

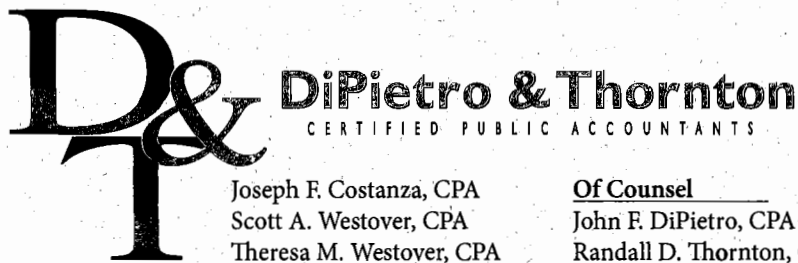
Audit Report
STOREY COUNTY, NEVADA
June 30, 2020

STOREY COUNTY, NEVADA
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JUNE 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
Storey County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Storey County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County as of June 30, 2020, 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 on pages 3 through 9, the Schedule of Changes in the Total OPEB Liability and Related Ratios on page 86, the Schedule of County's Share of the Net Pension Liability-Public Employees Retirement System of Nevada on page 87, and the Schedule of County's Contributions-Public Employees' Retirement System of Nevada on page 88, 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.

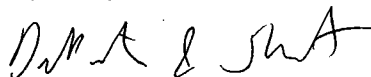
Other Information

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 and the schedule of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2020, on our consideration of Storey County's internal control over financial reporting and on our tests of its compliance with certain provisions out flows, regulations contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audition Standards* in considering Storey County's internal control over financial reporting and compliance.



DiPietro & Thornton
Reno, NV
Novemeber 30, 2020

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S 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, 2020.

FINANCIAL HIGHLIGHTS

- The government wide net position at the close of the 2020 fiscal year was \$26,740,331 which was a increase from 2019 in the amount of \$5,602,711 This represents \$9,239,081 governmental activities and \$17,501,250 in Business type activities
- The assets of Storey County exceeded its liabilities by \$28,831,681
- The primary revenue sources for the County for governmental activities were \$17,123,532 of property taxes, \$7,410,764 of consolidated taxes, and \$1,057,000 of investment earnings
- The government wide expenses were \$33,462,445. The greatest expenses were in the General government function \$16,168,921 and the Public Safety function in the amount of \$12,671,027
- At the close of the fiscal year the general fund balance was \$18,060,004 an increase from the previous year in the amount of \$6,955,475. Combined governmental funds closed fiscal year 2020 with combined balance of \$39,259,911.
- Storey County's bonded debt at June 30, 2020 was \$9,116,308 which was \$6,550,348 in revenue bonds of the County's Enterprise Funds, Virginia City Rail Bonds of \$996,000 and \$1,569,960 bond of the Storey County Fire Protection District.

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. This report also contains supplementary information in addition to the basic financial statements themselves.

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 Position is information on all of Storey County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases 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., uncollected taxes, earned and unused vacation and sick leave).

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 (business type activities). The governmental activities of Storey County included general government, public safety, roads and streets, judicial and, culture and recreation, and community support. The business activities (enterprise funds) are the water and sewer.

The government-wide financial statements can be found in this report on pages 11 and 12.

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.

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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. By doing so, 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-three 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 seventeen 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 each of its governmental and propriety 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 14 through 29.

Enterprise funds. Storey County operates two enterprise (proprietary) funds; the Water Fund and the Sewer Fund which supply services in Virginia City and Gold Hill. These funds are reported as business type activities, reported in the government-wide financial statements..

Enterprise funds are presented on pages 30 through 32.

Fiduciary funds. Fiduciary funds are used to account for resources held for other entities. Fiduciary funds are not reflected in the government-wide financial statements as the resources of these funds are not available to support Storey County. The cash basis of accounting is used for fiduciary funds

Fiduciary fund financial statements can be found in this report on page 33.

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 34 through 57.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information, including budget to actual comparison data. These schedules test compliance with budgetary constraints and management directive to enhance accountability at the fund and function level. This information may be found on pages

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A significant portion of the County's net position, \$31,070,000, reflects the amount invested in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the County's net position, \$394,000, represents resources that are subject to external restrictions (statutory, bond covenants or granting agency) on how they may be used.

The unrestricted portion of the County's net position due to governmental activities is a negative \$4,723,000 primarily due to the classification of long-term pension liabilities to the unrestricted category. These liabilities are required by new accounting standards in order to communicate to potential lenders and the public the potential liability the County bears for future pension expense. These liabilities accumulate over decades as part of the County's employment agreements and the timing for their translation into current year expense is not subject to precise projection.

*For more detailed information, see the government-wide Statements of Net Position and Notes to the Financial Statements.

**STOREY COUNTY, NEVADA
NET POSITION**

	Governmental Activities June 30, 2020	Business Type Activities June 30, 2020	Total June 30, 2020	Total June 30, 2019
Current and Other Assets	\$ 42,230,000	\$ 2,016,000	\$ 44,246,000	\$ 39,485,000
Capital Assets	<u>56,216,000</u>	<u>24,813,000</u>	<u>81,029,000</u>	<u>80,106,000</u>
Total Assets	<u>\$ 98,446,000</u>	<u>\$ 26,829,000</u>	<u>\$ 125,275,000</u>	<u>\$ 119,591,000</u>
Deferred Outflows	<u>\$ 7,850,000</u>	<u>\$ 115,000</u>	<u>\$ 7,965,000</u>	<u>\$ 7,192,000</u>
Long Term Liabilities				
Outstanding	\$ 84,312,000	\$ 7,117,000	\$ 91,429,000	\$ 89,792,000
Current Liabilities	<u>2,797,000</u>	<u>2,217,000</u>	<u>5,014,000</u>	<u>4,743,000</u>
Total Liabilities	<u>\$ 87,109,000</u>	<u>\$ 9,334,000</u>	<u>\$ 96,443,000</u>	<u>\$ 94,535,000</u>
Deferred Inflows	<u>\$ 9,948,000</u>	<u>\$ 108,000</u>	<u>\$ 10,056,000</u>	<u>\$ 11,109,000</u>
Net Position				
Invested in Capital				
Assets, Net of Related Debt	\$ 12,807,000	\$ 18,263,000	\$ 31,070,000	\$ 29,643,000
Restricted	143,000	251,000	394,000	394,000
Unrestricted	<u>(3,711,000)</u>	<u>(1,012,000)</u>	<u>(4,723,000)</u>	<u>(8,898,000)</u>
Total Net Position	<u>\$ 9,239,000</u>	<u>\$ 17,502,000</u>	<u>\$ 26,741,000</u>	<u>\$ 21,139,000</u>

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

STOREY COUNTY, NEVADA
CHANGES IN NET POSITION

At the end of 2020 fiscal year Storey County reports a positive balance in net position for both the government activities and business-type activities. This is true for the prior fiscal year.

Storey County's overall net position increased \$5,602,000 compared to a \$6,727,000 increase in the prior year. The governmental activities net position increased by \$5,942,000 and the Business-type activities decreased \$340,000. The details of the changes are noted in the following table:

	Governmental Activities <u>June 30, 2020</u>	Business Type Activities <u>June 30, 2020</u>	Total <u>June 30, 2020</u>	Total <u>June 30, 2019</u>
REVENUES:				
Program Revenues:				
Charges for Services	\$ 6,522,000	\$ 959,000	\$ 7,481,000	\$ 8,398,000
Operating Grants and Contributions	109,000	-	109,000	291,000
Capital Grants and Contributions	-	9,000	9,000	3,987,000
General Revenues:				
Taxes	17,124,000	-	17,124,000	14,500,000
Intergovernmental	7,411,000	-	7,411,000	10,886,000
Interest Earnings	1,057,000	-	1,057,000	937,000
Bond Proceeds	9,000	-	9,000	30,000
Other	544,000	142,000	686,000	1,138,000
Total Revenues	32,776,000	1,110,000	33,886,000	40,167,000
EXPENSES:				
General Government	10,569,000	-	10,569,000	9,879,000
Public Safety	12,076,000	-	12,076,000	19,308,000
Judicial	1,285,000	-	1,285,000	1,205,000
Health and Welfare	231,000	-	231,000	237,000
Culture and Recreation	202,000	-	202,000	129,000
Community Support	1,176,000	-	1,176,000	933,000
Highways and Streets	1,295,000	-	1,295,000	653,000
Intergovernmental	-	-	-	-
Water and Sewer	-	1,450,000	1,450,000	1,096,000
Total Expenses	26,834,000	1,450,000	28,284,000	33,440,000
Changes in Net Position	5,942,000	(340,000)	5,602,000	6,727,000
Net Position - July 1	3,297,000	17,842,000	21,139,000	14,412,000
Net Position - June 30	\$ 9,239,000	\$ 17,502,000	\$ 26,741,000	\$ 21,139,000

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FINANCIAL ANALYSIS OF THE GOVERNMENT FUNDS. As noted earlier, Storey County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

At the end of the fiscal year, Storey County's governmental funds reported a combined ending fund balance of \$39,259,911, an increase of \$6,991,130 from the prior year.

General Fund. The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the fund balance was \$18,060,004 and increase of \$6,955,475 from the prior year.

Expenditures increase was \$1,308,023 : General government expenditures increased by \$859,409 Judicial expenditures increased by \$125,904 , and Public Safety increased by \$32,858 All increases are primarily due to increases in salary and benefit increases in various departments and union organizations.

Road fund. The Road Fund has an ending fund balance at the close of the current year of \$873,468 a decrease of \$57,278. Revenues increased 9% primarily due to SCCRT and Interfund transfers. Expense increased 12% primarily due to increase in wages, benefits, and an increase in capital road projects.

474 Fire Protection District Fund. The Fire Protection District Fund has a fund balance at the end of the fiscal year of \$1,714,365 This is an increase of \$615,733. Revenues increased 18% primarily due to Ad Valorem and Intergovernmental Funding. and Expenses increased 11% primarily due to increases in operational expenses

Budgetary Highlights Fiscal Year ending June 30. 2020.

The budget statements reflect a comparison budgeted revenues and expenditures to the actual for the year ending June 30, 2020. The budget statements were prepared from the final budget as filed with the Nevada Department of Taxation. 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 \$4,028,277, leaving a fund balance of \$18,060,004 General Fund information can be found on pages 20 through 24.

Capital Assets. Storey County's investment in capital assets for its governmental and business type activities as of June 30, 2020

STOREY COUNTY NEVADA
CAPITAL ASSETS
JUNE 30, 2020

	Governmental Activities <u>June 30, 2020</u>	Business Type Activities <u>June 30, 2020</u>	Total <u>June 30, 2020</u>
Land	\$ 811,000	\$ -	\$ 811,000
Antique Furniture	75,000	-	75,000
Construction in Process	1,052,000	14,793,000	15,845,000
Buildings and Improvements	9,292,000	-	9,292,000
Improvements other than Buildings	37,830,000	-	37,830,000
Machinery and Equipment	7,156,000	-	7,156,000
Sewer and Water systems	-	10,020,000	10,020,000
Total	\$ 56,216,000	\$ 24,813,000	\$ 81,029,000

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Long Term Debt. The County did not incur any new debt for the year ended June 30, 2020. The County has been approved for a USDA loan for \$2,126,000 to fund a new water line. The loan will be funded during the year ended June 30, 2021. The following table represents the long term debt of the county for June 30, 2020 and June 30, 2019:

STOREY COUNTY NEVADA
LONG TERM DEBT
JUNE 30, 2020 AND 2019

	<u>Balance</u> <u>June 30, 2020</u>	<u>Balance</u> <u>June 30, 2019</u>
<u>Governmental</u>		
Virginia City Rail Bond-Series 2010A	501,000.00	552,000.00
Virginia City Rail Bond-Series 2010B	495,000.00	544,000.00
Storey County Fire District USDA Loan	1,569,960.00	1,651,799.00
Compensated Absences	779,093.00	753,925.00
TRI-Construction repayment	40,842,347.00	41,037,256.00
 <u>Business Type Activities</u>		
Sewer Revenue Bonds	2,765,228.00	2,814,125.00
Sewer Revenue Bonds	3,785,120.00	3,864,305.00

Economic Factors and Next Year's Budget

The County reviews and includes a variety of economic related statistics in the development and monitoring the operating and capital budgets. Long and short-term plans are annually reviewed and updated to aid in the development the County's budgets, including a 5-year plan for the County's Capital Improvement Projects. The assumptions used in the plans are reviewed by the County Commissioners as background for decisions regarding the revenue projections and cost allocations.

Unforeseen circumstances of the current and upcoming budget year include the COVID pandemic which started globally March 2020. The General Fund had minimal financial impact, while the VCTC had a more substantial impact due to governmental shutdowns and mandatory social distancing measures that obstructed special events and general operations of Virginia City's tourist district. The upcoming budget year will most likely be affected in all areas of Storey County government. The County Manager and Comptroller are working closely with all departments to reduce expenditures to ensure that the County can maintain necessary operations throughout this pandemic.

The County's practice of budgeting conservatively on revenues and liberally on expenditures has resulted in a strong, fiscally responsible government. Storey County Board of Commissioners approved the 2020-2021 on May 19, 2020. The financial projections continue to include the growth of the Tahoe Regional Industrial Park which has a substantial impact on both the revenue and expenditures of the County. TRI has a significant impact on the financial stability of Storey County, however with current abatements the expenditures continue to rise without equal financial support of the area.

The next budget year brings new agreements with the Storey County Sheriff's Office Employees' Association/Nevada Association of Police & Sheriff's Officers (NAPSO) and the AFSME Union which are reflected in the approved budget. During the upcoming fiscal year, the County anticipates reaching an agreement with the Storey County Fire Fighters' Association IAFF Local 4227 .

COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS

The 2020-2021 Capital Improvement Plan include:

- Justice Center: The county is moving forward with plans to remodel a newly acquired building at the south end of town for a new Justice Center that will accommodate the ever growing need our juridical system. This project will also provide a permanent house for our necessary IT department.
- Water system upgrades: The Five Mile water line will be replaced as well as water tanks used to house Virginia City and Gold Hills water supply. At the time of budgeting the County was pursuing USDA-RD loans and grants to pay for these projects.
- Gold Hill sewer package plant: Due to the failing Gold Hill septic system and the expanding sewer needs of the area, the Sewer Fund is building a new sewer package plant to replace the failing Gold Hill septic system, At the time of budgeting the County was pursuing USDA-RD loans and grants to pay for this project.
- Other Projects include: Security and safety measures on Virginia City Freight Depot, expanding the necessary internet infrastructure County wide, Radio/Cell towers, and various road projects County wide.

Request for Information

This financial report is designed to provide a general overview of Storey County'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's Office, 10 South B Street, Virginia City, Nevada 89440.

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STOREY COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and investments	\$ 37,910,492	\$ 1,914,485	\$ 39,824,977
Accounts receivables (net allowance)	1,327,952	101,105	1,429,057
Taxes receivable	464,230	-	464,230
Prepaid expenses	43,770	-	43,770
Inventory	43,522	-	43,522
Due from proprietary fund	2,126,000	-	2,126,000
Due from V&T Railroad	314,669	-	314,669
Capital assets - nondepreciable			
Land	810,921	-	810,921
Antique furniture	75,000	-	75,000
Construction in progress	1,051,640	14,793,141	15,844,781
Capital assets - net of accumulated depreciation			
Buildings and improvements	9,291,762	-	9,291,762
Improvements other than buildings	37,830,030	-	37,830,030
Utility system	-	10,020,046	10,020,046
Machinery and equipment	7,156,255	-	7,156,255
	<u>\$ 98,446,243</u>	<u>\$ 26,828,777</u>	<u>\$ 125,275,020</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows-OPEB	\$ 1,453,474	\$ -	\$ 1,453,474
Deferred outflows-pension	6,396,887	114,513	6,511,400
	<u>\$ 7,850,361</u>	<u>\$ 114,513</u>	<u>\$ 7,964,874</u>
<u>LIABILITIES</u>			
Accounts payable and other current liabilities	\$ 2,796,891	\$ 91,267	\$ 2,888,158
Due to general fund	-	2,126,000	2,126,000
Non-current liabilities			
Bonds/Notes payable - due within one year	189,952	130,750	320,702
- due in more than one year	43,218,355	6,419,598	49,637,953
Compensated absences - due in more than one year	779,093	-	779,093
Net OPEB obligation	20,049,118	-	20,049,118
Net pension liability	20,075,959	566,357	20,642,316
	<u>\$ 87,109,368</u>	<u>\$ 9,333,972</u>	<u>\$ 96,443,340</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows-OPEB	\$ 6,307,939	\$ -	\$ 6,307,939
Deferred inflows-pension	3,640,217	108,068	3,748,285
	<u>\$ 9,948,156</u>	<u>\$ 108,068</u>	<u>\$ 10,056,224</u>
<u>NET POSITION</u>			
Restricted reserve	\$ 142,640	\$ 250,850	\$ 393,490
Invested in capital assets - net of related debt	12,807,301	18,262,839	31,070,140
Unrestricted	(3,710,861)	(1,012,439)	(4,723,300)
	<u>\$ 9,239,080</u>	<u>\$ 17,501,250</u>	<u>\$ 26,740,330</u>

**STOREY COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

<u>FUNCTIONS/PROGRAMS</u>	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental activities:				
General government	\$ 10,565,266	\$ 5,709,803	\$ 52,550	\$ -
Public safety	12,076,367	538,467	56,193	-
Judicial	1,285,434	38,760	-	-
Health and welfare	231,381	-	-	-
Culture and recreation	202,232	14,929	-	-
Community support	1,176,344	-	-	-
Highways and streets	1,295,081	219,639	-	-
Intergovernmental	-	-	-	-
Total Governmental Activities	26,832,105	6,521,598	108,743	-
Business type activities:				
Water	635,269	558,274	-	9,350
Sewer	815,691	400,412	-	-
Total Business-Type Activities	1,450,960	958,686	-	9,350
Total Primary Government	\$ 28,283,065	\$ 7,480,284	\$ 108,743	\$ 9,350

**STOREY COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	NET (EXPENSE)REVENUE AND CHANGES IN NET POSITION		
	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
Primary government:			
Governmental activities:			
General government	\$ (4,802,913)	\$ -	\$ (4,802,913)
Public safety	(11,481,707)	-	(11,481,707)
Judicial	(1,246,674)	-	(1,246,674)
Health and welfare	(231,381)	-	(231,381)
Culture and recreation	(187,303)	-	(187,303)
Community support	(1,176,344)	-	(1,176,344)
Highways and streets	(1,075,442)	-	(1,075,442)
Intergovernmental	-	-	-
Total Governmental Activities	<u>(20,201,764)</u>	<u>-</u>	<u>(20,201,764)</u>
Business type activities:			
Water	-	(76,995)	(76,995)
Sewer	-	(415,279)	(415,279)
Total Business-Type Activities	<u>-</u>	<u>(492,274)</u>	<u>(492,274)</u>
Total Primary Government	<u>(20,201,764)</u>	<u>(492,274)</u>	<u>(20,694,038)</u>
General revenues:			
Property taxes	17,123,532	-	17,123,532
Various state collected pass-through revenues	7,410,764	-	7,410,764
Investment earnings	1,057,000	135,677	1,192,677
Bond proceeds	9,350	-	9,350
Miscellaneous revenue	544,400	6,675	551,075
Capital contributions and grants	-	9,350	9,350
Total General Revenues	<u>26,145,046</u>	<u>151,702</u>	<u>26,296,748</u>
Change in Net Position	5,943,282	(340,572)	5,602,710
Net Position, July 1	<u>3,295,798</u>	<u>17,841,822</u>	<u>21,137,620</u>
Net Position, June 30	<u>\$ 9,239,080</u>	<u>\$ 17,501,250</u>	<u>\$ 26,740,330</u>

**STOREY COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI-PAYBACK FUND	USDA BOND FUND
ASSETS					
Cash	\$ 16,976,514	\$ 919,278	\$ 1,648,591	\$ 4,154,354	\$ 29,707
Accounts receivable (net allowance)	411,575	157,960	318,539	-	-
Taxes receivable	346,356	-	106,181	-	-
Prepaid expenses	-	-	27,770	-	-
Due from proprietary fund	2,126,000	-	-	-	-
Due from V&T road	314,669	-	-	-	-
Inventory	-	-	-	-	-
Total Assets	<u>\$ 20,175,114</u>	<u>\$ 1,077,238</u>	<u>\$ 2,101,081</u>	<u>\$ 4,154,354</u>	<u>\$ 29,707</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 214,036	\$ 195,523	\$ 27,122	\$ -	\$ -
Accrued expenses and deposits	413,989	8,247	273,769	-	-
Unearned income	-	-	-	-	-
Account payable - Tesla	1,401,948	-	-	-	-
Total Liabilities	<u>2,029,973</u>	<u>203,770</u>	<u>300,891</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable resources property taxes	85,138	-	85,825	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Reserved - debt service	-	-	142,640	-	-
Unassigned reported in:					
General fund	18,060,003	-	-	-	-
Capital projects funds	-	-	-	-	-
Special revenue funds	-	873,468	1,571,725	4,154,354	29,707
Total Fund Balances	<u>18,060,003</u>	<u>873,468</u>	<u>1,714,365</u>	<u>4,154,354</u>	<u>29,707</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 20,175,114</u>	<u>\$ 1,077,238</u>	<u>\$ 2,101,081</u>	<u>\$ 4,154,354</u>	<u>\$ 29,707</u>

**STOREY COUNTY, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash	\$ 622,279	\$ 13,559,769	\$ 37,910,492
Accounts receivable (net allowance)	219,939	219,939	1,327,952
Taxes receivable	-	11,693	464,230
Prepaid expenses	16,000	-	43,770
Due from proprietary fund	-	-	2,126,000
Due from V&T road	-	-	314,669
Inventory	43,522	-	43,522
Total Assets	<u>\$ 901,740</u>	<u>\$ 13,791,401</u>	<u>\$ 42,230,635</u>
LIABILITIES AND FUND BALANCES			
<u>Liabilities</u>			
Accounts payable	\$ 15,541	\$ 227,688	\$ 679,910
Accrued expenses and deposits	7,361	-	703,366
Unearned income	1,877	9,790	11,667
Account payable - Tesla	-	-	1,401,948
Total Liabilities	<u>24,779</u>	<u>237,478</u>	<u>2,796,891</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable resources property taxes	-	2,871	173,834
<u>FUND BALANCES</u>			
Nonspendable	59,522	-	59,522
Reserved - debt service	-	-	142,640
Unassigned reported in:			
General fund	817,439	-	18,877,442
Capital projects funds	-	6,999,488	6,999,488
Special revenue funds	-	6,551,564	13,180,818
Total Fund Balances	<u>876,961</u>	<u>13,551,052</u>	<u>39,259,910</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 901,740</u>	<u>\$ 13,791,401</u>	<u>\$ 42,230,635</u>

STOREY COUNTY, NEVADA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Total Fund Balance - government funds - page 15 \$ 39,259,910

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 56,215,608

Deferred outflows of resources for OPEB 1,453,474

Deferred outflows of resources for pensions 6,396,887

Property taxes receivable that are not available to pay current period expenditures and therefore are reported as unearned in the funds 173,834

Long term liabilities are not due and payable in the current period and therefore are not reported in the funds. (43,408,307)

Pension liabilities are not due and payable in the current period and therefore not reported in funds (40,125,077)

Compensated absences are not due and payable in the current period and therefore are not reported in the funds. (779,093)

Deferred inflows of resources for OPEB (6,307,939)

Deferred inflows of resources for pensions (3,640,217)

Total Net Position - governmental activities - page 11 \$ 9,239,080

STOREY COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI- PAYBACK FUND	USDA BOND FUND
REVENUES					
Taxes	\$ 12,654,420	\$ -	\$ 3,866,679	\$ -	\$ -
Licenses and permits	2,719,322	-	-	-	-
Intergovernmental	2,610,988	908,898	1,681,882	-	250,860
Charges for services	2,117,184	219,639	538,467	-	-
Fines and forfeitures	164,142	-	-	-	-
Equipment sales	-	-	-	-	-
Miscellaneous	1,382,571	14,949	266,989	-	-
	<u>21,648,627</u>	<u>1,143,486</u>	<u>6,354,017</u>	<u>-</u>	<u>250,860</u>
Total Revenues					
EXPENDITURES					
Current:					
General government	5,438,068	-	-	194,909	-
Public safety	5,610,225	-	5,486,715	-	-
Judicial	1,259,054	-	-	-	-
Health and welfare	102,590	-	-	-	-
Culture and recreation	126,328	-	-	-	-
Community service	1,101,888	-	-	-	-
Highways and streets	-	1,600,764	-	-	-
Intergovernmental	-	-	-	-	-
	<u>13,638,153</u>	<u>1,600,764</u>	<u>5,486,715</u>	<u>194,909</u>	<u>-</u>
Total Expenditures					
Excess (Deficiency) of Revenues over Expenditures	<u>8,010,474</u>	<u>(457,278)</u>	<u>867,302</u>	<u>(194,909)</u>	<u>250,860</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	400,000	-	755,000	142,640
Transfers out	(1,055,000)	-	(284,640)	-	-
Transfers to proprietary funds	-	-	-	-	-
Federal grants	-	-	33,071	-	-
Loan (payments) proceeds	-	-	-	-	(209,921)
Bond proceeds	-	-	-	-	-
Bond interest	-	-	-	-	(183,569)
	<u>(1,055,000)</u>	<u>400,000</u>	<u>(251,569)</u>	<u>755,000</u>	<u>(250,850)</u>
Total Other Financing Sources (Uses)					
Net Change in Fund Balance	6,955,474	(57,278)	615,733	560,091	10
Fund Balance, July 1	<u>11,104,529</u>	<u>930,746</u>	<u>1,098,632</u>	<u>3,594,263</u>	<u>29,697</u>
Fund Balance, June 30	<u>\$ 18,060,003</u>	<u>\$ 873,468</u>	<u>\$ 1,714,365</u>	<u>\$ 4,154,354</u>	<u>\$ 29,707</u>

STOREY COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Taxes	\$ -	\$ 530,741	\$ 17,051,840
Licenses and permits	47,277	-	2,766,599
Intergovernmental	1,151,066	882,742	7,486,436
Charges for services	446,069	220,560	3,541,919
Fines and forfeitures	-	48,938	213,080
Equipment sales	-	-	-
Miscellaneous	97,915	283,888	2,046,312
	<u>1,742,327</u>	<u>1,966,869</u>	<u>33,106,186</u>
Total Revenues			
EXPENDITURES			
Current:			
General government	1,319,275	2,959,326	9,911,578
Public safety	-	191,287	11,288,227
Judicial	-	25,055	1,284,109
Health and welfare	-	128,791	231,381
Culture and recreation	-	51,618	177,946
Community service	-	-	1,101,888
Highways and streets	-	-	1,600,764
Intergovernmental	-	-	-
	<u>1,319,275</u>	<u>3,356,077</u>	<u>25,595,893</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>423,052</u>	<u>(1,389,208)</u>	<u>7,510,293</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	55,000	1,352,640
Transfers out	-	(13,000)	(1,352,640)
Transfers to proprietary funds	-	-	-
Federal Grants	-	-	33,071
Loan (payments) proceeds	-	(168,095)	(378,016)
Bond proceeds	-	9,350	9,350
Bond interest	-	-	(183,569)
	<u>-</u>	<u>(116,745)</u>	<u>(519,164)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	423,052	(1,505,953)	6,991,129
Fund Balance, July 1	<u>453,909</u>	<u>15,057,005</u>	<u>32,268,781</u>
Fund Balance, June 30	<u>\$ 876,961</u>	<u>\$ 13,551,052</u>	<u>\$ 39,259,910</u>

**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, 2020**

Net change in fund balances - governmental funds, page 18 \$ 6,991,129

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. 1,011,035

Net long-term receipts and payments reported in governmental funds as expenditures 376,748

Compensated absences are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds (25,168)

Revenue from taxes in the statement of activities that does not provide current financial resources is not reported as revenue in the funds 6,526

Total OPEB benefits are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds (1,618,702)

Total pension benefits are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds (798,286)

Change in net assets of governmental activities, page 13 \$ 5,943,282

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUES</u>	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes:				
Property	\$ 10,600,000	\$ 10,600,000	\$ 12,623,037	\$ 2,023,037
Youth services	26,000	26,000	31,383	5,383
Total Taxes	<u>10,626,000</u>	<u>10,626,000</u>	<u>12,654,420</u>	<u>2,028,420</u>
Licenses and Permits				
Merchandise licenses	349,600	349,600	338,336	(11,264)
County gaming licenses	8,000	8,000	6,150	(1,850)
Utility licenses	350,000	350,000	506,225	156,225
Franchise tax	225,000	225,000	360,754	135,754
Building permits and study	1,569,000	1,569,000	1,507,857	(61,143)
Total Licenses and Permits	<u>2,501,600</u>	<u>2,501,600</u>	<u>2,719,322</u>	<u>217,722</u>
Intergovernmental				
Federal and state grants	21,000	21,000	11,682	(9,318)
Payment in lieu of taxes	30,000	30,000	40,910	10,910
State shared revenues				
Cigarette tax	14,000	14,000	12,743	(1,257)
Liquor tax	6,000	6,000	5,053	(947)
Gaming licenses	135,000	135,000	127,887	(7,113)
Basic CCRT	750,000	750,000	864,234	114,234
Supplemental CCRT	800,000	800,000	989,342	189,342
Motor vehicle privilege tax	400,000	400,000	388,421	(11,579)
Real property transfer tax	120,000	120,000	170,716	50,716
Total Intergovernmental	<u>2,276,000</u>	<u>2,276,000</u>	<u>2,610,988</u>	<u>334,988</u>
Charges for Services				
Clerk fees	100,000	100,000	42,423	(57,577)
Recorder fees	60,000	60,000	55,724	(4,276)
Assessor fees/commissions	200,000	200,000	378,050	178,050
Building department fees	90,000	90,000	16,808	(73,192)
District court fees	16,000	16,000	16,032	32
Justice court fees	14,000	14,000	22,728	8,728
Sheriffs fees	91,700	91,700	61,426	(30,274)
Swimming pool admissions/lessons	23,000	23,000	11,897	(11,103)
Park facilities fees	-	-	532	532
Import tonnage fees	700,000	700,000	769,872	69,872
IT fees	-	-	30,616	30,616
Other fees - Tesla	134,000	134,000	624,946	490,946
BIA housing	80,000	80,000	86,130	6,130
Total Charges for Services	<u>1,508,700</u>	<u>1,508,700</u>	<u>2,117,184</u>	<u>608,484</u>

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
REVENUES (cont'd.)				
Fines and Forfeits:				
District fine	550	550	-	(550)
Juvenile fines/assessments	5,000	5,000	2,918	(2,082)
Chemical analysis fees	2,500	2,500	2,527	27
Jail Court Fines	200,000	200,000	158,697	(41,303)
Total Fines and Forfeits	<u>208,050</u>	<u>208,050</u>	<u>164,142</u>	<u>(43,908)</u>
Miscellaneous:				
Rents	50,000	50,000	59,593	9,593
Penalties -taxes	-	-	190,709	190,709
Penalties - business licenses	-	-	600	600
Interest	440,000	440,000	1,053,316	613,316
Tax settlement and sales	-	-	-	-
Other	10,000	10,000	78,353	68,353
Total Miscellaneous	<u>500,000</u>	<u>500,000</u>	<u>1,382,571</u>	<u>882,571</u>
Total Revenues	<u>17,620,350</u>	<u>17,620,350</u>	<u>21,648,627</u>	<u>4,028,277</u>
EXPENDITURES				
General Government				
Commissioners:				
Salaries and wages	387,298	387,298	288,925	98,373
Employee benefits	236,571	236,571	178,109	58,462
Services and supplies	112,200	112,200	27,445	84,755
Capital outlay	2,500	2,500	1,161	1,339
	<u>738,569</u>	<u>738,569</u>	<u>495,640</u>	<u>242,929</u>
Clerk Treasurer:				
Salaries and wages	233,976	233,976	224,838	9,138
Employee benefits	131,189	136,889	137,693	(804)
Services and supplies	269,100	274,100	165,088	109,012
Capital outlay	-	-	-	-
	<u>634,265</u>	<u>644,965</u>	<u>527,619</u>	<u>117,346</u>
Recorder:				
Salaries and wages	208,538	208,538	163,936	44,602
Employee benefits	115,104	115,104	76,054	39,050
Services and supplies	128,797	128,797	88,207	40,590
Capital outlay	1,500	1,500	372	1,128
	<u>453,939</u>	<u>453,939</u>	<u>328,569</u>	<u>125,370</u>
Assessor:				
Salaries and wages	251,305	261,305	255,884	5,421
Employee benefits	150,868	150,868	131,516	19,352
Services and supplies	92,660	93,660	91,301	2,359
Capital outlay	-	-	-	-
	<u>494,833</u>	<u>505,833</u>	<u>478,701</u>	<u>27,132</u>
Administrative:				
Salaries and wages	290,474	290,474	271,948	18,526
Employee benefits	330,482	330,482	315,621	14,861
Services and supplies	721,350	721,350	610,039	111,311
Capital outlay	5,000	5,000	-	5,000
	<u>1,347,306</u>	<u>1,347,306</u>	<u>1,197,608</u>	<u>149,698</u>

**STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
EXPENDITURES				
General Government (contd.)				
Building and Grounds:				
Salaries and wages	181,879	181,879	138,428	43,451
Employee benefits	91,170	91,170	74,636	16,534
Services and supplies	152,250	152,250	160,270	(8,020)
Capital outlay	-	-	1,299	(1,299)
	<u>425,299</u>	<u>425,299</u>	<u>374,633</u>	<u>50,666</u>
Service:				
Salaries and wages	195,327	205,327	202,530	2,797
Employee benefits	92,885	117,385	110,660	6,725
Services and supplies	60,850	60,850	51,727	9,123
Capital outlay	37,500	37,500	23,163	14,337
	<u>386,562</u>	<u>421,062</u>	<u>388,080</u>	<u>32,982</u>
Information technology:				
Salaries and wages	283,325	293,325	287,668	5,657
Employees benefits	182,396	182,396	173,509	8,887
Services and supplies	191,600	191,600	154,497	37,103
Capital outlay	171,500	161,500	168,428	(6,928)
	<u>828,821</u>	<u>828,821</u>	<u>784,102</u>	<u>44,719</u>
Comptroller:				
Salaries and wages	281,988	308,988	301,901	7,087
Employee benefits	150,918	205,918	198,135	7,783
Services and supplies	103,260	103,260	91,140	12,120
Capital outlay	-	-	-	-
	<u>536,166</u>	<u>618,166</u>	<u>591,176</u>	<u>26,990</u>
Planning Commission:				
Salaries and wages	279,621	279,621	135,443	144,178
Employee benefits	136,965	136,965	69,845	67,120
Services and supplies	229,300	229,300	66,652	162,648
	<u>645,886</u>	<u>645,886</u>	<u>271,940</u>	<u>373,946</u>
Total General Government	<u>6,491,646</u>	<u>6,629,846</u>	<u>5,438,068</u>	<u>1,191,778</u>
Judicial:				
District Attorney:				
Salaries and wages	412,966	412,966	369,647	43,319
Employee benefits	195,328	195,328	184,476	10,852
Services and supplies	421,425	421,425	129,265	292,160
Capital outlay	-	-	-	-
	<u>1,029,719</u>	<u>1,029,719</u>	<u>683,388</u>	<u>346,331</u>
District Court:				
Services and supplies	179,860	179,860	165,682	14,178
	<u>179,860</u>	<u>179,860</u>	<u>165,682</u>	<u>14,178</u>

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
EXPENDITURES				
Judicial (contd.)				
Justice of the Peace:				
Salaries and wages	237,943	257,943	254,736	3,207
Employee benefits	149,093	149,093	133,751	15,342
Services and supplies	22,400	22,400	21,497	903
Capital outlay	2,000	2,000	-	2,000
	<u>411,436</u>	<u>431,436</u>	<u>409,984</u>	<u>21,452</u>
Total Judicial	<u>1,621,015</u>	<u>1,641,015</u>	<u>1,259,054</u>	<u>381,961</u>
Pubic Safety:				
Sheriff:				
Salaries and wages	2,402,547	2,402,547	2,074,072	328,475
Employee benefits	1,604,203	1,604,203	1,265,826	338,377
Services and supplies	438,168	489,168	447,508	41,660
Capital outlay	40,000	40,000	17,648	22,352
	<u>4,484,918</u>	<u>4,535,918</u>	<u>3,805,054</u>	<u>730,864</u>
Communications				
Salaries and wages	673,651	673,651	651,013	22,638
Employee benefits	335,716	335,716	304,788	30,928
Services and supplies	101,550	101,550	72,644	28,906
Capital outlay	6,000	6,000	-	6,000
	<u>1,116,917</u>	<u>1,116,917</u>	<u>1,028,445</u>	<u>88,472</u>
Emergency Management:				
Salaries and wages	21,678	21,678	20,734	944
Employee benefits	6,732	8,232	8,081	151
Services and supplies	53,650	53,650	46,061	7,589
Capital outlay	4,400	4,400	4,400	-
	<u>86,460</u>	<u>87,960</u>	<u>79,276</u>	<u>8,684</u>
Community Development				
Salaries and wages	644,053	572,467	412,260	160,207
Employee benefits	275,957	275,957	198,552	77,405
Services and supplies	141,700	213,286	85,658	127,628
Capital outlay	-	-	980	(980)
	<u>1,061,710</u>	<u>1,061,710</u>	<u>697,450</u>	<u>364,260</u>
Total Public Safety	<u>6,750,005</u>	<u>6,802,505</u>	<u>5,610,225</u>	<u>1,192,280</u>
Health and Human Service				
Salaries and wages	7,016	7,016	6,911	105
Employee benefits	3,266	3,266	3,060	206
Services and supplies	137,600	137,600	92,619	44,981
Total Health and Human Services	<u>147,882</u>	<u>147,882</u>	<u>102,590</u>	<u>45,292</u>
Culture and Recreation:				
Swimming Pools and Parks				
Salaries and wages	68,410	68,410	65,964	2,446
Employee benefits	16,669	16,669	15,652	1,017
Services and supplies	42,000	42,000	37,809	4,191
Capital outlay	-	-	6,903	(6,903)
Total Culture and Recreation	<u>127,079</u>	<u>127,079</u>	<u>126,328</u>	<u>751</u>

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Community Support				
Salaries and wages	210,726	210,726	192,770	17,956
Employee benefits	95,610	95,610	70,525	25,085
Services and supplies	766,600	851,600	838,593	13,007
Total Community Support	<u>1,072,936</u>	<u>1,157,936</u>	<u>1,101,888</u>	<u>56,048</u>
Debt Service:				
Principle	-	-	-	-
Interest	-	-	-	-
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>16,210,563</u>	<u>16,506,263</u>	<u>13,638,153</u>	<u>2,868,110</u>
Excess (Deficiency) of Revenue over Expenditures	<u>1,409,787</u>	<u>1,114,087</u>	<u>8,010,474</u>	<u>6,896,387</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(1,055,000)	(1,105,000)	(1,055,000)	50,000
Contingency	(486,317)	(140,617)	-	140,617
Total Other Financing Sources (Uses)	<u>(1,541,317)</u>	<u>(1,245,617)</u>	<u>(1,055,000)</u>	<u>190,617</u>
Net Change in Fund Balance	(131,530)	(131,530)	6,955,474	7,087,004
Fund Balance, July 1	<u>12,256,670</u>	<u>12,256,670</u>	<u>11,104,529</u>	<u>(1,152,141)</u>
Fund Balance, June 30	<u>\$ 12,125,140</u>	<u>\$ 12,125,140</u>	<u>\$ 18,060,003</u>	<u>\$ 5,934,863</u>

STOREY COUNTY, NEVADA
ROADS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Intergovernmental				
Gasoline tax	\$ 400,000	\$ 400,000	\$ 282,315	\$ (117,685)
Supplemental CCRT	500,000	500,000	626,583	126,583
Charges for services				
Import tonnage fees	250,000	250,000	217,143	(32,857)
Excavation	1,200	1,200	2,496	1,296
Other revenue				
Interest	-	-	(6,463)	(6,463)
Equipment sales	-	-	-	-
Miscellaneous	1,000	1,000	21,412	20,412
Total Revenue	<u>1,152,200</u>	<u>1,152,200</u>	<u>1,143,486</u>	<u>(8,714)</u>
<u>EXPENDITURES</u>				
Highways and Streets				
Salaries and wages	282,880	292,880	296,804	(3,924)
Employee benefits	117,494	160,294	164,749	(4,455)
Services and supplies	301,750	248,950	219,366	29,584
Capital outlay	1,164,000	1,164,000	919,845	244,155
Total Expenditures	<u>1,866,124</u>	<u>1,866,124</u>	<u>1,600,764</u>	<u>265,360</u>
Excess (Deficiency) of Revenues over Expenditures	(713,924)	(713,924)	(457,278)	256,646
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Fund Balance, July 1	<u>407,103</u>	<u>407,103</u>	<u>930,746</u>	<u>523,643</u>
Fund Balance, June 30	<u>\$ 93,179</u>	<u>\$ 93,179</u>	<u>\$ 873,468</u>	<u>\$ 780,289</u>

STOREY COUNTY, NEVADA
474 FIRE PROTECTION DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Taxes				
Property	\$ 4,120,000	\$ 4,120,000	\$ 3,866,679	\$ (253,321)
Intergovernmental revenues				
Supplemental CCRT	1,300,000	1,300,000	1,681,882	381,882
Charges for services				
Fire/ambulance fees	350,000	350,000	382,232	32,232
Inspection fees	348,000	348,000	-	(348,000)
Other fees-Tesla	-	-	156,235	156,235
Special events	-	-	-	-
Other revenue				
Interest income			(20,253)	
Miscellaneous - other	-	-	287,242	287,242
Total Revenues	<u>6,118,000</u>	<u>6,118,000</u>	<u>6,354,017</u>	<u>256,270</u>
<u>EXPENDITURES</u>				
Public Safety				
Salaries and wages	3,353,830	3,353,830	3,238,370	115,460
Employee benefits	1,709,380	1,709,380	1,622,366	87,014
Services and supplies	703,781	703,781	615,503	88,278
Capital outlay	15,142	15,142	10,476	4,666
Contingency	-	-	-	-
Total Expenditures	<u>5,782,133</u>	<u>5,782,133</u>	<u>5,486,715</u>	<u>295,418</u>
Excess (Deficiency) of Revenue over Expenditures	335,867	335,867	867,302	551,688
OTHER FINANCING SOURCES (USES)				
Contingency	(173,464)	(143,464)	33,071	176,535
Transfers	(425,140)	(425,140)	(284,640)	140,500
Total Other Financing Sources (Uses)	<u>(598,604)</u>	<u>(568,604)</u>	<u>(251,569)</u>	<u>317,035</u>
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(262,737)	(232,737)	615,733	868,723
Fund Balance, July 1	<u>277,410</u>	<u>277,410</u>	<u>1,098,632</u>	<u>821,222</u>
Fund Balance, June 30	<u>\$ 14,673</u>	<u>\$ 44,673</u>	<u>\$ 1,714,365</u>	<u>\$ 1,689,945</u>

**STOREY COUNTY, NEVADA
 TRI PAYBACK FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUES</u>			
Intergovernmental			
474 Fire District	\$ 142,000	\$ -	\$ 142,000
<u>EXPENDITURES</u>			
General Government			
Tri Payback	2,500,000	194,909	2,305,091
Excess (Deficiency) of Revenue over Expenditures	(2,358,000)	(194,909)	(2,163,091)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	613,000	755,000	(142,000)
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(1,745,000)	560,091	(2,305,091)
Fund Balance, July 1	2,409,850	3,594,263	1,184,413
Fund Balance, June 30	\$ 664,850	\$ 4,154,354	\$ 3,489,504

STOREY COUNTY, NEVADA
 USDA BOND FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUES</u>			
Intergovernmental			
Grants	\$ -	\$ -	\$ -
Bonds	-	-	-
Miscellaneous revenue	250,861	250,860	(1)
Total revenues	250,861	250,860	(1)
<u>EXPENDITURES</u>			
Public safety			
Capital outlay	-	-	-
Excess (Deficiency) of Revenue over Expenditures	250,861	250,860	(1)
<u>OTHER FINANCING SOURCES (USES)</u>			
Bond proceeds			
Debt service	(209,932)	(209,921)	(11)
Interest	(183,569)	(183,569)	-
Transfer in	142,640	142,640	-
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	-	10	10
Fund Balance, July 1	29,697	29,697	-
Fund Balance, June 30	\$ 29,697	\$ 29,707	\$ 10

**STOREY COUNTY, NEVADA
VIRGINIA CITY TOURISM COMMISSION FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
REVENUES				
Licenses and permits				
Licenses - permits	\$ 43,000	\$ 43,000	\$ 47,277	\$ 4,277
Intergovernmental				
Grant revenue	33,500	33,500	53,500	20,000
State licenses	2,500	2,500	2,613	113
Room tax	350,000	350,000	297,384	(52,616)
Tourism tax	405,000	405,000	797,569	392,569
Charges for services				
Special events	422,700	422,700	322,115	(100,585)
CAP service charge (net)	170,000	170,000	123,954	(46,046)
Miscellaneous				
Interest	600	600	(3,198)	(3,798)
Contributions	5,000	5,000	4,844	(156)
Miscellaneous	134,700	134,700	96,269	(38,431)
	<u>1,567,000</u>	<u>1,567,000</u>	<u>1,742,327</u>	<u>175,327</u>
EXPENDITURES				
General government				
Salaries and wages	284,454	302,454	295,533	6,921
Benefits	116,272	134,272	134,462	(190)
Services and supplies	1,123,000	1,087,000	876,603	210,397
Capital outlay	25,000	25,000	12,677	12,323
	<u>1,548,726</u>	<u>1,548,726</u>	<u>1,319,275</u>	<u>229,451</u>
Excess (Deficiency) of Revenues over Expenditures	18,274	18,274	423,052	404,778
Fund Balance, July 1	288,492	288,492	453,909	165,417
Fund Balance, June 30	<u>\$ 306,766</u>	<u>\$ 306,766</u>	<u>\$ 876,961</u>	<u>\$ 570,195</u>

**STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2020**

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER	VIRGINIA	TOTAL
	SYSTEM	DIVIDE SEWER	
ASSETS			
Current Assets			
Cash	\$ 1,843,268	\$ 71,217	\$ 1,914,485
Accounts receivable (net allowance)	64,043	37,062	101,105
Total Current Assets	<u>1,907,311</u>	<u>108,279</u>	<u>2,015,590</u>
Noncurrent Assets			
Capital assets - net of accumulated depreciation	<u>6,179,622</u>	<u>18,633,565</u>	<u>24,813,187</u>
Total Assets	<u>\$ 8,086,933</u>	<u>\$ 18,741,844</u>	<u>\$ 26,828,777</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows-pension	<u>\$ 73,288</u>	<u>\$ 41,225</u>	<u>\$ 114,513</u>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 25,314	\$ 31,266	\$ 56,580
Refundable deposits	5,645	-	5,645
Due to general fund	2,126,000	-	2,126,000
Bonds payable - current portion	-	130,750	130,750
Accrued expenses	<u>19,607</u>	<u>9,435</u>	<u>29,042</u>
Total Current Liabilities	<u>2,176,566</u>	<u>171,451</u>	<u>2,348,017</u>
Long Term Liabilities			
Bonds payable - net of current portion	-	6,419,598	6,419,598
Net pension liability	<u>362,451</u>	<u>203,906</u>	<u>566,357</u>
Total Long Term Liabilities	<u>362,451</u>	<u>6,623,504</u>	<u>6,985,955</u>
Total Liabilities	<u>2,539,017</u>	<u>6,794,955</u>	<u>9,333,972</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows-pension	<u>\$ 69,164</u>	<u>\$ 38,904</u>	<u>\$ 108,068</u>
NET POSITION			
Restricted reserve	131,966	118,884	250,850
Reserved - short lived assets replacement	-	56,271	56,271
Invested in capital assets - net of related debt	6,179,622	12,083,217	18,262,839
Unassigned	<u>(759,548)</u>	<u>(309,162)</u>	<u>(1,068,710)</u>
Total Net Position	<u>\$ 5,552,040</u>	<u>\$ 11,949,210</u>	<u>\$ 17,501,250</u>

**STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER SYSTEM	VIRGINIA DIVIDE SEWER	TOTAL
OPERATING REVENUES			
Charges for services	\$ 558,274	\$ 400,412	\$ 958,686
OPERATING EXPENSES			
Salaries and wages	183,275	82,101	265,376
Benefits	85,937	38,848	124,785
Services and supplies	147,946	93,258	241,204
Capital outlay	120,304	-	120,304
Depreciation	97,807	478,716	576,523
Total Operating Expense	<u>635,269</u>	<u>692,923</u>	<u>1,328,192</u>
Operating Income (Loss)	<u>(76,995)</u>	<u>(292,511)</u>	<u>(369,506)</u>
NONOPERATING REVENUES (EXPENSES)			
Rent and miscellaneous	5,800	-	5,800
Interest income	26,627	109,050	135,677
Interest expense	-	(122,768)	(122,768)
Miscellaneous	875	-	875
Transfers from capital projects funds	-	-	-
Grants and capital contributions	9,350	-	9,350
Total Nonoperating Revenues (Expenses)	<u>42,652</u>	<u>(13,718)</u>	<u>28,934</u>
Change in net position	(34,343)	(306,229)	(340,572)
Net Position, July 1	<u>5,586,383</u>	<u>12,255,439</u>	<u>17,841,822</u>
Net Position, June 30	<u>\$ 5,552,040</u>	<u>\$ 11,949,210</u>	<u>\$ 17,501,250</u>

**STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER SYSTEM	VIRGINIA DIVIDE SEWER	TOTAL
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Inflows			
Sales of water/sewer fees	\$ 552,893	\$ 396,175	\$ 949,068
Miscellaneous income	875	-	875
Cash Outflows			
Salaries and wages	(179,966)	(80,628)	(260,594)
Benefits	(85,233)	(38,353)	(123,586)
Services and supplies	(153,560)	(70,783)	(224,343)
	135,009	206,411	341,420
Net Cash Provided (Used) by Operating Activities			
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Cash Inflows			
Rent	5,800	-	5,800
Customer deposits	(20,280)	-	(20,280)
Capital outlay	(277,523)	(211,039)	(488,562)
	(292,003)	(211,039)	(503,042)
Net Cash Provided (Used) by Non-Capital Financing Activities			
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Cash Inflows			
Other Revenue	-	-	-
Capital contributions	9,350	-	9,350
Transfer from funds	-	-	-
Interfund loan	-	-	-
Cash Outflows			
Capital outlay and grant match	(120,304)	-	(248,386)
Debt service	-	(128,082)	(122,768)
Interest expense	-	(122,768)	-
	(110,954)	(250,850)	(361,804)
Net Cash Provided (Used) by Capital and Related Financing Activities			
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Cash Inflows			
Interest earnings	26,627	109,050	135,677
	(241,321)	(146,428)	(387,749)
Net Increase (Decrease) in Cash			
Cash, July 1	2,084,589	217,645	2,302,234
Cash, June 30	\$ 1,843,268	\$ 71,217	\$ 1,914,485

STOREY COUNTY, NEVADA
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2020

	<u>AGENCY FUNDS</u>
<u>ASSETS</u>	
Cash and cash equivalents	<u>\$ 2,076,663</u>
<u>LIABILITIES</u>	
Due to other governments	<u>\$ 2,076,663</u>
Net Assets	<u>\$ -</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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 supersedes 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 it can impose its will 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 provide 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.

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 Position and the Statement of Activities) 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.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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 XV.

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 a 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.

STOREY COUNTY, NEVADA
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As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's 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 non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating 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 is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds."

All trade receivables are shown net of an allowance for uncollectible. 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. The VCTC maintains an inventory of resale souvenir items which are presented at cost.

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

4. RESTRICTED ASSETS AND RESERVED FUNDS

At June 30, 2020, the County had the following restricted fund balances: a) 474 Fire Protection District Fund - \$142,640; b) Virginia Divide Sewer Improvement District - \$118,884; and c) Water System Fund - \$131,966.

STOREY COUNTY, NEVADA
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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 \$2,500 (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 or normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

<u>Asset</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 ABSENCE

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 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 non-vesting 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

STOREY COUNTY, NEVADA
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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 total accrued hours of three hundred sixty (360) or more, the Employee shall be paid for unused sick leave at the following rate:

- a. 10 to 15 years of service shall be paid at a rate of 20% of their base rate of pay for each hour, not to exceed \$2,500 cash or \$3,125 toward the purchase of PERS.
- b. 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.
- c. 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.

7. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports an amount related to pensions on the government-wide financial statements.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County reports amounts related to pensions on the government wide financial statement. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. 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.

9. NET POSITION

In the government-wide and proprietary fund financial statements, net position is reported as net investment in capital assets, restricted, or unrestricted. Net position is reported as restricted when constraints placed on it are either imposed by external parties (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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10. FUND BALANCE

Fund balances of the governmental funds are classified in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as follows:

Nonspendable fund balances include items that cannot be spent, such as amounts that are not in a spendable form (for example, inventories and prepaid items) and amounts that are legally or contractually required to remain intact, such as a permanent fund principal balance.

Restricted fund balances have constraints placed upon the use of the resources either by external parties (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

Committed fund balances can be used only for specific purposes pursuant to constraints imposed by an ordinance of the County Commission, which is the County's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

11. ESTIMATES

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. Accordingly, these estimates may require revision in future periods. Significant estimates include compensated absences, pension and other postemployment benefits, collectability of receivables, and useful lives of capital assets.

II. 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 for the fiscal years 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.

STOREY COUNTY, NEVADA
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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, 2020
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, 2020, expenditures exceeded appropriations as follows:

	Expenditures	Appropriations
Justice Court Special Revenue Fund	\$ 19,310	\$ 19,000
Emergency Mitigation Special Revenue Fund	54,339	50,000
Virginia Divide Sewer Improvement District	692,923	267,907

C. 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 earnings of the funds.

Storey County has \$393,490 restricted and reserved in all funds.

STOREY COUNTY, NEVADA
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III. CASH AND INVESTMENTS

In accordance with Nevada Revised Statutes (NRS), the County's cash is deposited with insured banks and those deposits that are not within the limits of insurance must be secured by collateral. At year end, the County's carrying amount of deposits was \$4,413,377 and the bank balance was \$4,493,638. The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected in the bank records

Custodial Risk- All deposits are subject to custodial credit risk, which is the risk that the County's deposits may not be returned to it in the event of a bank failure. Bank balances were covered by Federal Depository Insurance, the Securities Investor Protection Corporation, collateral held by the County's agent in the County's name or by collateral held by depositories in the name of the Nevada Collateral Pool, and were not exposed to custodial credit risk. The County does not have a formal policy relating to custodial credit risk, but follows NRS. According to NRS 356.020, all monies deposited by a county treasurer that are not within the limits of insurance provided by an instrumentality of the United States must be secured by collateral composed of the same types of securities allowed for investments which are identified below. The County participates in the State of Nevada Collateral Pool which requires depositories to maintain as collateral acceptable securities having a fair market value of at least 102 percent of the amount of the uninsured balances of the public money held by the depository. Under NRS 356.360, the State Treasurer manages and monitors all collateral for all public monies deposited by members of the pool.

Interest Rate Risk- Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. As noted above, the County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in the statute. The County restricts notes, bonds, and other unconditional obligations at the time of purchase to have a remaining term to maturity of not more than 10 years as described by Nevada state law.

Credit Risk- NRS allows investments in obligations of the U.S. Treasury and U.S. agencies, municipal bonds issued by local governments of the State, corporate bonds rated "A" or better by a nationally recognized rating service, commercial paper rated "A-1," "P-1" or better by a nationally recognized rating service, repurchase agreements, certificates of deposit, money market mutual funds rated "AAA" by a nationally recognized rating service or other securities in which banking institutions may legally invest.

At June 30, 2020, the County's investments are rated as follows

	<u>Reported</u> <u>Fair Value</u>	<u>Quality</u> <u>Rating</u>
Money Market Mutual Fund	\$ 11,429,967	AAA
Certificates of Deposit	250,246	AA-
Certificates of Deposit	247,940	A-1+
Certificates of Deposit	852,907	A+
Certificates of Deposit	250,665	A
Certificates of Deposit	253,771	A-
Certificates of Deposit-fdic guaranteed	17,658,267	Unrated
U.S. Agency Securities	1,038,197	AAA
Corporate Bonds	251,253	AA+
Corporate Bonds	150,747	AA-
Corporate Bonds	917,303	A+
Corporate Bonds	1,719,590	A
State of Nevada Local Investment Pool	<u>2,467,411</u>	Unrated
	<u>\$ 37,488,264</u>	

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

- Level 1- Inputs are quoted prices in active markets for identical assets
- Level 2- Inputs are significant other observable inputs
- Level 3- Inputs are significant unobservable inputs

The County does not have any investments that are measured using Level 3 inputs

STOREY COUNTY, NEVADA
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Cash and investments are categorized by fund type as follows:

Governmental funds	\$	37,910,493
Proprietary funds		1,914,485
Fiduciary funds		<u>2,076,663</u>
	<u>\$</u>	<u>41,901,641</u>

As of June 30, 2020, the County had the following recurring fair value measurements below:

<u>Investment Type</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>	
		<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>
Money Market Mutual Fund	\$ 11,429,967	\$ 11,429,967	\$ -
Certificates of Deposit	19,513,796	19,513,796	-
U.S. Agency Securities	1,038,197	1,038,197	-
Corporate Bonds	<u>3,038,893</u>	<u>-</u>	<u>3,038,893</u>
Total investments by fair value level	<u>\$ 35,020,853</u>	<u>\$ 31,981,960</u>	<u>\$ 3,038,893</u>

Investments not required to be measured at fair value

State of Nevada Local Investment Pool	<u>2,467,411</u>
Total Investments	<u>\$ 37,488,264</u>

At year end the County had the following investments and maturities

<u>Investment Type</u>	<u>Total</u>	<u>Investment Maturities in Years</u>	
		<u>Less Than 1</u>	<u>1-5</u>
Money Market Mutual Fund	\$ 11,429,967	\$ 11,429,967	\$ -
Certificates of Deposit	19,513,796	4,154,247	15,359,549
U.S. Agency Securities	1,038,197		1,038,197
Corporate Bonds	3,038,893	519,709	2,519,184
State of Nevada Local Investment Pool	<u>2,467,411</u>	<u>2,467,411</u>	<u>-</u>
Total Investments	37,488,264	<u>\$ 18,571,334</u>	<u>\$ 18,916,930</u>
Total cash and cash equivalents	<u>4,413,377</u>		
Total cash, cash equivalents and investmen	<u>\$ 41,901,641</u>		

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

IV. RECEIVABLES

Receivables as of year-end for the government's 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>USDA</u>	<u>VCTC</u>	<u>Non-Major Funds</u>	<u>Proprietary Funds</u>	<u>Total</u>
Receivables:								
Taxes	\$ 346,356	\$ -	\$ 106,181	\$ -	\$ -	\$ 11,693	\$ -	\$ 464,230
Accounts	<u>413,638</u>	<u>157,960</u>	<u>318,539</u>	<u>-</u>	<u>219,939</u>	<u>219,939</u>	<u>101,105</u>	<u>1,431,120</u>
Gross Receivables	<u>759,994</u>	<u>157,960</u>	<u>424,720</u>	<u>-</u>	<u>219,939</u>	<u>231,632</u>	<u>101,105</u>	<u>1,895,350</u>

The delinquent taxes receivable account represents the past three years of uncollected tax levies. No allowance for uncollectible 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 uncollectible 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:

General Fund-Delinquent property taxes receivable:	\$ 85,138
454 Fire District Fund-Delinquent property taxes receivable:	26,098
454 Fire District Fund-Ambulance receivable	59,727
Non-major funds-Delinquent property taxes receivable:	<u>2,871</u>
Total	<u>\$ 173,834</u>

V. INTER-FUND ASSETS/LIABILITIES

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due or, (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The following are transfers that meet one of the three descriptions above:

<u>From</u>	<u>To</u>	
General Fund	Roads Fund	\$ 400,000
General Fund	TRI Payback	600,000
General Fund	Emergency Mitigation	55,000
Fire District 474	USDA	142,640
Equipment Acquisition	TRI Payback	13,000
Fire District 474	TRI Payback	<u>142,000</u>
		<u>\$ 1,352,640</u>

STOREY COUNTY, NEVADA
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 JUNE 30, 2020

V. INTER-FUND ASSETS/LIABILITIES

During the prior year a interfund loan was made. The general fund loaned money to the Water Systems Fund. This transfer was made for expenses related to the new water pipeline. The county has applied and been granted a USDA loan to finance these expenses. Once the USDA loan is funded the Water System Fund will repay the funds to the general fund. This is anticipated to occur within one year.

The balance at June 30, 2020

To	From	Amount
General Fund	Water Systems	2,126,000

VI. PROPERTY TAXES

Property taxes attach as an enforceable lien as of July 1. The tax is levied for the fiscal year beginning July 1 after the Nevada

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.

VII. CONTINGENT LIABILITIES

The County is involved in various lawsuits. There was one lawsuit that required a contingent Liability to be recorded for the year ended 6/30/20. The liability was probable and could be reasonably estimated.

The liability involved a dispute concerning the collective bargaining agreement between the County's Fire Protection District and the Storey County Fire Fighters' Association IAFF Local 4227. This matter is still open, but the County believes it probable they will have to pay \$165,000 to settle the dispute. A Liability for this amount has been established for this amount.

The County receives grant funds from Federal and State agencies. The grant programs are subject to audit by agents of the granting authority. The purpose of the audits is to ensure compliance with conditions precedent to the granting of the funds. Management does not anticipate any liability in the event of an audit.

VIII. 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 employees; 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 Ingalls and Associates for its general insurance coverage through PENCO. 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 \$500,000 for Property and Crime and \$150,000 for 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.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

IX. CAPITAL ASSETS (INCLUDING VCTC FUND)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Primary Government				
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 810,921	\$ -	\$ -	\$ 810,921
Antique Furniture	75,000	-	-	75,000
Construction in progress	<u>1,355,489</u>	<u>437,919</u>	<u>741,768</u>	<u>1,051,640</u>
Total Capital Assets not being depreciated	<u>2,241,410</u>	<u>437,919</u>	<u>741,768</u>	<u>1,937,561</u>
Capital Assets being depreciated				
Buildings	10,726,905	2,033,407	-	12,760,312
Improvements other than buildings	49,296,124	1,255,649	-	50,551,773
Machinery and equipment	<u>16,155,568</u>	<u>674,417</u>	<u>-</u>	<u>16,829,985</u>
Total Capital Assets being depreciated	<u>76,178,597</u>	<u>3,963,473</u>	<u>-</u>	<u>80,142,070</u>
Less accumulated depreciation for:				
Buildings	3,252,578	215,972	-	3,468,550
Improvements other than buildings	11,321,125	1,400,618	-	12,721,743
Machinery and equipment	<u>8,641,731</u>	<u>1,031,999</u>	<u>-</u>	<u>9,673,730</u>
Total accumulated depreciation	<u>23,215,434</u>	<u>2,648,589</u>	<u>-</u>	<u>25,864,023</u>
Governmental activities capital assets - net	<u>\$ 55,204,573</u>	<u>\$ 1,752,803</u>	<u>\$ 741,768</u>	<u>\$ 56,215,608</u>
Business type activities				
Capital Assets not being depreciated				
Construction in progress	<u>\$ 14,793,135</u>	<u>\$ 356,735</u>	<u>\$ (13,359,559)</u>	<u>\$ 1,790,311</u>
Capital assets being depreciated				
Water and sewer system	13,090,422	13,488,199	-	26,578,621
Machinery and equipment	<u>723,799</u>	<u>3,188</u>	<u>-</u>	<u>726,987</u>
Total Capital assets being depreciated	<u>13,814,221</u>	<u>13,491,387</u>	<u>-</u>	<u>27,305,608</u>
Less accumulated depreciation for:				
Water and sewer systems	3,087,311	556,560	-	3,643,871
Machinery and equipment	<u>618,898</u>	<u>19,964</u>	<u>-</u>	<u>638,862</u>
Total accumulated depreciation	<u>3,706,209</u>	<u>576,524</u>	<u>-</u>	<u>4,282,733</u>
Business type activities capital assets - net	<u>\$ 24,901,147</u>	<u>\$ 13,271,598</u>	<u>\$ (13,359,559)</u>	<u>\$ 24,813,186</u>

STOREY COUNTY, NEVADA
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Depreciation expense was charged to functions programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,618,587
Public safety	699,631
Highways and streets, including depreciation of general infrastructure assets	230,304
Judicial	1,325
Community support	74,456
Culture and recreation	24,286
Total depreciation expense - Governmental activities	<u>\$ 2,648,589</u>
Business type activities:	
Water	\$ 97,808
Sewer	478,716
Total depreciation expense - Business type activities	<u>\$ 576,524</u>

X. LONG-TERM OBLIGATIONS

The following is a summary of the Long-Term Obligations of the County:

	<u>Date</u> <u>Issue</u>	<u>Maturity</u> <u>Date</u>	<u>Original</u> <u>Note/issue</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>6/30/2020</u>
<u>Revenue Bonds</u>					
<u>Governmental</u>					
Virginia City Rail Bond-Series 2010A	12/28/2010	12/1/2027	\$ 890,000	8.000%	\$ 501,000
Virginia City Rail Bond-Series 2010B	12/28/2010	12/1/2027	859,000	5.000%	495,000
Storey County Fire District USDA Loan	1/8/2015	7/8/2034	2,000,000	3.750%	1,569,960
			<u>\$ 3,749,000</u>		<u>\$ 2,565,960</u>
<u>Business Type Activities</u>					
Sewer Revenue Bonds	5/20/2015	5/12/2055	3,002,000	2.500%	2,765,228
Sewer Revenue Bonds	12/20/2016	12/20/2056	4,058,000	1.375%	3,785,120
			<u>\$ 7,060,000</u>		<u>\$ 6,550,348</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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The following represents the current activity in the Long-Term Obligations of the County:

	<u>Balance</u> <u>6/30/2019</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance</u> <u>6/30/2020</u>	<u>Principle</u> <u>Due 20-21</u>
<u>Revenue Bonds</u>					
Governmental					
Virginia City Rail Bond-Series 2010A	\$ 552,000	\$ -	\$ 51,000	\$ 501,000	\$ 53,000
Virginia City Rail Bond-Series 2010B	544,000	-	49,000	495,000	52,000
Storey County Fire District USDA Loan	1,651,799	-	81,839	1,569,960	84,952
	<u>\$ 2,747,799</u>	<u>\$ -</u>	<u>\$ 181,839</u>	<u>\$ 2,565,960</u>	<u>\$ 189,952</u>
<u>Business Type Activities</u>					
Sewer Revenue Bonds	\$ 2,814,125	\$ -	\$ 48,897	\$ 2,765,228	\$ 50,325
Sewer Revenue Bonds	3,864,305	-	79,185	3,785,120	80,425
	<u>\$ 6,678,430</u>	<u>\$ -</u>	<u>\$ 128,082</u>	<u>\$ 6,550,348</u>	<u>\$ 130,750</u>
<u>Long-Term Liabilities</u>					
Compensated Absences	\$ 753,925	\$ 25,168	\$ -	\$ 779,093	\$ -
TRI-Construction repayment	41,037,256	-	194,909	40,842,347	-
	<u>\$ 41,791,181</u>	<u>\$ 25,168</u>	<u>\$ 194,909</u>	<u>\$ 41,621,440</u>	<u>\$ -</u>

The annual requirements to amortize the outstanding revenue bonds are as follows:

Year Ended <u>June 30</u>	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 189,952	\$ 119,098	\$ 130,750	\$ 120,100
2022	198,183	108,857	133,135	117,715
2023	206,536	98,169	135,568	115,282
2024	216,017	87,003	137,741	113,109
2025	225,631	75,314	140,575	110,275
2026-2030	970,356	202,429	742,366	511,885
2031-2035	559,285	48,476	813,738	440,513
2036-2040	-	-	892,479	361,772
2040-2044	-	-	980,027	274,224
2045-2049	-	-	1,076,749	177,502
2050-2054	-	-	1,171,210	73,133
2055-2059	-	-	196,010	1,941
Total	<u>\$ 2,565,960</u>	<u>\$ 739,346</u>	<u>\$ 6,550,348</u>	<u>\$ 2,417,451</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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X1. SEGMENT INFORMATION – PROPRIETARY FUNDS

Summary information for the Proprietary funds is presented below:

	<u>Water Fund</u>	<u>Virginia Divide Sewer Fund</u>
CONDENSED STATEMENT OF NET ASSETS		
ASSETS		
Current assets	\$ 1,907,311	\$ 108,279
Capital assets (net accumulated depreciation)	6,179,622	18,633,565
Total Assets	<u>8,086,933</u>	<u>18,741,844</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows-pension	<u>73,288</u>	<u>41,225</u>
LIABILITIES		
Current liabilities	2,176,566	171,451
Non-current liabilities	362,451	6,623,504
Total Liabilities	<u>2,539,017</u>	<u>6,794,955</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows-pension	<u>69,164</u>	<u>38,904</u>
NET POSITION		
Restricted reserve	131,966	118,884
Reserved - Short lived asset replacement	-	56,271
Invested in capital assets - net of related debt	6,179,622	12,083,217
Unrestricted	(759,548)	(309,162)
Total Net Position	<u>\$ 5,552,040</u>	<u>\$ 11,949,210</u>
CONDENSED STATEMENT OF REVENUES AND EXPENSES		
Operating revenue	\$ 558,274	\$ 400,412
Depreciation	(97,807)	(478,716)
Other operating expenses	(537,462)	(214,207)
Operating income (loss)	<u>(76,995)</u>	<u>(292,511)</u>
Non-operating revenues (expenses)		
Rent and miscellaneous	5,800	-
Interest income	26,627	109,050
Interest expense	-	(122,768)
Miscellaneous	875	-
Transfers from capital projects funds	62,806	210,097
Grants and capital contributions	9,350	-
Change in net assets	<u>\$ 28,463</u>	<u>\$ (96,132)</u>
CONDENSED STATEMENTS OF CASH FLOWS		
Net cash provided (used) by		
Operating activities	\$ 135,009	\$ 206,411
Non-capital financing activities	(292,003)	(211,039)
Capital and related financing activities	(110,954)	(250,850)
Investing Activities	26,627	109,050
Net increase (decrease) in cash	(241,321)	(146,428)
Cash - beginning	<u>2,084,589</u>	<u>217,645</u>
Cash - ending	<u>\$ 1,843,268</u>	<u>\$ 71,217</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

XII. DEFINED BENEFITS PLAN

General Information about the Pension Plan

Plan Description: All permanent, full-time employees are provided pensions through the Public Employees Retirement Plan (PERS). The plan is a multiple-employer defined benefit pension plan administered by the Public Employees' Retirement System of Nevada. Chapter 286 of the Nevada Revised Statutes (NRS) establishes a governing board, appointed by the Governor, that is responsible for managing the System, including arranging for a biennial actuarial valuation and adoption of actuarial tables and formulas prepared and recommended by the actuary.

Benefits Provided: Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly Benefit allowances for members are computed at 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by the authority of NRS 286.575-.579

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, or at any age with thirty years of service.

Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, at age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Contributions : The authority for establishing and amending the obligation to make contributions, and member contribution rates, is set by statute. The contribution rates are based on biennial actuarial valuations and expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. New hires in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan.

The County's contributions to the plan totaled \$1,553,718 for the year ended June 30, 2020

Pension Liabilities, Expense, and Deferred Outflows/ Inflows of Resources Related to Pensions

At June 30, 2020, the County reported a liability of \$20,642,316 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the plan's net pension liability was based on the County's combined employer and member contributions to the pension plan relative to the contributions of all participating entities for the year ended June 30, 2019. At June 30, 2019, the County's proportion share was .15138% in year 2019, while year 2018 was .14664%.

For the year ended June 30, 2020, the County recognized pension expense of \$1,607,750. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 595,402
Changes in assumptions or other inputs	840,057	-
Net difference between projected and actual earnings on pension plan investments	774,063	1,026,881
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	3,343,562	2,126,002
County contributions subsequent to the measurement date	1,553,718	-
	\$ 6,511,400	\$ 3,748,285

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$ 1,763,269
2022	(10,423,081)
2023	3,263,742
2024	4,043,002
2025	2,297,695
2026	<u>264,770</u>
	<u>\$ 1,209,397</u>

In addition, \$1,553,718 is reported as deferred outflows of resources related to pensions and represents County's contributions subsequent to the measurement date. The amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Actuarial Assumptions: When measuring the total pension liability, GASB uses the same actuarial cost method, all actuarial assumptions, and the same type of discount rate as PERS uses for funding.

The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation Rate	2.75%
Investment Rate of Return	7.5%
Productivity Pay Increases	0.5%
Projected Salary Increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.9%, depending on service Rates include inflation and productivity increases
Other Assumptions	Same as those used in the June 30, 2019 funding actuarial valuation

The Board evaluates and establishes expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these capital market expectations annually. The PERS' current long-term geometric expected real rates of return for each asset class included in the plan's investment portfolio as of June 30, 2019, are included in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Geometric Expected Real Rate of Return*</u>
Domestic Equity	42%	5.50%
International Equity	18%	5.5
Domestic Fixed Income	28%	.75
Private Markets	12%	6.65

*As of June 30, 2019, PERS' long-term inflation assumption was 2.75%.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Discount Rate : The discount rate used to measure the total pension liability was 7.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts

consistent with statutory provisions and recognizing the plan’s current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that project contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate : The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
\$ 31,692,128	\$ 20,642,316	\$ 11,232,680

Additional Information : Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Comprehensive Annual Financial Report (CAFR) available on the PERS website at www.nvpers.org under Quick Links – Publications.

XIII. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

The County recognizes two different health programs for retirees. Retirees had the option to participate in the County's regular health insurance plan or to join the Nevada Public Employees' Benefits Plan (PEBP). Each plan includes medical, dental and vision benefits for the retiree and the ability for the retiree to cover their spouse at their own cost. The legislature eliminated the option to join PEBP for County employees who retire after November 29, 2008.

Retirees may choose to stay on the County's regular health insurance plan. The retiree is required to pay the full amount of their coverage. However, the coverage rates are the same regardless of age, so the County contributes an implicit subsidy for retirees. The County renegotiates their health insurance plan on a regular basis, and may make plan modifications on rates or coverages accordingly

The County contributes to PEBP, an agent multiple employer defined healthcare plan. PEBP is administered by State and established pursuant to NRS 287.023. This plan is subject to amendment by the State of Nevada each biennium when the legislature is in session. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Storey County's total OPEB liability of \$20,049,118 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	4.00%
Discount rate	3.51%

The discount rate was based on the applicable municipal bond index

Mortality rates were based on MacLeod Watts Scale 2018

Changes in Total OPEB Liability

	PEBP	County	Total
Balance 6/30/19	\$ 457,534	\$ 15,991,963	\$ 16,449,497
Changes for the year			
Service Cost	-	1,837,336	\$ 1,837,336
Interest	17,177	686,144	\$ 703,321
Changes of benefit terms	-	-	\$ -
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	18,090	1,267,154	\$ 1,285,244
Benefit Payments	(27,345)	(198,935)	\$ (226,280)
Net changes	\$ 7,922	\$ 3,591,699	\$ 3,599,621
Balance 6/30/20	\$ 465,456	\$ 19,583,662	\$ 20,049,118

Sensitivity of the County's Proportionate Share of the OPEB Liability to Changes in the Discount Rate: The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.51%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.51%) or 1 percentage point higher (4.51%) than the current rate:

	1% Decrease (2.51%)	Discount Rate (3.51%)	1% Increase (4.51%)
Net OPEB liability	\$ 24,315,151	\$ 20,049,118	\$ 16,748,116

Sensitivity of the County's Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate:

	1% Decrease	Discount Rate Current Trend	1% Increase
Net OPEB liability	\$ 16,309,154	\$ 20,049,118	\$ 25,035,742

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

For the year ended June 30, 2020, the County recognized OPEB expense of \$1,923,892. At June 30, 2020 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 1,148,284	\$ 2,648,677
Difference between expected and actual experience	-	3,659,262
Deferred contributions	<u>305,190</u>	<u>-</u>
Total	<u>\$ 1,453,474</u>	<u>\$ 6,307,939</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows

2021	\$ (634,855)
2022	(634,855)
2023	(634,855)
2024	(634,855)
2025	(634,855)
Thereafter	<u>(1,985,380)</u>
	<u>\$ (5,159,655)</u>

XIV. RELATED PARTY

The County utilizes a marketing and public relations company, RAD Strategies, whose sole owner is married to the Director of Tourism. Safe guards have been put in to make sure the transactions are transparent. The VCTC board continues to hear and approve the payments in its annual budget. All monthly retainers fees and sent directly to the County Manager for approval before payment.

During the year ended June 30, 2020 the County paid the RAD Strategies \$93,361.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

XV. TAHOE-RENO INDUSTRIAL CENTER

On February 2, 2000, Storey County, Nevada entered into a development agreement with the 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 \$194,909 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 licenses, permits, inspection fees, and real property transfer taxes.

As of June 30, 2020 the County is awaiting the final version of the most recent audit performed on the revenues attributed to TRI. The county anticipates making a payment on the loan once the audit is finalized

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

XVI. 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% 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% of the next \$2.5 billion on new capital investment in this State made 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 application is submitted and in an amount that equals the amount of the property taxes that would otherwise be owed by each participant 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 a 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 with 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 fees 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 license 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. See separate schedule relating to additional tax abatements.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

XVII. DEFERRED INFLOW OF RESOURCES

The following schedule summarizes deferred revenues at June 30, 2020:

General Fund:	
Ad Valorem taxes receivable	\$ <u>85,138</u>
474 Fire Protection Fund:	
Ad Valorem taxes receivable	\$ <u>26,098</u>
Ambulance receivable	\$ <u>59,727</u>
Equipment Acquisition Fund:	
Ad Valorem taxes receivable	\$ <u>2,395</u>
Indigent Medical Fund:	
Ad Valorem taxes receivable	\$ <u>476</u>

STOREY COUNTY, NEVADA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020

XIV. TAX ABATEMENTS

Storey County has agreements with businesses within the Industrial Park for property tax, sales tax, plan review and permit fee abatement agreements. These agreements range from 5 years to 20 years depending on the individual abatement. The following is a list of those abatements.

State of Nevada Governor's Office on Economic Development (GOED)

Chapter 271B of the Nevada Revised Statutes created an Economic Diversification District for which Storey County is a participant. Tesla filed as a Lead participant within the Statue and was granted full abatements on Property Tax for 10 years and Sales and Use Tax for 20 years. The effect of this abatement is as follows:

PERSONAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$34,363,278	100%	\$34,363,278

REAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$181,581,894	100%	\$6,284,005

PLAN REVIEW AND PERMIT FEES

<u>FEES CHARGED</u>	<u>AMOUNT PAID</u>	<u>TOTAL ABATEMENT</u>
\$82,446	\$82,446	\$0

Tesla and Switch are granted full abatements for Sales and Use Tax. The Department of Taxation does not specify abatements by property

SALES AND USE TAX

<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$22,782,988	100%	\$22,782,988

In addition, GOED has permitted several companies to abate a certain portion of their personal and Real

PERSONAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$7,650,062	41%	\$4,531,319

REAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$314,762	50%	\$158,388

Nevada Governor's Office of Energy (GOE)

The GOE administers the green building tax abatement program based on criteria set forth in the LEED of Green Globes rating system and certification from the U.S. Green Building Council. This abatement is as

LEED ABATEMENTS

PRE-ABATEMENT

<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$1,073,393	16%	\$199,438

**STOREY COUNTY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	SPECIAL REVENUE						
	EQUIPMENT ACQUISITION	JUSTICE COURT	DRUG COURT	INDIGENT MEDICAL	PARK TAX	MUTUAL AID	EMERGENCY MITIGATION
ASSETS							
Cash	\$ 2,845,764	\$ 204,365	\$ 80	\$ 541,927	\$ 123,759	\$ 1,332,583	\$ 44,678
Property taxes receivable	4,311	-	-	7,382	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Total Assets	\$ 2,850,075	\$ 204,365	\$ 80	\$ 549,309	\$ 123,759	\$ 1,332,583	\$ 44,678
LIABILITIES							
Accounts payable	\$ -	\$ 122,396	\$ 50	\$ 20,042	\$ 39,833	\$ 3,344	\$ 13,484
Unearned revenue	-	-	-	-	-	-	-
Total Liabilities	\$ -	\$ 122,396	\$ 50	\$ 20,042	\$ 39,833	\$ 3,344	\$ 13,484
DEFERRED INFLOWS OF RESOURCES							
Unavailable resources property taxes	\$ 2,395	\$ -	\$ -	\$ 476	\$ -	\$ -	\$ -
FUND BALANCE							
Nonspendable	-	-	-	-	-	-	-
Unassigned	2,847,680	81,969	30	528,791	83,926	1,329,239	31,194
Total Fund Balance	2,847,680	81,969	30	528,791	83,926	1,329,239	31,194
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,850,075	\$ 204,365	\$ 80	\$ 549,309	\$ 123,759	\$ 1,332,583	\$ 44,678

**STOREY COUNTY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

SPECIAL REVENUE

	INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY	STABILATION FUND	GENERIC MARKER TESTING FUND	PIPER'S OPERA HOUSE
ASSETS							
Cash	\$ 22,416	\$ 226,520	\$ 119,625	207,141	\$ 1,000,000	\$ 63,463	\$ 47,899
Property taxes receivable	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Total Assets	\$ 22,416	\$ 226,520	\$ 119,625	\$ 207,141	\$ 1,000,000	\$ 63,463	\$ 47,899
LIABILITIES							
Accounts payable	\$ -	\$ 4,227	\$ -	\$ -	\$ -	\$ 408	4,474
Unearned revenue	-	-	-	-	-	-	9,790
Total Liabilities	-	4,227	-	-	-	408	14,264
DEFERRED INFLOWS OF RESOURCES							
Unavailable resources property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCE							
Nonspendable	-	-	-	-	-	-	-
Unassigned	22,416	222,293	119,625	207,141	1,000,000	63,055	33,635
Total Fund Balance	22,416	222,293	119,625	207,141	1,000,000	63,055	33,635
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,416	\$ 226,520	\$ 119,625	\$ 207,141	\$ 1,000,000	\$ 63,463	\$ 47,899

**STOREY COUNTY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	<u>CAPITAL PROJECTS</u>				<u>TOTAL</u>
	<u>CAPITAL PROJECTS</u>	<u>INFRASTRUCTURE FUND</u>	<u>VIRGINIA CITY RAIL PROJECT</u>	<u>FIRE CAP PROJECTS</u>	
<u>ASSETS</u>					
Cash	\$ 3,381,651	\$ 2,443,065	\$ 386,303	\$ 568,530	\$ 13,559,769
Property taxes receivable	-	-	-	-	11,693
Accounts receivable	-	219,939	-	-	219,939
Prepaid expenses	-	-	-	-	-
 Total Assets	 <u>\$ 3,381,651</u>	 <u>\$ 2,663,004</u>	 <u>\$ 386,303</u>	 <u>\$ 568,530</u>	 <u>\$ 13,791,401</u>
<u>LIABILITIES</u>					
Accounts payable	\$ 19,430	-	-	-	\$ 227,688
Unearned revenue	-	-	-	-	9,790
Total Liabilities	<u>\$ 19,430</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,478</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable resources property taxes	\$ -	-	-	-	\$ 2,871
 <u>FUND BALANCE</u>					
Nonspendable	-	-	-	-	-
Unassigned	3,362,221	2,663,004	386,303	568,530	13,551,052
 Total Fund Balance	 <u>3,362,221</u>	 <u>2,663,004</u>	 <u>386,303</u>	 <u>568,530</u>	 <u>13,551,052</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 3,381,651</u>	 <u>\$ 2,663,004</u>	 <u>\$ 386,303</u>	 <u>\$ 568,530</u>	 <u>\$ 13,791,401</u>

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	SPECIAL REVENUE						
	EQUIPMENT ACQUISITION	JUSTICE COURT	DRUG COURT	INDIGENT MEDICAL	PARK TAX	MUTUAL AID	
REVENUE							
Taxes	\$ 349,563	\$ -	\$ -	\$ 76,562	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	2,500	-	-
Fine and forfeitures	-	37,598	480	-	-	-	-
Other revenues	12,303	-	-	-	689	93,832	41,225
Total Revenues	<u>361,866</u>	<u>37,598</u>	<u>480</u>	<u>76,562</u>	<u>3,189</u>	<u>93,832</u>	<u>41,225</u>
EXPENDITURES							
Current							-
General government	230,306	-	-	-	-	-	-
Public safety	-	-	-	-	-	41,952	54,339
Judicial	-	19,310	500	-	-	-	-
Culture and recreation	-	-	-	-	51,618	-	-
Welfare	-	-	-	41,237	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Total Expenditures	<u>230,306</u>	<u>19,310</u>	<u>500</u>	<u>41,237</u>	<u>51,618</u>	<u>41,952</u>	<u>54,339</u>
Excess (deficiency) of revenues over expenditures	131,560	18,288	(20)	35,325	(48,429)	51,880	(13,114)
OTHER FINANCIAL SOURCES (USES)							
Transfers	(13,000)	-	-	-	-	-	55,000
Transfers to proprietary funds	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(13,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,000</u>
Excess (deficiency) of revenue and other Financing Sources (Uses) over Expenditures	118,560	18,288	(20)	35,325	(48,429)	51,880	41,886
Fund Balance, July 1	<u>2,729,120</u>	<u>63,681</u>	<u>50</u>	<u>493,466</u>	<u>132,355</u>	<u>1,277,359</u>	<u>(10,692)</u>
Fund Balance, June 30	<u>\$ 2,847,680</u>	<u>\$ 81,969</u>	<u>\$ 30</u>	<u>\$ 528,791</u>	<u>\$ 83,926</u>	<u>\$ 1,329,239</u>	<u>\$ 31,194</u>

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

SPECIAL REVENUE

	INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY	STABILATION FUND	GENERIC MARKER TESTING FUND	PIPER'S OPERA HOUSE
REVENUE							
Taxes	\$ 104,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	75,672	-	-	-	9,500
Charges for services	-	135,715	-	-	-	-	82,345
Fine and forfeitures	-	-	-	-	-	10,860	-
Other revenues	-	353	-	-	-	-	18,321
Total Revenues	<u>104,616</u>	<u>136,068</u>	<u>75,672</u>	<u>-</u>	<u>-</u>	<u>10,860</u>	<u>110,166</u>
EXPENDITURES							
Current							
General government	-	91,164	-	-	-	-	153,650
Public safety	-	-	66,121	-	-	-	-
Judicial	-	-	-	-	-	5,245	-
Culture and recreation	-	-	-	-	-	-	-
Welfare	87,554	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Total Expenditures	<u>87,554</u>	<u>91,164</u>	<u>66,121</u>	<u>-</u>	<u>-</u>	<u>5,245</u>	<u>153,650</u>
Excess (deficiency) of revenues over expenditures	17,062	44,904	9,551	-	-	5,615	(43,484)
OTHER FINANCIAL SOURCES (USES)							
Transfers	-	-	-	-	-	-	-
Transfers to proprietary funds	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue and other financing Sources (Uses) over Expenditures	17,062	44,904	9,551	-	-	5,615	(43,484)
Fund Balance, July 1	<u>5,354</u>	<u>177,389</u>	<u>110,074</u>	<u>207,141</u>	<u>1,000,000</u>	<u>57,440</u>	<u>77,119</u>
Fund Balance, June 30	<u>\$ 22,416</u>	<u>\$ 222,293</u>	<u>\$ 119,625</u>	<u>\$ 207,141</u>	<u>\$ 1,000,000</u>	<u>\$ 63,055</u>	<u>\$ 33,635</u>

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	CAPITAL PROJECTS				TOTAL
	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	FIRE CAP PROJECTS	
REVENUE					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 530,741
Intergovernmental	-	797,570	-	-	882,742
Charges for services	-	-	-	-	220,560
Fine and forfeitures	-	-	-	-	48,938
Other revenues	117,165	-	-	-	283,888
Total Revenues	<u>117,165</u>	<u>797,570</u>	<u>-</u>	<u>-</u>	<u>1,966,869</u>
EXPENDITURES					
Current					
General government	2,484,206	-	-	-	2,959,326
Public safety	-	-	-	28,875	191,287
Judicial	-	-	-	-	25,055
Culture and recreation	-	-	-	-	51,618
Welfare	-	-	-	-	128,791
Intergovernmental	-	-	-	-	-
Total Expenditures	<u>2,484,206</u>	<u>-</u>	<u>-</u>	<u>28,875</u>	<u>3,356,077</u>
Excess (deficiency) of revenues over expenditures	(2,367,041)	797,570	-	(28,875)	(1,389,208)
OTHER FINANCIAL SOURCES (USES)					
Transfers	-	-	-	-	42,000
Transfers to proprietary funds	-	-	-	-	-
Debt service	-	-	(168,095)	-	(168,095)
Bond proceeds	-	-	9,350	-	9,350
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(158,745)</u>	<u>-</u>	<u>(116,745)</u>
Excess (deficiency) of revenue and other financing Sources (Uses) over Expenditures	(2,367,041)	797,570	(158,745)	(28,875)	(1,505,953)
Fund Balance, July 1	<u>5,729,262</u>	<u>1,865,434</u>	<u>545,048</u>	<u>597,405</u>	<u>15,057,005</u>
Fund Balance, June 30	<u>\$ 3,362,221</u>	<u>\$ 2,663,004</u>	<u>\$ 386,303</u>	<u>\$ 568,530</u>	<u>\$ 13,551,052</u>

STOREY COUNTY, NEVADA
EQUIPMENT ACQUISITION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes			
Property taxes	\$ 302,000	\$ 349,563	\$ 47,563
Other revenues			
Interest	10,000	12,303	2,303
Total Revenues	<u>312,000</u>	<u>361,866</u>	<u>49,866</u>
 <u>EXPENDITURES</u>			
General government			
Capital outlay	412,540	230,306	182,234
Total Expenditures	<u>412,540</u>	<u>230,306</u>	<u>182,234</u>
 Excess (Deficiency) of Revenues over Expenditures	<u>(100,540)</u>	<u>131,560</u>	<u>232,100</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfer out - Tri Payback	<u>(13,000)</u>	<u>(13,000)</u>	<u>-</u>
 Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	<u>(113,540)</u>	<u>118,560</u>	<u>232,100</u>
 Fund Balance, July 1	<u>401,247</u>	<u>2,729,120</u>	<u>2,327,873</u>
 Fund Balance, June 30	<u>\$ 287,707</u>	<u>\$ 2,847,680</u>	<u>\$ 2,559,973</u>

STOREY COUNTY, NEVADA
JUSTICE COURT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Fines				
Justice court fines	\$ 46,000	\$ 46,000	\$ 37,598	\$ (8,402)
<u>EXPENDITURES</u>				
Judicial				
Services and supplies	4,500	19,300	18,961	339
Capital outlay	-	-	349	(349)
Total Expenditures	<u>4,500</u>	<u>19,300</u>	<u>19,310</u>	<u>(10)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>41,500</u>	<u>26,700</u>	<u>18,288</u>	<u>(8,412)</u>
Fund Balance, July 1	<u>32,571</u>	<u>32,571</u>	<u>63,681</u>	<u>31,110</u>
Fund Balance, June 30	<u>\$ 74,071</u>	<u>\$ 59,271</u>	<u>\$ 81,969</u>	<u>\$ 22,698</u>

STOREY COUNTY, NEVADA
DRUG COURT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Fines and forfeits			
Drug court fees	\$ 600	\$ 480	\$ (120)
 <u>EXPENDITURES</u>			
Judicial			
Services and supplies	600	500	100
Excess (Deficiency) of Revenues over Expenditures	-	(20)	(20)
Fund Balance, July 1	30	50	20
Fund Balance, June 30	\$ 30	\$ 30	\$ -

STOREY COUNTY, NEVADA
INDIGENT MEDICAL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes			
Property taxes	\$ 60,000	\$ 76,562	\$ 16,562
 <u>EXPENDITURES</u>			
Welfare			
Services and supplies	<u>200,000</u>	<u>41,237</u>	<u>158,763</u>
 Excess (Deficiency) of Revenues over Expenditures	<u>(140,000)</u>	<u>35,325</u>	<u>175,325</u>
 Fund Balance, July 1	<u>337,798</u>	<u>493,466</u>	<u>155,668</u>
 Fund Balance, June 30	<u>\$ 197,798</u>	<u>\$ 528,791</u>	<u>\$ 330,993</u>

STOREY COUNTY, NEVADA
PARK TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUE</u>	<u>ORIGINAL AND FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE TO FINAL BUDGET</u>
Charges for services			
Park fees	\$ 6,500	\$ 2,500	\$ (4,000)
Other revenues			
Interest	-	689	689
Total Revenues	<u>6,500</u>	<u>3,189</u>	<u>(3,311)</u>
<u>EXPENDITURES</u>			
Culture and recreation			
Services and supplies	<u>116,000</u>	<u>51,618</u>	<u>64,382</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(109,500)</u>	<u>(48,429)</u>	<u>61,071</u>
Fund Balance, July 1	<u>132,131</u>	<u>132,355</u>	<u>224</u>
Fund Balance, June 30	<u>\$ 22,631</u>	<u>\$ 83,926</u>	<u>\$ 61,295</u>

STOREY COUNTY, NEVADA
MUTUAL AID SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETE AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Other revenues			
Fire suppression	\$ 500,000	\$ 93,832	\$ (406,168)
Total Revenues	<u>500,000</u>	<u>93,832</u>	<u>(406,168)</u>
<u>EXPENDITURES</u>			
Public safety			
Salaries and wages	195,000	16,046	178,954
Benefits	38,500	3,324	35,176
Services and supplies	176,500	22,582	153,918
Capital outlay	<u>90,000</u>	<u>-</u>	<u>90,000</u>
Total Expenditures	<u>500,000</u>	<u>41,952</u>	<u>458,048</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>51,880</u>	<u>51,880</u>
Fund Balance, July 1	<u>896,737</u>	<u>1,277,359</u>	<u>380,622</u>
Fund Balance, June 30	<u>\$ 896,737</u>	<u>\$ 1,329,239</u>	<u>\$ 432,502</u>

STOREY COUNTY, NEVADA
EMERGENCY MITIGATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Claims for reimbursement	\$ 40,000	\$ 105,000	\$ 41,225	\$ (63,775)
<u>EXPENDITURES</u>				
Public Safety				
Services and supplies	-	50,000	54,339	(4,339)
Excess (Deficiency) of Revenues over Expenditures	40,000	55,000	(13,114)	(68,114)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	55,000	55,000	55,000	-
Excess(Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	95,000	110,000	41,886	(68,114)
Fund Balance, July 1	(91,391)	(91,391)	(10,692)	80,699
Fund Balance, June 30	\$ 3,609	\$ 18,609	\$ 31,194	\$ 12,585

STOREY COUNTY, NEVADA
INDIGENT ACCIDENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUE</u>	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes				
Property taxes	\$ 89,000	\$ 98,500	\$ 104,616	\$ 6,116
<u>EXPENDITURES</u>				
Welfare				
Services and supplies	80,000	89,500	87,554	1,946
Excess (Deficiency) of Revenues over Expenditures	9,000	9,000	17,062	8,062
Fund Balance, July 1	12,353	12,353	5,354	(6,999)
Fund Balance, June 30	<u>\$ 21,353</u>	<u>\$ 21,353</u>	<u>\$ 22,416</u>	<u>\$ 1,063</u>

**STOREY COUNTY, NEVADA
 TECHNOLOGY SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020**

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Charges for services			
Technology fees	\$ 67,100	\$ 135,715	\$ 68,615
Other revenues			
Interest income	3,000	353	(2,647)
Total Revenues	<u>70,100</u>	<u>136,068</u>	<u>65,968</u>
<u>EXPENDITURES</u>			
General government			
Services and supplies	<u>95,000</u>	<u>91,164</u>	<u>3,836</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(24,900)</u>	<u>44,904</u>	<u>69,804</u>
Fund Balance, July 1	<u>123,927</u>	<u>177,389</u>	<u>53,462</u>
Fund Balance, June 30	<u>\$ 99,027</u>	<u>\$ 222,293</u>	<u>\$ 123,266</u>

STOREY COUNTY, NEVADA
FEDERAL/STATE GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Intergovernmental			
Federal grants	\$ -	\$ 27,748	\$ 27,748
State grants	93,000	47,924	(45,076)
Total Revenues	<u>93,000</u>	<u>75,672</u>	<u>(17,328)</u>
<u>EXPENDITURES</u>			
Culture and recreation			
Services and supplies	-	-	-
Public safety			
Salaries and wages	-	-	-
Employee benefits	-	-	-
Services and supplies	93,000	66,121	26,879
Intergovernmental - State			
Services and supplies	-	-	-
Total Expenditures	<u>93,000</u>	<u>66,121</u>	<u>26,879</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>9,551</u>	<u>9,551</u>
Fund Balance, July 1	<u>84,584</u>	<u>110,074</u>	<u>25,490</u>
Fund Balance, June 30	<u>\$ 84,584</u>	<u>\$ 119,625</u>	<u>\$ 35,041</u>

STOREY COUNTY, NEVADA
FIRE EMERGENCY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Charges for services	\$ 205,000	\$ -	\$ -
<u>EXPENDITURES</u>			
Public Safety			
Services and supplies	205,000	-	205,000
Excess (Deficiency) of Revenues over Expenditures	-	-	-
Fund Balance, July 1	207,141	207,141	-
Fund Balance, June 30	\$ 207,141	\$ 207,141	\$ -

STOREY COUNTY, NEVADA
STABILIZATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
None	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>			
Capital outlay	500,000	-	500,000
Excess (Deficiency) of Revenues over Expenditures	(500,000)	-	500,000
Fund Balance, July 1	1,000,000	1,000,000	-
Fund Balance, June 30	<u>\$ 500,000</u>	<u>\$ 1,000,000</u>	<u>\$ 500,000</u>

STOREY COUNTY, NEVADA
GENETIC MARKER TESTING SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Fines and forfeitures	\$ 11,000	\$ 10,860	\$ (140)
<u>EXPENDITURES</u>			
Judicial			
Services and supplies	10,000	5,245	4,755
Excess (Deficiency) of Revenues over Expenditures	1,000	5,615	4,615
Fund Balance, July 1	48,287	57,440	9,153
Fund Balance, June 30	\$ 49,287	\$ 63,055	\$ 13,768

**STOREY COUNTY, NEVADA
PIPER'S OPERA HOUSE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020**

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Intergovernmental			
State grants	\$ 40,000	\$ 9,500	\$ (30,500)
Charges for services			
Cap ticket sales	124,000	82,345	(41,655)
Other revenues			
Contributions	5000	-	(5,000)
Rents	25,000	18,321	(6,679)
Merchandise sales	2,000	-	(2,000)
Total Revenues	<u>196,000</u>	<u>110,166</u>	<u>(85,834)</u>
 <u>EXPENDITURES</u>			
General government			
Salaries and wages	97,467	60,658	36,809
Employee benefits	45,517	25,396	20,121
Services and supplies	102,300	67,596	34,704
Capital outlay	10,000	-	10,000
Total Expenditures	<u>255,284</u>	<u>153,650</u>	<u>101,634</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(59,284)</u>	<u>(43,484)</u>	<u>15,800</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	-	-	-
Excess(Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(59,284)	(43,484)	(15,800)
Fund Balance, July 1	<u>101,890</u>	<u>77,119</u>	<u>(24,771)</u>
Fund Balance, June 30	<u>\$ 42,606</u>	<u>\$ 33,635</u>	<u>\$ (8,971)</u>

**STOREY COUNTY, NEVADA
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Capital outlay reimbursement	\$ 93,000	\$ 93,000	\$ 117,165	\$ 24,165
Other	-	-	-	-
Total revenue	<u>93,000</u>	<u>93,000</u>	<u>117,165</u>	<u>24,165</u>
<u>EXPENDITURES</u>				
General Government				
Capital outlay	1,000,000	3,000,000	2,484,206	515,794
Debt service	-	-	-	-
Interest expense	-	-	-	-
Total Expenditures	<u>1,000,000</u>	<u>3,000,000</u>	<u>2,484,206</u>	<u>515,794</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(907,000)</u>	<u>(2,907,000)</u>	<u>(2,367,041)</u>	<u>(491,629)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers to proprietary funds	-	-	-	-
Infrastructure capital projects fund	-	-	-	-
Roads fund	-	-	-	-
General government - Other	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	<u>(907,000)</u>	<u>(2,907,000)</u>	<u>(2,367,041)</u>	<u>539,959</u>
Fund Balance, July 1	<u>5,729,262</u>	<u>5,729,262</u>	<u>5,729,262</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4,822,262</u>	<u>\$ 2,822,262</u>	<u>\$ 3,362,221</u>	<u>\$ 539,959</u>

STOREY COUNTY, NEVADA
INFRASTRUCTURE CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Intergovernmental			
1/4% Optional sales tax	\$ 425,000	\$ 797,570	\$ 372,570
Other revenues			
Interest income	-	-	3,801
Total Revenues	<u>425,000</u>	<u>797,570</u>	<u>88,200</u>
<u>EXPENDITURES</u>			
General government			
Capital outlay	<u>1,000,001</u>	-	<u>1,000,001</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(575,001)</u>	<u>797,570</u>	<u>1,372,571</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers to Capital projects funds	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	<u>(575,001)</u>	<u>797,570</u>	<u>1,372,571</u>
Fund Balance, July 1	<u>1,614,515</u>	<u>1,865,434</u>	<u>250,919</u>
Fund Balance, June 30	<u>\$ 1,039,514</u>	<u>\$ 2,663,004</u>	<u>\$ 1,623,490</u>

STOREY COUNTY, NEVADA
VIRGINIA CITY RAIL CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
None	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>			
Culture and Recreation			
Capital outlay	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	-
<u>OTHER FINANCING SOURCES (USES)</u>			
Bond proceeds	20,000	9,350	10,650
Debt service			
Principal	(100,000)	(100,000)	-
Interest	(71,000)	(68,095)	(2,905)
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(151,000)	(158,745)	7,745
Fund Balance, July 1	536,972	545,048	8,076
Fund Balance, June 30	\$ 385,972	\$ 386,303	\$ 331

STOREY COUNTY, NEVADA
FIRE CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
None	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>				
Capital outlay	-	30,000	28,875	1,125
Excess (Deficiency) of Revenues over Expenditures	-	(30,000)	(28,875)	1,125
Fund Balance, July 1	177,409	177,409	597,405	419,996
Fund Balance, June 30	<u>\$ 177,409</u>	<u>\$ 147,409</u>	<u>\$ 568,530</u>	<u>\$ 421,121</u>

**STOREY COUNTY, NEVADA
WATER SYSTEM ENTERPRISE FUND
STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>OPERATING REVENUES</u>				
Sales of water	\$ 617,000	\$ 617,000	\$ 558,274	\$ (58,726)
<u>OPERATING EXPENSES</u>				
Salaries and wages	141,752	182,752	183,275	(523)
Benefits	85,011	85,011	85,937	(926)
Services and supplies	351,750	351,750	147,946	203,804
Capital outlay	16,320	16,320	120,304	(103,984)
Depreciation	-	-	97,807	(97,807)
Total operating expenses	<u>594,833</u>	<u>635,833</u>	<u>635,269</u>	<u>564</u>
Operating income (loss)	<u>22,167</u>	<u>(18,833)</u>	<u>(76,995)</u>	<u>(58,162)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>				
Interest earnings	10,000	10,000	26,627	16,627
Rents	-	-	5,800	5,800
Interest Expense	(29,232)	(9,232)	-	9,232
Miscellaneous	-	-	875	875
Transfer from capital projects fund	-	-	-	-
Grants and capital contributions	-	-	9,350	9,350
Net Income (loss)	<u>\$ 2,935</u>	<u>\$ (18,065)</u>	<u>\$ (34,343)</u>	<u>\$ (16,278)</u>

**STOREY COUNTY, NEVADA
WATER SYSTEM ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Cash In flows				
Sales of water	\$ 500,000	\$ 500,000	\$ 552,893	\$ 52,893
Miscellaneous income	-	-	875	875
Cash Out flows				
Salaries and wages	(141,752)	(100,752)	(179,966)	(79,214)
Benefits	(85,011)	(85,011)	(85,233)	(222)
Services and supplies	(351,750)	(351,750)	(153,560)	198,190
Net Cash Provided by Operating Activities	<u>(78,513)</u>	<u>(37,513)</u>	<u>135,009</u>	<u>172,522</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>				
Cash In flows				
Rent	10,000	10,000	5,800	(4,200)
Capital outlay	-	-	(277,523)	(277,523)
Customer deposits	-	-	(20,280)	(20,280)
Net Cash Provided by Non Capital Financing Activities	<u>10,000</u>	<u>10,000</u>	<u>(292,003)</u>	<u>(302,003)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u>				
Cash In flows				
Capital contributed	-	-	9,350	9,350
Interfund loan	-	-	-	-
Transfer from funds	-	-	-	-
Cash Out flows				
Capital outlay	(16,320)	(16,320)	(120,304)	(103,984)
Debt service	-	21,000	-	(21,000)
Interest expense	(29,232)	(9,232)	-	9,232
Net Cash (Used) by Capital Related Activities	<u>(45,552)</u>	<u>(4,552)</u>	<u>(110,954)</u>	<u>(106,402)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest earnings	-	-	26,627	26,627
Net Increase (Decrease) in Cash	<u>(114,065)</u>	<u>(32,065)</u>	<u>(241,321)</u>	<u>(209,256)</u>
Cash, July 1	<u>1,041,059</u>	<u>926,994</u>	<u>2,084,589</u>	<u>1,157,595</u>
Cash, June 30	<u>\$ 926,994</u>	<u>\$ 894,929</u>	<u>\$ 1,843,268</u>	<u>\$ 948,339</u>

STOREY COUNTY, NEVADA
VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND
STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>OPERATING REVENUES</u>			
Sales of water	\$ 396,000	\$ 400,412	\$ 4,412
<u>OPERATING EXPENSES</u>			
Salaries and wages	83,191	82,101	1,090
Benefits	67,266	38,848	28,418
Services and supplies	92,450	93,258	(808)
Capital Outlay	25,000	-	25,000
Depreciation	-	478,716	(478,716)
Total operating expenses	<u>267,907</u>	<u>692,923</u>	<u>(425,016)</u>
Operating income (loss)	<u>128,093</u>	<u>(292,511)</u>	<u>(420,604)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Interest income	-	109,050	109,050
Interest expense	(122,769)	(122,768)	1
Transfer from capital projects	-	-	-
Transfer to USDA	-	-	-
Grants and contributions	-	-	-
Capital outlay	-	-	-
Other income	-	-	-
Net Income (loss)	<u>\$ 5,324</u>	<u>\$ (306,229)</u>	<u>\$ (311,553)</u>

STOREY COUNTY, NEVADA
VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash In flows			
Sewer Fees	\$ 396,000	\$ 396,175	\$ 175
Cash Out flows			
Salaries and wages	(83,191)	(80,628)	2,563
Benefits	(67,266)	(38,353)	28,913
Services and supplies	(92,450)	(70,783)	21,667
Net Cash Provided by Operating Activities	<u>153,093</u>	<u>206,411</u>	<u>53,318</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Cash Out flows			
Capital outlay	(40,000)	(211,039)	(171,039)
Net Cash (Used) by Non Capital Financing Activities	<u>(40,000)</u>	<u>(211,039)</u>	<u>(171,039)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u>			
Cash In flows			
Other income			
Capital contributed	-	-	-
Transfer from funds	-	-	-
Cash Out flows			
Debt service	(250,861)	(128,082)	122,779
Interest expense	-	(122,768)	(122,768)
Net Cash (Used) by Capital Related Activities	<u>(250,861)</u>	<u>(250,850)</u>	<u>11</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Transfers from general		-	-
Interest earnings	-	109,050	109,050
Net Cash Provided by Capital Related Activities	<u>-</u>	<u>109,050</u>	<u>109,050</u>
Net Increase (Decrease) in Cash	(137,768)	(146,428)	(8,660)
Cash, July 1	<u>210,905</u>	<u>217,645</u>	<u>6,740</u>
Cash, June 30	<u>\$ 73,137</u>	<u>\$ 71,217</u>	<u>\$ (1,920)</u>

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	BALANCE JULY 1 2019	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2020
<u>STATE OF NEVADA FUND</u>				
Assets				
Cash	\$ 1,456,881	\$ 2,274,840	\$ 1,965,196	\$ 1,766,525
Liabilities				
Due Other Governments	\$ 1,456,881	\$ 2,274,840	\$ 1,965,196	\$ 1,766,525
<u>STOREY COUNTY SCHOOL DISTRICT</u>				
Assets				
Cash	\$ 94,991	\$ 5,294,138	\$ 5,388,398	\$ 731
Liabilities				
Due Other Governments	\$ 94,991	\$ 5,294,138	\$ 5,388,398	\$ 731
<u>STOREY COUNTY SCHOOL DISTRICT DEBT SERVICE</u>				
Assets				
Cash	\$ 18,328	\$ 1,038,121	\$ 751,784	\$ 304,665
Liabilities				
Due Other Governments	\$ 18,328	\$ 1,038,121	\$ 751,784	\$ 304,665
<u>DISTRICT ATTORNEY RESTITUTION FUND</u>				
Assets				
Cash	\$ 3,066	\$ 8,642	\$ 6,966	\$ 4,742
Liabilities				
Due Other Governments	\$ 3,066	\$ 8,642	\$ 6,966	\$ 4,742
<u>TOTAL - ALL FUNDS</u>				
Assets				
Cash	\$ 1,573,266	\$ 8,615,741	\$ 8,112,344	\$ 2,076,663
Liabilities				
Due Other Governments	\$ 1,573,266	\$ 8,615,741	\$ 8,112,344	\$ 2,076,663

STOREY COUNTY, NEVADA
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2020

	2018	2019	2020
Total OPEB liability			
Service cost	\$ 2,020,652	\$ 1,753,249	\$ 1,837,336
Interest	586,141	711,366	703,321
Changes of benefit terms	-	1,281,228	-
Differences between expected and actual experience	-	(4,548,724)	-
Changes of assumptions or other inputs	(2,542,189)	(1,038,960)	1,285,244
Benefit payments	<u>(208,173)</u>	<u>(214,872)</u>	<u>(226,280)</u>
Net change in total OPEB liability	\$ (143,569)	\$ (2,056,713)	\$ 3,599,621
Total OPEB liability-beginning	<u>\$ 18,649,779</u>	<u>\$ 18,506,210</u>	<u>\$ 16,449,497</u>
Total OPEB liability-ending	<u>\$ 18,506,210</u>	<u>\$ 16,449,497</u>	<u>\$ 20,049,118</u>
Covered-employee payroll	\$ 9,590,509	\$ 9,394,062	\$ 9,894,669
Total OPEB liability as a percentage of covered-employee payroll	192.96%	175.11%	202.63%

GASB Statement No. 75 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.

STOREY COUNTY, NEVADA
SCHEDULE OF COUNTY'S SHARE OF NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
JUNE 30, 2020

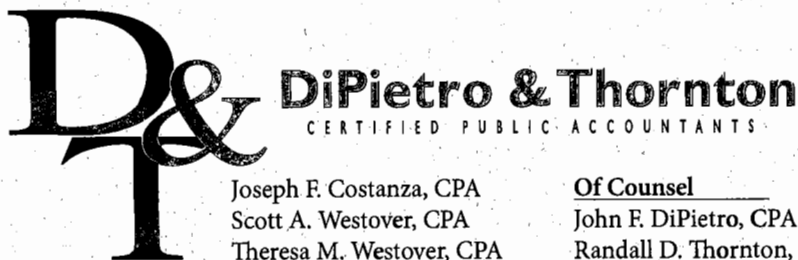
	2019	2018	2017	2016	2015	2014
County's portion of the net pension liability	0.151%	0.147%	0.145%	0.145%	0.132%	0.129%
County's proportionate share of the net pension liability	\$ 20,642,316	\$ 19,998,860	\$ 20,601,898	\$ 19,511,455	\$ 15,126,431	\$ 16,929,912
County's covered-employee payroll	\$ 8,676,437	\$ 7,947,637	\$ 8,207,871	\$ 7,299,918	\$ 6,354,233	\$ 6,040,606
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	237.91%	251.63%	251.00%	267.28%	238.05%	280.27%
Plan fiduciary net position as a percentage of the total net pension liability	76.46%	75.24%	74.40%	72.20%	75.10%	76.30%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.

STOREY COUNTY, NEVADA
SCHEDULE OF COUNTY'S CONTRIBUTIONS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
JUNE 30, 2020

	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 1,553,718	\$ 1,568,057	\$ 1,360,192	\$ 1,390,646	\$ 1,229,299	\$ 1,018,739
Contributions in relation to the statutorily required contribution	\$ (1,553,718)	\$ (1,568,057)	\$ (1,360,192)	\$ (1,390,646)	\$ (1,229,299)	\$ (1,018,739)
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 8,824,757	\$ 8,676,437	\$ 7,947,637	\$ 8,207,871	\$ 7,299,918	\$ 6,354,233
Contributions as a percentage of covered-employee payroll	17.61%	18.07%	17.11%	16.94%	16.84%	16.03%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.



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

To the Honorable Board of Commissioners
Storey County, Nevada

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Storey County's basic financial statements and have issued our report thereon dated November 30, 2020.

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 appropriated 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 the 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 over financial reporting 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. We consider the deficiencies described in 2020-A and 2020-B to be material weaknesses. We consider the deficiency described in 2020-C to be significant deficiency.

Compliance and Other Matters

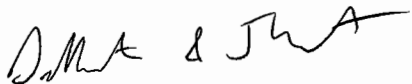
As part of obtaining reasonable assurance about whether Storey County, Nevada's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and 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 that are required to be reported under Government Auditing Standards.

Storey County's Response to Findings

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

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.

A handwritten signature in black ink, appearing to be "D. M. A. & J. W. A.", written in a cursive style.

Reno, Nevada
November 30, 2020

STOREY COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2020

2020-A F Financial Close and Reporting-Audit Adjustments

Material Weakness

Criteria	Management of Storey County is responsible for establishing, and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system, of internal control is to have a monthly closing of the books that includes reconciliation of receivables, payables, and accrued expenses.
Condition	Receivables, Payables and accrued expenses were not updated on the books until year end during the audit
Cause	Storey County did not have adequate controls in place to ensure the correct amounts were appropriately reflected in the financial statements. The County did not have policies in place to close the books on a monthly basis.
Effect	This causes monthly financial statements to be inaccurate until year end. Also this year it was noted that many errors caused during the set up of the new software system were not caught until year end. This caused a delay in getting the audit done.
Recommendation	We recommend that the County put in procedures to close the books each month on a timely basis
Views of Responsible Officials	Management agrees with this finding

STOREY COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2020

2020-B Report Preparation
Material Weakness

Criteria	Management of Storey County is responsible for establishing, and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system, of internal control is to provide the finance staff with adequate resources available to prepare the financial, statements in accordance with generally accepted accounting principles.
Condition	In the process of completing our audit, we were requested to draft the financial statements, assist with the conversion of fund financial statements to government-wide statements, and prepare the accompanying notes, to the financial statements.
Cause	Given the daily responsibilities of management,, the resources of time, and, training necessary to prepare the County's financial statements in accordance with generally accepted accounting principles are not available. As a result the County has chosen to contract with Dipietro and Thornton to prepare the financial statements. This circumstance is not unusual in an organization of this size; due to time constraints of management and costs associated with compliance of the standards. However, management has not implemented sufficient procedures to capture the necessary information needed for the financial, statements and related disclosures to be prepared in all material respects.
Effect	The County's financial records required audit adjustments in order for the financial statements to be in, accordance with GAAP. Internally prepared financial information may not be accurate and full disclosure financial statements may not be available as timely as they would be if prepared by County personnel.
Recommendation	We recommend County staff continue to obtain training in the preparation of the financial statements and related financial statement disclosures in order to gain the knowledge needed to prepare the financial statements and related financial statement disclosures in all material respects.
Views of Responsible Officials	Management agrees with this finding

STOREY COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2020

2020-C Report Preparation

Significant Deficiency

Criteria	Management of Storey County is responsible for establishing, and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system, of internal control is to have segregation of duties.
Condition	During the performance of our procedures, it was noted that several general journal entries were made during the year without backup in the Comptroller's office.
Cause	The County allowed the treasurer's office to approve and post entries without the Comptroller's approval
Effect	No material or immaterial misstatements were noted due to this condition, but we feel it does leave the statements open to being misstated.
Recommendation	We recommend that the Comptroller's office review and approve all entries before they post to the general ledger.
Views of Responsible Officials	Management agrees with this finding

STOREY COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2020

A Findings relating to The Financial Statements Reported in Accordance with GAGAS

1 2019-A

We recommend that the County put in procedures to close the books each month on a timely basis

This was not implemented and is included in the current year finding 2020-A

2 2019-B

We recommended County staff continue to obtain training in the preparation of the financial statements and related financial statement disclosures in order to gain the knowledge needed to prepare the financial statements and related financial statement disclosures in all material respects.

This was not implemented and is included in the current year finding 2020-A

3 2019-C

We recommended the County review the Accounts Receivables from ambulance service monthly and check for accuracy and collectibility

This was implemented in the current year



STOREY COUNTY COMPTROLLER'S OFFICE

Storey County Courthouse
10 South "B" Street ~ P.O. Box 432
Virginia City, Nevada 89440
Phone (775) 847-1133 Fax (775) 847-1151

Dipietro & Thornton
Attn: Joe Costanza
9550 Prototype Court
Ste 101
Reno, Nevada 89521

Mr. Costanza:

The following are my responses to your "Schedule of Findings and Responses".

2020-A Financial Close and Reporting-Audit Adjustments

I concur with your finding. Our office is currently reviewing policies and procedures to implement the closing of the books each quarter if not each month. With the limited staff in our office, closing all funds each month is impossible. Closing the books on the major funds each quarter is much more attainable and will grant us time to find and rectify errors in a timely manner. We will make a concerted effort to comply.

2020-B Report Preparation

We recognize that we are responsible for producing a yearly financial statement. Currently, we are in the process of implementing another module of Tyler for CAFR preparation. This will take some time to ensure the new process will create the level of financial statements Dipietro & Thornton have provided. Our plan for year ending 2021 is to continue to work with the Auditor while simultaneously developing our own CAFR for comparison.

2020-C Report Preparation

I agree with the Auditor's findings regarding the review of journal entries by the Comptroller. When this was brought to my attention as a possible inadequacy in our processes, we immediately remedied the concern. Originally, the Clerk/Treasurer was the approver for the journal entries prepared by her office. The new process includes the Clerk/Treasurer as well as the Comptroller as approvers of the journal entries for their office.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer McCain", is written over a horizontal line.

Jennifer McCain
Storey County Comptroller