

**COUNTY OF NEVADA
ANNUAL FINANCIAL REPORT
AS OF JUNE 30, 2000
WITH
INDEPENDENT AUDITOR'S REPORT**

SMITH & NEWELL

CERTIFIED PUBLIC ACCOUNTANTS

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1425 BUTTE HOUSE ROAD, SUITE B
YUBA CITY, CALIFORNIA 95993**

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JUNE 30, 2000

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

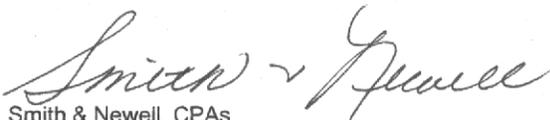
We have audited the accompanying general purpose financial statements of the County of Nevada as of and for the year ended June 30, 2000, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Nevada as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 27, 2000 on our consideration of the County of Nevada's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplementary information, including the Schedule of Expenditures of Federal Awards is presented for additional analysis as required by U.S. Office of Management and Budget Circular A133, Audits of States, Local Governments and Non-Profit Organizations, and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.


Smith & Newell, CPAs
Yuba City, California
December 27, 2000

COUNTY OF NEVADA
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2000

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	(Memorandum Only)
ASSETS AND OTHER DEBITS										
Cash and investments (Note 4)	\$ 7,310,460	\$ 7,902,840	\$ 20,708	\$ 1,434,162	\$ 6,016,771	\$ 3,244,418	\$ 52,148,642	\$ -	\$ -	\$ 78,078,001
Imprest cash	22,395	100	-	-	1,050	-	-	-	-	23,545
Accounts receivable	4,009,653	670,625	71,446	2,025	486,992	322,692	-	-	-	5,563,433
Taxes receivable	1,156,884	171,500	-	-	-	-	5,815,006	-	-	7,143,390
Due from other funds (Note 11)	549,627	9,077	-	-	-	-	-	-	-	558,704
Due from other governmental agencies	-	30,841	-	-	-	-	-	-	-	30,841
Loans receivable	-	1,173,760	-	-	-	-	-	-	-	1,173,760
Prepaid expenses	-	94,036	-	-	-	-	-	-	-	94,036
Inventory	-	171,112	-	-	33,284	-	-	-	-	204,396
Advance to other funds (Note 11)	-	-	-	-	-	525,000	123,211	-	-	648,211
Deposits	-	-	-	-	-	41,310	-	-	-	41,310
Restricted assets:										
Cash and investments (Note 5)	-	-	2,347,147	-	9,663,887	-	197,940	-	-	12,208,974
Interest receivable	-	-	-	-	579	-	-	-	-	579
Fixed assets, net (Note 6)	-	-	-	-	9,023,325	1,368,388	-	50,220,824	-	60,612,537
Bond issue cost - net of accumulated amortization	-	-	-	-	620,238	-	-	-	-	620,238
Other debits:										
Amount available for retirement of long-term debt	-	-	-	-	-	-	-	-	2,439,301	2,439,301
Amount to be provided for retirement of long-term debt	-	-	-	-	-	-	-	-	24,330,837	24,330,837
Total Assets	\$ 13,049,019	\$ 10,223,891	\$ 2,439,301	\$ 1,436,187	\$ 25,846,126	\$ 5,501,808	\$ 58,284,799	\$ 50,220,824	\$ 26,770,138	\$ 193,772,093
LIABILITIES, FUND EQUITY AND OTHER CREDITS										
LIABILITIES										
Accounts payable	\$ 2,169,796	\$ 524,818	\$ -	\$ 112,874	\$ 662,020	\$ 315,828	\$ -	\$ -	\$ -	\$ 3,785,336
Accrued payroll and benefits	1,548,029	219,747	-	-	60,832	4,986	-	-	-	1,833,594
Due to other funds (Note 11)	9,077	19,530	-	-	19,819	-	510,278	-	-	558,704
Due to other governmental agencies	-	26,173	-	-	-	-	-	-	-	26,173
Deferred revenue	413,237	-	-	-	2,004	-	-	-	-	415,241
Customer deposits	-	-	-	-	25,446	-	-	-	-	25,446
Advance from other funds (Note 11)	-	119,211	-	525,000	3,000	-	1,000	-	-	648,211
Tax losses reserve equity	-	-	-	-	-	-	14,289	-	-	14,289
Accrued claims payable (Note 12)	-	-	-	-	-	1,926,951	-	-	-	1,926,951
Liability for compensated absences (Notes 7 & 8)	-	-	-	-	105,458	3,712	-	-	3,091,266	3,200,436
Certificates of participation (Notes 7 & 8)	-	-	-	-	20,485,000	-	-	-	22,310,000	42,795,000
Special assessment debt with government obligation (Note 7)	-	-	-	-	-	-	-	-	1,226,000	1,226,000
Loans payable (Notes 7 & 8)	-	-	-	-	592,298	-	-	-	142,872	735,170
Closure/postclosure costs (Note 8)	-	-	-	-	12,269,773	-	-	-	-	12,269,773
Agency obligations	-	-	-	-	-	-	21,464,280	-	-	21,464,280
Total Liabilities	4,140,139	909,479	-	637,874	34,225,650	2,251,477	21,989,847	-	26,770,138	90,924,604
FUND EQUITY AND OTHER CREDITS										
Net assets held in trust for pool participants	-	-	-	-	-	-	36,294,952	-	-	36,294,952
Contributed capital (Note 1H)	-	-	-	-	6,059,583	1,028,532	-	-	-	7,088,115
Investment in general fixed assets	-	-	-	-	-	-	-	50,220,824	-	50,220,824
Retained earnings										
Unreserved	-	-	-	-	(14,439,107)	2,221,799	-	-	-	(12,217,308)
Fund balance										
Reserved (Note 1L)	1,919,882	1,635,100	2,439,301	203,076	-	-	-	-	-	6,197,359
Unreserved										
Designated (Note 1L)	2,219,742	-	-	-	-	-	-	-	-	2,219,742
Undesignated	4,769,256	7,679,312	-	595,237	-	-	-	-	-	13,043,805
Total Fund Equity	8,908,880	9,314,412	2,439,301	798,313	(8,379,524)	3,250,331	36,294,952	50,220,824	-	102,847,489
Total Liabilities and Fund Equity	\$ 13,049,019	\$ 10,223,891	\$ 2,439,301	\$ 1,436,187	\$ 25,846,126	\$ 5,501,808	\$ 58,284,799	\$ 50,220,824	\$ 26,770,138	\$ 193,772,093

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

COUNTY OF NEVADA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
REVENUES					
Taxes and assessments	\$ 15,940,692	\$ 1,647,859	\$ -	\$ -	\$ 17,588,551
Licenses and permits	2,064,570	27,922	-	-	2,092,492
Intergovernmental	34,084,143	8,608,453	-	-	42,692,596
Use of money and property	889,395	311,080	134,812	50,719	1,386,006
Fines and forfeitures	2,606,359	3,155	-	458,250	3,067,764
Charges for services	7,704,298	5,773,997	-	4,125	13,482,420
Other revenues	1,954,829	136,862	71,446	4,470	2,167,607
Total Revenues	65,244,286	16,509,328	206,258	517,564	82,477,436
EXPENDITURES					
Current:					
General government	8,455,934	-	7,567	-	8,463,501
Public ways and facilities	-	9,013,637	-	-	9,013,637
Public protection	25,020,710	8,121	-	-	25,028,831
Health and sanitation	13,497,855	3,299,197	-	-	16,797,052
Public assistance	12,710,008	1,140,138	-	-	13,850,146
Education	55,842	1,793,152	-	-	1,848,994
Recreation	85,717	-	-	-	85,717
Capital outlay	849,940	620,561	268,641	920,929	2,660,071
Debt service	-	506,640	2,176,279	-	2,682,919
Total Expenditures	60,676,006	16,381,446	2,452,487	920,929	80,430,868
Excess (Deficiency) of Revenues Over Expenditures	4,568,280	127,882	(2,246,229)	(403,365)	2,046,568
OTHER FINANCING SOURCES (USES)					
Debt proceeds	290,479	-	-	-	290,479
Operating transfers in	1,118,191	834,828	2,082,627	500,000	4,535,646
Operating transfers out	(3,550,436)	(559,099)	-	(560,832)	(4,670,367)
Total Other Financing Sources (Uses)	(2,141,766)	275,729	2,082,627	(60,832)	155,758
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	2,426,514	403,611	(163,602)	(464,197)	2,202,326
Fund Equity - Beginning of Year	5,716,507	8,923,883	2,602,903	1,262,510	18,505,803
Prior period adjustment	36,209	142	-	-	36,351
Fund Equity - Beginning of Year, Restated	5,752,716	8,924,025	2,602,903	1,262,510	18,542,154
Residual equity transfers	729,650	(13,224)	-	-	716,426
Fund Equity - End of Year	\$ 8,908,880	\$ 9,314,412	\$ 2,439,301	\$ 798,313	\$ 21,460,906

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

COUNTY OF NEVADA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	General Fund			Special Revenue Funds			Debt Service Funds			Capital Projects Funds			Totals (Memorandum Only)		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES															
Taxes and assessments	\$ 16,039,597	\$ 15,940,692	\$ (98,905)	\$ 1,639,047	\$ 1,647,859	\$ 8,812	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,678,644	\$ 17,588,551	\$ (90,093)
Licenses and permits	1,690,514	2,064,570	374,056	10,500	27,922	17,422	-	-	-	-	-	-	1,701,014	2,092,492	391,478
Intergovernmental	39,523,436	34,084,143	(5,439,293)	12,000,604	8,608,453	(3,392,151)	-	-	-	1,077,827	-	(1,077,827)	52,601,867	42,692,596	(9,909,271)
Use of money and property	683,722	889,395	205,673	311,447	311,080	(367)	119,750	134,812	15,062	41,160	50,719	9,559	1,156,079	1,386,006	229,927
Fines and forfeitures	2,317,489	2,606,359	288,870	900	3,155	2,255	-	-	-	366,000	458,250	92,250	2,684,389	3,067,764	383,375
Charges for services	8,146,899	7,704,298	(442,601)	6,190,884	5,773,997	(416,887)	-	-	-	4,125	4,125	-	14,341,908	13,482,420	(859,488)
Other revenues	275,073	1,954,829	1,679,756	538,540	136,862	(401,678)	-	71,446	71,446	4,470	4,470	-	818,083	2,167,607	1,349,524
Total Revenues	68,676,730	65,244,286	(3,432,444)	20,691,922	16,509,328	(4,182,594)	119,750	206,258	86,508	1,493,582	517,564	(976,018)	90,981,984	82,477,436	(8,504,548)
EXPENDITURES															
Current:															
General government	12,032,977	8,455,934	3,577,043	-	-	-	6,108	7,567	(1,459)	-	-	-	12,039,085	8,463,501	3,575,584
Public ways and facilities	-	-	-	11,881,582	9,013,637	2,867,945	-	-	-	-	-	-	11,881,582	9,013,637	2,867,945
Public protection	26,445,341	25,020,710	1,424,631	117,197	8,121	109,076	-	-	-	-	-	-	26,562,538	25,028,831	1,533,707
Health and sanitation	14,490,219	13,497,855	992,364	6,801,510	3,299,197	3,502,313	-	-	-	-	-	-	21,291,729	16,797,052	4,494,677
Public assistance	16,216,537	12,710,008	3,506,529	1,181,226	1,140,138	41,088	-	-	-	-	-	-	17,397,763	13,850,146	3,547,617
Education	-	55,842	(55,842)	1,738,260	1,793,152	(54,892)	-	-	-	-	-	-	1,738,260	1,848,994	(110,734)
Recreation	95,485	85,717	9,768	-	-	-	-	-	-	-	-	-	95,485	85,717	9,768
Capital outlay	1,357,948	849,940	508,008	3,059,676	620,561	2,439,115	-	268,641	(268,641)	1,154,875	920,929	233,946	5,572,499	2,660,071	2,912,428
Debt service	-	-	-	-	506,640	(506,640)	2,180,847	2,176,279	4,568	-	-	-	2,180,847	2,682,919	(502,072)
Contingency	-	-	-	-	-	-	-	-	-	1,605,785	-	1,605,785	1,605,785	-	1,605,785
Total Expenditures	70,638,507	60,676,006	9,962,501	24,779,451	16,381,446	8,398,005	2,186,955	2,452,487	(265,532)	2,760,660	920,929	1,839,731	100,365,573	80,430,868	19,934,705
Excess (Deficiency) of Revenues Over Expenditures	(1,961,777)	4,568,280	6,530,057	(4,087,529)	127,882	4,215,411	(2,067,205)	(2,246,229)	(179,024)	(1,267,078)	(403,365)	863,713	(9,383,589)	2,046,568	11,430,157
OTHER FINANCING SOURCES (USES)															
Debt proceeds	289,937	290,479	542	-	-	-	-	-	-	-	-	-	289,937	290,479	542
Operating transfers in	2,476,544	1,118,191	(1,358,353)	664,672	834,828	170,156	2,072,853	2,082,627	9,774	500,000	500,000	-	5,714,069	4,535,646	(1,178,423)
Operating transfers out	(3,597,782)	(3,550,436)	47,346	(2,106,938)	(559,099)	1,547,839	(136,000)	-	136,000	(443,658)	(560,832)	(117,174)	(6,284,378)	(4,670,367)	1,614,011
Total Other Financing Sources (Uses)	(831,301)	(2,141,766)	(1,310,465)	(1,442,266)	275,729	1,717,995	1,936,853	2,082,627	145,774	56,342	(60,832)	(117,174)	(280,372)	155,758	436,130
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (2,793,078)	2,426,514	\$ 5,219,592	\$ (5,529,795)	403,611	\$ 5,933,406	\$ (130,352)	(163,602)	\$ (33,250)	\$ (1,210,736)	(464,197)	\$ 746,539	\$ (9,663,961)	2,202,326	\$ 11,866,287
Fund Equity - Beginning of Year		5,716,507			8,923,883			2,602,903			1,262,510			18,505,803	
Prior period adjustment		36,209			142			-			-			36,351	
Fund Equity - Beginning of Year, Restated		5,752,716			8,924,025			2,602,903			1,262,510			18,542,154	
Residual equity transfers		729,650			(13,224)			-			-			716,426	
Fund Equity - End of Year		\$ 8,908,880			\$ 9,314,412			\$ 2,439,301			\$ 798,313			\$ 21,460,906	

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

COUNTY OF NEVADA
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY/NET ASSETS
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	<u>Proprietary</u> <u>Fund Types</u>		<u>Fiduciary</u> <u>Fund Types</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Enterprise</u> <u>Funds</u>	<u>Internal</u> <u>Service</u> <u>Funds</u>	<u>Investment</u> <u>Trust Fund</u>	
<u>OPERATING REVENUES</u>				
Vehicle rentals and charges	\$ -	\$ 942,546	\$ -	\$ 942,546
Charges for services	6,973,448	1,992,811	-	8,966,259
Insurance proceeds	-	46,516	-	46,516
Other revenues	-	193,675	-	193,675
Total Operating Revenues	6,973,448	3,175,548	-	10,148,996
<u>OPERATING EXPENSES</u>				
Salaries and benefits	1,481,639	116,362	-	1,598,001
Fuel	483,204	219,706	-	702,910
Maintenance and repairs	241,618	130,094	-	371,712
Parts and supplies	12,529	16,167	-	28,696
Outside services	4,361,370	646,126	-	5,007,496
Administration and office	253,873	65,920	-	319,793
Utilities	31,709	-	-	31,709
Insurance	34,848	980,533	-	1,015,381
Benefits paid	-	1,074,135	-	1,074,135
Depreciation	335,850	423,696	-	759,546
Rentals and lease payments	39,616	2,978	-	42,594
Miscellaneous expenses	10,291	-	-	10,291
Total Operating Expenses	7,286,547	3,675,717	-	10,962,264
Operating Income (Loss)	(313,099)	(500,169)	-	(813,268)
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Taxes	1,759,050	-	-	1,759,050
Franchises	246,078	-	-	246,078
Intergovernmental revenues	381,577	-	-	381,577
Interest income	896,946	168,585	-	1,065,531
Other revenues	34,944	-	-	34,944
Gain (Loss) on sale of fixed assets	(253,562)	(9,005)	-	(262,567)
Interest expense	(1,570,129)	-	-	(1,570,129)
Bond amortization	(29,891)	-	-	(29,891)
Expense capitalized assets	(30,549)	-	-	(30,549)
Net contributions	-	-	6,419,266	6,419,266
Net withdrawals	-	-	(9,715)	(9,715)
Total Non-Operating Revenue (Expenses)	1,434,464	159,580	6,409,551	8,003,595
Net Income (Loss) before Operating Transfers	1,121,365	(340,589)	6,409,551	7,190,327
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	21,003	-	-	21,003
Operating transfers out	(23,370)	-	-	(23,370)
Total Other Financing Sources (Uses)	(2,367)	-	-	(2,367)
Net Income (Loss)	1,118,998	(340,589)	6,409,551	7,187,960
Fund Equity/Net Assets - Beginning of Year	(9,636,517)	3,348,886	29,885,401	23,597,770
Contributed capital	137,995	242,034	-	380,029
Fund Equity/Net Assets - End of Year	\$ (8,379,524)	\$ 3,250,331	\$ 36,294,952	\$ 31,165,759

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

COUNTY OF NEVADA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	Enterprise Funds	Internal Service Funds	Totals (Memorandum Only)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash received from customers	\$ 7,219,255	\$ 3,286,038	\$ 10,505,293
Cash paid to suppliers	(5,417,532)	(3,131,422)	(8,548,954)
Cash paid to employees	(1,482,871)	(115,656)	(1,598,527)
Net Cash Provided (Used) by Operating Activities	318,852	38,960	357,812
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Non-operating revenues	2,421,649	-	2,421,649
Transfers in (out)	(2,367)	-	(2,367)
(Increase) Decrease in deposits	-	(370)	(370)
Increase (Decrease) in due to (from) other funds	19,819	(525,000)	(505,181)
Increase (Decrease) in advance from (to) other funds	(48,000)	-	(48,000)
Increase (Decrease) in customer deposits	2,062	-	2,062
Net Cash Provided (Used) by Noncapital Financing Activities	2,393,163	(525,370)	1,867,793
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Acquisition of capital assets	(459,388)	(477,929)	(937,317)
Principal paid on debt	(429,044)	-	(429,044)
Interest paid on debt	(1,570,129)	-	(1,570,129)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,458,561)	(477,929)	(2,936,490)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest on investments	898,695	168,585	1,067,280
Net Cash Provided (Used) by Investing Activities	898,695	168,585	1,067,280
Net Increase (Decrease) in Cash and Cash Equivalents	1,152,149	(795,754)	356,395
Cash and Cash Equivalents at Beginning of Year	14,529,559	4,040,172	18,569,731
Cash and Cash Equivalents at End of Year	\$ 15,681,708	\$ 3,244,418	\$ 18,926,126
<u>OPERATING INCOME (LOSS)</u>	\$ (313,099)	\$ (500,169)	\$ (813,268)
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>			
Depreciation	335,850	423,696	759,546
(Increase) Decrease in accounts receivable	245,807	110,490	356,297
(Increase) Decrease in inventory	(22,195)	-	(22,195)
Increase (Decrease) in accounts payable	245,979	229,321	475,300
Increase (Decrease) in accrued payroll and benefits	(14,331)	842	(13,489)
Increase (Decrease) in compensated absences	13,099	(136)	12,963
Increase (Decrease) in deferred revenues	4	-	4
Increase (Decrease) in claims payable	-	(225,084)	(225,084)
Increase (Decrease) in closure/post closure	(172,262)	-	(172,262)
Total Adjustments	631,951	539,129	1,171,080
Net Cash Provided (Used) by Operating Activities	\$ 318,852	\$ 38,960	\$ 357,812

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

NOTES TO FINANCIAL STATEMENTS

The notes provided in the Financial Section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a Summary of Significant Accounting Policies and other necessary disclosure of pertinent matters relating to financial position. The notes provide significant insight into the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides the following services: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting methods and procedures adopted by the County conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County.

Blended Component Units. Blended component units include:

Special Revenue Funds:

Special assessment funds (2)
Special districts governed by the Board of Supervisors (31)
Sanitation districts (16)
Nevada County Housing Authority

Debt Service Funds:

Nevada County Finance Authority

Enterprise Funds:

Eastern Nevada County Solid Waste
Western Nevada County Solid Waste
Transportation fund
Airpark

The component unit's governing body is substantially the same as the primary government, hence, these units are presented by blending them with the primary government. Separate financial statements of the Nevada County Housing Authority and the Nevada County Finance Authority can be obtained by contacting the County of Nevada, Administrative Department.

Discretely Presented Component Units. There are no component units of the County which meet the criteria for discrete presentation.

B. Description of Funds and Account Groups

The accounts of the County are organized on the basis of funds or account groups, each of which is considered to be a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and for individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The County's financial activities are accounted for in the following fund types and account groups:

GOVERNMENT FUND TYPES

Governmental Funds are those through which most governmental functions of the County are controlled. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through Governmental Funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the County's Governmental Fund types:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds and Account Groups (Continued)

GOVERNMENT FUND TYPES (CONTINUED)

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

PROPRIETARY FUND TYPES

Proprietary Funds are used to account for the County's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is based upon determination of net income and capital maintenance. The following are the County's Proprietary Fund types:

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 (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or agencies of the County on a cost reimbursement basis.

FIDUCIARY FUND TYPES

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the County's General Fixed Assets and General Long-Term Debt. The following are the County's account groups:

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for all fixed assets except those related to specific proprietary funds.

General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to account for the long-term portion of compensated absences liability, bonds and notes payable and capital lease obligations.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decrease (i.e., expenditures and other financing uses) in net current assets. The modified accrual basis of accounting is used by all Governmental Funds. Revenues are recognized in the accounting period in which they become available and measurable. The primary revenue sources susceptible to accrual are property taxes, sales tax, intergovernmental revenues, rent, investment income and charges for services. The primary revenue sources not susceptible to accrual are licenses and permits, fines and forfeitures, and certain miscellaneous revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. One exception to this rule is that principal and interest on general long-term debt is recognized when due.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

All Proprietary Funds are accounted for on a flow of economic resources measurement focus. With this focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increase (e.g. revenues) and decreases (e.g., expenses) in net total assets. The accrual basis of accounting is used for all Proprietary Funds. Their revenues are recognized when they are earned and expenses are recognized when the related fund liability is incurred.

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting, all Financial Accounting Standards Board (FASB) statements and authoritative pronouncements issued before November 30, 1989 are applied to proprietary operations unless they conflict with GASB pronouncements. The County has elected not to apply FASB statements subsequent to November 30, 1989.

Fiduciary funds account for assets held by the County as a trustee or as an agent for other governmental units, which include the school districts, and/or other funds, private organizations and independent local districts. Fiduciary funds include expendable trust funds and agency funds. Operations of expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The Investment Trust fund is accounted for in essentially the same manner as the Proprietary funds.

D. Budgetary Data

General Budget Policies

By State law, the County Board of Supervisors must approve a tentative budget no later than June 30 of each year, and adopt a final budget no later than August 30. A public hearing must be conducted to receive comments prior to adoption.

From the effective date of the budget, which is adopted and controlled at the departmental level, the amounts stated therein as proposed expenditures become appropriations to the various County departments. However, the legal level of control is the fund level. The Board of Supervisors may amend the budget by resolution during the fiscal year. Department heads may, upon approval, make transfers from one object or purpose to another within the same budget unit. All other budget amendments must be approved by the Board of Supervisors. It is this final revised budget that is presented in the general purpose financial statements.

A balanced operating budget is adopted each fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds. The budget is adopted on a basis substantially consistent with generally accepted accounting principles except that special revenue funds and debt service funds as noted in Note 3, either did not have budgets adopted or expenditures exceeded the adopted budget.

Individual fund budgetary comparisons are not presented at the detail budget unit level due to their excessive length. A separate publication presenting this information is available.

Encumbrances

Encumbrance accounting is employed as an extension of the budgetary process. This method records purchase orders, contracts and other commitments for the expenditure of funds in order to reserve that portion of the applicable appropriation. Encumbrances carry over at year-end as reserved fund balances.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Investments

The County pools cash and investments with the County Treasurer. Each funds' portion of this pool is displayed on the combined balance sheet as cash and investments.

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less and pooled cash to be cash equivalents.

F. Inventory

Inventory is valued at cost and consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

G. Fixed Assets

General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Contributed fixed assets are recorded as general fixed assets at estimated fair market value at the time received.

Fixed assets consisting of certain improvements ("infrastructure") other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the County. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

No depreciation has been provided on general fixed assets. Interest has been capitalized on self-constructed assets.

Property, plant and equipment owned by proprietary funds of the County are stated at cost or estimated fair market value. Depreciation has been provided over the estimated useful lives using the straight-line depreciation method.

The estimated useful lives of proprietary fund fixed assets are as follows:

Structures: 5 to 30 years Equipment: 3 to 10 years Vehicles: 2 to 10 years

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project, with interest earned on invested proceeds over the same period.

The County had adopted the accounting policy of not capitalizing "infrastructure" general fixed assets (road, bridges, curbs and gutter, streets and sidewalks, drainage system, lighting systems and similar assets) that are immovable and of value only to the County.

Grants, entitlements, or shared revenues received by proprietary funds which are restricted for the acquisition or construction of capital assets are recorded as contributed capital.

H. Contributed Capital

The County records grants, entitlements, or shared revenue received by proprietary funds which are reserved for the acquisition or construction of capital assets as contributed capital.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Self-Insurance

The County provides public liability and unemployment under self-insured plans. The liability for actual claims and incurred but not reported claims has been provided for in such plans. Management believes the estimates are adequate.

J. Accumulated Compensated Absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation, sick leave and personal leave, which will be paid to employees upon separation from County service. The various County bargaining units each have different arrangements regarding the maximum hours that may be accumulated and the percentage of the value of sick leave which will be paid upon retirement or termination. Details on these arrangements may be obtained from the County of Nevada Auditor Controller.

K. Interfund Transactions

Following is a description of the four basic types of interfund transactions made during the year and the related accounting policies:

1. Quasi-external (charges for current services) - transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and expenditures in the disbursing fund.
2. Reimbursements (expenditure transfers) - transactions to reimburse a fund for specific expenditures incurred for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and a reduction of expenditures in the receiving fund.
3. Residual equity transfers - transactions recording equity contributions and distributions between funds. The receiving fund records such transactions as an addition to fund balance, if it is a Governmental Fund, or a capital contribution, if it is a Proprietary Fund. The disbursing fund records the transfer as a reduction of fund balance, retained earnings, or contributed capital.
4. Operating Transfers - all other interfund transactions which allocate resources from one fund to another fund. These transactions are recorded as operating transfers in and out.

L. Reserves and Designations of Fund Equity

The County records reserves to indicate that a portion of the fund equity is legally segregated for a specific future use. The remaining portion is unreserved fund balance.

Portions of unreserved fund balance may be designated to indicate tentative plans for financial resource utilization in a future period, such as for general contingencies or debt service. Such plans or intent are subject to change and may never be legally authorized or result in expenditures.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Reserves and Designations of Fund Equity (Continued)

Following is a description of all reserves and designations used by the County at June 30, 2000:

General Fund:	
Reserved:	
Imprest cash	\$ 22,395
Encumbrances	<u>1,897,487</u>
Total Reserved	<u>\$ 1,919,882</u>
Designated:	
Realignment	\$ 300,000
COP Lease Payment	43,133
General	<u>1,876,609</u>
Total Designated	<u>\$ 2,219,742</u>
Special Revenue:	
Reserved:	
Imprest cash	\$ 100
Inventory	171,112
Encumbrances	290,128
Long-Term Receivables	<u>1,173,760</u>
Total Reserved	<u>\$ 1,635,100</u>
Debt Service:	
Reserved:	
Debt service	<u>\$ 2,439,301</u>
Total Reserved	<u>\$ 2,439,301</u>
Capital Projects:	
Reserved:	
Encumbrances	<u>\$ 203,076</u>
Total Reserved	<u>\$ 203,076</u>

M. Property Tax Revenue

Property taxes, including tax rates, are regulated by the State and are locally administered by the County. The County is responsible for assessing, collecting and distributing property taxes in accordance with state law. Liens on real property are established January 1 for the ensuing fiscal year. The property tax is levied as of July 1 on all taxable property located in the County. Secured property taxes are due in two equal installments on November 1 and February 1 and are delinquent after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction.

Property taxes are accrued as receivables in the period when they are levied. Property tax revenues are recognized when they become available. "Available" means due, or past due, and receivable within the current period and collected or expected to be collected soon enough thereafter to be used to pay liabilities for the current period.

All general property taxes are allocated by the County Auditor-Controller's office, using the Alternative Method of Tax Apportionment ("Teeter"). The method of allocation used by the County is subject to review by the State of California.

The Apportioned Tax Resources fund property taxes receivable of \$5,815,006 is delinquent taxes which are considered collectible by the Tax Collector. After funding of the tax loss reserve account, the County General fund will receive any excess amounts collected. The General fund will not recognize these taxes until they become available to fund current operations.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Receivables

Accounts receivable are not shown net of an allowance for doubtful accounts since all material amounts are considered fully collectible by management.

Twelve monthly billing cycles are included in the Enterprise funds. Unbilled charges at June 30, 2000, are not included and the fluctuation from year to year is not regarded as material.

O. Grant Revenues

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

P. Use of Estimates

The preparation of the general purpose financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the general purpose financial statements and the reported amount of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Q. Total Columns on Combined Statements - Overview

Total Columns on the Combined Statements - Overview are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. The elimination of interfund transactions have not been made in the aggregation of this data.

NOTE 2: DEFICIT FUND BALANCE/RETAINED EARNINGS

Due to expenditures in excess of revenues the following individual funds had deficit fund balances/retained earnings as of June 30, 2000 as follows:

Special Revenue Funds		
Energy Conservation	\$	6
SD Z8 Cascade Shores O & M		21,753
Wastewater Management System - Western		35,542
CDBG 94-97 Rehab 94 STBG 810		17
Enterprise Funds		
Western Nevada County Solid Waste Disposal		16,251,679

The deficit fund balance in the Western County Solid Waste Disposal fund resulted from the recognition of closure and post closure costs related to the landfill site. Note 8 contains further discussion of the closure and post closure costs.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 3: EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2000 the County incurred expenditures over appropriations in individual funds as follows:

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures/ Transfers Out</u>	<u>Excess of Expenditures Over Appropriations</u>
Special Revenue:			
Special Districts Governed by the Board:			
County Service Area 4	\$ -	\$ 9,180	\$ 9,180
County Service Area 13, Zone 2	3,342	3,477	135
County Service Area 13, Zone 3	2,358	2,405	47
County Service Area 14, Zone 2	-	16	16
Hobert Mills Road Self Help Improvement	16,467	16,645	178
Perimeter Road Self Help Improvement	3,367	3,499	132
Subtotal - Special Districts Governed by the Board	<u>25,534</u>	<u>35,222</u>	<u>9,688</u>
Sanitation Districts:			
Lake of the Pines II Assessment	-	261,435	261,435
No. San Juan Sewer Assessment	-	4,693	4,693
Penn Valley Sewer Assessment	-	147,052	147,052
SD Z8 Cascade Shore Construction	-	136	136
Subtotal - Sanitation Districts	<u>-</u>	<u>413,316</u>	<u>413,316</u>
Housing and Community Services:			
Residential Rehab 93 STBG 765	2,775	36,936	34,161
Residential Rehab 94 STBG	2,885	22,886	20,001
Subtotal - Housing and Community Services	<u>5,660</u>	<u>59,822</u>	<u>54,162</u>
Total Special Revenue	<u>31,194</u>	<u>508,360</u>	<u>477,166</u>
Debt Service:			
1991 County Facilities Project	-	273,208	273,208
Total Debt Service	<u>-</u>	<u>273,208</u>	<u>273,208</u>
Totals	<u>\$ 31,194</u>	<u>\$ 781,568</u>	<u>\$ 750,374</u>

NOTE 4: CASH AND INVESTMENTS

Cash and investments of the County are recorded in the various funds at June 30, 2000 as follows:

General Fund	\$ 7,332,855
Special Revenue Funds	7,902,940
Debt Service Fund	2,367,855
Capital Projects Funds	1,434,162
Enterprise Funds	15,681,708
Internal Service Funds	3,244,418
Trust and Agency	<u>52,346,582</u>
Total Cash and Investments Reported on the Financial Statements at June 30, 2000	90,310,520
Plus outstanding warrants	<u>14,019,580</u>
Total Cash and Investments per County Treasurer at June 30, 2000	<u>\$ 104,330,100</u>

Cash and investments were comprised of the following at June 30, 2000:

Cash on Hand	\$ 1,300,580
Deposits	15,473,495
Investments	<u>87,556,025</u>
Total Cash and Investments per County Treasurer at June 30, 2000	<u>\$ 104,330,100</u>

The County follows the practice of pooling cash and investments of all funds with the County Treasurer except for restricted funds required to be held by outside fiscal agents and imprest funds.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 4: CASH AND INVESTMENTS (CONTINUED)

Interest income from pooled investments is allocated (1) to those funds which are required by law or administrative action to receive interest and (2) the Proprietary Funds. Interest is allocated on a quarterly basis based on the average daily cash balance in each fund. Cash balance is determined by the amortized cost basis of accounting. Interest income from cash and investments with fiscal agent is credited directly to the related fund.

Deposits

The California Government Code requires California banks and savings and loan associations to secure local governmental agency's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110 percent of an agency's deposits. California's law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits. The agency may waive collateral requirements for deposits which are fully insured up to \$100,000 by federal deposit insurance.

At year end, the carrying amount of the County's cash deposits (including amounts in checking and non-negotiable certificates of deposit) was \$15,473,495 and was entirely insured or collateralized.

Investments

Statutes authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, bonds issued by the County, commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investor Services, Inc. or Standard and Poor's Corporation, bankers' acceptances, corporate notes, certificates of deposit of nationally or state-chartered banks or savings and loan associations, repurchase and reverse repurchase agreements.

Derivative Financial Products

Derivative financial products are contracts whose value depends on, or derives from, the value of an underlying asset, reference rate, or index. Rates are directly tied to various indexes. Therefore, the interest rate realized on these investments may lag or be inverse to market conditions and may cause a subsequent decline in market value. At June 30, 2000, the County had not invested in derivative financial products.

Reverse Repurchase Agreements

State statutes permit the County to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. However, the County's investment policy does not allow for investment in repurchase agreements and at no time during the fiscal year did the County borrow funds through the use of reverse repurchase agreements.

Credit Risk, Carrying Amount and Fair Value of Investments

Investments that are represented by specific identifiable securities are classified as to credit risk by category. Category 1 includes investments that are insured or registered or for which collateral is held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker or dealer or its trust department, but not in the County's name. Category 3 includes uninsured and unregistered investments for which securities are held by the broker or dealer or by its trust department or agent but not in the County's name.

The County held no Category 2 or 3 investments at June 30, 2000.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 4: CASH AND INVESTMENTS (CONTINUED)

Credit Risk, Carrying Amount and Fair Value of Investments (Continued)

At June 30, 2000, the County's investment balances were as follows:

	<u>Maturity Date</u>	<u>Coupon Rate</u>	<u>Category 1</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Par Value</u>
Bankers Acceptance	07/99-10/99	-	\$ 1,943,213	\$ 1,943,213	\$ 1,995,820	\$ 2,000,000
Federal Agency Obligations	07/99-04/04	5.21-6.02%	51,707,094	51,707,094	51,409,621	52,250,000
Commercial Paper	07/99-10/99	-	13,790,053	13,790,053	13,941,610	14,000,000
Interest Earning						
Investment Contracts	09/99-02/00	5.10-5.16%	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>
Total Categorized Investments			<u>\$ 75,440,360</u>	75,440,360	75,347,051	76,250,000
Plus cash with fiscal agent (restricted cash)				<u>12,753,909</u>	<u>12,208,974</u>	<u>12,208,974</u>
Total Investments				<u>\$ 88,194,269</u>	<u>\$ 87,556,025</u>	<u>\$ 88,458,974</u>

In accordance with GASB 31, the County's investments have been adjusted to fair value. Fair value is based on quoted market prices which are determined monthly. The pool has not provided or obtained any legally binding guarantees during the period to support the value of the investments. The Nevada Treasury Oversight Committee is the regulatory oversight for the pool. A copy of their annual report is available at the Nevada County Administrator's office. The fair value of each participant in the pool is the same as the value of pool share. Participants in the pool include involuntary participants such as special districts and school districts for which there are legal provisions regarding their investment in the Nevada County Treasury.

NOTE 5: RESTRICTED CASH AND INVESTMENTS

A description of amounts held as restricted cash and investments follows:

	<u>Fair Value</u>
<u>Debt Service Funds</u>	
Certificates of Participation - 1991 County Facilities Project	
Funds set aside for the retirement of the 1991 County Facilities Project COP	\$ 666,619
Certificates of Participation - Government Center	
Funds set aside for the retirement of the Government Center COP	<u>1,680,528</u>
Total Debt Service Funds	<u>2,347,147</u>
<u>Enterprise Funds</u>	
Customer Deposits	
The County instituted a deposit requirement beginning July 1, 1990, for all commercial customers using the landfill. The deposit is in the form of a dual signature passbook account (customer and County signatures required).	\$ 20,895
Certificates of Participation - Western Nevada County Solid Waste	
Pursuant to the issuance of the COP - Western Nevada County Solid Waste, net proceeds were provided to establish reserve, installment payment and project funds.	<u>9,642,992</u>
Total Enterprise Funds	<u>9,663,887</u>
<u>Trust and Agency Funds</u>	
Mello Roos Bonds	
Funds set aside for retirement of the Mello Roos bonds	81,734
County Trusts	
Amounts held in trust and agency funds restricted for various specific purposes	<u>116,206</u>
Total Trust and Agency Funds	<u>197,940</u>
Total Restricted Cash and Investments	<u>\$ 12,208,974</u>

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 5: RESTRICTED CASH AND INVESTMENTS (CONTINUED)

Credit Risk, Carrying Amount and Fair Value of Investments Held as Restricted Cash and Investments were as follows:

	<u>Category 1</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Treasury Obligations	\$ 8,109,002	\$ 8,109,002	\$ 7,590,334
Federal Agency Obligations	<u>1,971,050</u>	<u>1,971,050</u>	<u>1,944,783</u>
Total Categorized Restricted Investments	<u>\$ 10,080,052</u>	10,080,052	9,535,117
Cash in Bank - Checking		62,778	62,778
Cash in Bank - Savings		20,894	20,894
Certificate of Deposit		53,428	53,428
Investment Agreement		<u>1,680,522</u>	<u>1,680,522</u>
Total Restricted Investments		11,897,674	11,352,739
Restricted Cash and Cash Equivalents		<u>856,235</u>	<u>856,235</u>
Total Restricted Cash and Investments		<u>\$ 12,753,909</u>	<u>\$ 12,208,974</u>

NOTE 6: FIXED ASSETS

Changes in the General Fixed Assets account group, during the year ended June 30, 2000, were as follows:

	<u>Balance July 1, 1999</u>	<u>Additions and Adjustments</u>	<u>Retirements and Adjustments</u>	<u>Balance June 30, 2000</u>
Land	\$ 2,606,912	\$ 24,409	\$ -	\$ 2,631,321
Structures and improvements	37,338,006	463,538	-	37,801,544
Equipment	8,785,096	1,433,309	1,432,441	8,785,964
Construction in progress	<u>108,196</u>	<u>893,799</u>	-	<u>1,001,995</u>
Totals	<u>\$ 48,838,210</u>	<u>\$ 2,815,055</u>	<u>\$ 1,432,441</u>	<u>\$ 50,220,824</u>

Proprietary fund type fixed assets at June 30, 2000, consisted of the following:

	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Land	\$ 513,522	\$ -
Land improvements	6,522,882	-
Structures and improvements	1,958,857	-
Equipment	<u>1,935,448</u>	<u>3,711,735</u>
Total	10,930,709	3,711,735
Less: Allowance for depreciation	(1,907,384)	(2,343,347)
Net Fixed Assets	<u>\$ 9,023,325</u>	<u>\$ 1,368,388</u>

NOTE 7: GENERAL LONG-TERM DEBT ACCOUNT GROUP

At June 30, 2000, the general long-term debt consisted of the following:

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2000</u>
Compensated Absences	\$ 3,010,123	\$ 81,143	\$ -	\$ 3,091,266
Certificates of Participation	23,175,000	-	865,000	22,310,000
Special Assessment Debt with Government Obligation	1,578,000	-	352,000	1,226,000
Loans Payable	<u>206,551</u>	-	<u>63,679</u>	<u>142,872</u>
Totals	<u>\$ 27,969,674</u>	<u>\$ 81,143</u>	<u>\$ 1,280,679</u>	<u>\$ 26,770,138</u>

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 7: GENERAL LONG-TERM DEBT ACCOUNT GROUP (CONTINUED)

Compensated Absences:

The liability for compensated absences is the accrued liability for earned but unused vacation and sick leave which will be paid to employees upon separation from County services. There is no fixed payment schedule for compensated absences. At June 30, 2000, the balance was \$3,091,266.

Certificates of Participation:

1993 Jail and Government Center Refunding Project

On April 1, 1993, the County issued the 1993 Certificates of Participation in the amount of \$22,645,000 and entered into a "Plan of Refunding" to provide for the defeasance of the CSAC Finance Corporation Nevada County Project Fixed Rate Certificates of Participation, which were originally issued as Series 1986 Certificates of Participation, the "1986 Certificates".

The Plan of Refunding provides that the County lease certain facilities to the Nevada County Finance Authority "the Authority" pursuant to a site lease between the County, as Lessor, and the Authority, as Lessee. The Authority has leased the leased property back to the County pursuant to a Project Lease, "the Lease". The Lease property consists of the County's Eric Rood Administration Building and a portion of its Central Jail Facility.

The Certificates evidence the undivided and proportionate interest of the registered owners in lease payments paid by the County to the Authority pursuant to the Lease. Pursuant to an Assignment Agreement dated as of April 1, 1993, by and between the Authority and First Interstate Bank the "Trustee", the Authority has assigned to the Trustee, for the benefit of the Owners of the Certificates, all of the Authority's rights to receive Lease Payments and substantially all of the other rights, title and interest of the Authority under the terms of the Lease. At June 30, 2000, the fair value balance held by the fiscal agent was \$1,680,528.

Annual principal payments are through 2019 with semi-annual interest payments due on April 1 and October 1. The Certificates carry interest between 4.6 and 5.875 percent. At June 30, 2000, the principal balance outstanding was \$19,410,000.

1991 County Facilities COPs

On December 1, 1991, the County issued the 1991 Certificates of Participation in the amount of \$4,760,000, and entered into an agreement with Nevada County Building Company, the "Corporation", and Bankers Trust Company of California, the "Trustee".

The County has leased certain sites and the existing facilities to the Corporation pursuant to a Site and Facilities Lease dated as of December 1, 1992, between the County, as lessor, and the Corporation, as lessee. The Corporation has leased the sites back to the County, together with the improvements to be made and new facilities to be constructed pursuant to a Lease/Purchase Agreement dated as of December 1, 1991, between the County, as Lessee, and the Corporation as Lessor.

The Certificates evidence the proportionate interests of the Owners in lease payments and in prepayments, paid by the County to the Corporation pursuant to the Lease. Pursuant to an Assignment Agreement dated as of December 1, 1991, by and between the Corporation and Trustee, the Corporation has assigned to the Trustee, for the benefit of the Owners of the Certificates, all of the Corporation's rights under the Site Lease, all of the Corporation's rights to receive Lease Payments scheduled to be paid by the County under and pursuant to the Lease, and substantially all of the other rights, title and interest of the Corporation under the terms of the Lease.

At June 30, 2000, the fair value balance held by the fiscal agent was \$666,619. Annual principal payments are through 2006 with semi-annual interest payments due on April 1 and October 1. Annual interest ranges from 4.8 to 6.5 percent. At June 30, 2000, the principal balance was \$2,900,000.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 7: GENERAL LONG-TERM DEBT ACCOUNT GROUP (CONTINUED)

Certificates of Participation (Continued):

1991 County Facilities COPs (Continued)

The annual requirements to amortize both certificates of participation outstanding as of June 30, 2000 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 915,000	\$ 1,267,897	\$ 2,182,897
2002	960,000	1,215,992	2,175,992
2003	1,010,000	1,160,285	2,170,285
2004	1,070,000	1,100,583	2,170,583
2005	1,135,000	1,036,703	2,171,703
Thereafter	<u>17,220,000</u>	<u>7,937,368</u>	<u>25,157,368</u>
Total	<u>\$ 22,310,000</u>	<u>\$ 13,718,828</u>	<u>\$ 36,028,828</u>

Special Assessment Debt with Government Obligation:

Facilities and improvements constructed by Special Assessment Districts Governed by the Board of Supervisors are financed by bond issues authorized under either the Improvement Bond Act of 1911 or the Improvement Bond Act of 1915. A separate series of bonds is issued for each project to be financed. Funds to pay principal and interest on these bonds are provided by assessments against the property owners' parcels benefitting from the projects. Failure to pay such assessments results in foreclosure and sale of the property involved. The County is obligated for any 1915 Act Bonds. At June 30, 2000, the principal balance was \$1,226,000.

The annual requirements to amortize all special assessment debt with government obligation outstanding as of June 30, 2000, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 272,000	\$ 77,340	\$ 349,340
2002	302,000	55,753	357,753
2003	62,000	42,840	104,840
2004	66,000	38,390	104,390
2005	66,000	33,840	99,840
Thereafter	<u>458,000</u>	<u>94,810</u>	<u>552,810</u>
Total	<u>\$ 1,226,000</u>	<u>\$ 342,973</u>	<u>\$ 1,568,973</u>

Loans Payable:

Energy Conservation Loan

During the 1994/95 fiscal year, a \$250,000 loan was received from the California Energy Commission to be used for lighting and HVAC improvements for the County Administration Center, Courthouse Annex and H.E.W. Buildings. Annual principal and interest payments are through 2000. The loan carries interest at 4.68 percent. At June 30, 2000, the principal balance was fully retired.

Sanitation District No. 1 Facilities Rehabilitation Loan

During the 1995/96 fiscal year, a \$170,874 loan was received from the State Water Resources Covered Board to be used for the Nevada County Sanitation District No. 1 (Cascade Shores) facilities rehabilitation. Annual principal and interest payments are through 2015. The loan carries interest at 3.03 percent. At June 30, 2000, the principal balance was \$142,872.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 7: GENERAL LONG-TERM DEBT ACCOUNT GROUP (CONTINUED)

Loans Payable (Continued):

Sanitation District No. 1 Facilities Rehabilitation Loan (Continued)

The annual requirements to amortize both loans outstanding as of June 30, 2000, are as follows:

Year Ending June 30	Principal	Interest	Total
2001	\$ 7,032	\$ 4,429	\$ 11,461
2002	7,250	4,211	11,461
2003	7,475	3,986	11,461
2004	7,707	3,754	11,461
2005	7,946	3,515	11,461
Thereafter	<u>105,462</u>	<u>20,609</u>	<u>126,071</u>
Total	<u>\$ 142,872</u>	<u>\$ 40,504</u>	<u>\$ 183,376</u>

NOTE 8: PROPRIETARY FUND LONG-TERM DEBT

At June 30, 2000, the proprietary fund long-term debt consisted of the following:

	Balance July 1, 1999	Additions and Adjustments	Retirements	Balance June 30, 2000
Compensated Absences	\$ 96,207	\$ 19,631	\$ 6,668	\$ 109,170
Certificates of Participation	20,895,000	-	410,000	20,485,000
Loans Payable	611,342	-	19,044	592,298
Closure/Post Closure Costs	<u>12,442,035</u>	-	<u>172,262</u>	<u>12,269,773</u>
Totals	<u>\$ 34,044,584</u>	<u>\$ 19,631</u>	<u>\$ 607,974</u>	<u>\$ 33,456,241</u>

Compensated Absences:

The liability for compensated absences is the accrued liability for earned but unused vacation and sick leave which will be paid to employees upon separation from County services. There is no fixed payment schedule for compensated absences. At June 30, 2000, the balance was \$109,170.

Certificates of Participation:

On March 28, 1992, \$23,110,000 of term certificates of participation were issued for the purpose of financing certain improvements to the Western Nevada County Solid Waste Management System. Security for the payments to the holders is principally derived from the revenues of the system. The term certificates bear interest between 6 and 7.5 percent and mature in 2022. At June 30, 2000, the principal balance outstanding was \$20,485,000. Costs associated with the issuance of these certificates are amortized over the term of the bonds on a straight-line basis. At June 30, 2000, the unamortized balance was \$620,238.

At June 30, 2000, the County had \$9,642,992 of unspent bond proceeds and interest earnings held in cash with fiscal agent accounts. The Board of Supervisors is currently evaluating options regarding the use or disposition of these funds.

The debt coverage ratio was 189 percent. Based on this calculation the County was in compliance with the original covenant requiring the County to set rates which are sufficient to yield Net Revenues, as defined by the debt agreement, equal to 115 percent of the debt service.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 8: PROPRIETARY FUND LONG-TERM DEBT (CONTINUED)

Certificates of Participation (Continued):

The annual requirements to amortize all bonds outstanding as of June 30, 2000 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 440,000	\$ 1,525,038	\$ 1,965,038
2002	470,000	1,493,138	1,963,138
2003	505,000	1,459,063	1,964,063
2004	540,000	1,422,450	1,962,450
2005	580,000	1,383,300	1,963,300
Thereafter	<u>17,950,000</u>	<u>13,452,638</u>	<u>31,402,638</u>
Total	<u>\$ 20,485,000</u>	<u>\$ 20,735,627</u>	<u>\$ 41,220,627</u>

Loans Payable:

NEV-3-94-L-1

During the 1994/95 fiscal year, a \$42,800 loan was received from the State of California Department of Transportation to be used for matching funds for the Federal Airport Improvement Program. Annual principal and interest payments are through 2002. The loan carries interest at 5.9449 percent. At June 30, 2000, the principal balance was \$20,327.

NEV-3-95-L-2

During the 1995/96 fiscal year, a \$258,500 loan was received from the State of California Department of Transportation to be used for matching funds for the Federal Airport Improvement Program. Annual principal and interest payments are through 2010. The loan carries interest at 6.0629 percent. At June 30, 2000, the principal balance was \$211,971.

Airport Loan

During the 1998/99 fiscal year, a \$360,000 loan was received from the State of California Department of Transportation to be used for matching funds for the Federal Airport Improvement Program. Annual principal and interest payments are through 2016. The loan carries interest at 5.0498 percent. At June 30, 2000, the principal balance was \$360,000.

The annual requirements to amortize all loans outstanding as of June 30, 2000 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 35,262	\$ 32,239	\$ 67,501
2002	37,080	30,254	67,334
2003	37,715	28,161	65,876
2004	33,379	26,029	59,408
2005	35,774	24,162	59,936
Thereafter	<u>413,088</u>	<u>125,438</u>	<u>538,526</u>
Total	<u>\$ 592,298</u>	<u>\$ 266,283</u>	<u>\$ 858,581</u>

Closure/Post Closure Costs

State and federal laws and regulations require that the County of Nevada place a final cover on, and perform certain maintenance and monitoring functions at the landfill site. Such laws and regulations require post closure maintenance and monitoring for thirty years after the date of closure and that a closure plan be accepted and approved by the California Integrated Waste Management Board, the "Board". At June 30, 2000, the County's landfill closure plan was approved by the Board.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 8: PROPRIETARY FUND LONG-TERM DEBT (CONTINUED)

Loans Payable (Continued):

Closure/Post Closure Costs (Continued)

The estimated liability for landfill Closure and Post Closure care costs is \$12,269,773 (\$0- and \$12,269,773 respectively) as of June 30, 2000. The estimated total cost of landfill Post Closure care is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of June 30, 2000. However, the actual cost of post closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

The County established a pledge of revenue to demonstrate financial responsibility for post closure maintenance in accordance with Sections 18.283 and 18.290 of the California Code of Regulations.

NOTE 9: DEFINED BENEFIT PENSION PLAN

A. Plan Description

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

B. Funding Policy

Active plan members in PERS are required to contribute 7 percent (9 percent for safety employees) of their annual covered salary. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rate for fiscal year 1999/2000 was 2.805 percent for miscellaneous employees and 0.0 percent for safety employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS.

C. Annual Pension Cost

For fiscal year 1999/2000, the County's annual pension cost of \$719,925 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 1997, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 8.25 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service. Both (a) and (b) included an inflation component of 3.5 percent. The actuarial value of PERS assets was determined using techniques that smooth the effects of short term volatility in the market value of investments over a four-year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

D. Three Year Trend Information for PERS

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
June 30, 1998	\$ 2,060,436	100%	\$ -
June 30, 1999	2,055,353	100%	-
June 30, 2000	719,925	100%	-

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 9: DEFINED BENEFIT PENSION PLAN (CONTINUED)

E. Funded Status of Plan

Miscellaneous Plan:

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL As a % of Payroll
June 30, 1997	\$ 78,175,297	\$ 89,374,436	(\$ 11,199,139)	114.3%	\$ 21,520,729	(52.039%)
June 30, 1998	84,237,486	107,791,888	(23,554,402)	128.0%	22,364,427	(105.321%)
June 30, 1999	93,026,418	123,521,373	(30,494,955)	132.8%	25,285,377	(120.603%)

Safety Plan:

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL As a % of Payroll
June 30, 1997	\$ 18,206,643	\$ 21,480,710	(\$ 3,274,067)	118.0%	\$ 2,976,482	(109.998%)
June 30, 1998	20,136,849	25,320,729	(5,183,880)	125.7%	2,995,491	(173.056%)
June 30, 1999	22,183,746	28,388,871	(6,205,125)	128.0%	3,419,051	(181.487%)

NOTE 10: EMPLOYEE BENEFITS

Post-Employment Benefits

The County has agreed by resolution to pay post-employment health insurance benefits for certain retirees who have retired from employment with the county. These benefits are financed on a pay-as-you-go basis. At June 30, 2000, 284 retired employees were covered and the cost of this coverage for the year ended June 30, 2000 was \$444,695.

457 Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all permanent County employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in August, 1996, of IRC Section 457, in January, 1997, the County formally established a trust in which all assets and income of the 457 plan were placed. The assets, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries. These assets are no longer the property of the County, and as such are no longer subject to the claims of the County's general creditors. As a result, the assets of the 457 plan are no longer reflected in the Agency Fund in which they were previously recorded.

NOTE 11: INTERFUND TRANSACTIONS

Operating Transfers

The following is a summary of operating transfers by fund type as of June 30, 2000.

	Operating Transfers In	Operating Transfers Out
General	\$ 1,118,191	\$ 3,550,436
Special Revenue	834,828	559,099
Debt Service	2,082,627	-
Capital Projects	500,000	560,832
Enterprise	21,003	23,370
Trust and Agency	700,886	563,798
Total	<u>\$ 5,257,535</u>	<u>\$ 5,257,535</u>

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 11: INTERFUND TRANSACTIONS (CONTINUED)

Residual Equity Transfers

The following is a summary of residual equity transfers by fund type as of June 30, 2000:

	Residual Equity <u>Transfers In</u>	Residual Equity <u>Transfers Out</u>
General	\$ 729,650	\$ -
Special Revenue	327,140	340,364
Trust and Agency	<u>134,997</u>	<u>851,423</u>
Total	<u>\$ 1,191,787</u>	<u>\$ 1,191,787</u>

Interfund Receivables and Payables

All interfund receivables and payable balances are reflected in the financial statements as due from/to other funds for current balances and advances to/from the funds for non current fund balances.

The following is a summary of the amounts due from and due to other funds by fund type as of June 30, 2000:

	Due From <u>Other Funds</u>	Due To <u>Other Funds</u>
General	\$ 549,627	\$ 9,077
Special Revenue	9,077	19,530
Enterprise	-	19,819
Trust and Agency	<u>-</u>	<u>510,278</u>
Total	<u>\$ 558,704</u>	<u>\$ 558,704</u>

The following is a summary of advances to and advances from other funds by fund type as of June 30, 2000:

	Advance to <u>Other Funds</u>	Advance from <u>Other Funds</u>
Special Revenue	\$ -	\$ 119,211
Capital Projects	-	525,000
Enterprise	-	3,000
Internal Services	525,000	-
Trust and Agency	<u>123,211</u>	<u>1,000</u>
Total	<u>\$ 648,211</u>	<u>\$ 648,211</u>

NOTE 12: 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 its uninsured risks of loss for public liability, unemployment and worker's compensation health, dental and vision. The County is a member of the California State Association of Counties of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. Should actual losses 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.

As of July 1, 1997, the County is no longer self insured for Workers Comp. 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. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$125,000 for each workers compensation claim, \$100,000 for each general liability claim and \$10,000 for each unemployment claim. Should actual losses among participants be greater than anticipated, the County will be assessed its prorated share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its prorated share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 12: RISK MANAGEMENT (CONTINUED)

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, 2000 the Risk Management Fund's fund equity was \$1,578,188. The claims liability of \$1,926,951 reported in the funds at June 30, 2000 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.

Estimates of the liabilities for incurred (both reported and unreported) but unpaid claims are actuarially determined. Liabilities are based on the estimated cost of settling the claims.

Changes in the County's claims liability amount for the fiscal years June 30, 1999 and 2000 were:

Fiscal Year Ended	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year
1999	\$ 2,269,495	\$ 734,911	\$ 852,371	\$ 2,152,035
2000	2,152,035	-	225,084	1,926,951

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

NOTE 13: JOINT AGENCIES

The CSAC Excess Insurance Authority is a joint powers authority organized for the purpose to develop and fund excess insurance programs for member counties. The Authority operates public entity risk pools for workers' compensation, comprehensive liability, property, medical malpractice, and pool purchases excess insurance and services for members. The Authority is under the control and direction of a board of directors consisting of representatives of the fifty member counties.

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

NOTE 14: SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The County maintains four enterprise funds which provide solid waste services for Eastern and Western Nevada County, transportation services and special aviation services.

Segment information for the year ended June 30, 2000 is as follows:

	Eastern Nevada County Solid Waste <u>Disposal</u>	Western Nevada County Solid Waste <u>Disposal</u>	<u>Transportation</u>	<u>Airpark</u>	<u>Total</u>
Operating Revenues	\$ 1,010,022	\$ 5,081,750	\$ 316,194	\$ 565,482	\$ 6,973,448
Depreciation	-	71,429	215,562	48,859	335,850
Operating Income (Loss)	(157,365)	2,091,732	(2,142,517)	(104,949)	(313,099)
Operating Grants/Entitlements	12,895	58,560	294,933	15,189	381,577
Operating Transfers					
In	-	-	21,003	-	21,003
(Out)	-	-	(23,370)	-	(23,370)
Tax Revenues	108,168	249,606	1,367,976	33,300	1,759,050
Net Income (Loss)	54,394	1,597,560	(470,612)	(62,344)	1,118,998
Property, Plant and Equipment:					
Additions	24,409	245,031	4,741	185,207	459,388
Net Working Capital	768,128	5,193,120	(196,474)	28,648	5,793,422
Total Assets	768,910	17,008,348	506,756	7,562,112	25,846,126
Long Term Debt	-	32,801,232	57,575	596,722	33,455,529
Contributed Capital	-	-	-	137,995	137,995
Total Equity	768,128	(16,251,679)	202,677	6,901,350	(8,379,524)

COUNTY OF NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 15: COMMITMENTS AND CONTINGENCIES

Contingencies

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

Construction Commitments

At June 30, 2000, the county had ongoing construction contracts of \$5,267,321 outstanding, of which \$67,192 had been paid leaving remaining construction commitments of \$5,200,129.

NOTE 16: MELLO ROOS BONDS PAYABLE

The County has no obligation to pay any principal or interest on the Mello Roos Bonds. The following data is included for information only.

In December 1990, \$9,070,000 bonds pursuant to the Mello Roos Community Facilities Act of 1982, the "Bonds" were issued for the purpose of providing funds to pay costs of acquisition of public improvements and to prepay the outstanding assessment liens within the Community Facilities District No. 1 1990-1 (Wildwood Estates Subdivision).

In early 1994, after terminating the infrastructure project financed with Bond proceeds for, among other reasons, lack of development activity, the County made a tender offer through which it acquired \$4,145,000 principal amount of Bonds using remaining construction funds pursuant to an amendment to the Bond Indenture to which a substantial proportion of then-bond owners consented. The acquired Bonds were canceled.

After completion of the tender offer, the County still had approximately \$500,000 of construction funds remaining, which were combined with proceeds of sales of lots to make Restructured Payments pursuant to the Bank Forbearance Agreement. An additional \$105,000 of bond principal was redeemed as part of the restructured payments.

At June 30, 2000, the balance held by the fiscal agent was \$81,734. The Bonds carry interest between 7.5 and 8.4 percent. At June 30, 2000, the principal outstanding was \$4,810,000.

NOTE 17: PRIOR PERIOD ADJUSTMENTS

General Fund

A prior period adjustment was required to correct an error in prior year accounts payable of \$36,209.

Special Revenue Funds

A prior period adjustment was required to correct a net error of \$142 in loans receivable. This adjustment corrected an overstatement of loans receivable of \$7,016 in the CDBG Rehab Revolving Loan fund and an understatement of loans receivable of \$7,158 in the Residential Rehab 94 STBG fund.

SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUNDS

Special Revenues Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for particular purposes.

COUNTY OF NEVADA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 2000

	Fish and Game	Road	Housing Authority	Energy Conservation	Truckee Terminal	Property Maintenance/ Nuisance Abatement	Public Library	Special Assessment Funds	Special Districts Governed by the Board	Sanitation Districts	Housing and Community Services	Totals
ASSETS												
Cash and investments	\$ 42,573	\$ 1,185,235	\$ 16,280	\$ 6,269	\$ -	\$ 18,273	\$ 429,526	\$ 185,657	\$ 373,475	\$ 4,982,176	\$ 663,376	\$ 7,902,840
Imprest cash	-	100	-	-	-	-	-	-	-	-	-	100
Accounts receivable	-	377,881	1,194	23,158	-	-	1,303	-	442	110,069	156,578	670,625
Taxes receivable	-	-	-	-	-	-	171,500	-	-	-	-	171,500
Due from other funds	-	-	-	-	-	-	9,077	-	-	-	-	9,077
Due from other governmental agencies	-	-	30,841	-	-	-	-	-	-	-	-	30,841
Loans receivable	-	-	-	-	-	-	-	-	-	-	1,173,760	1,173,760
Prepaid expenses	-	-	94,036	-	-	-	-	-	-	-	-	94,036
Inventory	-	171,112	-	-	-	-	-	-	-	-	-	171,112
Total Assets	\$ 42,573	\$ 1,734,328	\$ 142,351	\$ 29,427	\$ -	\$ 18,273	\$ 611,406	\$ 185,657	\$ 373,917	\$ 5,092,245	\$ 1,993,714	\$ 10,223,891
LIABILITIES AND FUND EQUITY												
LIABILITIES												
Accounts payable	\$ 54	\$ 72,870	\$ 38,430	\$ 29,433	\$ -	\$ 883	\$ 60,206	\$ -	\$ 2,331	\$ 131,864	\$ 188,747	\$ 524,818
Accrued payroll and benefits	-	132,861	-	-	-	-	37,334	-	-	49,552	-	219,747
Due to other funds	-	-	19,530	-	-	-	-	-	-	-	-	19,530
Due to other governmental agencies	-	-	26,173	-	-	-	-	-	-	-	-	26,173
Advance from other funds	-	-	-	-	-	-	-	-	-	119,211	-	119,211
Total Liabilities	54	205,731	84,133	29,433	-	883	97,540	-	2,331	300,627	188,747	909,479
FUND EQUITY												
Reserved	405	405,127	-	-	-	405	52,098	-	-	3,305	1,173,760	1,635,100
Unreserved												
Undesignated	42,114	1,123,470	58,218	(6)	-	16,985	461,768	185,657	371,586	4,788,313	631,207	7,679,312
Total Fund Equity	42,519	1,528,597	58,218	(6)	-	17,390	513,866	185,657	371,586	4,791,618	1,804,967	9,314,412
Total Liabilities and Fund Equity	\$ 42,573	\$ 1,734,328	\$ 142,351	\$ 29,427	\$ -	\$ 18,273	\$ 611,406	\$ 185,657	\$ 373,917	\$ 5,092,245	\$ 1,993,714	\$ 10,223,891

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	Fish and Game	Road	Housing Authority	Energy Conservation	Truckee Terminal	Property Maintenance/ Nuisance Abatement	Public Library	Special Assessment Funds	Special Districts Governed by the Board	Sanitation Districts	Housing and Community Services	Totals
REVENUES												
Taxes and assessments	\$ -	\$ 404,916	\$ 3,839	\$ -	\$ -	\$ -	\$ 1,220,531	\$ -	\$ 18,573	\$ -	\$ -	\$ 1,647,859
License and permits	-	27,922	-	-	-	-	-	-	-	-	-	27,922
Intergovernmental	-	6,883,757	1,026,995	-	-	-	247,213	-	624	-	449,864	8,608,453
Use of money and property	1,811	37,364	7,589	316	307	890	8,816	7,347	14,439	204,523	27,678	311,080
Fines and forfeitures	2,315	-	-	-	-	840	-	-	-	-	-	3,155
Charges for services	-	1,550,772	29,629	-	-	-	47,735	-	243,070	3,828,520	74,271	5,773,997
Other revenues	-	27,027	4,408	-	66	-	19,501	9,585	-	12,500	63,775	136,862
Total Revenues	4,126	8,931,758	1,072,460	316	373	1,730	1,543,796	16,932	276,706	4,045,543	615,588	16,509,328
EXPENDITURES												
Current:												
Public ways and facilities	-	8,829,058	-	-	-	-	-	-	170,399	14,180	-	9,013,637
Public protection	2,723	-	-	-	-	5,398	-	-	-	-	-	8,121
Health and sanitation	-	-	-	-	-	-	-	-	-	3,299,197	-	3,299,197
Public assistance	-	-	1,026,366	-	-	-	-	-	-	-	113,772	1,140,138
Education	-	-	-	-	-	-	1,793,152	-	-	-	-	1,793,152
Capital outlay	-	228,302	-	-	-	-	-	-	-	392,259	-	620,561
Debt service	-	-	-	58,867	-	-	-	-	-	447,773	-	506,640
Total Expenditures	2,723	9,057,360	1,026,366	58,867	-	5,398	1,793,152	-	170,399	4,153,409	113,772	16,381,446
Excess (Deficiency) of Revenues Over Expenditures	1,403	(125,602)	46,094	(58,551)	373	(3,668)	(249,356)	16,932	106,307	(107,866)	501,816	127,882
OTHER FINANCING SOURCES (USES)												
Operating transfers in	-	-	19,018	52,588	-	-	763,222	-	-	-	-	834,828
Operating transfers out	-	-	(76,190)	-	-	-	-	-	-	-	(482,909)	(559,099)
Total Other Financing Sources (Uses)	-	-	(57,172)	52,588	-	-	763,222	-	-	-	(482,909)	275,729
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	1,403	(125,602)	(11,078)	(5,963)	373	(3,668)	513,866	16,932	106,307	(107,866)	18,907	403,611
Fund Equity - Beginning of Year	41,116	1,654,199	69,296	5,957	12,851	21,058	-	168,725	265,279	4,899,484	1,785,918	8,923,883
Prior period adjustment	-	-	-	-	-	-	-	-	-	-	142	142
Fund Equity - Beginning of Year, Restated	41,116	1,654,199	69,296	5,957	12,851	21,058	-	168,725	265,279	4,899,484	1,786,060	8,924,025
Residual equity transfer	-	-	-	-	(13,224)	-	-	-	-	-	-	(13,224)
Fund Equity - End of Year	\$ 42,519	\$ 1,528,597	\$ 58,218	\$ (6)	\$ -	\$ 17,390	\$ 513,866	\$ 185,657	\$ 371,586	\$ 4,791,618	\$ 1,804,967	\$ 9,314,412

COUNTY OF NEVADA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS -
SPECIAL ASSESSMENT FUNDS
JUNE 30, 2000

	<u>Assets</u>		<u>Fund Equity</u>	
	<u>Cash and Investments</u>	<u>Total Assets</u>	<u>Fund Balance Unreserved and Undesignated</u>	<u>Total Fund Equity</u>
Glenbrook	\$ 153,458	\$ 153,458	\$ 153,458	\$ 153,458
Wildwood Estates	32,199	32,199	32,199	32,199
Totals	<u>\$ 185,657</u>	<u>\$ 185,657</u>	<u>\$ 185,657</u>	<u>\$ 185,657</u>

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
SPECIAL REVENUE FUNDS -
SPECIAL ASSESSMENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	Revenues			Expenditures		Excess (Deficiency) of Revenues Over Expenditures	Fund Equity - Beginning of Year	Fund Equity - End of Year
	Use of Money and Property	Other Revenues	Total Revenues	Public Ways and Facilities	Total Expenditures			
Glenbrook	\$ 6,351	\$ 1,338	\$ 7,689	\$ -	\$ -	\$ 7,689	\$ 145,769	\$ 153,458
Wildwood Estates	996	8,247	9,243	-	-	9,243	22,956	32,199
Totals	<u>\$ 7,347</u>	<u>\$ 9,585</u>	<u>\$ 16,932</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,932</u>	<u>\$ 168,725</u>	<u>\$ 185,657</u>

COUNTY OF NEVADA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS -
SPECIAL DISTRICTS GOVERNED BY
THE BOARD OF SUPERVISORS
JUNE 30, 2000

	Assets			Liabilities			Fund Equity			Total Liabilities and Fund Equity	
	Cash and Investments	Accounts Receivable	Due from Other Funds	Total Assets	Accounts Payable	Due to Other Funds	Total Liabilities	Reserved Fund Equity	Unreserved and Undesignated Fund Equity		Total Fund Equity
County Service Area 1 A, Zone 1	\$ 27,144	\$ -	\$ -	\$ 27,144	\$ 494	\$ -	\$ 494	\$ -	\$ 26,650	\$ 26,650	\$ 27,144
County Service Area 1 A, Zone 2	8,213	-	-	8,213	19	-	19	-	8,194	8,194	8,213
County Service Area 1 A, Zone 3	13,580	10	-	13,590	-	-	-	-	13,590	13,590	13,590
County Service Area 2	13,952	8	-	13,960	-	-	-	-	13,960	13,960	13,960
County Service Area 4	-	-	-	-	-	-	-	-	-	-	-
County Service Area 12	26,932	18	-	26,950	-	-	-	-	26,950	26,950	26,950
County Service Area 12, Zone 2	12,224	11	-	12,235	-	-	-	-	12,235	12,235	12,235
County Service Area 13, Zone 1	5,798	13	-	5,811	-	-	-	-	5,811	5,811	5,811
County Service Area 13, Zone 2	1,982	20	-	2,002	-	-	-	-	2,002	2,002	2,002
County Service Area 13, Zone 3	319	23	-	342	-	-	-	-	342	342	342
County Service Area 14	27,059	35	-	27,094	8	-	8	-	27,086	27,086	27,094
County Service Area 14, Zone 2	143	2	-	145	-	-	-	-	145	145	145
County Service Area 14, Zone 4	3,563	13	-	3,576	-	-	-	-	3,576	3,576	3,576
County Service Area 18	12	-	-	12	12	-	12	-	-	-	12
County Service Area 21	21,481	2	-	21,483	-	-	-	-	21,483	21,483	21,483
County Service Area 22, Zone 1	18,228	1	-	18,229	-	-	-	-	18,229	18,229	18,229
County Service Area 22, Zone 2	215	-	-	215	215	-	215	-	-	-	215
County Service Area 22, Zones 1 & 2	1,835	2	-	1,837	7	-	7	-	1,830	1,830	1,837
County Service Area 24	406	-	-	406	327	-	327	-	79	79	406
County Service Area 24, Zone 2 Fire	14,613	42	-	14,655	-	-	-	-	14,655	14,655	14,655
County Service Area 24, Zone 2 Road	36,611	29	-	36,640	-	-	-	-	36,640	36,640	36,640
County Service Area 31	2,845	-	-	2,845	854	-	854	-	1,991	1,991	2,845
Hobart Mills Road Self Help Improvement	84	-	-	84	84	-	84	-	-	-	84
Perimeter Road Self Help Improvement	-	-	-	-	-	-	-	-	-	-	-
Perm Road Div. - Blue Tent	3,145	3	-	3,148	-	-	-	-	3,148	3,148	3,148
Perm Road Div. - Canyon Creek	15,080	23	-	15,103	-	-	-	-	15,103	15,103	15,103
Perm Road Div. - Greenwood Forest	18,580	59	-	18,639	5	-	5	-	18,634	18,634	18,639
Perm Road Div. - Hidden Glen	24,075	1	-	24,076	-	-	-	-	24,076	24,076	24,076
Perm Road Div. - Hillsdale Court	7,339	-	-	7,339	299	-	299	-	7,040	7,040	7,339
Perm Road Div. - Perimeter Road	37,889	120	-	38,009	-	-	-	-	38,009	38,009	38,009
Perm Road Div. - Ski Town II	30,128	7	-	30,135	7	-	7	-	30,128	30,128	30,135
Totals	\$ 373,475	\$ 442	\$ -	\$ 373,917	\$ 2,331	\$ -	\$ 2,331	\$ -	\$ 371,586	\$ 371,586	\$ 373,917

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
SPECIAL REVENUE FUNDS -
SPECIAL DISTRICTS GOVERNED BY THE BOARD OF SUPERVISORS
FOR THE YEAR ENDED JUNE 30, 2000

	Revenues					Expenditures		Excess (Deficiency) of Revenues Over Expenditures	Fund Equity - Beginning of Year	Fund Equity - End of Year	
	Taxes and Assessments	Inter- governmental	Use of money and property	Charges for services	Other Revenues	Total Revenues	Public Ways and Facilities				Total Expenditures
County Service Area 1 A, Zone 1	\$ 12,410	\$ 433	\$ 656	\$ 24,844	\$ -	\$ 38,343	\$ 11,716	\$ 11,716	\$ 26,627	\$ 23	\$ 26,650
County Service Area 1 A, Zone 2	1,721	72	595	2,678	-	5,066	9,622	9,622	(4,556)	12,750	8,194
County Service Area 1 A, Zone 3	2,667	66	546	1,078	-	4,357	2,652	2,652	1,705	11,885	13,590
County Service Area 2	1,775	53	588	-	-	2,416	1,989	1,989	427	13,533	13,960
County Service Area 4	-	-	85	-	-	85	9,180	9,180	(9,095)	9,095	-
County Service Area 12	-	-	807	14,352	-	15,159	1,674	1,674	13,485	13,465	26,950
County Service Area 12, Zone 2	-	-	432	3,941	-	4,373	762	762	3,611	8,624	12,235
County Service Area 13, Zone 1	-	-	198	2,292	-	2,490	598	598	1,892	3,919	5,811
County Service Area 13, Zone 2	-	-	113	3,317	-	3,430	3,477	3,477	(47)	2,049	2,002
County Service Area 13, Zone 3	-	-	50	2,358	-	2,408	2,405	2,405	3	339	342
County Service Area 14	-	-	774	25,408	-	26,182	7,158	7,158	19,024	8,062	27,086
County Service Area 14, Zone 2	-	-	7	-	-	7	16	16	(9)	154	145
County Service Area 14, Zone 4	-	-	198	-	-	198	1,271	1,271	(1,073)	4,649	3,576
County Service Area 18	-	-	36	1,598	-	1,634	2,251	2,251	(617)	617	-
County Service Area 21	-	-	775	9,857	-	10,632	3,870	3,870	6,762	14,721	21,483
County Service Area 22, Zone 1	-	-	629	6,135	-	6,764	987	987	5,777	12,452	18,229
County Service Area 22, Zone 2	-	-	10	494	-	504	761	761	(257)	257	-
County Service Area 22, Zones 1 & 2	-	-	78	-	-	78	106	106	(28)	1,858	1,830
County Service Area 24	-	-	11	939	-	950	871	871	79	-	79
County Service Area 24, Zone 2 Fire	-	-	621	-	-	621	427	427	194	14,461	14,655
County Service Area 24, Zone 2 Road	-	-	1,435	8,780	-	10,215	6,392	6,392	3,823	32,817	36,640
County Service Area 31	-	-	273	38,019	-	38,292	36,303	36,303	1,989	2	1,991
Hobart Mills Road Self Help Improvement	-	-	179	16,466	-	16,645	16,645	16,645	-	-	-
Perimeter Road Self Help Improvement	-	-	86	-	-	86	3,499	3,499	(3,413)	3,413	-
Perm Road Div. - Blue Tent	-	-	135	-	-	135	142	142	(7)	3,155	3,148
Perm Road Div. - Canyon Creek	-	-	618	4,891	-	5,509	4,102	4,102	1,407	13,696	15,103
Perm Road Div. - Greenwood Forest	-	-	587	12,974	-	13,561	4,500	4,500	9,061	9,573	18,634
Perm Road Div. - Hidden Glen	-	-	983	2,977	-	3,960	1,894	1,894	2,066	22,010	24,076
Perm Road Div. - Hillsdale Court	-	-	125	7,861	-	7,986	946	946	7,040	-	7,040
Perm Road Div. - Perimeter Road	-	-	1,643	46,919	-	48,562	33,196	33,196	15,366	22,643	38,009
Perm Road Div. - Ski Town II	-	-	1,166	4,892	-	6,058	987	987	5,071	25,057	30,128
Totals	<u>\$ 18,573</u>	<u>\$ 624</u>	<u>\$ 14,439</u>	<u>\$ 243,070</u>	<u>\$ -</u>	<u>\$ 276,706</u>	<u>\$ 170,399</u>	<u>\$ 170,399</u>	<u>\$ 106,307</u>	<u>\$ 265,279</u>	<u>\$ 371,586</u>

COUNTY OF NEVADA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS -
SANITATION DISTRICTS
JUNE 30, 2000

	Assets			Liabilities				Fund Equity			Total Liabilities and Fund Equity	
	Cash and Investments	Accounts Receivable	Due From Other Funds	Total Assets	Accounts Payable	Salaries and Benefits Payable	Advance From Other Funds	Total Liabilities	Reserved	Unreserved and Undesignated		Total Fund Equity
Lake of the Pines Assessment	\$ 217	\$ -	\$ -	\$ 217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217	\$ 217	\$ 217
Lake of the Pines II Assessment	296,759	-	-	296,759	-	-	-	-	-	296,759	296,759	296,759
Lake Wildwood #1 Assessment	-	-	-	-	-	-	-	-	-	-	-	-
No. San Juan Sewer Assessment	10,214	-	-	10,214	-	-	-	-	-	10,214	10,214	10,214
Penn Valley, Zone 6 O & M Assessment	101,494	1,915	-	103,409	5,288	-	55,000	60,288	-	43,121	43,121	103,409
SD Z1 Lake Wildwood O & M	2,256,105	31,845	-	2,287,950	47,570	-	-	47,570	-	2,240,380	2,240,380	2,287,950
SD Z2 Lake of the Pines O & M	1,967,758	7,052	-	1,974,810	20,449	-	-	20,449	3,305	1,951,056	1,954,361	1,974,810
SD Z4 No. San Juan O & M	104,998	514	-	105,512	976	-	-	976	-	104,536	104,536	105,512
SD Z5 Gold Creek O & M	56,562	13	-	56,575	36	-	-	36	-	56,539	56,539	56,575
SD Z6 Penn Valley Sewer Assessment	99,240	-	-	99,240	-	-	-	-	-	99,240	99,240	99,240
SD Z7 Mt. Lake Estates O & M	42,293	33	-	42,326	125	-	-	125	-	42,201	42,201	42,326
SD Z8 Casade Shores Construction	-	-	-	-	-	-	-	-	-	-	-	-
SD Z8 Casade Shores O & M	45,193	381	-	45,574	3,116	-	64,211	67,327	-	(21,753)	(21,753)	45,574
SD Z9 Eden Ranch O & M	1,343	2	-	1,345	-	-	-	-	-	1,345	1,345	1,345
Sanitation District 1 - Eq. & Fac.	-	-	-	-	-	-	-	-	-	-	-	-
Waste water Mgmt System - Western	-	68,314	-	68,314	54,304	49,552	-	103,856	-	(35,542)	(35,542)	68,314
Totals	\$ 4,982,176	\$ 110,069	\$ -	\$ 5,092,245	\$ 131,864	\$ 49,552	\$ 119,211	\$ 300,627	\$ 3,305	\$ 4,788,313	\$ 4,791,618	\$ 5,092,245

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
SPECIAL REVENUE FUNDS -
SANITATION DISTRICTS
FOR THE YEAR ENDED JUNE 30, 2000

	Revenues			Expenditures					Excess (Deficiency) of Revenues Over Expenditures	Fund Equity - Beginning of Year	Residual Equity Transfers In (Out)	Fund Equity - End of Year	
	Use of Money and Property	Charges for Services	Other Revenues	Total Revenues	Public Ways and Facilities	Health and Sanitation	Capital Outlay	Debt Service					Total Expenditures
Lake of the Pines Assessment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217	\$ -	\$ 217
Lake of the Pines II Assessment	7,671	277,461	-	285,132	-	19,060	-	242,375	261,435	23,697	273,062	-	296,759
Lake Wildwood #1 Assessment	2,982	-	-	2,982	-	-	-	-	-	2,982	257,881	(260,863)	-
No. San Juan Sewer Assessment	378	4,450	-	4,828	4,693	-	-	-	4,693	135	10,079	-	10,214
Penn Valley, Zone 6 O & M Assessment	6,146	137,271	956	144,373	-	137,552	9,500	-	147,052	(2,679)	45,800	-	43,121
SD Z1 Lake Wildwood O & M	91,388	740,265	3,474	835,127	-	767,485	82,566	-	850,051	(14,924)	1,994,441	260,863	2,240,380
SD Z2 Lake of the Pines O & M	81,392	632,345	6,028	719,765	-	558,132	153,658	-	711,790	7,975	1,946,386	-	1,954,361
SD Z4 No. San Juan O & M	4,588	27,837	24	32,449	-	27,562	3,279	-	30,841	1,608	102,928	-	104,536
SD Z5 Gold Creek O & M	2,018	6,382	3	8,403	-	2,448	37	-	2,485	5,918	50,621	-	56,539
SD Z6 Penn Valley Sewer Assessment	3,253	111,969	-	115,222	9,216	-	-	205,398	214,614	(99,392)	198,632	-	99,240
SD Z7 Mt. Lake Estates O & M	1,497	8,941	606	11,044	-	8,053	85	-	8,138	2,906	34,399	4,896	42,201
SD Z8 Casade Shores Construction	84	-	-	84	136	-	-	-	136	(52)	(61,329)	61,381	-
SD Z8 Casade Shores O & M	2,986	57,575	33	60,594	-	77,947	892	-	78,839	(18,245)	57,873	(61,381)	(21,753)
SD Z9 Eden Ranch O & M	23	1,495	-	1,518	135	-	38	-	173	1,345	-	-	1,345
Sanitation District 1 - Eq. & Fac.	125	-	1,376	1,501	-	-	-	-	-	1,501	3,395	(4,896)	-
Waste water Mgmt System - Western	(8)	1,822,529	-	1,822,521	-	1,700,958	142,204	-	1,843,162	(20,641)	(14,901)	-	(35,542)
Totals	\$ 204,523	\$ 3,828,520	\$ 12,500	\$ 4,045,543	\$ 14,180	\$ 3,299,197	\$ 392,259	\$ 447,773	\$ 4,153,409	\$ (107,866)	\$ 4,899,484	\$ -	\$ 4,791,618

COUNTY OF NEVADA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS -
HOUSING AND COMMUNITY SERVICES
JUNE 30, 2000

	Assets			Liabilities			Fund Equity		Total Liabilities and Fund Equity		
	Cash and Investments	Accounts Receivable	Loans Receivable	Total Assets	Accounts Payable	Due To Other Funds	Total Liabilities	Reserved		Unreserved and Undesignated	Total Fund Equity
CDBG 94-97 Rehab-94 STBG 810	\$ 14,156	\$ -	\$ -	\$ 14,156	\$ 14,173	\$ -	\$ 14,173	\$ -	\$ (17)	\$ (17)	\$ 14,156
CDBG 97-00 Rehab 97-STBG-1129	8,618	-	-	8,618	5,417	-	5,417	-	3,201	3,201	8,618
CDBG Grant 97-STBG-1173	474	17,290	-	17,764	-	-	-	-	17,764	17,764	17,764
CDBG Rehab Revolving Loan	256,096	103,771	-	359,867	40,903	-	40,903	-	318,964	318,964	359,867
CDBG Truckee Rehab '92	16,685	1,685	298,996	317,366	18,388	-	18,388	298,996	(18)	298,978	317,366
CHRP-O Rehab Program	22	-	-	22	-	-	-	-	22	22	22
Community Grant Development Repay	213,123	10,000	317,144	540,267	29,500	-	29,500	317,144	193,623	510,767	540,267
CSBG Grant 00F-2127	32,216	23,832	-	56,048	15,343	-	15,343	-	40,705	40,705	56,048
CSBG Grant 98-EDBG-576	393	-	-	393	-	-	-	-	393	393	393
CSBG Grant 98F-1627	424	-	-	424	-	-	-	-	424	424	424
CSBG Grant 99F-1926	162	-	-	162	-	-	-	-	162	162	162
DOE Grant 99C-1223	132	-	-	132	-	-	-	-	132	132	132
ECIP/WX Energy Crisis Program	71	-	-	71	-	-	-	-	71	71	71
HOME Grant 98-343	8,887	-	-	8,887	1,225	-	1,225	-	7,662	7,662	8,887
LIHEAP 00B-1223	30,138	-	-	30,138	7,154	-	7,154	-	22,984	22,984	30,138
LIHEAP 98B-1024	74	-	-	74	-	-	-	-	74	74	74
LIHEAP 99B-1123	207	-	-	207	-	-	-	-	207	207	207
Mortgage Credit Certificate Program	23,040	-	-	23,040	761	-	761	-	22,279	22,279	23,040
Residential Rehab 93-STBG 765	34,936	-	226,009	260,945	34,379	-	34,379	226,009	557	226,566	260,945
Residential Rehab 94 STBG	23,522	-	331,611	355,133	21,504	-	21,504	331,611	2,018	333,629	355,133
Totals	\$ 663,376	\$ 156,578	\$ 1,173,760	\$ 1,993,714	\$ 188,747	\$ -	\$ 188,747	\$ 1,173,760	\$ 631,207	\$ 1,804,967	\$ 1,993,714

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
SPECIAL REVENUE FUNDS -
HOUSING AND COMMUNITY SERVICES
FOR THE YEAR ENDED JUNE 30, 2000

	Revenues				Expenditures		Excess (Deficiency) of Revenues Over Expenditures	Excess (Deficiency) of Revenue and Other Financing Sources over Other Financing Uses		Fund Equity - Beginning of Year	Prior Period Adjustment	Fund Equity - Beginning of Year, Restated	Fund Equity - End of Year	
	Inter- governmental	Use of Money and Property	Charges for Services	Other Revenues	Total Revenues	Public Assistance		Total Expenditures	Other Financing Sources (Uses) Operating Transfers In (Out)					Other Financing Sources over and Other Financing Uses
CDBG 94-97 Rehab-94 STBG 810	\$ -	\$ 591	\$ -	\$ -	\$ 591	\$ -	\$ -	\$ 591	\$ (14,173)	\$ (13,582)	\$ 13,565	\$ -	\$ 13,565	\$ (17)
CDBG 97-00 Rehab 97-STBG-1129	-	1,369	-	-	1,369	-	-	1,369	(59,308)	(57,939)	61,140	-	61,140	3,201
CDBG Grant 97-STBG-1173	17,290	473	-	-	17,763	-	-	17,763	(14,040)	3,723	14,041	-	14,041	17,764
CDBG Rehab Revolving Loan	-	10,978	74,271	29,500	114,749	10,000	10,000	104,749	(40,903)	63,846	255,118	-	255,118	318,964
CDBG Truckee Rehab '92	-	(53)	-	5,475	5,422	18,111	18,111	(12,689)	(1,829)	(14,518)	320,512	(7,016)	313,496	298,978
CHRP-O Rehab Program	-	1	-	-	1	-	-	1	-	1	21	-	21	22
Community Grant Development Repay	-	8,915	-	10,000	18,915	29,778	29,778	(10,863)	(1,525)	(12,388)	523,155	-	523,155	510,767
CSBG Grant 00F-2127	94,398	714	-	-	95,112	-	-	95,112	(54,407)	40,705	-	-	-	40,705
CSBG Grant 98-EDBG-576	17,500	197	-	-	17,697	-	-	17,697	(17,304)	393	-	-	-	393
CSBG Grant 98F-1627	-	4	-	256	260	-	-	260	-	260	164	-	164	424
CSBG Grant 99F-1926	81,032	408	-	-	81,440	-	-	81,440	(76,670)	4,770	(4,608)	-	(4,608)	162
DOE Grant 99C-1223	13,804	147	-	-	13,951	-	-	13,951	(13,819)	132	-	-	-	132
ECIP/WX Energy Crisis Program	-	3	-	-	3	-	-	3	-	3	68	-	68	71
HOME Grant 98-343	10,000	115	-	-	10,115	-	-	10,115	(2,453)	7,662	-	-	-	7,662
LIHEAP 00B-1223	107,998	247	-	-	108,245	-	-	108,245	(85,261)	22,984	-	-	-	22,984
LIHEAP 98B-1024	-	57	-	-	57	-	-	57	-	57	17	-	17	74
LIHEAP 99B-1123	107,842	548	-	-	108,390	-	-	108,390	(90,949)	17,441	(17,234)	-	(17,234)	207
Mortgage Credit Certificate Program	-	915	-	9,725	10,640	-	-	10,640	(6,329)	4,311	17,968	-	17,968	22,279
Residential Rehab 93-STBG 765	-	1,341	-	4,152	5,493	34,379	34,379	(28,886)	(2,557)	(31,443)	258,009	-	258,009	226,566
Residential Rehab 94 STBG	-	708	-	4,667	5,375	21,504	21,504	(16,129)	(1,382)	(17,511)	343,982	7,158	351,140	333,629
Totals	\$ 449,864	\$ 27,678	\$ 74,271	\$ 63,775	\$ 615,588	\$ 113,772	\$ 113,772	\$ 501,816	\$ (482,909)	\$ 18,907	\$ 1,785,918	\$ 142	\$ 1,786,060	\$ 1,804,967

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

COUNTY OF NEVADA
 COMBINING BALANCE SHEET
 DEBT SERVICE FUNDS
 JUNE 30, 2000

	1991 County Facilities Project	Finance Authority	Government Debt Service	Totals
<u>ASSETS</u>				
Cash and investments	\$ -	\$ 12,206	\$ 8,502	\$ 20,708
Accounts receivable	-	71,446	-	71,446
Restricted Assets:				
Cash and investments	<u>666,619</u>	<u>1,680,528</u>	<u>-</u>	<u>2,347,147</u>
Total Assets	<u>\$ 666,619</u>	<u>\$ 1,764,180</u>	<u>\$ 8,502</u>	<u>\$ 2,439,301</u>
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY				
Reserved	<u>666,619</u>	<u>1,764,180</u>	<u>8,502</u>	<u>2,439,301</u>
Total Fund Equity	<u>666,619</u>	<u>1,764,180</u>	<u>8,502</u>	<u>2,439,301</u>
Total Liabilities and Fund Equity	<u>\$ 666,619</u>	<u>\$ 1,764,180</u>	<u>\$ 8,502</u>	<u>\$ 2,439,301</u>

COUNTY OF NEVADA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND EQUITY
 DEBT SERVICE FUNDS
 JUNE 30, 2000

	1991 County Facilities Project	Finance Authority	Government Debt Service	Totals
<u>REVENUES</u>				
Use of money and property	\$ 33,648	\$ 99,924	\$ 1,240	\$ 134,812
Other revenues	-	71,446	-	71,446
Total Revenues	33,648	171,370	1,240	206,258
<u>EXPENDITURES</u>				
Current:				
General government	4,567	3,000	-	7,567
Capital outlay	268,641	-	-	268,641
Debt service	-	1,663,466	512,813	2,176,279
Total Expenditures	273,208	1,666,466	512,813	2,452,487
Excess (Deficiency) of Revenues Over Expenditures	(239,560)	(1,495,096)	(511,573)	(2,246,229)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	-	1,565,412	517,215	2,082,627
Operating transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	1,565,412	517,215	2,082,627
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(239,560)	70,316	5,642	(163,602)
Fund Equity - Beginning of Year	906,179	1,693,864	2,860	2,602,903
Fund Equity - End of Year	\$ 666,619	\$ 1,764,180	\$ 8,502	\$ 2,439,301

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the financial resources to be used for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

COUNTY OF NEVADA
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 2000

	Criminal Justice Temporary Facilities Construction	Courthouse Temporary Construction	Gazebo Picnic Area	Juvenile Hall Facility	Totals
<u>ASSETS</u>					
Cash and investments	\$ 226,446	\$ 465,716	\$ 1,062	\$ 740,938	\$ 1,434,162
Accounts receivable	-	-	-	2,025	2,025
Total Assets	<u>\$ 226,446</u>	<u>\$ 465,716</u>	<u>\$ 1,062</u>	<u>\$ 742,963</u>	<u>\$ 1,436,187</u>
<u>LIABILITIES AND FUND EQUITY</u>					
LIABILITIES					
Accounts payable	\$ 2,379	\$ 95,608	\$ -	\$ 14,887	\$ 112,874
Advance to other funds	-	-	-	525,000	525,000
Total Liabilities	<u>2,379</u>	<u>95,608</u>	<u>-</u>	<u>539,887</u>	<u>637,874</u>
FUND EQUITY					
Reserved	-	-	-	203,076	203,076
Unreserved Undesignated	<u>224,067</u>	<u>370,108</u>	<u>1,062</u>	<u>-</u>	<u>595,237</u>
Total Fund Equity	<u>224,067</u>	<u>370,108</u>	<u>1,062</u>	<u>203,076</u>	<u>798,313</u>
Total Liabilities and Fund Equity	<u>\$ 226,446</u>	<u>\$ 465,716</u>	<u>\$ 1,062</u>	<u>\$ 742,963</u>	<u>\$ 1,436,187</u>

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	Criminal Justice Temporary Facilities Construction	Courthouse Temporary Construction	Gazebo Picnic Area	Juvenile Hall Facility	Totals
<u>REVENUES</u>					
Use of money and property	\$ 6,767	\$ 19,441	\$ 44	\$ 24,467	\$ 50,719
Fines and forfeitures	229,022	229,228	-	-	458,250
Charges for service	-	-	-	4,125	4,125
Other revenues	-	-	-	4,470	4,470
Total Revenues	235,789	248,669	44	33,062	517,564
<u>EXPENDITURES</u>					
Capital outlay	25,942	1,188	-	893,799	920,929
Total Expenditures	25,942	1,188	-	893,799	920,929
Excess (Deficiency) of Revenues Over Expenditures	209,847	247,481	44	(860,737)	(403,365)
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	-	-	-	500,000	500,000
Operating transfers out	(212,379)	(348,453)	-	-	(560,832)
Total Other Financing Sources (Uses)	(212,379)	(348,453)	-	500,000	(60,832)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(2,532)	(100,972)	44	(360,737)	(464,197)
Fund Equity - Beginning of Year	226,599	471,080	1,018	563,813	1,262,510
Fund Equity - End of Year	\$ 224,067	\$ 370,108	\$ 1,062	\$ 203,076	\$ 798,313

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 (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

COUNTY OF NEVADA
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 2000

	Eastern Nevada County Solid Waste	Western Nevada County Solid Waste	Transportation	Airpark	Totals
ASSETS					
Current Assets					
Cash and investments	\$ 768,092	\$ 5,226,291	\$ -	\$ 22,388	\$ 6,016,771
Imprest cash	-	850	-	200	1,050
Accounts receivable	818	403,880	37,594	44,700	486,992
Inventory	-	-	12,436	20,848	33,284
Total Current Assets	<u>768,910</u>	<u>5,631,021</u>	<u>50,030</u>	<u>88,136</u>	<u>6,538,097</u>
Restricted Assets:					
Cash and investments	-	9,663,887	-	-	9,663,887
Interest receivable	-	579	-	-	579
Total Restricted Assets	<u>-</u>	<u>9,664,466</u>	<u>-</u>	<u>-</u>	<u>9,664,466</u>
Fixed Assets, net					
Total Fixed Assets	<u>-</u>	<u>1,092,623</u>	<u>456,726</u>	<u>7,473,976</u>	<u>9,023,325</u>
Other Assets					
Bond issue cost - net of accumulated amortization	-	620,238	-	-	620,238
Total Other Assets	<u>-</u>	<u>620,238</u>	<u>-</u>	<u>-</u>	<u>620,238</u>
Total Assets	<u>\$ 768,910</u>	<u>\$ 17,008,348</u>	<u>\$ 506,756</u>	<u>\$ 7,562,112</u>	<u>\$ 25,846,126</u>
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 782	\$ 412,088	\$ 195,619	\$ 53,531	\$ 662,020
Accrued payroll and benefits	-	25,809	29,066	5,957	60,832
Due to other funds	-	-	19,819	-	19,819
Deferred revenue	-	4	2,000	-	2,004
Total Current Liabilities	<u>782</u>	<u>437,901</u>	<u>246,504</u>	<u>59,488</u>	<u>744,675</u>
Restricted Current Liabilities					
Customer deposits	-	20,894	-	4,552	25,446
Total Restricted Current Liabilities	<u>-</u>	<u>20,894</u>	<u>-</u>	<u>4,552</u>	<u>25,446</u>
Long-term Liabilities					
Advances from other funds	-	-	-	3,000	3,000
Liability for compensated absences	-	46,459	57,575	1,424	105,458
Certificates of participation	-	20,485,000	-	-	20,485,000
Loans payable	-	-	-	592,298	592,298
Closure/postclosure costs	-	12,269,773	-	-	12,269,773
Total Long-Term Liabilities	<u>-</u>	<u>32,801,232</u>	<u>57,575</u>	<u>596,722</u>	<u>33,455,529</u>
Total Liabilities	<u>782</u>	<u>33,260,027</u>	<u>304,079</u>	<u>660,762</u>	<u>34,225,650</u>
FUND EQUITY					
Contributed capital	-	2,011	-	6,057,572	6,059,583
Retained earnings	-	-	-	-	-
Unreserved	768,128	(16,253,690)	202,677	843,778	(14,439,107)
Total Fund Equity	<u>768,128</u>	<u>(16,251,679)</u>	<u>202,677</u>	<u>6,901,350</u>	<u>(8,379,524)</u>
Total Liabilities and Fund Equity	<u>\$ 768,910</u>	<u>\$ 17,008,348</u>	<u>\$ 506,756</u>	<u>\$ 7,562,112</u>	<u>\$ 25,846,126</u>

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	Eastern Nevada County Solid Waste	Western Nevada County Solid Waste	Transportation	Airpark	Totals
<u>OPERATING REVENUES</u>					
Charges for services	1,010,022	5,081,750	316,194	565,482	6,973,448
Total Operating Revenues	1,010,022	5,081,750	316,194	565,482	6,973,448
<u>OPERATING EXPENSES</u>					
Salaries and benefits	-	506,859	858,787	115,993	1,481,639
Fuel	-	14,403	123,666	345,135	483,204
Maintenance and repairs	-	11,313	223,324	6,981	241,618
Parts and supplies	-	7,876	2,996	1,657	12,529
Outside services	1,161,409	2,241,287	875,400	83,274	4,361,370
Administration and office	5,978	104,135	96,715	47,045	253,873
Utilities	-	13,211	3,209	15,289	31,709
Insurance	-	484	30,109	4,255	34,848
Depreciation	-	71,429	215,562	48,859	335,850
Rentals and lease payments	-	19,021	18,870	1,725	39,616
Miscellaneous expenses	-	-	10,073	218	10,291
Total Operating Expenses	1,167,387	2,990,018	2,458,711	670,431	7,286,547
Operating Income (Loss)	(157,365)	2,091,732	(2,142,517)	(104,949)	(313,099)
<u>NON-OPERATING REVENUES (EXPENSES)</u>					
Taxes	108,168	249,606	1,367,976	33,300	1,759,050
Franchises	85,671	160,407	-	-	246,078
Intergovernmental revenues	12,895	58,560	294,933	15,189	381,577
Interest income	29,434	858,713	4,512	4,287	896,946
Other revenues	-	22,603	6,851	5,490	34,944
Gain (Loss) on sale of fixed assets	-	(253,267)	-	(295)	(253,562)
Interest expense	-	(1,554,763)	-	(15,366)	(1,570,129)
Bond amortization	-	(29,891)	-	-	(29,891)
Expense capitalized assets	(24,409)	(6,140)	-	-	(30,549)
Total Non-operating Revenue (Expenses)	211,759	(494,172)	1,674,272	42,605	1,434,464
Net Income (Loss) before Operating Transfers	54,394	1,597,560	(468,245)	(62,344)	1,121,365
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	-	-	21,003	-	21,003
Operating transfers out	-	-	(23,370)	-	(23,370)
Total Other Financing Sources (Uses)	-	-	(2,367)	-	(2,367)
Net Income (Loss)	54,394	1,597,560	(470,612)	(62,344)	1,118,998
Fund Equity - Beginning of Year	713,734	(17,849,239)	673,289	6,825,699	(9,636,517)
Contributed capital	-	-	-	137,995	137,995
Fund Equity - End of Year	\$ 768,128	\$(16,251,679)	\$ 202,677	\$ 6,901,350	\$ (8,379,524)

COUNTY OF NEVADA
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
JUNE 30, 2000

	Eastern Nevada County Solid Waste	Western Nevada County Solid Waste	Transportation	Airpark	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Cash received from customers	\$ 1,037,149	\$ 4,982,770	\$ 293,275	\$ 906,061	\$ 7,219,255
Cash paid to suppliers	(1,168,829)	(2,348,458)	(1,306,563)	(593,682)	(5,417,532)
Cash paid to employees	-	(501,012)	(858,363)	(123,496)	(1,482,871)
Net Cash Provided (Used) by Operating Activities	(131,680)	2,133,300	(1,871,651)	188,883	318,852
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>					
Non-operating revenues	206,734	491,176	1,669,760	53,979	2,421,649
Transfers in (out)	-	-	(2,367)	-	(2,367)
Increase (Decrease) in due to (from) other funds	-	-	19,819	-	19,819
Increase (Decrease) in advance from (to) other funds	-	-	-	(48,000)	(48,000)
Increase (Decrease) in customer deposits	-	1,934	-	128	2,062
Net Cash Provided (Used) by Noncapital Financing Activities	206,734	493,110	1,687,212	6,107	2,393,163
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>					
Acquisition of capital assets	(24,409)	(245,031)	(4,741)	(185,207)	(459,388)
Principal paid on debt	-	(410,000)	-	(19,044)	(429,044)
Interest paid on debt	-	(1,554,763)	-	(15,366)	(1,570,129)
Net Cash Provided (Used) by Capital and Related Financing Activities	(24,409)	(2,209,794)	(4,741)	(219,617)	(2,458,561)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Interest on investments	29,434	860,462	4,512	4,287	898,695
Net Cash Provided (Used) by Investing Activities	29,434	860,462	4,512	4,287	898,695
Net Increase (Decrease) in Cash and Cash Equivalents	80,079	1,277,078	(184,668)	(20,340)	1,152,149
Cash and Cash Equivalents at Beginning of Year	688,013	13,613,950	184,668	42,928	14,529,559
Cash and Cash Equivalents at End of Year	\$ 768,092	\$ 14,891,028	\$ -	\$ 22,588	\$ 15,681,708
<u>OPERATING INCOME (LOSS)</u>	\$ (157,365)	\$ 2,091,732	\$ (2,142,517)	\$ (104,949)	\$ (313,099)
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>					
Depreciation	-	71,429	215,562	48,859	335,850
(Increase) Decrease in accounts receivable	27,127	(98,980)	(22,919)	340,579	245,807
(Increase) Decrease in inventory	-	-	(5,242)	(16,953)	(22,195)
Increase (Decrease) in accounts payable	(1,442)	235,530	83,041	(71,150)	245,979
Increase (Decrease) in accrued payroll and benefits	-	2,592	(15,952)	(971)	(14,331)
Increase (Decrease) in compensated absences	-	3,255	16,376	(6,532)	13,099
Increase (Decrease) in deferred revenue	-	4	-	-	4
Increase (Decrease) in closure/post closure	-	(172,262)	-	-	(172,262)
Total Adjustments	25,685	41,568	270,866	293,832	631,951
Net Cash Provided (Used) by Operating Activities	\$ (131,680)	\$ 2,133,300	\$ (1,871,651)	\$ 188,883	\$ 318,852

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of services provided by one department to other departments of the governmental unit on a cost-reimbursement basis.

COUNTY OF NEVADA
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
JUNE 30, 2000

	Fleet Management	Workers Compensation	Vision Insurance	Unemployment Insurance	Liability Insurance	Dental Insurance	Totals
<u>ASSETS</u>							
Current Assets							
Cash and investments	\$ 185,432	\$ 1,100,621	\$ 47,480	\$ 320,746	\$ 1,431,098	\$ 159,041	\$ 3,244,418
Accounts receivable	147,368	-	-	-	175,324	-	322,692
Advance to other funds	-	-	-	-	525,000	-	525,000
Deposits	-	-	7,310	-	-	34,000	41,310
Total Current Assets	332,800	1,100,621	54,790	320,746	2,131,422	193,041	4,133,420
Fixed Assets, net	1,368,388	-	-	-	-	-	1,368,388
Total Assets	\$ 1,701,188	\$ 1,100,621	\$ 54,790	\$ 320,746	\$ 2,131,422	\$ 193,041	\$ 5,501,808
<u>LIABILITIES AND FUND EQUITY</u>							
LIABILITIES							
Current Liabilities							
Accounts payable	\$ 20,347	\$ 91	\$ 23,927	\$ -	\$ 237,087	\$ 34,376	\$ 315,828
Accrued payroll and benefits	4,986	-	-	-	-	-	4,986
Accrued claims payable	-	702,714	-	154,237	1,070,000	-	1,926,951
Total Current Liabilities	25,333	702,805	23,927	154,237	1,307,087	34,376	2,247,765
Long-term Liabilities							
Liability for compensated absences	3,712	-	-	-	-	-	3,712
Total Long-Term Liabilities	3,712	-	-	-	-	-	3,712
Total Liabilities	29,045	702,805	23,927	154,237	1,307,087	34,376	2,251,477
FUND EQUITY							
Contributed capital	1,028,532	-	-	-	-	-	1,028,532
Retained earnings	643,611	397,816	30,863	166,509	824,335	158,665	2,221,799
Unreserved	-	-	-	-	-	-	-
Total Fund Equity	1,672,143	397,816	30,863	166,509	824,335	158,665	3,250,331
Total Liabilities and Fund Equity	\$ 1,701,188	\$ 1,100,621	\$ 54,790	\$ 320,746	\$ 2,131,422	\$ 193,041	\$ 5,501,808

COUNTY OF NEVADA
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	Fleet Management	Workers Compensation	Vision Insurance	Unemployment Insurance	Liability Insurance	Dental Insurance	Totals
<u>OPERATING REVENUES</u>							
Vehicle rentals and charges	\$ 942,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 942,546
Charges for services	-	1,027,886	107,912	83,982	225,665	547,366	1,992,811
Insurance proceeds	30,852	-	-	-	15,664	-	46,516
Other revenues	11,420	-	8	-	182,224	23	193,675
Total Operating Revenues	984,818	1,027,886	107,920	83,982	423,553	547,389	3,175,548
<u>OPERATING EXPENSES</u>							
Salaries and benefits	116,362	-	-	-	-	-	116,362
Fuel	219,706	-	-	-	-	-	219,706
Maintenance and repairs	130,094	-	-	-	-	-	130,094
Parts and supplies	4,695	-	-	-	11,472	-	16,167
Outside services	65,525	14,372	14,882	1,434	502,380	47,533	646,126
Administration and office	47,235	2,196	-	1,320	15,169	-	65,920
Insurance	101	803,351	-	-	177,081	-	980,533
Benefits paid	-	-	91,846	205,488	327,606	449,195	1,074,135
Depreciation	423,696	-	-	-	-	-	423,696
Rentals and lease payments	2,945	33	-	-	-	-	2,978
Total Operating Expenses	1,010,359	819,952	106,728	208,242	1,033,708	496,728	3,675,717
Operating Income (Loss)	(25,541)	207,934	1,192	(124,260)	(610,155)	50,661	(500,169)
<u>NON-OPERATING REVENUE (EXPENSES)</u>							
Interest income	9,718	46,235	1,579	13,795	91,170	6,088	168,585
Gain (Loss) on sale of fixed assets	(9,005)	-	-	-	-	-	(9,005)
Total Non-Operating Revenue (Expenses)	713	46,235	1,579	13,795	91,170	6,088	159,580
Income (Loss) before Operating Transfers	(24,828)	254,169	2,771	(110,465)	(518,985)	56,749	(340,589)
<u>OTHER FINANCING SOURCES (USES)</u>							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
Net Income (Loss)	(24,828)	254,169	2,771	(110,465)	(518,985)	56,749	(340,589)
Fund Equity - Beginning of Year	1,454,937	143,647	28,092	276,974	1,343,320	101,916	3,348,886
Contributed capital	242,034	-	-	-	-	-	242,034
Fund Equity - End of Year	\$ 1,672,143	\$ 397,816	\$ 30,863	\$ 166,509	\$ 824,335	\$ 158,665	\$ 3,250,331

COUNTY OF NEVADA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
JUNE 30, 2000

	<u>Fleet Management</u>	<u>Workers Compensation</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance Fund</u>	<u>Dental Insurance</u>	<u>Totals</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>							
Cash received from customers	\$ 938,180	\$ 1,028,186	\$ 107,928	\$ 83,982	\$ 580,261	\$ 547,501	\$ 3,286,038
Cash paid to suppliers	(470,529)	(1,181,817)	(89,425)	(82,309)	(823,451)	(483,891)	(3,131,422)
Cash paid to employees	(115,656)	-	-	-	-	-	(115,656)
Net Cash Provided (Used) by Operating Activities	<u>351,995</u>	<u>(153,631)</u>	<u>18,503</u>	<u>1,673</u>	<u>(243,190)</u>	<u>63,610</u>	<u>38,960</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>							
(Increase) Decrease in deposits	-	-	(370)	-	-	-	(370)
Increase (Decrease) in advance from (to) other funds	-	-	-	-	(525,000)	-	(525,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(370)</u>	<u>-</u>	<u>(525,000)</u>	<u>-</u>	<u>(525,370)</u>
<u>CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES</u>							
Acquisition of capital assets	(477,929)	-	-	-	-	-	(477,929)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(477,929)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(477,929)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Interest on investments	9,718	46,235	1,579	13,795	91,170	6,088	168,585
Net Cash Provided (Used) by Investing Activities	<u>9,718</u>	<u>46,235</u>	<u>1,579</u>	<u>13,795</u>	<u>91,170</u>	<u>6,088</u>	<u>168,585</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(116,216)	(107,396)	19,712	15,468	(677,020)	69,698	(795,754)
Cash and Cash Equivalents at Beginning of Year	301,648	1,208,017	27,768	305,278	2,108,118	89,343	4,040,172
Cash and Cash Equivalents at End of Year	<u>\$ 185,432</u>	<u>\$ 1,100,621</u>	<u>\$ 47,480</u>	<u>\$ 320,746</u>	<u>\$ 1,431,098</u>	<u>\$ 159,041</u>	<u>\$ 3,244,418</u>
<u>OPERATING INCOME (LOSS)</u>	<u>\$ (25,541)</u>	<u>\$ 207,934</u>	<u>\$ 1,192</u>	<u>\$ (124,260)</u>	<u>\$ (610,155)</u>	<u>\$ 50,661</u>	<u>\$ (500,169)</u>
<u>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>							
Depreciation	423,696	-	-	-	-	-	423,696
(Increase) Decrease in accounts receivable	(46,638)	300	8	-	156,708	112	110,490
Increase (Decrease) in accounts payable	(228)	(10,507)	17,303	(341)	210,257	12,837	229,321
Increase (Decrease) in accrued payroll and benefits	842	-	-	-	-	-	842
Increase (Decrease) in compensated absences	(136)	-	-	-	-	-	(136)
Increase (Decrease) in claims payable	-	(351,358)	-	126,274	-	-	(225,084)
Total Adjustments	<u>377,536</u>	<u>(361,565)</u>	<u>17,311</u>	<u>125,933</u>	<u>366,965</u>	<u>12,949</u>	<u>539,129</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 351,995</u>	<u>\$ (153,631)</u>	<u>\$ 18,503</u>	<u>\$ 1,673</u>	<u>\$ (243,190)</u>	<u>\$ 63,610</u>	<u>\$ 38,960</u>

TRUST AND AGENCY FUNDS

Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity.

COUNTY OF NEVADA
COMBINING BALANCE SHEET
TRUST AND AGENCY FUNDS
JUNE 30, 2000

	Agency Funds	Investment Trust Fund	Total Trust and Agency
<u>ASSETS</u>			
Cash and investments	\$ 15,934,424	\$ 36,214,218	\$ 52,148,642
Taxes receivable	5,815,006	-	5,815,006
Advance to other funds	123,211	-	123,211
Restricted assets			
Cash and investments	116,206	81,734	197,940
Total Assets	\$ 21,988,847	\$ 36,295,952	\$ 58,284,799
<u>LIABILITIES AND FUND EQUITY</u>			
LIABILITIES			
Due to other funds	\$ 510,278	\$ -	\$ 510,278
Advance from other funds	-	1,000	1,000
Tax losses reserve	14,289	-	14,289
Agency obligations	21,464,280	-	21,464,280
Total Liabilities	21,988,847	1,000	21,989,847
FUND EQUITY			
Net assets held in trust for pool participants	-	36,294,952	36,294,952
Total Fund Equity	-	36,294,952	36,294,952
Total Liabilities and Fund Equity	\$ 21,988,847	\$ 36,295,952	\$ 58,284,799

COUNTY OF NEVADA
COMBINING BALANCE SHEET
AGENCY FUNDS
JUNE 30, 2000

	<u>Accrued Trust Funds</u>	<u>County Departmental Agency Funds</u>	<u>Total Agency Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 984,037	\$ 14,950,387	\$ 15,934,424
Taxes receivable	5,815,006	-	5,815,006
Advance to other funds	-	123,211	123,211
Restricted assets			
Cash and investments	-	116,206	116,206
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 6,799,043	\$ 15,189,804	\$ 21,988,847
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES</u>			
LIABILITIES			
Due to other funds	\$ 510,278	\$ -	\$ 510,278
Tax loss reserve	14,289	-	14,289
Agency obligations	6,274,476	15,189,804	21,464,280
	<hr/>	<hr/>	<hr/>
Total Liabilities	\$ 6,799,043	\$ 15,189,804	\$ 21,988,847
	<hr/>	<hr/>	<hr/>

COUNTY OF NEVADA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	<u>Balance</u> <u>June 30, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2000</u>
<u>Accrued Trust Funds</u>				
ASSETS				
Cash and investments	\$ 1,146,081	\$ -	\$ 162,044	\$ 984,037
Taxes receivable	5,759,194	55,812	-	5,815,006
Total Assets	<u>\$ 6,905,275</u>	<u>\$ 55,812</u>	<u>\$ 162,044</u>	<u>\$ 6,799,043</u>
LIABILITIES				
Due to other funds	\$ 427,254	\$ 83,024	\$ -	\$ 510,278
Tax losses reserve	61,045	-	46,756	14,289
Agency obligations	6,416,976	-	142,500	6,274,476
Total Liabilities	<u>\$ 6,905,275</u>	<u>\$ 83,024</u>	<u>\$ 189,256</u>	<u>\$ 6,799,043</u>
<u>County Departmental Agency Funds</u>				
ASSETS				
Cash and investments	\$ 14,681,857	\$ 268,530	\$ -	\$ 14,950,387
Advance to other funds	720,347	-	597,136	123,211
Restricted assets				
Cash and investments	63,206	53,000	-	116,206
Total Assets	<u>\$ 15,465,410</u>	<u>\$ 321,530</u>	<u>\$ 597,136</u>	<u>\$ 15,189,804</u>
LIABILITIES				
Advance from other funds	\$ 550,136	\$ -	\$ 550,136	\$ -
Agency obligations	14,915,274	274,530	-	15,189,804
Total Liabilities	<u>\$ 15,465,410</u>	<u>\$ 274,530</u>	<u>\$ 550,136</u>	<u>\$ 15,189,804</u>
<u>Total Agency</u>				
ASSETS				
Cash and investments	\$ 15,827,938	\$ 268,530	\$ 162,044	\$ 15,934,424
Taxes receivable	5,759,194	55,812	-	5,815,006
Advance to other funds	720,347	-	597,136	123,211
Restricted assets				
Cash and investments	63,206	53,000	-	116,206
Total Assets	<u>\$ 22,370,685</u>	<u>\$ 377,342</u>	<u>\$ 759,180</u>	<u>\$ 21,988,847</u>
LIABILITIES				
Due to other funds	\$ 427,254	\$ 83,024	\$ -	\$ 510,278
Advance from other funds	550,136	-	550,136	-
Tax losses reserve	61,045	-	46,756	14,289
Agency obligations	21,332,250	274,530	142,500	21,464,280
Total Liabilities	<u>\$ 22,370,685</u>	<u>\$ 357,554</u>	<u>\$ 739,392</u>	<u>\$ 21,988,847</u>

COUNTY OF NEVADA
COMBINING STATEMENT OF NET ASSETS
INVESTMENT TRUST FUND
JUNE 30, 2000

	Independent Districts	School Districts	School Districts Debt Service	Courts and Jury/Witness	Local Transportation Authority	Total Investment Trust Fund
<u>ASSETS</u>						
Cash and investments	\$ 7,789,005	\$ 25,044,294	\$ 39,622	\$ 1,337,233	\$ 2,004,064	\$ 36,214,218
Restricted assets						
Cash and investments	81,734	-	-	-	-	81,734
Total Assets	<u>\$ 7,870,739</u>	<u>\$ 25,044,294</u>	<u>\$ 39,622</u>	<u>\$ 1,337,233</u>	<u>\$ 2,004,064</u>	<u>\$ 36,295,952</u>
<u>LIABILITIES AND FUND BALANCE</u>						
LIABILITIES						
Advance from other funds	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Total Liabilities	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
FUND EQUITY						
Net assets held in trust for pool participants	7,869,739	25,044,294	39,622	1,337,233	2,004,064	36,294,952
Total Fund Equity	<u>7,869,739</u>	<u>25,044,294</u>	<u>39,622</u>	<u>1,337,233</u>	<u>2,004,064</u>	<u>36,294,952</u>
Total Liabilities and Fund Equity	<u>\$ 7,870,739</u>	<u>\$ 25,044,294</u>	<u>\$ 39,622</u>	<u>\$ 1,337,233</u>	<u>\$ 2,004,064</u>	<u>\$ 36,295,952</u>

COUNTY OF NEVADA
COMBINING STATEMENT OF CHANGES IN NET ASSETS
INVESTMENT TRUST FUND
FOR THE FISCAL YEAR ENDING JUNE 30, 2000

	<u>Independent Districts</u>	<u>School Districts</u>	<u>School Districts Debt Service</u>	<u>Courts and Jury/Witness</u>	<u>Local Transportation Authority</u>	<u>Total Investment Trust Fund</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>						
Net contributions	\$ 1,361,543	\$ 3,683,033	\$ -	\$ 594,716	\$ 779,974	\$ 6,419,266
Net withdrawals	-	-	(9,715)	-	-	(9,715)
Total Non-Operating Revenues (Expenses)	<u>1,361,543</u>	<u>3,683,033</u>	<u>(9,715)</u>	<u>594,716</u>	<u>779,974</u>	<u>6,409,551</u>
Increase (Decrease) in Net Assets	1,361,543	3,683,033	(9,715)	594,716	779,974	6,409,551
Beginning net assets held in trust for pool participants	<u>6,508,196</u>	<u>21,361,261</u>	<u>49,337</u>	<u>742,517</u>	<u>1,224,090</u>	<u>29,885,401</u>
Ending net assets held in trust for pool participants	<u>\$ 7,869,739</u>	<u>\$ 25,044,294</u>	<u>\$ 39,622</u>	<u>\$ 1,337,233</u>	<u>\$ 2,004,064</u>	<u>\$ 36,294,952</u>

COUNTY OF NEVADA
COMBINING STATEMENT OF CASH AND INVESTMENTS
TRUST AND AGENCY FUNDS
JUNE 30, 2000

Fund #	Fund Description		
AGENCY FUNDS			
<u>Accrued Trusts</u>			
170	Apportioned Tax Resources	\$ (5,815,006)	
301	Unapportioned Taxes	76,615	
309	Payroll Clearing - General	21,914	
468	Public Safety Augmentation	8,993	
480	Health/Welfare Local Trust	3,600,848	
640	Tax Losses Reserve	848,510	
649	Motor Vehicle License Fee	2,242,163	
	Total Accrued Trusts		984,037
<u>County Departmental Agency Funds</u>			
303's	General Trusts	5,056,527	
Sheriff Administration			
188	Estate of Paul E. Milford	513	
503	Estate of William McGee	2,564	
523	Estate of M. McPhillips	5,580	
526	Estate of T.J. Mogford	4,090	
529	Estate of M.M. Skibinski	3,169	
530	Estate of James Leo Adams	5,785	
531	Estate of Thomas Mat Costellow	4,251	
532	Estate of Lauramae Schmidt	7,729	
533	Estate of Jack F. Myers	3,473	
534	Estate of Harold Joyce	16,373	
535	Estate of Nadia K. Eagles	38,287	
538	Estate of Grace McCollough	2,196	
540	Estate of Ralph Ellis	49,763	
549	Estate of Mahew Motlow	3,355	
556	Estate of Howard E. Flint	38,480	
558	Estate of Carol Woods	1,227	
563	Estate of Richard Donald	1,086	
564	Estate of Frances L. Rose	1,912	
566	Estate of Alma G. Cumins	31,190	
574	Estate of Agnes Cobeldick	26,466	
576	Estate of Timothy S. Garfield	3,070	
577	Estate of Joan A. Prince	1,051	
606	Estate of Hazel Carpenter	-	
787	Estate of Kenneth A. Lowen	12,654	
793	Estate of James Paul Allen	801	
873	Estate of Dennis R. Collins	86	
874	Estate of Wilber O. Wright	359	
	Subtotal Sheriff Administration		265,510

COUNTY OF NEVADA
COMBINING STATEMENT OF CASH AND INVESTMENTS
TRUST AND AGENCY FUNDS
JUNE 30, 2000

<u>Fund #</u>	<u>Fund Description</u>		
<u>County Departmental Agency Funds (Continued)</u>			
Sheriff - Jail			
305	Sheriff - Bails and Fees	\$	13,246
306	Sheriff - Civil		33,238
321	Emergency Services Dispatch Center		-
324	Correctional Training - Sheriff		49,636
339	Inmate Welfare Fund		91,822
450	Federal Asset Forfeiture Fund		145,507
453	Fingerprint Identification		461,090
456	Crime Prevention		802
642	Law Enforcement Services Fund		341,578
646	Local Law Enforcement Grant		185,417
679	Sheriff's K-9 Unit Program		1,342
680	State Asset Forfeiture Fund		80,442
	Subtotal Sheriff - Jail		<u>1,404,120</u>
Transportation			
400	Road Impact Fees		4,076
401	Road Mitigation Area 1		61,886
402	Road Mitigation Area 2		30,386
403	Road Mitigation Area 3		50,930
404	Road Mitigation Area 4		4,348
405	Road Mitigation Area 5		88,619
406	Road Mitigation Area 6		156,015
407	Road Mitigation Area 7		43,481
408	Road Mitigation Area 8		366,686
410	Stonebridge Estates/Terra Alta		1
419	You Bet Road - Maintenance		24,102
791	Donner Spitz Inn Snow Removal		7,611
	Subtotal Transportation		<u>838,141</u>
Joint Powers			
528	CSA - Vehicle Abatement		109,905
774	N. Sierra Air Quality Management District		515,052
	Subtotal Joint Powers		<u>624,957</u>
General Trusts - Interest Bearing			
160	Facilities Capital Acquisition		606,627
161	Recreation Capital Acquisition		51,562
176	Nevada County Children and Families First		991,652
186	Community Facilities District 1990-1 Wildwood		901,854
209	Penn Valley Sewer Special Reserve		66,251
300	Interest to Apportion		-
307	Tax Collectors		36,190
308	Park/Rec Mitigation Fees		-
311	1915 Bond Act		-
312	Special Assessment Fund		586,915

COUNTY OF NEVADA
COMBINING STATEMENT OF CASH AND INVESTMENTS
TRUST AND AGENCY FUNDS
JUNE 30, 2000

Fund #	Fund Description	
<u>County Departmental Agency Funds (Continued)</u>		
General Trusts - Interest Bearing (Continued)		
315	State Fund	\$ 674
320	N.I.D. Federal Loan	18,177
322	Building Dept Trust Fund	1,271,837
323	Correctional Training - Probation	13,093
326	Recorder - VRIP	5,954
330	West Nev. Co Waste Water	-
335	Health - VRIP	42,706
342	Estimated Tax Deposits	252,039
346	Medically Indigent Adult	2,578
349	Augmentation Fund	-
358	Spay and Neuter Fund	40,118
376	Building Inspection Reserve	22,390
379	Nevada County Community Clinic	-
387	Lake of the Pines II Res	354,210
395	Emergency Hazardous Matls	19,439
411	Law Library	35,084
412	Truckee Animal Shelter	3,755
413	IRS 125 - Dependent Care	1,054
432	Lake Wildwood Estates Fm 89-01	2,439
451	Property Forfeiture	1,824
452	Probation Asset Forfeiture	1,764
454	D.A. Asset Forfeiture Fund	10,091
455	D.A. Auto Insurance Fraud	34,105
459	Education Revenue Augmentation	-
479	T/C Cash Difference Fund	59
486	Dispute Resolution Program	17,331
560	Estates of Deceased Persons	202
573	Res 93544 - Septic Deposits - EH	2,057
579	Fidelity Bond - Danielson	-
590	Birchville Project	31,231
603	Tobacco Education Program	189,485
623	Managed Care Trust - Mental	494,664
625	Regional Quimby Fund	-
626	Nevada City Quimby Fund	194,530
627	Grass Valley Quimby Fund	100,513
628	Twin Ridges Quimby Fund	34,072
629	Bear River Quimby Fund	-
641	LEA Assistance Grant	1,412
655	Excess Incentives - Family Support	19,574
785	Transit Risk Management Trust	24,837
786	Hazardous Materials Emergency Response Team	37,522
794	TANF - Probation	239,261
		6,761,132
	Subtotal General Trusts - Interest Bearing	6,761,132
	Total County Departmental Agency Funds	14,950,387
	Total Agency Funds	\$ 15,934,424

COUNTY OF NEVADA
COMBINING STATEMENT OF CASH AND INVESTMENTS
TRUST AND AGENCY FUNDS
JUNE 30, 2000

Fund #	Fund Description	
INVESTMENT TRUST FUND		
Various	Independent Districts	<u>\$ 7,789,005</u>
Various	School Districts	<u>25,044,294</u>
Various	School Districts Debt Service	<u>39,622</u>
Courts and Jury/Witness		
112	Court Operations	1,136,858
589	Hansen V Iacopi	191,763
639	Alplin V Frey Gang/Ander	-
644	P.G. & E. Fine Trust	-
664	Belivaqua V Corcoran	3,049
673	Int. Plastics V Solar Systems	-
674	Place Ctr V B. Hanshaw	-
704	Saunders V Denie	-
795	St TCII 2% Automation	5,563
872	Anderson V US	<u>-</u>
	Subtotal Courts	<u>1,337,233</u>
Local Transportation Authority		
316	Trans (LTF) Ped/Bike Facilities	101,291
317	Trans (LTG) Nevada County	304,840
318	Trans (LTF) Grass Valley	43,524
319	Trans (LFT) Nevada City	34,628
327	Transportation Comm Planning	263,734
357	Transit Assistance Fund	39,140
485	Trans (LTF) Town of Truckee	149,683
492	RSTP - Regional Surface Trans Program	<u>1,067,224</u>
	Subtotal Local Transportation	<u>2,004,064</u>
	Total Investment Trust Fund	<u><u>\$ 36,214,218</u></u>

**SCHEDULE OF
EXPENDITURES
OF FEDERAL AWARDS**

COUNTY OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000

Federal Program/Pass Through Program Title	CFDA Number	Federal Pass-Through Grantor Number	Receipts or Revenues Recognized	Disburse- ments Expenditures
<u>U.S. Department of Agriculture</u>				
Passed through State Department of Social Services:				
Food Stamps	10.551	-	\$ 1,729,000	\$ 1,887,677
State Administrative Matching Grants for Food Stamp Program	10.561	-	451,565	454,565
Passed through State Department of Health Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	-	237,004	237,004
Passed through State Department of Education:				
School Breakfast Program	10.553	-	7,436	8,072
National School Lunch Program	10.555	-	11,298	12,288
Total U.S. Department of Agriculture			2,436,303	2,599,606
<u>U.S. Department of Defense</u>				
Direct Program:				
Payments to States in Lieu of Real Estate Taxes	12.112	-	64,518	64,518
Total U.S. Department of Defense			64,518	64,518
<u>Department of Education</u>				
Passed through State Department of Alcohol and Drug Programs:				
Safe and Drug Free Schools and Communities - State Grants	84.186	-	19,440	19,450
Total Department of Education			19,440	19,450
<u>U.S. Department of Justice</u>				
Passed through State Office of Criminal Justice Planning:				
Byrne Formula Grant Program	16.579	DC-97-080290	42,202	-
Byrne Formula Grant Program	16.579	DC-99-100290	129,724	174,917
Subtotal 16.579			171,926	174,917
Violence Against Women Formula Grants	16.588	VV-97010290	152,710	211,762
Violence Against Women Formula Grants	16.588	VV-99020290	23,021	60,415
Subtotal 16.588			175,731	272,177
Juvenile Accountability Incentive Block Grant	16.523	IP-98010290	-	553
Juvenile Accountability Incentive Block Grant	16.523	IP-99010290	11,839	13,154
Subtotal 16.523			11,839	13,707
Local Law Enforcement Block Grants Program	16.592	98LBVX4237	77,455	79,562
Local Law Enforcement Block Grants Program	16.592	99LBVX7727	75,379	-
Subtotal 16.592			152,834	79,562
Total U.S. Department of Justice			512,330	540,363

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000

Federal Program/Pass Through Program Title	CFDA Number	Federal Pass-Through Grantor Number	Receipts or Revenues Recognized	Disbursements Expenditures
<u>U.S. Department of Health and Human Services</u>				
Passed through State Department of Community Services and Development:				
Low Income Home Energy Assistance	93.568	99B-1123	\$ 107,842	\$ 109,060
Low Income Home Energy Assistance	93.568	00B-1123	107,998	107,202
Subtotal 93.568			<u>215,840</u>	<u>216,262</u>
Community Services Block Grant	93.569	99F-1926	81,032	94,871
Community Services Block Grant	93.569	00F-2127	94,398	64,398
Subtotal 93.569			<u>175,430</u>	<u>159,269</u>
Passed through State Department of Social Services:				
Family Preservation and Support Services	93.556	-	70,527	70,527
Temporary Assistance for Needy Families	93.558	-	3,610,661	3,910,272
Child Support Enforcement	93.563	-	1,361,714	1,641,480
Child Welfare Services - State Grant	93.645	-	105,178	105,178
Foster Care - Title IV-E	93.658	-	1,037,796	1,054,444
Adoption Assistance	93.659	-	178,840	172,751
Refugee and Entrant Assistance				
- State Administered Programs	93.566	-	2,175	2,175
Independent Living	93.674	-	37,136	37,136
Passed through State Department of Alcohol and Drug Programs:				
Block Grant for Prevention and Treatment of Substance Abuse	93.959	SAPT	514,649	554,264
Passed through State Department of Health Services:				
Childhood Lead Poisoning Prevention Projects	93.197	-	8,797	9,374
Immunization Grants	93.268	-	16,417	20,160
Medical Assistance Program	93.778	CHDP	47,552	28,423
Medical Assistance Program	93.778	EPSDT	8,105	11,137
Medical Assistance Program	93.778	Medi-Cal Outreach	39,353	30,917
Subtotal 93.778			<u>95,010</u>	<u>70,477</u>
Preventative Health and Health Services Block Grant	93.991	314 (d)	7,320	5,856
Maternal and Child Health Services Block Grant to the States	93.994	MCH	125,990	119,654
Maternal and Child Health Services Block Grant to the States	93.994	Title XIX	48,398	49,835
Subtotal 93.994			<u>174,388</u>	<u>169,489</u>
Family Planning - Services	93.217	Title X	106,646	65,288
Passed through State Department of Aging:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	-	56,409	81,064
Passed through State Department of Mental Health Services:				
Block Grants for Community Mental Health Services	93.958	SAMSHA	33,934	33,934
Total Department of Health and Human Services			<u>7,808,867</u>	<u>8,379,400</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000

<u>Federal Program/Pass Through Program Title</u>	<u>CFDA Number</u>	<u>Federal Pass-Through Grantor Number</u>	<u>Receipts or Revenues Recognized</u>	<u>Disburse- ments Expenditures</u>
<u>Department of Housing and Urban Development</u>				
Passed through State Department of Housing and Community Development				
Community Development Block Grants/State's Program	14.228	97-STBG-1129	\$ -	\$ 34,782
Community Development Block Grants/State's Program	14.228	98-EDBG-576	17,500	19,273
Community Development Block Grants/State's Program	14.228	97-STBG-1173	17,290	-
Community Development Block Grants/State's Program	14.228	98-STBG-1285	-	2,135
Subtotal 14.228			<u>34,790</u>	<u>56,190</u>
HOME Investment Partnership	14.239	-	10,000	-
Section 8 Rental Voucher Program	14.855	-	712,823	686,823
Section 8 Rental Certificate Program	14.857	-	320,717	351,558
Total Department of Housing and Urban Development			<u>1,078,330</u>	<u>1,094,571</u>
<u>U.S. Department of Transportation</u>				
Passed through State Department of Transportation:				
Highway Planning and Construction	20.205	BRLO-5917(019)	5,835	5,835
Highway Planning and Construction	20.205	BRLO-5917(007)	6,186	6,186
Highway Planning and Construction	20.205	STPL-5917(020)	88,793	88,793
Highway Planning and Construction	20.205	BRLS-5917(007)	5,835	-
Total U.S. Department of Transportation			<u>106,649</u>	<u>100,814</u>
<u>U.S. Department of Energy</u>				
Passed through State Department of Community Services and Development				
Weatherization Assistance for Low-Income Persons	81.042	99C-1223	13,804	11,090
Total U.S. Department of Energy			<u>13,804</u>	<u>11,090</u>
<u>Other Federal Assistance</u>				
WEER	NA	98W-2018	5,263	1,619
Total Other Federal Assistance			<u>5,263</u>	<u>1,619</u>
Total			<u>\$ 12,045,504</u>	<u>\$ 12,811,431</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF NEVADA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2000

1. GENERAL

The accompanying Schedule of Federal Financial Assistance presents the activity of all federal financial assistance programs of the County of Nevada. The County of Nevada reporting entity is defined in Note 1 to the County's general purpose financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Federal Financial Assistance is presented using the cash basis of accounting, which recognizes revenue when received and expenditures when paid. This in some instances results in differences from the amounts reported in the financial statements.

3. OFFICE OF CRIMINAL JUSTICE PLANNING DISCLOSURE

The following represents expenditures for the Byrne Formula Grant Program (CFDA Number 16.579):

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Balance</u>
DC 99100290			
Personal Services	\$ 108,673	\$ 100,417	\$ 8,256
Operating Expense	76,468	74,500	1,968
Equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 185,141</u>	<u>\$ 174,917</u>	<u>\$ 10,224</u>

The following represents expenditures for the Violence Against Women Formula Grants (CFDA Number 16.588):

	<u>Budget</u>	<u>Prior Year Actual</u>	<u>Current Year Actual</u>	<u>Balance</u>
VV 97010290				
Personal Services	\$ 260,644	\$ 133,761	\$ 121,221	\$ 5,662
Operating Expense	69,882	20,832	43,512	5,538
Equipment	61,831	1,467	47,029	13,335
Total	<u>\$ 392,357</u>	<u>\$ 156,060</u>	<u>\$ 211,762</u>	<u>\$ 24,535</u>

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Balance</u>
VV 99020290			
Personal Services	\$ 105,462	\$ 52,776	\$ 52,686
Operating Expense	16,114	7,639	8,475
Total	<u>\$ 121,576</u>	<u>\$ 60,415</u>	<u>\$ 61,161</u>

The following represents expenditures for the Juvenile Accountability Incentive Block Grant (CFDA Number 16.523):

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Balance</u>
IP-98010290			
Personal Services	\$ 23,346	\$ 10,474	\$ 12,872
Operating Expense	4,219	1,146	3,073
Equipment	1,534	1,534	-
Total	<u>\$ 29,099</u>	<u>\$ 13,154</u>	<u>\$ 15,945</u>

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Balance</u>
IP-99010290			
Personal Services	\$ 26,000	\$ 512	\$ 25,488
Operating Expense	3,176	46	3,130
Total	<u>\$ 29,176</u>	<u>\$ 558</u>	<u>\$ 28,618</u>

COUNTY OF NEVADA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2000

3. OFFICE OF CRIMINAL JUSTICE PLANNING DISCLOSURE (CONTINUED)

The following represents expenditures for the State Department of Criminal Justice Grants:

	<u>Budget</u>	<u>Prior Year Actual</u>	<u>Current Year Actual</u>	<u>Balance</u>
SR 97020290				
Personal Services	\$ 163,027	\$ 77,039	\$ 43,033	\$ 42,955
Operating Expense	70,637	26,299	29,691	14,647
Equipment	<u>57,113</u>	<u>26,803</u>	<u>18,240</u>	<u>12,070</u>
Total	<u>\$ 290,777</u>	<u>\$ 130,141</u>	<u>\$ 90,964</u>	<u>\$ 69,672</u>

**OTHER REPORTS
AND SCHEDULES**

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

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

We have audited the general purpose financial statements of the County of Nevada as of and for the year ended June 30, 2000, and have issued our report thereon dated December 27, 2000. We conducted our audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Nevada's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of County of Nevada in a separate report dated December 27, 2000.

This report is intended solely for the information and use of management, others within the organization, the Board of Supervisors and Federal awarding agencies and is not intended and should not be used by anyone other than these specified parties.


Smith & Newell, CPAs
Yuba City, California
December 27, 2000

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the compliance of the County of Nevada with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2000. County of Nevada's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County of Nevada's management. Our responsibility is to express an opinion of the County of Nevada's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Nevada's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on County of Nevada's compliance with those requirements.

In our opinion, the County of Nevada complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

Internal Control Over Compliance

The management of County of Nevada is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County of Nevada's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, the Board of Supervisors and Federal awarding agencies and is not intended and should not be used by anyone other than these specified parties.



Smith & Newell, CPAs
Yuba City, California
December 27, 2000

COUNTY OF NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2000

I. Summary of Audit Results

1. Type of report issued on the financial statements - Unqualified
2. Reportable conditions in internal control disclosed by the audit of the financial statements and any such conditions that are material weaknesses - None
3. Disclosure of any noncompliance which are material to the financial statements - None
4. Disclosure of any reportable conditions in internal control over major programs and any such conditions that are material weaknesses - None
5. Type of report issued on compliance for major programs - Unqualified
6. Disclosure of any audit findings which are required to be reported under Section 510(a) - See Sections II and III
7. Major programs are as follows: 10.551; 10.561; 14.855; 14.857; 93.959; 93.558; 93.658 and 16.579
8. \$384,343 was used as the threshold to distinguish between Type A and Type B programs
9. Did the County qualify as a low-risk audit under Section 530? - Yes

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS

None

III. Findings and questioned costs for Federal Awards which includes findings as defined in Section 510(a)

None