

Audit Report

STOREY COUNTY, NEVADA

June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
Storey County, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-8 and 18-27 and 51-72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Storey County, Nevada's basic financial statements. The introductory section, combining and individual nonmajor fund financial, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



David A. Pringle, CPA, LTD
Carson City, NV

November 19, 2015

COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT DISCUSSION AND ANALYSIS

As management of Storey County, State of Nevada, we offer readers of Storey County's financial statements this overview and analysis of Storey County for the fiscal year ended June 30, 2015.

FINANCIAL HIGHLIGHTS

- The assets of Storey County exceeded its liabilities by \$36,300,000.
- The County's unrestricted net assets increased \$2,300,000.
- At June 30, 2015, the unreserved fund balance for the general fund was \$6,800,000.
- Storey County's bonded debt at June 30, 2015 was \$5,360,000 which was \$3,500,000 in revenue bonds of the County's Enterprise Funds a Medium term (7 yr.) General obligation loans of \$360,000, and Virginia City Rail Bonds of \$1,500,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Storey County's basic financial statements. These basic financial statements include (1) Government-Wide Financial Statements (2) fund financial statements, and (3) notes to the financial statements. Other supplementary information is also available in this report.

Government-Wide Financial Statements. The government-wide statements are designed to provide readers with a broad overview of Storey County's finances in a manner similar to private-sector business.

The Statement of Net Assets is information on all of Storey County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases in net assets may serve as an indicator to show if the financial position of Storey County is improving or declining.

The Statement of Activities notes information as to how the government's net assets changed during the last fiscal year. All changes in net assets are reported as soon as the event causing the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported for some items that result in cash flows in future periods, (e.g. earned, unused vacation)

The Government-Wide Financial Statements distinguish functions of Storey County that are mainly supported by taxes and intergovernmental revenues (government activities) from other functions that recover their costs through user fees and charges. The governmental activities of Storey County included general government, public safety, roads and streets, judicial and, culture and recreation. The business activities (enterprise funds) are the water and sewer.

The Government-Wide Financial Statements can be found in this report on pages 9 and 10.

Fund Financial Statements. Funds are groupings of related accounts and is used to maintain control over resources segregated for specific activities or purpose. Storey County uses fund accounting to ensure compliance with state and federal finance related requirements. The fund types of Storey County are as follows: governmental; enterprise; and fiduciary.

Governmental Funds. Governmental funds are used to account for the functions reported as governmental activities, in the Government-Wide Financial Statements. Unlike the Government-Wide Financial Statements, governmental fund statements focus on near term inflows of expendable resources and on balances of expendable resources at the end of the fiscal year. This information helps with decisions as to near term financing needs.

The focus of governmental funds is narrower than the Government-Wide Financial Statements. It is useful to compare the information for governmental funds with similar information for governmental activities in Government-Wide Financial Statements. Readers will better understand the long-term impact of governments near-term financing decisions. The governmental fund Balance Sheet and governmental fund Statement of Revenues, Expenditures, and Changes in fund balances allow this comparison between governmental funds and activities.

Storey County has twenty-seven governmental funds. Financial information is stated separately in the governmental fund Balance Sheet and in the governmental Statement of Revenues, Expenditures, and Changes in fund balances, for the general fund and five other funds considered major funds. Data from the other twenty-one governmental funds are combined. Individual fund data for non-major governmental funds are reported in combining statements in this report.

Storey County adopts an annual budget for all the above funds. A budgetary comparison statement has been provided for all funds to show compliance with the budget.

The governmental funds financial statements can be found in this report on pages 12 through 27.

Enterprise funds. Storey County operates two enterprise (proprietary) funds, Water and Sewer. These funds are reported as business type activities, reported in the Government-Wide Financial Statements.

Enterprise funds are presented on pages 28 through 30.

Fiduciary funds. Fiduciary funds are used to account for resources held for other entities. Fiduciary funds are not reported in the government-wide financial statement as the resources do not support Storey County’s needs. The cash basis of accounting is used for fiduciary funds.

Fiduciary fund financial statements can be found in this report on page 31.

Notes to the financial statements. The notes in this report provide additional information necessary for a full understanding of the information provided in the Government-Wide Financial Statements. The notes can be found on pages 32 through 44.

Other information. The combining and individual fund statements and schedules for major governmental funds can be found on page 18 through 27 of this report. This same information for non-major governmental funds can be found on pages 45 through 68 of this report.

**STOREY COUNTY, NEVADA
NET ASSETS**

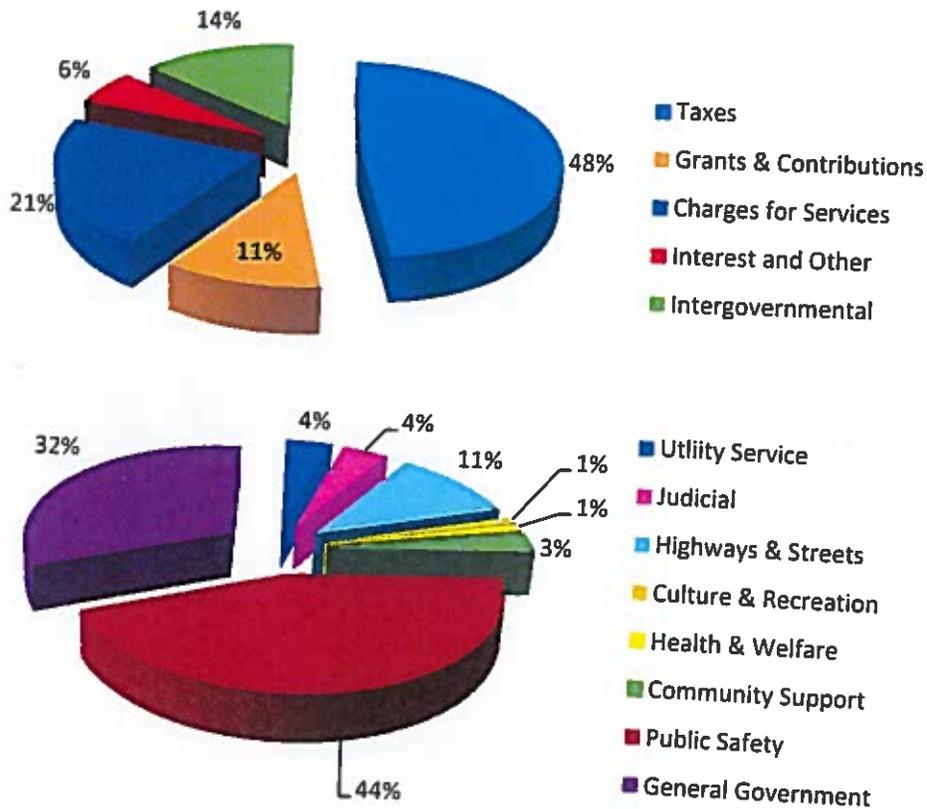
	Governmental Activities June 30, 2015	Business Type Activities June 30, 2015	Total June 30, 2015
Current and other Assets	\$ 23,600,000	\$ 1,700,000	\$ 25,300,000
Capital Assets	<u>49,700,000</u>	<u>11,000,000</u>	<u>60,700,000</u>
Total Assets	<u>\$ 73,300,000</u>	<u>\$ 12,700,000</u>	<u>\$ 86,000,000</u>
Long Term Liabilities			
Outstanding	\$ 43,700,000	\$ 3,500,000	\$ 47,200,000
Current Liabilities	<u>2,500,000</u>	<u>100,000</u>	<u>2,600,000</u>
Total Liabilities	<u>\$ 46,200,000</u>	<u>\$ 3,600,000</u>	<u>\$ 49,800,000</u>
 NET ASSETS			
Invested in Capital			
Assets, Net of Related Debt	\$ 7,300,000	\$ 7,500,000	\$ 14,800,000
Unrestricted	<u>19,800,000</u>	<u>1,600,000</u>	<u>21,400,000</u>
Total Net Assets	<u>\$ 27,100,000</u>	<u>\$ 9,100,000</u>	<u>\$ 36,200,000</u>

**STOREY COUNTY, NEVADA
CHANGES IN NET ASSETS**

	Governmental Activities <u>June 30, 2015</u>	Business Type Activities <u>June 30, 2015</u>	Total <u>June 30, 2015</u>
REVENUES:			
Program Revenues:			
Charges For Services	\$ 4,250,000	\$ 940,000	\$ 5,190,000
Operating Grants and Contributions	40,000		40,000
Capital Grants and Contributions	320,000	2,330,000	2,650,000
General Revenues:			
Taxes	12,000,000		12,000,000
Intergovernmental	3,600,000		3,600,000
Bond proceeds	30,000		30,000
Other	<u>1,460,000</u>	<u>30,000</u>	<u>1,490,000</u>
Total Revenues	<u>21,700,000</u>	<u>3,300,000</u>	<u>25,000,000</u>
EXPENSES:			
General Government	6,600,000		6,600,000
Public Safety	8,800,000		8,800,000
Judicial	900,000		900,000
Health and Welfare	200,000		200,000
Culture and Recreation	100,000		100,000
Community Support	600,000		600,000
Highways & Streets	2,300,000		2,300,000
Water and Sewer	<u>0</u>	<u>805,000</u>	<u>805,000</u>
Total Expenses	<u>19,500,000</u>	<u>805,000</u>	<u>20,305,000</u>
Changes In Net Assets	2,200,000	2,495,000	4,695,000
Net Assets - beginning	<u>25,200,000</u>	<u>6,595,000</u>	<u>31,595,000</u>
Net Assets - ending	<u>\$ 27,200,000</u>	<u>\$ 9,090,000</u>	<u>\$36,290,000</u>

Revenues in the General Fund were \$13,270,000 which was \$2,200,000 more than the amount budgeted. Actual revenue exceeded budgeted amounts in all budget categories. Actual expenditures were \$10,200,000, which was \$804,000 less than appropriations for the year. Overall, the total ending fund balance was \$6,600,000 which is \$2,500,000 more than budgeted. Of the \$6,600,000 ending fund balances \$194,000 was designated as an opening fund balance on July 1, 2015 and \$0 was reserved on July 1, 2015.

PERCENT TOTALS - ALL FUNDS



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Business Type Activities. Business-type activities increased Storey County's net assets by \$2,500,000 including a \$2,300,000 USDA Grant. Depreciation expense for the current fiscal year was \$148,000.

Financial Analysis of the Government's Funds. As noted earlier, Storey County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of Storey County's governmental funds is to provide information on near term inflows, outflows, and balances of expendable resources. Such information is useful in assessing Storey County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year.

Budgetary Highlights-Fiscal Year June 30, 2015. The budget statements reflect a comparison of budgeted revenues and expenditures to actual for the year ended June 30, 2015. The budget statements were prepared from the final budget as filed with the Nevada Department of Taxation. Budget revenues and expenditures were adjusted for grants received in excess of original amounts budgeted. Augmentations and line item transfers were made during the year as approved by the Storey County Commissioners.

The General Fund revenues were more than expectations by \$1,080,000, leaving a fund balance of \$5,500,000.

General Fund budget information can be found on pages 18 through 22.

Capital Assets. Storey County's investment in capital assets for its governmental and business type activities as of June 30, 2015 amounts to \$60,752,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and system, improvements, machinery and equipment, park facilities, roads, and bridges.

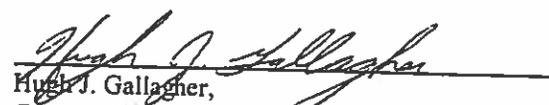
STOREY COUNTY NEVADA
CAPITAL ASSETS
JUNE 30, 2015

	Governmental Activities <u>June 30, 2015</u>	Business Type Activities <u>June 30, 2015</u>	Total <u>June 30, 2015</u>
Land	\$ 689,000		\$ 689,000
Antique Furniture	75,000		75,000
Construction in Process	688,000		688,000
Buildings and Improvements	7,100,000		7,100,000
Improvements other than Buildings	2,400,000		2,400,000
Machinery and Equipment	2,100,000		2,100,000
Sewer and Water systems Infrastructure	<u>36,700,000</u>	\$ 11,000,000	<u>11,000,000</u>
		<u> </u>	<u>36,700,000</u>
Total	<u>\$ 49,752,000</u>	<u>\$ 11,000,000</u>	<u>60,752,000</u>

Tesla Motors:

On November 20, 2014, The Nevada Governors Office of Economic Development (GOED) gave final approval for the tax incentives and abatements to Tesla Motors for the construction and development of the mile long battery factory, located in the Storey County, Tahoe-Reno Industrial Center. The project is expected to employ more than 6,000 people in the plant located 15 miles east of Reno-Sparks.

This financial report is designed to provide a general overview of Storey County, Nevada's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Storey County Comptroller, P.O. Box 432, Virginia City, Nevada 89440, telephone number (775)847-1006, e-mail Hgallagher@StoreyCounty.org


Hugh J. Gallagher,
Comptroller

STOREY COUNTY, NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2015

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash	\$ 21,031,975	\$ 1,625,817	\$ 22,657,792
Accounts receivables (net allowance)	694,781	83,262	778,043
Taxes receivable	1,609,129		1,609,129
Inventory	14,194		14,194
Prepaid expenses	319,354		319,354
Capital assets - net of accumulated depreciation			
Land	689,098		689,098
Antique furniture	75,000		75,000
Construction in progress	688,190		688,190
Buildings and improvements	7,132,246		7,132,246
Improvements other than buildings	2,416,812		2,416,812
Utility system		10,959,760	10,959,760
Machinery and equipment	2,109,259		2,109,259
Infrastructure	36,662,534		36,662,534
Total Assets	<u>\$ 73,442,572</u>	<u>\$ 12,668,839</u>	<u>\$ 86,111,411</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Accounts payable and other current liabilities	\$ 2,020,639	\$ 79,395	\$ 2,100,034
Non-current liabilities			
Bonds/Notes payable - due within one year	452,684	18,479	471,163
- due in more than one year	43,429,695	3,499,954	46,929,649
Compensated absences - due in more than one year	188,314		188,314
Other non-current liabilities	119,818		119,818
Total Liabilities	<u>\$ 46,211,150</u>	<u>\$ 3,597,828</u>	<u>\$ 49,808,978</u>
<u>NET ASSETS</u>			
Invested in capital assets - net of related debt	\$ 7,343,760	\$ 7,441,327	\$ 14,785,087
Unrestricted	19,887,662	1,629,684	21,517,346
Total Net Assets	<u>\$ 27,231,422</u>	<u>\$ 9,071,011</u>	<u>\$ 36,302,433</u>

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

STOREY COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>
Primary government:				
Governmental activities:				
General government	\$ 6,592,163	\$ 2,786,566		
Public safety	8,858,954	1,342,402	\$ 36,218	\$ 319,358
Judicial	902,211			
Health and Welfare	197,941			
Culture and recreation	170,167	3,250		
Community support	573,043			
Highways and streets	2,239,762	116,808		
Total Governmental Activities	19,534,241	4,249,026	36,218	319,358
Business type activities:				
Water	548,154	588,443		
Sewer	256,444	349,440		
Total Business-Type Activities	804,598	937,883	0	0
Total Primary Government	\$ 20,338,839	\$ 5,186,909	\$ 36,218	\$ 319,358

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

STOREY COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

<u>FUNCTIONS/PROGRAMS</u>	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		
	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
Primary government:			
Governmental activities:			
General government	\$ (3,805,597)		\$ (3,805,597)
Public safety	(7,160,976)		(7,160,976)
Judicial	(902,211)		(902,211)
Health and Welfare	(197,941)		(197,941)
Culture and recreation	(166,917)		(166,917)
Community support	(573,043)		(573,043)
Highways and streets	(2,122,954)		(2,122,954)
Total Governmental Activities	(14,929,639)		(14,929,639)
Business type activities:			
Water		\$ 40,289	40,289
Sewer		92,996	92,996
Total Business-Type Activities	0	133,285	133,285
Total Primary Government	(14,929,639)	133,285	(14,796,354)
General revenues:			
Property Taxes	12,013,455		12,013,455
Various State Collected Pass-Through Revenues	3,589,852		3,589,852
Interest Earnings	91,644	15,935	107,579
Bond Proceeds	25,228		25,228
Miscellaneous Revenue	1,387,041	13,500	1,400,541
Capital Contributions and Grants	0	2,333,394	2,333,394
Total General Revenues	17,107,220	2,362,829	19,470,049
Other Adjustments:			
Prior period adjustment	(349,759)	0	(349,759)
Change in Net Assets	1,827,822	2,496,114	4,323,936
Net Assets - beginning	25,403,600	6,592,953	31,996,553
Net Assets - ending	\$ 27,331,422	\$ 9,089,067	\$ 36,420,489

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

STOREY COUNTY, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI-PAYBACK FUND	USDA BOND FUND
ASSETS					
Cash	\$ 6,801,732	\$ 1,557,872	\$ 1,014,346	\$ 1,694,708	\$ 17,639
Accounts receivable (net allowance)	351,375	73,491	189,110		
Taxes receivable	1,206,259		370,746		
Prepaid expenses	282,583				
Inventory					
Total Assets	\$ 8,641,949	\$ 1,631,363	\$ 1,574,202	\$ 1,694,708	\$ 17,639
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 209,603	\$ 22,282	\$ 146,650		
Accrued expenses and deposits	497,194	27,393	153,841		
Deferred revenue	79,199		24,339		
Account payable - Tesla	996,987				
Note payable & Bond payable	210,284				\$ 242,400
Total Liabilities	1,993,267	49,675	324,830	\$ 0	\$ 242,400
FUND BALANCES					
Designated for future year's operations	194,111	792,826			
Unassigned reported in:					
General fund	6,804,330				
Capital projects funds					
Prior period adjustment	(349,759)				
Special revenue funds		788,862	1,249,372	1,694,708	(224,761)
Total Fund Balances	6,648,682	1,581,688	1,249,372	1,694,708	(224,761)
Total Liabilities and Fund Balances	\$ 8,641,949	\$ 1,631,363	\$ 1,574,202	\$ 1,694,708	\$ 17,639

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

STOREY COUNTY, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>VCTC FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>			
Cash	\$ 477,148	\$ 9,468,530	\$ 21,031,975
Accounts receivable (net allowance)		80,805	694,781
Taxes receivable		32,124	1,609,129
Prepaid expenses	36,771		319,354
Inventory	14,194		14,194
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 528,113	\$ 9,581,459	\$ 23,669,433
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	\$ 43,703	\$ 98,205	\$ 520,443
Accrued expenses and deposits	13,095		691,523
Deferred revenue	13,602	2,678	119,818
Account payable - Tesla			996,987
Note payable & Bond payable			452,684
	<hr/>	<hr/>	<hr/>
Total Liabilities	70,400	100,883	2,781,455
	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES</u>			
Designated for future year's operations		4,239,286	5,226,223
Unassigned reported in			
General fund			6,804,330
Capital projects funds		2,946,324	2,946,324
Prior period adjustment			(349,759)
Special revenue funds	457,713	2,294,966	6,260,860
	<hr/>	<hr/>	<hr/>
Total Fund Balances	457,713	9,480,576	20,887,978
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 528,113	\$ 9,581,459	\$ 23,669,433
	<hr/>	<hr/>	<hr/>

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

STOREY COUNTY, NEVADA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2015

Total Fund Balance - government funds - page 13 \$ 20,887,978

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

Capital assets net of related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net assets

49,773,139

Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.

(43,429,695)

Total Net Assets - governmental activities - page 9

\$ 27,231,422

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

STOREY COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI-PAYBACK FUND	USDA BOND FUND
REVENUES					
Taxes	\$ 8,909,098		\$ 2,742,172		
Licenses and permits	1,194,579		79,384		
Intergovernmental	1,667,615	\$ 457,363	762,134		
Charges for services	862,639	116,808	828,769		
Fines and forfeitures	3,143				
Miscellaneous	640,274	176,170	80,585		\$ 2,988
Total Revenues	13,277,348	750,341	4,493,044	\$ 0	2,988
EXPENDITURES					
Current:					
General government	4,027,833			654,977	
Public safety	4,513,415		3,828,282		238,931
Judicial	894,285				
Health and welfare	50,489				
Culture and recreation	95,403				
Community service	573,043				
Highways and streets		887,947			
Intergovernmental					
Debt Service					69,696
Total Expenditures	10,154,468	887,947	3,828,282	654,977	308,627
Excess (deficiency) of revenues over expenditures	3,122,880	(137,606)	664,762	(654,977)	(305,639)
OTHER FINANCING SOURCES (USES)					
Transfers in		378,000	715,610	568,000	34,036
Transfers out	(5,285,487)		(131,000)		
Short term loan (payments) proceeds					
Bond proceeds					
Bond interest					
Prior period adjustment	(349,759)				128,209
Total Other Financing Sources (Uses)	(5,635,246)	378,000	584,610	568,000	162,245
Net change in fund balance	(2,512,366)	240,394	1,249,372	(86,977)	(143,394)
Fund balance - beginning	9,161,048	1,341,294	0	1,781,685	(81,367)
Fund balance - ending	\$ 6,648,682	\$ 1,581,688	\$ 1,249,372	\$ 1,694,708	\$ (224,761)

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

STOREY COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Taxes		\$ 362,185	\$ 12,013,455
Licenses and permits	\$ 69,972		1,343,935
Intergovernmental	456,114	602,202	3,945,428
Charges for services	552,866	76,490	2,437,572
Fines and forfeitures		15,635	18,778
Miscellaneous	43,583	572,521	1,516,121
Total Revenues	1,122,535	1,629,033	21,275,289
EXPENDITURES			
Current:			
General government	1,269,522	1,857,550	7,809,882
Public safety		482,742	9,063,370
Judicial		13,926	908,211
Health and welfare		147,452	197,941
Culture and recreation		83,843	179,246
Community service			573,043
Highways and streets			887,947
Intergovernmental		109,588	109,588
Debt Service			69,696
Total Expenditures	1,269,522	2,695,101	19,798,924
	(146,987)	(1,066,068)	1,476,365
Excess (deficiency) of revenues over expenditures			
OTHER FINANCING SOURCES (USES)			
Transfers in		3,840,257	5,535,903
Transfers out		(176,320)	(5,592,807)
Short term loan (payments) proceeds			128,209
Bond proceeds		25,228	25,228
Other revenue		340,000	340,000
Prior period adjustment			(349,759)
Total Other Financing Sources (Uses)	0	4,029,165	86,774
Net change in fund balance	(146,987)	2,963,097	1,563,139
Fund balance - beginning	604,700	6,517,479	19,324,839
Fund balance - ending	\$ 457,713	\$ 9,480,576	\$ 20,887,978

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

STOREY COUNTY, NEVADA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Net change in fund balances - governmental funds, page 16	\$	15,631,139
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, those costs are shown in the statement of net assets and allocated over their estimated useful lives as depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation.		984,785
Net long-term receipts and payments reported in governmental funds as expenditures		(733,977)
Some expenses in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds		<u>13,875</u>
Change in net assets of governmental activities, page 11	\$	<u>1,827,822</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes:				
Property	\$ 8,208,719	\$ 8,208,719	\$ 8,889,269	\$ 680,550
Youth Services	20,847	20,847	19,829	(1,018)
Total Taxes	<u>8,229,566</u>	<u>8,229,566</u>	<u>8,909,098</u>	<u>679,532</u>
Licenses and permits:				
Merchandise licenses	210,300	210,300	238,392	28,092
Utility licenses	160,000	160,000	190,953	30,953
Franchise tax	65,000	65,000	57,303	(7,697)
Building permits & study	250,000	250,000	707,931	457,931
Total Licenses and Permits	<u>685,300</u>	<u>685,300</u>	<u>1,194,579</u>	<u>509,279</u>
Intergovernmental				
Federal and state grants	20,000	20,000	18,468	(1,532)
Payment in lieu of taxes	30,000	30,000	34,038	4,038
State shared revenues:				
Cigarette tax	16,000	16,000	17,915	1,915
Liquor tax	5,000	5,000	5,309	309
Gaming licenses	155,000	155,000	151,119	(3,881)
Basic CCRT	340,000	340,000	529,893	189,893
Supplemental CCRT	450,000	450,000	448,314	(1,686)
Motor Vehicle Priviledge Tax	265,000	265,000	313,183	48,183
Real Property Transfer Tax	50,000	50,000	149,376	99,376
Total Intergovernmental	<u>1,331,000</u>	<u>1,331,000</u>	<u>1,667,615</u>	<u>336,615</u>
Charges for Services:				
Clerk Fees	6,000	6,000	7,070	1,070
Recorder fees	30,000	30,000	36,752	6,752
Assessor fees/commissions	165,000	165,000	207,422	42,422
Building department fees	6,000	6,000	6,920	920
District Court fees	13,000	13,000	15,894	2,894
Justice court fees	8,000	8,000	7,692	(308)
JOP Court Facility fee	76,000	76,000	67,947	(8,053)
Sheriffs fees	41,000	41,000	44,675	3,675
Swimming pool admissions/lessons	16,000	16,000	17,126	1,126
Park facilities fees	500	500	1,200	700
Import tonnage fees	365,000	365,000	414,138	49,138
IT Fees	31,000	31,000	35,013	4,013
Other fees	1,000	1,000	790	(210)
Total Charges for Services	<u>758,500</u>	<u>758,500</u>	<u>862,639</u>	<u>104,139</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES (cont'd.)				
Fines and Forfeits:				
District fine	500	500	355	(145)
Juvenile fines/assessments	1,000	1,000	1,318	318
Chemical analysis fees	1,000	1,000	1,470	470
Total Fines and Forfeits	2,500	2,500	3,143	643
Miscellaneous:				
Rents	31,000	31,000	33,270	2,270
Penalties - Taxes	0	0	96,572	96,572
Penalties - Business Licenses	2,000	2,000	5,356	3,356
Interest	30,000	30,000	69,983	39,983
Tax settlement and sales	0	0	427,643	427,643
Other	5,000	5,000	7,450	2,450
Total Miscellaneous	68,000	68,000	640,274	572,274
Total Revenues	11,074,866	11,074,866	13,277,348	2,202,482
EXPENDITURES				
General Government				
Commissioners:				
Salaries and wages	327,060	327,060	323,856	3,204
Employee benefits	187,859	187,859	172,742	15,117
Capital outlay		73,500	73,305	195
Services and supplies	49,300	49,300	40,931	8,369
	564,219	637,719	610,834	26,885
Clerk Treasurer:				
Salaries and wages	177,917	177,917	174,366	3,551
Employee benefits	88,682	88,682	84,829	3,853
Services and supplies	69,200	69,200	55,375	13,825
Capital outlay	1,500	7,500	6,016	1,484
	337,299	343,299	320,586	22,713
Recorder:				
Salaries and wages	136,231	138,231	137,795	436
Employee benefits	67,909	67,909	64,293	3,616
Capital outlay		4,000	1,931	2,069
Services and supplies	59,400	56,400	51,202	5,198
	263,540	266,540	255,221	11,319
Assessor:				
Salaries and wages	222,243	227,243	223,355	3,888
Employee benefits	101,526	101,526	100,119	1,407
Capital outlay		31,000	30,095	905
Services and supplies	39,800	39,800	25,708	14,092
	363,569	399,569	379,277	20,292
Administrative:				
Salaries and wages	105,870	105,870	82,469	23,401
Employee benefits	184,257	184,251	164,808	19,443
Services and supplies	716,800	798,800	669,725	129,075
Interest expense		118,000	0	118,000
Capital outlay	9,000	9,000	167	8,833
	1,015,927	1,215,921	917,169	298,752

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

<u>EXPENDITURES</u>	<u>ORIGINAL BUDGETED AMOUNTS</u>	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
General Government (contd.)				
Building and Grounds				
Salaries and wages	127,978	127,978	129,604	(1,626)
Employee benefits	62,857	62,857	59,420	3,437
Capital outlay		15,000	14,242	758
Services and supplies	200,600	200,600	190,797	9,803
	<u>391,435</u>	<u>406,435</u>	<u>394,063</u>	<u>12,372</u>
Planning Commission				
Salaries and wages	114,562	114,562	102,030	12,532
Employee benefits	36,066	36,066	29,928	6,138
Services and supplies	27,300	27,300	14,909	12,391
	<u>177,928</u>	<u>177,928</u>	<u>146,867</u>	<u>31,061</u>
Service:				
Salaries and wages	147,476	147,476	143,880	3,596
Employee benefits	67,172	67,172	60,772	6,400
Capital outlay	7,400	7,400	3,371	4,029
Services and supplies	50,550	50,550	33,156	17,394
	<u>272,598</u>	<u>272,598</u>	<u>241,179</u>	<u>31,419</u>
Comptroller:				
Salaries and wages	168,671	178,671	180,628	(1,957)
Employee benefits	80,060	80,060	79,734	326
Capital outlay		3,000	1,041	1,959
Services and supplies	69,600	81,600	80,572	1,028
	<u>318,331</u>	<u>343,331</u>	<u>341,975</u>	<u>1,356</u>
Information technology:				
Salaries and wages	204,296	204,296	201,197	3,099
Employees benefits	107,720	107,720	99,236	8,484
Services and supplies	77,800	77,800	66,971	10,829
Capital outlay	53,300	53,300	53,258	42
	<u>443,116</u>	<u>443,116</u>	<u>420,662</u>	<u>22,454</u>
Total General Government	<u>4,147,956</u>	<u>4,506,456</u>	<u>4,027,833</u>	<u>478,623</u>
Judicial:				
District Attorney:				
Salaries and wages	288,077	288,077	270,928	17,149
Employee benefits	116,420	116,420	103,887	12,533
Services and supplies	85,650	103,650	110,602	(6,952)
Capital outlay	6,000	6,000	6,000	0
	<u>496,147</u>	<u>514,147</u>	<u>491,417</u>	<u>22,730</u>
District Court:				
Services and supplies	126,100	145,600	129,885	15,715
	<u>126,100</u>	<u>145,600</u>	<u>129,885</u>	<u>15,715</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

<u>EXPENDITURES</u>	<u>ORIGINAL BUDGETED AMOUNTS</u>	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
Judicial (contd)				
Justice of the Peace:				
Salaries and wages	160,673	160,673	157,310	3,363
Employee benefits	95,825	95,825	90,867	4,958
Services and supplies	24,300	26,624	24,806	1,818
	<u>280,798</u>	<u>283,122</u>	<u>272,983</u>	<u>10,139</u>
Total Judicial	<u>903,045</u>	<u>942,869</u>	<u>894,285</u>	<u>48,584</u>
Public Safety:				
Sheriff:				
Salaries and wages	1,659,766	1,699,766	1,703,627	(3,861)
Employee benefits	1,031,122	1,031,122	976,787	54,335
Services and supplies	323,800	323,800	313,317	10,483
Capital outlay	201,500	201,500	196,696	4,804
	<u>3,216,188</u>	<u>3,256,188</u>	<u>3,190,427</u>	<u>65,761</u>
Community Development				
Salaries and wages	288,718	312,718	321,582	(8,864)
Employee benefits	126,414	129,414	131,384	(1,970)
Capital outlay	25,000	46,100	45,811	289
Services and supplies	53,250	59,150	59,227	(77)
	<u>493,382</u>	<u>547,382</u>	<u>558,004</u>	<u>(10,622)</u>
Emergency Management:				
Salaries and wages	21,678	21,678	18,273	3,405
Employee benefits	18,112	18,612	14,318	4,294
Capital outlay	6,400	6,400	1,200	5,200
Services and supplies	8,400	7,900	6,553	1,347
	<u>54,590</u>	<u>54,590</u>	<u>40,344</u>	<u>14,246</u>
Communications				
Salaries and wages	439,442	453,442	448,834	4,608
Employee benefits	231,053	231,053	207,768	23,285
Services and supplies	44,325	44,325	32,745	11,580
Capital outlay	29,400	35,400	35,293	107
	<u>744,220</u>	<u>764,220</u>	<u>724,640</u>	<u>39,580</u>
Total Public Safety	<u>4,508,380</u>	<u>4,622,380</u>	<u>4,513,415</u>	<u>108,965</u>
Health and Human Service				
Salaries and wages	5,566	5,566	5,280	286
Employee benefits	2,494	2,494	2,218	276
Services and supplies	65,600	65,600	42,991	22,609
	<u>73,660</u>	<u>73,660</u>	<u>50,489</u>	<u>23,171</u>
Culture and Recreation:				
Swimming Pools & Parks				
Salaries and wages	57,287	57,287	52,077	5,210
Employee benefits	13,036	13,036	12,600	436
Capital outlay	8,000	8,000	0	8,000
Services and supplies	53,900	53,900	30,726	23,174
	<u>132,223</u>	<u>132,223</u>	<u>95,403</u>	<u>36,820</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Total Culture and Recreation	132,223	132,223	95,403	36,820
Community Service				
Salaries and wages	84,493	84,493	80,674	3,819
Employee benefits	30,439	30,439	28,093	2,346
Services and supplies	516,100	516,100	464,276	51,824
Total Community Support	631,032	631,032	573,043	57,989
Debt Service:				
Principle	35,500	35,500	0	35,500
Interest	14,500	14,500	0	14,500
Total Debt Service	50,000	50,000	0	50,000
Total Expenditures	10,446,296	10,958,620	10,154,468	804,152
Excess (Deficiency) of Revenue over Expenditures	628,570	116,246	3,122,880	3,006,634
Other Financing Sources (Uses)				
Transfers out	(3,225,000)	(5,225,000)	(5,285,487)	(60,487)
Contingency	(312,324)	0	0	0
Prior period adjustment	0	0	(349,759)	(349,759)
Total Other Financing Sources (Uses)	(3,537,324)	(5,225,000)	(5,635,246)	(410,246)
Net Change in Fund Balance	(2,908,754)	(5,108,754)	(2,512,366)	2,596,388
Fund balance - beginning	6,950,385	9,150,385	9,161,048	10,663
Fund balance - ending	\$ 4,041,631	\$ 4,041,631	\$ 6,648,682	\$ 2,607,051

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

STOREY COUNTY, NEVADA
ROADS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE			
Intergovernmental			
Gasoline tax	\$ 169,500	\$ 173,430	\$ 3,930
Supplemental CCRT	283,932	283,933	1
Charges for services			
Import tonnage fees	105,000	116,808	11,808
Other revenue			
Interest	4,000	14,433	10,433
Miscellaneous	2,500	161,737	159,237
Total Revenue	<u>564,932</u>	<u>750,341</u>	<u>185,409</u>
EXPENDITURES			
Highways and streets			
Salaries and wages	308,498	286,548	21,950
Employee benefits	123,775	113,449	10,326
Services and supplies	128,753	93,252	35,501
Capital outlay	545,000	394,698	150,302
Debt service			
Principal	74,286	0	74,286
Interest	3,665	0	3,665
Total Expenditures	<u>1,183,977</u>	<u>887,947</u>	<u>296,030</u>
Excess (deficiency) of revenues over expenditures	(619,045)	(137,606)	481,439
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>378,000</u>	<u>378,000</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(241,045)	240,394	481,439
Fund balance - beginning	899,508	1,341,294	441,786
Fund balance - ending	<u>\$ 658,463</u>	<u>\$ 1,581,688</u>	<u>\$ 923,225</u>

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

STOREY COUNTY, NEVADA
474 FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUE</u>				
Taxes				
Property	\$ 2,522,930	\$ 2,522,930	\$ 2,742,172	\$ 219,242
Intergovernmental revenues				
Supplemental CCRT	762,130	762,130	762,134	4
Licenses and permits				
Ambulance program & license fees	15,000	15,000	79,384	64,384
Charges for services				
Fire/ambulance fees	276,000	276,000	271,121	(4,879)
Inspection fees	80,000	80,000	143,644	63,644
Fire billing and building permits	230,000	230,000	408,639	178,639
Special events	5,000	5,000	5,365	365
Other revenue				
Miscellaneous - other	1,200	1,200	80,585	79,385
Total Revenues	<u>3,892,260</u>	<u>3,892,260</u>	<u>4,493,044</u>	<u>600,784</u>
<u>EXPENDITURES</u>				
Public Safety				
Salaries and wages	2,134,657	2,134,657	2,096,288	38,369
Employee benefits	1,217,034	1,217,034	1,181,697	35,337
Services and supplies	688,657	512,841	509,147	3,694
Capital outlay		44,816	41,150	3,666
Total Expenditures	<u>4,040,348</u>	<u>3,909,348</u>	<u>3,828,282</u>	<u>81,066</u>
Excess (deficiency) of revenue over expenditures	(148,088)	(17,088)	664,762	681,850
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfer In	526,138	526,138	715,610	189,472
Transfer Out		(131,000)	(131,000)	0
Excess (deficiency) of revenue and other financing sources (uses) over expenditures	378,050	378,050	1,249,372	871,322
Fund balance - beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance - ending	<u>\$ 378,050</u>	<u>\$ 378,050</u>	<u>\$ 1,249,372</u>	<u>\$ 871,322</u>

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

STOREY COUNTY, NEVADA
 TRI PAYBACK FUND
 SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Intergovernmental			
Other revenue	\$ 131,000	\$ 131,000	\$ 0
EXPENDITURES			
General government			
Tri Payback	900,000	654,977	245,023
Excess (deficiency) of revenue over expenditures	(769,000)	(523,977)	245,023
OTHER FINANCING SOURCES (USES)			
Transfers in	437,000	437,000	0
Excess (deficiency) of revenue and other financing sources (uses) over expenditure	(332,000)	(86,977)	245,023
Fund balance - beginning	2,109,894	1,781,685	(328,209)
Fund balance - ending	\$ 1,777,894	\$ 1,694,708	\$ (83,186)

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

STOREY COUNTY, NEVADA
 USDA BOND FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Miscellaneous			
Interest income		\$ 2,988	\$ 2,988
EXPENDITURES			
Public safety			
Capital outlay	\$ 2,000,000	238,931	1,761,069
Capital outlay - sewer	5,314,794		5,314,794
Excess (deficiency) of revenue over expenditures	7,314,794	(235,943)	7,078,851
OTHER FINANCING SOURCES (USES)			
Bond proceeds	7,314,794	0	(7,314,794)
Debt Service		(69,696)	(69,696)
Transfer in		34,036	34,036
Excess (deficiency) of revenue and other financing sources (uses) over expenditure	0	(271,603)	(271,603)
Fund balance - beginning	0	(81,367)	(81,367)
Adjustment for bond proceeds relating to prior year's expenditures		128,209	128,209
Fund balance - ending	\$ 0	\$ (224,761)	\$ (224,761)

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

STOREY COUNTY, NEVADA
 VIRGINIA CITY TOURISM COMMISSION SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Licenses and permits				
Licenses - permits	\$ 45,800	\$ 45,800	\$ 69,972	\$ 24,172
Intergovernmental				
Grant revenue	40,500	40,500	17,750	\$ (22,750)
State licenses	3,000	3,000	3,459	459
Room tax	135,000	135,000	156,110	21,110
Tourism tax	160,000	209,679	278,795	69,116
Charges for services				
Special events	318,501	318,501	365,077	46,576
CAP service charge (net)	140,000	140,000	187,789	47,789
Miscellaneous				
Interest	750	750	525	(225)
Contributions	5,000	5,000	4,675	(325)
Miscellaneous	31,662	31,662	38,383	6,721
Total Revenues	880,213	929,892	1,122,535	192,643
EXPENDITURES				
General government				
Salaries and wages	235,937	238,937	237,008	1,929
Benefits	112,837	112,837	106,322	6,515
Services and supplies	656,820	705,820	749,867	(44,047)
Capital outlay	17,500	111,500	176,325	(64,825)
Total Expenditures	1,023,094	1,169,094	1,269,522	(100,428)
Excess (deficiency) of revenues over expenditures	(142,881)	(239,202)	(146,987)	92,215
Fund balance - beginning	508,379	508,379	604,700	96,321
Fund balance - ending	\$ 365,498	\$ 269,177	\$ 457,713	\$ 188,536

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

STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2015

	<u>BUSINESS-TYPE ENTERPRISE FUNDS</u>		
	<u>WATER SYSTEM</u>	<u>VIRGINIA DIVIDE SEWER</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Current Assets			
Cash	\$ 1,355,345	\$ 270,472	\$ 1,625,817
Accounts receivable (net allowance)	52,434	30,828	83,262
Total Current Assets	1,407,779	301,300	1,709,079
Noncurrent Assets			
Capital assets - net of accumulated depreciation	4,960,178	5,999,582	10,959,760
Total Assets	\$ 6,367,957	\$ 6,300,882	\$ 12,668,839
<u>LIABILITIES</u>			
Current Liabilities			
Accounts payable	\$ 17,362	\$ 4,600	\$ 21,962
Refundable deposits	22,820		22,820
Bonds payable - current portion	14,733	3,746	18,479
Accrued expenses	24,863	9,750	34,613
Total Current Liabilities	79,778	18,096	97,874
Long Term Liabilities			
Bonds payable - net of current portion	505,233	2,994,721	3,499,954
<u>NET ASSETS</u>			
Invested in capital assets - net of related debt	4,440,212	3,001,115	7,441,327
Unassigned	1,342,734	286,950	1,629,684
Total Net Assets	\$ 5,782,946	\$ 3,288,065	\$ 9,071,011

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

STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES AND EXPENSES
 AND CHANGE IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>BUSINESS-TYPE ENTERPRISE FUNDS</u>		
	<u>WATER SYSTEM</u>	<u>VIRGINIA DIVIDE SEWER</u>	<u>TOTAL</u>
<u>OPERATING REVENUES</u>			
Charges for services	\$ 588,443	\$ 349,440	\$ 937,883
<u>OPERATING EXPENSES</u>			
Salaries and wages	137,503	77,245	214,748
Benefits	57,087	30,432	87,519
Services and supplies	222,891	73,050	295,941
Depreciation	106,287	41,681	147,968
Total Operating Expense	<u>523,768</u>	<u>222,408</u>	<u>746,176</u>
Operating Income (Loss)	<u>64,675</u>	<u>127,032</u>	<u>191,707</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Rent and miscellaneous	13,500		13,500
Interest income	13,571	2,364	15,935
Interest expense	(24,386)		(24,386)
Grants and capital contributions	17,300	2,316,094	2,333,394
Transfer out		(34,036)	(34,036)
Total Nonoperating Revenues (Expenses)	<u>19,985</u>	<u>2,284,422</u>	<u>2,304,407</u>
Change in net assets	84,660	2,411,454	2,496,114
Net assets - beginning	<u>5,716,342</u>	<u>876,611</u>	<u>6,592,953</u>
Net assets - ending	<u>\$ 5,801,002</u>	<u>\$ 3,288,065</u>	<u>\$ 9,089,067</u>

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

STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2015

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER SYSTEM	VIRGINIA DIVIDE SEWER	TOTALS
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Inflows			
Sales of water/sewer fees	\$ 569,189	\$ 338,874	\$ 908,063
Cash Outflows			
Salaries and wages	(124,748)	(74,378)	(199,126)
Salary costs	(53,696)	(30,432)	(84,128)
Services and supplies	(213,279)	(74,403)	(287,682)
Net Cash Provided (Used) by Operating Activities	177,466	159,661	337,127
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Cash Inflows			
Rent	13,500		13,500
Customer deposits	8,654		8,654
Net Cash Provided by Non-Capital Financing Activities	22,154	0	22,154
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Cash Inflows			
Bond Revenue		3,002,000	3,002,000
Grant Revenue		2,312,794	2,312,794
Capital contributions	13,200	3,300	16,500
Cash Outflows			
Capital outlay and grant match	(30,318)	(5,334,397)	(5,364,715)
Debt service	(14,098)	(3,533)	(17,631)
Interest expense	(24,386)		(24,386)
Transfer out		(34,036)	(34,036)
Net Cash Provided (Used) by Capital and Related Financing Activities	(55,602)	(53,872)	(109,474)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Cash Inflows			
Interest earnings	13,571	2,364	15,935
Net Increase (Decrease) in Cash	157,589	108,153	265,742
Cash - beginning	1,197,756	162,320	1,360,076
Cash - ending	\$ 1,355,345	\$ 270,473	\$ 1,625,818

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

STOREY COUNTY, NEVADA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>AGENCY FUNDS</u>
<u>ASSETS</u>	
Cash and cash equivalents	<u>\$ 558,354</u>
<u>LIABILITIES</u>	
Due to other governments	<u>\$ 558,654</u>
Net Assets	<u>\$ 0</u>

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

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Storey County, Nevada, a local government created under the provisions of Nevada Revised Statutes 243.110 is governed by an elected three-member board of commissioners. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government.

Blended Component Units - The Virginia Divide Sewer Improvement District is under the direct oversight of the Storey County Board of Commissioners. The rates for users charges and bond issuance authorizations are approved by the County Commissioners, and the legal liability for the Virginia Divide Sewer District's debt remains with Storey County. The District is reported as an enterprise fund.

Effective July 1, 2014, the Storey County Fire Protection District 474 was created by the Storey County Board of Commissioners. This entity supercedes the Fire, and Fire District Special Revenue Funds. The governing body of the new Fire Protection District 474 is the Board of County Commissioners and will be reported as a Special Revenue Fund.

The Board of County Commissioners directly appoints the governing board of the Virginia City Tourism Commission (VCTC). The county personnel provides essentially all services, accounting, budgeting and other record keeping for the commission. The VCTC has elected to be reported as a major fund (Special Revenue) in the County financial statements.

The governing body for the towns of Virginia City and Gold Hill is the board of County Commissioners of Storey County. The county personnel provide essentially all services for both Virginia City and Gold Hill. These funds were eliminated and transferred into the Storey Count General Fund on July 1, 2014.

Excluded from the reporting entity - Storey County Schools, Storey County Senior Center, and Canyon General Improvement District.

These potential component units have separate elected or appointed boards and provide services to residents, generally within the geographic boundaries of the government. These potential component units are excluded from the reporting entity because the government does not have the ability to exercise influence over their daily operations, approve budgets, or provide funding.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Government-Wide Financial Statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. 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 degrees to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The Government-Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are 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 revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements 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. Gross receipts and sales taxes are considered "measurable" when in the hands of intermediary collecting agents or governments. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Anticipated refunds of taxes are recorded as liabilities and reductions of revenue when they are measurable and the payment seems certain. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The government reports the following major governmental funds:

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.

The *Fire Protection District 474 Special Revenue Fund* accounts for money received primarily from intergovernmental sources. Expenditures are for County fire protection including the purchase of machinery and equipment to provide such services.

The *Tri Payback Fund* accounts for monies which shall be required to be paid back to the developers of the Tahoe-Reno Industrial Center as detailed in Note XVII.

The *Road Special Revenue Fund* accounts for money received primarily from gasoline taxes and other intergovernmental sources. Expenditures are for the construction and maintenance of County roads and bridges, and other road related infrastructure and the purchase of machinery and equipment required to do such work. (Elected to be reported as major fund.)

The *USDA Bond Special Revenue Fund* accounts for money received from USDA Bonds to improve water and waste disposal in Storey County and purchase additional fire and ambulance equipment for the Fire Protection District 474.

The *Virginia City Tourism Commission Special Revenue Fund* promotes tourism for Storey County and Virginia City through advertising and promotion of special events and attractions located within the County. (Elected to be reported as a major fund)

The government reports the following major proprietary funds:

The *Water System Fund* accounts for the activities of the Virginia City/Gold Hill water distribution system.

The *Virginia Divide Sewer System Fund* accounts for the operations of the sewage treatment plant, pumping stations and collection systems.

As a general rule the effect of interfund activity has been eliminated from the Government-Wide Financial Statements. Exceptions to this general rule are charges between the governments water and sewer functions. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *Program Revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *General Revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Revenue and expense not meeting this definition are reported as nonoperating revenues and expenses.

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

1. DEPOSITS AND INVESTMENTS

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, short term investments with original maturities of three months or less from the date of acquisition, and the State Treasurer's investment pool. Investments are reported at fair value.

2. RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

All trade receivables are shown net of an allowance for uncollectibles. No allowance is recorded for property tax receivables. Property taxes are levied as of July 1 on property values assessed on the same date. The tax levy may be paid in four installments by the third Monday in August, and the first Monday in October, January and March. There is a ten day grace period allowed for each installment. Penalties and interest are assessed on all delinquent collections. Liens are filed on the property at one year's delinquency.

3. INVENTORIES AND PREPAID ITEMS

No inventories are maintained by the government for either operating or office supplies. These items are recorded as expenditures when purchased, rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. RESTRICTED ASSETS

The County has no restricted assets as June 30, 2015.

5. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure (i.e., roads, bridges, sidewalks, storm drains, and similar items), are reported in the applicable governmental or business-type activities columns in the Government-Wide Financial Statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$3000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment are depreciated in the proprietary funds using the straight line method over the following useful lives:

<u>ASSETS</u>	<u>YEARS</u>
Public and System Infrastructure	20-100
Vehicles	5-10
Office Equipment	5-10
Equipment	10-20
Buildings	75-100
Building Improvements	35-50
Computer Equipment	5
Furniture and Fixtures	7-10

6. COMPENSATED ABSENCES

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vested or accumulated vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the fund that will pay it. Amounts of vested or accumulated vacation pay that are not expected to be liquidated with expendable available financial resources are reported as long term debt. No expenditure is reported for these amounts. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However a liability is recognized for that portion of accumulated sick leave benefits that is required to be paid upon termination. All employees with a minimum accrued sick leave of 360 hours to a maximum of 960 hours (except for fire department - no maximum) shall be paid at retirement or termination of service, other than involuntary termination as follows:

<u>Years of Continuous Service</u>	<u>Other Employees Rate of Pay</u>	<u>Fire Department Rate of Pay</u>
5 years but less than 10 years	12.5¢ on the Dollar	20.0¢ on the Dollar
10 years but less than 15 years	25.0¢ on the Dollar	
10 years but less than 20 years		35.0¢ on the Dollar
15 years but less than 20 years	40.0¢ on the Dollar	
20 years or more	50.0¢ on the Dollar	50.0¢ on the Dollar

The maximum sick leave paid upon termination shall be \$5,000 for all employees except law enforcement and firemen.

Law Enforcement personnel:

Payment for Sick Leave at Termination: Upon an Employee's end of service through PERS retirement or termination from service, other than involuntary termination, with a total accrued hours of three hundred sixty (360) or more, the Employee shall be paid for unused Sick Leave at the following rate:

- 10 to 15 years of service shall be paid at a rate of 20% of their base rate of pay for each hours, not to exceed \$2,500 cash or \$3,125 toward the purchase of PERS.
- 15 to 20 years of service shall be paid at a rate of 40% of their base rate of pay for each hour, not to exceed \$3,500 cash or \$4,375 toward the purchase of PERS.
- More than 20 years of service shall be paid at a rate of 60% of their base rate of pay for each hour, not to exceed \$5,000 cash or \$6,250 toward the purchase of PERS.

Fireman: 1,333 hrs. maximum for line employees
952 hrs. maximum for 8 hr. employees

G. LONG-TERM OBLIGATIONS

In the Government-Wide Financial Statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities, business-type activities, or proprietary fund type statement of net assets.

The County currently has no long term bonds payable in the governmental funds. The revenue bonds reported in the proprietary fund-types incurred no bond premiums or discounts and therefore have no deferred charges or amortization.

The County has a long-term obligation relating to the Tahoe Reno Industrial Center (TRI) - see note XVII for details.

H. FUND EQUITY

In the fund financial statements, governmental funds report designations of fund balances for amounts which represent tentative management plans that are subject to change. The County has reserved \$ 0 of the general fund balance at July 1, 2015.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds and net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The details of this \$25,733,438 difference are as follows: Capital assets net of related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net assets - \$49,773,139. Long term liabilities are not due and payable in the current period and therefore are not reported in the funds, \$43,429,695.
- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds and changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$264,683 difference are as follows: Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, those costs are shown in the statement of net assets and allocated over their estimated useful lives as depreciation expense in the statement of activities. This is the amount by which depreciation exceeded net capital outlays in the current period - \$984,785. Net long-term receipts and payments reported in governmental funds as expenditures \$733,977. Some revenues and expenses in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds - \$13,875.

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

The County follows these procedures in establishing the budgetary date reflected in the financial statements:

1. Prior to April 15, the County budget officer submits to the County Commissioners the tentative operating budgets (4) for the fiscal year commencing the following July 1. The operating budgets include proposed expenditures and the means of financing them.
2. The tentative budgets are filed with the State Department of Taxation by April 15.
3. A public hearing is conducted at the County Court House to obtain taxpayers comments. (3rd Monday in May)
4. The final budgets are adopted and filed with the State Department of Taxation. Final budgets must be certified by a majority of all members of the governing body. The final budgets must be adopted on or before June 1.
5. Budget amounts may be transferred within funds if the governing body is advised and the action is recorded in the official minutes of the next meeting. Revisions that alter the total expenditures of any fund must be approved by the County Commissioners. Budget revisions must also be filed with the State Department of Taxation.

6. Budgets for the General, Special Revenues, Debt Service, Proprietary, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles. (GAAP)
7. Budget augmentations were prepared for the general, various special revenue funds and enterprise funds during the fiscal year ended June 30, 2015.
8. All budget appropriations lapse at the end of each fiscal year.

In accordance with State statute, actual expenditures may not exceed budgetary appropriations of the various governmental programs of the General Fund or total appropriations of the Special Revenue and Capital Projects Funds, except as expressly authorized by law.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2015, expenditures exceeded appropriations as follows:

	<u>Expenditures</u>	<u>Appropriations</u>
General Fund-Community Development	\$ 558,004	\$ 547,382
Virginia City Tourism Commission	1,269,522	1,179,094
Drug Court Special Revenue	9,373	9,123
Indigent Accident Special Revenue	83,293	69,500
Water System Enterprise	519,403	486,230

C. DEFICIT FUND EQUITY

The USDA Bond Fund incurred a deficit fund equity at June 30, 2015, in the amount of \$224,761.

D. COMPLIANCE - NRS 354.624

Storey County has two enterprise funds: the Water System Enterprise Fund and the Virginia-Divide Sewer Improvement District Enterprise Fund. Storey County also maintains agency funds as follows: State of Nevada Fund Storey County School District Fund, Storey County School District Debt Service Fund. The County maintains no internal service funds, self insurance funds or funds whose balance is required by law to be used for a specific purpose other than the payment of compensation to a bargaining unit, as defined in NRS 288.028 or carried forward to the succeeding fiscal year in any designated amount.

All enterprise and agency funds maintained by Storey County:

- a) are being used in accordance with NRS 354.624
- b) are being administered in accordance with generally accepted accounting procedures
- c) all reserves in the funds are reasonable and necessary to carry out the purposes of the funds
- d) reflect the sources of revenues available for the fund during the fiscal year - including transfers from other funds
- e) are following the statutory and regulatory requirements applicable to the funds
- f) reflect the balance and retained earning of the funds

Storey County has \$0 reserved in all funds.

IV. CASH

At year end, the carrying amount of the bank balances was \$23,206,146. Of the bank balances \$500,000 was covered by federal depository insurance. Additionally \$7,789,040 cash was on deposit with the Nevada State Treasurer. The fair value of all cash and investments equaled 100% of book value.

Credit risk classification of the County's cash is as follows:

1. Insured by Federal Deposit Insurance	\$ 500,000
2. Collateralized with securities held by The Nevada State Treasurer	7,789,040
3. Uncollateralized with the financial institution	15,414,427
4. Uncollateralized - cash on hand	2,679
	<u>\$ 23,206,146</u>

Cash held by the County is allocated to the various funds as follows:

Major governmental funds	\$ 11,553,445
Non-major governmental funds	9,468,530
Business-type funds	<u>1,625,817</u>
	22,647,792
Fiduciary funds	<u>558,354</u>
Total	<u>\$ 23,206,146</u>

V. RECEIVABLES

Receivables as of year end for the governments individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Roads</u>	<u>474 Fire District</u>	<u>VCTC</u>	<u>Non-Major Funds</u>	<u>Proprietary Funds</u>	<u>Total</u>
Receivables:							
Taxes	\$1,206,259		\$ 370,746		\$ 32,124		\$1,609,129
Accounts	<u>351,375</u>	<u>\$ 73,491</u>	<u>195,067</u>	<u>\$ 0</u>	<u>80,805</u>	<u>\$ 84,049</u>	<u>784,787</u>
Gross Receivables	1,557,634	73,491	565,813	0	112,929	84,049	2,393,916
Less: Allowance for uncollectibles	<u>0</u>	<u>0</u>	<u>(5,957)</u>	<u>0</u>	<u>0</u>	<u>(787)</u>	<u>(6,744)</u>
Total Net Receivables	<u>\$ 1,557,634</u>	<u>\$ 73,491</u>	<u>\$ 559,856</u>	<u>\$ 0</u>	<u>\$ 112,929</u>	<u>\$ 83,262</u>	<u>\$ 2,387,172</u>

The delinquent taxes receivable account represents the past three years of uncollected tax levies. No allowance for uncollectibles has been recorded by the County. Taxes received after 60 days of the year end are recorded as deferred revenue.

Accounts receivable include intergovernmental receivables. All accounts receivable, with the exception of the enterprise fund, were collected within a 60 day period, therefore no allowance for uncollectibles was recorded in those funds.

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year the various components of *deferred revenue* reported in the governmental funds were as follows:

Delinquent property taxes receivable:

General fund	\$ 79,199
454 Fire District Fund	24,339
Non-major funds	<u>2,678</u>
Total	<u>\$ 106,216</u>

VI. CAPITAL ASSETS (INCLUDING VCTC FUND)

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Primary Government				
Governmental activities				
Capital assets not being depreciated				
Land	\$ 460,009	\$ 229,089		\$ 689,098
Antique Furniture	75,000			75,000
Construction in progress	<u>2,244,377</u>	<u>500,343</u>	<u>\$ 2,056,530</u>	<u>688,190</u>
Total Capital assets not being depreciated	<u>2,779,386</u>	<u>729,432</u>	<u>2,056,530</u>	<u>1,452,288</u>
Capital assets being depreciated				
Buildings	9,735,644			9,735,644
Improvements other than buildings	1,276,025	1,512,362	46,816	2,741,571
Machinery and equipment	7,336,856	914,826	22,995	8,228,687
Infrastructure	<u>43,282,735</u>	<u>45,585</u>		<u>43,328,320</u>
Total capital assets being depreciated	<u>61,631,260</u>	<u>2,472,773</u>	<u>69,811</u>	<u>64,034,222</u>
Less accumulated depreciation for:				
Buildings	2,421,716	181,682		2,603,398
Improvements other than buildings	276,137	48,622		324,759
Machinery and equipment	5,727,004	392,424		6,119,428
Infrastructure	<u>5,140,905</u>	<u>1,524,881</u>		<u>6,665,786</u>
Total accumulated depreciation	<u>13,565,762</u>	<u>2,147,609</u>	<u>0</u>	<u>15,713,371</u>
Governmental activities capital assets - net	<u>\$50,844,884</u>	<u>\$ 1,054,596</u>	<u>\$2,126,341</u>	<u>\$ 49,773,139</u>

Business type activities:			
Capital assets being depreciated			
Water and sewer system	\$ 7,779,160	\$ 5,306,578	\$13,085,738
Machinery and equipment	<u>607,589</u>	<u>58,101</u>	<u>665,690</u>
Total Capital assets being depreciated	<u>8,386,749</u>	<u>5,364,679</u>	<u>\$ 0</u>
Less accumulated depreciation for			
Water and sewer systems	2,154,583	123,121	2,277,704
Machinery and equipment	<u>489,119</u>	<u>24,847</u>	<u>513,966</u>
Total accumulated depreciation	<u>2,643,700</u>	<u>147,968</u>	<u>0</u>
Business type activities capital assets - net	<u>\$ 5,743,049</u>	<u>\$ 5,216,711</u>	<u>\$ 0</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 185,786
Public safety	193,663
Highways and streets, including depreciation of general infrastructure assets	1,746,513
Culture and recreation	<u>21,647</u>
Total depreciation expense - Governmental activities	<u>\$ 2,147,609</u>
Business type activities:	
Water	\$ 106,287
Sewer	<u>41,681</u>
Total depreciation expense - business type activities	<u>\$ 147,968</u>

VII. INTERFUND ASSETS/LIABILITIES

There were no interfund balances as of June 30, 2015.

Interfund transfers:

<u>Transfer From</u>	<u>Transfer to</u>	<u>Amount</u>
General Fund	Road Fund	\$ 300,000
General Fund	Tri Payback	425,000
General Fund	Capital Projects	4,500,000
Equipment Acquisition	Road Fund	78,000
Fire District 474	Tri Payback	131,000
Equipment Acquisition	Tri Payback	<u>12,000</u>
		<u>\$5,446,000</u>

VIII. CAPITAL LEASES

All Capital Leases were completely paid prior to the fiscal year ended June 30, 2015.

IX. MEDIUM TERM LOANS

Special Assessment Bonds - The County has no special assessment bonds outstanding at June 30, 2015.

Contracts Payable - The County has no contracts payable at June 30, 2015.

Medium Term Loan - On March 2, 2012, Storey County entered into a medium term loan with the Eggenberger Family Trust in the amount of \$330,000.

<u>BALANCE</u> <u>6/30/14</u>	<u>Additions</u>	<u>Retired</u>	<u>BALANCE</u> <u>6/30/15</u>
<u>\$ 246,050</u>	<u>\$ 0</u>	<u>\$ 35,765</u>	<u>\$210,285</u>

On June 26, 2013, Storey County entered into a medium term loan for \$250,000 with the Virginia City Highlands Property Owners Association for the purchase of a 1.32 acre parcel of land legally described as Lot 2 Block E of the Virginia City Highlands Unit 1 Subdivision Map, bearing interest at a rate of .095% per annum, payable \$50,000 at signing and \$50,000 annually for 4 years.

BALANCE 6/30/14	Additions	Retired	BALANCE 6/30/15
<u>\$ 200,000</u>	<u>\$ 0</u>	<u>\$ 50,000</u>	<u>\$ 150,000</u>

Revenue Bonds - The County issued bonds, where the County pledges income derived from the acquired or constructed assets to pay debt service. Revenues bonds outstanding at June 30, 2015 are as follows:

\$714,000 water revenue bonds with semi-annual installments of interest and annual payments of principal totaling \$38,801 per year through January 1, 2037, used for improvements to the Virginia City water system.

BALANCE 6/30/14	RETIRED	BALANCE 6/30/15
<u>\$ 534,064</u>	<u>\$ 14,098</u>	<u>\$ 519,966</u>

\$3,002,000 sewer revenue bonds due monthly beginning June 12, 2015 at 2.5% interest with payments of \$9,907 per month and the maturity date: May 12, 2055.

BALANCE 6/30/14	ADDITIONS	RETIRED	BALANCE 6/30/15
<u>\$ -0-</u>	<u>\$ 3,002,000</u>	<u>\$ 3,533</u>	<u>\$ 2,998,467</u>

\$890,000 Virginia City Rail Bond - Series 2010A due in annual installments of \$41,000 to \$73,000 through December 1, 2027.

BALANCE 06/30/14	RETIRED	BALANCE 6/30/15
<u>\$ 777,000</u>	<u>\$ 41,000</u>	<u>\$ 736,000</u>

\$859,000 Virginia City Rail Bond - Series 2010B due in annual installments of \$38,000 to \$73,000 through December 1, 2027.

BALANCE 06/30/14	RETIRED	BALANCE 6/30/15
<u>\$ 755,000</u>	<u>\$ 38,000</u>	<u>\$ 717,000</u>

Revenue bond debt service requirements to maturity including interest are as follows:

YEAR ENDING JUNE 30,	ANNUAL	TOTAL
2015 to 2016	\$ 332,695	\$ 332,695
2017 to 2021	331,125 to 332,645	1,531,286
2022 to 2028	268,085 to 322,085	2,208,530
2029 to 2037	157,885 to 157,885	1,419,165
2038 to 2055	108,977 to 118,884	2,130,005
		<u>\$ 7,621,681</u>

Changes In Long-Term Liabilities - During the fiscal year ended June 30, 2014, the following changes occurred in liabilities reported in the general long term debt group:

	BALANCE JULY 1, 2014	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015
Compensated absences	\$ 163,575	\$ 24,739	\$ -0-	\$ 188,314
Tri-Construction repayment	<u>42,714,672</u>	<u>-0-</u>	<u>654,977</u>	<u>42,059,695</u>
	<u>\$ 42,878,247</u>	<u>\$ 24,739</u>	<u>\$ 654,977</u>	<u>\$ 42,248,009</u>

X. SEGMENT INFORMATION - PROPRIETARY FUNDS

The County issued revenue bonds to finance its water department and sewage treatment facilities. Summary information for these funds is presented below:

	<u>Water Fund</u>	<u>Virginia Divide Sewer Fund</u>
CONDENSED STATEMENT OF NET ASSETS		
ASSETS		
Current assets	\$ 1,407,779	\$ 301,300
Capital assets (net accumulated depreciation)	<u>4,960,178</u>	<u>5,999,582</u>
Total Assets	<u>6,367,957</u>	<u>6,300,882</u>
LIABILITIES		
Current liabilities	79,778	18,096
Non-current liabilities	<u>505,233</u>	<u>2,994,721</u>
Total Liabilities	<u>585,011</u>	<u>3,012,817</u>
NET ASSETS		
Invested in capital assets, net of related debt	4,440,212	3,001,115
Unrestricted	<u>1,342,734</u>	<u>286,950</u>
Total Net Assets	<u>\$ 5,782,946</u>	<u>\$ 3,288,065</u>

CONDENSED STATEMENT OF REVENUES AND EXPENSES

Operating revenue	\$ 588,443	\$ 349,440
Depreciation	(106,287)	(41,681)
Other operating expenses	<u>(417,481)</u>	<u>(180,727)</u>
Operating income (loss)	64,675	127,032
Nonoperating revenues (expenses)		
Rent income	13,500	
Interest income	13,571	2,364
Interest expense	(24,386)	
Grants and capital contributions	17,300	2,316,094
Transfer out		<u>(34,036)</u>
Change in net assets	<u>\$ 84,660</u>	<u>\$ 2,411,454</u>

CONDENSED STATEMENTS OF CASH FLOWS

Net cash provided (used) by		
Operating activities	\$ 177,466	\$ 159,661
Noncapital financing activities	22,154	0
Capital and related financing activities	(55,602)	(53,872)
Investing activities	<u>13,571</u>	<u>2,364</u>
Net increase (decrease) in cash	157,589	108,153
Cash - beginning	<u>1,197,756</u>	<u>162,320</u>
Cash - ending	<u>\$ 1,355,345</u>	<u>\$ 270,473</u>

XI. CONTINGENT LIABILITIES

The County participates in both Federal and State Grant Programs. The audits of these programs for or including the year ended June 30, 2015 have not been finalized. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is currently a defendant in no lawsuits, with no other unasserted possible claims which are probable of assertion

XII. AVAILABLE BORROWING CAPACITY

The Nevada Revised Statutes section 244.805, limits the County's general obligation debt to 10% of the County's assessed valuation. The 2014/2015 assessed valuation is \$517,685,000 which would allow the bonding up to \$51,768,000. On June 30, 2015, the County had \$200,000 outstanding general obligation bonded debt, exclusive of revenue and school district bonds.

XIII. PROPERTY TAXES

Property taxes attach as an enforceable lien as of July 1. The tax is levied for the fiscal year beginning July 1st after the Nevada Tax Commission has certified the combined tax rate for the county on May 25th.

Taxes on the property are due on the third Monday in July. Taxes may be paid in quarterly installments, due on the third Monday of July and the first Monday in October, January and March. Penalties are added if the installments are not made within ten (10) days of the due date.

XIV. PENSION PROGRAM - NEVADA STATE PUBLIC EMPLOYEES RETIREMENT SYSTEM

The County participates in the statewide government retirement system; a multiple-employer, cost sharing public employees pension plan which covers substantially all of the County's full time employees. The County has no liability for unfunded obligations of the Nevada State Public Employees Retirement System.

PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Nevada Revised Statutes establish and amend benefit provisions to be administered by the Retirement Board. The Public Employees Retirement Board 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 from PERS, 693 West Nye Lane, Carson City, Nevada 89703

The County pays all contributions for all employees covered under the plan. PERS basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employees working lifetime, in order to accumulate sufficient assets to pay benefits when due. Although PERS receives an actuarial valuation on an annual basis indicating the contribution rates as required to fund PERS on an actuarial reserve basis, both for funding purposes and GASB disclosure purposes, contributions actually made are in accordance with the required rates established by the Nevada State Legislature.

The payroll for employees covered by the system for the year ended June 30, 2015 was \$7,327,348. The County's total payroll was \$7,726,584. Storey County's contribution to the plan for the year ended June 30, 2015 was \$2,037,432. All costs to the County were paid or accrued at June 30, 2015. The County's contribution represented less than 1% of total contributions to the retirement system.

Currently 105 employees are covered under the retirement plan out of a total of 147 employees. Eligibility requirements are 40 hours per bi-weekly payroll period, no minimum wage is required for participation, nor is there any length of service requirement for participation. Contributions are made at a rate of 25.75% (40½% for police and firemen) of annual compensation.

XV. SOLID WASTE LANDFILL - LOCKWOOD

In 1992 Refuse, Inc. received an amended special use permit from Storey County for the operation of a solid waste landfill, conditioned on meeting all of the requirements of federal landfill regulations (Subtitle D, 40CFR Parts 257 and 258). Under the terms of the agreement Refuse, Inc. is responsible for all closure and post closure costs. Estimated costs for closure are \$3,138,388 and the cost for post closure maintenance is \$12,865,241 for a total of \$16,003,629. There are currently no corrective action cost nor other environmental obligations. Refuse, Inc. is in complete compliance with the Financial Assurance Requirements of 40 CFR, part 258, Subpart G, as well as Nevada Administrative Code 444.685 - 444.6859. The closure and post closure costs are insured through Liberty Mutual Insurance Company.

XVI. RISK MANAGEMENT

Storey County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employee and natural disasters. Storey County has joined together with other counties in the State to form Nevada Public Agency Insurance Pool, a public entity risk pool currently operating as a common risk management and insurance program for 41 governmental entities. The county pays an annual premium to PENCO for its general insurance coverage. The Agreement for Formation of the NPAIP program provides that NPAIP will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$100,000 for Property and Crime and \$150,000 Casualty for each insured event.

The County continues to carry commercial insurance for all other risks or loss, including workers' compensation 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.

XVII. TAHOE-RENO INDUSTRIAL CENTER (TRI)

On February 2, 2000, Storey County Nevada, entered into a development agreement with Tahoe-Reno Industrial Center LLC along with DP Operating Partnership, LP for the purposes of completing structures, including grading, infrastructure, and all public facilities related to the property owned by TRI which consists of approximately 102,000 acres, of which approximately 9,000 acres is zoned for industrial usage within Storey County. The development agreement represents the commitment between Storey County and TRI to fund the capital infrastructure costs and local community services required by the project.

According to the agreements, TRI is responsible for the construction of the project public infrastructure, which shall be dedicated to and maintained by Storey County. Such infrastructure includes streets, sidewalks and streetlights, flood control, drainage channels, storm drains, basins and other related facilities; and County building complexes including fire stations, police stations, public works maintenance yards and administrative offices. The County is not responsible for the construction, operation, and maintenance of the project private infrastructure such as community water and sewer facilities, railroad track and related facilities, landscaping of common areas, or private trails and parks and other property not dedicated to the County. The County is responsible for separately recording certain revenue and expenses directly attributable to the TRI project, approving reimbursable costs, and determining the net annual revenue reimbursement to TRI.

The agreements establish a revenue threshold that represents the annual fiscal year in which the TRI net revenue exceeds \$5,000,000. The revenue threshold must be met before any reimbursements are made to TRI for project related infrastructure costs. Once the revenue threshold is met, the County is responsible for reimbursing TRI for approved project vouchers up to 35% of annual net revenue. Such reimbursements are also limited to 5% of the project assessed valuation at the end of each year. The revenue threshold has been met.

The term of this agreement shall commence upon the effective date and shall expire Fifty (50) years after the effective date, unless extended by written amendment executed by the County and Developer. A special revenue fund was established as of July 1, 2009, to provide payment to our TRI partners. A payment of \$654,977 was made by the TRI Payback Fund during the fiscal year.

Future allocations into the TRI Payback Fund will be a percentage of revenues directly attributed to TRI to include property taxes, business licence, permits, inspection fees, and real property transfer taxes.

XVIII. TESLA MOTORS

On September 11, 2014 the Nevada State Legislature passed unanimously Senate Bill 1 which gave Tesla Motors \$1.25 billion dollars in tax abatements in exchange for Tesla investing \$3.5 billion dollars in the state within the first 10 years of the agreement. Under Section 13-3, transferable credits will be approved;

- (a) In the amount of \$12,500 for each qualified employee, up to a maximum of 6,000 qualified employees.
- (b) In the amount equal to 5 percent of the first \$1 billion of new capital investment in this State made collectively by the participants in the qualified project.
- (c) In an amount equal to 2.8 percent of the next \$2.5 billion on new capital investment in this State make collectively by the participants in the qualified project.

Section 15-2 provides abatement of 100% for the following;

- (a) For property taxes, for a duration of not more than 10 years after the date of which the application is submitted and in an amount that equals the amount of the property taxes that would otherwise be owed by each participation for the qualified project;
- (b) For employer excise taxes, be for a duration of not more than 10 years after the date on which the application is submitted and in an amount that equals the amount of the employer excise taxes that would otherwise be owed by each participant for employees employed by the participant for the qualified project; and

- (c) For local sales and use tax, be for duration of not more than 20 years after the date on which the application is submitted and in an amount that equals the amount of the local sales and use taxes that would otherwise be owed by each participant in the qualified project.

Under Section 25-36, the governing body of a county or city in which a qualified project is or is expected to be located to create an economic diversification district that includes within its boundaries the qualified project

Section 35 notes “the governing body of the municipality may enter into an agreement with one or more of the owners of any interest in the property within a district, pursuant to which that owner would agree to make payments to the municipality or to another local government that provides services in the district, or to both, to defray, in whole or in part, the cost of local governmental services during the term of the use of any money pledged pursuant to section 31 of this act. Such an agreement must specify the amount to be paid by the owner of the property interest, which may be stated as a specified amount per year or as an amount based upon any formula upon which the municipality and owner agree.

Subsequently, Ordinance No 14-260 creating the Storey County Economic Diversification District No. 1 was signed by the County Commissioners on December 2, 2014 and Ordinance 15-263 providing partial abatements of permitting or licensing fee was signed by the County Commissioners was passed on June 16, 2015. Additional provisions of Senate Bill 1 also provided the ability to “abate” partially or in full, permit fees and business licenses fees within the Economic Diversification District. Tesla and the County mutually negotiated a partial abatement of permit fees but no business license fees. These actions were codified into Ordinance 15-263.

XIX. GENERAL FUND - BEGINNING FUND BALANCE

At July 1, 2014 the Board of County Commissioners elected to eliminate the Jail Building Fund and to transfer the deficit fund balance to the County General Fund in the amount of \$92,059. On December 31, 2014, the Commissioners elected to adjust the previous years fire permit fees in the amount of \$149,200 and also elected on May 29, 2015 to refund prior years permit fees to the Ardagh Group in the amount of \$108,500. The net results is an adjustment to the General Fund beginning balance of \$349,759.

XX. USDA BOND - FIRE EQUIPMENT

On January 8, 2015 the County secured funding in the amount of \$2,000,000. This funding was for the purchase of 3 ambulances and 3 fire engines. The County received \$242,400 in January, 2015 and was recorded. Subsequently, the remaining \$1,757,600 was received July 28, 2015 to complete the purchase of the ambulances and fire engines.

STOREY COUNTY, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

	FIRE DISTRICT	SPECIAL REVENUE							PARK TAX
		EQUIPMENT ACQUISITION	INDIGENT ASSISTANCE	JUSTICE COURT FUND	DRUG COURT	INDIGENT MEDICAL			
ASSETS									
Cash		\$ 279,960		\$ 57,574	\$ 50	\$ 494,329		\$ 117,607	
Receivables						474			
Taxes - property		31,650							
Accounts		2,386							
Total Assets	\$ 0	\$ 313,996	\$ 0	\$ 57,574	\$ 50	\$ 494,803		\$ 117,607	
LIABILITIES									
Accounts payable				\$ 16,890	\$ 20	\$ 11,175			
Deferred taxes		\$ 2,233				445			
Total Liabilities		2,233		16,890	20	11,620			
FUND BALANCE									
Designated for future years operations		38,370		18,389	30	150,334			
Unassigned		273,393		22,295		332,849		117,607	
Total Fund Balance	0	\$ 311,763		\$ 40,684	\$ 30	\$ 483,183		\$ 117,607	
Total Liabilities and Fund Balance	\$ 0	\$ 313,996	\$ 0	\$ 57,574	\$ 50	\$ 494,803		\$ 117,607	

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

STOREY COUNTY, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

	MUTUAL AID	JAIL BUILDING	EMERGENCY MITIGATION	SPECIAL REVENUE			FEDERAL AND STATE GRANTS	FIRE EMERGENCY
				INDIGENT ACCIDENT	TECHNOLOGY			
ASSETS								
Cash	\$ 224,251		\$ 100,000	\$ (10,679)	\$ 86,267	\$ 161,239	\$ 207,141	
Receivables				20,093		10,310		
Taxes - property Accounts								
Total Assets (deficit)	\$ 224,251	\$ 0	\$ 100,000	\$ 9,414	\$ 86,267	\$ 171,549	\$ 207,141	
LIABILITIES								
Accounts payable	\$ 36,073					\$ 1,849		
Deferred taxes								
Total Liabilities	36,073					\$ 1,849		
FUND BALANCE								
Designated for future year's operations	188,178		50,000	9,414	86,267	169,700	207,141	
Unassigned			50,000					
Total Fund Balance	188,178		100,000	9,414	86,267	169,700	207,141	
Total Liabilities and Fund Balance (deficit)	\$ 224,251	\$ 0	\$ 100,000	\$ 9,414	\$ 86,267	\$ 171,549	\$ 207,141	

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

STOREY COUNTY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

	SPECIAL REVENUE		CAPITAL PROJECTS			
	STABILIZATION FUND	GENETIC MARKER TESTING FUND	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	TOTAL
ASSETS						
Cash	\$ 1,000,000	\$ 38,298	\$ 3,979,663	\$ 1,584,137	\$ 1,148,693	\$ 9,468,530
Receivables						32,124
Taxes - property				48,016		80,805
Accounts						
Total Assets	\$ 1,000,000	\$ 38,298	\$ 3,979,663	\$ 1,632,153	\$ 1,148,693	\$ 9,581,459
LIABILITIES						
Accounts payable		\$ 176	\$ 32,022			\$ 98,205
Deferred taxes						2,678
Total Liabilities	\$ 0	\$ 176	\$ 32,022	\$ 0	\$ 0	\$ 100,883
FUND BALANCE						
Designated for future year's operations	200,000		1,300,000	1,632,153	850,010	4,239,286
Unassigned	800,000	38,122	2,647,641	0	298,683	5,241,290
Total Fund Balance	1,000,000	38,122	3,947,641	1,632,153	1,148,693	9,480,576
Total Liabilities and Fund Balance	\$ 1,000,000	\$ 38,298	\$ 3,979,663	\$ 1,632,153	\$ 1,148,693	\$ 9,581,459

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

STOREY COUNTY, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

REVENUE	SPECIAL REVENUE						
	FIRE DISTRICT	EQUIPMENT ACQUISITION	INDIGENT ASSISTANCE	JUSTICE COURT FUND	DRUG COURT	INDIGENT MEDICAL	PARK TAX
Taxes		\$ 251,763				\$ 44,248	
Licenses and permits							
Intergovernmental							
Charges for services			\$ 7,222	\$ 510			\$ 3,250
Fine and forfeitures		2,491					278
Other revenues							
Total Revenues	\$ 0	254,254	\$ 0	7,222	510	44,248	3,528
EXPENDITURES							
Current:							
General government							
Public safety							
Judicial				3,350	9,373		11,139
Culture and recreation						64,160	
Welfare							
Intergovernmental							
Total Expenditures	\$ 0	\$ 0	\$ 0	3,350	9,373	64,160	11,139
Excess (deficiency) of revenues over expenditures		254,254		3,872	(8,863)	(19,912)	(7,611)
OTHER FINANCING SOURCES (USES)							
Transfers	\$ (722,288)	\$ (90,000)					
Debt service							60,487
Bond proceeds							
Prior period adjustment							
Excess (deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(722,288)	164,254	0	3,872	(8,863)	(19,912)	52,876
Fund balance - beginning (deficit)	722,288	147,509	0	36,812	8,893	503,095	64,731
Fund balance - ending (deficit)	\$ 0	\$ 311,763	\$ 0	\$ 40,684	\$ 30	\$ 483,183	\$ 117,607

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

STOREY COUNTY, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE						
	MUTUAL AID	JAIL BUILDING	EMERGENCY MITIGATION	INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY
<u>REVENUE</u>							
Taxes				\$ 66,174			
Licenses and permits						\$ 319,358	
Intergovernmental					\$ 73,240		
Charges for services			\$ 0				
Fine and forfeiture					946		\$ 17,747
Other revenues	\$ 451,059	\$ 0	\$ 0				
Total Revenues	451,059	0	0	66,174	74,186	319,358	17,747
<u>EXPENDITURES</u>							
Current:							
General government					85,842	205,377	14,943
Public safety	262,422		9,219				
Judicial							
Culture and recreation				83,292		72,704	
Welfare						109,588	
Intergovernmental							
Total Expenditures	262,422	0	0	83,292	85,842	387,669	14,943
Excess (deficiency) of revenues over expenditures	188,637	0	0	(17,118)	(11,656)	(68,311)	2,804
<u>OTHER FINANCING SOURCES (USES)</u>							
Transfers		92,058					
Debt service							
Bond proceeds							
Other revenue							
Excess (deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	188,637	92,058	0	(17,118)	(11,656)	(68,311)	2,804
Fund balance - beginning	(459)	(92,058)	100,000	26,532	97,923	238,011	204,337
Fund balance - ending	\$ 188,178	\$ 0	\$ 100,000	\$ 9,414	\$ 86,267	\$ 169,700	\$ 207,141

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

STOREY COUNTY, NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	CAPITAL PROJECTS				
REVENUE	SPECIAL REVENUE	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	TOTAL
Taxes					\$ 362,185
Licenses and permits					0
Intergovernmental			\$ 282,844		602,202
Charges for services	\$ 7,903				76,490
Fine and forfeitures				\$ 100,000	15,635
Other revenues		\$ 0			572,521
Total Revenues	0	0	282,844	100,000	1,629,033
<u>EXPENDITURES</u>					
Current					
General government		938,210	833,498		1,857,550
Public safety					482,742
Judicial					13,926
Culture and recreation					83,843
Welfare					147,452
Intergovernmental					109,588
Total Expenditures	0	938,210	833,498	0	2,695,101
Excess (deficiency) of revenues over expenditures	0	(938,210)	(550,654)	100,000	(1,066,068)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers					
Debt service		4,500,000			3,840,257
Bond proceeds				(176,320)	(176,320)
Other revenue		340,000		25,228	25,228
Excess (deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	0	3,901,790	(550,654)	(51,092)	2,963,097
Fund balance - beginning (deficit)	1,000,000	45,851	2,182,807	1,199,785	6,517,479
Fund balance - ending (deficit)	\$ 1,000,000	\$ 397,641	\$ 1,632,153	\$ 1,148,693	\$ 9,480,576

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

STOREY COUNTY, NEVADA
 FIRE AND FIRE DISTRICT SPECIAL REVENUE FUNDS
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30,2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer out - Fire District*	\$ 0	\$ (722,288)	\$ (722,288)
Transfer in - Fire Fund*		155,878	
Excess (deficiency) of revenue and other financing sources (uses) over expenditures	0	(566,410)	(722,288)
Fund balance - beginning	526,038	566,410	40,372
Fund balance - ending	<u>\$ 526,038</u>	<u>\$ 0</u>	<u>\$ (681,916)</u>

*Funds Transferred to 474 Fire District Fund

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

STOREY COUNTY, NEVADA
EQUIPMENT ACQUISITION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURE, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE			
Taxes			
Property taxes	\$ 231,700	\$ 251,763	\$ 20,063
Other revenues			
Interest	600	2,491	1,891
Total Revenues	<u>232,300</u>	<u>254,254</u>	<u>21,954</u>
EXPENDITURES			
General Government			
Capital outlay	160,000	0	160,000
Total Expenditures	<u>160,000</u>	<u>0</u>	<u>160,000</u>
Excess (deficiency) of revenues over expenditures	72,300	254,254	181,954
OTHER FINANCING SOURCES (USES)			
Transfer out	<u>(90,000)</u>	<u>(90,000)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	(17,700)	164,254	181,954
Fund balance - beginning	<u>141,166</u>	<u>147,509</u>	<u>6,343</u>
Fund balance - ending	<u>\$ 123,466</u>	<u>\$ 311,763</u>	<u>\$ 188,297</u>

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

STOREY COUNTY, NEVADA
 JUSTICE COURT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUE</u>				
Fines				
Justice court fines	\$ 1,000	\$ 6,000	\$ 7,222	\$ 1,222
<u>EXPENDITURES</u>				
Judicial				
Services and supplies	1,000	6,000	3,350	2,650
Excess (deficiency) of revenues over expenditures	0	0	3,872	3,872
Fund Balance - beginning	25,547	25,547	36,812	11,265
Fund Balance - ending	\$ 25,547	\$ 25,547	\$ 40,684	\$ 15,137

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

STOREY COUNTY, NEVADA
 DRUG COURT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>			
Fines and forfeits			
Drug court fees	\$ 600	\$ 510	\$ (90)
<u>EXPENDITURES</u>			
Judicial			
Services and supplies	9,123	9,373	(250)
Excess (deficiency) of revenue over expenditures	(8,523)	(8,863)	(340)
Fund balance - beginning	9,123	8,893	(230)
Fund balance - ending	<u>\$ 600</u>	<u>\$ 30</u>	<u>\$ (570)</u>

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

STOREY COUNTY, NEVADA
INDIGENT MEDICAL SPECIAL REVENUE FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>			
Taxes			
Property taxes	\$ 46,300	\$ 44,248	\$ (2,052)
<u>EXPENDITURES</u>			
Welfare			
Services and supplies	200,000	64,160	135,840
Excess (deficiency) of revenues over expenditures	(153,700)	(19,912)	133,788
Fund balance - beginning	327,940	503,095	175,155
Fund balance - ending	\$ 174,240	\$ 483,183	\$ 308,943

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

STOREY COUNTY, NEVADA
PARK TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30,2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUE</u>				
Charges for services				
Park fee	\$ 1,000	\$ 1,000	\$ 3,250	\$ 2,250
Other revenues				
Interest income	0	11,500	278	(11,222)
Total Revenues	<u>1,000</u>	<u>12,500</u>	<u>3,528</u>	<u>(8,972)</u>
<u>EXPENDITURES</u>				
Culture and recreation				
Services and supplies	<u>2,000</u>	<u>13,500</u>	<u>11,139</u>	<u>2,361</u>
Excess (deficiency) of revenues over expenditures	(1,000)	(1,000)	(7,611)	(6,611)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfer in	0	118,000	60,487	(57,513)
Interest expense	<u> </u>	<u>(118,000)</u>	<u>0</u>	<u>118,000</u>
Excess (deficiency) of revenue and other financing Sources (uses) over expenditures	(100)	(1,000)	52,876	53,876
Fund balance - beginning	<u>6,272</u>	<u>6,272</u>	<u>64,731</u>	<u>58,459</u>
Fund balance - ending	<u>\$ 5,272</u>	<u>\$ 5,272</u>	<u>\$ 117,607</u>	<u>\$ 112,335</u>

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

STOREY COUNTY, NEVADA
MUTUAL AID SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Other revenues				
Fire suppression		\$ 297,500	\$ 434,249	\$ 136,749
Other			16,810	16,810
Total Revenue		<u>297,500</u>	<u>451,059</u>	<u>153,559</u>
EXPENDITURES				
Public safety				
Salaries and wages		180,000	186,193	(6,193)
Benefits		32,500	31,401	1,099
Services and supplies		85,000	44,828	40,172
Total Expenditures		<u>297,500</u>	<u>262,422</u>	<u>35,078</u>
Excess (deficiency) of revenues over expenditures		0	188,637	188,637
Fund balance - beginning deficit	\$ 9,560	9,560	(459)	(10,019)
Fund balance - ending (deficit)	<u>\$ 9,560</u>	<u>\$ 9,560</u>	<u>\$ 188,178</u>	<u>\$ 178,618</u>

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

STOREY COUNTY, NEVADA
 SHERIFF JAIL SPECIAL REVENUE FUND
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer in	\$ 0	\$ 92,058	\$ 92,058
Fund balance - beginning (deficit)	<u>0</u>	<u>(92,058)</u>	<u>(92,058)</u>
Fund balance - ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STOREY COUNTY, NEVADA
 EMERGENCY MITIGATION SPECIAL REVENUE FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>			
Other revenues			
Refunds	\$ 0	\$ 0	\$ 0
<u>EXPENDITURES</u>			
Public Safety			
Services and supplies	\$ 50,000	0	\$ 50,000
Excess (deficiency) of revenue over expenditures		0	0
Fund balance - beginning	75,391	100,000	24,609
Fund balance - ending	<u>\$ 25,391</u>	<u>\$ 100,000</u>	<u>\$ 74,609</u>

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

STOREY COUNTY, NEVADA
INDIGENT ACCIDENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>			
Taxes			
Property taxes	\$ 69,500	\$ 66,174	\$ (3,326)
<u>EXPENDITURES</u>			
Welfare			
Services and supplies	69,500	83,293	\$ 13,793
Excess (deficiency) of revenues over expenditures	\$ 0	(17,119)	(17,119)
Fund balance - beginning	15,164	26,532	11,368
Fund balance - ending	\$ 15,164	\$ 9,413	\$ (5,751)

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

STOREY COUNTY, NEVADA
 TECHNOLOGY SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>				
Charges for services				
Technology fees	\$ 52,100	\$ 67,100	\$ 73,240	\$ 6,140
Other revenues				
Interest income	400	400	946	546
Total revenues	<u>52,500</u>	<u>67,500</u>	<u>74,186</u>	<u>6,686</u>
<u>EXPENDITURES</u>				
General government				
Services and supplies	<u>80,000</u>	<u>95,000</u>	<u>85,842</u>	<u>9,158</u>
Excess (deficiency) of revenues over expenditures	(27,500)	(27,500)	(11,656)	15,844
Fund balance - beginning	<u>62,591</u>	<u>62,591</u>	<u>97,923</u>	<u>35,332</u>
Fund balance - ending	<u>\$ 35,091</u>	<u>\$ 35,091</u>	<u>\$ 86,267</u>	<u>\$ 51,176</u>

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

STOREY COUNTY, NEVADA
 FEDERAL/STATE GRANTS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURE, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Intergovernmental			
Federal grants	\$ 345,762	\$ 198,331	\$ (147,431)
State grants	162,500	121,027	(41,473)
Other	0	0	0
Total Revenues	508,262	319,358	(188,904)
EXPENDITURES			
Culture and recreation			
Services and supplies	0	72,704	(72,704)
Public safety			
Services and supplies	84,469	205,377	(120,908)
Intergovernmental - State			
Services and supplies	423,793	109,588	314,205
Total Expenditures	508,262	387,669	120,593
Excess (deficiency) of revenues over expenditures	0	(68,311)	(68,311)
Fund balance - beginning	95,316	238,011	142,695
Fund balance - ending	\$ 95,316	\$ 169,700	\$ 74,384

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

STOREY COUNTY, NEVADA
 FIRE EMERGENCY SPECIAL REVENUE FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>			
Other revenues			
Miscellaneous		\$ 17,747	\$ 17,747
<u>EXPENDITURES</u>			
Public Safety			
Services and supplies	\$ 204,337	14,943	189,394
Total Expenditures	204,337	14,943	189,394
Excess (deficiency) of revenue over expenditures	(204,337)	2,804	207,141
Fund balance - beginning	204,337	204,337	0
Fund balance - ending	\$ 0	\$ 207,141	\$ 207,141

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

STOREY COUNTY, NEVADA
 STABILIZATION SPECIAL REVENUE FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>EXPENDITURES</u>			
General government	\$ 200,000	\$ 0	\$ 200,000
Excess (deficit) of revenue over expenditures	(200,000)	0	200,000
Fund balance - beginning	800,000	1,000,000	200,000
Fund balance - ending	<u>\$ 600,000</u>	<u>\$ 1,000,000</u>	<u>\$ 400,000</u>

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

STOREY COUNTY, NEVADA
GENETIC MARKER TESTING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUE</u>			
Fines and forfeitures	\$ 7,100	\$ 7,903	\$ 803
<u>EXPENDITURES</u>			
Judicial			
Services and supplies	6,000	1,203	4,797
Excess (deficiency) of revenues over expenditures	1,100	6,700	5,600
Fund balance - beginning	28,825	31,422	2,597
Fund balance - ending	\$ 29,925	\$ 38,122	\$ 8,197

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

STOREY COUNTY, NEVADA
 CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>EXPENDITURES</u>				
General government				
Capital outlay	\$ 2,500,000	\$ 3,865,000	\$ 934,929	\$ 2,930,071
Debt service	0	625,000	0	625,000
Interest expense		10,000	3,281	6,719
Total expenditures	<u>2,500,000</u>	<u>4,500,000</u>	<u>938,210</u>	<u>3,561,790</u>
Excess (deficiency) of revenues over expenditures	(2,500,000)	(4,500,000)	(938,210)	3,561,790
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	2,500,000	4,500,000	4,500,000	0
Contributions/donations			340,000	
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	0	0	3,901,790	3,901,790
Fund balance - beginning	<u>345,803</u>	<u>345,803</u>	<u>45,851</u>	<u>(299,952)</u>
Fund balance - ending	<u>\$ 345,803</u>	<u>\$ 345,803</u>	<u>\$ 3,947,641</u>	<u>\$ 3,601,838</u>

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

STOREY COUNTY, NEVADA
 INFRASTRUCTURE CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>			
Intergovernmental			
¼% Optional sales tax	\$ 160,000	\$ 282,844	\$ 122,844
<u>EXPENDITURES</u>			
General government			
Capital outlay	2,000,000	833,498	1,166,502
Excess (deficiency) of revenues over expenditures	(1,840,000)	(550,654)	1,289,346
 Fund balance - beginning	 2,105,796	 2,182,807	 77,011
Fund balance - ending	\$ 265,796	\$ 1,632,153	\$ 1,366,357

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

STOREY COUNTY, NEVADA
 VIRGINIA CITY RAIL PROJECT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
EXPENDITURES			
Culture and Recreation			
Capital Outlay	\$ 700,000	\$ 0	\$ 700,000
Excess (deficiency) of revenues over expenditures	(700,000)	0	700,000
<u>OTHER FINANCING SOURCES (USES)</u>			
Bond Proceeds	25,000	25,228	228
Railroad agreement		100,000	100,000
Debt Service			
Principal	(79,000)	(79,000)	0
Interest	(97,320)	(97,320)	0
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	(851,320)	(51,092)	800,228
Fund balance - beginning	1,201,849	1,199,785	(2,064)
Fund balance - ending	\$ 350,529	\$ 1,148,693	\$ 798,164

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

STOREY COUNTY, NEVADA
WATER SYSTEM ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>OPERATING REVENUES</u>			
Sales of water	\$ 572,000	\$ 570,122	\$ (1,878)
<u>OPERATING EXPENSES</u>			
Salaries and wages	138,962	137,503	1,459
Benefits	61,418	57,087	4,331
Services and supplies	175,850	218,526	(42,676)
Depreciation	110,000	106,287	3,713
Total Operating Expenses	<u>486,230</u>	<u>519,403</u>	<u>(33,173)</u>
Operating Income (Loss)	85,770	50,719	(35,051)
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Interest earnings	3,400	13,571	10,171
Rents	12,000	13,500	1,500
Interest expense	<u>(24,703)</u>	<u>(24,386)</u>	<u>317</u>
Net Income (Loss)	<u>\$ 76,467</u>	<u>\$ 53,404</u>	<u>\$ (23,063)</u>

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

STOREY COUNTY, NEVADA
WATER SYSTEM ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30,2015

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash In flows			
Sales of water	\$ 572,000	\$ 569,189	\$ (2,811)
Cash Out flows			
Salaries and wages	(138,962)	(124,748)	14,214
Benefits	(61,418)	(53,696)	7,722
Services and supplies	(175,850)	213,279	(37,429)
Net Cash Provided (Used) by Operating Activities	<u>195,770</u>	<u>177,466</u>	<u>(18,304)</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Cash In flows			
Rent	12,000	13,500	1,500
Customer deposits	0	8,654	8,654
Net Cash Provided by Non Capital Financing Activities	<u>12,000</u>	<u>22,154</u>	<u>10,154</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u>			
Cash In flows			
Capital contributed	0	13,200	13,200
Cash Out flows			
Capital outlay	(137,000)	(30,318)	106,682
Debt service	(14,098)	(14,098)	0
Interest expense	(24,703)	(24,386)	317
Net Cash Provided (Used) by Capital Related Activities	<u>(175,801)</u>	<u>(55,602)</u>	<u>120,199</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest earnings	3,400	13,571	10,171
Net Increase (Decrease) in Cash	<u>35,369</u>	<u>157,589</u>	<u>122,220</u>
Cash - beginning	<u>1,051,398</u>	<u>1,197,756</u>	<u>1,197,756</u>
Cash - ending	<u>\$ 1,086,767</u>	<u>\$ 1,355,345</u>	<u>\$ 268,578</u>

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

STOREY COUNTY, NEVADA
 VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND
 SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>OPERATING REVENUES</u>				
Sewer use fees	\$ 339,947	\$ 339,947	\$ 349,440	\$ 9,493
<u>OPERATING EXPENSES</u>				
Salaries and wages	72,863	77,863	77,245	618
Benefits	31,255	32,255	30,432	1,823
Services and supplies	45,750	89,150	73,050	16,100
Depreciation	40,000	40,000	41,681	(1,681)
Total Operating Expenses	189,868	239,268	222,408	16,860
Operating Income (Loss)	150,079	100,679	127,032	26,353
<u>NON OPERATING REVENUES (EXPENSE)</u>				
Interest income	500	500	2,364	1,864
Interest expense	(2,212)	(27,212)	0	27,212
Transfer out			(34,036)	(34,036)
Debt Service		(37,484)		37,484
Net income (Loss)	\$ 148,367	\$ 36,483	\$ 95,360	\$ 58,877

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

STOREY COUNTY, NEVADA
 VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND
 SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Cash In Flows				
Sewer Fees	\$ 339,947	\$ 339,947	\$ 338,874	\$ (1,073)
Cash Out Flows				
Salaries and wages	(72,863)	(77,863)	(74,378)	3,485
Benefits	(31,255)	(32,255)	(30,432)	1,823
Service and supplies	(45,750)	(89,150)	(74,403)	14,747
Net cash provided (used) by operating activities	<u>190,079</u>	<u>140,679</u>	<u>159,661</u>	<u>18,982</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>				
Cash Out Flows				
Capital Outlay	(44,400)	(14,000)	0	14,000
Net cash provided (used) by Non-Capital Financing Activities	<u>(44,400)</u>	<u>(14,000)</u>	<u>0</u>	<u>14,000</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Cash In Flows				
Bond revenue			3,002,000	3,002,000
Grant revenue			2,312,794	2,312,794
Capital contributed by customers			3,300	3,300
Cash Out Flows				
Interest expense	(2,212)	(27,212)		27,212
Debt Service	(81,494)	(37,484)	(3,533)	33,951
Capital outlay			(5,334,397)	(5,334,397)
Transfer out			(34,036)	(34,036)
Net cash provided (used) by capital related financing activities	<u>(83,706)</u>	<u>(64,696)</u>	<u>(53,872)</u>	<u>10,824</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest income	500	500	2,364	1,864
Net increase (decrease) in cash	62,473	(62,483)	108,153	45,670
Cash - beginning	<u>102,368</u>	<u>102,368</u>	<u>162,320</u>	<u>59,952</u>
Cash - ending	<u>\$ 164,841</u>	<u>\$ 164,851</u>	<u>\$ 270,473</u>	<u>\$ 105,622</u>

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

STOREY COUNTY, NEVADA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
<u>STATE OF NEVADA FUND</u>				
Assets				
Cash	\$ 152,234	\$ 1,446,360	\$ 1,045,467	\$ 553,127
Liabilities				
Due Other Governments	\$ 152,234	\$ 1,446,360	\$ 1,045,467	\$ 553,127
<u>STOREY COUNTY SCHOOL DISTRICT</u>				
Assets				
Cash	\$ 745,658	\$ 3,353,063	\$ 4,094,257	\$ 4,464
Liabilities				
Due Other Governments	\$ 745,658	\$ 3,353,063	\$ 4,094,257	\$ 4,464
<u>STOREY COUNTY SCHOOL DISTRICT DEBT SERVICE</u>				
Assets				
Cash	\$ 144,559	\$ 646,385	\$ 790,181	\$ 763
Liabilities				
Due Other Governments	\$ 144,559	\$ 646,385	\$ 790,181	\$ 763
<u>DISTRICT ATTORNEY RESTITUTION FUND</u>				
Assets				
Cash	\$ 0	\$ 772	\$ 572	\$ 200
Liabilities				
Due Other Governments	\$ 0	\$ 772	\$ 572	\$ 200
<u>TOTAL - ALL FUNDS</u>				
Assets				
Cash	\$ 1,042,451	\$ 5,446,580	\$ 5,930,477	\$ 558,554
Liabilities				
Due Other Governments	\$ 1,042,451	\$ 5,446,580	\$ 5,930,477	\$ 558,554

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

STOREY COUNTY, NEVADA
 COMPARATIVE SCHEDULES OF GENERAL FIXED ASSETS
 BY SOURCE
 JUNE 30, 2015 AND 2014

	JUNE 30,	
	2015	2014
<u>GENERAL FIXED ASSETS</u>		
Land	\$ 581,598	\$ 352,509
Infrastructure	43,328,320	43,282,735
Construction in progress	688,190	2,244,377
Building and improvements	11,253,801	9,814,204
Park Improvements	876,544	850,595
Machinery and equipment	8,158,571	7,243,745
Total General Fixed Assets	\$ 64,887,024	\$ 63,788,165

INVESTMENTS IN GENERAL FIXED ASSETS
BY SOURCE

General Fund	\$ 13,761,728	\$ 11,796,211
Road Fund	46,023,244	45,666,215
Fire Fund (transferred to 474 Fire District)	0	268,309
Fire District Fund (transferred to 474 Fire District)	0	3,015,443
Fourth Ward Trustee	1,579,368	1,579,368
Sheriff's Jail (transferred to General Fund)	0	1,462,619
474 Fire Protection District	3,522,684	0
Total Investment in General Fixed Assets	\$ 64,887,024	\$ 63,788,165

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

STOREY COUNTY, NEVADA
 SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY
 FOR THE YEAR ENDED JUNE 30, 2015

FUNCTION AND ACTIVITY GENERAL GOVERNMENT	GENERAL FIXED ASSETS			GENERAL FIXED ASSETS		
	July 1, 2014	ADDITIONS	DELETIONS	TRANSFERS	June 30, 2015	
Commissioners	\$ 178,445	\$ 73,304			\$ 251,749	
Clerk Treasurer	38,660				38,660	
Recorder - Auditor	85,524				85,524	
Assessor	42,132				42,132	
Building - Grounds	484,579	144,403			628,982	
Tri Payback	1,468,644				1,468,644	
Other - Administrative	4,399,880	1,370,670	\$ (1,597,593)		4,172,957	
Total General Government	6,697,864	1,588,377	(1,597,593)	\$ 0	6,688,648	
JUDICIAL						
District Attorney	77,203				77,203	
District Court	4,090				4,090	
Total Judicial	81,293	0	0	0	81,293	
PUBLIC SAFETY						
Sheriff	3,603,387	691,174	(490,693)		3,803,868	
Fire	268,309				268,309	
Fire District	3,015,443	238,932			3,254,375	
Emergency Management	439,119				439,119	
Building Department	91,820				91,820	
Total Public Safety	7,418,078	930,106	(490,693)	0	7,857,491	
HIGHWAY AND STREETS						
	45,666,215	357,029	0	0	46,023,244	
CULTURE AND RECREATION						
	3,924,715	326,693	(15,060)	0	4,236,348	
Total General Fixed Assets	\$ 63,788,165	\$ 3,202,205	\$ (2,103,346)	\$ 0	\$ 64,887,024	

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

STOREY COUNTY, NEVADA
SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2015

FUNCTION AND ACTIVITY	LAND	INFRASTRUCTURE	CONSTRUCTION IN PROGRESS	BUILDING AND IMPROVEMENTS	PARK IMPROVEMENTS	MACHINERY AND EQUIPMENT	TOTAL
GENERAL GOVERNMENT							
Commissioners	\$ 114,849			\$ 17,161		\$ 119,739	\$ 251,749
Clerk - Treasurers						38,660	38,660
Recorder - Auditor				4,897		80,627	85,524
Assessor						42,132	42,132
Building - Grounds			\$ 74,700	295,434		221,430	591,564
Tri Payback	270,410		53,807	1,468,644		0	1,468,644
Other - Administrative	385,259	0	128,507	3,113,962		839,778	4,277,957
Total General Government		\$ 0	\$ 4,900,098	\$ 0	\$ 0	\$ 1,342,366	\$ 6,756,230
JUDICIAL							
Justice Court						4,090	4,090
District Attorney						77,203	77,203
Total Judicial	0	0	0	0	0	81,293	81,293
PUBLIC SAFETY							
Sheriff			26,041	2,447,538		1,330,289	3,803,868
Fire	72,250			196,059		0	268,309
Fire District			238,932	180,914		2,834,529	3,254,375
Emergency Management						439,119	439,119
Building Department						129,238	129,238
Total Public Safety	72,250	0	264,973	2,824,511	0	4,733,175	7,894,909
HIGHWAY AND STREETS							
	0	43,328,320	0	792,451	0	1,902,473	46,023,244
CULTURE AND RECREATION							
	124,089	0	294,710	2,736,741	876,544	99,264	4,131,348
Total General Fixed Assets	\$ 581,598	\$ 43,328,320	\$ 688,190	\$ 11,253,801	\$ 876,544	\$ 8,158,571	\$ 64,887,024

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

STOREY COUNTY, NEVADA
 SCHEDULE OF GENERAL OBLIGATIONS BONDS
 AND OTHER CONTRACTUAL OBLIGATIONS FROM FUTURE REVENUES
 JUNE 30, 2015

COUNTY BONDS Revenue Bonds	DATE OF ISSUE	AMOUNT OF ISSUE	INTEREST RATE	BALANCE JUNE 30, 2014	PAID DURING YEAR	BALANCE JUNE 30, 2015	TERMS OF PAYMENT OF OUTSTANDING BALANCE
Virginia City Rail Bond Series 2010A Taxable Recovery Zone Economic Development Bond (Due all points Capital Corp)	12/28/2010	\$ 890,000	8%	\$ 777,000	\$ 41,000	\$ 736,000	\$ 43,000 December 1, 2015 \$ 45,000 December 1, 2016 \$ 47,000 December 1, 2017 \$ 49,000 December 1, 2018 \$ 51,000 December 1, 2019 \$ 53,000 December 1, 2020 \$ 56,000 December 1, 2021 \$ 58,000 December 1, 2022 \$ 61,000 December 1, 2023 \$ 64,000 December 1, 2024 \$ 67,000 December 1, 2025 \$ 69,000 December 1, 2026 \$ 73,000 December 1, 2027 with interest only paid on June 1 and principle and interest paid on December 1 of each year.

VIRGINIA CITY RAIL BOND Series 2010B (Tax Exempt) (Due Capital One Public Funding, LLC)	DATE OF ISSUE	AMOUNT OF ISSUE	INTEREST RATE	BALANCE JUNE 30, 2014	PAID DURING YEAR	BALANCE JUNE 30, 2015	TERMS OF PAYMENT OF OUTSTANDING BALANCE
	12/28/2010	\$ 859,000	5%	\$ 755,000	\$ 38,000	\$ 717,000	\$ 40,000 December 1, 2015 \$ 42,000 December 1, 2016 \$ 44,000 December 1, 2017 \$ 47,000 December 1, 2018 \$ 49,000 December 1, 2019 \$ 52,000 December 1, 2020 \$ 54,000 December 1, 2021 \$ 57,000 December 1, 2022 \$ 60,000 December 1, 2023 \$ 63,000 December 1, 2024 \$ 66,000 December 1, 2025 \$ 70,000 December 1, 2026 \$ 73,000 December 1, 2027 with interest only paid on June 1 and principle and interest paid on December 1 of each year.

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

STOREY COUNTY, NEVADA
 SCHEDULE OF GENERAL OBLIGATIONS BONDS
 AND OTHER CONTRACTUAL OBLIGATIONS FROM FUTURE REVENUES
 JUNE 30, 2015

	DATE OF ISSUE	AMOUNT OF ISSUE	INTEREST RATE	BALANCE JUNE 30, 2014	PAID DURING YEAR	BALANCE JUNE 30, 2015	TERMS OF PAYMENT OF OUTSTANDING BALANCE
<u>MEDIUM TERM LOAN</u> (5yr) Due Doan Eggenberger Family Trust	3/2/2012	\$ 330,000	6%	\$ 246,050	\$ 35,765	\$ 210,285	Note to be paid semi-annually March 20, and September 20, for a period not to exceed 5 years
<u>WATER REVENUE BOND - SERIES 1998</u> U.S.D.A. - Rural Development Loan	1/28/1997	\$ 714,000	4 1/2%	\$ 534,064	\$ 14,098	\$ 579,966	\$ 38,801 Fiscal Years 6/30/16-6/30/2037 with interest only paid on July 1, and interest and principal paid on January 1.
<u>VIRGINIA - DIVIDE SEWER IMPROVEMENTS DISTRICT</u> USDA Sewer Revenue Bond Series 2015 - USDA	05/20/2015	\$ 3,002,000	2.50%	\$ 0	\$ 3,533	\$ 2,998,467	\$9,907 monthly July 12, 2005 - May 12, 2045 (40 year term)
<u>MEDIUM TERM LOAN</u> Virginia City Highlands Property Owners Association	6/26/14	\$ 250,000	.95%	\$ 200,000	\$ 50,000	\$ 150,000	\$50,000 Annually June 30, 2016 June 30, 2017 June 30, 2018

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

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Board of County Commissioners
Storey County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Storey County, Nevada's basic financial statements, and have issued our report thereon dated November 19, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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



David A. Pringle, CPA, LTD
Carson City, NV

November 19, 2015

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AUDITORS REPORT ON PRIOR YEAR'S RECOMMENDATIONS

To The Honorable Board of County Commissioners
Storey County, Nevada

We have reviewed the status of our recommendations included in last year's audit report dated October 13, 2014. This review indicated:

1. We recommended monitoring expenditures to prevent exceeding budgeted amounts. This was partially implemented during the fiscal year 2015.
2. We recommended more care be taken in the recording of cash receipts. This was implemented during the fiscal year 2015.
3. We recommend capital expenditures over \$10,000 in the Fire Special Revenue Fund be approved by the County Manager or Comptroller. This was partially implemented during the fiscal year 2015.
4. We recommended care should be taken in the assignment of account numbers prior to recording the liabilities in the accounting records. This was partially implemented during the fiscal year 2015.
5. We recommended account names in the Federal/State Grant Fund be reviewed and adjusted to further differentiate the Federal and State grant revenues and expenditures. This was partially implemented during the fiscal year 2015.
6. We recommended adjusting beginning bank balances either through loans or transfers to eliminate deficit cash balances. This was implemented during the fiscal year 2015.
- 7/8. We recommended more care be taken in recording journal entries and to review postings. This was implemented during the fiscal year 2015.
9. We recommended that a cut-off date of August 15 be established for all payables, journal entries and receivables. This recommendation was partially implemented during fiscal year 2015.



David A. Pringle, CPA, LTD.
Carson City, Nevada

November 19, 2015

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AUDITORS REPORT ON CURRENT YEAR'S RECOMMENDATIONS

To the Honorable Board of County Commissioners
Storey County, Nevada

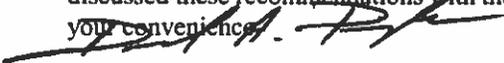
We have audited the financial statements of Storey County, Nevada for the year ended June 30, 2015, and have issued our report thereon dated November 19, 2015. As part of our audit, we made a study and evaluation of the County's system of internal accounting control to the extent we considered necessary solely to determine the nature, timing and extent of our auditing procedures. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole, and we do not express such an opinion.

However during our audit we became aware of certain matters that, while not involving material weaknesses in internal accounting control, are opportunities for increasing controls and operating efficiency. This letter does not affect our report dated November 19, 2015, on the financial statements of Storey County, Nevada.

Current Years Audit Recommendations

1. We recommend monitoring expenditures to prevent exceeding budgeted amounts as expenditures exceeded appropriations in the General Fund and four Special Revenue Funds. One Special Revenue Fund also had a deficit fund balance.
2. Continued care should be taken in the assignment of funds and account numbers prior to recording the liabilities in the accounting records. Certain expenditures appear to be more correctly charged to the special revenue funds than the general fund.
3. We recommend account names in the Federal/State Grant Fund be reviewed and adjusted to further differentiate the Federal and State grant revenues and expenditures. The County may want to consider establishing separate State Grant Funds.
4. We recommend double checking accounts after journal entries have been made to ensure the correct accounts have been affected and the correct amounts has been recorded in each account.
5. We recommend a cut off date of August 30 be established and strictly enforced for all payables, receivables, and journal entries by any government employee to prevent complications with the audit.

The status of the above recommendations must be reviewed during your next audit engagement. We have already discussed these recommendations with the County Comptroller, and will be pleased to discuss them in further detail at your convenience.


David A. Pringle, CPA, LTD
Carson City, Nevada

November 19, 2015

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To The Honorable County Commissioners,
Storey County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Storey County, Nevada's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Storey County, Nevada's major federal programs for the year ended June 30, 2015. Storey County, Nevada's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Storey County, Nevada complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Storey County, Nevada, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Storey County, Nevada's internal control over compliance with the types of requirements

that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstance for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Storey County, Nevada's internal control over compliance.

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

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

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



David A. Pringle CPA, LTD.
Carson City, Nevada

November 19, 2015

STOREY COUNTY, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR/PROGRAM/GRANT DESCRIPTION	FEDERAL CFDA NUMBER	FEDERAL AWARD AMOUNT	RECEIPTS	DISBURSEMENTS	MATCH AMOUNT	PASS-THROUGH ENTITY/ IDENTIFYING NUMBER
National Highway Traffic Safety Administration State and Community Highway Safety Breathalyzer Units Grants	20 660	\$ 2,395	\$ 2,395	0	none	Nevada Division of Public Safety LFD-2014-STCSO-00006
Department of Agriculture Forest Service Cooperative Forestry Assistance Six Mile and Lousetown Fuel Reduction	10 664	115,465	0	90	none	Nevada Division of Forestry/ USDA/SFA/14/10
Department of Agriculture Water and Waste Disposal Loans and Grants USDA Bond	10 770	2,990,200	2,917,369	2,917,369	none	none
Office of the Chief of Engineers ARRA - Nevada Environmental Infrastructure USACE Waste Water	12 121	150,000,000	2,691	0	none	none
Office of Community Planning and Development Community Development Block Grant VC Senior Center	14 228	25,000	15,053	15,053	none	Nevada Governor's Office of Economic Development/12/PF/18
FEMA Pre-Disaster Mitigation Fund	97 039	1,486,716	47,654	83,935	21,126	State of Nevada Public Safety Div of Emergency Management
Office of Community Planning and Development Community Development Block Grant CDBG RSVP - Rural Transportation	14 228	63,150	42,470	39,703	none	Nevada Governor's Office of Economic Development/CDBG RSVP
Department of the Interior Historic Preservation Fund Grants-in-aid Historic Preservation	15 904	20,500	17,659	18,899	13,407	State of Nevada Historic Preservation Office /32-12-41935(8)
Department of Justice Violence Against Women Formula Grants STOP	16 017/16 588	20,000	10,912	12,715	none	Office of the Attorney General/ STOP
Department of Agriculture Water and Waste Disposal Loans & Grants USDA-RD Grant	10 864	2,312,794	2,312,794	2,312,794	1,679	none

STOREY COUNTY, NEVADA
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR/PROGRAM/GRANT DESCRIPTION	FEDERAL CFDA NUMBER	FEDERAL AWARD AMOUNT	RECEIPTS	DISBURSEMENTS	MATCH AMOUNT	PASS-THROUGH ENTITY/ IDENTIFYING NUMBER
National Highway Traffic Safety Administration State and Community Highway Safety Radar Units Grants	20.600	3,980	3,980	0	none	Nevada Department of Public Safety/ LFD-2014-STCSO-00006
Pipeline and Hazardous Materials Safety Administration Interagency Hazardous Material Public Sector Training and Planning Grants HMEP Planning	20.703	11,400	11,400	11,400	none	State of Nevada Emergency Response Commission/ 15-HMEP-15-01
Pipeline and Hazardous Materials Safety Administration Interagency Hazardous Material Public Sector Training and Planning Grants Hazmat Training	20.703	2,925	1,950	1,950	none	State of Nevada Emergency Response Commission/ 14-HMEP-15-01
Administration for Children and Families Community Services Block Grant Childcare	93.569	52,996	59,328	42,118	none	Nevada Department of Health and Human Services/959.04
Department of Homeland Security Emergency Management Performance Grants Salaries	97.042	20,645	18,468	0	none	Nevada Department of Public Safety/
Department of Homeland Security Assistance to Firefighters Grant Safer PPE	97.044	1,285,998	0	12,000	none	none
Department of Agriculture USDA - RD Safety Equipment	10.766	2,000,000	242,400	238,931	none	none
Department of the Treasury, Internal Revenue Service V&T Railroad Project Bond Series 2010 (RZEDB)	8038-CP	890,000	25,228	0	none	none
Total Cash Disbursements			\$ 5,706,957			

STOREY COUNTY, NEVADA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED JUNE 30, 2015

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness identified? yes no
 Reportable condition identified
 not considered to be material weaknesses? yes none reported
 Noncompliance material to financial statements noted? yes no

Federal Awards

Internal Control over major program:

Material weakness identified? yes no
 Reportable condition identified
 not considered to be material weaknesses? yes none reported

Type of auditor's report issued on compliance
 for major programs: unqualified

Any audit findings disclosed that are required
 to be reported in accordance with
 Circular A-133 Section .510(a)? yes no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.864	Department of Agriculture USDA-RD
10.766	Department of Agriculture USDA Community Facilities Loan Program
10.770	Department of Agriculture USDA-RD
8038-CP	Department of the Treasury IRS

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

Auditee qualified as low-risk auditee? yes no

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no reportable conditions, material weaknesses or instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no audit findings required to be reported by Circular A-133, Section .510(a).

STOREY COUNTY, NEVADA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE A - BASIS OF PRESENTATION

The accompany schedule of expenditures of federal awards (the Schedule) includes all federal program activity of Storey County, Nevada under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The Schedule presents only a selected portion of the operations of Storey County, Nevada, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Storey County, Nevada.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such Expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, where in certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entities and identifying numbers are presented where available.

NOTE C - MATCH AMOUNTS

Amounts listed under Match Amount are on the schedule of expenditures of federal awards are either in-kind or cash.