

County of Nevada, California

Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2010



North Columbia Schoolhouse
Nevada City

Marcia L. Salter, Auditor-Controller



Schoolhouse with students, Circa 1875

The Columbia Hill Schoolhouse was built by the members of the Columbia Hill mining community in 1875. The North Columbia Schoolhouse operated as a school until it was forced to close in 1979. The San Juan Ridge community worked together to re-open the Schoolhouse as a Cultural Center in 1980 after volunteers worked with local architects to restore the building.

Photographs provided by Shana Maziarz, Executive Director
North Columbia Schoolhouse Cultural Center

www.northcolumbiaschoolhouse.org

COUNTY OF NEVADA, CALIFORNIA

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

For the Year Ended June 30, 2010

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

**Marcia L. Salter
Auditor-Controller**

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COUNTY OF NEVADA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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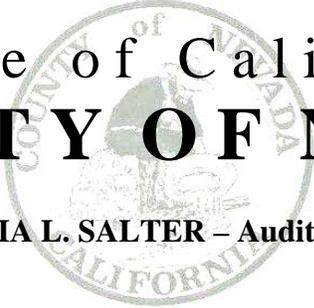
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INTRODUCTORY SECTION

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State of California
COUNTY OF NEVADA

MARCIA L. SALTER – Auditor-Controller

**Auditor-Controller
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Email: auditor.controller@co.nevada.ca.us**

December 27, 2010

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, 2010 is hereby submitted in compliance with Sections 25250 & 25253 of the Government Code of the State of California. These statutes require all general-purpose local governments to issue an annual report on the financial position and activities of that government. The report must be presented in conformance with generally accepted accounting principles (GAAP) and must be audited by an independent firm of certified public accountants in conformance with generally accepted auditing standards (GAAS). The financial statements contained in this CAFR meet these requirements.

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

The financial statements contained in this CAFR have been audited by Smith & Newell, a Professional Corporation of Certified Public Accountants. Their audit was performed in accordance with GAAS. The auditors have concluded, based on their audit, that the financial statements combined with the accompanying footnotes present fairly, in all material respects, the financial condition of Nevada County as of June 30, 2010. A copy of their report is located at the front of the financial section of this CAFR. In planning and performing the audit of the financial statements, Smith & Newell considered the internal control structure of the County in order to determine appropriate audit procedures. During this review, no required reportable conditions were noted; however, several opportunities to strengthen internal control and operating efficiency were recommended. This information was presented in a letter to the Board of Supervisors and management.

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

In addition to the annual audit of this CAFR, the County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the 1996 amendments to that act, and the US Office of Management and Budget Circular A-133, “*Audits of States, Local Governments and Non-Profit Organizations.*” Information related to the single audit, including the schedule of expenditures

of federal awards, findings and recommendations, and the auditors' report on the internal control and compliance with applicable laws and regulations are presented in a separate publication.

PROFILE OF THE COUNTY OF NEVADA

General Information

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

County Government

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

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

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

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

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

County Services

The County, with an average 874 full-time equivalent employees, provides a full range of services to its residents, including public safety protection; corrections and probation; construction and maintenance of roads, bridges and other infrastructure; health services, public assistance programs, sanitation services, environmental services, libraries, and a variety of other general governmental services. Every resident of the County, directly or indirectly, benefits from these services. Most services performed by the County are provided for all residents, regardless of whether those residents live in cities or unincorporated areas. The County prides itself on being innovative in the delivery of services to its citizens. The following is a sampling of recently deployed service enhancements:

- The Office of Emergency Services implemented the Wireless 911 Call, Public Safety Answering Point (PSAP). This service allows all 911 cell phone calls originating in the county to ring directly into our local dispatch center, unless caller is on or near a state highway.
- The Clerk-Recorder implemented marriage and fictitious business name kiosks for citizens to enter relevant information that is routed to staff electronically allowing for quicker processing and improved accuracy.
- Social Services, in collaboration with the Dial211 Community Board, implemented the 2-1-1 calling system, which provides a 24-hour telephone operator service for citizen inquiries regarding community services.
- Social Services implemented the Stonehouse Hospitality Academy, a program to train youths, ages 16-24 years, in all phases of the hospitality industry.

Accounting Information

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

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

Budgetary Process

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

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

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

LOCAL ECONOMY

Population

The 2010 estimated population figures, as provided by the California Department of Finance for the County, are 98,680. This is up slightly from 2009, with about 67% or 66,614 of the residents living in the unincorporated areas. The Town of Truckee is the largest of the three cities within the County, with approximately 16,280 residents in 2010. The City of Grass Valley is the second largest city within the boundaries of the County with a population of 12,746. Nevada City serves as the County seat with a population of 3,040.

Labor Force

The County's 2010 labor force totaled 51,410, an increase of 1.2 % from 2009 figures. Nevada County's unemployment rate in June 2010 was 11.5 %, an increase of 3.6% from June 2009. California's statewide rate was 12.3 % for the same June time period.

Industry Employment

Nevada County's industry employment decreased by 8.05 % (2,460 jobs), during the three year period of June 2008 – June 2010. The industries that showed job growth over these years were: education and health services, other services; and state government. Education increased 6.8 % (270 jobs), professional services gained .74 % (20 jobs), and state government expanded by 10.42 % (50 jobs). Offsetting these gains, the following primary industries posted losses over the profiled period: trade, transportation and utilities dropped by 560 jobs (10.87 %), while leisure and hospitality dropped by 210 jobs (4.87 %), and natural resources declined by 1010 jobs or 30.51 %.

Housing

According to the California Association of Realtors, approximately 1,358 homes in Nevada County were sold in the calendar year 2009. However, prices were impacted by the general housing market trends, and prices of local homes sold declined by 11.84%, to a median price of \$277,500 as of October 2010. The Penn Valley area has shown the largest one year decrease of 21% with the median home price dropping from \$289,500 to \$230,000.

Property Tax Collection and Apportionment

Property taxes levied countywide (secured, unsecured and unitary) rose slightly in fiscal year 2009-10 to \$168,411,039 an increase of 3.9% over the previous fiscal year total of \$165,817,196. 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 the collection. In fiscal year 2009-10, the Auditor-Controller apportioned the revenue as follows:

- Nevada County General Fund: 14.0%
- Schools: 56.4%
- Special Districts: 19.5%
- Cities: 10.1%

Transient Occupancy Tax (TOT)

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, when adjusted for an accounting method change, increased 22% to \$294,852 in fiscal year 2009-10 over the prior fiscal year.

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 \$75,289,810 in direct debt outstanding as of June 30, 2010. This includes the 2001 Certificates of Participation, capital leases, special assessment debt, loans payable, compensated absences, accrued claims payable and landfill post closure. This amount also includes the Sanitation Districts' State Revolving Fund loans for three major plant upgrades.

RELEVANT FINANCIAL POLICIES

Budget Policies

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

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

Cash Management

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

The California Government Code statutes and the County's investment policy govern the County's investment pool activity. The County's investment policy has the following objectives: safety, liquidity, and yield. Those statutes and policy authorize the County Treasurer-Tax Collector to invest in securities issued by the U.S. Government Treasury and its Agencies, certain corporate bonds and notes, bankers' acceptances, certificates of deposit, commercial paper, and repurchase agreements. The investment pool's maximum maturity limitation is 5 years. The Auditor-Controller monitors and reviews the management of the County's investment pool on an on-going basis. An annual compliance audit is performed by an external independent CPA firm. The County pool of investments earned an average rate of return for the fiscal year ending June 30, 2010 of 0.37%.

Risk Management

Nevada County is a member of CSAC-EIA, a Joint Power Authority that facilitates pooling and self-insurance. For General Liability claims the County is self-insured for the first \$100,000 per exposure. For the 2009-10 fiscal year, the County carried an additional 10-Million in General Liability Limits and 15-Million in Excess for a total of 25-Million in CGL coverage.

Nevada County pools to the first-dollar for Workers' Compensation Coverage to "Statutory" Limits. In addition to these basic programs, Nevada County participates in various other insurance and pooling programs including Medical Malpractice, Pollution, Property, Crime, Water Craft, and Airport Coverage.

The claims liability for General Liability and Unemployment self-insurance was approximately \$1,395,367 at the end of fiscal 2010 and was funded at \$750,473. Details on the Risk Management program are contained in the footnotes to the financial statements.

Long-term Financial Planning

The County's long term financial planning has focused on the capital and infrastructure improvements needs in the area of Facilities and Roads. Each year a five-year Road Maintenance and Capital Improvement Plan (CIP) is prepared for and approved by the County Board of Supervisors. The CIP is a plan for short range and long-range plans to improve or rehabilitate the 562 miles of County-owned roads. While the CIP covers a five-year planning period, it is updated each year to reflect ongoing changes as new projects are added, existing projects modified, and completed projects deleted from the plan document. The 2010 CIP represents a five-year \$64 million program from 2009 through 2014. The funding for the CIP projects is a mix of Federal, State and Local sources and subject to availability.

The County's Capital Facilities Master Plan is reviewed and updated on a biennial basis. The current Plan was presented and adopted by the Board in 2008. The plan document contains a facilities condition assessment of all buildings, the life expectancy of systems and finishes and priority of identified projects. The plan provides information on future facility needs and estimated costs. The County has designated a portion of the General Fund's fund balance available to build toward the funding for future projects. The County was able this past year to take advantage of the real estate conditions and purchase two parcels for future facility needs.

Other Factors Affecting Financial Condition

The economy has continued to struggle in its recovery and is projected to remain weak through the next several fiscal years. The housing sector crisis remains at the forefront as home foreclosures continue to plague the real estate market recovery. The drop in property values has greatly affected the County's largest discretionary revenue source for the General Fund. The fiscal year 2010-11, Recommended Budget had included an estimated 4% decline in property tax revenues from the prior year and this amount has now been determined to be a 7.5% reduction. This will have a significant impact on the budget of the 2010-11 fiscal year and those beyond.

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's revenue. The State's struggling economy and its structural deficit has created a large problem for which a long-term solution has not yet been found. It has been recently estimated that a \$28 billion short-fall exists for next year's budget with a growing gap between projected revenues and spending. Reduction of program revenues and delays in payment to the County continue to negatively affect the County budget and therefore decrease the ability to provide some services. The County has maintained its proactive approach and made strategic adjustments to ensure it remains fiscally solvent. The General Fund reserves, purposely set aside during the past years when double-digit growth was realized, continue to provide some cushion while waiting out the economic recovery.

Awards

The Government Finance Officers Association of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to the County of Nevada for its CAFR covering the fiscal year ended June 30, 2009. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such CAFRs must satisfy both generally accepted accounting principles and applicable legal requirements. A

Certificate of Achievement is valid for a period of one year only. This is the third year we have received this esteemed award. We believe our current CAFR continues to meet the Certificate of Achievement program requirements, and we are submitting our application for the Certificate for this year.

Acknowledgments

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

Respectfully Submitted,

A handwritten signature in cursive script that reads "Marcia L. Salter".

Marcia L. Salter
Auditor-Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Nevada
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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



President

Executive Director

**COUNTY OF NEVADA, CALIFORNIA
COUNTY OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2010**

ELECTED OFFICIALS

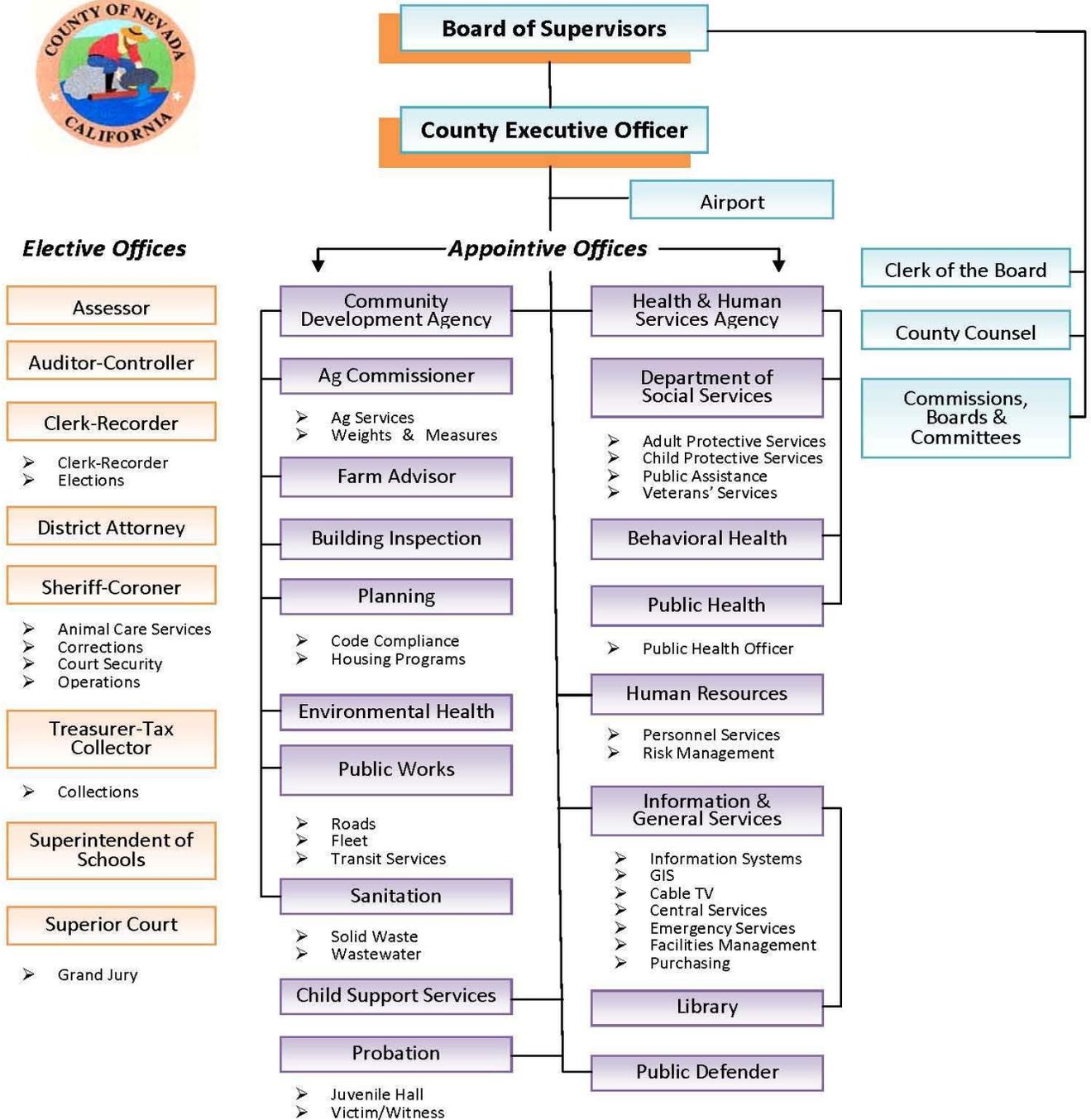
Supervisor, District 1	Nate Beason
Supervisor, District 2	Ed Scofield
Supervisor, District 3	John Spencer
Supervisor, District 4	Wm. Hank Weston
Supervisor, District 5	Ted Owens

Assessor	James Dal Bon
Auditor-Controller	Marcia Salter
Clerk-Recorder	Gregory Diaz
District Attorney	Clifford Newell
Sheriff-Coroner/Public Administrator	Keith Royal
Treasurer-Tax Collector	Marcia Salter

DEPARTMENT DIRECTORS/ADMINISTRATORS

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

Nevada County Government Organization



FINANCIAL SECTION

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

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Nevada, California (County), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

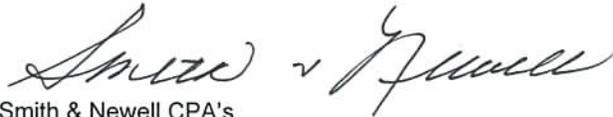
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 16, 2010, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. 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 financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements 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 do not express an opinion or provide any assurance on it.



Smith & Newell CPA's
Yuba City, California
December 16, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

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

This section of the County of Nevada's (County's) comprehensive annual financial report provides an overview and analysis of the County's financial activities for the fiscal year ended June 30, 2010. 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 2009-2010 fiscal year by \$337,913,732 (net assets). Of this amount, \$19,109,181 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, \$40,542,205 is restricted for specific purposes (restricted net assets), and \$278,262,346 is invested in capital assets, net of related debt.
- The County's total net assets increased by \$8,981,596. The governmental activities net assets at the close of the 2009-2010 fiscal were \$307,943,948 and the business-type activities net assets were \$29,969,784.
- As of June 30, 2010, the County's governmental funds reported combined ending fund balances of \$60,077,057 an increase of \$4,160,284 or 7.4% in comparison with the prior year's ending fund balance. Approximately 55.9% of this total amount, \$33,638,161 is *available* to meet the County's current and future needs (*unreserved / undesignated fund balance*).
- At the end of the fiscal year, the unreserved fund balance for the General Fund was \$19,240,143, or 34.9% of the total General Fund expenditures for the year. The majority of this amount, \$16,295,000 has been designated for specific plans and the balance designated for future purposes.
- The County's total long-term debt decreased from \$77,749,794 to \$75,324,810. This \$2,424,984 or 3.1 % decrease was related to scheduled payments on the Certificates of Participation and loans payable and payments on the County's net OPEB obligation.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

The government-wide financial statements can be found on pages 19-20 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-two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and other major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual and grouped fund data for the non-major governmental funds are provided in the form of *combining statements* elsewhere in this report.

The governmental fund financial statements can be found on pages 21-24 of this report.

Proprietary funds are maintained in two ways. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. The County maintains thirty-eight 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 25-29 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 thirty seven fiduciary funds.

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

The fiduciary fund financial statements can be found on pages 30-31 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 32-58 of this report.

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

Required supplementary information can be found on pages 59-68 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 69-108 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve as a useful indicator of the County's financial position over time. On June 30, 2010, the County's assets exceeded its liabilities by \$337,913,732.

County's Net Assets
June 30, 2010 and 2009

	Governmental		Business-Type		Total		Variance
	Activities		Activities				
	2010	2009	2010	2009	2010	2009	
Current and other assets	78,668,174	71,353,246	22,277,952	22,147,754	100,946,126	93,501,000	7.96%
Capital Assets	264,184,886	261,925,984	59,420,706	60,994,305	323,605,592	322,920,289	0.21%
Total Assets	342,853,060	333,279,230	81,698,658	83,142,059	424,551,718	416,421,289	1.95%
Long-term liabilities	25,430,393	26,283,912	49,894,417	51,465,882	75,324,810	77,749,794	-3.12%
Other liabilities	9,478,719	7,159,150	1,834,457	2,580,209	11,313,176	9,739,359	16.16%
Total Liabilities	34,909,112	33,443,062	51,728,874	54,046,091	86,637,986	87,489,153	-0.97%
Net Assets:							
Invested in capital assets, net of related debt	248,400,614	245,044,668	29,861,732	30,433,338	278,262,346	275,478,006	1.01%
Restricted	40,542,205	36,273,724	0	0	40,542,205	36,273,724	11.77%
Unrestricted	19,001,129	18,517,776	108,052	-1,337,370	19,109,181	17,180,406	11.23%
Total Net Assets	307,943,948	299,836,168	29,969,784	29,095,968	337,913,732	328,932,136	2.73%

Of the County's total net assets of \$337,913,732, approximately 5.6% or \$19,109,181 are unrestricted net assets that may be used to meet the County's ongoing obligations to citizens and creditors. 82.3% or \$278,262,346 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, \$40,542,205 or 11.9%, represents resources that are externally restricted on how they may be used.

COUNTY OF NEVADA
Management's Discussion and Analysis
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The Business-Type Activities unrestricted balance reflects a positive amount of \$108,052 or a 91.9% increase over the prior year. The increase resulted from reduced operating expenses for the Western Solid Waste enterprise to offset declining revenues. Western Solid Waste also reduced its debt and post closure liabilities through scheduled principal payments and completing a portion of its post closure activity.

As mentioned earlier, there was an overall increase of \$8,981,596, or 2.7%, over the prior year's net assets. This amount is attributable to an increase in the capital assets and restricted net assets of the Governmental activities. The County purchased three parcels of land and related structures for \$1,263,000 for development of a new park and potential future sites for County departments. Intangible asset purchases including a new Behavioral Health clinical/billing system and a jail records management system, also attributed to the increase in net assets. The restricted net assets of the Governmental activities can be attributed to accumulated resources in the Mental Health Services Act fund whereby fund balances increased \$3,005,551 from \$2,672,304 to \$5,677,855.

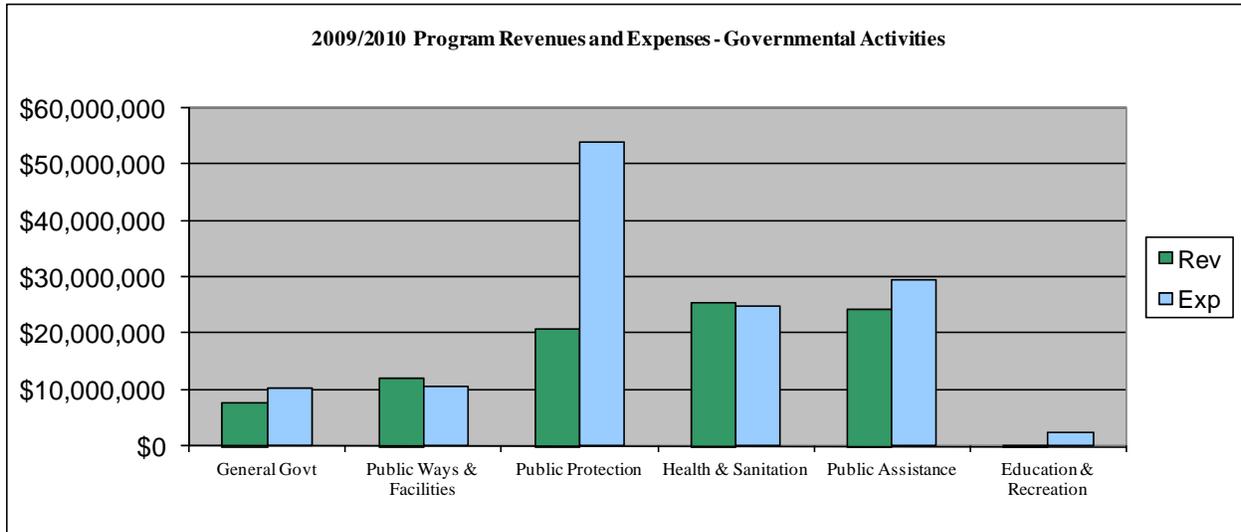
COUNTY OF NEVADA
Management's Discussion and Analysis
Required Supplementary Information

County's Change in Net Assets
June 30, 2010 and 2009

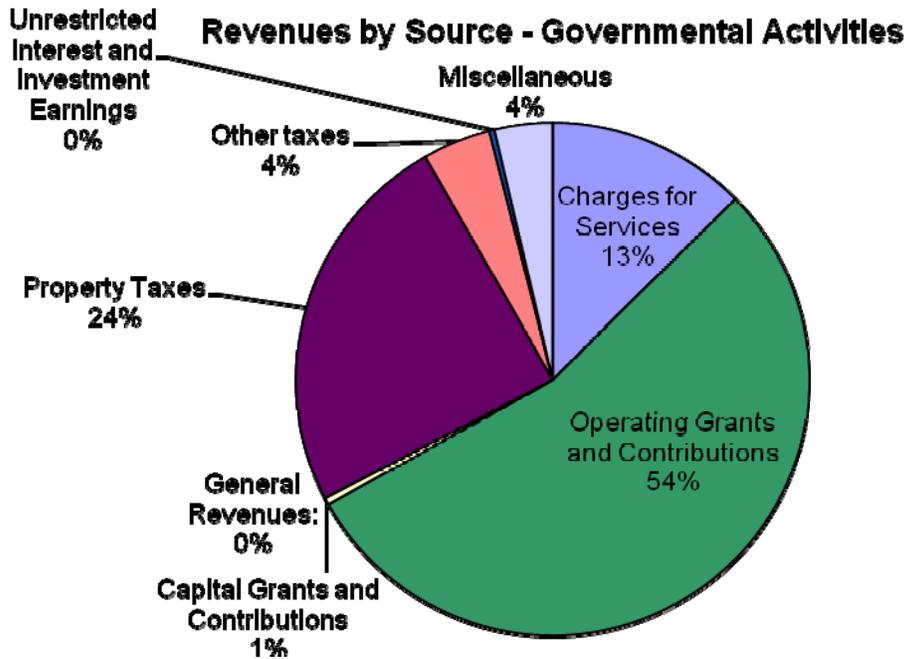
	Governmental Activities		Business-Type Activities		TOTAL	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues:						
Charges for services	17,670,888	17,451,316	14,641,867	15,090,914	32,312,755	32,542,230
Operating Grants and contributions	76,036,051	76,740,089	1,127,304	1,846,635	77,163,355	78,586,724
Capital Grants and Contributions	628,556	0	258,381	1,464,457	886,937	1,464,457
General Revenues:						
Property Taxes	34,186,337	34,221,104	6,804	6,864	34,193,141	34,227,968
Other taxes	6,026,912	6,284,919	1,687,160	2,385,334	7,714,072	8,670,253
Unrestricted interest and investment earnings	449,987	1,403,888	125,785	480,930	575,772	1,884,818
Miscellaneous	5,127,865	4,536,486	515,918	816,721	5,643,783	5,353,207
Total Revenues	140,126,596	140,637,802	18,363,219	22,091,855	158,489,815	162,729,657
Expenses:						
General Government	10,244,690	11,873,042			10,244,690	11,873,042
Public Ways and Facilities	10,401,753	13,050,854			10,401,753	13,050,854
Public Protection	53,962,729	54,426,072			53,962,729	54,426,072
Health and sanitation	24,897,645	23,587,615			24,897,645	23,587,615
Public Assistance	29,362,237	28,112,397			29,362,237	28,112,397
Education	2,386,595	2,810,750			2,386,595	2,810,750
Recreation	72,454	98,885			72,454	98,885
Interest on long-term debt	768,465	814,289			768,465	814,289
Eastern Nevada County Solid Waste			147,527	132,499	147,527	132,499
Western Nevada County Solid Waste			6,114,100	6,781,889	6,114,100	6,781,889
Transit Services			3,229,143	4,294,101	3,229,143	4,294,101
Airport			1,167,371	1,279,836	1,167,371	1,279,836
Sanitation District			7,083,467	5,335,583	7,083,467	5,335,583
Total Expenses	132,096,568	134,773,904	17,741,608	17,823,908	149,838,176	152,597,812
Change in net assets before transfers	8,030,028	5,863,898	621,611	4,267,947	8,651,639	10,131,845
Transfers	(252,205)	0	252,205	0	0	0
Change in net assets	7,777,823	5,863,898	873,816	4,267,947	8,651,639	10,131,845
Prior Period adjustments	329,957	(74,919)		(129,352)	329,957	(204,271)
Net Assets 7/1	299,836,168	294,047,189	29,095,968	24,957,373	328,932,136	319,004,562
Net Assets 06/30	307,943,948	299,836,168	29,969,784	29,095,968	337,913,732	328,932,136

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

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Management's Discussion and Analysis
Required Supplementary Information



Revenues among Governmental activities totaled \$140,126,596 for the fiscal year ended 2009-10. The chart below presents the percentage of total revenues by source for Governmental activities:



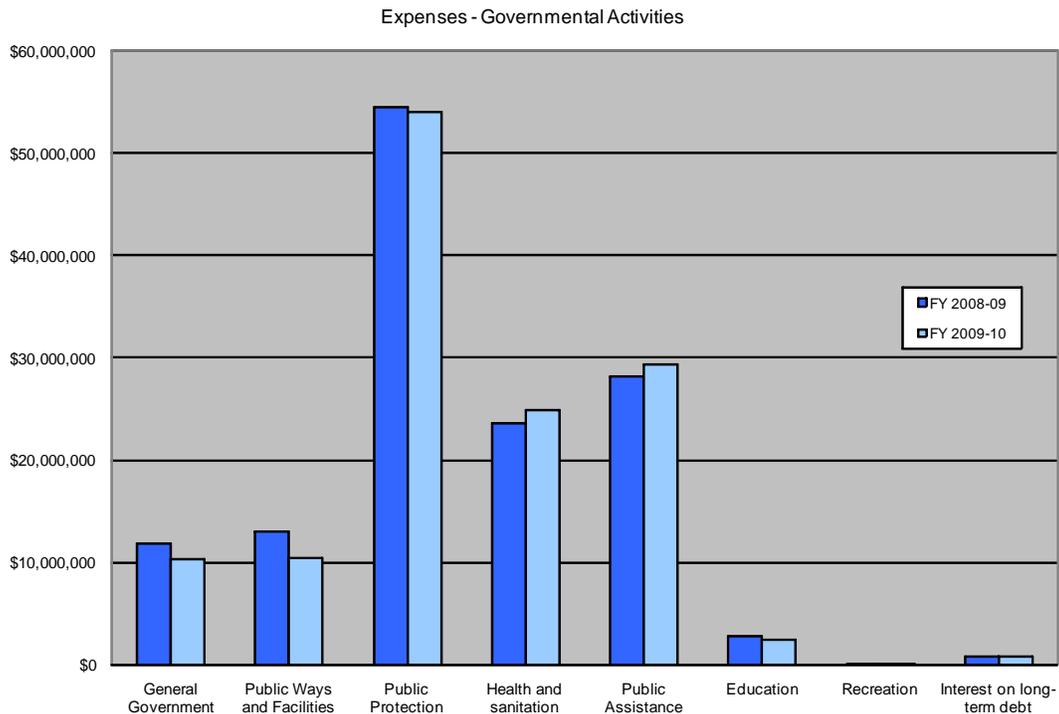
Key elements of the increase/decrease in *revenues* in the governmental activities:

- There was an overall decrease in the property tax category of \$34,767. Current secured taxes remained relatively stationary and only increased \$31,983 while current unsecured tax saw a decline of \$25,420. Supplemental secured tax declined 68% from \$516,522 to \$164,608 due to declining property values in the real estate market, while in-lieu local sales tax increased \$148,816 as part of the annual true up from the Department of Finance for fiscal year 2008-09.

COUNTY OF NEVADA
Management's Discussion and Analysis
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- Sales and Use taxes decreased \$241,731, or 5.7%, from the prior year due to the continuing decline in the economy. The sales tax decline has particularly impacted the Public Library fund's ability to sustain service levels. Transportation taxes in the form of Local Transportation Funds, also related to sales taxes, decreased \$116,940. There was an 11.5% increase in property transfer taxes from \$521,261 to \$581,367, attributable to a slight increase in the number of real estate transactions during the fiscal year.
- Insurance Recoveries increased \$631,223 due to the County receiving a performance bond settlement agreement from the default of a real estate development project.
- Capital Grants and Contributions increased \$628,556. The Community Development Agency received a \$480,900 Proposition 40 Roberti-Z' Berg Harris Recreation Grant which was used to purchase land to develop a park in North San Juan. The Public Works department was the recipient of several American Recovery and Reinvestment Act (ARRA) grants for road improvement projects.
- Interest and Investment earnings decreased \$953,901 or 67.9% as a result of low interest rates on investments held within the Treasury pool. The annual interest rate decreased from 1.7836% in fiscal year 2008/09 to 0.3724% for the fiscal year 2009/10.
- Tobacco settlement proceeds declined by \$185,750 or 16.6% due to a reduction in the distribution to cities and counties.

Expenses among Governmental activities totaled \$132,096,568 for the fiscal year ended 2009-10. The chart below presents the two-year comparison of the total expenses by function for Governmental activities.



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

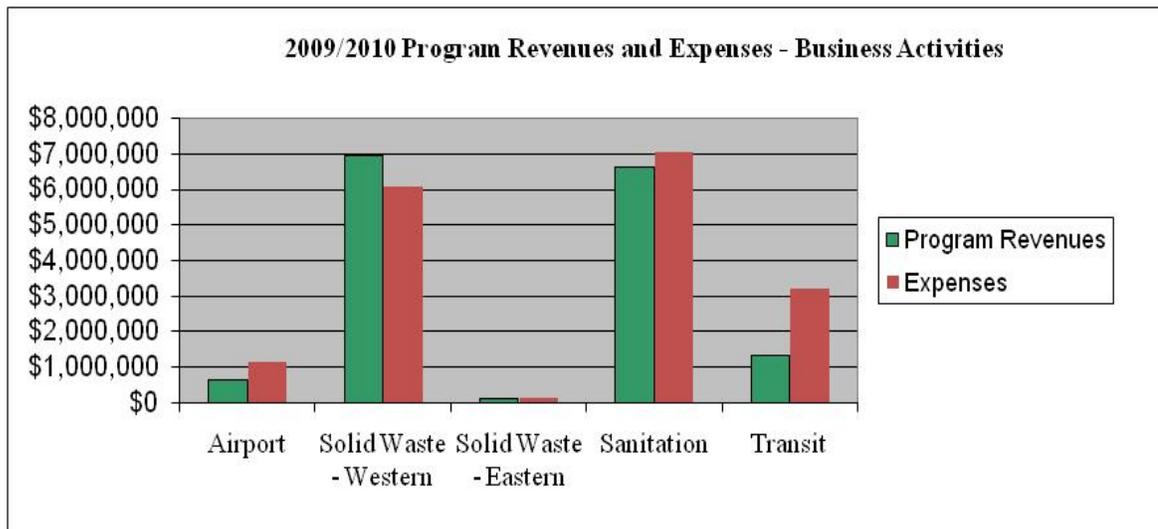
- The General Government category decreased by 13.7% or \$1,628,352. The decrease in expenditures was a combination of factors: 1) Permanent salaries were down \$548,597 due to staff reductions, and 2)

COUNTY OF NEVADA
Management's Discussion and Analysis
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Increased reimbursements from benefitting departments for legal, accounting/financial, information-systems, personnel and facilities support reduced overall expenditures by \$1,093,104.

- The Public Ways category decreased expenditures by 20.3%, or \$2,649,101. Road projects were postponed until the 2010-11 fiscal year due to uncertainties in State funding and delays in Federal American Recovery and Reinvestment Act (ARRA) project approvals for funding.
- The Public Protection category experienced a decrease of .85% from the prior fiscal year which equated to a \$463,343 decrease in expenditures. The decrease was attributed to a reduction in services and supplies. Multiple departments purchased software and computers in the prior year, causing the decrease when comparing the two years in this category.
- The Health and Sanitation program area increased expenditures by \$1,310,030 or 5.5%. There were three main areas related to the increase; 1) Expenditures associated with Mental Health Services Act (MHSA) programs within Behavioral Health increased by \$900,775 or 7.5%, 2) Public Health expenditures increased by 16% or \$394,971 due to fiscal year 2009-10 CDC Public Health Emergency Preparedness (PHEP), Public Health Emergency Response (PHER), H1N1 and the Hospital Preparedness Program (HPP) and 3) Environmental Health expenditures increased \$95,967 or 17.6% to oversee cleanup of an underground storage tank located in the Eastern portion of Nevada County.
- The Public Assistance category experienced an increase of 4.5% or \$1,249,840. The Eligibility program expenditures increased \$1,076,906 or 12.7% by utilizing the Temporary Assistance for Needy Families Emergency Contingency Fund for a new Subsidized Employment Referral Program and training.
- The Education category decreased expenditures by 15.1%, or \$424,155. This resulted from the following decreased expenditures within the Public Library fund: 1) \$179,255 in salaries and benefits, 2) a \$13,417 decrease in direct book orders, and 3) a reduction in services provided by central support departments in the amount of \$152,813.
- The Recreation category decreased expenditures by \$26,431, or 26.73%. Reduced Federal funding for Forest Reserve projects in the amount of \$19,336 was a key component of the decrease.

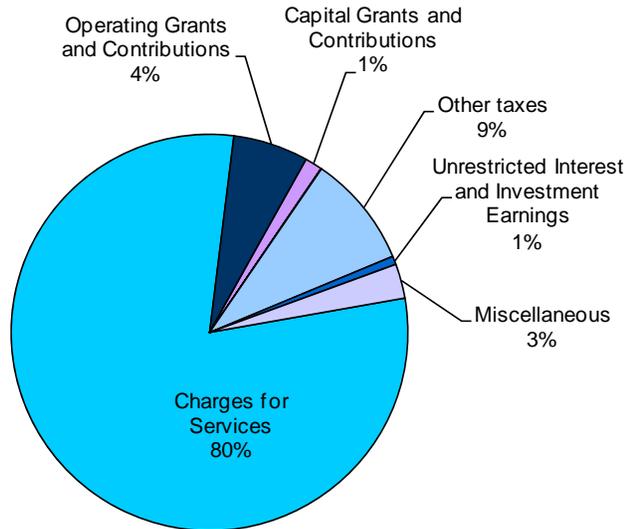
The following chart displays expenses and the associated program revenues by function for the Business-type activities:



COUNTY OF NEVADA
Management's Discussion and Analysis
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Revenues among Business-type activities totaled \$18,363,219 for the year ended 2009-10. The chart below presents the percentage of total revenues by source for Business-Type activities:

Revenue by Source - Business-type Activities



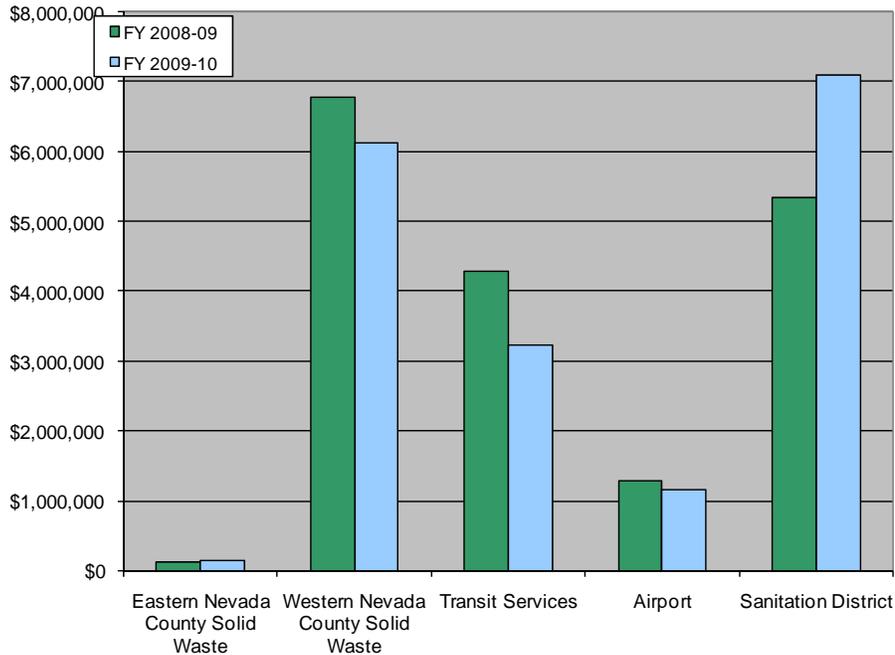
Key elements of the increase/decrease in revenues in the business-type activities:

- Operating Grants and contributions decreased 39.0% or \$719,331 primarily due to reductions in State Transit Assistance funding in the amount of \$490,501 and reductions in Prop 1B funding received for Transit projects in the amount of \$238,206.
- Capital Grants and Contributions category decreased 82.4% from \$1,464,457 to \$258,381. The Sanitation District had received \$1.3 million in capital grant funding in the prior year for the construction of the Cascade Shores wastewater treatment plant.
- Unrestricted interest and investment earnings decreased \$355,145 resulting from lower earnings, averaging .3% per annum, paid on funds held by the County Treasury.
- The Other Taxes category declined by 29.3% or \$698,174 due to a reduction in pass thru funds to Transit operations due to a decline in County sales tax revenues.
- Miscellaneous revenues decreased \$300,803 or 36.8% over the prior year due to a reduction in fuel sales at the Airport.

Expenses among Business-type activities for the year ended 2009-10 totaled \$17,741,608 in comparison to the year ended 2008-09 which totaled \$17,823,908 resulting in an overall decrease of 0.5%.

COUNTY OF NEVADA
Management's Discussion and Analysis
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Expenses – Business Type Activities



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

- Western Nevada County Solid Waste expenses decreased \$667,789 or 9.9% over the prior year. This was the result of a \$288,299 decrease in salary and benefit costs due to a 17.2% permanent and temporary staffing reduction, a \$375,814 decrease in professional services due to lower volumes of hazardous waste being transported from the transfer station, and a \$6,000 decrease in fuel expenses.
- Airport operating expenses decreased \$112,465 or 8.8% over the prior year. The decrease is due primarily to a \$122,382 reduction in fuel purchases from lower flight activity as a result of the state of the economy.
- Transit expenses decreased \$1,064,958 or 24.8% over the prior year. The decrease is attributable to a \$998,972 decrease in operating expenses in response to a \$695,866 decline in transportation tax funding and a \$179,213 reduction in charges for services revenues.
- Sanitation District expenses increased \$1,747,884 or 32.8% over the prior year. Operating expenses increased by \$1,285,063 including an \$850,625 increase in depreciation expense. Interest expense increased \$492,069 over the prior fiscal year due to the financing of facility improvements.

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
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Governmental Funds
Combined Balance Sheet
June 30, 2010 and 2009

	2010	2009	Variance	Change
Total Assets	79,969,636	73,801,654	8.36%	6,167,982
Total Liabilities	19,892,579	17,884,881	11.23%	2,007,698
Fund Balance				
Reserved	10,143,896	9,707,528	4.50%	436,368
Unreserved, reported in:				
General				
Designated	16,295,000	16,815,000	-3.09%	-520,000
Undesignated	2,945,143	2,270,430	29.72%	674,713
Special Revenue Funds				
Undesignated	30,693,018	27,123,815	13.16%	3,569,203
Total Undesignated	33,638,161	29,394,245	14.44%	4,243,916
Total Fund Balance	60,077,057	55,916,773	7.44%	4,160,284
Total Liabilities and Fund Balance	79,969,636	73,801,654	8.36%	6,167,982

As of June 30, 2010, the County's governmental funds reported combined ending fund balances in the amount of \$60,077,057 an increase of 7.44% or \$4,160,284 in comparison with the prior year's fund balance. Approximately 56% of this total amount or \$33,638,161 constitutes *undesignated fund balance*, which is available to meet the County's current and future needs. The *designated fund balance decreased 3.09%* or \$520,000. 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 \$2,274,158 (2) to reflect inventories \$109,807 (3) the amount due from other funds that are long-term in nature and thus do not represent available spendable resources \$1,985, (4) to liquidate contractual commitments \$2,858,552, and (5) for a variety of other restricted purposes \$4,899,394.

The General Fund is the chief operating fund of the County. At June 30, 2010, the total fund balance was \$19,534,852, a decrease of \$108,197 from the prior fiscal year. Of the unreserved portion of the fund balance, \$16,295,000 was designated for specific purposes, and the remaining balance of \$2,945,143 was designated for future purposes.

As a measure of the General Fund's liquidity, it may be useful to compare unreserved, undesignated fund balance and total fund balance to total general fund expenditures. The unreserved, undesignated fund balance represents 5.4% of total general fund expenditures, while total fund balance represents 35.5% of that same amount.

COUNTY OF NEVADA
Management's Discussion and Analysis
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The following provides explanations of revenues by source that changed significantly over the prior year:

Revenues Classified By Source
General Fund

Revenue Type	FY 2010	Percent	FY 2009	Percent	Increase	Percentage of
	Amount	of Total	Amount	of Total	(Decrease) Amount	Change
Taxes and Assessments	37,587,850	68.21%	37,778,949	67.76%	-191,099	-0.51%
License and Permits	1,153,069	2.09%	1,150,416	2.06%	2,653	0.23%
Fines and Forfeitures	3,259,227	5.91%	2,650,343	4.75%	608,884	22.97%
Use of Money and Property	330,076	0.60%	778,029	1.40%	-447,953	-57.58%
Intergovernmental	3,251,756	5.90%	3,553,165	6.37%	-301,409	-8.48%
Charges for Service	8,332,621	15.12%	8,481,705	15.21%	-149,084	-1.76%
Other Revenues	1,196,242	2.17%	1,368,347	2.45%	-172,105	-12.58%
Total	55,110,841	100.00%	55,760,954	100.00%	-650,113	-1.17%

Taxes and Assessments – The decrease in this category is a combination of factors. There was a continuing decline in the Sales and Use Tax (Triple Flip) category whereby revenues dropped \$218,230 when compared to the previous year. The current secured tax category showed a slight increase of \$34,961 as revenues totaled \$23,141,684 in 2008-09 and \$23,176,645 in 2009-10. However, the decline in fair market value led to the \$351,476 decrease in supplemental secured tax revenue; this will likely have an impact on the 2010-11 secured tax revenues. There was an increase in the Vehicle License Fee of \$70,448 and property transfer taxes increased by \$60,106.

Fine and Forfeitures- The \$608,884 or 23% increase in this revenue category was largely the result of an increase of \$595,810 in the collections of penalties and interest for delinquent property tax payments.

Use of Money and Property – The net decrease of 57.6% or \$447,953 in this category was the result of a decrease in interest earnings in the amount of \$275,725 and a decrease in the recognized fair market value of investments of \$66,026.

Intergovernmental – There was an 8.5 % decrease or \$301,409 in this category whereby in 2008-09 the Elections department received one-time State funding for the February 2008 Presidential primary election.

Other Revenues – The 12.6% or \$172,105 decrease in this category is attributable to a decrease of \$185,750 in Tobacco Settlement revenues received.

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

Expenditures by Function
General Fund

Expenditures by Function	FY 2010	Percent	FY 2009	Percent	Increase	Percentage of
	Amount	of Total	Amount	of Total	(Decrease) Amount	Change
General government	8,876,376	16.14%	11,034,320	20.09%	-2,157,944	-19.56%
Public protection	43,813,060	79.67%	42,558,504	77.50%	1,254,556	2.95%
Public Assistance	343,722	0.63%	308,783	0.56%	34,939	11.32%
Education	117,394	0.21%	115,882	0.21%	1,512	1.30%
Capital outlay	1,829,156	3.33%	882,744	1.61%	946,412	107.21%
Debt Service	9,982	0.02%	14,939	0.03%	-4,957	-33.18%
Total	54,989,690	100.00%	54,915,172	100.00%	74,518	0.14%

COUNTY OF NEVADA
Management's Discussion and Analysis
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General government – The \$2,157,944 or 19.56% overall decrease in expenditures in this category is across various activities. First, there was a decrease in general government salaries and benefits of \$548,283 or 3.7% primarily due to staff reductions during the year. Services and supplies expenditures decreased by \$228,614 or 3.7%; the primary factor for this decrease was reduced expenditures in the area of Capital Facilities as there were five major projects completed in the prior year. Direct expenditure reimbursements in the amount of \$1,512,439 offset costs in the areas of Information Systems programming services and central support charges.

Public Protection – The 2.9% or \$1,254,556 increase in public protection expenditures is attributed to negotiated adjustments in salary and benefit costs represent an increase of \$968,885 or 3.1%.

Public Assistance – The key factor in this 11.3% or \$34,939 increase for this category was primarily due to an increase in salaries and benefits costs in the amount \$36,481 or 19.4% as a result of previously negotiated labor agreements.

Capital outlay - Capital outlay increased by 107.2% or \$946,412 due to the purchase of three separate properties, one of which is for the development of a park in the community of North San Juan which was funded by State Proposition 40.

Other Major Funds Highlights

The Road Fund is used to account for the activities associated with the construction and maintenance of county roads and bridges. The Road Fund's undesignated fund balance increased by \$2,005,283 or 60.6%. An overall decrease in expenditures by \$3,791,093 over the prior year contributed to the increased fund balance. The decrease in expenditures is due largely to the postponement of road projects due to funding delays and uncertainties.

The Human Services Agency Fund is used to account for the majority of the Public Health, Behavioral Health and Social Service programs. The net decrease in fund balance was \$2,165,307 bringing the total fund balance available for future program expenditures to a deficit of \$(473,552). The reduction of fund balance was attributed to increased expenditures in Social Services for the Temporary Assistance for Needy Families subsidized employment program and a delay in Federal and State reimbursements.

The Health and Welfare Realignment Fund is used to account for direct allocations from the State for sales tax revenues dedicated to certain Health, Mental Health and Social Service programs. The undesignated fund balance increased by \$294,369 or 4% due to reduced realignment funding use by the Behavioral Health department in comparison to the prior year.

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, 2010 amounted to (\$5,403,111). The deficit reflects the total liability for the cost of monitoring the closed landfill per regulatory requirements. The cost of post closure activity is met through annual parcel charges. Though the unrestricted net assets remain in a deficit, the enterprise operation did reduce the deficit in Net Assets by \$964,984.

The unrestricted net assets of the Airport enterprise operation increased to \$143,049 for the fiscal year ending June 30, 2010, resulting from the relief of all but \$100,000 of prior debt and interest owed to the County's General Fund and regularly scheduled principal payments against the loan balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget resulted in \$4,455,589 net increase in appropriations (excluding transfers). Explanations of significant changes for this increase are as follows:

- \$394,868 was the result of an increase in the General Government budget category. The increase was scattered amongst many service budget units. The most significant amendment was an increase in the Capital facilities

COUNTY OF NEVADA
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project budget for the purchase of three parcels of land. The increase in the Elections budget unit was due to the State of California June 2010 primary election.

- \$357,604 was the result of an increase in the Public Protection budget category. A majority of the increase was as a result of additional appropriations to the District Attorney's office to complete the purchase of a new case management system. The remaining increase was due to additional appropriations for the Corrections budget unit for the design of security system upgrades.
- These expenditure increases were possible through unanticipated revenues from various sources and general reserves, including additional aid from other governments.

At fiscal year end, revenues were slightly lower than the budgetary estimate by \$1,316,698, or 2.3% and expenditures were over the budgetary estimates by \$5,200,007 or 8.6%. The excess of expenditures over revenues utilized \$108,197 of General Fund's fund balance.

Additional information on the General Fund and other major funds budget can be found on pages 60-66.

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, 2010 amounted to \$323,605,592 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and software.

County's Capital Assets
(Net of depreciation)

	Governmental Activities		Business-Type Activities		Total		Variance
	2010	2009	2010	2009	2010	2009	
Land and Easements	103,642,638	102,625,898	3,593,251	3,593,251	107,235,889	106,219,149	0.96%
Infrastructure (road sys)	102,256,680	100,753,222	0	0	102,256,680	100,753,222	1.49%
Infrastructure	19,391,189	17,340,574	47,824,741	49,864,741	67,215,930	67,205,315	0.02%
Structures and Improvements	31,656,466	31,891,172	1,773,803	1,680,364	33,430,269	33,571,536	-0.42%
Construction in Progress	2,674,095	4,261,435	4,881,324	3,954,707	7,555,419	8,216,142	-8.04%
Equipment	4,236,172	5,053,683	1,347,587	1,901,242	5,583,759	6,954,925	-19.72%
Intangible Assets	327,646	0	0	0	327,646	0	100.00%
Total	264,184,886	261,925,984	59,420,706	60,994,305	323,605,592	322,920,289	0.21%

Land and Easements – The land and easements of Governmental entities increased due to the purchase of three properties. Two of the properties will be used for future expansion or relocation of County departments and the other property purchased with grant funding will be donated as a park.

Infrastructure – The completion of road and bridge capital projects contributed to the increase in infrastructure of Governmental entities. Projects that were in progress were reclassified to appropriate asset categories upon completion. The decrease in Business-Type infrastructure was due to the retirement of the impaired Cascade Shores Treatment facility in the Sanitation District.

Construction in Progress – Governmental construction in progress decreased 37.2% due to the completion of the Nevada City Courthouse project, the Floriston bridge replacement project and various road improvement projects. Projects that were in progress in the prior year and are now completed have been reclassified to appropriate asset categories. The increase in Business-Type construction in progress is related to continued capital improvements to the new Cascade Shores Treatment facility.

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Intangible Assets - The County began reporting its investment in computer software per GASB 51, Accounting and Financial Reporting for Intangible Assets, effective for financial statements beginning after June 15, 2009. The County chose not to retroactively report the cost of internally generated computer software as allowed by GASB 51.

Additional information on the County's capital assets can be found in Note 3(c) on pages 45-46 of this report.

Long-term debt. At June 30, 2010, the County had total debt outstanding of \$75,289,810.

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

	Governmental Activities		Business-Type Activities		Total		Variance
	2010	2009	2010	2009	2010	2009	
Certificate of Participation	12,000,000	12,940,000	6,881,319	7,347,919	18,881,319	20,287,919	-6.9%
Accrued Claims Liability	1,395,367	1,018,455			1,395,367	1,018,455	37.0%
Loans	3,441,053	3,601,554	29,597,852	30,460,967	33,038,905	34,062,521	-3.0%
Special Assessment Debt	299,000	310,000	23,000	100,000	322,000	410,000	-21.5%
Landfill Post Closure			12,900,477	13,017,870	12,900,477	13,017,870	-0.9%
Capital Leases	44,219	29,762			44,219	29,762	48.6%
Compensated Absences	5,378,852	5,377,451	292,407	329,639	5,671,259	5,707,090	-0.6%
OPEB Obligation	2,836,902	3,006,690	199,362	209,487	3,036,264	3,216,177	-5.6%
Total	25,395,393	26,283,912	49,894,417	51,465,882	75,289,810	77,749,794	-3.2%

The County's total outstanding debt decreased by \$2,459,984, or 3.2%, during the fiscal year. The key factors for the decrease were payments of the annual scheduled principal payments on the Certificates of Participation in the amount of \$1,406,600 and payments on loan obligations in the amount of \$1,545,119. The increase in accrued claims liability of \$376,912 is a result of increased unemployment claim activity. Capital leases increased \$14,456 due to a new lease for a Sheriff vehicle. There was a decrease in the County's Net OPEB Obligation (NOO) of \$179,913 due to the current year contributions exceeding the actuarially determined annual required contribution (ARC).

Additional information on the County's long-term debt can be found in Note 3(e) on pages 47-50 of this report.

Infrastructure Assets Reported Under the Modified Approach

The County is using the modified approach to account for the maintained road system. This method is in-lieu of the depreciation method used for all other assets. The County has set their average Pavement Condition Index (PCI) rating at 62. The rating must be achieved for each three year assessment period. The most recent three year assessment completed June 30, 2009, achieved an average PCI rating of 65.

Road System Infrastructure Assets Using Modified Approach
Summary Activity for Fiscal Year ending June 30, 2010

Expenditures	Capital Improvements	Preservation Maintenance	General Maintenance	Total Cost
Planned	2,936,300	4,343,400	4,539,000	11,818,700
Actual	1,091,015	2,803,323	3,450,591	7,344,929
Difference	-1,845,285	-1,540,077	-1,088,409	-4,473,771

The delay of capital improvement projects as a result of State processing delays contributed to the 62.8% difference in the planned to actual expenditures for capital improvements.

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Planned preservation maintenance expenditures were reduced due to bridge preservation project delays and overlay projects. The delay of the chip seal project to the 2010-11 fiscal year resulted in the difference in planned to actual general maintenance expenditures.

Additional information on the County's use of the Modified Approach can be found in Required Supplementary Information (RSI) on page 68 of this report.

Economic Factors and Next Year's Budget for FY 2010-11

The economic slowdown has continued to impact the County on many fronts. The following were among the several considered as the budget for fiscal year 2010-11 was prepared.

- The fiscal year 2010-11 budget reflected a 4.4% decrease in property tax related revenues to the County. This includes secured, unsecured, and unitary as well as the property transfer tax and supplemental property tax revenues.
 - The annual adjustment of property base year values is tied to the consumer price index (inflationary) factor, and historically, the factor has been 2%. For the first time since the implementation of Proposition 13, a State wide inflationary factor of negative -.237% has resulted in the decrease of assessed values. In addition, the Assessor has further reduced the property values particularly within the unincorporated areas of Nevada County, which have experienced an even greater negative growth rate of -7.4% of secured assessed values to reflect the current fair market value.
- The fiscal year 2010-11 budget reflects a continued decline in the sales and use tax revenue stream in the amount of 12.8% less than the prior year. This has a direct affect on the 1/8% sales tax revenue source for the Library fund, the Health and Human Services Realignment program revenues, as well as other County programs with a direct share of various State allocations based on sales tax collections.
- The severe slow down in the construction sector has reduced the service requests in the Building Inspection and Planning departments which are primarily fee supported. The budget for Building Inspection has been reduced 29% and the Planning department budget has been reduced 22% from the prior year. It is anticipated that there will be further declines in the fee revenues in the upcoming year and corresponding budget reductions.

The fiscal year 2010-11 adopted budget for all County funds totals \$181,992,153 a 1.8% decrease when compared to the prior year. The General Fund 2010-11 budget is \$61,565,241, which was a 2.5 % decrease from the adopted 2009-10 budget.

The 2010-11 budget documents are available on the County's website: www.mynevadacounty.com .

Request for Information

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

BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements

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COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 45,773,139	\$ 20,498,251	\$ 66,271,390
Restricted cash and investments	2,138,500	1,065,555	3,204,055
Accounts receivable (net of allowance)	2,060,727	640,082	2,700,809
Taxes receivable	701,903	2,290	704,193
Due from other governmental agencies	12,677,724	51,026	12,728,750
Due from other agencies	10,145,996	-	10,145,996
Internal balances	25,934	(25,934)	-
Inventory	185,217	40,875	226,092
Deposits	35,000	-	35,000
Prepaid costs	204,384	5,807	210,191
Loans receivable	4,719,650	-	4,719,650
Capital assets:			
Non-depreciable	208,573,413	8,474,575	217,047,988
Depreciable, net	55,611,473	50,946,131	106,557,604
Total capital assets	264,184,886	59,420,706	323,605,592
Total Assets	342,853,060	81,698,658	424,551,718
<u>LIABILITIES</u>			
Accounts payable	5,154,734	426,996	5,581,730
Accrued salaries and benefits	3,876,792	216,363	4,093,155
Accrued interest payable	181,673	512,874	694,547
Deposits payable	111,731	33,969	145,700
Arbitrage rebate payable	103,922	-	103,922
Unearned revenue	49,867	644,255	694,122
Long-term liabilities:			
Due within one year	6,934,511	2,816,322	9,750,833
Due in more than one year	18,495,882	47,078,095	65,573,977
Total Liabilities	34,909,112	51,728,874	86,637,986
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	248,400,614	29,861,732	278,262,346
Restricted for:			
Debt service	2,274,158	-	2,274,158
Grants, taxes, and fees	38,268,047	-	38,268,047
Unrestricted	19,001,129	108,052	19,109,181
Total Net Assets	\$ 307,943,948	\$ 29,969,784	\$ 337,913,732

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

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 10,244,690	\$ 6,910,899	\$ 714,925	\$ -
Public ways and facilities	10,401,753	1,155,673	10,897,315	147,656
Public protection	53,962,729	7,362,448	12,965,105	480,900
Health and sanitation	24,897,645	2,089,343	23,484,527	-
Public assistance	29,362,237	57,250	24,176,991	-
Education	2,386,595	95,275	112,440	-
Recreation	72,454	-	-	-
Interest on long-term debt	768,465	-	-	-
Total Governmental Activities	132,096,568	17,670,888	72,351,303	628,556
Business-type activities:				
Eastern Nevada County Solid Waste	147,527	125,700	-	-
Western Nevada County Solid Waste	6,114,100	6,930,479	27,037	-
Transit Services	3,229,143	389,444	1,100,267	172,356
Airport	1,167,371	574,064	-	86,025
Sanitation District	7,083,467	6,622,180	-	-
Total Business-type Activities	17,741,608	14,641,867	1,127,304	258,381
Total	\$ 149,838,176	\$ 32,312,755	\$ 73,478,607	\$ 886,937

General revenues:

Taxes:

- Property taxes
- Sales and use taxes
- Property transfer taxes
- Transient occupancy taxes
- Timber yield taxes
- Aircraft taxes
- Franchise taxes
- Transportation taxes
- Other taxes
- Grants and contributions - unrestricted
- Tobacco settlement
- Interest and investment earnings
- Miscellaneous
- Insurance recovery
- Transfers

Total General Revenues

Change in Net Assets

Net Assets - Beginning

- Prior period adjustments
- Cumulative effect of change in accounting principle

Net Assets - Beginning, Restated

Net Assets - Ending

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

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

Governmental Activities	Business- Type Activities	Total
\$ (2,618,866)	\$ -	\$ (2,618,866)
1,798,891	-	1,798,891
(33,154,276)	-	(33,154,276)
676,225	-	676,225
(5,127,996)	-	(5,127,996)
(2,178,880)	-	(2,178,880)
(72,454)	-	(72,454)
(768,465)	-	(768,465)
<u>(41,445,821)</u>	<u>-</u>	<u>(41,445,821)</u>
-	(21,827)	(21,827)
-	843,416	843,416
-	(1,567,076)	(1,567,076)
-	(507,282)	(507,282)
-	(461,287)	(461,287)
<u>-</u>	<u>(1,714,056)</u>	<u>(1,714,056)</u>
<u>(41,445,821)</u>	<u>(1,714,056)</u>	<u>(43,159,877)</u>
34,186,337	6,804	34,193,141
4,008,830	-	4,008,830
581,367	-	581,367
277,712	17,140	294,852
12,434	501	12,935
75,404	47,008	122,412
1,032,693	-	1,032,693
8,742	1,622,511	1,631,253
29,730	-	29,730
3,684,748	-	3,684,748
932,217	-	932,217
449,987	125,785	575,772
2,233,034	515,918	2,748,952
1,962,614	-	1,962,614
(252,205)	252,205	-
<u>49,223,644</u>	<u>2,587,872</u>	<u>51,811,516</u>
<u>7,777,823</u>	<u>873,816</u>	<u>8,651,639</u>
299,836,168	29,095,968	328,932,136
29,857	-	29,857
300,100	-	300,100
<u>300,166,125</u>	<u>29,095,968</u>	<u>329,262,093</u>
<u>\$ 307,943,948</u>	<u>\$ 29,969,784</u>	<u>\$ 337,913,732</u>

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BASIC FINANCIAL STATEMENTS
Fund Financial Statements

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COUNTY OF NEVADA, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	General Fund	Road	Community Development Agency	Human Services Agency
<u>ASSETS</u>				
Cash and investments	\$ 7,942,531	\$ 6,587,636	\$ 352,165	\$ 152,956
Restricted cash and investments	-	-	-	-
Accounts receivable (net of allowance)	1,008,276	1,470	246,851	25,455
Due from other governmental agencies	1,741,818	1,688,266	263,267	5,206,153
Due from other agencies	10,145,996	-	-	-
Taxes receivable	584,425	-	-	-
Due from other funds	2,957,035	285,305	384,407	928,651
Inventory	-	109,807	-	-
Prepaid costs	57,182	-	-	-
Advances to other funds	1,985	-	-	-
Loans receivable	-	-	-	-
Total Assets	\$ 24,439,248	\$ 8,672,484	\$ 1,246,690	\$ 6,313,215
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 1,008,931	\$ 1,089,476	\$ 66,472	\$ 2,024,016
Accrued salaries and benefits	2,342,546	212,928	240,315	792,957
Deposits payable	1,200	20,424	45,003	45,104
Due to other funds	300,354	152,537	48,474	1,105,498
Deferred revenue	1,251,365	771,252	362,620	2,819,192
Unearned revenue	-	-	49,867	-
Loans payable	-	-	-	-
Total Liabilities	4,904,396	2,246,617	812,751	6,786,767
FUND BALANCES				
Reserved for:				
Debt service	-	-	-	-
Encumbrances	235,542	1,004,028	24,595	888,659
Inventory	-	109,807	-	-
Prepaid costs	57,182	-	-	-
Advances	1,985	-	-	-
Loans receivable	-	-	-	-
Unreserved, reported in:				
General				
Designated	16,295,000	-	-	-
Undesignated	2,945,143	-	-	-
Special revenue funds				
Undesignated	-	5,312,032	409,344	(1,362,211)
Total Fund Balances	19,534,852	6,425,867	433,939	(473,552)
Total Liabilities and Fund Balances	\$ 24,439,248	\$ 8,672,484	\$ 1,246,690	\$ 6,313,215

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

Health and Welfare Realignment	Other Governmental Funds	Total
\$ 6,275,859	\$ 20,728,754	\$ 42,039,901
-	2,138,500	2,138,500
-	746,030	2,028,082
1,000,392	2,777,828	12,677,724
-	-	10,145,996
-	117,478	701,903
74,779	593,106	5,223,283
-	-	109,807
-	125,623	182,805
-	-	1,985
-	4,719,650	4,719,650
\$ 7,351,030	\$ 31,946,969	\$ 79,969,636

\$ -	\$ 800,215	\$ 4,989,110
-	242,527	3,831,273
-	-	111,731
789,322	3,017,145	5,413,330
-	257,839	5,462,268
-	-	49,867
-	35,000	35,000
789,322	4,352,726	19,892,579

-	2,274,158	2,274,158
-	705,728	2,858,552
-	-	109,807
-	125,623	182,805
-	-	1,985
-	4,716,589	4,716,589
-	-	16,295,000
-	-	2,945,143
6,561,708	19,772,145	30,693,018
6,561,708	27,594,243	60,077,057
\$ 7,351,030	\$ 31,946,969	\$ 79,969,636

COUNTY OF NEVADA, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF
NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2010

Total Fund Balance - Total Governmental Funds	\$ 60,077,057
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	263,231,347
Other long term assets are not available to pay for current period expenditures and therefore, are not reported in the funds or are reported as deferred in the governmental funds. Deferred revenue	5,462,268
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds balance sheets.	(181,673)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds. Certificates of participation Bonds payable Loans payable Capital leases payable Compensated absences Net OPEB obligation Arbitrage rebate payable	(12,000,000) (299,000) (3,441,053) (38,996) (5,309,728) (2,799,376) (103,922)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets.	<u>3,347,024</u>
Net Assets of Governmental Activities	<u><u>\$ 307,943,948</u></u>

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

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COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>General Fund</u>	<u>Road</u>	<u>Community Development Agency</u>	<u>Human Services Agency</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 37,587,850	\$ 8,742	\$ 17,140	\$ -
Licenses and permits	1,153,069	24,989	1,101,720	-
Fines and forfeitures	3,259,227	-	5,628	494
Use of money and property	330,076	7,872	5,919	5,962
Intergovernmental	3,251,756	10,464,792	1,175,280	35,397,093
Charges for services	8,332,621	494,298	1,887,979	654,319
Other revenues	1,196,242	67,836	34,998	372,007
Total Revenues	55,110,841	11,068,529	4,228,664	36,429,875
<u>EXPENDITURES</u>				
Current:				
General government	8,876,376	-	-	-
Public ways and facilities	-	8,564,742	-	-
Public protection	43,813,060	-	3,803,510	-
Health and sanitation	-	-	2,172,998	18,766,562
Public assistance	343,722	-	-	25,529,158
Education	117,394	-	-	-
Recreation	-	-	-	-
Debt service:				
Principal	9,030	-	-	-
Interest and other charges	952	-	-	-
Capital outlay	1,829,156	2,927,818	-	147,388
Total Expenditures	54,989,690	11,492,560	5,976,508	44,443,108
Excess of Revenues Over (Under) Expenditures	121,151	(424,031)	(1,747,844)	(8,013,233)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	7,038,022	2,534,847	2,319,199	5,847,926
Transfers out	(7,296,632)	-	(480,900)	-
Issuance of debt	29,262	-	-	-
Insurance recovery	-	-	-	-
Total Other Financing Sources (Uses)	(229,348)	2,534,847	1,838,299	5,847,926
Net Change in Fund Balances	(108,197)	2,110,816	90,455	(2,165,307)
Fund Balances - Beginning	19,643,049	4,315,051	343,484	1,691,755
Fund Balances - Ending	\$ 19,534,852	\$ 6,425,867	\$ 433,939	\$ (473,552)

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

Health and Welfare Realignment	Other Governmental Funds	Total
\$ -	\$ 1,319,234	\$ 38,932,966
-	9,683	2,289,461
-	397,155	3,662,504
(4,713)	196,893	542,009
5,715,907	20,948,054	76,952,882
-	1,093,839	12,463,056
-	1,480,637	3,151,720
<u>5,711,194</u>	<u>25,445,495</u>	<u>137,994,598</u>
-	936,740	9,813,116
-	554,096	9,118,838
-	5,800,796	53,417,366
-	3,944,115	24,883,675
-	3,502,682	29,375,562
-	2,217,049	2,334,443
-	72,454	72,454
-	1,111,501	1,120,531
-	778,493	779,445
-	-	4,904,362
<u>-</u>	<u>18,917,926</u>	<u>135,819,792</u>
<u>5,711,194</u>	<u>6,527,569</u>	<u>2,174,806</u>
127,268	4,665,780	22,533,042
(5,544,093)	(9,217,815)	(22,539,440)
-	-	29,262
-	1,962,614	1,962,614
<u>(5,416,825)</u>	<u>(2,589,421)</u>	<u>1,985,478</u>
294,369	3,938,148	4,160,284
<u>6,267,339</u>	<u>23,656,095</u>	<u>55,916,773</u>
<u>\$ 6,561,708</u>	<u>\$ 27,594,243</u>	<u>\$ 60,077,057</u>

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, 2010

Net Change in Fund Balances - Total Governmental Funds \$ 4,160,284

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

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

Expenditures for capital outlay	4,904,362
Depreciation expense	(2,404,412)
Various adjustments affecting capital assets (including sales, trade-ins, and developer contributions)	(247,711)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the net cost of the capital assets disposed. Proceeds from the sale of capital assets were \$20,985.

(76,946)

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

Principal retirements	1,120,531
Proceeds from issuance of debt	(29,262)

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

Change in deferred revenue	247,875
----------------------------	---------

Investment income related to rebatable arbitrage does not provide current financial resources and therefore is not reported as revenue in the governmental funds.

Change in arbitrage rebate payable	(103,922)
------------------------------------	-----------

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

Change in net OPEB obligation	167,547
Change in compensated absences payable	(848)
Change in accrued interest on long-term debt	10,980

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

29,345

Change in Net Assets of Governmental Activities **\$ 7,777,823**

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

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COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
ASSETS				
Current Assets				
Cash and investments	\$ 13,102,050	\$ 116,676	\$ 6,193,999	\$ 1,085,526
Restricted cash and investments	1,065,555	-	-	-
Accounts receivable (net of allowance)	560,915	38,232	39,227	1,708
Due from other governmental agencies	-	30,964	-	20,062
Taxes receivable	2,290	-	-	-
Due from other funds	11,834	60	1,326,639	2,015
Prepaid costs	-	5,807	-	-
Inventory	-	40,875	-	-
Deposits	-	-	-	-
Total Current Assets	14,742,644	232,614	7,559,865	1,109,311
Noncurrent Assets				
Capital assets:				
Non-depreciable	760,156	2,038,295	5,459,025	217,099
Depreciable, net	1,060,125	2,552,455	46,548,584	784,967
Total Noncurrent Assets	1,820,281	4,590,750	52,007,609	1,002,066
Total Assets	16,562,925	4,823,364	59,567,474	2,111,377
LIABILITIES				
Current Liabilities				
Accounts payable	224,908	16,696	117,759	67,633
Accrued salaries and benefits	53,278	13,180	98,384	51,521
Accrued interest payable	30,254	8,622	473,998	-
Deposits payable	28,070	2,000	3,899	-
Due to other funds	18,216	584	1,338,645	51,573
Unearned revenue	-	15,201	-	629,054
Compensated absences payable	57,607	8,353	110,731	57,394
Capital leases payable	-	-	-	-
Certificates of participation	481,600	-	-	-
Bonds payable	-	-	2,000	-
Loans payable	-	24,291	1,430,447	-
Accrued claims payable	-	-	-	-
Closure/postclosure costs	640,699	-	-	3,200
Total Current Liabilities	1,534,632	88,927	3,575,863	860,375
Noncurrent Liabilities				
Advances from other funds	-	-	1,985	-
Compensated absences payable	3,413	16,032	31,755	7,122
Certificates of participation	6,399,719	-	-	-
Bonds payable	-	-	21,000	-
Loans payable	-	140,866	28,002,248	-
Closure/postclosure costs	12,143,946	-	-	112,632
Net OPEB obligation	64,045	8,897	75,502	50,918
Total Noncurrent Liabilities	18,611,123	165,795	28,132,490	170,672
Total Liabilities	20,145,755	254,722	31,708,353	1,031,047

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

	Governmental Activities
Totals	Internal Service Funds
\$ 20,498,251	\$ 3,733,238
1,065,555	-
640,082	32,645
51,026	-
2,290	-
1,340,548	423,806
5,807	21,579
40,875	75,410
-	35,000
<u>23,644,434</u>	<u>4,321,678</u>
8,474,575	-
<u>50,946,131</u>	<u>953,539</u>
<u>59,420,706</u>	<u>953,539</u>
<u>83,065,140</u>	<u>5,275,217</u>
426,996	165,624
216,363	45,519
512,874	-
33,969	-
1,409,018	165,289
644,255	-
234,085	47,318
-	5,223
481,600	-
2,000	-
1,454,738	-
-	1,395,367
<u>643,899</u>	<u>-</u>
<u>6,059,797</u>	<u>1,824,340</u>
1,985	-
58,322	21,806
6,399,719	-
21,000	-
28,143,114	-
12,256,578	-
<u>199,362</u>	<u>37,526</u>
<u>47,080,080</u>	<u>59,332</u>
<u>53,139,877</u>	<u>1,883,672</u>

Continued (Page 1 of 2)

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	1,820,281	4,425,593	22,613,792	1,002,066
Unrestricted	<u>(5,403,111)</u>	<u>143,049</u>	<u>5,245,329</u>	<u>78,264</u>
Total Net Assets	<u>\$ (3,582,830)</u>	<u>\$ 4,568,642</u>	<u>\$ 27,859,121</u>	<u>\$ 1,080,330</u>

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

Net Assets of Business-Type Activities

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

	Governmental Activities
Totals	Internal Service Funds
29,861,732	948,316
63,531	2,443,229
29,925,263	<u>\$ 3,391,545</u>
44,521	
<u>\$ 29,969,784</u>	

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>OPERATING REVENUES</u>				
Charges for services	\$ 6,930,479	\$ 18,330	\$ 6,622,180	\$ 515,144
Fuel sales	-	555,734	-	-
Total Operating Revenues	6,930,479	574,064	6,622,180	515,144
<u>OPERATING EXPENSES</u>				
Salaries and benefits	1,522,154	250,409	2,132,936	1,179,559
Services and supplies	3,462,052	539,611	1,778,722	1,505,747
Benefit and claim expense	-	-	348,909	2,918
Other charges	254,016	63,859	172,543	159,437
Expenditure transfers	103,917	3,102	84,510	98,094
Closure/post closure expense	151,757	-	-	1,374
Depreciation	178,879	300,443	1,879,327	442,600
Total Operating Expenses	5,672,775	1,157,424	6,396,947	3,389,729
Operating Income (Loss)	1,257,704	(583,360)	225,233	(2,874,585)
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Taxes and assessments	-	71,453	-	1,622,511
Forfeitures and penalties	-	-	-	-
Intergovernmental revenues	27,037	86,025	-	1,272,623
Interest income	87,458	597	35,543	2,187
Other revenues	38,663	402,747	65,345	9,163
Interest expense	(420,288)	(9,729)	(702,791)	-
Amortization	(25,590)	-	-	-
Contribution expense	-	-	-	-
Total Non-Operating Revenues (Expenses)	(292,720)	551,093	(601,903)	2,906,484
Income (Loss) Before Capital Contribution and Transfers	964,984	(32,267)	(376,670)	31,899
Capital contribution	-	247,711	-	-
Transfers in	-	4,494	-	-
Transfers out	-	-	-	-
Change in Net Assets	964,984	219,938	(376,670)	31,899
Total Net Assets - Beginning	(4,547,814)	4,348,704	28,235,791	1,048,431
Total Net Assets - Ending	\$ (3,582,830)	\$ 4,568,642	\$ 27,859,121	\$ 1,080,330

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

Change in Net Assets of the Business-Type Activities

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

	Governmental Activities
Totals	Internal Service Funds
\$ 14,086,133	\$ 7,412,941
555,734	-
<u>14,641,867</u>	<u>7,412,941</u>
5,085,058	982,663
7,286,132	4,338,114
351,827	1,500,013
649,855	316,853
289,623	(10,421)
153,131	-
<u>2,801,249</u>	<u>393,662</u>
<u>16,616,875</u>	<u>7,520,884</u>
<u>(1,975,008)</u>	<u>(107,943)</u>
1,693,964	-
-	41,304
1,385,685	-
125,785	11,900
515,918	116,598
(1,132,808)	(753)
(25,590)	-
<u>-</u>	<u>(22,228)</u>
<u>2,562,954</u>	<u>146,821</u>
587,946	38,878
247,711	-
4,494	1,904
<u>-</u>	<u>-</u>
840,151	40,782
	<u>3,350,763</u>
	<u>\$ 3,391,545</u>
<u>33,665</u>	
<u>\$ 873,816</u>	

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from customers	\$ 6,761,083	\$ 576,495	\$ 6,587,585	\$ 832,100
Payments to suppliers	(4,138,567)	(610,698)	(2,544,224)	(1,782,173)
Payments to employees	(1,558,298)	(247,577)	(2,146,960)	(1,182,770)
Net Cash Provided (Used) by Operating Activities	1,064,218	(281,780)	1,896,401	(2,132,843)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Grants and other receipts	91,895	536,417	65,345	2,765,648
Transfers from other funds	-	4,494	-	-
Interfund loans received	-	201	302,051	5,970
Interfund loans made	-	-	(326,936)	-
Interfund loans repaid	(20,755)	(93,000)	(96,835)	(10,552)
Interfund loan repayments received	6,681	7,765	119,863	14,730
Net Cash Provided (Used) by Noncapital Financing Activities	77,821	455,877	63,488	2,775,796
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Acquisition of capital assets	-	(63,278)	(840,810)	(190,690)
Proceeds from sale of capital assets	5,777	-	-	2,229
Proceeds from issuance of debt	-	-	521,502	-
Principal paid on capital debt	(530,000)	(80,893)	(1,659,193)	-
Interest paid on capital debt	(384,244)	(47,776)	(405,168)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(908,467)	(191,947)	(2,383,669)	(188,461)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest and dividends	87,458	597	35,543	2,187
Net Cash Provided (Used) by Investing Activities	87,458	597	35,543	2,187
Net Increase (Decrease) in Cash and Cash Equivalents	321,030	(17,253)	(388,237)	456,679
Balances - Beginning of the Year	13,846,575	133,929	6,582,236	628,847
Balances - End of the Year	\$ 14,167,605	\$ 116,676	\$ 6,193,999	\$ 1,085,526

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

	Governmental Activities
Totals	Internal Service Funds
\$ 14,757,263	\$ 7,394,150
(9,075,662)	(5,841,088)
(5,135,605)	(978,126)
<u>545,996</u>	<u>574,936</u>
3,459,305	144,371
4,494	1,904
308,222	58,462
(326,936)	-
(221,142)	(221,313)
149,039	11,470
<u>3,372,982</u>	<u>(5,106)</u>
(1,094,778)	(179,500)
8,006	45,717
521,502	-
(2,270,086)	(5,775)
(837,188)	(753)
<u>(3,672,544)</u>	<u>(140,311)</u>
<u>125,785</u>	<u>11,900</u>
<u>125,785</u>	<u>11,900</u>
372,219	441,419
<u>21,191,587</u>	<u>3,291,819</u>
<u>\$ 21,563,806</u>	<u>\$ 3,733,238</u>

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Business-type Activities			
	Enterprise Funds			
	Western Nevada County Solid Waste	Airport	Sanitation District	Other Enterprise Funds
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>				
Operating income (loss)	\$ 1,257,704	\$ (583,360)	\$ 225,233	\$ (2,874,585)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	178,879	300,443	1,879,327	442,600
Write off of preacquisition costs	7,784	-	81,952	-
Decrease (increase) in:				
Accounts receivable	(165,900)	1,005	(34,595)	316,956
Prepaid costs	-	(5,807)	-	-
Inventory	-	27,685	-	-
Increase (decrease) in:				
Accounts payable	(57,120)	(26,004)	(241,492)	(14,699)
Accrued salaries and benefits	(18,253)	2,334	9,520	3,209
Deposits payable	(3,496)	-	-	-
Unearned revenue	-	1,426	-	-
Compensated absences payable	(14,846)	962	(19,172)	(4,176)
Claims payable	-	-	-	-
Closure/post closure	(117,489)	-	-	96
Net OPEB obligation	(3,045)	(464)	(4,372)	(2,244)
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,064,218</u>	<u>\$ (281,780)</u>	<u>\$ 1,896,401</u>	<u>\$ (2,132,843)</u>
<u>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>				
Contribution of capital assets from governmental activities	\$ -	\$ 247,711	\$ -	\$ -

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

	Governmental Activities	
<u>Totals</u>	<u>Internal Service Funds</u>	
\$ (1,975,008)	\$	(107,943)
2,801,249	393,662	
89,736	-	
117,466	(18,791)	
(5,807)	(1,739)	
27,685	(5,520)	
(339,315)	(66,182)	
(3,190)	6,225	
(3,496)	-	
1,426	-	
(37,232)	554	
-	376,912	
(117,393)	-	
(10,125)	(2,242)	
<u>\$ 545,996</u>	<u>\$</u>	<u>574,936</u>

\$ 247,711 \$ -

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2010

	<u>Investment Trust Funds</u>	<u>Agency</u>
<u>ASSETS</u>		
Cash and investments	\$ 63,519,271	\$ 2,217,494
Restricted cash and investments	-	246,019
Accounts receivable	1,335,751	-
Taxes receivable	-	12,850,457
	<hr/>	<hr/>
Total Assets	64,855,022	15,313,970
	<hr/>	<hr/>
<u>LIABILITIES</u>		
Accounts payable	3,744	-
Due to other agencies	-	10,145,996
Agency obligations	-	5,167,974
	<hr/>	<hr/>
Total Liabilities	3,744	15,313,970
	<hr/>	<hr/>
<u>NET ASSETS</u>		
Net assets held in trust for investment pool participants	<u>\$ 64,851,278</u>	<u>\$ -</u>

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

COUNTY OF NEVADA, CALIFORNIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Investment Trust Funds
<u>ADDITIONS</u>	
Contributions:	
Contributions to investment pool	\$ 367,431,267
Net investment income:	
Interest income	228,564
Net investment income	228,564
Total Additions	367,659,831
<u>DEDUCTIONS</u>	
Distributions from investment pool	368,595,488
Total Deductions	368,595,488
Change in Net Assets	(935,657)
Net Assets - Beginning	65,786,935
Net Assets - Ending	\$ 64,851,278

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

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BASIC FINANCIAL STATEMENTS
Notes to Basic Financial Statements

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COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

A. Reporting Entity

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

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

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

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

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

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

Special Revenue Funds:

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

Debt Service Funds:

Special Assessment Debt with County Commitment
Nevada County Finance Authority

Enterprise Funds:

Sanitation District

B. Basis of Presentation

Government-Wide Financial Statements

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

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

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

The County reports the following major governmental funds:

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

The County reports the following major proprietary funds:

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following additional fund types:

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

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

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

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements for the business-type activities and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). 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.

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

C. Basis of Accounting and Measurement Focus (Continued)

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

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

D. Cash and Cash Equivalents

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

E. Cash and Investments

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

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

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants each quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2010, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

F. Receivables

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

F. Receivables (Continued)

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. Licenses and permits, fines and forfeitures, and charges for services are considered to be measurable and available only when the County receives cash. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

G. Interfund Transactions

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

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

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

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

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

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

H. Inventory and Prepaid Costs

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

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

I. Loans Receivable

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

J. Capital Assets

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

J. Capital Assets (Continued)

Government-Wide Financial Statements

In the government-wide financial statements, property, plant, equipment, software, and infrastructure assets (roads, bridges, sidewalks, sewer, and similar items), are accounted for as capital assets in both the governmental and business-type activities column. Capital assets are defined by the County as assets with a cost of more than \$5,000 for equipment and \$50,000 for structures and infrastructure and an estimated useful life of more than two years. Such assets are recorded at historical or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

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

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

Fund Financial Statements

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

K. Unearned Revenue/Deferred Revenue

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

K. Unearned Revenue/Deferred Revenue (Continued)

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

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

L. Long-Term Debt

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

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

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

M. Compensated Absences

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

N. Other Post-Employment Benefits (OPEB)

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

O. Fund Balances/Net Assets

Net Assets

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

O. Fund Balances/Net Assets (Continued)

Net Assets (Continued)

- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

Fund Balances

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

As of June 30, 2010, reservations of fund balance included:

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

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

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

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

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

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

As of June 30, 2010, designations of fund balance included:

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

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

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

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

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

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

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

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

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

O. Fund Balances/Net Assets (Continued)

Fund Balances (Continued)

As of June 30, 2010, the County's designations are reported in the financial statements as follows:

	General
Designated for:	
General	\$ 5,277,000
Leave liability	1,650,000
PERS pension	1,000,000
Special projects	6,170,000
General plan update	800,000
Realignment	300,000
COP lease payment	43,000
Civil litigation	60,000
Technology	995,000
Total	\$ 16,295,000

P. Property Tax

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

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

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

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

The County of Nevada apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as described by Sections 4701 through 4717 of the California Revenue and Taxation code. Under the Teeter Plan, the County Auditor-Controller, an elected official is authorized to pay 100 percent of the property taxes billed (secured, supplemental, and debt service) to the taxing agencies within the County. The County recognizes property tax revenues in the period for which the taxes are levied. Previously, such taxes were allocated and paid as the taxes were collected.

To fund the advances, the County borrowed from its pooled cash and investments. The advances are secured by delinquent taxes receivable and will be repaid as delinquencies plus penalties (10 percent) and interest (18 percent) are collected. As of June 30, 2010, the outstanding net borrowing totaled \$10,145,996 and was recorded as a reduction of cash in the General fund.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

Q. Grant Revenues

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

R. Expenditures/Expenses

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

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

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

S. 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 Net Assets

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net assets. During the current year adjustments to net assets were required to correct a prior year misstatement of capital assets. The capital assets adjustment in governmental activities was due to duplicate items included on the capital assets schedule and addition of the airport building and related accumulated depreciation that were missing from the schedule.

GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets, was implemented. The County recorded a cumulative effect of change in accounting principle for the net amount of the software acquired prior to July 1, 2009.

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

	Governmental Activities
Net Assets, June 30, 2009, as previously reported	\$ 299,836,168
Adjustment associated with:	
Correction of capital assets	29,857
Cumulative effect of change in accounting principle	300,100
Total Adjustments	329,957
Net Assets, July 1, 2009, as restated	\$ 300,166,125

B. Deficit Fund Balance/Net Assets

The following major special revenue fund had a deficit fund balance:

The Human Services Agency fund had a fund balance deficit of \$473,552, due to expenditures in excess of revenues and transfers.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

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

B. Deficit Fund Balance/Net Assets (Continued)

The following major enterprise fund had deficit net assets:

The Western Nevada County Solid Waste fund had a net asset deficit of \$3,582,830, due to the post closure liability of \$12,784,645. 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.

The following individual internal service fund had deficit net assets:

The Unemployment Insurance fund had a net asset deficit of \$294,161, due to increased benefit and claim expense.

C. Rebatable Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations of excess investment earnings on various bonds and financing and at June 30, 2010. A liability of \$103,922 has been recorded in the government-wide financial statements for governmental activities.

D. Gann Spending Limitation

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

E. Implementation of Governmental Accounting Standards Board Statements

GASB Statement No. 51

GASB has issued Statement No. 51, Accounting and Financial Reporting for Intangible Assets. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce prior inconsistencies in accounting for these assets. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. This change is reported as a cumulative effect of a change in accounting principle in the amount of \$300,100 and is reflected as a restatement of beginning net assets invested in capital assets and an increase in capital assets in the governmental activities of the government-wide financial statements. As permitted by GASB Statement No. 51, the financial statements have not been restated for prior year costs associated with internally generated computer software. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

GASB Statement No. 53

GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments is effective for the County for fiscal year June 30, 2010. This statement establishes accounting and financial reporting requirements for derivative instruments entered into by state and local governments. The County has evaluated the requirements of GASB 53 and has determined that it does not hold any derivative instruments as defined in this Statement at June 30, 2010.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES

A. Cash and Investments

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

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The net asset value of involuntary participation in the investment pool totaled \$63,519,271 at June 30, 2010.

As of June 30, 2010, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 69,475,445
Investment trust fund	63,519,271
Agency funds	<u>2,463,513</u>
Total Cash and Investments	<u>\$ 135,458,229</u>

As of June 30, 2010, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 2,135,499
Deposits in Treasurer's Pool (less outstanding warrants)	<u>16,922,188</u>
Total Cash in County Pool	19,057,687
Deposits with fiscal agents	<u>387,789</u>
Total Cash	<u>19,445,476</u>
Investments:	
In Treasurer's Pool	<u>112,950,468</u>
Total Investments in County Pool	<u>112,950,468</u>
Investments with fiscal agents	<u>3,062,285</u>
Total Investments	<u>116,012,753</u>
Total Cash and Investments	<u>\$ 135,458,229</u>

Cash

At year end, the carrying amount of the County's cash deposits (including amount in checking accounts, money market accounts and deposits with fiscal agents) was \$17,309,977 and the bank balance was \$33,671,737. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit.

Custodial Credit Risk For Deposits - Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized. The County's investment policy does not further limit its deposits.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Investments

As of June 30, 2010, the County had the following investments:

	Interest Rates	Maturities			Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years	Over 5 years		
Pooled Investments						
Government Agency Securities	0.14-5.25%	\$ 65,053,450	29,897,418	-	94,950,868	0.84
Commercial Paper		9,999,600	-	-	9,999,600	0.02
Certificates of Deposit	.14-.22%	8,000,000	-	-	8,000,000	0.32
Total Pooled Investments		<u>83,053,050</u>	<u>29,897,418</u>	-	<u>112,950,468</u>	<u>0.73</u>
Investments Held by Fiscal Agents						
Government Agency Securities	5.00%	-	923,785	-	923,785	1.88
IXIS	5.91%	2,138,500	-	-	2,138,500	-
Total Investments Held By Fiscal Agents		<u>2,138,500</u>	<u>923,785</u>	-	<u>3,062,285</u>	<u>0.57</u>
Total Investments		<u>\$ 85,191,550</u>	<u>\$ 30,821,203</u>	<u>\$ -</u>	<u>\$ 116,012,753</u>	<u>0.73</u>

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the maturity of its investments to 5 years or less. Of the County's \$116,012,753 investment portfolio, over 73% of the investments have a maturity of one year or less. Of the remainder, none have a maturity of more than 5 years.

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

<u>Investments at June 30, 2010</u>	<u>Standard & Poor's Rating</u>	<u>% of Portfolio</u>
Federal Farm Credit Bank	AAA	36.13%
Federal Home Loan Bank	AAA	20.64%
Federal Home Loan Mortgage	AAA	4.32%
Federal National Mortgage Assoc.	AAA	21.55%
Commercial Paper	AAA	8.62%
Certificates of Deposit	Unrated	6.90%
IXIS	Unrated	1.84%
Total		<u>100%</u>

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

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law restricts the County's investments in commercial paper to 40% of its investment pool and to 10% per issuer and corporate bonds and medium term notes to 30% of its investment pool and to 10% per issuer and, banker's acceptances to 15 percent of its investment pool and to 10% per issuer. Approximately 89% of the County's investments at year-end are in U.S. Government Agency securities and certificates of deposit. There is no limitation on amounts invested in these types of issues.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

County Investment Pool Condensed Financial Information

A condensed statement of net assets and changes in net assets for the investment pool as of and for the year ended June 30, 2010 follows:

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total Pool</u>
Statement of Net Assets			
Cash on hand	\$ 2,135,499	\$ -	\$ 2,135,499
Deposits (Less outstanding warrants)	16,922,188	-	16,922,188
Investments	49,431,197	63,519,271	112,950,468
Other assets	-	1,335,751	1,335,751
Other liabilities	-	(3,744)	(3,744)
Net Assets at June 30, 2010	<u>\$ 68,488,884</u>	<u>\$ 64,851,278</u>	<u>\$ 133,340,162</u>
Statement of Changes in Net Assets			
Net assets at July 1, 2009	\$ 58,736,519	\$ 65,786,935	\$ 124,523,454
Net changes in investments by pool participants	<u>9,752,365</u>	<u>(935,657)</u>	<u>8,816,708</u>
Net Assets at June 30, 2010	<u>\$ 68,488,884</u>	<u>\$ 64,851,278</u>	<u>\$ 133,340,162</u>

B. Restricted Cash and Investments

The County reflects cash and investments held for certificates of participation as restricted cash of \$2,138,500, in non-major governmental funds and cash and investments held for certificates of participation as restricted cash of \$1,065,555 in the Western Nevada County Solid Waste major enterprise fund.

In addition the Agency funds reflect cash and investments held for various restricted purposes as restricted cash of \$246,019.

C. Capital Assets

Capital assets activity for the year ended June 30, 2010, was as follows:

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments/ Transfers</u>	<u>Balance June 30, 2010</u>
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 102,625,898	\$ 1,058,916	\$ -	(\$ 42,176)	\$ 103,642,638
Infrastructure (maintained road system)	100,753,222	405,632	-	1,097,826	102,256,680
Construction in progress	4,261,435	1,284,663	-	(2,872,003)	2,674,095
Total Capital Assets, Not Being Depreciated	<u>207,640,555</u>	<u>2,749,211</u>	<u>-</u>	<u>(1,816,353)</u>	<u>208,573,413</u>
Capital Assets, Being Depreciated:					
Infrastructure	29,782,564	1,424,639	(468,900)	1,170,757	31,909,060
Structures and Improvements	49,183,034	304,241	-	427,742	49,915,017
Equipment	16,303,106	499,696	(469,888)	-	16,332,914
Software	-	106,075	-	1,285,563	1,391,638
Total Capital Assets, Being Depreciated	<u>95,268,704</u>	<u>2,334,651</u>	<u>(938,788)</u>	<u>2,884,062</u>	<u>99,548,629</u>
Less Accumulated Depreciation For:					
Infrastructure	(12,441,990)	(474,446)	398,565	-	(12,517,871)
Structures and Improvements	(17,291,862)	(966,689)	-	-	(18,258,551)
Equipment	(11,249,423)	(1,278,411)	431,092	-	(12,096,742)
Software	-	(78,529)	-	(985,463)	(1,063,992)
Total Accumulated Depreciation	<u>(40,983,275)</u>	<u>(2,798,075)</u>	<u>829,657</u>	<u>(985,463)</u>	<u>(43,937,156)</u>
Total Capital Assets, Being Depreciated, Net	<u>54,285,429</u>	<u>(463,424)</u>	<u>(109,131)</u>	<u>1,898,599</u>	<u>55,611,473</u>
Governmental Activities Capital Assets, Net	<u>\$ 261,925,984</u>	<u>\$ 2,285,787</u>	<u>(\$ 109,131)</u>	<u>\$ 82,246</u>	<u>\$ 264,184,886</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

C. Capital Assets (Continued)

	Balance <u>July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	Adjustments/ <u>Transfers</u>	Balance <u>June 30, 2010</u>
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land and easements	\$ 3,593,251	\$ -	\$ -	\$ -	\$ 3,593,251
Construction in progress	<u>3,954,707</u>	<u>1,016,353</u>	<u>-</u>	<u>(89,736)</u>	<u>4,881,324</u>
Total Capital Assets, Not Being Depreciated	<u>7,547,958</u>	<u>1,016,353</u>	<u>-</u>	<u>(89,736)</u>	<u>8,474,575</u>
Capital Assets, Being Depreciated:					
Infrastructure	66,654,810	-	(955,840)	-	65,698,970
Structures and Improvements	3,320,654	-	-	365,175	3,685,829
Equipment	<u>4,301,175</u>	<u>78,425</u>	<u>(645,351)</u>	<u>-</u>	<u>3,734,249</u>
Total Capital Assets, Being Depreciated	<u>74,276,639</u>	<u>78,425</u>	<u>(1,601,191)</u>	<u>365,175</u>	<u>73,119,048</u>
Less Accumulated Depreciation For:					
Infrastructure	(16,790,069)	(2,040,000)	955,840	-	(17,874,229)
Structures and Improvements	(1,640,290)	(154,271)	-	(117,465)	(1,912,026)
Equipment	<u>(2,399,933)</u>	<u>(606,978)</u>	<u>620,249</u>	<u>-</u>	<u>(2,386,662)</u>
Total Accumulated Depreciation	<u>(20,830,292)</u>	<u>(2,801,249)</u>	<u>1,576,089</u>	<u>(117,465)</u>	<u>(22,172,917)</u>
Total Capital Assets, Being Depreciated, Net	<u>53,446,347</u>	<u>(2,722,824)</u>	<u>(25,102)</u>	<u>247,710</u>	<u>50,946,131</u>
Business-type Activities Capital Assets, Net	<u>\$ 60,994,305</u>	<u>(\$ 1,706,471)</u>	<u>(\$ 25,102)</u>	<u>\$ 157,974</u>	<u>\$ 59,420,706</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 517,166
Public Ways and facilities	924,012
Public Protection	768,162
Health and sanitation	89,965
Public assistance	43,270
Education	<u>61,837</u>
Subtotal Governmental funds	2,404,412
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	<u>393,663</u>
Total Depreciation Expense – Governmental Functions	<u>\$ 2,798,075</u>

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

Western Nevada County Solid Waste	178,879
Airport	300,443
Sanitation District	1,879,327
Transit	<u>442,600</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 2,801,249</u>

Construction in Progress

Construction in progress for governmental activities related primarily to work performed on Magnolia Road, McCourtney Road, Empire Street, Brunswick Road, Duggans Road, Lime Kiln Road, LaBarr Meadows Road, Wolf Road, Hirschdale Bridges, Maybert Bridge, Purdon Bridge replacement, Government Center/ Library Walkway, Rood Center HVAC, and PV Bike Path. Construction in progress for the business-type activities related primarily to work performed on Cascade Shores treatment facility upgrade, Lake Wildwood treatment facility upgrade, airport structure, MRTS redesign, and transit transfer facility improvements.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

D. Unearned/Deferred Revenue

At June 30, 2010, the components of deferred revenue and unearned revenue reported were as follows:

	<u>Deferred</u>	<u>Unearned</u>	<u>Total</u>
General Fund			
State, Federal and other agency grant revenue receivable	\$ 130,434	\$ -	\$ 130,434
State mandated costs receivable	1,082,347	-	1,082,347
Law enforcement services	37,944	-	37,944
Microfilm surcharge	640	-	640
Road			
Federal grant revenue receivable	771,252	-	771,252
Community Development Agency			
Building inspection fees prior to completion of earning requirements	-	30,368	30,368
Plan/Site review fees prior to completion of earning requirements	-	19,499	19,499
Plan/Site review fees receivable	66,096	-	66,096
Environmental health fees receivable	157,837	-	157,837
State grant revenue receivable	10,079	-	10,079
State mandated claims	128,608	-	128,608
Human Services Agency			
State and other agency grant revenue receivable	1,631,986	-	1,631,986
State mandated claims	1,161,163	-	1,161,163
Charges for services	26,043	-	26,043
Non Major Governmental Funds			
State, Federal and other grant revenue receivable	253,624	-	253,624
State mandated claims	1,154	-	1,154
Loans receivable - Prop 1A	3,061	-	3,061
Airport			
Tiedown and hangar pre payments	-	15,201	15,201
Non Major Enterprise Funds			
Nevada County Transportation Commission allocation	-	629,054	629,054
Total	<u>\$ 5,462,268</u>	<u>\$ 694,122</u>	<u>\$ 6,156,390</u>

E. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2010:

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions/</u> <u>Adjustments</u>	<u>Retirements/</u> <u>Adjustments</u>	<u>Balance</u> <u>June 30, 2010</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
Certificates of Participation	\$ 12,940,000	\$ -	\$ 940,000	\$ 12,000,000	\$ 980,000
Special Assessment Bonds with County Commitment	310,000	-	11,000	299,000	11,000
Loans	3,601,554	-	160,501	3,441,053	170,948
Accrued claims liability (Note 6)	1,018,455	376,912	-	1,395,367	1,395,367
Capital Lease (Note 3G)	29,762	29,262	14,805	44,219	20,740
Compensated Absences (Note 1M)	5,377,451	5,558,020	5,556,619	5,378,852	4,321,456
Net OPEB Obligation (Note 5)	<u>3,006,690</u>	<u>2,929,405</u>	<u>3,099,193</u>	<u>2,836,902</u>	<u>-</u>
Total Governmental Activities	<u>\$ 26,283,912</u>	<u>\$ 8,893,599</u>	<u>\$ 9,782,118</u>	<u>\$ 25,395,393</u>	<u>\$ 6,899,511</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions/</u> <u>Adjustments</u>	<u>Retirements/</u> <u>Adjustments</u>	<u>Balance</u> <u>June 30, 2010</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Business-Type Activities					
Certificates of Participation	\$ 8,170,000	\$ -	\$ 530,000	\$ 7,640,000	\$ 545,000
Less: bond issue costs	(330,545)	-	25,590	(304,955)	(25,590)
Less: deferred reacquisition costs	(491,536)	-	37,810	(453,726)	(37,810)
Certificates of Participation, Net	7,347,919	-	466,600	6,881,319	481,600
Special Assessment Bonds with County Commitment	100,000	-	77,000	23,000	2,000
Loans	33,293,307	625,804	1,663,087	32,256,024	1,720,803
Less: Unamortized Discount	(2,832,340)	(104,303)	278,471	(2,658,172)	(266,065)
Loans, Net	30,460,967	521,501	1,384,616	29,597,852	1,454,738
Closure/Post-Closure (Note 3H)	13,017,870	153,131	270,524	12,900,477	643,899
Compensated Absences (Note 1M)	329,639	339,648	376,880	292,407	234,085
Net OPEB Obligation (Note 5)	209,487	174,595	184,720	199,362	-
Total Business-Type Activities	<u>\$ 51,465,882</u>	<u>\$ 1,188,875</u>	<u>\$ 2,760,340</u>	<u>\$ 49,894,417</u>	<u>\$ 2,816,322</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Estimated claims are liquidated by charges for services collected through individual internal service funds. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred.

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

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
At June 30, 2010, Certificates of Participation consisted of the following:		
2002 Issue Certificates of Participation, issued in the amount of \$21,385,000 and payable in annual installments of \$880,000 to \$1,660,000, with an interest rate of 4.05% to 5.25% and maturity date of June 30, 2020. These bonds were used to defease 1991 and 1993 Certificates of Participation financing the acquisition and construction of the County Administration building and the County jail.	\$ 12,000,000	\$ -
2002 Refunding of 1991 Certificates of Participation, issued in the amount of \$11,415,000, and payable in annual installments of \$475,000 to \$900,000 with an interest rate of 2.30% to 5.00% and maturity of June 30, 2021. These bonds were used to refund the 1991 Certificates of Participation which were used for landfill closure costs.	-	7,640,000
Total Certificates of Participation	<u>\$ 12,000,000</u>	<u>\$ 7,640,000</u>

At June 30, 2010, Special Assessment Bonds with County Commitment consisted of the following:

County Service Area 22 Assessment District Limited Obligation Improvement Bonds, issued in the amount of \$329,908 and payable in annual installments of \$9,908 to \$25,000 with an interest rate of 5.25% to 5.50% and maturity of September 2, 2026. Bond proceeds were used for the construction of improvements.	\$ 299,000	\$ -
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COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

	Governmental Activities	Business-Type Activities
At June 30, 2010, Special Assessment Bonds with County Commitment consisted of the following: (Continued)		
USDA Rural Development Bond - North San Juan, issued in the amount of \$76,130 and payable in annual installments of \$1,000 to \$3,000 with an interest rate of 5.00% and maturity of September 2, 2018. Bond proceeds were used to construct improvements in the North San Juan Sewer Assessment District.	-	23,000
Total Special Assessment Bonds	<u>\$ 299,000</u>	<u>\$ 23,000</u>
At June 30, 2010, Loans consisted of the following:		
Crown Point Building Loan, issued in the amount of \$3,210,000 and payable in annual installments of \$52,000 to \$120,000, with an interest rate of 4.75 to 6.75% and maturity of November 1, 2025. Loan proceeds were used to finance the acquisition of the Crown Point building to house County health programs.	\$ 2,691,135	-
Laura Wilcox Building Loan, issued in the amount of \$880,000 and payable in annual installments of \$13,400 to \$34,200 with an interest rate of 4.99% and maturity of August 31, 2025. Loan proceeds were used to finance the acquisition of the Laura Wilcox building to house County children's programs.	749,918	-
California Airport Loan, issued in the amount of \$360,000 and payable in annual installments of \$17,215 to \$30,519 with an interest rate of 4.28% and maturity of July 26, 2017. Loan proceeds were used to finance the construction of an above ground aircraft fuel storage and dispensing system.	-	165,157
State Water Resources Control Board loan, issued in the amount of \$339,164 and payable in annual installments of \$16,958, with an interest rate of 0.0% and maturity on June 30, 2029. Loan proceeds were used for the acquisition and construction of improvements to the Cascade Shores Wastewater system. The loan includes a loan discount of \$56,528.	-	322,206
SWRCB Revolving Loan, issued in the amount of \$170,367 and payable in annual installments of \$8,445 to \$11,116 with an interest rate of 3.10% and maturity of January 22, 2016. Loan proceeds were used to finance modifications to the Cascade Shores Wastewater collection system with upgrade and modification to the existing lift station. The lift station was impaired and removed from the capital assets schedule.	-	61,878
Banc of America Leasing and Capital, LLC loan, issued in the amount of \$8,000,000 and payable in one installment of \$8,000,000 with an interest rate of 4.48% and maturity of August 1, 2009. On August 18, 2009, the due date for the remaining loan balance of \$2,500,000 was extended to August 1, 2026. During the extended period, the loan has an interest rate of 3.55% with semi-annual payments of \$73,529 beginning February 1, 2010. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system.	-	2,426,471
Banc of America Leasing and Capital, LLC loan, issued in the amount of \$8,500,000 and payable in one installment of \$8,500,000, with an interest rate of 4.48% and maturity of August 1, 2009. On August 18, 2009, the due date for the remaining loan balance of \$1,000,000 was extended to August 1, 2026. During the extended period, the loan has an interest rate of 3.55% with semi-annual payments of \$29,412 beginning February 1, 2010. Loan proceeds were used for interim financing for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system.	-	970,588

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

E. Long-Term Liabilities (Continued)

	Governmental Activities	Business-Type Activities
At June 30, 2010, Loans consisted of the following: (Continued)		
State Water Resources Control Board loan, issued in the amount of \$12,122,824 plus accrued interest of \$110,523 and payable in annual installments of \$492,213 to \$739,310, with an interest rate of 2.2% and maturity on November 23, 2027. Loan proceeds were used for the acquisition and construction of improvements to the Lake Wildwood Zone 1 wastewater system.	-	11,228,483
State Water Resources Control Board loan, issued in the amount of \$18,964,071 and payable in annual installments of \$948,204, with an interest rate of 0.0% and maturity on January 12, 2028. Loan proceeds were used for the acquisition and construction of improvements to the Lake of the Pines Zone 2 wastewater system. The loan includes a loan discount of \$3,160,742.	-	17,081,241
Total Loans	\$ 3,441,053	\$ 32,256,024

At June 30, 2010, the annual debt service requirements were summarized as follows:

Certificates of Participation

Year Ended June 30	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2011	\$ 980,000	\$ 547,560	\$ 545,000	\$ 363,044	\$ 2,435,604
2012	1,010,000	507,760	575,000	341,244	2,434,004
2013	1,055,000	465,801	595,000	317,094	2,432,895
2014	1,090,000	415,429	620,000	290,319	2,415,748
2015	1,155,000	361,551	655,000	259,319	2,430,870
2016-2020	6,710,000	910,177	3,750,000	800,500	12,170,677
2021-2025	-	-	900,000	45,000	945,000
Total	\$ 12,000,000	\$ 3,208,278	\$ 7,640,000	\$ 2,416,520	\$ 25,264,798

Special Assessment Bonds with County Commitment

Year Ended June 30	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2011	\$ 11,000	\$ 15,921	\$ 2,000	\$ 1,100	\$ 30,021
2012	12,000	15,318	2,000	1,000	30,318
2013	13,000	14,661	2,000	900	30,561
2014	13,000	13,979	2,000	800	29,779
2015	14,000	13,270	3,000	675	30,945
2016-2020	82,000	53,931	12,000	1,200	149,131
2021-2025	105,000	28,463	-	-	133,463
2026-2030	49,000	2,722	-	-	51,722
Total	\$ 299,000	\$ 158,265	\$ 23,000	\$ 5,675	\$ 485,940

Loans

Year Ended June 30	Governmental Activities		Business-Type Activities			Total
	Principal	Interest	Principal	Interest	Service Charge	
2011	\$ 170,948	\$ 166,762	\$ 1,720,803	\$ 264,090	\$ 112,285	\$ 2,434,888
2012	170,564	155,626	1,731,619	248,503	107,133	2,413,445
2013	167,797	146,875	1,743,507	233,511	101,868	2,393,558
2014	175,952	138,720	1,755,659	218,371	96,487	2,385,189
2015	184,503	130,169	1,768,082	203,079	90,988	2,376,821
2016-2020	1,066,061	507,298	8,918,184	785,201	368,122	11,644,866
2021-2025	1,351,581	221,778	9,205,085	410,046	211,317	11,399,807
2026-2030	153,647	3,690	5,413,085	63,975	44,109	5,678,506
Total	\$ 3,441,053	\$ 1,470,918	\$ 32,256,024	\$ 2,426,776	\$ 1,132,309	\$ 40,727,080

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

F. Short Term Loan

The County has received a loan from the Nevada County Association of Realtors for the purpose of providing cash flow assistance for the County's first time homebuyers down payment assistance program. The loan is to be repaid from reimbursements received from the State of California Department of Housing and Community Development HOME Program. The principal amount of the loan was \$35,000. The short-term loans outstanding as of June 30, 2010, was \$35,000.

Short-term debt activity for the year ended June 30, 2010, was as follows:

Beginning Balance	\$ -
Additions	35,000
Reductions	-
Ending Balance	<u>\$ 35,000</u>

G. Leases

Operating Leases

The County leases office buildings and equipment under non-cancellable operating leases. Total costs for these leases was \$1,299,462 for the year ended June 30, 2010. The future minimum lease payments are as follows:

<u>Year Ended June 30</u>	<u>Lease Obligations</u>
2011	\$ 814,916
2012	489,168
2013	357,102
2014	28,760
2015	16,922
2016-2020	<u>72,942</u>
Total	<u>\$ 1,779,810</u>

Capital Leases

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

	<u>Stated Interest Rate</u>	<u>Present Value Of remaining Payments at June 30, 2010</u>
Governmental activities	5.90% - 11.91%	\$ 44,219
Total		<u>\$ 44,219</u>

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

	<u>Governmental Activities</u>
Equipment	\$ 111,134
Less: Accumulated depreciation	<u>(64,813)</u>
Net Value	<u>\$ 46,321</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

G. Leases (Continued)

Capital Leases (Continued)

As of June 30, 2010, capital lease annual amortization is as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Governmental</u> <u>Activities</u>
2011	\$ 23,000
2012	9,816
2013	8,266
2014	<u>7,578</u>
Total Requirements	48,660
Less Interest	<u>(4,441)</u>
Present Value of Remaining Payments	<u>\$ 44,219</u>

H. Closure/Post Closure

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

As of June 30, 2010, the County's estimated remaining liability for post closure maintenance costs for the closed landfill was \$12,784,645. The estimated remaining liability for closure of the inactive landfill was zero with \$115,832 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, 2010. Actual costs may be higher due to inflation, change in technology, or changes in regulations. The County has applied the annual inflation factor to the liability each year and has reduced the liability by actual expenses incurred.

The County is required by the California Code of Regulations to demonstrate financial responsibility for postclosure maintenance costs. The County has met this requirement for the 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.

I. Interfund Transactions

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2010:

	<u>Due From</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
General fund	\$ 2,957,035	\$ 300,354
Road	285,305	152,537
Community Development Agency	384,407	48,474
Human Services Agency	928,651	1,105,498
Health and Welfare Realignment	74,779	789,322
Nonmajor Governmental funds	593,106	3,017,145
Western Nevada County Solid Waste	11,834	18,216
Airport	60	584
Sanitation District	1,326,639	1,338,645
Nonmajor Enterprise Funds	2,015	51,573
Internal Service Funds	<u>423,806</u>	<u>165,289</u>
Total	<u>\$ 6,987,637</u>	<u>\$ 6,987,637</u>

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 3: DETAILED NOTES (CONTINUED)

I. Interfund Transactions (Continued)

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, 2010:

	<u>Advance to Other Funds</u>	<u>Advance from Other Funds</u>
General fund	\$ 1,985	\$ -
Sanitation District	-	1,985
Total	<u>\$ 1,985</u>	<u>\$ 1,985</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, reimbursement of various County operations and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2010:

	<u>Transfer In</u>	<u>Transfer Out</u>
General fund	\$ 7,038,022	\$ 7,296,632
Road	2,534,847	-
Community Development Agency	2,319,199	480,900
Human Services Agency	5,847,926	-
Health and Welfare Realignment	127,268	5,544,093
Nonmajor Governmental funds	4,665,780	9,217,815
Sanitation District	4,494	-
Internal Service funds	1,904	-
Total	<u>\$ 22,539,440</u>	<u>\$ 22,539,440</u>

NOTE 4: EMPLOYEES' RETIREMENT PLAN

Plan Description

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

Funding Policy

Miscellaneous plan members are required to contribute 8 percent of their annual covered salary. Safety plan members are required to contribute 9 percent of their annual covered salary. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The County has committed to contribute a portion of the required employee contribution in addition to their own required contributions. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rate for fiscal year 2009/2010 was 19.606 percent for miscellaneous employees and 33.063 percent for safety employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS. The County is required to contribute the remaining amounts necessary to fund the benefits of its members using the actuarial basis adopted by the PERS Board of Administrators.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 4: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Annual Pension Cost

For fiscal year 2009/2010, the County's annual pension cost of \$8,949,433 for the miscellaneous plan and \$1,949,073 for the safety plan was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.25 percent to 14.45 percent for miscellaneous plan and 3.25 percent to 14.45 percent for safety plan, depending on age, service, and type of employment, and (c) 3.25 percent per year cost of living adjustment. Both (a) and (b) included an inflation component of 3.00 percent. The actuarial value of PERS assets was determined using techniques that smooth the effect of short term volatility in the market value of investments over a three-year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into PERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20 year period. The table below presents three-year trend information.

Miscellaneous:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2008	\$ 8,351,103	100%	-
June 30, 2009	8,420,982	100%	-
June 30, 2010	8,949,433	100%	-

Safety:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2008	\$ 1,557,114	100%	-
June 30, 2009	1,850,007	100%	-
June 30, 2010	1,949,073	100%	-

Funded Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the miscellaneous plan was 75.9 percent funded. The actuarial accrued liability for benefits was \$301,107,683, and the actuarial value of assets was \$228,631,554, resulting in an unfunded actuarial accrued liability (UAAL) of \$72,476,129. The covered payroll (annual payroll of active employees covered by the plan) was \$50,418,956, and the ratio of the UAAL to the covered payroll was 143.7 percent.

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

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

NOTE 5: OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

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

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 5: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Plan Description (Continued)

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

Funding Policy

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

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

With the results of the most recent actuarial study as of June 30, 2008, the County has revised their funding plan and annual contributions beginning in 2009-10. The contribution rate for 2009-10 and for each proceeding year will be equal to 6.3% of annual covered payroll to fully fund the ARC each year.

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

Annual OPEB Cost and Net OPEB Obligation

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

Annual required contribution	\$ 3,094,000
Interest on prior year net OPEB obligation	204,000
Amortization of prior year net OPEB obligation	<u>(194,000)</u>
Annual OPEB Cost	3,104,000
Contributions made:	
Pay as you go contribution	(1,433,913)
Funding of full ARC Contribution	<u>(1,850,000)</u>
Increase in net OPEB obligation	(179,913)
Net OPEB Obligation - Beginning of Year	<u>3,216,177</u>
Net OPEB Obligation - End of Year	<u>\$ 3,036,264</u>

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

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/08	\$ 4,002,000	51.5%	\$1,940,000
6/30/09	4,132,000	69.0%	3,216,177
6/30/10	3,104,000	105.7%	3,036,264

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 5: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Funded Status and Funding Progress

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

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

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

Actuarial Methods and Assumptions

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

NOTE 6: RISK MANAGEMENT

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

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

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

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 6: RISK MANAGEMENT (CONTINUED)

Actual claims unpaid as of June 30, 2010, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2010, was as follows:

Unemployment	\$ 776,367
Liability	<u>619,000</u>
Total	<u>\$ 1,395,367</u>

All funds of the County participate in the program and make payments to the Risk Management Funds based on estimates of the amounts needed to pay prior and current year claims. At June 30, 2010, the Risk Management Fund's fund equity was \$890,691. The claims liability of \$1,395,367 reported in the funds at June 30, 2010, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably determined.

Changes in the County's claims liability amount for the fiscal years 2008, 2009, and 2010 were as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
2008	\$ 689,198	\$ 1,225,799	\$ 1,073,806	\$ 841,191
2009	841,191	1,892,972	1,715,708	1,018,455
2010	1,018,455	1,876,925	1,500,013	1,395,367

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

NOTE 7: OTHER INFORMATION

A. Construction Commitments

The County had active construction projects as of June 30, 2010, including County Facility improvements, road safety improvements, sidewalk preservation and improvements and upgrades to existing wastewater treatment plants to comply with new regulatory requirements. At year end the County's commitments with contractors were as follows:

Project	Spent-to-Date	Remaining Commitment
County facility improvements	\$ 29,480	\$ 723,278
Road infrastructure	436,640	437,993
Sidewalk preservation and improvement	195,673	165,883
Wastewater treatment facility upgrades	96,286	310,561

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

B. Contingent Liabilities

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

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

C. Subsequent Events

Management has evaluated events subsequent to June 30, 2010 through December 16, 2010, the date on which the financial statements were available for issuance. Management has determined no other subsequent events requiring disclosure have occurred.

COUNTY OF NEVADA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE 7: OTHER INFORMATION (CONTINUED)

D. Joint Agencies

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

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

E. Proposition 1A Borrowing by the State of California

Under the provisions of Proposition 1A and as part of the 2009-10 budget package passed by the California state legislature on July 28, 2009, the State of California borrowed 8% of the amount of property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in lieu sales tax, and supplemental property tax, apportioned to cities, counties and special districts (excluding redevelopment agencies). The state is required to repay this borrowing plus interest by June 30, 2013. After repayment of this initial borrowing, the California legislature may consider only one additional borrowing within a ten-year period. The amount of this borrowing pertaining to the County was \$2,761,989.

Authorized with the 2009-10 State budget package, the Proposition 1A Securitization Program was instituted by the California Statewide Communities Development Authority ("California Communities"), a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, to enable local governments to sell their Proposition 1A receivables to California Communities. Under the Securitization Program, California Communities simultaneously purchased the Proposition 1A receivables and issued bonds ("Prop 1A Bonds") to provide local agencies with cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010. The purchase price paid to the local agencies equaled 100% of the amount of the property tax reduction. All transaction costs of issuance and interest were paid to the State of California. Participating local agencies have no obligation on the bonds and no credit exposure to the State. The County participated in the securitization program and accordingly property taxes have been recorded in the same manner as if the State had not exercised its rights under Proposition 1A. The receivable sale proceeds were equal to the book value and, as a result, no gain or loss was recorded.

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REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2010

1. SCHEDULE OF FUNDING PROGRESS - PENSION

Miscellaneous Plan:

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

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratios		Annual Covered Payroll	UAAL as a % of Payroll
				Actuarial Value	Market Value		
June 30, 2007	\$248,063,046	\$197,968,605	\$ 50,094,441	79.8%	92.3%	\$ 45,650,537	109.7%
June 30, 2008	273,225,816	215,661,943	57,563,873	78.9%	80.2%	50,664,786	113.6%
June 30, 2009	301,107,683	228,631,554	72,476,129	75.9%	55.2%	50,418,956	143.7%

Safety Plan:

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

At the time that the County's Safety Plan was pooled with other agencies, the Plan's existing UAAL was placed in a "side fund" separate from the rest of the pool and for which the County is responsible for paying off the remaining unfunded liability. The side fund is amortized at a fixed interest rate of 7.75% and has been assigned a set payment schedule. As of June 30, 2009, the County's unfunded debt balance should be \$5,476,995.

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

2. SCHEDULE OF FUNDING PROGRESS - OTHER POST- EMPLOYMENT BENEFITS (OPEB)

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

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

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 38,842,500	\$ 38,354,046	\$ 37,587,850	\$ (766,196)
Licenses and permits	1,204,925	1,204,925	1,153,069	(51,856)
Fines and forfeitures	2,944,912	2,944,912	3,259,227	314,315
Use of money and property	577,169	588,769	330,076	(258,693)
Intergovernmental	2,793,120	3,579,265	3,251,756	(327,509)
Charges for services	8,400,483	8,578,838	8,332,621	(246,217)
Other revenues	1,172,284	1,176,784	1,196,242	19,458
Total Revenues	<u>55,935,393</u>	<u>56,427,539</u>	<u>55,110,841</u>	<u>(1,316,698)</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Board of supervisors	1,089,828	1,067,302	1,009,656	57,646
Annual audit	26,734	26,734	26,734	-
County executive officer	1,340,074	1,348,012	1,346,792	1,220
Assessor	2,561,736	2,543,487	2,488,020	55,467
Auditor-controller	1,487,422	1,489,386	1,438,678	50,708
Treasurer-tax collector	1,186,136	1,177,998	1,113,566	64,432
Purchasing	278,540	277,178	268,134	9,044
Collections	202,610	202,943	202,321	622
Uses and sources	(8,443,276)	(8,420,076)	(8,446,981)	26,905
Trial court funding	1,563,572	1,563,572	1,457,018	106,554
Provision for contingencies	150,000	130,007	-	130,007
Building debt financing	(5,598)	(5,598)	(5,598)	-
County counsel	884,016	875,408	877,578	(2,170)
Personnel services	941,063	932,039	904,601	27,438
Elections	1,188,287	1,335,278	1,307,680	27,598
Facilities management	2,585,982	2,584,555	2,422,456	162,099
Capital facility projects	30,508	264,627	191,196	73,431
Economic development	290,000	322,750	213,299	109,451
Assessment appeals board	15,613	19,791	18,359	1,432
General services admin	-	30,704	52,183	(21,479)
Insurance	80,925	79,563	71,430	8,133
Historical landmarks	483	483	377	106
Information systems	1,446,707	1,453,554	1,356,698	96,856
Geographic information	408,948	406,455	356,155	50,300
Surveying	177,756	176,782	142,648	34,134
Cable TV services	63,234	63,234	63,376	(142)
Total General Government	<u>9,551,300</u>	<u>9,946,168</u>	<u>8,876,376</u>	<u>1,069,792</u>
Public protection:				
Court security	840,939	835,471	828,728	6,743
Grand jury	115,000	115,000	93,522	21,478
District attorney	3,920,940	4,040,773	3,871,877	168,896
Public defender services	2,020,702	2,067,873	1,901,499	166,374
Conflict indigent defense	427,711	516,844	509,161	7,683
Sheriff administrative support services	15,062,503	15,018,340	14,480,418	537,922
Subtotal Public Protection	<u>22,387,795</u>	<u>22,594,301</u>	<u>21,685,205</u>	<u>909,096</u>

Continued (Page 1 of 3)

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
EXPENDITURES				
Public protection (continued):				
Department of corrections	9,813,306	9,971,887	9,168,298	803,589
Inmate medical services	1,662,588	1,662,588	1,656,965	5,623
Sheriff Truckee operations	2,294,635	2,280,653	2,175,330	105,323
Juvenile hall	2,887,290	2,844,357	2,747,778	96,579
Probation department	3,933,596	3,974,875	3,863,792	111,083
Ag services	567,435	624,499	582,098	42,401
Weights and measures	139,393	138,382	126,872	11,510
Clerk recorder	415,138	416,844	504,191	(87,347)
Emergency services	497,416	460,521	444,102	16,419
Animal control	1,010,856	998,145	858,429	139,716
Total Public Protection	<u>45,609,448</u>	<u>45,967,052</u>	<u>43,813,060</u>	<u>2,153,992</u>
Public assistance:				
Community services	73,926	77,026	72,408	4,618
Victim witness	206,088	240,137	271,314	(31,177)
Total Public Assistance	<u>280,014</u>	<u>317,163</u>	<u>343,722</u>	<u>(26,559)</u>
Education:				
Farm advisor	121,300	124,653	117,394	7,259
Total Education	<u>121,300</u>	<u>124,653</u>	<u>117,394</u>	<u>7,259</u>
Debt service:				
Sheriff administrative support services	9,204	10,582	9,982	600
Total Debt Service	<u>9,204</u>	<u>10,582</u>	<u>9,982</u>	<u>600</u>
Capital outlay:				
Facilities management	25,000	25,000	24,664	336
Capital facilities projects	-	3,082,620	1,498,055	1,584,565
Information systems	-	7,809	7,809	-
Sheriff administrative support services	-	414,352	148,039	266,313
Department of corrections	137,842	213,387	119,309	94,078
Emergency management	-	80,911	31,280	49,631
Total Capital Outlay	<u>162,842</u>	<u>3,824,079</u>	<u>1,829,156</u>	<u>1,994,923</u>
Total Expenditures	<u>55,734,108</u>	<u>60,189,697</u>	<u>54,989,690</u>	<u>5,200,007</u>
Excess of Revenues Over (Under) Expenditures	<u>201,285</u>	<u>(3,762,158)</u>	<u>121,151</u>	<u>3,883,309</u>

Continued (Page 2 of 3)

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	7,557,506	8,339,976	7,038,022	(1,301,954)
Transfers out	(7,398,793)	(7,393,087)	(7,296,632)	96,455
Issuance of debt	-	1,067,861	29,262	(1,038,599)
Total Other Financing Sources (Uses)	<u>158,713</u>	<u>2,014,750</u>	<u>(229,348)</u>	<u>(2,244,098)</u>
Net Change in Fund Balances	359,998	(1,747,408)	(108,197)	1,639,211
Fund Balances - Beginning	<u>19,643,049</u>	<u>19,643,049</u>	<u>19,643,049</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 20,003,047</u>	<u>\$ 17,895,641</u>	<u>\$ 19,534,852</u>	<u>\$ 1,639,211</u>

See accompanying note to the required supplementary information.

Continued (Page 3 of 3)

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
ROAD - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 40,000	\$ 40,000	\$ 8,742	\$ (31,258)
Licenses and permits	80,152	80,152	24,989	(55,163)
Use of money and property	28,091	28,091	7,872	(20,219)
Intergovernmental	13,198,790	13,198,790	10,464,792	(2,733,998)
Charges for services	508,670	592,670	494,298	(98,372)
Other revenues	-	-	67,836	67,836
Total Revenues	<u>13,855,703</u>	<u>13,939,703</u>	<u>11,068,529</u>	<u>(2,871,174)</u>
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities	9,981,681	10,145,337	8,564,742	1,580,595
Capital outlay	6,180,500	7,096,836	2,927,818	4,169,018
Total Expenditures	<u>16,162,181</u>	<u>17,242,173</u>	<u>11,492,560</u>	<u>5,749,613</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,306,478)</u>	<u>(3,302,470)</u>	<u>(424,031)</u>	<u>2,878,439</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	2,653,113	3,862,452	2,534,847	(1,327,605)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>2,653,113</u>	<u>3,862,452</u>	<u>2,534,847</u>	<u>(1,327,605)</u>
Net Change in Fund Balance	346,635	559,982	2,110,816	1,550,834
Fund Balances - Beginning	<u>4,315,051</u>	<u>4,315,051</u>	<u>4,315,051</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 4,661,686</u>	<u>\$ 4,875,033</u>	<u>\$ 6,425,867</u>	<u>\$ 1,550,834</u>

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
COMMUNITY DEVELOPMENT AGENCY - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 12,000	\$ 12,000	\$ 17,140	\$ 5,140
Licenses and permits	1,209,752	1,209,752	1,101,720	(108,032)
Fines and forfeitures	1,501	1,501	5,628	4,127
Use of money and property	13,014	13,014	5,919	(7,095)
Intergovernmental	828,987	1,409,762	1,175,280	(234,482)
Charges for services	2,243,272	2,260,362	1,887,979	(372,383)
Other revenues	2,330	2,330	34,998	32,668
Total Revenues	<u>4,310,856</u>	<u>4,908,721</u>	<u>4,228,664</u>	<u>(680,057)</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	4,304,150	4,357,761	3,803,510	554,251
Health and sanitation	2,333,920	2,380,752	2,172,998	207,754
Total Expenditures	<u>6,638,070</u>	<u>6,738,513</u>	<u>5,976,508</u>	<u>762,005</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,327,214)</u>	<u>(1,829,792)</u>	<u>(1,747,844)</u>	<u>81,948</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	2,248,996	2,319,474	2,319,199	(275)
Transfers out	(4,740)	(487,640)	(480,900)	6,740
Total Other Financing Sources (Uses)	<u>2,244,256</u>	<u>1,831,834</u>	<u>1,838,299</u>	<u>6,465</u>
Net Change in Fund Balance	(82,958)	2,042	90,455	88,413
Fund Balances - Beginning	<u>343,484</u>	<u>343,484</u>	<u>343,484</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 260,526</u>	<u>\$ 345,526</u>	<u>\$ 433,939</u>	<u>\$ 88,413</u>

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HUMAN SERVICES AGENCY - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Licenses and permits	\$ 800	\$ 800	\$ -	\$ (800)
Fines and forfeitures	575	575	494	(81)
Use of money and property	-	-	5,962	5,962
Intergovernmental	35,591,113	37,995,540	35,397,093	(2,598,447)
Charges for services	362,996	362,996	654,319	291,323
Other revenues	205,120	205,120	372,007	166,887
Total Revenues	<u>36,160,604</u>	<u>38,565,031</u>	<u>36,429,875</u>	<u>(2,135,156)</u>
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	19,167,546	20,735,463	18,766,562	1,968,901
Public assistance	25,443,667	27,392,127	25,529,158	1,862,969
Capital outlay	-	428,492	147,388	281,104
Total Expenditures	<u>44,611,213</u>	<u>48,556,082</u>	<u>44,443,108</u>	<u>4,112,974</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,450,609)</u>	<u>(9,991,051)</u>	<u>(8,013,233)</u>	<u>1,977,818</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	7,762,486	7,758,898	5,912,922	(1,845,976)
Transfers out	(2,031)	(2,031)	(64,996)	(62,965)
Total Other Financing Sources (Uses)	<u>7,760,455</u>	<u>7,756,867</u>	<u>5,847,926</u>	<u>(1,908,941)</u>
Net Change in Fund Balance	(690,154)	(2,234,184)	(2,165,307)	68,877
Fund Balances - Beginning	<u>1,691,755</u>	<u>1,691,755</u>	<u>1,691,755</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,001,601</u>	<u>\$ (542,429)</u>	<u>\$ (473,552)</u>	<u>\$ 68,877</u>

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

Net Change in Fund Balances - Budgetary Basis \$ (2,165,307)

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

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

Transfers in	64,996
Transfers out	<u>(64,996)</u>

Net Change in Fund Balances - Statement of Revenues, Expenditures, and Changes in Fund Balances \$ (2,165,307)

Reconciliation of Fund Balances - Budgetary to GAAP Basis:

Fund Balances - Ending - Budgetary Basis \$ (473,552)

Cumulative effect of reclassification of 10% shift	<u>-</u>
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Fund Balances - Ending - GAAP Basis \$ (473,552)

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HEALTH AND WELFARE REALIGNMENT - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ (4,713)	\$ (4,713)
Intergovernmental	6,276,322	6,276,322	5,715,907	(560,415)
Total Revenues	<u>6,276,322</u>	<u>6,276,322</u>	<u>5,711,194</u>	<u>(565,128)</u>
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	65	65	-	65
Total Expenditures	<u>65</u>	<u>65</u>	<u>-</u>	<u>65</u>
Excess of Revenues Over (Under) Expenditures	<u>6,276,257</u>	<u>6,276,257</u>	<u>5,711,194</u>	<u>(565,063)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	127,268	127,268	284,662	157,394
Transfers out	<u>(7,233,775)</u>	<u>(7,376,775)</u>	<u>(5,701,487)</u>	<u>1,675,288</u>
Total Other Financing Sources (Uses)	<u>(7,106,507)</u>	<u>(7,249,507)</u>	<u>(5,416,825)</u>	<u>1,832,682</u>
Net Change in Fund Balance	(830,250)	(973,250)	294,369	1,267,619
Fund Balances - Beginning	<u>6,267,339</u>	<u>6,267,339</u>	<u>6,267,339</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 5,437,089</u>	<u>\$ 5,294,089</u>	<u>\$ 6,561,708</u>	<u>\$ 1,267,619</u>

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

Net Change in Fund Balances - Budgetary Basis \$ 294,369

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

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

Transfers in	157,394
Transfers out	<u>(157,394)</u>

Net Change in Fund Balances - Statement of Revenues, Expenditures, and Changes in Fund Balances \$ 294,369

Reconciliation of Fund Balances - Budgetary to GAAP Basis:

Fund Balances - Ending - Budgetary Basis \$ 6,561,708

Cumulative effect of reclassification of 10% shift	<u>-</u>
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Fund Balances - Ending - GAAP Basis \$ 6,561,708

See accompanying note to the required supplementary information.

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

A. SCHEDULE OF FUNDING PROGRESS - PENSION

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

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

B. SCHEDULE OF FUNDING PROGRESS - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

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

C. BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

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

COUNTY OF NEVADA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

D. INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

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

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

One third of the County maintained roads are assessed each year, with a complete condition assessment calculated every three years. As of June 30, 2010, the County's road system was rated at a PCI of 64. The last complete condition assessment was completed in fiscal year 2009 with an average PCI rating of 65. The overall condition of the County maintained roads declined slightly from the fiscal year 2006 average PCI rating of 66.7. The history of the condition assessments is provided below.

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>3 Year Average</u>
2009	65	66	64	65.0
2006	68	67	65	66.7

For the year ended June 30, 2010, actual maintenance and preservation costs were \$6,253,914, which was \$2,628,486 or 30% less than estimated. The decrease was due to overlay actual expenditures being less than planned expenditures, bridge preservation and improvement projects delayed, decrease in preservation maintenance due to overlay projects and chipseal program delayed until FY 2010/11. A five year history of planned to actual maintenance and preservation costs is provided below.

<u>Fiscal Year</u>	<u>Maintenance & Preservation Cost</u>		
	<u>Estimated Costs</u>	<u>Actual Costs</u>	<u>Variance</u>
2006	\$ 3,698,191	\$ 4,868,759	(\$ 1,170,568)
2007	3,112,954	5,652,819	(2,539,865)
2008	2,581,563	6,134,322	(3,552,759)
2009	9,525,400	8,177,280	1,348,120
2010	8,882,400	6,253,914	2,628,486

SUPPLEMENTARY INFORMATION

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**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

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NONMAJOR GOVERNMENTAL FUNDS

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COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

	Special Revenue Funds	Debt Service Funds	Totals
<u>ASSETS</u>			
Cash and investments	\$ 20,595,474	\$ 133,280	\$ 20,728,754
Restricted cash and investments	-	2,138,500	2,138,500
Accounts receivable	746,030	-	746,030
Due from other governmental agencies	2,777,828	-	2,777,828
Taxes receivable	115,100	2,378	117,478
Due from other funds	593,106	-	593,106
Prepaid costs	125,623	-	125,623
Loans receivable	4,719,650	-	4,719,650
	\$ 29,672,811	\$ 2,274,158	\$ 31,946,969
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ 800,215	\$ -	\$ 800,215
Accrued salaries and benefits	242,527	-	242,527
Due to other funds	3,017,145	-	3,017,145
Deferred revenue	257,839	-	257,839
Loans payable	35,000	-	35,000
	4,352,726	-	4,352,726
FUND BALANCES			
Reserved for:			
Debt service	-	2,274,158	2,274,158
Encumbrances	705,728	-	705,728
Prepaid costs	125,623	-	125,623
Loans receivable	4,716,589	-	4,716,589
Unreserved:			
Undesignated	19,772,145	-	19,772,145
	25,320,085	2,274,158	27,594,243
Total Fund Balances	\$ 29,672,811	\$ 2,274,158	\$ 31,946,969
Total Liabilities and Fund Balances	\$ 29,672,811	\$ 2,274,158	\$ 31,946,969

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue Funds	Debt Service Funds	Totals
<u>REVENUES</u>			
Taxes and assessments	\$ 1,319,234	\$ -	\$ 1,319,234
Licenses and permits	9,683	-	9,683
Fines and forfeitures	397,155	-	397,155
Use of money and property	70,285	126,608	196,893
Intergovernmental	20,948,054	-	20,948,054
Charges for services	1,061,691	32,148	1,093,839
Other revenues	1,470,347	10,290	1,480,637
	25,276,449	169,046	25,445,495
<u>EXPENDITURES</u>			
Current:			
General government	929,934	6,806	936,740
Public ways and facilities	551,191	2,905	554,096
Public protection	5,800,796	-	5,800,796
Health and sanitation	3,944,115	-	3,944,115
Public Assistance	3,502,682	-	3,502,682
Education	2,217,049	-	2,217,049
Recreation	72,454	-	72,454
Debt service			
Principal	-	1,111,501	1,111,501
Interest and other charges	-	778,493	778,493
	17,018,221	1,899,705	18,917,926
Excess of Revenues Over (Under) Expenditures	8,258,228	(1,730,659)	6,527,569
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	2,904,856	1,760,924	4,665,780
Transfers out	(9,189,698)	(28,117)	(9,217,815)
Insurance recovery	1,962,614	-	1,962,614
	(4,322,228)	1,732,807	(2,589,421)
Net Change in Fund Balances	3,936,000	2,148	3,938,148
Fund Balances - Beginning	21,384,085	2,272,010	23,656,095
Fund Balances - Ending	\$ 25,320,085	\$ 2,274,158	\$ 27,594,243

NONMAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

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COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

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

- **FISH AND GAME**
The fund provides for expenditures, which are used for the protection and propagation of fish and game. Revenues are from the County's share of fines collected for violations of fish and game laws.
- **CHILD SUPPORT SERVICES**
The fund provides for services to establish paternity, obtains and enforces court orders for child support, collects and distributes payments, and provides community outreach about those services for the benefit of minor children.
- **RECYCLED OIL BLOCK GRANT**
The fund was established to record funds received from the State for the California Oil Recycling Enhancement Act to implement the collection of used oil at the County transfer station.
- **PROBATION FIRE INSURANCE ADMIN GRANT**
The fund provides for the administration of the insurance claims relating to the Probation Department Fire on March 20, 2002.
- **MOTOR VEHICLE LICENSE**
The fund is used to deposit all Motor Vehicle License Fees in accordance with Measure F passed by voters in March 1996.
- **PUBLIC LIBRARY**
The fund finances public library services for 3 branches and 2 stations located in the unincorporated and incorporated areas within the County.
- **INET MAINTENANCE**
The fund was established for cable franchise agreements that provide payment of grants to support the development of an institutional network (INET) to purchase equipment and to support public, educational and governmental television programming.
- **WORKERS' COMPENSATION**
The fund provides claims management and pays the premium costs for workers' compensation.
- **NONMAJOR HUMAN SERVICE AGENCY**
 - **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.
 - **CBFRP COMMUNITY BASED FAMILY PROGRAM**
The fund was established to develop and implement a county-wide system of community based family resource services.
 - **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 to be deposited into the fund shall be allocated by the administrator of the County's Drug Program.
 - **ALCOHOL EDUCATION PG PC 1463.25**
The fund was established per Penal Code 1463.25 pursuant to Vehicle Code Section 23196 and utilized pursuant to Health and Safety Code Section 11802, amounts deposited into the fund shall be allocated by the administrator of the County's Drug Program.

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

EMERGENCY MEDICAL SERVICES

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

LOCAL BIOTERRORISM PREPAREDNESS

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

CHILDREN'S TRUST AB-2994

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

HEALTH - VRIP

The fund provides for the Vital Records Improvement Program.

HPP - H1N1 - CDC PHER

To track receipt and expenditure of Federal H1N1 supplemental funds for Public Health Emergency Response (PHER), Local Hospital Preparedness Program (HPP) for vaccination, antiviral distribution/dispensing and administration, epidemiology, laboratory, surveillance and other associated pandemic preparedness and response activities.

- **ADMINISTRATION**

FOREST RESERVES

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

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.

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

- **COMMUNITY DEVELOPMENT AGENCY**

- **PROPERTY MAINTENANCE/NUISANCE ABATEMENT**

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

- **RECREATION MITIGATION**

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

- **VECTOR CONTROL**

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

- **LEA GRANT FUND**

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

- **ENVIRONMENTAL HEALTH PENALTIES**

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

- **CAPITAL FACILITY MITIGATION**

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

- **DISTRICT ATTORNEY**

- **DUI LAB FEES**

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

- **ASSET FORFEITURE**

- The fund was established to hold proceeds from property seized.

- **ENVIRONMENTAL ENFORCEMENT**

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

- **PROBATION**

- **DOMESTIC VIOLENCE PROGRAM**

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

- **CORRECTIONAL TRAINING**

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

- **WARD WELFARE FUND**

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

- **ASSET FORFEITURE**

- This fund was established to hold proceeds for property seized.

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

YOUTHFUL OFFENDER BLOCK GRANT

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

JJCPA

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

- **RECORDER**

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

- **SHERIFF**

AUTOMATED WARRANT SYSTEM

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

SHERIFF ANTI-DRUG GRANT

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

CIVIL FEE - AB709

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

ATTACHMENT ASSESSMENT FEE

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

JUSTICE ASSISTANCE GRANT

This fund was established to track revenues and expenditures related to grant objectives.

RURAL & SMALL COUNTIES LAP (LOCAL ASSISTANCE PROGRAM)

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

CORRECTIONAL TRAINING

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

LDF - LOCAL DETENTION FACILITY FUND

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

INMATE WELFARE FUND

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

ANIMAL HEALTH FUND

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

SPAY AND NEUTER FUND

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

COUNTY OF NEVADA, CALIFORNIA NONMAJOR SPECIAL REVENUE FUNDS

KREA SPAY AND NEUTER PROGRAM FUND

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

FEDERAL ASSET FORFEITURE FUND

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

FINGERPRINT IDENTIFICATION

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

LAW ENFORCEMENT SERVICES

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

GC76104.6 ST DNA ACT

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

ANTI-DRUG ABUSE/GANG DIVERSION

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

STATE ASSET FORFEITURE

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

- **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.

- **PUBLIC WORKS**

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

- **HOUSING AND COMMUNITY SERVICES**

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

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COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	<u>Fish and Game</u>	<u>Child Support Services</u>	<u>Recycled Oil Block Grant</u>	<u>Probation Fire Insurance Admin Grant</u>
<u>ASSETS</u>				
Cash and investments	\$ 35,656	\$ 486,941	\$ 8,953	\$ 216,847
Accounts receivable	-	18,993	-	-
Due from other governmental agencies	-	-	-	-
Taxes receivable	-	-	-	-
Due from other funds	-	18,805	-	-
Prepaid costs	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ 35,656</u>	<u>\$ 524,739</u>	<u>\$ 8,953</u>	<u>\$ 216,847</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ -	\$ 3,639	\$ 2,218	\$ -
Accrued salaries and benefits	-	142,782	-	-
Due to other funds	-	2,526	4,647	63,172
Deferred revenue	-	-	-	-
Loans payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>148,947</u>	<u>6,865</u>	<u>63,172</u>
FUND BALANCES				
Reserved for:				
Encumbrances	-	-	-	-
Prepaid costs	-	-	-	-
Loans receivable	-	-	-	-
Unreserved:				
Undesignated	<u>35,656</u>	<u>375,792</u>	<u>2,088</u>	<u>153,675</u>
Total Fund Balances	<u>35,656</u>	<u>375,792</u>	<u>2,088</u>	<u>153,675</u>
Total Liabilities and Fund Balances	<u>\$ 35,656</u>	<u>\$ 524,739</u>	<u>\$ 8,953</u>	<u>\$ 216,847</u>

Motor Vehicle License	Public Library	Inet Maintenance	Workers' Compensation	Nonmajor Human Service Agency	Administration	Community Development Agency	District Attorney
\$ 179,678	\$ 231,827	\$ 106,115	\$ 158,823	\$ 6,782,189	\$ 1,331,521	\$ 4,142,682	\$ 41,738
-	91,584	9,305	387,523	32	-	-	-
-	-	-	-	905,643	927,983	-	-
-	115,100	-	-	-	-	-	-
115,319	1,081	-	-	188,307	-	37	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 294,997</u>	<u>\$ 439,592</u>	<u>\$ 115,420</u>	<u>\$ 546,346</u>	<u>\$ 7,876,171</u>	<u>\$ 2,259,504</u>	<u>\$ 4,142,719</u>	<u>\$ 41,738</u>
\$ -	\$ 43,520	\$ 9,800	\$ 43	\$ 515,917	\$ -	\$ 56,968	\$ -
-	61,762	-	-	-	-	6,833	-
179,701	13,737	380	76,030	837,451	848,995	49,587	-
-	-	-	-	6,807	-	-	-
-	-	-	-	-	-	-	-
<u>179,701</u>	<u>119,019</u>	<u>10,180</u>	<u>76,073</u>	<u>1,360,175</u>	<u>848,995</u>	<u>113,388</u>	<u>-</u>
-	-	-	-	257,252	-	448,476	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>115,296</u>	<u>320,573</u>	<u>105,240</u>	<u>470,273</u>	<u>6,258,744</u>	<u>1,410,509</u>	<u>3,580,855</u>	<u>41,738</u>
<u>115,296</u>	<u>320,573</u>	<u>105,240</u>	<u>470,273</u>	<u>6,515,996</u>	<u>1,410,509</u>	<u>4,029,331</u>	<u>41,738</u>
<u>\$ 294,997</u>	<u>\$ 439,592</u>	<u>\$ 115,420</u>	<u>\$ 546,346</u>	<u>\$ 7,876,171</u>	<u>\$ 2,259,504</u>	<u>\$ 4,142,719</u>	<u>\$ 41,738</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	<u>Probation</u>	<u>Recorder</u>	<u>Sheriff</u>	<u>Housing Authority</u>
<u>ASSETS</u>				
Cash and investments	\$ 566,495	\$ 430,589	\$ 1,973,916	\$ 62,786
Accounts receivable	67,742	1,091	40,687	129,073
Due from other governmental agencies	3,934	-	319,539	4,145
Taxes receivable	-	-	-	-
Due from other funds	-	-	-	39
Prepaid costs	-	-	-	125,623
Loans receivable	-	-	-	-
Total Assets	<u>\$ 638,171</u>	<u>\$ 431,680</u>	<u>\$ 2,334,142</u>	<u>\$ 321,666</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable	\$ 6,694	\$ 754	\$ 68,618	\$ 557
Accrued salaries and benefits	-	-	-	7,725
Due to other funds	371,995	6,284	172,929	401
Deferred revenue	-	-	85,475	-
Loans payable	-	-	-	-
Total Liabilities	<u>378,689</u>	<u>7,038</u>	<u>327,022</u>	<u>8,683</u>
FUND BALANCES				
Reserved for:				
Encumbrances	-	-	-	-
Prepaid costs	-	-	-	125,623
Loans receivable	-	-	-	-
Unreserved:				
Undesignated	259,482	424,642	2,007,120	187,360
Total Fund Balances	<u>259,482</u>	<u>424,642</u>	<u>2,007,120</u>	<u>312,983</u>
Total Liabilities and Fund Balances	<u>\$ 638,171</u>	<u>\$ 431,680</u>	<u>\$ 2,334,142</u>	<u>\$ 321,666</u>

Special Districts Governed by the Board of Supervisors	Public Works	Housing and Community Services	Totals
\$ 1,293,456	\$ 2,544,380	\$ 882	\$ 20,595,474
-	-	-	746,030
-	-	616,584	2,777,828
-	-	-	115,100
-	-	269,518	593,106
-	-	-	125,623
3,061	-	4,716,589	4,719,650
<u>\$ 1,296,517</u>	<u>\$ 2,544,380</u>	<u>\$ 5,603,573</u>	<u>\$ 29,672,811</u>

\$ 9	\$ 13,063	\$ 78,415	\$ 800,215
-	-	23,425	242,527
57,410	23,311	308,589	3,017,145
3,061	-	162,496	257,839
-	-	35,000	35,000
<u>60,480</u>	<u>36,374</u>	<u>607,925</u>	<u>4,352,726</u>

-	-	-	705,728
-	-	-	125,623
-	-	4,716,589	4,716,589
<u>1,236,037</u>	<u>2,508,006</u>	<u>279,059</u>	<u>19,772,145</u>
<u>1,236,037</u>	<u>2,508,006</u>	<u>4,995,648</u>	<u>25,320,085</u>
<u>\$ 1,296,517</u>	<u>\$ 2,544,380</u>	<u>\$ 5,603,573</u>	<u>\$ 29,672,811</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Fish and Game</u>	<u>Child Support Services</u>	<u>Recycled Oil Block Grant</u>	<u>Probation Fire Insurance Admin Grant</u>
<u>REVENUES</u>				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	6,058	-	-	-
Use of money and property	104	2,156	53	631
Intergovernmental	-	3,952,939	29,015	-
Charges for services	-	55,859	-	-
Other revenues	-	3,773	7,110	-
Total Revenues	<u>6,162</u>	<u>4,014,727</u>	<u>36,178</u>	<u>631</u>
<u>EXPENDITURES</u>				
Current:				
General government	-	-	-	196
Public ways and facilities	-	-	-	-
Public protection	2,786	3,949,459	-	-
Health and sanitation	-	-	34,803	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Total Expenditures	<u>2,786</u>	<u>3,949,459</u>	<u>34,803</u>	<u>196</u>
Excess of Revenues Over (Under) Expenditures	<u>3,376</u>	<u>65,268</u>	<u>1,375</u>	<u>435</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(63,172)
Insurance recovery	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(63,172)</u>
Net Change in Fund Balance	<u>3,376</u>	<u>65,268</u>	<u>1,375</u>	<u>(62,737)</u>
Fund Balances - Beginning	<u>32,280</u>	<u>310,524</u>	<u>713</u>	<u>216,412</u>
Fund Balances - Ending	<u>\$ 35,656</u>	<u>\$ 375,792</u>	<u>\$ 2,088</u>	<u>\$ 153,675</u>

<u>Motor Vehicle License</u>	<u>Public Library</u>	<u>Inet Maintenance</u>	<u>Workers' Compensation</u>	<u>Nonmajor Human Service Agency</u>	<u>Administration</u>	<u>Community Development Agency</u>	<u>District Attorney</u>
\$ -	\$ 1,284,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	303,340	44,060	-
(560)	10,426	(84)	884	19,575	4,688	13,240	88
-	67,280	-	-	6,531,327	5,308,463	17,295	149
-	95,275	21,834	-	20,102	-	-	11,770
-	130,581	69,846	499,818	437,859	23,871	6,490	21,757
<u>(560)</u>	<u>1,588,102</u>	<u>91,596</u>	<u>500,702</u>	<u>7,008,863</u>	<u>5,640,362</u>	<u>81,085</u>	<u>33,764</u>
-	-	88,862	113,186	-	656,144	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	577,300	514,204	24,564
-	-	-	-	3,691,394	-	217,918	-
-	2,217,049	-	-	-	-	-	-
-	-	-	-	-	42,521	29,933	-
<u>-</u>	<u>2,217,049</u>	<u>88,862</u>	<u>113,186</u>	<u>3,691,394</u>	<u>1,275,965</u>	<u>762,055</u>	<u>24,564</u>
<u>(560)</u>	<u>(628,947)</u>	<u>2,734</u>	<u>387,516</u>	<u>3,317,469</u>	<u>4,364,397</u>	<u>(680,970)</u>	<u>9,200</u>
1,842,374	570,147	-	-	43,032	1,530	190,000	-
(2,442,772)	-	-	-	(242,905)	(4,872,387)	-	(4,094)
-	-	-	-	-	-	1,962,614	-
<u>(600,398)</u>	<u>570,147</u>	<u>-</u>	<u>-</u>	<u>(199,873)</u>	<u>(4,870,857)</u>	<u>2,152,614</u>	<u>(4,094)</u>
(600,958)	(58,800)	2,734	387,516	3,117,596	(506,460)	1,471,644	5,106
716,254	379,373	102,506	82,757	3,398,400	1,916,969	2,557,687	36,632
<u>\$ 115,296</u>	<u>\$ 320,573</u>	<u>\$ 105,240</u>	<u>\$ 470,273</u>	<u>\$ 6,515,996</u>	<u>\$ 1,410,509</u>	<u>\$ 4,029,331</u>	<u>\$ 41,738</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Probation</u>	<u>Recorder</u>	<u>Sheriff</u>	<u>Housing Authority</u>
<u>REVENUES</u>				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	9,683	-	-	-
Fines and forfeitures	4,307	-	39,390	-
Use of money and property	933	(557)	6,262	669
Intergovernmental	473,718	-	1,055,839	1,892,784
Charges for services	-	206,902	45,710	-
Other revenues	2,866	-	215,521	5,176
Total Revenues	<u>491,507</u>	<u>206,345</u>	<u>1,362,722</u>	<u>1,898,629</u>
<u>EXPENDITURES</u>				
Current:				
General government	-	-	-	-
Public ways and facilities	-	-	-	-
Public protection	3,207	373,105	356,171	-
Health and sanitation	-	-	-	-
Public assistance	13,990	-	-	1,833,926
Education	-	-	-	-
Recreation	-	-	-	-
Total Expenditures	<u>17,197</u>	<u>373,105</u>	<u>356,171</u>	<u>1,833,926</u>
Excess of Revenues Over (Under) Expenditures	<u>474,310</u>	<u>(166,760)</u>	<u>1,006,551</u>	<u>64,703</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	471
Transfers out	(371,435)	-	(963,870)	(471)
Insurance recovery	-	-	-	-
Total Other Financing Sources (Uses)	<u>(371,435)</u>	<u>-</u>	<u>(963,870)</u>	<u>-</u>
Net Change in Fund Balance	102,875	(166,760)	42,681	64,703
Fund Balances - Beginning	<u>156,607</u>	<u>591,402</u>	<u>1,964,439</u>	<u>248,280</u>
Fund Balances - Ending	<u>\$ 259,482</u>	<u>\$ 424,642</u>	<u>\$ 2,007,120</u>	<u>\$ 312,983</u>

Special Districts Governed by the Board of Supervisors	Public Works	Housing and Community Services	Totals
\$ 34,694	\$ -	\$ -	\$ 1,319,234
-	-	-	9,683
-	-	-	397,155
3,668	7,112	997	70,285
392	-	1,618,853	20,948,054
366,021	238,218	-	1,061,691
-	21,142	24,537	1,470,347
<u>404,775</u>	<u>266,472</u>	<u>1,644,387</u>	<u>25,276,449</u>
-	-	71,546	929,934
264,136	287,055	-	551,191
-	-	-	5,800,796
-	-	-	3,944,115
-	-	1,654,766	3,502,682
-	-	-	2,217,049
-	-	-	72,454
<u>264,136</u>	<u>287,055</u>	<u>1,726,312</u>	<u>17,018,221</u>
<u>140,639</u>	<u>(20,583)</u>	<u>(81,925)</u>	<u>8,258,228</u>
350	-	256,952	2,904,856
(350)	(25,615)	(202,627)	(9,189,698)
-	-	-	1,962,614
<u>-</u>	<u>(25,615)</u>	<u>54,325</u>	<u>(4,322,228)</u>
140,639	(46,198)	(27,600)	3,936,000
<u>1,095,398</u>	<u>2,554,204</u>	<u>5,023,248</u>	<u>21,384,085</u>
<u>\$ 1,236,037</u>	<u>\$ 2,508,006</u>	<u>\$ 4,995,648</u>	<u>\$ 25,320,085</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
FISH AND GAME - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Fines and forfeitures	\$ 2,900	\$ 2,900	\$ 6,058	\$ 3,158
Use of money and property	600	600	104	(496)
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>6,162</u>	<u>2,662</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	4,225	4,225	2,786	1,439
Total Expenditures	<u>4,225</u>	<u>4,225</u>	<u>2,786</u>	<u>1,439</u>
Excess of Revenues Over (Under) Expenditures	<u>(725)</u>	<u>(725)</u>	<u>3,376</u>	<u>4,101</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(725)</u>	<u>(725)</u>	<u>3,376</u>	<u>4,101</u>
Fund Balances - Beginning	<u>32,280</u>	<u>32,280</u>	<u>32,280</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 31,555</u>	<u>\$ 31,555</u>	<u>\$ 35,656</u>	<u>\$ 4,101</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
CHILD SUPPORT SERVICES - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 8,700	\$ 8,700	\$ 2,156	\$ (6,544)
Intergovernmental	4,305,054	4,305,054	3,952,939	(352,115)
Charges for services	62,328	62,328	55,859	(6,469)
Other revenues	-	-	3,773	3,773
Total Revenues	<u>4,376,082</u>	<u>4,376,082</u>	<u>4,014,727</u>	<u>(361,355)</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	4,376,082	4,376,082	3,949,459	426,623
Total Expenditures	<u>4,376,082</u>	<u>4,376,082</u>	<u>3,949,459</u>	<u>426,623</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>65,268</u>	<u>65,268</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>65,268</u>	<u>65,268</u>
Fund Balances - Beginning	<u>310,524</u>	<u>310,524</u>	<u>310,524</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 310,524</u>	<u>\$ 310,524</u>	<u>\$ 375,792</u>	<u>\$ 65,268</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
RECYCLED OIL BLOCK GRANT - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 300	\$ 300	\$ 53	\$ (247)
Intergovernmental	28,050	28,050	29,015	965
Total Revenues	<u>28,350</u>	<u>28,350</u>	<u>29,068</u>	<u>718</u>
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	28,050	32,080	34,803	(2,723)
Total Expenditures	<u>28,050</u>	<u>32,080</u>	<u>34,803</u>	<u>(2,723)</u>
Excess of Revenues Over (Under) Expenditures	<u>300</u>	<u>(3,730)</u>	<u>(5,735)</u>	<u>(2,005)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	300	(3,730)	(5,735)	(2,005)
Fund Balances - Beginning	<u>713</u>	<u>713</u>	<u>713</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,013</u>	<u>\$ (3,017)</u>	<u>\$ (5,022)</u>	<u>\$ (2,005)</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PROBATION FIRE INSURANCE ADMIN GRANT - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 5,000	\$ 5,000	\$ 631	\$ (4,369)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>631</u>	<u>(4,369)</u>
<u>EXPENDITURES</u>				
Current:				
General government	196	196	196	-
Total Expenditures	<u>196</u>	<u>196</u>	<u>196</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>4,804</u>	<u>4,804</u>	<u>435</u>	<u>(4,369)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	(63,684)	(63,684)	(63,172)	512
Total Other Financing Sources (Uses)	<u>(63,684)</u>	<u>(63,684)</u>	<u>(63,172)</u>	<u>512</u>
Net Change in Fund Balance	<u>(58,880)</u>	<u>(58,880)</u>	<u>(62,737)</u>	<u>(3,857)</u>
Fund Balances - Beginning	<u>216,412</u>	<u>216,412</u>	<u>216,412</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 157,532</u>	<u>\$ 157,532</u>	<u>\$ 153,675</u>	<u>\$ (3,857)</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
MOTOR VEHICLE LICENSE - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ (560)	\$ (560)
Total Revenues	<u>-</u>	<u>-</u>	<u>(560)</u>	<u>(560)</u>
<u>EXPENDITURES</u>				
Current:				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(560)</u>	<u>(560)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	1,842,374	1,842,374
Transfers out	<u>(266,878)</u>	<u>(2,442,773)</u>	<u>(2,442,772)</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>(266,878)</u>	<u>(2,442,773)</u>	<u>(600,398)</u>	<u>1,842,375</u>
Net Change in Fund Balance	<u>(266,878)</u>	<u>(2,442,773)</u>	<u>(600,958)</u>	<u>1,841,815</u>
Fund Balances - Beginning	<u>716,254</u>	<u>716,254</u>	<u>716,254</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 449,376</u>	<u>\$ (1,726,519)</u>	<u>\$ 115,296</u>	<u>\$ 1,841,815</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PUBLIC LIBRARY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 1,634,000	\$ 1,623,684	\$ 1,284,540	\$ (339,144)
Use of money and property	18,500	18,500	10,426	(8,074)
Intergovernmental	50,146	60,462	67,280	6,818
Charges for services	87,200	87,200	95,275	8,075
Other revenues	4,875	4,875	130,581	125,706
Total Revenues	<u>1,794,721</u>	<u>1,794,721</u>	<u>1,588,102</u>	<u>(206,619)</u>
<u>EXPENDITURES</u>				
Current:				
Education	2,470,453	2,470,453	2,217,049	253,404
Total Expenditures	<u>2,470,453</u>	<u>2,470,453</u>	<u>2,217,049</u>	<u>253,404</u>
Excess of Revenues Over (Under) Expenditures	<u>(675,732)</u>	<u>(675,732)</u>	<u>(628,947)</u>	<u>46,785</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	565,902	565,902	570,147	4,245
Transfers out	(1,920)	(1,920)	-	1,920
Total Other Financing Sources (Uses)	<u>563,982</u>	<u>563,982</u>	<u>570,147</u>	<u>6,165</u>
Net Change in Fund Balance	<u>(111,750)</u>	<u>(111,750)</u>	<u>(58,800)</u>	<u>52,950</u>
Fund Balances - Beginning	<u>379,373</u>	<u>379,373</u>	<u>379,373</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 267,623</u>	<u>\$ 267,623</u>	<u>\$ 320,573</u>	<u>\$ 52,950</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
INET MAINTENANCE - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ (84)	\$ (84)
Charges for services	19,200	19,200	21,834	2,634
Other revenues	64,000	73,800	69,846	(3,954)
Total Revenues	<u>83,200</u>	<u>93,000</u>	<u>91,596</u>	<u>(1,404)</u>
<u>EXPENDITURES</u>				
Current:				
General government	65,350	92,332	88,862	3,470
Capital outlay	-	7,953	-	7,953
Total Expenditures	<u>65,350</u>	<u>100,285</u>	<u>88,862</u>	<u>11,423</u>
Excess of Revenues Over (Under) Expenditures	<u>17,850</u>	<u>(7,285)</u>	<u>2,734</u>	<u>10,019</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	2,880	2,880	-	(2,880)
Transfers out	(11,971)	(11,971)	-	11,971
Total Other Financing Sources (Uses)	<u>(9,091)</u>	<u>(9,091)</u>	<u>-</u>	<u>9,091</u>
Net Change in Fund Balance	8,759	(16,376)	2,734	19,110
Fund Balances - Beginning	<u>102,506</u>	<u>102,506</u>	<u>102,506</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 111,265</u>	<u>\$ 86,130</u>	<u>\$ 105,240</u>	<u>\$ 19,110</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
WORKERS' COMPENSATION - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 8,000	\$ 8,000	\$ 884	\$ (7,116)
Other revenues	31,500	31,500	499,818	468,318
Total Revenues	<u>39,500</u>	<u>39,500</u>	<u>500,702</u>	<u>461,202</u>
<u>EXPENDITURES</u>				
Current:				
General government	39,500	39,500	113,186	(73,686)
Total Expenditures	<u>39,500</u>	<u>39,500</u>	<u>113,186</u>	<u>(73,686)</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>387,516</u>	<u>387,516</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>387,516</u>	<u>387,516</u>
Fund Balances - Beginning	<u>82,757</u>	<u>82,757</u>	<u>82,757</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 82,757</u>	<u>\$ 82,757</u>	<u>\$ 470,273</u>	<u>\$ 387,516</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
NONMAJOR HUMAN SERVICES AGENCY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 19,613	\$ 19,613	\$ 19,575	\$ (38)
Intergovernmental	5,339,248	5,877,522	6,531,327	653,805
Charges for services	24,500	24,500	20,102	(4,398)
Other revenue	269,102	269,102	437,859	168,757
Total Revenues	<u>5,652,463</u>	<u>6,190,737</u>	<u>7,008,863</u>	<u>818,126</u>
<u>EXPENDITURES</u>				
Current:				
Health and sanitation	5,193,136	6,134,646	3,691,394	2,443,252
Total Expenditures	<u>5,193,136</u>	<u>6,134,646</u>	<u>3,691,394</u>	<u>2,443,252</u>
Excess of Revenues Over (Under) Expenditures	<u>459,327</u>	<u>56,091</u>	<u>3,317,469</u>	<u>3,261,378</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	78,079	80,483	43,032	(37,451)
Transfers out	(483,917)	(483,917)	(242,905)	241,012
Total Other Financing Sources (Uses)	<u>(405,838)</u>	<u>(403,434)</u>	<u>(199,873)</u>	<u>203,561</u>
Net Changes in Fund Balance	53,489	(347,343)	3,117,596	3,464,939
Fund Balances - Beginning	<u>3,398,400</u>	<u>3,398,400</u>	<u>3,398,400</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 3,451,889</u>	<u>\$ 3,051,057</u>	<u>\$ 6,515,996</u>	<u>\$ 3,464,939</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
ADMINISTRATION - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Fines and forfeitures	\$ 210,906	\$ 210,906	\$ 303,340	\$ 92,434
Use of money and property	27,311	27,311	4,688	(22,623)
Intergovernmental	6,052,397	6,052,397	5,308,463	(743,934)
Other revenue	22,224	22,224	23,871	1,647
Total Revenues	<u>6,312,838</u>	<u>6,312,838</u>	<u>5,640,362</u>	<u>(672,476)</u>
<u>EXPENDITURES</u>				
Current:				
General government	4,572	657,675	656,144	1,531
Public protection	658,675	658,675	577,300	81,375
Recreation	42,372	42,522	42,521	1
Total Expenditures	<u>705,619</u>	<u>1,358,872</u>	<u>1,275,965</u>	<u>82,907</u>
Excess of Revenues Over (Under) Expenditures	<u>5,607,219</u>	<u>4,953,966</u>	<u>4,364,397</u>	<u>(589,569)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	4,460	4,460	1,530	(2,930)
Transfers out	(5,586,257)	(5,586,257)	(4,872,387)	713,870
Total Other Financing Sources (Uses)	<u>(5,581,797)</u>	<u>(5,581,797)</u>	<u>(4,870,857)</u>	<u>710,940</u>
Net Changes in Fund Balance	25,422	(627,831)	(506,460)	121,371
Fund Balances - Beginning	<u>1,916,969</u>	<u>1,916,969</u>	<u>1,916,969</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,942,391</u>	<u>\$ 1,289,138</u>	<u>\$ 1,410,509</u>	<u>\$ 121,371</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
COMMUNITY DEVELOPMENT AGENCY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Fines and forfeitures	\$ 36,596	\$ 36,596	\$ 44,060	\$ 7,464
Use of money and property	25,024	39,024	13,240	(25,784)
Intergovernmental	17,500	17,500	17,295	(205)
Charges for services	12,000	12,000	-	(12,000)
Other revenue	30,542	1,993,156	1,969,104	(24,052)
Total Revenues	<u>121,662</u>	<u>2,098,276</u>	<u>2,043,699</u>	<u>(54,577)</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	134,201	3,428,206	514,204	2,914,002
Health and sanitation	241,297	241,297	217,918	23,379
Recreation	-	154,179	29,933	124,246
Total Expenditures	<u>375,498</u>	<u>3,823,682</u>	<u>762,055</u>	<u>3,061,627</u>
Excess of Revenues Over (Under) Expenditures	<u>(253,836)</u>	<u>(1,725,406)</u>	<u>1,281,644</u>	<u>3,007,050</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	190,000	190,000	190,000	-
Transfers out	-	-	-	-
Insurance recovery	-	-	-	-
Total Other Financing Sources (Uses)	<u>190,000</u>	<u>190,000</u>	<u>190,000</u>	<u>-</u>
Net Changes in Fund Balance	<u>(63,836)</u>	<u>(1,535,406)</u>	<u>1,471,644</u>	<u>3,007,050</u>
Fund Balances - Beginning	<u>2,557,687</u>	<u>2,557,687</u>	<u>2,557,687</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,493,851</u>	<u>\$ 1,022,281</u>	<u>\$ 4,029,331</u>	<u>\$ 3,007,050</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
DISTRICT ATTORNEY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 665	\$ 665	\$ 88	\$ (577)
Intergovernmental	6,000	6,000	149	(5,851)
Charges for services	10,284	10,284	11,770	1,486
Other revenue	22,000	22,000	21,757	(243)
Total Revenues	<u>38,949</u>	<u>38,949</u>	<u>33,764</u>	<u>(5,185)</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	32,284	32,284	24,564	7,720
Total Expenditures	<u>32,284</u>	<u>32,284</u>	<u>24,564</u>	<u>7,720</u>
Excess of Revenues Over (Under) Expenditures	<u>6,665</u>	<u>6,665</u>	<u>9,200</u>	<u>2,535</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	(4,333)	(4,094)	239
Total Other Financing Sources (Uses)	<u>-</u>	<u>(4,333)</u>	<u>(4,094)</u>	<u>239</u>
Net Changes in Fund Balance	6,665	2,332	5,106	2,774
Fund Balances - Beginning	36,632	36,632	36,632	-
Fund Balances - Ending	<u>\$ 43,297</u>	<u>\$ 38,964</u>	<u>\$ 41,738</u>	<u>\$ 2,774</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PROBATION - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Licenses and permits	\$ 14,000	\$ 14,000	\$ 9,683	\$ (4,317)
Fines and forfeitures	3,500	3,500	4,307	807
Use of money and property	3,124	3,124	933	(2,191)
Intergovernmental	456,567	456,567	473,718	17,151
Other revenue	5,270	5,270	2,866	(2,404)
Total Revenues	<u>482,461</u>	<u>482,461</u>	<u>491,507</u>	<u>9,046</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	5,350	5,350	3,207	2,143
Public assistance	17,500	17,500	13,990	3,510
Total Expenditures	<u>22,850</u>	<u>22,850</u>	<u>17,197</u>	<u>5,653</u>
Excess of Revenues Over (Under) Expenditures	<u>459,611</u>	<u>459,611</u>	<u>474,310</u>	<u>14,699</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	(406,051)	(492,331)	(371,435)	120,896
Total Other Financing Sources (Uses)	<u>(406,051)</u>	<u>(492,331)</u>	<u>(371,435)</u>	<u>120,896</u>
Net Changes in Fund Balance	53,560	(32,720)	102,875	135,595
Fund Balances - Beginning	<u>156,607</u>	<u>156,607</u>	<u>156,607</u>	<u>-</u>
Fund Balances - Ending	<u><u>\$ 210,167</u></u>	<u><u>\$ 123,887</u></u>	<u><u>\$ 259,482</u></u>	<u><u>\$ 135,595</u></u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
RECORDER - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ (557)	\$ (557)
Charges for services	182,528	182,528	206,902	24,374
Total Revenues	<u>182,528</u>	<u>182,528</u>	<u>206,345</u>	<u>23,817</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	466,610	500,633	373,105	127,528
Total Expenditures	<u>466,610</u>	<u>500,633</u>	<u>373,105</u>	<u>127,528</u>
Excess of Revenues Over (Under) Expenditures	<u>(284,082)</u>	<u>(318,105)</u>	<u>(166,760)</u>	<u>151,345</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>(284,082)</u>	<u>(318,105)</u>	<u>(166,760)</u>	<u>151,345</u>
Fund Balances - Beginning	<u>591,402</u>	<u>591,402</u>	<u>591,402</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 307,320</u>	<u>\$ 273,297</u>	<u>\$ 424,642</u>	<u>\$ 151,345</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SHERIFF - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Fines and forfeitures	\$ 39,000	\$ 39,000	\$ 39,390	\$ 390
Use of money and property	40,950	40,950	6,262	(34,688)
Intergovernmental	959,406	1,141,686	1,055,839	(85,847)
Charges for services	44,000	44,000	45,710	1,710
Other revenue	230,250	230,250	215,521	(14,729)
Total Revenues	<u>1,313,606</u>	<u>1,495,886</u>	<u>1,362,722</u>	<u>(133,164)</u>
<u>EXPENDITURES</u>				
Current:				
Public protection	300,482	433,482	356,171	77,311
Total Expenditures	<u>300,482</u>	<u>433,482</u>	<u>356,171</u>	<u>77,311</u>
Excess of Revenues Over (Under) Expenditures	<u>1,013,124</u>	<u>1,062,404</u>	<u>1,006,551</u>	<u>(55,853)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	(1,138,355)	(1,339,234)	(963,870)	375,364
Total Other Financing Sources (Uses)	<u>(1,138,355)</u>	<u>(1,339,234)</u>	<u>(963,870)</u>	<u>375,364</u>
Net Changes in Fund Balance	(125,231)	(276,830)	42,681	319,511
Fund Balances - Beginning	<u>1,964,439</u>	<u>1,964,439</u>	<u>1,964,439</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,839,208</u>	<u>\$ 1,687,609</u>	<u>\$ 2,007,120</u>	<u>\$ 319,511</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HOUSING AUTHORITY - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 7,800	\$ 7,800	\$ 669	\$ (7,131)
Intergovernmental	1,647,956	1,762,956	1,892,784	129,828
Other revenue	4,750	4,750	5,176	426
Total Revenues	<u>1,660,506</u>	<u>1,775,506</u>	<u>1,898,629</u>	<u>123,123</u>
<u>EXPENDITURES</u>				
Current:				
Public assistance	1,732,870	1,847,870	1,833,926	13,944
Total Expenditures	<u>1,732,870</u>	<u>1,847,870</u>	<u>1,833,926</u>	<u>13,944</u>
Excess of Revenues Over (Under) Expenditures	<u>(72,364)</u>	<u>(72,364)</u>	<u>64,703</u>	<u>137,067</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	1,000	1,000	471	(529)
Transfers out	(1,000)	(1,000)	(471)	529
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>(72,364)</u>	<u>(72,364)</u>	<u>64,703</u>	<u>137,067</u>
Fund Balances - Beginning	<u>248,280</u>	<u>248,280</u>	<u>248,280</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 175,916</u>	<u>\$ 175,916</u>	<u>\$ 312,983</u>	<u>\$ 137,067</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL DISTRICTS GOVERNED BY THE BOARD OF SUPERVISORS -
NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 38,700	\$ 38,700	\$ 34,694	\$ (4,006)
Use of money and property	17,343	17,343	3,668	(13,675)
Intergovernmental	393	393	392	(1)
Charges for services	366,679	366,679	366,021	(658)
Total Revenues	<u>423,115</u>	<u>423,115</u>	<u>404,775</u>	<u>(18,340)</u>
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities	356,366	423,566	264,136	159,430
Total Expenditures	<u>356,366</u>	<u>423,566</u>	<u>264,136</u>	<u>159,430</u>
Excess of Revenues Over (Under) Expenditures	<u>66,749</u>	<u>(451)</u>	<u>140,639</u>	<u>141,090</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	350	350
Transfers out	-	-	(350)	(350)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	66,749	(451)	140,639	141,090
Fund Balances - Beginning	<u>1,095,398</u>	<u>1,095,398</u>	<u>1,095,398</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,162,147</u>	<u>\$ 1,094,947</u>	<u>\$ 1,236,037</u>	<u>\$ 141,090</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
PUBLIC WORKS - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 24,006	\$ 24,006	\$ 7,112	\$ (16,894)
Charges for services	205,000	205,000	238,218	33,218
Other revenue	31,500	31,500	21,142	(10,358)
Total Revenues	<u>260,506</u>	<u>260,506</u>	<u>266,472</u>	<u>5,966</u>
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities	257,042	307,042	287,055	19,987
Total Expenditures	<u>257,042</u>	<u>307,042</u>	<u>287,055</u>	<u>19,987</u>
Excess of Revenues Over (Under) Expenditures	<u>3,464</u>	<u>(46,536)</u>	<u>(20,583)</u>	<u>25,953</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	(402,854)	(352,854)	(25,615)	327,239
Total Other Financing Sources (Uses)	<u>(402,854)</u>	<u>(352,854)</u>	<u>(25,615)</u>	<u>327,239</u>
Net Changes in Fund Balance	<u>(399,390)</u>	<u>(399,390)</u>	<u>(46,198)</u>	<u>353,192</u>
Fund Balances - Beginning	<u>2,554,204</u>	<u>2,554,204</u>	<u>2,554,204</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,154,814</u>	<u>\$ 2,154,814</u>	<u>\$ 2,508,006</u>	<u>\$ 353,192</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
HOUSING AND COMMUNITY SERVICES - NONMAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ (4,696)	\$ (4,611)	\$ 997	\$ 5,608
Intergovernmental	1,572,864	3,348,270	1,618,853	(1,729,417)
Other revenue	162,204	336,394	24,537	(311,857)
Total Revenues	<u>1,730,372</u>	<u>3,680,053</u>	<u>1,644,387</u>	<u>(2,035,666)</u>
<u>EXPENDITURES</u>				
Current:				
General government	239,500	432,439	71,546	360,893
Public assistance	1,397,026	3,226,771	1,654,766	1,572,005
Total Expenditures	<u>1,636,526</u>	<u>3,659,210</u>	<u>1,726,312</u>	<u>1,932,898</u>
Excess of Revenues Over (Under) Expenditures	<u>93,846</u>	<u>20,843</u>	<u>(81,925)</u>	<u>(102,768)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	184,354	327,785	256,952	(70,833)
Transfers out	(125,784)	(308,200)	(202,627)	105,573
Total Other Financing Sources (Uses)	<u>58,570</u>	<u>19,585</u>	<u>54,325</u>	<u>34,740</u>
Net Changes in Fund Balance	<u>152,416</u>	<u>40,428</u>	<u>(27,600)</u>	<u>(68,028)</u>
Fund Balances - Beginning	<u>5,023,248</u>	<u>5,023,248</u>	<u>5,023,248</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 5,175,664</u>	<u>\$ 5,063,676</u>	<u>\$ 4,995,648</u>	<u>\$ (68,028)</u>

NONMAJOR GOVERNMENTAL FUNDS
Debt Service Funds

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COUNTY OF NEVADA, CALIFORNIA NONMAJOR DEBT SERVICE FUNDS

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

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

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COUNTY OF NEVADA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2010

	<u>Government Debt Service</u>	<u>Special Assessment Debt With County Commitment</u>	<u>Finance Authority</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash and investments	\$ -	\$ 115,806	\$ 17,474	\$ 133,280
Restricted cash and investments	-	-	2,138,500	2,138,500
Taxes receivable	-	2,378	-	2,378
Total Assets	\$ -	\$ 118,184	\$ 2,155,974	\$ 2,274,158
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
FUND BALANCES				
Reserved for:				
Debt service	-	118,184	2,155,974	2,274,158
Total Fund Balances	-	118,184	2,155,974	2,274,158
Total Liabilities and Fund Balances	\$ -	\$ 118,184	\$ 2,155,974	\$ 2,274,158

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Government Debt Service	Special Assessment Debt With County Commitment	Finance Authority	Totals
<u>REVENUES</u>				
Use of money and property	\$ -	\$ 311	\$ 126,297	\$ 126,608
Charges for services	-	32,148	-	32,148
Other revenues	-	-	10,290	10,290
Total Revenues	-	32,459	136,587	169,046
<u>EXPENDITURES</u>				
Current				
General government	1,054	-	5,752	6,806
Public ways & facilities	-	2,905	-	2,905
Debt service:				
Principal	31,450	11,000	1,069,051	1,111,501
Interest and other charges	38,603	16,499	723,391	778,493
Total Expenditures	71,107	30,404	1,798,194	1,899,705
Excess of Revenues Over (Under) Expenditures	(71,107)	2,055	(1,661,607)	(1,730,659)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	71,107	28,117	1,661,700	1,760,924
Transfers out	-	(28,117)	-	(28,117)
Total Other Financing Sources (Uses)	71,107	-	1,661,700	1,732,807
Net Change in Fund Balance	-	2,055	93	2,148
Fund Balances - Beginning	-	116,129	2,155,881	2,272,010
Fund Balances - Ending	\$ -	\$ 118,184	\$ 2,155,974	\$ 2,274,158

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GOVERNMENT DEBT SERVICE - NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURES</u>				
Current				
General government	1,054	1,054	1,054	-
Debt service:				
Principal	31,450	31,450	31,450	-
Interest and other charges	38,603	38,603	38,603	-
Total Expenditures	<u>71,107</u>	<u>71,107</u>	<u>71,107</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(71,107)</u>	<u>(71,107)</u>	<u>(71,107)</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	71,107	71,107	71,107	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>71,107</u>	<u>71,107</u>	<u>71,107</u>	<u>-</u>
Net Changes in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL ASSESSMENT DEBT WITH COUNTY COMMITMENT -
NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Use of money and property	\$ 2,265	\$ 2,265	\$ 311	\$ (1,954)
Charges for services	29,052	29,052	32,148	3,096
Total Revenues	31,317	31,317	32,459	1,142
<u>EXPENDITURES</u>				
Current				
Public ways and facilities	2,459	3,959	2,905	1,054
Debt service:				
Principal	11,000	11,000	11,000	-
Interest and other charges	16,499	16,499	16,499	-
Total Expenditures	29,958	31,458	30,404	1,054
Excess of Revenues Over (Under) Expenditures	1,359	(141)	2,055	2,196
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	29,157	29,157	28,117	(1,040)
Transfers out	(29,157)	(29,157)	(28,117)	1,040
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balance	1,359	(141)	2,055	2,196
Fund Balances - Beginning	116,129	116,129	116,129	-
Fund Balances - Ending	\$ 117,488	\$ 115,988	\$ 118,184	\$ 2,196

COUNTY OF NEVADA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
FINANCE AUTHORITY - NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Use of money and property	\$ 126,200	\$ 126,200	\$ 126,297	\$ 97
Other revenues	10,295	10,295	10,290	(5)
Total Revenues	<u>136,495</u>	<u>136,495</u>	<u>136,587</u>	<u>92</u>
<u>EXPENDITURES</u>				
Current				
General government	5,775	5,775	5,752	23
Debt service:				
Principal	1,069,052	1,069,052	1,069,051	1
Interest and other charges	723,391	723,391	723,391	-
Total Expenditures	<u>1,798,218</u>	<u>1,798,218</u>	<u>1,798,194</u>	<u>24</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,661,723)</u>	<u>(1,661,723)</u>	<u>(1,661,607)</u>	<u>116</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	1,661,723	1,661,723	1,661,700	(23)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,661,723</u>	<u>1,661,723</u>	<u>1,661,700</u>	<u>(23)</u>
Net Changes in Fund Balance	-	-	93	93
Fund Balances - Beginning	<u>2,155,881</u>	<u>2,155,881</u>	<u>2,155,881</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,155,881</u>	<u>\$ 2,155,881</u>	<u>\$ 2,155,974</u>	<u>\$ 93</u>

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NONMAJOR PROPRIETARY FUNDS
Enterprise Funds

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COUNTY OF NEVADA, CALIFORNIA NONMAJOR ENTERPRISE FUNDS

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

- **EASTERN NEVADA COUNTY SOLID WASTE**

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

- **TRANSIT SERVICES**

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

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COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2010

	Eastern Nevada County Solid Waste	Transit Services	Totals
<u>ASSETS</u>			
Current Assets			
Cash and investments	\$ 261,102	\$ 824,424	\$ 1,085,526
Accounts receivable (net of allowance)	-	1,708	1,708
Due from other governmental agencies	-	20,062	20,062
Due from other funds	-	2,015	2,015
Total Current Assets	261,102	848,209	1,109,311
Noncurrent Assets			
Capital assets:			
Non-depreciable	26,409	190,690	217,099
Depreciable, net	-	784,967	784,967
Total Noncurrent Assets	26,409	975,657	1,002,066
Total Assets	287,511	1,823,866	2,111,377
<u>LIABILITIES</u>			
Current Liabilities			
Accounts payable	135	67,498	67,633
Accrued salaries and benefits	-	51,521	51,521
Due to other funds	292	51,281	51,573
Unearned revenue	-	629,054	629,054
Compensated absences payable	-	57,394	57,394
Closure/postclosure costs	3,200	-	3,200
Total Current Liabilities	3,627	856,748	860,375
Noncurrent Liabilities			
Compensated absences payable	-	7,122	7,122
Closure/postclosure costs	112,632	-	112,632
Net OPEB obligation	-	50,918	50,918
Total Noncurrent Liabilities	112,632	58,040	170,672
Total Liabilities	116,259	914,788	1,031,047
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	26,409	975,657	1,002,066
Unrestricted	144,843	(66,579)	78,264
Total Net Assets	\$ 171,252	\$ 909,078	\$ 1,080,330

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Eastern Nevada County Solid Waste	Transit Services	Totals
<u>OPERATING REVENUES</u>			
Charges for services	\$ 125,700	\$ 389,444	\$ 515,144
Operating Revenues	<u>125,700</u>	<u>389,444</u>	<u>515,144</u>
<u>OPERATING EXPENSES</u>			
Salaries and benefits	-	1,179,559	1,179,559
Services and supplies	140,922	1,364,825	1,505,747
Benefit and claim expense	-	2,918	2,918
Other charges	3,436	156,001	159,437
Expenditure transfers	1,795	96,299	98,094
Closure/post closure expense	1,374	-	1,374
Depreciation	-	442,600	442,600
Operating Expenses	<u>147,527</u>	<u>3,242,202</u>	<u>3,389,729</u>
Operating Income (Loss)	<u>(21,827)</u>	<u>(2,852,758)</u>	<u>(2,874,585)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Taxes and assessments	-	1,622,511	1,622,511
Intergovernmental revenues	-	1,272,623	1,272,623
Interest income	772	1,415	2,187
Other revenues	-	9,163	9,163
Total Non-Operating Revenues (Expenses)	<u>772</u>	<u>2,905,712</u>	<u>2,906,484</u>
Income (Loss) Before Transfers	<u>(21,055)</u>	<u>52,954</u>	<u>31,899</u>
Transfers in	-	-	-
Transfers out	-	-	-
Change in Net Assets	<u>(21,055)</u>	<u>52,954</u>	<u>31,899</u>
Net Assets - Beginning	<u>192,307</u>	<u>856,124</u>	<u>1,048,431</u>
Net Assets - Ending	<u>\$ 171,252</u>	<u>\$ 909,078</u>	<u>\$ 1,080,330</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Eastern Nevada County Solid Waste	Transit Services	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from customers	\$ 125,700	\$ 706,400	\$ 832,100
Payments to suppliers	(147,296)	(1,634,877)	(1,782,173)
Payments to employees	-	(1,182,770)	(1,182,770)
Net Cash Provided (Used) by Operating Activities	(21,596)	(2,111,247)	(2,132,843)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Grants and other receipts	-	2,765,648	2,765,648
Interfund loans received	-	5,970	5,970
Interfund loans repaid	(2,864)	(7,688)	(10,552)
Interfund loans repayments received	-	14,730	14,730
Net Cash Provided (Used) for Noncapital Financing Activities	(2,864)	2,778,660	2,775,796
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Acquisition of capital assets	-	(190,690)	(190,690)
Proceeds from sale of capital assets	-	2,229	2,229
Net Cash Provided (Used) for Capital and Related Financing Activities	-	(188,461)	(188,461)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest and dividends (expense)	772	1,415	2,187
Net Cash Provided (Used) by Investing Activities	772	1,415	2,187
Net Increase (Decrease) in Cash and Cash Equivalents	(23,688)	480,367	456,679
Balances - Beginning of the Year	284,790	344,057	628,847
Balances - End of the Year	\$ 261,102	\$ 824,424	\$ 1,085,526
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>			
Operating income (loss)	\$ (21,827)	\$ (2,852,758)	\$ (2,874,585)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	442,600	442,600
Decrease (Increase) in:			
Accounts receivable	-	316,956	316,956
Increase (Decrease) in:			
Accounts payable	135	(14,834)	(14,699)
Accrued salaries and benefits	-	3,209	3,209
Compensated absences payable	-	(4,176)	(4,176)
Closure/post closure	96	-	96
Net OPEB obligation	-	(2,244)	(2,244)
Net Cash Provided (Used) by Operating Activities	\$ (21,596)	\$ (2,111,247)	\$ (2,132,843)

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INTERNAL SERVICE FUNDS

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COUNTY OF NEVADA, CALIFORNIA INTERNAL SERVICE FUNDS

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

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

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COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2010

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
<u>ASSETS</u>				
Current Assets				
Cash and investments	\$ 1,351,483	\$ 27,251	\$ 469,716	\$ 1,725,522
Accounts receivable	1,705	3,546	13,018	218
Due from other funds	395,001	-	-	-
Prepaid costs	-	-	-	-
Inventory	75,410	-	-	-
Deposits	-	-	-	-
Total Current Assets	1,823,599	30,797	482,734	1,725,740
Noncurrent Assets				
Capital assets:				
Depreciable, net	948,076	-	-	-
Total Noncurrent Assets	948,076	-	-	-
Total Assets	2,771,675	30,797	482,734	1,725,740
<u>LIABILITIES</u>				
Current Liabilities				
Accounts payable	57,436	14,601	-	2,199
Accrued salaries and benefits	42,880	-	-	-
Due to other funds	91,353	1,448	528	59,909
Compensated absences payable	47,201	-	-	-
Capital leases payable	-	-	-	-
Accrued claims payable	-	-	776,367	619,000
Total Current Liabilities	238,870	16,049	776,895	681,108
Noncurrent Liabilities				
Compensated absences payable	21,806	-	-	-
Net OPEB obligation	35,346	-	-	-
Total Noncurrent Liabilities	57,152	-	-	-
Total Liabilities	296,022	16,049	776,895	681,108
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	948,076	-	-	-
Unrestricted	1,527,577	14,748	(294,161)	1,044,632
Total Net Assets	\$ 2,475,653	\$ 14,748	\$ (294,161)	\$ 1,044,632

<u>Central Services</u>	<u>Dental Insurance</u>	<u>Totals</u>
\$ 53,381	\$ 105,885	\$ 3,733,238
122	14,036	32,645
28,805	-	423,806
21,579	-	21,579
-	-	75,410
-	35,000	35,000
<u>103,887</u>	<u>154,921</u>	<u>4,321,678</u>
<u>5,463</u>	<u>-</u>	<u>953,539</u>
<u>5,463</u>	<u>-</u>	<u>953,539</u>
<u>109,350</u>	<u>154,921</u>	<u>5,275,217</u>
62,716	28,672	165,624
2,639	-	45,519
11,274	777	165,289
117	-	47,318
5,223	-	5,223
-	-	1,395,367
<u>81,969</u>	<u>29,449</u>	<u>1,824,340</u>
-	-	21,806
2,180	-	37,526
<u>2,180</u>	<u>-</u>	<u>59,332</u>
<u>84,149</u>	<u>29,449</u>	<u>1,883,672</u>
240	-	948,316
24,961	125,472	2,443,229
<u>\$ 25,201</u>	<u>\$ 125,472</u>	<u>\$ 3,391,545</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
<u>OPERATING REVENUES</u>				
Charges for services	\$ 4,044,273	\$ 153,293	\$ 528,087	\$ 1,034,927
Total Operating Revenues	<u>4,044,273</u>	<u>153,293</u>	<u>528,087</u>	<u>1,034,927</u>
<u>OPERATING EXPENSES</u>				
Salaries and benefits	920,131	-	-	-
Services and supplies	2,273,732	19,669	340,877	979,039
Benefit and claim expense	-	151,651	553,784	60,030
Other charges	127,350	3,522	2,262	130,619
Expenditure transfers	(52,232)	-	-	2,776
Depreciation	388,770	-	-	-
Total Operating Expenses	<u>3,657,751</u>	<u>174,842</u>	<u>896,923</u>	<u>1,172,464</u>
Operating Income (Loss)	<u>386,522</u>	<u>(21,549)</u>	<u>(368,836)</u>	<u>(137,537)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>				
Forfeitures and penalties	41,304	-	-	-
Interest income	4,139	80	1,510	5,720
Other revenues	27,351	-	-	86,113
Interest expense	-	-	-	-
Contribution expense	(22,228)	-	-	-
Total Non-Operating Revenues (Expenses)	<u>50,566</u>	<u>80</u>	<u>1,510</u>	<u>91,833</u>
Income (Loss) Before Transfers	<u>437,088</u>	<u>(21,469)</u>	<u>(367,326)</u>	<u>(45,704)</u>
Transfers in	1,904	-	-	-
Transfers out	-	-	-	-
Change in Net Assets	<u>438,992</u>	<u>(21,469)</u>	<u>(367,326)</u>	<u>(45,704)</u>
Net Assets - Beginning	<u>2,036,661</u>	<u>36,217</u>	<u>73,165</u>	<u>1,090,336</u>
Net Assets - Ending	<u>\$ 2,475,653</u>	<u>\$ 14,748</u>	<u>\$ (294,161)</u>	<u>\$ 1,044,632</u>

Central Services	Dental Insurance	Totals
\$ 823,077	\$ 829,284	\$ 7,412,941
823,077	829,284	7,412,941
62,532	-	982,663
658,668	66,129	4,338,114
-	734,548	1,500,013
44,521	8,579	316,853
39,035	-	(10,421)
4,892	-	393,662
809,648	809,256	7,520,884
13,429	20,028	(107,943)
-	-	41,304
118	333	11,900
2,793	341	116,598
(753)	-	(753)
-	-	(22,228)
2,158	674	146,821
15,587	20,702	38,878
-	-	1,904
-	-	-
15,587	20,702	40,782
9,614	104,770	3,350,763
\$ 25,201	\$ 125,472	\$ 3,391,545

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Fleet Management</u>	<u>Vision Insurance</u>	<u>Unemployment Insurance</u>	<u>Liability Insurance</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from customers	\$ 4,043,181	\$ 151,922	\$ 515,069	\$ 1,034,709
Payments to suppliers	(2,393,531)	(173,860)	(559,011)	(1,137,098)
Payments to employees	(915,539)	-	-	-
Net Cash Provided (Used) by Operating Activities	734,111	(21,938)	(43,942)	(102,389)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Grants and other receipts	55,124	-	-	86,113
Transfers from other funds	1,904	-	-	-
Interfund loans received	676	1,448	528	50,830
Interfund loans repaid	(221,313)	-	-	-
Interfund loan repayments received	9,333	-	-	-
Net Cash Provided (Used) for Noncapital Financing Activities	(154,276)	1,448	528	136,943
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Acquisition of capital assets	(179,500)	-	-	-
Proceeds from sale of capital assets	45,717	-	-	-
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	-	-	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(133,783)	-	-	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest and dividends	4,139	80	1,510	5,720
Net Cash Provided (Used) by Investing Activities	4,139	80	1,510	5,720
Net Increase (Decrease) in Cash and Cash Equivalents	450,191	(20,410)	(41,904)	40,274
Balances - Beginning of the Year	901,292	47,661	511,620	1,685,248
Balances - End of the Year	\$ 1,351,483	\$ 27,251	\$ 469,716	\$ 1,725,522
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>				
Operating income (loss)	\$ 386,522	\$ (21,549)	\$ (368,836)	\$ (137,537)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	388,770	-	-	-
Decrease (Increase) in:				
Accounts receivable	(1,092)	(1,371)	(13,018)	(218)
Prepaid costs	-	-	-	-
Inventory	(5,520)	-	-	-
Increase (Decrease) in:				
Accounts payable	(39,161)	982	-	(3,634)
Accrued salaries and benefits	5,868	-	-	-
Compensated absences payable	830	-	-	-
Claims payable	-	-	337,912	39,000
Net OPEB obligation	(2,106)	-	-	-
Net Cash Provided (Used) by Operating Activities	\$ 734,111	\$ (21,938)	\$ (43,942)	\$ (102,389)

Central Services	Dental Insurance	Totals
\$ 823,515	\$ 825,754	\$ 7,394,150
(747,517)	(830,071)	(5,841,088)
(62,587)	-	(978,126)
<u>13,411</u>	<u>(4,317)</u>	<u>574,936</u>
2,793	341	144,371
-	-	1,904
4,203	777	58,462
-	-	(221,313)
<u>2,137</u>	<u>-</u>	<u>11,470</u>
<u>9,133</u>	<u>1,118</u>	<u>(5,106)</u>
-	-	(179,500)
-	-	45,717
(5,775)	-	(5,775)
<u>(753)</u>	<u>-</u>	<u>(753)</u>
<u>(6,528)</u>	<u>-</u>	<u>(140,311)</u>
<u>118</u>	<u>333</u>	<u>11,900</u>
<u>118</u>	<u>333</u>	<u>11,900</u>
16,134	(2,866)	441,419
<u>37,247</u>	<u>108,751</u>	<u>3,291,819</u>
<u>\$ 53,381</u>	<u>\$ 105,885</u>	<u>\$ 3,733,238</u>
\$ 13,429	\$ 20,028	\$ (107,943)
4,892	-	393,662
438	(3,530)	(18,791)
(1,739)	-	(1,739)
-	-	(5,520)
(3,554)	(20,815)	(66,182)
357	-	6,225
(276)	-	554
-	-	376,912
<u>(136)</u>	<u>-</u>	<u>(2,242)</u>
<u>\$ 13,411</u>	<u>\$ (4,317)</u>	<u>\$ 574,936</u>

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FIDUCIARY FUNDS

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COUNTY OF NEVADA, CALIFORNIA FIDUCIARY FUNDS

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

- **INVESTMENT TRUST FUNDS**

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

- **AGENCY FUNDS**

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

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

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

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COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
JUNE 30, 2010

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>	<u>Courts and Jury/Witness</u>
<u>ASSETS</u>				
Cash and investments	\$ 20,281,389	\$ 36,322,412	\$ 700,467	\$ 1,392,119
Accounts receivable	82,266	194	-	-
Total Assets	<u>20,363,655</u>	<u>36,322,606</u>	<u>700,467</u>	<u>1,392,119</u>
<u>LIABILITIES</u>				
Accounts payable	3,744	-	-	-
Total Liabilities	<u>3,744</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>				
Net assest held in trust for investment pool participants	<u>\$ 20,359,911</u>	<u>\$ 36,322,606</u>	<u>\$ 700,467</u>	<u>\$ 1,392,119</u>

<u>Local Transportation Authority</u>	<u>Total Investment Trust Funds</u>
\$ 4,822,884	\$ 63,519,271
<u>1,253,291</u>	<u>1,335,751</u>
6,076,175	64,855,022
-	3,744
-	3,744
<u>\$ 6,076,175</u>	<u>\$ 64,851,278</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Independent Districts</u>	<u>School Districts</u>	<u>Debt Service</u>	<u>Courts and Jury/Witness</u>
<u>ADDITIONS</u>				
Contributions:				
Contributions to investment pool	\$ 85,229,082	\$ 267,083,173	\$ 5,755,988	\$ 4,613,816
Net investment income:				
Interest income	<u>69,737</u>	<u>138,806</u>	<u>2,380</u>	<u>4,279</u>
Net investment income	<u>69,737</u>	<u>138,806</u>	<u>2,380</u>	<u>4,279</u>
Total Additions	<u>85,298,819</u>	<u>267,221,979</u>	<u>5,758,368</u>	<u>4,618,095</u>
<u>DEDUCTIONS</u>				
Distributions from investment pool	<u>88,658,567</u>	<u>264,934,833</u>	<u>5,763,784</u>	<u>4,758,887</u>
Total Deductions	<u>88,658,567</u>	<u>264,934,833</u>	<u>5,763,784</u>	<u>4,758,887</u>
Change in Net Assets	(3,359,748)	2,287,146	(5,416)	(140,792)
Net Assets - Beginning	<u>23,719,659</u>	<u>34,035,460</u>	<u>705,883</u>	<u>1,532,911</u>
Net Assets - Ending	<u>\$ 20,359,911</u>	<u>\$ 36,322,606</u>	<u>\$ 700,467</u>	<u>\$ 1,392,119</u>

<u>Local Transportation Authority</u>	<u>Total Investment Trust Funds</u>
\$ 4,749,208	\$ 367,431,267
<u>13,362</u>	<u>228,564</u>
<u>13,362</u>	<u>228,564</u>
<u>4,762,570</u>	<u>367,659,831</u>
<u>4,479,417</u>	<u>368,595,488</u>
<u>4,479,417</u>	<u>368,595,488</u>
283,153	(935,657)
<u>5,793,022</u>	<u>65,786,935</u>
<u>\$ 6,076,175</u>	<u>\$ 64,851,278</u>

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2010

	<u>Accrued</u> <u>Trust Funds</u>	<u>County</u> <u>Departmental</u> <u>Agency Funds</u>	<u>Total Agency</u> <u>Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 243,334	\$ 1,974,160	\$ 2,217,494
Restricted cash and investments	59,163	186,856	246,019
Taxes receivable	12,850,457	-	12,850,457
Total Assets	\$ 13,152,954	\$ 2,161,016	\$ 15,313,970
<u>LIABILITIES</u>			
Due to other agencies	\$ 10,145,996	\$ -	\$ 10,145,996
Agency obligations	3,006,958	2,161,016	5,167,974
Total Liabilities	\$ 13,152,954	\$ 2,161,016	\$ 15,313,970

COUNTY OF NEVADA, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2010</u>
ACCRUED TRUST FUNDS				
<u>ASSETS</u>				
Cash and investments	\$ 602,145	\$ 10,145,996	\$ 10,504,807	\$ 243,334
Restricted cash and investments	59,143	20	-	59,163
Taxes receivable	13,456,075	-	605,618	12,850,457
Total Assets	\$ 14,117,363	\$ 10,146,016	\$ 11,110,425	\$ 13,152,954
<u>LIABILITIES</u>				
Due to other agencies	\$ 11,055,160	\$ 10,145,996	\$ 11,055,160	\$ 10,145,996
Agency obligations	3,062,203	-	55,245	3,006,958
Total Liabilities	\$ 14,117,363	\$ 10,145,996	\$ 11,110,405	\$ 13,152,954
COUNTY DEPARTMENTAL AGENCY FUNDS				
<u>ASSETS</u>				
Cash and investments	\$ 943,189	\$ 1,030,971	\$ -	\$ 1,974,160
Restricted cash and investments	887,652	-	700,796	186,856
Total Assets	\$ 1,830,841	\$ 1,030,971	\$ 700,796	\$ 2,161,016
<u>LIABILITIES</u>				
Agency obligations	\$ 1,830,841	\$ 330,175	\$ -	\$ 2,161,016
Total Liabilities	\$ 1,830,841	\$ 330,175	\$ -	\$ 2,161,016
TOTAL FIDUCIARY FUNDS				
<u>ASSETS</u>				
Cash and investments	\$ 1,545,334	\$ 11,176,967	\$ 10,504,807	\$ 2,217,494
Restricted cash and investments	946,795	20	700,796	246,019
Taxes receivable	13,456,075	-	605,618	12,850,457
Total Assets	\$ 15,948,204	\$ 11,176,987	\$ 11,811,221	\$ 15,313,970
<u>LIABILITIES</u>				
Due to other agencies	\$ 11,055,160	\$ 10,145,996	\$ 11,055,160	\$ 10,145,996
Agency obligations	4,893,044	330,175	55,245	5,167,974
Total Liabilities	\$ 15,948,204	\$ 10,476,171	\$ 11,110,405	\$ 15,313,970

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STATISTICAL SECTION

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COUNTY OF NEVADA, CALIFORNIA STATISTICAL SECTION

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

- **Financial Trends**

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

- **Revenue Capacity**

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

- **Debt Capacity**

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

- **Demographic and Economic Information**

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

- **Operating Information**

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

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

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

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

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

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 238,955,459	\$ 240,377,169	\$ 245,044,668	\$ 248,400,614
40,643,025	38,274,175	36,273,724	40,542,205
14,297,129	15,395,845	18,517,776	19,001,129
<u>\$ 293,895,613</u>	<u>\$ 294,047,189</u>	<u>\$ 299,836,168</u>	<u>\$ 307,943,948</u>
\$ 17,773,325	\$ 25,611,733	\$ 30,433,338	\$ 29,861,732
650,031	(654,360)	(1,337,370)	108,052
<u>\$ 18,423,356</u>	<u>\$ 24,957,373</u>	<u>\$ 29,095,968</u>	<u>\$ 29,969,784</u>
\$ 256,728,784	\$ 265,988,902	\$ 275,478,006	\$ 278,262,346
40,643,025	38,274,175	36,273,724	40,542,205
14,947,160	14,741,485	17,180,406	19,109,181
<u>\$ 312,318,969</u>	<u>\$ 319,004,562</u>	<u>\$ 328,932,136</u>	<u>\$ 337,913,732</u>

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

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

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

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 12,221,901	\$ 13,734,811	\$ 11,873,042	\$ 10,244,690
10,077,775	10,455,997	13,050,854	10,401,753
46,998,768	52,982,684	54,426,072	53,962,729
17,680,812	21,056,211	23,587,615	24,897,645
23,173,587	25,413,676	28,112,397	29,362,237
2,541,343	3,015,545	2,810,750	2,386,595
237,357	245,653	98,885	72,454
832,300	917,161	814,289	768,465
<u>113,763,843</u>	<u>127,821,738</u>	<u>134,773,904</u>	<u>132,096,568</u>
135,640	127,515	132,499	147,527
6,935,822	7,369,951	6,781,889	6,114,100
3,253,773	3,858,023	4,294,101	3,229,143
1,282,831	1,441,091	1,279,836	1,167,371
4,502,075	5,191,420	5,335,583	7,083,467
<u>16,110,141</u>	<u>17,988,000</u>	<u>17,823,908</u>	<u>17,741,608</u>
<u>\$ 129,873,984</u>	<u>\$ 145,809,738</u>	<u>\$ 152,597,812</u>	<u>\$ 149,838,176</u>
\$ 5,497,348	\$ 5,999,606	\$ 6,838,658	\$ 6,910,899
3,089,154	2,730,449	1,329,674	1,155,673
4,814,608	5,240,057	7,253,963	7,362,448
1,836,658	1,759,838	1,878,192	2,089,343
37,445	59,647	62,241	57,250
100,167	99,526	88,588	95,275
476	1,914	-	-
56,087,452	63,672,782	72,853,677	72,351,303
54,876	-	-	628,556
<u>71,518,184</u>	<u>79,563,819</u>	<u>90,304,993</u>	<u>90,650,747</u>
108,592	112,302	116,398	125,700
7,978,217	7,711,070	7,259,068	6,930,479
476,213	519,658	568,657	389,444
807,131	773,809	683,797	574,064
6,551,985	5,969,966	6,462,994	6,622,180
475,587	1,039,974	1,846,635	1,127,304
1,380,188	75,636	1,464,457	258,381
<u>17,777,913</u>	<u>16,202,415</u>	<u>18,402,006</u>	<u>16,027,552</u>
<u>\$ 89,296,097</u>	<u>\$ 95,766,234</u>	<u>\$ 108,706,999</u>	<u>\$ 106,678,299</u>
\$ (42,245,659)	\$ (48,257,919)	\$ (44,468,911)	\$ (41,445,821)
1,667,772	(1,785,585)	578,098	(1,714,056)
<u>\$ (40,577,887)</u>	<u>\$ (50,043,504)</u>	<u>\$ (43,890,813)</u>	<u>\$ (43,159,877)</u>

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

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

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

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

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 31,516,285	\$ 33,565,001	\$ 34,221,104	\$ 34,186,337
5,532,663	5,065,713	4,250,561	4,008,830
974,171	673,351	521,261	581,367
275,728	285,205	184,889	277,712
61,133	52,232	45,658	12,434
46,546	82,318	82,535	75,404
969,903	1,013,065	1,049,170	1,032,693
69,309	62,727	125,683	8,742
33,718	41,288	25,162	29,730
4,402,323	4,396,990	3,886,412	3,684,748
955,670	1,017,403	1,117,967	932,217
-	-	-	-
2,412,223	2,441,133	1,403,888	449,987
2,724,014	1,032,807	2,125,888	2,233,034
-	-	1,331,391	1,962,614
-	800,986	(38,760)	-
(381,600)	(660,365)	-	(252,205)
<u>49,592,086</u>	<u>49,869,854</u>	<u>50,332,809</u>	<u>49,223,644</u>
7,009	6,723	6,864	6,804
16,796	17,920	11,455	17,140
-	-	1,841	501
40,871	48,611	53,661	47,008
2,442,000	2,631,864	2,318,377	1,622,511
-	-	-	-
1,167,496	1,251,801	480,930	125,785
1,172,322	1,712,677	797,649	515,918
-	-	19,072	-
-	-	-	-
381,600	660,365	-	252,205
<u>5,228,094</u>	<u>6,329,961</u>	<u>3,689,849</u>	<u>2,587,872</u>
<u>\$ 54,820,180</u>	<u>\$ 56,199,815</u>	<u>\$ 54,022,658</u>	<u>\$ 51,811,516</u>
\$ 7,346,427	\$ 1,611,935	\$ 5,863,898	\$ 7,777,823
6,895,866	4,544,376	4,267,947	873,816
<u>\$ 14,242,293</u>	<u>\$ 6,156,311</u>	<u>\$ 10,131,845</u>	<u>\$ 8,651,639</u>

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

	Fiscal Year			
	2000/2001	2001/2002	2002/2003	2003/2004
General Fund				
Reserved	\$ 1,779,113	\$ 2,796,757	\$ 1,352,840	\$ 775,788
Unreserved	9,736,068	11,973,483	11,914,079	9,094,403
Total General Fund	<u>\$ 11,515,181</u>	<u>\$ 14,770,240</u>	<u>\$ 13,266,919</u>	<u>\$ 9,870,191</u>
All Other Governmental Funds				
Reserved	\$ 5,381,966	\$ 4,880,754	\$ 5,653,048	\$ 5,174,723
Unreserved, reported in:				
Special revenue funds	9,037,082	9,799,670	23,196,620	26,321,052
Capital projects funds	593,149	(344,539)	-	-
Total All Other Governmental Funds	<u>\$ 15,012,197</u>	<u>\$ 14,335,885</u>	<u>\$ 28,849,668</u>	<u>\$ 31,495,775</u>

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

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

<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 808,498	\$ 1,150,883	\$ 685,415	\$ 367,172	\$ 557,619	\$ 294,709
10,465,538	11,373,937	15,271,699	18,363,975	19,085,430	19,240,143
<u>\$ 11,274,036</u>	<u>\$ 12,524,820</u>	<u>\$ 15,957,114</u>	<u>\$ 18,731,147</u>	<u>\$ 19,643,049</u>	<u>\$ 19,534,852</u>
\$ 5,156,484	\$ 6,175,208	\$ 6,529,825	\$ 7,319,385	\$ 9,149,909	\$ 9,849,187
32,838,658	32,927,673	34,113,200	30,954,790	27,123,815	30,693,018
-	-	-	-	-	-
<u>\$ 37,995,142</u>	<u>\$ 39,102,881</u>	<u>\$ 40,643,025</u>	<u>\$ 38,274,175</u>	<u>\$ 36,273,724</u>	<u>\$ 40,542,205</u>

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

	Fiscal Year			
	2000/2001	2001/2002	2002/2003	2003/2004
Revenues				
Taxes and assessments	\$ 18,933,436	\$ 19,705,093	\$ 21,469,815	\$ 22,905,858
Licenses and permits	1,845,620	2,166,166	2,225,703	2,774,001
Fines and forfeitures	2,824,558	2,415,210	2,305,652	2,501,164
Use of money and property	2,200,365	1,992,882	1,257,561	737,365
Intergovernmental	55,422,084	55,952,099	66,165,210	56,088,533
Charges for services	15,745,316	17,778,546	14,314,796	13,662,339
Other revenues	1,632,575	3,852,985	5,388,965	2,315,425
Total Revenues	98,603,954	103,862,981	113,127,702	100,984,685
Expenditures				
Current:				
General government	10,025,813	9,391,872	23,918,121	11,621,634
Public ways and facilities	9,333,162	9,688,155	8,735,672	7,066,320
Public protection	22,224,399	22,452,884	28,452,202	38,980,426
Health and sanitation	17,720,818	17,876,014	13,362,630	16,142,128
Public assistance	24,638,809	27,642,882	30,919,280	21,345,769
Education	1,940,160	2,103,661	2,310,954	2,654,324
Recreation	-	-	-	-
Debt service				
Principal	985,837	3,406,505	1,495,425	1,325,751
Interest and other charges	1,270,136	1,191,075	850,537	807,979
Capital outlay	5,670,129	9,271,333	960,649	2,963,833
Total Expenditures	93,809,263	103,024,381	111,005,470	102,908,164
Excess of Revenues Over (Under) Expenditures	4,794,691	838,600	2,122,232	(1,923,479)
Other Financial Sources (Uses)				
Transfers in	5,094,779	5,593,541	17,262,307	23,912,010
Transfers out	(5,147,878)	(6,039,372)	(17,262,307)	(24,322,269)
Issuance of debt	302,934	23,425	68,671	-
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Refunding bond proceeds	-	21,007,538	-	-
Payments to refunding agents	-	(18,844,986)	-	-
Total Other Financial Sources (Uses)	249,835	1,740,146	68,671	(410,259)
Net Change in Fund Balances	\$ 5,044,526	\$ 2,578,746	\$ 2,190,903	\$ (2,333,738)
Debt Service as a Percentage of Noncapital Expenditures	2.56%	4.90%	2.13%	2.13%

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

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

<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 25,088,257	\$ 34,611,724	38,448,420	39,775,603	39,411,193	\$ 38,932,966
2,874,129	3,022,441	2,679,837	2,820,297	2,470,330	2,289,461
2,309,855	2,413,690	2,608,195	3,082,100	3,178,606	3,662,504
910,938	1,069,389	2,270,340	2,299,709	1,328,532	542,009
62,113,922	58,565,763	59,710,966	67,333,232	72,146,019	76,952,882
10,863,316	10,660,695	11,413,424	11,011,305	12,851,550	12,463,056
3,113,455	2,932,392	4,535,271	2,749,331	3,243,855	3,151,720
<u>107,273,872</u>	<u>113,276,094</u>	<u>121,666,453</u>	<u>129,071,577</u>	<u>134,630,085</u>	<u>137,994,598</u>
8,073,099	10,282,276	11,762,482	12,661,374	11,287,807	9,813,116
7,057,898	7,866,131	9,314,841	9,157,960	11,624,090	9,118,838
41,882,092	44,681,028	46,847,156	51,447,097	53,021,722	53,417,366
15,997,064	18,385,159	17,636,022	20,727,217	23,364,784	24,883,675
21,158,790	22,377,705	23,178,066	25,151,091	27,836,926	29,375,562
2,442,534	2,810,092	2,516,991	2,888,369	2,708,731	2,334,443
11,126	51,729	237,357	245,653	98,885	72,454
1,359,618	1,743,241	1,049,571	1,044,532	1,084,036	1,120,531
766,252	826,604	894,794	866,739	824,567	779,445
655,983	5,915,357	3,514,952	4,621,251	5,195,159	4,904,362
<u>99,404,456</u>	<u>114,939,322</u>	<u>116,952,232</u>	<u>128,811,283</u>	<u>137,046,707</u>	<u>135,819,792</u>
<u>7,869,416</u>	<u>(1,663,228)</u>	<u>4,714,221</u>	<u>260,294</u>	<u>(2,416,622)</u>	<u>2,174,806</u>
25,848,038	28,485,767	26,169,015	29,394,303	28,648,057	22,533,042
(25,855,413)	(28,554,016)	(26,240,706)	(30,083,150)	(28,672,801)	(22,539,440)
26,682	4,090,000	329,908	32,750	-	29,262
-	-	-	-	1,331,391	1,962,614
-	-	-	800,986	21,426	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,307</u>	<u>4,021,751</u>	<u>258,217</u>	<u>144,889</u>	<u>1,328,073</u>	<u>1,985,478</u>
<u>\$ 7,888,723</u>	<u>\$ 2,358,523</u>	<u>\$ 4,972,438</u>	<u>\$ 405,183</u>	<u>\$ (1,088,549)</u>	<u>\$ 4,160,284</u>

2.15%

2.36%

1.71%

1.54%

1.45%

1.45%

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

<u>Fiscal Year</u>	<u>Secured Real Property</u>	<u>Unsecured Personal Property</u>	<u>Total Secured and Unsecured²</u>	<u>Less: Exemptions</u>	<u>Total Taxable Assessed Value¹</u>	<u>Total Direct Tax Rate</u>
2000/2001	7,896,507,808	230,969,058	8,127,476,866	264,939,154	7,862,537,712	1.00%
2001/2002	8,833,385,724	255,954,266	9,089,339,990	212,058,149	8,877,281,841	1.00%
2002/2003	9,593,595,384	251,989,513	9,845,584,897	328,852,728	9,516,732,169	1.00%
2003/2004	10,489,020,503	245,890,683	10,734,911,186	354,262,482	10,380,648,704	1.00%
2004/2005	11,378,385,878	255,638,057	11,634,023,935	359,974,676	11,274,049,259	1.00%
2005/2006	12,798,167,869	310,443,412	13,108,611,281	407,602,510	12,701,008,771	1.00%
2006/2007	14,435,619,000	335,221,841	14,770,840,841	421,389,982	14,349,450,859	1.00%
2007/2008	15,784,303,555	363,067,090	16,147,370,645	429,377,178	15,717,993,467	1.00%
2008/2009	16,769,888,355	391,003,163	17,160,891,518	506,420,290	16,654,471,228	1.00%
2009/2010	15,537,324,628	394,380,861	15,931,705,489	496,557,370	15,435,148,119	1.00%

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

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

²Includes aircrafts

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

Source: Nevada County Auditor-Controller's Office

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

<u>Fiscal Year</u>	<u>Basic Countywide Rate²</u>	<u>Schools</u>	<u>Special Districts</u>	<u>Total Rate</u>
2000/2001	1.00000	0.05250	0.06520	1.11770
2001/2002	1.00000	0.02960	0.05710	1.08670
2002/2003	1.00000	0.05680	0.04350	1.10030
2003/2004	1.00000	0.04230	0.05530	1.09760
2004/2005	1.00000	0.03640	0.05960	1.09600
2005/2006	1.00000	0.08770	0.03280	1.12050
2006/2007	1.00000	0.08140	0.02670	1.10810
2007/2008	1.00000	0.07410	0.02480	1.09890
2008/2009	1.00000	0.01370	0.08640	1.10010
2009/2010	1.00000	0.07500	0.02840	1.10340

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

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

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

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

Fiscal Year 2009/2010			Fiscal Year 2000/2001		
Taxpayer	Amount	Percentage of Total	Taxpayer	Amount	Percentage of Total
Secured Taxes			Secured Taxes		
Old Greenwood, LLC et al	\$ 944,783	0.49%	Western/Kienow LP, et al	\$ 296,582	0.35%
Tahoe Club Company LLC	937,367	0.48%	Tektronix, Inc.	205,942	0.24%
Gray's Station, LLC	903,844	0.46%	GVSC, LLC	125,976	0.15%
PK II Pinecreek, LP et al	349,456	0.18%	Sierra Pacific Industries	111,253	0.13%
Billage at Gray's Crossing LP TH	268,699	0.14%	Ranch Development Assoc.	74,505	0.09%
Old Greenwood, LLC	244,143	0.13%	Nvision, Inc.	69,885	0.08%
Federal National Mortgage Assn	233,367	0.12%	Gateway at Donner Pass, Ltd.	69,386	0.08%
Hidden Lake Properties Inc.	211,582	0.11%	Fowler Center	68,939	0.08%
Gateway at Donner Pass, LP	209,147	0.11%	Gold County Ranch, Inc	67,205	0.08%
Joerger Associates LLC et al	207,991	0.11%	Best/Glenbrook Plaza Partners	64,758	0.08%
Total	\$ 4,510,379	2.32%	Total	\$ 1,154,431	1.35%
Total Secured Taxes Levied		\$ 194,439,225	Total Secured Taxes Levied		\$ 85,761,041
Unsecured Taxes			Unsecured Taxes		
Cequel III Communications, LLC	\$ 128,371	3.09%	Grass Valley Group (US), Inc.	\$ 96,201	3.88%
Tahoe Donner Prop Owners Assoc.	125,158	3.02%	USA Media Group, LLC	93,670	3.78%
Boreal Ridge Corp.	92,372	2.23%	Boreal Ridge, Corp.	86,338	3.49%
Comcast of California IX Inc.	81,368	1.96%	TCI Cablevision of California, Inc.	73,205	2.96%
Truckee Meadows Water Authority	67,974	1.64%	Tahoe Donner Property Owner's Assoc.	53,295	2.15%
Raley's Supermarket Inc.	55,095	1.33%	Innovative Metal Fabrication, Inc.	45,894	1.85%
TDMC LLC c/o Canavan Gerald A	50,191	1.21%	Teichert, A. & Son	41,031	1.66%
Grass Valley, Inc.	49,956	1.20%	Raley's Supermarket, Inc.	37,869	1.53%
Teichert A & Son	48,990	1.18%	Manuel Brothers, Inc.	33,268	1.34%
Safeway, Inc.	45,646	1.10%	Robinson Enterprises, Inc.	31,408	1.27%
Total	\$ 745,121	17.95%	Total	\$ 592,179	23.91%
Total Unsecured Taxes Levied		\$ 4,150,289	Total Unsecured Taxes Levied		\$ 2,476,757
Public Utility Taxes			Public Utility Taxes		
Pacific Gas & Electric	\$ 1,718,691	61.14%	Pacific Gas & Electric	\$ 1,232,765	51.01%
Pacific Bell Telephone Co	327,022	11.63%	Pacific Bell	533,063	22.06%
Southwest Gas	225,006	8.00%	Sierra Pacific Power Co.	241,885	10.01%
Sierra Pacific Power	178,304	6.34%	Southwest Gas, Corp.	94,001	3.89%
Celico Partnership	58,574	2.08%	Union Pacific Railroad Company	58,987	2.44%
AT & T Mobility, LLC	47,929	1.71%	MCI Worldcom Network Services, Inc.	44,076	1.82%
T-Mobile	23,049	0.82%	Airtouch Cellular	35,306	1.46%
Sprint Telephony PCS, LP	15,276	0.54%	AT & T Communications	32,010	1.32%
AT & T Communications	13,949	0.50%	SFPP, LP	24,865	1.03%
Level 3 Communications Serv Inc.	9,410	0.33%	Pacific Bell Wireless	23,573	0.98%
Total	\$ 2,617,210	93.10%	Total	\$ 2,320,531	96.03%
Total Public Utility Taxes Levied		\$ 2,811,035	Total Public Utility Taxes Levied		\$ 2,416,554

Source: County of Nevada Treasurer-Tax Collector

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

Fiscal Year	Taxes Levied for the Fiscal Year			Collections within the Fiscal Year of the Levy		Tax Levies Moved to the Delinquent Roll ²	Percent Delinquent
	Secured Tax	Unsecured Tax	Total Tax ¹	Amount ¹	Percent of Levy		
2000/2001	85,761,041	2,476,757	88,237,798	84,009,298	95.21%	4,228,500	4.79%
2001/2002	94,784,809	2,743,323	97,528,132	95,341,702	97.76%	2,186,431	2.24%
2002/2003	103,919,577	2,729,577	106,649,154	104,402,124	97.89%	2,247,029	2.11%
2003/2004	111,853,346	2,736,467	114,589,813	112,631,407	98.29%	1,958,407	1.71%
2004/2005	125,662,768	2,981,802	128,644,570	126,440,754	98.29%	2,203,816	1.71%
2005/2006	148,443,185	3,403,715	151,846,900	148,913,026	98.07%	2,933,874	1.93%
2006/2007	167,956,273	3,514,488	171,470,761	166,516,529	97.11%	4,954,232	2.89%
2007/2008	182,095,672	3,764,991	185,860,663	179,050,648	96.34%	6,810,016	3.66%
2008/2009	191,210,832	4,351,995	195,562,827	186,806,518	95.52%	8,756,309	4.48%
2009/2010	194,439,225	4,150,289	198,589,514	190,738,711	96.05%	7,850,803	3.95%

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

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

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

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

Fiscal Year	Governmental Activities					Business-Type Activities	
	Capital Leases	Certificates of Participation	Special Assessment Bonds	Loans	Total ³	Certificates of Participation	Special Assessment Debt and Bonds Payable
2000/2001	-	21,395,000	-	-	21,395,000	20,045,000	934,000
2001/2002	56,176	21,385,000	-	-	21,441,176	30,990,000	621,000
2002/2003	90,492	19,925,000	-	-	20,015,492	10,990,000	535,000
2003/2004	56,156	18,630,000	-	-	18,686,156	10,550,000	478,000
2004/2005	59,216	17,290,000	-	-	17,349,216	10,100,000	417,000
2005/2006	50,259	15,630,000	-	4,026,634	19,706,893	9,640,000	306,000
2006/2007	33,577	14,730,000	329,908	3,893,757	18,987,242	9,165,000	234,000
2007/2008	48,378	13,850,000	320,000	3,752,254	17,970,632	8,675,000	172,000
2008/2009	29,762	12,940,000	310,000	3,601,554	16,881,316	8,170,000	100,000
2009/2010	44,218	12,000,000	299,000	3,441,053	15,784,271	7,640,000	23,000

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

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

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

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

n/a - information is not available

Source: County of Nevada Audited Financial Statements

Loans	Total³	Total Primary Government	Less: Amounts Restricted to Repaying Principal⁴	Total	Percentage of Personal Income¹	Percentage of Actual Value of Taxable Property²	Net Bonded Debt per Capita¹
692,876	21,671,876	43,066,876	(12,307,578)	30,759,298	0.10%	0.39%	329.46
648,546	32,259,546	53,700,722	(23,171,930)	30,528,792	0.10%	0.34%	321.49
788,345	12,313,345	32,328,837	(3,181,651)	29,147,186	0.11%	0.31%	302.56
562,260	11,590,260	30,276,416	(3,107,181)	27,169,235	0.12%	0.26%	278.24
618,541	11,135,541	28,484,757	(3,107,956)	25,376,801	0.14%	0.23%	257.12
1,072,182	11,018,182	30,725,075	(3,108,472)	27,616,603	0.13%	0.22%	277.86
23,953,580	33,352,580	52,339,822	(3,117,296)	49,222,526	n/a	0.34%	497.07
34,727,112	43,574,112	61,544,744	(3,111,909)	58,432,835	n/a	0.37%	590.48
33,293,307	41,563,307	58,444,623	(3,160,548)	55,284,075	n/a	0.33%	560.00
32,256,025	39,919,025	55,703,296	(3,175,985)	52,527,311	n/a	0.34%	532.08

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

	Fiscal Year			
	2000/2001	2001/2002	2002/2003	2003/2004
Total assessed value of all real and personal property ¹	\$ 7,862,537,712	\$ 8,877,281,841	\$ 9,516,732,169	\$ 10,380,648,704
Debt limit percentage ²	1.25%	1.25%	1.25%	1.25%
Total debt limit	98,281,721	110,966,023	118,959,152	129,758,109
Amount applicable to debt limit				
General Bonded Debt ³	43,066,876	53,700,722	32,328,837	30,276,416
Less: Resources Restricted to Repaying Principal	(12,307,578)	(23,171,930)	(3,181,651)	(3,107,181)
Total Net Debt Applicable to Limit	30,759,298	30,528,792	29,147,186	27,169,235
Legal debt margin ⁴	<u>\$ 67,522,423</u>	<u>\$ 80,437,231</u>	<u>\$ 89,811,966</u>	<u>\$ 102,588,874</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	31.30%	27.51%	24.50%	20.94%

¹ Assessed value is equal to full cash value.

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

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

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

Source: County of Nevada Audited Financial Statements

<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 11,274,049,259	\$ 12,701,008,771	\$ 14,349,450,859	\$ 15,717,993,467	16,654,471,228	15,435,148,119
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
140,925,616	158,762,610	179,368,136	196,474,918	208,180,890	192,939,351
28,484,757 (3,107,956)	30,725,075 (3,108,472)	52,339,822 (3,117,296)	61,544,744 (3,111,909)	58,444,623 (3,160,548)	55,703,296 (3,175,985)
25,376,801	27,616,603	49,222,526	58,432,835	55,284,075	52,527,311
<u>\$ 115,548,815</u>	<u>\$ 131,146,007</u>	<u>\$ 130,145,610</u>	<u>\$ 138,042,083</u>	<u>\$ 152,896,815</u>	<u>\$ 140,412,040</u>
18.01%	17.39%	27.44%	29.74%	26.56%	27.22%

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

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Civilian Labor Force	Unemployment Rate	Percentage of Population Over 65
2000/2001	93,363	31,590	2,965,263,000	46,860	3.6%	n/a
2001/2002	94,960	31,294	2,975,115,000	48,450	4.5%	n/a
2002/2003	96,334	32,136	3,092,595,000	48,430	4.7%	n/a
2003/2004	97,647	33,957	3,309,043,000	48,830	5.2%	n/a
2004/2005	98,698	35,134	n/a	49,730	5.4%	n/a
2005/2006	99,392	37,020	n/a	50,560	4.3%	n/a
2006/2007	99,026	n/a	n/a	51,200	4.7%	n/a
2007/2008	98,959	n/a	n/a	51,570	6.7%	n/a
2008/2009	98,721	n/a	n/a	50,630	11.5%	n/a
2009/2010	98,721	n/a	n/a	51,410	11.5%	n/a

n/a - information is not available

Note: Population information for fiscal year 2008/09 adjusted per available data from State of California Employment Development Department.
Population information for fiscal year 2008/09 is the latest information available and is reported for fiscal year 2009/10.

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

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

Fiscal Year 2009/2010			Fiscal Year 2000/2001		
Industry Title	Percentage	Number of Employees	Industry Title	Percentage	Number of Employees
Government	19.50%	5,480	Government	18.93%	5,650
Education and Health Services	15.05%	4,230	Education and Health Services	11.70%	3,490
Retail Trade	13.59%	3,820	Retail Trade	14.04%	4,190
Leisure and Hospitality	14.59%	4,100	Leisure and Hospitality	12.73%	3,800
Natural Resources, Mining & Construction	8.19%	2,300	Natural Resources, Mining & Construction	11.86%	3,540
Professional and Business Services	9.72%	2,730	Professional and Business Services	9.05%	2,700
Manufacturing	6.65%	1,870	Manufacturing	7.31%	2,180
Financial Activities	4.63%	1,300	Financial Activities	5.36%	1,600
Other Services	3.81%	1,070	Other Services	3.69%	1,100
Transportation, Warehousing & Utilities	1.53%	430	Transportation, Warehousing & Utilities	1.88%	560
Wholesale Trade	1.21%	340	Wholesale Trade	1.71%	510
Information	1.25%	350	Information	1.34%	400
Farming	0.28%	80	Farming	0.40%	120
Total, All Industries	<u>100.00%</u>	<u>28,100</u>	Total, All Industries	<u>100.00%</u>	<u>29,840</u>

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

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

<u>Function/Program</u>	<u>As of June 30,</u>			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Public Protection	417.25	442.25	427.80	420.80
Health and Sanitation	123.90	125.50	130.50	123.95
Public Assistance	146.50	144.50	146.00	132.50
Education	33.80	37.75	39.85	34.20
Public Ways and Facilities	123.35	126.35	127.60	128.60
General Government	<u>181.00</u>	<u>177.50</u>	<u>179.30</u>	<u>166.30</u>
Total Full-Time Equivalent Employees	<u><u>1,025.80</u></u>	<u><u>1,053.85</u></u>	<u><u>1,051.05</u></u>	<u><u>1,006.35</u></u>

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

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

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

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>2000/2001</u>	<u>2001/2002</u>	<u>2002/2003</u>	<u>2003/2004</u>
Public Protection				
Jail Bookings	n/a	n/a	n/a	5,430
Average Daily Population	130	140	159	177
Health and Sanitation				
Economic services/support				
Program - Unduplicated Cases Mental Health (Adults in Nevada County)	595	666	595	475
Public Ways and Facilities				
Centerline Mile of Road Maintained				
County	565	565	565	561
State	129	129	129	129
Airport				
Based Aircraft	n/a	n/a	n/a	n/a
Takeoffs and Landings	n/a	n/a	n/a	n/a

n/a - information is not available

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

<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
5,519 184	5,620 179	5,775 167	5,391 167	5,048 199	4,802 194
383	253	249	465	713	556
561 129	562 129	562 133	562 133	562 133	562 133
n/a n/a	150 20,000	150 20,000	150 20,000	150 20,000	150 20,000

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

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>2000/2001</u>	<u>2001/2002</u>	<u>2002/2003</u>	<u>2003/2004</u>
Public Protection				
Correction facility capacities	223	223	223	223
Public Ways and Facilities				
Traffic Signals	6	6	6	2
Bridges	71	71	71	71
Active vehicles in vehicle replacement plan	n/a	n/a	n/a	149
Airports				
Number of runways	1	1	1	1

n/a - information is not available

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

<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
250	250	250	250	280	274
2	2	2	2	2	2
71	71	71	71	71	71
149	149	143	143	148	140
1	1	1	1	1	1

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