

*County of Nevada, California*  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended*  
*June 30, 2006*



**Marcia L. Salter, Auditor-Controller**



*County of Nevada, California*  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended*  
*June 30, 2006*



**Marcia L. Salter, Auditor-Controller**



**COUNTY OF NEVADA  
AUDIT REPORT  
For the Year Ended June 30, 2006**

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Front Cover:

Donner Lake, near Truckee, California



# **INTRODUCTORY SECTION**



State of California  
**COUNTY OF NEVADA**

MARCIA L. SALTER – Auditor-Controller

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November 21, 2006

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

The Comprehensive Annual Financial Report (CAFR) of the County of Nevada for the fiscal year ended June 30, 2006 is hereby submitted in compliance with Sections 25250 & 25253 of the Government Code of the State of California. These statutes require all general-purpose local governments to issue an annual report on the financial position and activities of that government. The report must be presented in conformance with generally accepted accounting principles (GAAP) and must be audited by an independent firm of certified public accountants in conformance with generally accepted auditing standards (GAAS). The financial statements contained in this CAFR meet these requirements.

This report contains management representations and is prepared by the Office of the Auditor-Controller. The responsibility for both accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the various funds of the County.

The purpose of this report is to give the Board of Supervisors, the residents of Nevada County and other users a broader view and understanding of County financial operations and to further assist the users of our financial statements in assessing the financial condition of the County.

The CAFR is organized into three sections: introductory, financial, and statistical. *The Introductory Section* is intended to familiarize the reader with the organizational structure and key personnel of the County and to describe the nature and extent of the services it provides. *The Financial Section* presents the independent auditor's report, the audited basic financial statements and accompanying footnotes, required supplementary information, combining statements, individual fund statements and supplementary information. *The Statistical Section* contains statistical, demographic and miscellaneous information that may be useful in assessing the financial condition of the reporting entity.

The financial statements contained in this CAFR have been audited by Bartig, Basler & Ray, a Professional Corporation of Certified Public Accountants (BB&R). Their audit was performed in accordance with GAAS. The auditors have concluded, based on their audit, that the financial statements combined with the accompanying footnotes present fairly, in all material respects, the financial condition of Nevada County as of June 30, 2006. A copy of their report is located at the front of the financial section of this CAFR. In planning and performing the audit of the financial statements, BB&R considered the internal control structure of the County in order to determine appropriate audit procedures.

During this review, no required reportable conditions were noted; however, several opportunities to strengthen internal control and operating efficiency were recommended. This information was presented in a letter to the Board of Supervisors and management.

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

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

## **PROFILE OF THE COUNTY OF NEVADA**

### **General Information**

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

### **County Government**

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

The County is a general law county and is governed by a five-member Board of Supervisors, elected to serve four-year terms. Each is elected from one of the five supervisorial districts of the County. Supervisors from District 3 and 4 are elected in gubernatorial election years (2002, 2006 etc) while supervisors from Districts 1, 2 and 5 are elected in presidential years (2000, 2004 etc.). District boundaries are adjusted after every federal census to equalize district population as closely as possible.

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

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

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

### **County Services**

Averaging 970 full-time equivalent employees, the County government provides a full range of public services including:

- Agricultural Commissioner
- Airport
- Child Protection and Social Services
- Child Support Collection
- Coroner
- Criminal Prosecution (District Attorney)
- Elections and Voter Registration
- Environmental Health
- Grand Jury
- Jail and Juvenile Facilities
- Law Enforcement in Unincorporated Areas
- Library
- Public and Mental Health Services
- Probation Supervision
- Public Assistance/Welfare to Work
- Public Defender
- Roads
- Solid Waste Disposal
- Tax Assessment and Collection
- Vital Statistics and Document Recording
- Weights and Measures

Typically, the department heads that run these operations, other than the elected department heads, are appointed by the CEO. One exception is the Chief Probation Officer, who is appointed by the Courts.

## **LOCAL ECONOMY**

### **Labor Force**

The County's 2006 labor force totaled 50,560, an increase of 11.3 percent from 2000 figures. Nevada County's unemployment rate dropped to 4.3 percent in 2005, which is slightly below California's rate of 4.9 percent for the same year.

### **Industry Employment**

Nevada County's industry employment increased by 4 percent (1240 jobs), during the 2001-2005 profiled period. Four industries led job growth over these years: educational and health services; natural resources, mining and construction; leisure and hospitality and other services. Leisure and hospitality increased by 27 percent (940 jobs), natural resources, mining and construction gained 11 percent (420 jobs), and educational and health services and other services both gained 350 jobs each which equates to 10 percent and 15 percent growth respectively. Offsetting these gains, several industries posted losses over the profiled period: trade, transportation, and utilities declined 6 percent (320 jobs); State government decreased 44 percent (300 jobs) and finance and insurance declined 12 percent (1.30 jobs).

**Population**

The 2006 estimated population of the County is 100,066, up 1.1% from 2005, with about 68% of the residents living in the unincorporated areas. The Town of Truckee is the largest of the three cities within the County, with approximately 15,915 residents in 2006. Nevada City serves as the County seat with a population in 2006 of 3,088.

**Housing**

Population growth in Nevada County continues to impact the residential home market. According to MLS, approximately 1,792 homes in Nevada County were sold in the calendar year 2005. However, prices were impacted by the general housing market trends, and prices of local homes sold declined by 3.9%, to a median price of \$475,000 as of October 2006.

**FACTORS AFFECTING FINANCIAL CONDITION****Accounting Information**

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

**Budgetary Process**

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

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

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

### **Property Tax Collection and Apportionment**

Property taxes levied countywide (secured, unsecured and unitary) rose in fiscal year 2005-06 to \$20.76 million, an increase of 11.6% over the previous fiscal year total of \$18.61 million. The Auditor-Controller calculates the local property tax bills based on assessed values as provided by the Assessor. The Treasurer-Tax Collector then distributes the tax bills and is charged with collection. In fiscal year 2005-06 the Auditor-Controller apportioned the revenue as follows:

- Nevada County General Fund: 14%
- Schools: 58%
- Special Districts: 19%
- Cities: 7%
- Redevelopment Agencies: 2%

### **Transient Occupancy Tax (TOT):**

As of January 1, 2005, the administration of the Transient Occupancy Tax was delegated to the Treasurer and Tax Collector. The County's 10% tax is levied in the unincorporated area of Nevada County on lodging fees where the lodger stays for 30-days or less. Transient Occupancy Tax (TOT) revenues increased to \$222,228 in fiscal year 2005-06 from \$123,000 in fiscal year 2004-05. The increase was due to enhanced collection efforts for current and delinquent amounts owed.

### **Debt Administration**

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

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

The County has \$50,416,037 in direct debt outstanding as of June 30, 2006. This includes the 2001 Certificates of Participation, capital leases, special assessment debt, loans and notes payable, compensated absences, accrued claims payable and landfill post closure.

### **Cash Management**

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

The California Government Code statutes and the County's investment policy govern the County's investment pool activity. The County's investment policy has the following objectives: safety, liquidity, and yield. Those statutes and policy authorize the County Treasurer-Tax Collector to invest in securities issued by the U.S. Government Treasury and its Agencies, certain corporate bonds and notes, bankers' acceptances, certificates of deposit, commercial paper, and repurchase agreements. The investment pool's maximum maturity limitation is 5 years. A Treasury Oversight Committee monitors and reviews the management of the County's investment pool. The County pool of investments earned an average rate of return for the fiscal year ending June 30, 2006 of 2.67%.

**Risk Management**

The County is a member of the CSAC Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$100,000 for each general liability claim. In fiscal year 2005-06, the County maintained two layers of excess coverage for a total of \$15.0 million in general liability coverage.

The claims liability for General Liability self-insurance was approximately \$765,545 at the end of fiscal 2006 and was funded at \$1,297,000. Details on the Risk Management program are contained in the footnotes to the financial statements.

**Relevant Financial Issues**

California local governments are particularly vulnerable to State and Federal budgetary difficulties. The State of California acts as a pass-through entity for much of the County revenue. Reduction of revenues and delays in payment to the County will negatively affect the County budget and therefore decrease the ability to provide services.

With the State's implementation of the Educational Revenue Augmentation Fund III (ERAF III) program, Nevada County is required to shift an additional \$503,388 in property tax revenue for each of the fiscal years 2004-05 and 2005-06 to the State of California to cover State shortfalls in school funding. The State of California delayed payment to the County in revenue reimbursements of State mandate payments (SB90). The County has submitted for approval, claims totaling \$2.6 million. The State has signified that the payment for approved claims will be remitted to the County in fiscal year 2006-07.

**Pension Benefits**

The County of Nevada is a member of the California Public Employee's Retirement System (CalPERS). CalPERS revised their calculation process beginning in 2004-05 to help smooth the rates and reduce the extreme rate fluctuations that participating entities had seen in recent years. The estimate of 29.578% cost of payroll for Safety Members and 12.032% cost of payroll for General Members in 2005-06 was up from 27.224% and 8.518% respectively in 2004-05 and has increased estimated payments to CalPERS from \$4.7 million in fiscal year 2004-05 to \$4.9 million in 2005-06. Barring any changes in actuarial assumptions and benefit levels, rates would remain fairly stable.

The County implemented a negotiated retirement enhancement to 2.7% @ 55 for its local miscellaneous members beginning July 1, 2006. The agreement included a share of cost with employees with a County cap. The 2006-07 CalPERS rates were increased accordingly.

**Acknowledgments**

The preparation of this Comprehensive Annual Financial Report was possible with the combined efforts of numerous individuals. I wish to express my appreciation to my staff in the Auditor-Controller's Office for their tremendous effort and dedication to the preparation of this report. I would like to thank all the departments and agencies who contributed financial information to this report and to Bartig, Basler & Ray, LLP for their assistance and guidance in producing this CAFR. In addition, I would like to thank the Board of Supervisors and the County Executive Office for their continued efforts in planning and overseeing the financial operations of the County in a responsible and progressive manner.

Respectfully Submitted,



Marcia L. Salter  
Auditor-Controller

# Nevada County Government Organization



**Board of Supervisors**

**County Executive Officer**

**Airport**

**Elective Offices**

**Assessor**

**Auditor-Controller**

**Clerk-Recorder**

- Clerk-Recorder
- Elections

**District Attorney**

**Sheriff-Coroner**

- Animal Care Services
- Corrections
- Court Security
- Operations

**Treasurer-Tax Collector**

- Collections

**Superintendent of Schools**

**Superior Court**

- Grand Jury

**Appointive Offices**

**Community Development Agency**

**Ag Commissioner**

- Ag Services
- Weights & Measures

**Farm Advisor**

**Building Inspection**

**Planning**

- Code Compliance
- Housing Programs

**Environmental Health**

**Child Support Services**

**Probation**

- Juvenile Hall
- Victim / Witness

**Transportation & Sanitation**

- County Fleet
- Roads
- Solid Waste
- Surveying
- Transit Services
- Wastewater

**Health & Human Services Agency**

**Department of Social Services**

- Adult Protective Services
- Child Protective Services
- Public Assistance
- Veterans' Services

**Behavioral Health**

**Public Health**

- Public Health Officer

**Human Resources**

- Personnel Services
- Risk Management

**Information & General Services**

- Information Systems
- GIS
- Cable TV
- Central Services
- Emergency Services
- Facilities Management
- Purchasing

**Library**

**Public Defender**

**Clerk of the Board**

**County Council**

**Commissions, Boards & Committees**

**COUNTY OF NEVADA, CALIFORNIA**  
**COUNTY OFFICIALS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

Board of Supervisors

Supervisor District 1.....Nate Beason	Supervisor District 3.....John Spencer
Supervisor District 2 .....Sue Horne	Supervisor District 4.....Robin Sutherland
Supervisor District 5.....Ted Owens	

County Officers

Rick Haffey	County Executive Officer
Tom Anderson	Public Defender
Marcia Salter	Auditor-Controller
Paul Boch	Agricultural Commissioner
Jeff Brown	Human Services Agency Director
Alison Lehman	Adult & Family Services Director
Doug Carver	Chief Probation Officer
Chris Dabis	Treasurer/Tax Collector
Art Davis	Veterans Service Officer
Steve DeCamp	Community Development Agency Director
Michael Heggarty	Behavioral Health Director
Mike Ferguson	District Attorney
Steve Fjeldsted	Librarian
Dale Flippin	Assessor
Michael Hill-Weld	Director of Transportation & Sanitation
Kathy Hrepich	Director of Child Support Services
Steve Monaghan	Chief Information Officer
Dr. Glaister Dawkins	Public Health Officer
Keith Royal	Sheriff
Brian Washko	Director of Building
Larry Sage	Environmental Health Director
Gayle Satchwell	Human Resources Director
Robert Shulman	County Counsel
Kathleen Smith	Clerk-Recorder/Registrar of Voters
Cathy Thompson	Clerk of the Board
Randy Wilson	Director of Planning

# **FINANCIAL SECTION**





## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Nevada, California, (the County), as of and for the year ended June 30, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued under separate cover, our report dated November 9, 2006, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of

To the Board of Supervisors and Grand Jury  
County of Nevada

that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

BARTIG, BASLER & RAY, LLP  
A Gallina LLP Company

A handwritten signature in black ink that reads "Bartig Basler & Ray, LLP". The signature is written in a cursive, flowing style.

Roseville, California  
November 9, 2006

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

This section of the County of Nevada's (County's) comprehensive annual financial report provides an overview and analysis of the County's financial activities for the fiscal year ended June 30, 2006. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

#### FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the 2005-2006 fiscal year by \$297,898,685 (net assets). Of this amount, \$10,075,221 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, \$39,102,881 is restricted for specific purposes (restricted net assets), and \$248,720,583 is invested in capital assets, net of related debt.
- The County's total net assets increased by \$10,111,900. The governmental activities net assets at the close of 2005-2006 were \$286,806,128 and the business-type activities net assets were \$11,092,557.
- As of June 30, 2006, the County's governmental funds reported combined ending fund balances of \$51,627,701 an increase of \$2,358,523 in comparison with the prior year's ending fund balance. Approximately 63% of this total amount, \$32,927,673 is *available* to meet the County's current and future needs (*unreserved fund balance*).
- At the end of the fiscal year, the unreserved fund balance for the General Fund was \$11,373,937, or 22.9% of total General Fund expenditures.
- The County's total long-term debt increased by \$1,729,319 or 3.6 % from \$48,083,442 to \$49,812,761. The increase was due to the financing of two building acquisitions.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

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

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

*The government-wide financial statements can be found on pages 19-21 of this report.*

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

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

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

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

*The governmental fund financial statements can be found on pages 24-30 of this report.*

**Proprietary funds** are maintained in two ways. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. The County

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

maintains twenty-seven individual proprietary funds. The Western Nevada County Solid Waste, Eastern Nevada County Solid Waste, the Airport, Transit Services and Sanitation District are used for business-type activity. The County uses internal service funds to account for its Fleet Management, Vision Insurance, Unemployment Insurance, Liability Insurance, Dental Insurance and Central Services. As these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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

*The proprietary fund financial statements can be found on pages 32-37 of this report.*

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

*The fiduciary fund financial statements can be found on pages 38-39 of this report.*

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

*The notes can be found on pages 41-78 of this report.*

**Required Supplementary Information** consists of a funding progress schedules for the County Defined Benefit Pension Plan; the County's General Fund budgetary schedule to demonstrate compliance with the County's adopted budget; and infrastructure assets reported using the modified approach to account for the County's road subsystem.

*Required supplementary information can be found on pages 79-94 of this report.*

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

*Combining and individual fund statements and schedules can be found on pages 95-158 of this report.*

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may over time serve as a useful indicator of the County's financial position. On June 30, 2006, the County's assets exceeded its liabilities by \$297,898,685.

#### County's Net Assets June 30, 2006 and 2005

	Governmental Activities		Business-Type Activities		Total		Variance %
	2006	2005	2006	2005	2006	2005	
<b>Assets:</b>							
Current and other assets	\$ 60,854,695	\$ 57,354,425	\$ 15,720,367	\$ 15,145,740	\$ 76,575,062	\$ 72,500,165	5.62%
Capital assets	257,477,515	251,157,165	21,662,136	19,327,437	279,139,651	270,484,602	3.20%
<b>Total Assets</b>	<u>318,332,210</u>	<u>308,511,590</u>	<u>37,382,503</u>	<u>34,473,177</u>	<u>355,714,713</u>	<u>342,984,767</u>	3.71%
<b>Liabilities:</b>							
Long-term liabilities	25,536,109	23,036,564	24,276,652	25,046,878	49,812,761	48,083,442	3.60%
Other liabilities	5,989,973	5,777,682	2,013,294	1,336,858	8,003,267	7,114,540	12.49%
<b>Total Liabilities</b>	<u>31,526,082</u>	<u>28,814,246</u>	<u>26,289,946</u>	<u>26,383,736</u>	<u>57,816,028</u>	<u>55,197,982</u>	4.74%
<b>Net Assets:</b>							
Invested in capital assets, net of related debt	237,770,629	233,807,949	10,949,954	8,608,896	248,720,583	242,416,845	2.60%
Restricted	39,102,881	37,995,142	--	--	39,102,881	37,995,142	2.92%
Unrestricted	9,932,618	7,894,253	142,603	(519,455)	10,075,221	7,374,798	36.62%
<b>Total Net Assets</b>	<u>\$ 286,806,128</u>	<u>\$ 279,697,344</u>	<u>\$ 11,092,557</u>	<u>\$ 8,089,441</u>	<u>\$ 297,898,685</u>	<u>\$ 287,786,785</u>	3.51%

Of the County's total net assets, approximately 3.4% are unrestricted net assets that may be used to meet the County's ongoing obligations to citizens and creditors. 83.5% of the County's net assets reflect its investment in capital assets (e.g., land, buildings, equipment and other infrastructure), less any related debt used to acquire those assets that is still outstanding. The remaining portion of the County's net assets, 13.1% represents resources that are externally restricted in purpose.

At the end of the current fiscal year, the County is able to report positive balances in all three categories, as well as for its separate governmental and business-type activities. This was a noted improvement from the prior year.

There was an increase of \$662,058 in unrestricted net assets reported in connection with the County's business-type activities. The majority of this increase is attributable to the reduction of the long term liabilities category which included debt service and landfill post-closure decreases. This liability decrease removed the restriction on certain current assets to be available for operations.

# COUNTY OF NEVADA

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

### County's Change in Net Assets June 30, 2006 and 2005

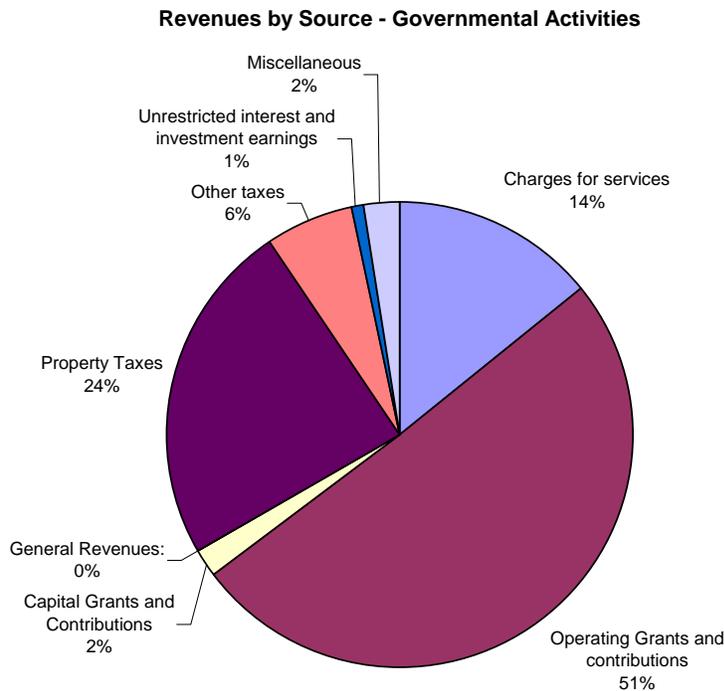
	Governmental Activities		Business-Type Activities		Total		Variance %
	2006	2005	2006	2005	2006	2005	
<b>Revenues</b>							
Program Revenues:							
Charges for services	\$ 16,446,031	\$ 16,119,155	\$ 12,465,298	\$ 12,176,207	\$ 28,911,329	\$ 28,295,362	2.18%
Operating grants and contributions	58,599,661	55,728,641	2,633,921	2,787,415	61,233,582	58,516,056	4.64%
Capital grants and contributions	2,296,519	--	2,179,464	--	4,475,983	--	100.00%
General revenues:							
Property taxes	27,749,937	18,086,143	4,746	4,316	27,754,683	18,090,459	53.42%
Other taxes	6,941,097	13,451,511	45,073	48,345	6,986,170	13,499,856	-48.25%
Unrestricted interest and investment earnings	1,133,058	967,696	391,775	305,818	1,524,833	1,273,514	19.73%
Miscellaneous	2,822,437	3,021,371	813,121	352,469	3,635,558	3,373,840	7.76%
Total revenues	115,988,740	107,374,517	18,533,398	15,674,570	134,522,138	123,049,087	9.32%
Expenses:							
General government	11,249,361	8,938,435	--	--	11,249,361	8,938,435	25.85%
Public ways and facilities	8,513,880	6,312,601	--	--	8,513,880	6,312,601	34.87%
Public protection	45,190,677	43,150,103	--	--	45,190,677	43,150,103	4.73%
Health and sanitation	18,470,443	16,151,498	--	--	18,470,443	16,151,498	14.36%
Public assistance	22,393,216	21,271,351	--	--	22,393,216	21,271,351	5.27%
Education	2,865,584	2,471,046	--	--	2,865,584	2,471,046	15.97%
Recreation	51,729	11,126	--	--	51,729	11,126	364.94%
Interest on long-term debt	855,225	757,523	--	--	855,225	757,523	12.90%
Eastern Nevada County							
Solid Waste	--	--	111,396	345,238	111,396	345,238	-67.73%
Western Nevada County							
Solid Waste	--	--	6,538,648	5,971,008	6,538,648	5,971,008	9.51%
Transit Services	--	--	3,088,462	2,874,082	3,088,462	2,874,082	7.46%
Airport	--	--	1,137,542	1,035,399	1,137,542	1,035,399	9.87%
Sanitation District	--	--	4,037,253	3,331,819	4,037,253	3,331,819	21.17%
Total expenses	109,590,115	99,063,683	14,913,301	13,557,546	124,503,416	112,621,229	10.55%
Changes in net assets before transfers	6,398,625	8,310,834	3,620,097	2,117,024	10,018,722	10,427,858	-3.92%
Transfers	(51,765)	--	51,765	--	--	--	
Change in net assets	6,346,860	8,310,834	3,671,862	2,117,024	10,018,722	10,427,858	-3.92%
Prior period adjustments	761,924	14,489	(668,746)	8,240	93,178	22,729	309.95%
Net assets, beginning of year	279,697,344	271,386,510	8,089,441	5,964,177	287,786,785	277,336,198	3.77%
Net assets, end of year	\$ 286,806,128	\$ 279,697,344	\$ 11,092,557	\$ 8,089,441	\$ 297,898,685	\$ 287,786,785	3.51%

# COUNTY OF NEVADA

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

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

- Property tax revenues increased \$9,664,224 or 53.42%. Of this amount, 15.1% or \$2,731,655 was due to the overall growth in property tax from the strong real estate market of the past year. The remaining portion of 38.32% or \$6,932,569 was due to the reclassification of the in-lieu of vehicle license fees (VLF) to property tax as the revenue source is now based upon assessed valuation.
- Other tax revenue category decreased 48.25% or \$6,513,686 from the prior year. This was primarily due to the reclassification of the swapped VLF revenues for property taxes. This revenue was reported as motor vehicle in-lieu taxes in the prior fiscal year. Beginning in fiscal year 2005-06 and forward, the revenues are to be classified in the property tax category.
- Capital Grants and Contributions category increased by \$4,475,983 or 100%. Approximately one-half of this increase was due to the recognition of annexations into the County road system totaling \$2,296,519.
- Interest and investment earnings reflect an increase of 19.73%, which is primarily due to the increasing market interest rates and increased on-hand cash balances.



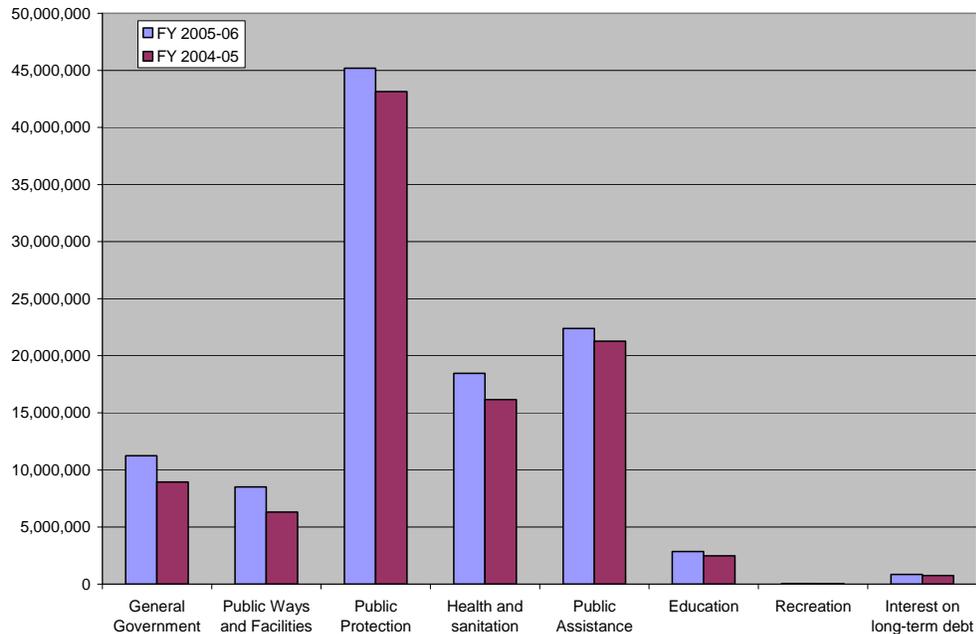
# COUNTY OF NEVADA

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

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

- The General Government category increased by 26% or \$2,310,926. Approximately half of this increase in expense was due to increased salary and benefit costs.
- Public Ways and Facilities increased its expenditures by 35% due primarily to increases in the infrastructure maintenance and roads preservation area.
- Education category increased in expenditures by 16% or \$263,530. The majority of the increase was within the Public Library Fund which had increased expenditures for circulation materials and a computer software upgrade.
- Recreation category increased 365% in expenditures due primarily to the funding of two community projects totaling \$51,729. These expenditures were made from the Recreation Mitigation funds.
- Interest on long-term debt category increased 12.9% or \$97,702. This increase was due to the financing of two building purchases.

Expenses - Governmental Activities



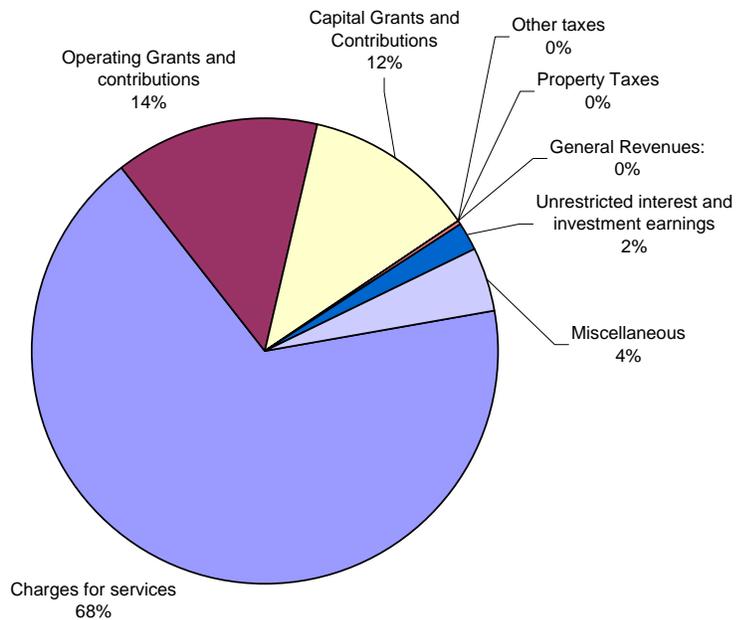
# COUNTY OF NEVADA

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

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

- Capital Grants and Contributions increased by \$2,179,464 or 100%. The majority of this increase was due to Sanitation District special assessment charge to fund the capital improvements. The remainder was within the Other Enterprise group which received State funding in the amount of \$483,114 to purchase buses for the Transit operation. In addition, the Airport Enterprise operation received a \$185,585 Federal capital grant installation of the automated weather observing system (AWOS).

**Revenue by Source - Business-type Activities**

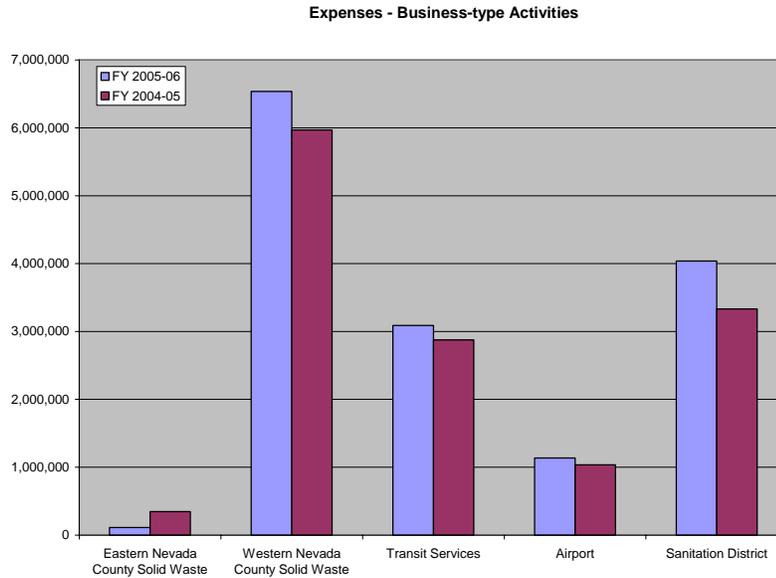


Key elements of the increase/decrease in expenses in the business-type activities:

- Eastern Nevada County Solid Waste expenses decreased by 67.7%. In 2005-06, outside service costs decreased by two-thirds or \$235,400.
- Sanitation District expenses increased 21.17% or \$705,434 primarily as a result of increased infrastructure maintenance and preservation costs, of which a large portion was attributable to emergency repairs at the Cascade Shores facility due to a landslide in May 2005.

# COUNTY OF NEVADA

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006



### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

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

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

#### Governmental Funds Combined Balance Sheet June 30, 2006 and 2005

	2006	2005	Variance	Change
Total Assets	\$ 62,365,561	\$ 58,128,578	7.29%	\$ 4,236,983
Total Liabilities	\$ 10,737,860	\$ 8,859,400	21.20%	\$ 1,878,460
Fund Balance:				
Reserved	7,326,091	5,964,982	22.82%	1,361,109
Unreserved, reported in:				
Designated	8,905,000	6,728,000	32.36%	2,177,000
Undesignated	2,468,937	3,737,538	-33.94%	(1,268,601)
Special Revenue Funds				
Undesignated	32,927,673	32,838,658	0.27%	89,015
Total Undesignated	35,396,610	36,576,196	-3.23%	(1,179,586)
Total Fund Balance	51,627,701	49,269,178	4.79%	2,358,523
Total Liabilities and Fund Balance	\$ 62,365,561	\$ 58,128,578	7.29%	\$ 4,236,983

As of June 30, 2006, the County's governmental funds reported combined ending fund balances in the amount of \$51,627,701 an increase of 4.8% or \$2,358,523 in comparison with the prior year's fund balance. Approximately 68.6% of this total amount or \$35,396,610 constitutes *undesignated fund balance*, which is available to meet the County's current and future needs. The *designated fund balance increased 3232% or \$2,177,000*. This segregation of a portion of the fund balance indicates tentative plans for financial resource utilization in a future period. The remainder of fund balance is reserved to indicate that it is not available for new spending as it has been committed (1) to pay debt service \$2,198,583 (2) to reflect inventories \$151,061 and (3) the amount due from other funds that are long-term in nature and thus do not represent available spendable resources \$989,311, and (4) to liquidate contractual commitments \$653,066, and (5) for a variety of other restricted purposes \$3,334,070.

*The General Fund* is the chief operating fund of the County. At June 30, 2006, total fund balance was \$12,524,820 of this amount \$11,373,937 was unreserved. Of the unreserved fund balance, \$8,905,000 was designated for specific purposes and the remaining balance of \$2,468,937 was undesignated. The County's General Fund increased fund balance by \$1,250,784 for the fiscal year.

As a measure of the General Fund's liquidity, it may be useful to compare unreserved, undesignated fund balance and total fund balance to total fund expenditures. The unreserved fund balance represents 22.9% of total fund expenditures, while total fund balance represents 25.3% of that same amount. Looking at the governmental funds as a whole, the General Fund's undesignated fund balance represents 4.98% of total governmental expenditures.

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

**COUNTY OF NEVADA**

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006

**Revenues Classified By Source  
General Fund  
(Dollars in Thousands)**

Revenue Type	2006 Amount	Percent of Total	FY 2005 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
Taxes and Assessments	\$ 32,849	70.47%	\$ 23,418	54.55%	\$ 9,431	40.27%
Licenses and Permits	896	1.92%	857	2.00%	39	4.55%
Fines and Forfeitures	1,874	4.02%	1,806	4.21%	68	3.77%
Use of Money and Property	536	1.15%	436	1.02%	100	22.94%
Intergovernmental	3,322	7.13%	9,080	21.15%	(5,758)	-63.41%
Charges for Service	6,065	13.01%	6,215	14.48%	(150)	-2.41%
Other Revenues	1,072	2.30%	1,121	2.61%	(49)	-4.37%
	<u>\$ 46,614</u>	<u>100.00%</u>	<u>\$ 42,933</u>	<u>100.00%</u>	<u>\$ 3,681</u>	<u>8.57%</u>

*Taxes and Assessments* – The \$9,431,000 or 40.3% increase in this category is mainly due to an increase in property taxes. Included in this increase is \$7,792,311 of vehicle license fee (VLF) revenue that in the prior year was appropriately reported as motor vehicle in-lieu taxes. Beginning with the 2005-06, the VLF amount is based on assessed valuations and reported as property tax.

*Use of Money and Property* – The net increase of 22.94% or \$100,000 in this category was due to a \$85,244 or 24.9% increase in interest earnings and a \$53,591 or 57.5% increase in rents & concessions.

*Intergovernmental* – The 63.4% or \$5,758,000 decrease in this category was primarily due to the State of California's implementation of an allocation change titled the VLF Swap. As noted above, in fiscal year 2004-05 the VLF revenue was recognized within this category. In fiscal year 2005-06, the VLF revenue has been appropriately recognized as property tax revenue and will be henceforth.

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

**Expenditures by Function  
General Fund  
(Dollars in Thousands)**

Expenditures by Function	2006 Amount	Percent of Total	FY 2005 Amount	Percent of Total	Increase (Decrease) Amount	Percentage of Change
General government	\$ 9,956	20.09%	\$ 7,610	18.61%	\$ 2,346	30.83%
Public protection	34,806	70.22%	32,320	79.04%	2,486	7.69%
Public assistance	233	0.47%	200	0.49%	33	16.50%
Education	100	0.20%	84	0.21%	16	19.05%
Capital outlay	4,451	8.98%	656	1.60%	3,795	578.51%
Debt service	23	0.05%	23	0.06%	--	0.00%
	<u>\$ 49,569</u>	<u>100.00%</u>	<u>\$ 40,893</u>	<u>100.00%</u>	<u>\$ 8,676</u>	<u>21.22%</u>

*General government* – The \$2,346,000 or 30.83% increase in expenditures in this category was across

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

various activities. Salaries and benefits increased 10% or \$1,199,086 primarily due to an increase in the retirement contribution rate. The service and supplies increased 17% or \$831,984. Of this amount \$202,000 was attributable to the cost of a special election; \$145,000 for computer equipment replacement; utility costs ran \$113,000; and \$56,000 in motor pool expenses.

*Public Protection* – Key factors of the 7.7% increase were salaries and benefits from the negotiated labor agreements and an increase in the County's overhead allocation to this category.

*Public Assistance* – The key factor in this 16.5% increase for the category was the \$14,921 increase in salaries and benefits costs from the negotiated labor agreements and a \$15,661 increase associated with computer and office equipment purchases and various other services and supplies.

*Capital Outlay* – The key factor of this increase was the acquisition of the two buildings to house various Human Service Agency programs.

*The Road Fund* is used to account for the activities associated with the construction and maintenance of county roads and bridges. The Road Fund's undesignated fund balance increased by \$2,543,151 or 57%. The majority of this increase represents revenue sources that have been received to fund future road project expenditures.

*The Motor Vehicle License Fund* is used to account for the revenues received in accordance with local 'Measure F' requirements. The Measure required all funds received by the County from the State of California from the various Motor Vehicle In Lieu Taxes (MVLTF) be segregated into a separate accounting fund and that one-half, or more, of such funds received in each fiscal year to be expended only upon public roads, ways and highways for the following purposes: maintenance, repair, circulation enhancement, general road safety, and fire access. The 26% reduction in fund balance is directly related to a legislated change by the State in the allocation of MVLTF revenues. The County no longer receives a portion of this revenue stream from the State. This change equated to a \$1,965,399 reduction in revenues in 2005-06. The additional decrease in fund balance was due to the transfers from this fund to the Road Fund to finance various qualifying projects.

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

Unrestricted net assets (deficits) of the Western Nevada County Solid Waste at June 30, 2006 amounted to (\$9,935,315). Though the unrestricted net assets remain in a deficit, the enterprise operation did have a positive change in Net Assets in the amount of \$1,790,813.

The unrestricted net assets (deficits) of the Airport enterprise operation amounted to a \$2,579 deficit for the fiscal year ending June 30, 2006. The \$717,656 decrease in total net assets was primarily due to prior period adjustment of \$668,746 to accumulated depreciation for infrastructure that had been understated for the runways.

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

#### GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget resulted in \$6,400,140 net increase in appropriations. Explanations of significant changes for this increase are as follows:

- \$4,157,044 was the result of an increase in the Capital outlay budget category primarily for the purchase of two buildings.
- \$1,176,686 was the result of an increase in the Public Protection budget category primarily due to additional appropriations of funds for software and equipment purchases.

The increase was possible through unanticipated revenues from various sources and general reserves, including additional aid from other governments and Lease-back financing for the building purchases.

At fiscal year end, revenues were over the budgetary estimate by \$162,708 or less than 1%, and expenditures were less than budgetary estimates by \$1,804,198 or 3%. The net activity, including the transfers, increased the General Fund's fund balance by \$1,250,784.

*Additional information on the General Fund and other major funds budget can be found on pages 78-90.*

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital assets** The County's investment in capital assets for its governmental and business-type activities as of June 30, 2006 amounted to \$279,139,000 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, and equipment.

#### County's Capital Assets (Net of depreciation) (Dollars in Thousands)

	Governmental Activities		Business-Type Activities		Total		Variance %
	2006	2005	2006	2005	2006	2005	
Land and easements	\$ 101,820	\$ 99,343	\$ 3,444	\$ 3,444	\$ 105,264	\$ 102,787	2.41%
Infrastructure (road sys)	100,337	99,439	--	--	100,337	99,439	0.90%
Infrastructure	17,157	16,206	10,765	12,013	27,922	28,219	-1.05%
Structures and improvements	33,644	30,531	1,151	1,018	34,795	31,549	10.29%
Construction in progress	1,145	1,931	4,979	1,916	6,124	3,847	59.19%
Equipment	3,374	3,708	1,323	936	4,697	4,644	1.14%
<b>Total</b>	\$ 257,477	\$ 251,158	\$ 21,662	\$ 19,327	\$ 279,139	\$ 270,485	3.20%

*Structures and Improvements* – The addition of two buildings to the Governmental assets were key factors in the 10.29% increase for the fiscal year ending June 30, 2006.

*Construction in progress* – The capital improvements to the Sanitation District assets were the key factors in the 59.19% increase reflected in 2006. Projects are in progress and will be reclassified to appropriate the asset categories upon completion.

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

*Additional information on the County's capital assets can be found in Note 5 on pages 62-64 of this report.*

**Long-term debt.** At June 30, 2006, the County had total debt outstanding of \$49,813,000.

#### **County's Outstanding Debt Certificates of Participation, Notes Payable, Capital Lease Obligations, Compensated Absences (Dollars in Thousands)**

	Governmental Activities		Business-Type Activities		Total		Variance %
	2006	2005	2006	2005	2006	2005	
Certificate of participation	\$ 15,630	\$ 17,290	\$ 9,640	\$ 10,100	\$ 25,270	\$ 27,390	-7.7%
Accrued claims liability	766	955	--	--	766	955	-19.8%
Loans	4,027	--	472	519	4,499	519	766.9%
Special assessment debt	--	--	306	417	306	417	-26.6%
Landfill post closure	--	--	13,631	13,795	13,631	13,795	-1.2%
Capital leases	50	59	--	--	50	59	-15.3%
Compensated absences	5,064	4,733	227	217	5,291	4,950	6.9%
<b>Total</b>	<u>\$ 25,537</u>	<u>\$ 23,037</u>	<u>\$ 24,276</u>	<u>\$ 25,048</u>	<u>\$ 49,813</u>	<u>\$ 48,085</u>	3.6%

The County's total outstanding debt increased by \$1,728,000, or 3.6 %, during the fiscal year. The key factors for this net increase was the addition of two lease-back financings totaling \$4,090,000 and the decrease due to the payment of the annual scheduled principal payments on the Certificates of Participation in the amount of \$2,120,000.

*Additional information on the County's long-term debt can be found in Note 7 on pages 66-68 of this report.*

#### **Infrastructure Assets Reported Under the Modified Approach**

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

*Additional information on the County's use of the Modified Approach can be found in Required Supplementary Information (RSI) on page 94 of this report.*

## COUNTY OF NEVADA

### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2006

#### **Economic Factors and Next Year's Budget for FY 2006-07**

In preparing the County's budget for fiscal year 2006-07, the following factors were considered:

The State budget crisis of two years ago has now stabilized. Proposition 1A passed by the voters of California to protect local revenues is currently in place.

The economy remains steady as shown by many key indicators.

The growth in property tax revenues are projected to increase slightly from the prior year by 12%. Though the real estate sales activity in the area has been strong, there are indications of a slowing of the market which will affect the growth of revenue in this category for future years.

Nevada County unemployment rate decreased to 4.3%, which is slightly lower than the statewide rate.

The fiscal year 2006-07 adopted budget for all County funds totals \$168,717,365, a 10.8 percent increase when compared to the prior year. The General Fund 2006-07 budget was \$56,341,946, which was a 6.1 percent increase from the adopted 2005-06 budget.

*The 2006-07 budget documents are available on the County's website: [www.mynevadacounty.com](http://www.mynevadacounty.com).*

#### **Request for Information**

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



**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



# COUNTY OF NEVADA, CALIFORNIA

## Statement of Net Assets June 30, 2006

	Governmental Activities	Business-Type Activities	Total
<b><u>ASSETS</u></b>			
Cash and investments	\$ 39,014,245	\$ 13,990,954	\$ 53,005,199
Receivables, net	1,505,204	733,695	2,238,899
Taxes receivable	1,112,479	--	1,112,479
Due from other governmental agencies	11,881,211	415,000	12,296,211
Inventory	190,793	42,407	233,200
Deposits	41,310	--	41,310
Prepaid expenses	160,154	1,432	161,586
Loans receivable	3,334,070	--	3,334,070
Bond issue cost, net of accumulated amortization	--	407,315	407,315
Deferred reacquisition cost, net of accumulated amortization	--	604,966	604,966
Internal balances	1,476,230	(1,476,230)	--
Restricted assets:			
Cash and investments	2,138,999	1,000,828	3,139,827
Capital Assets:			
Non-depreciable assets	203,302,446	8,423,701	211,726,147
Depreciable assets, net of depreciation	54,175,069	13,238,435	67,413,504
<b>Total Assets</b>	318,332,210	37,382,503	355,714,713
<b><u>LIABILITIES</u></b>			
Line of credit	--	600,000	600,000
Accounts payable	3,221,647	1,000,916	4,222,563
Salaries payable	2,303,558	149,291	2,452,849
Interest payable	215,003	137,400	352,403
Customer deposits	249,765	--	249,765
Unearned revenue	--	92,357	92,357
Restricted liabilities:			
Customer deposits	--	33,330	33,330
Long-term liabilities:			
Due within one year	6,882,454	782,760	7,665,214
Due in more than one year	18,653,655	23,493,892	42,147,547
<b>Total Liabilities</b>	31,526,082	26,289,946	57,816,028
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	237,770,629	10,949,954	248,720,583
Restricted for:			
Debt service	2,198,583	--	2,198,583
Grants, taxes and fees	36,904,298	--	36,904,298
Unrestricted	9,932,618	142,603	10,075,221
<b>Total Net Assets</b>	\$ 286,806,128	\$ 11,092,557	\$ 297,898,685

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

**COUNTY OF NEVADA, CALIFORNIA**

Statement of Activities  
For the Year Ended June 30, 2006

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 11,249,361	\$ 6,232,111	\$ 1,265,020	\$ --
Public ways and facilities	8,513,880	1,440,008	6,712,334	2,296,519
Public protection	45,190,677	6,364,587	13,750,020	--
Health and sanitation	18,470,443	2,267,470	17,204,735	--
Public assistance	22,393,216	47,007	19,431,357	--
Education	2,865,584	94,848	236,195	--
Recreation	51,729	--	--	--
Interest on long-term debt	855,225	--	--	--
<b>Total Governmental Activities</b>	<u>109,590,115</u>	<u>16,446,031</u>	<u>58,599,661</u>	<u>2,296,519</u>
Business-type Activities:				
Eastern Nevada County Solid Waste	111,396	102,312	--	--
Western Nevada County Solid Waste	6,538,648	7,753,931	257,891	--
Transit Services	3,088,462	480,601	2,362,831	531,444
Airport	1,137,542	618,549	13,199	185,585
Sanitation District	4,037,253	3,509,905	--	1,462,435
<b>Total Business-Type Activities</b>	<u>14,913,301</u>	<u>12,465,298</u>	<u>2,633,921</u>	<u>2,179,464</u>
<b>Total Primary Government</b>	<u>\$ 124,503,416</u>	<u>\$ 28,911,329</u>	<u>\$ 61,233,582</u>	<u>\$ 4,475,983</u>

**General revenues:**

Taxes:

Property taxes  
Sales and use taxes  
Property transfer taxes  
Transient occupancy taxes  
Timber yield taxes  
Aircraft taxes  
Other taxes  
Interest and investment earnings  
Miscellaneous

Transfers

**Total General Revenues**

**Change in Net Assets**

**Net Assets - Beginning**

Prior period adjustment

**Net Assets - Beginning, Restated**

**Net Assets - Ending**

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

Net (Expense) Revenue and  
Changes in Net Assets

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (3,752,230)		\$ (3,752,230)
1,934,981		1,934,981
(25,076,070)		(25,076,070)
1,001,762		1,001,762
(2,914,852)		(2,914,852)
(2,534,541)		(2,534,541)
(51,729)		(51,729)
(855,225)		(855,225)
<u>(32,247,904)</u>		<u>(32,247,904)</u>
	\$ (9,084)	(9,084)
	1,473,174	1,473,174
	286,414	286,414
	(320,209)	(320,209)
	935,087	935,087
	<u>2,365,382</u>	<u>2,365,382</u>
<u>(32,247,904)</u>	<u>2,365,382</u>	<u>(29,882,522)</u>
27,749,937	4,746	27,754,683
5,174,027	--	5,174,027
1,391,798	--	1,391,798
209,216	13,013	222,229
79,308	--	79,308
39,497	32,060	71,557
47,251	--	47,251
1,133,058	391,775	1,524,833
2,822,437	813,121	3,635,558
(51,765)	51,765	--
<u>38,594,764</u>	<u>1,306,480</u>	<u>39,901,244</u>
<u>6,346,860</u>	<u>3,671,862</u>	<u>10,018,722</u>
279,697,344	8,089,441	287,786,785
761,924	(668,746)	93,178
<u>280,459,268</u>	<u>7,420,695</u>	<u>287,879,963</u>
<u>\$ 286,806,128</u>	<u>\$ 11,092,557</u>	<u>\$ 297,898,685</u>

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



**BASIC FINANCIAL STATEMENTS**  
**FUND FINANCIAL STATEMENTS**





**COUNTY OF NEVADA, CALIFORNIA**

Balance Sheet  
Governmental Funds  
June 30, 2006

	<u>General Fund</u>	<u>Road Fund</u>	<u>Community Development Agency</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 4,419,403	\$ 5,650,035	\$ 1,162,992
Accounts receivable	955,587	94,898	112,026
Due from other governmental agencies	415,806	1,887,529	10,567
Taxes receivable	1,067,042	--	12,598
Due from other funds	7,115,240	341,081	209,962
Inventory	--	151,061	--
Prepaid expenses	160,154	--	--
Advances to other funds	989,311	--	--
Loans receivable	--	--	--
Restricted assets:			
Cash and investments	--	--	--
<b>Totals Assets</b>	<b><u>\$ 15,122,543</u></b>	<b><u>\$ 8,124,604</u></b>	<b><u>\$ 1,508,145</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 880,614	\$ 294,993	\$ 17,864
Accrued payroll and benefits	1,326,707	158,075	178,561
Deposits payable	4,794	26,383	174,493
Due to other funds	385,608	133,769	139,498
Deferred revenue	--	--	365,297
<b>Total Liabilities</b>	<b><u>2,597,723</u></b>	<b><u>613,220</u></b>	<b><u>875,713</u></b>
<b><u>FUND BALANCES</u></b>			
Reserved for:			
Debt service	--	--	--
Encumbrances	161,572	356,833	15,807
Inventory and prepaids	--	151,061	--
Advances	989,311	--	--
Long-term receivables	--	--	--
Unreserved, reported in:			
General			
Designated	8,905,000	--	--
Undesignated	2,468,937	--	--
Special revenue funds			
Undesignated	--	7,003,490	616,625
<b>Total Fund Balances</b>	<b><u>12,524,820</u></b>	<b><u>7,511,384</u></b>	<b><u>632,432</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 15,122,543</u></b>	<b><u>\$ 8,124,604</u></b>	<b><u>\$ 1,508,145</u></b>

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

Human Services Agency	Health and Welfare Realignment	Motor Vehicle License	Other Governmental Funds	Total Governmental Funds
\$ 1,655,493	\$ 4,302,279	\$ 7,632,515	\$ 11,418,756	\$ 36,241,473
16,330	--	29,196	293,198	1,501,235
1,518,569	752,900	--	1,504,321	6,089,692
--	--	32,839	--	1,112,479
1,045,111	1,218,714	--	716,979	10,647,087
--	--	--	--	151,061
--	--	--	--	160,154
--	--	--	--	989,311
--	--	--	3,334,070	3,334,070
--	--	--	2,138,999	2,138,999
<u>\$ 4,235,503</u>	<u>\$ 6,273,893</u>	<u>\$ 7,694,550</u>	<u>\$ 19,406,323</u>	<u>\$ 62,365,561</u>
\$ 413,014	\$ 10,606	\$ --	\$ 1,306,552	\$ 2,923,643
443,789	--	--	167,919	2,275,051
44,095	--	--	--	249,765
1,735,624	845,834	--	1,662,408	4,902,741
21,363	--	--	--	386,660
<u>2,657,885</u>	<u>856,440</u>	<u>--</u>	<u>3,136,879</u>	<u>10,737,860</u>
--	--	--	2,198,583	2,198,583
55,841	--	--	63,013	653,066
--	--	--	--	151,061
--	--	--	--	989,311
--	--	--	3,334,070	3,334,070
--	--	--	--	8,905,000
--	--	--	--	2,468,937
1,521,777	5,417,453	7,694,550	10,673,778	32,927,673
<u>1,577,618</u>	<u>5,417,453</u>	<u>7,694,550</u>	<u>16,269,444</u>	<u>51,627,701</u>
<u>\$ 4,235,503</u>	<u>\$ 6,273,893</u>	<u>\$ 7,694,550</u>	<u>\$ 19,406,323</u>	<u>\$ 62,365,561</u>

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

**COUNTY OF NEVADA, CALIFORNIA**

Reconciliation of Total Governmental Fund Balances  
to the Government-Wide Statement of Net Assets - Governmental Activities  
June 30, 2006

<b>Total Governmental Fund Balances (pages 24-25)</b>	\$ 51,627,701
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	256,078,002
Some of the County's revenue will not be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the governmental funds.	386,660
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Interest payable	(215,003)
Long-term debt	(24,674,879)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets.	<u>3,603,647</u>
<b>Net Assets of Governmental Activities (page 19)</b>	<u><u>\$ 286,806,128</u></u>

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



**COUNTY OF NEVADA, CALIFORNIA**

Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2006

	General Fund	Road Fund	Community Development Agency
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b><u>REVENUES</u></b>			
Taxes and assessments	\$ 32,848,953	\$ 24,120	\$ 13,012
Licenses and permits	896,382	25,379	2,089,099
Fines and forfeitures	1,873,887	--	9,606
Use of money and property	536,185	95,544	40,428
Intergovernmental	3,322,494	6,711,906	617,231
Charges for other services	6,065,041	594,181	2,273,664
Other revenue	1,071,950	22,849	34,916
<b>Total Revenues</b>	<u>46,614,892</u>	<u>7,473,979</u>	<u>5,077,956</u>
 <b><u>EXPENDITURES</u></b>			
Current:			
General government	9,956,000	--	--
Public ways and facilities	--	7,343,127	--
Public protection	34,805,552	--	4,468,027
Health and sanitation	--	--	2,244,933
Public assistance	233,069	--	--
Education	99,846	--	--
Recreation	--	--	--
Debt Service			
Principal	19,872	--	--
Interest and other charges	2,996	--	--
Capital Outlay	4,450,877	1,324,778	38,052
<b>Total Expenditures</b>	<u>49,568,212</u>	<u>8,667,905</u>	<u>6,751,012</u>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,953,320)</u>	<u>(1,193,926)</u>	<u>(1,673,056)</u>
 <b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Issuance of debt	4,090,000	--	--
Transfers in	8,055,434	3,948,385	1,968,876
Transfers out	(7,941,330)	--	(41,688)
<b>Total Other Financing Sources (Uses)</b>	<u>4,204,104</u>	<u>3,948,385</u>	<u>1,927,188</u>
 <b>Net Change in Fund Balances</b>	1,250,784	2,754,459	254,132
 <b>Fund Balances - Beginning</b>	<u>11,274,036</u>	<u>4,756,925</u>	<u>378,300</u>
 <b>Fund Balances - Ending</b>	<u>\$ 12,524,820</u>	<u>\$ 7,511,384</u>	<u>\$ 632,432</u>

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

Human Services Agency	Health and Welfare Realignment	Motor Vehicle License	Other Governmental Funds	Total Governmental Funds
\$ --	\$ --	\$ --	\$ 1,725,639	\$ 34,611,724
702	--	--	10,879	3,022,441
612	--	--	529,585	2,413,690
46,915	(13,815)	(13,843)	377,975	1,069,389
25,108,853	6,690,695	32,839	16,081,745	58,565,763
388,380	--	--	1,339,429	10,660,695
570,948	338,444	--	893,285	2,932,392
<u>26,116,410</u>	<u>7,015,324</u>	<u>18,996</u>	<u>20,958,537</u>	<u>113,276,094</u>
--	--	--	326,276	10,282,276
--	--	--	523,004	7,866,131
--	--	--	5,407,449	44,681,028
14,209,405	338,633	--	1,592,188	18,385,159
19,557,618	--	--	2,587,018	22,377,705
--	--	--	2,710,246	2,810,092
--	--	--	51,729	51,729
--	--	--	1,723,369	1,743,241
--	--	--	823,608	826,604
44,709	--	--	56,941	5,915,357
<u>33,811,732</u>	<u>338,633</u>	<u>--</u>	<u>15,801,828</u>	<u>114,939,322</u>
<u>(7,695,322)</u>	<u>6,676,691</u>	<u>18,996</u>	<u>5,156,709</u>	<u>(1,663,228)</u>
--	--	--	--	4,090,000
7,943,299	606,429	2,134,999	3,828,345	28,485,767
--	(7,500,198)	(4,855,221)	(8,215,579)	(28,554,016)
<u>7,943,299</u>	<u>(6,893,769)</u>	<u>(2,720,222)</u>	<u>(4,387,234)</u>	<u>4,021,751</u>
247,977	(217,078)	(2,701,226)	769,475	2,358,523
<u>1,329,641</u>	<u>5,634,531</u>	<u>10,395,776</u>	<u>15,499,969</u>	<u>49,269,178</u>
<u>\$ 1,577,618</u>	<u>\$ 5,417,453</u>	<u>\$ 7,694,550</u>	<u>\$ 16,269,444</u>	<u>\$ 51,627,701</u>

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

**COUNTY OF NEVADA, CALIFORNIA**

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds to the  
Government-Wide Statement of Activities - Governmental Activities  
For the Year Ended June 30, 2006

<b>Net Change in Fund Balances - Total Governmental Funds (pages 28-29)</b>		\$ 2,358,523
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Expenditures for general capital assets, infrastructure, and other related capital asset adjustments	5,509,787	
Contributed capital assets	2,296,519	
Less: current year depreciation	<u>(2,152,392)</u>	
		5,653,914
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.		386,660
<p>Long-term debt proceeds provide current resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p>		
Loan proceeds	(4,090,000)	
Principal repayments:		
Certificates of participation	1,660,000	
Notes payable	63,369	
Capital leases	<u>20,398</u>	
		(2,346,233)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures on the governmental funds.</p>		
Change in interest payable	(28,066)	
Change in compensated absences	<u>(265,888)</u>	
		(293,954)
Internal service funds are used by management to charge the cost of certain activities, such as insurance, equipment maintenance, and operations, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		<u>587,950</u>
<b>Change in Net Assets of Governmental Activities (pages 20-21)</b>		<u><u>\$ 6,346,860</u></u>

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



**COUNTY OF NEVADA, CALIFORNIA**

Statement of Net Assets  
Proprietary Funds  
June 30, 2006

	Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 11,400,373	\$ 91,874	\$ 2,109,974
Accounts receivable	503,182	75,796	92,449
Due from other governmental agencies	--	--	--
Due from other funds	16,675	218	5,339
Inventory	--	35,406	--
Prepays and other assets	--	1,432	--
Advances to other funds	--	--	--
Bond issue cost - net of accumulated amortization	407,315	--	--
Deferred reacquisition cost - net of accumulated amortization	604,966	--	--
<b>Total Current Assets</b>	<b>12,932,511</b>	<b>204,726</b>	<b>2,207,762</b>
Restricted Assets:			
Cash and investments	1,000,828	--	--
<b>Total Restricted Assets</b>	<b>1,000,828</b>	<b>--</b>	<b>--</b>
Noncurrent Assets:			
Capital assets (net)	1,576,330	4,747,357	14,678,380
<b>Total Noncurrent Assets</b>	<b>1,576,330</b>	<b>4,747,357</b>	<b>14,678,380</b>
<b>Total Assets</b>	<b>15,509,669</b>	<b>4,952,083</b>	<b>16,886,142</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Line of credit	--	--	600,000
Accounts payable	585,255	5,290	288,625
Accrued payroll and benefits	47,930	7,407	53,108
Due to other governmental agencies	--	--	--
Interest Payable	--	45,323	79,493
Due to other funds	58,298	995	62,271
Deferred revenue	--	44,027	--
Capital leases payable	--	--	--
Bonds, loans & notes payable	--	--	80,445
Compensated absences	32,911	9,263	123,770
Certificates of participation	475,000	--	--
Accrued claims payable	--	--	--
<b>Total Current Liabilities</b>	<b>1,199,394</b>	<b>112,305</b>	<b>1,287,712</b>
Restricted Current Liabilities:			
Customer deposits	31,330	2,000	--
<b>Total Restricted Current Liabilities</b>	<b>31,330</b>	<b>2,000</b>	<b>--</b>
Noncurrent Liabilities:			
Advances from other funds	--	93,000	618,211
Capital leases payable	--	--	--
Certificates of participation	9,165,000	--	--
Bonds, loans & notes payable	--	374,920	322,817
Closure/postclosure costs	13,472,930	--	--
<b>Total Noncurrent Liabilities</b>	<b>22,637,930</b>	<b>467,920</b>	<b>941,028</b>
<b>Total Liabilities</b>	<b>23,868,654</b>	<b>582,225</b>	<b>2,228,740</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	1,576,330	4,372,437	13,981,118
Unrestricted	(9,935,315)	(2,579)	676,284
<b>Total Net Assets</b>	<b>\$ (8,358,985)</b>	<b>\$ 4,369,858</b>	<b>\$14,657,402</b>

Adjustment to reflect the consideration of internal service fund activities related to enterprise funds.  
**Net Assets of Business-type Activities (page 19)**

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

Enterprise Funds		
Other Enterprise Funds	Totals	Internal Service Funds
\$ 388,733	\$ 13,990,954	\$ 2,772,772
62,268	733,695	3,969
415,000	415,000	--
5,510	27,742	521,363
7,001	42,407	39,732
--	1,432	41,310
--	--	150,000
--	407,315	--
--	604,966	--
<u>878,512</u>	<u>16,223,511</u>	<u>3,529,146</u>
--	1,000,828	--
--	<u>1,000,828</u>	--
660,069	21,662,136	1,399,513
<u>660,069</u>	<u>21,662,136</u>	<u>1,399,513</u>
1,538,581	38,886,475	4,928,659
--	600,000	--
81,532	960,702	298,004
40,846	149,291	28,507
40,214	40,214	--
12,584	137,400	--
61,926	183,490	318,442
48,330	92,357	--
--	--	3,660
--	80,445	--
61,371	227,315	74,595
--	475,000	--
--	--	765,545
<u>346,803</u>	<u>2,946,214</u>	<u>1,488,753</u>
--	33,330	--
--	<u>33,330</u>	--
428,100	1,139,311	--
--	--	17,430
--	9,165,000	--
--	697,737	--
158,225	13,631,155	--
<u>586,325</u>	<u>24,633,203</u>	<u>17,430</u>
933,128	27,612,747	1,506,183
660,069	20,589,954	1,395,853
(54,616)	(9,316,226)	2,026,623
<u>\$ 605,453</u>	<u>11,273,728</u>	<u>\$ 3,422,476</u>
	(181,171)	
	<u>\$ 11,092,557</u>	

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

# COUNTY OF NEVADA, CALIFORNIA

## Statement of Revenues, Expenses and Changes in Net Assets Proprietary Funds For the Year Ended June 30, 2006

	Enterprise Funds		
	Western Nevada County Solid Waste	Airport	Sanitation District
<b><u>OPERATING REVENUES</u></b>			
Charges for other services	\$ 7,753,931	\$ 9,377	\$ 3,509,905
Fuel sales	--	609,172	--
<b>Total Operating Revenues</b>	7,753,931	618,549	3,509,905
<b><u>OPERATING EXPENSES</u></b>			
Salaries and benefits	1,423,798	215,486	1,588,662
Fuel - Sold	--	468,592	--
Fuel - Used in operations	19,291	--	16,683
Maintenance and repairs	114,848	23,531	760,842
Parts and supplies	15,131	130	6,505
Outside services	4,012,151	92,026	542,424
Administration and office	245,898	23,490	355,140
Utilities	32,539	16,073	259,022
Insurance	6,132	7,729	7,563
Benefits paid	--	--	--
Depreciation	119,724	265,369	421,930
Rentals and lease payments	20,174	1,411	37,810
Miscellaneous expense	17,055	--	10,906
<b>Total Operating Expenses</b>	6,026,741	1,113,837	4,007,487
<b>Operating Income (Loss)</b>	1,727,190	(495,288)	(497,582)
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>			
Taxes	--	49,819	--
Intergovernmental revenues	257,891	13,199	--
Interest income	318,199	3,452	57,041
Other revenues	1,482	160,444	634,579
Interest expense	(488,359)	(23,916)	(33,993)
Bond amortization	(25,590)	--	--
Gain (loss) on sale of capital assets	--	--	(400)
<b>Total Non-operating Revenues (Expenses)</b>	63,623	202,998	657,227
<b>Net Income (Loss) Before Contributions and Transfers</b>	1,790,813	(292,290)	159,645
<b><u>CAPITAL CONTRIBUTIONS</u></b>			
Capital contributions	--	185,585	1,462,435
<b><u>TRANSFERS</u></b>			
Transfers in	--	57,795	--
Transfers out	--	--	(6,030)
<b>Change in Net Assets</b>	1,790,813	(48,910)	1,616,050
<b>Total Net Assets - Beginning</b>	(10,149,798)	5,087,514	13,041,352
Prior period adjustments	--	(668,746)	--
<b>Total Net Assets - Beginning, Restated</b>	(10,149,798)	4,418,768	13,041,352
<b>Net Assets - Ending</b>	\$ (8,358,985)	\$ 4,369,858	\$ 14,657,402

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

**Change in net assets of business-type activities (page 20-21)**

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

Enterprise Funds		
Other Enterprise Funds	Totals	Internal Service Funds
\$ 582,913	\$ 11,856,126	\$ 5,985,084
--	609,172	839,540
<u>582,913</u>	<u>12,465,298</u>	<u>6,824,624</u>
1,284,246	4,512,192	860,321
23,884	492,476	690,066
--	35,974	--
371,015	1,270,236	1,315,134
65	21,831	50,471
1,210,995	5,857,596	716,018
40,397	664,925	791,155
5,453	313,087	--
70,519	91,943	390,308
--	--	783,285
182,522	989,545	458,317
13,283	72,678	369,831
270	28,231	--
<u>3,202,649</u>	<u>14,350,714</u>	<u>6,424,906</u>
(2,619,736)	(1,885,416)	399,718
--	49,819	--
2,362,831	2,633,921	--
13,083	391,775	63,669
12,541	809,046	35,940
(7,075)	(553,343)	(1,081)
--	(25,590)	--
<u>4,475</u>	<u>4,075</u>	<u>(2,279)</u>
<u>2,385,855</u>	<u>3,309,703</u>	<u>96,249</u>
(233,881)	1,424,287	495,967
531,444	2,179,464	91,845
8,650	66,445	16,484
<u>(8,650)</u>	<u>(14,680)</u>	<u>--</u>
<u>297,563</u>	<u>3,655,516</u>	<u>604,296</u>
307,890		2,818,180
--		--
<u>307,890</u>		<u>2,818,180</u>
<u>\$ 605,453</u>		<u>\$ 3,422,476</u>
	<u>16,346</u>	
	<u>\$ 3,671,862</u>	

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

# COUNTY OF NEVADA, CALIFORNIA

## Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2006

	Enterprise Funds		
	Western Nevada County	Sanitation District	
	Solid Waste	Airport	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 7,780,144	\$ 614,578	\$ 3,513,129
Payments to suppliers	(4,411,848)	(651,211)	(1,829,306)
Payments to employees	(1,420,509)	(208,648)	(1,588,662)
<b>Net Cash Provided (Used) by Operating Activities</b>	1,947,787	(245,281)	95,161
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Grants and other receipts	259,373	409,047	620,451
Subsidies and transfers from (to) other funds	7,750	61,081	56,934
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	267,123	470,128	677,385
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(423,448)	(193,255)	(2,845,245)
Proceeds from sale of capital assets	--	--	--
Capital grants	--	--	85,502
Proceeds from capital-type special assessments	--	--	1,376,933
Proceeds from line of credit	--	--	500,000
Principal payments on debt	(460,000)	(38,168)	(119,191)
Interest payments on debt	(450,549)	(23,916)	(25,895)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	(1,333,997)	(255,339)	(1,027,896)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends	318,199	3,452	57,041
<b>Net Cash Provided (Used) by Investing Activities</b>	318,199	3,452	57,041
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,199,112	(27,040)	(198,309)
<b>Cash and Cash Equivalents - Beginning of the Year</b>	11,202,089	118,914	2,308,283
<b>Cash and Cash Equivalents - End of the Year</b>	\$ 12,401,201	\$ 91,874	\$ 2,109,974
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 1,727,190	\$ (495,288)	\$ (497,582)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	119,724	265,369	421,930
Decrease (increase) in:			
Accounts receivable	26,213	(17,509)	3,224
Inventory	--	14,230	--
Increase (decrease) in:			
Accounts payable	233,519	(32,459)	167,589
Accrued payroll and benefits	8,613	1,563	--
Due to other governmental agencies	--	--	--
Compensated absences payable	(5,324)	5,275	--
Deferred revenue	--	13,538	--
Claims payable	--	--	--
Change in Landfill liability	(162,148)	--	--
<b>Net Cash Provided (Used) by Operating Activities</b>	\$ 1,947,787	\$ (245,281)	\$ 95,161

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

Enterprise Funds		
Other Enterprise Funds	Totals	Internal Service Funds
\$ 568,762	\$ 12,476,613	\$ 6,850,016
(1,701,886)	(8,594,251)	(5,173,322)
(1,268,788)	(4,486,607)	(774,202)
<u>(2,401,912)</u>	<u>(604,245)</u>	<u>902,492</u>
2,375,373	3,664,244	38,499
145,730	271,495	(325,744)
<u>2,521,103</u>	<u>3,935,739</u>	<u>(287,245)</u>
(531,444)	(3,993,392)	(260,484)
4,475	4,475	--
164,774	250,276	--
--	1,376,933	--
--	500,000	--
--	(617,359)	(3,901)
--	(500,360)	(1,081)
<u>(362,195)</u>	<u>(2,979,427)</u>	<u>(265,466)</u>
13,083	391,775	63,669
<u>13,083</u>	<u>391,775</u>	<u>63,669</u>
(229,921)	743,842	413,450
618,654	14,247,940	2,359,322
<u>\$ 388,733</u>	<u>\$ 14,991,782</u>	<u>\$ 2,772,772</u>
\$ (2,619,736)	\$ (1,885,416)	\$ 399,718
182,522	989,545	458,317
(14,151)	(2,223)	25,392
3,603	17,833	(34,263)
(8,547)	360,102	156,572
6,906	17,082	20,769
40,214	40,214	--
8,552	8,503	65,350
--	13,538	--
--	--	(189,363)
(1,275)	(163,423)	--
<u>\$ (2,401,912)</u>	<u>\$ (604,245)</u>	<u>\$ 902,492</u>

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

**COUNTY OF NEVADA, CALIFORNIA**

Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2006

	Investment Trust Funds	Agency Funds
	<u>                    </u>	<u>                    </u>
<b><u>ASSETS</u></b>		
Cash and investments	\$ 59,976,327	\$ 1,508,841
Taxes receivable	--	7,659,395
Restricted Assets:		
Cash and investments	--	236,484
<b>Totals Assets</b>	<u><u>\$ 59,976,327</u></u>	<u><u>\$ 9,404,720</u></u>
<b><u>LIABILITIES</u></b>		
Agency obligations	\$ --	3,613,201
Due to other funds	--	5,791,519
<b>Total Liabilities</b>	<u><u>                    </u></u>	<u><u>9,404,720</u></u>
<b><u>NET ASSETS</u></b>		
Net assets held in trust for pool participants	<u><u>\$ 59,976,327</u></u>	<u><u>\$ --</u></u>

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

**COUNTY OF NEVADA, CALIFORNIA**

Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Year Ended June 30, 2006

	<u>Investment Trust Funds</u>
<b><u>ADDITIONS:</u></b>	
Contributions to investment pool	\$ 337,957,024
Investment income	1,789,376
<b>Total Additions</b>	<u>339,746,400</u>
<b><u>DEDUCTIONS:</u></b>	
Distributions from investment pool	<u>338,756,233</u>
<b>Total Deductions</b>	<u>338,756,233</u>
<b>Total Change in Net Assets</b>	990,167
<b>Net Assets - Beginning</b>	<u>58,986,160</u>
<b>Net Assets - Ending</b>	<u><u>\$ 59,976,327</u></u>

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



**BASIC FINANCIAL STATEMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**



# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

### Note 1: Summary of Significant Accounting Policies

#### A. Description of the Reporting Entity

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

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

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

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

#### Blended Component Units

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

Special Revenue Funds:  
Nevada County Housing  
Authority  
Special assessment fund  
Special districts governed  
by the Board of Supervisors

Debt Service Funds:  
Nevada County Finance Authority

Enterprise Funds:  
Western Nevada County Solid  
Waste  
Airport  
Eastern Nevada County Solid Waste  
Transit Services  
Sanitation District

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

### Note 1: **Summary of Significant Accounting Policies** (continued)

#### A. **Description of the Reporting Entity** (continued)

##### Discretely Presented Component Units

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

#### B. **Basis of Presentation**

##### GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

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

##### FUND FINANCIAL STATEMENTS

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

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

**B. Basis of Presentation** (continued)

FUND FINANCIAL STATEMENTS (continued)

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

The County reports the following major governmental funds:

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

The County reports the following major enterprise funds:

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

## COUNTY OF NEVADA

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

B. **Basis of Presentation** (continued)

FUND FINANCIAL STATEMENTS (continued)

- The Sanitation District fund is an enterprise fund used to account for activity related to providing customers with sanitation management and billing for services provided by the County.

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet maintenance and self insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities, and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- Agency Funds account for assets held by the County as an agent for various local governments and for individuals.

C. **Basis of Accounting**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donation are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

### Note 1: **Summary of Significant Accounting Policies** (continued)

#### C. **Basis of Accounting** (continued)

occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

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

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

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

### D. Assets, Liabilities, and Equity

#### Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the enterprise funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

#### Investments

The County pools cash and investments with the County Treasurer. The pooled funds are invested in accordance with the County of Nevada's Investment Policy established pursuant to State law. All monies not required for immediate expenditure are invested or deposited to earn maximum yield consistent with safety and liquidity. Interest income from pooled investments is allocated to: 1) Those funds which are required by law or administrative action to receive interest; and, 2) Proprietary Funds. Interest is allocated quarterly based on the average daily aggregate cash balance in each fund.

The County follows the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investment Pools, which require governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred.

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 Treasurer-Tax Collector's office. The fair value of each participant's share in the pool is the same as the value of the 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.

Investments are reported in the accompanying balance sheet at fair value which is determined using selected bases annually. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

### D. **Assets, Liabilities, and Equity** (continued)

#### Investments (continued)

Under Section 53601 of the California Government Code, as amended, the collateral underlying a County's investments must be "delivered" to the County. If U.S. Treasury Bills are used as the underlying collateral, delivery may be made by book entry only. For all other collateral, the security must be physically delivered, either to the County or a third-party custodial agent.

Under California Senate Bill No. 2115, passed by the California Legislature in 1986, when a bank is used as a third-party custodial agent, the bank is permitted to maintain the underlying securities in either a "Trust Department" or a "Safekeeping Department". All of the County's investments except for the investment in LAIF and assessments bonds, as described in Note 7, are maintained in the "Safekeeping Departments" of applicable banks.

#### Receivables

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

In the fund financial statements, material receivables in governmental funds include revenue accruals such as taxes, grants, interest, and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. User fee receivable and interest earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

## COUNTY OF NEVADA

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

D. **Assets, Liabilities, and Equity** (continued)

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds”. Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets. See Note 3 for details of interfund transactions, including receivables and payables at year-end.

Inventory and Prepaid Costs

Inventories are stated at average cost for governmental funds and proprietary funds. Inventory recorded by governmental funds includes materials and supplies for roads and parts for fleet. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Reported inventories of governmental funds are equally offset by a fund balance reservation to indicate that portion of fund balance not available for future appropriation.

Certain payments to vendors reflect costs applicable to future accounting periods.

Restricted Assets

The County has \$3,139,827 restricted cash deposited with fiscal agents to meet Certificates of Participation reserve fund requirements.

Loans Receivables

For the purpose of the fund financial statements, Special Revenue Fund expenditures relating to long-term loans receivables arising from mortgage subsidy programs are charged to operations upon funding and the loans receivable are recorded. The balance of the long-term receivable includes loans that may be forgiven if certain terms and conditions of the loans are not met.

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

### Note 1: **Summary of Significant Accounting Policies** (continued)

#### D. **Assets, Liabilities, and Equity** (continued)

##### Capital Assets (continued)

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

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

#### GOVERNMENT-WIDE STATEMENTS

In the government-wide financial statements, property, plant, equipment, and infrastructure are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Prior to July 1, 2002, governmental funds infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

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

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

The maintained road system is reported using the modified approach. The County conducted a physical assessment of the maintained road system condition in fiscal year 2002-2003. This condition assessments will be performed every three years. The County's maintained road system has been classified as all paved or gravel roads in the County. The County uses the Metropolitan Transportation Commission's Pavement Management Software to maintain the pavement condition databases, to analyze the data and to make long-term pavement condition and budgetary forecasts.

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

D. **Assets, Liabilities, and Equity** (continued)

Capital Assets (continued)

GOVERNMENT-WIDE STATEMENTS (continued)

Each road segment is rated and given a Pavement Condition Index (PCI) value from zero to one hundred (0-100), where PCIs of 40 or better are assigned to be a “Fair” or better condition and roads with PCIs of 55 or better to be in a “Good” or better condition. The County’s policy relative to maintaining the maintained road system is to keep an average PCI rating of 62. This rating must be achieved over a three year period or by June 30, 2006. The first complete condition assessment of the County’s maintained road system was completed in fiscal year 2005/2006. As of June 30, 2006, the County’s road system was rated at a PCI of 65, for a three-year average PCI rating of 67. Accordingly, depreciation is not reported for this system and all expenditures, except for betterments and major improvements, made to the system are recorded as expenses.

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

FUND FINANCIAL STATEMENTS

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

Long-Term Debt

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

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of loans payable, accrued compensated absences, tax allocation bonds payable, and capital leases payable.

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

D. **Assets, Liabilities, and Equity** (continued)

FUND FINANCIAL STATEMENTS (continued)

Long-Term Debt (continued)

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

Compensated Absences

The County's policy regarding vacation is to permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

Equity Classifications

The government-wide and business-type fund financial statements utilize a net asset presentation. Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net assets – Consists of new assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

D. **Assets, Liabilities, and Equity** (continued)

Equity Classifications (continued)

FUND STATEMENTS (continued)

In the governmental fund financial statements, governmental funds report reserves and designations as segregated portions of fund balance. Reservations of fund balance are for amounts that are not available or are legally restricted by outside parties for use for a specific purpose. Designation of fund balance are established by action of management and represent tentative plans that are subject to change. The County's reserves and designations at June 30, 2006, are comprised of the following:

	<u>General</u>
Designated for:	
COP	\$ 43,000
Civil litigation	20,000
Realignment	300,000
General	2,877,000
General plan update	200,000
Special projects	2,090,000
Leave liability	1,650,000
Technology	725,000
PERS pension	<u>1,000,000</u>
Total	<u>\$ 8,905,000</u>

A description of reserves follows:

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

Reserved for Inventory and Prepaids – to reflect the portion of assets which do not represent available, spendable resources.

Reserved for Advances – to reflect advances that are long-term in nature.

Reserved for Long-Term Receivables – to reflect the portion of fund balance relating to State required low-to-moderate income housing set aside.

Reserved for Debt Service – To reflect the funds held for future payment on debt principal and interest.

# COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

**D. Assets, Liabilities, and Equity** (continued)

Equity Classifications (continued)

FUND STATEMENTS (continued)

A description of designations follows:

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

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

Designated for Realignment – to reflect the funds the County has set aside to fund subsequent Pot St. expenditures.

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

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

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

Designated for Technology – to reflect funds the County has set aside to fund subsequent upgrades. Designated for PERS Pension – to reflect funds the County has set aside to fund future PERS costs.

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

**E. Revenues, Expenditures, and Expenses**

Property Tax Levy, Collection and Maximum Rates

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

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

E. **Revenues, Expenditures, and Expenses** (continued)

### Property Tax Levy, Collection and Maximum Rates (continued)

The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the County, cities, school districts, and other districts.

The County assesses properties and bills for and collects property taxes as follows:

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year-end.

The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the “Teeter Plan”, as prescribed by Section 4717 of the California Revenue and Taxation code.

Under the Teeter Plan, penalties and interest collected on delinquent secured taxes are required to be held in trust in the Tax Loss Recovery Fund (TLRF). The primary purpose of TLRF is to cover losses that may occur as a result of special sales of tax-defaulted property.

The County is legally required to maintain a minimum balance of 1% of the annual taxes levied on properties participating in the Teeter Plan. The balance in the Tax Loss Reserve Fund (TLRF) was \$1,454,848 at June 30, 2006. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in an agency fund.

### 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.

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 1: **Summary of Significant Accounting Policies** (continued)

E. **Revenues, Expenditures, and Expenses** (continued)

Expenditures/Expenses

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

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

- Government Funds – By Character
  - Current (further classified by function)
  - Debt Service
  - Capital Outlay
- Proprietary Fund – By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

F. **Estimates**

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

Note 2: **Stewardship, Compliance, and Accountability**

A. **Restatement of Equity**

Adjustments resulting from errors or a change to comply with the provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net assets/fund balance. For the fiscal year ended June 30, 2006, the airport fund recorded an adjustment to account for prior year accumulated depreciation of (\$668,746). An adjustment of \$761,924 was made to governmental activities to account for current year building additions expensed during the prior year. Beginning net assets was adjusted to reflect these adjustments in the government-wide and the fund financial statements.

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 2: **Stewardship, Compliance, and Accountability** (continued)

### B. Deficit Fund Balance/Net Assets

The following enterprise and internal service funds reported net asset deficits at June 30, 2006:

*Enterprise* – The Western Nevada County Solid Waste fund had a net assets deficit of \$8,358,985, due to booking the postclosure liability of \$13,472,930 in accordance with GASB Statement 18. The County has established a pledge of revenues consisting of parcel charges to demonstrate financial responsibility for postclosure maintenance in accordance with California Code of Regulations.

*Internal Service Fund* – The Central Services Fund had a net assets deficit of \$13,132. Future charges will eliminate the deficit.

### C. Rebatable Arbitrage

The County is obligated to calculate arbitrage rebates on all tax allocation bonds. There was no rebatable arbitrage liability at June 30, 2006.

### D. Gann Spending Limitation

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

Note 3: **Cash and Investments**

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

The investment pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

### Note 3: **Cash and Investments** (continued)

The County investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

At June 30, 2006, total County cash and investments at fair value were as follows:

#### *Cash:*

Cash on hand	\$	2,005,810
Imprest cash		24,145
Certificates of deposit		500,000
Deposits (less outstanding warrants)		12,962,179
Total cash		<u>15,492,134</u>

#### *Investments:*

In Treasurer's pool		98,998,233
With fiscal agents		3,377,971
Total investments		<u>102,376,204</u>
Total cash and investments	\$	<u>117,868,338</u>

Total cash and investments at June 30, 2006 were presented on the County's financial statements as follows:

Primary government	\$	56,145,026
Investment trust fund		59,976,327
Agency funds		1,746,985
Total cash and investments	\$	<u>117,868,338</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 3: **Cash and Investments** (continued)

Investments

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
State of California Obligations	5 Years	None	None
Banker's Acceptances	180	40%	30%
Commercial Paper - Select Agencies	270	25%	10%
Commercial Paper - Other Agencies	270	40%	10%
Negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium Term Notes	5 years	30%	None
Mutual Funds/Money Market Mutual Funds	N/A	20%	10%
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

At June 30, 2006, the County had the following investments:

	Interest Rates	Maturities	Par	Cost	Fair Value	WAM (Years)
<b>Investments in Investment Pool</b>						
U.S. agencies	2.42% to 4.14%	7/5/06 to 7/18/08	\$ 71,885,000	\$ 71,816,427	\$ 70,526,835	1.19
Commercial paper	4.81% to 5-10%	7/5/06 to 7/12/06	13,000,000	12,907,077	12,993,170	0.02
Medium term notes	2.85% to 4.14 %	11/2/06 to 8/2/07	10,450,000	10,349,384	10,321,879	0.62
Mutual fund	Variable	On Demand	5,156,350	5,156,350	5,156,350	0.00
<b>Total investments in investment pool</b>			<u>100,491,350</u>	<u>100,229,238</u>	<u>98,998,233</u>	0.92
<b>Investments Outside Investment Pool</b>						
Mutual funds	Variable	On Demand	3,377,971	3,377,971	3,377,971	---
<b>Total investments outside investment pool</b>			<u>3,377,971</u>	<u>3,377,971</u>	<u>3,377,971</u>	---
<b>Total investments</b>			<u>\$ 103,869,321</u>	<u>\$ 103,607,209</u>	<u>\$ 102,376,204</u>	

# COUNTY OF NEVADA

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

### Note 3: **Cash and Investments** (continued)

#### Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

#### Credit Risk

State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. The County does not have credit limits on government agency securities.

#### Concentration of Credit Risk

State law restricts the County's investments in commercial paper to 40% of its investment pool and 10% per issuer. At June 30, 2006, the County was in full compliance with state law.

State law also limits the County's investments in mutual funds to 20% of its investment pool and 10% per issuer. At June 30, 2006 the County held 2.00% of its pooled investments in mutual funds.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2006.

<b>Investments In Investment Pool</b>	<b>S&amp;P</b>	<b>Moody's</b>	<b>% of Portfolio</b>
U.S. government agency securities	AAA	Aaa	70.89%
Commercial paper	AAA	Aaa	13.06%
Medium Term Notes	AAA	AA1 & 2	10.37%
Mutual fund	Unrated	Unrated	5.18%
Certificates of deposit	Unrated	Unrated	0.50%
			<u>100.00%</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 3: **Cash and Investments** (continued)

Custodial Credit Risk

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The County's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information previously provided):

<u>Highly Sensitive Investments</u>	<u>Fair Value</u>
Investments in asset backed securities. These securities are based on cash flows for payments on underlying loans. Therefore, they are sensitive to prepayments by borrowers, which may result from a decline in interest rates.	\$ 70,526,835

County Investment pool Condensed Financial Statements

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2006:

**Statement of Net Assets**

Net assets held for pool participants	<u>\$ 114,490,367</u>
Equity of internal pool participants	\$ 54,514,040
Equity of external pool participants	59,976,327
Total net assets	<u>\$ 114,490,367</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 3: **Cash and Investments** (continued)

County Investment pool Condensed Financial Statements (continued)

**Statement of Changes in Net Assets**

Net assets at July 1, 2005	\$ 110,535,487
Net change in investments by pool participants	<u>3,954,880</u>
Net assets at June 30, 2006	<u><u>\$ 114,490,367</u></u>

Note 4: **Short-Term Debt**

The following is a summary of short-term liabilities transactions for the year ended June 30, 2006:

Business-Type Activities

	<u>Balance</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2006</u>
Line of credit	\$ <u>100,000</u>	\$ <u>500,000</u>	\$ <u>--</u>	\$ <u>600,000</u>

Description of Debt

The District entered into a line of credit agreement with Bank of the West for the purpose of financing project costs for the Lake Wildwood Wastewater Treatment and Disposal Facility. The line of credit caps at \$2,500,000 and is payable solely from Lake Wildwood Zone 1 enterprise revenues, and no other funds or revenues of the District, its other zones, or the County. The Agreement includes a covenant by the District to institute proceedings for the issuance and sale of revenue bonds, certificates of participation, other short-term notes or interim financing in an amount sufficient to pay the principal and interest on the loan. Advance requests must be for \$100,000 or more. Interest is payable semi-annual on each re-payment date and shall accrue on the unpaid principal balance at a rate of 2.90% per annum. Repayment dates are January 1 and July 1 of each year, through October 1, 2007, whereupon the term of the agreement ends and any unpaid principal and interest will be due at that time.

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 5: **Capital Assets**

Capital assets activity for the year ended June 30, 2006, was as follows:

	Balance July 1, 2005	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2006
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land and easements	\$ 99,342,531	\$ 2,594,658	\$ (117,295)	\$ --	\$ 101,819,894
Infrastructure (maintained road system)	99,438,700	793,244	--	104,917	100,336,861
Construction in progress	1,930,872	673,642	(2,413)	(1,456,410)	1,145,691
Total capital assets, not being depreciated	<u>200,712,103</u>	<u>4,061,544</u>	<u>(119,708)</u>	<u>(1,351,493)</u>	<u>203,302,446</u>
Capital assets, being depreciated:					
Infrastructure	27,046,195	117,018	(56,291)	1,351,493	28,458,415
Structures and improvements	45,871,293	4,084,344	--	--	49,955,637
Equipment	14,930,162	853,290	(364,661)	--	15,418,791
Total capital assets, being depreciated	<u>87,847,650</u>	<u>5,054,652</u>	<u>(420,952)</u>	<u>1,351,493</u>	<u>93,832,843</u>
Less accumulated depreciation for:					
Infrastructure	(10,839,723)	(464,636)	3,049	--	(11,301,310)
Structures and improvements	(15,340,444)	(970,977)	--	--	(16,311,421)
Equipment	(11,222,421)	(1,175,096)	352,474	--	(12,045,043)
Total accumulated depreciation	<u>(37,402,588)</u>	<u>(2,610,709)</u>	<u>355,523</u>	<u>--</u>	<u>(39,657,774)</u>
Total capital assets, being depreciated, net	<u>50,445,062</u>	<u>2,443,943</u>	<u>(65,429)</u>	<u>1,351,493</u>	<u>54,175,069</u>
Government activities capital assets, net	<u>\$ 251,157,165</u>	<u>\$ 6,505,487</u>	<u>\$ (185,137)</u>	<u>\$ --</u>	<u>\$ 257,477,515</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 5: **Capital Assets** (continued)

	Balance July 1, 2005	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2006
<b>Business-type Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 3,444,495	\$ --	\$ --	\$ --	\$ 3,444,495
Construction in progress	1,915,625	3,171,532	(88,613)	(19,338)	4,979,206
<b>Total capital assets, not being depreciated</b>	<b>5,360,120</b>	<b>3,171,532</b>	<b>(88,613)</b>	<b>(19,338)</b>	<b>8,423,701</b>
Capital assets, being depreciated:					
Infrastructure	21,484,987	--	--	--	21,484,987
Structures and improvements	2,096,248	222,872	--	19,338	2,338,458
Equipment	2,758,918	687,199	(163,249)	--	3,282,868
<b>Total capital assets, being depreciated</b>	<b>26,340,153</b>	<b>910,071</b>	<b>(163,249)</b>	<b>19,338</b>	<b>27,106,313</b>
Less accumulated depreciation for:					
Infrastructure	(9,472,121)	(579,394)	--	(668,746)	(10,720,261)
Structures and improvements	(1,078,089)	(109,764)	--	--	(1,187,853)
Equipment	(1,822,626)	(300,387)	163,249	--	(1,959,764)
<b>Total accumulated depreciation</b>	<b>(12,372,836)</b>	<b>(989,545)</b>	<b>163,249</b>	<b>(668,746)</b>	<b>(13,867,878)</b>
<b>Total capital assets, being depreciated, net</b>	<b>13,967,317</b>	<b>(79,474)</b>	<b>--</b>	<b>(649,408)</b>	<b>13,238,435</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 19,327,437</b>	<b>\$ 3,092,058</b>	<b>\$ (88,613)</b>	<b>\$ (668,746)</b>	<b>\$ 21,662,136</b>

Depreciation expense was charged to the governmental functions as follows:

General government	\$ 506,283
Public ways and facilities	734,960
Health and sanitation	121,058
Public assistance	49,423
Education	61,955
Public protection	678,713
	<hr/>

Subtotal Governmental Funds 2,152,392

Depreciation on capital assets held by the County's  
internal service funds are charged to the various  
functions based on their usage of the assets

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Total Depreciation Expense - Governmental Functions **\$ 2,610,709**

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 5: **Capital Assets** (continued)

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

Western Nevada County Solid Waste	\$ 119,724
Airport	265,369
Transit	182,522
Sanitation District	<u>421,932</u>
Total Depreciation Expense – Business-Type Functions	<u>\$ 989,547</u>

Note 6: **Leases**

Capital Leases

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

The following is a summary of equipment leased under capital lease agreements by the County as of June 30, 2006:

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2006</u>
Governmental Fund Activities:		
Equipment and vehicles	5.90% - 11.91%	\$ <u>50,255</u>
Total Capital Lease Obligations		<u>\$ 50,255</u>

The related depreciation on the equipment under capital leases is as follows:

	<u>Governmental Activities</u>
Equipment	\$ 95,655
Less accumulated depreciation	<u>(41,655)</u>
Net Value	<u>\$ 54,000</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 6: **Leases** (continued)

Capital Leases (continued)

As of June 30, 2006, future minimum lease payments under capital leases were as follows:

<u>Year Ended June 30</u>	<u>Governmental Activities</u>
2007	\$ 23,848
2008	12,902
2009	11,021
2010	5,376
2011	<u>4,480</u>
Total requirements	57,627
Less interest	<u>(7,372)</u>
Present value of remaining payments	<u>\$ 50,255</u>

Operating Leases

The County is committed under various noncancelable operating leases for buildings and equipment. The minimum future lease commitments on these leases are as follows:

<u>Year Ended June 30</u>	<u>Payments</u>
2007	\$ 1,108,573
2008	858,119
2009	343,801
2010	335,977
2011	<u>24,430</u>
Total	<u>\$ 2,670,900</u>

Rent expenditures were \$1,395,416 for the year ended June 30, 2006.

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 7: **Long-Term Liabilities**

The following is a summary of long-term liabilities transactions for the year ended June 30, 2006:

	Balance June 30, 2005	Additions	Deletions	Balance June 30, 2006	Amounts Due Within One Year
<b>Governmental Activities</b>					
Certificates of Participation	\$ 17,290,000	\$ --	\$ 1,660,000	\$ 15,630,000	\$ 900,000
Loans Payable	--	4,090,000	63,369	4,026,631	132,874
Accrued claims liability	954,908	1,331,465	1,520,828	765,545	765,545
Capital Leases	59,216	21,669	30,630	50,255	20,357
Compensated Absences	4,732,440	4,751,560	4,420,322	5,063,678	5,063,678
<b>Total Governmental Activities Long-Term Liabilities</b>	<b>\$ 23,036,564</b>	<b>\$ 10,194,694</b>	<b>\$ 7,695,149</b>	<b>\$ 25,536,109</b>	<b>\$ 6,882,454</b>
<b>Business-Type Activities</b>					
Certificates of Participation	\$ 10,100,000	\$ --	\$ 460,000	\$ 9,640,000	\$ 475,000
Loans Payable	518,541	--	46,359	472,182	49,007
Special Assessment Bonds Payable	417,000	--	111,000	306,000	72,000
Closure/Post-closure	13,794,578	371,277	534,700	13,631,155	--
Compensated Absences	216,759	275,406	264,850	227,315	227,315
<b>Total Business-Type Activities Long-Term Liabilities</b>	<b>\$ 25,046,878</b>	<b>\$ 646,683</b>	<b>\$ 1,416,909</b>	<b>\$ 24,276,652</b>	<b>\$ 823,322</b>

The accrued claims liability for governmental activities is liquidated by the General Liability internal service fund through charges to departments based on estimated claims. Historically, the General Fund comprised 44.8% of charges, the Health and Human Services fund 26%, and the Road fund 16.7%. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. The compensated absences liability will be liquidated by the County's governmental and internal service funds as well as funds representing business-type activities. Historically, 55% has been paid by the General Fund, 17% by the Human Services Administration, 9% by the Community Development Agency, 6% by business-type funds, and the remainder by other governmental and internal service funds.

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 7: **Long-Term Liabilities** (continued)

As of June 30, 2006, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30:	Governmental Activities			
	Certificates of Participation		Loan Payable	
	Principal	Interest	Principal	Interest
2007	\$ 900,000	\$ 679,160	\$ 132,874	\$ 204,835
2008	880,000	650,248	141,503	196,206
2009	910,000	618,904	150,700	187,010
2010	940,000	584,785	160,501	177,208
2011	980,000	547,560	170,948	166,762
2012-2016	5,510,000	2,059,225	892,285	692,592
2017-2021	5,510,000	601,493	1,117,875	455,484
2022-2026	--	--	1,259,943	156,079
	<u>\$ 15,630,000</u>	<u>\$ 5,741,375</u>	<u>\$ 4,026,629</u>	<u>\$ 2,236,176</u>

As of June 30, 2006, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30:	Business-type Activities					
	Certificates of Participation		Loans Payable		Special Assessments Bonds Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 475,000	\$ 436,749	\$ 49,007	\$ 21,005	\$ 72,000	\$ 18,445
2008	490,000	421,074	51,664	18,628	62,000	13,795
2009	505,000	403,434	54,327	16,119	72,000	9,110
2010	530,000	384,244	57,001	13,480	77,000	3,863
2011	545,000	363,044	50,494	10,708	2,000	1,100
2012-2016	3,125,000	1,437,000	192,474	27,192	12,000	3,900
2017-2021	3,970,000	616,475	17,215	737	9,000	675
	<u>\$ 9,640,000</u>	<u>\$ 4,062,020</u>	<u>\$ 472,182</u>	<u>\$ 107,869</u>	<u>\$ 306,000</u>	<u>\$ 50,888</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 7: **Long-Term Liabilities** (continued)

Long-term liabilities at June 30, 2006 consisted of the following:

<b><u>Governmental Activities</u></b>	Date of Issue	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at 6/30/2006
<u>Certificates of Participation Payable</u>						
2002 Issue ( <i>Defeased 1991 and 1993 Certificates of Participation financing the acquisition and construction of the County administration building and the County jail</i> )	2002	2020	4.05% - 5.25%	\$880,000 - \$1,660,000	\$ 21,385,000	\$ 15,630,000
<u>Loans Payable</u>						
Crown Point Building Loan ( <i>finance the acquisition of the Crown Point building to house County health programs</i> )	2006	2025	4.75%-6.75%	\$52,000-\$120,000	3,210,000	3,159,701
Laura Wilcox Building Loan ( <i>finance the acquisition of the Laura Wilcox building to house County children's programs</i> )	2006	2025	4.99%	\$13,400-\$34,200	880,000	866,930
Total Loans Payable					<u>4,090,000</u>	<u>4,026,631</u>
Total Governmental Activities					<u>\$ 25,475,000</u>	<u>\$ 19,656,631</u>
<b><u>Business-Type Activities</u></b>						
<u>Certificates of Participation Payable</u>						
2002 Refunding of 1991 Certificates of Participation	2002	2021	2.30% - 5.00%	\$475,000-\$900,000	\$ 11,415,000	\$ 9,640,000
<u>Loans Payable</u>						
CA Airport Loan	1997	2011	6.06%	\$16,660-\$24,701	258,500	108,570
CA Airport Loan	2001	2017	4.28%	\$17,215-\$30,519	360,000	266,350
SWRCB Revolving Loan	1996	2016	3.10%	\$8,445-\$11,116	170,367	97,262
Total Loans Payable					<u>788,867</u>	<u>472,182</u>
<u>Special Assessment Bonds Payable</u>						
North San Juan	1998	2018	5.00%	\$1,000 - \$3,000	76,130	31,000
Penn Valley	1990	2009	6.20%-7.10%	\$35,000-\$75,000	1,264,703	275,000
Total Special Assessment Bonds Payable					<u>1,340,833</u>	<u>306,000</u>
Total Business-Type Activities					<u>\$ 13,544,700</u>	<u>\$ 10,418,182</u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 7: **Long-Term Liabilities** (continued)

**Closure/Post Closure**

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

As of June 30, 2006 the County's estimated remaining liability for postclosure maintenance costs for the closed landfill was \$13,472,930. The estimated remaining liability for closure of the inactive landfill was \$53,225 with \$105,000 estimated for postclosure maintenance. These estimates are based on the amount that would be paid if all equipment, facilities, and services required to close and/or monitor the landfills were acquired as of June 30, 2006. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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

Note 8: **Deferred Revenue**

Governmental funds report deferred revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received or accrued but not yet earned.

At June 30, 2006, the various components of deferred revenue and unearned revenue reported were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
<i>Governmental Activities:</i>		
Permit fees	\$ 296,406	\$ --
Intergovernmental revenue	90,254	--
Total Governmental Activities	\$ 386,660	\$ --

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 8: **Deferred Revenue** (continued)

	<u>Unearned</u>
<i>Business-type Activities:</i>	
Prepaid rents	\$ 44,027
Intergovernmental revenue	<u>48,330</u>
 Total Business-type Activities	 <u>\$ 92,357</u>

Note 9: **Interfund Transactions**

**Due To/From Other Funds**

Operating receivables and payables between funds are classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2006:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Road Fund	\$ 8,409	Services provided
	Community Development Agency	77,892	Services provided
	Human Services Agency	462,147	Services provided
	Health and Welfare Realignment	150,000	Unused funding
	Nonmajor Governmental Funds	574,814	Services provided
	Airport	276	Services provided
	Western Nevada County Solid Waste Sanitation District	2,902	Services provided
		12,018	
	Nonmajor Enterprise Funds	611	Services provided
	Internal Service Funds	34,652	Services provided
	Fiduciary Funds	5,791,519	
	<u>7,115,240</u>		
Road Fund	General Fund	79,793	Services provided
	Nonmajor Governmental Funds	36,755	Services provided
	Western Nevada County Solid Waste Sanitation District	48,136	Services provided
		30,932	Services provided
	Nonmajor Enterprise Funds	6,673	Services provided
	Internal Service Funds	138,792	Services provided
	<u>341,081</u>		
Community Development Agency	General Fund	22,553	Services provided
	Health and Welfare Realignment	114,964	Unused funding
	Nonmajor Governmental Funds	72,445	Services provided
	<u>209,962</u>		
Health and Welfare Realignment	Human Services Agency	1,218,714	Program funding
		<u>1,218,714</u>	

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 9: **Interfund Transactions** (continued)

**Due To/From Other Funds** (continued)

Receivable Fund	Payable Fund	Amount	Purpose
Human Services Agency	General Fund	\$ 22,676	Services provided
	Community Development Agency	41,688	Services provided
	Health and Welfare Realignment	580,870	Unused funding
	Nonmajor Governmental Funds	399,877	Services provided
		<u>1,045,111</u>	
Nonmajor Governmental Funds	General Fund	149,228	Services provided
	Human Services Agency	22,495	Services provided
	Nonmajor Governmental Funds	544,641	Services provided
	Western Nevada County Solid Waste	615	Services provided
		<u>716,979</u>	
Airport	Nonmajor Governmental Funds	218	Services provided
		<u>218</u>	
Solid Waste	General Fund	300	
	Road Fund	703	Services provided
	Nonmajor Governmental Funds	9,683	Services provided
	Western Nevada County Solid Waste	403	Services provided
	Sanitation District	5,586	Services provided
		<u>16,675</u>	
Sanitation District	General Fund	64	Services provided
	Road Fund	1,869	Services provided
	Nonmajor Governmental Funds	1,662	Services provided
	Western Nevada County Solid Waste	1,087	Services provided
	Nonmajor Enterprise Funds	657	Services provided
		<u>5,339</u>	
Internal Service Funds	General Fund	110,994	Services provided
	Road Fund	122,788	Services provided
	Community Development Agency	19,918	Services provided
	Human Services Agency	31,858	Services provided
	Nonmajor Governmental Funds	19,171	Services provided
	Airport	719	Services provided
	Western Nevada County Solid Waste	5,155	Services provided
	Sanitation District	13,735	Services provided
	Nonmajor Enterprise Funds	52,035	Services provided
	Internal Service Funds	144,990	Services provided
		<u>521,363</u>	

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 9: **Interfund Transactions** (continued)

**Due To/From Other Funds** (continued)

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Nonmajor Enterprise Funds	Human Services Agency	\$ 410	Services provided
	Nonmajor Governmental Funds	3,142	Services provided
	Internal Service Funds	8	Services provided
	Nonmajor Enterprise Funds	<u>1,950</u>	Services provided
		<u>5,510</u>	
		<u><u>\$ 11,196,192</u></u>	

**Advances To/From Other Funds**

Advances to/from other funds are non-current interfund loans and are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriations and are not expendable available financial resources. The following are advances to/from other funds as of June 30, 2006:

General Fund	Airport	\$ 93,000
	Nonmajor Enterprise Funds	428,100
	Sanitation District	468,211
Internal Service Funds	Sanitation District	<u>150,000</u>
		<u><u>\$ 1,139,311</u></u>

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 9: **Interfund Transactions** (continued)

**Transfers**

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2006:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Human Services Agency	\$ 788,480	Budget support
	Health & Welfare Realignment	127,268	Unused funding
	Community Development Agency	1,593,819	Budget support
	Motor Vehicle Licenses Fees	2,134,999	Measure F Support
	Nonmajor Governmental Funds	3,228,515	Services Provided/Budget Support
	Internal Service Funds	10,454	Budget support
	Airport	57,795	Services Provided/Budget Support
		<u>7,941,330</u>	
Community Development Agency	Human Services Agency	41,688	Program funding
		<u>41,688</u>	
Health & Welfare Realignment	General Fund	150,000	Program funding
	Human Services Agency	6,510,133	Program funding
	Health & Welfare Realignment	479,161	Program funding
	Community Development Agency	281,506	Program funding
	Nonmajor Governmental Funds	79,398	Program funding
		<u>7,500,198</u>	
Motor Vehicle License Fees	General Fund	987,218	Program funding
	Road	3,868,003	Program funding
		<u>4,855,221</u>	
Nonmajor Governmental Funds	General Fund	6,918,216	Services provided
	Human Services Agency	602,998	Services provided
	Road	80,382	Services provided
	Community Development Agency	93,551	Services provided
	Nonmajor Governmental Funds	520,432	Services provided
		<u>8,215,579</u>	
Sanitation District	Internal Service Funds	6,030	
		<u>6,030</u>	
Nonmajor Governmental Funds	Nonmajor Enterprise Fund	8,650	Services provided
		<u>8,650</u>	
		<u>\$ 28,568,696</u>	

## COUNTY OF NEVADA

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

### Note 10: **Employees' Retirement Plan and Post Employment Benefits**

#### A. **Defined Benefit Pension Plan**

##### **Plan Description**

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

##### **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 2005/2006 was 5.032 percent for miscellaneous employees and 20.578 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.

##### **Annual Pension Cost**

For fiscal year 2005/2006, the County's annual pension cost of \$6,171,136 for PERS was equal to the County's actual contributions. The required contributions for fiscal year 2005/2006 were determined as part of the June 30, 2003, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.25 percent to 14.45 percent for miscellaneous plan and 3.25 percent to 13.15 percent for safety plan, depending on age, service, and type of employment, and (c) 3.25 percent per year cost of living adjustment. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of PERS assets were determined using techniques that smooth the effect of short term volatility in the market value of investments over a three year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into PERS. Subsequent plan amendments are amortized as a level percent of pay over a closed-20-year period.

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 10: **Employees' Retirement Plan and Post Employment Benefits** (continued)

**A. Defined Benefit Pension Plan** (continued)

**Three Year Trend Information for PERS**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2004	\$ 1,667,599	100%	\$ --
June 30, 2005	4,779,184	100%	--
June 30, 2006	6,171,136	100%	--

**B. Employee Benefits 457 Plan**

**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 until terminations, 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 not 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 not reflected on the County financial statements.

**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, 2006, 303 retired employees were covered and the cost of this coverage for the year ended June 30, 2006, was \$1,026,511.

**COUNTY OF NEVADA**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2006

Note 11: **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 self-insured risks of loss for public liability, unemployment, dental, and vision. The County is a member of the California State Association of Counties of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for Counties. Should actual loss among participants be greater than anticipated, the County will be assessed its pro rata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its pro rata share of the excess.

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

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

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, 2006, the Risk Management Fund's fund equity was \$2,015,646. The claims liability of \$765,545 reported in the funds at June 30, 2006, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which required that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably determined.

Changes in the County's claims liability amount for the fiscal years 2005 and 2006 were as follows:

	<u>Balance at Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Fiscal Year</u>
2005	\$ 977,573	\$ 968,228	\$ 990,893	\$ 954,908
2006	954,908	1,331,465	1,520,828	765,545

## COUNTY OF NEVADA

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

Note 11: **Risk Management** (continued)

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 12: **Other Information**

**Construction Commitments**

The County has signed agreements to construct various capital improvements subsequent to June 30 2006. The balance owed on the commitments at June 30, 2006, was \$26,928,324.

Note 13: **Contingent Liabilities**

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

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

Note 14: **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. See Note 11 for additional information.

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.

## COUNTY OF NEVADA

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2006

#### Note 15: **New Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) recently released new accounting and financial reporting standards. GASB Statement No. 45, *Accounting and Financial Reporting by Employers of Postemployment Benefits Other than Pensions (OPEB)*, and GASB Statement No. 47, *Accounting for Termination Benefits*, may have a significant impact on the County's financial reporting process.

GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expenses/expenditures, related assets and liabilities, note disclosures and, if applicable, required supplementary information in the financial reports of state and local government employers. GASB Statement No. 45 will be effective for the fiscal year ending June 30, 2008.

GASB Statement No. 47 provides guidance on how employers should account for benefits associated with either voluntary or involuntary terminations. The requirements of this Statement are effective in two parts. For termination benefits provided through an existing defined benefit OPEB plan, the provisions of this Statement should be implemented simultaneously with the requirements of GASB Statement No. 45. For all other termination benefits, this Statement is effective for financial statements for periods beginning after June 15, 2005.

## **REQUIRED SUPPLEMENTARY INFORMATION**



**COUNTY OF NEVADA**

Required Supplementary Information  
For the Year Ended June 30, 2006

**County Employees Retirement Plan (Defined Benefit Pension Plan)**

**Schedule of Funding Progress**

The tables below shows a three-year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30:

Funded Status of Miscellaneous Plan

<u>Valuation Date</u>	<u>Entry Age Normal Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded/ (Overfunded) Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/03	\$ 152,095,436	\$ 139,163,335	\$ 12,932,101	91.5%	\$ 40,784,868	31.7%
6/30/04	169,243,317	148,579,518	20,663,799	87.8%	41,529,003	49.8%
6/30/05	199,902,829	161,848,134	38,054,695	81.0%	42,832,755	88.8%

Effective fiscal year 2002-03, CalPERS requires cities with less than 100 active members in the plan to participate in the risk pool. The table below shows the three year analysis of the risk pool's actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30:

Risk Pool's Funded Status of Safety Plan

<u>Valuation Date</u>	<u>Entry Age Normal Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded/ (Overfunded) Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/03	\$ 4,270,573,982	\$ 3,577,742,166	\$ 692,831,816	83.8%	\$ 476,089,674	145.5%
6/30/04	5,383,921,942	4,424,586,846	959,335,096	82.2%	575,296,434	166.8%
6/30/05	6,367,049,264	5,295,150,375	1,071,898,889	83.2%	664,147,796	161.4%

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Budgetary fund balances, July 1</b>	\$ 8,279,192	\$ 7,532,448	\$ 11,274,036	\$ 3,741,588
<b>Resources (inflows):</b>				
Taxes	31,918,000	31,961,100	32,848,953	(887,853)
Licenses and permits	868,333	868,333	896,382	(28,049)
Fines, forfeits and penalties	2,039,703	2,039,703	1,873,887	165,816
Revenue from use of money and property	277,230	394,969	536,185	(141,216)
Aid from other governments	3,082,792	3,538,569	3,322,494	216,075
Charges for services	6,264,865	6,370,582	6,065,041	305,541
Miscellaneous revenue	1,227,457	1,282,936	1,071,950	210,986
Other financing sources	7,579,436	12,141,426	12,145,434	(4,008)
<b>Amounts available for appropriation</b>	<b>53,257,816</b>	<b>58,597,618</b>	<b>58,760,326</b>	<b>(162,708)</b>
<b>Charges to appropriations (outflows):</b>				
<i>General Government:</i>				
<i>Board of Supervisors:</i>				
Salaries and benefits	861,015	855,475	824,079	31,396
Services and supplies	106,730	117,306	94,106	23,200
Other charges	2,071	2,071	2,071	--
Subtotal	969,816	974,852	920,256	54,596
<i>Annual Audit:</i>				
Services and supplies	54,250	54,250	54,250	--
Other charges	(17,308)	(17,308)	(17,308)	--
Interfund activity	(31,947)	(31,947)	(31,929)	(18)
Subtotal	4,995	4,995	5,013	(18)
<i>County Executive Officer:</i>				
Salaries and benefits	936,107	976,580	977,204	(624)
Services and supplies	71,725	74,561	68,153	6,408
Interfund activity	(783,959)	(783,959)	(777,907)	(6,052)
Subtotal	223,873	267,182	267,449	(267)
<i>Assessor:</i>				
Salaries and benefits	2,000,710	1,884,520	1,917,942	(33,422)
Services and supplies	225,113	288,781	281,734	7,047
Other charges	212,938	212,938	212,938	--
Subtotal	2,438,761	2,386,239	2,412,613	(26,374)
<i>Auditor-Controller:</i>				
Salaries and benefits	1,090,400	1,083,475	1,065,175	18,300
Services and supplies	90,191	109,571	123,581	(14,010)
Interfund activity	(840,227)	(840,227)	(839,450)	(777)
Subtotal	340,364	352,819	349,307	3,512

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>General Government (continued):</i>				
Treasurer-Tax Collector:				
Salaries and benefits	\$ 750,156	\$ 745,539	\$ 739,366	\$ 6,173
Services and supplies	197,326	208,945	150,723	58,222
Interfund activity	(23,389)	(23,389)	(23,389)	--
Subtotal	<u>924,093</u>	<u>931,095</u>	<u>866,699</u>	<u>64,395</u>
Purchasing:				
Salaries and benefits	156,879	155,725	134,602	21,123
Services and supplies	73,306	73,306	75,813	(2,507)
Interfund activity	(162,250)	(162,250)	(162,914)	664
Subtotal	<u>67,935</u>	<u>66,781</u>	<u>47,501</u>	<u>19,280</u>
Collections:				
Salaries and benefits	141,148	140,225	136,881	3,344
Services and supplies	21,004	21,004	26,741	(5,737)
Other charges	(577)	(577)	(577)	--
Subtotal	<u>161,575</u>	<u>160,652</u>	<u>163,045</u>	<u>(2,393)</u>
Uses & Sources:				
Services and supplies	60,000	100,000	180,740	(80,740)
Other charges	235,311	235,311	242,479	(7,168)
Other financing uses	(799,866)	5,415,820	5,654,688	(238,868)
Intrafund activity	--	(761,710)	(761,710)	--
Subtotal	<u>(504,555)</u>	<u>4,989,421</u>	<u>5,316,197</u>	<u>(326,776)</u>
Trial Court Funding:				
Other charges	1,593,345	1,309,355	1,260,544	48,811
Subtotal	<u>1,593,345</u>	<u>1,309,355</u>	<u>1,260,544</u>	<u>48,811</u>
Prov for Contingency:				
Appropriation-Contingency	73,368	44,000	--	44,000
Subtotal	<u>73,368</u>	<u>44,000</u>	<u>--</u>	<u>44,000</u>
Building Debt Financing:				
Services and supplies	5,400	5,400	15,622	(10,222)
Other charges	80,255	(6,954)	(6,916)	(38)
Other financing uses	2,086,928	2,251,028	2,276,188	(25,160)
Subtotal	<u>2,172,583</u>	<u>2,249,474</u>	<u>2,284,894</u>	<u>(35,420)</u>
County Counsel:				
Salaries and benefits	1,017,531	1,013,699	984,671	29,028
Services and supplies	95,911	95,911	78,884	17,027
Interfund activity	(748,580)	(748,580)	(707,076)	(41,504)
Subtotal	<u>364,862</u>	<u>361,030</u>	<u>356,479</u>	<u>4,551</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>General Government (continued):</i>				
Personnel Services:				
Salaries and benefits	\$ 835,971	\$ 831,354	\$ 819,303	\$ 12,051
Services and supplies	310,049	310,049	288,507	21,542
Interfund activity	(956,298)	(956,298)	(926,457)	(29,841)
Subtotal	<u>189,722</u>	<u>185,105</u>	<u>181,353</u>	<u>3,752</u>
Countywide Succession Planning:				
Salaries and benefits	46,637	46,406	604	45,802
Services and supplies	53,363	53,363	11,250	42,113
Subtotal	<u>100,000</u>	<u>99,769</u>	<u>11,854</u>	<u>87,915</u>
Primary-General Election:				
Salaries and benefits	335,948	333,640	368,978	(35,338)
Services and supplies	459,274	629,139	598,978	30,162
Other charges	79,045	79,045	79,045	--
Subtotal	<u>874,267</u>	<u>1,041,824</u>	<u>1,047,001</u>	<u>(5,176)</u>
Facilities Mgmt:				
Salaries and benefits	1,218,784	1,210,705	1,208,345	2,360
Services and supplies	1,307,256	1,857,821	2,047,371	(189,550)
Capital outlay		22,126	19,492	2,634
Interfund activity	(1,791,904)	(1,964,943)	(2,214,309)	249,366
Subtotal	<u>734,136</u>	<u>1,125,709</u>	<u>1,060,900</u>	<u>64,810</u>
Capital Fac Projects:				
Services and supplies	10,850	379,229	108,143	271,086
Other charges	(10,469)	(10,469)	(10,469)	--
Capital outlay	145,500	4,302,544	4,214,642	87,902
Subtotal	<u>145,881</u>	<u>4,671,304</u>	<u>4,312,316</u>	<u>358,988</u>
Community Partners:				
Services and supplies	198,500	247,750	205,920	41,830
Other charges	1,650	1,650	1,650	--
Subtotal	<u>200,150</u>	<u>249,400</u>	<u>207,570</u>	<u>41,830</u>
Economic Development:				
Services and supplies	15,000	15,000	--	15,000
Subtotal	<u>15,000</u>	<u>15,000</u>	<u>--</u>	<u>15,000</u>
Assessment Appeals Board:				
Services and supplies	2,539	2,539	1,320	1,219
Other charges	4,777	4,777	4,777	--
Subtotal	<u>7,316</u>	<u>7,316</u>	<u>6,097</u>	<u>1,219</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>General Government (continued):</i>				
General Services Admin:				
Salaries and benefits	\$ --	\$ --	\$ 24,044	\$ 24,044
Subtotal	--	--	24,044	24,044
Insurance:				
Services and supplies	56,675	56,675	55,087	1,588
Interfund activity	(57,722)	(57,722)	(57,358)	(364)
Subtotal	(1,047)	(1,047)	(2,271)	1,224
Historical Landmarks:				
Services and supplies	250	351	351	--
Other charges	321	321	321	--
Subtotal	571	672	672	--
Information Systems:				
Salaries and benefits	2,937,696	2,922,922	2,931,383	(8,461)
Services and supplies	861,945	930,727	943,558	(12,831)
Capital outlay	25,765	49,765	41,696	8,069
Interfund activity	(3,305,606)	(3,317,606)	(3,390,391)	72,785
Subtotal	519,800	585,808	526,246	59,562
Geographic Information:				
Salaries and benefits	202,460	201,075	188,342	12,733
Services and supplies	92,373	92,373	60,651	31,722
Other charges	(6,614)	(6,614)	(6,614)	--
Subtotal	288,219	286,834	242,378	44,456
Surveying:				
Services and supplies	171,274	233,691	233,691	--
Other charges	2,997	2,997	2,997	--
Subtotal	174,271	236,688	236,688	--
Cable TV Services:				
Services and supplies	65,623	82,739	50,676	32,063
Other charges	7,184	7,184	7,184	--
Subtotal	72,807	89,923	57,860	32,063
<i>Total General Government</i>	12,152,108	22,692,201	22,162,706	529,495

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Public Protection:</i>				
Court Security:				
Salaries and benefits	\$ 636,596	\$ 633,826	\$ 563,090	70,736
Services and supplies	75,253	75,253	78,596	(3,343)
Other charges	6,684	6,684	6,684	--
Subtotal	<u>718,533</u>	<u>715,763</u>	<u>648,369</u>	<u>67,394</u>
Grand Jury:				
Services and supplies	55,860	63,775	63,775	--
Other charges	4,251	4,251	4,251	--
Subtotal	<u>60,111</u>	<u>68,026</u>	<u>68,026</u>	<u>--</u>
District Attorney:				
Salaries and benefits	2,477,725	2,472,554	2,472,554	--
Services and supplies	212,640	287,412	287,403	9
Other charges	192,709	192,709	192,709	--
Interfund activity	(6,000)	(2,525)	(2,526)	1
Subtotal	<u>2,877,074</u>	<u>2,950,150</u>	<u>2,950,140</u>	<u>10</u>
Public Defender Services:				
Salaries and benefits	1,322,922	1,241,920	1,228,017	13,903
Services and supplies	184,704	184,704	178,839	5,865
Other charges	(135,310)	(135,310)	(135,310)	--
Interfund activity			(4,690)	4,690
Subtotal	<u>1,372,316</u>	<u>1,291,314</u>	<u>1,266,857</u>	<u>24,457</u>
Conflict Indigent Defense:				
Services and supplies	464,000	953,218	952,962	256
Other charges	9,042	9,042	9,042	--
Subtotal	<u>473,042</u>	<u>962,260</u>	<u>962,004</u>	<u>256</u>
Sheriff Admin Support Svc:				
Salaries and benefits	8,558,058	8,514,660	8,580,861	(66,201)
Services and supplies	1,582,055	2,196,719	1,686,192	510,527
Other charges	698,951	698,951	698,951	--
Capital outlay	122,801	135,767	91,790	43,977
Debt service	20,649	20,649	18,488	2,161
Other financing use	16,309	16,309	339	15,970
Interfund activity	(1,045)	(1,045)	(1,568)	523
Subtotal	<u>10,997,778</u>	<u>11,582,010</u>	<u>11,075,053</u>	<u>506,957</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Public Protection (continued):</i>				
Department of Corrections:				
Salaries and benefits	\$ 5,739,674	\$ 5,705,971	\$ 5,705,528	\$ 443
Services and supplies	1,393,810	1,393,810	1,445,343	(51,533)
Other charges	673,506	673,506	673,486	20
Capital outlay	102,400	102,400	70,454	31,946
Other financing uses	16,715	16,715	5,211	11,504
Interfund activity	(32,970)	(32,970)	(41,692)	8,722
Subtotal	<u>7,893,135</u>	<u>7,859,432</u>	<u>7,858,330</u>	<u>1,102</u>
Inmate Medical Services:				
Other charges	1,239,465	1,239,465	1,247,878	(8,413)
Subtotal	<u>1,239,465</u>	<u>1,239,465</u>	<u>1,247,878</u>	<u>(8,413)</u>
Sheriff Truckee Operations:				
Salaries and benefits	1,458,676	1,450,827	1,371,448	79,379
Services and supplies	132,804	167,988	200,925	(32,937)
Other charges	11,407	11,407	11,408	(1)
Debt service	4,387	4,387	4,380	7
Other financing uses	35,136	35,136	2,102	33,034
Subtotal	<u>1,642,410</u>	<u>1,669,745</u>	<u>1,590,263</u>	<u>79,482</u>
Juvenile Hall:				
Salaries and benefits	1,508,346	1,496,342	1,300,746	195,596
Services and supplies	235,502	297,748	351,510	(53,762)
Other charges	195,087	195,087	195,087	--
Capital outlay	--	15,378	12,803	2,575
Subtotal	<u>1,938,935</u>	<u>2,004,555</u>	<u>1,860,146</u>	<u>144,409</u>
Probation Department:				
Salaries and benefits	2,668,124	2,632,200	2,578,622	53,578
Services and supplies	693,940	755,733	745,431	10,302
Other charges	228,337	248,337	242,505	5,832
Other financing uses	--	3,000	2,802	198
Interfund activity	(299,088)	(299,088)	(284,019)	(15,069)
Subtotal	<u>3,291,313</u>	<u>3,340,182</u>	<u>3,285,342</u>	<u>54,840</u>
Ag Services:				
Salaries and benefits	347,718	345,848	350,425	(4,577)
Services and supplies	137,103	137,103	116,985	20,118
Other charges	23,504	23,504	23,504	--
Interfund activity	(103,679)	(103,679)	(70,112)	(33,567)
Subtotal	<u>404,646</u>	<u>402,776</u>	<u>420,801</u>	<u>(18,025)</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Public Protection (continued):</i>				
Weights & Measure:				
Salaries and benefits	\$ 63,702	\$ 63,263	\$ 74,345	\$ (11,082)
Services and supplies	8,048	17,255	16,503	752
Other charges	1,193	1,193	1,192	1
Interfund activity	(1,209)	(1,209)	--	(1,209)
Subtotal	<u>71,734</u>	<u>80,502</u>	<u>92,040</u>	<u>(11,538)</u>
Clerk Recorder:				
Salaries and benefits	665,309	660,231	636,390	23,841
Services and supplies	113,511	113,511	96,928	16,583
Other charges	103,179	103,179	103,179	--
Interfund activity	(144,974)	(144,974)	(143,050)	(1,924)
Subtotal	<u>737,025</u>	<u>731,947</u>	<u>693,448</u>	<u>38,499</u>
Emergency Services:				
Salaries and benefits	56,335	56,104	99,377	(43,273)
Services and supplies	327,888	272,085	203,195	68,890
Other charges	20,588	20,588	20,588	--
Capital outlay	311,028	392,734	--	392,734
Interfund activity	--	(25,903)	(903)	(25,000)
Subtotal	<u>715,839</u>	<u>715,608</u>	<u>322,257</u>	<u>393,351</u>
Animal Control:				
Salaries and benefits	468,232	464,539	468,558	(4,019)
Services and supplies	191,295	191,295	183,025	8,270
Other charges	21,385	21,385	21,385	--
Subtotal	<u>680,912</u>	<u>677,219</u>	<u>672,968</u>	<u>4,251</u>
<i>Total Public Protection</i>	<u>35,114,268</u>	<u>36,290,954</u>	<u>35,013,921</u>	<u>1,277,033</u>
<i>Public Assistance:</i>				
Victim Witness:				
Salaries and benefits	180,351	181,466	183,440	(1,974)
Services and supplies	18,831	41,342	39,311	2,031
Other charges	10,320	10,320	10,319	1
Subtotal	<u>209,502</u>	<u>233,128</u>	<u>233,069</u>	<u>59</u>
<i>Total Public Assistance</i>	<u>209,502</u>	<u>233,128</u>	<u>233,069</u>	<u>59</u>

**COUNTY OF NEVADA**

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Education:</i>				
Farm Advisor				
Salaries and benefits	\$ 58,928	\$ 58,466	\$ 64,903	\$ (6,437)
Services and supplies	31,672	31,672	27,623	4,049
Other charges	7,320	7,320	7,320	--
Subtotal	<u>97,920</u>	<u>97,458</u>	<u>99,846</u>	<u>(2,388)</u>
 <i>Total Education</i>	 <u>97,920</u>	 <u>97,458</u>	 <u>99,846</u>	 <u>(2,388)</u>
 <b>Total Charges to Appropriations</b>	 <u>\$ 47,573,798</u>	 <u>\$ 59,313,740</u>	 <u>\$ 57,509,542</u>	 <u>\$ 1,804,198</u>
 <b>Budgetary fund balances, June 30</b>	 <u>\$ 13,963,210</u>	 <u>\$ 6,816,326</u>	 <u>\$ 12,524,820</u>	 <u>\$ 1,774,682</u>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Road Fund - Major Special Revenue Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ --	\$ --	\$ 24,120	\$ 24,120
Licenses and permits	43,000	43,000	25,379	(17,621)
Use of money and property	13,959	13,959	95,544	81,585
Intergovernmental	5,534,695	6,180,778	6,711,906	531,128
Charges for other services	661,664	673,657	594,181	(79,476)
Other revenue	--	--	22,849	22,849
<b>Total Revenues</b>	<b>6,253,318</b>	<b>6,911,394</b>	<b>7,473,979</b>	<b>562,585</b>
<b><u>EXPENDITURES</u></b>				
Current:				
Public ways and facilities	8,039,598	9,949,800	7,343,127	2,606,673
Capital Outlay	3,478,500	3,959,100	1,324,778	2,634,322
<b>Total Expenditures</b>	<b>11,518,098</b>	<b>13,908,900</b>	<b>8,667,905</b>	<b>5,240,995</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(5,264,780)</b>	<b>(6,997,506)</b>	<b>(1,193,926)</b>	<b>5,803,580</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	3,961,779	4,943,822	3,948,385	(995,437)
<b>Total Other Financing Sources (Uses)</b>	<b>3,961,779</b>	<b>4,943,822</b>	<b>3,948,385</b>	<b>(995,437)</b>
<b>Net Change in Fund Balances</b>	<b>(1,303,001)</b>	<b>(2,053,684)</b>	<b>2,754,459</b>	<b>4,808,143</b>
<b>Fund Balances - Beginning</b>	<b>4,756,925</b>	<b>4,756,925</b>	<b>4,756,925</b>	<b>--</b>
<b>Fund Balances - Ending</b>	<b>\$ 3,453,924</b>	<b>\$ 2,703,241</b>	<b>\$ 7,511,384</b>	<b>\$ 4,808,143</b>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Community Development Agency - Major Special Revenue Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ 6,935	\$ 6,935	\$ 13,012	\$ 6,077
Licenses and permits	1,807,389	1,807,389	2,089,099	281,710
Fines and forfeitures	1,315	1,315	9,606	8,291
Use of money and property	25,571	25,571	40,428	14,857
Intergovernmental	594,640	931,610	617,231	(314,379)
Charges for other services	2,312,679	2,455,334	2,273,664	(181,670)
Other revenue	166,869	166,869	34,916	(131,953)
<b>Total Revenues</b>	<b>4,915,398</b>	<b>5,395,023</b>	<b>5,077,956</b>	<b>(317,067)</b>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	4,505,095	4,965,307	4,468,027	497,280
Health and sanitation	2,366,412	2,366,582	2,244,933	121,649
Capital outlay	--	39,076	38,052	1,024
<b>Total Expenditures</b>	<b>6,871,507</b>	<b>7,370,965</b>	<b>6,751,012</b>	<b>619,953</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,956,109)</b>	<b>(1,975,942)</b>	<b>(1,673,056)</b>	<b>302,886</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	1,893,278	1,884,506	1,968,876	84,370
Transfers out	(7,576)	(7,576)	(41,688)	(34,112)
<b>Total Other Financing Sources (Uses)</b>	<b>1,885,702</b>	<b>1,876,930</b>	<b>1,927,188</b>	<b>50,258</b>
<b>Net Change in Fund Balances</b>	<b>(70,407)</b>	<b>(99,012)</b>	<b>254,132</b>	<b>353,144</b>
<b>Fund Balances - Beginning</b>	<b>378,300</b>	<b>378,300</b>	<b>378,300</b>	<b>--</b>
<b>Fund Balances - Ending</b>	<b>\$ 307,893</b>	<b>\$ 279,288</b>	<b>\$ 632,432</b>	<b>\$ 353,144</b>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Human Services Agency - Major Special Revenue Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Licenses and permits	\$ 1,224	\$ 1,224	\$ 702	\$ (522)
Fines and forfeitures	--	--	612	612
Use of money and property	14,258	14,258	46,915	32,657
Intergovernmental	24,285,061	25,337,906	25,108,853	(229,053)
Charges for other services	618,869	618,869	388,380	(230,489)
Other revenue	10,000	23,137	570,948	547,811
<b>Total Revenues</b>	<b>24,929,412</b>	<b>25,995,394</b>	<b>26,116,410</b>	<b>121,016</b>
<b><u>EXPENDITURES</u></b>				
Current:				
Public assistance	19,362,660	20,370,424	19,557,618	812,806
Health and sanitation	14,241,004	14,782,366	14,209,405	572,961
Capital Outlay	26,497	96,671	44,709	51,962
<b>Total Expenditures</b>	<b>33,630,161</b>	<b>35,249,461</b>	<b>33,811,732</b>	<b>1,437,729</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(8,700,749)</b>	<b>(9,254,067)</b>	<b>(7,695,322)</b>	<b>1,558,745</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	8,697,249	9,118,568	7,943,299	(1,175,269)
<b>Total Other Financing Sources (Uses)</b>	<b>8,697,249</b>	<b>9,118,568</b>	<b>7,943,299</b>	<b>(1,175,269)</b>
<b>Net Change in Fund Balances</b>	<b>(3,500)</b>	<b>(135,499)</b>	<b>247,977</b>	<b>383,476</b>
<b>Fund Balances - Beginning</b>	<b>1,329,641</b>	<b>1,329,641</b>	<b>1,329,641</b>	<b>--</b>
<b>Fund Balances - Ending</b>	<b>\$ 1,326,141</b>	<b>\$ 1,194,142</b>	<b>\$ 1,577,618</b>	<b>\$ 383,476</b>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Health and Welfare Realignment - Major Special Revenue Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money or property	\$ --	\$ --	\$ (13,815)	\$ (13,815)
Intergovernmental	6,685,730	6,685,730	6,690,695	4,965
Other revenue	--	--	338,444	338,444
<b>Total Revenues</b>	<b>6,685,730</b>	<b>6,685,730</b>	<b>7,015,324</b>	<b>329,594</b>
<b><u>EXPENDITURES</u></b>				
Current:				
Health and sanitation	190	190	338,633	(338,443)
<b>Total Expenditures</b>	<b>190</b>	<b>190</b>	<b>338,633</b>	<b>(338,443)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>6,685,540</b>	<b>6,685,540</b>	<b>6,676,691</b>	<b>(8,849)</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	127,268	127,268	606,429	479,161
Transfers out	(7,871,868)	(8,182,960)	(7,500,198)	682,762
<b>Total Other Financing Sources (Uses)</b>	<b>(7,744,600)</b>	<b>(8,055,692)</b>	<b>(6,893,769)</b>	<b>1,161,923</b>
<b>Net Change in Fund Balances</b>	<b>(1,059,060)</b>	<b>(1,370,152)</b>	<b>(217,078)</b>	<b>1,153,074</b>
<b>Fund Balances - Beginning</b>	<b>5,634,531</b>	<b>5,634,531</b>	<b>5,634,531</b>	<b>--</b>
<b>Fund Balances - Ending</b>	<b>\$ 4,575,471</b>	<b>\$ 4,264,379</b>	<b>\$ 5,417,453</b>	<b>\$ 1,153,074</b>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Motor Vehicle License - Major Special Revenue Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Other revenue	\$ --	\$ --	\$ (13,843)	\$ (13,843)
Intergovernmental	847,043	1,405,564	32,839	(1,372,725)
<b>Total Revenues</b>	847,043	1,405,564	18,996	(1,386,568)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	847,043	1,405,564	18,996	(1,386,568)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	--	--	2,134,999	2,134,999
Transfers out	(2,178,077)	(4,700,000)	(4,855,221)	(155,221)
<b>Total Other Financing Sources (Uses)</b>	(2,178,077)	(4,700,000)	(2,720,222)	1,979,778
<b>Net Change in Fund Balances</b>	(1,331,034)	(3,294,436)	(2,701,226)	593,210
<b>Fund Balances - Beginning</b>	10,395,776	10,395,776	10,395,776	--
<b>Fund Balances - Ending</b>	\$ 9,064,742	\$ 7,101,340	\$ 7,694,550	\$ 593,210

## COUNTY OF NEVADA

Note to Required Supplementary Information  
For the Year Ended June 30, 2006

### **BUDGETARY BASIS OF ACCOUNTING**

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

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

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for all governmental funds except for debt service funds, the expenditures of which are controlled by provisions of debt agreements. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

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

Health and Welfare Realignment fund expenditures exceeded appropriations by \$338,443 due to a correction of prior year vehicle license fee and sales tax revenue shift. The expenditures were offset by a matching entry to the other revenue category.

**COUNTY OF NEVADA**

Note to Required Supplementary Information  
For the Year Ended June 30, 2006

**INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH**

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

The first complete condition assessment of the County’s maintained road system was completed in FY 2005-06. As of June 30, 2006, the County’s road system was rated at a PCI of 65, for a three-year average PCI rating of 67.

**Pavement Condition Index of County’s Maintained Road System**

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
PCI Index	65.00	67.00	68.00	65.00

For the year ended June 30, 2006, actual preservation maintenance and general maintenance costs were \$4,868,759, which was \$1,170,568 or 32% greater than estimated. Projects that were deferred due to anticipated reductions in State funding were later restored resulting in the increase. A three year history of planned to actual expenditures is provided below.

**Comparison of Planned-to-Actual Preservation and Maintenance**

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Planned	\$ 3,698,191	\$ 1,974,249	\$ 4,083,793	\$ 7,631,291
Actual	4,868,759	2,676,307	3,887,933	6,479,848

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

## **NONMAJOR GOVERNMENTAL FUNDS**

**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet  
 Non-Major Governmental Funds  
 June 30, 2006

	Special Revenue Funds	Debt Service Funds	Totals
	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 11,354,340	\$ 64,416	\$ 11,418,756
Accounts receivable	293,198	--	293,198
Due from other governmental agencies	1,504,321	--	1,504,321
Due from other funds	716,979	--	716,979
Loans receivable	3,334,070	--	3,334,070
Restricted Assets:			
Cash and investments	--	2,138,999	2,138,999
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Assets</b>	<b><u>\$ 17,202,908</u></b>	<b><u>\$ 2,203,415</u></b>	<b><u>\$ 19,406,323</u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 1,306,552	\$ --	\$ 1,306,552
Accrued payroll and benefits	167,919	--	167,919
Due to other funds	1,657,576	4,832	1,662,408
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities</b>	<b><u>3,132,047</u></b>	<b><u>4,832</u></b>	<b><u>3,136,879</u></b>
 <b>FUND BALANCES</b>			
Reserved for:			
Debt service	--	2,198,583	2,198,583
Encumbrances	63,013	--	63,013
Long-term receivables	3,334,070	--	3,334,070
Unreserved:			
Undesignated	10,673,778	--	10,673,778
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Fund Balances</b>	<b><u>14,070,861</u></b>	<b><u>2,198,583</u></b>	<b><u>16,269,444</u></b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 17,202,908</u></b>	<b><u>\$ 2,203,415</u></b>	<b><u>\$ 19,406,323</u></b>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended June 30, 2006

	Special Revenue Funds	Debt Service Funds	Totals
	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>REVENUES</u></b>			
Taxes and assessments	\$ 1,725,639	\$ --	\$ 1,725,639
Lincenses & Permits	10,879	--	10,879
Fines & forfeitures	529,585	--	529,585
Use of money and property	247,868	130,107	377,975
Intergovernmental	16,081,745	--	16,081,745
Charges for other services	1,339,429	--	1,339,429
Miscellaneous revenue	888,529	4,756	893,285
<b>Total Revenues</b>	<u>20,823,674</u>	<u>134,863</u>	<u>20,958,537</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	297,297	28,979	326,276
Public ways and facilities	523,004	--	523,004
Public protection	5,407,449	--	5,407,449
Health and sanitation	1,592,188	--	1,592,188
Public assistance	2,587,018	--	2,587,018
Education	2,710,246	--	2,710,246
Recreation	51,729	--	51,729
Capital outlay	56,941	--	56,941
Debt Service			
Principal	--	1,723,369	1,723,369
Interest and other charges	--	823,608	823,608
<b>Total Expenditures</b>	<u>13,225,872</u>	<u>2,575,956</u>	<u>15,801,828</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>7,597,802</u>	<u>(2,441,093)</u>	<u>5,156,709</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	1,342,811	2,485,534	3,828,345
Transfers out	(8,215,579)	--	(8,215,579)
<b>Total Other Financing Sources (Uses)</b>	<u>(6,872,768)</u>	<u>2,485,534</u>	<u>(4,387,234)</u>
<b>Net Change in Fund Balances</b>	725,034	44,441	769,475
<b>Fund Balances - Beginning</b>	<u>13,345,827</u>	<u>2,154,142</u>	<u>15,499,969</u>
<b>Fund Balances - Ending</b>	<u>\$ 14,070,861</u>	<u>\$ 2,198,583</u>	<u>\$ 16,269,444</u>

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS:

Special revenue funds are used to account for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

#### Fish and Game

The fund provides for expenditures, which are used for the protection and propagation of fish and game. Revenues are from the County's share of fines collected for violations of fish and game laws.

#### Child Support Services

The fund provides for services to establish paternity, obtains and enforces court orders for child support, collects and distributes payments, and provides community outreach about those services for the benefit of minor children.

#### County-wide Tech Projects

The fund provides for technological projects that benefit the entire County.

#### Probation Fire Insurance Admin Grant

The fund provides for the administration of the insurance claims relating to the Probation Department Fire on March 20, 2002.

#### State/County Property Tax Admin Grant

State Department of Finance Revenue and Tax Code section 95.35 provides participation in the State/County Property Tax Administration Grant Program to supplement other funding for property tax administration.

#### Public Library

The fund finances public Library services for 3 branches and 2 stations located in the unincorporated and incorporated areas within the county.

#### Workers' Compensation

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

#### Nonmajor Human Service Agency

##### Proposition 36 SACPA

The fund was established for the deposit of Proposition 36 funds to allow the Human Services Agency to proceed with the Substance Abuse and Crime Prevention Act Plan.

##### Children's System of Care

The fund provides for a comprehensive, coordinated interagency children's system of care which provides the highest benefit to children and adolescents with serious emotional problems.

CBFRP Community Based Family Program

The fund was established to develop and implement a county-wide system of community based family resource services.

Sierra County ALCO PC 1463.16

The fund was established per Penal Code 1463.16 for the County's (Sierra County) Alcohol Program Plan which is submitted to the State Department of Alcohol and Drug Programs.

Nevada County Co ALCO PC 1463.16

The fund was established per Penal Code 1463.16 for the County's Alcohol Program Plan which is submitted to the State Department of Alcohol and Drug Programs.

Drug Education Trust

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

Alcohol Education PG PC 1463.25

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

Emergency Medical Services

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

Calworks Perform Incentive

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

Local Bioterrorism Preparedness

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

Children's Trust AB-2994

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

Health – VRIP

The fund provides for the Vital Records Improvement Program.

## Administration

### Forest Reserves

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

### Dryden Wilson

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

### Wildwood Estates Escrow Account

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

### Community Facilities District #1990-1 Wildwood Estates

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

### Wildwood Estates Mello-Roos

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

### Criminal Justice Temporary Facility Construction

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

### Courthouse Temporary Construction

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

### Public Safety Augment

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

### Dispute Resolution

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

### Community Development Agency

The fund provides for the for the fiscal, administrative, management, long-range planning and coordination services that support the efforts, authority and duties of the Building, Environmental Health, Agriculture, Planning Departments, which includes the Code Compliance Program.

### District Attorney

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

### Probation

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

### Recorder

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

### Sheriff

#### Automated Warrant System

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

#### Sheriff Anti-Drug Grant

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

#### CLETEP Grant-OCJP#LO9901

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

#### Civil Fee - AB709

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

#### Attachment Assessment Fee

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

#### Correctional Training

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

#### Inmate Welfare Fund

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

#### Truckee Animal Shelter

Fund set up in 1982 with a \$1000 donation from the Humane Society to go towards the funding of a Truckee based Animal Shelter.

#### Federal Asset Forfeiture Fund

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

#### Fingerprint Identification

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

#### Law Enforcement Services

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

#### Law Enforcement Block Grant

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

#### GC76104.6 St DNA ACT

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

#### State Asset Forfeiture

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

Housing Authority

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

Special Districts Governed by the Board of Supervisors

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

Department of Transportation

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

Housing and Community Services

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

**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 June 30, 2006

	<u>Fish and Game</u>	<u>Child Support Services</u>	<u>County-wide Tech Projects</u>	<u>Probation Fire Insurance Admin Grant</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 44,805	\$ 506,900	\$ 40,304	\$ 247,049
Accounts receivable	--	--	--	--
Due from other governmental agencies	--	--	--	--
Due from other funds	--	8,507	--	--
Loans receivable	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b><u>\$ 44,805</u></b>	<b><u>\$ 515,407</u></b>	<b><u>\$ 40,304</u></b>	<b><u>\$ 247,049</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>LIABILITIES</b>				
Accounts payable	\$ --	\$ 6,358	\$ --	\$ --
Accrued payroll and benefits	--	92,291	--	--
Due to other funds	--	15,674	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>114,323</u></b>	<b><u>--</u></b>	<b><u>--</u></b>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	--	--	--	--
Long-term receivables	--	--	--	--
Unreserved:				
Undesignated	44,805	401,084	40,304	247,049
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Fund Balance</b>	<b><u>44,805</u></b>	<b><u>401,084</u></b>	<b><u>40,304</u></b>	<b><u>247,049</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 44,805</u></b>	<b><u>\$ 515,407</u></b>	<b><u>\$ 40,304</u></b>	<b><u>\$ 247,049</u></b>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet (continued)  
 Non-Major Special Revenue Funds  
 June 30, 2006

	St/City Property Tax Admin Grant	Public Library	Workers' Compensation	Nonmajor Human Service Agency
<b><u>ASSETS</u></b>				
Cash and investments	\$ 9,449	\$ 599,337	\$ 266,544	\$ 934,210
Accounts receivable	--	263,461	--	5,127
Due from other governmental agencies	--	--	--	--
Due from other funds	--	130,048	--	22,495
Loans receivable	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b><u>\$ 9,449</u></b>	<b><u>\$ 992,846</u></b>	<b><u>\$ 266,544</u></b>	<b><u>\$ 961,832</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>LIABILITIES</b>				
Accounts payable	\$ --	\$ 35,765	\$ 7	\$ 42,985
Accrued payroll and benefits	--	51,728	--	2,249
Due to other funds	--	39,814	186,815	361,788
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>127,307</u></b>	<b><u>186,822</u></b>	<b><u>407,022</u></b>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	--	--	--	--
Long-term receivables	--	--	--	--
Unreserved:				
Undesignated	9,449	865,539	79,722	554,810
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Fund Balance</b>	<b><u>9,449</u></b>	<b><u>865,539</u></b>	<b><u>79,722</u></b>	<b><u>554,810</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 9,449</u></b>	<b><u>\$ 992,846</u></b>	<b><u>\$ 266,544</u></b>	<b><u>\$ 961,832</u></b>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet (continued)  
 Non-Major Special Revenue Funds  
 June 30, 2006

	<u>Administration</u>	<u>Community Development Agency</u>	<u>District Attorney</u>	<u>Probation</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 1,760,041	\$ 1,076,163	\$ 57,669	\$ 13,635
Accounts receivable	--	--	--	92
Due from other governmental agencies	1,195,297	--	--	--
Due from other funds	21,506	--	--	--
Loans receivable	--	--	--	--
<b>Total Assets</b>	<b><u>\$ 2,976,844</u></b>	<b><u>\$ 1,076,163</u></b>	<b><u>\$ 57,669</u></b>	<b><u>\$ 13,727</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,113,477	\$ --	\$ --	\$ 4,376
Accrued payroll and benefits	3,409	--	--	--
Due to other funds	153,293	17,873	--	376
<b>Total Liabilities</b>	<b><u>1,270,179</u></b>	<b><u>17,873</u></b>	<b><u>--</u></b>	<b><u>4,752</u></b>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	59,375	--	--	--
Long-term receivables	--	--	--	--
Unreserved:				
Undesignated	1,647,290	1,058,290	57,669	8,975
<b>Total Fund Balance</b>	<b><u>1,706,665</u></b>	<b><u>1,058,290</u></b>	<b><u>57,669</u></b>	<b><u>8,975</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 2,976,844</u></b>	<b><u>\$ 1,076,163</u></b>	<b><u>\$ 57,669</u></b>	<b><u>\$ 13,727</u></b>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet (continued)  
 Non-Major Special Revenue Funds  
 June 30, 2006

	<u>Recorder</u>	<u>Sheriff</u>	<u>Housing Authority</u>	<u>Special Districts Governed by the Board of Supervisors</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 1,399,444	\$ 1,263,697	\$ 131,377	\$ 805,595
Accounts receivable	2,482	12,577	--	--
Due from other governmental agencies	--	151,814	--	--
Due from other funds	--	198	13,336	--
Loans receivable	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b><u>\$ 1,401,926</u></b>	<b><u>\$ 1,428,286</u></b>	<b><u>\$ 144,713</u></b>	<b><u>\$ 805,595</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,196	\$ 52,874	\$ 458	\$ 5,681
Accrued payroll and benefits	--	--	5,106	--
Due to other funds	--	303,752	21,990	29,353
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b><u>1,196</u></b>	<b><u>356,626</u></b>	<b><u>27,554</u></b>	<b><u>35,034</u></b>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	--	--	--	--
Long-term receivables	--	--	--	--
Unreserved:				
Undesignated	1,400,730	1,071,660	117,159	770,561
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Fund Balance</b>	<b><u>1,400,730</u></b>	<b><u>1,071,660</u></b>	<b><u>117,159</u></b>	<b><u>770,561</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 1,401,926</u></b>	<b><u>\$ 1,428,286</u></b>	<b><u>\$ 144,713</u></b>	<b><u>\$ 805,595</u></b>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet (continued)  
 Non-Major Special Revenue Funds  
 June 30, 2006

	Department of Transportation	Housing and Community Services	Totals
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,887,062	\$ 311,059	\$ 11,354,340
Accounts receivable	9,459	--	293,198
Due from other governmental agencies	--	157,210	1,504,321
Due from other funds	615	520,274	716,979
Loans receivable	--	3,334,070	3,334,070
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ 1,897,136</b>	<b>\$ 4,322,613</b>	<b>\$ 17,202,908</b>
	<hr/>	<hr/>	<hr/>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 1,070	\$ 42,305	\$ 1,306,552
Accrued payroll and benefits	--	13,136	167,919
Due to other funds	5,459	521,389	1,657,576
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>6,529</b>	<b>576,830</b>	<b>3,132,047</b>
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES</b>			
Reserved for:			
Encumbrances	--	3,638	63,013
Long-term receivables	--	3,334,070	3,334,070
Unreserved:			
Undesignated	1,890,607	408,075	10,673,778
	<hr/>	<hr/>	<hr/>
<b>Total Fund Balance</b>	<b>1,890,607</b>	<b>3,745,783</b>	<b>14,070,861</b>
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,897,136</b>	<b>\$ 4,322,613</b>	<b>\$ 17,202,908</b>
	<hr/>	<hr/>	<hr/>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-Major Special Revenue Funds  
For the Year Ended June 30, 2006

	<u>Fish and Game</u>	<u>Child Support Services</u>	<u>County-wide Tech Projects</u>	<u>Probation Fire Insurance Admin Grant</u>
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ --	\$ --	\$ --	\$ --
Lincenses & Permits	--	--	--	--
Fines & forfeitures	3,954	--	--	--
Use of money and property	1,091	23,088	(52)	5,937
Intergovernmental	--	3,950,179	--	--
Charges for other services	--	--	--	--
Miscellaneous revenue	--	--	--	--
<b>Total Revenues</b>	<u>5,045</u>	<u>3,973,267</u>	<u>(52)</u>	<u>5,937</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	--	--	5,331	--
Public ways and facilities	--	--	--	--
Public protection	5,733	3,897,226	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	--	--
Education	--	--	--	--
Recreation	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<u>5,733</u>	<u>3,897,226</u>	<u>5,331</u>	<u>--</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(688)</u>	<u>76,041</u>	<u>(5,383)</u>	<u>5,937</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	(688)	76,041	(5,383)	5,937
<b>Fund Balances - Beginning</b>	<u>45,493</u>	<u>325,043</u>	<u>45,687</u>	<u>241,112</u>
<b>Fund Balances - Ending</b>	<u>\$ 44,805</u>	<u>\$ 401,084</u>	<u>\$ 40,304</u>	<u>\$ 247,049</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-Major Special Revenue Funds  
For the Year Ended June 30, 2006

	<u>St/City Property Tax Admin Grant</u>	<u>Public Library</u>	<u>Workers' Compensation</u>	<u>Nonmajor Human Services Agency</u>
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ --	\$ 1,693,103	\$ --	\$ --
Lincenses & Permits	--	--	--	--
Fines & forfeitures	--	--	--	--
Use of money and property	578	22,571	8,284	12,920
Intergovernmental	--	78,478	--	1,168,851
Charges for other services	--	94,848	--	19,023
Miscellaneous revenue	--	11,190	2,703	289,940
<b>Total Revenues</b>	<u>578</u>	<u>1,900,190</u>	<u>10,987</u>	<u>1,490,734</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	--	--	12,489	--
Public ways and facilities	--	--	--	--
Public protection	--	--	--	--
Health and sanitation	--	--	--	1,295,196
Public assistance	--	--	--	--
Education	--	2,594,359	--	--
Recreation	--	--	--	--
Capital Outlay	--	--	--	--
<b>Total Expenditures</b>	<u>--</u>	<u>2,594,359</u>	<u>12,489</u>	<u>1,295,196</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>578</u>	<u>(694,169)</u>	<u>(1,502)</u>	<u>195,538</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	--	685,902	--	166,476
Transfers out	--	--	--	(602,996)
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>685,902</u>	<u>--</u>	<u>(436,520)</u>
<b>Net Change in Fund Balances</b>	578	(8,267)	(1,502)	(240,982)
<b>Fund Balances - Beginning</b>	<u>8,871</u>	<u>873,806</u>	<u>81,224</u>	<u>795,792</u>
<b>Fund Balances - Ending</b>	<u>\$ 9,449</u>	<u>\$ 865,539</u>	<u>\$ 79,722</u>	<u>\$ 554,810</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-Major Special Revenue Funds  
For the Year Ended June 30, 2006

	<u>Administration</u>	<u>Community Development Agency</u>	<u>District Attorney</u>	<u>Probation</u>
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ --	\$ --	\$ --	\$ --
Lincenses & Permits	--	--	--	10,879
Fines & forfeitures	417,195	62,842	--	1,756
Use of money and property	40,655	24,593	1,171	124
Intergovernmental	6,958,449	17,376	955	--
Charges for other services	--	17,651	9,979	--
Miscellaneous revenue	5,842	111,825	22,234	7,832
<b>Total Revenues</b>	<u>7,422,141</u>	<u>234,287</u>	<u>34,339</u>	<u>20,591</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	116,665	--	--	--
Public ways and facilities	--	--	--	--
Public protection	633,427	26,289	29,455	1,736
Health and sanitation	225,230	17,873	--	13,992
Public assistance	--	--	--	--
Education	115,887	--	--	--
Recreation	--	51,729	--	--
Capital Outlay	43,377	--	--	--
<b>Total Expenditures</b>	<u>1,134,586</u>	<u>95,891</u>	<u>29,455</u>	<u>15,728</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>6,287,555</u>	<u>138,396</u>	<u>4,884</u>	<u>4,863</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	128,346	--	--	--
Transfers out	(6,381,918)	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>(6,253,572)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	33,983	138,396	4,884	4,863
<b>Fund Balances - Beginning</b>	<u>1,672,682</u>	<u>919,894</u>	<u>52,785</u>	<u>4,112</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,706,665</u>	<u>\$ 1,058,290</u>	<u>\$ 57,669</u>	<u>\$ 8,975</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-Major Special Revenue Funds  
For the Year Ended June 30, 2006

	<u>Recorder</u>	<u>Sheriff</u>	<u>Housing Authority</u>	<u>Special Districts Governed by the Board of Supervisors</u>
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ --	\$ --	\$ --	\$ 32,536
Lincenses & Permits	--	--	--	--
Fines & forfeitures	--	43,838	--	--
Use of money and property	(3,582)	35,936	2,735	18,724
Intergovernmental	--	692,883	1,435,712	428
Charges for other services	354,509	22,970	--	368,111
Miscellaneous revenue	--	244,524	49,806	--
<b>Total Revenues</b>	<u>350,927</u>	<u>1,040,151</u>	<u>1,488,253</u>	<u>419,799</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	--	--	--	--
Public ways and facilities	--	--	--	321,765
Public protection	255,758	557,825	--	--
Health and sanitation	--	--	--	--
Public assistance	--	--	1,438,979	--
Education	--	--	--	--
Recreation	--	--	--	--
Capital Outlay	13,564	--	--	--
<b>Total Expenditures</b>	<u>269,322</u>	<u>557,825</u>	<u>1,438,979</u>	<u>321,765</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>81,605</u>	<u>482,326</u>	<u>49,274</u>	<u>98,034</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	--	198	2,477	--
Transfers out	--	(839,393)	(2,477)	--
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>(839,195)</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	81,605	(356,869)	49,274	98,034
<b>Fund Balances - Beginning</b>	<u>1,319,125</u>	<u>1,428,529</u>	<u>67,885</u>	<u>672,527</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,400,730</u>	<u>\$ 1,071,660</u>	<u>\$ 117,159</u>	<u>\$ 770,561</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances (continued)  
Non-Major Special Revenue Funds  
For the Year Ended June 30, 2006

	<u>Department of Transportation</u>	<u>Housing and Community Services</u>	<u>Totals</u>
<b><u>REVENUES</u></b>			
Taxes and assessments	\$ --	\$ --	\$ 1,725,639
Lincenses & Permits	--	--	10,879
Fines & forfeitures	--	--	529,585
Use of money and property	40,164	12,931	247,868
Intergovernmental	29,555	1,748,879	16,081,745
Charges for other services	452,338	--	1,339,429
Miscellaneous revenue	62,384	80,249	888,529
<b>Total Revenues</b>	<u>584,441</u>	<u>1,842,059</u>	<u>20,823,674</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	--	162,812	297,297
Public ways and facilities	201,239	--	523,004
Public protection	--	--	5,407,449
Health and sanitation	39,897	--	1,592,188
Public assistance	--	1,148,039	2,587,018
Education	--	--	2,710,246
Recreation	--	--	51,729
Capital Outlay	--	--	56,941
<b>Total Expenditures</b>	<u>241,136</u>	<u>1,310,851</u>	<u>13,225,872</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>343,305</u>	<u>531,208</u>	<u>7,597,802</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	--	359,412	1,342,811
Transfers out	(80,383)	(308,412)	(8,215,579)
<b>Total Other Financing Sources (Uses)</b>	<u>(80,383)</u>	<u>51,000</u>	<u>(6,872,768)</u>
<b>Net Change in Fund Balances</b>	262,922	582,208	725,034
<b>Fund Balances - Beginning</b>	<u>1,627,685</u>	<u>3,163,575</u>	<u>13,345,827</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,890,607</u>	<u>\$ 3,745,783</u>	<u>\$ 14,070,861</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Fish and Game Fund

For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Fines and forfeitures	\$ 1,936	\$ 1,936	\$ 3,954	\$ 2,018
Use of money and property	800	800	1,091	291
<b>Total Revenues</b>	<b>2,736</b>	<b>2,736</b>	<b>5,045</b>	<b>2,309</b>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	12,320	12,320	5,733	6,587
<b>Total Expenditures</b>	<b>12,320</b>	<b>12,320</b>	<b>5,733</b>	<b>6,587</b>
<b>Net Change in Fund Balances</b>	<b>(9,584)</b>	<b>(9,584)</b>	<b>(688)</b>	<b>8,896</b>
<b>Fund Balances - Beginning</b>	<b>45,493</b>	<b>45,493</b>	<b>45,493</b>	<b>--</b>
<b>Fund Balances - Ending</b>	<b>\$ 35,909</b>	<b>\$ 35,909</b>	<b>\$ 44,805</b>	<b>\$ 8,896</b>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Child Support Services Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 15,000	\$ 15,000	\$ 23,088	\$ 8,088
Intergovernmental	4,249,453	4,249,453	3,950,179	(299,274)
<b>Total Revenues</b>	<u>4,264,453</u>	<u>4,264,453</u>	<u>3,973,267</u>	<u>(291,186)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	4,264,453	4,264,453	3,897,226	367,227
<b>Total Expenditures</b>	<u>4,264,453</u>	<u>4,264,453</u>	<u>3,897,226</u>	<u>367,227</u>
<b>Net Change in Fund Balances</b>	--	--	76,041	76,041
<b>Fund Balances - Beginning</b>	<u>325,043</u>	<u>325,043</u>	<u>325,043</u>	--
<b>Fund Balances - Ending</b>	<u>\$ 325,043</u>	<u>\$ 325,043</u>	<u>\$ 401,084</u>	<u>\$ 76,041</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

County-wide Tech Projects Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ --	\$ --	\$ (52)	\$ (52)
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>(52)</u>	<u>(52)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	15,000	15,000	5,331	9,669
<b>Total Expenditures</b>	<u>15,000</u>	<u>15,000</u>	<u>5,331</u>	<u>9,669</u>
<b>Net Change in Fund Balances</b>	(15,000)	(15,000)	(5,383)	9,617
<b>Fund Balances - Beginning</b>	<u>45,687</u>	<u>45,687</u>	<u>45,687</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u><u>\$ 30,687</u></u>	<u><u>\$ 30,687</u></u>	<u><u>\$ 40,304</u></u>	<u><u>\$ 9,617</u></u>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Probation Fire Insurance Admin Grant Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 4,500	\$ 4,500	\$ 5,937	\$ 1,437
<b>Total Revenues</b>	<u>4,500</u>	<u>4,500</u>	<u>5,937</u>	<u>1,437</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>4,500</u>	<u>4,500</u>	<u>5,937</u>	<u>1,437</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	(69,713)	(69,713)	--	69,713
<b>Total Other Financing Sources (Uses)</b>	<u>(69,713)</u>	<u>(69,713)</u>	<u>--</u>	<u>69,713</u>
<b>Net Change in Fund Balances</b>	(65,213)	(65,213)	5,937	71,150
<b>Fund Balances - Beginning</b>	<u>241,112</u>	<u>241,112</u>	<u>241,112</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 175,899</u>	<u>\$ 175,899</u>	<u>\$ 247,049</u>	<u>\$ 71,150</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule  
 State/City Property Admin Grant Fund  
 For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 310	\$ 310	\$ 578	\$ 268
Intergovernmental	234,292	--	--	--
<b>Total Revenues</b>	<u>234,602</u>	<u>310</u>	<u>578</u>	<u>268</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>234,602</u>	<u>310</u>	<u>578</u>	<u>268</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	(234,292)	(8,870)	--	8,870
<b>Total Other Financing Sources (Uses)</b>	<u>(234,292)</u>	<u>(8,870)</u>	<u>--</u>	<u>8,870</u>
<b>Net Change in Fund Balances</b>	310	(8,560)	578	9,138
<b>Fund Balances - Beginning</b>	<u>8,871</u>	<u>8,871</u>	<u>8,871</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 9,181</u>	<u>\$ 311</u>	<u>\$ 9,449</u>	<u>\$ 9,138</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Public Library Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ 1,570,000	\$ 1,570,000	\$ 1,693,103	\$ 123,103
Use of money and property	25,500	25,500	22,571	(2,929)
Intergovernmental	77,116	77,116	78,478	1,362
Charges for other services	102,700	102,700	94,848	(7,852)
Other revenue	1,000	1,000	11,190	10,190
<b>Total Revenues</b>	<u>1,776,316</u>	<u>1,776,316</u>	<u>1,900,190</u>	<u>123,874</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Education	2,568,808	2,693,382	2,594,359	99,023
<b>Total Expenditures</b>	<u>2,568,808</u>	<u>2,693,382</u>	<u>2,594,359</u>	<u>99,023</u>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	 <u>(792,492)</u>	 <u>(917,066)</u>	 <u>(694,169)</u>	 <u>222,897</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	685,902	685,902	685,902	--
<b>Total Other Financing Sources (Uses)</b>	<u>685,902</u>	<u>685,902</u>	<u>685,902</u>	<u>--</u>
 <b>Net Change in Fund Balances</b>	 (106,590)	 (231,164)	 (8,267)	 222,897
 <b>Fund Balances - Beginning</b>	 <u>873,806</u>	 <u>873,806</u>	 <u>873,806</u>	 <u>--</u>
 <b>Fund Balances - Ending</b>	 <u>\$ 767,216</u>	 <u>\$ 642,642</u>	 <u>\$ 865,539</u>	 <u>\$ 222,897</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Workers' Compensation Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 2,500	\$ 2,500	\$ 8,284	\$ 5,784
Other revenue	--	--	2,703	2,703
<b>Total Revenues</b>	<u>2,500</u>	<u>2,500</u>	<u>10,987</u>	<u>8,487</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	<u>147,612</u>	<u>147,612</u>	<u>12,489</u>	<u>135,123</u>
<b>Total Expenditures</b>	<u>147,612</u>	<u>147,612</u>	<u>12,489</u>	<u>135,123</u>
<b>Net Change in Fund Balances</b>	(145,112)	(145,112)	(1,502)	143,610
<b>Fund Balances - Beginning</b>	<u>81,224</u>	<u>81,224</u>	<u>81,224</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u><u>\$ (63,888)</u></u>	<u><u>\$ (63,888)</u></u>	<u><u>\$ 79,722</u></u>	<u><u>\$ 143,610</u></u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule  
 Nonmajor Human Services Agency Fund  
 For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 10,162	\$ 10,162	\$ 12,920	\$ 2,758
Intergovernmental	1,227,310	1,300,310	1,168,851	(131,459)
Charges for other services	17,394	18,636	19,023	387
Other revenue	283,211	284,078	289,940	5,862
<b>Total Revenues</b>	<u>1,538,077</u>	<u>1,613,186</u>	<u>1,490,734</u>	<u>(122,452)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Health and sanitation	1,149,717	1,304,461	1,295,196	9,265
<b>Total Expenditures</b>	<u>1,149,717</u>	<u>1,304,461</u>	<u>1,295,196</u>	<u>9,265</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>388,360</u>	<u>308,725</u>	<u>195,538</u>	<u>(113,187)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	12,079	88,464	166,476	78,012
Transfers out	(514,148)	(624,375)	(602,996)	21,379
<b>Total Other Financing Sources (Uses)</b>	<u>(502,069)</u>	<u>(535,911)</u>	<u>(436,520)</u>	<u>99,391</u>
<b>Net Change in Fund Balances</b>	(113,709)	(227,186)	(240,982)	(13,796)
<b>Fund Balances - Beginning</b>	<u>795,792</u>	<u>795,792</u>	<u>795,792</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 682,083</u>	<u>\$ 568,606</u>	<u>\$ 554,810</u>	<u>\$ (13,796)</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Administration Fund

For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Fines and forfeitures	\$ 446,139	\$ 446,139	\$ 417,195	\$ (28,944)
Use of money and property	30,193	30,193	40,655	10,462
Intergovernmental	6,253,185	6,404,898	6,958,449	553,551
Other revenue	7,500	7,500	5,842	(1,658)
<b>Total Revenues</b>	<u>6,737,017</u>	<u>6,888,730</u>	<u>7,422,141</u>	<u>533,411</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	100,603	187,603	116,665	70,938
Public protection	601,388	601,388	633,427	(32,039)
Health and sanitation	125,199	231,657	225,230	6,427
Education	114,190	165,862	115,887	49,975
Capital outlay	10,000	55,254	43,377	11,877
<b>Total Expenditures</b>	<u>951,380</u>	<u>1,241,764</u>	<u>1,134,586</u>	<u>107,178</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>5,785,637</u>	<u>5,646,966</u>	<u>6,287,555</u>	<u>640,589</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	125,199	125,199	128,346	3,147
Transfers out	(5,898,031)	(5,974,131)	(6,381,918)	(407,787)
<b>Total Other Financing Sources (Uses)</b>	<u>(5,772,832)</u>	<u>(5,848,932)</u>	<u>(6,253,572)</u>	<u>(404,640)</u>
<b>Net Change in Fund Balances</b>	12,805	(201,966)	33,983	235,949
<b>Fund Balances - Beginning</b>	<u>1,672,682</u>	<u>1,672,682</u>	<u>1,672,682</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,685,487</u>	<u>\$ 1,470,716</u>	<u>\$ 1,706,665</u>	<u>\$ 235,949</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule  
 Community Development Agency Fund  
 For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Fines and forfeitures	\$ 32,493	\$ 32,493	\$ 62,842	\$ 30,349
Use of money and property	9,119	9,119	24,593	15,474
Intergovernmental	17,200	17,285	17,376	91
Charges for other services	16,032	16,032	17,651	1,619
Other revenue	115,838	115,838	111,825	(4,013)
<b>Total Revenues</b>	<u>190,682</u>	<u>190,767</u>	<u>234,287</u>	<u>43,520</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	26,378	26,378	26,289	89
Health and sanitation	17,290	17,375	17,873	(498)
Recreation	315,283	315,283	51,729	263,554
<b>Total Expenditures</b>	<u>358,951</u>	<u>359,036</u>	<u>95,891</u>	<u>263,145</u>
<b>Net Change in Fund Balances</b>	(168,269)	(168,269)	138,396	306,665
<b>Fund Balances - Beginning</b>	<u>919,894</u>	<u>919,894</u>	<u>919,894</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 751,625</u>	<u>\$ 751,625</u>	<u>\$ 1,058,290</u>	<u>\$ 306,665</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

District Attorney Fund

For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Fines and forfeitures	\$ 1,400	\$ 1,400	\$ --	\$ (1,400)
Use of money and property	1,175	1,175	1,171	(4)
Intergovernmental	--	--	955	955
Charges for other services	13,340	13,340	9,979	(3,361)
Other revenue	22,000	22,000	22,234	234
<b>Total Revenues</b>	<u>37,915</u>	<u>37,915</u>	<u>34,339</u>	<u>(3,576)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	38,190	38,190	29,455	8,735
<b>Total Expenditures</b>	<u>38,190</u>	<u>38,190</u>	<u>29,455</u>	<u>8,735</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(275)</u>	<u>(275)</u>	<u>4,884</u>	<u>5,159</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	750	750	--	(750)
Transfers out	(750)	(750)	--	750
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	<u>(275)</u>	<u>(275)</u>	<u>4,884</u>	<u>5,159</u>
<b>Fund Balances - Beginning</b>	<u>52,785</u>	<u>52,785</u>	<u>52,785</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 52,510</u>	<u>\$ 52,510</u>	<u>\$ 57,669</u>	<u>\$ 5,159</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Probation Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Licenses and permits	\$ 10,850	\$ 10,850	\$ 10,879	\$ 29
Fines and forfeitures	4,650	4,650	1,756	(2,894)
Use of money and property	1,179	1,179	124	(1,055)
Other revenue	2,000	2,000	7,832	5,832
<b>Total Revenues</b>	<u>18,679</u>	<u>18,679</u>	<u>20,591</u>	<u>1,912</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	3,179	3,179	1,736	1,443
Health and Sanitation	15,500	15,500	13,992	1,508
<b>Total Expenditures</b>	<u>18,679</u>	<u>18,679</u>	<u>15,728</u>	<u>2,951</u>
<b>Net Change in Fund Balances</b>	--	--	4,863	4,863
<b>Fund Balances - Beginning</b>	<u>4,112</u>	<u>4,112</u>	<u>4,112</u>	--
<b>Fund Balances - Ending</b>	<u>\$ 4,112</u>	<u>\$ 4,112</u>	<u>\$ 8,975</u>	<u>\$ 4,863</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Recorder Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ --	\$ --	\$ (3,582)	\$ (3,582)
Charges for other services	320,000	320,000	354,509	34,509
<b>Total Revenues</b>	<u>320,000</u>	<u>320,000</u>	<u>350,927</u>	<u>30,927</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	277,274	277,274	255,758	21,516
Capital outlay	23,500	23,500	13,564	9,936
<b>Total Expenditures</b>	<u>300,774</u>	<u>300,774</u>	<u>269,322</u>	<u>31,452</u>
<b>Net Change in Fund Balances</b>	19,226	19,226	81,605	62,379
<b>Fund Balances - Beginning</b>	<u>1,319,125</u>	<u>1,319,125</u>	<u>1,319,125</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,338,351</u>	<u>\$ 1,338,351</u>	<u>\$ 1,400,730</u>	<u>\$ 62,379</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Sheriff Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Fines and forfeitures	\$ 58,000	\$ 58,000	\$ 43,838	\$ (14,162)
Use of money and property	29,829	29,829	35,936	6,107
Intergovernmental	694,846	694,846	692,883	(1,963)
Charges for other services	23,000	23,000	22,970	(30)
Other revenue	131,850	131,850	244,524	112,674
<b>Total Revenues</b>	<u>937,525</u>	<u>937,525</u>	<u>1,040,151</u>	<u>102,626</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public protection	513,976	527,334	557,825	(30,491)
<b>Total Expenditures</b>	<u>513,976</u>	<u>527,334</u>	<u>557,825</u>	<u>(30,491)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>423,549</u>	<u>410,191</u>	<u>482,326</u>	<u>72,135</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	--	--	198	198
Transfers out	(1,027,353)	(1,117,439)	(839,393)	278,046
<b>Total Other Financing Sources (Uses)</b>	<u>(1,027,353)</u>	<u>(1,117,439)</u>	<u>(839,195)</u>	<u>278,244</u>
<b>Net Change in Fund Balances</b>	(603,804)	(707,248)	(356,869)	350,379
<b>Fund Balances - Beginning</b>	<u>1,428,529</u>	<u>1,428,529</u>	<u>1,428,529</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 824,725</u>	<u>\$ 721,281</u>	<u>\$ 1,071,660</u>	<u>\$ 350,379</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Housing Authority Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 2,600	\$ 2,600	\$ 2,735	\$ 135
Intergovernmental	1,420,800	1,420,800	1,435,712	14,912
Other revenue	--	--	49,806	49,806
<b>Total Revenues</b>	<u>1,423,400</u>	<u>1,423,400</u>	<u>1,488,253</u>	<u>64,853</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public assistance	1,492,095	1,492,095	1,438,979	53,116
<b>Total Expenditures</b>	<u>1,492,095</u>	<u>1,492,095</u>	<u>1,438,979</u>	<u>53,116</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(68,695)</u>	<u>(68,695)</u>	<u>49,274</u>	<u>117,969</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	7,000	7,000	2,477	(4,523)
Transfers out	(7,000)	(7,000)	(2,477)	4,523
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	<u>(68,695)</u>	<u>(68,695)</u>	<u>49,274</u>	<u>117,969</u>
<b>Fund Balances - Beginning</b>	<u>67,885</u>	<u>67,885</u>	<u>67,885</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ (810)</u>	<u>\$ (810)</u>	<u>\$ 117,159</u>	<u>\$ 117,969</u>

**COUNTY OF NEVADA, CALIFORNIA**  
 Budgetary Comparison Schedule  
 Special Districts Governed by the Board of Supervisors Fund  
 For the Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Taxes and assessments	\$ 19,550	\$ 19,550	\$ 32,536	\$ 12,986
Use of money and property	9,340	9,485	18,724	9,239
Intergovernmental	--	--	428	428
Charges for other services	298,722	298,722	368,111	69,389
<b>Total Revenues</b>	<u>327,612</u>	<u>327,757</u>	<u>419,799</u>	<u>92,042</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public ways	392,909	434,907	321,765	113,142
<b>Total Expenditures</b>	<u>392,909</u>	<u>434,907</u>	<u>321,765</u>	<u>113,142</u>
<b>Net Change in Fund Balances</b>	(65,297)	(107,150)	98,034	205,184
<b>Fund Balances - Beginning</b>	<u>672,527</u>	<u>672,527</u>	<u>672,527</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 607,230</u>	<u>\$ 565,377</u>	<u>\$ 770,561</u>	<u>\$ 205,184</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule  
 Department of Transportation Fund  
 For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 15,809	\$ 15,809	\$ 40,164	\$ 24,355
Intergovernmental	36,451	36,451	29,555	(6,896)
Charges for other services	370,835	370,835	452,338	81,503
Other revenue	63,250	63,250	62,384	(866)
<b>Total Revenues</b>	<u>486,345</u>	<u>486,345</u>	<u>584,441</u>	<u>98,096</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Public ways	94,768	94,768	201,239	(106,471)
Health and Sanitation	44,000	44,000	39,897	4,103
<b>Total Expenditures</b>	<u>138,768</u>	<u>138,768</u>	<u>241,136</u>	<u>(102,368)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>347,577</u>	<u>347,577</u>	<u>343,305</u>	<u>(4,272)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	(130,779)	(130,779)	(80,383)	50,396
<b>Total Other Financing Sources (Uses)</b>	<u>(130,779)</u>	<u>(130,779)</u>	<u>(80,383)</u>	<u>50,396</u>
<b>Net Change in Fund Balances</b>	216,798	216,798	262,922	46,124
<b>Fund Balances - Beginning</b>	<u>1,627,685</u>	<u>1,627,685</u>	<u>1,627,685</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 1,844,483</u>	<u>\$ 1,844,483</u>	<u>\$ 1,890,607</u>	<u>\$ 46,124</u>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule  
Housing and Community Services Fund  
For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 3,000	\$ 3,000	\$ 12,931	\$ 9,931
Intergovernmental	654,177	2,448,387	1,748,879	(699,508)
Other revenue	39,200	478,900	80,249	(398,651)
<b>Total Revenues</b>	<u>696,377</u>	<u>2,930,287</u>	<u>1,842,059</u>	<u>(1,088,228)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	47,836	515,734	162,812	352,922
Public assistance	740,541	2,762,971	1,148,039	1,614,932
<b>Total Expenditures</b>	<u>788,377</u>	<u>3,278,705</u>	<u>1,310,851</u>	<u>1,967,854</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(92,000)</u>	<u>(348,418)</u>	<u>531,208</u>	<u>879,626</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	51,000	445,900	359,412	(86,488)
Transfers out	--	(394,900)	(308,412)	86,488
<b>Total Other Financing Sources (Uses)</b>	<u>51,000</u>	<u>51,000</u>	<u>51,000</u>	<u>--</u>
<b>Net Change in Fund Balances</b>	(41,000)	(297,418)	582,208	879,626
<b>Fund Balances - Beginning</b>	<u>3,163,575</u>	<u>3,163,575</u>	<u>3,163,575</u>	<u>--</u>
<b>Fund Balances - Ending</b>	<u>\$ 3,122,575</u>	<u>\$ 2,866,157</u>	<u>\$ 3,745,783</u>	<u>\$ 879,626</u>

## NONMAJOR GOVERNMENTAL FUNDS

### **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.

#### Debt Service

Fund accounts for other financing requirements of the County, including for the Laura Wilcox Memorial building. Amounts are transferred into, and payments made out of, this fund.

#### Finance Authority

Fund accounts for finance and refinance of any real or personal property for the benefit of Nevada County. The Finance Authority is the lessor for the County's Certificates of Participation, and makes debt service payments on behalf of the County.



**COUNTY OF NEVADA, CALIFORNIA**

Combining Balance Sheet  
 Non-Major Debt Service Funds  
 June 30, 2006

	<u>Government Debt Service</u>	<u>Finance Authority</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ --	\$ 64,416	\$ 64,416
Restricted Assets:			
Cash and investments	<u>--</u>	<u>2,138,999</u>	<u>2,138,999</u>
<b>Total Assets</b>	<b><u><u>\$ --</u></u></b>	<b><u><u>\$ 2,203,415</u></u></b>	<b><u><u>\$ 2,203,415</u></u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>LIABILITIES</b>			
Due to other funds	<u>\$ --</u>	<u>\$ 4,832</u>	<u>\$ 4,832</u>
<b>Total Liabilities</b>	<u>--</u>	<u>4,832</u>	<u>4,832</u>
 <b>FUND BALANCES</b>			
Reserved for:			
Debt Service	<u>--</u>	<u>2,198,583</u>	<u>2,198,583</u>
<b>Total Fund Balances</b>	<u>--</u>	<u>2,198,583</u>	<u>2,198,583</u>
<b>Total Liabilities and Fund Balances</b>	<b><u><u>\$ --</u></u></b>	<b><u><u>\$ 2,203,415</u></u></b>	<b><u><u>\$ 2,203,415</u></u></b>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Non-Major Debt Service Funds  
For the Year Ended June 30, 2006

	<u>Government Debt Service</u>	<u>Finance Authority</u>	<u>Totals</u>
<b><u>REVENUES</u></b>			
Use of money and property	\$ --	\$ 130,107	\$ 130,107
Miscellaneous revenue	4,756	--	4,756
	<hr/>	<hr/>	<hr/>
<b>Total Revenues</b>	4,756	130,107	134,863
	<hr/>	<hr/>	<hr/>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	--	28,979	28,979
Debt Service			
Principal	13,070	1,710,299	1,723,369
Interest and other charges	21,956	801,652	823,608
	<hr/>	<hr/>	<hr/>
<b>Total Expenditures</b>	35,026	2,540,930	2,575,956
	<hr/>	<hr/>	<hr/>
<b>Excess of Revenues Over (Under) Expenditures</b>	(30,270)	(2,410,823)	(2,441,093)
	<hr/>	<hr/>	<hr/>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	30,270	2,455,264	2,485,534
	<hr/>	<hr/>	<hr/>
<b>Total Other Financing Sources (Uses)</b>	30,270	2,455,264	2,485,534
	<hr/>	<hr/>	<hr/>
<b>Net Change in Fund Balances</b>	--	44,441	44,441
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Beginning</b>	--	2,154,142	2,154,142
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Ending</b>	\$ --	\$ 2,198,583	\$ 2,198,583
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**COUNTY OF NEVADA, CALIFORNIA**

Budgetary Comparison Schedule

Finance Authority Fund

For the Year Ended June 30, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Use of money and property	\$ 128,004	\$ 128,004	\$ 130,107	\$ 2,103
<b>Total Revenues</b>	<u>128,004</u>	<u>128,004</u>	<u>130,107</u>	<u>2,103</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	72,340	72,340	28,979	43,361
Debt Service				
Principal	2,120,000	2,170,299	1,710,299	460,000
Interest and other charges	1,168,772	1,252,303	801,652	450,651
<b>Total Expenditures</b>	<u>3,361,112</u>	<u>3,494,942</u>	<u>2,540,930</u>	<u>954,012</u>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	 <u>(3,233,108)</u>	 <u>(3,366,938)</u>	 <u>(2,410,823)</u>	 <u>956,115</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	3,276,008	3,409,838	2,455,264	(954,574)
<b>Total Other Financing Sources (Uses)</b>	<u>3,276,008</u>	<u>3,409,838</u>	<u>2,455,264</u>	<u>(954,574)</u>
 <b>Net Change in Fund Balances</b>	 42,900	 42,900	 44,441	 1,541
 <b>Fund Balances - Beginning</b>	 <u>2,154,142</u>	 <u>2,154,142</u>	 <u>2,154,142</u>	 <u>--</u>
 <b>Fund Balances - Ending</b>	 <u>\$ 2,197,042</u>	 <u>\$ 2,197,042</u>	 <u>\$ 2,198,583</u>	 <u>\$ 1,541</u>



## NONMAJOR ENTERPRISE FUNDS

### **ENTERPRISE FUNDS:**

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

#### Eastern Nevada County Solid Waste

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

#### Transit Services

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



**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Net Assets  
Non-Major Enterprise Funds  
June 30, 2006

<u>ASSETS</u>	Eastern Nevada County Solid Waste	Transit Services	Totals
Current assets:			
Cash and investments	\$ 349,802	\$ 38,931	\$ 388,733
Accounts receivables	--	62,268	62,268
Due from other governmental agencies	--	415,000	415,000
Due from other funds	--	5,510	5,510
Inventory	--	7,001	7,001
<b>Total Current Assets</b>	<u>349,802</u>	<u>528,710</u>	<u>878,512</u>
Noncurrent assets:			
Capital assets (net)	<u>26,409</u>	<u>633,660</u>	<u>660,069</u>
<b>Total Noncurrent Assets</b>	<u>26,409</u>	<u>633,660</u>	<u>660,069</u>
<b>Total Assets</b>	<u>376,211</u>	<u>1,162,370</u>	<u>1,538,581</u>
 <u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	--	81,532	81,532
Accrued payroll and benefits	--	40,846	40,846
Due to other governmental agencies	--	40,214	40,214
Interest payable	--	12,584	12,584
Due to other funds	403	61,523	61,926
Deferred revenue	--	48,330	48,330
Compensated absences payable	--	61,371	61,371
<b>Total Current Liabilities</b>	<u>403</u>	<u>346,400</u>	<u>346,803</u>
Noncurrent Liabilities:			
Advances from other funds	--	428,100	428,100
Closure/postclosure costs	<u>158,225</u>	<u>--</u>	<u>158,225</u>
<b>Total Noncurrent Liabilities</b>	<u>158,225</u>	<u>428,100</u>	<u>586,325</u>
<b>Total Liabilities</b>	<u>158,628</u>	<u>774,500</u>	<u>933,128</u>
 <u>NET ASSETS</u>			
Invested in capital assets, net of related debt	26,409	633,660	660,069
Unrestricted	<u>191,174</u>	<u>(245,790)</u>	<u>(54,616)</u>
<b>Total Net Assets</b>	<u>\$ 217,583</u>	<u>\$ 387,870</u>	<u>\$ 605,453</u>

## COUNTY OF NEVADA, CALIFORNIA

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Non-Major Enterprise Funds  
For the Fiscal Year Ended June 30, 2006

	<u>Eastern Nevada County Solid Waste</u>	<u>Transit Services</u>	<u>Totals</u>
<b><u>OPERATING REVENUES</u></b>			
Charges for services	\$ 102,312	\$ 480,601	\$ 582,913
<b>Total Operating Revenues</b>	<u>102,312</u>	<u>480,601</u>	<u>582,913</u>
<b><u>OPERATING EXPENSES</u></b>			
Salaries and benefits	--	1,284,246	1,284,246
Fuel	--	23,884	23,884
Maintenance and repairs	--	371,015	371,015
Parts and supplies	--	65	65
Outside services	109,844	1,101,151	1,210,995
Administration and office	1,282	39,115	40,397
Utilities	--	5,453	5,453
Insurance	--	70,519	70,519
Depreciation	--	182,522	182,522
Rentals and lease payments	--	13,283	13,283
Other	270	--	270
<b>Total Operating Expenses</b>	<u>111,396</u>	<u>3,091,253</u>	<u>3,202,649</u>
<b>Operating Income (Loss)</b>	<u>(9,084)</u>	<u>(2,610,652)</u>	<u>(2,619,736)</u>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>			
Intergovernmental revenues	--	2,362,831	2,362,831
Interest income	8,875	4,208	13,083
Other revenues	--	12,541	12,541
Interest expense	--	(7,075)	(7,075)
Gain(loss) sale of assets	--	4,475	4,475
<b>Total Non-Operating Revenues (Expenses)</b>	<u>8,875</u>	<u>2,376,980</u>	<u>2,385,855</u>
<b>Total Income (Loss) Before Contributions</b>	(209)	(233,672)	(233,881)
Capital contributions	--	531,444	531,444
<b>Change in Net Assets</b>	(209)	297,772	297,563
<b>Total Net Assets - Beginning</b>	<u>217,792</u>	<u>90,098</u>	<u>307,890</u>
<b>Total Net Assets - Ending</b>	<u>\$ 217,583</u>	<u>\$ 387,870</u>	<u>\$ 605,453</u>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Cash Flows  
Non-Major Enterprise Funds  
For the Year Ended June 30, 2006

	Eastern Nevada County <u>Solid Waste</u>	Transit Services <u>                    </u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 102,312	\$ 466,450	\$ 568,762
Payments to suppliers	(120,857)	(1,581,029)	(1,701,886)
Payments to employees	--	(1,268,788)	(1,268,788)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(18,545)</u>	<u>(2,383,367)</u>	<u>(2,401,912)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Grants and other receipts	--	2,375,373	2,375,373
Subsidies and transfers from (to) other funds	(10,235)	155,965	145,730
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(10,235)</u>	<u>2,531,338</u>	<u>2,521,103</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	--	(531,444)	(531,444)
Capital grants	--	164,774	164,774
Proceeds from sale of capital assets	--	4,475	4,475
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>--</u>	<u>(362,195)</u>	<u>(362,195)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends (expense)	8,875	4,208	13,083
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>8,875</u>	<u>4,208</u>	<u>13,083</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(19,905)	(210,016)	(229,921)
<b>Balances - Beginning of the Year</b>	369,707	248,947	618,654
<b>Balances - End of the Year</b>	<u>\$ 349,802</u>	<u>\$ 38,931</u>	<u>\$ 388,733</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (9,084)	\$ (2,610,652)	\$ (2,619,736)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	--	182,522	182,522
Decrease (increase) in:			
Accounts receivable	--	(14,151)	(14,151)
Inventory	--	3,603	3,603
Increase (decrease) in:			
Accounts payable	(8,186)	(361)	(8,547)
Accrued salaries and benefits	--	6,906	6,906
Due to other governmental agencies	--	40,214	40,214
Landfill liability	(1,275)	--	(1,275)
Compensated absences payable	--	8,552	8,552
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (18,545)</u>	<u>\$ (2,383,367)</u>	<u>\$ (2,401,912)</u>



## **INTERNAL SERVICE FUNDS**

### **INTERNAL SERVICE FUNDS:**

#### Internal Service Funds:

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

#### Fleet Management

The fund accounts for the management of a program to ensure that both current and future vehicle needs are met for all County departments.

#### Vision Insurance

The fund accounts for the vision insurance component of the self-insurance services provided to County employees.

#### Unemployment Insurance

The fund accounts for the management of unemployment insurance for the County's self-funded plan.

#### Liability Insurance

The fund accounts for the services related to the protection of the County from general liability exposures. It provides claims management services, and pays the premium costs for general liability insurance.

#### Central Services

The fund accounts for printing, copier, mail, pool car scheduling, answering the County information line, and scanning services provided to County departments and outside agencies.

#### Dental Insurance

The fund accounts for the dental insurance component of the self-insurance services provided to County employees.



**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Net Assets  
Internal Service Funds  
June 30, 2006

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>
<b><u>ASSETS</u></b>			
Current Assets:			
Cash and investments	\$ 39,493	\$ 162,181	\$ 591,331
Accounts receivable	2,502	--	--
Due from other funds	417,882	--	--
Inventory	39,732	--	--
Deposits	--	7,310	--
Advances to other funds	--	--	--
	<hr/>	<hr/>	<hr/>
<b>Total Current Assets</b>	<b>499,609</b>	<b>169,491</b>	<b>591,331</b>
Noncurrent Assets:			
Capital assets (net)	1,378,873	--	--
	<hr/>	<hr/>	<hr/>
<b>Total Noncurrent Assets</b>	<b>1,378,873</b>	<b>--</b>	<b>--</b>
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b>1,878,482</b>	<b>169,491</b>	<b>591,331</b>
<b><u>LIABILITIES</u></b>			
Current Liabilities:			
Accounts payable	73,659	94,243	--
Accrued payroll and benefits	27,263	--	--
Due to other funds	284,815	--	--
Capital leases payable	--	--	--
Compensated absences payable	72,782	--	--
Accrued claims payable	--	--	209,545
	<hr/>	<hr/>	<hr/>
<b>Total Current Liabilities</b>	<b>458,519</b>	<b>94,243</b>	<b>209,545</b>
Noncurrent Liabilities:			
Capital leases payable	--	--	--
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>458,519</b>	<b>94,243</b>	<b>209,545</b>
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	1,378,873	--	--
Unrestricted	41,090	75,248	381,786
	<hr/>	<hr/>	<hr/>
<b>Total Net Assets</b>	<b>\$ 1,419,963</b>	<b>\$ 75,248</b>	<b>\$ 381,786</b>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Net Assets (continued)  
Internal Service Funds  
June 30, 2006

	<u>Liability Insurance</u>	<u>Central Services</u>	<u>Dental Insurance</u>	<u>Totals</u>
<b><u>ASSETS</u></b>				
Current Assets:				
Cash and investments	\$ 1,717,727	\$ 454	\$ 261,586	\$ 2,772,772
Accounts receivable	--	1,467	--	3,969
Due from other funds	--	103,481	--	521,363
Inventory	--	--	--	39,732
Deposits	--	--	34,000	41,310
Advances to other funds	150,000	--	--	150,000
<b>Total Current Assets</b>	<u>1,867,727</u>	<u>105,402</u>	<u>295,586</u>	<u>3,529,146</u>
Noncurrent Assets:				
Capital assets (net)	--	20,640	--	1,399,513
<b>Total Noncurrent Assets</b>	<u>--</u>	<u>20,640</u>	<u>--</u>	<u>1,399,513</u>
<b>Total Assets</b>	<u>1,867,727</u>	<u>126,042</u>	<u>295,586</u>	<u>4,928,659</u>
<b><u>LIABILITIES</u></b>				
Current Liabilities:				
Accounts payable	6,418	89,339	34,345	298,004
Accrued payroll and benefits	--	1,244	--	28,507
Due to other funds	7,939	25,688	--	318,442
Capital leases payable	--	3,660	--	3,660
Compensated absences payable	--	1,813	--	74,595
Accrued claims payable	556,000	--	--	765,545
<b>Total Current Liabilities</b>	<u>570,357</u>	<u>121,744</u>	<u>34,345</u>	<u>1,488,753</u>
Noncurrent Liabilities:				
Capital leases payable	--	17,430	--	17,430
<b>Total Liabilities</b>	<u>570,357</u>	<u>139,174</u>	<u>34,345</u>	<u>1,506,183</u>
<b><u>NET ASSETS</u></b>				
Invested in capital assets, net of related debt	--	(450)	--	1,378,423
Unrestricted	1,297,370	(12,682)	261,241	2,044,053
<b>Total Net Assets</b>	<u>\$ 1,297,370</u>	<u>\$ (13,132)</u>	<u>\$ 261,241</u>	<u>\$ 3,422,476</u>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended June 30, 2006

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>
<b><u>OPERATING REVENUES</u></b>			
Charges for services	\$ 3,354,723	\$ 178,379	\$ 576,275
Other revenues	--	--	--
<b>Total Operating Revenues</b>	<u>3,354,723</u>	<u>178,379</u>	<u>576,275</u>
<b><u>OPERATING EXPENSES</u></b>			
Salaries and benefits	816,509	--	--
Fuel	690,066	--	--
Maintenance and repairs	1,313,713	--	--
Parts and supplies	50,471	--	--
Outside services	177,253	28,400	10,504
Administration and office	22,661	--	--
Insurance	1,502	--	--
Benefits paid	--	165,816	6,802
Depreciation	454,374	--	--
Rentals and lease payments	5,711	--	--
<b>Total Operating Expenses</b>	<u>3,532,260</u>	<u>194,216</u>	<u>17,306</u>
<b>Operating Income (Loss)</b>	<u>(177,537)</u>	<u>(15,837)</u>	<u>558,969</u>
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>			
Interest income	2,573	1,366	4,383
Interest expense	--	--	--
Other non-operating revenues	35,940	--	--
Gain (loss) on disposition of capital assets	(2,124)	--	--
<b>Total Non-Operating Revenues (Expenses)</b>	<u>36,389</u>	<u>1,366</u>	<u>4,383</u>
<b>Income (Loss) before Contributions and Transfers</b>	<u>(141,148)</u>	<u>(14,471)</u>	<u>563,352</u>
<b><u>CAPITAL CONTRIBUTIONS</u></b>			
Capital contributions	91,845	--	--
<b><u>TRANSFERS</u></b>			
Transfers in	16,484	--	--
<b>Change in Net Assets</b>	<u>(32,819)</u>	<u>(14,471)</u>	<u>563,352</u>
<b>Total Net Assets - Beginning</b>	<u>1,452,782</u>	<u>89,719</u>	<u>(181,566)</u>
<b>Total Net Assets - Ending</b>	<u>\$ 1,419,963</u>	<u>\$ 75,248</u>	<u>\$ 381,786</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets (continued)  
Internal Service Funds  
For the Year Ended June 30, 2006

	<u>Liability Insurance</u>	<u>Central Services</u>	<u>Dental Insurance</u>	<u>Totals</u>
<b><u>OPERATING REVENUES</u></b>				
Charges for services	\$ 491,568	\$ 670,697	\$ 713,442	\$ 5,985,084
Other revenues	<u>839,540</u>	<u>--</u>	<u>--</u>	<u>839,540</u>
<b>Total Operating Revenues</b>	<u>1,331,108</u>	<u>670,697</u>	<u>713,442</u>	<u>6,824,624</u>
<b><u>OPERATING EXPENSES</u></b>				
Salaries and benefits	--	43,812	--	860,321
Fuel	--	--	--	690,066
Maintenance and repairs	--	1,421	--	1,315,134
Parts and supplies	--	--	--	50,471
Outside services	330,585	91,626	77,650	716,018
Administration and office	562,117	206,377	--	791,155
Insurance	388,678	128	--	390,308
Benefits paid	(43,000)	--	653,667	783,285
Depreciation	--	3,943	--	458,317
Rentals and lease payments	--	364,120	--	369,831
<b>Total Operating Expenses</b>	<u>1,238,380</u>	<u>711,427</u>	<u>731,317</u>	<u>6,424,906</u>
<b>Operating Income (Loss)</b>	<u>92,728</u>	<u>(40,730)</u>	<u>(17,875)</u>	<u>399,718</u>
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>				
Interest income	47,247	1,400	6,700	63,669
Interest expense	--	(1,081)	--	(1,081)
Other non-operating revenues	--	--	--	35,940
Gain (loss) on disposition of capital assets	--	(155)	--	(2,279)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>47,247</u>	<u>164</u>	<u>6,700</u>	<u>96,249</u>
<b>Income (Loss) before Contributions and Transfers</b>	139,975	(40,566)	(11,175)	495,967
<b><u>CAPITAL CONTRIBUTIONS</u></b>				
Capital contributions	--	--	--	91,845
<b><u>TRANSFERS</u></b>				
Transfers in	--	--	--	16,484
<b>Change in Net Assets</b>	<u>139,975</u>	<u>(40,566)</u>	<u>(11,175)</u>	<u>604,296</u>
<b>Total Net Assets - Beginning</b>	<u>1,157,395</u>	<u>27,434</u>	<u>272,416</u>	<u>2,818,180</u>
<b>Total Net Assets - Ending</b>	<u>\$ 1,297,370</u>	<u>\$ (13,132)</u>	<u>\$ 261,241</u>	<u>\$ 3,422,476</u>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2006

	Fleet Management	Vision Insurance	Unemployment Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 3,371,022	\$ 179,755	\$ 576,275
Payments to suppliers	(2,267,566)	(99,973)	(163,669)
Payments to employees	(730,839)	--	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>372,617</u>	<u>79,782</u>	<u>412,606</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Grants and other receipts	38,499	--	--
Subsidies and transfers from (to) other funds	(113,712)	--	--
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(75,213)</u>	<u>--</u>	<u>--</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(260,484)	--	--
Principal payments on capital leases	--	--	--
Interest payments on capital leases	--	--	--
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(260,484)</u>	<u>--</u>	<u>--</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends	2,573	1,366	4,383
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>2,573</u>	<u>1,366</u>	<u>4,383</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	39,493	81,148	416,989
<b>Balances - Beginning of the Year</b>	--	81,033	174,342
<b>Balances - End of the Year</b>	<u>\$ 39,493</u>	<u>\$ 162,181</u>	<u>\$ 591,331</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (177,537)	\$ (15,837)	\$ 558,969
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	454,374	--	--
Decrease (increase) in:			
Accounts receivable	16,299	1,376	--
Other current assets	(34,263)	--	--
Increase (decrease) in:			
Accounts payable	28,074	94,243	--
Accrued payroll and benefits	20,800	--	--
Compensated absences payable	64,870	--	--
Claims payable	--	--	(146,363)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 372,617</u>	<u>\$ 79,782</u>	<u>\$ 412,606</u>

continued

## COUNTY OF NEVADA, CALIFORNIA

### Combining Statement of Cash Flows (continued) Internal Service Funds For the Year Ended June 30, 2006

	Liability Insurance	Central Services	Dental Insurance	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 1,333,711	\$ 669,854	\$ 719,399	\$ 6,850,016
Payments to suppliers	(1,305,564)	(639,578)	(696,972)	(5,173,322)
Payments to employees	--	(43,363)	--	(774,202)
<b>Net Cash Provided (Used) by Operating Activities</b>	28,147	(13,087)	22,427	902,492
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Grants and other receipts	--	--	--	38,499
Subsidies and transfers from (to) other funds	(181,877)	(30,155)	--	(325,744)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	(181,877)	(30,155)	--	(287,245)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	--	--	--	(260,484)
Principal payments on capital leases	--	(3,901)	--	(3,901)
Interest payments on capital leases	--	(1,081)	--	(1,081)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	--	(4,982)	--	(265,466)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends	47,247	1,400	6,700	63,669
<b>Net Cash Provided (Used) by Investing Activities</b>	47,247	1,400	6,700	63,669
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(106,483)	(46,824)	29,127	413,450
<b>Balances - Beginning of the Year</b>	1,824,210	47,278	232,459	2,359,322
<b>Balances - End of the Year</b>	\$ 1,717,727	\$ 454	\$ 261,586	\$ 2,772,772
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 92,728	\$ (40,730)	\$ (17,875)	\$ 399,718
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	--	3,943	--	458,317
Decrease (increase) in:				
Accounts receivable	2,603	(843)	5,957	25,392
Other current assets	--	--	--	(34,263)
Increase (decrease) in:				
Accounts payable	(24,184)	24,094	34,345	156,572
Accrued payroll and benefits	--	(31)	--	20,769
Compensated absences payable	--	480	--	65,350
Claims payable	(43,000)	--	--	(189,363)
<b>Net Cash Provided (Used) by Operating Activities</b>	\$ 28,147	\$ (13,087)	\$ 22,427	\$ 902,492

## **FIDUCIARY FUNDS**

### **INVESTMENT TRUST FUNDS:**

These funds are used by the County to account for the assets of legally separate entities who deposit cash with the County Treasurer. These include school and community college districts, other special districts governed by local boards, regional boards and authorities, courts and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

#### Independent Districts

Funds used to account for the deposits and interest managed by the county treasury for independent districts. The independent districts include recreation and park districts, fire protection districts, and cemetery endowments.

#### School Districts

Funds used to account for the deposits and interest managed by the county treasury for school districts, including funds for Sierra College and other schools from elementary to high school.

#### Debt Service

Funds used to account for the deposit, interest, and disbursement of school district bond proceeds.

#### Local Transportation Authority

Funds used to account for the deposits and interest managed by the county treasury for the Nevada County Transportation Commission.

#### Courts and Jury/Witness

Funds used to account for the deposits of court fees, penalties, and other funds managed by the county treasury for Nevada County Superior Court, the Law Library, and related trust funds.

### **AGENCY FUNDS**

Agency funds account for assets held by the County as an agent for various local governments and individuals.



**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Fiduciary Net Assets  
Investment Trust Funds  
June 30, 2006

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 19,268,033	\$ 33,669,053	\$ 861,899
<b>Totals Assets</b>	<u>19,268,033</u>	<u>33,669,053</u>	<u>861,899</u>
<b><u>NET ASSETS</u></b>			
Net assets held in trust for pool participants	<u>\$ 19,268,033</u>	<u>\$ 33,669,053</u>	<u>\$ 861,899</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Fiduciary Net Assets (continued)  
Investment Trust Funds  
June 30, 2006

	<u>Courts and Jury/Witness</u>	<u>Local Transportation Authority</u>	<u>Total Investment Trust fund</u>
<b><u>ASSETS</u></b>			
Cash and investments	<u>\$ 833,284</u>	<u>\$ 5,344,058</u>	<u>\$ 59,976,327</u>
<b>Totals Assets</b>	<u>833,284</u>	<u>5,344,058</u>	<u>59,976,327</u>
<b><u>NET ASSETS</u></b>			
Net assets held in trust for pool participants	<u>\$ 833,284</u>	<u>\$ 5,344,058</u>	<u>\$ 59,976,327</u>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Changes in Fiduciary Net Assets  
Investment Trust Funds  
For the Year Ended June 30, 2006

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>
<b><u>ADDITIONS:</u></b>			
Contributions to investment pool	\$ 63,167,068	\$ 253,319,099	\$ 5,309,062
Investment income	469,866	1,158,851	18,980
<b>Total Additions</b>	<u>63,636,934</u>	<u>254,477,950</u>	<u>5,328,042</u>
<b><u>DEDUCTIONS:</u></b>			
Distributions from investment pool	61,364,820	256,668,350	5,157,610
<b>Total Deductions</b>	<u>61,364,820</u>	<u>256,668,350</u>	<u>5,157,610</u>
<b>Total Change in Net Assets</b>	2,272,114	(2,190,400)	170,432
<b>Net Assets - Beginning</b>	<u>16,995,919</u>	<u>35,859,453</u>	<u>691,467</u>
<b>Net Assets - Ending</b>	<u>\$ 19,268,033</u>	<u>\$ 33,669,053</u>	<u>\$ 861,899</u>

continued

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Changes in Fiduciary Net Assets (continued)  
 Investment Trust Funds  
 For the Year Ended June 30, 2006

	<u>Courts and Jury/Witness</u>	<u>Local Transportation Authority</u>	<u>Total Investment Trust Fund</u>
<b><u>ADDITIONS:</u></b>			
Contributions to investment pool	\$ 10,042,100	\$ 6,119,695	\$ 337,957,024
Investment income	38,832	102,847	1,789,376
<b>Total Additions</b>	<u>10,080,932</u>	<u>6,222,542</u>	<u>339,746,400</u>
<b><u>DEDUCTIONS:</u></b>			
Distributions from investment pool	<u>10,787,127</u>	<u>4,778,326</u>	<u>338,756,233</u>
<b>Total Deductions</b>	<u>10,787,127</u>	<u>4,778,326</u>	<u>338,756,233</u>
<b>Total Change in Net Assets</b>	(706,195)	1,444,216	990,167
<b>Net Assets - Beginning</b>	<u>1,539,479</u>	<u>3,899,842</u>	<u>58,986,160</u>
<b>Net Assets - Ending</b>	<u>\$ 833,284</u>	<u>\$ 5,344,058</u>	<u>\$ 59,976,327</u>

**COUNTY OF NEVADA, CALIFORNIA**

Statement of Fiduciary Net Assets  
Agency Funds  
June 30, 2006

	Accrued Trust Funds	County Departmental Agency Funds	Total Agency Funds
<b><u>ASSETS</u></b>			
Cash and investments	\$ 803,652	\$ 705,189	\$ 1,508,841
Taxes receivable	7,659,395	--	7,659,395
Restricted assets:			
Cash and investments	49,206	187,278	236,484
<b>Totals Assets</b>	<b><u>\$ 8,512,253</u></b>	<b><u>\$ 892,467</u></b>	<b><u>\$ 9,404,720</u></b>
 <b><u>LIABILITIES</u></b>			
Agency obligations	2,720,734	892,467	3,613,201
Due to other funds	5,791,519	--	5,791,519
<b>Total Liabilities</b>	<b><u>\$ 8,512,253</u></b>	<b><u>\$ 892,467</u></b>	<b><u>\$ 9,404,720</u></b>

**COUNTY OF NEVADA, CALIFORNIA**

Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended June 30, 2006

	<u>Balance</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2006</u>
<u>Accrued Trust Funds</u>				
<b>ASSETS</b>				
Cash and investments	\$ --	\$ 8,163,520	\$ 7,359,868	\$ 803,652
Taxes receivable	6,723,124	936,271	--	7,659,395
Due from other funds	132,217	--	132,217	--
Restricted Assets:				
Cash and investments	52,236		3,030	49,206
<b>Totals Assets</b>	<u>\$ 6,907,577</u>	<u>\$ 9,099,791</u>	<u>\$ 7,495,115</u>	<u>\$ 8,512,253</u>
<b>LIABILITIES</b>				
Agency obligations	\$ 2,898,632	\$ --	\$ 177,898	\$ 2,720,734
Due to other funds	4,008,945	1,782,574	--	5,791,519
<b>Total Liabilities</b>	<u>\$ 6,907,577</u>	<u>\$ 1,782,574</u>	<u>\$ 177,898</u>	<u>\$ 8,512,253</u>
<u>County Departmental Agency Funds</u>				
<b>ASSETS</b>				
Cash and investments	\$ 880,095	\$ --	\$ 174,906	\$ 705,189
Due from other funds	1,034	--	1,034	--
Restricted Assets:				
Cash and investments	285,016	--	97,738	187,278
<b>Totals Assets</b>	<u>\$ 1,166,145</u>	<u>\$ --</u>	<u>\$ 273,678</u>	<u>\$ 892,467</u>
<b>LIABILITIES</b>				
Agency obligations	\$ 1,166,145	\$ --	\$ 273,678	\$ 892,467
<b>Total Liabilities</b>	<u>\$ 1,166,145</u>	<u>\$ --</u>	<u>\$ 273,678</u>	<u>\$ 892,467</u>
<u>Total Fiduciary Funds</u>				
<b>ASSETS</b>				
Cash and investments	\$ 880,095	\$ 8,163,520	\$ 7,534,774	\$ 1,508,841
Taxes receivable	6,723,124	936,271	--	7,659,395
Due from other funds	133,251	--	133,251	--
Restricted Assets:				
Cash and investments	337,252	--	97,738	236,484
<b>Totals Assets</b>	<u>\$ 8,073,722</u>	<u>\$ 9,099,791</u>	<u>\$ 7,765,763</u>	<u>\$ 9,404,720</u>
<b>LIABILITIES</b>				
Agency obligations	\$ 4,064,777	\$ --	\$ 273,678	\$ 3,613,201
Due to other funds	4,008,945	1,782,574	--	5,791,519
<b>Total Liabilities</b>	<u>\$ 8,073,722</u>	<u>\$ 1,782,574</u>	<u>\$ 273,678</u>	<u>\$ 9,404,720</u>

# **STATISTICAL SECTION**



**County of Nevada**  
**Net Assets by Component**  
**Last Three Fiscal Years**

	2006	2005	2004
<b>Governmental activities</b>			
Invested in capital assets, net of related debt	\$ 237,770,629	\$ 233,807,949	\$ 232,785,139
Restricted	39,102,881	37,995,142	31,297,665
Unrestricted	9,932,618	7,894,253	7,289,217
<b>Total governmental activities net assets</b>	<b>\$ 286,806,128</b>	<b>\$ 279,697,344</b>	<b>\$ 271,372,021</b>
<b>Business-type activities</b>			
Invested in capital assets, net of related debt	\$ 10,949,954	\$ 8,608,896	\$ 7,656,180
Unrestricted	142,603	(519,455)	(1,692,003)
<b>Total business-type activities net assets</b>	<b>\$ 11,092,557</b>	<b>\$ 8,089,441</b>	<b>\$ 5,964,177</b>
<b>Primary government</b>			
Invested in capital assets, net of related debt	\$ 248,720,583	\$ 242,416,845	\$ 240,441,319
Restricted	39,102,881	37,995,142	31,297,665
Unrestricted	10,075,221	7,374,798	5,597,214
<b>Total primary government net assets</b>	<b>\$ 297,898,685</b>	<b>\$ 287,786,785</b>	<b>\$ 277,336,198</b>

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

**County of Nevada**  
**Changes in Net Assets**  
**Last Three Fiscal Years**

	2006	2005	2004
<b>Expenses</b>			
Governmental activities:			
General government	\$ 11,249,361	\$ 8,938,435	\$ 11,633,754
Public ways and facilities	8,513,880	6,312,601	6,810,806
Public protection	45,190,677	43,150,103	40,081,096
Health and sanitation	18,470,443	16,151,498	16,297,053
Public assistance	22,393,216	21,271,351	21,127,891
Education	2,865,584	2,471,046	2,734,576
Recreation	51,729	11,126	
Interest on long-term debt	855,225	757,523	1,006,952
Total governmental activities expenses	<u>109,590,115</u>	<u>99,063,683</u>	<u>99,692,128</u>
Business type activities:			
Airport	1,137,542	1,035,399	946,411
Sanitation District	4,037,253	3,331,819	3,068,942
Solid Waste	6,650,044	6,316,246	8,638,642
Other	3,088,462	2,874,082	2,958,054
Total business-type activities expenses	<u>14,913,301</u>	<u>13,557,546</u>	<u>15,612,049</u>
Total Primary government expenses	<u>\$ 124,503,416</u>	<u>\$ 112,621,229</u>	<u>\$ 115,304,177</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
Justice and law enforcement	\$ 6,364,587	\$ 6,121,598	\$ 6,253,050
Health and human services	2,314,477	2,326,848	1,944,282
Environment, parks and education	94,848	92,298	82,294
Public works	1,440,008	1,240,364	1,461,163
General government	6,232,111	6,338,047	9,237,614
Operating grants and contributions	58,599,661	55,728,641	51,931,440
Capital grants and contributions	2,296,519		0
Total governmental activities revenues	<u>77,342,211</u>	<u>71,847,796</u>	<u>70,909,843</u>
Business type activities:			
Charges for services:			
Airport	618,549	548,488	545,262
Sanitation District	3,509,905	3,818,931	2,159,899
Solid Waste	7,856,243	7,499,095	7,363,560
Other	480,601	309,693	333,453
Operating grants and contributions	2,633,921	2,787,415	2,396,154
Capital grants and contributions	2,179,464		242,664
Total business-type activities program revenues	<u>17,278,683</u>	<u>14,963,622</u>	<u>13,040,992</u>
Total Primary government program revenues	<u>\$ 94,620,894</u>	<u>\$ 86,811,418</u>	<u>\$ 83,950,835</u>
<b>Net (Expense)/Revenue</b>			
Governmental activities	\$ (32,247,904)	\$ (27,215,887)	\$ (28,782,285)
Business-type activities	2,365,382	1,406,076	(2,571,057)
Total primary government net expense	<u>\$ (29,882,522)</u>	<u>\$ (25,809,811)</u>	<u>\$ (31,353,342)</u>
<b>General Revenues and Other Changes in Net Assets</b>			
Governmental activities:			
Taxes	\$ 34,691,034	\$ 31,537,654	\$ 22,996,467
Aid from Governmental Agencies	0	0	0
Revenue from Use of Money or Property	1,133,058	967,696	706,775
Other Revenue	2,822,437	3,021,371	2,311,607
Gains on disposal/sale of capital assets	0	0	(1,824,704)
Transfers In (Out)	(51,765)	0	(194,839)
Total governmental activities	<u>38,594,764</u>	<u>35,526,721</u>	<u>23,995,306</u>
Business-Type Activities:			
Property taxes	49,819	52,661	57,047
Intergovernmental	0	0	0
Investment earnings	391,775	305,818	101,956
Miscellaneous	813,121	352,469	176,546
Gains on disposal/sale of capital assets	0	0	0
Transfers	51,765	0	194,839
Total business-type activities	<u>1,306,480</u>	<u>710,948</u>	<u>530,388</u>
Total primary government	<u>\$ 39,901,244</u>	<u>\$ 36,237,669</u>	<u>\$ 24,525,694</u>
<b>Change in Net Assets</b>			
Governmental activities	\$ 6,346,860	\$ 8,310,834	\$ (4,786,979)
Business-type activities	3,671,862	2,117,024	(2,040,669)
Total primary government	<u>\$ 10,018,722</u>	<u>\$ 10,427,858</u>	<u>\$ (6,827,648)</u>

Source: Nevada County Audited Financial Statements - Statement of Activities

**County of Nevada**  
**Fund Balances, Governmental Funds,**  
**Last Three Fiscal Years**

	2006	2005	2004
General fund			
Reserved	\$ 1,150,883	\$ 808,498	\$ 775,788
Unreserved	11,373,937	10,465,538	9,094,403
Total General Fund	<u>\$ 12,524,820</u>	<u>\$ 11,274,036</u>	<u>\$ 9,870,191</u>
All Other Governmental Funds			
Reserved	\$ 6,175,208	\$ 5,156,484	\$ 5,174,723
Unreserved	32,927,673	32,838,658	26,321,052
Total all other governmental funds	<u>\$ 39,102,881</u>	<u>\$ 37,995,142</u>	<u>\$ 31,495,775</u>

Source: Nevada County Audited Financial Statements - Balance Sheet

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

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
<b>Revenues</b>										
Taxes and assessments	\$ 34,611,724	\$ 25,088,257	\$ 22,905,858	\$ 21,469,815	\$ 19,705,093	\$ 18,933,436	\$ 17,588,551	\$ 15,917,346	\$ 14,318,495	\$ 14,012,860
Licenses and Permits	3,022,441	2,874,129	2,774,001	2,225,703	2,166,166	1,845,620	2,092,492	1,656,858	1,460,055	1,368,271
Fines, Forfeitures and Penalties	2,413,690	2,309,855	2,501,164	2,305,652	2,415,210	2,824,558	3,067,764	3,820,406	2,307,703	2,250,662
Revenue from Use of Money or Property	1,069,389	910,938	737,365	1,257,561	1,992,882	2,200,365	1,386,006	1,258,971	1,348,153	2,659,581
Intergovernmental	58,565,763	62,113,922	56,088,533	66,165,210	55,952,099	55,422,084	42,692,596	39,300,832	37,573,354	40,565,722
Charges for Current Services	10,660,695	10,863,316	13,662,339	14,314,796	17,778,546	15,745,316	13,482,420	13,713,103	10,277,005	12,173,248
Other Revenue	2,932,392	3,113,455	2,315,425	5,388,965	3,852,985	1,632,575	2,167,607	520,674	1,377,055	997,604
<b>Total Revenues</b>	<b>113,276,094</b>	<b>107,273,872</b>	<b>100,984,685</b>	<b>113,127,702</b>	<b>103,862,981</b>	<b>98,603,954</b>	<b>82,477,436</b>	<b>76,188,190</b>	<b>68,661,820</b>	<b>74,027,948</b>
<b>Expenditures</b>										
General Government	10,282,276	8,073,099	11,621,634	23,918,121	9,391,872	10,025,813	8,463,501	10,769,710	9,137,064	8,676,912
Public Ways and Facilities	7,866,131	7,057,898	7,066,320	8,735,672	9,688,155	9,333,162	9,013,637	11,345,562	10,573,531	10,416,796
Public Protection	44,681,028	41,882,092	38,980,426	28,452,202	22,452,884	22,224,399	25,028,831	21,223,105	19,236,424	21,924,907
Health & Sanitation	18,385,159	15,997,064	16,142,128	13,362,630	17,876,014	17,720,818	16,797,052	15,423,886	14,076,720	12,853,422
Public Assistance	22,377,705	21,158,790	21,345,769	30,919,280	27,642,882	24,638,809	13,850,146	13,118,291	12,764,257	15,195,531
Education	2,810,092	2,442,534	2,654,324	2,310,954	2,103,661	1,940,160	1,848,994	1,088,255	31,167	521,292
Recreation & Cultural	51,729	11,126					85,717	69,101		127,111
Debt Service										4,491,770
Principal	1,743,241	1,359,618	1,325,751	1,495,425	3,406,505	985,837	1,273,867	874,291	1,209,495	*
Interest	826,604	766,252	807,979	850,537	1,191,075	1,270,136	1,409,052	1,364,656	1,565,514	*
Capital Outlay	5,915,357	655,983	2,963,833	960,649	9,271,333	5,670,129	2,660,071	1,444,029	328,605	304,685
<b>Total Expenditures</b>	<b>114,939,322</b>	<b>99,404,456</b>	<b>102,908,164</b>	<b>111,005,470</b>	<b>103,024,380</b>	<b>93,809,263</b>	<b>80,430,868</b>	<b>76,720,886</b>	<b>68,922,777</b>	<b>74,512,426</b>
Excess of revenues over (under) expenditures	(1,663,228)	7,869,416	(1,923,479)	2,122,232	838,601	4,794,691	2,046,568	(532,696)	(260,957)	(484,478)
<b>Other Financing Sources (Uses)</b>										
Inception of Capital Lease		26,682								
Debt Proceeds	4,090,000			68,671	23,425	302,934	290,479	628,116	182,287	457,898
Proceeds of Refunding Bonds					21,007,538					
Payment to refunding bond escrow agent					(18,844,986)					
Transfers In	28,485,767	25,848,038	23,912,010	17,262,307	5,593,541	5,094,779	4,535,646	3,251,092	2,721,269	3,981,927
Transfers Out	(28,554,016)	(25,855,413)	(24,322,269)	(17,262,307)	(6,039,372)	(5,147,878)	(4,670,367)	(3,001,377)	(3,937,388)	(3,378,193)
<b>Total other financing sources (uses)</b>	<b>4,021,751</b>	<b>19,307</b>	<b>(410,259)</b>	<b>68,671</b>	<b>1,740,146</b>	<b>249,835</b>	<b>155,758</b>	<b>877,831</b>	<b>(1,033,832)</b>	<b>1,061,632</b>
<b>Beginning Fund Balance (Hide when done)</b>	<b>49,269,178</b>	<b>41,380,455</b>	<b>43,699,704</b>	<b>39,925,684</b>	<b>26,527,378</b>	<b>21,482,852</b>	<b>19,258,580</b>	<b>18,160,668</b>	<b>19,341,246</b>	<b>18,605,075</b>
<b>Ending Fund Balance (Hide when done)</b>	<b>51,627,701</b>	<b>49,269,178</b>	<b>41,365,966</b>	<b>42,116,587</b>	<b>29,106,125</b>	<b>26,527,378</b>	<b>21,460,906</b>	<b>18,505,803</b>	<b>18,046,457</b>	<b>19,182,229</b>
	2,358,523	7,888,723	(2,333,738)	2,190,903	2,578,747	5,044,526	2,202,326	345,135	(1,294,789)	577,154
<b>Net Change in Fund Balances (Hide when done)</b>	<b>2,358,523</b>	<b>7,888,723</b>	<b>(2,333,738)</b>	<b>2,190,903</b>	<b>2,578,747</b>	<b>5,044,526</b>	<b>2,202,326</b>	<b>345,135</b>	<b>(1,294,789)</b>	<b>577,154</b>
<b>Net change in fund balances</b>	<b>\$ 2,358,523</b>	<b>\$ 7,888,723</b>	<b>\$ (2,333,738)</b>	<b>\$ 2,190,903</b>	<b>\$ 2,578,747</b>	<b>\$ 5,044,526</b>	<b>\$ 2,202,326</b>	<b>\$ 345,135</b>	<b>\$ (1,294,789)</b>	<b>\$ 577,154</b>
Debt service as a percentage of noncapital expenditures	2.36%	2.15%	2.13%	2.13%	4.90%	2.56%	3.45%	2.97%	4.05%	6.05%
Debt service as a percentage of noncapital (Hide when done)	2,569,845	2,125,870	2,133,730	2,345,962	4,597,579	2,255,973	2,682,919	2,238,947	2,775,009	4,491,770
Total Expenditures (Hide when done)	109,023,965	98,748,473	99,944,331	110,044,821	93,753,047	88,139,134	77,770,797	75,276,857	68,594,172	74,207,741

Source: Nevada County Audited Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

\* Not Available

**County of Nevada**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Total Secured Real Property</b>	<b>Personal Property</b>	<b>Less: Exemptions</b>	<b>Total Secured and Unsecured</b>	<b>Secured Delinquency Rate</b>	<b>Unsecured Delinquency Rate</b>	<b>Growth</b>
2006	\$12,798,167,869	\$ 310,443,412	\$ 407,602,510	\$ 12,701,008,771	1.93%	2.11%	12.66%
2005	11,378,385,878	255,638,057	359,974,676	11,274,049,259	1.87%	2.62%	8.61%
2004	10,489,020,503	245,890,683	354,262,482	10,380,648,704	1.87%	1.99%	9.08%
2003	9,593,595,384	251,989,513	328,852,728	9,516,732,169	1.98%	2.04%	7.20%
2002	8,833,385,724	255,954,266	212,058,149	8,877,281,841	1.98%	2.50%	12.91%
2001	7,896,507,808	230,969,058	264,939,154	7,862,537,712	2.43%	3.36%	5.37%
2000	7,492,298,257	221,593,583	251,743,454	7,462,148,386	2.73%	1.14%	5.31%
1999	7,128,134,251	210,613,780	253,024,744	7,085,723,287	3.13%	3.18%	4.56%
1998	6,813,587,629	207,715,961	244,895,773	6,776,407,817	3.42%	3.09%	3.78%
1997	6,570,854,872	197,016,543	238,214,125	6,529,657,290	4.26%	6.06%	3.01%

Source: Auditor-Controller's office - tax roll recaps, and schedule 6 of annual budget book.

**County of Nevada**  
**Property Tax Rates Per \$100 of Assessed Value**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

<b>Fiscal Year End June 30</b>	<b>Basic County- wide Rate</b>	<b>Schools</b>	<b>Special Districts</b>	<b>Total</b>
2006	1.0000	0.0877	0.0328	1.1205
2005	1.0000	0.0364	0.0596	1.0960
2004	1.0000	0.0423	0.0553	1.0976
2003	1.0000	0.0568	0.0435	1.1003
2002	1.0000	0.0296	0.0571	1.0867
2001	1.0000	0.0525	0.0652	1.1177
2000	1.0000	0.0137	0.0864	1.1001
1999	1.0000	0.0186	0.0809	1.0995
1998	1.0000	0.0192	0.1125	1.1317
1997	1.0000	0.0211	0.1180	1.1391

**Source:** Annual Tax Rate schedule prepared in accordance with Government Code Section 29100.

**County of Nevada  
Principal Property Tax Payers  
Current Year and Six\* Years Ago**

**Fiscal Year 2006**

Secured Taxes		
Taxpayer	Amount	Percent of Total
Gray's Station, LLC	\$1,062,950	0.64%
Old Greenwood, LLC, et al	\$545,220	0.33%
Tahoe Club Company, LLC	\$387,060	0.23%
Old Greenwood, LLC	\$326,098	0.20%
Western/Kienow LP, et al	\$260,314	0.16%
Hidden Lake Properties, Inc.	\$187,742	0.11%
GVSC, LLC	\$144,703	0.09%
Wildwood Resolution, LLC	\$142,664	0.09%
Martis Creek, Inc.	\$142,218	0.09%
Coyote Moon, LLC	\$133,489	0.08%
<b>TOTAL</b>	<b>\$3,332,457</b>	<b>2.00%</b>
<b>Total Secured Taxes Levied</b>		<b>\$166,744,752</b>

Unsecured Taxes		
Taxpayers	Amount	Percent of Total
Cequel III Communications, LLC	\$118,593	3.46%
Comcast of California IX, Inc.	\$1,043,780	30.48%
Boreal Ridge Corp.	\$87,515	2.56%
Truckee Meadows Water Auth.	\$64,406	1.88%
Thomas Broadcast & Media Solutions	\$62,000	1.81%
Teichert & Sons	\$59,305	1.73%
Manuel Brothers, Inc.	\$41,182	1.20%
Tahoe Club Co., LLC	\$40,412	1.18%
Tahoe Donner Property Owners Assoc.	\$35,865	1.05%
Suburban Propane, LP	\$31,065	0.91%
<b>TOTAL</b>	<b>\$1,584,123</b>	<b>46.26%</b>
<b>Total Unsecured Taxes Levied</b>		<b>\$3,424,737</b>

Public Utility Taxes		
Taxpayers	Amount	Percent of Total
Pacific Gas & Electric	\$ 1,411,109	58.99%
AT&T California	\$ 279,723	11.69%
Southwest Gas	\$ 217,746	9.10%
Sierra Pacific Power	\$ 189,665	7.93%
Union Pacific Railroad Co.	\$ 58,390	2.44%
Sacramento Valley LTD Partnership	\$ 54,227	2.27%
Cingular Wireless	\$ 36,391	1.52%
Nextel of California, Inc.	\$ 25,529	1.07%
T-Mobile	\$ 21,763	0.91%
SFPP LP	\$ 20,591	0.86%
<b>TOTALS</b>	<b>\$ 2,315,134</b>	<b>96.77%</b>
<b>Total Public Utility Taxes Levied</b>		<b>\$2,392,294</b>

**Fiscal Year 2000**

Secured Taxes		
Taxpayer	Amount	Percent of Total
First Commercial Bank	\$509,460	0.63%
Tektronix, Inc.	\$426,122	0.53%
Western/Kienow LP, et al	\$289,996	0.36%
GVSC, LLC	\$124,082	0.15%
Town & Country	\$122,942	0.15%
Sierra Pacific Industries	\$110,554	0.14%
Ranch Development Assoc.	\$90,875	0.11%
Siskono Gold Corp.	\$69,201	0.09%
Ananda Church of Self Realization	\$67,213	0.08%
Gold Country Ranch, Inc.	\$66,283	0.08%
<b>TOTAL</b>	<b>\$1,876,728</b>	<b>2.34%</b>
<b>Total Secured Taxes Levied</b>		<b>\$80,247,724</b>

Unsecured Taxes		
Taxpayers	Amount	Percent of Total
Boreal Ridge Corp.	\$95,160	4.03%
TCI Cablevision of California, Inc.	\$79,160	3.35%
Wetstar Communications, Inc.	\$57,451	2.43%
Tahoe Donner Property Owner's Assoc.	\$52,608	2.23%
Westar Communications	\$47,051	1.99%
Robinson Enterprises, Inc.	\$39,535	1.67%
Teichert, A. & Son	\$37,913	1.60%
Innovative Metal Fabrication, Inc.	\$35,396	1.50%
Manuel Brothers, Inc.	\$33,649	1.42%
Lucky Stores, Inc.	\$33,383	1.41%
<b>TOTAL</b>	<b>\$511,305</b>	<b>21.63%</b>
<b>Total Unsecured Taxes Levied</b>		<b>\$2,363,449</b>

Public Utility Taxes		
Taxpayers	Amount	Percent of Total
Pacific Gas & Electric	\$ 1,434,360	52.18%
Pacific Bell	\$ 700,834	25.50%
Sierra Pacific Power Co.	\$ 239,426	8.71%
Union Pacific Railroad Company	\$ 71,592	2.60%
Southwest Gas, Corp.	\$ 68,140	2.48%
MCI Worldcom Network Services, Inc.	\$ 40,919	1.49%
AT&T Communications	\$ 36,705	1.34%
Qwest Communications	\$ 32,876	1.20%
Airtouch Cellular	\$ 29,211	1.06%
SFPP, LP	\$ 20,363	0.74%
<b>TOTALS</b>	<b>\$ 2,674,428</b>	<b>97.29%</b>
<b>Total Public Utility Taxes Levied</b>		<b>\$2,748,824</b>

Source: County of Nevada Treasurer Tax Collector  
\* Data only available dating back to FY 1999/2000

**County of Nevada  
Taxes Levied and Tax Collections  
Last Ten Fiscal Years**

	Tax Levied			Collected			Total Tax Delinquent	Percent Delinquent
	Secured Tax	Unsecured Tax	Total Tax	Secured Tax	Unsecured Tax	Total tax		
2006	\$ 148,443,185	\$ 3,403,715	\$ 151,846,900	\$ 145,581,283	\$ 3,331,743	\$ 148,913,026	\$ 2,933,874	1.93%
2005	125,662,768	2,981,802	128,644,570	123,529,526	2,911,228	126,440,754	2,203,816	1.71%
2004	111,853,346	2,736,467	114,589,814	109,977,834	2,653,572	112,631,407	1,958,407	1.71%
2003	103,919,577	2,729,577	106,649,153	101,731,518	2,670,606	104,402,124	2,247,029	2.11%
2002	94,784,809	2,743,323	97,528,132	92,649,392	2,692,310	95,341,701	2,186,431	2.24%
2001	85,761,041	2,476,757	88,237,798	84,009,298	N/A	84,009,298	1,751,743	2.04%
2000	80,247,724	2,363,449	82,611,173	77,734,044	N/A	77,734,044	2,513,680	3.13%
1999	77,497,609	2,213,259	79,710,868	74,790,316	N/A	74,790,316	2,707,293	3.49%
1998	73,760,043	2,224,586	75,984,629	70,853,822	N/A	70,853,822	2,906,221	3.94%
1997	71,573,515	2,112,087	73,685,602	69,106,260	N/A	69,106,260	2,467,255	3.45%

Source: County of Nevada Tax Collector's Tax Roll Summary, County of Nevada Auditor's Office District Summary Grand Totals

Note: Amounts do not include Supplementals. Special Assesments Levied are included.

N/A = Not Available

**Ratio of Net Obligation Bonded Debt  
to Assessed Value and Net General Obligation  
Bonded Debt per Capita  
Last Ten Fiscal Years**

	Capital Leases	Certificates of Participation	Loans	Special Assessment Debt & Bonds Payable	Notes Payable	Total	Less: Amounts Restricted to Repaying Principal (4)	Total	Population per official U.S. Census (1)	Total Assessed Valuation (2)	Income per Capita	Percentage of Personal Income	Percentage of Actual Value of Taxable Property	Net Bonded Debt per Capita
2006	\$ 50,259	\$ 15,630,000	\$ 4,026,634	\$ 9,946,000	\$ 1,072,182	\$ 30,725,075	\$ (3,108,472)	\$ 27,616,603	100,066	\$ 12,798,167,869	N/A	N/A	0.22%	\$275.98
2005	59,216	18,630,000	--	11,028,000	562,260	30,279,476	(3,107,956)	27,171,520	99,510	11,274,049,259	N/A	N/A	0.24%	\$273.05
2004	56,156	17,290,000	--	10,517,000	618,541	28,481,697	(3,107,181)	25,374,516	97,804	10,380,648,704	36,595	0.14%	0.24%	\$259.44
2003	90,492	19,925,000	--	11,525,000	788,345	32,328,837	(3,181,651)	29,147,186	95,100	9,516,732,169	34,613	0.12%	0.31%	\$306.49
2002	56,176	21,385,000	--	31,611,000	648,546	53,700,722	(23,171,930)	30,528,792	93,900	8,877,281,841	32,841	0.11%	0.34%	\$325.12
2001	--	21,395,000	--	20,979,000	692,876	43,066,876	(12,307,578)	30,759,298	92,300	7,862,537,712	31,935	0.10%	0.39%	\$333.25
2000	--	22,310,000	--	21,711,000	735,170	44,756,170	(11,990,139)	32,766,031	92,033	7,462,148,386	29,042	0.09%	0.44%	\$356.02
1999	--	23,175,000	--	22,473,000	817,893	46,465,893	(12,417,466)	34,048,427	90,899	7,085,723,287	26,341	0.08%	0.48%	\$374.57
1998	10,076	21,275,000	--	25,940,000	536,026	47,761,102	(12,550,204)	35,210,898	90,170	6,776,407,817	24,916	0.07%	0.52%	\$390.49
1997	133,663	21,630,000	--	27,082,000	609,689	49,455,352	(15,517,392)	33,937,960	89,137	6,529,657,290	23,605	0.07%	0.52%	\$380.74

**Sources:**

(1) From Demographic & Econ Stats Table

(2) From Table Assessed Value and Actual Value of Taxable Property

(3) Includes bonds, notes, certificates of participation, loans and capital leases

Does not include compensated absences, net pension obligations, landfill postclosure costs or claims and judgments

Source: Nevada County Audited Financial Statements - Combining Balance Sheet

(4) Amount available for repayment of debt - Deposits with Agent

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

**County of Nevada**  
**Comparison of Computation of Legal Debt Margin**  
**Last Ten Fiscal Years**

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Assessed Value of Property (1)	\$ 12,798,167,869	\$ 11,274,049,259	\$ 10,380,648,704	\$ 9,516,732,169	\$ 8,877,281,841	\$ 7,862,537,712	\$ 7,462,148,386	\$ 7,085,723,287	\$ 6,776,407,817	\$ 6,529,657,290
Debt Limit, 5% of Assessed Value (2) (Statutory Limitation)	639,908,393	563,702,463	519,032,435	475,836,608	443,864,092	393,126,886	373,107,419	354,286,164	338,820,391	326,482,865
Amount of Debt Applicable to Limit										
General Bonded Debt (3)	30,725,075	30,279,476	28,481,697	32,328,837	53,700,722	43,066,876	44,756,170	46,465,893	47,761,102	49,455,352
Less: Resources Restricted to Paying Principal	(3,108,472)	(3,107,956)	(3,107,181)	(3,181,651)	(23,171,930)	(12,307,578)	(11,990,139)	(12,417,466)	(12,550,204)	(15,517,392)
Total net debt applicable to limit	<u>27,616,603</u>	<u>27,171,520</u>	<u>25,374,516</u>	<u>29,147,186</u>	<u>30,528,792</u>	<u>30,759,298</u>	<u>32,766,031</u>	<u>34,048,427</u>	<u>35,210,898</u>	<u>33,937,960</u>
Legal Debt Margin (4)	<u>\$ 612,291,790</u>	<u>\$ 536,530,943</u>	<u>\$ 493,657,919</u>	<u>\$ 446,689,422</u>	<u>\$ 413,335,300</u>	<u>\$ 362,367,588</u>	<u>\$ 340,341,388</u>	<u>\$ 320,237,737</u>	<u>\$ 303,609,493</u>	<u>\$ 292,544,905</u>
Total net debt applicable to the limit as a percentage of debt limit	4.51%	5.06%	5.14%	6.53%	7.39%	8.49%	9.63%	10.63%	11.60%	11.60%

**Sources:**

- (1) From Table Assessed Value and Actual Value of Taxable Property
- (2) The Legal debt limit is 5.00% of Assessed Valuation
- (3) General Bonded Debt includes bonds, notes, certificates of participation, loans and capital leases  
Does not include compensated absences, net pension obligations, landfill postclosure costs or claims and judgments  
Source: Nevada County Audited Financial Statements - Combining Balance Sheet
- (4) Legal Debt Margin is computed by subtracting the County legal general obligation bonded debt from the Legal Debt Limit.

**County of Nevada  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

	<b>Population</b>	<b>Income per Capita</b>	<b>Civilian Labor Force</b>	<b>Unemployment Percentage Rate</b>	<b>Percent of Population over 65</b>
2006	100,066	N/A	50,560	4.3%	N/A
2005	99,510	N/A	49,730	5.4%	N/A
2004	97,804	\$33,957	48,830	5.2%	N/A
2003	95,100	\$32,136	48,430	4.7%	N/A
2002	93,900	\$31,294	48,450	4.5%	N/A
2001	92,300	\$31,590	46,860	3.6%	N/A
2000	92,033	\$30,544	45,430	3.6%	17.4%
1999	90,899	\$27,409	43,540	4.1%	20.1%
1998	90,170	\$26,050	42,240	5.4%	20.4%
1997	89,137	\$24,058	41,070	6.1%	19.3%

**Sources:**

Nevada County Economic & Fiscal Indicator Review Report

Employment Development Department Labor Market Division - [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

County of Nevada Annual Budget Book

N/A = Not Available

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

Fiscal Year 2006		Fiscal Year 1997	
Industry Title	No. of Employed	Industry Title	No. of Employed
Total, All Industries	30,620	Total, All Industries	24,510
Total Farm	60	Total Farm	130
Total Nonfarm	30,560	Total Nonfarm	24,380
Total Private	25,200	Total Private	17,880
Service Providing	24,890	Service Providing	19,970
Residual-Private Services Providing	19,530	Residual-Private Services Providing	14,940
Goods Producing	5,670	Goods Producing	4,410
Leisure and Hospitality	4,970	Leisure and Hospitality	3,210
Trade, Transportation and Utilities	4,960	Trade, Transportation and Utilities	4,990
Retail Trade	4,070	Retail Trade	3,940
Natural Resources, Mining & Construction	3,780	Natural Resources, Mining & Construction	1,950
Education and Health Services	3,780	Education and Health Services	2,650
Food Services and Drinking Places	3,110	Food Services and Drinking Places	1,990
Professional and Business Services	2,720	Professional and Business Services	1,630
Manufacturing	1,890	Manufacturing	2,460
Financial Activities	1,560	Financial Activities	1,310
Food and Beverage Stores	1,120	Food and Beverage Stores	960
Finance and Insurance	1,030	Finance and Insurance	880
Real Estate and Rental and Leasing	530	Real Estate and Rental and Leasing	430
Transportation, Warehousing & Utilities	480	Transportation, Warehousing & Utilities	550
Wholesale Trade	410	Wholesale Trade	500
Information	400	Information	410
Other Services	1,140	Other Services	740
Government	5,360	Government	5,030
Federal Government	410	Federal Government	560
State and Local Government	4,950	State and Local Government	4,470
State Government	390	State Government	580
Local Government	4,560	Local Government	3,890

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

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

<b>Full-time Equivalent Employees</b>										
<b>Function/Program</b>	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Public Protection	421.00	418.75	420.80	427.80	442.25	417.25	383.75	354.75	388.10	378.35
Health and Sanitation	108.65	105.10	123.95	130.50	125.50	123.90	124.90	109.40	95.40	84.00
Public Assistance	125.50	125.00	132.50	146.00	144.50	146.50	142.00	134.00	132.00	122.00
Education	29.85	29.45	34.20	39.85	37.75	33.80	29.50	27.50	17.80	16.80
Public Ways and Facilities	116.60	129.10	128.60	127.60	126.35	123.35	123.35	118.35	113.60	109.00
General government	171.10	161.80	166.30	179.30	177.50	181.00	176.50	155.00	150.00	150.00
Total	972.70	969.20	1,006.35	1,051.05	1,053.85	1,025.80	980.00	899.00	896.90	860.15

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

\* Data unavailable

**County of Nevada  
Operating Indicators by Function  
Last Ten Fiscal Years**

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
<b>Function/Program</b>										
<b>Public Protection</b>										
Jail Bookings	5,620	5,519	5,430	*	*	*	*	*	*	*
Average daily population	179	184	177	159	140	130	141	152	134	145
<b>Health and Sanitation</b>										
Economic services/support Program - unduplicated cases mental health (Adults in Nevada County)	253	383	475	595	666	595	583	144	121	49
<b>Public Ways and Facilities</b>										
Centerline miles of road maintained										
County	562	561	561	565	565	565	565	565	565	564
State	129	129	129	129	129	129	129	129	129	129
<b>Airport</b>										
Based aircraft	150	*	*	*	*	*	*	*	*	*
Takeoffs and landings	20,000	*	*	*	*	*	*	*	*	*
<b>Total</b>	<b>26,893</b>	<b>6,776</b>	<b>6,772</b>	<b>1,448</b>	<b>1,500</b>	<b>1,419</b>	<b>1,418</b>	<b>990</b>	<b>949</b>	<b>887</b>

\* Information not available

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

**County of Nevada  
Capital Asset Statistics by Function  
Last Ten Fiscal Years**

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
<b>Function/Program</b>										
<b>Public Protection</b>										
Correction facility capacities	250	250	223	223	223	223	223	223	223	223
<b>Public Ways and Facilities</b>										
Traffic signals	2	2	2	6	6	6	6	6	6	6
Bridges	71	71	71	71	71	71	71	71	71	71
Active Vehicles in vehicle replacement plan	149	149	149	*	*	*	*	*	*	*
<b>Airport</b>										
Number of runways	1	1	1	1	1	1	1	1	1	1
Total	473	473	446	301	301	301	301	301	301	301

Source: Sheriff  
Department of Transportation and Sanitation  
Nevada County Airport

\* Data not available



# **APPENDIX**



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<b>Governmental Funds</b>	<b>Fund #</b>
GENERAL FUND	0101
ROADS	1114
COMMUNITY DEVELOPMENT AGENCY	1123
HLTH/WELFARE LOCAL TRUST	1480
MOTOR VEHICLE LICENSE FEE	1649
HUMAN SERVICES AGENCY	1589

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<b>Proprietary Funds</b>	<b>Fund #</b>
<b>Enterprise Funds</b>	
SOLID WASTE - WESTERN	4117
AIRPORT	4116
<b>Sanitation District</b>	
NSJ SEWER ASSMT	3201
SD Z6 PENN VLY SEWER ASSM	3227
WASTE WATER MGMT WESTERN	3700
SD Z1 LK WLDWD O&M	3728
LWW CAPITAL IMPROVEMENTS	3730
CASCADE SHORES INSUR PROCEEDS	3732
SD Z8 CASCADE SHORES O&M	3734
CASCADE SHORES CAP IMPROV	3735
SD Z4 SAN JUAN O&M	3736
SD Z2 LOP O&M	3740
LOP CAPITAL IMPROVEMENTS	3742

<b>Proprietary Funds</b>	<b>Fund #</b>
<b>Sanitation District Cont'd</b>	
SD Z5 GOLD CREEK O&M	3749
SD Z7 MTN LAKE EST O&M	3751
SD Z10 DARKHORSE O&M/CI	3766
SD Z6 PENN VALLEY O&M	3771
SD Z11 HIGGINS VILLAGE	3789
SD Z9 EDEN RANCH O&M/CI	3796
<b>Internal Service Funds</b>	
FLEET MANAGEMENT	4290
VISION SELF-INSURANCE	4352
UNEMPLOYMENT INSURANCE	4355
GEN LIABILITY SELF-INS	4356
CENTRAL SERVICES	4332
DENTAL SELF-INSURANCE	4498

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<b>Fiduciary Funds</b>	<b>Fund #</b>
<b>Investment Trust Funds</b>	
<b>School Districts</b>	
BEAR RVR REC & PARK DIST	6775
TRK DONNER REC & PK MIT	6776
NSJ FIRE AB1600 CAP	6777
R & R FIRE MITIATION	6778
PEARDALE-CP FPD MITIGATIO	6779
MYSTIC MINE COM DIST	6780
LOP RNCHOS COMM SVC	6781
BEYERS LANE COMM SVC	6782
TAHOE TRK JT UNIF SPEC TA	6783
HIGGINS FPD CAP RESERVE	6784
NEV CEMETERY ENDOW CARE	6797
DONNER LAKE WATER ASSESS	6798
TRUCKEE CEM ENDOW CARE	6799
PAYROLL CLEARING-SCHLS	8310
SIERRA COLLEGE (920)	8620
TAHOE TRK UNIF (930)	8630
PLACER CO ED TAX (940)	8640

<b>Fiduciary Funds</b>	<b>Fund #</b>
<b>Investment Trust Funds Cont'd</b>	
REGIONAL OCCUPATION (945)	8645
CHICAGO PARK ELEM	8800
CHICAGO PARK RESERVE	8801
CHICAGO PARK DEFERRED MTC	8802
CHICAGO PK SCH FACILITY	8805
CHI PK FAC DEVEL	8809
CLEAR CREEK ELEM	8810
CLEAR CREEK RESERVE	8811
CLEAR CREEK DEF MAINT	8812
CL CRK CO SCHOOLS FACILIT	8815
CLEAR CREEK FAC DEVELOP	8819
GRASS VALLEY ELEM	8820
GRASS VALLEY DEFERRED MTC	8821
GRASS VALLEY RESERVE	8822
GRASS VLY CHILD DEVELOP	8823
G.V. CO SCHOOL FACILITY	8824
GRASS VALLEY GREENE LEASE	8826
GRASS VALLEY FAC DEVELOP	8829

Fiduciary Funds	Fund #
<b>Investment Trust Funds Cont'd</b>	
NEVADA CITY ELEM	8830
NC ELEM CHILD DEVELOPMENT	8831
NC ELEM DEFERRED MAINT	8832
NC ELEM SP BLDG	8833
NEV CITY SD CO SCH FACILI	8834
NEVADA CITY CAFETERIA	8837
NC FAC DEV	8839
PLEASANT RIDGE ELEM	8840
PL RIDGE ELEM RESERVE	8841
PL RIDGE DEFERRED MTC	8842
PL RIDGE GREENE LEASE II	8847
PL RIDGE FAC DEVELOPMENT	8849
PLEASANT VALLEY ELEM	8850
PL VLY DEFERRED MAINT	8852
PL VALLEY CAFETERIA FUND	8853
PL VLY FAC DEVELOPMENT	8859
READY SPRINGS ELEM	8860
READY SPINGS SP RESERVE	8861
READY SPRINGS DEFERRED MT	8862
READY SPRINGS CHILD DEVEL	8863
READY SPRINGS GREENE LS42	8866
READY SPRINGS CAFETERIA	8867
READY SPRINGS SP RESERVE	8868
READY SPRINGS FAC DEVELOP	8869
UNION HILL ELEM	8880
UNION HILL DEFERRED MAINT	8881
UNION HILL SP RESERVE	8882
UNION HILL CHILD DEVELOP	8883
UNION HILL GREENE LS 2	8887
UNION HILL FAC DEVELOP	8889
TWIN RIDGES ELEM	8890
TWIN RIDGES CHILD DEVELOP	8891
TWIN RIDGES DEFERRED MTC	8892
TWIN RIDGES CAFETERIA	8895
TWIN RIDGES SP BLDG FUND	8896
TWIN RIDGES SP RESERVE	8897
TWIN RIDGES FAC DEVELOP	8899
COUNTY SCHOOL SERV FUND	8900
CSSF DEFERRED MAINT	8902
CSSF SP RESERVE	8903
NC SUP OF SCH CH DEVELPMN	8904
FOREST RESERVE	8905
J. MUIR CHARTER SCH FUND	8906
SCHOLARSHIP & LOAN FUND	8907
CSSF GREENE LEASE III	8908

Fiduciary Funds	Fund #
<b>Investment Trust Funds Cont'd</b>	
NJU COUNTY SCHLS FAC	8909
NEVADA UNION HIGH SCHOOL	8910
NUHS CONSTRUCTION	8911
NUHS DEFERRED MAINT	8912
ADULT ED FUND	8913
NUHS RET EMP H/W BENEFIT	8914
NEVADA COUNTY BUS POOL	8915
NUHS PERMANENT FAC	8916
NEVADA UNION HIGH SB 201	8917
NUHS LEASE PURCHASE	8918
NUHS GREENE LEASE	8919
NUHS SP RESERVE FUND	8921
NJU CHILD DEVELOP	8922
NUHS FAC DEVELOP	8925
NUHS CAFETERIA FUND	8926
NUJHS BLDG FUND	8927
<b>School Districts Debt Service</b>	
NUHS GEN'L OBLIG BONDS	8183
TAHOE/TRK UNIF BOND A1998	8192
TAHOE TRK UNIF '92 BOND	8196
TAHOE TRK UNIF BOND B	8199
TAHOE TRK SCHL FAC IMP DI	8205
TAH/TRK UNIF SFID#1 2001	8206
TAH TRK UNIF '99 B SFID#1	8207
<b>Courts and Jury/Witness</b>	
COURT OPERATIONS FUND	7112
PROP 69 DNA PENALTY	7201
LAW LIBRARY	7411
P13892 TATE FAMILY TRUST	7500
CLERK VITAL STATISTICS	7541
PLACER FRCLSR #70771	7651
EST OF M BLAMEY C#T00/014	7654
COURT TRUST	7663
ST TCIF 2% AUTOMATION	7795
<b>Local Transportation Authority</b>	
TRANS(LTF) NEVADA COUNTY	6317
TRANSPORATION COMM PLNG	6327
REGN'L TRANS MIT FEE RTMF	6328
TRANSIT ASST FUND	6357
RSTP-REGN'L SURFACE PRG	6492

Fiduciary Funds	Fund #
<b>Agency Funds</b>	
VLF COMPENSATION FUND	5100
SALES & USE TAX COMP	5200
PV SEWER SPECIAL RESERVE	5209
APPORTIONED TAX RESOURCES	5170
INTEREST TO APPORTION	5300
UNAPPORTIONED TAXES	5301
TAX COLLECTORS SUSPENSE	5307
PAYROLL CLEARING-GENERAL	5309
DEBT COLLECTION CLEARING	5341
ESTIMATED TAX DEPOSITS	5342
IRS 125 - DEPENDENT CARE	5413
EDUCATION REVENUE AUGMENT	5459
WWD RESO LLC LIT.#67938	5461
MELLO ROOS BOND	5477
T/C CASH DIFFERENCE FUND	5479
SALES TAX - AVIATION FUEL	5521
SALES TAX	5522
TAX LOSSES RESERVE	5640
AUDITOR ADJUSTMENT	5660
TIMBER TAX TO APPT	5661
EXCESS PROCEEDS	5686
AGENCY - OTHER	5303
SHERIFF-BAIL & FEES	5305
SHERIFF - CIVIL	5306
STATE FUND	5315
SHERIFF - DOJ FEES	5332
EST WM MCGEE	5503
EST DONALD SHEARD	5505
EST BETTY CLINTON	5506
EST JOHN D USELIS	5508
CORONER-PROPERTY DECEASED	5518
PEST CONTROL ASSESSMENT	5520
EST MICHAEL MC PHILLIPS	5523
ESTATE OF IDA KOEHLER	5524
STRONG MOTION	5525
EST THOMAS J MOGFORD	5526
CUPA STATE SURCHARGE FEES	5527
ESTATE OF DEANNA L GRIMES	5528
EST MANILA SKIBINSKI	5529
EST JAMES LEO ADAMS	5530
EST OF HISAKO F BREWSTER	5531
EST LAURAMAE SCHMIDT	5532
EST JACK F MYERS	5533
EST HAROLD JOYCE	5534
EST OF ELIZABETH CARDENAS	5536

Fiduciary Funds	Fund #
<b>Agency Funds Cont'd</b>	
EST OF GARY L. HAZELTON	5537
EST GRACE MCCULLOUGH	5538
ESTATE OF RAYMOND F JONES	5539
EST RALPH ELLIS	5540
CLERK-VITAL STATISTICS	5541
RECORDER-VITAL STATISTICS	5542
RECORDER-OVR MARR LIC FEE	5545
MARR CERT SURCHG FC1852	5546
EST MATHEW MOTLOW	5549
DEATH CERT FEE PC 14251	5550
CRIMINALSTC LAB HS11372.5	5552
REST VICTIMS PC1202.4	5553
EST HOWARD E FLINT	5556
EST LOUIS HEVERLY	5557
EST CAROL WOODS	5558
ESTATES DECEASED PERSONS	5560
SM CLAIM FILING CC9116.23	5562
HEALTH-VITAL STATISTICS	5565
EST ALMA G CUMINS	5566
HEALTH-BIRTH/DEATH CERT	5567
EXPLOSIVE PERMIT HS12105	5571
PEACE OFFICERS TRG FUND	5575
EST TIMOTHY S GARFIELD	5576
EST JOAN A PRINCE	5577
ESTATE OF AUBREY D JONES	5578
PROP MAINT APPEAL FUND	5662
LAND USE APPEAL FUND	5665
PEOPLE V STEELE #52312	5666
DOMESTIC RE-CHILD SUPPORT	5667
IRS/FTB CHILD SUPPORT	5668
DOMESTIC REL-BLOOD DRAW	5669
CHILD SUPPORT-SIERRA CO	5670
ADOPT-A-ROAD DEPOSITS	5671
EROSION CONTROL-LANDUSE	5677
COLLECTIONS DIVISION	5682
DA RESTITUTION	5683
PROBATION RESTITUTION	5684
CIVIL SUBPOENA TRUST	5685
EST KENNETH A LOWEN	5787
EST ROBERT OLSON	5788
DONNER SPITZ INN SNOW REM	5791
ST TCIF 2% AUTO GC68090.8	5795
EST DENNIS R COLLINS	5873
SUPP LAW ENFORCEMENT SVC	5901

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Non-Major Governmental Funds	Fund #
Special Revenue Fund	see below
Debt Service Fund	
Government Debt Service	3150
Capital Project Fund	
Juvenile Hall	3180

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Non-Major Special Revenue Funds	Fund #
FISH & GAME	1113
CHILD SUPPORT SERVICES	1125
COUNTY WIDE TECH PRJ	1128
PROBATION FIRE INS CLAIM	1137
PROP TAX ADM GRANT	1140
PUBLIC LIBRARY	1165
WORKER'S COMP INS	1350
<b>Minor Human Services Agency</b>	
PROP 36 SACPA	1136
CHILDRENS'S SYST OF CARE	1138
CBFRP COM BASED FAMILY PG	1142
SIERRA CO ALCO PC1463.16	1143
NEV CO ALCO PC 1463.16	1144
DRUG EDUCATION TRUST	1145
ALCOHOL EDU PG PC1463.25	1146
EMERG MEDICAL SERV ASSMT	1147
CALWORKS PERFORM INCENT	1149
LOCAL BIOTRRISM PREPARDNS	1150
CHILDREN'S TRUST AB-2994	1156
HEALTH - VRIP	1335
DUAL DIAGNOSIS PROGRAM	1511
SUBSTNCE ABUSE SVC SUPORT	1513
TOBACCO EDUCATION PRG	1603
MANAGED CARE	1623
<b>Administration</b>	
FOREST RESERVES	1130
DRYDEN WILSON BEQUEST	1135
WWE ESCROW ACCOUNT	1139
COMM FAC DIST #1990-1WLDW	1186
WWE MELLO-ROOS	1268
CRIM JUST TEMP FAC CONST	1304
COURTHOUSE TEMP CONST	1398
PUBLIC SAFETY AUGMENT	1468
DISPUTE RESOLUTION	1486
VECTOR CONTROL	1129

Non-Major Special Revenue Funds Cont'd	Fund #
<b>Community Development Agency</b>	
PROPERTY MAINT/NUISANCE	1119
CAPITAL FACILITIES MGMT	1120
NEVADA CITY QUIMBY FUND	1626
GRASS VALLEY QUIMBY FUND	1627
TWIN RIDGES QUIMBY FUND	1628
LEA ASSISTANCE GRANT	1641
<b>District Attorney</b>	
DUI LAB FEES PC 1463.14	1369
DA ASSET FORFEIT FUND	1454
DA AUTO INS FUND	1455
D.A. ENVIRON. ENFORCEMNT	1457
<b>Probation</b>	
DOMESTIC VIOLENCE PRG	1153
CORRECT'L TRG-PROBATION	1323
WARD WELFARE FUND - JH	1359
PROB ASSET FORFEIT FUND	1452
<b>Recorder</b>	
MICROGRAPHICS	1154
AUTOMATION	1157
<b>Sheriff</b>	
AUTOMATED WARRANT SYSTEM	1141
SHERIFF ANTI-DRUG GRANT	1166
CLETEP GRANT-OCJP#LO9901	1167
CIVIL FEE - AB709	1168
ATTACHMENT ASSMT FEE	1169
CORRECT'L TRG-SHERIFF	1324
INMATE WELFARE FUND	1339
SPAY & NEUTER FUND	1358
TRUCKEE ANIMAL SHELTER	1412
FED ASSET FORFEIT FUND	1450
FINGERPRINT IDENT	1453
LAW ENFORCEMENT SVC FUND	1642

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Non-Major Special Revenue Funds Cont'd	Fund #
<b>Sheriff Cont'd</b>	
LAW ENFORCEMENT BLOCK GRT	1646
GC76104.6 St DNA ACT	1675
ST ASSET FORFEITURE	1680
<b>Housing Authority</b>	
SECTION 8 VOUCHERS	4462
SECTION 8 VOUC FSS ESCROW	4494
<b>Special Districts</b>	
PRD HILLSDALE CT R/M	3175
PRD GREENWOOD FST EST R/M	3197
CSA 13 ZN 2 TOM RAY R/M	3213
CSA 13 ZN 3 WOLF-UNPAVED	3214
CSA 1A ZN 1 WOLF CRK R/M	3215
CSA 2 BIRCH MEADOWS R/M	3216
CSA 22 ZN 1 THOROGHBRED R	3230
CSA 22 ZN 2 PONDEROSA WY	3231
CSA 1A ZN 2 CLOVER VLY R/	3232
CSA 24 ZN2 MTN LK EST R/M	3233
CSA 24 ZNS MTN LK EST F/F	3234
CSA 1A ZN 3 FAY RD R/M	3237
CSA 12 ZN1 ADAMSON RD R/M	3252
CSA 13 ZN1 WOLF-PAVED R/M	3253
CSA 14 ZN RETRAC WAY R/M	3254
CSA 18 IWB NORTH R/M	3258
CSA 12 ZN2 TROTTER RD R/M	3260
CSA 21 SHARON OAKS R/M	3261
CSA 22 ZN1&2 6B RNCH F/F	3262
CSA 24 ZN1 OAKCREST RNCH	3263
CSA 31 PAL VADA-KNGVL F&A	3267
CSA 14 ZN2 CREEKVIEW R/M	3271
CSA 14 ZN4 HILL TOP R/M	3273
PRD ALTAIR R/M	3282
PRD SKI TOWN 11 S/R R/M	3285
PRD PERIMETER RD R/M	3286
PRD BLUE TENT RD R/M	3288
PRD RIDGE VIEW WDLND R/M	3289
PRD CANYON CRK EST R/M	3294
PRD DARKHORSE R/M	3437
PRD HIDDEN GLEN R/M	3470
<b>Department of Transportation</b>	
RECYCLED OIL BLOCK GRANT	1131
RIDGE ROCK QUARRY PROJ	1325
ROAD MITIGATION AREA 1	1401

Non-Major Special Revenue Funds Cont'd	Fund #
<b>Department of Transportation</b>	
ROAD MITIG AREA 2 - NSJ	1402
ROAD MITIG AREA - HWY 20E	1403
ROAD MITIG AREA 4-BANNER	1404
ROAD MIT AREA 5-CHICAGO P	1405
ROAD MIT AREA 6-HWY 49S	1406
ROAD MIT AREA 7-PENN VLY	1407
ROAD MIT AREA 8-BRUNSWICK	1408
YOU BET RD MAINTENANCE	1419
TAYLOR RD/HANSON JUDG	1672
<b>Housing and Community Services</b>	
CDBG TRK REHAB 92 (TRK)	1430
CDBG RE-USE/MISC INCOME	1435
CDBG RE-USE/MISC	1474
HOME 98-HOME-0343	1490
94STBG810	1496
RESIDENTIAL REHAB 93-STBG	1501
HOUSING & COMMUNITY SVC	1607
CALHOME PROGRAM INCOME	1608
HOME PROGRAM INCOME	1611
00-CALHOME-024	1614
SEC 533 HOUSING PRESRVATN	1620
CDBG 97-STBG-1129	1622
04 SEC 533 HOUSING PRESRVAT	1624
CDBG REHAB REVOLVING LOAN	1645
CDBG ECON DEV REV. LOAN	1650
LIHEAP 05B-5325	1651
LIHEAP 04B-5276	1690
DOE 02C-1423	1696
HOME-01 01HOME0553	1697
CDBG 02EDBG-886 MICRO ENT	1698
CDBG 03-STBG-1842 REHAB	1700
CDBG 03 - PTAA-0046	1705
05 CSBG 05F-4627	1708

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<b>Non-Major Debt Service funds</b>	<b>Fund #</b>
GOV'T DEBT SERVICE	3150
FINANCE AUTHORITY	3631

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<b>Non-major Enterprise Funds</b>	<b>Fund #</b>
<b>Solid Waste Eastern</b>	
SOLID WASTE - EASTERN	4118
<b>Transit</b>	
TRANSIT RISK MGMT	1785
TRANSIT	4281

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<b>Internal Service Funds</b>	<b>Fund #</b>
FLEET MANAGEMENT	4290
VISION SELF-INSURANCE	4352
UNEMPLOYMENT INSURANCE	4355
GEN LIABILITY SELF-INS	4356
CENTRAL SERVICES	4332
DENTAL SELF-INSURANCE	4498

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<b>Investment Trust Funds</b>	<b>Fund #</b>
<b>Independent Districts</b>	
BEAR RVR REC & PARK DIST	6775
TRK DONNER REC & PK MIT	6776
NSJ FIRE AB1600 CAP	6777
R & R FIRE MITIATION	6778
PEARDALE-CP FPD MITIGATIO	6779
MYSTIC MINE COM DIST	6780
LOP RNCHOS COMM SVC	6781
BEYERS LANE COMM SVC	6782
TAHOE TRK JT UNIF SPEC TA	6783
HIGGINS FPD CAP RESERVE	6784
NEV CEMETERY ENDOW CARE	6797
DONNER LAKE WATER ASSESS	6798
TRUCKEE CEM ENDOW CARE	6799
<b>School Districts</b>	
PAYROLL CLEARING-SCHLS	8310
SIERRA COLLEGE (920)	8620
TAHOE TRK UNIF (930)	8630
PLACER CO ED TAX (940)	8640
REGIONAL OCCUPATION (945)	8645
CHICAGO PARK ELEM	8800
CHICAGO PARK RESERVE	8801

<b>Investment Trust Funds Cont'd</b>	<b>Fund #</b>
<b>School Districts Cont'd</b>	
CHICAGO PARK DEFERRED MTC	8802
CHICAGO PK SCH FACILITY	8805
CHI PK FAC DEVEL	8809
CLEAR CREEK ELEM	8810
CLEAR CREEK RESERVE	8811
CLEAR CREEK DEF MAINT	8812
CL CRK CO SCHOOLS FACILIT	8815
CLEAR CREEK FAC DEVELOP	8819
GRASS VALLEY ELEM	8820
GRASS VALLEY DEFERRED MTC	8821
GRASS VALLEY RESERVE	8822
GRASS VLY CHILD DEVELOP	8823
G.V. CO SCHOOL FACILITY	8824
GRASS VALLEY GREENE LEASE	8826
GRASS VALLEY FAC DEVELOP	8829
NEVADA CITY ELEM	8830
NC ELEM CHILD DEVELOPMENT	8831
NC ELEM DEFERRED MAINT	8832
NC ELEM SP BLDG	8833
NEV CITY SD CO SCH FACILI	8834
NEVADA CITY CAFETERIA	8837
NC FAC DEV	8839

Investment Trust Funds Cont'd	Fund #
<b>School Districts Cont'd</b>	
PLEASANT RIDGE ELEM	8840
PL RIDGE ELEM RESERVE	8841
PL RIDGE DEFERRED MTC	8842
PL RIDGE GREENE LEASE II	8847
PL RIDGE FAC DEVELOPMENT	8849
PLEASANT VALLEY ELEM	8850
PL VLY DEFERRED MAINT	8852
PL VALLEY CAFETERIA FUND	8853
PL VLY FAC DEVELOPMENT	8859
READY SPRINGS ELEM	8860
READY SPINGS SP RESERVE	8861
READY SPRINGS DEFERRED MT	8862
READY SPRINGS CHILD DEVEL	8863
READY SPRINGS GREENE LS42	8866
READY SPRINGS CAFETERIA	8867
READY SPRINGS SP RESERVE	8868
READY SPRINGS FAC DEVELOP	8869
UNION HILL ELEM	8880
UNION HILL DEFERRED MAINT	8881
UNION HILL SP RESERVE	8882
UNION HILL CHILD DEVELOP	8883
UNION HILL GREENE LS 2	8887
UNION HILL FAC DEVELOP	8889
TWIN RIDGES ELEM	8890
TWIN RIDGES CHILD DEVELOP	8891
TWIN RIDGES DEFERRED MTC	8892
TWIN RIDGES CAFETERIA	8895
TWIN RIDGES SP BLDG FUND	8896
TWIN RIDGES SP RESERVE	8897
TWIN RIDGES FAC DEVELOP	8899
COUNTY SCHOOL SERV FUND	8900
CSSF DEFERRED MAINT	8902
CSSF SP RESERVE	8903
NC SUP OF SCH CH DEVELPMN	8904
FOREST RESERVE	8905
J. MUIR CHARTER SCH FUND	8906
SCHOLARSHIP & LOAN FUND	8907
CSSF GREENE LEASE III	8908
NJU COUNTY SCHLS FAC	8909
NEVADA UNION HIGH SCHOOL	8910
NUHS CONSTRUCTION	8911
NUHS DEFERRED MAINT	8912
ADULT ED FUND	8913
NUHS RET EMP H/W BENEFIT	8914
NEVADA COUNTY BUS POOL	8915

Investment Trust Funds Cont'd	Fund #
<b>School Districts Cont'd</b>	
NUHS PERMANENT FAC	8916
NEVADA UNION HIGH SB 201	8917
NUHS LEASE PURCHASE	8918
NUHS GREENE LEASE	8919
NUHS SP RESERVE FUND	8921
NJU CHILD DEVELOP	8922
NUHS FAC DEVELOP	8925
NUHS CAFETERIA FUND	8926
NUJHS BLDG FUND	8927
<b>School Districts Debt Service</b>	
NUHS GEN'L OBLIG BONDS	8183
TAHOE/TRK UNIF BOND A1998	8192
TAHOE TRK UNIF '92 BOND	8196
TAHOE TRK UNIF BOND B	8199
TAHOE TRK SCHL FAC IMP DI	8205
TAH/TRK UNIF SFID#1 2001	8206
TAH TRK UNIF '99 B SFID#1	8207
<b>Courts and Jury/Witness</b>	
COURT OPERATIONS FUND	7112
PROP 69 DNA PENALTY	7201
LAW LIBRARY	7411
P13892 TATE FAMILY TRUST	7500
CLERK VITAL STATISTICS	7541
PLACER FRCLSR #70771	7651
EST OF M BLAMEY C#T00/014	7654
COURT TRUST	7663
ST TCIF 2% AUTOMATION	7795
<b>Local Transportation Authority</b>	
TRANS(LTF) NEVADA COUNTY	6317
TRANSPORATION COMM PLNG	6327
REGN'L TRANS MIT FEE RTMF	6328
TRANSIT ASST FUND	6357
RSTP-REGN'L SURFACE PRG	6492

Agency Funds	Fund #
<b>Accrued Trust Funds</b>	
VLF COMPENSATION FUND	5100
SALES & USE TAX COMP	5200
PV SEWER SPECIAL RESERVE	5209
APPORTIONED TAX RESOURCES	5170
INTEREST TO APPORTION	5300
UNAPPORTIONED TAXES	5301
TAX COLLECTORS SUSPENSE	5307
PAYROLL CLEARING-GENERAL	5309
DEBT COLLECTION CLEARING	5341
ESTIMATED TAX DEPOSITS	5342
IRS 125 - DEPENDENT CARE	5413
EDUCATION REVENUE AUGMENT	5459
WWD RESO LLC LIT.#67938	5461
MELLO ROOS BOND	5477
T/C CASH DIFFERENCE FUND	5479
SALES TAX - AVIATION FUEL	5521
SALES TAX	5522
TAX LOSSES RESERVE	5640
AUDITOR ADJUSTMENT	5660
TIMBER TAX TO APPT	5661
EXCESS PROCEEDS	5686
<b>County Department Agency Funds</b>	
AGENCY - OTHER	5303
SHERIFF-BAIL & FEES	5305
SHERIFF - CIVIL	5306
STATE FUND	5315
SHERIFF - DOJ FEES	5332
EST WM MCGEE	5503
EST DONALD SHEARD	5505
EST BETTY CLINTON	5506
EST JOHN D USELIS	5508
CORONER-PROPERTY DECEASED	5518
PEST CONTROL ASSESSMENT	5520
EST MICHAEL MC PHILLIPS	5523
ESTATE OF IDA KOEHLER	5524
STRONG MOTION	5525
EST THOMAS J MOGFORD	5526
CUPA STATE SURCHARGE FEES	5527
ESTATE OF DEANNA L GRIMES	5528
EST MANILA SKIBINSKI	5529
EST JAMES LEO ADAMS	5530
EST OF HISAKO F BREWSTER	5531
EST LAURAMAE SCHMIDT	5532
EST JACK F MYERS	5533
EST HAROLD JOYCE	5534

Agency Funds	Fund #
<b>County Department Agency Funds Cont'd</b>	
EST OF ELIZABETH CARDENAS	5536
EST OF GARY L. HAZELTON	5537
EST GRACE MCCULLOUGH	5538
ESTATE OF RAYMOND F JONES	5539
EST RALPH ELLIS	5540
CLERK-VITAL STATISTICS	5541
RECORDER-VITAL STATISTICS	5542
RECORDER-OVR MARR LIC FEE	5545
MARR CERT SURCHG FC1852	5546
EST MATHEW MOTLOW	5549
DEATH CERT FEE PC 14251	5550
CRIMINALSTC LAB HS11372.5	5552
REST VICTIMS PC1202.4	5553
EST HOWARD E FLINT	5556
EST LOUIS HEVERLY	5557
EST CAROL WOODS	5558
ESTATES DECEASED PERSONS	5560
SM CLAIM FILING CC9116.23	5562
HEALTH-VITAL STATISTICS	5565
EST ALMA G CUMINS	5566
HEALTH-BIRTH/DEATH CERT	5567
EXPLOSIVE PERMIT HS12105	5571
PEACE OFFICERS TRG FUND	5575
EST TIMOTHY S GARFIELD	5576
EST JOAN A PRINCE	5577
ESTATE OF AUBREY D JONES	5578
PROP MAINT APPEAL FUND	5662
LAND USE APPEAL FUND	5665
PEOPLE V STEELE #52312	5666
DOMESTIC RE-CHILD SUPPORT	5667
IRS/FTB CHILD SUPPORT	5668
DOMESTIC REL-BLOOD DRAW	5669
CHILD SUPPORT-SIERRA CO	5670
ADOPT-A-ROAD DEPOSITS	5671
EROSION CONTROL-LANDUSE	5677
COLLECTIONS DIVISION	5682
DA RESTITUTION	5683
PROBATION RESTITUTION	5684
CIVIL SUBPOENA TRUST	5685
EST KENNETH A LOWEN	5787
EST ROBERT OLSON	5788
DONNER SPITZ INN SNOW REM	5791
ST TCIF 2% AUTO GC68090.8	5795
EST DENNIS R COLLINS	5873
SUPP LAW ENFORCEMENT SVC	5901