

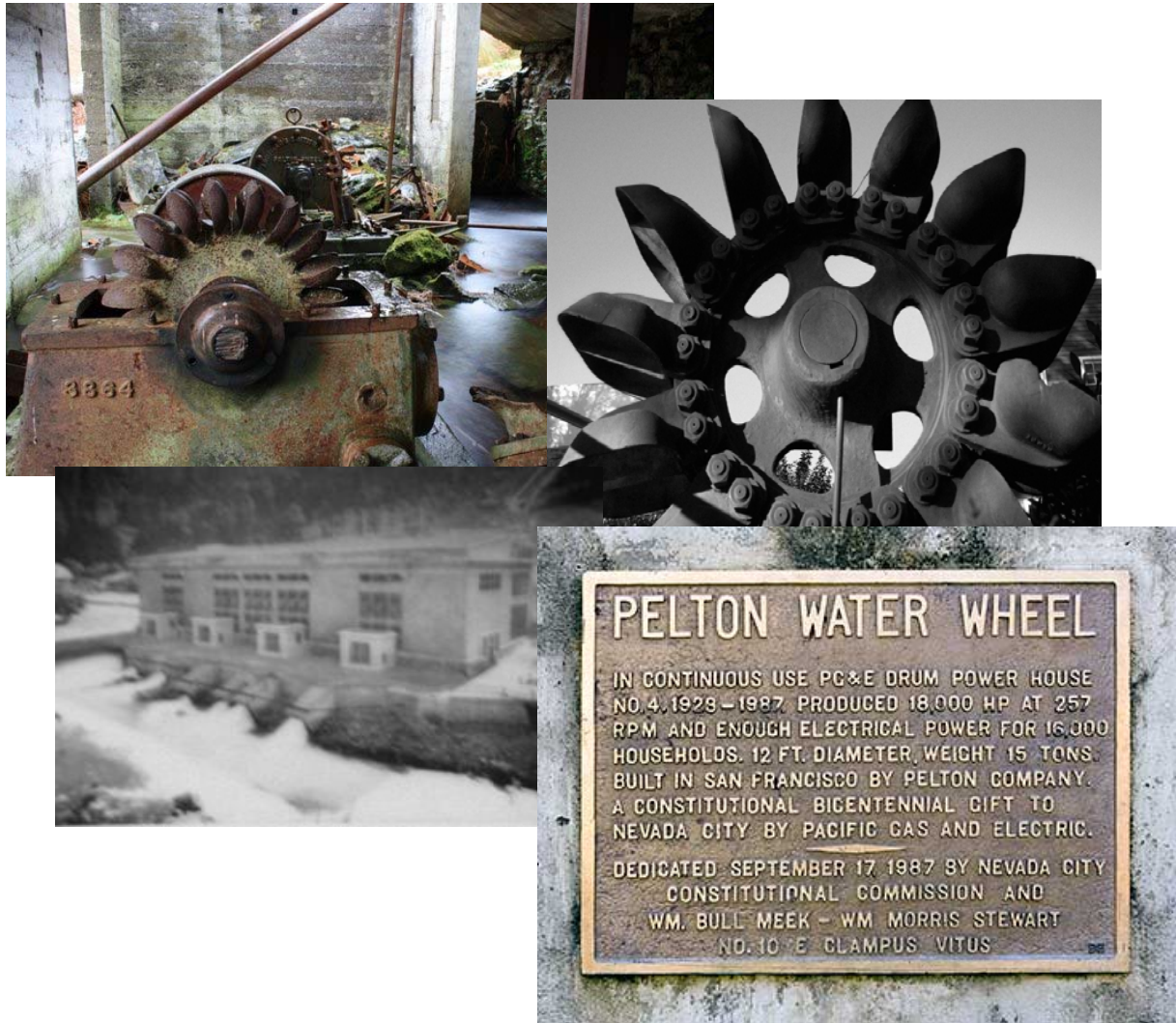
**County of Nevada
State of California**

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014



**Marcia L. Salter
Auditor-Controller**



The Water Wheel monument, located in downtown Nevada City, was given as a Constitutional bicentennial gift from the Pacific Gas & Electric Company.

The Pelton Water Wheel, used by the PG&E Drum Power House at Fordyce Lake, produced up to 18 thousand horsepower and enough electrical power for 16 thousand Nevada County homes from 1928 to 1987. The Pelton wheel is designed with a series of spoon-shaped buckets and is separated by a splitter. The splitter allows for the division of incoming water into two jet streams which caused the wheel to spin faster. This wheel was a major advancement in the utilization of water power to generate electricity.

Lester Pelton established and commercially manufactured Pelton Water Wheels at George Allan's Foundry & Machine Works of Nevada City beginning in 1879. After 9 years at the Foundry, Pelton moved his business to San Francisco, but continued manufacturing at Allan's Foundry into the early 1900's. Although the materials used for the wheel have been updated over the years, the original Pelton design can be found in most modern hydroelectric turbines today.

Photos

Cover & Bottom Right: Pelton Wheel Monument/Plaque, Nevada City, photos courtesy of NoeHill.com and Almonroth

Bottom Left: Drum Powerhouse, photo courtesy of PG&E archives and Colfax Record

Top Right: Pelton Wheel, photo by Dave Hunter

Top Left: Hydroelectric Pelton Wheel

COUNTY OF NEVADA, CALIFORNIA

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

For the Year Ended June 30, 2014

**COUNTY OF NEVADA
Auditor-Controller's Office**

**Marcia L. Salter
Auditor-Controller**

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Comprehensive Annual Financial Report
For the Year Ended June 30, 2014

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INTRODUCTORY SECTION

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

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State of California COUNTY OF NEVADA

MARCIA L. SALTER – Auditor-Controller

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Email: auditor.controller@co.nevada.ca.us

December 30, 2014

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, 2014 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 Gallina LLP, 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, 2014. 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, Gallina considered the internal control structure of the County in order to determine appropriate audit procedures. During this review, no required reportable conditions were noted.

Management is required by GAAP 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 required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, 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 (2010, 2014 etc) while supervisors from Districts 1, 2 and 5 are elected in presidential years (2008, 2012 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. 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 are 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 financial 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 782 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:

- Video-conferencing was implemented for victims and witnesses by the District Attorney's Office to reduce the need for in-office interviews.
- The Library implemented self-service tools that include a centralized selection and processing model where materials are ordered categorically (fiction, non-fiction, etc.) by a single selection; an Event Calendar Management scheduling and reminder system; and a self-service PC and Print Management kiosk at the Madelyn Helling Library.
- The Elections and Information Services Department implemented a Registered Voters Web Tool that assists staff with the process of ensuring that voters are properly assigned to the correct polling precincts.
- Social Services relocated a local Farmer's Market to the more accessible Eric Rood Administration Center to provide access to health food options for Cal Fresh beneficiaries.
- Behavioral Health through the implementation of two HUD Continuum of Care grants placed 19 homeless individuals in permanent supported housing.
- Seventy-one inmates enrolled in GED classes at the Wayne Brown Correctional Facility. Of those, twenty-five completed and passed all five GED tests and earned their GED. In addition, four inmates enrolled in the High School Diploma classes and one earned the diploma after meeting all the necessary requirements.
- The Probation department implemented an Aggression Replacement Training (ART) program associated with the Safe Schools Healthy Schools grant. Two Deputy Probation Officers facilitated groups for over one hundred 6th graders in Nevada County.

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 Finance Authority, 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 expenditure 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 Officer's staff reviews and monitors revenues and expenditures 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.

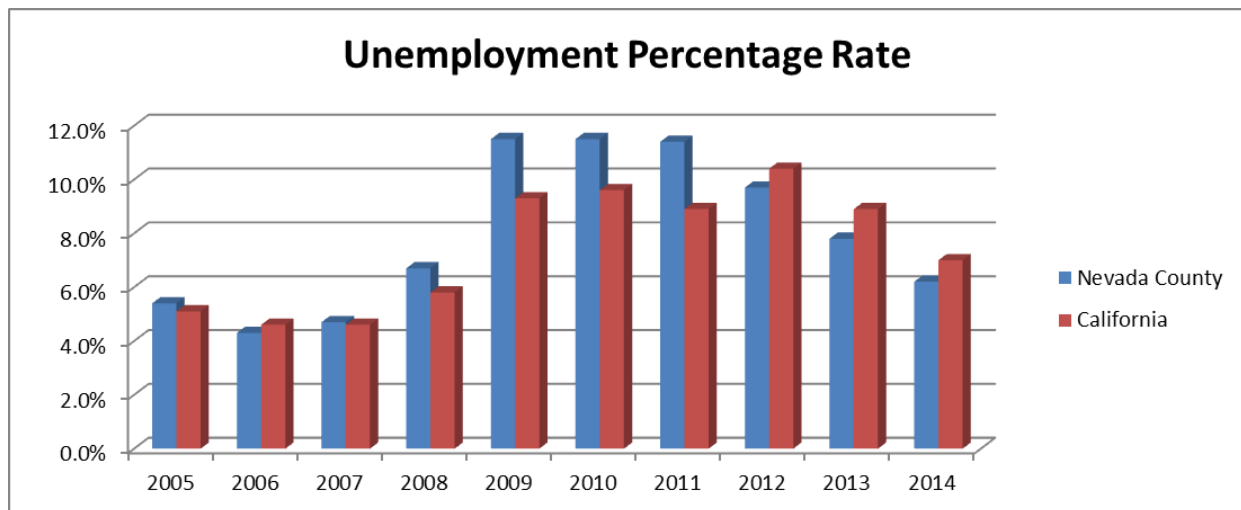
LOCAL ECONOMY

Population

The 2014 estimated population figures, as provided by the California Department of Finance for the County are 97,225. This is a slight increase from 2013 with about 67% or 65,560 of the residents living in the unincorporated areas. The Town of Truckee is the largest of the three cities within the County, with approximately 15,981 residents in 2014. The City of Grass Valley is the second largest city within the boundaries of the County with a population of 12,668. Nevada City serves as the County seat with a population of 3,016.

Labor Force

The County's June 2014 labor force totaled 48,620, which was a decrease of 1,860 from the 2013 figure for the same month. Nevada County's unemployment rate in June 2014 was 6.2% which was a significant decrease from June 2013's unemployment rate of 7.8%, California's statewide rate was 7.3% for the same June time period.



Housing

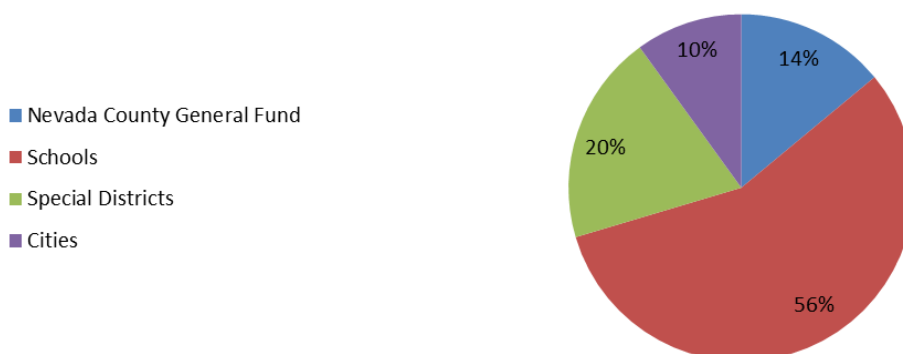
According to Data Quick real estate news and data, Nevada County is continuing to trend upwards in the number of single family homes sold each year. In the 2013 calendar year there were 2,126 homes sold, which is an increase of 1.5% from 2012. The median price of houses has made a significant change as well, increasing by an impressive 23.05% to make the average price of a single family home in Nevada County \$315,000. Of the Nevada County homes sold in 2013, the area with the highest number of sales was Grass Valley, with 681 sales with a median price of \$258,500. This was a 21.9% increase from the 2012 year median price of \$212,000. Truckee followed in number of sales, with 658 units sold at a median price of \$440,000 which equated to a 12.8% increase over the prior year's \$390,000 price.

Property Tax Collection and Apportionment

Property taxes levied countywide (secured, unsecured and unitary) rose in fiscal year 2013-14 to \$159,438,312. This was a 6.2% increase over the previous fiscal year total of \$150,110,064. The rising home values reflected in the activity in the real estate market along with adjustments to assessed values for those properties under the California Prop 8 assessment program attributed to this growth in property tax revenue.

The Auditor-Controller calculates the local property tax bills based on assessed values as provided by the Assessor. The Treasurer-Tax Collector then issues the tax bills and is charged with the collection. The Auditor-Controller apportions all property tax revenues to the various taxing entities within the boundaries of the County.

2013-2014 Distribution of 1% Ad Valorem Property Taxes



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 \$59,445,183 in direct debt outstanding as of June 30, 2014. This includes the 2011 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 District's 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.
- There will be no unfunded positions included in the budget. All vacancies will be reviewed for need and potential elimination. Revenue contingent positions that lose their State and Federal funding will be eliminated first before other cuts are enacted.
- 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.

Fund Balance Policies

The Board of Supervisors took the first step in establishing a comprehensive fund balance policy for the County's General fund in June 2011. In an effort to maintain the County's credit rating and meet seasonal cash flow shortfalls, the Board has established and committed to maintain a minimum unrestricted fund balance in the General Fund equal to two months of annual revenue within the Discretionary Revenue category as defined in the adopted budget.

Long-term Financial Planning

The County's long term financial planning has focused on the capital and infrastructure improvements needs of Facilities and Roads. Each year a five-year Road Maintenance and Capital Improvement Plan (CIP) is prepared for and approved by the County Board of Supervisors. The CIP is a plan for short range and long-range plans to improve or rehabilitate the 562 miles of County-owned roads. While the CIP covers a five-year planning period, it is updated each year to reflect ongoing changes as new projects are added, existing projects modified, and completed projects deleted from the plan document. The 2014 CIP represents a five-year, \$71 million program from 2012 through 2017. The funding for the CIP projects is a mix of Federal, State and local sources and subject to availability.

The County's Capital Facilities Master Plan is reviewed and updated on a periodic basis. The current plan was presented and adopted by the Board in 2012. The plan document contains a facilities condition assessment of all buildings, the life expectancy of systems and finishes, and the priority of identified projects. The plan provides information on future facility needs and estimated costs. The County has assigned a portion of the General Fund's available fund balance to build toward the funding for future projects.

Major Initiatives

The County Board of Supervisors annually reviews and adopts the County's guiding [Vision, Mission and Value Statements](#) which sets the tone from the top on serving our citizens, providing needed services and operating the government in a fiscally responsible manner. The County's Vision statement is "We are dedicated to outstanding public service" and the first attribute on the value statement list is "Customer Satisfaction". In an effort to reinvigorate the vision, all County departments which included over 550 employees participated in a Customer Service Refresh training that was designed to improve communication, service delivery and problem solving techniques.

In addition to customer satisfaction, the County's Value Statements include Collaboration (both internal and external partners) and Innovation. In keeping with these two values and the County's Mission statement to "... deliver excellent services in a fiscally responsible manner", the county management looks for opportunities to provide needed services through various alternative delivery options. The primary service model that has proven to be most effective is based upon contracting with a qualified independent service provider which includes for-profit and not-for-profit entities. The most prevalent service area that has embraced this model is in the mental health services. Other service areas that have successfully transitioned to this model include the Animal Shelter services and a segment of the Housing and Community Services programs with both being managed and operated by not-for-profit organizations as well as the expanded Solid Waste franchise to include the western county transfer operations by a for-profit firm. Another delivery approach that has been explored is the regionalized services agreement option. The Sheriff's Office successfully implemented a countywide dispatch center in 2013-14, bringing together emergency dispatch services to all law enforcement agencies within the County. The Probation Department entered into agreements this year to provide juvenile hall services for out-of-county youth from four counties across the state. For the department, it created revenue generating service opportunity to use excess capacity in the facility while providing the participating counties with an economical alternative to meet their needs.

The continued success of the alternative service delivery option has provided the County with a means to control a portion of its largest expenditure category, the salaries and benefits of its workforce, while still maintaining the level and quality of services. Staffing levels have gone from a high of 1,055 in 2001-02 to 783 authorized positions for the 2014-15 adopted budget. During the economic recession, overall County staff reductions had been the primary cost savings mechanism which provided the needed expenditure reductions to support the effort to maintain the County's core services to its citizens. Other cost control measures were obtained through the negotiated agreements with the employee groups to implement a number of furlough days for the fiscal years 2012-13 and 2013-14, as well as suspending of pay increases during that period of time, the reduction of retirement benefits for all new employees and pension premium cost sharing with the majority of the bargaining groups. Pension rates, which are set by the retirement plan administrator, CalPERS, continue to rise. Changes in various actuarial assumptions one of which is the rate of return on plan investments can have a dramatic effect on the annual rates and in the determination of the unfunded actuarial accrued liability. The implementation of the enacted Public Employee Pension Reform Act (PEPRA) provided for a third tier of capped benefits and an increased share of cost for all new employees hired beginning January 1, 2013. The reduction in the retirement benefits will reduce the County's pension obligations and its unfunded actuarially determined liability in the long term.

Other Factors Affecting Financial Condition

California local governments are particularly susceptible to State and Federal budgetary constraints and legislated changes. The State acts as a pass-through entity for much of the County's program revenues which

are a mix of federal and state funding. A change in the funding formulas or shift of programs can cause great concern for the local agency that is required to maintain the program and services. On a positive note, the State's fiscal condition has improved. Included in the State's 2014-15 budget is a \$100 million appropriation for the first installment of pre-2004 local agency mandate claims owed to counties, cities and special districts. Of this amount, the County of Nevada is slated to receive \$193,448 of the \$3.9 million owed to it. The California Legislative Analyst's Office has projected that the 2014-15 year's State budget will end with a \$5.6 billion reserve. The improvement of State's financial situation is good news; however, the County remains cautious on impacts that could occur on funding in the future. The current trend by the State is for the realignment of certain programs. Beginning with the 2011-12 fiscal year, the state shifted \$12.1 million dollars of funding for certain realigned programs in the areas of criminal justice, law enforcement, mental health, Cal WORKS, child welfare, foster care, and adoptions. While this shift promotes local control for service delivery, there is a question as to whether an adequate flow of funds will be available in the future to support the on-going programs. With the passing of Proposition 30 by the voters of California in 2012, a dedicated revenue stream to fund the 2011 State Public Safety realigned programs is constitutionally guaranteed. There remains a concern of the potential impact on the County budget to provide the funding required for all realigned services and other mandated programs.

The County, like many other rural counties, is in an economic recovery cycle. The sales tax revenue to the County is increasing with an approximate 4% increase from year to year which is a good indicator that the local economy is rebounding. The real estate market has improved with both housing sales and housing prices on the increase. The market has not fully recovered and it is not expected to return the highest levels seen in years past. New construction is occurring, however, it remains sluggish. The continuing recovery of property values from the lows of the recession years has positively affected the County's largest discretionary revenue source of the General Fund. The fiscal year 2014-15 Adopted Budget included an estimated 4% growth in property tax revenues from the prior year.

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, 2013. 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 seventh consecutive year that the Auditor-Controller's Office has received this esteemed award. We believe the current CAFR does meet the Certificate of Achievement program requirements and have submitted the application for consideration of 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 appreciation to the staff in the Auditor-Controller's Office for their concerted effort and commitment 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, Gallina LLP 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 leadership and conservative fiscal policies which provide the solid foundation for the financial well-being of the County.

Respectfully Submitted,



Marcia L. Salter
Auditor-Controller



Government Finance Officers Association

**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, 2013

Executive Director/CEO

COUNTY OF NEVADA
County Officials

Appointed Officials

www.mynevadacounty.com/pages/appointedofficials.aspx

Agricultural Commissioner
Behavioral Health
Building Inspection
Child Support Services
Clerk of the Board
Community Development Agency
County Counsel
County Executive Officer
Department of Social Services
Environmental Health
Farm Advisor
Health & Human Services Agency
Human Resources
Information & General Services
Nevada County Library
Planning
Probation
Public Defender
Public Health, Interim
Public Works

Jeffrey Pylman
Michael Heggarty
Craig Griesbach
Tex Ritter
Donna Landi
Steve DeCamp
Alison Barratt-Green
Rick Haffey
Mike Dent
Daniel Chatigny
Roger Ingram
Stewart Knox
Charles Wilson
Steve Monaghan
Laura Pappani
Brian Foss
Michael Ertola
Donald E Lown, Jr.
Michael Heggarty
Steve Castleberry

Board of Supervisors

<http://www.mynevadacounty.com/Pages/ElectedOfficials.aspx>

District 1
District 2
District 3
District 4
District 5

Nate Beason
Ed Scofield
Terry Lamphier
Hank Weston
Richard Anderson

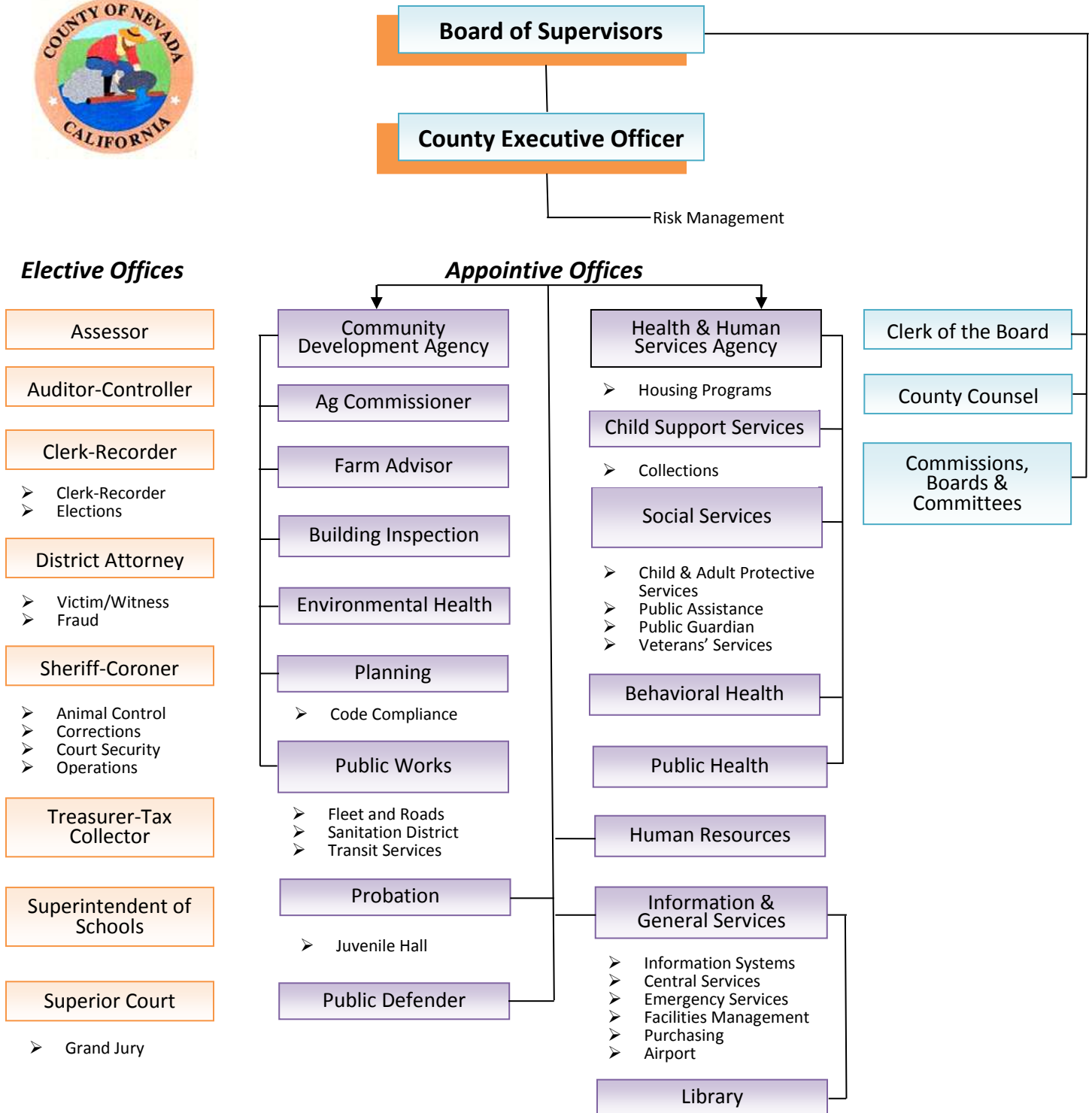
Elected Officials

<http://www.mynevadacounty.com/Pages/ElectedOfficials.aspx>

Assessor
Auditor-Controller
Clerk-Recorder/Registrar of Voters
District Attorney
Sheriff-Coroner-Public Administrator
Treasurer-Tax Collector

Sue Horne
Marcia Salter
Greg Diaz
Clifford Newell
Keith Royal
Tina Vernon

Nevada County Government Organization



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FINANCIAL SECTION

- **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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Nevada, California (County), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2014, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Supervisors and Grand Jury
County of Nevada

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements (supplementary information) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2014 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Roseville, California
December 30, 2014

**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, 2014. 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 County's total net position increased by \$8,911,895. The governmental activities net position at the close of the 2013/14 fiscal year was \$328,507,052 and the business-type activities net position was \$40,129,978.
- The assets of the governmental activities of the County exceeded its liabilities at the close of the 2013/14 fiscal year by \$328,507,052 (net position). Of this amount, \$23,561,623 (unrestricted net position) may be used to fund programs for citizens and debt obligations to creditors within certain limitations, \$51,789,636 is restricted for specific purposes (restricted net position), and \$253,155,793 is the net investment in capital assets.
- As of June 30, 2014, the County's governmental funds reported combined ending fund balances of \$74,954,502, an increase of \$8,966,570 or 13.6% in comparison with the prior year's ending fund balance. Amounts available for spending include *restricted, committed, assigned and unassigned fund balance*, totaling \$74,816,285. Of this amount, \$46,444,391 is restricted by law or externally imposed requirements, \$4,232,487 has been formally committed for specific purposes, and \$24,139,407 has been earmarked for certain uses.
- At the end of the fiscal year, the fund balance for the General Fund was \$25,484,362, or 48.2% of the total General Fund expenditures for the year.
- The County's total long-term debt decreased from \$62,176,228 to \$59,445,183. This decrease of \$2,731,045, or 4.4 %, was related to scheduled payments on the Certificates of Participation and loans.

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

Net Position = (Assets + Deferred Outflows of Resources) – (Liabilities + Deferred Inflows of Resources)

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position 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

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

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 Western Nevada County Solid Waste, Eastern Nevada County Solid Waste, the Sanitation District, Transit Services, and the Airport.

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 Finance Authority, Special Districts governed by the Board, and Special Assessment Debt with County Commitment.

The government-wide financial statements can be found on pages 23-25 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 forty-one 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 28-34 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-four 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.

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

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 single, aggregated presentations 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 36-43 of this report.

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 sixteen fiduciary funds.

The fiduciary fund financial statements can be found on pages 44-45 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 47-84 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 85-96 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 97-162 of this report.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of the County's financial position over time. On June 30, 2014, the County's assets exceeded its liabilities by \$368,637,030.

County's Net Position
June 30, 2014 and 2013

	Governmental Activities		Business-Type Activities		Total		Variance
	2014	2013	2014	2013	2014	2013	
Current and other assets	\$ 92,305,654	\$ 87,263,066	\$ 17,882,815	\$ 16,739,102	\$ 110,188,469	\$ 104,002,168	5.9%
Capital Assets	267,013,500	265,903,078	58,629,690	60,720,704	325,643,190	326,623,782	-0.3%
Total Assets	359,319,154	353,166,144	76,512,505	77,459,806	435,831,659	430,625,950	1.2%
Long-term liabilities	24,474,682	25,315,893	34,970,501	36,860,335	59,445,183	62,176,228	-4.4%
Other liabilities	6,337,420	6,616,845	1,412,026	2,107,742	7,749,446	8,724,587	-11.2%
Total Liabilities	30,812,102	31,932,738	36,382,527	38,968,077	67,194,629	70,900,815	-5.2%
Net Position:							
Net Investment in capital assets	253,155,793	251,396,810	34,976,980	35,568,071	288,132,773	286,964,881	0.4%
Restricted	51,789,636	44,099,225	-	-	51,789,636	44,099,225	17.4%
Unrestricted	23,561,623	25,737,371	5,152,998	2,923,658	28,714,621	28,661,029	0.2%
Total Net Position	\$ 328,507,052	\$ 321,233,406	\$ 40,129,978	\$ 38,491,729	\$ 368,637,030	\$ 359,725,135	2.5%

Of the County's total net position, approximately 7.8% or \$28,714,621 is unrestricted and may be used to fund County programs for citizens and obligations to creditors within certain limitations. 78.2%, or \$288,132,773, reflects the investment in capital assets (e.g., land, buildings, equipment and infrastructure), less any related debt that is still outstanding used to acquire those assets. The remaining portion represents restricted net position of \$51,789,636, or 14%, that has external restrictions on how these resources may be used. (See Note 11 Fund Balances, pages 75-77, for more information)

Within the governmental activities, unrestricted net position decreased by \$2,175,748 or 8.5% from the prior year. This decrease was attributable to an increase in the amount of current and other assets assigned by the Board of Supervisors for specific future purposes.

The business-type activities unrestricted net position reflects a \$2,229,340, or a 76.3%, increase compared to the prior year. The change is primarily due to an increase of \$1,143,713 in current and other assets and a decrease of \$1,889,834 in long-term liabilities.

There was an overall increase of \$8,911,895, or 2.5%, over the prior year's net position. This amount is largely attributable to an increase of current and other assets in governmental activities, \$5,042,588, and a decrease in total liabilities of \$3,706,186 in the governmental and business-type activities combined.

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

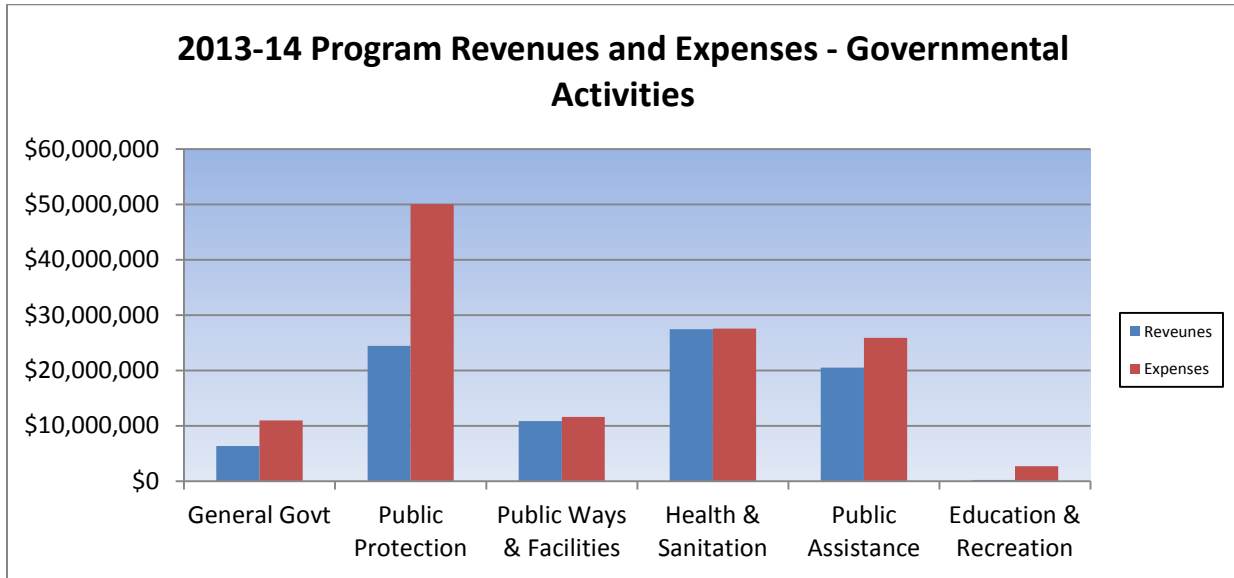
The following table shows the revenue, expenses and changes in net position for governmental and business-type activities:

County's Change in Net Position
June 30, 2014 and 2013

	Governmental Activities		Business-Type Activities		TOTAL		Percent Change
	2014	2013	2014	2013	2014	2013	
Revenues							
Program revenues:							
Charges for Services	\$ 17,559,697	\$ 16,795,287	\$ 10,155,978	\$ 9,430,069	\$ 27,715,675	\$ 26,225,356	5.7%
Operating Grants and Contributions	69,039,845	70,201,674	447,120	330,921	69,486,965	70,532,595	-1.5%
Capital Grants and Contributions	3,202,034	293,760	435,908	1,609,145	3,637,942	1,902,905	91.2%
General Revenues:							
Property Taxes	31,367,403	31,310,243	8,196	6,990	31,375,599	31,317,233	0.2%
Other Taxes	8,667,731	8,034,134	2,196,442	1,782,869	10,864,173	9,817,003	10.7%
Unrestricted Grants & Contributions	3,248,099	2,876,984			3,248,099	2,876,984	12.9%
Unrestricted Interest and Investment Earnings	655,749	335,554	178,564	32,412	834,313	367,966	126.7%
Miscellaneous	2,724,288	3,471,887	7,990	301,654	2,732,278	3,773,541	-27.6%
Total Revenues	136,464,846	133,319,523	13,430,198	13,494,060	149,895,044	146,813,583	2.1%
Expenses:							
General Government	10,989,811	10,970,028			10,989,811	10,970,028	0.2%
Public Protection	50,042,384	49,511,586			50,042,384	49,511,586	1.1%
Public Ways and Facilities	11,611,245	8,851,411			11,611,245	8,851,411	31.2%
Health and Sanitation	27,546,994	27,827,434			27,546,994	27,827,434	-1.0%
Public Assistance	25,866,638	26,928,270			25,866,638	26,928,270	-3.9%
Education	2,593,778	2,492,903			2,593,778	2,492,903	4.0%
Recreation	76,301	179,793			76,301	179,793	-57.6%
Interest on long-term debt	570,236	470,363			570,236	470,363	21.2%
Eastern Nevada County Solid Waste			192,008	185,901	192,008	185,901	3.3%
Western Nevada County Solid Waste			464,090	743,678	464,090	743,678	-37.6%
Transit Services			3,177,824	2,594,522	3,177,824	2,594,522	22.5%
Airport			1,392,447	1,332,796	1,392,447	1,332,796	4.5%
Sanitation District			6,564,629	6,652,745	6,564,629	6,652,745	-1.3%
Total Expenses	129,297,387	127,231,788	11,790,998	11,509,642	141,088,385	138,741,430	1.7%
Change in net position	7,167,459	6,087,735	1,639,200	1,984,418	8,806,659	8,072,153	9.1%
Prior Period adjustments	106,187	(2,299,962)	(951)		105,236	(2,299,962)	-104.6%
Net Position 7/1	321,233,406	317,445,633	38,491,729	36,507,311	359,725,135	353,952,944	1.6%
Net Position 06/30	\$328,507,052	\$321,233,406	\$ 40,129,978	\$ 38,491,729	\$368,637,030	\$359,725,135	2.5%

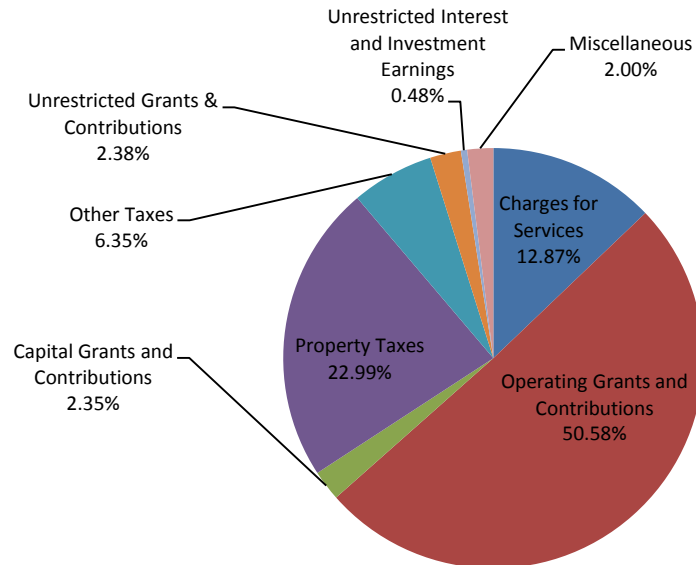
COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

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



Revenues among governmental activities totaled \$136,464,846 for the fiscal year ended 2013/14. The chart below presents the percentage of total revenues by source for governmental activities:

Revenues by Source - Governmental Activities



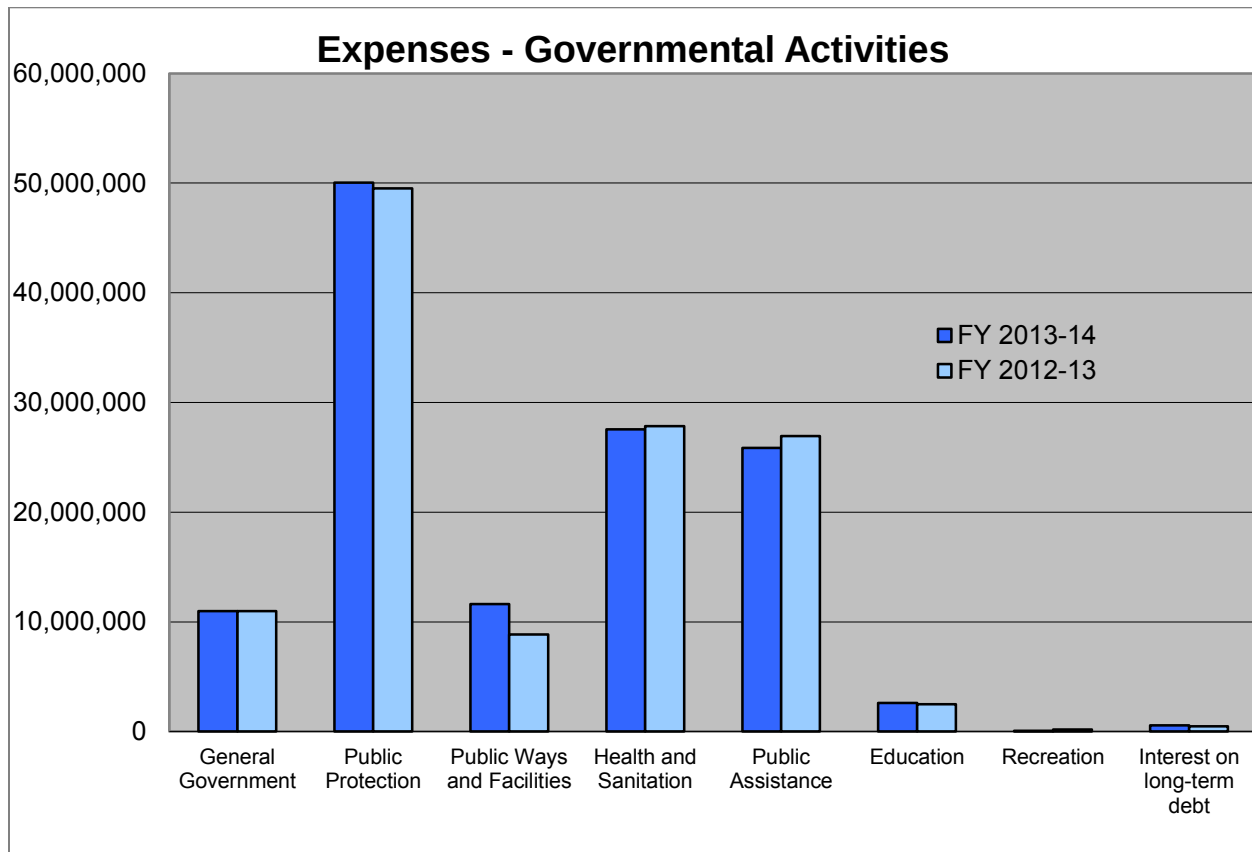
COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

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

- *Charges for Services* had an overall increase of \$764,410 or 4.6% from the prior year. Mitigation fees for Western Nevada County were the highest contributor to this change and were \$419,072 higher due to the development of a new subdivision. Road and street services provided were \$245,365 higher than the prior year, while new contracts with other counties to house their juveniles in the County Juvenile Hall amounted to an additional \$196,710.
- *Operating Grants and Contributions*, decreased \$1,161,829 or 1.7%. The largest factor was that Probation federal revenues for public assistance were reduced \$788,507, while other programs had a reduction in overall revenues.
- *Capital Grants and Contributions* increased substantially by \$2,908,274 due to additional federal funding for road projects received in 2013/14.
- The *Other Taxes* category increased by \$633,597 due to an increase in sales tax revenues of \$353,217 and franchise fees of \$156,806, as well as an increase in transportation taxes of \$57,101.
- *Unrestricted Grants and Contributions* increased \$371,115 as a result of increased revenues received for motor vehicle in lieu revenues.
- *Unrestricted Interest and Investments* increased \$320,195 due in large part to an accounting change related to the fair market value of investments.
- The *Miscellaneous* revenue category decreased by \$747,599, or 21.5%. A \$453,199 reduction in annual tobacco settlement receipts was the major factor.

Expenses among governmental activities totaled \$129,297,387 for the fiscal year ended 2013/14. The chart below presents the two-year comparison of the total expenses by function for governmental activities.

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

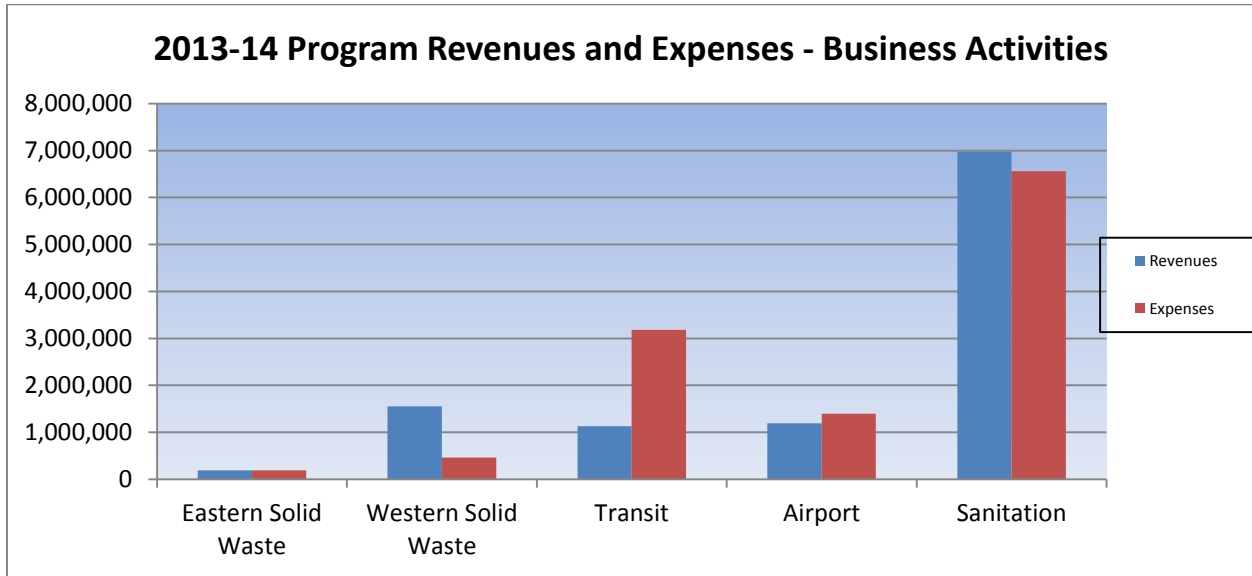


Key elements of the increase/decrease in *expenses* in the governmental activities:

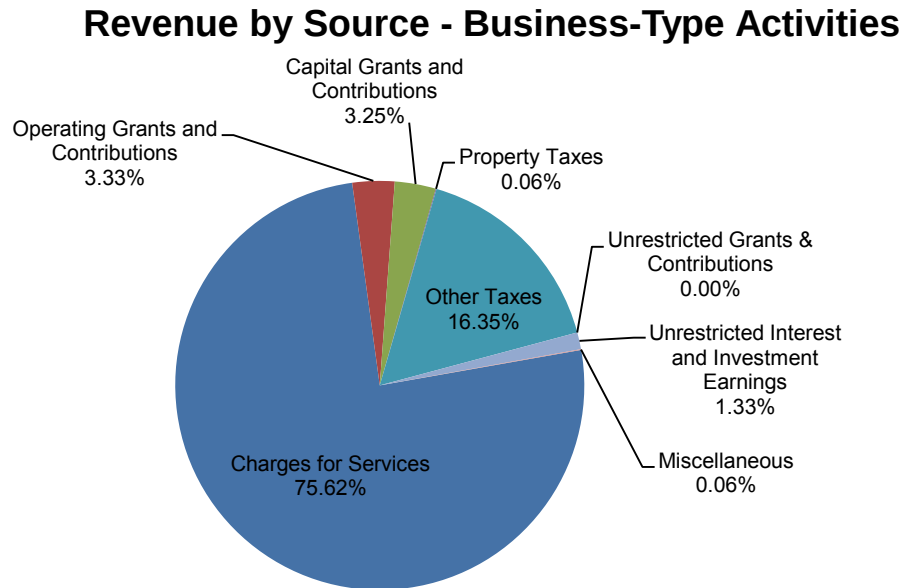
- General Government expenses remained flat over the prior year.
- The Public Protection category experienced a slight increase of \$530,798 in expenses representing a 1.1% change over the prior year. This change was attributable primarily to an increase in professional service contracts entered into by Agriculture Services, Sheriff and Building Inspection, along with an increase in the cost of inmate services at the Wayne Brown Correctional Facility.
- The Public Ways and Facilities category increased expenses by 31.2%, or \$2,759,834 from prior year levels, due to an increase in road preservation projects of \$1,026,812 and infrastructure maintenance expenses of \$1,759,205.
- Health and Sanitation expenses decreased slightly by \$280,440 or 1.0% over prior year levels. Mental Health Services Act (MHSA) expenses increased by \$246,521 due to increased funding for the programs.
- The Public Assistance area decreased by \$1,061,632, or 3.9% in relation to the prior year. This decrease was due to several factors including the reduced costs of contracted eligibility services by the Social Services Department, and the decrease in the Housing and Community Services program area due to the Low Income Home Energy Assistance Program moving to the State.

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

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



Revenues among business-type activities totaled \$13,430,198 for the year ended 2013/14. The chart below presents the percentage of total revenues by source for business-type activities:



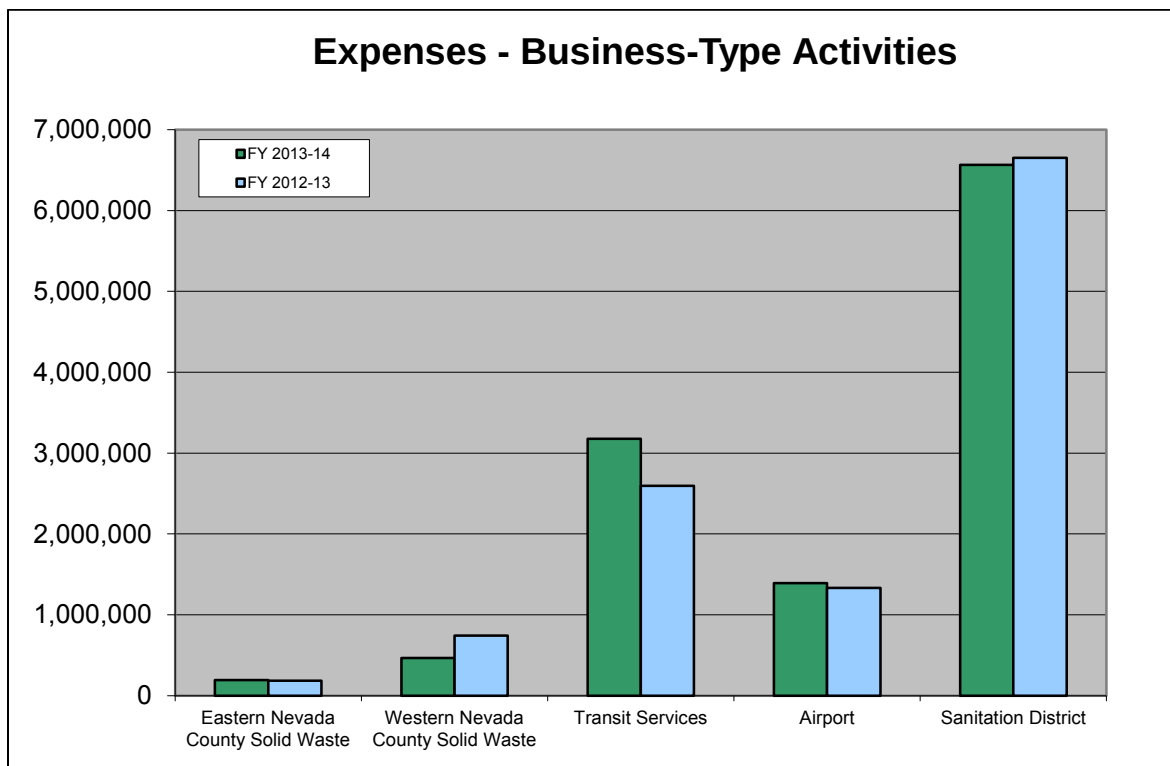
Key elements of the increase/decrease in revenues in the business-type activities:

- *Charges for Services* increased by \$725,909 or 7.7%. The increase can be primarily attributed to an increase in special assessment connection fees in the Lake of the Pines Sanitation District.

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

- *Operating Grants and Contributions* increased \$116,199 or 35.1% due to receipt of the Job Access and Reverse Commute grant that was awarded to Transit.
- *Capital Grants and Contributions* decreased 72.9% or \$1,173,237. Grant reimbursements in fiscal year 2013/14 for costs incurred were \$678,699 less than prior year amounts. Federal Aviation Administration grants had been awarded and received in the prior fiscal year for rehabilitation of the airport's runway.
- *The Other Taxes category* increased \$413,573 or 23.2% primarily attributable to additional allocations from Local Transportation Funds to the Transit operations due to increased qualifying paratransit expenses.
- *Unrestricted Interest and Investment Earnings* increased from \$32,412 in the prior year to \$178,564 in fiscal year 2013/14. This increase was due to an accounting change related to the fair market value of investments.
- *Miscellaneous revenues* decreased 97.4% or \$293,664 due to reclassification of Airport rent revenues to Charges for Services.

Expenses among business-type activities for fiscal year 2013/14 totaled \$11,790,998, in comparison to fiscal year 2012/13 which totaled \$11,509,642, representing an overall increase of 2.4%.



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

- Western Nevada County Solid Waste expenses declined by \$279,588 or 37.6% compared to the prior year. The decrease was the result of a number of factors including decreases in salaries and landfill post-closure expenses and an increase in interdepartmental reimbursements.

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

- Expenses for Transit Services increased by \$583,302 or 22.5% over prior year levels due to an increase in the services provided through the County contractor Paratransit, employee salaries and maintenance costs.
- Airport operating expenses increased \$59,651 or 4.5% from the prior year. The increase is primarily associated with an increase in aviation fuel purchases for resale of \$30,223.
- Sanitation District operating expenses decreased \$88,116 or 1.3% over prior year levels. The decrease is primarily attributable to a decrease in salary and benefit costs.

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.

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, *total fund balance less the nonspendable portion* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

Governmental Funds
Condensed Balance Sheet
June 30, 2014 and 2013

	2014	2013	Variance	Change
Total Assets	\$ 94,807,608	\$ 91,538,826	3.57%	\$ 3,268,782
Total Liabilities	14,523,067	16,388,480	-11.38%	-1,865,413
Deferred Inflow s of Resources	5,330,039	9,162,414	-41.83%	-3,832,375
Total Fund Balance	74,954,502	65,987,932	13.59%	8,966,570
Total Liabilities, Deferred Inflow s and Fund Balance	\$ 94,807,608	\$ 91,538,826	3.57%	\$ 3,268,782

As of June 30, 2014, the County's governmental funds reported combined ending fund balances in the amount of \$74,954,502, an increase of 13.59% or \$8,966,570 from the prior year's ending fund balance. Approximately \$74,816,285 of the total fund balances is available to meet the County's current and future spending needs. (For more detailed information, see Note 11 – Fund Balances)

The Board of Supervisors may commit or assign a portion of the spendable fund balance in the current year within the constraints applied to the various categories of fund balance. Spendable fund balances are available for appropriation at any time, with the exception of the general reserve portion of the committed fund balance which can only be decreased at the time the budget is adopted, except in cases of a legally declared emergency. An explanation of the various components of fund balance are defined and detailed below.

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Governmental Funds
Combined Balance Sheet
June 30, 2014

	General Fund	Major Funds	Other Governmental Funds	Total Governmental Funds
Total Assets	\$ 29,229,334	\$ 32,756,794	\$ 32,821,480	\$ 94,807,608
Total Liabilities	1,939,131	8,547,283	4,036,653	14,523,067
Total Deferred Inflows	1,805,841	3,305,468	218,730	5,330,039
Fund Balances				
Nonspendable	57,182	81,035	-	138,217
Restricted	761,423	18,553,931	27,238,748	46,444,393
Committed	3,967,000	227,920	37,567	4,232,487
Assigned	20,698,757	2,041,157	1,289,782	24,139,405
Total Fund Balances	25,484,362	20,904,043	28,566,097	74,954,502
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 29,229,334	\$ 32,756,794	\$ 32,821,480	\$ 94,807,608

The components of total fund balance are as follows:

Nonspendable fund balance, \$138,217 are amounts that are not spendable in form, or are legally or contractually required to be maintained intact, and are made up of prepaid expenses of \$57,182 and inventory of \$81,035.

Restricted fund balance, \$46,444,391 consists of amounts with externally imposed constraints put on their use by creditors, grantors, contributors, laws, regulations or enabling legislation. Examples of restrictions on funds are those for road improvement projects, whereby funds are restricted in the Road Fund; debt service reserve requirements; and amounts reserved for legislatively realigned Health & Human Service programs.

Committed fund balance, \$4,232,487 are amounts established by the Board of Supervisors for a specified purpose before fiscal year-end and requires board action to appropriate. The General Fund general reserve of \$3,967,000 is included in this amount.

Assigned fund balance, \$24,139,407 is established by the Board of Supervisors for specified purposes, requires board action to appropriate, and may expire at any time. Included in this balance is \$3,087,000 set aside for PERS liability, \$1,457,000 for information systems infrastructure and \$3,581,000 for capital facilities planning.

Unassigned fund balance represents the remaining fund balance that has not been committed or assigned by the Board of Supervisors.

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The General Fund is the chief operating fund of the County. At June 30, 2014, the total fund balance was \$25,484,362, an increase of \$3,435,271 from the prior fiscal year. The nonspendable portion of fund balance was \$57,182, and the spendable portion was \$25,427,180, an increase of \$3,555,271 from the prior year spendable balance of \$21,871,909.

As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. The total fund balance equates to 48.2% of total General Fund expenditures, while spendable fund balance equates to 48.1% of total General Fund expenditures. Of the General Fund spendable fund balance, \$761,423, or 3.0% is restricted and \$3,967,000 or 15.6% is committed.

The following provides explanations for year over year revenue fluctuations by source:

Revenues Classified by Source
General Fund

Revenue Type	FY 2014 Amount	Percent of Total	FY 2013 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
Taxes and Assessments	\$ 35,460,601	67.70%	\$ 35,112,349	66.55%	\$ 348,252	0.99%
License and Permits	2,676,481	5.11%	2,527,162	4.79%	149,319	5.91%
Fines and Forfeitures	2,727,088	5.21%	2,533,248	4.80%	193,840	7.65%
Use of Money and Property	477,724	0.91%	303,670	0.58%	174,054	57.32%
Intergovernmental	2,508,986	4.79%	3,324,869	6.30%	(815,883)	-24.54%
Charges for Service	7,204,082	13.75%	7,344,919	13.92%	(140,837)	-1.92%
Other Revenues	1,321,428	2.52%	1,614,691	3.06%	(293,263)	-18.16%
Total	\$ 52,376,390	100.00%	\$ 52,760,908	100.00%	\$ (384,518)	-0.73%

Taxes and Assessments – The increase in this category is primarily due to an increase in supplemental secured taxes of \$212,058 and sales and use taxes of \$171,830 compared to the prior year.

License and Permits – Franchise revenues for the solid waste franchise agreement increased by \$129,485 compared to the prior year, while Cable TV franchise revenue increased by \$26,493.

Fines and Forfeitures – Revenues from vehicle code fines increased \$128,387 along with an increase in the collection of penalties and costs on delinquent taxes of \$64,672.

Use of Money and Property – The interest and investment earnings increase is due in part to an accounting change in the application of the fair market value adjustment to investments at fiscal year-end.

Intergovernmental – There was a decrease in this category of \$815,883, or 24.5%, due to several factors. The decrease was primarily due to a change in eligibility requirements of the Federal IV-E funding to Probation departments along with the absence of a large catch up payment received in 2012/13 for Peace Officer Standards and Training (POST) that was not duplicated in 2013/14. Additionally, there were reductions in grant revenues normally received through the Superintendent of Schools by several departments.

Charges for Services – Revenues generated from charges for services saw an overall decrease of \$140,837 from 2012/13 to 2013/14. The largest factor contributing to the decrease in this area resulted from election cost reimbursements of \$282,332 that were received in the prior year, but not in the current. At the same time revenues from recording fees were lower in 2013/14 by \$225,137. These declines in

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revenues were offset by an increase of \$132,148 in fees collected by the Sheriff's Office for law enforcement services and increased revenues of \$218,829 for housing of inmates and/or juveniles from other counties.

Other Revenues – The decrease in this category is a result of a decrease in tobacco settlement funds of \$453,199, offset with a \$193,045 increase in other revenues related to a CalPERS credit for a change in payroll reporting.

The following provides an explanation of changes in expenditures by function compared to the prior year levels:

Expenditure by Function
General Fund

Expenditures by Function	FY 2014 Amount	Percent of Total	FY 2013 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
General government	\$ 9,741,054	18.42%	\$ 9,852,784	17.94%	\$ (111,730)	-1.1%
Public protection	41,628,442	78.70%	41,877,258	76.26%	-248,816	-0.6%
Health and Sanitation	104,745	0.20%	111,351	0.20%	-6,606	-5.9%
Public Assistance	277,535	0.52%	267,001	0.49%	10,534	3.9%
Education	43,685	0.08%	46,888	0.09%	-3,203	-6.8%
Capital outlay	1,039,517	1.97%	2,650,174	4.83%	-1,610,657	-60.8%
Debt Service	59,352	0.11%	110,346	0.20%	-50,994	-46.2%
Total	\$ 52,894,330	100.00%	\$ 54,915,802	100.00%	\$ (2,021,472)	-3.7%

General government – The \$111,730 or 1.1% overall decrease in expenditures in this category is largely due to a decrease in charges to departments for County general support services.

Public Protection – The key factor in the \$248,816 decrease for this category was due to salary and benefit savings in the Wayne Brown Correctional Facility and Sheriff Truckee Operations of \$355,773. An offsetting increase of \$118,569 in services and supplies costs is associated with providing Sheriff and Correctional employees to serve as Court Security along with increased services related to the Carl F. Bryan Juvenile Hall.

Health and Sanitation – The decrease in this area is related to a shift in personnel that oversee and manage the contract with Waste Management, Inc. and their operation of the McCourtney Road Transfer Station.

Public Assistance – The Victim Witness program expenses are the primary source of the 3.9% increase in this category of expenditures. This program assists victims of crime in Nevada County, and is operated through the Office of the District Attorney.

Education – The 6.8% or \$3,203 decrease in education expenditures is attributed to a decrease in charges to departments for County general support services.

Capital outlay – Capital outlay expenditures were lower in 2014 due to the completion of the purchase and related upgrades of two new facilities to house the District Attorney's Office and the Probation Department in fiscal year 2012/13.

Debt service – Debt service expenditures were lower in 2014 as annual payments for software enterprise agreements were reduced from two payments in 2013 to one.

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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 fund balance increased by \$1,360,735 or 27.6%. Intergovernmental revenues increased by \$4,319,957 primarily due to an increase of \$1,397,566 in State Highway Users Tax revenues over the amount that had been received in 2012/13, along with an additional \$1,142,790 increase in Federal Aid to Roads primarily for bridge projects and a \$1,009,589 increase in Regional Surface Transportation Funds for overlay projects.

The Community Development Agency (CDA) Fund is used to account for Planning, Building, Environmental Health and Code Enforcement department activities. Revenues increased \$808,694 overall or 23.7% due to a \$280,058 increase in license and permit revenues in Building and Planning; a \$304,352 increase in intergovernmental revenues related to State realignment Environmental Health revenues, and an increase in charges for services related to environmental impact report revenues.

The Human Services Agency Fund is used to account for the majority of the Public Health, Behavioral Health and Social Service programs. The net increase in fund balance was \$1,779,666, bringing the total fund balance to \$1,778,123. The increase of fund balance can be attributed to several revenue increases from State and Federal sources. These sources included \$2,004,835 in increased Federal revenues for eligibility, CalWorks and Food Stamp programs benefiting both children and adults; an additional \$1,039,799 for mental health services; and an increase of \$134,056 in Housing and Urban Development (HUD) revenues.

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 fund balance increased by \$1,048,959, or 13.1%, to a total of \$9,031,925. The increase in fund balance was due to the fact that expenditures were less than revenues.

The Local Realignment Fund is used to account for the State's realignment of revenues and services for law enforcement that were previously performed by the State and passed to counties and social services revenues funded through alternative means. The fund balance increased by \$470,063, or 41.9%, mainly due to an increase of intergovernmental revenues of \$1,049,415. In addition, expenses increased by \$60,480 while transfers out increased by \$879,930.

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

Balance Sheet – Proprietary Funds

	Western Nevada County Solid Waste	Airport	Sanitation District	Nonmajor Proprietary Funds	Total Proprietary Funds
Total Assets	\$ 10,898,296	\$ 6,362,226	\$ 56,154,233	\$ 3,125,139	\$ 76,539,894
Total Liabilities	10,851,206	155,226	24,314,722	1,174,735	36,495,889
Net Position					
Net investment in capital assets	754,220	5,940,905	26,241,499	2,040,356	34,976,980
Unrestricted	(707,130)	266,095	5,598,012	(89,952)	5,067,025
Total Net Position	\$ 47,090	\$ 6,207,000	\$ 31,839,511	\$ 1,950,404	\$ 40,044,005

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Unrestricted net position of the Western Nevada County Solid Waste at June 30, 2014 amounted to a deficit of \$707,130. The deficit reflects the total liability of \$10,690,800 for the cost of monitoring the closed landfill per regulatory requirements. The cost of post closure activity is met through annual parcel charges. Though the unrestricted net position remains in a deficit, the enterprise operation did reduce the deficit in unrestricted net position by \$1,183,779.

The unrestricted net position of the Airport enterprise operation increased to \$266,095 for the fiscal year ending June 30, 2014, largely due to an increase in fuel sales over the prior year.

The Sanitation District's unrestricted net position increased by \$984,228 compared to the prior year, which was mainly attributable to an increase in charges for services revenues, a corresponding reduction of salary and benefit costs, and a reduction of interest expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget resulted in a \$2,208,686 net increase in appropriations (excluding other financing sources and uses). Explanations of significant changes for this increase are as follows:

- The General Government budget category experienced an increase of \$121,440. The most significant amendment was an increase in the Capital Facilities budget related to a planned 2012/13 carpeting project in the Probation offices that did not occur until 2013/14.
- The Public Protection budget category increased by \$706,468. Operations at the Wayne Brown Correctional Facility (WBCF) accounted for increases in budget appropriations of \$222,651. A large portion of the WBCF increase, \$143,957, was attributable to various budgetary corrections in service and supply costs incurred by the department, while other adjustments for \$91,194 were needed to cover additional health insurance costs. Probation, District Attorney and Sheriff Administrative Support Services were all amended to reflect additional salary and benefit costs. The District Attorney also adjusted for witness related expenditures, while the Sheriff Operations budgets were adjusted for anticipated service expenditures and Probation adjusted for additional computer and professional service related costs.
- Total budgeted Capital Outlay increased by \$1,882,459 with capital facilities projects for the improvements made to one of two new facilities purchased in 2012/13. Additionally, \$676,000 from Information Systems was moved from 2012/13 to 2013/14 to budget for capital software expenditures related to the future upgrade of the property tax accounting system.

The difference between the final amended budget and the actual results at fiscal year-end resulted in a \$5,110,798 net increase in the ending General Fund balance compared to the balance anticipated in the final amended budget. Actual revenues were higher than the budgetary estimate by \$1,704,663 or 3.4%, and expenditures were under the budgetary estimates by \$4,008,764 or 7.1%. The excess of expenditures over revenues, including other financing sources and uses, increased the General Fund's fund balance by \$3,480,253. Explanations of significant differences between budgeted and actual expenditures are as follows:

- The General Government category expenditures were \$1,024,507 less than budgeted expenditure levels. County Counsel had the largest variance in expenditures as planned expenditures for salary and benefits were less than anticipated resulting in a budgetary savings of \$260,704. The next largest variance was in Information Systems of \$170,910, which was primarily attributable to a decrease in software and license costs combined with an increase in reimbursements from other departments for programmer services provided by the department.

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- Budgeted expenditures in Public Protection were higher than the amounts actually expended by \$2,056,353. Of this variance, \$658,267 occurred in Sheriff's Administrative Support Services, \$456,702 in the Probation Department and \$271,044 in the Wayne Brown Correctional Facility related to salary savings from unfilled positions and the results of past negotiated labor agreements.
- Actual expenditures for Capital Outlay were less than the amounts budgeted by \$868,542 related to the delay in the purchase of capitalized software for the new property tax accounting system.

Additional information on the General Fund and other major funds' budget can be found on pages 88-95.

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, 2014 amounted to \$325,643,168 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and software.

County's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total		Variance
	2014	2013	2014	2013	2014	2013	
Land and Easements	\$ 104,967,165	\$ 104,608,171	\$ 3,596,251	\$ 3,596,251	\$ 108,563,416	\$ 108,204,422	0.33%
Infrastructure (Road Sys)	104,980,165	104,030,592			104,980,165	104,030,592	0.91%
Infrastructure	18,604,681	18,147,520	51,608,946	48,131,261	70,213,627	66,278,781	5.94%
Structures and Improvements	30,856,740	30,763,656	2,714,840	2,835,200	33,571,580	33,598,856	-0.08%
Construction in Progress	1,909,074	2,859,022	116,164	5,687,606	2,025,238	8,546,628	-76.30%
Equipment	5,338,264	4,965,942	593,489	470,386	5,931,753	5,436,328	9.11%
Intangible Assets	357,411	528,175			357,411	528,175	-32.33%
Total	\$ 267,013,500	\$ 265,903,078	\$ 58,629,690	\$ 60,720,704	\$ 325,643,190	\$ 326,623,782	-0.30%

Land and Easements – The land and easements of governmental and business-type entities increased minimally due to purchases for bike path and road widening projects.

Infrastructure (Road Sys) – The \$949,573 increase in road system infrastructure is due to the dedication of 1.19 miles of road by the State of California and completion of a road project on Red Dog Road.

Infrastructure – The increase in infrastructure for business-type activities is directly related to the completion of Airport runway improvement projects and Lake Wildwood wastewater treatment plant upgrades. The increase for governmental activities is due to the completion of the Purdon Bridge project.

Structures and Improvements – The \$120,360 decrease in business-type activities is due to annual depreciation. Governmental activities increased by \$93,084 due to the completion of the Collaborative Technology Center and a drainage project at the Madelyn Helling Library, along with improvements to the District Attorney building that was purchased in 2012/13.

Construction in Progress – Business-type construction in progress decreased by \$5,571,442 and was due to the completion of the Purdon Bridge project, County Airport runway improvements and waste water treatment plant improvements completed by year end. The completion of these projects removes them from Construction in Progress and adds them to Infrastructure.

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Equipment – Increases are attributable to the donation of a tractor to facilities and purchase of a bus for use in Transit Operations.

Intangible Assets – Decreases are attributable to scheduled depreciation.

Additional information on the County's capital assets can be found in Note 4 on pages 62-63 of this report.

Long-term debt. At June 30, 2014, the County had total debt outstanding of \$59,445,183.

County's Outstanding Debt

	Governmental		Business-Type				
	Activities		Activities		Total		Variance
	2014	2013	2014	2013	2014	2013	
Certificate of Participation	\$ 6,782,433	\$ 7,920,338			\$ 6,782,433	\$ 7,920,338	-14.4%
Accrued Claims Liability	1,184,550	1,244,756			1,184,550	1,244,756	-4.8%
Loans	6,825,274	7,102,548	23,659,609	25,167,988	30,484,883	32,270,536	-5.5%
Enterprise Agreements		51,774			-	51,774	-100.0%
Special Assessment Debt	250,000	263,000	15,000	17,000	265,000	280,000	-5.4%
Landfill Post Closure			10,812,767	11,187,199	10,812,767	11,187,199	-3.3%
Capital Leases		7,342			-	7,342	-100.0%
Compensated Absences	5,071,710	5,062,661	217,790	252,668	5,289,500	5,315,329	-0.5%
OPEB Obligation	4,360,715	3,663,474	265,335	235,480	4,626,050	3,898,954	18.6%
Total	\$ 24,474,682	\$ 25,315,893	\$ 34,970,501	\$ 36,860,335	\$ 59,445,183	\$ 62,176,228	-4.4%

The County's total outstanding debt decreased by \$2,731,045, or 4.4%, during the fiscal year. The key factors for the decrease were the annual scheduled principal payments on the Certificates of Participation of \$1,137,905 and loan obligations of \$1,785,653; a reduction in the estimated liability for the landfill post closure costs; and other scheduled principal payments. The accrued claims liability decreased by \$60,206 due to an adjustment in the actuarially determined unpaid claim amounts.

Certain items resulted in increases to the County's outstanding debt balances. The County's Net OPEB Obligation (NOO) increased by \$727,096, continuing the trend from the prior year. Actuarial assumptions set the County contribution rate at 8.3% and due to staffing reductions and associated wages; resulted in reduced collection of contributions.

Additional information on the County's long-term debt can be found in Note 6 on pages 71-72 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 most recent complete three year assessment occurred in fiscal year 2011/12 with an average PCI rating of 65.3.

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Road System Infrastructure Assets Using Modified Approach
Summary Activity for Fiscal Year Ending June 30, 2014

Expenditures	Capital Improvements	Preservation Maintenance	General Maintenance	Total Cost
Planned	1,285,800	2,591,300	3,148,100	7,025,200
Actual	970,898	2,987,800	2,587,258	6,545,956
Difference	(314,902)	396,500	(560,842)	(479,244)

The reduction in capital improvement expenses from planned levels was due to lower than planned actual expenditures for Newtown and Empress Bike lanes.

Planned preservation maintenance expenditures were increased due to higher chipseal project costs than planned and increased overlay maintenance costs.

Additional information on the County's use of the Modified Approach can be found in Required Supplementary Information (RSI) on pages 66-67 of this report

Economic Factors and Next Year's Budget for FY 2014/15

The fiscal year 2014/15 adopted budget for all County funds totals \$200,066,856, a 9% increase when compared to the prior year. The General Fund is budgeted at \$65,450,244 for 2014/15, an increase of \$4,878,598.

The local economy is strengthening and much of the County's revenues are recovering as well. The following factors were considered as the budget for fiscal year 2014/15 was prepared.

- The fiscal year 2014/15 budget reflected a 4% growth 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 annual adjustment of property base year values is tied to the consumer price index (inflationary) factor, and historically, has been a factor of 1.02. The Statewide inflationary factor for 2014 equated to a 0.454% increase in assessed base values. The Assessor, however, has continued to review and to adjust property values as allowed by California law to reflect the current fair market value. This activity in conjunction with the increase in sales prices resulted in 5.167% positive growth in the assessed values countywide for the fiscal year 2014/15.
- The fiscal year 2014/15 budget contemplates a 2% increase in the sales and use tax revenue stream. This has a direct effect on the 1/8% sales tax revenue source for the Library fund as well as the Realignment program revenues and other County programs with a direct share of various State allocations based on sales tax collections.

The 2014/15 budget documents are available online at:
www.mynevadacounty.com/nc/ceo/Pages/budgetmain.aspx

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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 www.mynevadacounty.com/nc/auditor/Pages/Home.aspx

Basic Financial Statements
Government-Wide Financial Statements

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COUNTY OF NEVADA

Statement of Net Position June 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$ 62,579,126	\$ 17,225,656	\$ 79,804,782
Restricted cash	872,245	--	872,245
Accounts receivable	1,371,478	162,168	1,533,646
Due from other governments	20,340,297	403,616	20,743,913
Taxes receivable	2,604,767	1,363	2,606,130
Deposits with others	110,128	--	110,128
Prepaid expenses	78,586	--	78,586
Inventories	150,294	77,171	227,465
Internal balances	(12,841)	12,841	--
Loans receivable	4,211,574	--	4,211,574
Capital assets:			
Nondepreciable	211,856,404	3,712,415	215,568,819
Depreciable, net	55,157,096	54,917,275	110,074,371
Total Assets	<u>359,319,154</u>	<u>76,512,505</u>	<u>435,831,659</u>
LIABILITIES			
Accounts payable	4,129,382	221,496	4,350,878
Salaries and benefits payable	1,365,676	63,253	1,428,929
Interest payable	151,074	373,547	524,621
Deposits from others	230,747	2,000	232,747
Unearned revenue	460,541	751,730	1,212,271
Long-Term Liabilities:			
Due within one year	5,634,265	2,405,518	8,039,783
Due in more than one year	14,479,702	32,299,648	46,779,350
Other postemployment benefits (OPEB) liability	4,360,715	265,335	4,626,050
Total Liabilities	<u>30,812,102</u>	<u>36,382,527</u>	<u>67,194,629</u>
NET POSITION			
Net investment in capital assets	253,155,793	34,976,980	288,132,773
Restricted for:			
General Government	3,649,925	--	3,649,925
Public Protection	11,949,122	--	11,949,122
Public Ways and Facilities	10,778,338	--	10,778,338
Health and Sanitation	18,058,500	--	18,058,500
Public Assistance	6,596,121	--	6,596,121
Education	606,182	--	606,182
Recreation and Cultural Services	151,448	--	151,448
Unrestricted	23,561,623	5,152,998	28,714,621
Total Net Position	<u>\$ 328,507,052</u>	<u>\$ 40,129,978</u>	<u>\$ 368,637,030</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

Statement of Activities For the Year Ended June 30, 2014

Functions/Programs	Direct Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 10,989,811	\$ 6,229,398	\$ 13,093	\$ 86,782
Public protection	50,042,384	6,579,163	17,110,871	749,000
Public ways and facilities	11,611,245	1,668,874	6,832,980	2,366,252
Health and sanitation	27,546,994	2,925,865	24,524,085	--
Public assistance	25,866,638	67,824	20,463,667	--
Education	2,593,778	88,573	95,149	--
Recreation and culture	76,301	--	--	--
Interest on long-term debt	570,236	--	--	--
Total Governmental Activities	<u>129,297,387</u>	<u>17,559,697</u>	<u>69,039,845</u>	<u>3,202,034</u>
Business-Type Activities:				
Eastern Nevada County Solid Waste	192,008	187,522	--	--
Western Nevada County Solid Waste	464,090	1,553,637	--	--
Transit Services	3,177,824	358,189	437,120	337,171
Airport	1,392,447	1,078,617	10,000	98,737
Sanitation District	6,564,630	6,978,013	--	--
Total Business-type Activities	<u>11,790,999</u>	<u>10,155,978</u>	<u>447,120</u>	<u>435,908</u>
Total Nevada County	<u>\$ 141,088,386</u>	<u>\$ 27,715,675</u>	<u>\$ 69,486,965</u>	<u>\$ 3,637,942</u>

General Revenues:

Taxes:

Property taxes
Sales and use taxes
Property transfer taxes
Transient occupancy tax
Franchise taxes
Other

Unrestricted interest and investment earnings

Grants and contributions - unrestricted

Tobacco settlement

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, restated

Net Position - End of Year

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (4,660,538)	\$ --	\$ (4,660,538)
(25,603,350)	--	(25,603,350)
(743,139)	--	(743,139)
(97,044)	--	(97,044)
(5,335,147)	--	(5,335,147)
(2,410,056)	--	(2,410,056)
(76,301)	--	(76,301)
(570,236)	--	(570,236)
<u>(39,495,811)</u>	<u>--</u>	<u>(39,495,811)</u>
--	(4,486)	(4,486)
--	1,089,547	1,089,547
--	(2,045,344)	(2,045,344)
--	(205,093)	(205,093)
--	413,383	413,383
<u>--</u>	<u>(751,993)</u>	<u>(751,993)</u>
<u>(39,495,811)</u>	<u>(751,993)</u>	<u>(40,247,804)</u>
31,367,403	8,196	31,375,599
4,887,511	--	4,887,511
793,836	--	793,836
235,836	14,922	250,758
2,572,284	--	2,572,284
178,264	2,181,520	2,359,784
655,749	178,565	834,314
3,248,099	--	3,248,099
869,676	--	869,676
1,854,612	7,990	1,862,602
<u>46,663,270</u>	<u>2,391,193</u>	<u>49,054,463</u>
7,167,459	1,639,200	8,806,659
<u>321,339,593</u>	<u>38,490,778</u>	<u>359,830,371</u>
<u>\$ 328,507,052</u>	<u>\$ 40,129,978</u>	<u>\$ 368,637,030</u>

The accompanying notes are an integral part of these financial statements.

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Basic Financial Statements
Fund Financial Statements

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COUNTY OF NEVADA

Balance Sheet
Governmental Funds
June 30, 2014

	General	Road	Community Development Agency
Assets			
Cash and investments	\$15,124,571	\$ 5,526,262	\$ 2,331,273
Accounts receivable	786,189	16,842	233,487
Taxes receivable	2,339,267	--	--
Due from other governments	2,184,444	1,189,659	272,431
Due from other funds	8,737,681	48,227	146,672
Deposits with others	--	--	--
Inventories	--	81,035	--
Prepays	57,182	--	--
Restricted cash and investments	--	--	--
Loans receivable	--	--	--
Total Assets	<u>\$29,229,334</u>	<u>\$ 6,862,025</u>	<u>\$ 2,983,863</u>
Liabilities			
Accounts payable	\$ 805,110	\$ 226,374	\$ 17,692
Salaries and benefits payable	828,476	66,894	91,138
Deposits from others	--	--	206,341
Due to other funds	305,545	149,166	20,485
Unearned revenue	--	--	108,122
Total Liabilities	<u>1,939,131</u>	<u>442,434</u>	<u>443,778</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>1,805,841</u>	<u>122,712</u>	<u>334,224</u>
Fund Balances			
Nonspendable	57,182	81,035	--
Restricted	761,423	6,215,844	--
Committed	3,967,000	--	227,920
Assigned	<u>20,698,757</u>	<u>--</u>	<u>1,977,941</u>
Total Fund Balances	<u>25,484,362</u>	<u>6,296,879</u>	<u>2,205,861</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$29,229,334</u>	<u>\$ 6,862,025</u>	<u>\$ 2,983,863</u>

The accompanying notes are an integral part of these financial statements.

Human Services Agency	Health and Welfare Realignment	Local Revenue Fund 2011 Realignment	Other Governmental	Total
\$ 400	\$ 6,708,579	\$ 2,112,975	\$ 25,069,445	\$56,873,505
265,418	--	--	45,186	1,347,122
--	--	--	265,500	2,604,767
7,142,532	1,441,071	1,480,280	2,100,896	15,811,313
2,026,196	1,675,280	43,822	256,634	12,934,512
14,353	--	--	--	14,353
--	--	--	--	81,035
--	--	--	--	57,182
--	--	--	872,245	872,245
--	--	--	4,211,574	4,211,574
<u>\$ 9,448,899</u>	<u>\$ 9,824,930</u>	<u>\$ 3,637,077</u>	<u>\$ 32,821,480</u>	<u>\$94,807,608</u>
\$ 1,868,425	\$ --	\$ 93,725	\$ 939,054	\$ 3,950,380
307,118	--	--	58,854	1,352,480
24,406	--	--	--	230,747
2,500,283	793,005	1,952,097	2,808,338	8,528,919
122,012	--	--	230,407	460,541
<u>4,822,244</u>	<u>793,005</u>	<u>2,045,822</u>	<u>4,036,653</u>	<u>14,523,067</u>
<u>2,848,532</u>	<u>--</u>	<u>--</u>	<u>218,730</u>	<u>5,330,039</u>
--	--	--	--	138,217
1,605,196	9,031,925	1,591,255	27,238,748	46,444,391
--	--	--	37,567	4,232,487
172,927	--	--	1,289,782	24,139,407
<u>1,778,123</u>	<u>9,031,925</u>	<u>1,591,255</u>	<u>28,566,097</u>	<u>74,954,502</u>
<u>\$ 9,448,899</u>	<u>\$ 9,824,930</u>	<u>\$ 3,637,077</u>	<u>\$ 32,821,480</u>	<u>\$94,807,608</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position - Governmental Activities
June 30, 2014

Fund Balance - total governmental funds (pages 28 and 29)	\$ 74,954,502
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	266,266,272
Other long term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	5,330,039
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.	(151,074)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Certificates of participation	(6,782,433)
Bonds payable	(250,000)
Loans payable	(6,825,274)
Compensated absences	(5,021,157)
Net OPEB obligation	(4,306,062)
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 position.	<u>5,292,239</u>
Net position of governmental activities (page 23)	<u><u>\$ 328,507,052</u></u>

The accompanying notes are an integral part of these financial statements.

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COUNTY OF NEVADA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	General	Road	Community Development Agency
Revenues:			
Taxes	\$ 35,460,601	\$ 66,541	\$ 14,922
Licenses and permits	2,676,481	35,114	1,351,397
Fines, forfeitures and penalties	2,727,088	374	31,113
Use of money and property	477,724	43,539	22,282
Intergovernmental	2,508,986	8,935,889	816,265
Charges for services	7,204,082	536,372	1,978,656
Other revenues	1,321,428	280,903	8,423
Total Revenues	<u>52,376,390</u>	<u>9,898,732</u>	<u>4,223,058</u>
Expenditures:			
Current:			
General government	9,741,054	--	--
Public protection	41,628,442	--	3,307,741
Public ways and facilities	--	8,187,790	--
Health and sanitation	104,745	--	1,904,003
Public assistance	277,535	--	--
Education	43,685	--	--
Recreation and culture	--	--	--
Debt Service:			
Principal	59,115	--	--
Interest	237	--	--
Capital outlay	1,039,517	1,955,392	--
Total Expenditures	<u>52,894,330</u>	<u>10,143,182</u>	<u>5,211,744</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(517,940)</u>	<u>(244,450)</u>	<u>(988,686)</u>
Other Financing Sources (Uses):			
Transfers in	10,606,189	1,605,185	1,829,524
Transfers out	(6,654,992)	--	(58)
Proceeds from sale of capital assets	2,014	--	--
Total Other Financing Sources (Uses)	<u>3,953,211</u>	<u>1,605,185</u>	<u>1,829,466</u>
Net Changes in Fund Balances	3,435,271	1,360,735	840,780
Fund Balances, Beginning of Year, restated	<u>22,049,091</u>	<u>4,936,144</u>	<u>1,365,081</u>
Fund Balances, End of Year	<u><u>\$ 25,484,362</u></u>	<u><u>\$ 6,296,879</u></u>	<u><u>\$ 2,205,861</u></u>

The accompanying notes are an integral part of these financial statements.

Human Services Agency	Health and Welfare Realignment	Local Revenue Fund 2011 Realignment	Other Governmental	Total
\$ --	\$ --	\$ --	\$ 1,684,776	\$ 37,226,840
--	--	--	14,076	4,077,068
1,236	--	--	598,299	3,358,110
(16,077)	40,031	16,652	313,802	897,953
30,812,542	9,125,800	11,578,321	14,243,343	78,021,146
1,219,062	--	--	1,510,844	12,449,016
177,982	--	--	935,750	2,724,486
<u>32,194,745</u>	<u>9,165,831</u>	<u>11,594,973</u>	<u>19,300,890</u>	<u>138,754,619</u>
--	--	--	620,314	10,361,368
--	--	330,890	3,878,153	49,145,226
--	--	--	1,194,582	9,382,372
20,261,461	--	--	5,124,719	27,394,928
24,623,400	--	--	926,476	25,827,411
--	--	--	2,465,581	2,509,266
--	--	--	76,301	76,301
--	--	--	1,360,275	1,419,390
--	--	--	607,764	608,001
109,372	--	--	50,000	3,154,281
<u>44,994,233</u>	<u>--</u>	<u>330,890</u>	<u>16,304,165</u>	<u>129,878,544</u>
<u>(12,799,488)</u>	<u>9,165,831</u>	<u>11,264,083</u>	<u>2,996,725</u>	<u>8,876,075</u>
14,585,561	120,929	11,748	5,922,116	34,681,252
(6,731)	(8,237,801)	(10,805,768)	(9,015,994)	(34,721,344)
324	--	--	--	2,338
<u>14,579,154</u>	<u>(8,116,872)</u>	<u>(10,794,020)</u>	<u>(3,093,878)</u>	<u>(37,754)</u>
1,779,666	1,048,959	470,063	(97,153)	8,838,321
(1,543)	7,982,966	1,121,192	28,663,250	66,116,181
<u>\$ 1,778,123</u>	<u>\$ 9,031,925</u>	<u>\$ 1,591,255</u>	<u>\$ 28,566,097</u>	<u>\$ 74,954,502</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

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, 2014

Net change to fund balance - total governmental funds (pages 32 and 33)	\$	8,838,321
---	----	-----------

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

Governmental funds report capital outlay 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 general capital assets, infrastructure, and other related capital assets adjustments	\$ 3,454,776	
Less: current year depreciation	<u>(2,583,336)</u>	871,440

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues in the governmental funds.

This is the change in unavailable revenues.		(3,832,375)
---	--	-------------

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

Principal retirements		1,419,390
-----------------------	--	-----------

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 governmental funds.

Change in compensated absences payable	(21,731)	
Change in net OPEB obligation	(667,543)	
Change in accrued interest on long-term debt	(30,140)	
Amortization of premium	<u>67,905</u>	(651,509)

Internal service funds are used by management to charge the costs of
certain activities to individual funds. The net revenue of certain activities
of the internal service funds is reported with governmental activities.

		<u>522,192</u>
--	--	----------------

Change in net position of governmental activities (pages 24 and 25)	\$	<u><u>7,167,459</u></u>
---	----	-------------------------

The accompanying notes are an integral part of these financial statements.

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COUNTY OF NEVADA

Statement of Net Position Proprietary Funds June 30, 2014

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
ASSETS			
Current Assets:			
Cash and investments	\$ 10,068,272	\$ 86,376	\$ 6,356,231
Accounts receivable	46,937	113,571	2
Taxes receivable	1,363	--	--
Due from other governments	5,554	32,029	--
Due from other funds	21,950	15,965	--
Prepaid costs	--	--	--
Inventory	--	77,171	--
Deposits	--	--	--
Total Current Assets	<u>10,144,076</u>	<u>325,112</u>	<u>6,356,233</u>
Noncurrent Assets:			
Capital assets:			
Non-depreciable	276,553	1,840,344	1,521,421
Depreciable, net	477,667	4,196,770	48,276,579
Total Noncurrent Assets	<u>754,220</u>	<u>6,037,114</u>	<u>49,798,000</u>
Total Assets	<u>10,898,296</u>	<u>6,362,226</u>	<u>56,154,233</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	58,410	14,830	47,344
Salaries and benefits payable	1,892	6,079	34,375
Interest payable	--	3,486	370,061
Deposits payable	--	2,000	--
Due to other funds	19,272	1,017	37,597
Unearned revenue	--	10,765	--
Compensated absences	11,804	7,928	86,691
Special assessment bonds	--	--	3,000
Loan payable	--	27,328	1,530,436
Accrued claims payable	--	--	--
Postclosure costs	690,869	--	--
Total Current Liabilities	<u>782,247</u>	<u>73,433</u>	<u>2,109,504</u>
Noncurrent Liabilities:			
Compensated absences	272	--	47,903
Special assessment bonds	--	--	12,000
Loan payable	--	68,881	22,032,964
Accrued claims payable	--	--	--
Postclosure costs	9,999,931	--	--
Net OPEB obligation	68,756	12,912	112,351
Total Noncurrent Liabilities	<u>10,068,959</u>	<u>81,793</u>	<u>22,205,218</u>
Total Liabilities	<u>10,851,206</u>	<u>155,226</u>	<u>24,314,722</u>
NET POSITION			
Net investment in capital assets	754,220	5,940,905	26,241,499
Unrestricted	(707,130)	266,095	5,598,012
Total Net Position	<u>\$ 47,090</u>	<u>\$ 6,207,000</u>	<u>\$ 31,839,511</u>

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

Net Position of Business-Type Activities

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds		Governmental Activities
Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 714,777	\$ 17,225,656	\$ 5,705,621
1,658	162,168	24,356
--	1,363	--
366,033	403,616	--
2,315	40,230	363,418
--	--	21,404
--	77,171	69,259
--	--	95,775
<u>1,084,783</u>	<u>17,910,204</u>	<u>6,279,833</u>
74,097	3,712,415	--
<u>1,966,259</u>	<u>54,917,275</u>	<u>747,228</u>
<u>2,040,356</u>	<u>58,629,690</u>	<u>747,228</u>
<u>3,125,139</u>	<u>76,539,894</u>	<u>7,027,061</u>
100,912	221,496	179,002
20,907	63,253	13,196
--	373,547	--
--	2,000	--
55,476	113,362	166,895
740,965	751,730	--
43,608	150,031	30,843
--	3,000	--
--	1,557,764	--
--	--	753,330
3,854	694,723	--
<u>965,722</u>	<u>3,930,906</u>	<u>1,143,266</u>
19,584	67,759	19,710
--	12,000	--
--	22,101,845	--
--	--	431,220
118,113	10,118,044	--
<u>71,316</u>	<u>265,335</u>	<u>54,653</u>
<u>209,013</u>	<u>32,564,983</u>	<u>505,583</u>
<u>1,174,735</u>	<u>36,495,889</u>	<u>1,648,849</u>
2,040,356	34,976,980	747,228
(89,952)	5,067,025	4,630,984
<u>\$ 1,950,404</u>	<u>40,044,005</u>	<u>\$ 5,378,212</u>
	85,973	
	<u>\$ 40,129,978</u>	

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For the Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
Operating Revenues:			
Charges for services	\$ 1,552,601	\$ 20,760	\$ 6,740,058
Fuel sales	--	832,231	--
Other revenues	1,036	225,626	237,955
Total Operating Revenues	<u>1,553,637</u>	<u>1,078,617</u>	<u>6,978,013</u>
Operating Expenses:			
Salaries and benefits	169,802	233,391	1,734,152
Services and supplies	83,824	796,533	1,660,873
Benefit and claim expenses	--	--	15,000
Other charges	(3,967)	30,036	113,293
Expense transfers	50,796	(11,674)	458,185
Closure and postclosure costs	157,994	--	--
Depreciation and amortization	4,459	339,586	2,057,392
Total Operating Expenses	<u>462,908</u>	<u>1,387,872</u>	<u>6,038,895</u>
Operating Income (Loss)	<u>1,090,729</u>	<u>(309,255)</u>	<u>939,118</u>
Non-Operating Revenue (Expenses):			
Taxes and assessments	--	55,553	--
Forfeitures and penalties	--	--	--
Intergovernmental revenues	--	10,000	--
Interest income	88,631	1,351	76,358
Interest expense	--	(4,237)	(523,991)
Gain (loss) on sale of assets	--	--	--
Other non-operating revenue	--	1,219	--
Total Non-Operating Revenue (Expenses)	<u>88,631</u>	<u>63,886</u>	<u>(447,633)</u>
Income (Loss) Before Transfers and Contributions	1,179,360	(245,369)	491,485
Capital contributions	--	98,737	--
Transfers in	--	--	--
Change in Net Position	1,179,360	(146,632)	491,485
Net Position - Beginning of Year, restated	<u>(1,132,270)</u>	<u>6,353,632</u>	<u>31,348,026</u>
Net Position - End of Year	<u>\$ 47,090</u>	<u>\$ 6,207,000</u>	<u>\$ 31,839,511</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Change in Net Position of the Business-Type Activities

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds		Governmental Activities
Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 545,711	\$ 8,859,130	\$ 6,250,425
--	832,231	--
--	464,617	87,334
<u>545,711</u>	<u>10,155,978</u>	<u>6,337,759</u>
1,121,254	3,258,599	786,294
1,976,451	4,517,681	3,351,598
--	15,000	1,025,113
65,991	205,353	132,319
106,733	604,040	315,516
1,802	159,796	--
108,705	2,510,142	316,980
<u>3,380,936</u>	<u>11,270,611</u>	<u>5,927,820</u>
<u>(2,835,225)</u>	<u>(1,114,633)</u>	<u>409,939</u>
2,149,085	2,204,638	--
--	--	26,258
437,120	447,120	--
12,225	178,565	52,620
--	(528,228)	--
3,529	3,529	--
3,242	4,461	--
<u>2,605,201</u>	<u>2,310,085</u>	<u>78,878</u>
(230,024)	1,195,452	488,817
337,171	435,908	1,123
<u>--</u>	<u>--</u>	<u>40,092</u>
107,147	1,631,360	530,032
<u>1,843,257</u>		<u>4,848,180</u>
<u>\$ 1,950,404</u>		<u>\$ 5,378,212</u>
	7,840	
	<u>\$ 1,639,200</u>	

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 1,574,149	\$1,014,342	\$ 6,978,181
Payments to suppliers	(752,897)	(1,001,083)	(2,366,744)
Payments to employees	(170,056)	(231,584)	(1,754,632)
Net Cash Provided (Used) by Operating Activities	<u>651,196</u>	<u>(218,325)</u>	<u>2,856,805</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Grants and other receipts	--	66,772	--
Transfers from other funds	5,191	(16,995)	--
Interfund loans received	--	--	--
Interfund loans made	--	--	(391,369)
Interfund loans repaid	--	--	338,874
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,191</u>	<u>49,777</u>	<u>(52,495)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	--	(120,017)	(67,852)
Proceeds from sale of capital assets	--	--	--
Capital grants	--	281,762	--
Principal paid on capital debt	--	(3,689)	(1,506,689)
Interest paid on capital debt	--	(1,288)	(539,129)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>156,768</u>	<u>(2,113,670)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	<u>88,631</u>	<u>1,351</u>	<u>76,358</u>
Net Cash Provided (Used) by Investing Activities	<u>88,631</u>	<u>1,351</u>	<u>76,358</u>
Net Increase (Decrease) in Cash and Cash Equivalents	745,018	(10,429)	766,998
Cash and Cash Equivalents, Beginning of Year	<u>9,323,254</u>	<u>96,805</u>	<u>5,589,233</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 10,068,272</u></u>	<u><u>\$ 86,376</u></u>	<u><u>\$ 6,356,231</u></u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds		Governmental Activities
Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 350,280	\$ 9,916,952	\$ 6,367,844
(2,256,025)	(6,376,749)	(4,778,135)
<u>(1,108,276)</u>	<u>(3,264,548)</u>	<u>(790,117)</u>
 (3,014,021)	 275,655	 799,592
 2,589,447	 2,656,219	 26,258
--	(11,804)	40,092
4,966	4,966	31,058
(9)	(391,378)	--
<u>--</u>	<u>338,874</u>	<u>(53,630)</u>
 2,594,404	 2,596,877	 43,778
 (232,963)	 (420,832)	 (557,839)
5,233	5,233	3,000
124,343	406,105	--
--	(1,510,378)	--
<u>--</u>	<u>(540,417)</u>	<u>--</u>
 (103,387)	 (2,060,289)	 (554,839)
 12,225	 178,565	 52,620
<u>12,225</u>	<u>178,565</u>	<u>52,620</u>
 (510,779)	 990,808	 341,151
<u>1,225,556</u>	<u>16,234,848</u>	<u>5,364,470</u>
<u>\$ 714,777</u>	<u>\$ 17,225,656</u>	<u>\$ 5,705,621</u>

continued

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 1,090,729	\$ (309,255)	\$ 939,118
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	4,459	339,586	2,057,392
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	20,512	(71,220)	168
Prepaid expense	--	15,132	--
Inventory	--	(22,681)	--
Increase (decrease) in:			
Accounts payable	(88,016)	(178,639)	(115,494)
Accrued salaries and benefits	(699)	1,850	(2,562)
Deposits payable	--	--	(3,899)
Unearned revenue	--	6,945	--
Compensated absences payable	(1,307)	(1,873)	(33,914)
Claims liability	--	--	--
Closure and postclosure liability	(376,234)	--	--
Net OPEB obligation	1,752	1,830	15,996
Net Cash Provided (Used) by Operating Activities	<u>\$ 651,196</u>	<u>\$ (218,325)</u>	<u>\$ 2,856,805</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds		Governmental Activities
Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$(2,835,225)	\$ (1,114,633)	\$ 409,939
108,705	2,510,142	316,980
2,169	(48,371)	30,085
--	15,132	21,086
--	(22,681)	3,736
(106,850)	(488,999)	81,795
1,436	25	1,223
--	(3,899)	--
(197,600)	(190,655)	--
2,216	(34,878)	(12,682)
--	--	(60,206)
1,802	(374,432)	--
9,326	28,904	7,636
<u><u>\$ (3,014,021)</u></u>	<u><u>\$ 275,655</u></u>	<u><u>\$ 799,592</u></u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

Statement of Fiduciary Net Position
June 30, 2014

	Investment Trust Fund	Agency Funds
Assets		
Cash and investments	\$ 75,147,804	\$ 1,981,230
Restricted cash and investments	--	321,423
Accounts receivable	596,231	16,950
Taxes receivable	<u>487,500</u>	<u>10,135,564</u>
Total Assets	76,231,535	12,455,167
Liabilities		
Accounts payable	411,131	--
Due to other funds	--	4,528,984
Agency obligations	<u>--</u>	<u>7,926,183</u>
Total Liabilities	<u>411,131</u>	<u>12,455,167</u>
Net Position		
Net position held in trust for investment pool participants	<u><u>\$ 75,820,404</u></u>	<u><u>\$ --</u></u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF NEVADA

**Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2014**

	Investment Trust Fund
Additions	
Contributions to investment pool	\$ 346,351,004
Net investment income:	
Investment income	<u>761,351</u>
Total Additions	<u>347,112,355</u>
Deductions	
Distributions from investment pool	<u>345,260,902</u>
Total Deductions	<u>345,260,902</u>
Change in net position	1,851,453
Net Position - Beginning of Year	<u>73,968,951</u>
Net Position - End of Year	<u><u>\$ 75,820,404</u></u>

The accompanying notes are an integral part of these financial statements.

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Basic Financial Statements
Notes to Basic Financial Statements

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COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of County of Nevada (County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

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, road construction, road maintenance, transportation, elections and records, communications, planning, zoning and tax collection.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

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 Board of Supervisors. 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 or via the web at www.mynevadacounty.com/auditor.

Blended Component Units

Special Districts Governed by the Board of Supervisors – The County Board of Supervisors is the governing body of a number of special purpose district funds administered by the Department of Public Works. Among its duties, the County Board of Supervisors approves the budgets, special taxes and fees of these special districts. As an integral part of the County, these special districts are reported as a nonmajor special revenue fund in the County's financial statements.

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. The County Board of Supervisors is the governing body of these funds and approves all payments. As an integral part of the County, these funds are reported as a nonmajor debt service fund in the County's financial statements.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

Finance Authority – The Finance Authority was formed to assist the County in the financing of real or personal property for the benefit of Nevada County. The Finance Authority is the lessor for the County's Certificates of Participation (2011 Refunding) and the Crown Point Building Loan and makes debt service payments on behalf of the County. The County Board of Supervisors appoints the governing body of the Finance Authority and because its financial and operational relationship with the County is closely integrated, the Finance Authority is reported as a nonmajor debt service fund in the County's financial statements.

Sanitation District – The County Board of Supervisors is the governing body of the Sanitation District. The Sanitation District accounts for activity related to providing customers with sanitation management and billing for services provided. As an integral part of the County, this special district is reported as a major enterprise fund in the County's financial statements.

Discretely Presented Component Units

These are no component units of the County which meet the criteria for discrete presentation.

Joint Agencies

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC). CSAC is a joint powers authority organized for the purpose of developing and funding excess insurance programs for member counties. CSAC operates public entity risk pools for workers' compensation, comprehensive liability, property, and medical malpractice, and the pool purchases excess insurance and services for members. CSAC is under the control and direction of a board of directors consisting of representatives of the fifty member counties. Complete audited financial statements can be obtained from CSAC's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. 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

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: 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 for 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

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

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. Funding comes primarily from state highway users taxes and state and federal highway improvement grants.
- The Community Development Agency fund is a special revenue fund used to account for the operation of community development programs. Funding comes primarily from construction permit and inspection fees, state grants and charges for various services.
- The Human Services Agency fund is a special revenue fund used to account for revenues and expenditures for human service programs. Funding comes primarily from state and federal revenues.
- 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. Funding comes primarily from state realignment revenues.
- The Local Revenue Fund 2011 Realignment fund is a special revenue fund used to account for revenues and expenditures related to 2011 realignment funding. Funding comes primarily from state realignment revenues.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

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 landfill postclosure maintenance services.
- 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.

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet maintenance, mail 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. 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 government 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.

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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. Under the 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.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus

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. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within sixty days after the end of the 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. General 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.

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 on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

E. Cash, Cash Equivalents 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.

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. Corporate notes are valued by the safekeeping institution and by the County brokerage firm. 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 every quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash, Cash Equivalents and Investments (Continued)

are not apportioned to pool participants. During the fiscal year ended June 30, 2014, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

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.

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, including cash with fiscal agents and restricted cash, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. Restricted Cash and Investments

Restricted assets in the governmental funds represents cash and investments held with the Finance Authority for debt service in the amount of \$872,245.

In addition, the Agency funds reflect cash and investments held for various restricted purposes as restricted cash of \$321,423.

G. Receivables

Receivables for governmental activities consist mainly of accounts, taxes and intergovernmental. Receivables in business-type activities consist mainly of user fees and intergovernmental. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

H. Other Assets

Inventory

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.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

J. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items), are defined by the County as assets with a cost of more than \$5,000 for equipment, \$25,000 for intangibles and \$50,000 for structures and infrastructure and an estimated useful life of more than one year. Capital assets are recorded at historical or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their estimated fair market value at the date of donation.

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.

Capital assets used in operations are depreciated or amortized using the straight line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	2-25 years
Structures and improvements	5-50 years
Infrastructure (except for the maintained road system)	20-75 years
Intangibles (Computer Software)	5 years

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

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. 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 increased by no more than 2 percent per fiscal 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:

	Secured	Unsecured
Valuation/lien 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 Sections 4701 through 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.

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, 2014, the outstanding net borrowing totaled \$4,528,984 and was recorded as a reduction of cash in the General fund with a corresponding due from other funds.

L. 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 nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Interfund Transactions (Continued)

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 reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

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

M. Unearned Revenue

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

N. 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.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2014, the County did not have any deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. 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.

Q. Future Accounting Pronouncements

Statement No. 68	<i>Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27</i>	The provisions of this Statement are effective for financial statement periods beginning after December 15, 2014.
Statement No. 69	<i>Government Combinations and Disposals of Government Operations</i>	The provisions of this statement are effective for financial statements for fiscal years beginning after December 15, 2013.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Net Position

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 net position and beginning fund balance. During the fiscal year ending June 30, 2014, the County restated the beginning fund balance of the Community Development Agency fund to reflect a reduction of \$128,249 in the intergovernmental payables for the Local Oversight Program and a corresponding increase in fund balance. In addition, the County restates the beginning balance in the OPEB liability by \$23,013.

The impact of the restatement on the net position on the governmental activities financial statements as previously reported is presented below:

	Governmental Activities	Business-Type Activities
Net Position, June 30, 2013, as previously reported	\$ 321,233,406	\$ 38,491,729
Adjustment associated with:		
Correction of intergovernmental payables	128,249	
Change in OPEB liability	(22,062)	(951)
Net Position, July 1, 2013, as restated	<u>\$ 321,339,593</u>	<u>\$ 38,490,778</u>

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

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

B. Rebatable 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, 2014, does not expect to incur a liability.

NOTE 3: CASH AND INVESTMENTS

The County Treasurer manages, in accordance with California Government Code Section 53600, funds deposited in the investment pool by the County, all County school districts, various districts, and some cities within the County. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County's investment policy govern the investment pool activity. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The pool attempts to match maturities with planned outlays and maximize the return on investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles.

The Board of Supervisors monitor and review the management of the public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. 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 Board of Supervisors 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 and investments with fiscal agents are considered 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 investments of involuntary participants in the investment pool totaled \$75,147,804 at June 30, 2014.

A. Financial Statement Presentation

As of June 30, 2014, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 80,677,027
Investment trust fund	75,147,804
Agency funds	<u>2,302,653</u>
Total Cash and Investments	<u>\$ 158,127,484</u>

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

A. Financial Statement Presentation (continued)

As of June 30, 2014, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 69,715
Deposits in Treasurer's Pool (less outstanding warrants)	24,498,095
Total Cash in County Pool	<u>24,567,810</u>
Investments:	
In Treasurer's Pool	132,687,429
Total Investments in County Pool	<u>132,687,429</u>
Investments with fiscal agents	872,245
Total Investments	<u>133,559,674</u>
Total Cash and Investments	<u>\$ 158,127,484</u>

B. 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 \$32,506,812 and the bank balance was \$31,173,263. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the County had cash on hand of \$69,715.

Custodial Credit Risk For Deposits – Custodial credit risk for deposits 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 of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized.

C. Investments

The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law. Under the provisions of the County's investment policy the County may invest or deposit in the following:

Banker's Acceptances
Commercial Paper
Local Agency Investment Fund

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (continued)

Medium Term Corporate Notes
Money Market Funds
Negotiable Certificates of Deposit
Repurchase Agreements
Reverse Repurchase Agreements
Securities of the Federal Government or its Agencies
California State Registered Warrants, Treasury Notes and Bonds
Local Agency Obligations
Certificates of Deposit
Pass-Through Security

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 market interest rates. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The County limits its exposure to interest rate risk inherent in its portfolio by limiting individual maturities to 5 years or less.

As of June 30, 2014, the County had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Book Value	Fair Value	Weighted Average Maturity (Years)
		0-1 Year	1-5 Years			
Pooled Investments						
Government Agencies	0.34-2.25%	\$ -	\$ 48,106,926	\$ 48,106,925	\$ 48,120,620	3.09
Medium Term Notes	0.85-4.85%	2,032,312	35,617,928	37,650,240	37,675,727	2.65
Municipal Bonds	1.05-5.728%	286,438	7,322,639	7,609,077	7,553,799	3.05
Negotiable CD's	0.35-2.00%	3,470,000	5,858,453	9,328,453	9,349,712	1.86
CAMP	--	11,011	-	11,011	11,011	-
LAIF	Variable	29,981,723	-	29,981,723	29,981,723	-
Total Pool Investments		35,781,484	96,905,946	132,687,429	132,692,592	2.16
Investments Held by Fiscal Agents						
IXIS	5.91%	861,000	-	861,000	861,000	
Money Market	--	11,245	-	11,245	11,245	
Total Investments Held by Fiscal Agents		872,245	-	872,245	872,245	
Total Investments		\$ 36,653,729	\$ 96,905,946	\$ 133,559,674	\$ 133,564,837	

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the County's investment policy, and the actual rating as of year-end for each investment type.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (continued)

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	% of Portfolio
Federal Farm Credit Bank	N/A	AA+	Aaa	5.262%
Federal Home Loan Bank	N/A	A1+	Aaa	1.507%
Federal Home Loan Bank	N/A	AA+	Aaa	1.486%
Federal Home Loan Mortgage	N/A	A1+	Aaa	3.725%
Federal Home Loan Mortgage	N/A	AA+	Aaa	7.535%
Federal National Mortgage Association	N/A	A1+	Aaa	4.552%
Federal National Mortgage Association	N/A	AA	Aaa	1.487%
Federal National Mortgage Association	N/A	A+	Aaa	10.477%
Medium Term Notes	A	AAA-	Aaa	3.783%
Medium Term Notes	A	A+	A1	2.295%
Medium Term Notes	A	A+	A2	5.354%
Medium Term Notes	A	A	A2	2.314%
Medium Term Notes	A	A-	A3	1.523%
Medium Term Notes	A	AA+	Aa1	1.485%
Medium Term Notes	A	AA+	Aa3	1.505%
Medium Term Notes	A	AA+	A1	1.507%
Medium Term Notes	A	AA-	Aa3	4.636%
Medium Term Notes	A	AA-	A1	0.755%
Medium Term Notes	A	AA	Aa	1.543%
Medium Term Notes	A	AA	Aa2	1.513%
Municipal Bonds	N/A	AA+	Aaa	1.904%
Municipal Bonds	N/A	AA+	N/A	1.254%
Municipal Bonds	N/A	AA-	N/A	0.407%
Municipal Bonds	N/A	AA-	Aa3	0.750%
Municipal Bonds	N/A	A-	A1	1.342%
Negotiable CDs	N/A	N/A	N/A	7.001%
CAMP	N/A	Unrated	Unrated	0.008%
LAIF	N/A	Unrated	Unrated	22.449%
IXIS	N/A	Unrated	A2	0.645%
Total				<u>100.000%</u>

Custodial Credit Risk for Investments – Custodial credit risk for investments 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. To mitigate the custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party under contract with the County. At June 30, 2014, the County's investment pool had no securities exposed 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 and the investment policy of the County contain limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2014, that represent 5 percent or more of total County investments are as follows:

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (continued)

Investment Type	Amount Invested	Percentage of Investments
Federal Farm Credit Bank	\$ 7,026,960	5.296%
Federal Home Loan Mortgage	15,037,670	11.333%
Federal National Mortgage Association	22,058,390	16.624%

D. Investment in External Investment Pools

Investment in Local Agency Investment Fund – The County of Nevada is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code and is managed by the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members as designated by State statute.

Investments in LAIF are available on demand and are stated at amortized cost, which approximates fair value. The fair value of the County's position in the pool is the same as the value of the pooled shares. At June 30, 2014 the County's investment position in LAIF was \$29,981,723. The total amount invested by all public agencies in LAIF on that day was \$64,846,169,129. Of that amount, 98.14% is invested in non-derivative financial products and 1.86% in structured notes and asset-backed securities.

Investment in California Asset Management Program – The County of Nevada also maintains an investment in the California Asset Management Program (CAMP) a California JPA established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. The County's investment with CAMP as of June 30, 2014, was \$11,011, which approximates fair value.

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net position and changes in net position for the Treasurer's pool at June 30, 2014:

	Total Pool Participants
Statement of Net Position	
Net position held for pool participants	\$ 156,908,213
Equity of internal pool participants	81,760,409
Equity of external pool participants	75,147,804
Net Position at June 30, 2014	<u>\$ 156,908,213</u>
Statement of Changes in Net Position	
Net position at July 1, 2013	\$ 146,905,669
Net changes in investments by pool participants	10,002,544
Net Position at June 30, 2014	<u>\$ 156,908,213</u>

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2014, was as follows:

Governmental Activities

	Balance July 1, 2013	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2014
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 104,608,171	\$ 145,776	\$ -	\$ 213,218	\$ 104,967,165
Infrastructure (maintained road system)	104,030,592	361,322	-	588,251	104,980,165
Construction in progress	2,859,022	2,397,652	(1,183,557)	(2,164,043)	1,909,074
Total Capital Assets, Not Being Depreciated	<u>211,497,785</u>	<u>2,904,750</u>	<u>(1,183,557)</u>	<u>(1,362,574)</u>	<u>211,856,404</u>
Capital Assets, Being Depreciated:					
Infrastructure	32,195,162	-	-	988,684	33,183,846
Structures and improvements	51,967,771	-	-	1,114,872	53,082,643
Equipment	18,487,988	807,379	(338,752)	749,000	19,705,615
Software	1,852,516	-	-	-	1,852,516
Total Capital Assets, Being Depreciated	<u>104,503,437</u>	<u>807,379</u>	<u>(338,752)</u>	<u>2,852,556</u>	<u>107,824,620</u>
Less Accumulated Depreciation for:					
Infrastructure	(14,047,642)	(531,523)	-	-	(14,579,165)
Structures and improvements	(21,204,115)	(1,021,788)	-	-	(22,225,903)
Equipment	(13,522,046)	(1,176,241)	330,936	-	(14,367,351)
Software	(1,324,341)	(170,764)	-	-	(1,495,105)
Total Accumulated Depreciation	<u>(50,098,144)</u>	<u>(2,900,316)</u>	<u>330,936</u>	<u>-</u>	<u>(52,667,524)</u>
Total Capital Assets, Being Depreciated, Net	<u>54,405,293</u>	<u>(2,092,937)</u>	<u>(7,816)</u>	<u>2,852,556</u>	<u>55,157,096</u>
Governmental Activities, Capital Assets, Net	<u>\$ 265,903,078</u>	<u>\$ 811,813</u>	<u>\$ (1,191,373)</u>	<u>\$ 1,489,982</u>	<u>\$ 267,013,500</u>

Business-Type Activities

	Balance July 1, 2013	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2014
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 3,596,250	\$ -	\$ -	\$ -	\$ 3,596,250
Construction in progress	5,687,607	55,555	-	(5,626,997)	116,165
Total Capital Assets, Not Being Depreciated	<u>9,283,857</u>	<u>55,555</u>	<u>-</u>	<u>(5,626,997)</u>	<u>3,712,415</u>
Capital Assets, Being Depreciated:					
Infrastructure	72,700,840	139,700	-	5,626,997	78,467,537
Structures and improvements	5,014,757	-	-	-	5,014,757
Equipment	3,314,015	225,577	(106,211)	-	3,433,381
Total Capital Assets, Being Depreciated	<u>81,029,612</u>	<u>365,277</u>	<u>(106,211)</u>	<u>5,626,997</u>	<u>86,915,675</u>
Less Accumulated Depreciation for:					
Infrastructure	(24,569,584)	(2,289,013)	-	-	(26,858,597)
Structures and improvements	(2,179,552)	(120,360)	-	-	(2,299,912)
Equipment	(2,843,629)	(100,769)	104,507	-	(2,839,891)
Total Accumulated Depreciation	<u>(29,592,765)</u>	<u>(2,510,142)</u>	<u>104,507</u>	<u>-</u>	<u>(31,998,400)</u>
Total Capital Assets, Being Depreciated, Net	<u>51,436,847</u>	<u>(2,144,865)</u>	<u>(1,704)</u>	<u>5,626,997</u>	<u>54,917,275</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 60,720,704</u>	<u>\$ (2,089,310)</u>	<u>\$ (1,704)</u>	<u>\$ -</u>	<u>\$ 58,629,690</u>

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 4: CAPITAL ASSETS (CONTINUED)

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 585,689
Public protection	868,924
Public ways and facilities	858,791
Health and sanitation	166,167
Public assistance	31,245
Education	72,520
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>316,980</u>
Total	<u><u>\$ 2,900,316</u></u>

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

Western Nevada County Solid Waste	\$ 4,459
Airport	339,586
Sanitation District	2,057,392
Transit	<u>108,705</u>
Total Depreciation Expense - Business-Type Functions	<u><u>\$ 2,510,142</u></u>

Construction in Progress

Construction in progress for governmental activities related primarily to work performed on Bear River Corporation Yard, Magnolia Road, Brunswick Road, Lime Kiln Road, Penn Valley Drive, Empress Road bike lane, Newtown Road bike lane, Donner Pass Road, Hirschdale Bridge, Wolf Creek Bridge and Maybert Bridge. Construction in progress for the business-type activities related primarily to work performed on the Penn Valley wastewater system.

NOTE 5: 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, 2014:

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)

Due To/From Other Funds (continued)

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Road Fund	\$ 11,887	Services provided
	Community Development Agency	5,205	Services provided
	Human Services Agency	938,810	Services provided
	Health and Welfare Realignment	361,686	Program funding/match
	Local Revenue Fund 2011 Realignment	892,477	Program funding/match
	Nonmajor Governmental Funds	1,923,247	Services provided
	Airport	71	Services provided
	Western Nevada Co Solid Waste	5,200	Services provided
	Sanitation District	361	Services provided
	Nonmajor Enterprise Funds	1,882	Services provided
	Internal Service Funds	67,871	Services provided
	Agency Fund	4,528,984	Services provided
		<u>8,737,681</u>	
Road Fund	General Fund	2,239	Services provided
	Community Development Agency	560	Services provided
	Nonmajor Governmental Funds	14,692	Services provided
	Airport	762	Services provided
	Western Nevada Co Solid Waste	9,841	Services provided
	Sanitation District	13,776	Services provided
	Nonmajor Enterprise Funds	2,140	Services provided
	Internal Service Funds	4,217	Services provided
		<u>48,227</u>	
Community Development Agency	General Fund	18,890	Services provided
	Road Fund	62,151	Services provided
	Health and Welfare Realignment	5,648	Program funding
	Nonmajor Governmental Funds	21,710	Services provided
	Western Nevada Co Solid Waste	3,516	Services provided
	Sanitation District	15,890	Services provided
	Nonmajor Enterprise Funds	7,931	Services provided
	Internal Service Funds	10,936	Services provided
		<u>146,672</u>	
Human Services Agency	General Fund	98,040	Services provided
	Community Development Agency	1	Refund overpayment
	Health and Welfare Realignment	425,671	Program funding
	Local Revenue Fund 2011 Realignment	741,661	Program funding
	Nonmajor Governmental Funds	760,809	Services provided
	Western Nevada Co Solid Waste	13	Refund overpayment
	Internal Service Funds	1	Refund overpayment
		<u>2,026,196</u>	
Health and Welfare Realignment Fund	General Fund	21,211	Unused funding
	Local Revenue Fund 2011 Realignment	120,840	Unused funding
	Human Services Agency	1,533,229	Unused funding
		<u>1,675,280</u>	

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)

Due To/From Other Funds (continued)

Receivable Fund	Payable Fund	Amount	Purpose
Local Revenue Fund 2011 Realignment Fund	Nonmajor Governmental Funds	\$ 43,822	Unused funding
Nonmajor Governmental Funds	General Fund	6,063	Services provided
	Community Development Agency	1,204	Services provided
	Local Revenue Fund 2011 Realignment	197,119	Program funding
	Human Services Agency	9,431	Services provided
	Nonmajor Governmental Funds	42,798	Services provided
	Sanitation District	19	Services provided
		<u>256,634</u>	
Airport	General Fund	15,911	Services provided
	Community Development Agency	54	Refund overpayment
		<u>15,965</u>	
Solid Waste	General Fund	21,940	Services provided
	Sanitation District	10	Refund overpayment
		<u>21,950</u>	
Internal Service Funds	General Fund	121,240	Services provided
	Road Fund	72,864	Services provided
	Community Development Agency	13,421	Services provided
	Human Services Agency	18,813	Services provided
	Nonmajor Governmental Funds	1,250	Services provided
	Airport	184	Services provided
	Western Nevada Co Solid Waste	702	Services provided
	Sanitation District	7,551	Services provided
	Nonmajor Enterprise Funds	43,523	Services provided
	Internal Service Funds	83,870	Services provided
		<u>363,418</u>	
Nonmajor Enterprise Funds	General Fund	11	Refund overpayment
	Road Fund	2,264	Services provided
	Community Development Agency	40	Refund overpayment
		<u>2,315</u>	
		<u>\$ 13,338,160</u>	

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 5: 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, 2014:

Transfer From	Transfers To	Amount	Purpose
General Fund	Human Services Agency	\$ 805,776	Budget support
	Health & Welfare Realignment	120,929	Unused funding
	Community Development Agency	1,608,174	Budget support
	Nonmajor Governmental Funds	4,086,810	Services provided/
	Internal Service Funds	33,303	Budget support
		<u>\$ 6,654,992</u>	Services provided
Community Development Agency	Internal Service Funds	<u>58</u>	Services provided
Human Services Agency	Internal Service Funds	<u>6,731</u>	Services provided
Health & Welfare Realignment	General Fund	382,909	Program funding
	Human Services Agency	7,835,122	Program funding
	Community Development Agency	19,770	Program funding
		<u>8,237,801</u>	
Local Revenue Fund	General Fund	3,700,913	Program funding
	Human Services Agency	5,942,644	Program funding
	Nonmajor Governmental Funds (other)	1,162,211	Program funding
		<u>10,805,768</u>	
Nonmajor Governmental Funds	General Fund	6,522,367	Services provided
	Human Services Agency	2,019	Services provided
	Local Revenue Fund 2011	11,748	Services provided
	Community Development Agency	201,580	Services provided
	Roads	1,605,185	
	Nonmajor Governmental Funds (other)	673,095	Services provided
		<u>9,015,994</u>	
		<u>\$ 34,721,344</u>	

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 6: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2014:

Type of Indebtedness	Balance July 1, 2013 Restated	Additions Adjustments	Retirements/ Adjustments	Balance June 30, 2014	Amounts Due Within One Year
Governmental Activities					
Certificates of participation	\$ 7,445,000	\$ -	\$ (1,070,000)	\$ 6,375,000	\$ 1,120,000
Plus: premium	475,338	-	(67,905)	407,433	67,905
Certificates of participation, net	7,920,338	-	(1,137,905)	6,782,433	1,187,905
Special assessment bonds with County commitment	263,000	-	(13,000)	250,000	14,000
Loans	7,102,548	-	(277,274)	6,825,274	377,881
Enterprise agreements	51,774	-	(51,774)	-	-
Accrued claims liability	1,244,756	1,024,002	(1,084,208)	1,184,550	753,330
Capital lease	7,342	-	(7,342)	-	-
Compensated absences	5,062,661	5,434,561	(5,425,512)	5,071,710	3,301,149
Net OPEB obligation	3,693,174	4,037,010	(3,369,469)	4,360,715	-
Total Governmental Activities	\$ 25,345,593	\$ 10,495,573	\$ (11,366,484)	\$ 24,474,682	\$ 5,634,265
Business-Type Activities					
Special assessment bonds with County commitment	\$ 17,000	\$ -	\$ (2,000)	\$ 15,000	\$ 3,000
Loans	27,066,086	-	(1,735,871)	25,330,215	1,771,933
Less: unamortized discount	(1,898,098)	-	227,492	(1,670,606)	(214,169)
Loans, net	25,167,988	-	(1,508,379)	23,659,609	1,557,764
Post closure	11,187,199	159,794	(534,226)	10,812,767	694,723
Compensated absences	252,668	218,244	(253,122)	217,790	150,031
Net OPEB obligation	228,793	220,990	(184,448)	265,335	-
Total Business-Type Activities	\$ 36,853,648	\$ 599,028	\$ (2,482,175)	\$ 34,970,501	\$ 2,405,518

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 net other postemployment benefit obligation for the governmental activities is generally liquidated by the fund where the accrued liability occurred.

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.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2014, are as follows:

Governmental Activities

Certificates of Participation:

Certificates of Participation (2012 Refunding), issued July 5, 2012, in the amount of \$8,610,000 and payable in annual installments of \$105,000 to \$1,290,000, with an interest rate of 2.00% to 5.00% and maturity on October 1, 2019. These bonds were used to refinance the 2001 Certificates of Participation which were used to defease 1991 and 1993 Certificates of Participation financing the acquisition and construction of the County Administration building and the County jail.

\$ 6,375,000

Total Certificates of Participation

6,375,000

Special Assessment Bonds with County Commitment:

County Service Area 22 Assessment District Limited Obligation Improvement Bonds, issued August 31, 2006, 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 on September 2, 2026. Bond proceeds were used for the construction of improvements.

250,000

Total Special Assessment Bonds with County Commitment

250,000

Loans:

Crown Point Building Loan, issued November 1, 2005, 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 6.75% and maturity on November 1, 2025. Loan proceeds were used to finance the acquisition of the Crown Point building to house County health programs.

2,148,387

Laura Wilcox Building Loan, issued August 31, 2005, in the amount of \$880,000 and payable in annual installments of \$13,070 to \$34,174 with an interest rate of 4.99% and maturity on August 31, 2025. Loan proceeds were used to finance the acquisition of the Laura Wilcox building to house County children's programs.

607,404

California Energy Commission Loan, issued March 9, 2010, in the amount of \$1,392,226 and payable in annual installments of \$29,258 to \$61,041 with an interest rate of 3.00% and maturity on June 22, 2025. Loan proceeds were used to finance energy upgrades to the County Administration building and County jail.

1,153,474

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2014, are as follows (continued):

Governmental Activities (continued)

Loans (continued):

Calease Public Funding Corporation loan, issued May 1, 2013, in the amount of \$2,930,000 and payable in semi-annual installments of \$111,680 with an interest rate of 4.15% and maturity on March 1, 2033. Proceeds were used for the acquisition of land, an office building and condominium unit and improvements.

\$ 2,916,008

Total Loans 6,825,274

Total Governmental Activities \$ 13,450,274

Business-Type Activities

Special Assessment Bonds with County Commitment:

USDA Rural Development Bond - North San Juan, issued July 19, 1988, 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 on September 2, 2018. Bond proceeds were used to construct improvements in the North San Juan Sewer Assessment District.

\$ 15,000

Total Special Assessment Bonds with County Commitment 15,000

Loans:

California Airport Loan, issued November 13, 1998, 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 on July 26, 2017. Loan proceeds were used to finance the construction of an above ground aircraft fuel storage dispensing system.

70,433

California Airport Loan, issued December 12, 2012, in the amount of \$33,000 and payable in annual installments of \$4,977 with an interest rate of 4.37% and maturity on February 14, 2020. Loan proceeds were used to provide matching funds for runway rehabilitation project.

25,777

State Water Resources Control Board loan, issued November 13, 2010, in the amount of \$339,164 and payable in annual installments of \$16,958, with an interest rate of 0.0% and maturity on June 30, 2029. Loan proceeds were used for the acquisition and construction of improvements to the Cascade Shores Wastewater system. The loan includes a loan discount of \$56,528.

254,373

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2014, are as follows (continued):

Business-Type Activities (continued)

Loans (continued):

SWRCB Revolving Loan, issued December 12, 2006, 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 on January 22, 2016. Loan proceeds were used to finance modifications to the existing lift station. The lift station was impaired and removed from the capital assets schedule. 21,898

Banc of America Leasing and Capital, LLC loan, issued August 1, 2009, in the amount of \$2,500,000 and payable in annual installments of \$73,529, with an interest rate of 3.55% and maturity on August 1, 2026. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system. 1,838,236

Banc of America Leasing and Capital, LLC loan, issued August 1, 2009, in the amount of \$1,000,000 and payable in annual installments of \$29,412, with an interest rate of 3.55% and maturity on August 1, 2026. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system. 735,294

State Water Resources Control Board loan, issued September 13, 2010, 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 1.2% 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. 9,098,793

State Water Resource Control Board loan, issued September 13, 2010, in the amount of \$18,964,071 and payable in annual installments of \$948,204, with an interest rate of 0.00% 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. 13,285,411

Total Loans 25,330,215

Total Business-Type Activities \$ 25,345,215

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, capital leases which are reported in Note 8, landfill postclosure costs which are reported in Note 9, net OPEB obligation which is reported in Note 14 and accrued claims liability which is reported in Note 15.

Governmental Activities

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2015	\$ 1,120,000	\$ 282,350	\$ 1,402,350
2016	1,165,000	230,825	1,395,825
2017	1,230,000	170,950	1,400,950
2018	1,290,000	107,950	1,397,950
2019	1,570,000	49,050	1,619,050
Total	<u>\$ 6,375,000</u>	<u>\$ 841,125</u>	<u>\$ 7,216,125</u>

Year Ended June 30	Special Assessment Bonds with County Commitment		
	Principal	Interest	Total
2015	\$ 14,000	\$ 13,270	\$ 27,270
2016	15,000	12,509	27,509
2017	16,000	11,695	27,695
2018	16,000	10,835	26,835
2019	17,000	9,928	26,928
2020-2024	100,000	34,100	134,100
2025-2029	72,000	6,050	78,050
Total	<u>\$ 250,000</u>	<u>\$ 98,387</u>	<u>\$ 348,387</u>

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (continued)

Year Ended June 30	Loans		
	Principal	Interest	Total
2015	\$ 377,880	\$ 284,060	\$ 661,940
2016	393,819	268,120	661,939
2017	410,622	251,317	661,939
2018	428,076	233,863	661,939
2019	446,293	215,643	661,936
2020-2024	2,533,881	775,815	3,309,696
2025-2029	1,419,232	293,483	1,712,715
2030-2034	815,471	77,969	893,440
Total	<u>\$ 6,825,274</u>	<u>\$ 2,400,270</u>	<u>\$ 9,225,544</u>

Business-Type Activities

Year Ended June 30	Special Assessment Bonds with County Commitment		
	Principal	Interest	Total
2015	\$ 3,000	\$ 675	\$ 3,675
2016	3,000	525	3,525
2017	3,000	375	3,375
2018	3,000	225	3,225
2019	3,000	75	3,075
Total	<u>\$ 15,000</u>	<u>\$ 1,875</u>	<u>\$ 16,875</u>

Year Ended June 30	Loans			
	Principal	Interest	Service Charge	Total
2015	\$ 1,771,933	\$ 204,205	\$ 90,988	\$ 2,067,126
2016	1,784,799	188,590	85,368	2,058,757
2017	1,786,498	172,807	79,624	2,038,929
2018	1,776,116	157,212	73,754	2,007,082
2019	1,789,505	142,008	67,754	1,999,267
2020-2024	9,137,826	486,364	244,057	9,868,247
2025-2029	7,283,538	115,201	72,991	7,471,730
Total	<u>\$ 25,330,215</u>	<u>\$ 1,466,387</u>	<u>\$ 714,536</u>	<u>\$ 27,511,138</u>

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 7: LEASES

Operating Leases

The County leases office buildings and equipment under non-cancellable operating leases. Total costs for these leases was \$329,879 for the year ended June 30, 2014. The future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Lease Obligations</u>
2015	\$ 265,581
2016	162,937
2017	28,716
2018	11,230
2019	11,791
2020-2023	<u>17,557</u>
Total	<u><u>\$ 497,812</u></u>

NOTE 8: POSTCLOSURE

The County is responsible for two closed solid waste landfill sites. 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 position date. Since the landfills are no longer accepting waste, the entire estimated expense and liability have been reported.

As of June 30, 2014, the County's estimated remaining liability for post closure maintenance costs for the closed landfills was \$10,812,767. This estimate is 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, 2014. 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 postclosure maintenance costs. The County has met this requirement for the McCourtney Road landfill through a pledge of annual parcel charges. The Hirschdale landfill is exempt from this requirement. The remaining fund balance is intended to fund the postclosure liability.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 9: SERVICE CONCESSION ARRANGEMENT

The County entered into an agreement with USA Waste of California (Waste Management of Nevada County) beginning July 1, 2012 to collect, transport, process and dispose of solid waste and operate the transfer stations in the western county area for the next 20 years. Under the terms of the agreement, Waste Management will be entitled to all collection service fee and tipping fee revenues during the 20 year period. Waste Management will remit to the County a franchise fee of 12% of all collection service revenues and a franchise host fee of \$20 per ton of solid waste and \$10.50 per ton of construction and demolition waste leaving the transfer station. In addition, Waste Management will provide up to \$5.6 million for the construction of a new or improvements to the existing transfer stations. Waste Management is responsible for complying with all applicable state and federal regulations in the performance of services related to this agreement. The County entered into the agreement to improve long range planning and cost stability; facilitate transfer station improvements; reduce risk from changes in regulations; and to facilitate the achievement of the waste diversion mandates and objectives specified in the California Public Resources Code. The County reports the transfer stations and related equipment as capital assets with a carrying amount of \$504,527 at year-end.

NOTE 10: NET POSITION

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets – 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 position – Consists of net position 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 position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position is available, it is considered that restricted resources are used first, followed by the unrestricted resources.

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$49,744,078 of restricted net position, of which \$4,878,083 is restricted by enabling legislation.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 11: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2014, fund balance for governmental funds is made up of the following:

- **Nonspendable fund balance** – amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed fund balance** – amounts that can only be used for the specific purposes determined by formal action of the County’s highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** – amounts that are constrained by the County’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** – the residual classification for the County’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The fund balances for all major and nonmajor governmental funds as of June 30, 2014, were distributed as follows:

	General Fund	Road	Community Development Agency	Human Services Agency	Health & Welfare Realignment	Local Revenue Fund 2011 Relignment	Other Governmental Funds	Total
Nonspendable:								
Inventory	\$ -	\$ 81,035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,035
Prepays	57,182	-	-	-	-	-	-	57,182
Subtotal	57,182	81,035	-	-	-	-	-	138,217
Restricted for:								
General Government	-	-	-	-	-	-	287,343	287,343
INET & PEG	-	-	-	-	-	-	41,227	41,227
Worker's Compensation	-	-	-	-	-	-	159,689	159,689
Road Projects	-	-	-	-	-	-	107,550	107,550
Wildwood Estates Restricted Proceeds	-	-	-	-	-	-	1,039,422	1,039,422
Wildwood Estates Mello Roos	-	-	-	-	-	-	43,861	43,861
Criminal Justice Facilities Construction	-	-	-	-	-	-	109,571	109,571
Dispute Resolution	-	-	-	-	-	-	5,588	5,588
Debt Service Obligations	-	-	-	-	-	-	891,594	891,594
Public Protection								
Public Safety Facilities	600,000	-	-	-	-	-	-	600,000
Unfair Competition	161,423	-	-	-	-	-	-	161,423
Fish & Game	-	-	-	-	-	-	36,887	36,887
Child Support Services	-	-	-	-	-	-	835,626	835,626
Public Safety - Prop 172	-	-	-	-	-	-	8,407	8,407
Nuisance Abatement	-	-	-	-	-	-	256,911	256,911
Capital Facilities & Equipment	-	-	-	-	-	-	84,468	84,468

COUNTY OF NEVADA

**Notes to Basic Financial Statements
For the Year Ended June 30, 2014**

NOTE 11: FUND BALANCES (CONTINUED)

	General Fund	Road	Community Development Agency	Human Services Agency	Health & Welfare Realignment	Local Revenue Fund 2011 Relignment	Other Governmental Funds	Total
Restricted for (continued):								
Public Protection (continued)								
Darkhorse Subdivision								
Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,012,116	\$ 1,012,116
District Attorney Programs	-	-	-	-	-	-	36,988	36,988
Probation Programs	-	-	-	-	-	-	1,635,942	1,635,942
Recorder Programs	-	-	-	-	-	-	448,765	448,765
Sheriff Programs	-	-	-	-	-	-	4,349,408	4,349,408
Animal Control Programs	-	-	-	-	-	-	294,886	294,886
2011 Realigned Programs	-	-	-	-	-	959,158	-	959,158
Public Ways and Facilities								
Road Program	-	6,215,844	-	-	-	-	-	6,215,844
CSA & PRD	-	-	-	-	-	-	1,647,455	1,647,455
Mitigation	-	-	-	-	-	-	2,668,448	2,668,448
Debt Service Obligations	-	-	-	-	-	-	127,059	127,059
Health and Sanitation								
Recycled Oil Grants	-	-	-	-	-	-	14,812	14,812
Behavioral Health	-	-	-	178,094	-	1	445,594	623,689
Mental Health Services Act	-	-	-	-	-	-	4,773,194	4,773,194
Public Health	-	-	-	678,287	-	-	213,622	891,909
Social Services	-	-	-	-	-	-	14,746	14,746
Environmental Health	-	-	-	-	-	-	177,186	177,186
1991 Realigned Programs	-	-	-	-	9,031,925	-	-	9,031,925
Public Assistance								
Social Services	-	-	-	748,815	-	-	-	748,815
Housing and Community Services	-	-	-	-	-	-	4,714,860	4,714,860
2011 Realigned Programs	-	-	-	-	-	632,096	-	632,096
Education								
Grass Valley Library Improvements	-	-	-	-	-	-	580,028	580,028
Forest Reserves	-	-	-	-	-	-	24,047	24,047
Recreation and Cultural Services								
Recreation Mitigation	-	-	-	-	-	-	151,448	151,448
Total Restricted Fund Balance	761,423	6,215,844	-	1,605,196	9,031,925	1,591,255	27,238,748	46,444,391
Committed to:								
General Government	-	-	-	-	-	-	37,567	37,567
General Reserve	3,967,000	-	-	-	-	-	-	3,967,000
Health and Sanitation	-	-	227,920	-	-	-	-	227,920
Total Committed Fund Balance	3,967,000	-	227,920	-	-	-	37,567	4,232,487
Assigned to:								
General Government:	152,825	-	-	-	-	-	-	152,825
State Realignment	300,000	-	-	-	-	-	-	300,000
COP Lease Payment	43,000	-	-	-	-	-	-	43,000
Accum Leave Payment	1,650,000	-	-	-	-	-	-	1,650,000
Information Systems Infrastructure	1,457,000	-	-	-	-	-	-	1,457,000
Facilities Planning	3,581,000	-	-	-	-	-	-	3,581,000
PERS Liability	3,087,000	-	-	-	-	-	-	3,087,000
Civil Litigation	80,000	-	-	-	-	-	-	80,000
General Plan Update	750,000	-	-	-	-	-	-	750,000
Economic Development Infrastructure	250,000	-	-	-	-	-	-	250,000
Future Purposes	6,540,855	-	-	-	-	-	-	6,540,855
Next Year's Budget	1,933,000	-	-	-	-	-	-	1,933,000
Property Tax System Upgrade	676,600	-	-	-	-	-	-	676,600
Madelyn Helling Library Improvements	32,774	-	-	-	-	-	-	32,774
Bear River Site Development	35,628	-	-	-	-	-	-	35,628
Public Protection	13,575	-	360	-	-	-	-	13,935
Community Development	-	-	1,866,602	-	-	-	-	1,866,602
Case Management Software	115,500	-	-	-	-	-	-	115,500
Child Support Services	-	-	-	-	-	-	318,216	318,216
Health and Sanitation	-	-	-	172,927	-	-	58,291	231,218
Community Development	-	-	110,979	-	-	-	-	110,979
Public Assistance	-	-	-	-	-	-	1,278	1,278
Education								
Library	-	-	-	-	-	-	911,997	911,997
Total Assigned Fund Balance	20,698,757	-	1,977,941	172,927	-	-	1,289,782	24,139,407
Total	\$ 25,484,362	\$ 6,296,879	\$ 2,205,861	\$ 1,778,123	\$ 9,031,925	\$ 1,591,255	\$ 28,566,097	\$ 74,954,502

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 11: FUND BALANCES (CONTINUED)

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance is available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications, establishes prudent reserve requirements and establishes a hierarchy of fund balance expenditures. The policy also provides for the County to establish and maintain a minimum unrestricted fund balance in the General Fund equal to two months of annual revenue within the Discretionary Revenue category as defined in the budget. The minimum unrestricted fund balance may be recognized within the committed, assigned, or unassigned classifications.

NOTE 12: EMPLOYEES' RETIREMENT PLAN

A. 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 Q Street, Lincoln Plaza East, Sacramento, CA 95811 or www.calpers.ca.gov.

B. Funding Policy

Miscellaneous plan members are required to contribute a set percentage of their annual covered salary. For fiscal year 2013-14, the Tier I members contribution rate was 8 percent of which the County committed to contribute either 0 or 8 percent depending on the specific bargaining group. The remaining two tiers paid 100 percent of their employee contribution which are: 7 percent for Tier II employees and 6.5 percent for Tier III (PEPRA). Safety plan members of Tier I and II, were required to contribute 9 percent of their annual covered salary. For the members of Safety Tier I, the County paid 100 percent of the employees required contribution. Safety Tier II members paid 100 percent of their employee contribution. The members of Safety Tier III were required to contribute 12.25% of the annual covered salary; however the County contributed 3.25% of the share due to contract impairment.

The required employer contribution rate for fiscal year 2013-14 was 24.484 percent for the miscellaneous plan. Of this amount, employees within the various bargaining units of the Tier I group paid a share of cost ranging from 2.585 percent to 8.272 percent and members in the bargaining groups within Tier II & Tier III groups paid a share of cost of 0 percent to 5.687 percent. The required employer contribution rate for fiscal year 2013-14 for Safety Tier I employees was 39.953 percent, 22.502 percent for Safety Tier II employees and 12.25 percent for Safety Tier III employees. Employees within the two safety bargaining

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

B. Funding Policy (continued)

groups in all three safety tiers paid a share of cost of 2.822 percent or 5.687 percent. The employer's contribution requirements of the plan were established by State statute and the employer contribution rate was established and may be amended by PERS. The County was required to contribute the remaining amount necessary to fund the benefits of its members using the actuarial bases adopted by the PERS Board of Administrators.

C. Annual Pension Cost

For fiscal year 2013/2014, the County's annual pension cost of \$9,383,139 for the miscellaneous plan, \$1,909,464 for the safety first tier plan, \$79,807 for the safety second tier plan and \$18,876 for the safety PEPR plan for PERS was equal to the County's actual contributions. The required contributions for fiscal year 2013/2014 were determined as part of the June 30, 2010, 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 3.55 percent to 14.45 percent, depending on age, service, and type of employment, (c) 3.00 percent inflation, (d) 3.25 percent payroll growth and (e) individual salary growth based on a merit scale with assumed annual inflation of 3.00 percent and annual production growth of 0.25 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 fifteen year period (smoothed market value). Initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. All changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methodology are amortized separately over a 20 year period. All gains or losses are tracked and amortized over a rolling 30 year period with the exception of gains and losses in fiscal years 2008-2009, 2009-2010 and 2010-2011 in which each year's gains or losses will be isolated and amortized over fixed and declining 30 year periods (as opposed to the current rolling 30 year amortization). If the plan's accrued liability exceeds the actuarial value of plan assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30 year amortization of the unfunded liability. The following table presents three year trend information.

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

C. 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, 2012	\$ 9,353,072	100%	\$ -
June 30, 2013	9,226,750	100%	-
June 30, 2014	9,383,139	100%	-

Safety First Tier:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2012	\$ 1,964,185	100%	\$ -
June 30, 2013	1,922,639	100%	-
June 30, 2014	1,909,464	100%	-

Safety Second Tier:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2013	\$ 59,660	100%	\$ -
June 30, 2014	79,807	100%	-

Safety PEPRA:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2013	\$ 2,324	100%	\$ -
June 30, 2014	18,876	100%	-

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 12: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

D. Funded Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the miscellaneous plan was 66.3 percent funded. The actuarial accrued liability for benefits was \$377,199,576, and the market value of assets was \$250,042,966, resulting in an unfunded actuarial accrued liability (UAAL) of \$127,156,610. The covered payroll (annual payroll of active employees covered by the plan) was \$43,820,534, and the ratio of the UAAL to the covered payroll was 290.2 percent.

The safety first tier plan, safety second tier plan and safety PEPRA had less than 100 active members in at least one valuation since June 30, 2003, therefore they are required to participate in a risk pool and do not present individual plan funded status. Information on the safety first tier 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 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. 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.

B. Funding Policy

The OPEB funding policy provides for periodic contributions by the County. The contribution rate is determined on an annual basis by an independent actuary and is authorized by the County Board of Supervisors. The contribution rate is based on the annual required contribution (ARC), an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 45, Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Funding Policy (continued)

The ARC represents a 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 as a level percent of pay over a 30 year (closed) period beginning June 30, 2009 and to account for assumption changes and experience gain/losses over a 15 year fixed (closed) period.

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 or www.calpers.ca.gov.

C. Annual OPEB Cost and Net OPEB Obligation

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	\$ 4,278,000
Interest on prior year net OPEB obligation	284,000
Amortization of prior year net OPEB obligation	<u>(304,000)</u>
Annual OPEB Cost	4,258,000
Contributions Made:	
Pay as you go contribution	(1,808,917)
Additional funding contribution	<u>(1,745,000)</u>
Increase in net OPEB obligation	704,083
Net OPEB Obligation - Beginning of Year, restated	<u>3,921,967</u>
Net OPEB Obligation - End of Year	<u><u>\$ 4,626,050</u></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 two years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2012	\$ 3,952,000	93.6%	\$ 3,518,880
6/30/2013	4,080,000	86.6%	3,921,967
6/30/2014	4,258,000	83.5%	4,626,050

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Annual OPEB Cost and Net OPEB Obligation (continued)

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.

D. 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, 2009. The funded status of the plan as of June 30, 2013 (the most recent actuarial valuation date), was as follows:

Actuarial accrued liability (AAL)	\$ 49,638,000
Actuarial value of plan assets	<u>11,010,000</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 38,628,000</u></u>
Funded ratio (actuarial value of plan assets/AAL)	22.2%
Covered payroll (active plan members)	<u><u>\$ 5,021,000</u></u>
UAAL as a percentage of covered payroll	77.2%

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.

E. 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, 2013, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.25% discount rate, and annual healthcare cost trends for HMO and PPO that start with 8.0% and 8.3%, respectively, and declines to 5.0% over seven years for both plan types. The actuarial assumptions included an annual 3.0% inflation rate and a 3.25% per annum aggregate payroll increases.

COUNTY OF NEVADA

Notes to Basic Financial Statements For the Year Ended June 30, 2014

NOTE 14: 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 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.

Actual claims unpaid as of June 30, 2014, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2014, was as follows:

Unemployment	\$ 421,550
Liability	<u>763,000</u>
Total	<u>\$ 1,184,550</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, 2014, the Risk Management Fund's fund equity was \$729,216. The claims liability of \$1,184,550 reported in the funds at June 30, 2014, 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 2012, 2013, and 2014 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
2012	\$ 1,341,185	\$ 1,602,402	\$ 1,976,081	\$ 967,506
2013	967,506	1,376,048	1,098,798	1,244,756
2014	1,244,756	1,126,784	1,186,990	1,184,550

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. Non-incremental claims adjustment expenses are included as part of liability for claims and judgments.

COUNTY OF NEVADA

Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

The County had active construction projects as of June 30, 2014, including County facility, road, bridge and bike path improvements. At year end the County's commitments with contractors were as follows:

	<u>Spent-to-Date</u>	<u>Remaining Commitments</u>
County facility improvement	\$ 39,819	\$ 60,242
Road infrastructure	68,718	47,242
Bridge infrastructure	830,805	206,312
Bike Paths	210,117	19,233
Total	<u>\$ 1,149,459</u>	<u>\$ 333,029</u>

Encumbrances

The County has entered into contracts to purchase goods and services from various vendors. These encumbrances are payable upon future performance and are summarized below as of June 30, 2014:

General Fund	\$ 4,142,574
Road Fund	201,959
Community Development Agency Fund	927,191
Human Services Agency Fund	2,424,736
Nonmajor Governmental Fund	732,103
	<u>\$ 8,428,563</u>

**Required Supplementary Information
(Unaudited)**

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COUNTY OF NEVADA

Required Supplementary Information
For the Year Ended June 30, 2014

1. 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.

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	Market Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
June 30, 2011	\$ 343,180,761	\$ 229,612,608	\$ 86,066,459	66.90%	\$ 46,911,252	183.50%
June 30, 2012	363,518,677	226,375,026	93,256,436	62.30%	45,477,988	205.10%
June 30, 2013	377,199,576	250,042,966	127,156,610	66.30%	43,820,534	290.20%

Safety Plans:

The County's Safety Plans participate 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. The County specific funding information is no longer available for the Safety Plans.

At the time that the County's Safety First Tier 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. As of June 30, 2014, the County's unfunded debt balance should be \$4,459,719.

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 or www.calpers.ca.gov.

2. SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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.

The table below shows a three 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 for the County Other Post-Employment Benefit Plan.

COUNTY OF NEVADA

Required Supplementary Information
For the Year Ended June 30, 2014

2. SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2010	\$ 4,037,000	\$ 40,383,000	\$ 36,346,000	10.00%	\$ 46,922,000	77.50%
June 30, 2011	8,600,000	46,896,000	38,296,000	18.30%	48,447,000	79.00%
June 30, 2013	11,010,000	49,638,000	38,628,000	22.20%	50,021,000	77.20%

3. 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 2012 with an average PCI rating of 65.3. The overall condition of the County maintained roads increased slightly from the fiscal year 2009 average PCI rating of 65.0. The history of the condition assessments is provided below.

	Year 1	Year 2	Year 3	Average
2012	64	66	66	65.3
2009	65	66	64	65.0
2006	68	67	65	66.7

COUNTY OF NEVADA

Required Supplementary Information
For the Year Ended June 30, 2014

3. INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH (CONTINUED)

For the year ended June 30, 2014, actual maintenance and preservation costs were \$5,575,058, which was \$164,342 or 3% less than estimated. The decrease was due to lower than expected maintenance costs. A five year history of planned to actual maintenance and preservation costs is provided in the following table.

Maintenance & Preservation Cost			
Fiscal Year	Estimated Costs	Actual Costs	Variance
2009	\$ 9,525,400	\$ 8,177,280	\$ 1,348,120
2010	8,882,400	6,253,914	2,628,486
2011	6,270,000	6,340,588	(70,588)
2012	5,929,387	6,588,781	(659,394)
2013	4,875,842	4,653,777	222,065
2014	5,739,400	5,575,058	164,342

COUNTY OF NEVADA

Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 34,757,365	\$ 35,177,703	\$ 35,460,601	\$ 282,898
Licenses and permits	2,467,094	2,517,233	2,676,481	159,248
Fines, forfeits and penalties	2,245,907	2,245,907	2,727,088	481,181
Revenue from use of money and property	462,964	400,626	477,724	77,098
Aid from other governments	2,448,062	2,383,237	2,508,986	125,749
Charges for services	6,824,674	7,023,674	7,204,082	180,408
Other revenue	914,877	923,347	1,321,428	398,081
Total Revenues	50,120,943	50,671,727	52,376,390	1,704,663
Expenditures:				
Current:				
General Government:				
Board of supervisors	1,019,152	1,031,017	1,012,750	18,267
Annual audit	29,700	29,775	29,809	(34)
County executive officer	1,193,635	1,173,912	1,171,552	2,360
Assessor	2,272,498	2,302,457	2,261,080	41,377
Auditor-controller	1,416,214	1,443,148	1,430,793	12,355
Treasurer-tax collector	1,028,949	1,041,226	1,017,666	23,560
Purchasing	292,584	283,833	277,645	6,188
Collections	249,139	250,159	245,143	5,016
Uses and sources	(5,873,912)	(5,906,962)	(6,054,683)	147,721
Trial court funding	1,430,674	1,434,674	1,432,965	1,709
WWE Escrow Account	3,060	88,140	58,039	30,101
Provision for contingencies	100,000	144,940	--	144,940
Building debt financing	3,208	3,208	2,148	1,060
County counsel	991,366	1,004,284	743,580	260,704
Personnel services	852,024	862,714	861,011	1,703
Elections	1,022,756	1,027,025	994,287	32,738
Facilities management	2,227,267	2,211,971	2,147,550	64,421
Capital facilities projects	98,098	161,049	150,013	11,036
Economic development	125,000	125,000	125,000	--
Assessment appeals board	7,155	7,155	6,381	774
General Services Admin	12,802	43,251	23,293	19,958
Insurance	94,929	94,929	84,549	10,380
Risk Management Admn.	--	--	50	(50)
Historical landmarks	196	196	107	89
Information systems	1,446,740	1,366,621	1,195,711	170,910
Geographic information	396,965	403,651	384,058	19,593
Surveying	104,322	104,322	83,784	20,538
Cable TV services	54,618	63,967	56,773	7,194
Total General Government	10,599,139	10,795,662	9,741,054	1,054,608

continued

COUNTY OF NEVADA

Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public Protection:				
Court security	\$ 1,126,908	\$ 1,137,598	\$ 1,029,808	\$ 107,790
Grand Jury	84,907	84,907	81,664	3,243
District attorney	3,303,366	3,431,794	3,263,243	168,551
Public defender services	1,955,951	1,970,081	1,925,242	44,839
Conflict indigent defense	481,757	506,757	492,327	14,430
Sheriff administrative support services	12,671,084	12,813,519	12,155,252	658,267
Dispatch Services	1,544,579	1,574,411	1,447,839	126,572
Department of corrections	8,789,656	9,012,307	8,741,263	271,044
Inmate medical services	1,994,350	2,051,013	2,051,012	1
Sheriff Truckee operations	1,611,152	1,629,472	1,572,903	56,569
Juvenile hall	2,859,811	2,944,909	2,813,627	131,282
Probation department	3,794,903	3,964,503	3,507,801	456,702
Ag services	578,203	636,242	630,270	5,972
Weights and measures	135,359	121,693	115,864	5,829
Clerk recorder	765,570	579,623	622,266	(42,643)
Emergency services	486,538	424,933	410,341	14,592
Animal control	794,233	801,033	767,720	33,313
Total Public Protection	<u>42,978,327</u>	<u>43,684,795</u>	<u>41,628,442</u>	<u>2,056,353</u>
Health and Sanitation:				
Solid Waste Contract Admn	156,005	197,808	104,745	93,063
Total Health and Sanitation	<u>156,005</u>	<u>197,808</u>	<u>104,745</u>	<u>93,063</u>
Public Assistance:				
Community services	15,000	18,750	18,750	--
Victim witness	271,670	275,221	258,785	16,436
Total Public Assistance	<u>286,670</u>	<u>293,971</u>	<u>277,535</u>	<u>16,436</u>
Education:				
Farm Advisor	45,322	45,322	43,685	1,637
Total Education	<u>45,322</u>	<u>45,322</u>	<u>43,685</u>	<u>1,637</u>
Debt Service:				
Information Systems	--	--	51,774	(51,774)
Sheriff administrative support services	7,579	7,579	7,578	1
Total Debt Service	<u>7,579</u>	<u>7,579</u>	<u>59,352</u>	<u>(51,773)</u>

continued

COUNTY OF NEVADA

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Expenditures (continued):				
Capital Outlay:				
Facilities management	\$ --	\$ 15,156	\$ 13,610	\$ 1,546
Capital facilities projects	--	843,243	803,879	39,364
Information systems	--	727,860	47,906	679,954
Cable TV Services	--	16,390	16,390	--
Dispatch Services	25,600	25,600	25,602	(2)
Corrections	--	62,530	36,650	25,880
Probation	--	121,800	--	121,800
Emergency management	--	95,480	95,480	--
Total Capital Outlay	<u>25,600</u>	<u>1,908,059</u>	<u>1,039,517</u>	<u>868,542</u>
 Total Expenditures	 <u>54,098,642</u>	 <u>56,933,195</u>	 <u>52,894,330</u>	 <u>4,038,865</u>
 Excess of Revenues Over (Under) Expenditur	 <u>(3,977,699)</u>	 <u>(6,261,468)</u>	 <u>(517,940)</u>	 <u>(2,334,202)</u>
Other Financing Sources (Uses):				
Transfers in	9,852,698	11,212,091	10,606,189	605,902
Transfers out	(6,473,004)	(6,656,251)	(6,654,992)	(1,259)
Proceeds from sale of capital assets	--	--	2,014	(2,014)
Total Other Financing Sources (Uses)	<u>3,379,694</u>	<u>4,555,840</u>	<u>3,953,211</u>	<u>604,643</u>
 Net Change in Fund Balances	 (598,005)	 (1,705,628)	 3,435,271	 5,140,899
 Fund Balances - Beginning	 <u>22,049,091</u>	 <u>22,049,091</u>	 <u>22,049,091</u>	 <u>--</u>
 Fund Balances - Ending	 <u>\$ 21,451,086</u>	 <u>\$ 20,343,463</u>	 <u>\$ 25,484,362</u>	 <u>\$ 5,140,899</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Road Fund
For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 35,000	\$ 35,000	\$ 66,541	\$ 31,541
Licenses and permits	34,340	34,340	35,114	774
Fines, forfeits and penalties	--	--	374	374
Revenue from use of money and property	30,000	30,000	43,539	13,539
Aid from other governments	8,441,595	8,536,595	8,935,889	399,294
Charges for services	567,313	567,313	536,372	(30,941)
Other revenues	--	--	280,903	280,903
Total Revenues	<u>9,108,248</u>	<u>9,203,248</u>	<u>9,898,732</u>	<u>695,484</u>
Expenditures:				
Current:				
Public way and facilities	8,443,911	8,083,911	8,187,790	(103,879)
Capital outlay	<u>2,532,922</u>	<u>2,987,922</u>	<u>1,955,392</u>	<u>1,032,530</u>
Total Expenditures	<u>10,976,833</u>	<u>11,071,833</u>	<u>10,143,182</u>	<u>928,651</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,868,585)</u>	<u>(1,868,585)</u>	<u>(244,450)</u>	<u>1,624,135</u>
Other Financing Sources (Uses):				
Transfers in	<u>1,569,847</u>	<u>1,907,847</u>	<u>1,605,185</u>	<u>(302,662)</u>
Total Other Financing Sources (Uses)	<u>1,569,847</u>	<u>1,907,847</u>	<u>1,605,185</u>	<u>(302,662)</u>
Net Change in Fund Balances	(298,738)	39,262	1,360,735	1,321,473
Fund Balances - Beginning of Year	<u>4,936,144</u>	<u>4,936,144</u>	<u>4,936,144</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 4,637,406</u>	<u>\$ 4,975,406</u>	<u>\$ 6,296,879</u>	<u>\$ 1,321,473</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule Community Development Agency - Major Special Revenue Fund For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 15,000	\$ 15,000	\$ 14,922	\$ (78)
Licenses and permits	1,051,840	1,101,840	1,351,397	249,557
Fines, forfeits and penalties	21,000	21,000	31,113	10,113
Revenue from use of money and property	10,800	9,833	22,282	12,449
Aid from other governments	574,565	574,565	816,265	241,700
Charges for services	1,894,686	1,914,686	1,978,656	63,970
Other revenues	3,450	3,450	8,423	4,973
Total Revenues	<u>3,571,341</u>	<u>3,640,374</u>	<u>4,223,058</u>	<u>582,684</u>
Expenditures:				
Current:				
Public protection	3,341,920	3,603,822	3,307,741	296,081
Health and sanitation	2,346,193	2,362,246	1,904,003	458,243
Total Expenditures	<u>5,688,113</u>	<u>5,966,068</u>	<u>5,211,744</u>	<u>754,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,116,772)</u>	<u>(2,325,694)</u>	<u>(988,686)</u>	<u>1,337,008</u>
Other Financing Sources (Uses):				
Transfers in	1,886,474	1,903,843	1,829,524	(74,319)
Transfers out	--	(100)	(58)	42
Total Other Financing Sources (Uses)	<u>1,886,474</u>	<u>1,903,743</u>	<u>1,829,466</u>	<u>(74,277)</u>
Net Change in Fund Balances	(230,298)	(421,951)	840,780	1,262,731
Fund Balances - Beginning of Year, restated	<u>1,365,081</u>	<u>1,365,081</u>	<u>1,365,081</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,134,783</u>	<u>\$ 943,130</u>	<u>\$ 2,205,861</u>	<u>\$ 1,262,731</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Human Services Agency - Major Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Fines, forfeits and penalties	\$ 100	\$ 100	\$ 1,236	\$ 1,136
Revenue from use of money and property	--	(2,004)	(16,077)	(14,073)
Aid from other governments	30,658,929	31,924,812	30,812,542	(1,112,270)
Charges for services	1,229,903	1,229,903	1,219,062	(10,841)
Other revenues	81,882	91,357	177,982	86,625
Total Revenues	<u>31,970,814</u>	<u>33,244,168</u>	<u>32,194,745</u>	<u>(1,049,423)</u>
Expenditures:				
Current:				
Health and sanitation	22,143,329	22,800,152	20,261,461	2,538,691
Public protection	26,320,940	27,095,270	24,623,400	2,471,870
Capital outlay	--	--	109,372	(109,372)
Total Expenditures	<u>48,464,269</u>	<u>49,895,422</u>	<u>44,994,233</u>	<u>4,901,189</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(16,493,455)</u>	<u>(16,651,254)</u>	<u>(12,799,488)</u>	<u>3,851,766</u>
Other Financing Sources (Uses):				
Transfers in	16,304,782	16,791,298	14,585,561	(2,205,737)
Transfers out	(7,773)	(127,685)	(6,731)	120,954
Proceeds from sale of capital assets	--	--	324	324
Total Other Financing Sources (Uses)	<u>16,297,009</u>	<u>16,663,613</u>	<u>14,579,154</u>	<u>(2,084,459)</u>
Net Change in Fund Balances	(196,446)	12,359	1,779,666	1,767,307
Fund Balances - Beginning of Year	<u>(1,543)</u>	<u>(1,543)</u>	<u>(1,543)</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ (197,989)</u>	<u>\$ 10,816</u>	<u>\$ 1,778,123</u>	<u>\$ 1,767,307</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Health and Welfare Realignment - Major Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Revenue from use of money and property	\$ --	\$ 40,729	\$ 40,031	\$ (698)
Aid from other governments	<u>9,074,423</u>	<u>9,074,723</u>	<u>9,125,800</u>	<u>51,077</u>
Total Revenues	<u>9,074,423</u>	<u>9,115,452</u>	<u>9,165,831</u>	<u>50,379</u>
Expenditures:				
Current:				
Health and sanitation	<u>101</u>	<u>101</u>	<u>--</u>	<u>101</u>
Total Expenditures	<u>101</u>	<u>101</u>	<u>--</u>	<u>101</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,074,322</u>	<u>9,115,351</u>	<u>9,165,831</u>	<u>50,480</u>
Other Financing Sources (Uses):				
Transfers in	127,268	127,268	120,929	(6,339)
Transfers out	<u>(9,223,181)</u>	<u>(9,690,719)</u>	<u>(8,237,801)</u>	<u>1,452,918</u>
Total Other Financing Sources (Uses)	<u>(9,095,913)</u>	<u>(9,563,451)</u>	<u>(8,116,872)</u>	<u>1,446,579</u>
Net Change in Fund Balances	(21,591)	(448,100)	1,048,959	1,497,059
Fund Balances - Beginning of Year	<u>7,982,966</u>	<u>7,982,966</u>	<u>7,982,966</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 7,961,375</u></u>	<u><u>\$ 7,534,866</u></u>	<u><u>\$ 9,031,925</u></u>	<u><u>\$ 1,497,059</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Local Revenue Fund 2011 Realignment - Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Revenue from use of money and property	\$ --	\$ 16,658	\$ 16,652	\$ (6)
Aid from other governments	<u>11,983,739</u>	<u>12,217,231</u>	<u>11,578,321</u>	<u>(638,910)</u>
Total Revenues	<u>11,983,739</u>	<u>12,233,889</u>	<u>11,594,973</u>	<u>(638,916)</u>
Expenditures:				
Current:				
Public protection	<u>300,000</u>	<u>300,000</u>	<u>330,890</u>	<u>(30,890)</u>
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>330,890</u>	<u>(30,890)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,683,739</u>	<u>11,933,889</u>	<u>11,264,083</u>	<u>(669,806)</u>
Other Financing Sources (Uses):				
Transfers in	--	11,748	11,748	--
Transfers out	<u>(10,654,600)</u>	<u>(11,799,700)</u>	<u>(10,805,768)</u>	<u>993,932</u>
Total Other Financing Sources (Uses)	<u>(10,654,600)</u>	<u>(11,787,952)</u>	<u>(10,794,020)</u>	<u>993,932</u>
Net Change in Fund Balances	1,029,139	145,937	470,063	324,126
Fund Balances - Beginning of Year	<u>1,121,192</u>	<u>1,121,192</u>	<u>1,121,192</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 2,150,331</u>	<u>\$ 1,267,129</u>	<u>\$ 1,591,255</u>	<u>\$ 324,126</u>

COUNTY OF NEVADA

Required Supplementary Information Note to Budgetary Comparison Schedules For the Year Ended June 30, 2014

BUDGETARY BASIS OF ACCOUNTING

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).

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 following procedures are performed by the County in establishing the budgetary data reflected in the financial statements:

(1) The County Executive Officer submits to the Board of Supervisors a recommended draft budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.

(2) The Board of Supervisors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended 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 recommended 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 Executive Officer may authorize transfers from one object or purpose to another within the same service budget unit.

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 restricted, committed or assigned 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.

Expenditures exceeded appropriations in the Local Revenue Fund 2011 Realignment by \$30,890 due to payments to the cities and incorporated areas mandated by the State.

Combining and Individual Fund Statement and Schedules

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Nonmajor Governmental Funds

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COUNTY OF NEVADA

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2014

	Special Revenue Funds	Debt Service Funds	Totals
Assets			
Cash and investments	\$ 24,923,019	\$ 146,426	\$ 25,069,445
Accounts receivable	45,186	--	45,186
Taxes receivable	265,500	--	265,500
Due from other governments	2,100,896	--	2,100,896
Due from other funds	256,562	72	256,634
Restricted cash and investments	--	872,245	872,245
Loans receivable	4,211,574	--	4,211,574
Total Assets	<u>\$ 31,802,737</u>	<u>\$ 1,018,743</u>	<u>\$ 32,821,480</u>
Liabilities			
Accounts payable	\$ 939,054	\$ --	\$ 939,054
Salaries and benefits payable	58,854	--	58,854
Due to other funds	2,808,248	90	2,808,338
Unearned revenue	230,407	--	230,407
Total Liabilities	<u>4,036,563</u>	<u>90</u>	<u>4,036,653</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>218,730</u>	<u>--</u>	<u>218,730</u>
Fund Balances			
Restricted	26,220,095	1,018,653	27,238,748
Committed	37,567	--	37,567
Assigned	<u>1,289,782</u>	<u>--</u>	<u>1,289,782</u>
Total Fund Balances	<u>27,547,444</u>	<u>1,018,653</u>	<u>28,566,097</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 31,802,737</u>	<u>\$ 1,018,743</u>	<u>\$ 32,821,480</u>

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

	Special Revenue Funds	Debt Service Funds	Totals
Revenues:			
Taxes	\$ 1,684,776	\$ --	\$ 1,684,776
Licenses and permits	14,076	--	14,076
Fines, forfeitures and penalties	598,299	--	598,299
Use of money and property	289,817	23,985	313,802
Intergovernmental	14,243,343	--	14,243,343
Charges for services	1,481,608	29,236	1,510,844
Other revenues	935,750	--	935,750
Total Revenues	<u>19,247,669</u>	<u>53,221</u>	<u>19,300,890</u>
Expenditures:			
Current:			
General government	605,315	14,999	620,314
Public ways and facilities	1,192,454	2,128	1,194,582
Public protection	3,878,153	--	3,878,153
Health and sanitation	5,124,719	--	5,124,719
Public assistance	926,476	--	926,476
Education	2,465,581	--	2,465,581
Recreation and culture	76,301	--	76,301
Debt Service:			
Principal	--	1,360,275	1,360,275
Interest and other charges	--	607,764	607,764
Capital outlay	50,000	--	50,000
Total Expenditures	<u>14,318,999</u>	<u>1,985,166</u>	<u>16,304,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,928,670</u>	<u>(1,931,945)</u>	<u>2,996,725</u>
Other Financing Sources (Uses):			
Transfers in	3,988,446	1,933,670	5,922,116
Transfers out	(8,988,866)	(27,128)	(9,015,994)
Total Other Financing Sources (Uses)	<u>(5,000,420)</u>	<u>1,906,542</u>	<u>(3,093,878)</u>
Net Changes in Fund Balances	(71,750)	(25,403)	(97,153)
Fund Balances, Beginning of Year, restated	<u>27,619,194</u>	<u>1,044,056</u>	<u>28,663,250</u>
Fund Balances, End of Year	<u>\$ 27,547,444</u>	<u>\$ 1,018,653</u>	<u>\$ 28,566,097</u>

**Nonmajor Governmental Funds
Special Revenue Funds**

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COUNTY OF NEVADA
Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. 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 record funds received from the State for the California Oil Recycling Enhancement Act to implement the collection of used oil at the County transfer station.

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.

MOTOR VEHICLE LICENSE

Fees imposed by State and distributed to Counties. Fund established to track general fund 50% contribution to Roads per Measure F passed by County voters to enhance road maintenance and repairs.

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 cable franchise agreements that provide payment of grants to support the development of an institutional network (INET) to purchase equipment and to support public, educational and governmental television programming.

WORKERS' COMPENSATION

The fund provides claims management and pays the premium costs for workers' compensation.

NONMAJOR HUMAN SERVICE AGENCY

ALCOHOL EDUCATION PROGRAM 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.

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.

COUNTY OF NEVADA
Nonmajor Special Revenue Funds

NONMAJOR HUMAN SERVICE AGENCY (CONTINUED)

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.

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.

HPP

To track receipt and expenditure of Local Hospital Preparedness Program (HPP) for vaccination, antiviral distribution/dispensing and administration, epidemiology, laboratory, surveillance and other associated pandemic preparedness and response activities.

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.

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.

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.

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.

COUNTY OF NEVADA
Nonmajor Special Revenue Funds

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.

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 CEQA statutes from subdivisions for fair-share contributions.

DISTRICT ATTORNEY

DUI LAB FEES

To pay the costs of performing analysis of blood, breath or urine for alcohol content or the presence of drugs and the related costs for criminal lab services. Funded by a fee collected for the conviction of specific Vehicle Code Sections.

ASSET FORFEITURE

The fund was established to hold proceeds from property seized.

ENVIRONMENTAL ENFORCEMENT

Funds to be used to support environmental enforcement activities, including litigation, training and related expenses.

PROBATION

DOMESTIC VIOLENCE PROGRAM

This fund was established by statute for the deposit of fee per marriage license issued by the County Clerk-Recorder to be used to fund domestic violence shelter-based programs.

CORRECTIONAL TRAINING

The fund was established for training of eligible 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.

WARD WELFARE FUND

This fund was established by statute for the deposit of any funds received from a telephone company that is attributable to the use of pay telephones which are primarily used by confined wards while incarcerated, and to be used for the benefit, education and welfare of the wards detained.

ASSET FORFEITURE

This fund was established to hold proceeds from property seized.

COUNTY OF NEVADA
Nonmajor Special Revenue Funds

PROBATION (CONTINUED)

YOUTHFUL OFFENDER BLOCK GRANT

Fund established to track the revenues and expenditures related to the Youthful Offender Block Grant allocation. The fund is to be used to provide the appropriate rehabilitative, intervention and supervision services.

JJCPA

To provide for front-line law enforcement services specific to juveniles as part of the Juvenile Justice Crime Prevention Act.

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.

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.

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.

RURAL & SMALL COUNTIES LAP (LOCAL ASSISTANCE PROGRAM)

Grant funds to be used for paying expenses related to law enforcement.

CORRECTIONAL TRAINING

The fund was established for training of eligible corrections 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 charged 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 is utilized as a collection for donations and large animal spay and neuter deposit fees that are to be used for the spay and neuter program, public education and administration of the program.

COUNTY OF NEVADA
Nonmajor Special Revenue Funds

SHERIFF (CONTINUED)

KREA SPAY AND NEUTER PROGRAM FUND

The fund was established for a voucher program with set dollar amounts to help defray the costs to the public and ensure dogs and cats are spayed and neutered. The Estate of Nickolaus Krea made a donation for the specific purpose of spaying and neutering dogs and cats.

WILSON FAMILY TRUST

The fund was established exclusively for food and medical care of the animals under their control and not for administrative, labor, overhead expenses of the like. The Wilson Family Trust made a donation for this specific purpose.

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.

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.

ANTI-DRUG ABUSE/GANG DIVERSION

This fund was established per Health and Safety Code. Funds are a portion of State Asset Forfeiture distributions and are to used solely to fund programs designed to combat drug abuse and divert gang activity.

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.

SPECIAL DISTRICTS GOVERNED BY THE BOARD OF SUPERVISORS

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

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

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Fish and Game	Child Support Services	Recycled Oil Block Grant	Probation Fire Insurance Admin Grant
Assets				
Cash and investments	\$ 37,008	\$ 1,239,016	\$ 14,812	\$ 19,323
Accounts receivable	--	--	--	--
Taxes receivable	--	--	--	--
Due from other governments	--	209,151	--	--
Due from other funds	--	15,615	--	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 37,008</u>	<u>\$ 1,463,782</u>	<u>\$ 14,812</u>	<u>\$ 19,323</u>
Liabilities				
Accounts payable	\$ 121	\$ 453	\$ --	\$ --
Salaries and benefits payable	--	34,235	--	--
Due to other funds	--	66,102	--	19,323
Unearned revenue	--	--	--	--
Total Liabilities	<u>121</u>	<u>100,790</u>	<u>--</u>	<u>19,323</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>--</u>	<u>209,151</u>	<u>--</u>	<u>--</u>
Fund Balances				
Restricted	36,887	835,625	14,812	--
Committed	--	--	--	--
Assigned	<u>--</u>	<u>318,216</u>	<u>--</u>	<u>--</u>
Total Fund Balances	<u>36,887</u>	<u>1,153,841</u>	<u>14,812</u>	<u>--</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 37,008</u>	<u>\$ 1,463,782</u>	<u>\$ 14,812</u>	<u>\$ 19,323</u>

continued

COUNTY OF NEVADA

Combining Balance Sheet (continued)
Nonmajor Special Revenue Funds
June 30, 2014

	Motor Vehicle License	Public Library	Inet Maintenance	Workers' Compensation
Assets				
Cash and investments	\$ 107,913	\$ 1,286,819	\$ 101,049	\$ 183,277
Accounts receivable	--	14,867	7,459	--
Taxes receivable	--	265,500	--	--
Due from other governments	--	2,107	--	--
Due from other funds	--	1,206	--	4
Loans receivable	--	--	--	--
Total Assets	<u>\$ 107,913</u>	<u>\$ 1,570,499</u>	<u>\$ 108,508</u>	<u>\$ 183,281</u>
Liabilities				
Accounts payable	\$ --	\$ 37,588	\$ 23,475	\$ --
Salaries and benefits payable	--	24,619	--	--
Due to other funds	363	14,160	6,239	23,593
Unearned revenue	--	--	--	--
Total Liabilities	<u>363</u>	<u>76,367</u>	<u>29,714</u>	<u>23,593</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>--</u>	<u>2,107</u>	<u>--</u>	<u>--</u>
Fund Balances				
Restricted	107,550	580,028	41,227	159,688
Committed	--	--	37,567	--
Assigned	--	911,997	--	--
Total Fund Balances	<u>107,550</u>	<u>1,492,025</u>	<u>78,794</u>	<u>159,688</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 107,913</u>	<u>\$ 1,570,499</u>	<u>\$ 108,508</u>	<u>\$ 183,281</u>

continued

COUNTY OF NEVADA

Combining Balance Sheet (continued)
Nonmajor Special Revenue Funds
June 30, 2014

	Nonmajor Human Service Agency	Administration	Community Development Agency	District Attorney
Assets				
Cash and investments	\$ 6,099,567	\$ 1,233,648	\$ 1,784,610	\$ 44,580
Accounts receivable	5,777	1,132	6	92
Taxes receivable	--	--	--	--
Due from other governments	583,061	1,098,738	--	--
Due from other funds	--	--	--	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 6,688,405</u>	<u>\$ 2,333,518</u>	<u>\$ 1,784,616</u>	<u>\$ 44,672</u>
Liabilities				
Accounts payable	\$ 491,338	\$ 127,165	\$ 81,151	\$ 7,274
Salaries and benefits payable	--	--	--	--
Due to other funds	691,620	975,458	21,336	409
Unearned revenue	--	--	--	--
Total Liabilities	<u>1,182,958</u>	<u>1,102,623</u>	<u>102,487</u>	<u>7,683</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances				
Restricted	5,447,156	1,230,895	1,682,129	36,989
Committed	--	--	--	--
Assigned	<u>58,291</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Fund Balances	<u>5,505,447</u>	<u>1,230,895</u>	<u>1,682,129</u>	<u>36,989</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,688,405</u>	<u>\$ 2,333,518</u>	<u>\$ 1,784,616</u>	<u>\$ 44,672</u>

continued

COUNTY OF NEVADA

Combining Balance Sheet (continued)
Nonmajor Special Revenue Funds
June 30, 2014

	Probation	Recorder	Sheriff	Special Districts Governed by the Board of Supervisors
Assets				
Cash and investments	\$ 2,027,559	\$ 624,002	\$ 4,721,580	\$ 1,660,783
Accounts receivable	846	836	5,877	--
Taxes receivable	--	--	--	--
Due from other governments	122,492	--	--	--
Due from other funds	81,179	--	115,940	--
Loans receivable	--	--	--	--
Total Assets	<u>\$ 2,232,076</u>	<u>\$ 624,838</u>	<u>\$ 4,843,397</u>	<u>\$ 1,660,783</u>
Liabilities				
Accounts payable	\$ 130	\$ 2,133	\$ 41,931	\$ 20
Salaries and benefits payable	--	--	--	--
Due to other funds	596,004	173,940	157,172	13,308
Unearned revenue	--	--	--	--
Total Liabilities	<u>596,134</u>	<u>176,073</u>	<u>199,103</u>	<u>13,328</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances				
Restricted	1,635,942	448,765	4,644,294	1,647,455
Committed	--	--	--	--
Assigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Fund Balances	<u>1,635,942</u>	<u>448,765</u>	<u>4,644,294</u>	<u>1,647,455</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,232,076</u>	<u>\$ 624,838</u>	<u>\$ 4,843,397</u>	<u>\$ 1,660,783</u>

continued

COUNTY OF NEVADA

Combining Balance Sheet (continued)
Nonmajor Special Revenue Funds
June 30, 2014

	Public Works	Housing and Community Services	Totals
Assets			
Cash and investments	\$ 2,780,992	\$ 956,481	\$ 24,923,019
Accounts receivable	8,294	--	45,186
Taxes receivable	--	--	265,500
Due from other governments	--	85,347	2,100,896
Due from other funds	--	42,618	256,562
Loans receivable	--	4,211,574	4,211,574
Total Assets	<u>\$ 2,789,286</u>	<u>\$ 5,296,020</u>	<u>\$ 31,802,737</u>
Liabilities			
Accounts payable	\$ 119,183	\$ 7,092	\$ 939,054
Salaries and benefits payable	--	--	58,854
Due to other funds	1,654	47,567	2,808,248
Unearned revenue	--	230,407	230,407
Total Liabilities	<u>120,837</u>	<u>285,066</u>	<u>4,036,563</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>--</u>	<u>7,472</u>	<u>218,730</u>
Fund Balances			
Restricted	2,668,449	5,002,204	26,220,095
Committed	--	--	37,567
Assigned	<u>--</u>	<u>1,278</u>	<u>1,289,782</u>
Total Fund Balances	<u>2,668,449</u>	<u>5,003,482</u>	<u>27,547,444</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,789,286</u>	<u>\$ 5,296,020</u>	<u>\$ 31,802,737</u>

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended June 30, 2014

	Fish and Game	Child Support Services	Recycled Oil Block Grant	Probation Fire Insurance Admin Grant
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	1,772	--	--	--
Use of money and property	363	14,704	278	181
Intergovernmental	--	2,739,437	--	--
Charges for services	--	--	--	--
Other revenues	--	28,046	--	--
Total Revenues	<u>2,135</u>	<u>2,782,187</u>	<u>278</u>	<u>181</u>
Expenditures:				
Current:				
General government	--	--	--	250
Public ways and facilities	--	--	--	--
Public protection	4,768	2,626,750	--	--
Health and sanitation	--	--	2,843	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	<u>4,768</u>	<u>2,626,750</u>	<u>2,843</u>	<u>250</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,633)</u>	<u>155,437</u>	<u>(2,565)</u>	<u>(69)</u>
Other Financing Sources (Uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	(19,323)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(19,323)</u>
Net Changes in Fund Balances	(2,633)	155,437	(2,565)	(19,392)
Fund Balances, Beginning of Year, restated	<u>39,520</u>	<u>998,404</u>	<u>17,377</u>	<u>19,392</u>
Fund Balances, End of Year	<u>\$ 36,887</u>	<u>\$ 1,153,841</u>	<u>\$ 14,812</u>	<u>\$ --</u>

continued

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Special Revenue Funds For the Year Ended June 30, 2014

	Motor Vehicle License	Public Library	Inet Maintenance	Workers' Compensation
Revenues:				
Taxes	\$ --	\$ 1,651,064	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	--	--
Use of money and property	1,109	21,129	982	2,725
Intergovernmental	--	69,080	--	--
Charges for services	--	78,863	10,500	--
Other revenues	--	209,116	69,561	291,185
Total Revenues	<u>1,109</u>	<u>2,029,252</u>	<u>81,043</u>	<u>293,910</u>
Expenditures:				
Current:				
General government	--	--	83,603	415,874
Public ways and facilities	--	--	--	--
Public protection	--	--	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	2,438,894	--	--
Recreation and culture	--	--	--	--
Capital outlay	--	50,000	--	--
Total Expenditures	<u>--</u>	<u>2,488,894</u>	<u>83,603</u>	<u>415,874</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,109</u>	<u>(459,642)</u>	<u>(2,560)</u>	<u>(121,964)</u>
Other Financing Sources (Uses):				
Transfers in	1,649,400	565,902	--	--
Transfers out	(1,542,525)	--	(3,414)	--
Total Other Financing Sources (Uses)	<u>106,875</u>	<u>565,902</u>	<u>(3,414)</u>	<u>--</u>
Net Changes in Fund Balances	107,984	106,260	(5,974)	(121,964)
Fund Balances, Beginning of Year, restated	<u>(434)</u>	<u>1,385,765</u>	<u>84,768</u>	<u>281,652</u>
Fund Balances, End of Year	<u>\$ 107,550</u>	<u>\$ 1,492,025</u>	<u>\$ 78,794</u>	<u>\$ 159,688</u>

continued

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued) Nonmajor Special Revenue Funds For the Year Ended June 30, 2014

	Nonmajor Human Services Agency	Administration	Community Development Agency	District Attorney
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	14,076
Fines, forfeitures and penalties	232,574	172,846	123,097	31,728
Use of money and property	64,388	11,415	17,569	426
Intergovernmental	3,854,248	6,088,350	--	9,770
Charges for services	75,115	--	--	--
Other revenues	15,988	17,177	6,688	--
Total Revenues	<u>4,242,313</u>	<u>6,289,788</u>	<u>147,354</u>	<u>56,000</u>
Expenditures:				
Current:				
General government	--	886	--	--
Public ways and facilities	--	--	--	--
Public protection	--	806,747	37,433	23,910
Health and sanitation	5,108,522	--	13,354	--
Public assistance	--	--	--	17,349
Education	--	26,687	--	--
Recreation and culture	--	--	76,301	--
Capital outlay	--	--	--	--
Total Expenditures	<u>5,108,522</u>	<u>834,320</u>	<u>127,088</u>	<u>41,259</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(866,209)</u>	<u>5,455,468</u>	<u>20,266</u>	<u>14,741</u>
Other Financing Sources (Uses):				
Transfers in	12,079	--	--	--
Transfers out	<u>(13,838)</u>	<u>(5,522,896)</u>	<u>(137,992)</u>	<u>(6,872)</u>
Total Other Financing Sources (Uses)	<u>(1,759)</u>	<u>(5,522,896)</u>	<u>(137,992)</u>	<u>(6,872)</u>
Net Changes in Fund Balances	(867,968)	(67,428)	(117,726)	7,869
Fund Balances, Beginning of Year, restated	<u>6,373,415</u>	<u>1,298,323</u>	<u>1,799,855</u>	<u>29,120</u>
Fund Balances, End of Year	<u>\$ 5,505,447</u>	<u>\$ 1,230,895</u>	<u>\$ 1,682,129</u>	<u>\$ 36,989</u>

continued

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014

	Probation	Recorder	Sheriff	Special Districts Governed by the Board of Supervisors
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ 33,712
Licenses and permits	--	--	--	--
Fines, forfeitures and penalties	--	--	36,282	--
Use of money and property	15,021	5,022	37,452	15,178
Intergovernmental	616,368	--	246,365	370
Charges for services	--	193,168	44,252	413,623
Other revenues	3,417	--	184,215	--
Total Revenues	<u>634,806</u>	<u>198,190</u>	<u>548,566</u>	<u>462,883</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public ways and facilities	--	--	--	403,975
Public protection	1,702	228,315	148,528	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation and culture	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	<u>1,702</u>	<u>228,315</u>	<u>148,528</u>	<u>403,975</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>633,104</u>	<u>(30,125)</u>	<u>400,038</u>	<u>58,908</u>
Other Financing Sources (Uses):				
Transfers in	477,283	--	684,928	--
Transfers out	(866,298)	(2,547)	(268,893)	--
Total Other Financing Sources (Uses)	<u>(389,015)</u>	<u>(2,547)</u>	<u>416,035</u>	<u>--</u>
Net Changes in Fund Balances	244,089	(32,672)	816,073	58,908
Fund Balances, Beginning of Year, restated	<u>1,391,853</u>	<u>481,437</u>	<u>3,828,221</u>	<u>1,588,547</u>
Fund Balances, End of Year	<u>\$ 1,635,942</u>	<u>\$ 448,765</u>	<u>\$ 4,644,294</u>	<u>\$ 1,647,455</u>

continued

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2014

	Public Works	Housing and Community Services	Totals
Revenues:			
Taxes	\$ --	\$ --	\$ 1,684,776
Licenses and permits	--	--	14,076
Fines, forfeitures and penalties	--	--	598,299
Use of money and property	27,090	54,785	289,817
Intergovernmental	--	619,355	14,243,343
Charges for services	652,087	14,000	1,481,608
Other revenues	24,200	86,157	935,750
Total Revenues	<u>703,377</u>	<u>774,297</u>	<u>19,247,669</u>
Expenditures:			
Current:			
General government	--	104,702	605,315
Public ways and facilities	788,479	--	1,192,454
Public protection	--	--	3,878,153
Health and sanitation	--	--	5,124,719
Public assistance	--	909,127	926,476
Education	--	--	2,465,581
Recreation and culture	--	--	76,301
Capital outlay	--	--	50,000
Total Expenditures	<u>788,479</u>	<u>1,013,829</u>	<u>14,318,999</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(85,102)</u>	<u>(239,532)</u>	<u>4,928,670</u>
Other Financing Sources (Uses):			
Transfers in	--	598,854	3,988,446
Transfers out	(63,984)	(540,284)	(8,988,866)
Total Other Financing Sources (Uses)	<u>(63,984)</u>	<u>58,570</u>	<u>(5,000,420)</u>
Net Changes in Fund Balances	(149,086)	(180,962)	(71,750)
Fund Balances, Beginning of Year, restated	<u>2,817,535</u>	<u>5,184,444</u>	<u>27,619,194</u>
Fund Balances, End of Year	<u>\$ 2,668,449</u>	<u>\$ 5,003,482</u>	<u>\$ 27,547,444</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Fish and Game - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Fines, forfeits and penalties	\$ 1,900	\$ 1,900	\$ 1,772	\$ (128)
Revenue from use of money and property	200	200	363	163
Total Revenues	<u>2,100</u>	<u>2,100</u>	<u>2,135</u>	<u>35</u>
Expenditures:				
Current:				
Public protection	<u>4,825</u>	<u>4,825</u>	<u>4,768</u>	<u>57</u>
Total Expenditures	<u>4,825</u>	<u>4,825</u>	<u>4,768</u>	<u>57</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,725)</u>	<u>(2,725)</u>	<u>(2,633)</u>	<u>92</u>
Fund Balances - Beginning of Year	<u>39,520</u>	<u>39,520</u>	<u>39,520</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 36,795</u></u>	<u><u>\$ 36,795</u></u>	<u><u>\$ 36,887</u></u>	<u><u>\$ 92</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Child Support Services - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Revenue from use of money and property	\$ 9,500	\$ 9,500	\$ 14,704	\$ 5,204
Aid from other governments	4,254,318	4,254,318	2,739,437	(1,514,881)
Other revenues	--	--	28,046	28,046
Total Revenues	<u>4,263,818</u>	<u>4,263,818</u>	<u>2,782,187</u>	<u>(1,481,631)</u>
Expenditures:				
Current:				
Public protection	<u>4,263,818</u>	<u>4,263,818</u>	<u>2,626,750</u>	<u>1,637,068</u>
Total Expenditures	<u>4,263,818</u>	<u>4,263,818</u>	<u>2,626,750</u>	<u>1,637,068</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>155,437</u>	<u>155,437</u>
Fund Balances - Beginning of Year	<u>998,404</u>	<u>998,404</u>	<u>998,404</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 998,404</u></u>	<u><u>\$ 998,404</u></u>	<u><u>\$ 1,153,841</u></u>	<u><u>\$ 155,437</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
 Recycled Oil Bloack Grant - Nonmajor Special Revenue Fund
 For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Revenue from use of money and property	\$ 265	\$ 265	\$ 278	\$ 13
Total Revenues	<u>265</u>	<u>265</u>	<u>278</u>	<u>13</u>
Expenditures:				
Current:				
Health and sanitation	<u>2,843</u>	<u>2,843</u>	<u>2,843</u>	<u>--</u>
Total Expenditures	<u>2,843</u>	<u>2,843</u>	<u>2,843</u>	<u>--</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(2,578)</u>	<u>(2,578)</u>	<u>(2,565)</u>	<u>13</u>
Fund Balances - Beginning of Year	<u>17,377</u>	<u>17,377</u>	<u>17,377</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 14,799</u></u>	<u><u>\$ 14,799</u></u>	<u><u>\$ 14,812</u></u>	<u><u>\$ 13</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
 Probation Fire Insurance Admin. Grant - Nonmajor Special Revenue Fund
 For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Revenue from use of money and property	\$ 275	\$ 275	\$ 181	\$ (94)
Total Revenues	<u>275</u>	<u>275</u>	<u>181</u>	<u>(94)</u>
Expenditures:				
Current:				
General government	<u>250</u>	<u>250</u>	<u>250</u>	<u>--</u>
Total Expenditures	<u>250</u>	<u>250</u>	<u>250</u>	<u>--</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>25</u>	<u>25</u>	<u>(69)</u>	<u>(94)</u>
Other Financing Sources (Uses):				
Transfers out	<u>(19,676)</u>	<u>(19,676)</u>	<u>(19,323)</u>	<u>353</u>
Total Other Financing Sources (Uses)	<u>(19,676)</u>	<u>(19,676)</u>	<u>(19,323)</u>	<u>353</u>
Net Change in Fund Balances	(19,651)	(19,651)	(19,392)	259
Fund Balances - Beginning of Year	<u>19,392</u>	<u>19,392</u>	<u>19,392</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ (259)</u>	<u>\$ (259)</u>	<u>\$ --</u>	<u>\$ 259</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule Motor Vehicle License - Nonmajor Special Revenue Fund For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from use of money and property	\$ --	\$ 615	\$ 1,109	\$ 494
Total Revenues	--	615	1,109	494
Other Financing Sources (Uses):				
Transfers in	--	1,649,400	1,649,400	--
Transfers out	--	(1,650,015)	(1,542,525)	107,490
Total Other Financing Sources (Uses)	--	(615)	106,875	107,490
Net Change in Fund Balances	--	--	107,984	107,984
Fund Balances - Beginning of Year	(434)	(434)	(434)	--
Fund Balances - End of Year	<u>\$ (434)</u>	<u>\$ (434)</u>	<u>\$ 107,550</u>	<u>\$ 107,984</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Public Library - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Taxes and assessments	\$ 1,507,000	\$ 1,507,000	\$ 1,651,064	\$ 144,064
Use of money and property	14,895	14,895	21,129	6,234
Intergovernmental	9,000	105,557	69,080	(36,477)
Charges for services	82,231	82,231	78,863	(3,368)
Other revenues	103,955	237,909	209,116	(28,793)
Total Revenues	<u>1,717,081</u>	<u>1,947,592</u>	<u>2,029,252</u>	<u>81,660</u>
Expenditures:				
Current:				
Education	2,373,023	2,588,648	2,438,894	149,754
Capital outlay	--	50,000	50,000	--
Total Expenditures	<u>2,373,023</u>	<u>2,638,648</u>	<u>2,488,894</u>	<u>149,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(655,942)</u>	<u>(691,056)</u>	<u>(459,642)</u>	<u>231,414</u>
Other Financing Sources (Uses):				
Transfers in	565,902	565,902	565,902	--
Total Other Financing Sources (Uses)	<u>565,902</u>	<u>565,902</u>	<u>565,902</u>	<u>--</u>
Net Change in Fund Balances	(90,040)	(125,154)	106,260	231,414
Fund Balances - Beginning of Year	<u>1,385,765</u>	<u>1,385,765</u>	<u>1,385,765</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 1,295,725</u></u>	<u><u>\$ 1,260,611</u></u>	<u><u>\$ 1,492,025</u></u>	<u><u>\$ 231,414</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule INET Maintenance - Nonmajor Special Revenue Funds For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Use of money and property	\$ --	\$ 566	\$ 982	\$ 416
Charges for services	15,300	15,300	10,500	(4,800)
Other revenues	72,800	72,800	69,561	(3,239)
Total Revenues	<u>88,100</u>	<u>88,666</u>	<u>81,043</u>	<u>(7,623)</u>
Expenditures:				
Current:				
General government	<u>75,638</u>	<u>94,955</u>	<u>83,603</u>	<u>11,352</u>
Total Expenditures	<u>75,638</u>	<u>94,955</u>	<u>83,603</u>	<u>11,352</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12,462</u>	<u>(6,289)</u>	<u>(2,560)</u>	<u>3,729</u>
Other Financing Sources (Uses):				
Transfers out	<u>--</u>	<u>(3,726)</u>	<u>(3,414)</u>	<u>312</u>
Total Other Financing Sources (Uses)	<u>--</u>	<u>(3,726)</u>	<u>(3,414)</u>	<u>312</u>
Net Change in Fund Balances	12,462	(10,015)	(5,974)	4,041
Fund Balances - Beginning of Year	<u>84,768</u>	<u>84,768</u>	<u>84,768</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 97,230</u>	<u>\$ 74,753</u>	<u>\$ 78,794</u>	<u>\$ 4,041</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Workers' Compensation - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 1,500	\$ 1,500	\$ 2,725	\$ 1,225
Other revenues	<u>142,100</u>	<u>142,100</u>	<u>291,185</u>	<u>149,085</u>
Total Revenues	<u>143,600</u>	<u>143,600</u>	<u>293,910</u>	<u>150,310</u>
Expenditures:				
Current:				
General government	<u>430,580</u>	<u>423,431</u>	<u>415,874</u>	<u>7,557</u>
Total Expenditures	<u>430,580</u>	<u>423,431</u>	<u>415,874</u>	<u>7,557</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(286,980)</u>	<u>(279,831)</u>	<u>(121,964)</u>	<u>157,867</u>
Fund Balances - Beginning of Year	<u>281,652</u>	<u>281,652</u>	<u>281,652</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ (5,328)</u></u>	<u><u>\$ 1,821</u></u>	<u><u>\$ 159,688</u></u>	<u><u>\$ 157,867</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Human Services Agency - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Fines and forfeitures	\$ 192,536	\$ 222,186	\$ 232,574	\$ 10,388
Use of money and property	47,217	49,860	64,388	14,528
Intergovernmental	3,545,554	3,861,373	3,854,248	(7,125)
Charges for services	76,016	76,566	75,115	(1,451)
Other revenues	100	100	15,988	15,888
Total Revenues	<u>3,861,423</u>	<u>4,210,085</u>	<u>4,242,313</u>	<u>32,228</u>
Expenditures:				
Current:				
Health and sanitation	<u>5,595,315</u>	<u>5,942,571</u>	<u>5,108,522</u>	<u>834,049</u>
Total Expenditures	<u>5,595,315</u>	<u>5,942,571</u>	<u>5,108,522</u>	<u>834,049</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,733,892)</u>	<u>(1,732,486)</u>	<u>(866,209)</u>	<u>866,277</u>
Other Financing Sources (Uses):				
Transfers in	12,079	20,109	12,079	(8,030)
Transfers out	<u>(38,701)</u>	<u>(52,522)</u>	<u>(13,838)</u>	<u>38,684</u>
Total Other Financing Sources (Uses)	<u>(26,622)</u>	<u>(32,413)</u>	<u>(1,759)</u>	<u>30,654</u>
Net Change in Fund Balances	(1,760,514)	(1,764,899)	(867,968)	896,931
Fund Balances - Beginning of Year	<u>6,373,415</u>	<u>6,373,415</u>	<u>6,373,415</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 4,612,901</u>	<u>\$ 4,608,516</u>	<u>\$ 5,505,447</u>	<u>\$ 896,931</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Administration - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Fines and forfeitures	\$ 146,480	\$ 146,480	\$ 172,846	\$ 26,366
Use of money and property	7,353	7,703	11,415	3,712
Intergovernmental	6,072,001	6,147,069	6,088,350	(58,719)
Other revenues	18,680	18,680	17,177	(1,503)
Total Revenues	<u>6,244,514</u>	<u>6,319,932</u>	<u>6,289,788</u>	<u>(30,144)</u>
Expenditures:				
Current:				
General government	697	798	886	(88)
Public protection	711,579	726,081	806,747	(80,666)
Education	24,735	50,803	26,687	24,116
Total Expenditures	<u>737,011</u>	<u>777,682</u>	<u>834,320</u>	<u>(56,638)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,507,503</u>	<u>5,542,250</u>	<u>5,455,468</u>	<u>(86,782)</u>
Other Financing Sources (Uses):				
Transfers out	<u>(5,518,398)</u>	<u>(5,630,746)</u>	<u>(5,522,896)</u>	<u>107,850</u>
Total Other Financing Sources (Uses)	<u>(5,518,398)</u>	<u>(5,630,746)</u>	<u>(5,522,896)</u>	<u>107,850</u>
Net Change in Fund Balances	(10,895)	(88,496)	(67,428)	21,068
Fund Balances - Beginning of Year	<u>1,298,323</u>	<u>1,298,323</u>	<u>1,298,323</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,287,428</u>	<u>\$ 1,209,827</u>	<u>\$ 1,230,895</u>	<u>\$ 21,068</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Community Development Agency - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Fines and forfeitures	\$ 63,000	\$ 63,000	\$ 123,097	\$ 60,097
Use of money and property	9,081	10,048	17,569	7,521
Charges for services	3,800	3,800	--	(3,800)
Other revenues	1,200	1,200	6,688	5,488
Total Revenues	<u>77,081</u>	<u>78,048</u>	<u>147,354</u>	<u>69,306</u>
Expenditures:				
Current:				
Public protection	170,800	170,800	37,433	133,367
Health and sanitation	61,270	61,270	13,354	47,916
Recreation	288,099	267,344	76,301	191,043
Total Expenditures	<u>520,169</u>	<u>499,414</u>	<u>127,088</u>	<u>372,326</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(443,088)</u>	<u>(421,366)</u>	<u>20,266</u>	<u>441,632</u>
Other Financing Sources (Uses):				
Transfers out	--	(138,029)	(137,992)	37
Total Other Financing Sources (Uses)	<u>--</u>	<u>(138,029)</u>	<u>(137,992)</u>	<u>37</u>
Net Change in Fund Balances	(443,088)	(559,395)	(117,726)	441,669
Fund Balances - Beginning of Year	<u>1,799,855</u>	<u>1,799,855</u>	<u>1,799,855</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,356,767</u>	<u>\$ 1,240,460</u>	<u>\$ 1,682,129</u>	<u>\$ 441,669</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
District Attorney - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Licenses, permits and franchise fees	\$ 9,500	\$ 14,000	\$ 14,076	\$ 76
Fines and forfeitures	22,600	28,065	31,728	3,663
Use of money and property	168	232	426	194
Intergovernmental	--	--	9,770	9,770
Total Revenues	<u>32,268</u>	<u>42,297</u>	<u>56,000</u>	<u>13,703</u>
Expenditures:				
Current:				
Public protection	21,445	23,910	23,910	--
Public assistance	<u>10,500</u>	<u>18,000</u>	<u>17,349</u>	<u>651</u>
Total Expenditures	<u>31,945</u>	<u>41,910</u>	<u>41,259</u>	<u>651</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>323</u>	<u>387</u>	<u>14,741</u>	<u>14,354</u>
Other Financing Sources (Uses):				
Transfers out	--	(6,871)	(6,872)	(1)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(6,871)</u>	<u>(6,872)</u>	<u>(1)</u>
Net Change in Fund Balances	323	(6,484)	7,869	14,353
Fund Balances - Beginning of Year	<u>29,120</u>	<u>29,120</u>	<u>29,120</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 29,443</u>	<u>\$ 22,636</u>	<u>\$ 36,989</u>	<u>\$ 14,353</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
 Probation - Nonmajor Special Revenue Fund
 For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 3,290	\$ 3,318	\$ 15,021	\$ 11,703
Intergovernmental	174,013	174,013	616,368	442,355
Other revenues	3,420	3,420	3,417	(3)
Total Revenues	<u>180,723</u>	<u>180,751</u>	<u>634,806</u>	<u>454,055</u>
Expenditures:				
Current:				
Public protection	<u>3,500</u>	<u>3,500</u>	<u>1,702</u>	<u>1,798</u>
Total Expenditures	<u>3,500</u>	<u>3,500</u>	<u>1,702</u>	<u>1,798</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>177,223</u>	<u>177,251</u>	<u>633,104</u>	<u>455,853</u>
Other Financing Sources (Uses):				
Transfers in	507,787	507,787	477,283	(30,504)
Transfers out	<u>(902,678)</u>	<u>(1,205,564)</u>	<u>(866,298)</u>	<u>339,266</u>
Total Other Financing Sources (Uses)	<u>(394,891)</u>	<u>(697,777)</u>	<u>(389,015)</u>	<u>308,762</u>
Net Change in Fund Balances	(217,668)	(520,526)	244,089	764,615
Fund Balances - Beginning of Year	<u>1,391,853</u>	<u>1,391,853</u>	<u>1,391,853</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 1,174,185</u></u>	<u><u>\$ 871,327</u></u>	<u><u>\$ 1,635,942</u></u>	<u><u>\$ 764,615</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Recorder - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 200	\$ 2,702	\$ 5,022	\$ 2,320
Charges for services	269,600	269,600	193,168	(76,432)
Total Revenues	<u>269,800</u>	<u>272,302</u>	<u>198,190</u>	<u>(74,112)</u>
Expenditures:				
Current:				
Public protection	54,278	313,475	228,315	85,160
Total Expenditures	<u>54,278</u>	<u>313,475</u>	<u>228,315</u>	<u>85,160</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>215,522</u>	<u>(41,173)</u>	<u>(30,125)</u>	<u>11,048</u>
Other Financing Sources (Uses):				
Transfers out	--	(2,502)	(2,547)	(45)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(2,502)</u>	<u>(2,547)</u>	<u>(45)</u>
Net Change in Fund Balances	215,522	(43,675)	(32,672)	11,003
Fund Balances - Beginning of Year	<u>481,437</u>	<u>481,437</u>	<u>481,437</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 696,959</u></u>	<u><u>\$ 437,762</u></u>	<u><u>\$ 448,765</u></u>	<u><u>\$ 11,003</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
 Sheriff - Nonmajor Special Revenue Fund
 For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Fines and forfeitures	\$ 35,250	\$ 35,250	\$ 36,282	\$ 1,032
Use of money and property	10,152	11,971	37,452	25,481
Intergovernmental	73,500	233,500	246,365	12,865
Charges for services	49,500	49,500	44,252	(5,248)
Other revenues	<u>151,290</u>	<u>153,290</u>	<u>184,215</u>	<u>30,925</u>
Total Revenues	<u>319,692</u>	<u>483,511</u>	<u>548,566</u>	<u>65,055</u>
Expenditures:				
Current:				
Public protection	<u>85,700</u>	<u>155,730</u>	<u>148,528</u>	<u>7,202</u>
Total Expenditures	<u>85,700</u>	<u>155,730</u>	<u>148,528</u>	<u>7,202</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>233,992</u>	<u>327,781</u>	<u>400,038</u>	<u>72,257</u>
Other Financing Sources (Uses):				
Transfers in	670,000	684,162	684,928	766
Transfers out	<u>(654,880)</u>	<u>(561,686)</u>	<u>(268,893)</u>	<u>292,793</u>
Total Other Financing Sources (Uses)	<u>15,120</u>	<u>122,476</u>	<u>416,035</u>	<u>293,559</u>
Net Change in Fund Balances	249,112	450,257	816,073	365,816
Fund Balances - Beginning of Year	<u>3,828,221</u>	<u>3,828,221</u>	<u>3,828,221</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 4,077,333</u>	<u>\$ 4,278,478</u>	<u>\$ 4,644,294</u>	<u>\$ 365,816</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule Special Districts Governed by the Board of Supervisors Nonmajor Special Revenue Fund For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes and assessments	\$ 38,700	\$ 38,700	\$ 33,712	\$ (4,988)
Use of money and property	9,181	9,181	15,178	5,997
Intergovernmental	127	127	370	243
Charges for services	409,503	421,933	413,623	(8,310)
Total Revenues	<u>457,511</u>	<u>469,941</u>	<u>462,883</u>	<u>(7,058)</u>
Expenditures:				
Current:				
Public ways and facilities	442,589	561,019	403,975	157,044
Total Expenditures	<u>442,589</u>	<u>561,019</u>	<u>403,975</u>	<u>157,044</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,922</u>	<u>(91,078)</u>	<u>58,908</u>	<u>149,986</u>
Fund Balances - Beginning of Year	<u>1,588,547</u>	<u>1,588,547</u>	<u>1,588,547</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 1,603,469</u>	<u>\$ 1,497,469</u>	<u>\$ 1,647,455</u>	<u>\$ 149,986</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Public Works - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 11,550	\$ 12,257	\$ 27,090	\$ 14,833
Charges for services	210,000	710,000	652,087	(57,913)
Other revenues	23,000	23,000	24,200	1,200
Total Revenues	<u>244,550</u>	<u>745,257</u>	<u>703,377</u>	<u>(41,880)</u>
Expenditures:				
Current:				
Public ways and facilities	<u>160,033</u>	<u>898,033</u>	<u>788,479</u>	<u>109,554</u>
Total Expenditures	<u>160,033</u>	<u>898,033</u>	<u>788,479</u>	<u>109,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>84,517</u>	<u>(152,776)</u>	<u>(85,102)</u>	<u>67,674</u>
Other Financing Sources (Uses):				
Transfers out	<u>(28,300)</u>	<u>(129,007)</u>	<u>(63,984)</u>	<u>65,023</u>
Total Other Financing Sources (Uses)	<u>(28,300)</u>	<u>(129,007)</u>	<u>(63,984)</u>	<u>65,023</u>
Net Change in Fund Balances	56,217	(281,783)	(149,086)	132,697
Fund Balances - Beginning of Year	<u>2,817,535</u>	<u>2,817,535</u>	<u>2,817,535</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 2,873,752</u></u>	<u><u>\$ 2,535,752</u></u>	<u><u>\$ 2,668,449</u></u>	<u><u>\$ 132,697</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Housing and Community Services - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 3,720	\$ 3,725	\$ 54,785	\$ 51,060
Intergovernmental	1,389,355	3,343,105	619,355	(2,723,750)
Charges for services	--	--	14,000	14,000
Other revenues	118,760	136,794	86,157	(50,637)
Total Revenues	<u>1,511,835</u>	<u>3,483,624</u>	<u>774,297</u>	<u>(2,709,327)</u>
Expenditures:				
Current:				
General government	57,033	161,735	104,702	57,033
Public assistance	1,868,628	4,506,136	909,127	3,597,009
Total Expenditures	<u>1,925,661</u>	<u>4,667,871</u>	<u>1,013,829</u>	<u>3,654,042</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(413,826)</u>	<u>(1,184,247)</u>	<u>(239,532)</u>	<u>944,715</u>
Other Financing Sources (Uses):				
Transfers in	58,570	598,685	598,854	169
Transfers out	--	(540,115)	(540,284)	(169)
Total Other Financing Sources (Uses)	<u>58,570</u>	<u>58,570</u>	<u>58,570</u>	<u>--</u>
Net Change in Fund Balances	(355,256)	(1,125,677)	(180,962)	944,715
Fund Balances - Beginning of Year	<u>5,184,444</u>	<u>5,184,444</u>	<u>5,184,444</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 4,829,188</u>	<u>\$ 4,058,767</u>	<u>\$ 5,003,482</u>	<u>\$ 944,715</u>

**Nonmajor Governmental Funds
Debt Service Funds**

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COUNTY OF NEVADA
Nonmajor Debt Service Funds

Debt Service Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. 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

Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2014

	Government Debt Service	Special Assessment Debt with County Commitment	Finance Authority	Totals
Assets				
Cash and investments	\$ 18	\$ 127,059	\$ 19,349	\$ 146,426
Due from other funds	--	72	--	72
Restricted cash and investments	--	--	872,245	872,245
Total Assets	<u>\$ 18</u>	<u>\$ 127,131</u>	<u>\$ 891,594</u>	<u>\$ 1,018,743</u>
Liabilities				
Due to other funds	18	72	--	90
Total Liabilities	<u>18</u>	<u>72</u>	<u>--</u>	<u>90</u>
Fund Balances				
Restricted	--	127,059	891,594	1,018,653
Total Fund Balances	<u>--</u>	<u>127,059</u>	<u>891,594</u>	<u>1,018,653</u>
Total Liabilities and Fund Balances	<u>\$ 18</u>	<u>\$ 127,131</u>	<u>\$ 891,594</u>	<u>\$ 1,018,743</u>

COUNTY OF NEVADA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Debt Service Funds For the Year Ended June 30, 2014

	Government Debt Service	Special Assessment Debt with County Commitment	Finance Authority	Totals
Revenues:				
Use of money and property	\$ 53	\$ 1,139	\$ 22,793	\$ 23,985
Charges for services	--	29,236	--	29,236
Total Revenues	<u>53</u>	<u>30,375</u>	<u>22,793</u>	<u>53,221</u>
Expenditures:				
Current:				
General government	1,431	882	12,686	14,999
Public ways and facilities	--	2,128	--	2,128
Debt Service:				
Principal	139,627	13,000	1,207,648	1,360,275
Interest and other charges	<u>166,014</u>	<u>13,979</u>	<u>427,771</u>	<u>607,764</u>
Total Expenditures	<u>307,072</u>	<u>29,989</u>	<u>1,648,105</u>	<u>1,985,166</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(307,019)</u>	<u>386</u>	<u>(1,625,312)</u>	<u>(1,931,945)</u>
Other Financing Sources (Uses):				
Transfers in	307,071	27,076	1,599,523	1,933,670
Transfers out	<u>(52)</u>	<u>(27,076)</u>	<u>--</u>	<u>(27,128)</u>
Total Other Financing Sources (Uses)	<u>307,019</u>	<u>--</u>	<u>1,599,523</u>	<u>1,906,542</u>
Net Changes in Fund Balances	--	386	(25,789)	(25,403)
Fund Balances, Beginning of Year	<u>--</u>	<u>126,673</u>	<u>917,383</u>	<u>1,044,056</u>
Fund Balances, End of Year	<u>\$ --</u>	<u>\$ 127,059</u>	<u>\$ 891,594</u>	<u>\$ 1,018,653</u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Government Debt Service - Nonmajor Special Service Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ --	\$ 61	\$ 53	\$ (8)
Total Revenues	<u>--</u>	<u>61</u>	<u>53</u>	<u>(8)</u>
Expenditures:				
Current:				
General government	558	558	1,431	(873)
Debt Service:				
Principal	131,657	131,657	139,627	(7,970)
Interest and other charges	<u>174,289</u>	<u>174,289</u>	<u>166,014</u>	<u>8,275</u>
Total Expenditures	<u>306,504</u>	<u>306,504</u>	<u>307,072</u>	<u>(568)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(306,504)</u>	<u>(306,443)</u>	<u>(307,019)</u>	<u>(576)</u>
Other Financing Sources (Uses):				
Transfers in	306,504	306,504	307,071	567
Transfers out	<u>--</u>	<u>(61)</u>	<u>(52)</u>	<u>9</u>
Total Other Financing Sources (Uses)	<u>306,504</u>	<u>306,443</u>	<u>307,019</u>	<u>576</u>
Net Change in Fund Balances	--	--	--	--
Fund Balances - Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Special Assessment Debt with County Commitment
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 350	\$ 350	\$ 1,139	\$ 789
Charges for services	29,138	29,138	29,236	98
Total Revenues	<u>29,488</u>	<u>29,488</u>	<u>30,375</u>	<u>887</u>
Expenditures:				
Current:				
General government	882	882	882	--
Public ways and facilities	2,200	2,200	2,128	72
Debt Service:				
Principal	13,000	13,000	13,000	--
Interest and other charges	13,979	13,979	13,979	--
Total Expenditures	<u>30,061</u>	<u>30,061</u>	<u>29,989</u>	<u>72</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(573)</u>	<u>(573)</u>	<u>386</u>	<u>959</u>
Other Financing Sources (Uses):				
Transfers in	29,949	30,126	27,076	(3,050)
Transfers out	(29,949)	(30,126)	(27,076)	3,050
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(573)	(573)	386	959
Fund Balances - Beginning of Year	<u>126,673</u>	<u>126,673</u>	<u>126,673</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 126,100</u></u>	<u><u>\$ 126,100</u></u>	<u><u>\$ 127,059</u></u>	<u><u>\$ 959</u></u>

COUNTY OF NEVADA

Budgetary Comparison Schedule
Finance Authority - Nonmajor Debt Service Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues:				
Use of money and property	\$ 23,752	\$ 23,752	\$ 22,793	\$ (959)
Total Revenues	<u>23,752</u>	<u>23,752</u>	<u>22,793</u>	<u>(959)</u>
Expenditures:				
Current:				
General government	12,711	12,711	12,686	25
Debt Service:				
Principal	1,207,648	1,207,648	1,207,648	--
Interest and other charges	<u>427,771</u>	<u>427,771</u>	<u>427,771</u>	<u>--</u>
Total Expenditures	<u>1,648,130</u>	<u>1,648,130</u>	<u>1,648,105</u>	<u>25</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,624,378)</u>	<u>(1,624,378)</u>	<u>(1,625,312)</u>	<u>(934)</u>
Other Financing Sources (Uses):				
Transfers in	<u>1,624,378</u>	<u>1,624,378</u>	<u>1,599,523</u>	<u>(24,855)</u>
Total Other Financing Sources (Uses)	<u>1,624,378</u>	<u>1,624,378</u>	<u>1,599,523</u>	<u>(24,855)</u>
Net Change in Fund Balances	--	--	(25,789)	(25,789)
Fund Balances - Beginning of Year	<u>917,383</u>	<u>917,383</u>	<u>917,383</u>	<u>--</u>
Fund Balances - End of Year	<u><u>\$ 917,383</u></u>	<u><u>\$ 917,383</u></u>	<u><u>\$ 891,594</u></u>	<u><u>\$ (25,789)</u></u>

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**Nonmajor Proprietary Funds
Enterprise Funds**

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COUNTY OF NEVADA
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

Combining Statement of Fund Net Position Nonmajor Enterprise Funds June 30, 2014

	Eastern Nevada County Solid Waste	Transit Services	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 248,510	\$ 466,267	\$ 714,777
Accounts receivable	--	1,658	1,658
Due from other governments	--	366,033	366,033
Due from other funds	--	2,315	2,315
Total Current Assets	<u>248,510</u>	<u>836,273</u>	<u>1,084,783</u>
Noncurrent Assets:			
Capital assets:			
Non-depreciable	26,409	47,688	74,097
Depreciable, net	--	1,966,259	1,966,259
Total Noncurrent Assets	<u>26,409</u>	<u>2,013,947</u>	<u>2,040,356</u>
Total Assets	<u>\$ 274,919</u>	<u>\$ 2,850,220</u>	<u>\$ 3,125,139</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ --	\$ 100,912	\$ 100,912
Salaries and benefits payable	--	20,907	20,907
Due to other funds	--	55,476	55,476
Unearned revenue	--	740,965	740,965
Compensated absences	--	43,608	43,608
Postclosure costs	3,854	--	3,854
Total Current Liabilities	<u>3,854</u>	<u>961,868</u>	<u>965,722</u>
Noncurrent Liabilities:			
Compensated absences	--	19,584	19,584
Postclosure costs	118,113	--	118,113
Net OPEB obligation	--	71,316	71,316
Total Noncurrent Liabilities	<u>118,113</u>	<u>90,900</u>	<u>209,013</u>
Total Liabilities	<u>121,967</u>	<u>1,052,768</u>	<u>1,174,735</u>
NET POSITION			
Net investment in capital assets	26,409	2,013,947	2,040,356
Unrestricted	126,543	(216,495)	(89,952)
Total Net Position	<u>152,952</u>	<u>1,797,452</u>	<u>1,950,404</u>
Total Liabilities and Net Position	<u>\$ 274,919</u>	<u>\$ 2,850,220</u>	<u>\$ 3,125,139</u>

COUNTY OF NEVADA

Combining Statement of Revenues, Expenses and
Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2014

	Eastern Nevada County Solid Waste	Transit Services	Totals
Operating Revenues:			
Charges for services	\$ 187,522	\$ 358,189	\$ 545,711
Total Operating Revenues	<u>187,522</u>	<u>358,189</u>	<u>545,711</u>
Operating Expenses:			
Salaries and benefits	--	1,121,254	1,121,254
Services and supplies	187,622	1,788,829	1,976,451
Other charges	2,584	63,407	65,991
Expense transfers	--	106,733	106,733
Closure and postclosure costs	1,802	--	1,802
Depreciation and amortization	--	108,705	108,705
Total Operating Expenses	<u>192,008</u>	<u>3,188,928</u>	<u>3,380,936</u>
Operating Income (Loss)	<u>(4,486)</u>	<u>(2,830,739)</u>	<u>(2,835,225)</u>
Non-Operating Revenue (Expenses):			
Taxes and assessments	--	2,149,085	2,149,085
Intergovernmental revenues	--	437,120	437,120
Interest income	2,298	9,927	12,225
Gain (loss) on sale of assets	--	3,529	3,529
Other non-operating revenues	--	3,242	3,242
Total Non-Operating Revenue (Expenses)	<u>2,298</u>	<u>2,602,903</u>	<u>2,605,201</u>
Income (Loss) Before Contributions	(2,188)	(227,836)	(230,024)
Capital contributions	<u>--</u>	<u>337,171</u>	<u>337,171</u>
Change in Net Position	(2,188)	109,335	107,147
Net Position - Beginning of Year, restated	<u>155,140</u>	<u>1,688,117</u>	<u>1,843,257</u>
Net Position - End of Year	<u>\$ 152,952</u>	<u>\$ 1,797,452</u>	<u>\$ 1,950,404</u>

COUNTY OF NEVADA

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2014

	Eastern Nevada County Solid Waste	Transit Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 187,522	\$ 162,758	\$ 350,280
Payments to suppliers	(190,206)	(2,065,819)	(2,256,025)
Payments to employees	--	(1,108,276)	(1,108,276)
Net Cash Provided (Used) by Operating Activities	(2,684)	(3,011,337)	(3,014,021)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Grants and other receipts	--	2,589,447	2,589,447
Interfund loans received	--	4,966	4,966
Interfund loans made	--	(9)	(9)
Net Cash Provided (Used) for Noncapital Financing Activities	--	2,594,404	2,594,404
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	--	(232,963)	(232,963)
Proceeds from sale of capital assets	--	5,233	5,233
Capital grants	--	124,343	124,343
Net Cash Provided (Used) by Capital and Related Financing Activities	--	(103,387)	(103,387)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends (expense)	2,298	9,927	12,225
Net Cash Provided (Used) by Investing Activities	2,298	9,927	12,225
Net Increase (Decrease) in Cash and Cash Equivalents	(386)	(510,393)	(510,779)
Cash and Cash Equivalents, Beginning of Year	248,896	976,660	1,225,556
Cash and Cash Equivalents, End of Year	<u>\$ 248,510</u>	<u>\$ 466,267</u>	<u>\$ 714,777</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (4,486)	\$ (2,830,739)	\$ (2,835,225)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	--	108,705	108,705
Decrease (Increase) in:			
Accounts receivable	--	2,169	2,169
Increase (decrease) in:			
Accounts payable	--	(106,850)	(106,850)
Accrued salaries and benefits	--	1,436	1,436
Unearned revenue	--	(197,600)	(197,600)
Compensated absences payable	--	2,216	2,216
Post closure costs	1,802	--	1,802
Net OPEB obligation	--	9,326	9,326
Net Cash Provided (Used) by Operating Activities	<u>\$ (2,684)</u>	<u>\$ (3,011,337)</u>	<u>\$ (3,014,021)</u>

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Internal Service Funds

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COUNTY OF NEVADA
Internal Service Funds

Internal service funds are used to account for the financing of good 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

Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
ASSETS				
Current Assets:				
Cash and investments	\$ 2,119,879	\$ 92,099	\$ 1,531,843	\$ 1,529,672
Accounts receivable	--	5,201	--	--
Due from other funds	357,321	--	--	--
Prepaid costs	--	--	--	5,722
Inventory	69,259	--	--	--
Deposits	--	--	--	--
Total Current Assets	<u>2,546,459</u>	<u>97,300</u>	<u>1,531,843</u>	<u>1,535,394</u>
Noncurrent Assets:				
Capital assets:				
Depreciable, net	745,951	--	--	--
Total Noncurrent Assets	<u>745,951</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Assets	<u>\$ 3,292,410</u>	<u>\$ 97,300</u>	<u>\$ 1,531,843</u>	<u>\$ 1,535,394</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 101,726	\$ 14,665	\$ --	\$ 163
Salaries and benefits payable	11,682	--	--	--
Due to other funds	99,965	--	--	43,015
Compensated absences	24,248	--	--	--
Accrued claims payable	--	--	421,550	331,780
Total Current Liabilities	<u>237,621</u>	<u>14,665</u>	<u>421,550</u>	<u>374,958</u>
Noncurrent Liabilities:				
Compensated absences	14,027	--	--	--
Accrued claims payable	--	--	--	431,220
Net OPEB obligation	50,796	--	--	--
Total Noncurrent Liabilities	<u>64,823</u>	<u>--</u>	<u>--</u>	<u>431,220</u>
Total Liabilities	<u>302,444</u>	<u>14,665</u>	<u>421,550</u>	<u>806,178</u>
NET POSITION				
Net investment in capital assets	745,951	--	--	--
Unrestricted	2,244,015	82,635	1,110,293	729,216
Total Net Position	<u>2,989,966</u>	<u>82,635</u>	<u>1,110,293</u>	<u>729,216</u>
Total Liabilities and Net Position	<u>\$ 3,292,410</u>	<u>\$ 97,300</u>	<u>\$ 1,531,843</u>	<u>\$ 1,535,394</u>

continued

COUNTY OF NEVADA

Combining Statement of Net Position Internal Service Funds June 30, 2014

	Central Services	Dental Insurance	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 55,888	\$ 376,240	\$ 5,705,621
Accounts receivable	--	19,155	24,356
Due from other funds	6,097	--	363,418
Prepaid costs	15,682	--	21,404
Inventory	--	--	69,259
Deposits	--	95,775	95,775
Total Current Assets	<u>77,667</u>	<u>491,170</u>	<u>6,279,833</u>
Noncurrent Assets:			
Capital assets:			
Depreciable, net	1,277	--	747,228
Total Noncurrent Assets	<u>1,277</u>	<u>--</u>	<u>747,228</u>
Total Assets	<u>\$ 78,944</u>	<u>\$ 491,170</u>	<u>\$ 7,027,061</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 9,526	\$ 52,922	\$ 179,002
Salaries and benefits payable	1,514	--	13,196
Due to other funds	23,915	--	166,895
Compensated absences	6,595	--	30,843
Accrued claims payable	--	--	753,330
Total Current Liabilities	<u>41,550</u>	<u>52,922</u>	<u>1,143,266</u>
Noncurrent Liabilities:			
Compensated absences	5,683	--	19,710
Accrued claims payable	--	--	431,220
Net OPEB obligation	3,857	--	54,653
Total Noncurrent Liabilities	<u>9,540</u>	<u>--</u>	<u>505,583</u>
Total Liabilities	<u>51,090</u>	<u>52,922</u>	<u>1,648,849</u>
NET POSITION			
Net investment in capital assets	1,277	--	747,228
Unrestricted	26,577	438,248	4,630,984
Total Net Position	<u>27,854</u>	<u>438,248</u>	<u>5,378,212</u>
Total Liabilities and Net Position	<u>\$ 78,944</u>	<u>\$ 491,170</u>	<u>\$ 7,027,061</u>

COUNTY OF NEVADA

Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2014

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
Operating Revenues:				
Charges for services	\$ 3,538,533	\$ 184,208	\$ 422,226	\$ 734,773
Other revenues	<u>32,981</u>	<u>--</u>	<u>--</u>	<u>54,353</u>
Total Operating Revenues	<u>3,571,514</u>	<u>184,208</u>	<u>422,226</u>	<u>789,126</u>
Operating Expenses:				
Salaries and benefits	709,358	--	--	--
Services and supplies	2,303,450	23,878	--	544,660
Benefit and claim expenses	--	151,220	39,849	128,035
Other charges	56,650	17,193	16,616	21,236
Expense transfers	120,422	--	--	146,564
Depreciation and amortization	<u>316,980</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Operating Expenses	<u>3,506,860</u>	<u>192,291</u>	<u>56,465</u>	<u>840,495</u>
Operating Income (Loss)	<u>64,654</u>	<u>(8,083)</u>	<u>365,761</u>	<u>(51,369)</u>
Non-Operating Revenue (Expenses):				
Forfeitures and penalties	26,258	--	--	--
Interest income	<u>20,848</u>	<u>919</u>	<u>12,658</u>	<u>14,660</u>
Total Non-Operating Revenue (Expenses)	<u>47,106</u>	<u>919</u>	<u>12,658</u>	<u>14,660</u>
Income (Loss) Before Transfers and Contributions	111,760	(7,164)	378,419	(36,709)
Capital contributions	1,123	--	--	--
Transfers in	<u>40,092</u>	<u>--</u>	<u>--</u>	<u>--</u>
Change in Net Position	152,975	(7,164)	378,419	(36,709)
Net Position - Beginning of Year, restated	<u>2,836,991</u>	<u>89,799</u>	<u>731,874</u>	<u>765,925</u>
Net Position - End of Year	<u><u>\$ 2,989,966</u></u>	<u><u>\$ 82,635</u></u>	<u><u>\$ 1,110,293</u></u>	<u><u>\$ 729,216</u></u>

continued

COUNTY OF NEVADA

Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2014

	Central Services	Dental Insurance	Total
Operating Revenues:			
Charges for services	\$ 513,254	\$ 857,431	\$ 6,250,425
Other revenues	--	--	87,334
Total Operating Revenues	<u>513,254</u>	<u>857,431</u>	<u>6,337,759</u>
Operating Expenses:			
Salaries and benefits	76,936	--	786,294
Services and supplies	397,345	82,265	3,351,598
Benefit and claim expenses	--	706,009	1,025,113
Other charges	(4,744)	25,368	132,319
Expense transfers	48,530	--	315,516
Depreciation and amortization	--	--	316,980
Total Operating Expenses	<u>518,067</u>	<u>813,642</u>	<u>5,927,820</u>
Operating Income (Loss)	<u>(4,813)</u>	<u>43,789</u>	<u>409,939</u>
Non-Operating Revenue (Expenses):			
Forfeitures and penalties	--	--	26,258
Interest income	376	3,159	52,620
Total Non-Operating Revenue (Expenses)	<u>376</u>	<u>3,159</u>	<u>78,878</u>
Income (Loss) Before Transfers and Contributions	(4,437)	46,948	488,817
Capital contributions	--	--	1,123
Transfers in	<u>--</u>	<u>--</u>	<u>40,092</u>
Change in Net Position	(4,437)	46,948	530,032
Net Position - Beginning of Year, restated	<u>32,291</u>	<u>391,300</u>	<u>4,848,180</u>
Net Position - End of Year	<u>\$ 27,854</u>	<u>\$ 438,248</u>	<u>\$ 5,378,212</u>

COUNTY OF NEVADA

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2014

	Fleet Management	Vision Insurance	Unemployment Insurance	Liability Insurance
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 3,572,826	\$ 190,128	\$ 422,226	\$ 789,126
Payments to suppliers	(2,415,373)	(193,205)	(197,671)	(753,973)
Payments to employees	(713,159)	--	--	--
Net Cash Provided (Used) by Operating Activities	444,294	(3,077)	224,555	35,153
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants and other receipts	26,258	--	--	--
Transfers from other funds	40,092	--	--	--
Interfund loans received	8,489	--	--	18,281
Interfund loans repaid	(46,545)	(218)	(337)	--
Net Cash Provided (Used) by Noncapital Financing Activities	28,294	(218)	(337)	18,281
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(557,839)	--	--	--
Proceeds from sale of capital assets	3,000	--	--	--
Net Cash Provided (Used) by Capital and Related Financing Activities	(554,839)	--	--	--
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received (paid)	20,848	919	12,658	14,660
Net Cash Provided (Used) by Investing Activities	20,848	919	12,658	14,660
Net Increase (Decrease) in Cash and Cash Equivalents	(61,403)	(2,376)	236,876	68,094
Cash and Cash Equivalents, Beginning of Year	2,181,282	94,475	1,294,967	1,461,578
Cash and Cash Equivalents, End of Year	<u>\$ 2,119,879</u>	<u>\$ 92,099</u>	<u>\$ 1,531,843</u>	<u>\$ 1,529,672</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 64,654	\$ (8,083)	\$ 365,761	\$ (51,369)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	316,980	--	--	--
Changes in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	1,312	5,920	--	--
Prepaid expense	--	--	--	5,722
Inventory	3,736	--	--	--
Increase (decrease) in:				
Payables	61,413	(914)	--	(200)
Salaries and benefits payable	1,004	--	--	--
Compensated absences payable	(11,631)	--	--	--
Claims payable	--	--	(141,206)	81,000
Net OPEB obligation	6,826	--	--	--
Net Cash Provided (Used) by Operating Activities	<u>\$ 444,294</u>	<u>\$ (3,077)</u>	<u>\$ 224,555</u>	<u>\$ 35,153</u>

continued

COUNTY OF NEVADA

Combining Statement of Cash Flows (continued)
Internal Service Funds
For the Year Ended June 30, 2014

	Central Services	Dental Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 513,266	\$ 880,272	\$ 6,367,844
Payments to suppliers	(424,295)	(793,618)	(4,778,135)
Payments to employees	(76,958)	--	(790,117)
	<u>12,013</u>	<u>86,654</u>	<u>799,592</u>
Net Cash Provided (Used) by Operating Activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Grants and other receipts	--	--	26,258
Transfers from other funds	--	--	40,092
Interfund loans received	4,288	--	31,058
Interfund loans repaid	(6,097)	(433)	(53,630)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,809)</u>	<u>(433)</u>	<u>43,778</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	--	--	(557,839)
Proceeds from sale of capital assets	--	--	3,000
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>--</u>	<u>(554,839)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	376	3,159	52,620
Net Cash Provided (Used) by Investing Activities	<u>376</u>	<u>3,159</u>	<u>52,620</u>
Net Increase (Decrease) in Cash and Cash Equivalents	10,580	89,380	341,151
Cash and Cash Equivalents, Beginning of Year	<u>45,308</u>	<u>286,860</u>	<u>5,364,470</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 55,888</u></u>	<u><u>\$ 376,240</u></u>	<u><u>\$ 5,705,621</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (4,813)	\$ 43,789	\$ 409,939
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	--	--	316,980
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	12	22,841	30,085
Prepaid expense	15,364	--	21,086
Inventory	--	--	3,736
Increase (decrease) in:			
Payables	1,472	20,024	81,795
Salaries and benefits payable	219	--	1,223
Compensated absences payable	(1,051)	--	(12,682)
Claims payable	--	--	(60,206)
Net OPEB obligation	810	--	7,636
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 12,013</u></u>	<u><u>\$ 86,654</u></u>	<u><u>\$ 799,592</u></u>

Fiduciary Funds

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COUNTY OF NEVADA
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; Independent Districts, School Districts, School Districts Debt Service, Courts and Jury/Witness and Local Transportation Authority. 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

Combining Statement of Fiduciary Net Position
Investment Trust Fund
June 30, 2014

	Independent Districts	School Districts	School Districts Debt Service
ASSETS			
Cash and investments	\$ 22,758,162	\$ 38,751,485	\$ 887,642
Accounts receivables	144,640	--	--
Taxes receivables	--	--	--
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>22,902,802</u>	<u>38,751,485</u>	<u>887,642</u>
 LIABILITIES			
Accounts payable	<u>25,666</u>	<u>--</u>	<u>--</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>25,666</u>	<u>--</u>	<u>--</u>
 NET POSITION			
Net position held in trust for investment pool participants	<u>\$ 22,877,136</u>	<u>\$ 38,751,485</u>	<u>\$ 887,642</u>

continued

COUNTY OF NEVADA

Combining Statement of Fiduciary Net Position (continued)
Investment Trust Fund
June 30, 2014

	Courts and Jury/Witness	Local Transportation Agency	Total Investment Trust Funds
ASSETS			
Cash and investments	\$ 1,124,442	\$ 11,626,073	\$ 75,147,804
Accounts receivables	4,290	447,301	596,231
Taxes receivables	<u>--</u>	<u>487,500</u>	<u>487,500</u>
Total Assets	<u>1,128,732</u>	<u>12,560,874</u>	<u>76,231,535</u>
LIABILITIES			
Accounts payable	<u>--</u>	<u>385,465</u>	<u>411,131</u>
Total Liabilities	<u>--</u>	<u>385,465</u>	<u>411,131</u>
NET POSITION			
Net position held in trust for investment pool participants	<u>\$ 1,128,732</u>	<u>\$ 12,175,409</u>	<u>\$ 75,820,404</u>

COUNTY OF NEVADA

Combining Statement of Changes in Fiduciary Net Position
Investment Trust Fund
For the Year Ended June 30, 2014

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>
ADDITIONS			
Contributions:			
Contributions to investment pool	\$ 78,807,062	\$ 250,667,250	\$ 5,607,089
Net investment income:			
Interest income	<u>216,007</u>	<u>422,823</u>	<u>7,561</u>
Total Additions	<u>79,023,069</u>	<u>251,090,073</u>	<u>5,614,650</u>
DEDUCTIONS			
Distributions from investment pool	<u>79,033,409</u>	<u>248,828,402</u>	<u>5,573,102</u>
Total Deductions	<u>79,033,409</u>	<u>248,828,402</u>	<u>5,573,102</u>
Change in net position	(10,340)	2,261,671	41,548
Net Position - Beginning	<u>22,887,476</u>	<u>36,489,814</u>	<u>846,094</u>
Net Position - Ending	<u><u>\$ 22,877,136</u></u>	<u><u>\$ 38,751,485</u></u>	<u><u>\$ 887,642</u></u>

continued

COUNTY OF NEVADA

Combining Statement of Changes in Fiduciary Net Position (continued)

Investment Trust Fund

For the Year Ended June 30, 2014

	<u>Courts and Jury/Witness</u>	<u>Local Transportation Agency</u>	<u>Total Investment Trust Funds</u>
ADDITIONS			
Contributions:			
Contributions to investment pool	\$ 3,839,462	\$ 7,430,141	\$ 346,351,004
Net investment income:			
Interest income	<u>10,656</u>	<u>104,304</u>	<u>761,351</u>
Total Additions	<u>3,850,118</u>	<u>7,534,445</u>	<u>347,112,355</u>
DEDUCTIONS			
Distribution from pooled investment	<u>3,830,970</u>	<u>7,995,019</u>	<u>345,260,902</u>
Total Deductions	<u>3,830,970</u>	<u>7,995,019</u>	<u>345,260,902</u>
Change in net position	19,148	(460,574)	1,851,453
Net Position - Beginning	<u>1,109,584</u>	<u>12,635,983</u>	<u>73,968,951</u>
Net Position - Ending	<u><u>\$ 1,128,732</u></u>	<u><u>\$ 12,175,409</u></u>	<u><u>\$ 75,820,404</u></u>

COUNTY OF NEVADA

Combining Statement of Assets and Liabilities Agency Funds June 30, 2014

	Accrued Trust Funds	County Departmental Agency Funds	Total
Assets			
Cash and investments	970,819	1,010,411	\$ 1,981,230
Restricted cash and investments	59,191	262,232	321,423
Accounts receivable	15,488	1,462	16,950
Taxes receivable	10,135,564	--	10,135,564
Total Assets	<u>\$ 11,181,062</u>	<u>\$ 1,274,105</u>	<u>\$ 12,455,167</u>
Liabilities			
Due to other funds	\$ 4,528,984	\$ --	\$ 4,528,984
Agency obligations	6,652,078	1,274,105	7,926,183
Total Liabilities	<u>\$ 11,181,062</u>	<u>\$ 1,274,105</u>	<u>\$ 12,455,167</u>

COUNTY OF NEVADA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2014

	Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014
<u>Accrued Trust Funds</u>				
Assets				
Cash and investments	\$ 838,963	\$ 4,528,984	\$ (4,397,128)	\$ 970,819
Restricted cash and investments	59,185	6	--	59,191
Accounts receivable	--	15,488	--	15,488
Taxes receivable	10,455,136	--	(319,572)	10,135,564
Total Assets	<u>\$ 11,353,284</u>	<u>\$ 4,544,478</u>	<u>\$ (4,716,700)</u>	<u>\$ 11,181,062</u>
Liabilities				
Due to other agencies	7,012,821	4,528,984	(7,012,821)	4,528,984
Agency obligations	4,340,463	2,311,615	--	6,652,078
Total Liabilities	<u>\$ 11,353,284</u>	<u>\$ 6,840,599</u>	<u>\$ (7,012,821)</u>	<u>\$ 11,181,062</u>
<u>County Departmental Agency Funds</u>				
Assets				
Cash and investments	\$ 788,110	\$ 222,301	\$ --	\$ 1,010,411
Restricted cash and investments	166,758	95,474	--	262,232
Accounts receivable	--	1,462	--	1,462
Total Assets	<u>\$ 954,868</u>	<u>\$ 319,237</u>	<u>\$ --</u>	<u>\$ 1,274,105</u>
Liabilities				
Agency obligations	\$ 954,868	\$ 319,237	\$ --	\$ 1,274,105
Total Liabilities	<u>\$ 954,868</u>	<u>\$ 319,237</u>	<u>\$ --</u>	<u>\$ 1,274,105</u>
<u>Total Agency Funds</u>				
Assets				
Cash and investments	\$ 1,627,073	\$ 4,751,285	\$ (4,397,128)	\$ 1,981,230
Restricted cash and investments	225,943	95,480	--	321,423
Accounts receivable	--	16,950	--	16,950
Taxes receivable	10,455,136	--	(319,572)	10,135,564
Total Assets	<u>\$ 12,308,152</u>	<u>\$ 4,863,715</u>	<u>\$ (4,716,700)</u>	<u>\$ 12,455,167</u>
Liabilities				
Due to other agencies	\$ 7,012,821	\$ 4,528,984	\$ (7,012,821)	\$ 4,528,984
Agency obligations	5,295,331	2,630,852	--	7,926,183
Total Liabilities	<u>\$ 12,308,152</u>	<u>\$ 7,159,836</u>	<u>\$ (7,012,821)</u>	<u>\$ 12,455,167</u>

STATISTICAL SECTION

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STATISTICAL SECTION
(UNAUDITED)

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.

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	164-173
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	174-177
<u>Debt Capacity</u> 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.	178-181
<u>Economic and Demographic Information</u> 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.	182-183
<u>Operating Information</u> 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.	184-189

Note: The County began reporting accrual information when it implemented GASB Statement No. 34 in FY 2003-04
Source: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial reports for the relevant year.

COUNTY OF NEVADA

Net Position by Component Last Ten Fiscal Years

	2013/2014	2012/2013	2011/2012	2010/2011
Governmental activities				
Invested in capital assets, net of related debt	\$ 253,155,793	\$ 251,396,810	\$ 253,037,695	\$ 250,376,233
Restricted	51,789,636	44,099,225	43,247,919	40,759,140
Unrestricted	23,561,623	25,737,371	21,160,019	24,054,736
Total governmental activities net assets	<u>\$ 328,507,052</u>	<u>\$ 321,233,406</u>	<u>\$ 317,445,633</u>	<u>\$ 315,190,109</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 34,976,980	\$ 35,605,071	\$ 32,630,175	\$ 31,980,481
Unrestricted	5,152,998	2,886,658	3,877,136	2,270,557
Total business-type activities net assets	<u>\$ 40,129,978</u>	<u>\$ 38,491,729</u>	<u>\$ 36,507,311</u>	<u>\$ 34,251,038</u>
Primary government				
Invested in capital assets, net of related debt	\$ 288,132,773	\$ 287,001,881	\$ 285,667,870	\$ 282,356,714
Restricted	51,789,636	44,099,225	43,247,919	40,759,140
Unrestricted	28,714,621	28,624,029	25,037,155	26,325,293
Total primary government net assets	<u>\$ 368,637,030</u>	<u>\$ 359,725,135</u>	<u>\$ 353,952,944</u>	<u>\$ 349,441,147</u>

Source: Nevada County Audited Financial Statements - Statement of Net Assets

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

2009/2010	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
\$ 248,400,614	\$ 245,044,668	\$ 240,377,169	\$ 238,955,459	\$ 237,770,629	\$ 233,807,949
40,542,205	36,273,724	38,274,175	40,643,025	39,102,881	37,995,142
19,001,129	18,517,776	15,395,845	14,297,129	9,932,618	7,894,253
<u>\$ 307,943,948</u>	<u>\$ 299,836,168</u>	<u>\$ 294,047,189</u>	<u>\$ 293,895,613</u>	<u>\$ 286,806,128</u>	<u>\$ 279,697,344</u>
\$ 29,861,732	\$ 30,433,338	\$ 25,611,733	\$ 17,773,325	\$ 10,949,954	\$ 8,608,896
108,052	(1,337,369)	(654,360)	650,031	142,603	(519,455)
<u>\$ 29,969,784</u>	<u>\$ 29,095,969</u>	<u>\$ 24,957,373</u>	<u>\$ 18,423,356</u>	<u>\$ 11,092,557</u>	<u>\$ 8,089,441</u>
\$ 278,262,346	\$ 275,478,006	\$ 265,988,902	\$ 256,728,784	\$ 248,720,583	\$ 242,416,845
40,542,205	36,273,724	38,274,175	40,643,025	39,102,881	37,995,142
19,109,181	17,180,407	14,741,485	14,947,160	10,075,221	7,374,798
<u>\$ 337,913,732</u>	<u>\$ 328,932,137</u>	<u>\$ 319,004,562</u>	<u>\$ 312,318,969</u>	<u>\$ 297,898,685</u>	<u>\$ 287,786,785</u>

COUNTY OF NEVADA

**Changes in Net Position
Last Ten Fiscal Years**

	2013/2014	2012/2013	2011/2012	2010/2011
Expenses				
Governmental activities:				
General government	\$ 10,989,811	\$ 10,970,028	\$ 9,210,602	\$ 8,709,767
Public ways and facilities	11,611,245	8,851,411	10,232,294	11,125,921
Public protection	50,042,384	49,512,886	52,805,726	53,744,616
Health and sanitation	27,546,994	27,826,134	26,621,726	27,399,803
Public assistance	25,866,638	26,928,270	25,183,015	29,493,151
Education	2,593,778	2,492,903	2,307,992	2,236,503
Recreation	76,301	179,793	176,920	130,174
Interest on long-term debt	570,236	470,363	643,998	729,736
Total governmental activities expenses	129,297,387	127,231,788	127,182,273	133,569,671
Business type activities:				
Eastern Nevada County Solid Waste	192,008	185,901	179,936	164,274
Western Nevada County Solid Waste	464,090	743,678	7,213,400	6,105,160
Transit Services	3,177,824	2,594,522	2,548,163	2,801,101
Airport	1,392,447	1,332,796	1,217,276	1,362,731
Sanitation Districts	6,564,630	6,652,745	6,683,592	6,627,209
Total business-type activities expenses	11,790,999	11,509,642	17,842,367	17,060,475
Total Primary Government expenses	<u>\$ 141,088,386</u>	<u>\$ 138,741,430</u>	<u>\$ 145,024,640</u>	<u>\$ 150,630,146</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	\$ 6,229,398	\$ 5,927,769	\$ 5,718,009	\$ 6,881,565
Public Ways and Facilities	1,668,874	1,391,104	1,181,180	1,517,645
Public Protection	6,579,163	6,246,802	6,503,600	7,195,596
Health and Sanitation	2,925,865	3,102,185	2,772,581	2,345,892
Public Assistance	67,824	45,482	57,596	53,261
Education	88,573	81,945	84,532	98,850
Recreation	-	-	-	-
Operating grants and contributions	69,039,845	70,201,674	68,545,772	75,229,137
Capital grants and contributions	3,202,034	293,760	1,207,605	335,142
Total governmental activities revenues	89,801,576	87,290,721	86,070,875	93,657,088
Business type activities:				
Charges for services:				
Eastern Nevada County Solid Waste	187,522	178,813	170,393	161,867
Western Nevada County Solid Waste	1,553,637	1,544,170	7,235,081	7,258,011
Transit Services	358,189	323,201	325,517	331,846
Airport	1,078,617	804,774	604,105	520,937
Sanitation Districts	6,978,013	6,579,111	6,709,836	6,943,169
Operating grants and contributions	447,120	330,921	350,893	1,126,440
Capital grants and contributions	435,908	1,609,145	2,384,581	1,775,682
Total business-type activities program revenues	11,039,006	11,370,135	17,780,406	18,117,952
Total Primary government program revenues	<u>\$ 100,840,582</u>	<u>\$ 98,660,856</u>	<u>\$ 103,851,281</u>	<u>\$ 111,775,040</u>
Net (Expense)/Revenue (1)				
Governmental activities	\$ (39,495,811)	\$ (39,941,067)	\$ (41,111,398)	\$ (39,912,583)
Business-type activities	(751,993)	(139,507)	(61,961)	1,057,477
Total Primary Government Net Expense	<u>\$ (40,247,804)</u>	<u>\$ (40,080,574)</u>	<u>\$ (41,173,359)</u>	<u>\$ (38,855,106)</u>

2009/2010	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
\$ 10,244,690	\$ 11,873,042	\$ 13,734,811	\$ 12,221,901	\$ 11,249,361	\$ 8,938,435
10,401,753	13,050,854	10,455,997	10,077,775	8,513,880	6,312,601
53,962,729	54,426,072	52,982,684	46,998,768	45,190,677	43,150,103
24,897,645	23,587,615	21,056,211	17,680,812	18,470,443	16,151,498
29,362,237	28,112,397	25,413,676	23,173,587	22,393,216	21,271,351
2,386,595	2,810,750	3,015,545	2,541,343	2,865,584	2,471,046
72,454	98,885	245,653	237,357	51,729	11,126
768,465	814,289	917,161	832,300	855,225	757,523
132,096,568	134,773,904	127,821,738	113,763,843	109,590,115	99,063,683
147,527	132,499	127,515	135,640	111,396	345,238
6,114,100	6,781,889	7,369,951	6,935,822	6,538,648	5,971,008
3,229,143	4,294,101	3,858,023	3,253,773	3,088,462	2,874,082
1,167,371	1,279,836	1,441,091	1,282,831	1,137,542	1,035,399
7,083,467	5,335,583	5,191,420	4,502,075	4,037,253	3,331,819
17,741,608	17,823,908	17,988,000	16,110,141	14,913,301	13,557,546
\$ 149,838,176	\$ 152,597,812	\$ 145,809,738	\$ 129,873,984	\$ 124,503,416	\$ 112,621,229
\$ 6,910,899	\$ 6,838,658	\$ 5,999,606	\$ 5,497,348	\$ 6,232,111	\$ 6,338,047
1,155,673	1,329,674	2,730,449	3,089,154	1,440,008	1,240,364
7,362,448	7,253,963	5,240,057	4,814,608	6,364,587	6,121,598
2,089,343	1,878,192	1,759,838	1,836,658	2,267,470	2,269,265
57,250	62,241	59,647	37,445	47,007	57,583
95,275	88,588	99,526	100,167	94,848	92,298
-	-	1,914	476	-	-
72,351,303	72,853,677	63,672,782	56,087,452	58,599,661	55,728,641
628,556	-	-	54,876	2,296,519	-
90,650,747	90,304,993	79,563,819	71,518,184	77,342,211	71,847,796
125,700	116,398	112,302	108,592	102,312	98,145
6,930,479	7,259,068	7,711,070	7,978,217	7,753,931	7,400,950
389,444	568,657	519,658	476,213	480,601	309,693
574,064	683,797	773,809	807,131	618,549	548,488
6,622,180	6,462,994	5,969,966	6,551,985	3,509,905	3,818,931
1,127,304	1,846,635	1,039,974	475,587	2,633,921	2,787,415
258,381	1,464,457	75,636	1,380,188	2,179,464	-
16,027,552	18,402,006	16,202,415	17,777,913	17,278,683	14,963,622
\$ 106,678,299	\$ 108,706,999	\$ 95,766,234	\$ 89,296,097	\$ 94,620,894	\$ 86,811,418
\$ (41,445,821)	\$ (44,468,911)	\$ (48,257,919)	\$ (42,245,659)	\$ (32,247,904)	\$ (27,215,887)
(1,714,056)	578,098	(1,785,585)	1,667,772	2,365,382	1,406,076
\$ (43,159,877)	\$ (43,890,813)	\$ (50,043,504)	\$ (40,577,887)	\$ (29,882,522)	\$ (25,809,811)

COUNTY OF NEVADA

Changes in Net Position Last Ten Fiscal Years

	2013/2014	2012/2013	2011/2012	2010/2011
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property Taxes	31,367,403	31,310,243	30,870,233	31,655,023
Sales and use taxes	4,887,511	4,534,294	4,415,124	4,175,230
Property transfer taxes	793,836	710,251	581,333	558,138
Transient occupancy taxes	235,836	276,664	232,734	257,137
Timber yield taxes	-	21,819	24,977	10,704
Aircraft taxes	-	47,750	73,894	71,793
Franchise taxes	2,572,284	2,415,479	1,043,464	1,041,684
Transportation taxes	-	9,440	25,362	77,878
Other taxes	178,264	18,437	23,426	29,195
Grants and contributions - unrestricted	3,248,099	2,876,984	2,906,113	3,830,282
Tobacco settlement	869,676	1,322,875	877,748	860,744
Motor vehicle in-lieu taxes	-	-	-	-
Interest and investment earnings	655,749	335,554	826,145	737,446
Miscellaneous	1,854,612	2,149,012	1,529,315	2,816,711
Insurance Recoveries	-	-	-	2,707,218
Gain (loss) on disposal/sale of capital assets	-	-	-	-
Transfers	-	-	-	(1,670,439)
Total governmental activities	46,663,270	46,028,802	43,429,868	47,158,744
Business-Type Activities:				
Taxes:				
Property taxes	8,196	6,990	7,068	6,960
Transient occupancy taxes	14,922	17,398	14,718	16,306
Timber yield taxes	-	880	1,007	432
Aircraft taxes	-	33,806	38,499	42,202
Transportation taxes	-	1,730,785	1,738,449	984,634
Other taxes	2,181,520	-	-	-
Interest and investment earnings	178,565	32,412	206,582	179,490
Miscellaneous	7,990	301,654	311,911	384,583
Gain (loss) on disposal/sale of capital assets	-	-	-	-
Transfers	-	-	-	1,670,439
Total business-type activities	2,391,193	2,123,925	2,318,234	3,285,046
Total primary government	49,054,463	48,152,727	45,748,102	50,443,790
Change in Net Position				
Governmental activities	\$ 7,167,459	\$ 6,087,735	\$ 2,318,470	\$ 7,246,161
Business-type activities	1,639,200	1,984,418	2,256,273	4,342,523
Total primary government	\$ 8,806,659	\$ 8,072,153	\$ 4,574,743	\$ 11,588,684

(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.

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

2009/2010	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
34,186,337	34,221,104	33,565,001	31,516,285	27,749,937	18,086,143
4,008,830	4,250,561	5,065,713	5,532,663	5,174,027	5,161,912
581,367	521,261	673,351	974,171	1,391,798	1,613,064
277,712	184,889	285,205	275,728	209,216	177,605
12,434	45,658	52,232	61,133	79,308	79,126
75,404	82,535	82,318	46,546	39,497	33,347
1,032,693	1,049,170	1,013,065	969,903	-	-
8,742	125,683	62,727	69,309	-	-
29,730	25,162	41,288	33,718	47,251	16,186
3,684,748	3,886,412	4,396,990	4,402,323	-	-
932,217	1,117,967	1,017,403	955,670	-	-
-	-	-	-	-	6,370,271
449,987	1,403,881	2,441,133	2,412,223	1,133,058	967,696
2,233,034	2,125,895	1,032,807	2,724,014	2,822,437	3,021,371
1,962,614	1,331,391	-	-	-	-
-	(38,760)	800,986	-	-	-
(252,205)		(660,365)	(381,600)	(51,765)	-
49,223,644	50,332,809	49,869,854	49,592,086	38,594,764	35,526,721
6,804	6,864	6,723	7,009	4,746	4,316
17,140	11,455	17,920	16,796	13,013	11,293
501	1,841	-	-	-	-
47,008	53,661	48,611	40,871	32,060	37,052
1,622,511	2,318,377	2,631,864	2,442,000	-	-
-	-	-	-	-	-
125,785	480,931	1,251,801	1,167,496	391,775	305,818
515,918	797,649	1,712,677	1,172,322	813,121	352,469
-	19,072	-	-	-	-
252,205		660,365	381,600	51,765	-
2,587,872	3,689,850	6,329,961	5,228,094	1,306,480	710,948
51,811,516	54,022,659	56,199,815	54,820,180	39,901,244	36,237,669
\$ 7,777,823	\$ 5,863,898	\$ 1,611,935	\$ 7,346,427	\$ 6,346,860	\$ 8,310,834
873,816	4,267,948	4,544,376	6,895,866	3,671,862	2,117,024
\$ 8,651,639	\$ 10,131,846	\$ 6,156,311	\$ 14,242,293	\$ 10,018,722	\$ 10,427,858

County of Nevada
Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2009/2010	2008/2009	2007/2008	2006/2007
General fund				
Reserved	\$ 294,709	\$ 557,619	\$ 367,172	\$ 685,415
Unreserved	19,240,144	19,085,430	18,363,975	15,271,699
Total General Fund	19,534,852	19,643,049	18,731,147	15,957,114
All Other Governmental Funds				
Reserved	\$ 9,849,189	\$ 8,796,969	\$ 7,319,385	\$ 6,529,825
Unreserved, Reported in:				
Special revenue funds	30,693,012	27,476,755	30,954,790	34,113,200
Capital projects funds	-	-	-	-
Total all other governmental funds	40,542,201	36,273,724	38,274,175	40,643,025

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

	2013/2014	2012/2013	2011/2012	2010/2011
General Fund				
Nonspendable	\$ 57,182	\$ 177,182	\$ 57,182	\$ 82,288
Restricted	761,423	969,999	182,083	11,308
Committed	3,967,000	3,967,000	3,967,000	3,967,000
Assigned	20,698,757	16,934,910	15,205,934	17,471,504
Total General Fund	25,484,362	22,049,091	19,412,199	21,532,100
All Other Governmental Funds				
Nonspendable	\$ 81,035	\$ 70,123	\$ 79,626	\$ 111,923
Restricted	45,682,968	41,337,836	40,154,597	40,359,584
Committed	265,487	56,764	111,433	178,545
Assigned	3,440,650	2,476,095	2,720,180	1,677,485
Unassigned	-	(1,977)	(53,019)	(592,387)
Total All Other Governmental Funds	49,470,140	43,938,841	43,012,817	41,735,150

2005/2006		2004/2005	
\$	1,150,883	\$	808,498
	11,373,937		10,465,538
	12,524,820		11,274,036

\$	6,175,208	\$	5,156,484
	32,927,673		32,838,658
	-		-
	39,102,881		37,995,142

COUNTY OF NEVADA

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years**

	2013/2014	2012/2013	2011/2012	2010/2011
Revenues				
Taxes and assessments	\$ 37,226,840	\$ 36,696,656	\$ 36,006,248	\$ 36,596,536
Licenses and Permits	4,077,068	3,645,049	2,352,797	2,504,673
Fines, Forfeitures and Penalties	3,358,110	3,087,358	3,566,846	3,555,911
Revenue from Use of Money or Property	897,953	336,949	696,810	719,633
Intergovernmental	78,021,146	71,295,266	73,303,842	77,459,741
Charges for Current Services	12,449,016	12,473,351	11,472,871	13,194,382
Other Revenue	2,724,486	3,621,047	2,843,546	3,690,062
Total Revenues	138,754,619	131,155,676	130,242,960	137,720,938
Expenditures				
General Government	10,361,368	10,462,708	8,353,064	7,933,521
Public Ways and Facilities	9,382,372	7,680,513	9,312,369	9,330,778
Public Protection	49,145,226	49,055,381	52,402,237	51,912,158
Health & Sanitation	27,394,928	27,737,695	26,510,578	27,041,986
Public Assistance	25,827,411	26,903,851	25,214,808	29,250,149
Education	2,509,266	2,426,085	2,277,557	2,135,629
Recreation & Cultural	76,301	179,793	176,920	130,174
Debt Service				
Principal	1,419,390	1,435,181	464,898	1,177,465
Interest	608,001	548,856	759,504	732,286
Issuance Cost	-	-	242,091	-
Capital Outlay	3,154,281	4,051,170	3,524,708	4,605,229
Total Expenditures	129,878,544	130,481,233	129,238,734	134,249,375
Excess of revenues over (under) expenditures	8,876,075	674,443	1,004,226	3,471,563
Other Financing Sources (Uses)				
Transfers In	34,681,252	33,155,337	29,749,506	24,833,551
Transfers Out	(34,721,344)	(33,196,864)	(29,797,114)	(26,507,147)
Issuance of Debt	-	2,930,000	8,610,000	1,392,226
Insurance Recovery	-	-	-	-
Premium on COP	-	-	611,148	-
Refunded certificates of participation redeemed	-	-	(11,020,000)	-
Sale of capital assets	2,338	-	-	-
Total Other Financing Sources (Uses)	(37,754)	2,888,473	(1,846,460)	(281,370)
Net Change in Fund Balances	\$ 8,838,321	\$ 3,562,916	\$ (842,234)	\$ 3,190,193
Debt service as a percentage of noncapital expenditures	1.60%	1.57%	0.98%	1.47%

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

2009/2010	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
\$ 38,932,966	\$ 39,411,193	\$ 39,775,603	\$ 38,448,420	\$ 34,611,724	\$ 25,088,257
2,289,461	2,470,330	2,820,297	2,679,837	3,022,441	2,874,129
3,662,504	3,178,606	3,082,100	2,608,195	2,413,690	2,309,855
542,009	1,328,532	2,299,709	2,270,340	1,069,389	910,938
76,952,882	72,146,019	67,333,232	59,710,966	58,565,763	62,113,922
12,463,056	12,851,550	11,011,305	11,413,424	10,660,695	10,863,316
3,151,720	3,243,855	2,749,331	4,535,271	2,932,392	3,113,455
137,994,598	134,630,085	129,071,577	121,666,453	113,276,094	107,273,872
9,813,116	11,287,807	12,661,374	11,762,482	10,282,276	8,073,099
9,118,838	11,624,090	9,157,960	9,314,841	7,866,131	7,057,898
53,417,366	53,021,722	51,447,097	46,847,156	44,681,028	41,882,092
24,883,675	23,364,784	20,727,217	17,636,022	18,385,159	15,997,064
29,375,562	27,836,926	25,151,091	23,178,066	22,377,705	21,158,790
2,334,443	2,708,731	2,888,369	2,516,991	2,810,092	2,442,534
72,454	98,885	245,653	237,357	51,729	11,126
1,120,531	1,084,036	1,044,532	1,049,571	1,743,241	1,359,618
779,445	824,567	866,739	894,794	826,604	766,252
-	-	-	-	-	-
4,904,362	5,195,159	4,621,251	3,514,952	5,915,357	655,983
135,819,793	137,046,707	128,811,283	116,952,232	114,939,322	99,404,456
2,174,806	(2,416,622)	260,294	4,714,221	(1,663,228)	7,869,416
22,533,042	28,648,057	29,394,303	26,169,015	28,485,767	25,848,038
(22,539,440)	(28,672,801)	(30,083,150)	(26,240,706)	(28,554,016)	(25,855,413)
29,262		32,750	329,908	4,090,000	26,682
1,962,614	1,331,391	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	21,426	800,986	-	-	-
1,985,478	1,328,073	144,889	258,217	4,021,751	19,307
\$ 4,160,284	\$ (1,088,549)	\$ 405,183	\$ 4,972,438	\$ 2,358,523	\$ 7,888,723
1.45%	1.45%	1.54%	1.71%	2.36%	2.15%

COUNTY OF NEVADA

**Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Total Secured Real Property	Personal Property	Total (1) Secured and Unsecured	Less: Exemptions	Net Assessed Value	Total Direct Tax Rate
2014	\$ 15,145,357,341	\$ 350,236,211	\$ 15,495,593,552	\$ 539,163,724	\$ 14,956,429,828	1.00%
2013	14,945,038,224	358,435,747	15,303,473,971	484,419,120	14,819,054,851	1.00%
2012	15,142,005,218	377,512,059	15,519,517,277	512,683,393	15,006,833,884	1.00%
2011	15,537,324,628	394,380,861	15,931,705,489	496,557,370	15,435,148,119	1.00%
2010	16,769,888,355	391,003,163	17,160,891,518	506,420,290	16,654,471,228	1.00%
2009	15,784,303,555	363,067,090	16,147,370,645	429,377,178	15,717,993,467	1.00%
2008	14,435,619,000	335,221,841	14,770,840,841	421,389,982	14,349,450,859	1.00%
2007	12,798,167,869	310,443,412	13,108,611,281	407,602,510	12,701,008,771	1.00%
2006	11,378,385,878	255,638,057	11,634,023,935	359,974,676	11,274,049,259	1.00%
2005	10,489,020,503	245,890,683	10,734,911,186	354,262,482	10,380,648,704	1.00%

Notes:

Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which 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; or
- b) fair market value at the time of ownership change; or
- c) fair value for new construction

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

(1) Includes aircrafts

* Revised on 10/20/08

Source:

Auditor-Controller's office

COUNTY OF NEVADA

Direct and Overlapping Property Tax Rates¹ Last Ten Fiscal Years

Fiscal Year End June 30	Basic County- wide Rate	Schools	Special Districts	Total
2014	1.0000	0.0822	0.0301	1.1123
2013	1.0000	0.0897	0.0307	1.1204
2012	1.0000	0.0842	0.0236	1.1078
2011	1.0000	0.0848	0.0350	1.1198
2010	1.0000	0.0750	0.0284	1.1034
2009	1.0000	0.0781	0.0300	1.1081
2008	1.0000	0.0741	0.0248	1.0989
* 2007	1.0000	0.0814	0.0267	1.1081
2006	1.0000	0.0877	0.0328	1.1205
2005	1.0000	0.0364	0.0596	1.0960

- (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.

* Revised on 10/20/08

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

COUNTY OF NEVADA

**Principal Property Tax Payers
Current Year and Nine Years Ago**

Fiscal Year 2014			Fiscal Year 2005		
Secured Taxes			Secured Taxes		
Taxpayer	Amount	Percent of Total	Taxpayer	Amount	Percent of Total
Old Greenwood, LLC	\$855,969	0.48%	Gray's Station, LLC	\$625,129	0.56%
LDK GC 81 LLC	\$517,271	0.29%	Old Greenwood, LLC	\$446,642	0.40%
Wildwood Resolution LLC	\$365,364	0.20%	Tahoe Club Company LLC	\$379,850	0.34%
Tahoe Club Company LLC	\$319,428	0.18%	Old Greenwood, LLC, et al	\$336,953	0.30%
PK II Pinecreek, LP et al	\$318,512	0.18%	Western / Kienow, LP et al	\$254,685	0.23%
Village At Gray's Crossing LP	\$248,198	0.14%	Hidden Lake Properties, Inc.	\$202,831	0.18%
Hidden Lake Properties, Inc.	\$224,224	0.12%	GVSC, LLC	\$142,131	0.13%
Joerger Associates LLC et al	\$221,275	0.12%	Coyote Moon, LLC	\$126,937	0.11%
Gray's Station, LLC	\$220,021	0.12%	Tahoe-Truckee Properties, LLC	\$119,397	0.11%
KENMAWR-Nevada City LLC	\$181,488	0.10%	Parker, James	\$116,676	0.10%
TOTAL	\$3,471,749	1.93%	TOTAL	\$2,751,231	2.46%
Total Secured Taxes Levied		\$179,818,079	Total Secured Taxes Levied		\$111,856,346
Unsecured Taxes			Unsecured Taxes		
Taxpayers	Amount	Percent of Total	Taxpayers	Amount	Percent of Total
Boreal Ridge Corp.	\$205,409	5.53%	Comcast of California IX, Inc.	\$100,957	3.69%
Cequel III Communications, LLC	\$130,627	3.51%	Tahoe Donner Prop Owners Assoc	\$89,791	3.28%
Comcast of California IX, Inc.	\$111,161	2.99%	Boreal Ridge Corp. c/o M. Bennett AC	\$83,529	3.05%
Truckee Meadows Water Authority	\$71,755	1.93%	Thomson Broadcast & Media Solui	\$75,309	2.75%
Tahoe Donner Prop Owners Assoc	\$71,146	1.91%	Cequel III Communications I, LLC	\$64,376	2.35%
Grass Valley, Inc.	\$49,280	1.33%	Teichert A & Son	\$63,647	2.33%
AJA Video Systems Inc	\$48,861	1.31%	Truckee Meadows Water Authority	\$62,608	2.29%
Raley's Supermarket Inc.	\$45,028	1.21%	Bank of the West c/o Controllers D	\$50,373	1.84%
Safeway, Inc.	\$44,065	1.19%	Cequesl III Communications I LLC	\$43,074	1.57%
Teichert A & Son	\$40,152	1.08%	Raley's Supermarket, Inc.	\$42,092	1.54%
TOTAL	\$817,484	21.99%	TOTAL	\$675,759	24.69%
Total Unsecured Taxes Levied		\$3,717,244	Total Unsecured Taxes Levied		\$2,736,467
Public Utility Taxes			Public Utility Taxes		
Taxpayers	Amount	Percent of Total	Taxpayers	Amount	Percent of Total
Pacific Gas & Electric	\$ 1,779,410	61.33%	Pacific Gas & Electric	\$ 1,399,002	59.41%
Pacific Bell Telephone Co	\$ 356,423	12.28%	SBC California	\$ 338,111	14.36%
Southwest Gas	\$ 214,758	7.40%	Southwest Gas	\$ 202,192	8.59%
California Pacific Electric	\$ 110,425	3.81%	Sierra Pacific Power	\$ 185,589	7.88%
Union Pacific Railroad	\$ 96,391	3.32%	Union Pacific Railroad Co.	\$ 64,109	2.72%
Sierra Pacific Power Co	\$ 68,777	2.37%	Cingular Wireless	\$ 61,621	2.62%
Cellco Partnership	\$ 66,865	2.30%	Verizon Wireless	\$ 48,736	2.07%
AT&T Mobility LLC	\$ 58,487	2.02%	SFPP LP	\$ 19,037	0.81%
SFPP LP	\$ 27,990	0.96%	AT&T	\$ 18,430	0.78%
Metro PCs Communications	\$ 26,304	0.91%	Wiltel Communications	\$ 18,150	0.77%
TOTALS	\$ 2,805,829	96.71%	TOTALS	\$ 2,354,977	100.00%
Total Public Utility Taxes Levied		\$2,901,304	Total Public Utility Taxes Levied	\$	2,354,977

Source: County of Nevada Treasurer Tax Collector

COUNTY OF NEVADA

**Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30,	Tax Levies			Collections within the Fiscal Year of the Levy				Tax Levies moved to the Delinquent Roll (2) Percent Delinquent	
	Secured Tax	Unsecured Tax	Total Tax Levies (1)	Secured Tax	Unsecured Tax	Total Tax Collected (1)	% of Levy		
2014	\$ 181,918,148	\$ 3,699,820	\$ 185,617,968	\$ 177,625,842	\$ 3,624,388	\$ 181,250,229	97.65%	\$ 4,367,739	2.35%
2013	179,818,079	3,717,244	183,535,323	175,346,773	3,627,371	178,974,145	97.51%	4,561,178	2.49%
2012	180,629,580	3,989,736	184,619,316	175,214,562	3,795,081	179,009,644	96.96%	5,609,673	3.04%
2011	184,260,769	4,174,830	188,435,599	178,566,075	3,932,216	182,498,292	96.85%	5,937,307	3.15%
2010	194,439,225	4,150,289	198,589,514	186,748,108	3,990,603	190,738,711	96.05%	7,850,803	3.95%
2009	191,210,832	4,351,995	195,562,828	182,585,832	4,220,686	186,806,518	95.52%	8,756,309	4.48%
2008	182,095,672	3,764,991	185,860,663	175,340,918	3,709,730	179,050,648	96.34%	6,810,016	3.66%
2007	167,956,273	3,514,488	171,470,761	163,093,078	3,423,451	166,516,529	97.11%	4,954,232	2.89%
2006	148,443,185	3,403,715	151,846,900	145,581,283	3,331,743	148,913,026	98.07%	2,933,874	1.93%
2005	125,662,768	2,981,802	128,644,570	123,529,526	2,911,228	126,440,754	98.29%	2,203,816	1.71%

Notes:

- (1) The levy & 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.

- (2) This 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 levy.

Source: County of Nevada Auditor's & Tax Collector's Office District Summary reports

COUNTY OF NEVADA

Ratio 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	Loans	Special Assessment Bonds	Total	Participation	Special Assessment Debt & Bonds Payable	Loans	Total	
2014	\$ -	\$ 6,375,000	\$ 7,075,337	\$ -	\$ 13,450,337	\$ -	\$ 15,000	\$ 25,330,213	\$ 25,345,213	
2013	7,342	7,920,338	7,102,548	263,000	15,293,228	-	17,000	25,167,988	25,184,988	
2012	14,875	9,048,243	4,425,114	276,000	13,764,232	-	19,000	26,697,926	26,716,926	
2011	23,478	11,020,000	4,662,331	288,000	15,993,809	7,095,000	21,000	28,143,111	35,259,111	
2010	44,218	12,000,000	3,441,053	299,000	15,784,271	7,640,000	23,000	29,597,852	37,260,852	
2009	29,762	12,940,000	3,601,554	310,000	16,881,316	8,170,000	100,000	30,460,967	38,730,967	
2008	48,378	13,850,000	3,752,254	320,000	17,970,632	8,675,000	172,000	31,623,342	40,470,342	
2007	33,577	14,730,000	3,893,757	329,908	18,987,242	9,165,000	234,000	23,373,698	32,772,698	
2006	50,259	15,630,000	4,026,634	-	19,706,893	9,640,000	306,000	1,072,182	11,018,182	
2005	59,216	17,290,000	-	-	17,349,216	10,100,000	417,000	618,541	11,135,541	

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

N/A - information is not available

Source: County of Nevada Audited Financial Statements

Source: Nevada County Audited Financial Statements - Notes to the Financial Statements

Business-Type Activities									
Less: Amounts Restricted to Repaying Principal (4)			Population per official U.S. Census (1)	Total Assessed Valuation (2)	Income per Capita	Percentage of Personal Income	Percentage of Actual Value of Taxable Property	Net Bonded Debt per Capita	
Total Primary Government	Total								
\$ 38,795,550	\$ (872,245)	\$ 37,923,305	97,225	\$ 14,956,429,828	N/A	N/A	0.25%	\$390.06	
40,478,216	(897,387)	39,580,829	97,019	14,819,054,851	N/A	N/A	0.27%	\$407.97	
40,481,158	(874,960)	39,606,198	97,182	15,006,833,884	N/A	N/A	0.26%	\$407.55	
51,252,920	(3,225,435)	48,027,485	99,111	15,435,148,119	N/A	N/A	0.31%	\$484.58	
53,045,123	(3,175,985)	49,869,138	98,764**	16,654,471,228	N/A	N/A	0.30%	\$504.93	
55,612,283	(3,160,548)	52,451,735	98,721	15,717,993,467	N/A	N/A	0.33%	\$531.31	
58,440,974	(3,111,909)	55,329,065	98,959	14,349,450,859	N/A	N/A	0.39%	\$559.11	
51,759,940	(3,117,296)	48,642,644	99,026	12,701,008,771	N/A	N/A	0.38%	\$491.21	
30,725,075	(3,108,472)	27,616,603	99,392	11,274,049,259	\$37,020	0.13%	0.24%	\$277.86	
28,484,757	(3,107,956)	25,376,801	98,698	10,380,648,704	\$35,134	0.14%	0.24%	\$257.12	

COUNTY OF NEVADA

Comparison of Computation of Legal Debt Margin Last Ten Fiscal Years

	2014	2013	2012	2011
Assessed Value of Property (1)	\$ 14,956,429,828	\$ 14,819,054,851	\$ 15,006,833,884	\$ 15,435,148,119
Debt limit percentage (2)	1.25%	1.25%	1.25%	1.25%
Total debt limit	186,955,373	185,238,186	187,585,424	192,939,351
Amount applicable to debt limit				
General Bonded Debt (3)	38,795,550	40,478,216	40,481,158	51,252,920
Less: Resources Restricted to Paying Principal	(872,245)	(897,387)	(874,960)	(3,225,435)
Total Net Debt Applicable to Limit	37,923,305	39,580,829	39,606,198	48,027,485
Legal Debt Margin (4)	\$ 149,032,068	\$ 145,657,357	\$ 147,979,225	\$ 144,911,867
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.28%	21.37%	21.11%	24.89%

(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

2010	2009	2008	2007	2006	2005
\$ 16,654,471,228	\$ 15,717,993,467	\$ 14,349,450,859	\$ 12,701,008,771	\$ 11,274,049,259	\$ 10,380,648,704
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
208,180,890	196,474,918	179,368,136	158,762,610	140,925,616	129,758,109
53,045,123	55,612,283	58,440,974	51,759,940	30,725,075	28,484,757
(3,175,985)	(3,160,548)	(3,111,909)	(3,117,296)	(3,108,472)	(3,107,956)
49,869,138	52,451,735	55,329,065	48,642,644	27,616,603	25,376,801
\$ 158,311,753	\$ 144,023,183	\$ 124,039,071	\$ 110,119,966	\$ 113,309,013	\$ 104,381,308
23.95%	26.70%	30.85%	30.64%	19.60%	19.56%

COUNTY OF NEVADA

**Demographic and Economic Indicators
Last Ten Fiscal Years**

Fiscal Year	Population	Income per Capita	Total Personal Income	Civilian Labor Force June 2013	Unemployment Percentage Rate June 2013	Percent of Population over 65
2014	97,225	N/A	N/A	48,620	6.2%	N/A
2013	97,019	\$50,148	\$4,924,569,000	50,220	7.8%	22.5%
2012	97,182	\$48,980	\$4,813,104,000	51,130	9.7%	21.5%
2011	99,111	\$44,313	\$4,369,841,000	50,170	11.4%	20.3%
2010	98,764**	\$43,119	\$4,258,678,000	51,410	11.5%	19.6%
2009	98,721	\$44,092	\$4,121,926,000	50,630	11.5%	19.0%
2008	98,959	\$45,618	\$4,381,367,000	51,570	6.7%	18.6%
2007	99,026	\$42,671	\$4,132,773,000	51,200	4.7%	18.1%
2006	99,392	\$40,736	\$3,939,777,000	50,560	4.3%	17.7%
2005	98,698	\$37,298	\$3,601,980,000	49,730	5.4%	17.4%

Note: N/A - Information is not available

****** Population information for 2010 adjusted per available data from State of California Department of Finance, Census 2010

Sources:

Population information from California Department of Finance

Measures of Income information from State of California Employment Development Department

State of California Employment Development Department - Labor Market Information Division -

www.labormarketinfo.edd.ca.gov

County of Nevada Annual Budget Book

County of Nevada
Labor Force and Employment
Current Year and Nine Years Ago

Fiscal Year 2014			Fiscal Year 2005		
Industry Title	Percentage	No. of Employed	Industry Title	Percentage	No. of Employed
Government	21.22%	6,230	Government	18.14%	5,510
Education and Health			Education and Health		
Services	16.45%	4,830	Services	13.46%	4,090
Retail Trade	12.70%	3,730	Retail Trade	13.66%	4,150
Leisure and Hospitality	14.24%	4,180	Leisure and Hospitality	13.76%	4,180
Natural Resources, Mining & Construction	9.16%	2,690	Natural Resources, Mining & Construction	12.64%	3,840
Professional and Business			Professional and Business		
Services	7.29%	2,140	Services	8.10%	2,460
Manufacturing	4.26%	1,250	Manufacturing	6.48%	1,970
Financial Activities	5.14%	1,510	Financial Activities	5.07%	1,540
Other Services	5.07%	1,490	Other Services	4.02%	1,220
Transportation, Warehousing & Utilities	1.63%	480	Transportation, Warehousing & Utilities	1.58%	480
Wholesale Trade	1.50%	440	Wholesale Trade	1.45%	440
Information	1.02%	300	Information	1.28%	390
Farming	0.31%	90	Farming	0.36%	110
Total, All Industries	100.00%	29,360	Total, All Industries	100.00%	30,380

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

COUNTY OF NEVADA

**Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years**

Full-time Equivalent Employees

Function/Program	2014	2013	2012	2011
Public Protection	343.55	347.30	352.85	368.80
Health and Sanitation	109.00	106.50	84.00	85.05
Public Assistance	112.00	112.50	112.50	125.70
Education	20.38	19.53	19.28	20.63
Public Ways and Facilities	62.00	62.00	84.00	100.00
General government	126.00	124.88	123.88	136.08
 Total	 772.93	 772.70	 776.50	 836.26
	13-213	12-213	11-274	10-257

Source: Fiscal Year Beginning Authorized Personnel Staffing Resolution (unamended)

2010	2009	2008	2007	2006	2005
396.15	414.15	430.25	416.50	421.00	418.75
95.95	105.35	101.15	102.65	108.65	105.10
126.70	129.50	129.00	127.50	125.50	125.00
26.35	29.60	29.60	30.10	29.85	29.45
121.40	122.10	123.10	121.10	116.60	129.10
146.25	175.30	173.30	172.80	171.10	161.80
912.80	976.00	986.40	970.65	972.70	969.20

09-235	08-253	06-281	05-274	04-280
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COUNTY OF NEVADA

**Operating Indicators by Function
Last Ten Fiscal Years**

	2014	2013	2012	2011
<u>Function/Program</u>				
Public Protection				
Jail Bookings	4,549	4,464	4,945	4,673
Average daily population	228	215	195	186
Health and Sanitation				
Economic services/support				
Program - unduplicated new cases mental health (Adults in Nevada County)	596	605	631	670
Public Ways and Facilities				
Centerline miles of road maintained				
County	562	565	562	563
State	173	129	133	133
Airport				
Based aircraft	134	136	121	135
Takeoffs and landings	5,475	27,740	10,000	15,000
Total	11,717	33,854	16,587	21,360

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

2010	2009	2008	2007	2006	2005
4,802	5,048	5,391	5,775	5,620	5,519
194	199	167	167	179	184
556	713	465	249	253	383
562	562	562	562	562	561
133	133	133	133	129	129
150	150	150	150	150	n/a
20,000	20,000	20,000	20,000	20,000	n/a
26,397	26,805	26,868	27,036	26,893	6,776

COUNTY OF NEVADA

Capital Asset Statistics by Function Last Ten Fiscal Years

	2014	2013	2012	2011
<u>Function/Program</u>				
Public Protection				
Correction facility capacities	283	283	274	274
Public Ways and Facilities				
Traffic signals	2	2	2	2
Bridges	92	80	71	71
Active Vehicles in vehicle replacement plan	146	146	134	135
Airport				
Number of runways	1	1	1	1
 Total	 524	 512	 482	 483

Source: Sheriff
Department of Transportation and Sanitation
Nevada County Airport

2010	2009	2008	2007	2006	2005
274	280	250	250	250	250
2	2	2	2	2	2
71	71	71	71	71	71
140	148	143	143	149	149
1	1	1	1	1	1
488	502	467	467	473	473