

County of Nevada, California

Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2009



Bourn Cottage - Empire Mine State Historic Park
Grass Valley

Marcia L. Salter, Auditor-Controller



The photographs are of the Bourn Cottage located on the grounds of the Empire Mine State Historic Park in Grass Valley. The park encompasses the grounds of the mine founded in 1850, and mined through 1956.

Visit www.parks.ca.gov or www.empiremine.org for more information on hours and programs available.

Come and enjoy.

Photographs by Brittany Blake of Grass Valley. The photos are part of a collection from her Senior Project. Brittany is a 2009 graduate from Nevada Union High School.

COUNTY OF NEVADA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	i-vii
Government Finance Officers Association Certificate of Achievement	viii
County Officials	ix
Organizational Chart	x
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis (Required Supplementary Information - Unaudited)	2-17
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	18
Statement of Activities	19
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	20
Reconciliation of the Governmental Fund Balances to the Government-Wide Statement of Net Assets – Governmental Activities	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities	23
Proprietary Funds:	
Statement of Net Assets	24-25
Statement of Revenues, Expenses, and Changes in Net Assets	26
Statement of Cash Flows	27-28
Fiduciary Funds:	
Statement of Fiduciary Net Assets	29
Statement of Changes in Fiduciary Net Assets	30
Notes to Basic Financial Statements:	
1 Financial Reporting Entity and Summary of Significant Accounting Policies	31-40
2 Stewardship, Compliance, and Accountability	40-41
3 Detailed Notes	42-52
4 Employees' Retirement Plan	52-53
5 Post Employment Benefits Other Than Pensions	53-55
6 Risk Management	55-56
7 Other Information	56-57

COUNTY OF NEVADA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

	Page
Required Supplementary Information (Unaudited):	
Schedule of Funding Progress	58
Budgetary Comparison Schedule - Budgetary Basis - General Fund	59-61
Budgetary Comparison Schedule - Budgetary Basis - Road - Major Special Revenue Fund	62
Budgetary Comparison Schedule - Budgetary Basis - Community Development Agency - Major Special Revenue Fund	63
Budgetary Comparison Schedule - Budgetary Basis - Human Services Agency - Major Special Revenue Fund	64
Budgetary Comparison Schedule - Budgetary Basis - Health and Welfare Realignment - Major Special Revenue Fund	65
Notes to Required Supplementary Information	66-67
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	69
Special Revenue Funds:	
Combining Balance Sheet	70-71
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	72-73
Budgetary Comparison Schedules - Budgetary Basis:	
Fish and Game	74
Child Support Services	75
Recycled Oil Block Grant	76
Probation Fire Insurance Admin Grant	77
St/County Property Tax Admin Grant	78
Motor Vehicle License	79
Public Library	80
Inet Maintenance	81
Workers' Compensation	82
Nonmajor Human Services Agency	83
Administration	84
Community Development Agency	85
District Attorney	86
Probation	87
Recorder	88
Sheriff	89
Housing Authority	90
Special Districts Governed by the Board of Supervisors	91
Department of Transportation	92

COUNTY OF NEVADA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

	Page
Combining and Individual Fund Statements and Schedules (Continued):	
Nonmajor Governmental Funds (Continued):	
Budgetary Comparison Schedules - Budgetary Basis: (Continued)	
Housing and Community Services	93
Debt Service Funds:	
Combining Balance Sheet	94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	95
Budgetary Comparison Schedules - Budgetary Basis:	
Government Debt Service	96
Special Assessment Debt with County Commitment	97
Finance Authority	98
Nonmajor Proprietary Funds:	
Enterprise Funds	
Combining Statement of Net Assets	99
Combining Statement of Revenues, Expenses, and Changes in Net Assets	100
Combining Statement of Cash Flows	101
Internal Service Funds:	
Combining Statement of Net Assets	102
Combining Statement of Revenues, Expenses, and Changes in Net Assets	103
Combining Statement of Cash Flow	104
Fiduciary Funds:	
Trust Funds:	
Combining Statement of Fiduciary Net Assets - Investment Trust Funds	105
Combining Statement of Changes in Fiduciary Net Assets - Investment Trust Funds	106
Agency Funds:	
Combining Statement of Assets and Liabilities - Agency Funds	107
Combining Statement of Changes in Assets and Liabilities - Agency Funds	108

COUNTY OF NEVADA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009

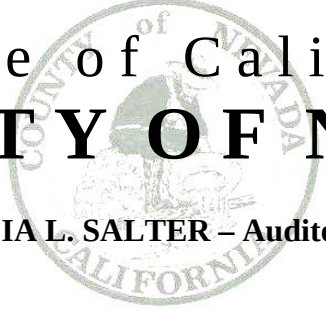
TABLE OF CONTENTS

	Page
STATISTICAL SECTION (UNAUDITED)	
Financial Trend Information:	
Net Assets by Component Last Seven Fiscal Years	109
Changes in Net Assets Last Seven Fiscal Years	110-111
Fund Balances-Governmental Funds Last Ten Fiscal Years	112
Changes in Fund Balances-Governmental Funds Last Ten Fiscal Years	113
Revenue Capacity Information:	
Assessed Value and Actual Value of Taxable Property Last Ten Fiscal Years	114
Direct and Overlapping Property Tax Rates Last Ten Fiscal Years	115
Principal Property Tax Payers Current Year and Nine Years Ago	116
Property Tax Levies and Collections Last Ten Fiscal Years	117
Debt Capacity Information:	
Ratios of Net Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita Last Ten Fiscal Years	118
Legal Debt Margin Information Last Ten Fiscal Years	119
Demographic and Economic Information:	
Demographic and Economic Indicators Last Ten Fiscal Years	120
Labor Force and Employment Current Year and Nine Years Ago	121
Operating Information:	
Full-time Equivalent County Government Employees by Function Last Ten Fiscal Years	122
Operating Indicators by Function Last Ten Fiscal Years	123
Capital Asset Statistics by Function Last Ten Fiscal Years	124

INTRODUCTORY SECTION

-
- Letter of Transmittal
 - Certificate of Achievement -
Government Finance Officer's
Association
 - County Elected and Appointed
Officials
 - Organizational Chart

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State of California COUNTY OF NEVADA

MARCIA L. SALTER – Auditor-Controller

Auditor-Controller
950 Maidu Avenue
Nevada City CA 95959

(530) 265-1244
Fax: (530) 265-9843
Email: auditor.controller@co.nevada.ca.us

December 31, 2009

To the Honorable Board of Supervisors and the Citizens of the County of Nevada:

The Comprehensive Annual Financial Report (CAFR) of the County of Nevada for the fiscal year ended June 30, 2009 is hereby submitted in compliance with Sections 25250 & 25253 of the Government Code of the State of California. These statutes require all general-purpose local governments to issue an annual report on the financial position and activities of that government. The report must be presented in conformance with generally accepted accounting principles (GAAP) and must be audited by an independent firm of certified public accountants in conformance with generally accepted auditing standards (GAAS). The financial statements contained in this CAFR meet these requirements.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The financial statements contained in this CAFR have been audited by Smith & Newell, a Professional Corporation of Certified Public Accountants. Their audit was performed in accordance with GAAS. The auditors have concluded, based on their audit, that the financial statements combined with the accompanying footnotes present fairly, in all material respects, the financial condition of Nevada County as of June 30, 2009. A copy of their report is located at the front of the financial section of this CAFR. In planning and performing the audit of the financial statements, Smith & Newell considered the internal control structure of the County in order to determine appropriate audit procedures. During this review, no required reportable conditions were noted; however, several opportunities to strengthen internal control and operating efficiency were recommended. This information was presented in a letter to the Board of Supervisors and management.

Management is required by GAAP (GASB 34) to provide a management discussion and analysis (MD&A) in conjunction with financial statement reporting. The purpose of the MD&A is to introduce the basic financial statements and to provide an analytical overview of the financial activities of the County. The MD&A can be found immediately following the report of the independent auditors.

In addition to the annual audit of this CAFR, the County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the 1996 amendments to that act, and the US Office of Management and Budget Circular A-133, “*Audits of States, Local Governments and Non-Profit Organizations*.” Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the auditors’ report on the internal control and compliance with applicable laws and regulations are presented in a separate publication.

PROFILE OF THE COUNTY OF NEVADA

General Information

With an area of about 978 square miles, the County of Nevada is situated in the gold country of northern California. The County is located about 45 miles northeast of Sacramento, 130 miles northeast of San Francisco, and 12 miles southwest of Reno, Nevada. It is bordered by Sierra County to the north, Yuba County to the west, Placer County to the south, and the State of Nevada to the east.

County Government

Nevada County was organized by an act of the legislature, approved May 18, 1851. Before that time it had been a part of Yuba County, but the growth of population and business following the gold rush of 1849-50 plus the distance of the courts for trial of important criminal and civil business, resulted in the move for a separate county organization.

The County is a general law county and is governed by a five-member Board of Supervisors, elected to serve four-year terms. Each is elected from one of the five supervisorial districts of the County. Supervisors from District 3 and 4 are elected in gubernatorial election years (2006, 2010 etc) while supervisors from Districts 1, 2 and 5 are elected in presidential years (2004, 2008 etc.). District boundaries are adjusted after every federal census to equalize district population as closely as possible.

The Board of Supervisors is the legislative and executive body of County government and also serves as the governing body of the Nevada County Sanitation District No.1 and the Nevada County Housing Authority. In addition, members of the Board represent the County on numerous intergovernmental bodies. In its legislative duties the Board adopts ordinances, resolutions and rules within the limits prescribed by State law and is responsible for seeing that all Federal and State mandated functions are properly discharged.

As an executive body, the Board determines annual budget allocation; approves contracts for public improvement projects and other specialized services; conducts public hearings on matters such as zoning appeals and planning issues; provides for the compensation of all County officials and employees; creates offices, boards and commissions as needed, appointing members and fixing the terms of office; directs an annual audit of all County accounts, books, and records; provides policy direction to the County Executive Officer for the operation and administration of County departments; and exercises executive authority for the provision of local government services to County residents.

The remaining elected officials are the Assessor, the Auditor-Controller, the Clerk-Recorder, the District Attorney, the Sheriff and the Treasurer-Tax Collector. The County Executive Officer (CEO) is appointed by the Board to run the day-to-day operations of the County.

County Services

The County, with an average 912 full-time equivalent employees, provides a full range of services to its residents, including public safety protection; corrections and probation; construction and maintenance of roads, bridges and other infrastructure; health services, public assistance programs, sanitation services, environmental services, libraries, and a variety of other general governmental services. Every resident of the County, directly or indirectly, benefits from these services. Most services performed by the County are provided for all residents, regardless of whether those residents live in cities or unincorporated areas. The County prides itself on being innovative in the delivery of services to its citizens. The following is a sampling of recently deployed service enhancements:

- The Clerk of the Board in conjunction with Information Systems began broadcasting the Nevada County Board of Supervisors meetings on local government channels providing better public access to county government.
- The Child Support Services Department expanded the AB1058 Child Support Window Project to Truckee. This program allows staff to attend court virtually and generate the order on the spot, reducing the child support order process from 6 weeks to 15 minutes.
- The Sheriff's Animal Control Department collaborated with local senior living facilities to place Animal Shelter adult cats within the centers providing senior companionship while reducing shelter cat populations.

Accounting Information

The accounts of the County are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which the spending activities are controlled.

The governmental reporting entity consists of the County and its component units. Component units are legally separate organizations for which the Board of Supervisors is financially accountable or other organizations for which the nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The following blended component units are considered to be part of the primary government for reporting purposes: Nevada County Sanitation District, the Nevada County Housing Authority, the Nevada County Finance Authority and Special Districts governed by the Board, and Special Assessment Debt with County commitment. Note 1 of the Notes to the Financial Statements contains additional information on these entities.

Budgetary Process

The County is required by State law to adopt a balanced budget by July 1 of each fiscal year. The process begins in February with budget instructions issued to departments by the County Executive Officer (CEO). Department heads are responsible for preparing and managing their budgets. The County Executive Office reviews departmental projections for expense and income accuracy, consistency with budget policies, and planned attainment of the County's goals and objectives. As a recommending body to the CEO, a Budget Subcommittee is appointed, whose members provide a comprehensive review of department requests for service levels, funding, and staffing. The subcommittee consists of two members of the Board of Supervisors. Also serving as advisors are the elected Auditor-Controller, the County Executive Officer and the Deputy County Executive Officer. The Board of Supervisors is responsible for adopting the budget, after considering it as a whole, and gauging its success in reflecting County goals and priorities for the community. After adoption of the budget, the County Executive Office staff reviews and monitors revenues and expenses quarterly and assists departments in fiscal management as necessary.

The County Auditor-Controller is responsible for monitoring and reporting expenditures within budgeted appropriations. Budget information is presented for the general and special revenue funds. This budget data is prepared on the modified accrual basis consistent with comparable actual amounts. Budgets are also adopted for the enterprise and internal service funds. Budget appropriations represent original amounts adjusted by budget transfers and appropriation amendments. Encumbrance accounting is utilized during the year for budget control purposes. However, encumbrances outstanding at year-end do not constitute expenditures or liabilities, but rather reserves of fund balances. Unencumbered budget appropriations lapse at the end of the fiscal year.

The CEO may approve transfers of appropriations between major objects of expenditure within the same service budget unit (SBU) and fund. The Board must approve amendments or transfers of appropriations between SBUs within any fund and supplemental appropriations necessary and normally financed by unanticipated revenues during the year. Any deficiency of budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning available fund balances.

LOCAL ECONOMY

Population

The 2009 estimated population figures, as provided by the California Department of Finance for the County, are 98,718. This is down a slightly from 2008, with about 67% or 66,617 of the residents living in the unincorporated areas. The Town of Truckee is the largest of the three cities within the County, with approximately 16,241 residents in 2009. The City of Grass Valley is the second largest city within the boundaries of the County with a population of 12,817. Nevada City serves as the County seat with a population in 2008 of 3,043.

Labor Force

The County's 2009 labor force totaled 50,630, a decrease of 2 percent from 2008 figures. Nevada County's unemployment rate in June 2009 was 11.5 percent, an increase of 44% from June 2008. California's statewide rate was 11.6 percent for the same June time period.

Industry Employment

Nevada County's industry employment decreased by 10.25 percent (3,210 jobs), during the three year period of June 2007 – June 2009. The industries that showed job growth over these years were: education and health services, other services; and state government. Education increased 3.95 percent (150 jobs), other services gained 4.35 percent (50 jobs), and state government expanded by 17.07 percent (70 jobs). Offsetting these gains, several industries posted losses over the profiled period: trade, transportation and utilities and leisure and hospitality each dropped by 710 jobs (13.35 and 16.21 percent respectively), and natural resources declined by 1080 jobs or 26.93 percent.

Housing

According to the California Association of Realtors, approximately 1,109 homes in Nevada County were sold in the calendar year 2008. However, prices were impacted by the general housing market trends, and prices of local homes sold declined by 10.4%, to a median price of \$327,000 as of October 2009. The Nevada City area has shown the largest one year decrease of 23% with the median home price dropping from \$410,000 to \$313,500.

Property Tax Collection and Apportionment

Property taxes levied countywide (secured, unsecured and unitary) rose in fiscal year 2008-09 to \$165,895,656, an increase of 3.9% over the previous fiscal year total of \$159,571,633. The Auditor-Controller calculates the local property tax bills based on assessed values as provided by the Assessor. The Treasurer-Tax Collector then distributes the tax bills and is charged with collection. In fiscal year 2008-09 the Auditor-Controller apportioned the revenue as follows:

- Nevada County General Fund: 14.1%
- Schools: 56.5%

- Special Districts: 19.5%
- Cities: 7.5%
- Redevelopment Agencies: 2.4%

Transient Occupancy Tax (TOT)

As of January 1, 2005, the administration of the Transient Occupancy Tax was delegated to the Treasurer and Tax Collector. The County's 10% tax is levied in the unincorporated area of Nevada County on lodging fees where the lodger stays for 30 days or less. Transient Occupancy Tax (TOT) revenues decreased 35% to \$196,344 in fiscal year 2008-09 over the prior fiscal year. The decline for this period was primarily due to the downturn of the economy.

Debt Administration

Contained within the County's tax code area are numerous municipalities, school districts and special-purpose districts providing public services. These entities have outstanding bonds issued in the form of general obligation bonds.

Direct debt constitutes debt directly issued by the County while overlapping debt constitutes that portion of the debt issued by different public entities within the same tax code area as the County's. The County is not responsible for overlapping debt of the other local agencies.

The County has \$77,749,794 in direct debt outstanding as of June 30, 2009. This includes the 2002 Certificates of Participation, capital leases, special assessment debt, loans payable, compensated absences, accrued claims payable and landfill post closure. This amount also includes the Sanitation Districts' State Revolving Fund loans for three major plant upgrades.

RELEVANT FINANCIAL POLICIES

Budget Policies

The Board of Supervisors adopted several policies to guide the preparation of the budget. The following are several key items:

- Every effort will be made to provide same level service as the prior year. This may require the reorganization or streamlining of current resources.
- The budget will only use reserve funds for emergency and one-time expenditures or for purposes designated to fund. Every effort will be used to preserve reserve funds.
- There will be a high level of fiscal discipline by the Department Heads, Budget Subcommittee, County Executive Office and Board of Supervisors. Every effort will be made to maximize County assets, achieve a high level of funding for employee retirement promises, evaluate cost per service item and develop and maintain contracts with vendors within Nevada County.

Cash Management

The County sponsors an investment pool that is managed by the County Treasurer-Tax Collector for the purpose of earning interest through investments. The State of California statutes require certain government entities and special districts to maintain their surplus cash with the County Treasurer-Tax Collector. Cash and investments for most County activities are included in the investment pool.

The California Government Code statutes and the County's investment policy govern the County's investment pool activity. The County's investment policy has the following objectives: safety, liquidity, and yield. Those statutes and policy authorize the County Treasurer-Tax Collector to invest in securities issued by the U.S. Government Treasury and its Agencies, certain corporate bonds and notes, bankers' acceptances, certificates of deposit, commercial paper, and repurchase agreements. The investment pool's maximum maturity limitation is 5 years. The Auditor-Controller monitors and reviews the management of the County's investment pool on an on-going basis. An annual compliance audit is performed by an external independent CPA firm. The County pool of investments earned an average rate of return for the fiscal year ending June 30, 2009 of 1.78%.

Risk Management

The County is a member of the CSAC Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$100,000 for each general liability claim. In fiscal year 2007-08, the County maintained two layers of excess coverage for a total of \$15 million in general liability coverage.

The claims liability for General Liability and Unemployment self-insurance was approximately \$1,018,455 at the end of fiscal 2009 and was funded at \$1,163,501. Details on the Risk Management program are contained in the footnotes to the financial statements.

Other Factors Affecting Financial Condition

The economy has endured the worst recession since the Great Depression. The decline stemmed from the housing sector crisis and has filtered through all economic sectors throughout the U.S., and across the globe. Projections foresee the economic decline through fiscal year 2009-10 followed by a period of sluggish recovery. Many factors will play into the speed of the recovery.

California local governments are particularly vulnerable to State and Federal budgetary difficulties. The State of California acts as a pass-through entity for much of the County revenue. The State's struggling economy has severely reduced its expected revenues and has recently estimated a \$20 billion short-fall for its next year's budget. Reduction of program revenues and delays in payment to the County continue to negatively affect the County budget and therefore decrease the ability to provide some services. Reductions in the growth rate for local property tax reduce the County's discretionary revenues available to fund its services and programs. The County has taken a proactive approach and made strategic adjustments to ensure it remains fiscally solvent. The General Fund reserves, purposely set aside during the past years when double digit growth was realized, will provide somewhat of a cushion while waiting out the economic recovery.

Awards

The Government Finance Officers Association of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to the County of Nevada for its CAFR covering the fiscal year ended June 30, 2008. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such CAFRs must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. This is the second year we have received this esteemed award. We believe our current CAFR continues to meet the Certificate of Achievement program requirements, and we are submitting our application for the Certificate for this year.

Acknowledgments

The preparation of this Comprehensive Annual Financial Report was possible with the combined efforts of numerous individuals. I wish to express my sincere appreciation to my staff in the Auditor-Controller's Office for their concerted effort and dedication to the timely preparation and review of this report. I would like to thank all the departments and agencies who contributed financial information to this report along with our independent auditors, Smith & Newell and staff, for their assistance and guidance in producing this CAFR. In addition, I would like to thank the Board of Supervisors and the County Executive Office for their continued efforts in planning and overseeing the financial operations of the County in a responsible and fiscally prudent manner.

Respectfully Submitted,

A handwritten signature in black ink that reads "Marcia L. Salter". The script is cursive and fluid, with the first name "Marcia" and last name "Salter" clearly legible.

Marcia L. Salter
Auditor-Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Nevada
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



President

Executive Director

COUNTY OF NEVADA, CALIFORNIA
COUNTY OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2009

ELECTED OFFICIALS

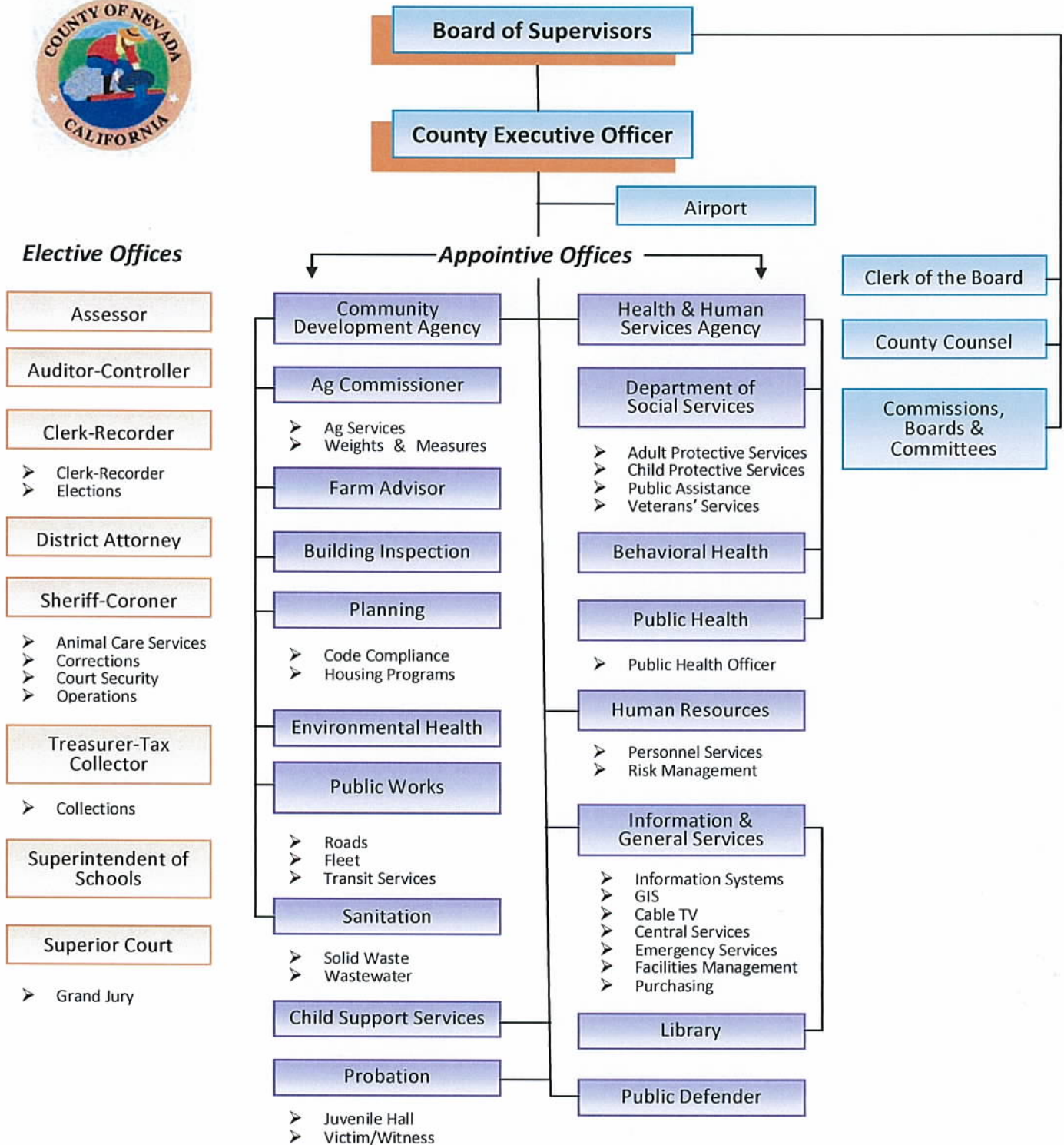
Supervisor, District 1	Nate Beason
Supervisor, District 2	Ed Scofield
Supervisor, District 3	John Spencer
Supervisor, District 4	Wm. Hank Weston
Supervisor, District 5	Ted Owens

Assessor	Dale Flippin
Auditor-Controller	Marcia Salter
Clerk-Recorder	Gregory Diaz
District Attorney	Clifford Newell
Sheriff-Coroner/Public Administrator	Keith Royal
Treasurer-Tax Collector	Chris Dabis

DEPARTMENT DIRECTORS/ADMINISTRATORS

Agricultural Commissioner	Jeff Pylman
Behavioral Health Director	Michael Heggarty
Building Director	Brian Washko
Chief Information Officer	Steve Monaghan
Chief Probation Officer	Doug Carver
Child Support Director	Tex Ritter
Clerk of the Board	Cathy Thompson
Community Development Agency Director	Steve DeCamp
County Counsel	Robert Shulman
County Executive Officer	Rick Haffey
Environmental Health Director	Wesley Nicks
Health & Human Services Director	Jeff Brown
Human Resources Director	Gayle Satchwell
Librarian	Mary Ann Trygg
Planning Director	Jory Stewart
Public Defender	Donald Lown Jr.
Public Health Officer	Karen Milman, M.D.
Public Works Director	Douglas Farrell
Sanitation Director	Mark Miller
Social Services Director	Alison Lehman

Nevada County Government Organization



FINANCIAL SECTION

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- **Independent Auditor's Report**
 - **Management's Discussion and Analysis**
 - **Basic Financial Statements**
 - **Required Supplementary Information**
 - **Combining and Individual Fund Statements and Schedules**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Grand Jury
County of Nevada
Nevada City, California

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 the County of Nevada, California (County), as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 18, 2009, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, the Schedule of Funding Progress, and the Budgetary Comparison Schedules as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and 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 and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.


Smith & Newell CPA's
Yuba City, California
December 18, 2009

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

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COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

This section of the County of Nevada's (County's) comprehensive annual financial report provides an overview and analysis of the County's financial activities for the fiscal year ended June 30, 2009. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the 2008-2009 fiscal year by \$328,932,136 (net assets). Of this amount, \$17,180,406 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, \$36,273,724 is restricted for specific purposes (restricted net assets), and \$275,478,006 is invested in capital assets, net of related debt.
- The County's total net assets increased by \$9,927,574. The governmental activities net assets at the close of the 2008-2009 fiscal were \$299,836,168 and the business-type activities net assets were \$29,095,968.
- As of June 30, 2009, the County's governmental funds reported combined ending fund balances of \$55,916,773 a decrease of \$1,088,549 or 1.91% in comparison with the prior year's ending fund balance. Approximately 52.6% of this total amount, \$29,394,245 is *available* to meet the County's current and future needs (*unreserved / undesignated fund balance*).
- At the end of the fiscal year, the unreserved fund balance for the General Fund was \$19,085,430, or 34.7% of the total General Fund expenditures for the year.
- The County's total long-term debt decreased from \$79,043,955 to \$77,749,794. This \$1,294,161 or 1.6 % decrease was related to schedule payments on the Certificates of Participation and loans payable.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) **Government-wide** financial statements, 2) **Fund** financial statements, and 3) **Notes** to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation. The business-type activities of the County include the Western Nevada County Solid Waste, Eastern Nevada County Solid Waste, Transit Services, and the Airport.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same board as the County or provide services entirely to the County. The County's component units are: Nevada County Sanitation District, Nevada County Housing Authority, Nevada County Finance Authority, Special Districts governed by the Board of Supervisors, and Special Assessment Debt with County Commitment.

The government-wide financial statements can be found on pages 18-19 of this report.

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

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

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

The County maintains one hundred eighty-two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and other major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual and grouped fund data for the non-major governmental funds are provided in the form of *combining statements* elsewhere in this report.

The governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds are maintained in two ways. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. The County maintains thirty-five individual proprietary funds. The Western Nevada County Solid Waste, Eastern Nevada County Solid Waste, the Airport, Transit Services and Sanitation District are used for business-type activity. The County uses internal service funds to account for its Fleet Management, Vision Insurance, Unemployment Insurance, Liability Insurance, Dental Insurance and Central Services. As these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Western Nevada County Solid Waste, the Airport and the Sanitation District are considered to be major funds of the County and are presented individually. The County's non-major enterprise funds and the six internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these nonmajor enterprise and internal service funds are provided in the form of *combining statements* elsewhere in this report.

The proprietary fund financial statements can be found on pages 24-28 of this report.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County maintains three hundred forty three fiduciary funds.

The fiduciary fund financial statements can be found on pages 29- 30 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes can be found on pages 31-57 of this report.

Required Supplementary Information consists of funding progress schedules for the County Defined Benefit Pension Plan and Other Post Employment Benefit Plan; the County's General Fund budgetary schedule to demonstrate compliance with the County's adopted budget; the budgetary comparison schedules for all Major Funds, and infrastructure assets reported using the modified approach to account for the County's road subsystem.

Required supplementary information can be found on pages 58-67 of this report.

Combining and individual fund statements and schedules referred to earlier provide information for nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and fiduciary funds and are presented immediately following the required supplementary information.

Combining and individual fund statements and schedules can be found on pages 68-108 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may over time serve as a useful indicator of the County's financial position. On June 30, 2009, the County's assets exceeded its liabilities by \$328,932,137.

County's Net Assets
June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total		Variance
	2009	2008	2009	2008	2009	2008	
Current and other assets	71,353,246	69,487,274	22,147,754	24,338,926	93,501,000	93,826,200	-0.35%
Capital Assets	261,925,984	258,347,801	60,994,305	57,407,075	322,920,289	315,754,876	2.27%
Total Assets	333,279,230	327,835,075	83,142,059	81,746,001	416,421,289	409,581,076	1.67%
Long-term liabilities	26,283,912	25,888,118	51,465,882	53,155,837	77,749,794	79,043,955	-1.64%
Other liabilities	7,159,150	7,899,768	2,580,209	3,632,791	9,739,359	11,532,559	-15.55%
Total Liabilities	33,443,062	33,787,886	54,046,091	56,788,628	87,489,153	90,576,514	-3.41%
Net Assets:							
Invested in capital assets, net of related debt	245,044,668	240,377,169	30,433,338	25,611,733	275,478,006	265,988,902	3.57%
Restricted	36,273,724	38,274,175	0	0	36,273,724	38,274,175	-5.23%
Unrestricted	18,517,776	15,395,845	-1,337,370	-654,360	17,180,406	14,741,485	16.54%
Total Net Assets	299,836,168	294,047,189	29,095,968	24,957,373	328,932,136	319,004,562	3.11%

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Of the County's total net assets of \$328,932,136, approximately 5.2% or \$17,180,406 are unrestricted net assets that may be used to meet the County's ongoing obligations to citizens and creditors. 83.7% or \$275,478,006 of the County's net assets reflect its investment in capital assets (e.g., land, buildings, equipment and other infrastructure), less any related debt used to acquire those assets that is still outstanding. The remaining portion of the County's net assets, \$36,273,724, or 11.1%, represents resources that are externally restricted in purpose.

The Business-Type Activities Unrestricted balance reflects a negative amount of (\$1,337,370). The source of this amount is in the Solid Waste operation and is contributed to the post-closure cost liability of the closed landfill. Additional information regarding this liability can be found in Note 3 (g).

As mentioned earlier, there was an overall increase of \$9,927,574, or 3.1%, over the prior year's net assets. The majority of the noted amount is attributable to an increase in the County's Capital Assets. The completion of several roads infrastructure improvement projects as well as major capital improvement projects within the Sanitation District contributed to this increase. Additional detail on the capital assets can be found in Note 3 (c).

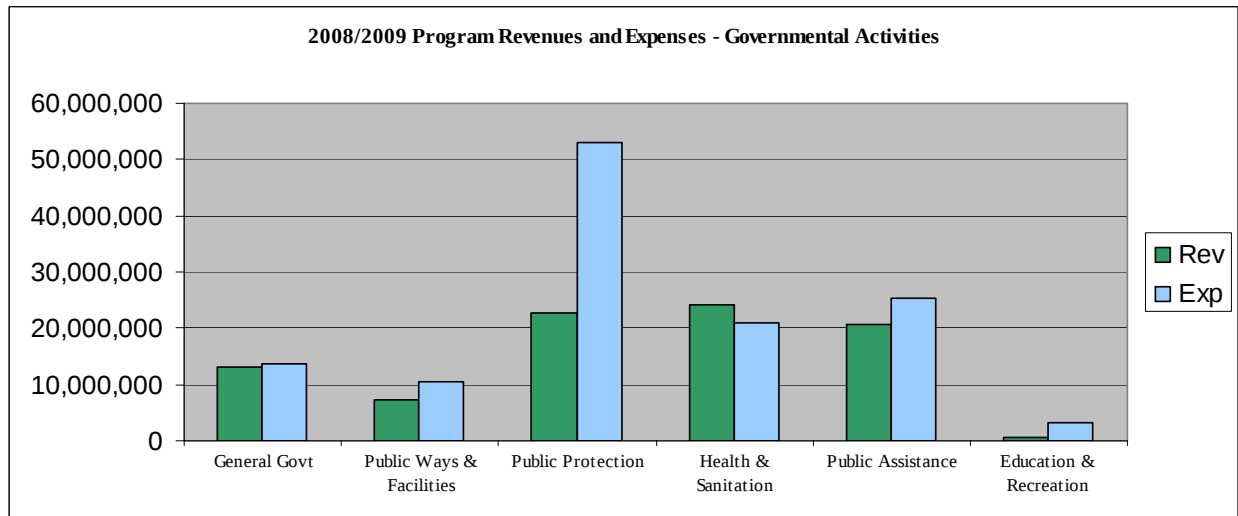
COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

County's Change in Net Assets
June 30, 2009 and 2008

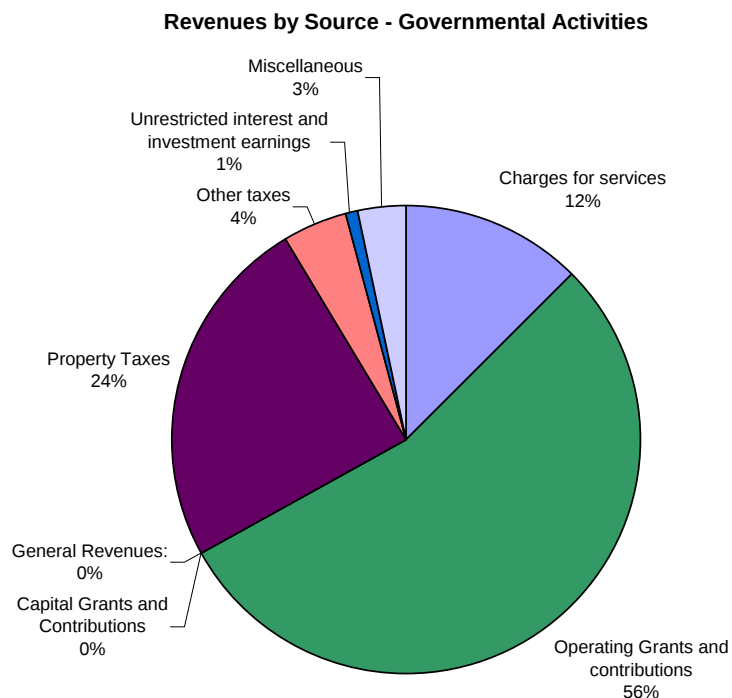
	Governmental Activities		Business-Type Activities		TOTAL		Variance
	2009	2008	2009	2008	2009	2008	
Revenues							
Program revenues:							
Charges for services	17,451,316	15,891,037	15,090,914	15,086,805	32,542,230	30,977,842	5.05%
Operating Grants and contributions	76,740,089	68,069,772	1,846,635	1,039,974	78,586,724	69,109,746	13.71%
Capital Grants and Contributions	0	0	1,464,457	75,636	1,464,457	75,636	1836.19%
General Revenues:							
Property Taxes	34,221,104	33,565,001	6,864	6,723	34,227,968	33,571,724	1.95%
Other taxes	6,284,919	7,275,899	2,385,334	2,698,395	8,670,253	9,974,294	-13.07%
Unrestricted interest and investment earnings	1,403,888	2,441,133	480,930	1,251,801	1,884,818	3,692,934	-48.96%
Miscellaneous	4,536,486	2,851,196	816,721	1,712,677	5,353,207	4,563,873	17.30%
Total Revenues	140,637,802	130,094,038	22,091,855	21,872,011	162,729,657	151,966,049	7.08%
Expenses:							
General Government	11,871,127	13,734,811			11,871,127	13,734,811	-13.57%
Public Ways and Facilities	13,052,769	10,455,997			13,052,769	10,455,997	24.84%
Public Protection	54,426,072	52,982,684			54,426,072	52,982,684	2.72%
Health and sanitation	23,587,615	21,056,211			23,587,615	21,056,211	12.02%
Public Assistance	28,112,397	25,413,676			28,112,397	25,413,676	10.62%
Education	2,810,750	3,015,545			2,810,750	3,015,545	-6.79%
Recreation	98,885	245,653			98,885	245,653	-59.75%
Interest on long-term debt	814,289	917,161			814,289	917,161	-11.22%
Eastern Nevada County Solid Waste			132,499	127,515	132,499	127,515	3.91%
Western Nevada County Solid Waste			6,781,889	7,369,951	6,781,889	7,369,951	-7.98%
Transit Services			4,294,101	3,858,023	4,294,101	3,858,023	11.30%
Airport			1,279,836	1,441,091	1,279,836	1,441,091	-11.19%
Sanitation District			5,335,583	5,191,420	5,335,583	5,191,420	2.78%
Total Expenses	134,773,904	127,821,738	17,823,908	17,988,000	152,597,812	145,809,738	4.66%
Change in net assets before transfers	5,863,898	2,272,300	4,267,947	3,884,011	10,131,845	6,156,311	64.58%
Transfers	0	(660,365)	0	660,365	0	0	
Change in net assets	5,863,898	1,611,935	4,267,947	4,544,376	10,131,845	6,156,311	64.58%
Prior Period adjustments	-74,919	-1,460,359	-129,352	1,989,641	-204,271	529,282	-138.59%
Net Assets 7/1	294,047,189	293,895,613	24,957,373	18,423,356	319,004,562	312,318,969	2.14%
Net Assets 06/30	299,836,168	294,047,189	29,095,968	24,957,373	328,932,136	319,004,562	3.11%

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

The following chart presents a comparison of expenses by function and the associated program revenues for governmental activities:



Revenues among Governmental activities totaled \$140,637,802 for the year ended 2008-09. The chart below presents the percentage of total revenues by source for Governmental activities:



COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Key elements of the increase/decrease in *revenues* in the governmental activities:

- Property tax revenues increased \$656,103 or 1.9%. Of this amount, approximately \$ 731,210 was due to the overall growth in property tax from the past year. Supplemental property taxes declined 50.2% from \$1,036,815 to \$516,523.
- Other tax revenue category decreased \$990,980, or 13.6%, from the prior year. There was a decrease of \$152,091 from the prior year in Transfer Taxes to \$521,261 due to the decrease in the number of real estate sales and the amount of the transactions. The Sales and Use tax category decreased \$411,118, and can be attributed to the economic downturn.
- Operating Grants and Contributions increased \$8,670,317, or 12.7%, over the prior year. A portion of the increase is attributable to the receipt of California Proposition 42 funding in the amount of \$1,395,528. Behavioral Health programs received an increase of approximately \$3,200,710 in Federal mental health funding and \$2,431,268 in State mental health funding. Social Services received \$278,738 of State pass thru funds under the American Recovery and Reinvestment Act (ARRA) for Foster Care and IHSS programs. The Public Works department received an additional \$1,377,595 in Federal aid to roads funding for infrastructure preservation and improvements and \$767,770 in regional transportation planning revenues for reconstruction projects.

Expenses among Governmental activities totaled \$134,773,904 for the year ended 2008-09.

The chart below presents the two-year comparison of the total expenses by function for Governmental activities.

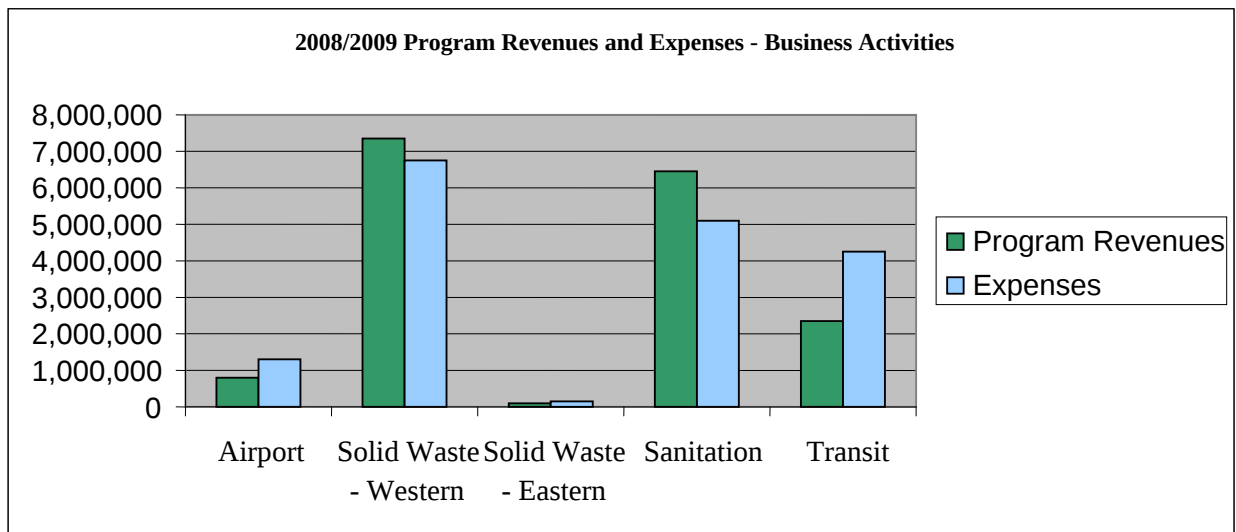
Key elements of the increase/decrease in *expenses* in the governmental activities:

- The General Government category decreased by 14% or \$1,863,684. The decrease in expenditures was a combination of several factors: 1) There was no County-wide election during 2008-2009, therefore elections expenditures, which included voting equipment purchases in the prior year, dropped nearly \$1.4 million; and 2) There was a 16% or \$281,098 reduction in worker's compensation costs.
- The Public Ways category increased expenditures by 25%, or \$2,596,772. This resulted from an increase of salary and benefits of \$214,595, increased roads preservation spending of \$1,549,398, and road improvement increases of \$747,224.
- The Public Protection category experienced an increase of 2.7% from the prior fiscal year which equated to a \$1,443,388 increase in expenditures. A majority of the increase resulted in the negotiated increase of salaries and benefits of \$1,474,641 or 4% above the prior year. These increases were offset by departmental efforts to decrease expenditures in supplies and services for a total decrease of \$159,721 or 1.4%.
- The Health and Sanitation program area increased expenditures by \$2,531,404 or 12%. The majority of that increase was related to the Mental Health Services Act (MHSA) programs within the Behavioral Health area whereby contracted professional services increased \$3,035,601, or 61.8%.
- The Public Assistance category experienced an increase of 10.6% or \$2,698,721. The CalWorks program expenditures increased \$713,221, and the Foster Care expenditures increased \$345,220. Housing and Community Services special department expenditures increased \$716,718 primarily due to grant expenditures which helped fund improvements by the Sanitation District related to the Cascade Shores Treatment plant.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

- The Education category decreased expenditures by 7%, or \$204,795. This resulted from a decrease of \$106,787 in temporary salaries, mostly within the Public Library fund, as well as a \$57,977 decrease in direct order of books. Interfund services decreased \$60,864 as a result of less charges to Public Library from IS for network connections and Facility Management discretionary charges.
- The Recreation category decreased expenditures by \$146,768, or 60%. In the 2007-08 year, the County provided funds for two projects in Nevada City and Grass Valley which were funded through Recreation Mitigation fees. Both projects have now been completed. No additional projects were approved for funding this year resulting in the decrease in Recreation expenditures. An additional factor is a \$86,191 reduction in Forest Reserves program expenditures due to reduced federal funding for projects.

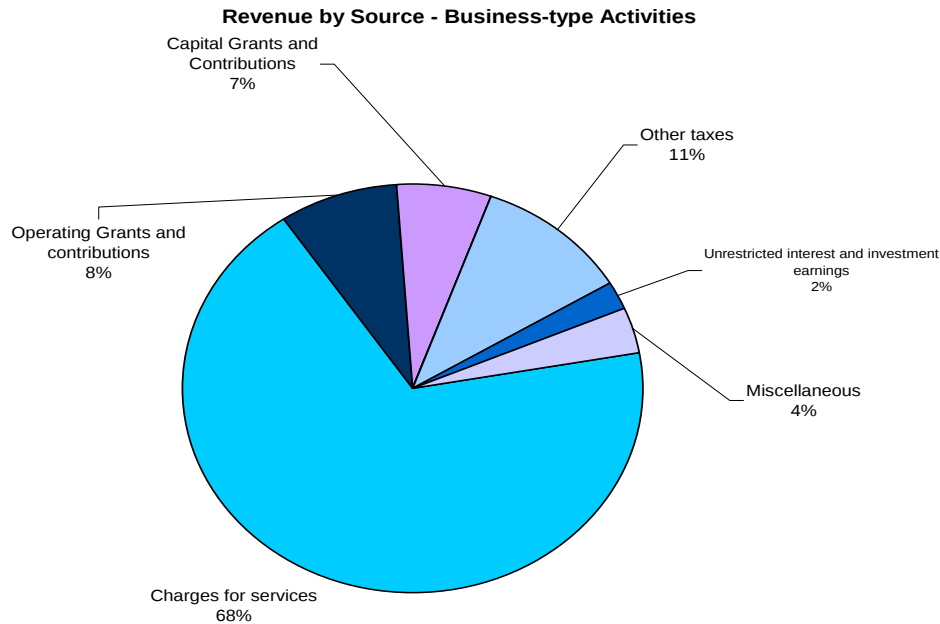
The following chart displays expenses and the associated program revenues by function for the Business-type activities:



Revenues among Business-type activities totaled \$22,091,855 for the year ended 2008-09.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

The chart below presents the percentage of total revenues by source for Business-type activities:



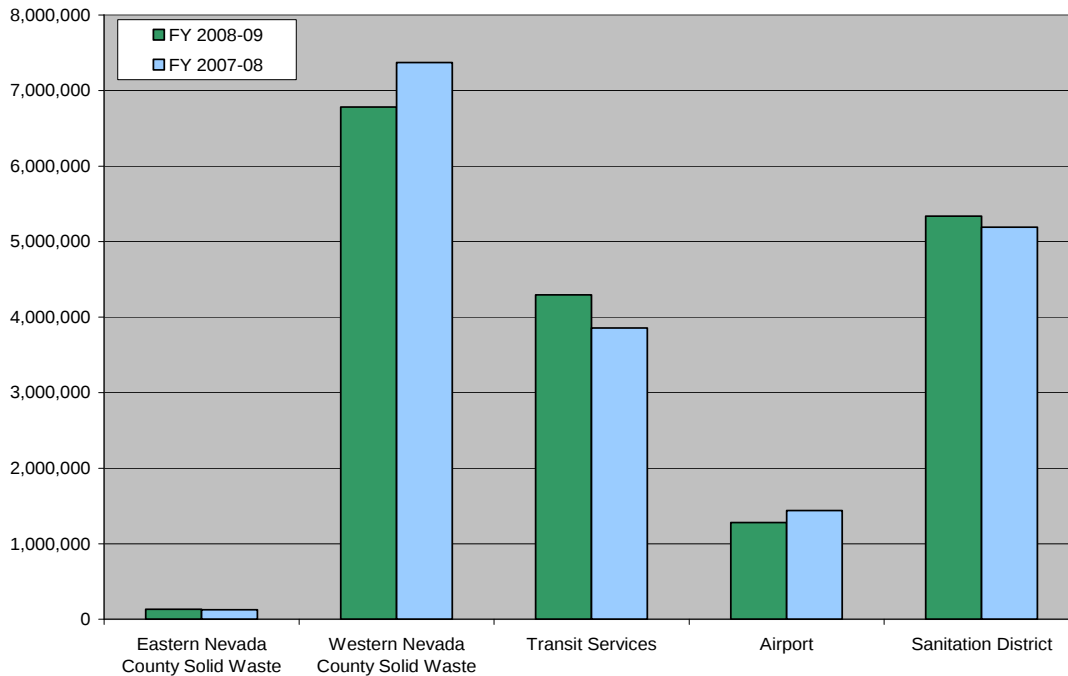
Key elements of the increase/decrease in revenues in the business-type activities:

- Operating Grants and contributions increased \$806,661 over the prior year, primarily due to increases in state transit assistance and Prop 1B capital grants received by Transit.
- Capital Grants and Contributions category increased by \$1,388,821 or 1836%. The increase was due to a state grant for capital improvement projects within the Sanitation District, specifically construction of the Cascade Shores wastewater treatment plant.
- Unrestricted interest and investment earnings decreased \$770,871. This decrease resulted from lower earnings, averaging 1.8% per annum, paid on funds held by the County Treasury, as well as decreases in interest-earning cash balances.
- Miscellaneous revenues decreased \$895,956 or 52% over the prior year. The Sanitation District received considerable insurance proceeds for storm damage repairs in the prior year. The current year amounts reflect average revenues.

Expenses among Business-type activities for the year ended 2008-09 totaled \$17,823,908 in comparison to the year ended 2007-08 which totaled \$17,988,000.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Expenses - Business-type Activities



Key elements of the increase/decrease in *expenses* in the business-type activities:

- Western Nevada County Solid Waste expenses decreased 8% or \$588,062 over the prior year. This was the result of a \$26,564 decrease in salary and benefit costs due to reduced operating hours, a decrease of \$38,523 in building maintenance, and a \$165,367 decrease in recognized post closure expenses for the closed landfill. In addition, professional services expenses decreased \$222,084 largely due to decreased expenses associated with lower volumes of trash being loaded and transported from the transfer station, and special department expenses decreased \$133,512, due largely to lower program spending resulting from decreases in state grant funding.
- Airport operating expenses decreased 11% or \$161,255 over the prior year. Gasoline purchases decreased \$52,376, and buildings maintenance decreased \$20,531. The balance of the decrease is due primarily to a \$76,067 decrease in professional services as a result of completion of work on the airport layout plan.
- Transit expenses increased 11% or \$436,078 over the prior year. The majority of the increase in expenses was due to the refunding of \$362,170 in specific program revenue received in a prior year. These funds were earmarked to purchase a number of buses which were reduced, and the unused funds were returned. The remaining increase is due to increases resulting from higher costs associated with contract transit services.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Governmental funds. The general government functions are contained in the General Fund, Special Revenue, Debt Service, and Capital Project Funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

Governmental Funds
Combined Balance Sheet
June 30, 2009 and 2008

	2009	2008	Variance	Change
Total Assets	<u>73,801,654</u>	<u>71,490,510</u>	<u>3.23%</u>	<u>2,311,144</u>
Total Liabilities	17,884,881	14,485,188	23.47%	3,399,693
Fund Balance				
Reserved	9,707,528	7,686,557	-26.29%	-2,020,971
Unreserved, reported in:				
General				
Designated	16,815,000	16,073,000	4.62%	742,000
Undesignated	2,270,430	2,290,975	-0.90%	-20,545
Special Revenue Funds				
Undesignated	<u>27,123,815</u>	<u>30,954,790</u>	<u>-12.38%</u>	<u>-3,830,975</u>
Total Undesignated	29,394,245	33,245,765	-11.58%	-3,851,520
Total Fund Balance	<u>55,916,773</u>	<u>57,005,322</u>	<u>-1.91%</u>	<u>-1,088,549</u>
Total Liabilities and Fund Balance	<u>73,801,654</u>	<u>71,490,510</u>	<u>3.23%</u>	<u>2,311,144</u>

As of June 30, 2009, the County's governmental funds reported combined ending fund balances in the amount of \$55,916,773 a decrease of 1.91% or \$1,088,549 in comparison with the prior year's fund balance. Approximately 52.5% of this total amount or \$29,394,245 constitutes *undesignated fund balance*, which is available to meet the County's current and future needs. The *designated fund balance* increased 4.62% or \$742,000. This segregation of a portion of the fund balance indicates tentative plans for financial resource utilization in a future period. The remainder of fund balance is reserved to indicate that it is not available for new spending as it has been committed (1) to pay debt service \$2,272,010 (2) to reflect inventories \$122,310 (3) the amount due from other funds that are long-term in nature and thus do not represent available spendable resources \$315,739, (4) to liquidate contractual commitments \$2,258,365, and (5) for a variety of other restricted purposes \$4,739,104.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

The General Fund is the chief operating fund of the County. At June 30, 2009, the total fund balance was \$19,643,049, an increase of \$911,902 from the prior fiscal year. Of the unreserved portion of the fund balance, \$16,815,000 was designated for specific purposes and the remaining balance of \$2,270,430 was undesignated.

As a measure of the General Fund's liquidity, it may be useful to compare unreserved, undesignated fund balance and total fund balance to total general fund expenditures. The unreserved, undesignated fund balance represents 4.1% of total general fund expenditures, while total fund balance represents 35.7% of that same amount.

The following provides explanations of revenues by source that changed significantly over the prior year:

Revenues Classified By Source
General Fund

Revenue Type	FY 2009 Amount	Percent of Total	FY 2008 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
Taxes and Assessments	37,778,949	67.75%	37,998,736	68.20%	-219,787	-0.58%
License and Permits	1,150,416	2.06%	1,109,512	1.99%	40,904	3.69%
Fines and Forfeitures	2,650,343	4.75%	2,459,742	4.41%	190,601	7.75%
Use of Money and Property	778,029	1.40%	1,352,702	2.43%	-574,673	-42.48%
Intergovernmental	3,553,165	6.37%	4,521,081	8.11%	-967,916	-21.41%
Charges for Service	8,481,705	15.21%	6,993,841	12.55%	1,487,864	21.27%
Other Revenues	1,368,347	2.45%	1,278,075	2.29%	90,272	7.06%
Total	55,760,954	100.00%	55,713,689	100.00%	47,265	0.08%

Taxes and Assessments – Included within the \$219,787 or .58% the decrease in this category is \$404,035 in the Sales and Use Tax (Triple Flip) revenue with increases in secured tax revenue of \$730,365 and \$385,916 of Vehicle License Fee (VLF Swap) revenue. The Sales and Use Tax and Vehicle License Fee are now categorized property tax as the result of State of California and voter approved actions in 2004. The supplemental tax, sales and use tax and the property transfer tax revenue categories all realized a decrease from the prior year in the amounts of \$527,650, \$209,652 and \$152,090 respectively.

Fine and Forfeitures- The \$190,601 or 7.75% increase in this revenue category was the result of an increase of \$253,868 in the collections of penalties and interest for delinquent property tax payments and a decrease in the collection of other fines in the amount of \$63,267.

Use of Money and Property – The net decrease of 42.5% or \$574,673 in this category was largely due to a decrease in interest earnings in the amount of \$623,692 and the remainder of \$49,022 to an increase in the recognized fair market value of investments.

Intergovernmental – The 21.4 % decrease or \$967,916 in this category is due to the reduction of funding in several state and federal programs. Due to the state budget situation during the year, many of the County funding sources were delayed, reduced or withheld. This included a reduction in program funding for the District Attorney, and the deferral of State Mandated (SB90) reimbursements.

Other Revenues – The 7% or \$90,272 increase in this category is attributable to several factors, including \$14,766 received as a reimbursement of costs as part of the North San Juan Park project (an ongoing project funded by Mitigation and grant funds) and \$100,564 in Tobacco Settlement revenue.

The following provides an explanation of expenditures by function that changed significantly over the prior year:

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Expenditures by Function
General Fund

Expenditures by Function	FY 2009 Amount	Percent of Total	FY 2008 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
General government	11,034,320	20.09%	11,931,463	22.28%	-897,143	-7.52%
Public protection	42,558,504	77.50%	40,281,940	75.23%	2,276,564	5.65%
Public Assistance	308,783	0.56%	326,602	0.61%	-17,819	-5.46%
Education	115,882	0.21%	109,691	0.20%	6,191	5.64%
Capital outlay	882,744	1.61%	877,178	1.64%	5,566	0.63%
Debt Service	14,939	0.03%	15,271	0.03%	-332	-2.17%
Total	54,915,172	100.00%	53,542,145	100.00%	1,373,027	2.56%

General government – The \$897,143 or 7.5% overall decrease in expenditures in this category is across various activities. First, there was a decrease in general government salaries and benefits of \$297,707 or 2.08% primarily due to staff reductions during the year. Services and supplies expenditures decreased by \$981,893 or 13.7%; the primary factor for this decrease was reduced expenditures in the area of Elections as compared with the prior election year where new voting equipment was purchased.

Public Protection – The 5.7% or \$2,276,564 increase in public protection expenditures is attributed to several factors. Negotiated adjustments in salary and benefit costs represent an increase of \$1,800,833 or 6.1%. The remaining balance of the increase was associated with rental expenditures as well as care and support expenditures including a \$196,160 or 13.5% increase in the contracted inmate healthcare costs for the corrections facility.

Public Assistance – The key factor in this 5.5% or \$17,819 decrease for the category was primarily due to a decrease in salaries and benefits costs resulting from an unfilled vacancy among staff for the majority of the fiscal year.

Other Major Funds Highlights

The Road Fund is used to account for the activities associated with the construction and maintenance of county roads and bridges. The Road Fund's undesignated fund balance decreased by \$1,493,619 or 31%. A portion of this decrease represents sources that were used to fund the \$566,441 or 15% increase in road capital project expenditures, with the remaining decrease representing sources used on increased public ways and facilities expenditures.

The Human Services Agency Fund is used to account for the majority of the Public Health, Behavioral Health and Social Service programs. The net decrease in fund balance was \$486,524 reduced the total fund balance available for future program expenditures to \$1,691,755. The reduction of fund balance can be attributed to the planned drawdown of the Social Services fund balance.

The Health and Welfare Realignment Fund is used to account for direct allocations from the State for sales tax revenues dedicated to certain Health, Mental Health and Social Service programs. The undesignated fund balance decreased by \$180,497 or 2.8%, due to increased realignment needs by the Environmental Health department bringing the total fund balance available to \$6,267,339.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets (deficits) of the Western Nevada County Solid Waste at June 30, 2009 amounted to (\$6,557,720). Though the unrestricted net assets remain in a deficit, the enterprise operation did have a positive change in Net Assets in the amount of \$886,062

The unrestricted net assets of the Airport enterprise operation decreased to \$14,550 for the fiscal year ending June

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

30, 2009, resulting from airport runway capital improvements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget resulted in \$2,348,187 net increase in appropriations (excluding transfers). Explanations of significant changes for this increase are as follows:

- \$929,296 was the result of an increase in the General Government budget category. The increase was scattered amongst many service budget units. The most significant amendment was an increase in the Capital facilities project budget for Courthouse facilities improvements. The increase in the Elections budget unit was due to the State of California 2009 special election, offset by additional revenues.
- \$1,040,072 was the result of an increase in the Public Protection budget category primarily due to additional appropriations of funds in the Sheriff Operations to cover costs associated with a Federal Marshall prisoner housing contract. These expenditures were offset by corresponding revenues. The District Attorney and Corrections budget units also received additional appropriations for the purchase of a new case management system and a jail management system maintenance consulting agreement.
- These expenditure increases were possible through unanticipated revenues from various sources and general reserves, including additional aid from other governments.

At fiscal year end, revenues were slightly lower than the budgetary estimate by \$1,397,603, or 2% and expenditures were under the budgetary estimates by \$3,670,098 or 6%. The net activity, including the transfers, increased the General Fund's fund balance by \$911,902.

Additional information on the General Fund and other major funds budget can be found on pages 59-65.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets The County's investment in capital assets for its governmental and business-type activities as of June 30, 2009 amounted to \$322,920,289 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, and equipment.

County's Capital Assets
(Net of depreciation)

	Governmental Activities		Business-Type Activities		Total		Variance
	2009	2008	2009	2008	2009	2008	
Land and Easements	102,625,898	101,596,798	3,593,251	3,593,251	106,219,149	105,190,049	0.98%
Infrastructure (road sys)	100,753,222	99,413,403	0	0	100,753,223	99,413,403	1.35%
Infrastructure	17,340,574	17,559,784	49,864,741	12,237,413	67,205,315	29,797,197	125.54%
Structures and Improvements	31,891,172	32,846,013	1,680,364	1,829,659	33,571,536	34,675,672	-3.18%
Construction in Progress	4,261,435	1,721,146	3,954,707	38,252,789	8,216,142	39,973,935	-79.45%
Equipment	5,053,683	5,210,657	1,901,242	1,493,963	6,954,925	6,704,620	3.73%
Total	261,925,984	258,347,801	60,994,305	57,407,075	322,920,289	315,754,876	2.27%

Infrastructure – The completion of capital improvement projects for the Sanitation District were the key factors in the 126% Business-Type increase reflected in 2009. Projects that were in progress were reclassified to appropriate asset categories upon completion.

Construction in Progress – The 79% decrease in Business-Type construction in progress is a result of the completion of capital improvement projects for the Sanitation District. Projects that were in progress in the prior

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

year and now completed have been reclassified to appropriate asset categories. Construction in Progress of Governmental entities increased as a result of new projects underway in the Roads department, as well as work on the Nevada City Courthouse.

Additional information on the County's capital assets can be found in Note 3(c) on pages 44-45 of this report.

Long-term debt. At June 30, 2009, the County had total debt outstanding of \$77,749,794.

County's Outstanding Debt
Certificates of Participation, Notes Payable, Capital Lease Obligations, Compensated Absences

	Governmental Activities		Business-Type Activities			Total		Variance
	2009	2008	2009	2008		2009	2008	
Certificate of Participation	12,940,000	13,850,000	7,347,919	7,789,519		20,287,919	21,639,519	-6.2%
Accrued Claims Liability	1,018,455	841,191				1,018,455	841,191	21.1%
Loans	3,601,554	3,752,254	30,460,967	31,623,342		34,062,521	35,375,596	-3.7%
Special Assessment Debt	310,000	320,000	100,000	172,000		410,000	492,000	-16.7%
Landfill Post Closure			13,017,870	13,251,906		13,017,870	13,251,906	-1.8%
Capital Leases	29,762	48,378				29,762	48,378	-38.5%
Compensated Absences	5,377,451	5,136,295	329,639	319,070		5,707,090	5,455,365	4.6%
OPEB Obligation	3,006,690	1,940,000	209,487			3,216,177	1,940,000	65.8%
Total	26,283,912	25,888,118	51,465,882	53,155,837		77,749,794	79,043,955	-1.6%

The County's total outstanding debt decreased by \$1,294,161, or 1.6%, during the fiscal year. The key factors for the decrease were payments of the annual scheduled principal payments on the Certificates of Participation in the amount of \$1,351,600 and payments on loan obligations in the amount of \$1,359,055. There was an increase in the County's Net OPEB Obligation (NOO) of \$1,276,177. This liability is the unfunded portion of the actuarially determined annual required contribution (ARC).

Additional information on the County's long-term debt can be found in Note 3(e) on pages 46-51 of this report.

Infrastructure Assets Reported Under the Modified Approach

The County is using the modified approach to account for the maintained road system. This method is in-lieu of the depreciation method used for all other assets. The County has set their average Pavement Condition Index (PCI) rating at 62. The rating must be achieved for each three year assessment period. The first three year assessment completed June 30, 2006, achieved on average PCI rating of 67. As of June 30, 2009, the County's 3-year average maintained road system was rated at a PCI index of 65.

Road System Infrastructure Assets Using Modified Approach
Summary Activity for Fiscal Year ending June 30, 2009

	Capital Improvements	Preservation Maintenance	General Maintenance	Total Cost
Expenditures				
Planned	2,830,000	5,530,600	3,994,800	12,355,400
Actual	2,081,681	4,980,825	3,196,455	10,258,961
Difference	-748,319	-549,775	-798,345	-2,096,439

The differences for the unmet planned expenditures for the Capital improvements were related to several projects being rolled to the 2009/10 fiscal year or being put on hold.

COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

Under the Preservation and General Maintenance categories, the actual costs were less than the planned expenditures by 14%. This was due to overlay actual expenditures being less than planned expenditures, a full year striping contract was budgeted when it should have been for Fall 2008 only, and \$685,000 of snow removal should not have been included in planned expenditures.

Additional information on the County's use of the Modified Approach can be found in Required Supplementary Information (RSI) on page 67 of this report.

Economic Factors and Next Year's Budget for FY 2009-10

The economic slowdown has continued to impact the County on many fronts. The following were among the several considered as the budget for fiscal year 2009-10 was prepared.

- The growth rate in property tax assessed values has decreased from the prior year to 1.8%. The fiscal year 2009-10 budget reflects a .8% decrease in property tax related revenues to the County. This includes secured, unsecured, and unitary as well as the property transfer tax and supplemental property tax revenues.
- The fiscal year 2009-10 budget reflects a continued decline in the sales and use tax revenue stream in the amount of 17.1% less than the prior year. This has a direct effect on the 1/8% sales tax revenue source for the Library fund, the Health and Human Services Realignment program revenues as well as other County program with a direct share of various State allocations based on sales tax collections.

The fiscal year 2009-10 adopted budget for all County funds totals \$185,362,835 a 2.8% decrease when compared to the prior year. The General Fund 2009-10 budget is \$63,132,901, which was a 1.2 % decrease from the adopted 2008-09 budget.

The 2009-10 budget documents are available on the County's website: www.mynevadacounty.com .

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Nevada County Auditor-Controller, Marcia L. Salter, 950 Maidu Avenue, Nevada City CA 95959. This entire report is available online at <http://new.mynevadacounty.com/auditor/>

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

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COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 37,078,211	\$ 20,112,974	\$ 57,191,185
Restricted cash and investments	2,138,500	1,078,613	3,217,113
Accounts receivable (net of allowance)	1,471,547	757,548	2,229,095
Taxes receivable	848,072	-	848,072
Due from other governmental agencies	13,625,297	280,473	13,905,770
Due from other agencies	11,055,061	-	11,055,061
Internal balances	150,414	(150,414)	-
Inventory	192,200	68,560	260,760
Deposits	35,000	-	35,000
Prepaid costs	220,798	-	220,798
Loans receivable	4,538,146	-	4,538,146
Capital assets:			
Non-depreciable	207,640,555	7,547,958	215,188,513
Depreciable, net	54,285,429	53,446,347	107,731,776
Total capital assets	<u>261,925,984</u>	<u>60,994,305</u>	<u>322,920,289</u>
Total Assets	<u>333,279,230</u>	<u>83,142,059</u>	<u>416,421,289</u>
<u>LIABILITIES</u>			
Accounts payable	3,270,635	766,311	4,036,946
Accrued salaries and benefits	3,225,004	219,553	3,444,557
Accrued interest payable	192,653	533,533	726,186
Deposits payable	239,960	37,465	277,425
Unearned revenue	230,898	1,023,347	1,254,245
Long-term liabilities:			
Due within one year	7,521,525	8,343,318	15,864,843
Due in more than one year	<u>18,762,387</u>	<u>43,122,564</u>	<u>61,884,951</u>
Total Liabilities	<u>33,443,062</u>	<u>54,046,091</u>	<u>87,489,153</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	245,044,668	30,433,338	275,478,006
Restricted for:			
Debt service	2,272,010	-	2,272,010
Grants, taxes, and fees	34,001,714	-	34,001,714
Unrestricted	<u>18,517,776</u>	<u>(1,337,370)</u>	<u>17,180,406</u>
Total Net Assets	<u>\$ 299,836,168</u>	<u>\$ 29,095,968</u>	<u>\$ 328,932,136</u>

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

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

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 11,873,042	\$ 6,838,658	\$ 1,721,284	\$ -
Public ways and facilities	13,050,854	1,329,674	9,487,191	-
Public protection	54,426,072	7,253,963	14,105,400	-
Health and sanitation	23,587,615	1,878,192	23,436,173	-
Public assistance	28,112,397	62,241	23,991,970	-
Education	2,810,750	88,588	61,481	-
Recreation	98,885	-	50,178	-
Interest on long-term debt	814,289	-	-	-
Total Governmental Activities	134,773,904	17,451,316	72,853,677	-
Business-type activities:				
Eastern Nevada County Solid Waste	132,499	116,398	-	-
Western Nevada County Solid Waste	6,781,889	7,259,068	90,474	-
Transit Services	4,294,101	568,657	1,746,161	17,017
Airport	1,279,836	683,797	10,000	84,500
Sanitation District	5,335,583	6,462,994	-	1,362,940
Total Business-type Activities	17,823,908	15,090,914	1,846,635	1,464,457
Total	\$ 152,597,812	\$ 32,542,230	\$ 74,700,312	\$ 1,464,457

General revenues:

Taxes:

Property taxes
Sales and use taxes
Property transfer taxes
Transient occupancy taxes
Timber yield taxes
Aircraft taxes
Franchise taxes
Transportation taxes
Other taxes
Grants and contributions - unrestricted
Tobacco settlement
Interest and investment earnings
Miscellaneous
Insurance recovery
Gain (loss) on sale of capital assets

Total General Revenues

Change in Net Assets

Net Assets - Beginning

Prior period adjustment

Net Assets - Beginning, Restated

Net Assets - Ending

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

**Net (Expense) Revenue and
Changes in Net Assets**

Governmental Activities	Business- Type Activities	Total
\$ (3,313,100)	\$ -	\$ (3,313,100)
(2,233,989)	-	(2,233,989)
(33,066,709)	-	(33,066,709)
1,726,750	-	1,726,750
(4,058,186)	-	(4,058,186)
(2,660,681)	-	(2,660,681)
(48,707)	-	(48,707)
(814,289)	-	(814,289)
(44,468,911)	-	(44,468,911)
-	(16,101)	(16,101)
-	567,653	567,653
-	(1,962,266)	(1,962,266)
-	(501,539)	(501,539)
-	2,490,351	2,490,351
-	578,098	578,098
(44,468,911)	578,098	(43,890,813)
34,221,104	6,864	34,227,968
4,250,561	-	4,250,561
521,261	-	521,261
184,889	11,455	196,344
45,658	1,841	47,499
82,535	53,661	136,196
1,049,170	-	1,049,170
125,683	2,318,377	2,444,060
25,162	-	25,162
3,886,412	-	3,886,412
1,117,967	-	1,117,967
1,403,888	480,930	1,884,818
2,125,888	797,649	2,923,537
1,331,391	-	1,331,391
(38,760)	19,072	(19,688)
50,332,809	3,689,849	54,022,658
5,863,898	4,267,947	10,131,845
294,047,189	24,957,373	319,004,562
(74,919)	(129,352)	(204,271)
293,972,270	24,828,021	318,800,291
<u>\$ 299,836,168</u>	<u>\$ 29,095,968</u>	<u>\$ 328,932,136</u>

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements

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COUNTY OF NEVADA, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	Road	Community Development Agency	Human Services Agency
<u>ASSETS</u>				
Cash and investments	\$ 5,170,110	\$ 3,831,235	\$ 538,552	\$ 280
Restricted cash and investments	-	-	-	-
Accounts receivable (net of allowance)	1,127,058	72,277	215,207	21,493
Due from other governmental agencies	2,014,611	1,213,422	243,909	7,727,873
Due from other agencies	11,055,061	-	-	-
Taxes receivable	633,472	-	-	-
Due from other funds	3,972,170	322,861	158,811	667,455
Inventory	-	122,310	-	-
Prepaid costs	67,757	-	-	-
Advances to other funds	96,000	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ 24,136,239</u>	<u>\$ 5,562,105</u>	<u>\$ 1,156,479</u>	<u>\$ 8,417,101</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 874,207	\$ 626,934	\$ 15,152	\$ 1,086,353
Accrued salaries and benefits	1,952,403	169,835	200,097	642,019
Deposits payable	-	32,884	160,727	46,349
Due to other funds	311,038	116,102	28,407	1,625,819
Deferred revenue	1,355,542	191,072	287,941	3,324,806
Unearned revenue	-	110,227	120,671	-
Advance from other funds	-	-	-	-
Total Liabilities	<u>4,493,190</u>	<u>1,247,054</u>	<u>812,995</u>	<u>6,725,346</u>
FUND BALANCES				
Reserved for:				
Debt service	-	-	-	-
Encumbrances	393,862	885,992	-	783,735
Inventory	-	122,310	-	-
Prepaid costs	67,757	-	-	-
Advances	96,000	-	-	-
Loans receivable	-	-	-	-
Unreserved, reported in:				
General				
Designated	16,815,000	-	-	-
Undesignated	2,270,430	-	-	-
Special revenue funds				
Undesignated	-	3,306,749	343,484	908,020
Total Fund Balances	<u>19,643,049</u>	<u>4,315,051</u>	<u>343,484</u>	<u>1,691,755</u>
Total Liabilities and Fund Balances	<u>\$ 24,136,239</u>	<u>\$ 5,562,105</u>	<u>\$ 1,156,479</u>	<u>\$ 8,417,101</u>

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

Health and Welfare Realignment	Other Governmental Funds	Total
\$ 5,937,521	\$ 18,308,694	\$ 33,786,392
-	2,138,500	2,138,500
-	21,658	1,457,693
945,884	1,479,598	13,625,297
-	-	11,055,061
-	214,600	848,072
21,211	570,978	5,713,486
-	-	122,310
-	133,201	200,958
-	219,739	315,739
-	4,538,146	4,538,146
<u>\$ 6,904,616</u>	<u>\$ 27,625,114</u>	<u>\$ 73,801,654</u>

\$ -	\$ 436,183	\$ 3,038,829
-	221,356	3,185,710
-	-	239,960
637,277	3,036,709	5,755,352
-	55,032	5,214,393
-	-	230,898
-	219,739	219,739
<u>637,277</u>	<u>3,969,019</u>	<u>17,884,881</u>

-	2,272,010	2,272,010
-	194,776	2,258,365
-	-	122,310
-	133,201	200,958
-	219,739	315,739
-	4,538,146	4,538,146
-	-	16,815,000
-	-	2,270,430
<u>6,267,339</u>	<u>16,298,223</u>	<u>27,123,815</u>
<u>6,267,339</u>	<u>23,656,095</u>	<u>55,916,773</u>
<u>\$ 6,904,616</u>	<u>\$ 27,625,114</u>	<u>\$ 73,801,654</u>

COUNTY OF NEVADA, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF
NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2009

Total Fund Balance - Total Governmental Funds	\$ 55,916,773
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	260,703,869
Other long term assets are not available to pay for current period expenditures and therefore, are not reported in the funds or are reported as deferred in the governmental funds. Deferred revenue	5,214,393
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds balance sheets.	(192,653)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds. Certificates of participation Bonds payable Loans payable Capital leases payable Compensated absences Net OPEB obligation	(12,940,000) (310,000) (3,601,554) (18,764) (5,308,881) (2,966,922)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets.	<u>3,339,907</u>
Net Assets of Governmental Activities	<u>\$ 299,836,168</u>

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

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

	General Fund	Road	Community Development Agency	Human Services Agency
<u>REVENUES</u>				
Taxes and assessments	\$ 37,778,949	\$ 125,683	\$ 11,455	\$ -
Licenses and permits	1,150,416	22,903	1,283,655	798
Fines and forfeitures	2,650,343	-	904	481
Use of money and property	778,029	67,102	30,397	(12,388)
Intergovernmental	3,553,165	8,353,197	715,946	33,568,451
Charges for services	8,481,705	511,111	2,170,272	473,156
Other revenues	1,368,347	150,025	39,593	510,229
Total Revenues	55,760,954	9,230,021	4,252,222	34,540,727
<u>EXPENDITURES</u>				
Current:				
General government	11,034,320	-	-	-
Public ways and facilities	-	11,070,472	-	-
Public protection	42,558,504	-	4,241,807	-
Health and sanitation	-	-	1,992,820	17,560,976
Public assistance	308,783	-	-	24,177,863
Education	115,882	-	-	-
Recreation	-	-	-	-
Debt service:				
Principal	13,336	-	-	-
Interest and other charges	1,603	-	-	-
Capital outlay	882,744	4,213,181	-	90,607
Total Expenditures	54,915,172	15,283,653	6,234,627	41,829,446
Excess of Revenues Over (Under) Expenditures	845,782	(6,053,632)	(1,982,405)	(7,288,719)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	7,465,931	5,079,202	2,256,407	6,828,183
Transfers out	(7,399,868)	-	-	(28,718)
Insurance recovery	-	-	-	-
Sale of capital assets	57	18,639	-	2,730
Total Other Financing Sources (Uses)	66,120	5,097,841	2,256,407	6,802,195
Net Change in Fund Balances	911,902	(955,791)	274,002	(486,524)
Fund Balances - Beginning	18,731,147	5,270,842	69,482	2,178,279
Fund Balances - Ending	\$ 19,643,049	\$ 4,315,051	\$ 343,484	\$ 1,691,755

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

Health and Welfare Realignment	Other Governmental Funds	Total
\$ -	\$ 1,495,106	\$ 39,411,193
-	12,558	2,470,330
-	526,878	3,178,606
17,753	447,639	1,328,532
5,934,903	20,020,357	72,146,019
-	1,215,306	12,851,550
-	1,175,661	3,243,855
5,952,656	24,893,505	134,630,085
-	253,487	11,287,807
-	553,618	11,624,090
-	6,221,411	53,021,722
-	3,810,988	23,364,784
-	3,350,280	27,836,926
-	2,592,849	2,708,731
-	98,885	98,885
-	1,070,700	1,084,036
-	822,964	824,567
-	8,627	5,195,159
-	18,783,809	137,046,707
5,952,656	6,109,696	(2,416,622)
127,268	6,891,066	28,648,057
(6,260,421)	(14,983,794)	(28,672,801)
-	1,331,391	1,331,391
-	-	21,426
(6,133,153)	(6,761,337)	1,328,073
(180,497)	(651,641)	(1,088,549)
6,447,836	24,307,736	57,005,322
\$ 6,267,339	\$ 23,656,095	\$ 55,916,773

COUNTY OF NEVADA, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Net Change in Fund Balances - Total Governmental Funds **\$ (1,088,549)**

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	5,195,159
Depreciation expense	(2,277,488)
Various adjustments affecting capital assets (including sales, trade-ins, and developer contributions)	1,130,289

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the net cost of the capital assets disposed. Proceeds from the sale of capital assets were \$21,426. (57,076)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal retirements 1,084,036

Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.

Change in deferred revenue 3,509,440

Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Change in net OPEB obligation	(1,180,681)
Change in compensated absences payable	(250,022)
Change in accrued interest on long-term debt	10,278

Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The net revenue (expense) of certain internal services funds is reported with governmental activities. (211,488)

Change in Net Assets of Governmental Activities **\$ 5,863,898**

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

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COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Business-type Activities Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>ASSETS</u>				
Current Assets				
Cash and investments	\$ 12,792,962	\$ 133,929	\$ 6,557,236	\$ 628,847
Restricted cash and investments	1,053,613	-	25,000	-
Accounts receivable (net of allowance)	395,015	39,237	4,632	318,664
Due from other governmental agencies	31,300	7,156	-	242,017
Due from other funds	18,515	7,825	1,119,566	16,745
Prepaid costs	-	-	-	-
Inventory	-	68,560	-	-
Deposits	-	-	-	-
Total Current Assets	14,291,405	256,707	7,706,434	1,206,273
Noncurrent Assets				
Capital assets:				
Non-depreciable	767,940	1,975,017	4,778,592	26,409
Depreciable, net	1,241,966	2,605,187	48,349,484	1,249,710
Total Noncurrent Assets	2,009,906	4,580,204	53,128,076	1,276,119
Total Assets	16,301,311	4,836,911	60,834,510	2,482,392
<u>LIABILITIES</u>				
Current Liabilities				
Accounts payable	282,028	42,700	359,251	82,332
Accrued salaries and benefits	71,531	10,846	88,864	48,312
Accrued interest payable	32,020	46,669	454,844	-
Deposits payable	31,566	2,000	3,899	-
Due to other funds	38,971	383	1,132,412	56,155
Unearned revenue	-	13,775	-	1,009,572
Compensated absences payable	75,866	23,423	161,658	68,692
Capital leases payable	-	-	-	-
Certificates of participation	466,600	-	-	-
Bonds payable	-	-	77,000	-
Loans payable	-	47,746	4,678,359	-
Accrued claims payable	-	-	-	-
Closure/postclosure costs	2,713,974	-	-	30,000
Total Current Liabilities	3,712,556	187,542	6,956,287	1,295,063
Noncurrent Liabilities				
Advances from other funds	-	93,000	3,000	-
Capital leases payable	-	-	-	-
Certificates of participation	6,881,319	-	-	-
Bonds payable	-	-	23,000	-
Loans payable	-	198,304	25,536,558	-
Closure/postclosure costs	10,188,160	-	-	85,736
Net OPEB obligation	67,090	9,361	79,874	53,162
Total Noncurrent Liabilities	17,136,569	300,665	25,642,432	138,898
Total Liabilities	20,849,125	488,207	32,598,719	1,433,961

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

	Governmental Activities
Totals	Internal Service Funds
\$ 20,112,974	\$ 3,291,819
1,078,613	-
757,548	13,854
280,473	-
1,162,651	435,276
-	19,840
68,560	69,890
-	35,000
<u>23,460,819</u>	<u>3,865,679</u>
7,547,958	-
<u>53,446,347</u>	<u>1,222,115</u>
<u>60,994,305</u>	<u>1,222,115</u>
<u>84,455,124</u>	<u>5,087,794</u>
766,311	231,806
219,553	39,294
533,533	-
37,465	-
1,227,921	328,140
1,023,347	-
329,639	68,570
-	5,775
466,600	-
77,000	-
4,726,105	-
-	1,018,455
<u>2,743,974</u>	<u>-</u>
<u>12,151,448</u>	<u>1,692,040</u>
96,000	-
-	5,223
6,881,319	-
23,000	-
25,734,862	-
10,273,896	-
<u>209,487</u>	<u>39,768</u>
<u>43,218,564</u>	<u>44,991</u>
<u>55,370,012</u>	<u>1,737,031</u>

Continued (Page 1 of 2)

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	2,009,906	4,334,154	22,813,159	1,276,119
Unrestricted	<u>(6,557,720)</u>	<u>14,550</u>	<u>5,422,632</u>	<u>(227,688)</u>
Total Net Assets	<u>\$ (4,547,814)</u>	<u>\$ 4,348,704</u>	<u>\$ 28,235,791</u>	<u>\$ 1,048,431</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net Assets of Business-Type Activities

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

	Governmental Activities
Totals	Internal Service Funds
30,433,338	1,211,117
(1,348,226)	2,139,646
29,085,112	<u>\$ 3,350,763</u>
10,856	
<u>\$ 29,095,968</u>	

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

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>OPERATING REVENUES</u>				
Charges for services	\$ 7,259,068	\$ 19,760	\$ 6,462,994	\$ 685,055
Fuel sales	-	664,037	-	-
Total Operating Revenues	7,259,068	683,797	6,462,994	685,055
<u>OPERATING EXPENSES</u>				
Salaries and benefits	1,810,453	253,293	2,099,371	1,498,499
Services and supplies	3,775,883	650,145	1,493,965	2,253,074
Benefit and claim expense	12,240	-	-	7,688
Other charges	227,407	55,846	302,830	104,960
Expenditure transfers	21,102	1,008	187,015	130,796
Closure/post closure expense	277,737	-	-	2,491
Depreciation	184,347	304,922	1,028,701	376,165
Total Operating Expenses	6,309,169	1,265,214	5,111,882	4,373,673
Operating Income (Loss)	949,899	(581,417)	1,351,112	(3,688,618)
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Taxes and assessments	-	71,980	-	2,318,377
Forfeitures and penalties	-	-	-	-
Intergovernmental revenues	90,474	96,341	1,362,940	1,763,178
Interest income	311,680	3,478	138,651	27,121
Other revenues	36,005	247,282	510,866	3,496
Interest expense	(439,645)	(14,554)	(210,722)	(7,271)
Amortization	(25,590)	-	-	-
Gain (loss) on disposition of capital assets	3,998	-	(362)	15,436
Total Non-Operating Revenues (Expenses)	(23,078)	404,527	1,801,373	4,120,337
Income (Loss) Before Transfers	926,821	(176,890)	3,152,485	431,719
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Change in Net Assets	926,821	(176,890)	3,152,485	431,719
Total Net Assets - Beginning	(5,433,876)	4,531,599	25,132,947	649,659
Prior period adjustment	(40,759)	(6,005)	(49,641)	(32,947)
Total Net Assets - Beginning, Restated	(5,474,635)	4,525,594	25,083,306	616,712
Total Net Assets - Ending	\$ (4,547,814)	\$ 4,348,704	\$ 28,235,791	\$ 1,048,431

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in Net Assets of the Business-Type Activities

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

	Governmental Activities
Totals	Internal Service Funds
\$ 14,426,877	\$ 6,989,318
664,037	-
15,090,914	6,989,318
5,661,616	988,446
8,173,067	4,139,216
19,928	1,615,442
691,043	162,320
339,921	75,988
280,228	-
1,894,135	475,012
17,059,938	7,456,424
(1,969,024)	(467,106)
2,390,357	-
-	4,981
3,312,933	-
480,930	75,356
797,649	88,707
(672,192)	(1,247)
(25,590)	-
19,072	(3,110)
6,303,159	164,687
4,334,135	(302,419)
-	24,744
-	-
4,334,135	(277,675)
	3,652,846
	(24,408)
	3,628,438
	<u>\$ 3,350,763</u>
(66,188)	
<u>\$ 4,267,947</u>	

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from customers	\$ 7,319,530	\$ 730,867	\$ 6,466,686	\$ 524,993
Payments to suppliers	(4,627,991)	(757,241)	(2,211,958)	(2,742,706)
Payments to employees	(1,761,338)	(247,311)	(2,062,234)	(1,490,279)
Net Cash Provided (Used) by Operating Activities	930,201	(273,685)	2,192,494	(3,707,992)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Grants and other receipts	130,444	408,447	1,873,806	3,293,884
Transfers from other funds	-	-	-	-
Interfund loans received	-	-	205,638	7,096
Interfund loans made	-	-	(200,145)	(7,542)
Interfund loans repaid	(97,050)	(158)	(143,899)	(17,619)
Interfund loan repayments received	18,911	25,679	144,075	-
Net Cash Provided (Used) by Noncapital Financing Activities	52,305	433,968	1,879,475	3,275,819
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Acquisition of capital assets	(11,527)	(87,384)	(3,706,703)	(932,829)
Proceeds from sale of capital assets	3,998	-	-	15,436
Proceeds from issuance of debt	-	-	55,176	-
Principal paid on capital debt	(505,000)	(45,351)	(1,515,630)	-
Interest paid on capital debt	(403,434)	(25,436)	(439,727)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(915,963)	(158,171)	(5,606,884)	(917,393)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest and dividends	311,680	3,478	138,655	19,851
Net Cash Provided (Used) by Investing Activities	311,680	3,478	138,655	19,851
Net Increase (Decrease) in Cash and Cash Equivalents	378,223	5,590	(1,396,260)	(1,329,715)
Balances - Beginning of the Year	13,468,352	128,339	7,978,496	1,958,562
Balances - End of the Year	\$ 13,846,575	\$ 133,929	\$ 6,582,236	\$ 628,847

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

	Governmental Activities
Totals	Internal Service Funds
\$ 15,042,076	\$ 6,757,919
(10,339,896)	(5,989,499)
(5,561,162)	(977,692)
(858,982)	(209,272)
5,706,581	93,688
-	24,744
212,734	176,633
(207,687)	-
(258,726)	(48,606)
188,665	52,929
5,641,567	299,388
(4,738,443)	(318,004)
19,434	48,312
55,176	-
(2,065,981)	(5,282)
(868,597)	(1,247)
(7,598,411)	(276,221)
473,664	75,357
473,664	75,357
(2,342,162)	(110,748)
23,533,749	3,402,567
<u>\$ 21,191,587</u>	<u>\$ 3,291,819</u>

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>				
Operating income (loss)	\$ 949,899	\$ (581,417)	\$ 1,351,112	\$ (3,688,618)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	184,347	304,922	1,028,701	376,165
Decrease (increase) in:				
Accounts receivable	60,462	58,172	3,692	(160,062)
Prepaid costs	-	-	-	-
Inventory	-	(8,121)	-	1,723
Increase (decrease) in:				
Accounts payable	(75,933)	(42,121)	(232,047)	(247,087)
Accrued salaries and benefits	4,720	1,833	12,081	(8,884)
Deposits payable	(1,986)	-	3,899	-
Unearned revenue	-	(11,102)	-	-
Compensated absences payable	18,064	793	(5,176)	(3,111)
Claims payable	-	-	-	-
Closure/post closure	(235,703)	-	-	1,667
Net OPEB obligation	26,331	3,356	30,232	20,215
Net Cash Provided (Used) by Operating Activities	\$ 930,201	\$ (273,685)	\$ 2,192,494	\$ (3,707,992)

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

	Governmental Activities
Totals	Internal Service Funds
\$ (1,969,024)	\$ (467,106)
1,894,135	475,012
(37,736)	(1,165)
-	(929)
(6,398)	2,126
(597,188)	(174,994)
9,750	4,259
1,913	-
(11,102)	(230,234)
10,570	(8,865)
-	178,211
(234,036)	-
80,134	14,413
<u>\$ (858,982)</u>	<u>\$ (209,272)</u>

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

	<u>Investment Trust Funds</u>	<u>Agency</u>
<u>ASSETS</u>		
Cash and investments	\$ 65,547,355	\$ 1,545,334
Restricted cash and investments	-	946,795
Accounts receivable	625,289	-
Taxes receivable	-	13,456,075
Total Assets	66,172,644	15,948,204
<u>LIABILITIES</u>		
Accounts payable	385,709	-
Due to other agencies	-	11,055,160
Agency obligations	-	4,893,044
Total Liabilities	385,709	15,948,204
<u>NET ASSETS</u>		
Net assets held in trust for investment pool participants	\$ 65,786,935	\$ -

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

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

	<u>Investment Trust Funds</u>
<u>ADDITIONS</u>	
Contributions:	
Contributions to investment pool	\$ 377,313,182
Net investment income:	
Interest income	<u>1,507,103</u>
Net investment income	<u>1,507,103</u>
Total Additions	<u>378,820,285</u>
<u>DEDUCTIONS</u>	
Distributions from investment pool	<u>378,116,703</u>
Total Deductions	<u>378,116,703</u>
Change in Net Assets	703,582
Net Assets - Beginning	<u>65,083,353</u>
Net Assets - Ending	<u><u>\$ 65,786,935</u></u>

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

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BASIC FINANCIAL STATEMENTS

Notes to Basic Financial Statements

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COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a county wide basis including law and justice, education, detention, social, health, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning and tax collection.

The accounting methods and procedures adopted by the County conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board of Supervisors is financially accountable or other organizations whose component units nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual component units may be obtained by writing to the County of Nevada, Auditor-Controller's Office, 950 Maidu Avenue, Nevada City, CA 95959.

The blended component units' governing bodies are substantively the same as the governing body of the primary government. Component units that are blended into the reporting activity types of the County's report are presented below:

Special Revenue Funds:

Nevada County Housing Authority
Special Districts Governed by the Board of Supervisors

Debt Service Funds:

Special Assessment Debt with County Commitment
Nevada County Finance Authority

Enterprise Funds:

Sanitation District

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net assets and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include (1) charges paid by the recipients of goods and services offered by the program, (2) operating grants and contributions, and (3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The County reports the following major governmental funds:

- The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation services.
- The Road Fund is a special revenue fund used to account for the revenues and expenditures for streets and road expansion.
- The Community Development Agency Fund is a special revenue fund used to account for the operation of community development programs.
- The Human Services Agency Fund is a special revenue fund used to account for revenues and expenditures for human service programs.
- The Health and Welfare Realignment Fund is a special revenue fund used to account for revenues and expenditures for public and mental health and social services programs.

The County reports the following major proprietary funds:

- The Western Nevada County Solid Waste Fund is an enterprise fund used to account for activity related to providing customers with solid waste management and billing for services provided by the County.
- The Airport Fund is an enterprise fund used to account for activity related to the County Airport and billing for services provided by the County.
- The Sanitation District Fund is an enterprise fund used to account for activity related to providing customers with sanitation management and billing for services provided by the County.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet maintenance and self insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of five separate funds; Special Districts governed by Local Boards, School Districts, School Districts Debt Service, Courts and Jury/Witness and Local Transportation Authority. These funds account for assets, primarily cash and investments in the County's investment pool, owned by legally separate entities such as school and community colleges, special districts governed by local boards, regional boards and authorities, and pass through funds for tax collections for cities. The County is obligated to disburse monies from these funds on demand.
- Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include two separate components.

Accrued Trust Funds - Accounts for property tax receipts awaiting apportionment to other local governmental agencies and investment earnings awaiting apportionment to other local government agencies.

County Departmental Agency - Accounts for all assets under the control of County departments which are held in a fiduciary capacity.

C. Basis of Accounting and Measurement Focus

The government-wide, proprietary funds and fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. However, because agency funds only report assets and liabilities, they do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. Governmental capital assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, grants, entitlements, special assessments and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period when they meet the measurable and available criteria. Fines, licenses and permits, and charges for services are considered to be measurable and available only when the County receives cash.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

For its business-type activities and enterprise funds, the County has elected, under Governmental Accounting Standards Board (GASB) Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting", to apply all applicable pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The County has elected not to follow subsequent private sector guidance. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes accounting principles generally accepted in the United States of America (GAAP) for government units.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments, except cash with fiscal agent, of the proprietary fund types are pooled with the County's pooled cash and investments.

E. Cash and Investments

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and the County's investment policy. State statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General Fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

Investment transactions are recorded on the trade date. Investments are reported at fair value which is determined using selected bases annually. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants each quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2009, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

F. Receivables

In the government-wide and proprietary fund financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include taxes, grants, and interest. Business-type activities report user fees and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as taxes, grants, interest, and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

G. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is, a corresponding increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide presentation.

See Note 3 for details of interfund transactions, including receivables and payables at year end.

H. Inventory and Prepaid Costs

Inventories are stated at average cost for governmental and proprietary funds. Inventory recorded by governmental funds includes materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventory recorded by proprietary funds includes supplies for internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are accounted for as prepaid costs.

I. Loans Receivable

For the purpose of the governmental fund financial statements, special revenue fund expenditures relating to long-term loans receivable arising from mortgage subsidy programs are charged to operations upon funding and the loans receivable are recorded. The balance of the long-term receivable includes loans that may be forgiven if certain terms and conditions of the loans are met.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, sewer, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with a cost of more than \$5,000 for equipment and \$25,000 for structures and infrastructure and an estimated useful life of more than two years. Such assets are recorded at historical or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the date of donation.

In the government-wide financial statements, property, plant, equipment and infrastructure (except for the maintained road system) are accounted for as exhaustible capital assets in the governmental or business-type activities column.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	3-25 years
Structures and improvements	5-50 years
Infrastructure (except for the maintained road system)	20-75 years

The County has elected to use the modified approach to report its maintained road system. Under the modified approach depreciation is not reported for this system and all expenditures, except for betterments and major improvements, made to the system are expensed.

The County manages its maintained road system using the Metropolitan Transportation Commission's Pavement Management program (Program) and accounts for them using the modified approach. The Program establishes a Pavement Condition Index (PCI) on a scale from zero to one hundred (0-100) for each road segment being maintained by the Department of Public Works. The Program has defined the pavement of roads with PCIs of 40 or better to be in a "Fair" or better condition and roads with a PCI of 55 or better to be in a "Good" or better condition. The system-wide average PCI number for all paved or chip sealed roads in the County maintained road system is calculated on a weighted by section, road area basis. The amount that an individual road section's condition contributes to the overall system average rating is proportionate to the amount of the total systems surfaced area that the individual segment contains. It is the County's policy relative to maintaining the maintained road system to keep an average PCI rating of 62. This rating must be achieved over a three year period.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

**NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

J. Capital Assets (Continued)

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide financial statements.

K. Unearned Revenue/Deferred Revenue

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue. In addition, loans receivable for which repayment is deferred or for which the balance may be forgiven if certain terms and conditions of the loans are met have also been offset by unearned revenue.

Deferred revenue is recorded under the modified accrual basis of accounting when revenue which has been earned during the current period has met the measurable criteria but has not met the available criteria.

See Note 3 for details of unearned/deferred revenues at year end.

L. Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide financial statements. The long-term debt consists primarily of certificates of participation, special assessment bonds with County commitment, loans, capital leases, and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest is reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide financial statements.

M. Compensated Absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation or personal paid leave. An unlimited amount of sick leave may be accrued in accordance with each bargaining unit's MOU and, upon separation from County's service, will either be paid to employees or converted to PERS service credit. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

N. Fund Balances/Net Assets

Government-Wide Financial Statements

Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted net assets are available, unrestricted resources are depleted first before the restricted resources are used.

Fund Financial Statements

In the governmental fund financial statements reserves and designations segregate portions of fund balance. Reservations of fund balance are for amounts that are not available or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance are established by action of management and represent tentative plans that are subject to change.

As of June 30, 2009, reservations of fund balance included:

Debt Service - to reflect the funds held for future payment on debt principal and interest.

Encumbrances - to reflect the outstanding contractual obligations for which goods and services have not been received.

Inventory - to reflect the portion of assets which represent inventory and do not represent available spendable resources.

Prepaid Costs - to reflect the portion of assets which represent prepaid costs and do not represent available spendable resources.

Advances - to reflect the amount due from other funds that are long-term in nature. Such amounts do not represent available spendable resources.

Loans Receivable - to reflect the portion of loans receivable which is long-term in nature. Such amounts do not represent available spendable resources.

As of June 30, 2009, designations of fund balance included:

Designated for General - to reflect the funds the County has set aside to fund subsequent year expenditures and projects not yet approved.

Designated for Leave Liability - to reflect the funds the County has set aside to fund subsequent payment to retire compensated absences.

Designated for PERS Pension - to reflect funds the County has set aside to fund future PERS costs.

Designated for Special Projects - to reflect the funds the County has set aside to fund subsequent projects.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Balances/Net Assets (Continued)

Fund Financial Statements (Continued)

Designated for General Plan Update - to reflect the funds the County has set aside to fund the General Plan update.

Designated for Realignment - to reflect the funds the County has set aside to fund subsequent potential State expenditures.

Designated for COP Lease Payment - to reflect the funds the County has set aside to fund subsequent COP Lease payments.

Designated for Civil Litigation - to reflect the funds the County has set aside to fund subsequent civil litigation.

Designated for Technology - to reflect the funds the County has set aside to fund subsequent upgrades.

As of June 30, 2009, the County's designations are reported in the financial statements as follows:

	<u>General</u>
Designated for:	
General	\$ 5,277,000
Leave liability	1,650,000
PERS pension	1,000,000
Special projects	6,970,000
General plan update	700,000
Realignment	300,000
COP lease payment	43,000
Civil litigation	50,000
Technology	825,000
Total	<u>\$ 16,815,000</u>

O. Property Tax

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1 percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value, as defined by Article XIII A, and may be adjusted by no more than 2 percent per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1 percent tax levy among the County, cities, school districts, and other districts.

The County of Nevada is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

The County levies, bills, and collects taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/lien dates	January 1	January 1
Levy dates	January 1	January 1
Due dates	November 1 (1 st installment) February 1 (2 nd installment)	July 1
Delinquent dates	December 10 (1 st installment) April 10 (2 nd installment)	August 31

The County of Nevada apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as described by Section 4717 of the California Revenue and Taxation code. Under the Teeter Plan, the County Auditor-Controller, an elected official is authorized to pay 100 percent of the property taxes billed (secured, supplemental, and debt service) to the taxing agencies within the County. The County recognizes property tax revenues in the period for which the taxes are levied. Previously, such taxes were allocated and paid as the taxes were collected.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Property Tax (Continued)

To fund the advances, the County borrowed from its pooled cash and investments. The advances are secured by delinquent taxes receivable and will be repaid as delinquencies plus penalties (10 percent) and interest (18 percent) are collected. As of June 30, 2009, the outstanding net borrowing totaled \$11,055,061 and was recorded as a reduction of cash in the General fund.

P. Grant Revenues

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditure and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue.

Q. Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Government Funds – By Character
 Current (further classified by function)
 Debt Service
 Capital Outlay

Proprietary Funds – By Operating and Nonoperating

R. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Fund Balance/Net Assets

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balance/net assets. During the current year an adjustment to net assets was required to correct a prior year misstatement of capital assets and a prior year misstatement of the OPEB obligation. The capital assets adjustment in governmental activities was due to errors in the calculation of estimated historical cost for road land and easements and infrastructure assets. The OPEB obligation adjustment in the governmental activities and the business-type activities was to properly record the portion of the prior year OPEB obligation attributable to business-type activities.

The impact of the restatements on the net assets on the government-wide financial statements as previously reported is presented below:

	Governmental Activities	Business-Type Activities
Net Assets, June 30, 2008, as previously reported	\$ 294,047,189	\$ 24,957,373
Adjustment associated with:		
Correction of capital assets	(204,271)	-
Correction of OPEB obligation	<u>129,352</u>	<u>(129,352)</u>
Total Adjustments	<u>(74,919)</u>	<u>(129,352)</u>
Net Assets, July 1, 2009, as restated	<u>\$ 293,972,270</u>	<u>\$ 24,828,021</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Restatement of Fund Balance/Net Assets (Continued)

The impact of the restatements on the net assets on the fund financial statements as previously reported is presented below:

	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds	Internal Service Funds
Net Assets, June 30, 2008, as previously reported	(\$ 5,433,876)	\$ 4,531,599	\$25,132,947	\$ 649,659	\$ 3,652,846
Adjustment associated with:					
Correction of OPEB obligation	(40,759)	(6,005)	(49,641)	(32,947)	(24,408)
Total Adjustments	(40,759)	(6,005)	(49,641)	(32,947)	(24,408)
Net Assets, July 1, 2009 as restated	<u>(\$ 5,474,635)</u>	<u>\$ 4,525,594</u>	<u>\$25,083,306</u>	<u>\$ 616,712</u>	<u>\$ 3,628,438</u>

B. Deficit Fund Balance/Net Assets

The following major enterprise fund had deficit net assets:

The Western Nevada County Solid Waste fund had a net asset deficit of \$4,547,814, due to the post closure liability of \$12,902,134. The County has established a pledge of revenues consisting of parcel charges to demonstrate financial responsibility for postclosure maintenance in accordance with California Code of Regulations.

C. Rebutable Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations of excess investment earnings on various bonds and financing and at June 30, 2009, does not expect to incur a liability.

D. Gann Spending Limitation

Under Article XIII B of the California Constitution (the Gann Spending Limitation), the County is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements.

E. Implementation of Governmental Accounting Standards Board Statements

GASB Statement No. 49

The County implemented GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations. This statement establishes accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The County has evaluated the requirements of GASB 49 and has determined that no liability exists at June 30, 2009, for pollution remediation obligations.

GASB Statement No. 52

GASB Statement No. 52, Land and Other Real Estate Held as Investments by Endowments is effective for the County for fiscal year June 30, 2009. This statement improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. The County has evaluated the requirements of GASB 52 and has determined that it does not hold any land or other real estate as investments by endowments at June 30, 2009.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES

A. Cash and Investments

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value. All cash and investments with the exception of deposits with fiscal agents and investments with fiscal agents are considered a part of the investment pool.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The net asset value of involuntary participation in the investment pool totaled \$65,547,355 at June 30, 2009.

As of June 30, 2009, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 60,408,298
Investment trust fund	65,547,355
Agency funds	<u>2,492,129</u>
Total Cash and Investments	<u><u>\$ 128,447,782</u></u>

As of June 30, 2009, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 1,154,311
Deposits in Treasurer's Pool (less outstanding warrants)	<u>12,555,823</u>
Total Cash in County Pool	13,710,134
Deposits with fiscal agents	<u>1,101,623</u>
Total Cash	<u>14,811,757</u>
Investments:	
In Treasurer's Pool	<u>110,573,740</u>
Total Investments in County Pool	<u>110,573,740</u>
Investments with fiscal agents	<u>3,062,285</u>
Total Investments	<u>113,636,025</u>
Total Cash and Investments	<u><u>\$ 128,447,782</u></u>

Cash

At year end, the carrying amount of the County's cash deposits (including amount in checking accounts, money market accounts and deposits with fiscal agents) was \$13,657,485 and the bank balance was \$24,263,840. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit.

Custodial Credit Risk For Deposits - Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits in excess of the Federal Deposit Insurance Corporation coverage must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Investments

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

		Maturities				Weighted Average Maturity (Years)
	Interest Rates	0-1 year	1-5 years	Over 5 years	Fair Value	
Pooled Investments						
Government Agency Securities	2.25-5.25%	\$ 57,240,580	12,333,160	-	69,573,740	0.55
Certificates of Deposit	.13-.51%	<u>41,000,000</u>	<u>-</u>	<u>-</u>	<u>41,000,000</u>	<u>0.29</u>
Total Pooled Investments		<u>98,240,580</u>	<u>12,333,160</u>	<u>-</u>	<u>110,573,740</u>	<u>0.45</u>
Investments Held by Fiscal Agents						
Government Agency Securities	5.00%	-	-	923,785	923,785	2.88
IXIS	5.91%	<u>2,138,500</u>	<u>-</u>	<u>-</u>	<u>2,138,500</u>	<u>-</u>
Total Investments Held By Fiscal Agents		<u>2,138,500</u>	<u>-</u>	<u>923,785</u>	<u>3,062,285</u>	<u>0.87</u>
Total Investments		<u>\$100,379,080</u>	<u>\$ 12,333,160</u>	<u>\$ 923,785</u>	<u>\$ 113,636,025</u>	<u>0.47</u>

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rate. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the maturity of its investments to 5 years or less. Of the County's \$113,636,025 investment portfolio, over 88% of the investments have a maturity of one year or less. Of the remainder, less than 1% have a maturity of more than 5 years.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law and County investment policy limit investments in commercial paper to the rating of A1 or better by Standards and Poor's or P1 or better by Moody's Investors Service; and in corporate bonds to the rating of A or better by both Standards & Poor's and Moody's Investors Service. No limits are placed on U.S. government agency securities and U.S. treasuries. The County's investment policy does not further limit its investment choices.

<u>Investments at June 30, 2009</u>	<u>Standard & Poor's Rating</u>	<u>% of Portfolio</u>
Federal Farm Credit Bank	AAA	26.04%
Federal Home Loan Bank	AAA	31.60%
Federal Home Loan Mortgage	AAA	4.40%
Certificates of Deposit	Unrated	36.08%
IXIS	Unrated	1.88%
Total		<u>100%</u>

Custodial Credit Risk - Custodial Credit Risk is the risk that, in the event of the failure of a depository institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in the name of the County. The County's investment policy does not further limit the exposure to custodial credit risk.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law restricts the County's investments in commercial paper to 40% of its investment pool and to 10% per issuer and corporate bonds and medium term notes to 30% of its investment pool and to 10% per issuer and, banker's acceptances to 15 percent of its investment pool and to 10% per issuer. Approximately 98% of the County's investments at year-end are in U.S. Government Agency securities and certificates of deposit. There is no limitation on amounts invested in these types of issues.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

County Investment Pool Condensed Financial Information

A condensed statement of net assets and changes in net assets for the investment pool as of and for the year ended June 30, 2009 follows:

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total Pool</u>
Statement of Net Assets			
Cash on hand	\$ 1,154,272	\$ -	\$ 1,154,272
Deposits (Less outstanding warrants)	12,555,862	-	12,555,862
Investments	45,026,385	65,547,355	110,573,740
Other assets	-	625,289	625,289
Other liabilities	-	(385,709)	(385,709)
Net Assets at June 30, 2009	<u>\$ 58,736,519</u>	<u>\$ 65,786,935</u>	<u>\$ 124,523,454</u>
Statement of Changes in Net Assets			
Net assets at July 1, 2008	\$ 66,019,423	\$ 65,083,353	\$ 131,102,776
Net changes in investments by pool participants	(7,282,904)	703,582	(6,579,322)
Net Assets at June 30, 2009	<u>\$ 58,736,519</u>	<u>\$ 65,786,935</u>	<u>\$ 124,523,454</u>

B. Restricted Cash and Investments

The County reflects cash and investments held for certificates of participation as restricted cash of \$2,138,500, in non-major governmental funds, cash and investments held for certificates of participation as restricted cash of \$1,053,613 in the Western Nevada County Solid Waste major enterprise fund and cash held for payment of retention on the Lake Wildwood treatment plant project as restricted cash of \$25,000 in the Sanitation District major enterprise fund.

In addition the Agency funds reflect cash and investments held for various restricted purposes as restricted cash of \$946,795.

C. Capital Assets

Capital assets activity for the year ended June 30, 2009, was as follows:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments/ Transfers</u>	<u>Balance June 30, 2009</u>
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 101,596,798	\$ 1,169,416	\$ -	(\$ 140,316)	\$ 102,625,898
Infrastructure (maintained road system)	99,413,403	858,632	-	481,187	100,753,222
Construction in progress	1,721,146	3,109,122	-	(568,833)	4,261,435
Total Capital Assets, Not Being Depreciated	<u>202,731,347</u>	<u>5,137,170</u>	<u>-</u>	<u>(227,962)</u>	<u>207,640,555</u>
Capital Assets, Being Depreciated:					
Infrastructure	29,530,112	229,447	-	23,005	29,782,564
Structures and Improvements	49,183,034	-	-	-	49,183,034
Equipment	16,308,340	1,276,835	(1,282,069)	-	16,303,106
Total Capital Assets, Being Depreciated	<u>95,021,486</u>	<u>1,506,282</u>	<u>(1,282,069)</u>	<u>23,005</u>	<u>95,268,704</u>
Less Accumulated Depreciation For:					
Infrastructure	(11,970,328)	(472,348)	-	686	(12,441,990)
Structures and Improvements	(16,337,021)	(954,841)	-	-	(17,291,862)
Equipment	(11,097,683)	(1,325,311)	1,173,571	-	(11,249,423)
Total Accumulated Depreciation	<u>(39,405,032)</u>	<u>(2,752,500)</u>	<u>1,173,571</u>	<u>686</u>	<u>(40,983,275)</u>
Total Capital Assets, Being Depreciated, Net	<u>55,616,454</u>	<u>(1,246,218)</u>	<u>(108,498)</u>	<u>23,691</u>	<u>54,285,429</u>
Governmental Activities Capital Assets, Net	<u>\$ 258,347,801</u>	<u>\$ 3,890,952</u>	<u>(\$ 108,498)</u>	<u>(\$ 204,271)</u>	<u>\$ 261,925,984</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

C. Capital Assets (Continued)

	Balance July 1, 2008	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2009
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 3,593,251	\$ -	\$ -	\$ -	\$ 3,593,251
Construction in progress	38,252,789	4,484,149	-	(38,782,231)	3,954,707
Total Capital Assets, Not Being Depreciated	41,846,040	4,484,149	-	(38,782,231)	7,547,958
Capital Assets, Being Depreciated:					
Infrastructure	27,872,579	-	-	38,782,231	66,654,810
Structures and Improvements	3,311,199	9,455	-	-	3,320,654
Equipment	4,215,291	988,123	(902,239)	-	4,301,175
Total Capital Assets, Being Depreciated	35,399,069	997,578	(902,239)	38,782,231	74,276,639
Less Accumulated Depreciation For:					
Infrastructure	(15,635,166)	(1,154,903)	-	-	(16,790,069)
Structures and Improvements	(1,481,540)	(158,750)	-	-	(1,640,290)
Equipment	(2,721,328)	(580,482)	901,877	-	(2,399,933)
Total Accumulated Depreciation	(19,838,034)	(1,894,135)	901,877	-	(20,830,292)
Total Capital Assets, Being Depreciated, Net	15,561,035	(896,557)	(362)	38,782,231	53,446,347
Business-type Activities Capital Assets, Net	\$ 57,407,075	\$ 3,587,592	(\$ 362)	\$ -	\$ 60,994,305

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 437,927
Public Ways and facilities	915,608
Public Protection	730,036
Health and sanitation	89,004
Public assistance	41,880
Education	63,033
Subtotal Governmental funds	2,277,488
Depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	475,012
Total Depreciation Expense – Governmental Functions	\$ 2,752,500

Depreciation expense was charged to business-type functions as follows:

Western Nevada County Solid Waste	184,347
Airport	304,922
Sanitation District	1,028,701
Transit	376,165
Total Depreciation Expense - Business-Type Functions	\$ 1,894,135

Construction in Progress

Construction in progress for governmental activities related primarily to work performed on Allison Ranch Road, Dog Bar Road, Loma Rica Road, Magnolia Road, McCourtney Road, Brunswick Road, Duggans Road, Rough and Ready Highway, Washington Road, Wolf Road, Pasquale Road, Hirschdale Bridges, Maybert Bridge, Floriston bridge replacement, Purdon bridge replacement, Gold Country Drive drainage, and Government Center/ Library Walkway. Construction in progress for the business-type activities related primarily to work performed on Cascade Shores treatment facility upgrade, Penn Valley treatment facility upgrade, airport structure, MRTS redesign, and NSJ expansion project.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

D. Unearned/Deferred Revenue

At June 30, 2009, the components of deferred revenue and of unearned revenue reported were as follows:

	<u>Deferred</u>	<u>Unearned</u>	<u>Total</u>
General Fund			
State, Federal and other agency grant revenue receivable	\$ 282,036	\$ -	\$ 282,036
State mandated costs receivable	1,025,730	-	1,025,730
Law enforcement services	37,944	-	37,944
Election services	9,832	-	9,832
Road			
Federal grant revenue receivable	191,072	-	191,072
Grantor drawdowns prior to meeting all eligibility requirements	-	110,227	110,227
Community Development Agency			
Building inspection fees receivable	252	-	252
Building inspection fees prior to completion of earning requirements	-	62,439	62,439
Plan/Site review fees prior to completion of earning requirements	-	58,232	58,232
Plan/Site review fees receivable	42,464	-	42,464
Environmental health fees receivable	101,017	-	101,017
State grant revenue receivable	144,208	-	144,208
Human Services Agency			
State and other agency grant revenue receivable	1,562,032	-	1,562,032
State mandated claims	1,762,774	-	1,762,774
Non Major Governmental Funds			
State, Federal and other grant revenue receivable	53,878	-	53,878
State mandated claims	1,154	-	1,154
Airport			
Tiedown and hangar pre payments	-	13,775	13,775
Non Major Enterprise Funds			
N.V. County Transportation Commission allocation	-	1,009,572	1,009,572
Total	<u>\$ 5,214,393</u>	<u>\$ 1,254,245</u>	<u>\$ 6,468,638</u>

E. Long-Term Liabilities

The following is a summary of all long-term liabilities transactions for the year ended June 30, 2009:

	<u>Balance July 1, 2008</u>	<u>Additions/ Adjustments</u>	<u>Retirements/ Adjustments</u>	<u>Balance June 30, 2009</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Certificates of Participation	\$ 13,850,000	\$ -	\$ 910,000	\$ 12,940,000	\$ 940,000
Special Assessment Bonds with County Commitment	320,000	-	10,000	310,000	11,000
Loans	3,752,254	-	150,700	3,601,554	160,501
Accrued claims liability (Note 6)	841,191	1,892,972	1,715,708	1,018,455	1,018,455
Capital Lease (Note 3F)	48,378	-	18,616	29,762	14,118
Compensated Absences (Note 1M)	5,136,295	5,603,147	5,361,991	5,377,451	5,377,451
Net OPEB Obligation (Note 5)	1,940,000	1,201,665	134,975	3,006,690	-
Total Governmental Activities	<u>\$ 25,888,118</u>	<u>\$ 8,697,784</u>	<u>\$ 8,301,990</u>	<u>\$ 26,283,912</u>	<u>\$ 7,521,525</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

	Balance July 1, 2008	Additions/ Adjustments	Retirements/ Adjustments	Balance June 30, 2009	Amounts Due Within One Year
Business-Type Activities					
Certificates of Participation	\$ 8,675,000	\$ -	\$ 505,000	\$ 8,170,000	\$ 530,000
Less: bond issue costs	(356,135)	-	(25,590)	(330,545)	(25,590)
Less: deferred reacquisition costs	(529,346)	-	(37,810)	(491,536)	(37,810)
Certificates of Participation, Net	7,789,519	-	441,600	7,347,919	466,600
Special Assessment Bonds with County Commitment	172,000	-	72,000	100,000	77,000
Loans	34,727,112	55,176	1,488,981	33,293,307	4,994,954
Less: Unamortized Discount	(3,103,770)	(9,196)	(280,626)	(2,832,340)	(268,849)
Loans, Net	31,623,342	45,980	1,208,355	30,460,967	4,726,105
Closure/Post-Closure (Note 3G)	13,251,906	280,228	514,264	13,017,870	2,743,974
Compensated Absences (Note 1M)	319,070	407,567	396,998	329,639	329,639
Net OPEB Obligation (Note 5)	-	209,864	377	209,487	-
Total Business-Type Activities	<u>\$ 53,155,837</u>	<u>\$ 943,639</u>	<u>\$ 2,633,594</u>	<u>\$ 51,465,882</u>	<u>\$ 8,343,318</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Estimated claims are liquidated by charges for services collected through individual internal service funds. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The County has evaluated the compensated absences earned and used during the period and estimated the balance at June 30, 2009, to be due within one year.

Special assessment bonds with County commitment are not a direct responsibility of the County. Principal and interest payments are funded from the collection of special assessments. For the governmental activities, the debt is accounted for in the Special Assessment Debt with County Commitment Component Unit debt service fund. For the business-type activities, the debt is accounted for in the Sanitation District component unit enterprise fund. The County is obligated for special assessment debt only to the extent of special assessments collected.

	Governmental Activities	Business-Type Activities
At June 30, 2009, Certificates of Participation consisted of the following:		
2002 Issue Certificates of Participation, issued in the amount of \$21,385,000 and payable in annual installments of \$880,000 to \$1,660,000, with an interest rate of 4.05% to 5.25% and maturity date of June 30, 2020. These bonds were used to defease 1991 and 1993 Certificates of Participation financing the acquisition and construction of the County Administration building and the County jail.	\$ 12,940,000	\$ -
2002 Refunding of 1991 Certificates of Participation, issued in the amount of \$11,415,000, and payable in annual installments of \$475,000 to \$900,000 with an interest rate of 2.30% to 5.00% and maturity of June 30, 2021. These bonds were used to refund the 1991 Certificates of Participation which were used for landfill closure costs.	-	8,170,000
Total Certificates of Participation	<u>\$ 12,940,000</u>	<u>\$ 8,170,000</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
At June 30, 2009, Special Assessment Bonds with County Commitment consisted of the following:		
County Service Area 22 Assessment District Limited Obligation Improvement Bonds, issued in the amount of \$329,908 and payable in annual installments of \$9,908 to \$25,000 with an interest rate of 5.25% to 5.50% and maturity of September 2, 2026. Bond proceeds were used for the construction of improvements.	\$ 310,000	\$ -
USDA Rural Development Bond - North San Juan, issued in the amount of \$76,130 and payable in annual installments of \$1,000 to \$3,000 with an interest rate of 5.00% and maturity of September 2, 2018. Bond proceeds were used to construct improvements in the North San Juan Sewer Assessment District.	-	25,000
USDA Rural Development Bond - Penn Valley, issued in the amount of \$1,264,703 and payable in semi-annual installments of \$35,000 to \$75,000 and maturity of September 2, 2009. Bond proceeds were used for the construction of a wastewater collection, treatment, and disposal system in the Penn Valley Sewer Assessment District.	-	75,000
Total Special Assessment Bonds	<u>\$ 310,000</u>	<u>\$ 100,000</u>

At June 30, 2009, Loans consisted of the following:

Crown Point Building Loan, issued in the amount of \$3,210,000 and payable in annual installments of \$52,000 to \$120,000, with an interest rate of 4.75 to 8.00% and maturity of November 1, 2025. Loan proceeds were used to finance the acquisition of the Crown Point building to house County health programs.	\$ 2,820,186	-
Laura Wilcox Building Loan, issued in the amount of \$880,000 and payable in annual installments of \$13,400 to \$34,200 with an interest rate of 4.99% and maturity of August 31, 2025. Loan proceeds were used to finance the acquisition of the Laura Wilcox building to house County children's programs.	781,368	-
California Airport Loan, issued in the amount of \$360,000 and payable in annual installments of \$17,215 to \$30,519 with an interest rate of 4.28% and maturity of July 26, 2017. Loan proceeds were used to finance the construction of an above ground aircraft fuel storage and dispensing system.	-	204,689
California Airport Loan, issued in the amount of \$258,500 and payable in annual installments of \$16,600 to \$24,701 with an interest rate of 6.06% and maturity of September 21, 2011. Loan proceeds were used to finance airport improvements.	-	41,360
SWRCB Revolving Loan, issued in the amount of \$170,367 and payable in annual installments of \$8,445 to \$11,116 with an interest rate of 3.10% and maturity of January 22, 2016. Loan proceeds were used to finance modifications to the Cascade Shores Wastewater collection system with upgrade and modification to the existing lift station.	-	71,133
Banc of America Leasing and Capital, LLC loan, issued in the amount of \$8,000,000 and payable in one installment of \$8,000,000 with an interest rate of 4.48% and maturity of August 1, 2009. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system.	-	2,500,000
Banc of America Leasing and Capital, LLC loan, issued in the amount of \$8,500,000 and payable in one installment of \$8,500,000, with an interest rate of 4.48% and maturity of August 1, 2009. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system.	-	1,000,000

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
At June 30, 2009, Loans consisted of the following: (Continued)		
State Water Resources Control Board loan, issued in the amount of \$12,122,824 plus accrued interest of \$110,523 and payable in annual installments of \$492,213 to \$739,310, with an interest rate of 2.2% and maturity on November 23, 2027. Loan proceeds were used for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system.	-	11,732,565
State Water Resources Control Board loan, issued in the amount of \$18,964,071 and payable in annual installments of \$948,204, with an interest rate of 0.0% and maturity on January 12, 2028. Loan proceeds were used for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system. The loan includes a loan discount of \$3,160,742.	-	17,743,560
Total Loans	<u>\$ 3,601,554</u>	<u>\$ 33,293,307</u>

The annual aggregate maturities for the years subsequent to June 30, 2009, are as follows:

Year Ended June 30	Certificates of Participation				Total
	Governmental Activities		Business-Type Activities		
	Principal	Interest	Principal	Interest	
2010	\$ 940,000	\$ 584,785	\$ 530,000	\$ 384,244	\$ 2,439,029
2011	980,000	547,560	545,000	363,044	2,435,604
2012	1,010,000	507,760	575,000	341,244	2,434,004
2013	1,055,000	465,801	595,000	317,094	2,432,895
2014	1,090,000	415,429	620,000	290,319	2,415,748
2015-2019	6,265,000	1,229,728	3,580,000	973,569	12,048,297
2020-2024	1,600,000	42,000	1,725,000	131,250	3,498,250
Total	\$ 12,940,000	\$ 3,793,063	\$ 8,170,000	\$ 2,800,764	\$ 27,703,827

Year Ended June 30	Special Assessment Bonds with County Commitment				
	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2010	\$ 11,000	\$ 16,499	\$ 77,000	\$ 3,863	\$ 108,362
2011	11,000	15,921	2,000	1,100	30,021
2012	12,000	15,318	2,000	1,000	30,318
2013	13,000	14,661	2,000	900	30,561
2014	13,000	13,979	2,000	800	29,779
2015-2019	78,000	58,236	15,000	1,875	153,111
2020-2024	100,000	34,100	-	-	134,100
2025-2029	72,000	6,050	-	-	78,050
Total	\$ 310,000	\$ 174,764	\$ 100,000	\$ 9,538	\$ 594,302

Year Ended June 30	<u>Loans</u>					Total
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Service Charge</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>		
2010	160,501	177,208	4,994,954	232,670	117,326	5,682,659
2011	170,948	166,762	1,499,536	145,450	112,285	2,094,981
2012	170,564	155,626	1,495,751	136,922	107,133	2,065,996
2013	167,797	146,875	1,508,885	129,205	101,868	2,054,630
2014	175,952	138,720	1,522,283	121,286	96,487	2,054,728
2015-2019	1,016,649	556,709	7,704,780	484,088	397,487	10,159,713
2020-2024	1,288,930	284,429	7,943,421	292,869	244,057	10,053,706
2025-2029	450,213	21,796	6,623,697	87,589	72,991	7,256,286
Total	<u>\$ 3,601,554</u>	<u>\$ 1,648,125</u>	<u>\$ 33,293,307</u>	<u>\$ 1,630,079</u>	<u>\$ 1,249,634</u>	<u>\$ 41,422,699</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

F. Leases

Operating Leases

The County leases office buildings and equipment under non-cancellable operating leases. Total costs for these leases was \$799,703 for the year ended June 30, 2009. The future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Lease Obligations</u>
2010	\$ 1,170,642
2011	741,931
2012	419,420
2013	360,713
2014	31,769
2015-2019	<u>77,635</u>
Total	<u><u>\$ 2,802,110</u></u>

Capital Leases

The County has entered into certain capital lease agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met.

	<u>Stated Interest Rate</u>	<u>Present Value Of remaining Payments at June 30, 2009</u>
Governmental activities	5.90% - 11.91%	\$ 29,762
Total		<u><u>\$ 29,762</u></u>

Equipment and related accumulated depreciation under capital lease are as follows:

	<u>Governmental Activities</u>
Equipment	\$ 60,640
Less: Accumulated depreciation	<u>(28,057)</u>
Net Value	<u><u>\$ 32,583</u></u>

As of June 30, 2009, capital lease annual amortization is as follows:

<u>Year Ended June 30</u>	<u>Governmental Activities</u>
2010	\$ 15,821
2011	14,733
2012	<u>1,548</u>
Total Requirements	32,102
Less Interest	<u>(2,340)</u>
Present Value of Remaining Payments	<u><u>\$ 29,762</u></u>

G. Closure/Post Closure

The County is responsible for one closed and one inactive solid waste landfill site. State and federal laws and regulations require the County to place a final cover on its landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. GASB Statement No. 18 requires a portion of these closure and postclosure care costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net assets date. Since the landfills are no longer accepting waste, the entire estimated expense and liability have been reported.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

G. Closure/Post Closure (Continued)

As of June 30, 2009, the County's estimated remaining liability for post closure maintenance costs for the closed landfill was \$12,902,134. The estimated remaining liability for closure of the inactive landfill was zero with \$115,736 estimated for postclosure maintenance. These estimates are based on the amount that would be paid if all equipment, facilities, and services required to close and/or monitor the landfills were acquired as of June 30, 2009. Actual costs may be higher due to inflation, change in technology, or changes in regulations. The County has applied the annual inflation factor to the liability each year and has reduced the liability by actual expenses incurred.

The County is required by the California Code of Regulations to demonstrate financial responsibility for post closure maintenance costs through a pledge of revenues. The County has met this requirement for the closed landfill through a pledge of annual parcel charges. A pledge of the remaining fund balance for the inactive landfill is pending approval by the California Integrated Waste Management Board.

H. Interfund Transactions

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2009:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	\$ 3,972,170	\$ 311,038
Road	322,861	116,102
Community Development Agency	158,811	28,407
Human Services Agency	667,455	1,625,819
Health and Welfare Realignment	21,211	637,277
Nonmajor Governmental funds	570,978	3,036,709
Western Nevada County Solid Waste	18,515	38,971
Airport	7,825	383
Sanitation District	1,119,566	1,132,412
Nonmajor Enterprise funds	16,745	56,155
Internal Service Funds	<u>435,276</u>	<u>328,140</u>
Total	<u>\$ 7,311,413</u>	<u>\$ 7,311,413</u>

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans and are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriations and are not expendable available financial resources. The following are advances to/from other funds as of June 30, 2009:

	<u>Advance to Other Funds</u>	<u>Advance from Other Funds</u>
General fund	\$ 96,000	\$ -
Nonmajor Governmental funds	219,739	219,739
Airport	-	93,000
Sanitation District	<u>-</u>	<u>3,000</u>
Total	<u>\$ 315,739</u>	<u>\$ 315,739</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3: DETAILED NOTES (CONTINUED)

H. Interfund Transactions (Continued)

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, reimbursement of various County operations and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2009:

	Transfer In	Transfer Out
General fund	\$ 7,465,931	\$ 7,399,868
Road	5,079,202	-
Community Development Agency	2,256,407	-
Human Services Agency	6,828,183	28,718
Health and Welfare Realignment	127,268	6,260,421
Nonmajor Governmental funds	6,891,066	14,983,794
Internal Service funds	24,744	-
Total	<u>\$ 28,672,801</u>	<u>\$ 28,672,801</u>

NOTE 4: EMPLOYEES' RETIREMENT PLAN

Plan Description

The County contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office – 400 P Street, Sacramento, CA 95814.

Funding Policy

Miscellaneous plan members are required to contribute 8 percent of their annual covered salary. Safety plan members are required to contribute 9 percent of their annual covered salary. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The County has committed to contribute a portion of the required employee contribution in addition to their own required contributions. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rate for fiscal year 2008/2009 was 17.981 percent for miscellaneous employees and 32.252 percent for safety employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS. The County is required to contribute the remaining amounts necessary to fund the benefits of its members using the actuarial basis adopted by the PERS Board of Administrators.

Annual Pension Cost

For fiscal year 2008/2009, the County's annual pension cost of \$8,420,982 for the miscellaneous plan and \$1,850,007 for the safety plan was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.25 percent to 14.45 percent for miscellaneous plan and 3.25 percent to 14.45 percent for safety plan, depending on age, service, and type of employment, and (c) 3.25 percent per year cost of living adjustment. Both (a) and (b) included an inflation component of 3.00 percent. The actuarial value of PERS assets was determined using techniques that smooth the effect of short term volatility in the market value of investments over a three-year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into PERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20 year period. The table below presents three-year trend information.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 4: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Annual Pension Cost (Continued)

Miscellaneous:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2007	\$ 7,326,333	100%	-
June 30, 2008	8,351,103	100%	-
June 30, 2009	8,420,982	100%	-

Safety:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2007	\$ 1,403,031	100%	-
June 30, 2008	1,557,114	100%	-
June 30, 2009	1,850,007	100%	-

Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the miscellaneous plan was 78.9 percent funded. The actuarial accrued liability for benefits was \$273,225,816, and the actuarial value of assets was \$215,661,943, resulting in an unfunded actuarial accrued liability (UAAL) of \$57,563,873. The covered payroll (annual payroll of active employees covered by the plan) was \$50,664,786, and the ratio of the UAAL to the covered payroll was 113.6 percent.

The safety plan had less than 100 active members in at least one valuation since June 30, 2003, therefore it is required to participate in a risk pool and does not present individual plan funded status. Information on the safety plan side fund funding is presented as RSI following the notes to the financial statements.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 5: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The County of Nevada provides, under a defined benefit plan, retiree healthcare benefits to qualifying employees retiring directly from the County. The benefit level is determined by date of hire and length of service. The County has contracted for medical coverage to be provided through an agent multiple-employer CalPERS Healthcare (PEMHCA) plan.

The County pays the least expensive available plan single premium up to Medicare eligible age for retirees with more than 20 years of County Service. Employees hired before July 1, 2000, with less than 20 years of County service at retirement, receive a fixed stipend amount. After reaching Medicare eligible age, the County also pays 80% of the least expensive Medicare supplemental plan single premium for all retirees hired before July 1, 2000 and for employees hired after July 1, 2000 with 20 years of County service. For safety employees with disability retirement, the County pays 100% of the least expensive medical single premium for life.

Employees Hired On or After July 1, 2008—Employees hired on or after July 1, 2008, and who retire from the County, the County will continue to provide access to medical insurance coverage for those employees who retire from employment with the County and who constitute "annuitants" as defined by the Public Employees Medical and Hospital Care Act (PEMHCA) only.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 5: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Funding Policy

The minimum employer contribution requirement is a per participant amount contributed by the County and which is established and amended by the plan administrators, the CalPERS Board of Trustees, for the PEMHCA plan. The fixed stipend amount is a negotiated benefit between the County and the various employee bargaining groups.

The County has adopted a 5-year phase-in funding plan for the Annual Required Contribution (ARC). The actuarially determined ARC amount represents the level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a closed period not to exceed thirty years. The 2007-08 contribution was equal to 5% of annual covered payroll and was equal to the pay-as-you-go cost plus 20% between the full pre-funding ARC and the pay-as-you-go. The second year was 40% of the difference and each proceeding year increasing equally to reach the 100% full funding after 5 years.

With the results of the most recent actuarial study, the County has revised their funding plan and annual contributions beginning in 2009-10. The contribution rate for 2009-10 and for each proceeding year will be equal to 6.3% of annual covered payroll to fully fund the ARC each year.

The County has established an irrevocable trust with CalPERS - California Employers' Retiree Benefit Trust Fund (CERBT) to deposit the contributions above the current year pay-as-you-go portion. CERBT issues a publicly available financial report including GASB 43 disclosure information in the aggregate with the other CERBT participating employers. That report may be obtained by contacting CalPERS, P.O. Box 942703, Sacramento, CA 94229-2703.

Annual OPEB Cost

The County's OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess). (The following table shows the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the resulting net OPEB obligation.)

Annual required contribution	\$ 4,132,000
Interest on prior year net OPEB obligation	110,000
Amortization of prior year net OPEB obligation	(116,000)
Annual OPEB Cost	4,126,000
Contributions made:	
Pay as you go contribution	(1,449,823)
Funding of full ARC Contribution	(1,400,000)
Increase in net OPEB obligation	1,276,177
Net OPEB Obligation - Beginning of Year	1,940,000
Net OPEB Obligation - End of Year	<u>\$ 3,216,177</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior year are as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/08	\$ 4,002,000	51.5%	\$1,940,000
6/30/09	4,132,000	69.0%	3,216,177

The quantifications of costs set forth above should not be interpreted in any way as vesting such benefits: rather the disclosures are made solely to comply with the County's reporting obligations under GASB 45, as the County understands these obligations.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 5: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Funded Status and Funding Progress

The unfunded actuarial accrued liability is being amortized as a level percentage of payroll over a closed 30 year period beginning July 1, 2007. The funded status of the plan as of June 30, 2008 (the most recent actuarial valuation date), was as follows:

Actuarial accrued liability (AAL)	\$ 29,391,000
Actuarial value of plan assets	<u>2,030,000</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 27,361,000</u>
Funded ratio (actuarial value of plan assets/AAL)	6.9%
Covered payroll (active plan members)	<u>\$ 43,877,000</u>
UAAL as a percentage of covered payroll	62.4%

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

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the June 30, 2008, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 6.35% discount rate, and annual healthcare cost trends for HMO and PPO that start with 9.7% and 10.5%, respectively, and declines to 4.5% over ten years for both plan types. The actuarial assumptions included an annual 3.0% inflation rate and a 3.25% per annum aggregate payroll increases.

NOTE 6: RISK MANAGEMENT

The 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. The County has Risk Management Funds (Internal Service Funds) to account for and finance self-insured risks of loss for public liability, unemployment, dental, and vision. The County is a member of the California State Association of Counties of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. Should actual loss among participants be greater than anticipated, the County will be assessed its pro rata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its pro rata share of the excess.

The County is a member of the County Supervisors Association of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. The Authority is solvent. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$100,000 for each general liability claim, and \$10,000 for each unemployment claim.

Should actual loss among participants be greater than anticipated, the County will be assessed its prorata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its prorata share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 6: RISK MANAGEMENT (CONTINUED)

Actual claims unpaid as of June 30, 2009, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2009, was as follows:

Unemployment	\$ 438,455
Liability	<u>580,000</u>
Total	<u><u>\$ 1,018,455</u></u>

All funds of the County participate in the program and make payments to the Risk Management Funds based on estimates of the amounts needed to pay prior and current year claims. At June 30, 2009, the Risk Management Fund's fund equity was \$1,304,488. The claims liability of \$1,018,455 reported in the funds at June 30, 2009, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably determined.

Changes in the County's claims liability amount for the fiscal years 2007, 2008, and 2009 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
2007	\$ 765,545	\$ 892,301	\$ 968,648	\$ 689,198
2008	689,198	1,225,799	1,073,806	841,191
2009	841,191	1,892,972	1,715,708	1,018,455

The ultimate settlement of specific claims against the County cannot presently be determined and no provision for any other liability that may result has been made in the financial statements.

NOTE 7: OTHER INFORMATION

A. Construction Commitments

The County had active construction projects as of June 30, 2009, including airport runway safety improvements, road safety improvements, bridge replacement and rehabilitation and upgrades to existing wastewater treatment plants to comply with new regulatory requirements. At year end the County's commitments with contractors were as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
County facility improvements	\$ 475,269	\$ -
Airport infrastructure	87,385	63,278
Road infrastructure	776,485	174,622
Bridge replacement and rehabilitation	2,023,300	1,991,469
Wastewater treatment facility upgrades	4,086,922	170,807

The wastewater treatment projects are financed with long-term debt to be repaid from special assessments.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

C. Subsequent Events

The Nevada County Sanitation District No. 1 has two loans with Banc of America Leasing and Capital, LLC. On July 27, 2009, the payoff period for the two loans was extended to August 1, 2026 with decreasing payments and an interest rate of 3.55%.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 7: OTHER INFORMATION (CONTINUED)

D. Joint Agencies

The CSAC Excess Insurance Authority is a joint powers authority organized for the purpose of developing and funding excess insurance programs for member counties. The Authority operates public entity risk pools for workers' compensation, comprehensive liability, property, and medical malpractice, and the pool purchases excess insurance and services for members. The Authority is under the control and direction of a board of directors consisting of representatives of the fifty member counties. There is no significant financial interest or ongoing financial responsibility on the part of the County with this Authority.

Complete audited financial statements for CSAC Excess Insurance Authority can be obtained from the Authority's office at 3017 Gold Canal Drive, Suite 300, Rancho Cordova, California 95670.

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REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2009

1. SCHEDULE OF FUNDING PROGRESS - PENSION

Miscellaneous Plan:

The table below shows a three-year analysis of the most recent actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the County Miscellaneous Plan.

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratios		Annual Covered Payroll	UAAL as a % of Payroll
				Actuarial Value	Market Value		
June 30, 2006	\$ 219,324,147	\$ 177,539,454	\$ 41,784,693	80.9%	85.8%	\$ 45,425,702	92.0%
June 30, 2007	248,063,046	197,968,605	50,094,441	79.8%	92.3%	45,650,537	109.7%
June 30, 2008	273,225,816	215,661,943	57,563,873	78.9%	80.2%	50,664,786	113.6%

Safety Plan:

The County specific funding information is no longer available for the Safety Plan. The County's Safety Plan participates in a risk sharing pool with other safety plans. Participation was required as of June 30, 2003 (when CalPERS set up risk sharing pools) since the plan had less than 100 active members at that time.

At the time that the County's Safety Plan was pooled with other agencies, the Plan's existing UAAL was placed in a "side fund" separate from the rest of the pool and for which the County is responsible for paying off the remaining unfunded liability. The side fund is amortized at a fixed interest rate of 7.75% and has been assigned a set payment schedule. The County's unfunded debt balance of \$5,720,983 is scheduled to be amortized over the next 11 years.

Funding information is available on a pooled-basis only and can be obtained upon request to the County or directly from CalPERS, P.O. Box 942709, Sacramento, CA 94229-2709.

2. SCHEDULE OF FUNDING PROGRESS - OTHER POST- EMPLOYMENT BENEFITS

The table below shows a two year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30, 2008 for the County Other Post-Employment Benefit Plan. As additional years are available, a three year trend analysis will be presented.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage Of Covered Payroll
June 30, 2006	\$ -	\$ 35,208,000	\$ 35,208,000	\$ -	\$ 41,158,000	85.5 %
June 30, 2008	2,030,000	29,391,000	27,361,000	6.9%	43,877,000	62.4%

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Taxes and assessments	\$ 40,080,000	\$ 38,565,000	\$ 37,778,949	\$ (786,051)
Licenses and permits	1,102,860	1,102,860	1,150,416	47,556
Fines and forfeitures	2,628,390	2,628,390	2,650,343	21,953
Use of money and property	1,242,946	1,242,946	778,029	(464,917)
Intergovernmental	2,878,837	4,118,316	3,553,165	(565,151)
Charges for services	7,393,008	8,321,084	8,481,705	160,621
Other revenues	1,162,998	1,179,961	1,368,347	188,386
Total Revenues	56,489,039	57,158,557	55,760,954	(1,397,603)
<u>EXPENDITURES</u>				
Current:				
General government:				
Board of supervisors	1,100,961	1,098,303	1,015,919	82,384
Annual audit	25,948	25,545	25,545	-
County executive officer	1,434,939	1,430,358	1,343,896	86,462
Assessor	2,832,976	2,797,698	2,630,698	167,000
Auditor-controller	1,511,617	1,492,778	1,434,541	58,237
Treasurer-tax collector	1,194,052	1,148,895	1,132,451	16,444
Purchasing	246,684	237,005	233,939	3,066
Collections	204,071	204,081	201,599	2,482
Uses and sources	(6,378,388)	(6,356,018)	(7,374,002)	1,017,984
Trial court funding	1,577,949	1,523,949	1,407,209	116,740
Provision for contingencies	100,000	75,373	-	75,373
Building debt financing	1,045	2,265	2,264	1
County counsel	1,071,660	1,067,991	938,711	129,280
Personnel services	965,553	960,263	910,522	49,741
Elections	1,241,772	1,534,095	1,447,110	86,985
Facilities management	2,896,776	2,769,735	2,595,627	174,108
Capital facility projects	364,259	1,025,295	408,886	616,409
Economic development	290,000	367,835	245,085	122,750
Assessment appeals board	11,941	11,941	11,367	574
Insurance	75,356	75,356	68,238	7,118
Historical landmarks	686	686	546	140
Information systems	1,672,008	1,872,894	1,769,216	103,678
Geographic information	379,122	377,326	359,600	17,726
Surveying	216,787	218,721	163,940	54,781
Cable TV services	56,785	61,485	61,413	72
Total General Government	13,094,559	14,023,855	11,034,320	2,989,535
Public protection:				
Court security	812,295	784,753	804,378	(19,625)
Grand jury	110,816	110,816	94,706	16,110
District attorney	3,846,953	3,979,279	3,735,848	243,431
Public defender services	1,940,109	1,959,452	1,833,942	125,510
Conflict indigent defense	447,911	494,911	478,199	16,712
Sheriff administrative support services	13,347,936	14,141,601	14,141,716	(115)
Subtotal Public Protection	20,506,020	21,470,812	21,088,789	382,023

Continued (Page 1 of 3)

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Public protection (continued):				
Department of corrections	9,306,779	9,343,821	9,097,838	245,983
Inmate medical services	1,569,423	1,658,773	1,650,726	8,047
Sheriff Truckee operations	1,993,282	2,038,342	1,987,420	50,922
Juvenile hall	2,636,119	2,659,796	2,697,795	(37,999)
Probation department	4,018,597	3,870,216	3,751,629	118,587
Ag services	454,827	488,273	488,175	98
Weights and measures	109,177	123,199	120,281	2,918
Clerk recorder	514,740	505,916	442,688	63,228
Emergency services	471,007	475,347	475,346	1
Animal control	995,639	981,187	757,817	223,370
Total Public Protection	42,575,610	43,615,682	42,558,504	1,057,178
Public assistance:				
Community services	80,392	87,172	83,172	4,000
Victim witness	216,211	213,609	225,611	(12,002)
Total Public Assistance	296,603	300,781	308,783	(8,002)
Education:				
Farm advisor	113,462	116,519	115,882	637
Total Education	113,462	116,519	115,882	637
Debt service:				
Sheriff administrative support services	14,939	15,713	14,939	774
Total Debt Service	14,939	15,713	14,939	774
Capital outlay:				
Facilities management	6,269	27,727	27,727	-
Capital facilities projects	-	51,590	476,295	(424,705)
Information systems	16,000	230,783	230,273	510
Sheriff administrative support services	24,485	19,091	19,090	1
Department of corrections	69,762	53,355	53,355	-
Sheriff Truckee operations	5,394	394	-	394
Emergency management	-	109,780	76,004	33,776
Animal control	20,000	20,000	-	20,000
Total Capital Outlay	141,910	512,720	882,744	(370,024)
Total Expenditures	56,237,083	58,585,270	54,915,172	3,670,098
Excess of Revenues Over (Under) Expenditures	251,956	(1,426,713)	845,782	2,272,495

Continued (Page 2 of 3)

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	8,615,109	9,020,683	7,465,931	(1,554,752)
Transfers out	(7,707,065)	(7,608,378)	(7,399,868)	208,510
Sale of capital assets	-	-	57	57
Total Other Financing Sources (Uses)	908,044	1,412,305	66,120	(1,346,185)
Net Change in Fund Balances	1,160,000	(14,408)	911,902	926,310
Fund Balances - Beginning	18,731,147	18,731,147	18,731,147	-
Fund Balances - Ending	<u>\$ 19,891,147</u>	<u>\$ 18,716,739</u>	<u>\$ 19,643,049</u>	<u>\$ 926,310</u>

See accompanying note to the required supplementary information.

Continued (Page 3 of 3)

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
ROAD - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Taxes and assessments	\$ 35,000	\$ 125,686	\$ 125,683	\$ (3)
Licenses and permits	30,000	30,000	22,903	(7,097)
Use of money and property	84,550	84,550	67,102	(17,448)
Intergovernmental	8,682,695	9,712,067	8,353,197	(1,358,870)
Charges for services	562,950	745,899	511,111	(234,788)
Other revenues	1,355,000	170,614	150,025	(20,589)
Total Revenues	10,750,195	10,868,816	9,230,021	(1,638,795)
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities	10,786,864	11,127,478	11,070,472	57,006
Capital outlay	8,975,700	5,872,187	4,213,181	1,659,006
Total Expenditures	19,762,564	16,999,665	15,283,653	1,716,012
Excess of Revenues Over (Under) Expenditures	(9,012,369)	(6,130,849)	(6,053,632)	77,217
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	5,650,079	6,402,471	5,079,202	(1,323,269)
Transfers out	-	-	-	-
Sale of capital assets	-	-	18,639	18,639
Total Other Financing Sources (Uses)	5,650,079	6,402,471	5,097,841	(1,304,630)
Net Change in Fund Balance	(3,362,290)	271,622	(955,791)	(1,227,413)
Fund Balances - Beginning	5,270,842	5,270,842	5,270,842	-
Fund Balances - Ending	\$ 1,908,552	\$ 5,542,464	\$ 4,315,051	\$ (1,227,413)

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
COMMUNITY DEVELOPMENT AGENCY - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Taxes and assessments	\$ 16,200	\$ 16,200	\$ 11,455	\$ (4,745)
Licenses and permits	1,580,803	1,580,803	1,283,655	(297,148)
Fines and forfeitures	3,596	3,596	904	(2,692)
Use of money and property	10,000	10,000	30,397	20,397
Intergovernmental	740,444	988,426	715,946	(272,480)
Charges for services	2,085,756	2,463,647	2,170,272	(293,375)
Other revenues	105,857	26,000	39,593	13,593
Total Revenues	4,542,656	5,088,672	4,252,222	(836,450)
<u>EXPENDITURES</u>				
Current:				
Public protection	4,537,253	5,021,955	4,241,807	780,148
Health and sanitation	2,198,050	2,380,506	1,992,820	387,686
Total Expenditures	6,735,303	7,402,461	6,234,627	1,167,834
Excess of Revenues Over (Under) Expenditures	(2,192,647)	(2,313,789)	(1,982,405)	331,384
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	2,196,587	2,302,032	2,256,407	(45,625)
Transfers out	(1,000)	(1,000)	-	1,000
Total Other Financing Sources (Uses)	2,195,587	2,301,032	2,256,407	(44,625)
Net Change in Fund Balance	2,940	(12,757)	274,002	286,759
Fund Balances - Beginning	69,482	69,482	69,482	-
Fund Balances - Ending	\$ 72,422	\$ 56,725	\$ 343,484	\$ 286,759

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HUMAN SERVICES AGENCY - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Licenses and permits	\$ 700	\$ 700	\$ 798	\$ 98
Fines and forfeitures	960	960	481	(479)
Use of money and property	-	-	(12,388)	(12,388)
Intergovernmental	31,194,033	34,380,598	33,568,451	(812,147)
Charges for services	464,727	464,727	473,156	8,429
Other revenues	188,714	262,568	510,229	247,661
Total Revenues	31,849,134	35,109,553	34,540,727	(568,826)
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	16,581,856	19,139,348	17,560,976	1,578,372
Public assistance	23,091,520	24,897,688	24,177,863	719,825
Capital outlay	-	117,345	90,607	26,738
Total Expenditures	39,673,376	44,154,381	41,829,446	2,324,935
Excess of Revenues Over (Under) Expenditures	(7,824,242)	(9,044,828)	(7,288,719)	1,756,109
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	8,615,320	8,972,242	6,896,554	(2,075,688)
Transfers out	(786,002)	(106,724)	(97,089)	9,635
Sale of capital assets	-	-	2,730	2,730
Total Other Financing Sources (Uses)	7,829,318	8,865,518	6,802,195	(2,063,323)
Net Change in Fund Balance	5,076	(179,310)	(486,524)	(307,214)
Fund Balances - Beginning	2,178,279	2,178,279	2,178,279	-
Fund Balances - Ending	\$ 2,183,355	\$ 1,998,969	\$ 1,691,755	\$ (307,214)
Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:				
Net Change in Fund Balances - Budgetary Basis				\$ (486,524)
The amount reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances was different because:				
The 10% shift out to other departments is included in transfers out for budgetary purposes, but is a reduction of transfers in for financial reporting purposes.				
Transfers in				68,371
Transfers out				(68,371)
Net Change in Fund Balances - Statement of Revenues, Expenditures, and Changes in Fund Balances				\$ (486,524)
Reconciliation of Fund Balances - Budgetary to GAAP Basis:				
Fund Balances - Ending - Budgetary Basis				\$ 1,691,755
Cumulative effect of reclassification of 10% shift				
Fund Balances - Ending - GAAP Basis				\$ 1,691,755

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HEALTH AND WELFARE REALIGNMENT - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ 17,753	\$ 17,753
Intergovernmental	6,947,292	6,947,292	5,934,903	(1,012,389)
Total Revenues	6,947,292	6,947,292	5,952,656	(994,636)
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over (Under) Expenditures	6,947,292	6,947,292	5,952,656	(994,636)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	127,268	300,093	290,692	(9,401)
Transfers out	(7,993,603)	(8,584,422)	(6,423,845)	2,160,577
Total Other Financing Sources (Uses)	(7,866,335)	(8,284,329)	(6,133,153)	2,151,176
Net Change in Fund Balance	(919,043)	(1,337,037)	(180,497)	1,156,540
Fund Balances - Beginning	6,447,836	6,447,836	6,447,836	-
Fund Balances - Ending	\$ 5,528,793	\$ 5,110,799	\$ 6,267,339	\$ 1,156,540

Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:

Net Change in Fund Balances - Budgetary Basis **\$ (180,497)**

The amount reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances was different because:

The 10% shift out to other funds is included in transfers out for budgetary purposes, but is a reduction of transfers in for financial reporting purposes.

Transfers in	163,424
Transfers out	<u>(163,424)</u>

Net Change in Fund Balances - Statement of Revenues, Expenditures, and Changes in Fund Balances **\$ (180,497)**

Reconciliation of Fund Balances - Budgetary to GAAP Basis:

Fund Balances - Ending - Budgetary Basis **\$ 6,267,339**

Cumulative effect of reclassification of 10% shift	<u>-</u>
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Fund Balances - Ending - GAAP Basis **\$ 6,267,339**

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2009

A. SCHEDULE OF FUNDING PROGRESS - PENSION

The Schedule of Funding Progress - Pension presents a consolidated snapshot of the County's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the pension plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

The County of Nevada has less than 100 active employee members in its Safety Plan and is required to participate in a risk pool. Therefore, the individual plan funded status is not presented.

B. SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS

The Schedule of Funding Progress - Other Postemployment Benefits provides a consolidated snapshot of the County's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

C. BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

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

- (1) The County Executive Officer submits to the Board of Supervisors a proposed draft budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- (2) The Board of Supervisors reviews the proposed budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the proposed budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the service budget unit, the amounts stated therein, as proposed expenditures become appropriations to the various County service budget units. The Board of Supervisors may amend the budget by motion during the fiscal year. The County Administrative Officer may authorize transfers from one object or purpose to another within the same service budget unit.

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General, Special Revenue and Debt Service funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The County uses an encumbrance system as an extension of normal budgetary accounting for the general and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2009

D. INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

The County's infrastructure assets are recorded at historical cost in the government-wide financial statements as required by the Governmental Accounting Standards Board (GASB) Statement No. 34. The County has elected to use the modified approach to report its maintained road system. Infrastructure assets reported under the modified approach are not subject to depreciation per GASB Statement No. 34.

The County manages its maintained road system using the Metropolitan Transportation Commission's Pavement Management program (Program) and accounts for them using the modified approach. The Program establishes a Pavement Condition Index (PCI) on a scale from zero to one hundred (0-100) for each road segment being maintained by the Department of Public Works. The Program has defined the pavement of roads with PCIs of 40 or better to be in a "Fair" or better condition and roads with a PCI of 55 or better to be in a "Good" or better condition. The system-wide average PCI number for all paved or chip sealed roads in the County maintained road system is calculated on a weighted by section, road area basis. The amount that an individual road section's condition contributes to the overall system average rating is proportionate to the amount of the total systems surfaced area that the individual segment contains. It is the County's policy relative to maintaining the maintained road system to keep an average PCI rating of 62. This rating must be achieved over a three year period.

One third of the County maintained roads are assessed each year, with a complete condition assessment calculated every three years. The last complete condition assessment was completed in fiscal year 2006. As of June 30, 2006, the County's road system was rated at a PCI of 65.

As of June 30, 2009, the County's road system was rated at a PCI of 64. A three year history of the PCI ratings for the County maintained roads as of June 30, 2009 is provided below:

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>3 Year Average</u>
PCI Index	64.00	66.00	65.00	65.00

For the year ended June 30, 2009, actual maintenance and preservation costs were \$8,177,280, which was \$1,348,120 or 14% less than estimated. The decrease was due to overlay actual expenditures being less than planned expenditures, a full year striping contract was budgeted when it should have been for Fall 2008 only and \$685,000 of snow removal should not have been included in planned expenditures. A five year history of planned to actual maintenance and preservation costs is provided below.

<u>Fiscal Year</u>	<u>Maintenance & Preservation Cost</u>		
	<u>Estimated Costs</u>	<u>Actual Costs</u>	<u>Variance</u>
2005	\$ 1,974,249	\$ 2,676,307	(\$ 702,058)
2006	3,698,191	4,868,759	(1,170,568)
2007	3,112,954	5,652,819	(2,539,865)
2008	2,581,563	6,134,322	(3,552,759)
2009	9,525,400	8,177,280	1,348,120

SUPPLEMENTARY INFORMATION

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**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

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NONMAJOR GOVERNMENTAL FUNDS

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COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds	Debt Service Funds	Totals
<u>ASSETS</u>			
Cash and investments	\$ 18,179,519	\$ 129,175	\$ 18,308,694
Restricted cash and investments	-	2,138,500	2,138,500
Accounts receivable	21,658	-	21,658
Due from other governmental agencies	1,479,598	-	1,479,598
Taxes receivable	214,600	-	214,600
Due from other funds	566,643	4,335	570,978
Prepaid costs	133,201	-	133,201
Advance to other funds	219,739	-	219,739
Loans receivable	4,538,146	-	4,538,146
Total Assets	\$ 25,353,104	\$ 2,272,010	\$ 27,625,114
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ 436,183	\$ -	\$ 436,183
Accrued salaries and benefits	221,356	-	221,356
Due to other funds	3,036,709	-	3,036,709
Deferred revenue	55,032	-	55,032
Advance from other funds	219,739	-	219,739
Total Liabilities	3,969,019	-	3,969,019
FUND BALANCES			
Reserved for:			
Debt service	-	2,272,010	2,272,010
Encumbrances	194,776	-	194,776
Prepaid costs	133,201	-	133,201
Advances	219,739	-	219,739
Loans receivable	4,538,146	-	4,538,146
Unreserved:			
Undesignated	16,298,223	-	16,298,223
Total Fund Balances	21,384,085	2,272,010	23,656,095
Total Liabilities and Fund Balances	\$ 25,353,104	\$ 2,272,010	\$ 27,625,114

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

	Special Revenue Funds	Debt Service Funds	Totals
<u>REVENUES</u>			
Taxes and assessments	\$ 1,495,106	\$ -	\$ 1,495,106
Licenses and permits	12,558	-	12,558
Fines and forfeitures	526,878	-	526,878
Use of money and property	318,304	129,335	447,639
Intergovernmental	20,020,357	-	20,020,357
Charges for services	1,188,341	26,965	1,215,306
Other revenues	1,175,661	-	1,175,661
Total Revenues	<u>24,737,205</u>	<u>156,300</u>	<u>24,893,505</u>
<u>EXPENDITURES</u>			
Current:			
General government	246,328	7,159	253,487
Public ways and facilities	551,559	2,059	553,618
Public protection	6,221,411	-	6,221,411
Health and sanitation	3,810,988	-	3,810,988
Public Assistance	3,350,280	-	3,350,280
Education	2,592,849	-	2,592,849
Recreation	98,885	-	98,885
Debt service			
Principal	-	1,070,700	1,070,700
Interest and other charges	-	822,964	822,964
Capital outlay	8,627	-	8,627
Total Expenditures	<u>16,880,927</u>	<u>1,902,882</u>	<u>18,783,809</u>
Excess of Revenues Over (Under) Expenditures	<u>7,856,278</u>	<u>(1,746,582)</u>	<u>6,109,696</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	5,118,099	1,772,967	6,891,066
Transfers out	(14,957,506)	(26,288)	(14,983,794)
Insurance recovery	1,331,391	-	1,331,391
Total Other Financing Sources (Uses)	<u>(8,508,016)</u>	<u>1,746,679</u>	<u>(6,761,337)</u>
Net Change in Fund Balances	(651,738)	97	(651,641)
Fund Balances - Beginning	<u>22,035,823</u>	<u>2,271,913</u>	<u>24,307,736</u>
Fund Balances - Ending	<u><u>\$ 21,384,085</u></u>	<u><u>\$ 2,272,010</u></u>	<u><u>\$ 23,656,095</u></u>

NONMAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

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COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues that are restricted by law or administrative action and expenditures for specified purposes. Nonmajor special revenue funds used by the County are listed below:

- **FISH AND GAME**
The fund provides for expenditures, which are used for the protection and propagation of fish and game. Revenues are from the County's share of fines collected for violations of fish and game laws.
- **CHILD SUPPORT SERVICES**
The fund provides for services to establish paternity, obtains and enforces court orders for child support, collects and distributes payments, and provides community outreach about those services for the benefit of minor children.
- **RECYCLED OIL BLOCK GRANT**
The fund was established to maintain local used oil collection programs that encourage recycling or facilitate disposal of used oil.
- **PROBATION FIRE INSURANCE ADMIN GRANT**
The fund provides for the administration of the insurance claims relating to the Probation Department Fire on March 20, 2002.
- **ST/COUNTY PROPERTY TAX ADMIN GRANT**
State Department of Finance Revenue and Tax Code section 95.35 provides participation in the State/County Property Tax Administration Grant Program to supplement other funding for property tax administration.
- **MOTOR VEHICLE LICENSE**
The fund is used to deposit all Motor Vehicle License Fees in accordance with Measure F passed by voters in March 1996.
- **PUBLIC LIBRARY**
The fund finances public library services for 3 branches and 2 stations located in the unincorporated and incorporated areas within the County.
- **INET MAINTENANCE**
The fund was established for an institutional network to support public, education and governmental television programming.
- **WORKERS' COMPENSATION**
The fund provides claims management and pays the premium costs for workers' compensation.
- **NONMAJOR HUMAN SERVICE AGENCY**
 - PROPOSITION 36 SACPA**
The fund was established for the deposit of Proposition 36 funds to allow the Human Services Agency to proceed with the Substance Abuse and Crime Prevention Act Plan.
 - CHILDREN'S SYSTEM OF CARE**
The fund provides for a comprehensive, coordinated interagency children's system of care which provides the highest benefit to children and adolescents with serious emotional problems.
 - CBFRP COMMUNITY BASED FAMILY PROGRAM**
The fund was established to develop and implement a county-wide system of community based family resource services.
 - SIERRA COUNTY ALCO PC 1463.16**
The fund was established per Penal Code 1463.16 for the County's (Sierra County) Alcohol Program Plan which is submitted to the State Department of Alcohol and Drug Programs.
 - NEVADA COUNTY CO ALCO PC 1463.16**
The fund was established per Penal Code 1463.16 for the County's Alcohol Program Plan which is submitted to the State Department of Alcohol and Drug Programs.

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

DRUG EDUCATION TRUST

The fund was established per Health and Safety Code 11372.7 to maintain a drug program fund, amounts to be deposited into the fund shall be allocated by the administrator of the County's Drug Program.

ALCOHOL EDUCATION PG PC 1463.25

The fund was established per Penal Code 1463.25 pursuant to Vehicle Code Section 23196 and utilized pursuant to Health and Safety Code Section 11802, amounts deposited into the fund shall be allocated by the administrator of the County's Drug Program.

EMERGENCY MEDICAL SERVICES

The fund was established to support emergency medical services pursuant to Chapter 2.5, Division 2.5 of the Health and Safety Code.

CALWORKS PERFORM INCENTIVE

The fund was established to administer the Calworks Incentive Program in accordance with the County Fiscal Letter (CFL) No. 98/99-36, dated September 21, 1998.

LOCAL BIOTERRORISM PREPAREDNESS

The fund accounts for funding from CA. Dept. of Health Services for public health emergency preparedness including pandemic influenza and other potential emergencies.

CHILDREN'S TRUST AB-2994

The fund was established pursuant to Assembly Bill 2994 for child abuse prevention and treatment services.

HEALTH - VRIP

The fund provides for the Vital Records Improvement Program.

- **ADMINISTRATION**

FOREST RESERVES

The fund provides for disbursement of Title III funds at the County's discretion as long as the projects meet the requirements established in the law. Examples of authorized uses are: search, rescue and emergency services to reimburse a County or Sheriff's department for services performed on Federal lands; easement purchases to provide access to public lands; forest related educational opportunities and fire prevention planning.

DRYDEN WILSON

The fund provides for the distribution of a gift from the Dryden J. Wilson Trust. The gift is to be used for the furtherance and preservation of open space land and other recreational uses. The remaining \$50,000 has been allocated for the acquisition of parkland in the North San Juan Area of the County.

WILDWOOD ESTATES ESCROW ACCOUNT

The fund is used to capture the monies received and disbursed pursuant to the Net Sale Proceeds Agreements for the Wildwood Estates Bond Counsel and Financial Advisor Agreement.

COMMUNITY FACILITIES DISTRICT #1990-1 WILDWOOD ESTATES

The fund accounts for the restricted proceeds of certain amounts related to the workout plan of Wildwood Estates and related infrastructure.

WILDWOOD ESTATES MELLO-ROOS

The fund accounts for special taxes and bonds used to finance development projects in Wildwood Estates.

CRIMINAL JUSTICE TEMPORARY FACILITY CONSTRUCTION

The fund provides for Criminal Justice construction projects pursuant to Government Code Section 761010.

COURTHOUSE TEMPORARY CONSTRUCTION

The fund provides for courthouse construction projects pursuant to Government Code Section 76100.

PUBLIC SAFETY AUGMENT

The fund provides for the receipting of and disbursement of Public Safety Augmentation Funds (Proposition 172), according to the agreed upon allocations per County resolution.

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

DISPUTE RESOLUTION

The Dispute Resolution Programs Act of 1986 provided for the local establishment and funding of informal dispute resolution. The County is authorized to allocate up to \$8 from filing fees in superior, municipal and justice court actions to generate new revenues for these local programs.

- **COMMUNITY DEVELOPMENT AGENCY**

PROPERTY MAINTENANCE/NUISANCE ABATEMENT

This fund was established to deposit building code, fire code, zoning fines and is for the ongoing abatement of violations under regulatory authority in order to improve the quality of life and resolve safety issues within neighborhoods. Nuisance abatement is often a component of problem oriented or community policing programs.

RECREATION MITIGATION

Funds setup for deposit of fees for the purpose of developing new or rehabilitating existing neighborhood or community park or recreation facilities.

VECTOR CONTROL

Grant funds to be used to prevent the spread of disease through tick, flea and mosquito borne vectors. Coordinate mosquito fish giveaways, surveillance and abatement programs.

LEA GRANT FUND

Fund setup to track Grants funds used for enforcement of solid waste facilities permit and inspection activities.

ENVIRONMENTAL HEALTH PENALTIES

Fund setup for deposit of fines and penalties related to underground storage tanks and tracks expenditures exclusively related to enforcement.

CAPITAL FACILITY MITIGATION

Fund setup for the receipt and disbursement of Capital Facility Mitigation fees collected under SEQA statutes from subdivisions for fair-share contributions.

- **DISTRICT ATTORNEY**

The fund provides for the review of investigations conducted by the law enforcement agencies, sometimes conducts its own investigations or joint investigations, makes filing decisions regarding criminal complaints, and handles misdemeanor and felony cases at all stages of proceedings, both adult and juvenile.

- **PROBATION**

The fund provides for mandated tasks for adult/juvenile intake and supervision services, alternative custody programs, juvenile hall, and victim witness services.

- **RECORDER**

The fund provides for repository of official and vital records for the County and files or records a variety of documents, maintains a record of those documents for posterity, and makes certified copies available to the public.

- **SHERIFF**

AUTOMATED WARRANT SYSTEM

The fund was established to track vehicle code 40508.5 fines for development and operation of the automated warrant system.

SHERIFF ANTI-DRUG GRANT

The fund was established to record revenues and expenses associated with anti-drug investigations and prosecutions.

CLETEP GRANT-OCJP#LO9901

The fund was established to record revenues and expenses for the California Law Enforcement Technology Enhancement Program.

CIVIL FEE - AB709

The fund was established per Assembly Bill 709, funds to be used for implementation, maintenance and purchase of equipment and furnishings for Sheriff-Civil.

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

ATTACHMENT ASSESSMENT FEE

The fund was established per Government Code Section 26746, funds to be used for County's cost for vehicle fleet replacement and equipment for the Sheriff.

CORRECTIONAL TRAINING

The fund was established for training of eligible corrections officers, juvenile counselors, and probation officers to improve the level of competence of such staff. Such application and approval is governed by regulation and procedures established by the Board, subject to the availability of funds.

LDFF - LOCAL DETENTION FACILITY FUND

Allocation from State for the operation, renovation, remodeling and construction of local detention facilities. Fees charges to outside agencies if no appropriation.

INMATE WELFARE FUND

The fund was created by statute primarily for the benefit, education and welfare of the inmates confined within the jail.

ANIMAL HEALTH FUND

The fund was established to provide treatment for stray animals that could become adoptable with reasonable efforts, Food & Agriculture Code 17005.

SPAY AND NEUTER FUND

The fund was established to separate forfeited spay & neuter deposit fees and to be used for spay and neuter program, public education and administration of the program.

FEDERAL ASSET FORFEITURE FUND

The fund was established to hold proceeds from property seized until a Federal court order allocates the distribution per Code Section 11489.

FINGERPRINT IDENTIFICATION

Fund was established for the enhancement of fingerprint facilities funded by monies levied from fines, fee and forfeitures on criminal offenses. Monies are to be used only for the purchase, lease, operation, including personnel and related costs, and maintenance of automated fingerprint equipment, or for the reimbursement to agencies that had previously performed any of these functions.

LAW ENFORCEMENT SERVICES

Also known as the Citizens for Public Safety grant (COPS). These funds are allocated to the Sheriff - Jail (12.5%) for county jail construction and operations, the District Attorney (12.5%) for the prosecution of criminals and 75% to the County and the cities within the County local front line law enforcement services.

LAW ENFORCEMENT BLOCK GRANT

The fund was established for deposit and transfer of Federal funds received from the Local Law Enforcement Block Grant Program. All requirements of the expenditure of these funds, including a recommendation from the LLEBG Grant Advisory Board, and the successful completion of a public hearing have been met.

GC76104.6 ST DNA ACT

The fund was established to collect fines from the DNA Penalty Assessment (Proposition 69). These funds are used for Administrative costs; collection of samples; processing/analysis/tracking and storage of DNA crime scene samples; equipment; software and other.

STATE ASSET FORFEITURE

The fund was established to hold proceeds from property seized until a State court order allocates the distribution per Code Section 11489.

- **HOUSING AUTHORITY**

These funds provide Section 8 rental assistance vouchers to very low-income seniors, disabled persons, families and individuals, to ensure safe, affordable housing.

- **SPECIAL DISTRICTS GOVERNED BY THE BOARD OF SUPERVISORS**

These funds support a number of special purpose district funds administered by the Department of Transportation. Funding is provided by tax levies and service charges.

**COUNTY OF NEVADA, CALIFORNIA
NONMAJOR SPECIAL REVENUE FUNDS**

- **DEPARTMENT OF PUBLIC WORKS**

The fund provides for the construction and maintenance of County Roads, along with transportation planning activities.

- **HOUSING AND COMMUNITY SERVICES**

The fund provides for the securing of State and Federal grants for affordable housing, economic development, energy assistance, community facilities and various low-income community services.

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COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Fish and Game	Child Support Services	Recycled Oil Block Grant	Probation Fire Insurance Admin Grant
<u>ASSETS</u>				
Cash and investments	\$ 32,357	\$ 361,291	\$ 90	\$ 241,017
Accounts receivable	-	-	-	-
Due from other governmental agencies	-	-	18,981	-
Taxes receivable	-	-	-	-
Due from other funds	-	82,499	-	-
Prepaid costs	-	-	-	-
Advance to other funds	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	\$ 32,357	\$ 443,790	\$ 19,071	\$ 241,017
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 77	\$ 5,283	\$ 1,340	\$ -
Accrued salaries and benefits	-	122,686	-	-
Due to other funds	-	5,297	1,319	24,605
Deferred revenue	-	-	15,699	-
Advance from other funds	-	-	-	-
Total Liabilities	77	133,266	18,358	24,605
FUND BALANCES				
Reserved for:				
Encumbrances	-	-	-	-
Prepaid costs	-	-	-	-
Advances	-	-	-	-
Loans receivable	-	-	-	-
Unreserved:				
Undesignated	32,280	310,524	713	216,412
Total Fund Balances	32,280	310,524	713	216,412
Total Liabilities and Fund Balances	\$ 32,357	\$ 443,790	\$ 19,071	\$ 241,017

St/County Property Tax Admin Grant	Motor Vehicle License	Public Library	Inet Maintenance	Workers' Compensation	Nonmajor Human Service Agency	Administration	Community Development Agency
\$ -	\$ 812,204	\$ 244,649	\$ 107,791	\$ 435,444	\$ 3,858,636	\$ 2,033,646	\$ 2,600,867
-	-	892	12,365	-	40	-	721
-	-	-	-	-	15,828	926,311	-
-	-	214,600	-	-	-	-	-
-	113,910	6,265	-	-	209,322	1,691	69
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 926,114</u>	<u>\$ 466,406</u>	<u>\$ 120,156</u>	<u>\$ 435,444</u>	<u>\$ 4,083,826</u>	<u>\$ 2,961,648</u>	<u>\$ 2,601,657</u>
\$ -	\$ -	\$ 18,164	\$ 16,560	\$ 507	\$ 236,535	\$ -	\$ 5,352
-	-	65,787	-	-	221	-	7,087
-	209,860	3,082	1,090	352,180	437,827	1,044,679	31,531
-	-	-	-	-	10,843	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>209,860</u>	<u>87,033</u>	<u>17,650</u>	<u>352,687</u>	<u>685,426</u>	<u>1,044,679</u>	<u>43,970</u>
-	-	-	-	-	160,753	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>716,254</u>	<u>379,373</u>	<u>102,506</u>	<u>82,757</u>	<u>3,237,647</u>	<u>1,916,969</u>	<u>2,557,687</u>
<u>-</u>	<u>716,254</u>	<u>379,373</u>	<u>102,506</u>	<u>82,757</u>	<u>3,398,400</u>	<u>1,916,969</u>	<u>2,557,687</u>
<u>\$ -</u>	<u>\$ 926,114</u>	<u>\$ 466,406</u>	<u>\$ 120,156</u>	<u>\$ 435,444</u>	<u>\$ 4,083,826</u>	<u>\$ 2,961,648</u>	<u>\$ 2,601,657</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	District Attorney	Probation	Recorder	Sheriff
<u>ASSETS</u>				
Cash and investments	\$ 65,525	\$ 523,193	\$ 717,410	\$ 2,099,574
Accounts receivable	-	23	1,051	-
Due from other governmental agencies	-	35,117	-	99,304
Taxes receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid costs	-	-	-	-
Advance to other funds	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	\$ 65,525	\$ 558,333	\$ 718,461	\$ 2,198,878
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 3,988	\$ 6,145	\$ 7,962	\$ 39,532
Accrued salaries and benefits	-	-	-	-
Due to other funds	24,905	395,581	119,097	194,907
Deferred revenue	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	28,893	401,726	127,059	234,439
FUND BALANCES				
Reserved for:				
Encumbrances	-	-	34,023	-
Prepaid costs	-	-	-	-
Advances	-	-	-	-
Loans receivable	-	-	-	-
Unreserved:				
Undesignated	36,632	156,607	557,379	1,964,439
Total Fund Balances	36,632	156,607	591,402	1,964,439
Total Liabilities and Fund Balances	\$ 65,525	\$ 558,333	\$ 718,461	\$ 2,198,878

Housing Authority	Special Districts Governed by the Board of Supervisors	Public Works	Housing and Community Services	Totals
\$ 122,078	\$ 1,104,638	\$ 2,594,417	\$ 224,692	\$ 18,179,519
-	-	5,761	805	21,658
1,612	-	-	382,445	1,479,598
-	-	-	-	214,600
761	-	-	152,126	566,643
133,201	-	-	-	133,201
-	-	219,739	-	219,739
-	-	-	4,538,146	4,538,146
<u>\$ 257,652</u>	<u>\$ 1,104,638</u>	<u>\$ 2,819,917</u>	<u>\$ 5,298,214</u>	<u>\$ 25,353,104</u>
\$ 1,789	\$ 38	\$ 37,870	\$ 55,041	\$ 436,183
6,925	-	-	18,650	221,356
658	9,202	8,104	172,785	3,036,709
-	-	-	28,490	55,032
-	-	219,739	-	219,739
<u>9,372</u>	<u>9,240</u>	<u>265,713</u>	<u>274,966</u>	<u>3,969,019</u>
-	-	-	-	194,776
133,201	-	-	-	133,201
-	-	219,739	-	219,739
-	-	-	4,538,146	4,538,146
<u>115,079</u>	<u>1,095,398</u>	<u>2,334,465</u>	<u>485,102</u>	<u>16,298,223</u>
<u>248,280</u>	<u>1,095,398</u>	<u>2,554,204</u>	<u>5,023,248</u>	<u>21,384,085</u>
<u>\$ 257,652</u>	<u>\$ 1,104,638</u>	<u>\$ 2,819,917</u>	<u>\$ 5,298,214</u>	<u>\$ 25,353,104</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Fish and Game	Child Support Services	Recycled Oil Block Grant	Probation Fire Insurance Admin Grant
<u>REVENUES</u>				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	2,534	-	-	-
Use of money and property	652	9,811	359	5,308
Intergovernmental	-	4,457,321	3,283	-
Charges for services	-	3,171	-	-
Other revenues	-	56,388	-	-
Total Revenues	3,186	4,526,691	3,642	5,308
<u>EXPENDITURES</u>				
Current:				
General government	-	-	-	69
Public ways and facilities	-	-	-	-
Public protection	1,587	4,273,353	-	-
Health and sanitation	-	-	33,701	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	1,587	4,273,353	33,701	69
Excess of Revenues Over (Under) Expenditures	1,599	253,338	(30,059)	5,239
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(24,605)
Insurance recovery	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(24,605)
Net Change in Fund Balance	1,599	253,338	(30,059)	(19,366)
Fund Balances - Beginning	30,681	57,186	30,772	235,778
Fund Balances - Ending	\$ 32,280	\$ 310,524	\$ 713	\$ 216,412

St/County Property Tax Admin Grant	Motor Vehicle License	Public Library	Inet Maintenance	Workers' Compensation	Nonmajor Human Service Agency	Administration	Community Development Agency
\$ -	\$ -	\$ 1,456,858	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	404,885	77,608
106	8,942	17,208	423	9,716	56,223	41,952	28,411
-	-	61,481	-	-	4,928,609	5,808,047	17,362
-	-	88,588	45,586	-	21,645	-	185,790
-	-	11,819	30,822	348	697,550	23,114	20,480
106	8,942	1,635,954	76,831	10,064	5,704,027	6,277,998	329,651
-	-	-	112,733	9,345	-	1,617	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	639,138	223,042
-	-	-	-	-	3,539,532	-	237,755
-	-	-	-	-	-	-	-
-	-	2,592,849	-	-	-	-	-
-	-	-	-	-	-	65,069	33,816
-	-	-	-	-	-	-	-
-	-	2,592,849	112,733	9,345	3,539,532	705,824	494,613
106	8,942	(956,895)	(35,902)	719	2,164,495	5,572,174	(164,962)
-	1,943,205	565,902	-	-	58,394	1,691	193,056
(4,433)	(5,008,127)	-	(27,239)	-	(486,600)	(5,768,848)	(63,311)
-	-	-	-	-	-	-	1,331,391
(4,433)	(3,064,922)	565,902	(27,239)	-	(428,206)	(5,767,157)	1,461,136
(4,327)	(3,055,980)	(390,993)	(63,141)	719	1,736,289	(194,983)	1,296,174
4,327	3,772,234	770,366	165,647	82,038	1,662,111	2,111,952	1,261,513
\$ -	\$ 716,254	\$ 379,373	\$ 102,506	\$ 82,757	\$ 3,398,400	\$ 1,916,969	\$ 2,557,687

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	District Attorney	Probation	Recorder	Sheriff
<u>REVENUES</u>				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	12,558	-	-
Fines and forfeitures	-	3,298	-	38,553
Use of money and property	1,487	6,385	2,998	43,265
Intergovernmental	7,283	375,630	-	999,793
Charges for services	10,333	-	207,057	43,265
Other revenues	22,706	4,383	-	246,825
Total Revenues	41,809	402,254	210,055	1,371,701
<u>EXPENDITURES</u>				
Current:				
General government	-	-	-	-
Public ways and facilities	-	-	-	-
Public protection	50,148	3,277	666,248	364,618
Health and sanitation	-	-	-	-
Public assistance	-	15,856	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Capital outlay	-	-	8,627	-
Total Expenditures	50,148	19,133	674,875	364,618
Excess of Revenues Over (Under) Expenditures	(8,339)	383,121	(464,820)	1,007,083
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	43,500	-	36,555
Transfers out	(38,599)	(395,057)	-	(880,999)
Insurance recovery	-	-	-	-
Total Other Financing Sources (Uses)	(38,599)	(351,557)	-	(844,444)
Net Change in Fund Balance	(46,938)	31,564	(464,820)	162,639
Fund Balances - Beginning	83,570	125,043	1,056,222	1,801,800
Fund Balances - Ending	\$ 36,632	\$ 156,607	\$ 591,402	\$ 1,964,439

Housing Authority	Special Districts Governed by the Board of Supervisors	Public Works	Housing and Community Services	Totals
\$ -	\$ 38,248	\$ -	\$ -	\$ 1,495,106
-	-	-	-	12,558
-	-	-	-	526,878
7,269	22,373	49,410	6,006	318,304
1,582,623	398	-	1,778,527	20,020,357
-	365,630	217,276	-	1,188,341
3,835	-	30,257	27,134	1,175,661
1,593,727	426,649	296,943	1,811,667	24,737,205
-	-	-	122,564	246,328
-	401,027	150,532	-	551,559
-	-	-	-	6,221,411
-	-	-	-	3,810,988
1,696,869	-	-	1,637,555	3,350,280
-	-	-	-	2,592,849
-	-	-	-	98,885
-	-	-	-	8,627
1,696,869	401,027	150,532	1,760,119	16,880,927
(103,142)	25,622	146,411	51,548	7,856,278
-	-	2,060,981	214,815	5,118,099
-	-	(2,075,595)	(184,093)	(14,957,506)
-	-	-	-	1,331,391
-	-	(14,614)	30,722	(8,508,016)
(103,142)	25,622	131,797	82,270	(651,738)
351,422	1,069,776	2,422,407	4,940,978	22,035,823
\$ 248,280	\$ 1,095,398	\$ 2,554,204	\$ 5,023,248	\$ 21,384,085

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
FISH AND GAME - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 2,534	\$ (2,466)
Use of money and property	1,200	1,200	652	(548)
Total Revenues	<u>6,200</u>	<u>6,200</u>	<u>3,186</u>	<u>(3,014)</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	6,200	6,200	1,587	4,613
Total Expenditures	<u>6,200</u>	<u>6,200</u>	<u>1,587</u>	<u>4,613</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>1,599</u>	<u>1,599</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>1,599</u>	<u>1,599</u>
Fund Balances - Beginning	<u>30,681</u>	<u>30,681</u>	<u>30,681</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 30,681</u>	<u>\$ 30,681</u>	<u>\$ 32,280</u>	<u>\$ 1,599</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
CHILD SUPPORT SERVICES - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 20,000	\$ 20,000	\$ 9,811	\$ (10,189)
Intergovernmental	4,340,830	4,340,830	4,457,321	116,491
Charges for services	30,000	30,000	3,171	(26,829)
Other revenues	-	-	56,388	56,388
Total Revenues	4,390,830	4,390,830	4,526,691	135,861
<u>EXPENDITURES</u>				
Current:				
Public protection	4,390,830	4,390,830	4,273,353	117,477
Total Expenditures	4,390,830	4,390,830	4,273,353	117,477
Excess of Revenues Over (Under) Expenditures	-	-	253,338	253,338
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	253,338	253,338
Fund Balances - Beginning	57,186	57,186	57,186	-
Fund Balances - Ending	\$ 57,186	\$ 57,186	\$ 310,524	\$ 253,338

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
RECYCLED OIL BLOCK GRANT - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 900	\$ 900	\$ 359	\$ (541)
Intergovernmental	32,848	32,848	3,283	(29,565)
Total Revenues	33,748	33,748	3,642	(30,106)
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	33,785	33,785	33,701	84
Total Expenditures	33,785	33,785	33,701	84
Excess of Revenues Over (Under) Expenditures	(37)	(37)	(30,059)	(30,022)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(37)	(37)	(30,059)	(30,022)
Fund Balances - Beginning	30,772	30,772	30,772	-
Fund Balances - Ending	\$ 30,735	\$ 30,735	\$ 713	\$ (30,022)

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PROBATION FIRE INSURANCE ADMIN GRANT - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 12,000	\$ 12,000	\$ 5,308	\$ (6,692)
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>5,308</u>	<u>(6,692)</u>
<u>EXPENDITURES</u>				
Current:				
General government	<u>69</u>	<u>69</u>	<u>69</u>	<u>-</u>
Total Expenditures	<u>69</u>	<u>69</u>	<u>69</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>11,931</u>	<u>11,931</u>	<u>5,239</u>	<u>(6,692)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	<u>(26,805)</u>	<u>(26,805)</u>	<u>(24,605)</u>	<u>2,200</u>
Total Other Financing Sources (Uses)	<u>(26,805)</u>	<u>(26,805)</u>	<u>(24,605)</u>	<u>2,200</u>
Net Change in Fund Balance	<u>(14,874)</u>	<u>(14,874)</u>	<u>(19,366)</u>	<u>(4,492)</u>
Fund Balances - Beginning	<u>235,778</u>	<u>235,778</u>	<u>235,778</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 220,904</u>	<u>\$ 220,904</u>	<u>\$ 216,412</u>	<u>\$ (4,492)</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
ST/COUNTY PROPERTY TAX ADMIN GRANT - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ 106	\$ 106
Total Revenues	-	-	106	106
<u>EXPENDITURES</u>				
Current:				
General government	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	106	106
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	(4,124)	(4,124)	(4,433)	(309)
Total Other Financing Sources (Uses)	(4,124)	(4,124)	(4,433)	(309)
Net Change in Fund Balance	(4,124)	(4,124)	(4,327)	(203)
Fund Balances - Beginning	4,327	4,327	4,327	-
Fund Balances - Ending	<u>\$ 203</u>	<u>\$ 203</u>	<u>\$ -</u>	<u>\$ (203)</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
MOTOR VEHICLE LICENSE - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ 8,942	\$ 8,942
Total Revenues	-	-	8,942	8,942
<u>EXPENDITURES</u>				
Current:				
General government	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	8,942	8,942
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	2,122,681	1,943,205	(179,476)
Transfers out	(2,908,441)	(5,380,000)	(5,008,127)	371,873
Total Other Financing Sources (Uses)	(2,908,441)	(3,257,319)	(3,064,922)	192,397
Net Change in Fund Balance	(2,908,441)	(3,257,319)	(3,055,980)	201,339
Fund Balances - Beginning	3,772,234	3,772,234	3,772,234	-
Fund Balances - Ending	<u>\$ 863,793</u>	<u>\$ 514,915</u>	<u>\$ 716,254</u>	<u>\$ 201,339</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PUBLIC LIBRARY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Taxes and assessments	\$ 1,738,000	\$ 1,450,458	\$ 1,456,858	\$ 6,400
Use of money and property	41,500	17,933	17,208	(725)
Intergovernmental	55,969	55,969	61,481	5,512
Charges for services	94,375	94,375	88,588	(5,787)
Other revenues	7,475	7,475	11,819	4,344
Total Revenues	1,937,319	1,626,210	1,635,954	9,744
<u>EXPENDITURES</u>				
Current:				
Education	2,725,219	2,592,850	2,592,849	1
Total Expenditures	2,725,219	2,592,850	2,592,849	1
Excess of Revenues Over (Under) Expenditures	(787,900)	(966,640)	(956,895)	9,745
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	565,902	565,902	565,902	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	565,902	565,902	565,902	-
Net Change in Fund Balance	(221,998)	(400,738)	(390,993)	9,745
Fund Balances - Beginning	770,366	770,366	770,366	-
Fund Balances - Ending	\$ 548,368	\$ 369,628	\$ 379,373	\$ 9,745

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
INET MAINTENANCE - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ 423	\$ 423
Charges for services	14,400	28,970	45,586	16,616
Other revenues	56,762	41,962	30,822	(11,140)
Total Revenues	71,162	70,932	76,831	5,899
<u>EXPENDITURES</u>				
Current:				
General government	65,084	115,137	112,733	2,404
Total Expenditures	65,084	115,137	112,733	2,404
Excess of Revenues Over (Under) Expenditures	6,078	(44,205)	(35,902)	8,303
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	(27,240)	(27,239)	1
Total Other Financing Sources (Uses)	-	(27,240)	(27,239)	1
Net Change in Fund Balance	6,078	(71,445)	(63,141)	8,304
Fund Balances - Beginning	165,647	165,647	165,647	-
Fund Balances - Ending	\$ 171,725	\$ 94,202	\$ 102,506	\$ 8,304

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
WORKERS' COMPENSATION - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 12,000	\$ 12,000	\$ 9,716	\$ (2,284)
Other revenues	31,500	31,500	348	(31,152)
Total Revenues	43,500	43,500	10,064	(33,436)
<u>EXPENDITURES</u>				
Current:				
General government	43,500	43,500	9,345	34,155
Total Expenditures	43,500	43,500	9,345	34,155
Excess of Revenues Over (Under) Expenditures	-	-	719	719
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	719	719
Fund Balances - Beginning	82,038	82,038	82,038	-
Fund Balances - Ending	\$ 82,038	\$ 82,038	\$ 82,757	\$ 719

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
NONMAJOR HUMAN SERVICES AGENCY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 93,662	\$ 93,662	\$ 56,223	\$ (37,439)
Intergovernmental	3,235,366	3,815,536	4,928,609	1,113,073
Charges for services	24,850	24,850	21,645	(3,205)
Other revenue	289,949	289,949	697,550	407,601
Total Revenues	3,643,827	4,223,997	5,704,027	1,480,030
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	4,019,644	4,160,381	3,539,532	620,849
Capital outlay	-	1,695	-	1,695
Total Expenditures	4,019,644	4,162,076	3,539,532	622,544
Excess of Revenues Over (Under) Expenditures	(375,817)	61,921	2,164,495	2,102,574
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	861,154	153,152	58,394	(94,758)
Transfers out	(525,049)	(568,847)	(486,600)	82,247
Total Other Financing Sources (Uses)	336,105	(415,695)	(428,206)	(12,511)
Net Changes in Fund Balance	(39,712)	(353,774)	1,736,289	2,090,063
Fund Balances - Beginning	1,662,111	1,662,111	1,662,111	-
Fund Balances - Ending	\$ 1,622,399	\$ 1,308,337	\$ 3,398,400	\$ 2,090,063

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
ADMINISTRATION - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Fines and forfeitures	\$ 458,000	\$ 458,000	\$ 404,885	\$ (53,115)
Use of money and property	74,800	74,800	41,952	(32,848)
Intergovernmental	6,810,501	6,860,679	5,808,047	(1,052,632)
Other revenue	19,544	19,544	23,114	3,570
Total Revenues	7,362,845	7,413,023	6,277,998	(1,135,025)
<u>EXPENDITURES</u>				
Current:				
General government	6,169	6,177	1,617	4,560
Public protection	745,362	745,362	639,138	106,224
Recreation	-	72,745	65,069	7,676
Total Expenditures	751,531	824,284	705,824	118,460
Excess of Revenues Over (Under) Expenditures	6,611,314	6,588,739	5,572,174	(1,016,565)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	4,560	4,560	1,691	(2,869)
Transfers out	(6,741,662)	(6,818,810)	(5,768,848)	1,049,962
Total Other Financing Sources (Uses)	(6,737,102)	(6,814,250)	(5,767,157)	1,047,093
Net Changes in Fund Balance	(125,788)	(225,511)	(194,983)	30,528
Fund Balances - Beginning	2,111,952	2,111,952	2,111,952	-
Fund Balances - Ending	\$ 1,986,164	\$ 1,886,441	\$ 1,916,969	\$ 30,528

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
COMMUNITY DEVELOPMENT AGENCY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Fines and forfeitures	\$ 43,596	\$ 43,596	\$ 77,608	\$ 34,012
Use of money and property	46,400	46,400	28,411	(17,989)
Intergovernmental	17,500	17,500	17,362	(138)
Charges for services	5,848	217,086	185,790	(31,296)
Other revenue	75,000	75,000	20,480	(54,520)
Total Revenues	188,344	399,582	329,651	(69,931)
<u>EXPENDITURES</u>				
Current:				
Public protection	32,211	293,049	223,042	70,007
Health and sanitation	312,800	301,092	237,755	63,337
Recreation	109,200	106,670	33,816	72,854
Total Expenditures	454,211	700,811	494,613	206,198
Excess of Revenues Over (Under) Expenditures	(265,867)	(301,229)	(164,962)	136,267
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	190,000	193,056	193,056	-
Transfers out	-	(74,180)	(63,311)	10,869
Insurance recovery	-	-	1,331,391	1,331,391
Total Other Financing Sources (Uses)	190,000	118,876	1,461,136	1,342,260
Net Changes in Fund Balance	(75,867)	(182,353)	1,296,174	1,478,527
Fund Balances - Beginning	1,261,513	1,261,513	1,261,513	-
Fund Balances - Ending	\$ 1,185,646	\$ 1,079,160	\$ 2,557,687	\$ 1,478,527

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
DISTRICT ATTORNEY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 894	\$ 894	\$ 1,487	\$ 593
Intergovernmental	6,000	6,000	7,283	1,283
Charges for services	19,000	19,000	10,333	(8,667)
Other revenue	22,000	24,000	22,706	(1,294)
Total Revenues	47,894	49,894	41,809	(8,085)
<u>EXPENDITURES</u>				
Current:				
Public protection	42,213	50,153	50,148	5
Total Expenditures	42,213	50,153	50,148	5
Excess of Revenues Over (Under) Expenditures	5,681	(259)	(8,339)	(8,080)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	(44,929)	(38,599)	6,330
Total Other Financing Sources (Uses)	-	(44,929)	(38,599)	6,330
Net Changes in Fund Balance	5,681	(45,188)	(46,938)	(1,750)
Fund Balances - Beginning	83,570	83,570	83,570	-
Fund Balances - Ending	\$ 89,251	\$ 38,382	\$ 36,632	\$ (1,750)

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PROBATION - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Licenses and permits	\$ 16,200	\$ 16,200	\$ 12,558	\$ (3,642)
Fines and forfeitures	6,300	6,300	3,298	(3,002)
Use of money and property	4,880	4,880	6,385	1,505
Intergovernmental revenues	309,466	426,466	375,630	(50,836)
Other revenue	4,118	4,118	4,383	265
Total Revenues	340,964	457,964	402,254	(55,710)
<u>EXPENDITURES</u>				
Current:				
Public protection	6,918	6,918	3,277	3,641
Public assistance	22,500	22,500	15,856	6,644
Total Expenditures	29,418	29,418	19,133	10,285
Excess of Revenues Over (Under) Expenditures	311,546	428,546	383,121	(45,425)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	41,813	43,500	1,687
Transfers out	(361,829)	(520,642)	(395,057)	125,585
Total Other Financing Sources (Uses)	(361,829)	(478,829)	(351,557)	127,272
Net Changes in Fund Balance	(50,283)	(50,283)	31,564	81,847
Fund Balances - Beginning	125,043	125,043	125,043	-
Fund Balances - Ending	\$ 74,760	\$ 74,760	\$ 156,607	\$ 81,847

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
RECORDER - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ 2,998	\$ 2,998
Charges for services	198,068	198,068	207,057	8,989
Total Revenues	<u>198,068</u>	<u>198,068</u>	<u>210,055</u>	<u>11,987</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	476,063	790,979	666,248	124,731
Capital outlay	79,288	21,982	8,627	13,355
Total Expenditures	<u>555,351</u>	<u>812,961</u>	<u>674,875</u>	<u>138,086</u>
Excess of Revenues Over (Under) Expenditures	<u>(357,283)</u>	<u>(614,893)</u>	<u>(464,820)</u>	<u>150,073</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>(357,283)</u>	<u>(614,893)</u>	<u>(464,820)</u>	<u>150,073</u>
Fund Balances - Beginning	<u>1,056,222</u>	<u>1,056,222</u>	<u>1,056,222</u>	<u>-</u>
Fund Balances - Ending	<u><u>\$ 698,939</u></u>	<u><u>\$ 441,329</u></u>	<u><u>\$ 591,402</u></u>	<u><u>\$ 150,073</u></u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SHERIFF - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Fines and forfeitures	\$ 50,000	\$ 50,000	\$ 38,553	\$ (11,447)
Use of money and property	64,050	64,050	43,265	(20,785)
Intergovernmental	902,770	984,335	999,793	15,458
Charges for services	33,700	33,700	43,265	9,565
Other revenue	257,400	257,400	246,825	(10,575)
Total Revenues	1,307,920	1,389,485	1,371,701	(17,784)
<u>EXPENDITURES</u>				
Current:				
Public protection	326,233	454,969	364,618	90,351
Total Expenditures	326,233	454,969	364,618	90,351
Excess of Revenues Over (Under) Expenditures	981,687	934,516	1,007,083	72,567
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	36,555	36,555	-
Transfers out	(1,196,733)	(1,278,399)	(880,999)	397,400
Total Other Financing Sources (Uses)	(1,196,733)	(1,241,844)	(844,444)	397,400
Net Changes in Fund Balance	(215,046)	(307,328)	162,639	469,967
Fund Balances - Beginning	1,801,800	1,801,800	1,801,800	-
Fund Balances - Ending	\$ 1,586,754	\$ 1,494,472	\$ 1,964,439	\$ 469,967

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HOUSING AUTHORITY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 15,000	\$ 15,000	\$ 7,269	\$ (7,731)
Intergovernmental	1,541,194	1,577,613	1,582,623	5,010
Other revenue	2,500	2,500	3,835	1,335
Total Revenues	<u>1,558,694</u>	<u>1,595,113</u>	<u>1,593,727</u>	<u>(1,386)</u>
<u>EXPENDITURES</u>				
Current:				
Public assistance	<u>1,564,503</u>	<u>1,704,503</u>	<u>1,696,869</u>	<u>7,634</u>
Total Expenditures	<u>1,564,503</u>	<u>1,704,503</u>	<u>1,696,869</u>	<u>7,634</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,809)</u>	<u>(109,390)</u>	<u>(103,142)</u>	<u>6,248</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>(5,809)</u>	<u>(109,390)</u>	<u>(103,142)</u>	<u>6,248</u>
Fund Balances - Beginning	<u>351,422</u>	<u>351,422</u>	<u>351,422</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 345,613</u>	<u>\$ 242,032</u>	<u>\$ 248,280</u>	<u>\$ 6,248</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL DISTRICTS GOVERNED BY THE BOARD OF SUPERVISORS -
NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Taxes and assessments	\$ 19,050	\$ 38,257	\$ 38,248	\$ (9)
Use of money and property	41,827	41,929	22,373	(19,556)
Intergovernmental	-	400	398	(2)
Charges for services	365,876	366,910	365,630	(1,280)
Total Revenues	426,753	447,496	426,649	(20,847)
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities	460,972	493,821	401,027	92,794
Total Expenditures	460,972	493,821	401,027	92,794
Excess of Revenues Over (Under) Expenditures	(34,219)	(46,325)	25,622	71,947
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balance	(34,219)	(46,325)	25,622	71,947
Fund Balances - Beginning	1,069,776	1,069,776	1,069,776	-
Fund Balances - Ending	\$ 1,035,557	\$ 1,023,451	\$ 1,095,398	\$ 71,947

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PUBLIC WORKS - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 52,650	\$ 52,650	\$ 49,410	\$ (3,240)
Charges for services	204,500	284,090	217,276	(66,814)
Other revenue	47,500	47,500	30,257	(17,243)
Total Revenues	<u>304,650</u>	<u>384,240</u>	<u>296,943</u>	<u>(87,297)</u>
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities	59,089	150,806	150,532	274
Total Expenditures	<u>59,089</u>	<u>150,806</u>	<u>150,532</u>	<u>274</u>
Excess of Revenues Over (Under) Expenditures	<u>245,561</u>	<u>233,434</u>	<u>146,411</u>	<u>(87,023)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	2,060,981	2,060,981	-
Transfers out	(436,820)	(2,497,801)	(2,075,595)	422,206
Total Other Financing Sources (Uses)	<u>(436,820)</u>	<u>(436,820)</u>	<u>(14,614)</u>	<u>422,206</u>
Net Changes in Fund Balance	<u>(191,259)</u>	<u>(203,386)</u>	<u>131,797</u>	<u>335,183</u>
Fund Balances - Beginning	<u>2,422,407</u>	<u>2,422,407</u>	<u>2,422,407</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,231,148</u>	<u>\$ 2,219,021</u>	<u>\$ 2,554,204</u>	<u>\$ 335,183</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HOUSING AND COMMUNITY SERVICES - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 3,500	\$ 3,980	\$ 6,006	\$ 2,026
Intergovernmental	767,858	2,809,062	1,778,527	(1,030,535)
Other revenue	360,123	410,436	27,134	(383,302)
Total Revenues	1,131,481	3,223,478	1,811,667	(1,411,811)
<u>EXPENDITURES</u>				
Current:				
General government	277,500	501,500	122,564	378,936
Public assistance	915,488	3,082,095	1,637,555	1,444,540
Total Expenditures	1,192,988	3,583,595	1,760,119	1,823,476
Excess of Revenues Over (Under) Expenditures	(61,507)	(360,117)	51,548	411,665
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	356,553	433,653	214,815	(218,838)
Transfers out	(268,823)	(402,931)	(184,093)	218,838
Total Other Financing Sources (Uses)	87,730	30,722	30,722	-
Net Changes in Fund Balance	26,223	(329,395)	82,270	411,665
Fund Balances - Beginning	4,940,978	4,940,978	4,940,978	-
Fund Balances - Ending	\$ 4,967,201	\$ 4,611,583	\$ 5,023,248	\$ 411,665

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NONMAJOR GOVERNMENTAL FUNDS
Debt Service Funds

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COUNTY OF NEVADA, CALIFORNIA NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds are used to account for accumulation of resources for, and the payment of, principal and interest on the County's general long-term debt. Nonmajor debt service funds used by the County are listed below:

- **GOVERNMENT DEBT SERVICE**
Fund accounts for other financing requirements of the County, including for Laura Wilcox Memorial building. Amounts are transferred into, and payments made out of, this fund.
- **SPECIAL ASSESSMENT DEBT WITH COUNTY COMMITMENT**
These funds were established to administer bonds issued by the County of Nevada on behalf of the County Service Area 22 Assessment District under the Improvement Bond Act of 1915.
- **FINANCE AUTHORITY**
Fund accounts for finance and refinance of any real or personal property for the benefit of Nevada County. The Finance Authority is the lessor for the County's Certificates of Participation, and makes debt service payments on behalf of the County.

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COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2009

	Government Debt Service	Special Assessment Debt With County Commitment	Finance Authority	Totals
<u>ASSETS</u>				
Cash and investments	\$ -	\$ 116,129	\$ 13,046	\$ 129,175
Restricted cash and investments	-	-	2,138,500	2,138,500
Due from other funds	-	-	4,335	4,335
Total Assets	\$ -	\$ 116,129	\$ 2,155,881	\$ 2,272,010
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
FUND BALANCES				
Reserved for:				
Debt service	-	116,129	2,155,881	2,272,010
Total Fund Balances	-	116,129	2,155,881	2,272,010
Total Liabilities and Fund Balances	\$ -	\$ 116,129	\$ 2,155,881	\$ 2,272,010

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Government Debt Service	Special Assessment Debt With County Commitment	Finance Authority	Totals
<u>REVENUES</u>				
Use of money and property	\$ -	\$ 2,221	\$ 127,114	\$ 129,335
Charges for services	-	26,965	-	26,965
Total Revenues	-	29,186	127,114	156,300
<u>EXPENDITURES</u>				
Current				
General government	1,915	-	5,244	7,159
Public ways & facilities	-	2,059	-	2,059
Debt service:				
Principal	29,938	10,000	1,030,762	1,070,700
Interest and other charges	40,115	17,050	765,799	822,964
Total Expenditures	71,968	29,109	1,801,805	1,902,882
Excess of Revenues Over (Under) Expenditures	(71,968)	77	(1,674,691)	(1,746,582)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	71,968	26,288	1,674,711	1,772,967
Transfers out	-	(26,288)	-	(26,288)
Total Other Financing Sources (Uses)	71,968	-	1,674,711	1,746,679
Net Change in Fund Balance	-	77	20	97
Fund Balances - Beginning	-	116,052	2,155,861	2,271,913
Fund Balances - Ending	\$ -	\$ 116,129	\$ 2,155,881	\$ 2,272,010

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GOVERNMENT DEBT SERVICE - NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<u>EXPENDITURES</u>				
Current				
General government	1,915	1,915	1,915	-
Debt service:				
Principal	29,938	29,938	29,938	-
Interest and other charges	40,116	40,116	40,115	1
Total Expenditures	71,969	71,969	71,968	1
Excess of Revenues Over (Under) Expenditures	(71,969)	(71,969)	(71,968)	1
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	71,969	71,969	71,968	(1)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	71,969	71,969	71,968	(1)
Net Changes in Fund Balance	-	-	-	-
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	\$ -	\$ -	\$ -	\$ -

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL ASSESSMENT DEBT WITH COUNTY COMMITMENT -
NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ -	\$ 1,885	\$ 2,221	\$ 336
Charges for services	28,340	28,340	26,965	(1,375)
Total Revenues	<u>28,340</u>	<u>30,225</u>	<u>29,186</u>	<u>(1,039)</u>
<u>EXPENDITURES</u>				
Current				
Public ways and facilities	1,290	1,290	2,059	(769)
Debt service:				
Principal	10,000	10,000	10,000	-
Interest and other charges	17,050	17,050	17,050	-
Total Expenditures	<u>28,340</u>	<u>28,340</u>	<u>29,109</u>	<u>(769)</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>1,885</u>	<u>77</u>	<u>(1,808)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	28,340	28,340	26,288	(2,052)
Transfers out	(28,340)	(28,340)	(26,288)	2,052
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>-</u>	<u>1,885</u>	<u>77</u>	<u>(1,808)</u>
Fund Balances - Beginning	<u>116,052</u>	<u>116,052</u>	<u>116,052</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 116,052</u>	<u>\$ 117,937</u>	<u>\$ 116,129</u>	<u>\$ (1,808)</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
FINANCE AUTHORITY - NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 129,084	\$ 129,084	\$ 127,114	\$ (1,970)
Total Revenues	<u>129,084</u>	<u>129,084</u>	<u>127,114</u>	<u>(1,970)</u>
<u>EXPENDITURES</u>				
Current				
General government	5,251	5,251	5,244	7
Debt service:				
Principal	1,030,763	1,030,763	1,030,762	1
Interest and other charges	765,799	765,799	765,799	-
Total Expenditures	<u>1,801,813</u>	<u>1,801,813</u>	<u>1,801,805</u>	<u>8</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,672,729)</u>	<u>(1,672,729)</u>	<u>(1,674,691)</u>	<u>(1,962)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	1,672,729	1,672,729	1,674,711	1,982
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,672,729</u>	<u>1,672,729</u>	<u>1,674,711</u>	<u>1,982</u>
Net Changes in Fund Balance	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>
Fund Balances - Beginning	<u>2,155,861</u>	<u>2,155,861</u>	<u>2,155,861</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,155,861</u>	<u>\$ 2,155,861</u>	<u>\$ 2,155,881</u>	<u>\$ 20</u>

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NONMAJOR PROPRIETARY FUNDS
Enterprise Funds

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COUNTY OF NEVADA, CALIFORNIA NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed primarily through user charges; or where the County has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Nonmajor enterprise funds of the County are listed below:

- **EASTERN NEVADA COUNTY SOLID WASTE**

Fund accounts for the solid waste support services in Eastern Nevada County. Includes administration of refuse collection franchise in Eastern Nevada County. Fees collected from property owners in unincorporated Eastern Nevada County and used for residential refuse collection, recycling, and disposal activities. Also used to administer the Hirschdale Landfill closure and provide post-closure monitoring services.

- **TRANSIT SERVICES**

Fund accounts for administration and delivery of public transit and paratransit services, primarily in Western Nevada County. Includes the Gold Country Stage, a fixed-route system serving Western Nevada County, and administers a contract for provision of specialized paratransit services for disabled persons. Also used to account for participation in the Truckee-North Tahoe Transportation management Association, a public-private partnership working to improve transportation in the Truckee-Tahoe area.

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COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2009

	Eastern Nevada County Solid Waste	Transit Services	Totals
<u>ASSETS</u>			
Current Assets			
Cash and investments	\$ 284,790	\$ 344,057	\$ 628,847
Accounts receivable (net of allowance)	-	318,664	318,664
Due from other governmental agencies	-	242,017	242,017
Due from other funds	-	16,745	16,745
Total Current Assets	284,790	921,483	1,206,273
Noncurrent Assets			
Capital assets:			
Non-depreciable	26,409	-	26,409
Depreciable, net	-	1,249,710	1,249,710
Total Noncurrent Assets	26,409	1,249,710	1,276,119
Total Assets	311,199	2,171,193	2,482,392
<u>LIABILITIES</u>			
Current Liabilities			
Accounts payable	-	82,332	82,332
Accrued salaries and benefits	-	48,312	48,312
Due to other funds	3,156	52,999	56,155
Unearned revenue	-	1,009,572	1,009,572
Compensated absences payable	-	68,692	68,692
Closure/postclosure costs	30,000	-	30,000
Total Current Liabilities	33,156	1,261,907	1,295,063
Noncurrent Liabilities			
Closure/postclosure costs	85,736	-	85,736
Net OPEB obligation	-	53,162	53,162
Total Noncurrent Liabilities	85,736	53,162	138,898
Total Liabilities	118,892	1,315,069	1,433,961
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	26,409	1,249,710	1,276,119
Unrestricted	165,898	(393,586)	(227,688)
Total Net Assets	\$ 192,307	\$ 856,124	\$ 1,048,431

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Eastern Nevada County Solid Waste	Transit Services	Totals
<u>OPERATING REVENUES</u>			
Charges for services	\$ 116,398	\$ 568,657	\$ 685,055
Operating Revenues	<u>116,398</u>	<u>568,657</u>	<u>685,055</u>
<u>OPERATING EXPENSES</u>			
Salaries and benefits	-	1,498,499	1,498,499
Services and supplies	118,094	2,134,980	2,253,074
Benefit and claim expense	-	7,688	7,688
Other charges	2,201	102,759	104,960
Expenditure transfers	9,713	121,083	130,796
Closure/post closure expense	2,491	-	2,491
Depreciation	-	376,165	376,165
Operating Expenses	<u>132,499</u>	<u>4,241,174</u>	<u>4,373,673</u>
Operating Income (Loss)	<u>(16,101)</u>	<u>(3,672,517)</u>	<u>(3,688,618)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Taxes and assessments	-	2,318,377	2,318,377
Intergovernmental revenues	-	1,763,178	1,763,178
Interest income	6,001	21,120	27,121
Other revenues	-	3,496	3,496
Interest expense	-	(7,271)	(7,271)
Gain (loss) on sale of capital assets	-	15,436	15,436
Total Non-operating Revenues (Expenses)	<u>6,001</u>	<u>4,114,336</u>	<u>4,120,337</u>
Income (Loss) Before Transfers	<u>(10,100)</u>	<u>441,819</u>	<u>431,719</u>
Transfers in	-	-	-
Transfers out	-	-	-
Change in Net Assets	<u>(10,100)</u>	<u>441,819</u>	<u>431,719</u>
Net Assets - Beginning	202,407	447,252	649,659
Prior period adjustment	-	(32,947)	(32,947)
Net Assets - Beginning, Restated	<u>202,407</u>	<u>414,305</u>	<u>616,712</u>
Net Assets - Ending	<u>\$ 192,307</u>	<u>\$ 856,124</u>	<u>\$ 1,048,431</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Eastern Nevada County Solid Waste	Transit Services	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from customers	\$ 116,398	\$ 408,595	\$ 524,993
Payments to suppliers	(130,832)	(2,611,874)	(2,742,706)
Payments to employees	-	(1,490,279)	(1,490,279)
Net Cash Provided (Used) by Operating Activities	<u>(14,434)</u>	<u>(3,693,558)</u>	<u>(3,707,992)</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Grants and other receipts	-	3,293,884	3,293,884
Interfund loans received	2,447	4,649	7,096
Interfund loans made	-	(7,542)	(7,542)
Interfund loans repaid	-	(17,619)	(17,619)
Net Cash Provided (Used) for Noncapital Financing Activities	<u>2,447</u>	<u>3,273,372</u>	<u>3,275,819</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Acquisition of capital assets	-	(932,829)	(932,829)
Proceeds from sale of capital assets	-	15,436	15,436
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>-</u>	<u>(917,393)</u>	<u>(917,393)</u>
<u>CASH FLOWS FROM INVESTMENT ACTIVITIES</u>			
Interest and dividends (expense)	6,001	13,850	19,851
Net Cash Provided (Used) by Investing Activities	<u>6,001</u>	<u>13,850</u>	<u>19,851</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(5,986)	(1,323,729)	(1,329,715)
Balances - Beginning of the Year	290,776	1,667,786	1,958,562
Balances - End of the Year	<u>\$ 284,790</u>	<u>\$ 344,057</u>	<u>\$ 628,847</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>			
Operating income (loss)	\$ (16,101)	\$ (3,672,517)	\$ (3,688,618)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	376,165	376,165
Decrease (Increase) in:			
Accounts receivable	-	(160,062)	(160,062)
Inventory	-	1,723	1,723
Increase (Decrease) in:			
Accounts payable	-	(247,087)	(247,087)
Accrued salaries and benefits	-	(8,884)	(8,884)
Compensated absences payable	-	(3,111)	(3,111)
Closure/post closure	1,667	-	1,667
Net OPEB obligation	-	20,215	20,215
Net Cash Provided (Used) by Operating Activities	<u>\$ (14,434)</u>	<u>\$ (3,693,558)</u>	<u>\$ (3,707,992)</u>

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INTERNAL SERVICE FUNDS

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COUNTY OF NEVADA, CALIFORNIA INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments on a cost-reimbursement basis. Internal Service Funds used at the County are listed below:

- **FLEET MANAGEMENT**
The fund accounts for the management of a program to ensure that both current and future vehicle needs are met for all County departments.
- **VISION INSURANCE**
The fund accounts for the vision insurance component of the self-insurance services provided to County employees.
- **UNEMPLOYMENT INSURANCE**
The fund accounts for the management of unemployment insurance for the County's self-funded plan.
- **LIABILITY INSURANCE**
The fund accounts for the services related to the protection of the County from general liability exposures. It provides claims management services, and pays the premium costs for general liability insurance.
- **CENTRAL SERVICES**
The fund accounts for printing, copier, mail, pool car scheduling, answering the County information line, and scanning services provided to County departments and outside agencies.
- **DENTAL INSURANCE**
The fund accounts for the dental insurance component of the self-insurance services provided to County employees.

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COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2009

	Fleet Management	Vision Insurance	Unemployment Insurance	Liability Insurance
<u>ASSETS</u>				
Current Assets				
Cash and investments	\$ 901,292	\$ 47,661	\$ 511,620	\$ 1,685,248
Accounts receivable	613	2,175	-	-
Due from other funds	404,334	-	-	-
Prepaid costs	-	-	-	-
Inventory	69,890	-	-	-
Deposits	-	-	-	-
Total Current Assets	1,376,129	49,836	511,620	1,685,248
Noncurrent Assets				
Capital assets:				
Depreciable, net	1,211,760	-	-	-
Total Noncurrent Assets	1,211,760	-	-	-
Total Assets	2,587,889	49,836	511,620	1,685,248
<u>LIABILITIES</u>				
Current Liabilities				
Accounts payable	96,597	13,619	-	5,833
Accrued salaries and benefits	37,012	-	-	-
Due to other funds	311,990	-	-	9,079
Compensated absences payable	68,177	-	-	-
Capital leases payable	-	-	-	-
Accrued claims payable	-	-	438,455	580,000
Total Current Liabilities	513,776	13,619	438,455	594,912
Noncurrent Liabilities				
Capital leases payable	-	-	-	-
Net OPEB obligation	37,452	-	-	-
Total Noncurrent Liabilities	37,452	-	-	-
Total Liabilities	551,228	13,619	438,455	594,912
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	1,211,760	-	-	-
Unrestricted	824,901	36,217	73,165	1,090,336
Total Net Assets	\$ 2,036,661	\$ 36,217	\$ 73,165	\$ 1,090,336

Central Services	Dental Insurance	Totals
\$ 37,247	\$ 108,751	\$ 3,291,819
560	10,506	13,854
30,942	-	435,276
19,840	-	19,840
-	-	69,890
-	35,000	35,000
88,589	154,257	3,865,679
10,355	-	1,222,115
10,355	-	1,222,115
98,944	154,257	5,087,794
66,270	49,487	231,806
2,282	-	39,294
7,071	-	328,140
393	-	68,570
5,775	-	5,775
-	-	1,018,455
81,791	49,487	1,692,040
5,223	-	5,223
2,316	-	39,768
7,539	-	44,991
89,330	49,487	1,737,031
(643)	-	1,211,117
10,257	104,770	2,139,646
\$ 9,614	\$ 104,770	\$ 3,350,763

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Fleet Management	Vision Insurance	Unemployment Insurance	Liability Insurance
<u>OPERATING REVENUES</u>				
Charges for services	\$ 4,418,856	\$ 147,627	\$ 80,379	\$ 762,449
Total Operating Revenues	<u>4,418,856</u>	<u>147,627</u>	<u>80,379</u>	<u>762,449</u>
<u>OPERATING EXPENSES</u>				
Salaries and benefits	923,880	-	-	-
Services and supplies	2,536,041	24,424	103,531	743,150
Benefit and claim expense	-	156,463	342,951	361,563
Other charges	74,997	4,302	2,173	32,356
Expenditure transfers	(35,003)	-	-	73,218
Depreciation	470,120	-	-	-
Total Operating Expenses	<u>3,970,035</u>	<u>185,189</u>	<u>448,655</u>	<u>1,210,287</u>
Operating Income (Loss)	<u>448,821</u>	<u>(37,562)</u>	<u>(368,276)</u>	<u>(447,838)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>				
Forfeitures and penalties	4,981	-	-	-
Interest income	13,419	1,463	14,641	41,422
Other revenues	6,706	-	282	81,719
Interest expense	-	-	-	-
Gain (loss) on disposition of capital assets	(3,110)	-	-	-
Total Non-operating Revenues (Expenses)	<u>21,996</u>	<u>1,463</u>	<u>14,923</u>	<u>123,141</u>
Income (Loss) Before Transfers	<u>470,817</u>	<u>(36,099)</u>	<u>(353,353)</u>	<u>(324,697)</u>
Transfers in	24,744	-	-	-
Transfers out	-	-	-	-
Change in Net Assets	<u>495,561</u>	<u>(36,099)</u>	<u>(353,353)</u>	<u>(324,697)</u>
Net Assets - Beginning	<u>1,564,139</u>	<u>72,316</u>	<u>426,518</u>	<u>1,415,033</u>
Prior period adjustment	(23,039)	-	-	-
Net Assets - Beginning, Restated	<u>1,541,100</u>	<u>72,316</u>	<u>426,518</u>	<u>1,415,033</u>
Net Assets - Ending	<u>\$ 2,036,661</u>	<u>\$ 36,217</u>	<u>\$ 73,165</u>	<u>\$ 1,090,336</u>

Central Services	Dental Insurance	Totals
<u>\$ 826,425</u>	<u>\$ 753,582</u>	<u>\$ 6,989,318</u>
<u>826,425</u>	<u>753,582</u>	<u>6,989,318</u>
64,566	-	988,446
656,937	75,133	4,139,216
-	754,465	1,615,442
39,508	8,984	162,320
37,773	-	75,988
4,892	-	475,012
<u>803,676</u>	<u>838,582</u>	<u>7,456,424</u>
<u>22,749</u>	<u>(85,000)</u>	<u>(467,106)</u>
-	-	4,981
446	3,965	75,356
-	-	88,707
(1,247)	-	(1,247)
-	-	(3,110)
<u>(801)</u>	<u>3,965</u>	<u>164,687</u>
21,948	(81,035)	(302,419)
-	-	24,744
-	-	-
<u>21,948</u>	<u>(81,035)</u>	<u>(277,675)</u>
(10,965)	185,805	3,652,846
(1,369)	-	(24,408)
<u>(12,334)</u>	<u>185,805</u>	<u>3,628,438</u>
<u>\$ 9,614</u>	<u>\$ 104,770</u>	<u>\$ 3,350,763</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Fleet Management	Vision Insurance	Unemployment Insurance	Liability Insurance
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from customers	\$ 4,188,925	\$ 147,401	\$ 80,379	\$ 762,549
Payments to suppliers	(2,732,314)	(186,512)	(348,391)	(1,134,856)
Payments to employees	(914,513)	-	-	-
Net Cash Provided (Used) by Operating Activities	542,098	(39,111)	(268,012)	(372,307)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Grants and other receipts	11,687	-	282	81,719
Transfers from other funds	24,744	-	-	-
Interfund loans received	176,633	-	-	-
Interfund loans repaid	(5,336)	-	-	(38,419)
Interfund loan repayments received	51,308	-	-	-
Net Cash Provided (Used) for Noncapital Financing Activities	259,036	-	282	43,300
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Acquisition of capital assets	(318,004)	-	-	-
Proceeds from sale of capital assets	48,312	-	-	-
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	-	-	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(269,692)	-	-	-
<u>CASH FLOWS FROM INVESTMENT ACTIVITIES</u>				
Interest and dividends	13,420	1,463	14,641	41,422
Net Cash Provided (Used) by Investing Activities	13,420	1,463	14,641	41,422
Net Increase (Decrease) in Cash and Cash Equivalents	544,862	(37,648)	(253,089)	(287,585)
Balances - Beginning of the Year	356,430	85,309	764,709	1,972,833
Balances - End of the Year	\$ 901,292	\$ 47,661	\$ 511,620	\$ 1,685,248
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>				
Operating income (loss)	\$ 448,821	\$ (37,562)	\$ (368,276)	\$ (447,838)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	470,120	-	-	-
Decrease (Increase) in:				
Accounts receivable	303	(226)	-	100
Prepaid costs	-	-	-	-
Inventory	2,126	-	-	-
Increase (Decrease) in:				
Accounts payable	(158,405)	(1,323)	-	(1,569)
Accrued salaries and benefits	3,954	-	-	-
Unearned revenue	(230,234)	-	-	-
Compensated absences payable	(9,000)	-	-	-
Claims payable	-	-	100,264	77,000
Net OPEB obligation	14,413	-	-	-
Net Cash Provided (Used) by Operating Activities	\$ 542,098	\$ (39,111)	\$ (268,012)	\$ (372,307)

Central Services	Dental Insurance	Totals
\$ 826,958	\$ 751,707	\$ 6,757,919
(752,876)	(834,550)	(5,989,499)
(63,179)	-	(977,692)
10,903	(82,843)	(209,272)
-	-	93,688
-	-	24,744
-	-	176,633
(4,851)	-	(48,606)
1,621	-	52,929
(3,230)	-	299,388
-	-	(318,004)
-	-	48,312
(5,282)	-	(5,282)
(1,247)	-	(1,247)
(6,529)	-	(276,221)
446	3,965	75,357
446	3,965	75,357
1,590	(78,878)	(110,748)
35,657	187,629	3,402,567
\$ 37,247	\$ 108,751	\$ 3,291,819
\$ 22,749	\$ (85,000)	\$ (467,106)
4,892	-	475,012
533	(1,875)	(1,165)
(929)	-	(929)
-	-	2,126
(17,729)	4,032	(174,994)
305	-	4,259
-	-	(230,234)
135	-	(8,865)
947	-	178,211
-	-	14,413
\$ 10,903	\$ (82,843)	\$ (209,272)

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FIDUCIARY FUNDS

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COUNTY OF NEVADA, CALIFORNIA FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. Fiduciary funds include investment trust funds and agency funds.

- **INVESTMENT TRUST FUNDS**

The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of five separate funds; Special Districts governed by Local Boards, School Districts, School Districts Debt Service, Courts and Jury/Witness and Local Transportation Authority. These funds account for assets, primarily cash and investments in the County's investment pool, owned by legally separate entities such as school and community colleges, special districts governed by local boards, regional boards and authorities, and pass through funds for tax collections for cities. The County is obligated to disburse monies from these funds on demand.

- **AGENCY FUNDS**

To account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include two separate components.

Accrued Trust Funds - Accounts for property tax receipts awaiting apportionment to other local governmental agencies and investment earnings awaiting apportionment to other local government agencies.

County Departmental Agency Funds - Accounts for all assets under the control of County departments which are held in a fiduciary capacity.

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COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
JUNE 30, 2009

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>	<u>Courts and Jury/Witness</u>
<u>ASSETS</u>				
Cash and investments	\$ 23,736,004	\$ 34,035,460	\$ 705,883	\$ 1,532,911
Accounts receivable	-	-	-	-
Total Assets	<u>23,736,004</u>	<u>34,035,460</u>	<u>705,883</u>	<u>1,532,911</u>
<u>LIABILITIES</u>				
Accounts payable	16,345	-	-	-
Total Liabilities	<u>16,345</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>				
Net assest held in trust for investment pool participants	<u>\$ 23,719,659</u>	<u>\$ 34,035,460</u>	<u>\$ 705,883</u>	<u>\$ 1,532,911</u>

Local Transportation Authority	Total Investment Trust Funds
<u>\$ 5,537,097</u>	<u>\$ 65,547,355</u>
<u>625,289</u>	<u>625,289</u>
<u>6,162,386</u>	<u>66,172,644</u>
<u>369,364</u>	<u>385,709</u>
<u>369,364</u>	<u>385,709</u>
<u><u>\$ 5,793,022</u></u>	<u><u>\$ 65,786,935</u></u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>	<u>Courts and Jury/Witness</u>
<u>ADDITIONS</u>				
Contributions:				
Contributions to investment pool	\$ 93,838,387	\$ 267,464,720	\$ 6,197,459	\$ 4,349,262
Net investment income:				
Interest income	<u>514,885</u>	<u>826,235</u>	<u>14,541</u>	<u>23,576</u>
Net investment income	<u>514,885</u>	<u>826,235</u>	<u>14,541</u>	<u>23,576</u>
Total Additions	<u>94,353,272</u>	<u>268,290,955</u>	<u>6,212,000</u>	<u>4,372,838</u>
<u>DEDUCTIONS</u>				
Distributions from investment pool	<u>92,278,257</u>	<u>268,967,750</u>	<u>6,190,514</u>	<u>3,969,275</u>
Total Deductions	<u>92,278,257</u>	<u>268,967,750</u>	<u>6,190,514</u>	<u>3,969,275</u>
Change in Net Assets	2,075,015	(676,795)	21,486	403,563
Net Assets - Beginning	<u>21,644,644</u>	<u>34,712,255</u>	<u>684,397</u>	<u>1,129,348</u>
Net Assets - Ending	<u>\$ 23,719,659</u>	<u>\$ 34,035,460</u>	<u>\$ 705,883</u>	<u>\$ 1,532,911</u>

<u>Local Transportation Authority</u>	<u>Total Investment Trust Funds</u>
\$ 5,463,354	\$ 377,313,182
<u>127,866</u>	<u>1,507,103</u>
<u>127,866</u>	<u>1,507,103</u>
<u>5,591,220</u>	<u>378,820,285</u>
<u>6,710,907</u>	<u>378,116,703</u>
<u>6,710,907</u>	<u>378,116,703</u>
(1,119,687)	703,582
<u>6,912,709</u>	<u>65,083,353</u>
<u>\$ 5,793,022</u>	<u>\$ 65,786,935</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2009

	<u>Accrued Trust Funds</u>	<u>County Departmental Agency Funds</u>	<u>Total Agency Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 602,145	\$ 943,189	\$ 1,545,334
Restricted cash and investments	59,143	887,652	946,795
Taxes receivable	13,456,075	-	13,456,075
Total Assets	<u>\$ 14,117,363</u>	<u>\$ 1,830,841</u>	<u>\$ 15,948,204</u>
<u>LIABILITIES</u>			
Due to other agencies	\$ 11,055,160	\$ -	\$ 11,055,160
Agency obligations	3,062,203	1,830,841	4,893,044
Total Liabilities	<u>\$ 14,117,363</u>	<u>\$ 1,830,841</u>	<u>\$ 15,948,204</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
ACCRUED TRUST FUNDS				
<u>ASSETS</u>				
Cash and investments	\$ 614,252	\$ 11,055,061	\$ 11,067,168	\$ 602,145
Restricted cash and investments	58,714	429	-	59,143
Taxes receivable	11,018,559	2,437,516	-	13,456,075
Total Assets	<u>\$ 11,691,525</u>	<u>\$ 13,493,006</u>	<u>\$ 11,067,168</u>	<u>\$ 14,117,363</u>
<u>LIABILITIES</u>				
Due to other agencies	\$ 8,902,179	\$ 11,055,061	\$ 8,902,080	\$ 11,055,160
Agency Obligations	2,789,346	272,857	-	3,062,203
Total Liabilities	<u>\$ 11,691,525</u>	<u>\$ 11,327,918</u>	<u>\$ 8,902,080</u>	<u>\$ 14,117,363</u>
COUNTY DEPARTMENTAL AGENCY FUNDS				
<u>ASSETS</u>				
Cash and investments	\$ 1,438,075	\$ -	\$ 494,886	\$ 943,189
Restricted cash and investments	264,302	623,350	-	887,652
Total Assets	<u>\$ 1,702,377</u>	<u>\$ 623,350</u>	<u>\$ 494,886</u>	<u>\$ 1,830,841</u>
<u>LIABILITIES</u>				
Agency obligations	\$ 1,702,377	\$ 623,350	\$ 494,886	\$ 1,830,841
Total Liabilities	<u>\$ 1,702,377</u>	<u>\$ 623,350</u>	<u>\$ 494,886</u>	<u>\$ 1,830,841</u>
TOTAL FIDUCIARY FUNDS				
<u>ASSETS</u>				
Cash and investments	\$ 2,052,327	\$ 11,055,061	\$ 11,562,054	\$ 1,545,334
Restricted cash and investments	323,016	623,779	-	946,795
Taxes receivable	11,018,559	2,437,516	-	13,456,075
Total Assets	<u>\$ 13,393,902</u>	<u>\$ 14,116,356</u>	<u>\$ 11,562,054</u>	<u>\$ 15,948,204</u>
<u>LIABILITIES</u>				
Due to other agencies	\$ 8,902,179	\$ 11,055,061	\$ 8,902,080	\$ 11,055,160
Agency Obligations	4,491,723	896,207	494,886	4,893,044
Total Liabilities	<u>\$ 13,393,902</u>	<u>\$ 11,951,268</u>	<u>\$ 9,396,966</u>	<u>\$ 15,948,204</u>

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STATISTICAL SECTION

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COUNTY OF NEVADA, CALIFORNIA STATISTICAL SECTION

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

- **Financial Trends**

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

- **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

- **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

- **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

- **Operating Information**

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

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COUNTY OF NEVADA, CALIFORNIA
NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
Governmental Activities				
Invested in capital assets, net of related debt	\$ 232,657,259	\$ 232,785,139	\$ 233,807,949	\$ 237,770,629
Restricted	3,864,404	31,297,665	37,995,142	39,102,881
Unrestricted	38,043,501	7,289,217	7,894,253	9,932,618
Total governmental activities net assets	<u>\$ 274,565,164</u>	<u>\$ 271,372,021</u>	<u>\$ 279,697,344</u>	<u>\$ 286,806,128</u>
Business-type Activities				
Invested in capital assets, net of related debt	\$ 8,541,197	\$ 7,656,180	\$ 8,608,896	\$ 10,949,954
Unrestricted	1,277,886	(1,692,003)	(519,455)	142,603
Total business-type activities net assets	<u>\$ 9,819,083</u>	<u>\$ 5,964,177</u>	<u>\$ 8,089,441</u>	<u>\$ 11,092,557</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 241,198,456	\$ 240,441,319	\$ 242,416,845	\$ 248,720,583
Restricted	3,864,404	31,297,665	37,995,142	39,102,881
Unrestricted	39,321,387	5,597,214	7,374,798	10,075,221
Total primary government net assets	<u>\$ 284,384,247</u>	<u>\$ 277,336,198</u>	<u>\$ 287,786,785</u>	<u>\$ 297,898,685</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2002/03 only, the year GASB Statement 34 was implemented.

Source: Comprehensive Annual Financial Reports - County of Nevada, California

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
\$ 238,955,459	\$ 240,377,169	\$ 245,044,668
40,643,025	38,274,175	36,273,724
14,297,129	15,395,845	18,517,776
<u>\$ 293,895,613</u>	<u>\$ 294,047,189</u>	<u>\$ 299,836,168</u>
\$ 17,773,325	\$ 25,611,733	\$ 30,433,338
650,031	(654,360)	(1,337,370)
<u>\$ 18,423,356</u>	<u>\$ 24,957,373</u>	<u>\$ 29,095,968</u>
\$ 256,728,784	\$ 265,988,902	\$ 275,478,006
40,643,025	38,274,175	36,273,724
14,947,160	14,741,485	17,180,406
<u>\$ 312,318,969</u>	<u>\$ 319,004,562</u>	<u>\$ 328,932,136</u>

COUNTY OF NEVADA, CALIFORNIA
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
Expenses				
Governmental Activities:				
General government	\$ 25,291,032	\$ 11,633,754	\$ 8,938,435	\$ 11,249,361
Public ways and facilities	7,262,903	6,810,806	6,312,601	8,513,880
Public protection	28,820,570	40,081,096	43,150,103	45,190,677
Health and sanitation	13,579,832	16,297,053	16,151,498	18,470,443
Public assistance	31,787,977	21,127,891	21,271,351	22,393,216
Education	2,343,855	2,734,576	2,471,046	2,865,584
Recreation	-	-	11,126	51,729
Interest on long-term debt	850,537	1,006,952	757,523	855,225
Total Governmental Activities Expenses	109,936,706	99,692,128	99,063,683	109,590,115
Business-type Activities				
Eastern Nevada County Solid Waste	1,397,691	151,529	345,238	111,396
Western Nevada County Solid Waste	4,857,721	8,487,113	5,971,008	6,538,648
Transit Services	3,123,973	2,958,054	2,874,082	3,088,462
Airport	897,783	946,411	1,035,399	1,137,542
Sanitation District	4,915,869	3,068,942	3,331,819	4,037,253
Total Business-Type Activities Expenses	15,193,037	15,612,049	13,557,546	14,913,301
Total Primary Government Expenses	<u>\$ 125,129,743</u>	<u>\$ 115,304,177</u>	<u>\$ 112,621,229</u>	<u>\$ 124,503,416</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	\$ 10,813,766	\$ 9,237,614	\$ 6,338,047	\$ 6,232,111
Public ways and facilities	1,602,653	1,461,163	1,240,364	1,440,008
Public protection	2,867,404	6,253,050	6,121,598	6,364,587
Health and sanitation	511,121	1,892,426	2,269,265	2,267,470
Public assistance	3,101,448	51,856	57,583	47,007
Education	74,551	82,294	92,298	94,848
Recreation	-	-	-	-
Operating grants and contributions	53,575,635	51,931,440	55,728,641	58,599,661
Capital grants and contributions	1,437,252	-	-	2,296,519
Total Governmental Activities Program Revenues	73,983,830	70,909,843	71,847,796	77,342,211
Business-Type Activities:				
Charges for services:				
Eastern Nevada County Solid Waste	1,101,826	93,225	98,145	102,312
Western Nevada County Solid Waste	6,377,927	7,270,335	7,400,950	7,753,931
Transit Services	390,174	333,453	309,693	480,601
Airport	636,150	545,262	548,488	618,549
Sanitation District	4,115,772	2,159,899	3,818,931	3,509,905
Operating grants and contributions	566,522	2,396,154	2,787,415	2,633,921
Capital grants and contributions	-	242,664	-	2,179,464
Total Business-Type Activities Program Revenues	13,188,371	13,040,992	14,963,622	17,278,683
Total Primary Government Program Revenues	<u>\$ 87,172,201</u>	<u>\$ 83,950,835</u>	<u>\$ 86,811,418</u>	<u>\$ 94,620,894</u>
Net (Expense)/Revenue¹				
Governmental activities	\$ (35,952,876)	\$ (28,782,285)	\$ (27,215,887)	\$ (32,247,904)
Business-type activities	<u>(2,004,666)</u>	<u>(2,571,057)</u>	<u>1,406,076</u>	<u>2,365,382</u>
Total Primary Government Net Expense	<u>\$ (37,957,542)</u>	<u>\$ (31,353,342)</u>	<u>\$ (25,809,811)</u>	<u>\$ (29,882,522)</u>

¹ Net expense is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
\$ 12,221,901	\$ 13,734,811	\$ 11,873,042
10,077,775	10,455,997	13,050,854
46,998,768	52,982,684	54,426,072
17,680,812	21,056,211	23,587,615
23,173,587	25,413,676	28,112,397
2,541,343	3,015,545	2,810,750
237,357	245,653	98,885
832,300	917,161	814,289
<u>113,763,843</u>	<u>127,821,738</u>	<u>134,773,904</u>
135,640	127,515	132,499
6,935,822	7,369,951	6,781,889
3,253,773	3,858,023	4,294,101
1,282,831	1,441,091	1,279,836
4,502,075	5,191,420	5,335,583
<u>16,110,141</u>	<u>17,988,000</u>	<u>17,823,908</u>
<u>\$ 129,873,984</u>	<u>\$ 145,809,738</u>	<u>\$ 152,597,812</u>
\$ 5,497,348	\$ 5,999,606	\$ 6,838,658
3,089,154	2,730,449	1,329,674
4,814,608	5,240,057	7,253,963
1,836,658	1,759,838	1,878,192
37,445	59,647	62,241
100,167	99,526	88,588
476	1,914	-
56,087,452	63,672,782	72,853,677
54,876	-	-
<u>71,518,184</u>	<u>79,563,819</u>	<u>90,304,993</u>
108,592	112,302	116,398
7,978,217	7,711,070	7,259,068
476,213	519,658	568,657
807,131	773,809	683,797
6,551,985	5,969,966	6,462,994
475,587	1,039,974	1,846,635
1,380,188	75,636	1,464,457
<u>17,777,913</u>	<u>16,202,415</u>	<u>18,402,006</u>
<u>\$ 89,296,097</u>	<u>\$ 95,766,234</u>	<u>\$ 108,706,999</u>
\$ (42,245,659)	\$ (48,257,919)	\$ (44,468,911)
1,667,772	(1,785,585)	578,098
<u>\$ (40,577,887)</u>	<u>\$ (50,043,504)</u>	<u>\$ (43,890,813)</u>

COUNTY OF NEVADA, CALIFORNIA
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes				
Property taxes	\$ 15,608,675	\$ 16,319,630	\$ 18,086,143	\$ 27,749,937
Sales and use taxes	4,705,748	5,019,179	5,161,912	5,174,027
Property transfer taxes	1,002,984	1,263,945	1,613,064	1,391,798
Transient occupancy taxes	250,195	261,467	177,605	209,216
Timber yield taxes	102,177	90,609	79,126	79,308
Aircraft taxes	35,292	25,160	33,347	39,497
Franchise taxes	-	-	-	-
Transportation taxes	-	-	-	-
Other taxes	120,836	16,477	16,186	47,251
Grants and contributions - unrestricted	-	-	-	-
Tobacco settlement	-	-	-	-
Motor vehicle in-lieu taxes	13,045,388	-	6,370,271	-
Interest and investment earnings	1,361,759	706,775	967,696	1,133,058
Miscellaneous	5,388,965	2,311,607	3,021,371	2,822,437
Insurance recovery	-	-	-	-
Gain (loss) on disposal/sale of capital assets	(80,753)	(1,824,704)	-	-
Transfers	-	(194,839)	-	(51,765)
Total Governmental Activities	<u>41,541,266</u>	<u>23,995,306</u>	<u>35,526,721</u>	<u>38,594,764</u>
Business-type Activities				
Taxes				
Property taxes	2,156	-	4,316	4,746
Transient occupancy taxes	15,970	16,690	11,293	13,013
Timber yield taxes	4,121	-	-	-
Aircraft taxes	34,505	40,357	37,052	32,060
Transportation taxes	-	-	-	-
Other taxes	2,146,743	-	-	-
Interest and investment earnings	367,769	101,956	305,818	391,775
Miscellaneous	305,627	176,546	352,469	813,121
Gain (loss) on disposal/sale of capital assets	(49,445)	-	-	-
Capital contribution	16,163	-	-	-
Transfers	-	194,839	-	51,765
Total Business-Type Activities	<u>2,843,609</u>	<u>530,388</u>	<u>710,948</u>	<u>1,306,480</u>
Total Primary Government	<u>\$ 44,384,875</u>	<u>\$ 24,525,694</u>	<u>\$ 36,237,669</u>	<u>\$ 39,901,244</u>
Change in Net Assets				
Governmental activities	\$ 5,588,390	\$ (4,786,979)	\$ 8,310,834	\$ 6,346,860
Business-type activities	838,943	(2,040,669)	2,117,024	3,671,862
Total Primary Government	<u>\$ 6,427,333</u>	<u>\$ (6,827,648)</u>	<u>\$ 10,427,858</u>	<u>\$ 10,018,722</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2002/03 only, the year GASB Statement 34 was implemented.

Source: Comprehensive Annual Financial Reports - County of Nevada, California

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
\$ 31,516,285	\$ 33,565,001	\$ 34,221,104
5,532,663	5,065,713	4,250,561
974,171	673,351	521,261
275,728	285,205	184,889
61,133	52,232	45,658
46,546	82,318	82,535
969,903	1,013,065	1,049,170
69,309	62,727	125,683
33,718	41,288	25,162
4,402,323	4,396,990	3,886,412
955,670	1,017,403	1,117,967
-	-	-
2,412,223	2,441,133	1,403,888
2,724,014	1,032,807	2,125,888
-	-	1,331,391
-	800,986	(38,760)
<u>(381,600)</u>	<u>(660,365)</u>	<u>-</u>
<u>49,592,086</u>	<u>49,869,854</u>	<u>50,332,809</u>
7,009	6,723	6,864
16,796	17,920	11,455
-	-	1,841
40,871	48,611	53,661
2,442,000	2,631,864	2,318,377
-	-	-
1,167,496	1,251,801	480,930
1,172,322	1,712,677	797,649
-	-	19,072
-	-	-
<u>381,600</u>	<u>660,365</u>	<u>-</u>
<u>5,228,094</u>	<u>6,329,961</u>	<u>3,689,849</u>
<u>\$ 54,820,180</u>	<u>\$ 56,199,815</u>	<u>\$ 54,022,658</u>
\$ 7,346,427	\$ 1,611,935	\$ 5,863,898
<u>6,895,866</u>	<u>4,544,376</u>	<u>4,267,947</u>
<u>\$ 14,242,293</u>	<u>\$ 6,156,311</u>	<u>\$ 10,131,845</u>

COUNTY OF NEVADA, CALIFORNIA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year			
	1999/2000	2000/2001	2001/2002	2002/2003
General Fund				
Reserved	\$ 1,919,882	\$ 1,779,113	\$ 2,796,757	\$ 1,352,840
Unreserved	6,988,998	9,736,068	11,973,483	11,914,079
Total General Fund	<u>\$ 8,908,880</u>	<u>\$ 11,515,181</u>	<u>\$ 14,770,240</u>	<u>\$ 13,266,919</u>
All Other Governmental Funds				
Reserved	\$ 4,277,477	\$ 5,381,966	\$ 4,880,754	\$ 5,653,048
Unreserved, reported in:				
Special revenue funds	7,679,312	9,037,082	9,799,670	23,196,620
Capital projects funds	595,237	593,149	(344,539)	-
Total All Other Governmental Funds	<u>\$ 12,552,026</u>	<u>\$ 15,012,197</u>	<u>\$ 14,335,885</u>	<u>\$ 28,849,668</u>

Note: The implementation of GASB Statement 34 in fiscal year 2003 resulted in the reclassification of funds from fiduciary to governmental in accordance with the expanded definition of governmental fund types. These and other changes necessitated by the implementation of GASB Statement 34 make the information prior to and after the implementation incomparable.

Source: Comprehensive Annual Financial Reports - County of Nevada, California

<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
\$ 775,788	\$ 808,498	\$ 1,150,883	\$ 685,415	\$ 367,172	\$ 557,619
9,094,403	10,465,538	11,373,937	15,271,699	18,363,975	19,085,430
<u>\$ 9,870,191</u>	<u>\$ 11,274,036</u>	<u>\$ 12,524,820</u>	<u>\$ 15,957,114</u>	<u>\$ 18,731,147</u>	<u>\$ 19,643,049</u>
\$ 5,174,723	\$ 5,156,484	\$ 6,175,208	\$ 6,529,825	\$ 7,319,385	\$ 9,149,909
26,321,052	32,838,658	32,927,673	34,113,200	30,954,790	27,123,815
-	-	-	-	-	-
<u>\$ 31,495,775</u>	<u>\$ 37,995,142</u>	<u>\$ 39,102,881</u>	<u>\$ 40,643,025</u>	<u>\$ 38,274,175</u>	<u>\$ 36,273,724</u>

COUNTY OF NEVADA, CALIFORNIA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year			
	1999/2000	2000/2001	2001/2002	2002/2003
Revenues				
Taxes and assessments	\$ 17,588,551	\$ 18,933,436	\$ 19,705,093	\$ 21,469,815
Licenses and permits	2,092,492	1,845,620	2,166,166	2,225,703
Fines and forfeitures	3,067,764	2,824,558	2,415,210	2,305,652
Use of money and property	1,386,006	2,200,365	1,992,882	1,257,561
Intergovernmental	42,692,596	55,422,084	55,952,099	66,165,210
Charges for services	13,482,420	15,745,316	17,778,546	14,314,796
Other revenues	2,167,607	1,632,575	3,852,985	5,388,965
Total Revenues	82,477,436	98,603,954	103,862,981	113,127,702
Expenditures				
Current:				
General government	8,463,501	10,025,813	9,391,872	23,918,121
Public ways and facilities	9,013,637	9,333,162	9,688,155	8,735,672
Public protection	25,028,831	22,224,399	22,452,884	28,452,202
Health and sanitation	16,797,052	17,720,818	17,876,014	13,362,630
Public assistance	13,850,146	24,638,809	27,642,882	30,919,280
Education	1,848,994	1,940,160	2,103,661	2,310,954
Recreation	85,717	-	-	-
Debt service				
Principal	1,273,867	985,837	3,406,505	1,495,425
Interest and other charges	1,409,052	1,270,136	1,191,075	850,537
Capital outlay	2,660,071	5,670,129	9,271,333	960,649
Total Expenditures	80,430,868	93,809,263	103,024,381	111,005,470
Excess of Revenues Over (Under) Expenditures	2,046,568	4,794,691	838,600	2,122,232
Other Financial Sources (Uses)				
Transfers in	4,535,646	5,094,779	5,593,541	17,262,307
Transfers out	(4,670,367)	(5,147,878)	(6,039,372)	(17,262,307)
Issuance of debt	290,479	302,934	23,425	68,671
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Refunding bond proceeds	-	-	21,007,538	-
Payments to refunding agents	-	-	(18,844,986)	-
Total Other Financial Sources (Uses)	155,758	249,835	1,740,146	68,671
Net Change in Fund Balances	\$ 2,202,326	\$ 5,044,526	\$ 2,578,746	\$ 2,190,903
Debt Service as a Percentage of Noncapital Expenditures	3.45%	2.56%	4.90%	2.13%

Note: The implementation of GASB Statement 34 in fiscal year 2003 resulted in the reclassification of funds from fiduciary to governmental in accordance with the expanded definition of governmental fund types. These and other changes necessitated by the implementation of GASB Statement 34 make the information prior to and after the implementation incomparable.

Source: Comprehensive Annual Financial Reports - County of Nevada, California

<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
\$ 22,905,858	\$ 25,088,257	\$ 34,611,724	38,448,420	39,775,603	\$ 39,411,193
2,774,001	2,874,129	3,022,441	2,679,837	2,820,297	2,470,330
2,501,164	2,309,855	2,413,690	2,608,195	3,082,100	3,178,606
737,365	910,938	1,069,389	2,270,340	2,299,709	1,328,532
56,088,533	62,113,922	58,565,763	59,710,966	67,333,232	72,146,019
13,662,339	10,863,316	10,660,695	11,413,424	11,011,305	12,851,550
2,315,425	3,113,455	2,932,392	4,535,271	2,749,331	3,243,855
<u>100,984,685</u>	<u>107,273,872</u>	<u>113,276,094</u>	<u>121,666,453</u>	<u>129,071,577</u>	<u>134,630,085</u>
11,621,634	8,073,099	10,282,276	11,762,482	12,661,374	11,287,807
7,066,320	7,057,898	7,866,131	9,314,841	9,157,960	11,624,090
38,980,426	41,882,092	44,681,028	46,847,156	51,447,097	53,021,722
16,142,128	15,997,064	18,385,159	17,636,022	20,727,217	23,364,784
21,345,769	21,158,790	22,377,705	23,178,066	25,151,091	27,836,926
2,654,324	2,442,534	2,810,092	2,516,991	2,888,369	2,708,731
-	11,126	51,729	237,357	245,653	98,885
1,325,751	1,359,618	1,743,241	1,049,571	1,044,532	1,084,036
807,979	766,252	826,604	894,794	866,739	824,567
2,963,833	655,983	5,915,357	3,514,952	4,621,251	5,195,159
<u>102,908,164</u>	<u>99,404,456</u>	<u>114,939,322</u>	<u>116,952,232</u>	<u>128,811,283</u>	<u>137,046,707</u>
<u>(1,923,479)</u>	<u>7,869,416</u>	<u>(1,663,228)</u>	<u>4,714,221</u>	<u>260,294</u>	<u>(2,416,622)</u>
23,912,010	25,848,038	28,485,767	26,169,015	29,394,303	28,648,057
(24,322,269)	(25,855,413)	(28,554,016)	(26,240,706)	(30,083,150)	(28,672,801)
-	26,682	4,090,000	329,908	32,750	-
-	-	-	-	-	1,331,391
-	-	-	-	800,986	21,426
-	-	-	-	-	-
-	-	-	-	-	-
<u>(410,259)</u>	<u>19,307</u>	<u>4,021,751</u>	<u>258,217</u>	<u>144,889</u>	<u>1,328,073</u>
<u>\$ (2,333,738)</u>	<u>\$ 7,888,723</u>	<u>\$ 2,358,523</u>	<u>\$ 4,972,438</u>	<u>\$ 405,183</u>	<u>\$ (1,088,549)</u>
2.13%	2.15%	2.36%	1.71%	1.54%	1.45%

COUNTY OF NEVADA, CALIFORNIA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Secured Real Property	Unsecured Personal Property	Total Secured and Unsecured ²	Less: Exemptions	Total Taxable Assessed Value¹	Total Direct Tax Rate
1999/2000	7,492,298,257	221,593,583	7,713,891,840	251,743,454	7,462,148,386	1.00%
2000/2001	7,896,507,808	230,969,058	8,127,476,866	264,939,154	7,862,537,712	1.00%
2001/2002	8,833,385,724	255,954,266	9,089,339,990	212,058,149	8,877,281,841	1.00%
2002/2003	9,593,595,384	251,989,513	9,845,584,897	328,852,728	9,516,732,169	1.00%
2003/2004	10,489,020,503	245,890,683	10,734,911,186	354,262,482	10,380,648,704	1.00%
2004/2005	11,378,385,878	255,638,057	11,634,023,935	359,974,676	11,274,049,259	1.00%
2005/2006	12,798,167,869	310,443,412	13,108,611,281	407,602,510	12,701,008,771	1.00%
2006/2007	14,435,619,000	335,221,841	14,770,840,841	421,389,982	14,349,450,859	1.00%
2007/2008	15,784,303,555	363,067,090	16,147,370,645	429,377,178	15,717,993,467	1.00%
2008/2009	16,769,888,355	391,003,163	17,160,891,518	506,420,290	16,654,471,228	1.00%

¹Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value that appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect:

- a) annual inflation up to 2 percent;
- b) current market value at time of ownership change;
- c) market value for new construction.

²Includes aircrafts

Note: Estimated actual value of taxable property cannot easily be determined as property in the County is not reassessed annually, reassessment normally occurs when ownership changes.

Source: Nevada County Auditor-Controller's Office

COUNTY OF NEVADA, CALIFORNIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES¹
LAST TEN FISCAL YEARS

Fiscal Year	Basic Countywide Rate²	Schools	Special Districts	Total Rate
1999/2000	1.00000	0.01370	0.08640	1.10010
2000/2001	1.00000	0.05250	0.06520	1.11770
2001/2002	1.00000	0.02960	0.05710	1.08670
2002/2003	1.00000	0.05680	0.04350	1.10030
2003/2004	1.00000	0.04230	0.05530	1.09760
2004/2005	1.00000	0.03640	0.05960	1.09600
2005/2006	1.00000	0.08770	0.03280	1.12050
2006/2007	1.00000	0.08140	0.02670	1.10810
2007/2008	1.00000	0.07410	0.02480	1.09890
2008/2009	1.00000	0.01370	0.08640	1.10010

¹ On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, that limits the taxing power of California public agencies. Legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies may not levy property taxes except to pay debt service on indebtedness approved by voters prior to July 1, 1978 or any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the voting public.

² Proposition 13 allows each county to levy a maximum of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value pursuant to Statutes of 1978, Senate Bill 1656.

Source: Nevada County Auditor-Controller annual tax rate schedule prepared in accordance with Government Code Section 29100.

COUNTY OF NEVADA, CALIFORNIA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Fiscal Year 2008/2009			Fiscal Year 1999/2000		
Taxpayer	Amount	Percentage of Total	Taxpayer	Amount	Percentage of Total
Secured Taxes			Secured Taxes		
Tahoe Club Company, LLC	\$ 1,152,280	0.60%	First Commercial Bank	\$ 509,460	0.63%
Old Greenwood, LLC et al	976,172	0.51%	Tektronix, Inc.	426,122	0.53%
Gray's Station, LLC	551,250	0.29%	Western/Kienow LP, et al	289,996	0.36%
PK II Pinecreek, LP et al	273,028	0.14%	GVSC, LLC	124,082	0.15%
Gateway at Donner Pass, LP	195,795	0.10%	Town & Country	122,942	0.15%
Baldwin Ranch Subdivision, LLC	193,552	0.10%	Sierra Pacific Industries	110,554	0.14%
Hidden Lake Properties, Inc.	192,159	0.10%	Ranch Development Assoc.	90,875	0.11%
Ninety Five Ten	177,970	0.09%	Siskono Gold Corp.	69,201	0.09%
Old Greenwood, LLC	172,217	0.09%	Ananda Church of Self Realization	67,213	0.08%
Pinyon Creek, LLC	162,147	0.08%	Gold County Ranch, Inc	66,283	0.08%
Total	\$ 4,046,570	2.12%	Total	\$ 1,876,728	2.34%
Total Secured Taxes Levied		\$191,210,832	Total Secured Taxes Levied		\$ 80,247,724
Unsecured Taxes			Unsecured Taxes		
Cequel III Communications, LLC	\$ 128,285	2.95%	Boreal Ridge Corp	\$ 95,160	4.03%
Boreal Ridge Corp.	86,909	2.00%	TCI Cablevision of California, Inc.	79,160	3.35%
Comcast of California IX Inc.	84,719	1.95%	Welstar Communications, Inc.	57,451	2.43%
Canavan, Gerald A	69,572	1.60%	Tahoe Donner Property Owner's Assoc.	52,608	2.23%
Truckee Meadows Water Authority	66,308	1.52%	Welstar Communications	47,051	1.99%
Teichert A & Son	63,840	1.47%	Robinson Enterprises, Inc.	39,535	1.67%
Grass Valley, Inc.	61,001	1.40%	Teichert, A. & Son	37,913	1.60%
Safeway Inc.	50,969	1.17%	Innovative Metal Fabrication, Inc.	35,396	1.50%
Suburban Propane, LP	41,999	0.97%	Manuel Brothers, Inc.	33,649	1.42%
Hall's Excavating, Inc.	39,846	0.92%	Lucky Stores, Inc.	33,383	1.41%
Total	\$ 693,448	15.93%	Total	\$ 511,306	21.63%
Total Unsecured Taxes Levied		\$ 4,351,995	Total Unsecured Taxes Levied		\$ 2,363,449
Public Utility Taxes			Public Utility Taxes		
Pacific Gas & Electric	\$ 1,660,189	59.51%	Pacific Gas & Electric	\$ 1,434,360	52.18%
AT & T California	400,000	14.34%	Pacific Bell	700,834	25.50%
Southwest Gas	220,575	7.91%	Sierra Pacific Power Co.	239,426	8.71%
Sierra Pacific Power	169,686	6.08%	Union Pacific Railroad Company	71,592	2.60%
Verizon Wireless	66,913	2.40%	Southwest Gas, Corp.	68,140	2.48%
Union Pacific Railroad Co.	59,124	2.12%	MCI Worldcom Network Services, Inc.	40,919	1.49%
AT & T Mobility, LLC	48,507	1.74%	AT&T Communications	36,705	1.34%
Sprint PCS	38,476	1.38%	Qwest Communications	32,876	1.20%
T-Mobile	28,764	1.03%	Airtouch Cellular	29,211	1.06%
SFPP, LP	22,145	0.79%	SFPP, LP	20,363	0.74%
Total	\$ 2,714,379	97.30%	Total	\$ 2,674,426	97.29%
Total Public Utility Taxes Levied		\$ 2,789,600	Total Public Utility Taxes Levied		\$ 2,748,824

Source: County of Nevada Treasurer-Tax Collector

COUNTY OF NEVADA, CALIFORNIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year			Collections within the Fiscal Year of the Levy		Tax Levies Moved to the Delinquent Roll ²	Percent Delinquent
	Secured Tax	Unsecured Tax	Total Tax ¹	Amount ¹	Percent of Levy		
1999/2000	80,247,724	2,363,449	82,611,173	77,734,044	94.10%	4,877,129	5.90%
2000/2001	85,761,041	2,476,757	88,237,798	84,009,298	95.21%	4,228,500	4.79%
2001/2002	94,784,809	2,743,323	97,528,132	95,341,702	97.76%	2,186,431	2.24%
2002/2003	103,919,577	2,729,577	106,649,154	104,402,124	97.89%	2,247,029	2.11%
2003/2004	111,853,346	2,736,467	114,589,813	112,631,407	98.29%	1,958,407	1.71%
2004/2005	125,662,768	2,981,802	128,644,570	126,440,754	98.29%	2,203,816	1.71%
2005/2006	148,443,185	3,403,715	151,846,900	148,913,026	98.07%	2,933,874	1.93%
2006/2007	167,956,273	3,514,488	171,470,761	166,516,529	97.11%	4,954,232	2.89%
2007/2008	182,095,672	3,764,991	185,860,663	179,050,648	96.34%	6,810,016	3.66%
2008/2009	191,210,832	4,351,995	195,562,827	186,806,518	95.52%	8,756,309	4.48%

¹The levy and collection amounts include special assessments, penalties, cost, and any applicable interest. They do not include supplemental taxes. Also, the levy is based on the equalized roll and all escaped assessments and assessor's roll corrections processed within the fiscal year.

²This reflects the current levies unpaid at year end. Currently, the County's property tax system does not have the ability to track delinquent collections by the respective year of the levy.

Source: County of Nevada Auditor's and Tax Collector's Office District Summary Reports.

COUNTY OF NEVADA, CALIFORNIA
RATIOS OF NET OBLIGATION BONDED DEBT TO ASSESSED VALUE
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					Business-Type Activities	
	Capital Leases	Certificates of Participation	Special Assessment Bonds	Loans	Total ³	Certificates of Participation	Special Assessment Debt and Bonds Payable
1999/2000	-	22,310,000	-	142,872	22,452,872	20,485,000	1,226,000
2000/2001	-	21,395,000	-	-	21,395,000	20,045,000	934,000
2001/2002	56,176	21,385,000	-	-	21,441,176	30,990,000	621,000
2002/2003	90,492	19,925,000	-	-	20,015,492	10,990,000	535,000
2003/2004	56,156	18,630,000	-	-	18,686,156	10,550,000	478,000
2004/2005	59,216	17,290,000	-	-	17,349,216	10,100,000	417,000
2005/2006	50,259	15,630,000	-	4,026,634	19,706,893	9,640,000	306,000
2006/2007	33,577	14,730,000	329,908	3,893,757	18,987,242	9,165,000	234,000
2007/2008	48,378	13,850,000	320,000	3,752,254	17,970,632	8,675,000	172,000
2008/2009	29,762	12,940,000	310,000	3,601,554	16,881,316	8,170,000	100,000

¹ See Demographic and Economic Indicators schedule for personal income and population data.

² See Assessed Value and Actual Value of Taxable Property schedule for property value data.

³ Includes bonds, notes, certificates of participation, loans and capital leases. Does not include compensated absences, net pension obligations, landfill postclosure costs or claims and judgements.

⁴ Amount available for repayment of debt - deposits with agents.

n/a - information is not available

Source: County of Nevada Audited Financial Statements

Loans	Total³	Total Primary Government	Less: Amounts Restricted to Repaying Principal⁴	Total	Percentage of Personal Income¹	Percentage of Actual Value of Taxable Property²	Net Bonded Debt per Capita¹
592,298	22,303,298	44,756,170	(11,990,139)	32,766,031	0.09%	0.44%	358.04
692,876	21,671,876	43,066,876	(12,307,578)	30,759,298	0.10%	0.39%	329.46
648,546	32,259,546	53,700,722	(23,171,930)	30,528,792	0.10%	0.34%	321.49
788,345	12,313,345	32,328,837	(3,181,651)	29,147,186	0.11%	0.31%	302.56
562,260	11,590,260	30,276,416	(3,107,181)	27,169,235	0.12%	0.26%	278.24
618,541	11,135,541	28,484,757	(3,107,956)	25,376,801	0.14%	0.23%	257.12
1,072,182	11,018,182	30,725,075	(3,108,472)	27,616,603	0.13%	0.22%	277.86
23,953,580	33,352,580	52,339,822	(3,117,296)	49,222,526	n/a	0.34%	497.07
34,727,112	43,574,112	61,544,744	(3,111,909)	58,432,835	n/a	0.37%	589.12
33,293,307	41,563,307	58,444,623	(3,160,548)	55,284,075	n/a	0.33%	557.38

COUNTY OF NEVADA, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year			
	1999/2000	2000/2001	2001/2002	2002/2003
Total assessed value of all real and personal property ¹	\$ 7,462,148,386	\$ 7,862,537,712	\$ 8,877,281,841	\$ 9,516,732,169
Debt limit percentage ²	1.25%	1.25%	1.25%	1.25%
Total debt limit	93,276,855	98,281,721	110,966,023	118,959,152
Amount applicable to debt limit				
General Bonded Debt ³	44,756,170	43,066,876	53,700,722	32,328,837
Less: Resources Restricted to Repaying Principal	(11,990,139)	(12,307,578)	(23,171,930)	(3,181,651)
Total Net Debt Applicable to Limit	32,766,031	30,759,298	30,528,792	29,147,186
Legal debt margin ⁴	\$ 60,510,824	\$ 67,522,423	\$ 80,437,231	\$ 89,811,966
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	35.13%	31.30%	27.51%	24.50%

¹ Assessed value is equal to full cash value.

² The legal debt limit is 1.25% of assessed valuation.

³ General bonded debt includes bonds, notes, certificates of participation, loans and capital leases. Does not include compensated absences, net pension obligations, landfill postclosure costs or claims and judgments.

⁴ Legal debt margin is computed by subtracting the County legal general obligation bonded debt from the legal debt limit.

Source: County of Nevada Audited Financial Statements

<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
\$ 10,380,648,704	\$ 11,274,049,259	\$ 12,701,008,771	\$ 14,349,450,859	\$ 15,717,993,467	16,654,471,228
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
129,758,109	140,925,616	158,762,610	179,368,136	196,474,918	208,180,890
30,276,416 (3,107,181)	28,484,757 (3,107,956)	30,725,075 (3,108,472)	52,339,822 (3,117,296)	61,544,744 (3,111,909)	58,444,623 (3,160,548)
27,169,235	25,376,801	27,616,603	49,222,526	58,432,835	55,284,075
<u>\$ 102,588,874</u>	<u>\$ 115,548,815</u>	<u>\$ 131,146,007</u>	<u>\$ 130,145,610</u>	<u>\$ 138,042,083</u>	<u>\$ 152,896,815</u>
20.94%	18.01%	17.39%	27.44%	29.74%	26.56%

COUNTY OF NEVADA, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC INDICATORS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Civilian Labor Force	Unemployment Rate	Percentage of Population Over 65
1999/2000	91,514	30,544	2,826,443,000	45,430	3.6%	17.5%
2000/2001	93,363	31,590	2,965,263,000	46,860	3.6%	n/a
2001/2002	94,960	31,294	2,975,115,000	48,450	4.5%	n/a
2002/2003	96,334	32,136	3,092,595,000	48,430	4.7%	n/a
2003/2004	97,647	33,957	3,309,043,000	48,830	5.2%	n/a
2004/2005	98,698	35,134	n/a	49,730	5.4%	n/a
2005/2006	99,392	37,020	n/a	50,560	4.3%	n/a
2006/2007	99,026	n/a	n/a	51,200	4.7%	n/a
2007/2008	99,186	n/a	n/a	51,570	6.7%	n/a
2008/2009	99,186	n/a	n/a	50,630	11.5%	n/a

n/a - information is not available

Note: Population information for fiscal year 2007/08 is the latest information available and is reported for fiscal year 2008/09.

Sources: Nevada County Economic & Fiscal Indicator Review Report
State of California Employment Development Department - Labor Market Information Division - www.labormarketinfo.edd.ca.gov
County of Nevada Annual Budget Book

COUNTY OF NEVADA, CALIFORNIA
LABOR FORCE AND EMPLOYMENT
CURRENT YEAR AND NINE YEARS AGO

Fiscal Year 2008/2009			Fiscal Year 1999/2000		
Industry Title	Percentage	Number of Employees	Employer	Percentage	Number of Employees
Government	18.63%	5,240	Government	18.88%	5,420
Education and Health Services	14.05%	3,950	Education and Health Services	10.17%	2,920
Retail Trade	13.26%	3,730	Retail Trade	15.19%	4,360
Leisure and Hospitality	13.05%	3,670	Leisure and Hospitality	12.96%	3,720
Natural Resources, Mining & Construction	10.42%	2,930	Natural Resources, Mining & Construction	11.28%	3,240
Professional and Business Services	9.18%	2,580	Professional and Business Services	9.68%	2,780
Manufacturing	6.54%	1,840	Manufacturing	8.15%	2,340
Financial Activities	5.37%	1,510	Financial Activities	5.09%	1,460
Other Services	4.27%	1,200	Other Services	2.96%	850
Transportation, Warehousing & Utilities	1.67%	470	Transportation, Warehousing & Utilities	1.71%	490
Wholesale Trade	1.46%	410	Wholesale Trade	2.26%	650
Information	1.35%	380	Information	1.29%	370
Farming	0.75%	210	Farming	0.38%	110
Total, All Industries	<u>100.00%</u>	<u>28,120</u>	Total, All Industries	<u>100.00%</u>	<u>28,710</u>

Source: <http://www.labormarketinfo.edd.ca.gov>

COUNTY OF NEVADA, CALIFORNIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>As of June 30,</u>			
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Public Protection	383.75	417.25	442.25	427.80
Health and Sanitation	124.90	123.90	125.50	130.50
Public Assistance	142.00	146.50	144.50	146.00
Education	29.50	33.80	37.75	39.85
Public Ways and Facilities	123.35	123.35	126.35	127.60
General Government	<u>176.50</u>	<u>181.00</u>	<u>177.50</u>	<u>179.30</u>
Total Full-Time Equivalent Employees	<u><u>980.00</u></u>	<u><u>1,025.80</u></u>	<u><u>1,053.85</u></u>	<u><u>1,051.05</u></u>

Source: Fiscal year beginning authorized personnel staffing resolution (unamended)

2004	2005	2006	2007	2008	2009
420.80	418.75	421.00	416.50	430.25	414.15
123.95	105.10	108.65	102.65	101.15	105.35
132.50	125.00	125.50	127.50	129.00	129.50
34.20	29.45	29.85	30.10	29.60	29.60
128.60	129.10	116.60	121.10	123.10	122.10
166.30	161.80	171.10	172.80	173.30	175.30
1,006.35	969.20	972.70	970.65	986.40	976.00

COUNTY OF NEVADA, CALIFORNIA
OPERATING INDICATORS
BY FUNCTION
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>1999/2000</u>	<u>2000/2001</u>	<u>2001/2002</u>	<u>2002/2003</u>
Public Protection				
Jail Bookings	n/a	n/a	n/a	n/a
Average Daily Population	141	130	140	159
Health and Sanitation				
Economic services/support				
Program - Unduplicated Cases Mental Health (Adults in Nevada County)	583	595	666	595
Public Ways and Facilities				
Centerline Mile of Road Maintained				
County	565	565	565	565
State	129	129	129	129
Airport				
Based Aircraft	n/a	n/a	n/a	n/a
Takeoffs and Landings	n/a	n/a	n/a	n/a

n/a - information is not available

Sources: Nevada County Sheriff
Human Services Agency
Department of Transportation and Sanitation
Nevada County Airport

2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
5,430 177	5,519 184	5,620 179	5,775 167	5,391 167	5,048 199
475	383	253	249	465	713
561 129	561 129	562 129	562 133	562 133	562 133
n/a n/a	n/a n/a	150 20,000	150 20,000	150 20,000	150 20,000

COUNTY OF NEVADA, CALIFORNIA
CAPITAL ASSET STATISTICS
BY FUNCTION
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>1999/2000</u>	<u>2000/2001</u>	<u>2001/2002</u>	<u>2002/2003</u>
Public Protection				
Correction facility capacities	223	223	223	223
Public Ways and Facilities				
Traffic Signals	6	6	6	6
Bridges	71	71	71	71
Active vehicles in vehicle replacement plan	n/a	n/a	n/a	n/a
Airports				
Number of runways	1	1	1	1

n/a - information is not available

Sources: Nevada County Sheriff
Department of Transportation and Sanitation
Nevada County Airport

2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
223	250	250	250	250	280
2	2	2	2	2	2
71	71	71	71	71	71
149	149	149	143	143	148
1	1	1	1	1	1

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