	<u>164,672</u>	<u>77,042</u>	<u>10,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>23</u>	<u>14,997</u>	<u>164,672</u>	<u>77,042</u>	<u>10,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:									
Reserved for notes receivable	-	-	-	-	-	-	166,445	-	-
Reserved for revenue shortfalls	-	-	-	-	-	-	-	-	-
Unreserved	59,873	279	935,295	935,974	679	125,856	544,873	5,393	333,759
	<u>59,873</u>	<u>279</u>	<u>935,295</u>	<u>935,974</u>	<u>679</u>	<u>125,856</u>	<u>544,873</u>	<u>5,393</u>	<u>333,759</u>
Total Fund Balance	<u>59,873</u>	<u>279</u>	<u>935,295</u>	<u>935,974</u>	<u>679</u>	<u>125,856</u>	<u>711,318</u>	<u>5,393</u>	<u>333,759</u>
Total Liabilities and Fund Balance	<u>\$ 59,896</u>	<u>\$ 15,276</u>	<u>\$ 1,099,967</u>	<u>\$ 1,013,016</u>	<u>\$ 11,266</u>	<u>\$ 125,856</u>	<u>\$ 711,318</u>	<u>\$ 5,393</u>	<u>\$ 333,759</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)**  
**(Page 4 of 4)**

	<b>ROAD IMPACT FEE FUND</b>	<b>RESIDENTIAL CONSTRUCTION TAX FUND</b>	<b>INFRASTRUCTURE TAX FUND</b>	<b>TOTALS</b>	
				<b>2009</b>	<b>2008</b>
<b>ASSETS</b>					
Cash and investments	\$ 432,670	\$ 269,363	\$ 1,243,733	\$ 16,649,941	\$ 12,156,951
Receivables:					
Property taxes	-	-	-	86,838	55,864
Interest	414	258	1,381	15,272	18,861
Other	-	-	-	12,575	38,333
Notes	-	-	-	166,445	200,828
Due from other funds	-	-	-	37,493	65,640
Due from other governments	-	-	101,969	573,066	718,621
	<u>433,084</u>	<u>269,621</u>	<u>1,347,083</u>	<u>17,541,630</u>	<u>13,255,098</u>
Total Assets					
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 84,938	\$ 159,014
Accrued salaries	-	-	-	56,767	48,397
Accrued benefits	-	-	-	17,086	16,165
Deferred revenue	-	-	-	84,363	57,249
Due to other funds	-	-	-	232,157	380,813
Due to other governments	-	-	-	131,514	279,525
Customer deposits	-	-	-	3,140	3,428
	<u>-</u>	<u>-</u>	<u>-</u>	<u>609,965</u>	<u>944,591</u>
Total Liabilities					
Fund Balance:					
Reserved for notes receivable	-	-	-	166,445	200,828
Reserved for revenue shortfalls	-	-	-	1,548,826	1,447,454
Unreserved	433,084	269,621	1,347,083	15,216,394	10,662,225
	<u>433,084</u>	<u>269,621</u>	<u>1,347,083</u>	<u>16,931,665</u>	<u>12,310,507</u>
Total Fund Balance					
Total Liabilities and Fund Balance	<u>\$ 433,084</u>	<u>\$ 269,621</u>	<u>\$ 1,347,083</u>	<u>\$ 17,541,630</u>	<u>\$ 13,255,098</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 1 of 4)**

	<u>REVENUE STABILIZATION FUND</u>	<u>SOCIAL SERVICES FUND</u>	<u>AGRICULTURAL EXTENSION FUND</u>	<u>PUBLIC LIBRARY FUND</u>	<u>PARKS AND RECREATION FUND</u>	<u>CEMETERY BEAUTIFICATION FUND</u>	<u>INDIGENT DONATIONS AND GIFTS FUND</u>	<u>LAW LIBRARY FUND</u>	<u>REGIONAL TRANSPORTATI FUND</u>
<b>REVENUES</b>									
Taxes	\$ -	\$ 554,427	\$ 224,395	\$ 665,047	\$ 4,677	\$ -	\$ -	\$ -	\$ 748,668
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	607,880	8,084	48,940	625,000	-	-	-	-
Charges for services	-	-	-	-	608,752	-	-	7,980	-
Miscellaneous	101,372	99,640	3,876	35,690	26,859	741	10,471	3,382	20,091
Total Revenues	<u>101,372</u>	<u>1,261,947</u>	<u>236,355</u>	<u>749,677</u>	<u>1,265,288</u>	<u>741</u>	<u>10,471</u>	<u>11,362</u>	<u>768,759</u>
<b>EXPENDITURES</b>									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	28,800	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	1,964	-	-	-
Welfare	-	959,467	-	-	-	-	10,861	-	-
Culture and recreation	-	-	-	586,237	1,094,511	-	-	-	-
Community support	-	-	162,495	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	375,000
Total Expenditures	<u>-</u>	<u>959,467</u>	<u>162,495</u>	<u>586,237</u>	<u>1,094,511</u>	<u>1,964</u>	<u>10,861</u>	<u>28,800</u>	<u>375,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>101,372</u>	<u>302,480</u>	<u>73,860</u>	<u>163,440</u>	<u>170,777</u>	<u>(1,223)</u>	<u>(390)</u>	<u>(17,438)</u>	<u>393,759</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	125,000	-	-	200,000	5,000	-	25,000	-
Transfers out	-	-	-	-	-	-	-	-	(349,325)
Total Other Financing Sources (Uses)	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>5,000</u>	<u>-</u>	<u>25,000</u>	<u>(349,325)</u>
Net Change in Fund Balances	101,372	427,480	73,860	163,440	370,777	3,777	(390)	7,562	44,434
<b>FUND BALANCE, July 1</b>	<u>1,447,454</u>	<u>959,775</u>	<u>142,249</u>	<u>519,407</u>	<u>381,428</u>	<u>34,622</u>	<u>52,388</u>	<u>163,253</u>	<u>771,141</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,548,826</u>	<u>\$ 1,387,255</u>	<u>\$ 216,109</u>	<u>\$ 682,847</u>	<u>\$ 752,205</u>	<u>\$ 38,399</u>	<u>\$ 51,998</u>	<u>\$ 170,815</u>	<u>\$ 815,575</u>

**CHURCHILL COUNTY, NEVADA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2008)  
(Page 2 of 4)**

	<b>LIBRARY GIFT FUND</b>	<b>RISK MANAGEMENT FUND</b>	<b>COMPENSATED ABSENCES FUND</b>	<b>UNEMPLOYMENT COMPENSATION FUND</b>	<b>FORFEITURES/ SEIZED ASSETS FUND</b>	<b>GRAFFITI REWARD AND ABATEMENT FUND</b>	<b>ADMINISTRATIVE ASSESSMENT FUND</b>
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	1,075,000	123,000	-	-	-	-
Charges for services	-	-	-	-	-	3,969	39,465
Miscellaneous	244,096	1,127,212	25,882	9,119	18,829	35,276	-
<b>Total Revenues</b>	<b>244,096</b>	<b>2,202,212</b>	<b>148,882</b>	<b>9,119</b>	<b>18,829</b>	<b>39,245</b>	<b>39,465</b>
<b>EXPENDITURES</b>							
General government	-	29,756	292,575	11,340	-	-	-
Judicial	-	-	-	-	-	34,655	-
Public safety	-	-	-	-	5,777	-	-
Public works	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-
Culture and recreation	88,726	-	-	-	-	-	-
Community support	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>88,726</b>	<b>29,756</b>	<b>292,575</b>	<b>11,340</b>	<b>5,777</b>	<b>34,655</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	155,370	2,172,456	(143,693)	(2,221)	13,052	4,590	39,465
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	50,000	400,000	25,000	-	-	-
Transfers out	-	-	-	-	-	-	(30,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>50,000</b>	<b>400,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>(30,000)</b>
<b>Net Change in Fund Balances</b>	<b>155,370</b>	<b>2,222,456</b>	<b>256,307</b>	<b>22,779</b>	<b>13,052</b>	<b>4,590</b>	<b>9,465</b>
<b>FUND BALANCE, July 1</b>	<b>421,725</b>	<b>1,121,278</b>	<b>1,298,223</b>	<b>425,870</b>	<b>103,918</b>	<b>45,193</b>	<b>9,196</b>
<b>FUND BALANCE, June 30</b>	<b>\$ 577,095</b>	<b>\$ 3,343,734</b>	<b>\$ 1,554,530</b>	<b>\$ 448,649</b>	<b>\$ 116,970</b>	<b>\$ 49,783</b>	<b>\$ 18,661</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 3 of 4)**

	<b>RECREATION DONATION FUND</b>	<b>INDIGENT HOSPITAL CARE FUND</b>	<b>INDIGENT MEDICAL CARE FUND</b>	<b>PUBLIC TRANSIT FUND</b>	<b>SENIOR CITIZENS AD VALOREM LEVY FUND</b>	<b>ONE CENT FUEL EXCISE TAX FUND</b>	<b>FAIRGROUNDS SALE PROCEEDS FUND</b>	<b>HOSPITAL SUPPORT FUND</b>	<b>TECHNOLOGY FEE FUND</b>
<b>REVENUES</b>									
Taxes	\$ -	\$ 103,559	\$ 591,542	\$ -	\$ 234,639	\$ 57,618	\$ -	\$ -	
Licenses and permits	-	-	-	-	-	-	-	-	
Intergovernmental	-	39	257	719,057	77	-	-	-	
Charges for services	-	-	-	-	-	-	-	-	
Miscellaneous	12,217	-	21,561	14,114	-	2,132	20,310	111,539	
Total Revenues	<u>12,217</u>	<u>103,598</u>	<u>613,360</u>	<u>733,171</u>	<u>234,716</u>	<u>59,750</u>	<u>20,310</u>	<u>111,539</u>	
<b>EXPENDITURES</b>									
General government	-	-	-	-	-	-	-	31,540	
Judicial	-	-	-	-	-	-	-	-	
Public safety	-	-	-	-	-	-	-	-	
Public works	-	-	-	3,118	-	37,589	-	-	
Health	-	-	-	-	-	-	-	-	
Welfare	-	103,499	-	-	-	-	-	-	
Culture and recreation	3,029	-	-	-	-	-	-	-	
Community support	-	-	303,600	-	234,448	-	-	-	
Intergovernmental	-	-	-	-	-	-	-	-	
Total Expenditures	<u>3,029</u>	<u>103,499</u>	<u>303,600</u>	<u>3,118</u>	<u>234,448</u>	<u>37,589</u>	<u>-</u>	<u>31,540</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,188</u>	<u>99</u>	<u>309,760</u>	<u>730,053</u>	<u>268</u>	<u>22,161</u>	<u>20,310</u>	<u>79,999</u>	
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	
Transfers out	-	-	(125,000)	(587,501)	-	-	-	-	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(125,000)</u>	<u>(587,501)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Net Change in Fund Balances	9,188	99	184,760	142,552	268	22,161	20,310	79,999	
<b>FUND BALANCE, July 1</b>	<u>50,685</u>	<u>180</u>	<u>750,535</u>	<u>793,422</u>	<u>411</u>	<u>103,695</u>	<u>691,008</u>	<u>253,760</u>	
<b>FUND BALANCE, June 30</b>	<u>\$ 59,873</u>	<u>\$ 279</u>	<u>\$ 935,295</u>	<u>\$ 935,974</u>	<u>\$ 679</u>	<u>\$ 125,856</u>	<u>\$ 711,318</u>	<u>\$ 333,759</u>	

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2008)**  
**(Page 4 of 4)**

	<b>ROAD IMPACT FEE FUND</b>	<b>RESIDENTIAL CONSTRUCTION TAX FUND</b>	<b>INFRASTRUCTURE TAX FUND</b>	<b>TOTALS</b>	
				<b>2009</b>	<b>2008</b>
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ 3,184,572	\$ 2,665,129
Licenses and permits	23,000	8,000	-	31,000	82,200
Intergovernmental	-	-	718,341	3,925,675	3,454,330
Charges for services	-	-	-	660,166	584,942
Miscellaneous	8,860	5,669	26,705	1,985,643	772,516
<b>Total Revenues</b>	<b>31,860</b>	<b>13,669</b>	<b>745,046</b>	<b>9,787,056</b>	<b>7,559,117</b>
<b>EXPENDITURES</b>					
General government	-	-	-	365,211	507,886
Judicial	-	-	-	63,455	96,123
Public safety	-	-	-	5,777	9,609
Public works	-	-	-	40,707	62,066
Health	-	-	-	1,964	563
Welfare	-	-	-	1,073,827	1,080,457
Culture and recreation	-	5,085	-	1,777,588	2,366,669
Community support	-	-	-	700,543	797,891
Intergovernmental	-	-	-	375,000	167,265
<b>Total Expenditures</b>	<b>-</b>	<b>5,085</b>	<b>-</b>	<b>4,404,072</b>	<b>5,088,529</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,860	8,584	745,046	5,382,984	2,470,588
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	830,000	535,000
Transfers out	-	-	(500,000)	(1,591,826)	(2,139,884)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(500,000)</b>	<b>(761,826)</b>	<b>(1,604,884)</b>
<b>Net Change in Fund Balances</b>	<b>31,860</b>	<b>8,584</b>	<b>245,046</b>	<b>4,621,158</b>	<b>865,704</b>
<b>FUND BALANCE, July 1</b>	<b>401,224</b>	<b>261,037</b>	<b>1,102,037</b>	<b>12,310,507</b>	<b>11,444,803</b>
<b>FUND BALANCE, June 30</b>	<b>\$ 433,084</b>	<b>\$ 269,621</b>	<b>\$ 1,347,083</b>	<b>\$ 16,931,665</b>	<b>\$ 12,310,507</b>

**CHURCHILL COUNTY, NEVADA  
REVENUE STABILIZATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 60,000	\$ 31,506	\$ (28,494)	\$ 61,497
Geothermal rents/royalties	-	69,866	69,866	-
Total Revenues	60,000	101,372	41,372	61,497
<b>FUND BALANCE, July 1</b>	<u>1,197,957</u>	<u>1,447,454</u>	<u>249,497</u>	<u>1,385,957</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,257,957</u>	<u>\$ 1,548,826</u>	<u>\$ 290,869</u>	<u>\$ 1,447,454</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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 488,075	\$ 554,427	\$ 66,352	\$ 345,288
Intergovernmental:				
Social Security reimbursements	10,000	11,468	1,468	8,744
Private car tax	100	252	152	193
City utility assistance	100	25,000	24,900	218
Consolidated intergovernmental taxes	80,000	80,000	-	80,000
Grants-in-aid:				
Federal	445,894	419,272	(26,622)	585,773
State	100,000	71,888	(28,112)	85,410
	<u>636,094</u>	<u>607,880</u>	<u>(28,214)</u>	<u>760,338</u>
Miscellaneous:				
Welfare reimbursements	200	2,529	2,329	623
Geothermal rents/royalties	-	1,658	1,658	-
Miscellaneous	-	75,000	75,000	-
Interest	18,000	20,453	2,453	26,815
	<u>18,200</u>	<u>99,640</u>	<u>81,440</u>	<u>27,438</u>
Total Revenues	<u>1,142,369</u>	<u>1,261,947</u>	<u>119,578</u>	<u>1,133,064</u>
<b>EXPENDITURES</b>				
Welfare:				
Grant assistance:				
Services and supplies	623,894	468,453	155,441	600,343
Assistance in cash or goods:				
Services and supplies	34,500	26,164	8,336	20,973
Medical assistance-direct:				
Services and supplies	109,203	109,203	-	12,061
Welfare operations:				
Salaries	103,790	102,427	1,363	100,703
Benefits	43,318	39,826	3,492	38,168
Services and supplies	21,750	13,363	8,387	16,019
	<u>168,858</u>	<u>155,616</u>	<u>13,242</u>	<u>154,890</u>
Public health nurse:				
Services and supplies	111,000	101,772	9,228	95,271
Transitional housing:				
Salaries	40,928	41,074	(146)	38,508
Benefits	19,061	18,089	972	17,073
Services and supplies	86,767	37,692	49,075	40,237
	<u>146,756</u>	<u>96,855</u>	<u>49,901</u>	<u>95,818</u>
Public Guardian				
Services and supplies	35,500	1,404	34,096	-
Total Expenditures	<u>1,229,711</u>	<u>959,467</u>	<u>270,244</u>	<u>979,356</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,342)	302,480	389,822	153,708
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
Indigent Medical Care Fund	125,000	125,000	-	125,000
Net Change in Fund Balances	37,658	427,480	389,822	278,708
<b>FUND BALANCE, July 1</b>	<u>604,479</u>	<u>959,775</u>	<u>355,296</u>	<u>681,067</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 642,137</u>	<u>\$ 1,387,255</u>	<u>\$ 745,118</u>	<u>\$ 959,775</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 175,796	\$ 224,395	\$ 48,599	\$ 192,827
Intergovernmental:				
Federal payments in lieu of taxes	8,000	8,000	-	8,000
Private car tax	-	84	84	89
	<u>8,000</u>	<u>8,084</u>	<u>84</u>	<u>8,089</u>
Miscellaneous:				
Interest	2,500	3,876	1,376	5,066
Total Revenues	<u>186,296</u>	<u>236,355</u>	<u>50,059</u>	<u>205,982</u>
<b>EXPENDITURES</b>				
Community support:				
Salaries	52,823	50,753	2,070	48,326
Benefits	21,350	19,126	2,224	18,246
Services and supplies	97,299	92,616	4,683	78,737
Total Expenditures	<u>171,472</u>	<u>162,495</u>	<u>8,977</u>	<u>145,309</u>
Net Change in Fund Balances	14,824	73,860	59,036	60,673
<b>FUND BALANCE, July 1</b>	<u>92,372</u>	<u>142,249</u>	<u>49,877</u>	<u>81,576</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 107,196</u>	<u>\$ 216,109</u>	<u>\$ 108,913</u>	<u>\$ 142,249</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 503,252	\$ 665,047	\$ 161,795	\$ 499,091
Intergovernmental:				
Federal payments in lieu of taxes	40,000	40,000	-	43,000
Private car tax	-	268	268	231
Grants-in-aid:				
State	-	8,672	8,672	12,086
	<u>40,000</u>	<u>48,940</u>	<u>8,940</u>	<u>55,317</u>
Miscellaneous:				
Sales and rentals	10,000	14,167	4,167	12,732
Donations	-	9,459	9,459	-
Interest	16,750	12,064	(4,686)	20,065
	<u>26,750</u>	<u>35,690</u>	<u>8,940</u>	<u>32,797</u>
Total Revenues	<u>570,002</u>	<u>749,677</u>	<u>179,675</u>	<u>587,205</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Salaries	298,141	297,145	996	280,758
Benefits	116,274	107,757	8,517	102,030
Services and supplies	185,580	181,335	4,245	155,705
Total Expenditures	<u>599,995</u>	<u>586,237</u>	<u>13,758</u>	<u>538,493</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,993)	163,440	193,433	48,712
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Library Gift Fund	(25,000)	-	25,000	-
Net Change in Fund Balances	(54,993)	163,440	218,433	48,712
<b>FUND BALANCE, July 1</b>	<u>415,805</u>	<u>519,407</u>	<u>103,602</u>	<u>470,695</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 360,812</u>	<u>\$ 682,847</u>	<u>\$ 322,035</u>	<u>\$ 519,407</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)  
(Page 1 of 2)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
County lodging tax	\$ 5,000	\$ 4,677	\$ (323)	\$ 4,830
Intergovernmental:				
Federal payments in lieu of taxes	371,558	400,000	28,442	200,000
Consolidated intergovernmental taxes	225,000	225,000	-	220,000
Grants-in-aid:				
Federal	-	-	-	156,755
State	-	-	-	515,229
	<u>596,558</u>	<u>625,000</u>	<u>28,442</u>	<u>1,091,984</u>
Charges for services:				
Contract clean-up	3,000	4,954	1,954	4,560
Concession stand	8,750	9,209	459	9,725
Recreation charges	150,000	160,930	10,930	144,089
Swimming pool receipts	51,000	68,495	17,495	57,810
Fairgrounds rentals	64,000	71,493	7,493	67,491
Flag football fees	-	-	-	90
Miscellaneous	-	689	689	-
CC Communications in lieu of taxes	290,700	290,700	-	250,000
Pro-shop sales	2,000	2,282	282	2,282
	<u>569,450</u>	<u>608,752</u>	<u>39,302</u>	<u>536,047</u>
Miscellaneous:				
Interest	16,750	7,603	(9,147)	2,036
Miscellaneous	5,000	19,256	14,256	5,449
	<u>21,750</u>	<u>26,859</u>	<u>5,109</u>	<u>7,485</u>
Total Revenues	<u>1,192,758</u>	<u>1,265,288</u>	<u>72,530</u>	<u>1,640,346</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Administration:				
Salaries	154,485	152,522	1,963	145,710
Benefits	65,094	60,479	4,615	58,040
Services and supplies	20,335	19,736	599	22,237
	<u>239,914</u>	<u>232,737</u>	<u>7,177</u>	<u>225,987</u>
Public parks:				
Salaries	47,044	45,843	1,201	38,515
Benefits	18,823	17,769	1,054	16,366
Services and supplies	55,400	43,644	11,756	46,333
Capital outlay	25,000	19,040	5,960	706,724
	<u>146,267</u>	<u>126,296</u>	<u>19,971</u>	<u>807,938</u>
Recreation athletics:				
Salaries	99,949	89,565	10,384	71,632
Benefits	22,751	20,971	1,780	20,537
Services and supplies	114,144	93,493	20,651	92,077
	<u>236,844</u>	<u>204,029</u>	<u>32,815</u>	<u>184,246</u>
Fairgrounds:				
Salaries	90,917	90,595	322	86,369
Benefits	24,958	26,331	(1,373)	25,179
Services and supplies	131,850	118,790	13,060	128,252
Capital outlay	25,000	17,126	7,874	-
	<u>272,725</u>	<u>252,842</u>	<u>19,883</u>	<u>239,800</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)  
(Page 2 of 2)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
Swimming pool:				
Salaries	\$ 159,657	\$ 143,034	\$ 16,623	\$ 138,230
Benefits	35,113	28,322	6,791	25,221
Services and supplies	112,630	107,251	5,379	115,402
	<u>307,400</u>	<u>278,607</u>	<u>28,793</u>	<u>278,853</u>
Total Expenditures	<u>1,203,150</u>	<u>1,094,511</u>	<u>108,639</u>	<u>1,736,824</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,392)	170,777	181,169	(96,478)
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net Change in Fund Balances	(10,392)	370,777	381,169	(96,478)
<b>FUND BALANCE, July 1</b>	<u>381,440</u>	<u>381,428</u>	<u>(12)</u>	<u>477,906</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 371,048</u>	<u>\$ 752,205</u>	<u>\$ 381,157</u>	<u>\$ 381,428</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 1,000	\$ 741	\$ (259)	\$ 1,468
Gifts and donations	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>
Total Revenues	2,000	741	(1,259)	1,468
<b>EXPENDITURES</b>				
Health:				
Services and supplies	<u>2,805</u>	<u>1,964</u>	<u>841</u>	<u>563</u>
Deficiency of Revenues Under Expenditures	(805)	(1,223)	(418)	905
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net Change in Fund Balances	(805)	3,777	4,582	905
<b>FUND BALANCE, July 1</b>	<u>34,622</u>	<u>34,622</u>	<u>-</u>	<u>33,717</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 33,817</u>	<u>\$ 38,399</u>	<u>\$ 4,582</u>	<u>\$ 34,622</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 1,000	\$ 1,120	\$ 120	\$ 2,272
Project Food revenue	10,000	5,974	(4,026)	7,833
Gifts and donations	<u>1,000</u>	<u>3,377</u>	<u>2,377</u>	<u>3,245</u>
Total Revenues	12,000	10,471	(1,529)	13,350
<b>EXPENDITURES</b>				
Welfare:				
Services and supplies	<u>30,000</u>	<u>10,861</u>	<u>19,139</u>	<u>12,100</u>
Net Change in Fund Balances	(18,000)	(390)	17,610	1,250
<b>FUND BALANCE, July 1</b>	<u>40,858</u>	<u>52,388</u>	<u>11,530</u>	<u>51,138</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 22,858</u>	<u>\$ 51,998</u>	<u>\$ 29,140</u>	<u>\$ 52,388</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Charges for services:				
Law library fees	\$ 7,000	\$ 7,980	\$ 980	\$ 7,740
Miscellaneous:				
Interest	<u>4,750</u>	<u>3,382</u>	<u>(1,368)</u>	<u>6,443</u>
Total Revenues	11,750	11,362	(388)	14,183
<b>EXPENDITURES</b>				
Judicial:				
Services and supplies	<u>30,390</u>	<u>28,800</u>	<u>1,590</u>	<u>31,343</u>
Deficiency of Revenues Under Expenditures	(18,640)	(17,438)	1,202	(17,160)
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Net Change in Fund Balances	(18,640)	7,562	26,202	7,840
<b>FUND BALANCE, July 1</b>	<u>134,670</u>	<u>163,253</u>	<u>28,583</u>	<u>155,413</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 116,030</u>	<u>\$ 170,815</u>	<u>\$ 54,785</u>	<u>\$ 163,253</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
County option motor vehicle fuel	\$ 805,177	\$ 748,668	\$ (56,509)	\$ 817,366
Miscellaneous:				
Interest	<u>27,750</u>	<u>20,091</u>	<u>(7,659)</u>	<u>26,424</u>
Total Revenues	832,927	768,759	(64,168)	843,790
<b>EXPENDITURES</b>				
Intergovernmental:				
City of Fallon	<u>400,000</u>	<u>375,000</u>	<u>25,000</u>	<u>167,265</u>
Excess of Revenues Over Expenditures	432,927	393,759	(39,168)	676,525
<b>OTHER FINANCING USES</b>				
Transfers out:				
Road Fund	<u>(600,000)</u>	<u>(349,325)</u>	<u>250,675</u>	<u>(455,749)</u>
Net Change in Fund Balances	(167,073)	44,434	211,507	220,776
<b>FUND BALANCE, July 1</b>	<u>396,100</u>	<u>771,141</u>	<u>375,041</u>	<u>550,365</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 229,027</u>	<u>\$ 815,575</u>	<u>\$ 586,548</u>	<u>\$ 771,141</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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 19,750	\$ 9,419	\$ (10,331)	\$ 17,041
Gifts and donations	<u>116,750</u>	<u>234,677</u>	<u>117,927</u>	<u>26,703</u>
Total Revenues	<u>136,500</u>	<u>244,096</u>	<u>107,596</u>	<u>43,744</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Services and supplies	10,000	-	10,000	26,409
Capital outlay	<u>90,750</u>	<u>88,726</u>	<u>2,024</u>	<u>10,000</u>
Total Expenditures	<u>100,750</u>	<u>88,726</u>	<u>12,024</u>	<u>36,409</u>
Excess of Revenues Over Expenditures	35,750	155,370	119,620	7,335
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
Library Fund	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>	<u>30,000</u>
Net Change in Fund Balances	60,750	155,370	94,620	37,335
<b>FUND BALANCE, July 1</b>	<u>449,140</u>	<u>421,725</u>	<u>(27,415)</u>	<u>384,390</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 509,890</u>	<u>\$ 577,095</u>	<u>\$ 67,205</u>	<u>\$ 421,725</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ -	\$ 1,075,000	\$ 1,075,000	\$ -
Miscellaneous:				
Interest	42,175	31,386	(10,789)	45,776
Geothermal rents/royalties	-	1,000,000	1,000,000	-
Insurance reimbursement	20,000	95,826	75,826	16,989
	<u>62,175</u>	<u>1,127,212</u>	<u>1,065,037</u>	<u>62,765</u>
Total Revenues	62,175	2,202,212	2,140,037	62,765
<b>EXPENDITURES</b>				
General government:				
Services and supplies	190,000	29,756	160,244	49,102
Excess (Deficiency) of Revenues Over (Under) Expenditures	(127,825)	2,172,456	2,300,281	13,663
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	-	50,000	50,000	50,000
Net Change in Fund Balances	(127,825)	2,222,456	2,350,281	63,663
<b>FUND BALANCE, July 1</b>	<u>1,048,790</u>	<u>1,121,278</u>	<u>72,488</u>	<u>1,057,615</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 920,965</u>	<u>\$ 3,343,734</u>	<u>\$ 2,422,769</u>	<u>\$ 1,121,278</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>	<b>2008</b>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 75,000	\$ 75,000	\$ -	\$ 75,000
Consolidated intergovernmental taxes	48,000	48,000	-	50,000
	123,000	123,000	-	125,000
Miscellaneous:				
Interest	32,000	25,882	(6,118)	47,154
Total Revenues	155,000	148,882	(6,118)	172,154
<b>EXPENDITURES</b>				
General government:				
Benefits	274,250	189,129	85,121	197,431
Services and supplies	100,000	103,446	(3,446)	55,290
Total Expenditures	374,250	292,575	81,675	252,721
Excess (Deficiency) of Revenues Over (Under) Expenditures	(219,250)	(143,693)	75,557	(80,567)
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	-	400,000	400,000	250,000
Net Change in Fund Balances	(219,250)	256,307	475,557	169,433
<b>FUND BALANCE, July 1</b>	1,006,815	1,298,223	291,408	1,128,790
<b>FUND BALANCE, June 30</b>	\$ 787,565	\$ 1,554,530	\$ 766,965	\$ 1,298,223

**CHURCHILL COUNTY, NEVADA  
UNEMPLOYMENT COMPENSATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 18,276	\$ 9,119	\$ (9,157)	\$ 17,138
<b>EXPENDITURES</b>				
General government:				
Benefits	<u>20,000</u>	<u>11,340</u>	<u>8,660</u>	<u>4,362</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,724)	(2,221)	(497)	12,776
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Net Change in Fund Balances	(1,724)	22,779	24,503	37,776
<b>FUND BALANCE, July 1</b>	<u>380,447</u>	<u>425,870</u>	<u>45,423</u>	<u>388,094</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 378,723</u>	<u>\$ 448,649</u>	<u>\$ 69,926</u>	<u>\$ 425,870</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 5,250	\$ 2,386	\$ (2,864)	\$ 4,428
Drug stamp act	-	7,500	7,500	-
Forfeitures of seized assets	<u>65,000</u>	<u>8,943</u>	<u>(56,057)</u>	<u>11,858</u>
Total Revenues	70,250	18,829	(51,421)	16,286
<b>EXPENDITURES</b>				
Public safety:				
Services and supplies	<u>91,000</u>	<u>5,777</u>	<u>85,223</u>	<u>9,609</u>
Net Change in Fund Balances	(20,750)	13,052	33,802	6,677
<b>FUND BALANCE, July 1</b>	<u>47,216</u>	<u>103,918</u>	<u>56,702</u>	<u>97,241</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 26,466</u>	<u>\$ 116,970</u>	<u>\$ 90,504</u>	<u>\$ 103,918</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Charges for services:				
Graffiti collections	\$ 1,000	\$ -	\$ (1,000)	\$ -
Truancy fees	-	3,125	3,125	-
Restitution processing	<u>2,000</u>	<u>844</u>	<u>(1,156)</u>	<u>1,610</u>
	<u>3,000</u>	<u>3,969</u>	<u>969</u>	<u>1,610</u>
Miscellaneous:				
District Attorney restitution collections	50,000	30,765	(19,235)	58,562
Juvenile probation restitution collections	20,000	2,758	(17,242)	7,697
Sheriff's office evidence	1,500	535	(965)	1,890
Interest	<u>2,000</u>	<u>1,218</u>	<u>(782)</u>	<u>1,890</u>
	<u>73,500</u>	<u>35,276</u>	<u>(38,224)</u>	<u>70,039</u>
Total Revenues	<u>76,500</u>	<u>39,245</u>	<u>(37,255)</u>	<u>71,649</u>
<b>EXPENDITURES</b>				
Judicial:				
Services and supplies	<u>77,500</u>	<u>34,655</u>	<u>42,845</u>	<u>64,780</u>
Net Change in Fund Balances	(1,000)	4,590	5,590	6,869
<b>FUND BALANCE, July 1</b>	<u>12,074</u>	<u>45,193</u>	<u>33,119</u>	<u>38,324</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 11,074</u>	<u>\$ 49,783</u>	<u>\$ 38,709</u>	<u>\$ 45,193</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Charges for services:				
Administrative assessments	\$ 40,000	\$ 39,465	\$ (535)	\$ 39,545
<b>OTHER FINANCING USES</b>				
Transfers out:				
Extraordinary Repairs and Maintenance Fund	<u>(50,000)</u>	<u>(30,000)</u>	<u>20,000</u>	<u>(60,000)</u>
Net Change in Fund Balances	(10,000)	9,465	19,465	(20,455)
<b>FUND BALANCE, July 1</b>	<u>1,651</u>	<u>9,196</u>	<u>7,545</u>	<u>29,651</u>
<b>FUND BALANCE, June 30</b>	<u>\$ (8,349)</u>	<u>\$ 18,661</u>	<u>\$ 27,010</u>	<u>\$ 9,196</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 1,875	\$ 1,177	\$ (698)	\$ 2,418
Gifts and donations	<u>7,100</u>	<u>11,040</u>	<u>3,940</u>	<u>13,480</u>
Total Revenues	<u>8,975</u>	<u>12,217</u>	<u>3,242</u>	<u>15,898</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Services and supplies	25,000	3,029	21,971	5,267
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,208</u>
Total Expenditures	<u>25,000</u>	<u>3,029</u>	<u>21,971</u>	<u>52,475</u>
Excess (Deficiency)of Revenues Over (Under) Expenditures	(16,025)	9,188	25,213	(36,577)
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
Net Change in Fund Balances	(16,025)	9,188	25,213	(6,577)
<b>FUND BALANCE, July 1</b>	<u>48,012</u>	<u>50,685</u>	<u>2,673</u>	<u>57,262</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 31,987</u>	<u>\$ 59,873</u>	<u>\$ 27,886</u>	<u>\$ 50,685</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 103,559	\$ 103,559	\$ -	\$ 88,970
Intergovernmental:				
Private car tax	-	39	39	41
Total Revenues	103,559	103,598	39	89,011
<b>EXPENDITURES</b>				
Welfare:				
Payments to State of Nevada	92,419	103,499	(11,080)	89,001
Net Change in Fund Balances	11,140	99	(11,041)	10
<b>FUND BALANCE, July 1</b>	14,471	180	(14,291)	170
<b>FUND BALANCE, June 30</b>	\$ 25,611	\$ 279	\$ (25,332)	\$ 180

**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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 492,200	\$ 591,542	\$ 99,342	\$ 449,047
Intergovernmental:				
Private car tax	-	257	257	275
Miscellaneous:				
Interest	<u>42,175</u>	<u>21,561</u>	<u>(20,614)</u>	<u>42,144</u>
Total Revenues	534,375	613,360	78,985	491,466
<b>EXPENDITURES</b>				
Community support:				
Services and supplies	<u>362,750</u>	<u>303,600</u>	<u>59,150</u>	<u>448,525</u>
Excess of Revenues Over Expenditures	171,625	309,760	138,135	42,941
<b>OTHER FINANCING USES</b>				
Transfers out:				
Social Services Fund	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>	<u>(125,000)</u>
Net Change in Fund Balances	46,625	184,760	138,135	(82,059)
<b>FUND BALANCE, July 1</b>	<u>917,840</u>	<u>750,535</u>	<u>(167,305)</u>	<u>832,594</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 964,465</u>	<u>\$ 935,295</u>	<u>\$ (29,170)</u>	<u>\$ 750,535</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 554,176	\$ 719,057	\$ 164,881	\$ 706,903
Miscellaneous:				
Interest	<u>20,176</u>	<u>14,114</u>	<u>(6,062)</u>	<u>20,855</u>
Total Revenues	<u>574,352</u>	<u>733,171</u>	<u>158,819</u>	<u>727,758</u>
<b>EXPENDITURES</b>				
Public works:				
Highways and streets:				
Services and supplies	5,000	3,118	1,882	3,375
Intergovernmental:				
City of Fallon	<u>325,000</u>	<u>-</u>	<u>325,000</u>	<u>-</u>
Total Expenditures	<u>330,000</u>	<u>3,118</u>	<u>326,882</u>	<u>3,375</u>
Excess of Revenues Over Expenditures	244,352	730,053	485,701	724,383
<b>OTHER FINANCING USES</b>				
Transfers out:				
Road Fund	<u>(525,000)</u>	<u>(587,501)</u>	<u>(62,501)</u>	<u>(499,135)</u>
Net Change in Fund Balances	(280,648)	142,552	423,200	225,248
<b>FUND BALANCE, July 1</b>	<u>347,029</u>	<u>793,422</u>	<u>446,393</u>	<u>568,174</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 66,381</u>	<u>\$ 935,974</u>	<u>\$ 869,593</u>	<u>\$ 793,422</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes				
Ad valorem taxes	\$ 235,052	\$ 234,639	\$ (413)	\$ 204,001
Intergovernmental				
Private car tax	-	77	77	83
Total Revenues	235,052	234,716	(336)	204,084
<b>EXPENDITURES</b>				
Community support:				
Services and supplies	234,548	234,448	100	204,057
Net Change in Fund Balances	504	268	(236)	27
<b>FUND BALANCE, July 1</b>	4,017	411	(3,606)	384
<b>FUND BALANCE, June 30</b>	\$ 4,521	\$ 679	\$ (3,842)	\$ 411

**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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Optional county motor vehicle fuel tax	\$ 61,970	\$ 57,618	\$ (4,352)	\$ 63,604
Miscellaneous:				
Interest	<u>2,175</u>	<u>2,132</u>	<u>(43)</u>	<u>3,534</u>
Total Revenues	64,145	59,750	(4,395)	67,138
<b>EXPENDITURES</b>				
Public works:				
Highways and streets:				
Services and supplies	<u>60,000</u>	<u>37,589</u>	<u>22,411</u>	<u>58,691</u>
Net Change in Fund Balances	4,145	22,161	18,016	8,447
<b>FUND BALANCE, July 1</b>	<u>59,602</u>	<u>103,695</u>	<u>44,093</u>	<u>95,248</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 63,747</u>	<u>\$ 125,856</u>	<u>\$ 62,109</u>	<u>\$ 103,695</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 22,946	\$ 20,310	\$ (2,636)	\$ 30,607
<b>EXPENDITURES</b>				
Community support:				
Capital outlay	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balances	(27,054)	20,310	47,364	30,607
<b>FUND BALANCE, July 1</b>	<u>613,276</u>	<u>691,008</u>	<u>77,732</u>	<u>660,401</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 586,222</u>	<u>\$ 711,318</u>	<u>\$ 125,096</u>	<u>\$ 691,008</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 105
<b>EXPENDITURES</b>				
Community support:				
Services and supplies	<u>188</u>	<u>-</u>	<u>188</u>	<u>-</u>
Net Change in Fund Balances	(188)	-	188	105
<b>FUND BALANCE, July 1</b>	<u>188</u>	<u>5,393</u>	<u>5,205</u>	<u>5,288</u>
<b>FUND BALANCE, June 30</b>	<u>\$ -</u>	<u>\$ 5,393</u>	<u>\$ 5,393</u>	<u>\$ 5,393</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 4,500	\$ 5,901	\$ 1,401	\$ 10,391
Technology fees	<u>85,000</u>	<u>105,638</u>	<u>20,638</u>	<u>112,710</u>
Total Revenues	<u>89,500</u>	<u>111,539</u>	<u>22,039</u>	<u>123,101</u>
<b>EXPENDITURES</b>				
General government:				
Services and supplies	70,000	10,044	59,956	91,368
Capital outlay	<u>60,000</u>	<u>21,496</u>	<u>38,504</u>	<u>32,933</u>
Total Expenditures	<u>130,000</u>	<u>31,540</u>	<u>98,460</u>	<u>124,301</u>
Net Change in Fund Balances	(40,500)	79,999	120,499	(1,200)
<b>FUND BALANCE, July 1</b>	<u>153,245</u>	<u>253,760</u>	<u>100,515</u>	<u>254,960</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 112,745</u>	<u>\$ 333,759</u>	<u>\$ 221,014</u>	<u>\$ 253,760</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Licenses and permits:				
Area A road impact fee	\$ 100,000	\$ 4,600	\$ (95,400)	\$ 23,000
Area B road impact fee	<u>100,000</u>	<u>18,400</u>	<u>(81,600)</u>	<u>39,100</u>
	200,000	23,000	(177,000)	62,100
Miscellaneous:				
Interest	<u>15,000</u>	<u>8,860</u>	<u>(6,140)</u>	<u>15,903</u>
Total Revenues	215,000	31,860	(183,140)	78,003
<b>EXPENDITURES</b>				
Public works:				
Highways and streets:				
Services and supplies	<u>125,000</u>	<u>-</u>	<u>125,000</u>	<u>-</u>
Net Change in Fund Balances	90,000	31,860	(58,140)	78,003
<b>FUND BALANCE, July 1</b>	<u>100,996</u>	<u>401,224</u>	<u>300,228</u>	<u>323,221</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 190,996</u>	<u>\$ 433,084</u>	<u>\$ 242,088</u>	<u>\$ 401,224</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Licenses and permits:				
Park tax fee	\$ 75,000	\$ 8,000	\$ (67,000)	\$ 20,100
Miscellaneous:				
Interest	<u>7,500</u>	<u>5,669</u>	<u>(1,831)</u>	<u>10,433</u>
Total Revenues	82,500	13,669	(68,831)	30,533
<b>EXPENDITURES</b>				
Culture and recreation:				
Public parks:				
Services and supplies	<u>75,000</u>	<u>5,085</u>	<u>69,915</u>	<u>2,468</u>
Net Change in Fund Balances	7,500	8,584	1,084	28,065
<b>FUND BALANCE, July 1</b>	<u>163,939</u>	<u>261,037</u>	<u>97,098</u>	<u>232,972</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 171,439</u>	<u>\$ 269,621</u>	<u>\$ 98,182</u>	<u>\$ 261,037</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Intergovernmental:				
Optional county sales tax (\$.0025)	\$ 557,169	\$ 718,341	\$ 161,172	\$ 706,300
Miscellaneous:				
Interest	<u>32,175</u>	<u>26,705</u>	<u>(5,470)</u>	<u>70,947</u>
Total Revenues	<u>589,344</u>	<u>745,046</u>	<u>155,702</u>	<u>777,247</u>
<b>EXPENDITURES</b>				
General government:				
Infrastructure development:				
Services and supplies	25,000	-	25,000	-
Capital outlay	<u>600,000</u>	<u>-</u>	<u>600,000</u>	<u>77,400</u>
Total Expenditures	<u>625,000</u>	<u>-</u>	<u>625,000</u>	<u>77,400</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(35,656)</u>	<u>745,046</u>	<u>780,702</u>	<u>699,847</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
Utility Enterprise Fund	(250,000)	(250,000)	-	-
Waste Water Enterprise Fund	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>(1,000,000)</u>
Other Financing Uses	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>(1,000,000)</u>
Net Change in Fund Balances	(535,656)	245,046	780,702	(300,153)
<b>FUND BALANCE, July 1</b>	<u>816,465</u>	<u>1,102,037</u>	<u>285,572</u>	<u>1,402,190</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 280,809</u>	<u>\$ 1,347,083</u>	<u>\$ 1,066,274</u>	<u>\$ 1,102,037</u>

**CHURCHILL COUNTY, NEVADA  
DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Cash and investments	\$ 856,785	\$ 792,757
Receivables:		
Interest	820	805
Total Assets	<b>\$ 857,605</b>	<b>\$ 793,562</b>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Due to other funds	\$ 25,000	\$ 25,000
Fund Balance		
Unreserved	832,605	768,562
Total Liabilities and Fund Balance	<b>\$ 857,605</b>	<b>\$ 793,562</b>

**CHURCHILL COUNTY, NEVADA**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 2,100	\$ 13,669	\$ 11,569	\$ 15,270
<b>EXPENDITURES</b>				
Debt service:				
Principal	312,753	312,753	-	333,369
Interest	80,200	80,090	110	96,879
Total Expenditures	392,953	392,843	110	430,248
Deficiency of Revenues Under Expenditures	(390,853)	(379,174)	11,679	(414,978)
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
Water Resource Fund	443,217	443,217	-	443,217
Net Change in Fund Balances	52,364	64,043	11,679	28,239
<b>FUND BALANCE, July 1</b>	525,838	768,562	242,724	740,323
<b>FUND BALANCE, June 30</b>	\$ 578,202	\$ 832,605	\$ 254,403	\$ 768,562

**CHURCHILL COUNTY, NEVADA  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2008)**

	<b>BUILDING RESERVE FUND</b>	<b>SPECIAL AD VALOREM CAPITAL PROJECTS FUND</b>	<b>EXTRAORDINARY REPAIRS AND MAINTENANCE FUND</b>	<b>FIRE EQUIPMENT APPARATUS FUND</b>	<b>TOTALS</b>	
					<b>2009</b>	<b>2008</b>
<b>ASSETS</b>						
Cash and investments	\$ 2,409,502	\$ 1,408,804	\$ 1,489,208	\$ 100,690	\$ 5,408,204	\$ 4,031,528
Receivables:						
Property taxes	-	12,515	-	39	12,554	9,672
Interest	2,597	1,347	1,397	96	5,437	6,164
Other	30	-	-	-	30	-
Due from other governments	50,005	-	50,005	-	100,010	228,764
	<u>50,005</u>	<u>-</u>	<u>50,005</u>	<u>-</u>	<u>100,010</u>	<u>228,764</u>
Total Assets	<u>\$ 2,462,134</u>	<u>\$ 1,422,666</u>	<u>\$ 1,540,610</u>	<u>\$ 100,825</u>	<u>\$ 5,526,235</u>	<u>\$ 4,276,128</u>
<b>LIABILITIES AND FUND BALANCE</b>						
Liabilities:						
Accounts payable	\$ 61,099	\$ -	\$ 2,549	\$ -	\$ 63,648	\$ 1,340
Due to other governments	-	10,459	-	-	10,459	9,213
Deferred revenue	-	11,569	-	-	11,569	8,983
	<u>-</u>	<u>11,569</u>	<u>-</u>	<u>-</u>	<u>11,569</u>	<u>8,983</u>
Total Liabilities	61,099	22,028	2,549	-	85,676	19,536
Fund Balance						
Unreserved	<u>2,401,035</u>	<u>1,400,638</u>	<u>1,538,061</u>	<u>100,825</u>	<u>5,440,559</u>	<u>4,256,592</u>
Total Liabilities and Fund Balance	<u>\$ 2,462,134</u>	<u>\$ 1,422,666</u>	<u>\$ 1,540,610</u>	<u>\$ 100,825</u>	<u>\$ 5,526,235</u>	<u>\$ 4,276,128</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<b>BUILDING RESERVE FUND</b>	<b>SPECIAL AD VALOREM CAPITAL PROJECTS FUND</b>	<b>EXTRAORDINARY REPAIRS AND MAINTENANCE FUND</b>	<b>FIRE EQUIPMENT APPARATUS FUND</b>	<b>TOTALS</b>	
					<b>2009</b>	<b>2008</b>
<b>REVENUES</b>						
Taxes	\$ -	\$ 345,220	\$ -	\$ 2,033	\$ 347,253	\$ 298,080
Intergovernmental	248,000	129	169,842	-	417,971	247,138
Miscellaneous	1,025,886	26,451	937,979	2,095	1,992,411	708,439
Total Revenues	1,273,886	371,800	1,107,821	4,128	2,757,635	1,253,657
<b>EXPENDITURES</b>						
General government	2,366,945	-	171,294	-	2,538,239	326,042
Intergovernmental	-	85,429	-	-	85,429	77,160
Total Expenditures	2,366,945	85,429	171,294	-	2,623,668	403,202
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,093,059)	286,371	936,527	4,128	133,967	850,455
<b>OTHER FINANCING SOURCES (USES)</b>						
Property sales	1,020,000	-	-	-	1,020,000	-
Transfers in	-	-	30,000	-	30,000	60,000
Total Other Financing Sources (Uses)	1,020,000	-	30,000	-	1,050,000	60,000
Net Change in Fund Balances	(73,059)	286,371	966,527	4,128	1,183,967	910,455
<b>FUND BALANCE, July 1</b>	2,474,094	1,114,267	571,534	96,697	4,256,592	3,346,137
<b>FUND BALANCE, June 30</b>	\$ 2,401,035	\$ 1,400,638	\$ 1,538,061	\$ 100,825	\$ 5,440,559	\$ 4,256,592

**CHURCHILL COUNTY, NEVADA**  
**BUILDING RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ 224,000	\$ 224,000	\$ -	\$ 175,000
Consolidated intergovernmental taxes	24,000	24,000	-	24,000
	<u>248,000</u>	<u>248,000</u>	<u>-</u>	<u>199,000</u>
Miscellaneous:				
Interest	62,750	55,201	(7,549)	85,035
Geothermal rents/royalties	800,000	965,685	165,685	555,478
Miscellaneous	-	5,000	5,000	-
	<u>862,750</u>	<u>1,025,886</u>	<u>163,136</u>	<u>640,513</u>
Total Revenues	1,110,750	1,273,886	163,136	839,513
<b>EXPENDITURES</b>				
General government:				
Capital outlay	<u>2,000,000</u>	<u>2,366,945</u>	<u>(366,945)</u>	<u>238,799</u>
Deficiency of Revenues Under Expenditures	(889,250)	(1,093,059)	(203,809)	600,714
<b>OTHER FINANCING SOURCES</b>				
Property sales	<u>-</u>	<u>1,020,000</u>	<u>1,020,000</u>	<u>-</u>
Net Change in Fund Balances	(889,250)	(73,059)	816,191	600,714
<b>FUND BALANCE, July 1</b>	<u>2,147,615</u>	<u>2,474,094</u>	<u>326,479</u>	<u>1,873,380</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,258,365</u>	<u>\$ 2,401,035</u>	<u>\$ 1,142,670</u>	<u>\$ 2,474,094</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, 2009  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 270,458	\$ 345,220	\$ 74,762	\$ 296,656
Intergovernmental:				
Private car tax	-	129	129	138
Miscellaneous:				
Interest	<u>33,750</u>	<u>26,451</u>	<u>(7,299)</u>	<u>43,345</u>
Total Revenues	<u>304,208</u>	<u>371,800</u>	<u>67,592</u>	<u>340,139</u>
<b>EXPENDITURES</b>				
General government:				
Capital projects	212,000	-	212,000	-
Intergovernmental:				
City of Fallon	<u>100,000</u>	<u>85,429</u>	<u>14,571</u>	<u>77,160</u>
Total Expenditures	<u>312,000</u>	<u>85,429</u>	<u>226,571</u>	<u>77,160</u>
Net Change in Fund Balances	(7,792)	286,371	294,163	262,979
<b>FUND BALANCE, July 1</b>	<u>878,458</u>	<u>1,114,267</u>	<u>235,809</u>	<u>851,288</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 870,666</u>	<u>\$1,400,638</u>	<u>\$ 529,972</u>	<u>\$1,114,267</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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Intergovernmental:				
Federal payments in lieu of taxes	\$ -	\$ 145,842	\$ 145,842	\$ -
Consolidated intergovernmental taxes	24,000	24,000	-	48,000
	<u>24,000</u>	<u>169,842</u>	<u>145,842</u>	<u>48,000</u>
Miscellaneous:				
Geothermal rents/royalties	200,000	915,685	715,685	-
Interest	21,175	22,294	1,119	20,678
	<u>221,175</u>	<u>937,979</u>	<u>716,804</u>	<u>20,678</u>
Total Revenues	<u>245,175</u>	<u>1,107,821</u>	<u>862,646</u>	<u>68,678</u>
<b>EXPENDITURES</b>				
General government:				
Salaries	34,067	-	34,067	-
Benefits	17,350	-	17,350	-
Services and supplies	105,000	103,461	1,539	-
Capital outlay	95,000	67,833	27,167	87,243
Total Expenditures	<u>251,417</u>	<u>171,294</u>	<u>80,123</u>	<u>87,243</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,242)	936,527	942,769	(18,565)
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
Administrative Assessment Fund	50,000	30,000	(20,000)	60,000
Net Change in Fund Balances	43,758	966,527	922,769	41,435
<b>FUND BALANCE, July 1</b>	<u>262,849</u>	<u>571,534</u>	<u>308,685</u>	<u>530,099</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 306,607</u>	<u>\$1,538,061</u>	<u>\$1,231,454</u>	<u>\$ 571,534</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, 2009  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ -	\$ 2,033	\$ 2,033	\$ 1,424
Miscellaneous:				
Interest	-	2,095	2,095	3,903
Total Revenues	-	4,128	4,128	5,327
<b>EXPENDITURES</b>	-	-	-	-
Net Change in Fund Balances	-	4,128	4,128	5,327
<b>FUND BALANCE, July 1</b>	<u>21,045</u>	<u>96,697</u>	<u>75,652</u>	<u>91,370</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 21,045</u>	<u>\$ 100,825</u>	<u>\$ 79,780</u>	<u>\$ 96,697</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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>OPERATING REVENUE</b>				
Local network services	\$ 3,515,000	\$ 3,494,031	\$ (20,969)	\$ 3,498,125
Network access services	5,755,000	5,750,181	(4,819)	5,212,406
Interstate pooling revenue	4,000,000	3,109,645	(890,355)	3,554,602
Miscellaneous revenue	735,000	959,234	224,234	898,711
Uncollectible revenue	(15,000)	(45,569)	(30,569)	(3,266)
Total Operating Revenue	<u>13,990,000</u>	<u>13,267,522</u>	<u>(722,478)</u>	<u>13,160,578</u>
<b>OPERATING EXPENSES</b>				
Plant specific operations	2,501,080	2,372,768	128,312	2,407,392
Plant nonspecific operations	1,650,316	1,715,901	(65,585)	1,751,898
Customer operations	1,323,568	1,463,171	(139,603)	1,611,345
Corporate operations	2,605,690	2,643,305	(37,615)	2,359,291
Payments to County in lieu of taxes	1,368,041	1,368,041	-	1,318,559
Depreciation and amortization	4,106,193	3,276,030	830,163	3,841,200
Total Operating Expenses	<u>13,554,888</u>	<u>12,839,216</u>	<u>715,672</u>	<u>13,289,685</u>
Operating Income (Loss)	<u>435,112</u>	<u>428,306</u>	<u>(6,806)</u>	<u>(129,107)</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest income	228,000	40,625	(187,375)	185,808
Interest expense	(51,376)	(49,190)	2,186	(60,605)
Nonregulated income	1,426,000	1,099,794	(326,206)	1,459,657
Nonregulated expenses	(398,862)	(486,817)	(87,955)	(456,506)
Loss on write down of goodwill	-	-	-	(18,900)
Payments to County in lieu of taxes	(622,659)	(622,659)	-	(618,710)
Donation of community emergency services	(50,000)	(48,520)	1,480	(52,194)
Total Nonoperating Revenue (Expense)	<u>531,103</u>	<u>(66,767)</u>	<u>(597,870)</u>	<u>438,550</u>
Income Before Transfers	<u>\$ 966,215</u>	<u>361,539</u>	<u>\$ (604,676)</u>	<u>309,443</u>
<b>TRANSFERS</b>				
CC Communications - Wireless		<u>2,001,803</u>		<u>89,688</u>
Change in Net Assets		<u>2,363,342</u>		<u>399,131</u>
<b>NET ASSETS, July 1</b>		<u>28,837,705</u>		<u>28,438,574</u>
<b>NET ASSETS, June 30</b>		<u>\$31,201,047</u>		<u>\$28,837,705</u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - TELEPHONE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$13,749,751	\$14,862,046
Cash payments to employees	(3,527,352)	(4,061,357)
Cash payments for services and supplies	<u>(6,929,738)</u>	<u>(5,575,773)</u>
Net Cash Provided by Operating Activities	<u>3,292,661</u>	<u>5,224,916</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfers from:		
CC Communications - Wireless Fund	<u>2,000,000</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(6,918,133)	(3,774,832)
Sale of other intangibles	293,797	-
Purchase of other intangibles	-	(210,000)
Principal payment on long-term debt	(66,122)	(700,962)
Interest payment on long-term debt	<u>(49,302)</u>	<u>(61,517)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(6,739,760)</u>	<u>(4,747,311)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received on investments	<u>46,988</u>	<u>187,263</u>
Net Increase in Cash	(1,400,111)	664,868
<b>CASH, July 1</b>	<u>4,020,311</u>	<u>3,355,443</u>
<b>CASH, June 30</b>	<u>\$ 2,620,200</u>	<u>\$ 4,020,311</u>
<b>SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Write-down of goodwill	<u>\$ -</u>	<u>\$ (18,900)</u>
Transfer of license from CC Communications - Wireless Fund	<u>\$ -</u>	<u>\$ 83,797</u>
Transfer of equipment from CC Communications - Wireless Fund	<u>\$ 1,803</u>	<u>\$ 5,891</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 428,306	\$ (129,107)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation - regulated plant	3,276,030	3,841,200
Depreciation - nonregulated plant	19,999	-
Amortization of loan costs	-	1,818
Income from nonregulated operations, net of expenses	612,977	1,003,151
Payments to County in lieu of taxes - nonoperating	(622,659)	(618,710)
Donation of community emergency services	(48,520)	(52,194)
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Receivables	(137,718)	241,689
Prepaid expenses	(4,326)	-
Inventory of materials and supplies	(497,391)	68,977
Increase (decrease) in:		
Accounts payable	(336,474)	860,388
Customer deposits	6,970	122
Other accrued liabilities	242	(13,712)
Other postemployment benefits liability	616,196	-
Compensated absences	<u>(20,971)</u>	<u>21,294</u>
Net Cash Provided by Operating Activities	<u>\$ 3,292,661</u>	<u>\$ 5,224,916</u>

**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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>OPERATING REVENUE</b>				
Initiation fees	\$ 54,000	\$ 80,632	\$ 26,632	\$ 64,759
Service charges	2,980,712	2,888,975	(91,737)	2,677,758
Local air time	160,408	154,742	(5,666)	169,172
Roamer air time	5,400,000	3,862,440	(1,537,560)	5,963,691
Interconnection revenue	18,300	10,587	(7,713)	18,564
USF revenue	1,500,000	998,152	(501,848)	1,501,710
Miscellaneous revenue	40,000	122,791	82,791	51,181
Equipment sales/installation	330,000	329,880	(120)	413,730
Uncollectible revenue	<u>(108,000)</u>	<u>(109,995)</u>	<u>(1,995)</u>	<u>(35,928)</u>
Total Operating Revenue	<u>10,375,420</u>	<u>8,338,204</u>	<u>(2,037,216)</u>	<u>10,824,637</u>
<b>OPERATING EXPENSES</b>				
Customer operations	659,555	841,760	(182,205)	1,228,459
Network operations	1,053,794	3,178,699	(2,124,905)	3,427,474
Corporate operations	2,732,145	562,052	2,170,093	676,986
Equipment sales expenses	918,000	542,298	375,702	793,209
Miscellaneous operating expenses	1,016,221	-	1,016,221	2,869
Depreciation	<u>1,027,458</u>	<u>533,028</u>	<u>494,430</u>	<u>1,199,830</u>
Total Operating Expenses	<u>7,407,173</u>	<u>5,657,837</u>	<u>1,749,336</u>	<u>7,328,827</u>
Operating Income	<u>2,968,247</u>	<u>2,680,367</u>	<u>(287,880)</u>	<u>3,495,810</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest income	196,000	109,329	(86,671)	167,089
Gain on sale of assets	-	810,043	810,043	-
Interest expense	<u>(2,000)</u>	<u>(254)</u>	<u>1,746</u>	<u>(3,057)</u>
Total Nonoperating Revenue (Expense)	<u>194,000</u>	<u>919,118</u>	<u>725,118</u>	<u>164,032</u>
Income Before Transfers	<u>3,162,247</u>	<u>3,599,485</u>	<u>437,238</u>	<u>3,659,842</u>
<b>TRANSFERS</b>				
CC Communications - Telephone Fund	-	(2,001,803)	(2,001,803)	(89,688)
CC Communications - Broadband Fund	<u>-</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>
Total Transfers	<u>-</u>	<u>(2,601,803)</u>	<u>(2,601,803)</u>	<u>(689,688)</u>
Change in Net Assets	<u>\$ 3,162,247</u>	<u>997,682</u>	<u>\$(2,164,565)</u>	<u>2,970,154</u>
<b>NET ASSETS, July 1</b>		<u>15,985,774</u>		<u>13,015,620</u>
<b>NET ASSETS, June 30</b>		<u>\$16,983,456</u>		<u>\$15,985,774</u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - WIRELESS FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<b>2009</b>	<b>2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 9,588,981	\$10,586,082
Cash payments to employees	(522,170)	(619,597)
Cash payments for services and supplies	(4,454,004)	(5,114,530)
Net Cash Provided by Operating Activities	4,612,807	4,851,955
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfers to:		
CC Communications - Telephone Fund	(2,000,000)	-
CC Communications - Broadband Fund	(600,000)	(600,000)
Net Cash Used by Noncapital Financing Activities	(2,600,000)	(600,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal payment on long-term debt	-	(179,839)
Interest paid on long-term debt	-	(2,464)
Interest paid on subscriber deposits	(502)	(1,009)
Purchase of other intangibles	(293,797)	-
Sale of capital assets	6,504,314	-
Purchase of property, plant and equipment	-	(1,348,404)
Net Cash Provided (Used) by Capital and Related Financing Activities	6,210,015	(1,531,716)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	116,994	170,877
Net Increase in Cash	8,339,816	2,891,116
<b>CASH, July 1</b>	6,969,119	4,078,003
<b>CASH, June 30</b>	\$15,308,935	\$ 6,969,119
<b>SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Transfer of license to CC Communications - Telephone Fund	\$ -	\$ (83,797)
Transfer of equipment to CC Communications - Telephone Fund	\$ (1,803)	\$ (5,891)
Accounts receivable related to sale of capital assets	\$ 2,030,942	\$ -
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income	\$ 2,680,367	\$ 3,495,810
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation	533,028	1,199,830
Decrease in provision for uncollectible accounts	-	(1,011)
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	776,372	(228,485)
Inventory	57,417	438,917
Increase (decrease) in:		
Accounts payable	478,605	(45,056)
Customer deposits	(4,200)	(8,050)
Other postemployment benefits liability	91,218	-
Net Cash Provided by Operating Activities	\$ 4,612,807	\$ 4,851,955

**CHURCHILL COUNTY, NEVADA**  
**MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - BROADBAND FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND**  
**CHANGE IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>OPERATING REVENUE</b>				
Service charges				
OnNow!	\$ 1,123,549	\$ 1,189,150	\$ 65,601	\$ 890,223
Internet	1,460,992	1,361,885	(99,107)	1,313,315
Uncollectible revenue	-	(10,084)	(10,084)	(80,020)
	<u>2,584,541</u>	<u>2,540,951</u>	<u>(43,590)</u>	<u>2,123,518</u>
<b>OPERATING EXPENSES</b>				
Customer operations				
OnNow!	286,866	213,457	73,409	255,154
Internet	385,677	460,246	(74,569)	376,787
Network operations				
OnNow!	763,950	1,063,404	(299,454)	576,323
Internet	332,166	79,105	253,061	101,588
Corporate operations	85,548	146,179	(60,631)	124,285
Access charges	760,601	842,036	(81,435)	681,179
Miscellaneous operating expenses				
OnNow!	3,600	613	2,987	12,887
Internet	88,155	16,148	72,007	19,800
Depreciation				
OnNow!	525,837	332,820	193,017	453,637
Internet	83,995	57,603	26,392	82,028
	<u>3,316,395</u>	<u>3,211,611</u>	<u>104,784</u>	<u>2,683,668</u>
Operating Loss	<u>(731,854)</u>	<u>(670,660)</u>	<u>61,194</u>	<u>(560,150)</u>
<b>NONOPERATING REVENUE</b>				
Miscellaneous income	-	16	16	1,080
Rental income	15,840	24,035	8,195	16,380
	<u>15,840</u>	<u>24,051</u>	<u>8,211</u>	<u>17,460</u>
Loss Before Transfers	(716,014)	(646,609)	69,405	(542,690)
<b>TRANSFERS</b>				
CC Communications - Wireless Fund	850,000	600,000	(250,000)	600,000
Change in Net Assets	<u>\$ 133,986</u>	<u>(46,609)</u>	<u>\$ (180,595)</u>	<u>57,310</u>
<b>NET ASSETS, July 1</b>		<u>1,997,722</u>		<u>1,940,412</u>
<b>NET ASSETS, June 30</b>		<u>\$ 1,951,113</u>		<u>\$ 1,997,722</u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR PROPRIETARY FUND - CC COMMUNICATIONS - BROADBAND FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers and others	\$ 2,565,002	\$ 2,140,978
Cash payments to employees	(516,552)	(380,962)
Cash payments for services and supplies	<u>(2,165,281)</u>	<u>(1,753,965)</u>
Net Cash Provided (Used) by Operating Activities	(116,831)	6,051
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers from:		
CC Communications - Wireless Fund	600,000	600,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchase of property, plant and equipment	<u>(581,947)</u>	<u>(616,159)</u>
Net Decrease in Cash	(98,778)	(10,108)
<b>CASH, July 1</b>	<u>753,752</u>	<u>763,860</u>
<b>CASH, June 30</b>	<u>\$ 654,974</u>	<u>\$ 753,752</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:</b>		
Operating loss	\$ (670,660)	\$ (560,150)
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:		
Depreciation	390,423	535,665
Miscellaneous income	16	1,080
Rental income	24,035	16,380
Changes in assets and liabilities:		
(Increase) decrease:		
Prepaid expenses	-	8,250
Inventory	49,118	4,826
Increase (decrease):		
Other postemployment benefits liability	<u>90,237</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (116,831)</u>	<u>\$ 6,051</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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>OPERATING REVENUE</b>				
Service charges	\$ 226,450	\$ 208,204	\$ (18,246)	\$ 158,439
<b>OPERATING EXPENSES</b>				
Telephone	5,000	2,162	2,838	2,181
Contracted services	190,000	250,333	(60,333)	143,474
Operating supplies	8,000	9,579	(1,579)	11,036
Repairs and maintenance	3,000	10,890	(7,890)	813
Utilities	44,000	47,780	(3,780)	31,657
Bad debt	-	407	(407)	103
Miscellaneous	-	601	(601)	-
Depreciation	-	494,496	(494,496)	325,696
	<u>250,000</u>	<u>816,248</u>	<u>(566,248)</u>	<u>514,960</u>
Total Operating Expenses				
Operating Loss	<u>(23,550)</u>	<u>(608,044)</u>	<u>(584,494)</u>	<u>(356,521)</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest income	5,000	20,908	15,908	-
Federal grants	-	373,458	373,458	6,980,718
Tap fees	-	17,530	17,530	2,399,352
Loss on disposal of assets	-	-	-	(272,119)
Capital contributions	100,000	-	(100,000)	-
Interest expense	<u>(82,835)</u>	<u>(27,332)</u>	<u>55,503</u>	<u>-</u>
	<u>22,165</u>	<u>384,564</u>	<u>362,399</u>	<u>9,107,951</u>
Total Nonoperating Revenue (Expense)				
Income (Loss) Before Transfers	<u>(1,385)</u>	<u>(223,480)</u>	<u>(222,095)</u>	<u>8,751,430</u>
<b>TRANSFERS IN</b>				
Water Resource Fund	-	-	-	1,750,000
Infrastructure Tax Fund	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>1,000,000</u>
	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>2,750,000</u>
Change in Net Assets	<u>\$ (1,385)</u>	<u>26,520</u>	<u>\$ 27,905</u>	<u>11,501,430</u>
<b>NET ASSETS, July 1</b>		<u>18,277,401</u>		<u>6,775,971</u>
<b>NET ASSETS, June 30</b>		<u>\$18,303,921</u>		<u>\$18,277,401</u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR PROPRIETARY FUND - WASTE WATER ENTERPRISE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers and grants	\$ 1,359,392	\$ (571,368)
Cash payments for services and supplies	<u>(788,466)</u>	<u>(509,673)</u>
Net Cash Provided (Used) for Operating Activities	<u>570,926</u>	<u>(1,081,041)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal payment on long-term debt	(21,672)	(26,571)
Interest paid on long-term debt	(27,179)	(71,506)
Transfers in	250,000	2,750,000
Federal grants	373,458	6,980,718
Tap fees	17,530	2,399,352
Purchase of property, plant and equipment	<u>(672,016)</u>	<u>(11,949,720)</u>
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(79,879)</u>	<u>82,273</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	<u>4,563</u>	<u>-</u>
Net Increase (Decrease) in Cash	495,610	(998,768)
<b>CASH, July 1</b>	<u>10,451</u>	<u>1,009,219</u>
<b>CASH, June 30</b>	<u>\$ 506,061</u>	<u>\$ 10,451</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating loss	\$ (608,044)	\$ (356,521)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	494,496	325,696
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(5,139)	(741,993)
Due from other governments	1,110,722	(927,661)
Due from other funds	(813)	12,186
Increase (decrease) in:		
Accounts payable	(455,821)	801,765
Deferred revenue	46,418	-
Due to other funds	<u>(10,893)</u>	<u>(194,513)</u>
Net Cash Provided (Used) for Operating Activities	<u>\$ 570,926</u>	<u>\$ (1,081,041)</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, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>OPERATING REVENUE</b>				
Service charges	\$ 340,000	\$ 314,157	\$ (25,843)	\$ 244,003
<b>OPERATING EXPENSES</b>				
Telephone	3,000	3,713	(713)	2,043
Contracted services	128,500	148,151	(19,651)	174,696
Operating supplies	35,000	4,857	30,143	28,636
Repairs and maintenance	9,000	3,229	5,771	1,588
Utilities	40,175	29,379	10,796	32,719
Bad debt	-	800	(800)	270
Depreciation	-	281,903	(281,903)	151,535
Total Operating Expenses	<u>215,675</u>	<u>472,032</u>	<u>(256,357)</u>	<u>391,487</u>
Operating Income (Loss)	<u>124,325</u>	<u>(157,875)</u>	<u>(282,200)</u>	<u>(147,484)</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest income	7,000	31,529	24,529	20,681
Miscellaneous	-	-	-	25,000
State grants	-	183,915	183,915	126,226
Federal grants	-	-	-	497,590
Tap fees	-	17,527	17,527	919,619
Capital contributions	300,000	-	(300,000)	-
Interest expense	<u>(101,442)</u>	<u>(101,630)</u>	<u>(188)</u>	<u>-</u>
Total Nonoperating Revenue (Expense)	<u>205,558</u>	<u>131,341</u>	<u>(74,217)</u>	<u>1,589,116</u>
Income (Loss) Before Transfers	329,883	(26,534)	(356,417)	1,441,632
<b>TRANSFERS IN</b>				
Infrastructure Tax Fund	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Change in Net Assets	<u>\$ 329,883</u>	<u>223,466</u>	<u>\$ (106,417)</u>	<u>1,441,632</u>
<b>NET ASSETS, July 1</b>		<u>8,755,546</u>		<u>7,313,914</u>
<b>NET ASSETS, June 30</b>		<u>\$ 8,979,012</u>		<u>\$ 8,755,546</u>

**CHURCHILL COUNTY, NEVADA**  
**MAJOR PROPRIETARY FUND - UTILITY ENTERPRISE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<b>2009</b>	<b>2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 417,590	\$ 160,883
Cash payments for services and supplies	(194,302)	(588,591)
Net Cash Provided (Used) for Operating Activities	223,288	(427,708)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Principal payment on long-term debt	(26,547)	(32,544)
Interest paid on long-term debt	(101,442)	(83,409)
Transfers in	250,000	-
State grants	183,915	126,226
Federal grants	-	497,590
Tap fees	17,527	919,619
Purchase of property, plant and equipment	(24,625)	(585,937)
Net Cash Provided by Capital and Related Financing Activities	298,828	841,545
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received on investments	17,801	28,051
Net Increase in Cash	539,917	441,888
<b>CASH, July 1</b>	491,451	49,563
<b>CASH, June 30</b>	<b>\$ 1,031,368</b>	<b>\$ 491,451</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (157,875)	\$ (147,484)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	281,903	151,535
Miscellaneous income	-	25,000
Changes in certain assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(7,620)	(354,584)
Due from other governments	55,665	124,574
Due from other funds	11,190	120,640
Increase (decrease) in:		
Accounts payable	(4,986)	(262,581)
Deferred revenue	43,448	-
Customer deposits	750	1,250
Due to other funds	813	(86,058)
Net Cash Provided (Used) for Operating Activities	<b>\$ 223,288</b>	<b>\$ (427,708)</b>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR PROPRIETARY FUND - CC COMMUNICATIONS - LONG DISTANCE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND**  
**CHANGE IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2008</u>
<b>OPERATING REVENUE</b>				
Service charges	\$ 1,278,800	\$ 1,120,215	\$ (158,585)	\$ 1,284,183
Uncollectible revenue	-	(381)	(381)	(44,093)
	<u>1,278,800</u>	<u>1,119,834</u>	<u>(158,966)</u>	<u>1,240,090</u>
<b>OPERATING EXPENSES</b>				
Customer operations	105,908	100,610	5,298	79,329
Network operations	264,060	206,973	57,087	242,896
Corporate operations	78,009	100,976	(22,967)	86,302
Access charges	281,200	225,300	55,900	271,165
Miscellaneous operating expenses	45,200	7,251	37,949	12,846
	<u>774,377</u>	<u>641,110</u>	<u>133,267</u>	<u>692,538</u>
Operating Income	<u>504,423</u>	<u>478,724</u>	<u>(25,699)</u>	<u>547,552</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest income	52,400	19,948	(32,452)	41,325
Contributions to other funds	(850,000)	-	850,000	-
	<u>(797,600)</u>	<u>19,948</u>	<u>817,548</u>	<u>41,325</u>
Change in Net Assets	<u>\$ (293,177)</u>	498,672	<u>\$ 791,849</u>	588,877
<b>NET ASSETS, July 1</b>		<u>1,910,034</u>		<u>1,321,157</u>
<b>NET ASSETS, June 30</b>		<u>\$ 2,408,706</u>		<u>\$ 1,910,034</u>

**CHURCHILL COUNTY, NEVADA**  
**NONMAJOR PROPRIETARY FUND - CC COMMUNICATIONS - LONG DISTANCE FUND**  
**SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008)**

	<b>2009</b>	<b>2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 1,119,834	\$ 1,240,090
Cash payments to employees	(111,708)	(44,204)
Cash payments for services and supplies	(509,887)	(648,334)
Net Cash Provided by Operating Activities	498,239	547,552
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received on investments	21,430	42,609
Net Increase in Cash	519,669	590,161
<b>CASH, July 1</b>	<b>1,908,083</b>	<b>1,317,922</b>
<b>CASH, June 30</b>	<b>\$ 2,427,752</b>	<b>\$ 1,908,083</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income	\$ 478,724	\$ 547,552
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in certain assets and liabilities:		
Increase (decrease) in postemployment benefits payable	19,515	-
Net Cash Provided by Operating Activities	<b>\$ 498,239</b>	<b>\$ 547,552</b>

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(Page 1 of 4)**

	<u>BALANCE</u> <u>JULY 1, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
<b>State of Nevada</b>				
<b>ASSETS</b>				
Cash	\$ 114,649	\$ 1,450,430	\$ 1,456,624	\$ 108,455
Accounts receivable	-	320	-	320
Taxes receivable	2,084	1,143	-	3,227
	<u>\$ 116,733</u>	<u>\$ 1,451,893</u>	<u>\$ 1,456,624</u>	<u>\$ 112,002</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,733	\$ 853	\$ -	\$ 3,586
Due to other governments	114,000	1,451,040	1,456,624	108,416
	<u>\$ 116,733</u>	<u>\$ 1,451,893</u>	<u>\$ 1,456,624</u>	<u>\$ 112,002</u>
<b>City of Fallon</b>				
<b>ASSETS</b>				
Cash	\$ 51,805	\$ 1,796,243	\$ 1,818,016	\$ 30,032
Taxes receivable	1,324	3,599	-	4,923
	<u>\$ 53,129</u>	<u>\$ 1,799,842</u>	<u>\$ 1,818,016</u>	<u>\$ 34,955</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 53,129	\$ 1,799,842	\$ 1,818,016	\$ 34,955
	<u>\$ 53,129</u>	<u>\$ 1,799,842</u>	<u>\$ 1,818,016</u>	<u>\$ 34,955</u>
<b>Range Improvement Districts Number 2, Number 3, and Number 6</b>				
<b>ASSETS</b>				
Cash	\$ 1,840	\$ 5,353	\$ 208	\$ 6,985
<b>LIABILITIES</b>				
Due to other governments	\$ 1,840	\$ 5,353	\$ 208	\$ 6,985
	<u>\$ 1,840</u>	<u>\$ 5,353</u>	<u>\$ 208</u>	<u>\$ 6,985</u>
<b>Truckee-Carson Irrigation District</b>				
<b>ASSETS</b>				
Cash	\$ 10,691	\$ 2,257,066	\$ 2,263,128	\$ 4,629
Taxes receivable	410	-	410	-
	<u>\$ 11,101</u>	<u>\$ 2,257,066</u>	<u>\$ 2,263,538</u>	<u>\$ 4,629</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 11,101	\$ 2,257,066	\$ 2,263,538	\$ 4,629
	<u>\$ 11,101</u>	<u>\$ 2,257,066</u>	<u>\$ 2,263,538</u>	<u>\$ 4,629</u>
<b>State of Nevada Department of Wildlife</b>				
<b>ASSETS</b>				
Cash	\$ 3,011	\$ 3	\$ 427	\$ 2,587
<b>LIABILITIES</b>				
Due to other governments	\$ 3,011	\$ 3	\$ 427	\$ 2,587
	<u>\$ 3,011</u>	<u>\$ 3</u>	<u>\$ 427</u>	<u>\$ 2,587</u>
<b>Churchill County School District Operating</b>				
<b>ASSETS</b>				
Cash	\$ 207,927	\$ 5,196,891	\$ 5,363,483	\$ 41,335
Accounts receivable	17,417	2,091	-	19,508
Taxes receivable	9,226	5,011	-	14,237
Due from other governments	254,907	-	254,907	-
	<u>\$ 489,477</u>	<u>\$ 5,203,993</u>	<u>\$ 5,618,390</u>	<u>\$ 75,080</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 489,477	\$ 5,203,993	\$ 5,618,390	\$ 75,080
	<u>\$ 489,477</u>	<u>\$ 5,203,993</u>	<u>\$ 5,618,390</u>	<u>\$ 75,080</u>

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
(Page 2 of 4)

	<u>BALANCE</u> <u>JULY 1, 2008</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
<b>Churchill County School District</b>				
<b>Debt Service</b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 5,105,675	\$ 5,105,675	\$ -
Taxes receivable	7,391	3,288	-	10,679
	<u>\$ 7,391</u>	<u>\$ 5,108,963</u>	<u>\$ 5,105,675</u>	<u>\$ 10,679</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 7,391</u>	<u>\$ 5,108,963</u>	<u>\$ 5,105,675</u>	<u>\$ 10,679</u>
<b>Churchill County Mosquito</b>				
<b>Abatement District</b>				
<b>ASSETS</b>				
Cash	\$ 83,671	\$ 877,780	\$ 931,263	\$ 30,188
Taxes receivable	981	534	-	1,515
Due from other governments	67,469	-	11,201	56,268
	<u>\$ 152,121</u>	<u>\$ 878,314</u>	<u>\$ 942,464</u>	<u>\$ 87,971</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 152,121</u>	<u>\$ 878,314</u>	<u>\$ 942,464</u>	<u>\$ 87,971</u>
<b>Scholarship Trust</b>				
<b>ASSETS</b>				
Cash	\$ 12,431	\$ 4,827	\$ 4,083	\$ 13,175
Interest receivable	45	-	38	7
	<u>\$ 12,476</u>	<u>\$ 4,827</u>	<u>\$ 4,121</u>	<u>\$ 13,182</u>
<b>LIABILITIES</b>				
Funds held in trust for others	<u>\$ 12,476</u>	<u>\$ 4,827</u>	<u>\$ 4,121</u>	<u>\$ 13,182</u>
<b>Court Clerk Trust</b>				
<b>ASSETS</b>				
Cash	<u>\$ 388,379</u>	<u>\$ 20,229</u>	<u>\$ 75,545</u>	<u>\$ 333,063</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 388,379</u>	<u>\$ 20,229</u>	<u>\$ 75,545</u>	<u>\$ 333,063</u>
<b>Justice Court Trust</b>				
<b>ASSETS</b>				
Cash	<u>\$ (4,444)</u>	<u>\$ 46,163</u>	<u>\$ 43,861</u>	<u>\$ (2,142)</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ (4,444)</u>	<u>\$ 46,163</u>	<u>\$ 43,861</u>	<u>\$ (2,142)</u>
<b>Miscellaneous Trust</b>				
<b>ASSETS</b>				
Cash	<u>\$ 1,655</u>	<u>\$ 486</u>	<u>\$ 486</u>	<u>\$ 1,655</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,655</u>	<u>\$ 486</u>	<u>\$ 486</u>	<u>\$ 1,655</u>

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(Page 3 of 4)**

	<b>BALANCE JULY 1, 2008</b>	<b>ADDITIONS</b>	<b>DEDUCTIONS</b>	<b>BALANCE JUNE 30, 2009</b>
<b>Assistance to Victims of Domestic Violence Fund</b> <hr/>				
<b>ASSETS</b>				
Cash	\$ 480	\$ 4,580	\$ 4,405	\$ 655
<b>LIABILITIES</b>				
Due to other governments	\$ 480	\$ 4,580	\$ 4,405	\$ 655
<b>Excess Proceeds</b> <hr/>				
<b>ASSETS</b>				
Cash	\$ 89,515	\$ 150	\$ 89,665	\$ -
Interest receivable	22	-	18	4
	\$ 89,537	\$ 150	\$ 89,683	\$ 4
<b>LIABILITIES</b>				
Due to others	\$ 89,537	\$ 150	\$ 89,683	\$ 4
<b>Jail Commissary</b> <hr/>				
<b>ASSETS</b>				
Cash	\$ 6,751	\$ 7,712	\$ -	\$ 14,463
<b>LIABILITIES</b>				
Due to others	\$ 6,751	\$ 7,712	\$ -	\$ 14,463
<b>Recorder Trust</b> <hr/>				
<b>ASSETS</b>				
Cash	\$ 2,520	\$ 4,841	\$ -	\$ 7,361
<b>LIABILITIES</b>				
Due to other governments	\$ 2,520	\$ 4,841	\$ -	\$ 7,361
<b>Churchill County School District Residential Construction Tax</b> <hr/>				
<b>ASSETS</b>				
Cash	\$ 2,673	\$ 8,910	\$ 7,128	\$ 4,455
<b>LIABILITIES</b>				
Due to other governments	\$ 2,673	\$ 8,910	\$ 7,128	\$ 4,455

**CHURCHILL COUNTY, NEVADA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(Page 4 of 4)**

<b>Totals</b>	<b>BALANCE</b>			<b>BALANCE</b>
	<b>JULY 1, 2008</b>	<b>ADDITIONS</b>	<b>DEDUCTIONS</b>	<b>JUNE 30, 2009</b>
<b>ASSETS</b>				
Cash	\$ 973,554	\$ 16,787,339	\$17,163,997	\$ 596,896
Accounts receivable	17,417	2,411	-	19,828
Taxes receivable	21,416	13,575	410	34,581
Interest receivable	67	-	56	11
Due from other governments	322,376	-	266,108	56,268
	<u>\$ 1,334,830</u>	<u>\$ 16,803,325</u>	<u>\$17,430,571</u>	<u>\$ 707,584</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,733	\$ 853	\$ -	\$ 3,586
Due to other governments	837,743	16,722,905	17,216,875	343,773
Due to others	494,354	79,567	213,696	360,225
	<u>\$ 1,334,830</u>	<u>\$ 16,803,325</u>	<u>\$17,430,571</u>	<u>\$ 707,584</u>

**STATISTICAL SECTION - UNAUDITED**

# **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 Seven Fiscal Years  
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<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	\$ 53,107,597
Restricted	-	6,974,262	7,696,537	9,283,221	11,546,731	10,002,950
Unrestricted	<u>14,873,916</u>	<u>9,312,796</u>	<u>6,754,918</u>	<u>13,156,877</u>	<u>11,143,420</u>	<u>13,565,346</u>
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>	<u>76,675,893</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	58,015,534
Restricted	-	-	23,283	36,700	-	-
Unrestricted	<u>10,825,954</u>	<u>9,035,581</u>	<u>9,821,054</u>	<u>5,703,181</u>	<u>13,832,323</u>	<u>17,748,647</u>
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>	<u>75,764,181</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	111,123,131
Restricted	-	6,974,262	7,719,820	9,319,921	11,546,731	10,002,950
Unrestricted	<u>25,699,870</u>	<u>18,348,377</u>	<u>16,575,972</u>	<u>18,860,058</u>	<u>24,975,743</u>	<u>31,313,993</u>
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>	<u>\$ 152,440,074</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 Seven Fiscal Years  
(accrual basis of accounting)

Page 1 of 2

	2003	2004	2005	2006	2007	2008
<b>Expenses</b>						
<i>Governmental Activities:</i>						
General Government	\$ 4,764,913	\$ 4,816,466	\$ 5,738,745	\$ 5,476,938	\$ 6,023,426	\$ 6,215,096
Judicial	1,824,443	2,249,588	2,480,177	2,707,588	2,908,455	2,971,738
Public Safety	4,829,737	5,199,687	5,819,578	7,007,531	7,803,606	7,603,614
Public Works	2,237,184	2,358,526	1,195,487	2,224,763	2,210,246	3,180,901
Health & Sanitation	194,704	178,623	231,116	233,208	257,076	277,864
Welfare	1,301,822	1,182,556	1,286,989	1,349,477	1,085,025	1,086,643
Culture & Recreation	1,354,439	1,583,404	1,806,818	1,930,550	2,042,404	2,117,578
Community Support	487,889	436,695	471,294	620,020	704,482	960,707
Intergovernmental	550,720	675,209	912,284	-	-	-
Interest & Fiscal Charges	2,941	11,960	39,253	120,806	127,337	69,876
Total governmental activities expenses	<u>17,548,792</u>	<u>18,692,714</u>	<u>19,981,741</u>	<u>21,670,881</u>	<u>23,162,057</u>	<u>24,484,017</u>
<i>Business-type Activities:</i>						
Telephone	15,241,445	16,669,012	15,961,728	15,615,524	14,694,394	14,496,600
Wireless	4,056,763	4,713,632	4,640,842	5,902,437	7,543,354	8,021,572
Long Distance	1,989,913	1,498,543	1,497,698	1,925,914	1,189,024	692,538
Broadband	1,031,808	1,413,234	1,698,549	2,044,667	2,694,643	2,683,668
Waste Water	-	-	-	236	269,812	787,079
Water Utility	-	-	-	237	98,970	391,487
Total business-type activities expenses	<u>22,319,929</u>	<u>24,294,421</u>	<u>23,798,817</u>	<u>25,489,015</u>	<u>26,490,197</u>	<u>27,072,944</u>
Total primary government expenses	<u>\$ 39,868,721</u>	<u>\$ 42,987,135</u>	<u>\$ 43,780,558</u>	<u>\$ 47,159,896</u>	<u>\$ 49,652,254</u>	<u>\$ 51,556,961</u>
<b>Program Revenues</b>						
<i>Governmental activities:</i>						
Charges for services						
General government	923,274	1,192,230	1,333,553	1,540,428	1,243,305	1,085,982
Judicial	139,152	155,895	170,398	178,691	202,141	197,129
Public safety	439,651	472,693	451,241	378,439	369,360	404,246
Public works	89,424	129,899	238,655	573,640	376,899	178,005
Culture and recreation	216,228	232,072	254,889	308,335	276,771	286,047
Other activities	68,168	86,796	80,846	84,157	72,212	47,957
Operating grants and contributions	1,271,975	1,538,337	1,618,785	1,661,058	2,367,856	2,120,345
Capital grants and contributions	109,389	735,000	3,108,887	2,336,339	804,170	7,724,013
Total governmental activities program revenues	<u>3,257,261</u>	<u>4,542,922</u>	<u>7,257,254</u>	<u>7,061,087</u>	<u>5,712,714</u>	<u>12,043,724</u>
<i>Business-type activities:</i>						
Charges for services						
Telephone	17,620,445	17,774,825	17,024,606	15,491,858	15,312,192	14,620,235
Wireless	5,323,073	4,907,496	6,156,416	7,690,330	9,773,140	10,824,637
Long Distance	2,103,009	1,766,700	1,809,467	2,330,170	1,315,277	1,240,090
Broadband	232,183	688,923	617,321	663,218	1,965,755	2,123,518
Water Utilities	-	-	-	-	127,380	402,442
Operating grants and contributions	-	-	-	-	-	689,688
Capital grants and contributions	-	725,000	-	2,494,563	4,765,816	7,604,534
Total business-type activities program revenues	<u>25,278,710</u>	<u>25,862,944</u>	<u>25,607,810</u>	<u>28,670,139</u>	<u>33,259,560</u>	<u>37,505,144</u>
Total primary government program revenues	<u>\$ 28,535,971</u>	<u>\$ 30,405,866</u>	<u>\$ 32,865,064</u>	<u>\$ 35,731,226</u>	<u>\$ 38,972,274</u>	<u>\$ 49,548,868</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 Seven Fiscal Years  
(accrual basis of accounting)

Page 2 of 2

	2003	2004	2005	2006	2007	2008
<b>Net (Expense)/Revenue</b>						
Government activities	(14,291,531)	\$ (14,149,792)	\$ (12,724,487)	\$ (14,609,794)	\$ (17,449,343)	\$ (12,440,293)
Business-type activities	2,958,781	1,568,523	1,808,993	3,181,124	6,769,363	10,432,200
Total primary government net expense	<u>(11,332,750)</u>	<u>\$ (12,581,269)</u>	<u>\$ (10,915,494)</u>	<u>\$ (11,428,670)</u>	<u>\$ (10,679,980)</u>	<u>\$ (2,008,093)</u>
<b>General Revenues and Other Changes in Net Assets</b>						
<i>Governmental activities:</i>						
Property taxes	5,689,424	5,577,083	6,063,988	6,408,357	6,877,814	7,309,259
Franchise fees	100,357	160,863	134,709	166,914	179,593	171,130
Federal in lieu of taxes	1,151,139	1,183,436	1,236,886	1,230,360	1,157,509	1,237,704
CC Communication in lieu of taxes	1,576,767	1,600,910	1,718,901	1,801,313	1,851,280	1,937,269
Gaming licenses	26,612	29,902	27,110	28,300	27,156	22,451
AB104 fairshare	891,290	978,651	1,095,451	1,241,371	1,179,848	1,093,539
Consolidated intergovernmental taxes	4,790,166	5,083,657	6,035,350	7,013,035	6,555,570	6,016,895
Unrestricted fuel taxes	1,050,537	1,041,120	1,022,808	1,078,069	1,045,577	1,025,893
Optional county sales tax	546,182	588,281	678,796	1,398,142	1,508,527	1,413,203
Delinquent tax penalties	161,851	163,213	124,203	117,288	129,376	140,273
Interest income	195,779	177,714	363,816	870,566	1,166,080	996,366
Gain on sale of assets (1)	-	-	1,543,366	48,161	377,714	-250,365
Miscellaneous revenues	156,622	61,706	190,748	1,193,030	901,901	2,499,010
Transfers						-2,750,000
Total governmental activities	<u>16,336,726</u>	<u>16,646,536</u>	<u>20,236,132</u>	<u>22,594,906</u>	<u>22,957,945</u>	<u>20,862,627</u>
<i>Business-type activities:</i>						
Interest income	118,270	79,794	150,095	238,576	339,420	414,903
Gain on sale of assets	-	-	-	-	-	-
Miscellaneous income	-	-	63,512	18,000	18,378	42,460
Tap Fees	-	-	-	-	7,846,014	3,318,971
Transfers						2,750,000
Total business-type activities	<u>118,270</u>	<u>79,794</u>	<u>213,607</u>	<u>256,576</u>	<u>8,203,812</u>	<u>6,526,334</u>
Total primary government	<u>16,454,996</u>	<u>\$ 16,726,330</u>	<u>\$ 20,449,739</u>	<u>\$ 22,851,482</u>	<u>31,161,757</u>	<u>27,388,961</u>
<b>Change in Net Assets</b>						
Government activities	2,045,195	2,496,744	7,511,645	7,985,112	5,508,602	8,422,334
Business-type activities	3,077,051	1,648,317	2,022,600	3,437,700	14,973,175	16,958,534
Total primary government	<u>5,122,246</u>	<u>\$ 4,145,061</u>	<u>\$ 9,534,245</u>	<u>\$ 11,422,812</u>	<u>\$ 20,481,777</u>	<u>\$ 25,380,868</u>

(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)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund									
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,035,248	1,704,306	1,761,165	2,212,723	1,686,549	2,049,714	2,430,485	2,722,384	3,036,491
<b>Total general fund</b>	<b>1,035,248</b>	<b>1,704,306</b>	<b>1,761,165</b>	<b>2,212,723</b>	<b>1,686,549</b>	<b>2,049,714</b>	<b>2,430,485</b>	<b>2,722,384</b>	<b>3,036,491</b>
All Other Governmental Funds									
Reserved	327,419	308,854	316,154	248,342	187,535	1,712,461	2,561,949	2,412,262	2,441,032
Unreserved reported in:									
Special revenue funds	7,137,731	8,010,751	9,580,211	11,204,208	12,133,186	11,215,047	13,995,186	14,247,770	13,851,837
Debt service fund	247,864	278,655	2,871	83,059	130,461	186,442	456,351	740,323	768,562
Capital projects funds	3,589,368	1,790,051	1,604,310	1,669,088	2,768,940	3,326,954	3,755,727	3,346,137	4,256,592
<b>Total all other governmental funds</b>	<b>11,302,382</b>	<b>10,388,311</b>	<b>11,503,546</b>	<b>13,204,697</b>	<b>15,220,122</b>	<b>16,440,904</b>	<b>20,769,213</b>	<b>20,746,492</b>	<b>21,318,023</b>
<b>Total governmental funds</b>	<b>\$ 12,337,630</b>	<b>\$ 12,092,617</b>	<b>\$ 13,264,711</b>	<b>\$ 15,417,420</b>	<b>\$ 16,906,671</b>	<b>\$ 18,490,618</b>	<b>\$ 23,199,698</b>	<b>23,468,876</b>	<b>24,354,514</b>

**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
2000	4,992,187	372,110	8,562,451	241,539	328,249	2,802,407	17,298,943
2001	4,926,646	355,822	8,883,199	659,210	289,376	2,957,294	18,071,547
2002	5,132,580	379,254	10,354,321	713,717	325,755	2,388,444	19,294,071
2003	5,708,390	399,855	10,031,125	865,389	398,637	2,349,901	19,753,297
2004	5,609,961	527,787	10,610,330	1,020,576	428,266	2,431,242	20,628,162
2005	6,071,418	736,126	11,924,721	1,144,284	380,590	2,822,223	23,079,362
2006	6,413,086	1,096,278	15,299,515	1,501,023	385,831	4,500,147	29,195,880
2007	6,847,938	840,656	14,291,694	1,179,522	376,078	4,491,991	28,027,879
2008	7,298,947	678,522	18,170,903	1,057,580	427,578	7,018,974	34,652,504
2009	8,723,657	443,523	14,132,906	1,309,647	463,247	8,577,825	33,650,805

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	
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	6,641,330	2,830,348	5,788,960	740,749	244,917	1,085,511	1,833,003	701,676	1,428,863	6,269,425	753,334	109,240	28,427,355
2008	6,931,905	2,903,773	6,453,987	2,497,706	267,488	1,080,457	1,921,372	958,878	672,951	6,951,121	333,369	96,879	31,069,886
2009	7,589,203	2,969,485	6,585,269	2,408,861	258,159	1,073,827	1,982,872	848,581	889,447	3,572,568	312,753	80,090	28,571,115

*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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total revenues (S-5)	\$ 17,298,943	\$ 18,071,547	\$ 19,294,071	\$ 19,753,297	\$ 20,628,162	\$ 23,079,362	\$ 29,195,880	\$ 28,027,879	\$ 34,652,504	\$ 33,650,805
Total expenditures (S-6)	(16,950,786)	(18,714,207)	(18,081,977)	(18,101,671)	(19,138,911)	(30,403,441)	(24,758,062)	(28,427,355)	(31,069,886)	(28,571,115)
Excess of revenues over (under) expenditures	348,157	(642,660)	1,212,094	1,651,626	1,489,251	(7,324,079)	4,437,818	(399,476)	3,582,618	5,079,690
<b>Other Financing Sources (Uses)</b>										
Proceeds - medium-term financing	-	393,930	-	501,083	-	3,300,001	256,500	-	-	-
Proceeds from capital lease	-	-	-	-	-	97,025	-	-	-	-
Principal received	3,172	3,717	-	-	-	-	-	-	-	-
Proceeds from sales	-	-	-	-	-	5,511,000	14,762	668,654	53,020	1,109,683
Transfer in	1,976,754	1,293,271	1,800,064	1,574,183	1,965,662	2,561,891	2,814,217	2,581,799	1,993,101	2,240,043
Transfer out	(1,976,754)	(1,293,271)	(1,800,064)	(1,574,183)	(1,965,662)	(2,561,891)	(2,814,217)	(2,581,799)	(4,743,101)	(2,740,043)
Total other financing sources (uses)	3,172	397,647	-	501,083	-	8,908,026	271,262	668,654	(2,696,980)	609,683
Net Change in fund balances	351,329	(245,013)	1,212,094	2,152,709	1,489,251	1,583,947	4,709,080	269,178	885,638	5,689,373
Debt service as a percentage of noncapital expenditures	2.69%	1.26%	2.80%	0.44%	1.01%	0.86%	2.55%	3.89%	1.78%	1.57%

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

Fiscal Year Ended June 30,	Real Property			Personal Property			Total Taxable Assessed Value	Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
	Assessed Value	Less: Tax Exempt	Total Assessed Value	Assessed Value	Less: Tax Exempt	Total Assessed Value				
2000	328,210,147	61,307,934	266,902,213	59,568,575	187,428	59,381,147	326,283,360	932,238,171	35%	1.0077
2001	339,124,406	62,134,376	276,990,030	72,311,177	239,415	72,071,762	349,061,792	997,319,406	35%	0.9577
2002	352,677,136	64,236,094	288,441,042	66,831,677	241,910	66,589,767	355,030,809	1,014,373,740	35%	1.0004
2003	360,882,182	66,523,159	294,359,023	64,825,905	245,205	64,580,700	358,939,723	1,025,542,066	35%	1.0706
2004	380,003,762	67,116,197	312,887,565	69,015,418	289,461	68,725,957	381,613,522	1,090,324,349	35%	1.0731
2005	422,412,107	75,427,477	346,984,630	89,900,273	262,534	89,637,739	436,622,369	1,247,492,483	35%	1.0850
2006	517,506,121	82,687,755	434,818,366	87,292,051	269,625	87,022,426	521,840,792	1,490,973,691	35%	1.0950
2007	644,566,281	100,808,265	543,758,016	99,444,433	315,324	99,129,109	642,887,125	1,836,820,357	35%	1.0950
2008	698,325,816	107,466,746	590,859,070	104,950,678	546,482	104,404,196	695,263,266	1,986,466,474	35%	1.1450
2009	715,802,609	114,197,275	601,605,334	126,417,544	623,718	125,793,826	727,399,160	2,078,283,314	35%	1.2229

Source: Churchill County Assessor's Office

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

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

Collected in Fiscal Year	County Direct Tax Rate	<i>Overlapping Rates#</i>					County Assessed Valuation	
		Churchill Co. School District	State of Nevada	Mosquito Abatement	Carson Water Subconservancy	City of Fallon		Total
1999-00	1.0077	1.3700	0.1500	0.0600	0.0300	0.7730	3.3907	326,283,360
2000-01	0.9577	1.3700	0.1500	0.0600	0.0300	0.7837	3.3514	349,061,792
2001-02	1.0004	1.3700	0.1500	0.0720	0.0300	0.8471	3.4695	355,030,809
2002-03	1.0706	1.3700	0.1500	0.0800	0.0300	0.8471	3.5477	358,939,723
2003-04	1.0731	1.3700	0.1700	0.0800	0.0300	0.8471	3.5702	381,613,522
2004-05	1.0850	1.3700	0.1700	0.0800	0.0300	0.8171	3.5521	436,622,369
2005-06	1.0950	1.3700	0.1700	0.0800	0.0300	0.8171	3.5621	521,840,792
2006-07	1.0950	1.3500	0.1700	0.0800	0.0300	0.8271	3.5521	642,887,125
2007-08	1.1450	1.3500	0.1700	0.0800	0.0300	0.8371	3.6121	695,263,266
2008-09	1.2229	1.3000	0.1700	0.0800	0.0300	0.8371	3.6400	727,399,160

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 Eight Years Ago

Taxpayer	Type of Business	Fiscal Year 2009				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
ENEL Stillwater Geothermal	Geothermal	1	\$ 73,650,314	\$ 25,777,610	3.60%				
Sierra Pacific Power Company	Utility	2	63,455,606	22,209,462	3.10%	1	\$ 67,766,234	\$ 23,718,182	6.73%
Terra-Gen Dixie Valley LLC (Caithness)	Geothermal	3	54,189,371	18,966,280	2.65%	2	55,438,657	19,403,530	5.50%
Ormat Nevada, Inc	Geothermal	4	38,538,771	13,488,570	1.88%	4	15,749,286	5,512,250	1.56%
Southwest Gas Corp	Utility	5	22,557,397	7,895,089	1.10%	3	20,849,094	7,297,183	2.07%
Union Pacific System	Railroad	6	16,537,006	5,787,952	0.81%	5	11,054,406	3,869,042	1.10%
Wal Mart Stores	Retail	7	16,462,486	5,761,870	0.80%				
AT&T Communications, Inc.	Communications	8	16,438,537	5,753,488	0.80%	8	6,883,831	2,409,341	0.68%
Kennametal, Inc.	Manufacturing	9	12,514,463	4,380,062	0.61%	7	8,869,840	3,104,444	0.88%
Magma Energy (Constellation Power)	Geothermal	10	7,338,029	2,568,310	0.36%	6	9,810,000	3,433,500	0.97%
United Airlines, Inc.	Airline					9	6,644,694	2,325,643	0.66%
Peters, Jim (Stockmans)	Casino					10	6,547,831	2,291,741	0.65%

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

<u>Fiscal Year Ending June 30,</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percentage of Current Tax Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collection</u>	<u>Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Ratio of Delinquent Taxes to Total Tax Levy</u>
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%	190,069	9,330,650	99.986%	1,300	0.014%
2005	9,845,411	9,697,516	98.498%	145,350	9,842,866	99.974%	2,546	0.026%
2006	10,711,267	10,564,755	98.632%	141,464	10,706,219	99.953%	5,048	0.047%
2007	12,329,997	12,078,595	97.961%	233,032	12,311,627	99.851%	18,370	0.149%
2008	13,897,422	13,419,092	96.558%	351,654	13,770,746	99.088%	126,676	0.912%
2009	14,914,689	14,284,217	95.773%	16,728	14,300,945	95.885%	613,744	4.115%

Source: Churchill County Clerk/Treasurer's Office

**CHURCHILL COUNTY, NEVADA**

Taxable Sales by Category

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Wholesale trade - durable goods	\$ 10,492,164	\$ 7,835,817	\$ 9,391,045	\$ 11,535,049	\$ 12,398,313	\$ 15,685,515	\$ 22,660,724	\$16,119,291	\$22,263,594	\$25,254,866
Building merchandise, hardware	20,591,673	17,792,294	17,891,507	17,640,309	20,232,336	28,020,278	33,173,959	25,941,813	20,177,778	22,694,208
General merchandise stores	39,026,304	36,979,951	38,548,913	40,937,038	43,028,716	47,634,499	56,442,958	60,910,456	56,438,228	47,821,345
Food stores(1)	12,952,380	12,050,635	12,761,045	12,482,687	12,540,170	13,190,554	12,617,952	13,336,226	11,597,634	10,057,349
Automotive dealers & gasoline	48,982,170	44,440,309	46,832,165	51,080,003	53,920,392	64,791,467	64,290,574	53,288,419	44,336,953	29,160,740
Home furniture & fixtures	7,851,832	7,442,088	10,494,981	7,243,908	9,271,098	9,349,861	11,482,066	6,742,159	6,916,754	6,863,055
Eating and drinking places	18,430,959	19,599,442	19,166,629	20,857,034	21,270,821	23,144,099	28,723,713	30,959,935	29,568,371	30,491,176
Miscellaneous retail	22,876,257	19,767,961	17,440,784	18,815,834	17,575,407	23,883,610	26,967,481	30,218,763	28,343,952	26,902,665
Business services	3,924,907	7,926,607	5,188,351	4,312,436	4,363,705	4,311,275	6,323,478	4,692,929	2,543,325	2,148,401
Automotive repairs & services	4,973,820	6,705,802	6,057,195	7,203,971	6,663,898	6,499,354	6,990,272	5,036,129	5,044,368	5,416,434
All other categories	32,194,483	32,464,888	36,906,638	34,346,025	37,466,955	42,604,241	54,972,429	59,180,239	67,179,682	114,903,323
<b>Total</b>	<b>\$222,296,949</b>	<b>\$213,005,794</b>	<b>\$220,679,253</b>	<b>\$226,454,294</b>	<b>\$238,731,811</b>	<b>\$279,114,753</b>	<b>\$324,645,606</b>	<b>\$306,426,359</b>	<b>\$294,410,639</b>	<b>\$321,713,562</b>
<b>County direct sales tax rate</b>										
Basic City-County Relief Tax	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Supplemental City-County Relief Tax	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Public Mass Transportation & Construction of Roads	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Local Government Tax Act	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Infrastructure Development	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.25%	0.25%	0.25%	0.25%
	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%

Source: Nevada Department of Taxation

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

**CHURCHILL COUNTY, NEVADA**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	% of Personal Income (1)	Per Capita (1)
	Capital Leases	Contract/Note Payable	Revenue Bond	Capital Leases	Telecommunications Equipment Payable	Utility Bond Payable			
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	1.17%	382.06
2007	-	97,025	2,475,986	1,450,196	817,024	4,544,376	9,384,607	1.03%	345.15
2008	-	76,409	2,163,207	1,386,419	-	4,485,261	8,111,296	Unavailable	300.63
2009	-	76,409	1,850,454	1,320,297	-	4,437,042	7,684,202	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		
2000	366,860	2,254,883	-	2,621,743	0.80%	99.89
2001	169,998	4,320,791	-	4,490,789	1.32%	180.15
2002	-	3,699,414	-	3,699,414	1.05%	147.29
2003	431,856	3,904,940	-	4,336,796	1.20%	168.04
2004	270,806	4,800,703	-	5,071,509	1.33%	194.27
2005	3,522,575	3,981,828	-	7,504,403	1.78%	282.28
2006	3,326,345	3,130,976	4,000,000	10,457,321	2.02%	382.06
2007	2,573,011	2,267,220	4,544,376	9,384,607	1.46%	345.15
2008	2,239,616	1,386,419	4,485,261	8,111,296	1.16%	300.63
2009	1,926,863	1,320,297	4,437,042	7,684,202	1.07%	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 2009**

Assessed Value	\$ 725,891,895
Debt limit (15% of assessed value)	108,883,784
Debt applicable to limit:	
General obligation debt	1,926,863
CC Communications debt	1,320,297
Utility Bond Debt	4,437,042
Total debt applicable to limit	7,684,202
Legal debt margin	<u>\$ 101,199,582</u>

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 32,821,015	\$ 33,912,441	\$ 35,267,714	\$ 36,088,218	\$ 38,000,376	\$ 42,241,211	\$ 51,750,612	\$ 64,456,628	\$ 69,832,582	\$ 71,580,261
Total debt applicable to limit	2,621,743	4,490,789	3,699,414	4,336,796	5,071,509	7,504,403	10,457,321	9,384,607	8,111,296	7,684,202
Legal debt margin	\$ 30,199,272	\$ 29,421,652	\$ 31,568,300	\$ 31,751,422	\$ 32,928,867	\$ 34,736,808	\$ 41,293,291	\$ 55,072,021	\$ 61,721,286	\$ 63,896,059
Total debt applicable to the limit as a percentage of debt limit	7.99%	13.24%	10.49%	12.02%	13.35%	17.77%	20.21%	14.56%	11.62%	10.74%

The statutory county debt limit is 15% of the assessed value of all taxable property in the County, as set forth in Chapter 244A.059 of the Nevada Revised Statutes.

**CHURCHILL COUNTY, NEVADA**  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2009

Name of Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
State of Nevada	\$ 2,315,460	6.1%	\$ 140,436
City of Fallon	14,506,146	100.0%	14,506,146
Churchill County School District	21,225,511	100.0%	<u>21,225,511</u>
Subtotal, overlapping debt			35,872,093
County direct debt (S-13)			<u>1,926,863</u>
Total direct and overlapping debt			<u><u>\$ 37,798,956</u></u>

**Sources:** Debt outstanding data provided by each governmental unit.

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

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

**CHURCHILL COUNTY, NEVADA**  
Pledged Revenue Coverage  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Business-Type Activities - Bond, Note Payable & Capital Lease					
	Business-Type Activities Revenue	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
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
2008	27,751,265	24,901,165	2,850,100	108,739	229,357	8.43
2009	25,788,872	23,638,054	2,150,818	112,985	225,111	6.36

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

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

<u>Fiscal Year Ended June 30,</u>	<u>Population (1)</u>	<u>Personal Income(2)</u>	<u>Per Capita Personal Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment rate (4)</u>
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	895,816,000	36,305	4,462	3.8%
2007	27,190	912,198,000	36,806	4,410	4.1%
2008	26,981	Unavailable	Unavailable	4,409	5.7%
2009	Unavailable	Unavailable	Unavailable	4,352	8.7%

(1) Source: Nevada State Demographer's Office

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

(3) Source: Nevada Department of Education

(4) Source: Nevada State Employment Training and Rehabilitation

**CHURCHILL COUNTY, NEVADA**  
Principal Employers  
Current Year and Eight Years Ago

2009				2002					
Rank	Employer	Product/Service	Number of Employees	Percentage of Total County Employment	Rank	Employer	Product/Service	Number of Employees (1)	Percentage of Total County Employment (2)
1	NAS-Fallon Military Personnel (1)	U.S. Navy	1,130	8.89%	1	NAS-Fallon Military Personnel	U.S. Navy	1,164	15.07%
2	Churchill County School District	Education	600 to 699	5.11%	2	Churchill County School District	Education	561	7.26%
3	Banner Churchill Community Hospital	Health Care	300 to 399	2.75%	3	Day & Zimmerman	Various	423	5.48%
4	Wal-Mart Supercenter	Retail	200 to 299	1.97%	4	NAS-Fallon - Civil Service	Various	377	4.88%
5	Churchill County	Local Government	200 to 299	1.97%	5	SMI Joist	Manufacturing	325	4.21%
6	L-3 Comm/Vertex Aerospace, LCC	Aviation	200 to 299	1.97%	6	Boeing Aerospace	Aviation	280	3.62%
7	Department of Defense	Various	100 to 199	1.18%	7	Churchill Community Hospital	Health Care	280	3.62%
8	A & K Earthmovers	Construction	100 to 199	1.18%	8	Non-appropriated Fund Instrumentality (NAFI)	Retail	240	3.11%
9	Chugach Support Services, Inc.	Various	100 to 199	1.18%	9	Wal-Mart	Retail	190	2.46%
10	Del-Jen Inc.	Various	100 to 199	1.18%	10	Lockheed Martin Systems Support	Aviation	178	2.30%

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

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, 2009

Fiscal Year Ended June 30,	Commercial Construction		Residential Construction	
	Number of Permits	Value	Number of Permits	Value
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	4,272,306	165	18,971,522
2008	26	14,327,226	107	10,961,026
2009	19	6,665,507	60	4,701,661

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, 2009

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 (3)
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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Commissioners	3	3	3	3	3	3	3	3	3	3
Clerk/Treasurer	8	8	8	9	9	9	8	8	8	9
Recorder	3	3	3	3	3	3	3	4	3	3
Assessor	7	7	7	7	7	8	9	8	8	8
County Manager	2	2	2	2	2	2	2	2	2	2
Facilities & Grounds	3	3	5	5	5	5	5	6	6	7
Human Resources	1	2	2	2	2	2	1	1	1	1
Comptroller	4	4	4	4	4	4	4	5	4	4
Sheriff	44	44	43	44	44	44	44	47	47	49
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	15	17	17	17	18	19	18	19	18	21
Justice Court	4	5	5	5	5	5	6	7	6	6
Juvenile Probation	9	9	8	10	11	12	14	12	11	10
Parks & Recreation	16	17	17	16	16	15	15	16	19	19
Museum	10	10	10	10	9	9	10	5	5	5
Building	-	-	-	-	-	2	3	3	3	3
Planning	4	6	7	7	8	7	7	6	7	7
Cemetery	3	3	3	3	3	3	3	2	2	3
Water Resource	0	0	0	0	0	0	0	1	1	1
Welfare	5	5	5	5	5	4	4	2	3	3
Road	20	20	20	20	17	17	16	17	15	15
Cooperative Extension	1	1	1	1	1	1	1	1	1	1
Library	8	8	8	8	7	7	6	7	7	7
CC Communications	100	100	100	102	105	107	105	96	97	83
Total FTE	273	280	281	286	287	291	290	281	280	273

Source: Churchill County Comptroller's Office

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

Department/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Museum</b>										
Number of visitors	12,000	12,000	12,000	12,000	12,000	12,000	12,000	10,000	10,582	11,627
Items in collection	NA	NA	NA	NA	NA	47,752	50,000	48,588	50,500	53,145
Bus tours	63	66	57	56	48	26	61	69	50	56
<b>Public Library</b>										
Items owned by library	71,629	71,629	88,387	92,613	91,312	93,855	101,445	101,300	101,931	103,676
Circulation	143,738	145,156	149,684	154,911	168,603	159,914	169,903	168,878	170,137	173,578
<b>Justice Court</b>										
Criminal filings	2,887	3,626	3,503	4,556	6,283	6,380	5,615	4,932	4,344	4,717
Civil filings	915	1,036	1,078	1,065	1,185	1,371	1,624	1,488	1,655	1,305
<b>Parks &amp; Recreation</b>										
Programs/Events	23	37	32	34	33	35	30	68	35	35
Event attendance	4,855	5,000	5,761	8,120	7,008	8,638	8,145	3,795	7,823	7,833
Fairground attendance	71,850	73,000	71,850	80,000	84,000	72,346	70,597	82,702	96,502	84,285
Fairground event days	NA	212	222	221	234	207	178	149	177	186
<b>Cemetery</b>										
Full burials	55	52	64	65	55	45	55	50	49	42
Cremations	31	33	31	47	47	33	41	37	52	39
<b>Sheriff</b>										
Reports by patrol	7,985	8,314	8,244	9,802	11,468	11,467	12,477	16,127	19,102	17,715
Civil papers received	4,178	4,363	4,147	4,222	4,541	4,858	6,122	4,168	4,879	4,227
Average inmate population	NA	46.41	49.20	44.27	40.32	44.40	48.23	52.00	44.50	45.00
<b>Fire</b>										
Rescue calls	12	9	17	15	12	16	18	7	10	11
Fire calls	156	157	174	133	147	129	220	363	230	185
<b>CC Communications (1)</b>										
Subscriber lines	NA	14,939	14,318	13,886	13,509	13,397	12,849	12,249	12,082	11,423

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 Statisticals by Department  
 Last Ten Fiscal Years

Department	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Sheriff</b>										
Office locations	2	2	2	2	2	3	3	3	3	3
Vehicles	17	14	17	19	14	19	18	24	19	18
All-terrain vehicles	4	4	4	4	4	4	4	4	4	4
Command trailer	-	-	-	-	1	1	1	1	1	1
Detention facility	1	1	1	1	1	1	1	1	1	1
<b>Fire</b>										
Stations	4	4	4	4	4	4	4	4	4	4
<b>Road</b>										
Paved roads (miles)	137.7	140.4	144.0	146.4	165.4	166.9	170.8	186.12	193.69	194.4
Unpaved roads (miles)	402.6	402.6	402.6	402.6	402.6	402.6	321.89	275.01	273.49	273.49
Major bridges (over 26 feet)	19	19	20	20	20	21	21	21	21	21
<b>Library</b>										
Building	1	1	1	1	1	1	1	1	1	2
<b>Museum</b>										
Building	1	1	1	1	1	1	1	1	1	1
<b>Parks and Recreation</b>										
Acreage (2)	108	108	108	108	108	108	1,134.19	1,136.45	1,136.45	1,136.45
<b>Cemetery</b>										
Acreage	28	28	28	28	28	28	63.5	63.5	63.5	63.5
<b>Water Resource</b>										
Water rights (acre feet) (1)	-	-	-	-	51	2,819	3,604	3,604	3,614	3,624

Sources: Various county departments.

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

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

## **COMPLIANCE SECTION**

**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 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, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 30, 2009. 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.

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.

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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**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*.

We noted certain matters that we reported to the management of Churchill County in a separate letter dated November 30, 2009.

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.



Fallon, Nevada  
November 30, 2009

**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, 2009. Churchill County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. 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 programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of non-compliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as findings 09-1 and 09-2.

**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.

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

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as findings 09-1 and 09-2 to be significant deficiencies.

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. We do not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

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

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.

Kaufery, Armstrong & Co.

**CHURCHILL COUNTY, NEVADA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
 (Page 1 of 2)

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>EXPENDITURES</u>
<b><u>Department of Housing and Urban Development:</u></b>		
Passed through State of Nevada:		
Commission on Economic Development:		
CDGB Cluster:		
CDBG - SBDC	14.228	\$ 17,989
CDBG - Multiuse Feasibility Study	14.228	3,000
CDBG - RNCOC	14.228	6,764
CDBG - ADA Accessibility Project	14.228	<u>10,000</u>
		37,753
State Housing Division:		
Emergency Shelter Grants Program	14.231	11,357
HUD Transitional Housing	14.238	<u>6,939</u>
		56,049
<b><u>Department of Interior:</u></b>		
Direct Program:		
Bureau of Reclamation		
Providing Water to At-Risk Natural Desert Terminal Lakes	15.508	265,384
Bureau of Land Management		
National Fire Plan - Rural Fire Assistance	15.242	<u>8,958</u>
		274,342
<b><u>Department of Justice:</u></b>		
Passed through State of Nevada:		
Department of Health and Human Services:		
Division of Child and Family Services:		
OJJDP-Juvenile Accountability Block Grant - Boys Council	16.523	14,349
OJJDP - CCBC - RAFT Grant	16.540	28,805
Bureau of Justice Assistance:		
State Criminal Alien Assistance Program (SCAAP)	16.606	<u>7,442</u>
		50,596
<b><u>Department of Labor:</u></b>		
Passed through State of Nevada:		
Nevada Works Summer Employment:		
WIA Cluster:		
WIA Youth Activities	17.259	41,875
ARRA-WIA Youth Activities	17.259	<u>16,638</u>
		58,513
<b><u>Department of Transportation:</u></b>		
Passed through State of Nevada:		
Department of Transportation:		
Formula Grant for Nonurbanized Area Formula Program	20.509	129,722
Transit Cluster:		
Capital Assistance Program for Elderly and Persons With Disabilities Program	20.513	130,344
Highway Safety Cluster:		
State and Community Highway Safety	20.600	4,691
HMEP Grant Training	20.703	<u>15,750</u>
		280,507
<b><u>Department of Energy:</u></b>		
Direct Program:		
Nuclear Waste Disposal Siting	81.065	<u>404,643</u>

CHURCHILL COUNTY, NEVADA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009  
 (Page 2 of 2)

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
<b><u>Department of Health and Human Services:</u></b>		
Passed through State of Nevada:		
Nevada State Welfare Division:		
Title IV-D Child Support Enforcement	93.563	\$ 339,311
Title IV-D Child Support Enforcement, Incentive	93.563	12,193
Department of Health and Human Services:		
CSBG Cluster:		
CSBG, Emergency Assistance	93.569	93,141
Total Department of Human Resources		<u>444,645</u>
<b><u>Department of Homeland Security:</u></b>		
Direct Program:		
Emergency Food and Shelter Program Cluster:		
Emergency Food and Shelter National Board Program	97.024	10,016
Passed through State of Nevada:		
Department of Motor Vehicles and Public Safety:		
Division of Emergency Management:		
Emergency Management Performance	97.042	19,185
SERC - Operations	97.055	4,599
SERC - Equipment	97.055	28,531
Total Federal Emergency Management Agency		<u>62,331</u>
<b><u>United States Army Corps of Engineers:</u></b>		
Direct Program		<u>373,458</u>
Total Expenditures of Federal Awards		<u>\$ 2,005,084</u>

**CHURCHILL COUNTY, NEVADA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

**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, 2009. 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	\$ 946,970
Water Resource Fund	265,384
Other Governmental Funds:	
Social Service Fund	419,272
Business-Type Activities:	
Major Business-Type Funds:	
Waste Water Enterprise Fund	<u>373,458</u>
	<u>2,005,084</u>

**CHURCHILL COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2009**

**A. SUMMARY OF AUDIT 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, 2009.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and 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 the Churchill County, Nevada were disclosed during the audit.
4. The audit disclosed significant deficiencies in internal control over the major programs that were not considered to be material weaknesses.
5. The auditor's report on compliance with the requirements applicable to each major federal award program for Churchill County, Nevada expresses an unqualified opinion.
6. Audit findings relative to the major award programs for Churchill County, Nevada are reported in Part C of this Schedule.
7. The programs tested as major programs were:  
  
Nuclear Waste Disposal Siting – Yucca Mountain Project, CFDA 81.065  
Title IV-D Child Support, CFDA 93.563
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Churchill County, Nevada was determined to be a low-risk auditee.

**B: FINDINGS – FINANCIAL STATEMENT AUDIT:**

None.

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

**Finding 09-1:**

*Grant award number:* Title IV-D Child Support, CFDA 93.563

*Condition:* Requests for reimbursement for one part-time employee's wages are done at a flat ten percent (10%) with no personnel activity reports to support the percentage of time spent on the Program by the employee.

*Criteria:* Per Circular A-87, personnel activity reports must be kept by all employees that work on more than one activity.

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

*Effect:* Requests for reimbursement of funds expended are being requested for expenditures that do not have the proper supporting documentation.

*Cause:* Erroneous indirect cost principle was being applied to the wages of one part-time employee.

*Recommendation:* Have all indirect employees complete personnel activity reports.

*Client response:* The District Attorney's office will have all personnel, including student interns, complete time sheets to support all time spent on child support activities.

**CHURCHILL COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2009**

**Finding 09-2:**

*Grant award number:* Title IV-D Child Support CFDA 93.563

*Condition:* Monthly Requests for Reimbursement had miscellaneous errors. The errors were all small in nature. In November, 2008, an employee's personnel activity report was entered incorrectly. .5 hours were entered as 5 hours resulting in an overcharge of 4.5 hours to the program. In February, 2009, indirect employees percentage of time spent on the program was calculated using the total hours from January, 2009 resulting in an under request for reimbursement of wages for the month. In February, 2009, an invoice was picked up twice on the request for reimbursement.

*Criteria:* Reports are to be prepared and submitted with accurate information.

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

*Effect:* Reports submitted were inaccurate.

*Cause:* Requests for reimbursement are reviewed on a summary level but the detail is not reviewed by a second person.

*Recommendation:* We recommend having a second person check reports for accuracy before submission.

*Client response:* The District Attorney's office will have a second person review supporting documentation for the expenditures included in the Request for Reimbursement prior to submission.

**CHURCHILL COUNTY, NEVADA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2009**

There were no findings reported in the June 30, 2008 audit.

**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, 2009 (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 conformed to significant statutory and regulatory constraints on their financial administration during the year ended June 30, 2009 (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.

A handwritten signature in cursive script that reads "Kafoury, Armstrong & Co." The signature is written in black ink and is positioned in the lower half of the page.

Fallon, Nevada  
November 30, 2009

**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, 2009**

Flat Fixed Fees:

Adjusted base, June 30, 2008		\$ 70,170
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Adjustment to Base:

Base year

- |    |   |         |       |
|----|---|---------|-------|
| 1. | Percentage increase in population of the local government.  | (.01) % |       |
| 2. | Percentage increase in Consumer Price index for the year ending on December 31 next preceding year for which the limit is being calculated. | 4.10 %  | 4.09% |

2,870

Adjusted base, June 30, 2009		73,040
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Actual business license revenue, 2008-09		62,022
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Amount over (under) adjusted base amount		\$ (11,018)
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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 five instances. Although attempts were made to monitor expenditures during the year, expenditures in excess of budget were again noted in three instances as disclosed in Note 2 to the financial statements.

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

There were no specific recommendations made in the audit report for the year ended June 30, 2008.

### **CURRENT YEAR'S AUDIT RECOMMENDATIONS**

We identified compliance weaknesses that have been reported as significant deficiencies. See findings 09-1 and 09-2 reported on the Schedule of Findings and Questioned Costs.

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

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

### **NEVADA REVISED STATUTES 710.140 AND 710.145**

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