

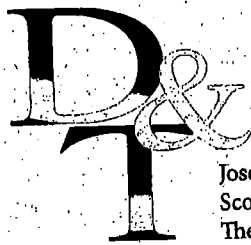
Audit Report
STOREY COUNTY, NEVADA
June 30, 2019

STOREY COUNTY, NEVADA
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DiPietro & Thornton
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
Storey County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Storey County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County as of June 30, 2019, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of an Error

As discussed in Note XIV to the financial statements, certain errors occurred in the valuation of deferred outflows of resources as of June 30, 2018, and were discovered by management during the current year. Additionally certain errors were made in the payroll of the 474 Fire Protection Fire District for years ended June 30, 2015-2017, and were discovered by management during the current year. Accordingly, the errors have resulted in a restatement of fund balance/net position as of June 30, 2018. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 7, the Schedule of Changes in the Total OPEB Liability and Related Ratios on page 84, the Schedule of County's Share of the Net Pension Liability-Public Employees Retirement System of Nevada on page 85, and the Schedule of County's Contributions-Public Employees' Retirement System of Nevada on page 86, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

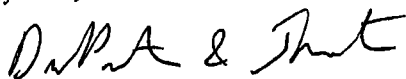
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Storey County, Nevada's basic financial statements. The introductory section, combining and individual nonmajor fund financial, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2019, on our consideration of Storey County's internal control over financial reporting and on our tests of its compliance with certain provisions out flows, regulations contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Storey County's internal control over financial reporting and compliance.



DiPietro & Thornton
Reno, NV
January 12, 2020

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Storey County, State of Nevada, we offer readers of Storey County's financial statements this overview and analysis of Storey County for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- The assets of Storey County exceeded its liabilities by \$24,950,000
- The County's unrestricted net assets decreased \$704,000
- At June 30, 2019, the unreserved fund balance for the general fund was \$11,104,529
- Storey County's bonded debt at June 30, 2019 was \$9,426,000 which was \$6,678,000 in revenue bonds of the County's Enterprise Funds, Virginia City Rail Bonds of \$1,096,000 and \$1,652,000 bond of the Storey County Fire Protection District.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Storey County's basic financial statements. These basic financial statements include (1) government-wide financial statements (2) fund financial statements, and (3) notes to the financial statements. Other supplementary information is also available in this report.

Government-Wide Financial Statements. The government-wide statements are designed to provide readers with a broad overview of Storey County's finances in a manner similar to private-sector business.

The Statement of Net Position is information on all of Storey County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases in net assets may serve as an indicator to show if the financial position of Storey County is improving or declining.

The Statement of Activities notes information as to how the government's net assets changed during the last fiscal year. All changes in net assets are reported as soon as the event causing the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported for some items that result in cash flows in future periods, (e.g. earned, unused vacation)

The government-wide financial statements distinguish functions of Storey County that are mainly supported by taxes and intergovernmental revenues (government activities) from other functions that recover their costs through user fees and charges. The governmental activities of Storey County included general government, public safety, roads and streets, judicial and, culture and recreation. The business activities (enterprise funds) are the water and sewer.

The government-wide financial statements can be found in this report on pages 9 and 10.

Fund Financial Statements. Funds are groupings of related accounts and is used to maintain control over resources segregated for specific activities or purpose. Storey County uses fund accounting to ensure compliance with state and federal finance related requirements. The fund types of Storey County are as follows: governmental; enterprise; and fiduciary.

Governmental Funds. Governmental funds are used to account for the functions reported as governmental activities, in the government-wide financial statements. Unlike the Government-Wide Financial Statements, governmental fund statements focus on near term inflows of expendable resources and on balances of expendable resources at the end of the fiscal year. This information helps with decisions as to near term financing needs.

The focus of governmental funds is narrower than the government-wide financial statements. It is useful to compare the information for governmental funds with similar information for governmental activities in government-wide financial statements. Readers will better understand the long-term impact of governments near-term financing decisions. The governmental fund Balance Sheet and governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances allow this comparison between governmental funds and activities.

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Storey County has twenty-three governmental funds. Financial information is stated separately in the governmental fund Balance Sheet and in the governmental Statement of Revenues, Expenditures, and Changes in Fund Balances, for the general fund and five other funds considered major funds. Data from the other seventeen governmental funds are combined. Individual fund data for non-major governmental funds are reported in combining statements in this report.

Storey County adopts an annual budget for all the above funds. A budgetary comparison statement has been provided for all funds to show compliance with the budget.

The governmental funds financial statements can be found in this report on pages 12 through 27.

Enterprise funds. Storey County operates two enterprise (proprietary) funds, Water and Sewer. These funds are reported as business type activities, reported in the government-wide financial statements.

Enterprise funds are presented on pages 28 through 30.

Fiduciary funds. Fiduciary funds are used to account for resources held for other entities. Fiduciary funds are not reported in the government-wide financial statement as the resources do not support Storey County's needs. The cash basis of accounting is used for fiduciary funds.

Fiduciary fund financial statements can be found in this report on page 31.

Notes to the financial statements. The notes in this report provide additional information necessary for a full understanding of the information provided in the government-wide financial statements. The notes can be found on pages 32 through 55.

Other information. The combining and individual fund statements and schedules for major governmental funds can be found on page 18 through 27 of this report. This same information for non-major governmental funds can be found on pages 56 through 79 of this report

**STOREY COUNTY, NEVADA
NET POSITION**

	Governmental Activities June 30, 2019	Business Type Activities June 30, 2019	Total June 30, 2019	Total June 30, 2018
Current and Other Assets	\$ 37,091,000	\$ 2,394,000	\$ 39,485,000	\$ 37,177,000
Capital Assets	<u>55,205,000</u>	<u>24,901,000</u>	<u>80,106,000</u>	<u>75,332,000</u>
Total Assets	<u>\$ 92,296,000</u>	<u>\$ 27,295,000</u>	<u>\$ 119,591,000</u>	<u>\$ 112,509,000</u>
Deferred Outflows	<u>\$ 7,077,000</u>	<u>\$ 115,000</u>	<u>\$ 7,192,000</u>	<u>\$ 9,575,000</u>
Long Term Liabilities				
Outstanding	\$ 80,421,000	\$ 9,371,000	\$ 89,792,000	\$ 90,948,000
Current Liabilities	<u>4,654,000</u>	<u>89,000</u>	<u>4,743,000</u>	<u>8,521,000</u>
Total Liabilities	<u>\$ 85,075,000</u>	<u>\$ 9,460,000</u>	<u>\$ 94,535,000</u>	<u>\$ 99,469,000</u>
Deferred Inflows	<u>\$ 11,001,000</u>	<u>\$ 108,000</u>	<u>\$ 11,109,000</u>	<u>\$ 6,270,000</u>
Net Position				
Invested in Capital				
Assets, Net of Related Debt	\$ 11,420,000	\$ 18,223,000	\$ 29,643,000	\$ 24,251,000
Restricted	143,000	251,000	394,000	394,000
Unrestricted	<u>(8,266,000)</u>	<u>(632,000)</u>	<u>(8,898,000)</u>	<u>(8,300,000)</u>
Total Net Position	<u>\$ 3,297,000</u>	<u>\$ 17,842,000</u>	<u>\$ 21,139,000</u>	<u>\$ 16,345,000</u>

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

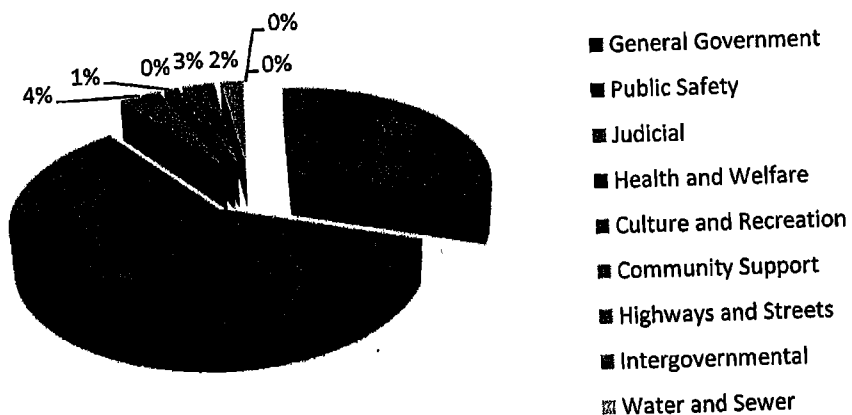
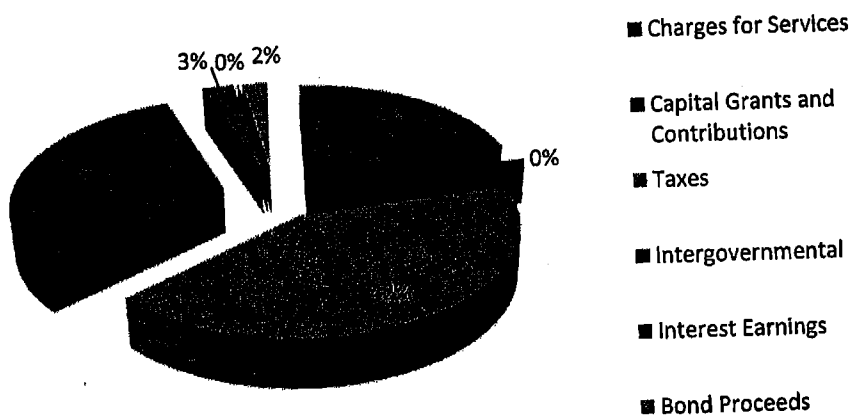
**STOREY COUNTY, NEVADA
CHANGES IN NET POSITION**

	Governmental Activities <u>June 30, 2019</u>	Business Type Activities <u>June 30, 2019</u>	Total <u>June 30, 2019</u>	Total <u>June 30, 2018</u>
REVENUES:				
Program Revenues:				
Charges for Services	\$ 7,439,000	\$ 959,000	\$ 8,398,000	\$ 7,240,000
Operating Grants and Contributions	291,000	-	291,000	856,000
Capital Grants and Contributions	-	3,987,000	3,987,000	25,000
General Revenues:				
Taxes	14,500,000	-	14,500,000	13,628,000
Intergovernmental	10,886,000	-	10,886,000	14,191,000
Interest Earnings	937,000	-	937,000	148,000
Bond Proceeds	30,000	-	30,000	22,000
Other	764,000	374,000	1,138,000	970,000
Total Revenues	34,847,000	5,320,000	40,167,000	37,080,000
EXPENSES:				
General Government	9,879,000	-	9,879,000	12,614,000
Public Safety	19,308,000	-	19,308,000	19,884,000
Judicial	1,205,000	-	1,205,000	1,172,000
Health and Welfare	237,000	-	237,000	247,000
Culture and Recreation	129,000	-	129,000	173,000
Community Support	933,000	-	933,000	888,000
Highways and Streets	653,000	-	653,000	1,083,000
Intergovernmental	-	-	-	46,000
Water and Sewer	-	1,096,000	1,096,000	(4,020,000)
Total Expenses	32,344,000	1,096,000	33,440,000	32,087,000
Changes in Net Position	2,503,000	4,224,000	6,727,000	4,993,000
Net Position - July 1	794,000	13,618,000	14,412,000	11,352,000
Net Position - June 30	\$ 3,297,000	\$ 17,842,000	\$ 21,139,000	\$ 16,345,000

**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Revenues in the General Fund were \$19,600,000 which was \$3,400,000 more than the amount budgeted. Actual expenditures were \$13,900,000, which was \$1,200,000 less than appropriations for the year.

PERCENT TOTALS- ALL FUNDS



**COUNTY OF STOREY, STATE OF NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Business Type Activities. Business-type activities increased Storey County's net assets by \$4,131,882. Depreciation expense for the current fiscal year was \$248,160.

Financial Analysis of the Government's Funds. As noted earlier, Storey County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of Storey County's governmental funds is to provide information on near term inflows, outflows, and balances of expendable resources. Such information is useful in assessing Storey County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year.

Budgetary Highlights-Fiscal Year June 30, 2019. The budget statements reflect a comparison of budgeted revenues and expenditures to actual for the year ended June 30, 2019. The budget statements were prepared from the final budget as filed with the Nevada Department of Taxation. Budget revenues and expenditures were adjusted for grants received in excess of original amounts budgeted. Augmentations and line item transfers were made during the year as approved by the Storey County Commissioners.

The General Fund revenues were more than expectations by \$3,354,791, leaving a fund balance of \$11,104,529. General Fund budget information can be found on pages 18 through 22.

Capital Assets. Storey County's investment in capital assets for its governmental and business type activities as of June 30, 2019 amounts to \$80,105,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and system, improvements, machinery and equipment, park facilities, roads, and bridges.

**STOREY COUNTY NEVADA
CAPITAL ASSETS
JUNE 30, 2019**

	Governmental Activities <u>June 30, 2019</u>	Business Type Activities <u>June 30, 2019</u>	Total <u>June 30, 2019</u>
Land	\$ 811,000	\$ -	\$ 811,000
Antique Furniture	75,000	-	75,000
Construction in Process	1,355,000	14,793,000	16,148,000
Buildings and Improvements	7,474,000	-	7,474,000
Improvements other than Buildings	37,975,000	-	37,975,000
Machinery and Equipment	7,514,000	-	7,514,000
Sewer and Water systems	-	10,108,000	10,108,000
Total	\$ 55,204,000	\$ 24,901,000	\$ 80,105,000

This financial report is designed to provide a general overview of Storey County, Nevada's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Storey County Comptroller, P.O. Box 432, Virginia City, Nevada 89440, telephone number (775)847-1006, e-mail

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STOREY COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and investments	\$ 32,621,119	\$ 2,302,234	\$ 34,923,353
Accounts receivables (net allowance)	1,508,806	91,487	1,600,293
Taxes receivable	92,750	-	92,750
Prepaid expenses	235,272	-	235,272
Inventory	64,834	-	64,834
Due from proprietary fund	2,126,000	-	2,126,000
Due from V&T Railroad	441,561	-	441,561
Capital assets - nondepreciable			
Land	810,921	-	810,921
Antique furniture	75,000	-	75,000
Construction in progress	1,355,489	14,793,141	16,148,630
Capital assets - net of accumulated depreciation			
Buildings and improvements	7,474,327	-	7,474,327
Improvements other than buildings	37,974,999	-	37,974,999
Utility system	-	10,108,006	10,108,006
Machinery and equipment	7,513,837	-	7,513,837
	<u>\$ 92,294,915</u>	<u>\$ 27,294,868</u>	<u>\$ 119,589,783</u>
Total Assets			
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows-OPEB	\$ 226,280	\$ -	\$ 226,280
Deferred outflows-pension	6,850,960	114,513	6,965,473
	<u>\$ 7,077,240</u>	<u>\$ 114,513</u>	<u>\$ 7,191,753</u>
Total Deferred Inflows of Resources			
LIABILITIES			
Accounts payable and other current liabilities	\$ 4,654,283	\$ 88,704	\$ 4,742,987
Due to general fund	-	2,126,000	2,126,000
Non-current liabilities			
Bonds/Notes payable - due within one year	178,841	128,082	306,923
- due in more than one year	43,606,185	6,550,348	50,156,533
Compensated absences - due in more than one year	753,925	-	753,925
Net OPEB obligation	16,449,497	-	16,449,497
Net pension liability	19,432,503	566,357	19,998,860
	<u>\$ 85,075,234</u>	<u>\$ 9,459,491</u>	<u>\$ 94,534,725</u>
Total Liabilities			
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows-OPEB	\$ 7,061,664	\$ -	\$ 7,061,664
Deferred inflows-pension	3,939,459	108,068	4,047,527
	<u>\$ 11,001,123</u>	<u>\$ 108,068</u>	<u>\$ 11,109,191</u>
Total Deferred Inflows of Resources			
NET POSITION			
Restricted reserve	\$ 142,640	\$ 250,850	\$ 393,490
Invested in capital assets - net of related debt	11,419,547	18,222,717	29,642,264
Unrestricted	(8,266,389)	(631,745)	(8,898,134)
	<u>\$ 3,295,798</u>	<u>\$ 17,841,822</u>	<u>\$ 21,137,620</u>
Total Net Position			

The notes to the financial statements are an integral part of this statement
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**STOREY COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

<u>FUNCTIONS/PROGRAMS</u>	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental activities:				
General government	\$ 9,880,407	\$ 5,811,572	\$ 171,090	\$ -
Public safety	19,307,836	1,139,706	119,980	-
Judicial	1,204,680	234,850	-	-
Health and welfare	237,443	-	-	-
Culture and recreation	129,151	24,529	-	-
Community support	933,467	-	-	-
Highways and streets	653,354	228,458	-	-
Intergovernmental	-	-	-	-
	32,346,338	7,439,115	291,070	-
Total Governmental Activities				
Business type activities:				
Water	598,682	561,720	-	12,273
Sewer	496,264	396,850	-	3,974,249
	1,094,946	958,570	-	3,986,522
Total Business-Type Activities				
	\$ 33,441,284	\$ 8,397,685	\$ 291,070	\$ 3,986,522
Total Primary Government				

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

**STOREY COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	NET (EXPENSE)REVENUE AND CHANGES IN NET POSITION		
	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
Primary government:			
Governmental activities:			
General government	\$ (3,897,745)	\$ -	\$ (3,897,745)
Public safety	(18,048,150)	-	(18,048,150)
Judicial	(969,830)	-	(969,830)
Health and welfare	(237,443)	-	(237,443)
Culture and recreation	(104,622)	-	(104,622)
Community support	(933,467)	-	(933,467)
Highways and streets	(424,896)	-	(424,896)
Intergovernmental	-	-	-
Total Governmental Activities	<u>(24,616,153)</u>	<u>-</u>	<u>(24,616,153)</u>
Business type activities:			
Water	-	(36,962)	(36,962)
Sewer	-	(99,414)	(99,414)
Total Business-Type Activities	<u>-</u>	<u>(136,376)</u>	<u>(136,376)</u>
Total Primary Government	<u>(24,616,153)</u>	<u>(136,376)</u>	<u>(24,752,529)</u>
General revenues:			
Property taxes	14,500,452	-	14,500,452
Various state collected pass-through revenues	10,885,946	-	10,885,946
Investment earnings	936,852	87,371	1,024,223
Bond proceeds	29,571	-	29,571
Miscellaneous revenue	763,867	286,749	1,050,616
Capital contributions and grants	-	3,986,522	3,986,522
Total General Revenues	<u>27,116,688</u>	<u>4,360,642</u>	<u>31,477,330</u>
Change in Net Position	2,500,535	4,224,266	6,724,801
Net Position, July 1, restated(note XIV)	<u>795,263</u>	<u>13,617,556</u>	<u>14,412,819</u>
Net Position, June 30	<u>\$ 3,295,798</u>	<u>\$ 17,841,822</u>	<u>\$ 21,137,620</u>

**STOREY COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019**

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI-PAYBACK FUND	USDA BOND FUND
ASSETS					
Cash	\$ 11,426,591	\$ 806,285	\$ 1,381,134	\$ 3,594,263	\$ 29,697
Accounts receivable (net allowance)	580,094	216,082	501,002	-	-
Taxes receivable	69,207	-	21,215	-	-
Prepaid expenses	150	-	101,122	-	-
Due from proprietary fund	2,126,000	-	-	-	-
Due from V&T road	441,561	-	-	-	-
Inventory	-	-	-	-	-
Total Assets	\$ 14,643,603	\$ 1,022,367	\$ 2,004,473	\$ 3,594,263	\$ 29,697
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 675,857	\$ 86,030	\$ 707,613	\$ -	\$ -
Accrued expenses and deposits	490,541	5,591	63,635	-	-
Unearned income	-	-	-	-	-
Account payable - Tesla	2,341,023	-	-	-	-
Total Liabilities	3,507,421	91,621	771,248	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable resources property taxes	31,653	-	134,593	-	-
FUND BALANCES					
Nonspendable	150	-	-	-	-
Reserved - debt service	-	-	142,640	-	-
Unassigned reported in:					
General fund	11,104,379	-	-	-	-
Capital projects funds	-	-	-	-	-
Special revenue funds	-	930,746	955,992	3,594,263	29,697
Total Fund Balances	11,104,529	930,746	1,098,632	3,594,263	29,697
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 14,643,603	\$ 1,022,367	\$ 2,004,473	\$ 3,594,263	\$ 29,697

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

**STOREY COUNTY, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash	\$ 254,407	\$ 15,128,742	\$ 32,621,119
Accounts receivable (net allowance)	105,814	105,814	1,508,806
Taxes receivable	-	2,328	92,750
Prepaid expenses	134,000	-	235,272
Due from proprietary fund	-	-	2,126,000
Due from V&T road	-	-	441,561
Inventory	64,834	-	64,834
Total Assets	\$ 559,055	\$ 15,236,884	\$ 37,090,342
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 55,623	\$ 178,847	\$ 1,703,970
Accrued expenses and deposits	5,700	-	565,467
Unearned income	43,823	-	43,823
Account payable - Tesla	-	-	2,341,023
Total Liabilities	105,146	178,847	4,654,283
DEFERRED INFLOWS OF RESOURCES			
Unavailable resources property taxes	-	1,062	167,308
FUND BALANCES			
Nonspendable	198,834	-	198,984
Reserved - debt service	-	-	142,640
Unassigned reported in:			
General fund	255,075	-	11,359,454
Capital projects funds	-	8,737,875	8,737,875
Special revenue funds	-	6,319,100	11,829,798
Total Fund Balances	453,909	15,056,975	32,268,751
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 559,055	\$ 15,236,884	\$ 37,090,342

STOREY COUNTY, NEVADA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total Fund Balance - government funds - page 13	\$ 32,268,751
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net assets	55,204,573
Deferred outflows of resources for OPEB	226,280
Deferred outflows of resources for pensions	6,850,960
Property taxes receivable that are not available to pay current period expenditures and therefore are reported as unearned in the funds	167,308
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(43,785,026)
Pension liabilities are not due and payable in the current period and therefore not reported in funds	(35,882,000)
Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(753,925)
Deferred inflows of resources for OPEB	(7,061,664)
Deferred inflows of resources for pensions	<u>(3,939,459)</u>
Total Net Position - governmental activities - page 9	<u>\$ 3,295,798</u>

STOREY COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI- PAYBACK FUND	USDA BOND FUND
REVENUES					
Taxes	\$ 10,784,181	\$ -	\$ 3,302,485	\$ -	\$ -
Licenses and permits	2,678,554	-	-	-	-
Intergovernmental	2,395,011	864,135	1,473,126	-	4,779,827
Charges for services	2,527,094	228,458	1,139,706	-	-
Fines and forfeitures	8,340	-	-	-	-
Equipment sales	-	133,333	-	-	-
Miscellaneous	1,182,490	23,371	154,615	-	-
Total Revenues	<u>19,575,670</u>	<u>1,249,297</u>	<u>6,069,932</u>	<u>-</u>	<u>4,779,827</u>
EXPENDITURES					
Current:					
General government	5,662,352	-	-	315,587	-
Public safety	5,953,156	-	5,567,162	-	4,528,827
Judicial	1,170,596	-	-	-	-
Health and welfare	96,084	-	-	-	-
Culture and recreation	104,866	-	-	-	-
Community service	888,702	-	-	-	-
Highways and streets	-	710,054	-	-	-
Intergovernmental	-	-	-	-	-
Total Expenditures	<u>13,875,756</u>	<u>710,054</u>	<u>5,567,162</u>	<u>315,587</u>	<u>4,528,827</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,699,914</u>	<u>539,243</u>	<u>502,770</u>	<u>(315,587)</u>	<u>251,000</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	1,344,729	755,000	143,000
Transfers out	(7,049,729)	(8,750)	(2,142,000)	-	-
Transfers to proprietary funds	-	-	-	-	-
Federal grants	-	-	69,083	-	-
Loan (payments) proceeds	-	-	-	-	(204,966)
Bond proceeds	-	-	-	-	-
Bond interest	-	-	-	-	(188,524)
Total Other Financing Sources (Uses)	<u>(7,049,729)</u>	<u>(8,750)</u>	<u>(728,188)</u>	<u>755,000</u>	<u>(250,490)</u>
Net Change in Fund Balance	<u>(1,349,815)</u>	<u>530,493</u>	<u>(225,418)</u>	<u>439,413</u>	<u>510</u>
Fund Balance, July 1, restated(note XIV)	<u>12,454,344</u>	<u>400,253</u>	<u>1,324,050</u>	<u>3,154,850</u>	<u>29,187</u>
Fund Balance, June 30	<u>\$ 11,104,529</u>	<u>\$ 930,746</u>	<u>\$ 1,098,632</u>	<u>\$ 3,594,263</u>	<u>\$ 29,697</u>

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

STOREY COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Taxes	\$ -	\$ 454,667	\$ 14,541,333
Licenses and permits	39,857	-	2,718,411
Intergovernmental	868,197	727,637	11,107,933
Charges for services	534,311	221,216	4,650,785
Fines and forfeitures	-	61,579	69,919
Equipment sales	-	-	133,333
Miscellaneous	118,962	769,982	2,249,420
	<u>1,561,327</u>	<u>2,235,081</u>	<u>35,471,134</u>
Total Revenues			
EXPENDITURES			
Current:			
General government	1,360,409	1,596,031	8,934,379
Public safety	-	735,233	16,784,378
Judicial	-	33,326	1,203,922
Health and welfare	-	142,794	238,878
Culture and recreation	-	-	104,866
Community service	-	-	888,702
Highways and streets	-	-	710,054
Intergovernmental	-	-	-
	<u>1,360,409</u>	<u>2,507,384</u>	<u>28,865,179</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>200,918</u>	<u>(272,303)</u>	<u>6,605,955</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	7,956,947	10,199,676
Transfers out	-	(999,197)	(10,199,676)
Transfers to proprietary funds	-	(272,903)	(272,903)
Federal Grants	-	-	69,083
Loan (payments) proceeds	-	(170,495)	(375,461)
Bond proceeds	-	29,571	29,571
Bond interest	-	-	(188,524)
	<u>-</u>	<u>6,543,923</u>	<u>(738,234)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	200,918	6,271,620	5,867,721
Fund Balance, July 1, restated (note XIV)	<u>252,991</u>	<u>8,785,355</u>	<u>26,401,030</u>
Fund Balance, June 30	<u>\$ 453,909</u>	<u>\$ 15,056,975</u>	<u>\$ 32,268,751</u>

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

STOREY COUNTY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Net change in fund balances - governmental funds, page 16	\$	5,867,721
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, those costs are shown in the statement of net assets and allocated over their estimated useful lives as depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation.		(562,336)
Net long-term receipts and payments reported in governmental funds as expenditures		490,428
Compensated absences are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		6,608
Revenue from taxes in the statement of activities that does not provide current financial resources is not reported as revenue in the funds		(40,881)
Total OPEB benefits are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		(2,725,715)
Total pension benefits are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		(535,290)
		2,500,535
Change in net assets of governmental activities, page 11	\$	2,500,535

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

<u>REVENUES</u>	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes:				
Property	\$ 9,500,000	\$ 9,500,000	\$ 10,756,962	\$ 1,256,962
Youth services	30,000	30,000	27,219	(2,781)
Total Taxes	<u>9,530,000</u>	<u>9,530,000</u>	<u>10,784,181</u>	<u>1,254,181</u>
Licenses and Permits				
Merchandise licenses	293,500	293,500	246,800	(46,700)
County gaming licenses	3,000	3,000	8,250	5,250
Utility licenses	230,000	230,000	439,325	209,325
Franchise tax	170,000	170,000	246,615	76,615
Building permits and study	448,579	448,579	1,737,564	1,288,985
Total Licenses and Permits	<u>1,145,079</u>	<u>1,145,079</u>	<u>2,678,554</u>	<u>1,533,475</u>
Intergovernmental				
Federal and state grants	20,000	20,000	25,135	5,135
Payment in lieu of taxes	30,000	30,000	40,040	10,040
State shared revenues				
Cigarette tax	14,000	14,000	13,127	(873)
Liquor tax	6,000	6,000	5,352	(648)
Gaming licenses	80,000	80,000	126,820	46,820
Basic CCRT	600,000	600,000	780,295	180,295
Supplemental CCRT	650,000	650,000	866,545	216,545
Motor vehicle privilege tax	400,000	400,000	409,897	9,897
Real property transfer tax	120,000	120,000	127,800	7,800
Total Intergovernmental	<u>1,920,000</u>	<u>1,920,000</u>	<u>2,395,011</u>	<u>475,011</u>
Charges for Services				
Clerk fees	20,000	20,000	39,791	19,791
Recorder fees	50,000	50,000	56,364	6,364
Assessor fees/commissions	-	-	295,836	295,836
Building department fees	-	-	10,307	10,307
District court fees	15,000	15,000	14,202	(798)
Justice court fees	152,000	152,000	220,648	68,648
Sheriffs fees	71,300	71,300	93,681	22,381
Swimming pool admissions/lessons	23,000	23,000	19,223	(3,777)
Park facilities fees	-	-	2,306	2,306
Import tonnage fees	700,000	700,000	776,940	76,940
IT fees	-	-	96,354	96,354
Other fees - Tesla	-	-	835,497	835,497
BIA housing	180,000	180,000	65,945	(114,055)
Total Charges for Services	<u>1,211,300</u>	<u>1,211,300</u>	<u>2,527,094</u>	<u>1,315,794</u>

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

**STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
REVENUES (cont'd.)				
Fines and Forfeits:				
District fine	500	500	1,444	944
Juvenile fines/assessments	2,000	2,000	4,482	2,482
Chemical analysis fees	1,000	1,000	2,414	1,414
Total Fines and Forfeits	<u>3,500</u>	<u>3,500</u>	<u>8,340</u>	<u>4,840</u>
Miscellaneous:				
Rents	30,000	30,000	39,513	9,513
Penalties -taxes	-	-	94,875	94,875
Penalties - business licenses	-	-	1,409	1,409
Interest	250,000	250,000	879,624	629,624
Tax settlement and sales	-	-	-	-
Other	2,131,000	2,131,000	167,069	(1,963,931)
Total Miscellaneous	<u>2,411,000</u>	<u>2,411,000</u>	<u>1,182,490</u>	<u>(1,228,510)</u>
Total Revenues	<u>16,220,879</u>	<u>16,220,879</u>	<u>19,575,670</u>	<u>3,354,791</u>
EXPENDITURES				
General Government				
Commissioners:				
Salaries and wages	371,913	371,913	454,337	(82,424)
Employee benefits	212,588	212,588	184,618	27,970
Services and supplies	108,200	108,200	76,244	31,956
Capital outlay	-	-	-	-
Total Commissioners	<u>692,701</u>	<u>692,701</u>	<u>715,199</u>	<u>(22,498)</u>
Clerk Treasurer:				
Salaries and wages	245,385	250,385	225,248	25,137
Employee benefits	133,411	128,411	119,327	9,084
Services and supplies	112,600	195,600	233,942	(38,342)
Capital outlay	-	-	-	-
Total Clerk Treasurer	<u>491,396</u>	<u>574,396</u>	<u>578,517</u>	<u>(4,121)</u>
Recorder:				
Salaries and wages	199,757	213,257	190,194	23,063
Employee benefits	104,726	91,226	94,026	(2,800)
Services and supplies	63,750	63,750	50,576	13,174
Capital outlay	-	-	-	-
Total Recorder	<u>368,233</u>	<u>368,233</u>	<u>334,796</u>	<u>33,437</u>
Assessor:				
Salaries and wages	238,252	321,752	294,145	27,607
Employee benefits	140,041	110,041	149,805	(39,764)
Services and supplies	124,260	134,260	145,150	(10,890)
Capital outlay	-	-	-	-
Total Assessor	<u>502,553</u>	<u>566,053</u>	<u>589,100</u>	<u>(23,047)</u>
Administrative:				
Salaries and wages	224,002	224,002	210,884	13,118
Employee benefits	112,372	112,372	111,721	651
Services and supplies	918,450	918,450	709,979	208,471
Capital outlay	15,000	15,000	3,518	11,482
Total Administrative	<u>1,269,824</u>	<u>1,269,824</u>	<u>1,036,102</u>	<u>233,722</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
EXPENDITURES				
General Government (contd.)				
Building and Grounds:				
Salaries and wages	133,063	148,063	133,045	15,018
Employee benefits	63,183	63,183	64,331	(1,148)
Services and supplies	176,600	176,600	143,969	32,631
Capital outlay	70,000	80,000	71,768	8,232
	<u>442,846</u>	<u>467,846</u>	<u>413,113</u>	<u>54,733</u>
Service:				
Salaries and wages	205,048	205,048	194,894	10,154
Employee benefits	103,433	98,433	94,151	4,282
Services and supplies	58,550	63,550	69,850	(6,300)
Capital outlay	100,000	100,000	95,372	4,628
	<u>467,031</u>	<u>467,031</u>	<u>454,267</u>	<u>12,764</u>
Information technology:				
Salaries and wages	270,371	293,371	266,248	27,123
Employees benefits	153,133	153,133	152,919	214
Services and supplies	187,400	187,400	124,484	62,916
Capital outlay	263,500	263,500	250,484	13,016
	<u>874,404</u>	<u>897,404</u>	<u>794,135</u>	<u>103,269</u>
Comptroller:				
Salaries and wages	265,515	275,515	270,706	4,809
Employee benefits	136,309	136,309	134,511	1,798
Services and supplies	105,760	105,760	81,707	24,053
Capital outlay	-	-	-	-
	<u>507,584</u>	<u>517,584</u>	<u>486,924</u>	<u>30,660</u>
Planning Commission:				
Salaries and wages	222,164	222,164	157,044	65,120
Employee benefits	102,209	102,209	74,153	28,056
Services and supplies	94,400	94,400	29,002	65,398
	<u>418,773</u>	<u>418,773</u>	<u>260,199</u>	<u>158,574</u>
Total General Government	<u>6,035,345</u>	<u>6,239,845</u>	<u>5,662,352</u>	<u>577,493</u>
Judicial:				
District Attorney:				
Salaries and wages	347,085	365,085	346,891	18,194
Employee benefits	165,174	170,174	168,731	1,443
Services and supplies	421,425	398,425	156,188	242,237
Capital outlay	-	-	-	-
	<u>933,684</u>	<u>933,684</u>	<u>671,810</u>	<u>261,874</u>
District Court:				
Services and supplies	168,100	168,100	131,780	36,320
	<u>168,100</u>	<u>168,100</u>	<u>131,780</u>	<u>36,320</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>EXPENDITURES</u>				
Judicial (contd.)				
Justice of the Peace:				
Salaries and wages	226,722	244,722	232,376	12,346
Employee benefits	135,609	135,609	105,295	30,314
Services and supplies	19,750	29,750	29,335	415
	<u>382,081</u>	<u>410,081</u>	<u>367,006</u>	<u>43,075</u>
Total Judicial	<u>1,483,865</u>	<u>1,511,865</u>	<u>1,170,596</u>	<u>341,269</u>
Public Safety:				
Sheriff:				
Salaries and wages	2,160,310	2,276,310	2,137,080	139,230
Employee benefits	1,286,001	1,263,001	1,215,659	47,342
Services and supplies	437,726	437,726	564,313	(126,587)
Capital outlay	3,000	3,000	72,587	(69,587)
	<u>3,887,037</u>	<u>3,980,037</u>	<u>3,989,639</u>	<u>(9,602)</u>
Communications				
Salaries and wages	604,501	634,501	610,978	23,523
Employee benefits	299,293	279,293	249,717	29,576
Services and supplies	96,750	96,750	95,205	1,545
Capital outlay	41,137	41,137	20,123	21,014
	<u>1,041,681</u>	<u>1,051,681</u>	<u>976,023</u>	<u>75,658</u>
Emergency Management:				
Salaries and wages	21,678	22,178	25,946	(3,768)
Employee benefits	7,099	7,099	2,710	4,389
Services and supplies	24,150	29,150	28,016	1,134
Capital outlay	5,000	-	-	-
	<u>57,927</u>	<u>58,427</u>	<u>56,672</u>	<u>1,755</u>
Community Development				
Salaries and wages	602,805	602,805	598,245	4,560
Employee benefits	257,717	257,717	187,875	69,842
Services and supplies	171,510	171,510	144,702	26,808
Capital outlay	32,000	32,000	-	32,000
	<u>1,064,032</u>	<u>1,064,032</u>	<u>930,822</u>	<u>133,210</u>
Total Public Safety	<u>6,050,677</u>	<u>6,154,177</u>	<u>5,953,156</u>	<u>201,021</u>
Health and Human Service				
Salaries and wages	6,879	8,879	6,777	2,102
Employee benefits	3,040	3,040	2,905	135
Services and supplies	134,500	136,500	86,402	50,098
	<u>144,419</u>	<u>148,419</u>	<u>96,084</u>	<u>52,335</u>
Culture and Recreation:				
Swimming Pools and Parks				
Salaries and wages	73,827	73,827	63,073	10,754
Employee benefits	18,769	18,771	13,451	5,320
Services and supplies	44,300	44,300	28,342	15,958
Capital outlay	-	-	-	-
	<u>136,896</u>	<u>136,898</u>	<u>104,866</u>	<u>32,032</u>

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

STOREY COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Community Support				
Salaries and wages	150,991	150,991	143,681	7,310
Employee benefits	63,976	63,976	56,957	7,019
Services and supplies	<u>679,200</u>	<u>699,200</u>	<u>688,064</u>	<u>11,136</u>
Total Community Support	<u>894,167</u>	<u>914,167</u>	<u>888,702</u>	<u>25,465</u>
Debt Service:				
Principle	-	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>14,745,369</u>	<u>15,105,371</u>	<u>13,875,756</u>	<u>1,229,615</u>
Excess (Deficiency) of Revenue over Expenditures	<u>1,475,510</u>	<u>1,115,508</u>	<u>5,699,914</u>	<u>4,584,406</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(705,000)	(5,705,000)	(7,049,729)	(1,344,729)
Contingency	<u>(2,576,392)</u>	<u>92,181</u>	<u>-</u>	<u>(92,181)</u>
Total Other Financing Sources (Uses)	<u>(3,281,392)</u>	<u>(5,612,819)</u>	<u>(7,049,729)</u>	<u>(1,436,910)</u>
Net Change in Fund Balance	(1,805,882)	(4,497,311)	(1,349,815)	3,147,496
Fund Balance, July 1	<u>10,135,263</u>	<u>10,135,263</u>	<u>12,454,344</u>	<u>2,319,081</u>
Fund Balance, June 30	<u>\$ 8,329,381</u>	<u>\$ 5,637,952</u>	<u>\$ 11,104,529</u>	<u>\$ 5,466,577</u>

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

STOREY COUNTY, NEVADA
474 FIRE PROTECTION DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Taxes				
Property	\$ 2,910,000	\$ 2,910,000	\$ 3,302,485	\$ 392,485
Intergovernmental revenues				
Supplemental CCRT	1,200,000	1,200,000	1,473,126	273,126
Charges for services				
Fire/ambulance fees	300,000	300,000	381,346	81,346
Inspection fees	348,856	348,856	654,353	305,497
Other fees-Tesla	-	-	102,882	102,882
Special events	3,000	3,000	1,125	(1,875)
Other revenue				
Miscellaneous - other	-	-	154,615	154,615
Total Revenues	<u>4,761,856</u>	<u>4,761,856</u>	<u>6,069,932</u>	<u>1,308,076</u>
<u>EXPENDITURES</u>				
Public Safety				
Salaries and wages	3,402,060	3,402,060	3,303,898	98,162
Employee benefits	1,624,927	1,624,927	1,538,177	86,750
Services and supplies	683,324	683,324	697,329	(14,005)
Capital outlay	30,388	30,388	27,758	2,630
Contingency	-	72,221	-	72,221
Total Expenditures	<u>5,740,699</u>	<u>5,812,920</u>	<u>5,567,162</u>	<u>245,758</u>
Excess (Deficiency) of Revenue over Expenditures	(978,843)	(1,051,064)	502,770	1,553,834
OTHER FINANCING SOURCES (USES)				
Contingency	(172,221)	(172,221)	69,083	241,304
Transfers	(142,000)	(142,000)	(797,271)	(655,271)
Total Other Financing Sources (Uses)	<u>(314,221)</u>	<u>(314,221)</u>	<u>(728,188)</u>	<u>(413,967)</u>
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(1,293,064)	(1,365,285)	(225,418)	1,139,867
Fund Balance, July 1, restated (note XIV)	<u>1,344,379</u>	<u>1,344,379</u>	<u>1,324,050</u>	<u>(20,329)</u>
Fund Balance, June 30	<u>\$ 51,315</u>	<u>\$ (20,906)</u>	<u>\$ 1,098,632</u>	<u>\$ 1,119,538</u>

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

STOREY COUNTY, NEVADA
TRI PAYBACK FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUES</u>			
Intergovernmental 474 Fire District	\$ 142,000	\$ -	\$ 142,000
<u>EXPENDITURES</u>			
General Government Tri Payback	1,500,000	315,587	1,184,413
Excess (Deficiency) of Revenue over Expenditures	(1,358,000)	(315,587)	(1,042,413)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	613,000	755,000	(142,000)
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(745,000)	439,413	(1,184,413)
Fund Balance, July 1	2,257,111	3,154,850	897,739
Fund Balance, June 30	\$ 1,512,111	\$ 3,594,263	\$ 2,082,152

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

STOREY COUNTY, NEVADA
USDA BOND FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUES</u>				
Intergovernmental				
Grants	\$ -	\$ -	\$ 4,528,827	\$ 4,528,827
Bonds	-	2,000,000	-	(2,000,000)
Miscellaneous revenue	251,000	251,000	251,000	-
Total revenues	<u>251,000</u>	<u>2,251,000</u>	<u>4,779,827</u>	<u>2,528,827</u>
<u>EXPENDITURES</u>				
Public safety				
Capital outlay	-	-	4,528,827	(4,528,827)
Excess (Deficiency) of Revenue over Expenditures	251,000	2,251,000	251,000	(2,000,000)
<u>OTHER FINANCING SOURCES (USES)</u>				
Bond proceeds				
Debt service	(204,966)	(204,966)	(204,966)	-
Interest	(188,524)	(188,524)	(188,524)	-
Transfer in	143,000	143,000	143,000	-
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	<u>510</u>	<u>2,000,510</u>	<u>510</u>	<u>(2,000,000)</u>
Fund Balance, July 1	<u>28,920</u>	<u>28,920</u>	<u>29,187</u>	<u>267</u>
Fund Balance, June 30	<u>\$ 29,430</u>	<u>\$ 2,029,430</u>	<u>\$ 29,697</u>	<u>\$ (1,999,733)</u>

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

**STOREY COUNTY, NEVADA
VIRGINIA CITY TOURISM COMMISSION FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUES</u>				
Licenses and permits				
Licenses - permits	\$ 42,800	\$ 42,800	\$ 39,857	\$ (2,943)
Intergovernmental				
Grant revenue	34,000	34,000	15,000	(19,000)
State licenses	2,500	2,500	2,649	149
Room tax	275,000	275,000	307,498	32,498
Tourism tax	340,000	340,000	543,050	203,050
Charges for services				
Special events	425,000	425,000	393,201	(31,799)
CAP service charge (net)	210,000	210,000	141,110	(68,890)
Miscellaneous				
Interest	600	600	1,378	778
Contributions	4,500	4,500	6,335	1,835
Miscellaneous	118,100	118,100	111,249	(6,851)
Total Revenues	<u>1,452,500</u>	<u>1,452,500</u>	<u>1,561,327</u>	<u>108,827</u>
<u>EXPENDITURES</u>				
General government				
Salaries and wages	277,252	288,252	287,675	577
Benefits	127,347	116,347	115,390	957
Services and supplies	966,400	966,400	950,430	15,970
Capital outlay	46,000	46,000	6,914	39,086
Total Expenditures	<u>1,416,999</u>	<u>1,416,999</u>	<u>1,360,409</u>	<u>56,590</u>
Excess (Deficiency) of Revenues over Expenditures	35,501	35,501	200,918	165,417
Fund Balance, July 1	316,011	316,011	252,991	(63,020)
Fund Balance, June 30	<u>\$ 351,512</u>	<u>\$ 351,512</u>	<u>\$ 453,909</u>	<u>\$ 102,397</u>

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

**STOREY COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2019**

	<u>BUSINESS-TYPE ENTERPRISE FUNDS</u>		
	<u>WATER SYSTEM</u>	<u>VIRGINIA DIVIDE SEWER</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Current Assets			
Cash	\$ 2,084,589	\$ 217,645	\$ 2,302,234
Accounts receivable (net allowance)	58,662	32,825	91,487
Total Current Assets	<u>2,143,251</u>	<u>250,470</u>	<u>2,393,721</u>
Noncurrent Assets			
Capital assets - net of accumulated depreciation	<u>5,999,906</u>	<u>18,901,241</u>	<u>24,901,147</u>
Total Assets	<u>\$ 8,143,157</u>	<u>\$ 19,151,711</u>	<u>\$ 27,294,868</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows-pension	<u>\$ 73,288</u>	<u>\$ 41,225</u>	<u>\$ 114,513</u>
<u>LIABILITIES</u>			
Current Liabilities			
Accounts payable	\$ 30,929	\$ 8,790	\$ 39,719
Refundable deposits	25,925	-	25,925
Due to general fund	2,126,000	-	2,126,000
Bonds payable - current portion	-	128,082	128,082
Accrued expenses	<u>15,593</u>	<u>7,467</u>	<u>23,060</u>
Total Current Liabilities	<u>2,198,447</u>	<u>144,339</u>	<u>2,342,786</u>
Long Term Liabilities			
Bonds payable - net of current portion	-	6,550,348	6,550,348
Net pension liability	<u>362,451</u>	<u>203,906</u>	<u>566,357</u>
Total Long Term Liabilities	<u>362,451</u>	<u>6,754,254</u>	<u>7,116,705</u>
Total Liabilities	<u>2,560,898</u>	<u>6,898,593</u>	<u>9,459,491</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows-pension	<u>\$ 69,164</u>	<u>\$ 38,904</u>	<u>\$ 108,068</u>
<u>NET POSITION</u>			
Restricted reserve	131,966	118,884	250,850
Reserved - short lived assets replacement	-	56,271	56,271
Invested in capital assets - net of related debt	5,999,906	12,222,811	18,222,717
Unassigned	<u>(545,489)</u>	<u>(142,527)</u>	<u>(688,016)</u>
Total Net Position	<u>\$ 5,586,383</u>	<u>\$ 12,255,439</u>	<u>\$ 17,841,822</u>

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

**STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGE IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUSINESS-TYPE ENTERPRISE FUNDS</u>		
	<u>WATER SYSTEM</u>	<u>VIRGINIA DIVIDE SEWER</u>	<u>TOTAL</u>
<u>OPERATING REVENUES</u>			
Charges for services	\$ 561,720	\$ 396,850	\$ 958,570
<u>OPERATING EXPENSES</u>			
Salaries and wages	158,847	82,788	241,635
Benefits	44,684	14,744	59,428
Services and supplies	276,600	128,094	404,694
Capital outlay	16,153	-	16,153
Depreciation	102,398	145,762	248,160
Total Operating Expense	<u>598,682</u>	<u>371,388</u>	<u>970,070</u>
Operating Income (Loss)	<u>(36,962)</u>	<u>25,462</u>	<u>(11,500)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Rent and miscellaneous	8,800	-	8,800
Interest income	40,421	46,950	87,371
Interest expense	-	(124,876)	(124,876)
Miscellaneous	5,046	-	5,046
Transfers from capital projects funds	62,806	210,097	272,903
Grants and capital contributions	12,273	3,974,249	3,986,522
Total Nonoperating Revenues (Expenses)	<u>129,346</u>	<u>4,106,420</u>	<u>4,235,766</u>
Change in net position	92,384	4,131,882	4,224,266
Net Position, July 1	<u>5,493,999</u>	<u>8,123,557</u>	<u>13,617,556</u>
Net Position, June 30	<u>\$ 5,586,383</u>	<u>\$ 12,255,439</u>	<u>\$ 17,841,822</u>

**STOREY COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2019**

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER SYSTEM	VIRGINIA DIVIDE SEWER	TOTAL
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Inflows			
Sales of water/sewer fees	\$ 563,498	\$ 397,754	\$ 961,252
Miscellaneous income	5,046	-	5,046
Cash Outflows			
Salaries and wages	(163,054)	(84,190)	(247,244)
Benefits	(81,781)	(35,613)	(117,394)
Services and supplies	(271,754)	(135,031)	(406,785)
	51,955	142,920	194,875
Net Cash Provided (Used) by Operating Activities			
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Cash Inflows			
Rent	8,800	-	8,800
Customer deposits	(580)	-	(580)
Capital outlay	-	(4,271,951)	(4,271,951)
	8,220	(4,271,951)	(4,263,731)
Net Cash Provided (Used) by Non-Capital Financing Activities			
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Cash Inflows			
Other Revenue	-	-	-
Capital contributions	(7,511)	3,920,762	3,913,251
Transfer from funds	82,590	263,582	346,172
Interfund loan	2,126,000	-	2,126,000
Cash Outflows			
Capital outlay and grant match	(1,328,791)	-	(1,454,915)
Debt service	-	(126,124)	(124,876)
Interest expense	-	(124,876)	-
	872,288	3,933,344	4,805,632
Net Cash Provided (Used) by Capital and Related Financing Activities			
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Cash Inflows			
Interest earnings	40,421	46,950	87,371
	972,884	(148,737)	824,147
Net Increase (Decrease) in Cash			
	1,111,705	366,382	1,478,087
Cash, July 1			
	\$ 2,084,589	\$ 217,645	\$ 2,302,234
Cash, June 30			

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

STOREY COUNTY, NEVADA
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2019

	<u>AGENCY FUNDS</u>
<u>ASSETS</u>	
Cash and cash equivalents	<u>\$ 1,573,266</u>
<u>LIABILITIES</u>	
Due to other governments	<u>\$ 1,573,266</u>
Net Assets	<u>\$ -</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Storey County, Nevada, a local government created under the provisions of Nevada Revised Statutes 243.110, is governed by an elected three-member board of commissioners. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government.

Blended Component Units - The Virginia Divide Sewer Improvement District is under the direct oversight of the Storey County Board of Commissioners. The rates for users charges and bond issuance authorizations are approved by the County Commissioners, and the legal liability for the Virginia Divide Sewer District's debt remains with Storey County. The District is reported as an enterprise fund.

Effective July 1, 2014, the Storey County Fire Protection District 474 was created by the Storey County Board of Commissioners. This entity supersedes the Fire, and Fire District Special Revenue Funds. The governing body of the new Fire Protection District 474 is the Board of County Commissioners and it can impose its will and will be reported as a Special Revenue Fund.

The Board of County Commissioners directly appoints the governing board of the Virginia City Tourism Commission (VCTC). The county personnel provide essentially all services, accounting, budgeting and other record keeping for the commission. The VCTC has elected to be reported as a major fund (Special Revenue) in the County financial statements.

Excluded from the reporting entity - Storey County Schools, Storey County Senior Center, and Canyon General Improvement District.

These potential component units have separate elected or appointed boards and provide services to residents, generally within the geographic boundaries of the government. These potential component units are excluded from the reporting entity because the government does not have the ability to exercise influence over their daily operations, approve budgets, or provide funding.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported, separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degrees to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Gross receipts and sales taxes are considered "measurable when in the hands of intermediary collecting agents or governments." Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Anticipated refunds of taxes are recorded as liabilities and reductions of revenue when they are measurable and the payment seems certain. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The government reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Fire Protection District 474 Special Revenue Fund* accounts for money received primarily from intergovernmental sources. Expenditures are for County fire protection including the purchase of machinery and equipment to provide such services.

The *Tri Payback Fund* accounts for monies which shall be required to be paid back to the developers of the Tahoe-Reno Industrial Center as detailed in Note XV.

The *Road Special Revenue Fund* accounts for money received primarily from gasoline taxes and other intergovernmental sources. Expenditures are for the construction and maintenance of County roads and bridges and other road related infrastructure and the purchase of machinery and equipment required to do such work. (Elected to be reported as a major fund.)

The *USDA Bond Special Revenue Fund* accounts for money received from USDA Bonds to improve water and waste disposal in Storey County and purchase additional fire and ambulance equipment for the Fire Protection District 474.

The *Virginia City Tourism Commission Special Revenue Fund* promotes tourism for Storey County and Virginia City through advertising and promotion of special events and attractions located within the County. (Elected to be reported as a major fund.)

The government reports the following major proprietary funds:

The *Water System Fund* accounts for the activities of the Virginia City/Gold Hill water distribution system.

The *Virginia Divide Sewer System Fund* accounts for the operations of the sewage treatment plant, pumping stations, and collection systems.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer functions. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *Program Revenues* include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as *General Revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

1. DEPOSITS AND INVESTMENTS

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, short term investments with original maturities of three months or less from the date of acquisition, and the State Treasurer's investment pool. Investments are reported at fair value.

2. RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds."

All trade receivables are shown net of an allowance for uncollectible. No allowance is recorded for property tax receivables. Property taxes are levied as of July 1 on property values assessed on the same date. The tax levy may be paid in four installments by the third Monday in August and the first Monday in October, January, and March. There is a ten day grace period allowed for each installment. Penalties and interest are assessed on all delinquent collections. Liens are filed on the property at one year's delinquency.

3. INVENTORIES AND PREPAID ITEMS

No inventories are maintained by the government for either operating or office supplies. These items are recorded as expenditures when purchased, rather than when consumed. The VCTC maintains an inventory of resale souvenir items which are presented at cost.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. RESTRICTED ASSETS AND RESERVED FUNDS

At June 30, 2019, the County had the following restricted fund balances: a) 474 Fire Protection District Fund - \$142,640; b) Virginia Divide Sewer Improvement District - \$118,884; and c) Water System Fund - \$131,966.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

5. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure (i.e., roads, bridges, sidewalks, storm drains, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$3000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

<u>Asset</u>	<u>Years</u>
Public and System Infrastructure	20-100
Vehicles	5-10
Office Equipment	5-10
Equipment	10-20
Buildings	75-100
Building Improvements	35-50
Computer Equipment	5
Furniture and Fixtures	7-10

6. COMPENSATED ABSENCE

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vested or accumulated vacation pay that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the fund that will pay it. Amounts of vested or accumulated vacation pay that are not expected to be liquidated with expendable available financial resources are reported as long term debt. No expenditure is reported for these amounts. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However a liability is recognized for that portion of accumulated sick leave benefits that is required to be paid upon termination. All employees with a minimum accrued sick leave of 360 hours to a maximum of 960 hours (except for fire department – no maximum) shall be paid at retirement or termination of service, other than involuntary termination as follows:

<u>Years of Continuous Service</u>	<u>Other Employees Rate of Pay</u>	<u>Fire Department Rate of Pay</u>
5 years but less than 10 years	12.5¢ on the Dollar	20.0¢ on the Dollar
10 years but less than 15 years	25.0¢ on the Dollar	
10 years but less than 20 years		35.0¢ on the Dollar
15 years but less than 20 years	40.0¢ on the Dollar	
20 years or more	50.0¢ on the Dollar	50.0¢ on the Dollar

The maximum sick leave paid upon termination shall be \$5,000 for all employees except law enforcement and firemen

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Payment for Sick Leave at Termination: Upon an employee's end of service through PERS retirement or termination from service (other than involuntary termination) with total accrued hours of three hundred sixty (360) or more, the Employee shall be paid for unused sick leave at the following rate:

- a. 10 to 15 years of service shall be paid at a rate of 20% of their base rate of pay for each hour, not to exceed \$2,500 cash or \$3,125 toward the purchase of PERS.
- b. 15 to 20 years of service shall be paid at a rate of 40% of their base rate of pay for each hour, not to exceed \$3,500 cash or \$4,375 toward the purchase of PERS.
- c. More than 20 years of service shall be paid at a rate of 60% of their base rate of pay for each hour, not to exceed \$5,000 cash or \$6,250 toward the purchase of PERS.

7. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports an amount related to pensions on the government-wide financial statements.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County reports amounts related to pensions on the government wide financial statement. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities, business-type activities, or proprietary fund type statement of net assets.

The County currently has no long term bonds payable in the governmental funds. The revenue bonds reported in the proprietary fund types incurred no bond premiums or discounts and therefore have no deferred charges or amortization.

The County has a long-term obligation relating to the Tahoe-Reno Industrial Center (TRI) – see Note XVII for details.

9. NET POSITION

In the government-wide and proprietary fund financial statements, net position is reported as net investment in capital assets, restricted, or unrestricted. Net position is reported as restricted when constraints placed on it are either imposed by external parties (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

10. **FUND BALANCE**

Fund balances of the governmental funds are classified in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as follows:

Nonspendable fund balances include items that cannot be spent, such as amounts that are not in a spendable form (for example, inventories and prepaid items) and amounts that are legally or contractually required to remain intact, such as a permanent fund principal balance.

Restricted fund balances have constraints placed upon the use of the resources either by external parties (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

Committed fund balances can be used only for specific purposes pursuant to constraints imposed by an ordinance of the County Commission, which is the County's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

11. **ESTIMATES**

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. Accordingly, these estimates may require revision in future periods. Significant estimates include compensated absences, pension and other postemployment benefits, collectability of receivables, and useful lives of capital assets.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

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

1. Prior to April 15, the County budget officer submits to the County Commissioners the tentative operating budgets (4) for the fiscal years commencing the following July 1. The operating budgets include proposed expenditures and the means of financing them.
2. The tentative budgets are filed with the State Department of Taxation by April 15.
3. A public hearing is conducted at the County Court House to obtain taxpayers comments (3rd Monday in May).
4. The final budgets are adopted and filed with the State Department of Taxation. Final budgets must be certified by a majority of all members of the governing body. The final budgets must be adopted on or before June 1.
5. Budget amounts may be transferred within funds if the governing body is advised and the action is recorded in the official minutes of the next meeting. Revisions that alter the total expenditures of any fund must be approved by the County Commissioners. Budget revisions must also be filed with the State Department of Taxation.

**STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

6. Budgets for the General, Special Revenues, Debt Service, Proprietary, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget augmentations were prepared for the general, various special revenue funds and enterprise funds during the fiscal year ended June 30, 2019
8. All budget appropriations lapse at the end of each fiscal year.

In accordance with state statute, actual expenditures may not exceed budgetary appropriations of the various governmental programs of the General Fund or total appropriations of the Special Revenue and Capital Projects Funds, except as expressly authorized by law.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2019, expenditures exceeded appropriations as follows:

	Expenditures	Appropriations
USDA Bond Fund	\$ 4,528,827	\$ -
Federal/State Grant Special Revenue Fund	196,497	75,000
Indigent Accident Special Revenue Fund	90,718	81,500
Virginia Divide Sewer Improvement District	371,388	339,477

C. DEFICIT FUND EQUITY

The Emergency Mitigation Fund incurred a deficit fund equity at June 30, 2019 in the amount of \$10,692.

D. COMPLIANCE – NRS 354.624

Storey County has two enterprise funds: The Water System Enterprise Fund and the Virginia-Divide Sewer Improvement District Enterprise Fund. Storey County also maintains agency funds as follows: State of Nevada Fund Storey County School District Fund, Storey County School District Debt Service Fund. The County maintains no internal service funds, self-insurance funds, or funds whose balance is required by law to be used for a specific purpose other than the payment of compensation to a bargaining unit as defined in NRS 288.028 or carried forward to the succeeding fiscal year in any designated amount.

All enterprise and agency funds maintained by Storey County:

- a) are being used in accordance with NRS 354.624.
- b) are being administered in accordance with generally accepted accounting procedures.
- c) all reserves in the funds are reasonable and necessary to carry out the purposes of the funds.
- d) reflect the sources of revenues available for the fund during the fiscal year – including transfers from other funds.
- e) are following the statutory and regulatory requirements applicable to the funds
- f) reflect the balance and retained earnings of the funds.

Storey County has \$393,490 restricted and reserved in all funds.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

III. CASH AND INVESTMENTS

In accordance with Nevada Revised Statutes (NRS), the County's cash is deposited with insured banks and those deposits that are not within the limits of insurance must be secured by collateral. At year end, the County's carrying amount of deposits was \$4,194,646 and the bank balance was \$4,424,717. The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected in the bank records

Custodial Risk- All deposits are subject to custodial credit risk, which is the risk that the County's deposits may not be returned to it in the event of a bank failure. Bank balances were covered by Federal Depository Insurance, the Securities Investor Protection Corporation, collateral held by the County's agent in the County's name or by collateral held by depositories in the name of the Nevada Collateral Pool, and were not exposed to custodial credit risk. The County does not have a formal policy relating to custodial credit risk, but follows NRS. According to NRS 356.020, all monies deposited by a county treasurer that are not within the limits of insurance provided by an instrumentality of the United States must be secured by collateral composed of the same types of securities allowed for investments which are identified below. The County participates in the State of Nevada Collateral Pool which requires depositories to maintain as collateral acceptable securities having a fair market value of at least 102 percent of the amount of the uninsured balances of the public money held by the depository. Under NRS 356.360, the State Treasurer manages and monitors all collateral for all public monies deposited by members of the pool.

Interest Rate Risk- Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. As noted above, the County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in the statute. The County restricts notes, bonds, and other unconditional obligations at the time of purchase to have a remaining term to maturity of not more than 10 years as described by Nevada state law.

Credit Risk- NRS allows investments in obligations of the U.S. Treasury and U.S. agencies, municipal bonds issued by local governments of the State, corporate bonds rated "A" or better by a nationally recognized rating service, commercial paper rated "A-1," "P-1" or better by a nationally recognized rating service, repurchase agreements, certificates of deposit, money market mutual funds rated "AAA" by a nationally recognized rating service or other securities in which banking institutions may legally invest.

At June 30, 2019, the County's investments are rated as follows

	Reported <u>Fair Value</u>	Quality <u>Rating</u>
Money Market Mutual Fund	\$ 7,735,434	AAA
Certificates of Deposit	747,120	A-1+
Certificates of Deposit	496,848	A-2
Certificates of Deposit-fdic guaranteed	14,763,602	Unrated
U.S. Agency Securities	4,544,117	AAA
U.S. Agency Securities	301,402	AA+
Corporate Bonds	840,145	A
Corporate Bonds	354,454	A-
State of Nevada Local Investment Pool	<u>2,419,380</u>	Unrated
	<u>\$ 32,202,502</u>	

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

- Level 1- Inputs are quoted prices in active markets for identical assets
- Level 2- Inputs are significant other observable inputs
- Level 3- Inputs are significant unobservable inputs

The County does not have any investments that are measured using Level 3 inputs

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Cash and investments are categorized by fund type as follows:

Governmental funds	\$	32,620,644
Proprietary funds		2,303,234
Fiduciary funds		<u>1,573,266</u>
	\$	<u>36,497,144</u>

As of June 30, 2018, the County had the following recurring fair value measurements below:

<u>Investment Type</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>	
		<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>
Money Market Mutual Fund	\$ 7,735,434	\$ 7,735,434	\$ -
Certificates of Deposit	16,107,570	16,107,570	-
U.S. Agency Securities	4,845,519	4,845,519	-
Corporate Bonds	<u>1,194,599</u>	<u>-</u>	<u>1,194,599</u>
Total investments by fair value level	<u>\$ 29,883,122</u>	<u>\$ 28,688,523</u>	<u>\$ 1,194,599</u>

Investments not required to be measured at fair value

State of Nevada Local Investment Pool	<u>2,419,380</u>
Total Investments	<u>\$ 32,302,502</u>

At year end the County had the following investments and maturities

<u>Investment Type</u>	<u>Total</u>	<u>Investment Maturities in Years</u>	
		<u>Less Than 1</u>	<u>1-5</u>
Money Market Mutual Fund	\$ 7,735,434	\$ 7,735,434	\$ -
Certificates of Deposit	16,107,570	4,179,275	11,928,295
U.S. Agency Securities	4,845,519		4,845,519
Corporate Bonds	1,194,599	268,291	926,308
State of Nevada Local Investment Pool	<u>2,419,380</u>	<u>2,419,380</u>	<u>-</u>
Total Investments	32,302,502	<u>\$ 14,602,380</u>	<u>\$ 17,700,122</u>
Total cash and cash equivalents	<u>4,194,642</u>		
Total cash, cash equivalents and investment	<u>\$ 36,497,144</u>		

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

IV. RECEIVABLES

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Roads</u>	<u>474 Fire District</u>	<u>USDA</u>	<u>VCTC</u>	<u>Non-Major Funds</u>	<u>Proprietary Funds</u>	<u>Total</u>
Receivables:								
Taxes	\$ 69,207	\$ -	\$ 21,215	\$ -	\$ -	\$ 2,327	\$ -	\$ 92,749
Accounts	<u>582,157</u>	<u>216,082</u>	<u>501,002</u>	<u>-</u>	<u>105,814</u>	<u>105,814</u>	<u>91,487</u>	<u>1,602,356</u>
Gross Receivables	<u>651,364</u>	<u>216,082</u>	<u>522,217</u>	<u>-</u>	<u>105,814</u>	<u>108,141</u>	<u>91,487</u>	<u>1,695,105</u>

The delinquent taxes receivable account represents the past three years of uncollected tax levies. No allowance for uncollectible has been recorded by the County. Taxes received after 60 days of the year end are recorded as deferred revenue.

Accounts receivable include intergovernmental receivables. All accounts receivable, with the exception of the enterprise fund, were collected within a 60 day period, therefore no allowance for uncollectible was recorded in those funds.

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year the various components of *deferred revenue* reported in the governmental funds were as follows:

General Fund-Delinquent property taxes receivable:	\$ 31,653
454 Fire District Fund-Delinquent property taxes receivable:	9,700
454 Fire District Fund-Ambulance receivable	124,893
Non-major funds-Delinquent property taxes receivable:	<u>1,061</u>
Total	<u>\$ 167,307</u>

V. INTER-FUND ASSETS/LIABILITIES

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due or, (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The following are transfers that meet one of the three descriptions above:

<u>From</u>	<u>To</u>	
General Fund	Capital Projects	\$ 5,000,000
General Fund	TRI Payback	600,000
General Fund	Pipers Opera House	105,000
Infrastructure Fund	Capital Projects	843,197
Equipment Acquisition	USDA	143,000
Equipment Acquisition	TRI Payback	13,000
Fire District 474	TRI Payback	<u>142,000</u>
		<u>\$ 6,846,197</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

V. INTER-FUND ASSETS/LIABILITIES

During the year several non routine transfers were made between funds:

The following are the transfers and reasons:

<u>From</u>	<u>To</u>	<u>Amount</u>
Capital projects	Sewer	263,582

This transfer was used to pay for the construction of a new sewer plant

Capital project	Water Systems	82,590
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This transfer was used to pay for the construction of the new water line

Fire District 474	Equipment Acquisition	2,000,000
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This transfer was related to the purchase of fire engines that originally was charged to the Equipment Acquisition fund.

General fund	Fire District 474	1,344,729
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This transfer relates to Tesla income from prior years that had been allocated to the General Fund. It has been reallocated to the Fire District 474.

Water Systems	Capital Projects	19,784
Sewer	Capital Projects	53,485
Roads Fund	Capital Projects	8,750

This transfer is for capital improvements that were paid for by the Capital Projects Fund.

During the year a interfund loan was made. The general fund loaned money to the Water Systems Fund. This transfer was made for expenses related to the new water pipeline. The county has applied and been granted a USDA loan to finance these expenses. Once the USDA loan is funded the Water System Fund will repay the funds to the general fund. This is anticipated to occur within one year.

The balance at June 30, 2019

To	From	Amount
General Fund	Water Systems	2,126,000

VI. PROPERTY TAXES

Property taxes attach as an enforceable lien as of July 1. The tax is levied for the fiscal year beginning July 1 after the Nevada

Taxes on the property are due on the third Monday in July. Taxes may be paid in quarterly installments, due on the third Monday of July and the first Monday in October, January, and March. Penalties are added if the installments are not made within ten (10) days of the due date.

STOREY COUNTY, NEVADA
ROADS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Intergovernmental				
Gasoline tax	\$ 360,000	\$ 360,000	\$ 315,323	\$ (44,677)
Supplemental CCRT	350,000	350,000	548,812	198,812
Charges for services				
Import tonnage fees	180,000	180,000	219,137	39,137
Excavation	1,200	1,200	9,321	8,121
Other revenue				
Interest	20,000	20,000	21,868	1,868
Equipment sales	-	-	133,333	133,333
Miscellaneous	1,000	1,000	1,503	503
Total Revenue	<u>912,200</u>	<u>912,200</u>	<u>1,249,297</u>	<u>337,097</u>
<u>EXPENDITURES</u>				
Highways and Streets				
Salaries and wages	294,977	294,977	255,298	39,679
Employee benefits	118,005	118,005	135,589	(17,584)
Services and supplies	260,750	260,750	205,956	54,794
Capital outlay	231,618	231,618	113,211	118,407
Total Expenditures	<u>905,350</u>	<u>905,350</u>	<u>710,054</u>	<u>195,296</u>
Excess (Deficiency) of Revenues over Expenditures	6,850	6,850	539,243	532,393
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	-	-	(8,750)	-
Fund Balance, July 1	<u>3,146</u>	<u>3,146</u>	<u>400,253</u>	<u>397,107</u>
Fund Balance, June 30	<u>\$ 9,996</u>	<u>\$ 9,996</u>	<u>\$ 930,746</u>	<u>\$ 929,500</u>

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

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

VII. CAPITAL ASSETS (INCLUDING VCTC FUND)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Primary Government				
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 810,921	\$ -	\$ -	\$ 810,921
Antique Furniture	75,000	-	-	75,000
Construction in progress	<u>1,334,163</u>	<u>21,326</u>	-	<u>1,355,489</u>
Total Capital Assets not being depreciated	<u>2,220,084</u>	<u>21,326</u>	-	<u>2,241,410</u>
Capital Assets being depreciated				
Buildings	10,676,025	50,880	-	10,726,905
Improvements other than buildings	48,566,848	729,276	-	49,296,124
Machinery and equipment	<u>14,927,725</u>	<u>1,227,843</u>	-	<u>16,155,568</u>
Total Capital Assets being depreciated	<u>74,170,598</u>	<u>2,007,999</u>	-	<u>76,178,597</u>
Less accumulated depreciation for:				
Buildings	3,049,069	203,509	-	3,252,578
Improvements other than buildings	9,932,172	1,388,953	-	11,321,125
Machinery and equipment	<u>7,642,532</u>	<u>999,199</u>	-	<u>8,641,731</u>
Total accumulated depreciation	<u>20,623,773</u>	<u>2,591,661</u>	-	<u>23,215,434</u>
Governmental activities capital assets - net	<u>\$ 55,766,909</u>	<u>\$ (562,336)</u>	<u>\$ -</u>	<u>\$ 55,204,573</u>
Business type activities				
Capital Assets not being depreciated				
Construction in progress	<u>\$ 9,264,221</u>	<u>\$ 5,528,914</u>	<u>\$ -</u>	<u>\$ 14,793,135</u>
Capital assets being depreciated				
Water and sewer system	13,090,422	-	-	13,090,422
Machinery and equipment	<u>668,124</u>	<u>55,675</u>	-	<u>723,799</u>
Total Capital assets being depreciated	<u>13,758,546</u>	<u>55,675</u>	-	<u>13,814,221</u>
Less accumulated depreciation for:				
Water and sewer systems	2,860,834	226,477	-	3,087,311
Machinery and equipment	<u>597,215</u>	<u>21,683</u>	-	<u>618,898</u>
Total accumulated depreciation	<u>3,458,049</u>	<u>248,160</u>	-	<u>3,706,209</u>
Business type activities capital assets - net	<u>\$ 19,564,718</u>	<u>\$ 5,336,429</u>	<u>\$ -</u>	<u>\$ 24,901,147</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Depreciation expense was charged to functions programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,596,709
Public safety	677,420
Highways and streets, including depreciation of general infrastructure assets	220,139
Judicial	1,325
Community support	71,783
Culture and recreation	<u>24,285</u>
Total depreciation expense - Governmental activities	<u>\$ 2,591,661</u>
Business type activities:	
Water	\$ 102,398
Sewer	<u>145,762</u>
Total depreciation expense - Business type activities	<u>\$ 248,160</u>

VIII. LONG-TERM OBLIGATIONS

The following is a summary of the Long-Term Obligations of the County:

	<u>Date Issue</u>	<u>Maturity Date</u>	<u>Original Note/issue</u>	<u>Interest Rate</u>	<u>Balance 6/30/2019</u>
<u>Revenue Bonds</u>					
<u>Governmental</u>					
Virginia City Rail Bond-Series 2010A	12/28/2010	12/1/2027	\$ 890,000	8.000%	\$ 552,000
Virginia City Rail Bond-Series 2010B	12/28/2010	12/1/2027	859,000	5.000%	544,000
Storey County Fire District USDA Loan	1/8/2015	7/8/2034	<u>2,000,000</u>	3.750%	<u>1,651,799</u>
			<u>\$ 3,749,000</u>		<u>\$ 2,747,799</u>
<u>Business Type Activities</u>					
Water Revenue Bonds	1/28/1997	1/1/2037	\$ 714,000	0.045%	\$ -
Sewer Revenue Bonds	5/20/2015	5/12/2055	3,002,000	2.500%	2,814,125
Sewer Revenue Bonds	12/20/2016	12/20/2056	<u>4,058,000</u>	1.375%	<u>3,864,305</u>
			<u>\$ 7,774,000</u>		<u>\$ 6,678,430</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

The following represents the current activity in the Long-Term Obligations of the County:

	<u>Balance</u> <u>6/30/2018</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance</u> <u>6/30/2019</u>	<u>Principle</u> <u>Due 19-20</u>
<u>Revenue Bonds</u>					
Governmental					
Virginia City Rail Bond-Series 2010A	\$ 601,000	\$ -	\$ 49,000	\$ 552,000	\$ 51,000
Virginia City Rail Bond-Series 2010B	591,000	-	47,000	544,000	49,000
Storey County Fire District USDA Loan	1,730,640	-	78,841	1,651,799	78,841
	<u>\$ 2,922,640</u>	<u>\$ -</u>	<u>\$ 174,841</u>	<u>\$ 2,747,799</u>	<u>\$ 178,841</u>
<u>Business Type Activities</u>					
Sewer Revenue Bonds	\$ 2,862,003	\$ -	\$ 47,878	\$ 2,814,125	\$ 48,897
Sewer Revenue Bonds	3,942,551	-	78,246	3,864,305	79,185
	<u>\$ 6,804,554</u>	<u>\$ -</u>	<u>\$ 126,124</u>	<u>\$ 6,678,430</u>	<u>\$ 128,082</u>
<u>Long-Term Liabilities</u>					
Compensated Absences	\$ 760,526	\$ 37,140	\$ -	\$ 797,666	\$ -
TRI-Construction repayment	41,352,843	-	315,587	41,037,256	-
	<u>\$ 42,113,369</u>	<u>\$ 37,140</u>	<u>\$ 315,587</u>	<u>\$ 41,834,922</u>	<u>\$ -</u>

The annual requirements to amortize the outstanding revenue bonds are as follows:

Year Ended <u>June 30</u>	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 181,839	\$ 128,896	\$ 128,082	\$ 122,768
2021	189,952	119,098	130,750	120,100
2022	198,183	108,857	133,135	117,715
2023	206,536	98,169	135,568	115,282
2024	216,017	87,003	137,741	113,109
2025-2029	1,077,119	253,971	728,932	525,318
2030-2034	641,298	71,902	798,872	455,359
2035-2039	36,855	346	876,236	378,015
2040-2044	-	-	961,674	292,577
2045-2049	-	-	1,056,612	197,639
2050-2054	-	-	1,161,621	92,630
2055-2059	-	-	429,207	9,706
Total	<u>\$ 2,747,799</u>	<u>\$ 868,242</u>	<u>\$ 6,678,430</u>	<u>\$ 2,540,218</u>

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

IV. SEGMENT INFORMATION – PROPRIETARY FUNDS

Summary information for the Proprietary funds is presented below:

	Water Fund	Virginia Divide Sewer Fund
CONDENSED STATEMENT OF NET ASSETS		
ASSETS		
Current assets	\$ 2,143,251	\$ 250,470
Capital assets (net accumulated depreciation)	5,999,906	18,901,241
Total Assets	8,143,157	19,151,711
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows-pension	73,288	41,225
 LIABILITIES		
Current liabilities	2,198,447	144,339
Non-current liabilities	362,451	6,754,254
Total Liabilities	2,560,898	6,898,593
 DEFERRED INFLOWS OF RESOURCES		
Deferred inflows-pension	69,164	38,904
 NET POSITION		
Restricted reserve	131,966	118,884
Reserved - Short lived asset replacement	-	56,271
Invested in capital assets - net of related debt	5,999,906	12,222,811
Unrestricted	(545,489)	(142,527)
Total Net Position	\$ 5,586,383	\$ 12,255,439
 CONDENSED STATEMENT OF REVENUES AND EXPENSES		
Operating revenue	\$ 561,720	\$ 396,850
Depreciation	(102,398)	(145,762)
Other operating expenses	(496,284)	(225,626)
Operating income (loss)	(36,962)	25,462
 Non-operating revenues (expenses)		
Rent and miscellaneous	8,800	-
Interest income	40,421	46,950
Interest expense	-	(124,876)
Miscellaneous	5,046	-
Transfers from capital projects funds	62,806	210,097
Grants and capital contributions	12,273	3,974,249
Change in net assets	\$ 92,384	\$ 4,131,882
 CONDENSED STATEMENTS OF CASH FLOWS		
Net cash provided (used) by		
Operating activities	\$ 51,955	\$ 142,920
Non-capital financing activities	8,220	(4,271,951)
Capital and related financing activities	872,288	3,933,344
Investing Activities	40,421	46,950
Net increase (decrease) in cash	972,884	(148,737)
Cash - beginning	1,111,705	366,382
Cash - ending	\$ 2,084,589	\$ 217,645

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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X. CONTINGENT LIABILITIES

The County is involved in various lawsuits. There were two lawsuits that required a contingent Liability to be recorded for the year ended 6/30/19. Each case the liability was probable and could be reasonably estimated.

The first liability involved a sexual harassment suit brought against the County's sheriff. The suit was settled in December of 2019 for \$250,000. The Nevada Public Agency Insurance Pool will pay \$170,000 and the County will pay \$80,000. A liability has been booked for \$80,000.

The second liability involved a dispute concerning the collective bargaining agreement between the County's Fire Protection District and the Storey County Fire Fighters' Association IAFF Local 4227. This matter is still open, but the County believes it probable they will have to pay \$165,000 to settle the dispute. A Liability for this amount has been established for this amount.

The County receives grant funds from Federal and State agencies. The grant programs are subject to audit by agents of the granting authority. The purpose of the audits is to ensure compliance with conditions precedent to the granting of the funds. Management does not anticipate any liability in the event of an audit.

XI. DEFINED BENEFITS PLAN

General Information about the Pension Plan

Plan Description: All permanent, full-time employees are provided pensions through the Public Employees Retirement Plan (PERS). The plan is a multiple-employer defined benefit pension plan administered by the Public Employees' Retirement System of Nevada. Chapter 286 of the Nevada Revised Statutes (NRS) establishes a governing board, appointed by the Governor, that is responsible for managing the System, including arranging for a biennial actuarial valuation and adoption of actuarial tables and formulas prepared and recommended by the actuary.

Benefits Provided: Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly Benefit allowances for members are computed at 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by the authority of NRS 286.575-.579

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, or at any age with thirty years of service.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, at age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

Contributions: The authority for establishing and amending the obligation to make contributions, and member contribution rates, is set by statute. The contribution rates are based on biennial actuarial valuations and expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. New hires in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan.

The County's contributions to the plan totaled \$1,214,802 for the year ended June 30, 2019.

Pension Liabilities, Expense, and Deferred Outflows/ Inflows of Resources Related to Pensions

At June 30, 2018, the County reported a liability of \$19,998,860 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the plan's net pension liability was based on the County's combined employer and member contributions to the pension plan relative to the contributions of all participating entities for the year ended June 30, 2018. At June 30, 2018, the County's proportion share was .14664% in year 2018, while year 2017 was .15490%.

For the year ended June 30, 2019, the County recognized pension expense of \$1,568,057. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 928,290
Changes in assumptions or other inputs	1,053,814	-
Net difference between projected and actual earnings on pension plan investments	626,509	95,213
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	4,070,348	3,024,024
County contributions subsequent to the measurement date	1,214,802	-
	\$ 6,965,473	\$ 4,047,527

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2019	\$	1,186,965
2020		316,132
2021		(813,744)
2022		440,394
2023		504,929
2024		68,468
		68,468
	\$	1,703,144

In addition, \$1,214,802 is reported as deferred outflows of resources related to pensions and represents County's contributions subsequent to the measurement date. The amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Actuarial Assumptions: When measuring the total pension liability, GASB uses the same actuarial cost method, all actuarial assumptions, and the same type of discount rate as PERS uses for funding.

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation Rate	2.75%
Payroll Growth	5.0%, including inflation
Investment Rate of Return	7.5%
Productivity Pay Increases	0.5%
Projected Salary Increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.9%, depending on service Rates include inflation and productivity increases
Consumer Price Index	2.75%
Other Assumptions	Same as those used in the June 30, 2018 funding actuarial valuation

The Board evaluates and establishes expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these capital market expectations annually. The PERS' current long-term geometric expected real rates of return for each asset class included in the plan's investment portfolio as of June 30, 2018, are included in the following table:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%

*As of June 30, 2018, PERS' long-term inflation assumption was 2.75%.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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Discount Rate : The discount rate used to measure the total pension liability was 7.50% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts

consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except that project contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate : The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
\$ 30,496,727	\$ 19,998,860	\$ 11,274,873

Additional Information : Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Comprehensive Annual Financial Report (CAFR) available on the PERS website at www.nvpers.org under Quick Links – Publications.

XIII. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB):

The County recognizes two different health programs for retirees. Retirees had the option to participate in the County's regular health insurance plan or to join the Nevada Public Employees' Benefits Plan (PEBP). Each plan includes medical, dental and vision benefits for the retiree and the ability for the retiree to cover their spouse at their own cost. The legislature eliminated the option to join PEBP for County employees who retire after November 29, 2008.

Retirees may choose to stay on the County's regular health insurance plan. The retiree is required to pay the full amount of their coverage. However, the coverage rates are the same regardless of age, so the County contributes an implicit subsidy for retirees. The County renegotiates their health insurance plan on a regular basis, and may make plan modifications on rates or coverages accordingly

The County contributes to PEBP, an agent multiple employer defined healthcare plan. PEBP is administered by State and established pursuant to NRS 287.023. This plan is subject to amendment by the State of Nevada each biennium when the legislature is in session. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
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Storey County's total OPEB liability of \$16,449,497 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	4.00%
Discount rate	3.87%

The discount rate was based on the applicable municipal bond index

Mortality rates were based on MacLeod Watts Scale 2018

Changes in Total OPEB Liability

	PEBP	County	Total
Balance 6/30/18	\$ 509,045	\$ 17,997,165	\$ 18,506,210
Changes for the year			
Service Cost	-	1,753,249	\$ 1,753,249
Cost of Plan Changes	-	1,281,228	
Interest	17,460	693,906	\$ 711,366
Changes of benefit terms	-	-	\$ -
Differences between expected and actual experience	(44,366)	(4,504,358)	(4,548,724)
Changes in assumptions or other inputs	4,243	(1,043,203)	\$ (1,038,960)
Benefit Payments	(28,848)	(186,024)	\$ (214,872)
Net changes	<u>\$ (51,511)</u>	<u>\$ (2,005,202)</u>	<u>\$ (2,056,713)</u>
Balance 6/30/19	<u>\$ 457,534</u>	<u>\$ 15,991,963</u>	<u>\$ 16,449,497</u>

Sensitivity of the County's Proportionate Share of the OPEB Liability to Changes in the Discount Rate: The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.87%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.87%) or 1 percentage point higher (4.87%) than the current rate:

	1% Decrease (2.53%)	Discount Rate (3.53%)	1% Increase (4.53%)
Net OPEB liability	\$ 19,849,190	\$ 16,449,497	\$ 13,808,225

Sensitivity of the County's Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate:

	1% Decrease	Discount Rate <u>Current Trend</u>	1% Increase
Net OPEB liability	\$ 13,387,850	\$ 16,449,497	\$ 20,530,503

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

For the year ended June 30, 2019, the County recognized OPEB expense of \$2,725,715. At June 30, 2019 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ -	\$ 2,979,854
Difference between expected and actual experience	-	4,081,810
Deferred contributions	<u>226,280</u>	<u>-</u>
Total	<u>\$ 226,280</u>	<u>\$ 7,061,664</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows

2020	\$ (753,725)
2021	(753,725)
2022	(753,725)
2023	(753,725)
2024	(753,725)
Thereafter	<u>(3,293,039)</u>
	<u>\$ (7,061,664)</u>

XIII. SOLID WASTE LANDFILL – LOCKWOOD

In 1992 Refuse, Inc. received an amended special use permit from Storey County for the operation of a solid waste landfill, conditioned on meeting all of the requirements of federal landfill regulations (Subtitle D, 40CFR Parts 257 and 258). Under the terms of the agreement Refuse, Inc. is responsible for all closure and post closure costs. Estimated costs for closure are \$3,138,388 and the cost for post closure maintenance is \$12,865,241 for a total of \$16,003,629. There are currently no corrective action costs nor other environmental obligations. Refuse, Inc. is in complete compliance with the Financial Assurance Requirements of 40CFR, part 258, Subpart G, as well as Nevada Administrative Code 444.685 – 444.6859. The closure and post closure costs are insured through Liberty Mutual Insurance Company. As of this statement date, closure/post closure revisions by Waste Management have not been completed.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

XIV. RISK MANAGEMENT

Storey 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. Storey County has joined together with other counties in the state to form Nevada Public Agency Insurance Pool, a public entity risk pool currently operating as a common risk management and insurance program for 41 governmental entities. The county pays an annual premium to Ingalls and Associates for its general insurance coverage through PENCO. The Agreement for Formation of the NPAIP program provides that NPAIP will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for Property and Crime and \$150,000 for Casualty for each insured event.

The County continues to carry commercial insurance for all other risks or loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

XV. TAHOE-RENO INDUSTRIAL CENTER

On February 2, 2000, Storey County, Nevada entered into a development agreement with the Tahoe-Reno Industrial Center LLC along with DP Operating Partnership, LP for the purposes of completing structures, including grading, infrastructure, and all public facilities related to the property owned by TRI, which consists of approximately 102,000 acres, of which approximately 9,000 acres is zoned for industrial usage within Storey County. The development agreement represents the commitment between Storey County and TRI to fund the capital infrastructure costs and local community services required by the project.

According to the agreements, TRI is responsible for the construction of the project public infrastructure, which shall be dedicated to and maintained by Storey County. Such infrastructure includes streets, sidewalks and streetlights, flood control, drainage channels, storm drains, basins, and other related facilities and County building complexes including fire stations, police stations, public works maintenance yards, and administrative offices. The County is not responsible for the construction, operation, and maintenance of the project private infrastructure such as community water and sewer facilities, railroad track and related facilities, landscaping of common areas, or private trails and parks and other property not dedicated to the County. The County is responsible for separately recording certain revenue and expenses directly attributable to the TRI project, approving reimbursable costs, and determining the net annual revenue reimbursement to TRI.

The agreements establish a revenue threshold that represents the annual fiscal year in which the TRI net revenue exceeds \$5,000,000. The revenue threshold must be met before any reimbursements are made to TRI for project related infrastructure costs. Once the revenue threshold is met, the County is responsible for reimbursing TRI for approved project vouchers up to 35% of annual net revenue. Such reimbursements are also limited to 5% of the project assessed valuation at the end of each year. The revenue threshold has been met.

The term of this agreement shall commence upon the effective date and shall expire fifty (50) years after the effective date, unless extended by written amendment executed by the County and Developer. A special revenue fund was established as of July 1, 2009, to provide payment to our TRI partners. A payment of \$315,587 was made by the TRI Payback Fund during the fiscal year.

Future allocations into the TRI Payback Fund will be a percentage of revenues directly attributed to TRI to include property taxes, business licenses, permits, inspection fees, and real property transfer taxes.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

XVI. TESLA MOTORS

On September 11, 2014, the Nevada State Legislature passed unanimously Senate Bill 1 which gave Tesla Motors \$1.25 billion dollars in tax abatements in exchange for Tesla investing \$3.5 billion dollars in the state within the first 10 years of the agreement. Under Section 13-3, transferable credits will be approved:

- (a) In the amount of \$12,500 for each qualified employee, up to a maximum of 6,000 qualified employees.
- (b) In the amount equal to 5% of the first \$1 billion of new capital investment in this State made collectively by the participants in the qualified project.
- (c) In an amount equal to 2.8% of the next \$2.5 billion on new capital investment in this State made collectively by the participants in the qualified project.

Section 15-2 provides abatement of 100% for the following:

- (a) For property taxes, for a duration of not more than 10 years after the date of which application is submitted and in an amount that equals the amount of the property taxes that would otherwise be owed by each participant for the qualified project;
- (b) For employer excise taxes, be for a duration of not more than 10 years after the date on which the application is submitted and in an amount that equals the amount of the employer excise taxes that would otherwise be owed by each participant for employees employed by the participant for the qualified project; and
- (c) For local sales and use tax, be for a duration of not more than 20 years after the date on which the application is submitted and in an amount that equals the amount of the local sales and use taxes that would otherwise be owed by each participant in the qualified project.

Under Section 25-36, the governing body of a county or city in which a qualified project is or is expected to be located to create an economic diversification district that includes with its boundaries the qualified project.

Section 35 notes "the governing body of the municipality may enter into an agreement with one or more of the owners of any interest in the property within a district, pursuant to which that owner would agree to make payments to the municipality or to another local government that provides services in the district, or to both, to defray, in whole or in part, the cost of local governmental services during the term of the use of any money pledged pursuant to Section 31 of this act. Such an agreement must specify the amount to be paid by the owner of the property interest, which may be stated as a specified amount per year or as an amount based upon any formula upon which the municipality and owner agree."

Subsequently, Ordinance No. 14-260 creating the Storey County Economic Diversification District No. 1 was signed by the County Commissioners on December 2, 2014, and Ordinance 15-263 providing partial abatements of permitting or licensing fees was signed by the County Commissioners was passed on June 16, 2015. Additional provisions of Senate Bill 1 also provided the ability to "abate" partially or in full permit fees and business license fees within the Economic Diversification District. Tesla and the County mutually negotiated a partial abatement of permit fees but no business license fees. These actions were codified into Ordinance 15-263. See separate schedule relating to additional tax abatements.

XVII. RELATED PARTY

The County utilizes a marketing and public relations company, RAD Strategies, whose sole owner is married to the Director of Tourism. Safe guards have been put in to make sure the transactions are transparent. The VCTC board continues to hear and approve the payments in its annual budget. All monthly retainers fees and sent directly to the County Manager for approval before payment.

During the year ended June 30, 2019 the County paid the RAD Strategies \$80,975.

STOREY COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

XVIII. DEFERRED INFLOW OF RESOURCES

The following schedule summarizes deferred revenues at June 30, 2018:

General Fund:	\$	31,653
Ad Valorem taxes receivable		
474 Fire Protection Fund:	\$	9,700
Ad Valorem taxes receivable		
Ambulance receivable		124,893
Equipment Acquisition Fund:	\$	886
Ad Valorem taxes receivable		
Indigent Medical Fund:	\$	176
Ad Valorem taxes receivable		

XIV. ACCOUNTING CHANGES

Corrections of Errors

In fiscal year 2019, it was determined the deferred outflows of resources related to pensions was undervalued by \$1,360,192 due to an error on the amount of contributions made by the County subsequent to the measurement date.

In fiscal year 2019, the county recognized \$572,043 of expenses related to retro pay of the fire department. The payroll has been booked as a prior period adjustment

	<u>Governmental Activities</u>		<u>474 Fire Protection District Fund</u>
Fund balance as previously reported, June 30,2018	\$ 2,727,498	\$	1,896,093
Prior period adjustment			
Value of deferred outflows	(1,360,192)		
Retro pay of Fire department	(572,043)		(572,043)
Fund balance at June 30,2018, as restated	\$ 795,263	\$	1,324,050

STOREY COUNTY, NEVADA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019

XV. TAX ABATEMENTS

Storey County has agreements with businesses within the Industrial Park for property tax, sales tax, plan review and permit fee abatement agreements. These agreements range from 5 years to 20 years depending on the individual abatement. The following is a list of those abatements.

State of Nevada Governor's Office on Economic Development (GOED)

Chapter 271B of the Nevada Revised Statutes created an Economic Diversification District for which Storey County is a participant. Tesla filed as a Lead participant within the Statute and was granted full abatements on Property Tax for 10 years and Sales and Use Tax for 20 years. The effect of this abatement is as follows:

PERSONAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$27,864,821	100%	\$27,864,821

REAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$177,405,618	100%	\$6,139,331

PLAN REVIEW AND PERMIT FEES

<u>FEES CHARGED</u>	<u>AMOUNT PAID</u>	<u>TOTAL ABATEMENT</u>
\$1,612,134	\$265,349	\$1,346,785

Tesla and Switch are granted full abatements for Sales and Use Tax. The Department of Taxation does not specify abatements by property.

SALES AND USE TAX

<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$16,242,310	100%	\$16,242,310

In addition, GOED has permitted several companies to abate a certain portion of their personal and Real Property

PERSONAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$3,246,193	41%	\$1,396,214

REAL PROPERTY TAX

<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$226,552	50%	\$113,276

Nevada Governor's Office of Energy (GOE)

The GOE administers the green building tax abatement program based on criteria set forth in the LEED of Green Globes rating system and certification from the U.S. Green Building Council. This abatement is as follows:

LEED ABATEMENTS

PRE-ABATEMENT

<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$1,199,196	16%	\$196,623

STOREY COUNTY, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	SPECIAL REVENUE						
	EQUIPMENT ACQUISITION	JUSTICE COURT	DRUG COURT	INDIGENT MEDICAL	PARK TAX	MUTUAL AID	EMERGENCY MITIGATION
<u>ASSETS</u>							
Cash	\$ 2,728,065	\$ 116,653	\$ 50	\$ 496,135	\$ 132,355	\$ 1,329,422	\$ (10,692)
Property taxes receivable	1,941	-	-	387	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Total Assets	<u>\$ 2,730,006</u>	<u>\$ 116,653</u>	<u>\$ 50</u>	<u>\$ 496,522</u>	<u>\$ 132,355</u>	<u>\$ 1,329,422</u>	<u>\$ (10,692)</u>
<u>LIABILITIES</u>							
Accounts payable	\$ -	\$ 52,972	\$ 30	\$ 2,880	\$ -	\$ 52,063	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable resources property taxes	\$ 886	\$ -	\$ -	\$ 176	\$ -	\$ -	\$ -
<u>FUND BALANCE</u>							
Nonspendable	2,729,120	63,681	20	493,466	132,355	1,277,359	(10,692)
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	<u>2,729,120</u>	<u>63,681</u>	<u>20</u>	<u>493,466</u>	<u>132,355</u>	<u>1,277,359</u>	<u>(10,692)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,730,006</u>	<u>\$ 116,653</u>	<u>\$ 50</u>	<u>\$ 496,522</u>	<u>\$ 132,355</u>	<u>\$ 1,329,422</u>	<u>\$ (10,692)</u>

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

STOREY COUNTY, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	SPECIAL REVENUE						
	INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY	STABILIZATION FUND	GENERIC MARKER TESTING FUND	PIPER'S OPERA HOUSE
<u>ASSETS</u>							
Cash	\$ 15,108	\$ 180,186	\$ 110,074	\$ 207,141	\$ 1,000,000	\$ 57,903	\$ 134,281
Property taxes receivable	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Total Assets	<u>\$ 15,108</u>	<u>\$ 180,186</u>	<u>\$ 110,074</u>	<u>\$ 207,141</u>	<u>\$ 1,000,000</u>	<u>\$ 57,903</u>	<u>\$ 134,281</u>
<u>LIABILITIES</u>							
Accounts payable	\$ 9,754	\$ 2,797	-	-	-	\$ 463	\$ 57,162
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable resources property taxes	-	-	-	-	-	-	-
<u>FUND BALANCE</u>							
Nonspendable	-	-	110,074	207,141	1,000,000	57,440	77,119
Unassigned	5,354	177,389	-	-	-	-	-
Total Fund Balance	<u>5,354</u>	<u>177,389</u>	<u>110,074</u>	<u>207,141</u>	<u>1,000,000</u>	<u>57,440</u>	<u>77,119</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 15,108</u>	<u>\$ 180,186</u>	<u>\$ 110,074</u>	<u>\$ 207,141</u>	<u>\$ 1,000,000</u>	<u>\$ 57,903</u>	<u>\$ 134,281</u>

The notes to the financial statements are an integral part of this statement
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STOREY COUNTY, NEVADA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	CAPITAL PROJECTS				TOTAL
	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	FIRE CAP PROJECTS	
ASSETS					
Cash	-	-	-	-	-
Property taxes receivable	5,729,988	1,759,620	545,048	597,405	15,128,742
Accounts receivable	-	105,814	-	-	2,328
	-	-	-	-	105,814
Total Assets	\$ 5,729,988	\$ 1,865,434	\$ 545,048	\$ 597,405	\$ 15,236,884
LIABILITIES					
Accounts payable	726	-	-	-	178,847
	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable resources property taxes	-	-	-	-	1,062
	-	-	-	-	-
FUND BALANCE					
Nonspendable	5,729,262	1,865,434	545,048	597,405	15,056,975
Unassigned	-	-	-	-	-
	-	-	-	-	-
Total Fund Balance	\$ 5,729,262	\$ 1,865,434	\$ 545,048	\$ 597,405	\$ 15,056,975
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 5,729,988	\$ 1,865,434	\$ 545,048	\$ 597,405	\$ 15,236,884

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	SPECIAL REVENUE							EMERGENCY MITIGATION
	EQUIPMENT ACQUISITION	JUSTICE COURT	DRUG COURT	INDIGENT MEDICAL	PARK TAX	MUTUAL AID		
REVENUE								
Taxes	\$ 303,205	-	\$ -	\$ 60,744	-	-	\$ -	-
Intergovernmental	-	-	-	-	3,000	-	-	-
Charges for services	-	46,283	450	-	-	-	-	-
Fine and forfeitures	25,377	-	-	-	4,224	-	589,354	30,699
Other revenues	328,582	46,283	450	60,744	7,224	-	589,354	30,699
Total Revenues								
EXPENDITURES								
Current								
General government	26,709	-	-	-	-	-	208,732	-
Public safety	-	-	460	-	-	-	-	-
Judicial	-	26,673	-	-	-	-	-	-
Culture and recreation	-	-	-	52,076	-	-	-	-
Welfare	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	208,732	-
Total Expenditures	26,709	26,673	460	52,076	-	-	208,732	-
	301,873	19,610	(10)	8,668	7,224	380,622	30,699	
Excess (deficiency) of revenues over expenditures								
OTHER FINANCIAL SOURCES (USES)								
Transfers	1,844,000	-	-	-	-	-	-	-
Transfers to proprietary funds	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	1,844,000	-	-	-	-	-	-	-
	2,145,873	19,610	(10)	8,668	7,224	380,622	30,699	
Excess (deficiency) of revenue and other Financing Sources (Uses) over Expenditures								
Fund Balance, July 1	583,247	44,071	30	484,798	125,131	896,737	(41,391)	
Fund Balance, June 30	\$ 2,729,120	\$ 63,681	\$ 20	\$ 493,466	\$ 132,355	\$ 1,277,359	\$ (10,692)	

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

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	SPECIAL REVENUE						
	INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY	STABILIZATION FUND	GENERIC MARKER TESTING FUND	PIPER'S OPERA HOUSE
REVENUE							
Taxes	\$ 90,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	221,987	-	-	-	17,000
Charges for services	-	106,390	-	-	-	14,846	111,826
Fine and forfeitures	-	4,381	-	-	-	-	-
Other revenues	-	110,771	221,987	-	-	14,846	22,215
Total Revenues	<u>90,718</u>	<u>110,771</u>	<u>221,987</u>	<u>-</u>	<u>-</u>	<u>14,846</u>	<u>151,041</u>
EXPENDITURES							
Current		63,609	-	-	-	-	219,532
General government	-	-	196,497	-	-	6,193	-
Public safety	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-
Culture and recreation	90,718	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-
Intergovernmental	-	63,609	196,497	-	-	6,193	219,532
Total Expenditures	-	<u>47,162</u>	<u>25,490</u>	<u>-</u>	<u>-</u>	<u>8,653</u>	<u>(68,491)</u>
Excess (deficiency) of revenues over expenditures							
	-						105,000
OTHER FINANCIAL SOURCES (USES)							
Transfers	-	-	-	-	-	-	-
Transfers to proprietary funds	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	105,000
Total Other Financing Sources (Uses)							
	-	47,162	25,490	-	-	8,653	36,509
Excess (deficiency) of revenue and other financing Sources (Uses) over Expenditures	<u>5,354</u>	<u>130,227</u>	<u>84,584</u>	<u>207,141</u>	<u>1,000,000</u>	<u>48,787</u>	<u>40,610</u>
Fund Balance, July 1	\$ 5,354	\$ 177,389	\$ 110,074	\$ 207,141	\$ 1,000,000	\$ 57,440	\$ 77,119
Fund Balance, June 30							

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

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	CAPITAL PROJECTS					TOTAL
	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	FIRE CAP PROJECTS		
REVENUE						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	454,667
Intergovernmental	-	488,650	-	-	-	727,637
Charges for services	-	-	-	-	-	221,216
Fine and forfeitures	-	-	-	-	-	61,579
Other revenues	93,732	-	-	-	-	769,982
Total Revenues	<u>93,732</u>	<u>488,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,235,081</u>
EXPENDITURES						
Current						
General government	1,286,181	-	-	330,004	-	1,596,031
Public safety	-	-	-	-	-	735,233
Judicial	-	-	-	-	-	33,326
Culture and recreation	-	-	-	-	-	142,794
Welfare	-	-	-	-	-	-
Intergovernmental	-	-	-	330,004	-	2,507,384
Total Expenditures	<u>1,286,181</u>	<u>-</u>	<u>-</u>	<u>330,004</u>	<u>-</u>	<u>2,507,384</u>
Excess (deficiency) of revenues over expenditures	(1,192,449)	488,650	-	(330,004)	-	(272,303)
OTHER FINANCIAL SOURCES (USES)						
Transfers	5,851,947	(843,197)	-	-	-	6,957,750
Transfers to proprietary funds	(272,903)	-	(170,495)	-	-	(272,903)
Debt service	-	-	29,571	-	-	(170,495)
Bond proceeds	-	-	-	-	-	29,571
Total Other Financing Sources (Uses)	<u>5,579,044</u>	<u>(843,197)</u>	<u>(140,924)</u>	<u>-</u>	<u>-</u>	<u>6,543,923</u>
Excess (deficiency) of revenue and other financing Sources (Uses) over Expenditures	4,386,595	(354,547)	(140,924)	(330,004)	-	6,271,620
Fund Balance, July 1	1,342,667	2,219,981	685,972	927,409	-	8,785,355
Fund Balance, June 30	<u>\$ 5,729,262</u>	<u>\$ 1,865,434</u>	<u>\$ 545,048</u>	<u>\$ 597,405</u>	<u>\$ -</u>	<u>\$ 15,056,975</u>

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

STOREY COUNTY, NEVADA
EQUIPMENT ACQUISITION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes			
Property taxes	\$ 264,000	\$ 303,205	\$ 39,205
Other revenues			
Interest	10,000	25,377	15,377
Total Revenues	<u>274,000</u>	<u>328,582</u>	<u>54,582</u>
<u>EXPENDITURES</u>			
General government			
Capital outlay	300,000	26,709	273,291
Total Expenditures	<u>300,000</u>	<u>26,709</u>	<u>273,291</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(26,000)</u>	<u>301,873</u>	<u>327,873</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer in-Fire Protection District Fund	-	2,000,000	2,000,000
Transfer out - Tri Payback	(13,000)	(13,000)	-
USDA Fund	<u>(143,000)</u>	<u>(143,000)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	<u>(182,000)</u>	<u>2,145,873</u>	<u>2,327,873</u>
Fund Balance, July 1	<u>442,838</u>	<u>583,247</u>	<u>140,409</u>
Fund Balance, June 30	<u>\$ 260,838</u>	<u>\$ 2,729,120</u>	<u>\$ 2,468,282</u>

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

STOREY COUNTY, NEVADA
JUSTICE COURT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Fines			
Justice court fines	\$ 24,000	\$ 46,283	\$ 22,283
<u>EXPENDITURES</u>			
Judicial			
Services and supplies	35,500	24,050	11,450
Capital outlay	-	2,623	(2,623)
Total Expenditures	<u>35,500</u>	<u>26,673</u>	<u>8,827</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,500)</u>	<u>19,610</u>	<u>31,110</u>
Fund Balance, July 1	<u>37,272</u>	<u>44,071</u>	<u>6,799</u>
Fund Balance, June 30	<u>\$ 25,772</u>	<u>\$ 63,681</u>	<u>\$ 37,909</u>

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

**STOREY COUNTY, NEVADA
 DRUG COURT SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Fines and forfeits	\$ 600	\$ 450	\$ (150)
Drug court fees			
<u>EXPENDITURES</u>			
Judicial	600	460	140
Services and supplies			
Excess (Deficiency) of Revenues over Expenditures	-	(10)	(10)
Fund Balance, July 1	30	30	-
Fund Balance, June 30	\$ 30	\$ 20	\$ (10)

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

**STOREY COUNTY, NEVADA
INDIGENT MEDICAL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

<u>REVENUE</u>	<u>ORIGINAL AND FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE TO FINAL BUDGET</u>
Taxes	\$ 53,000	\$ 60,744	\$ 7,744
Property taxes			
 <u>EXPENDITURES</u>			
Welfare	<u>200,000</u>	<u>52,076</u>	<u>147,924</u>
Services and supplies			
 Excess (Deficiency) of Revenues over Expenditures	<u>(147,000)</u>	<u>8,668</u>	<u>155,668</u>
 Fund Balance, July 1	<u>326,357</u>	<u>484,798</u>	<u>158,441</u>
 Fund Balance, June 30	<u>\$ 179,357</u>	<u>\$ 493,466</u>	<u>\$ 314,109</u>

STOREY COUNTY, NEVADA
PARK TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Charges for services	\$ 4,000	\$ 3,000	\$ (1,000)
Park fees			
Other revenues	3,000	4,224	1,224
Interest	7,000	7,224	224
Total Revenues			
 <u>EXPENDITURES</u>			
Culture and recreation	116,000	-	116,000
Services and supplies			
Excess (Deficiency) of Revenues over Expenditures	(109,000)	7,224	116,224
Fund Balance, July 1	110,881	125,131	14,250
Fund Balance, June 30	\$ 1,881	\$ 132,355	\$ 130,474

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

STOREY COUNTY, NEVADA
MUTUAL AID SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

<u>REVENUE</u>	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Other revenues			
Fire suppression	\$ 500,000	\$ 589,354	\$ 89,354
Total Revenues	<u>500,000</u>	<u>589,354</u>	<u>89,354</u>
<u>EXPENDITURES</u>			
Public safety			
Salaries and wages	195,000	128,319	66,681
Benefits	38,500	6,246	32,254
Services and supplies	176,500	22,301	154,199
Capital outlay	<u>90,000</u>	<u>51,866</u>	<u>38,134</u>
Total Expenditures	<u>500,000</u>	<u>208,732</u>	<u>291,268</u>
Excess (Deficiency) of Revenues over Expenditures	-	<u>380,622</u>	<u>380,622</u>
Fund Balance, July 1	<u>420,798</u>	<u>896,737</u>	<u>475,939</u>
Fund Balance, June 30	<u>\$ 420,798</u>	<u>\$ 1,277,359</u>	<u>\$ 856,561</u>

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

STOREY COUNTY, NEVADA
EMERGENCY MITIGATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Claims for reimbursement	\$ -	\$ 30,699	\$ -
<u>EXPENDITURES</u>			
Public Safety			
Services and supplies	50,000	-	50,000
Excess (Deficiency) of Revenues over Expenditures	(50,000)	30,699	80,699
Fund Balance, July 1	50,090	(41,391)	(91,481)
Fund Balance, June 30	\$ 90	\$ (10,692)	\$ (10,782)

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

STOREY COUNTY, NEVADA
INDIGENT ACCIDENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

<u>REVENUE</u>	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Taxes				
Property taxes	\$ 80,000	\$ 88,500	\$ 90,718	\$ 2,218
<u>EXPENDITURES</u>				
Welfare				
Services and supplies	<u>73,000</u>	<u>81,500</u>	<u>90,718</u>	<u>(9,218)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Fund Balance, July 1	<u>11,348</u>	<u>11,348</u>	<u>5,354</u>	<u>(5,994)</u>
Fund Balance, June 30	<u>\$ 18,348</u>	<u>\$ 18,348</u>	<u>\$ 5,354</u>	<u>\$ (12,994)</u>

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

**STOREY COUNTY, NEVADA
TECHNOLOGY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Charges for services	\$ 77,000	\$ 106,390	\$ 29,390
Technology fees			
Other revenues	800	4,381	3,581
Interest income			
Total Revenues	<u>77,800</u>	<u>110,771</u>	<u>32,971</u>
<u>EXPENDITURES</u>			
General government	84,100	63,609	20,491
Services and supplies			
Excess (Deficiency) of Revenues over Expenditures	<u>(6,300)</u>	<u>47,162</u>	<u>53,462</u>
Fund Balance, July 1	<u>105,194</u>	<u>130,227</u>	<u>25,033</u>
Fund Balance, June 30	<u>\$ 98,894</u>	<u>\$ 177,389</u>	<u>\$ 78,495</u>

STOREY COUNTY, NEVADA
FEDERAL/STATE GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

<u>REVENUE</u>	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Intergovernmental	\$ 20,000	\$ 86,161	\$ 66,161
Federal grants	55,000	135,826	80,826
State grants	75,000	221,987	146,987
Total Revenues	<u>75,000</u>	<u>221,987</u>	<u>146,987</u>
<u>EXPENDITURES</u>			
Culture and recreation	-	-	-
Services and supplies	-	-	-
Public safety	-	-	-
Salaries and wages	-	-	-
Employee benefits	50,000	196,497	(146,497)
Services and supplies	25,000	-	25,000
Intergovernmental - State	75,000	196,497	(121,497)
Services and supplies	<u>75,000</u>	<u>196,497</u>	<u>(121,497)</u>
Total Expenditures	<u>75,000</u>	<u>196,497</u>	<u>(121,497)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>25,490</u>	<u>25,490</u>
Fund Balance, July 1	<u>51,995</u>	<u>84,584</u>	<u>32,589</u>
Fund Balance, June 30	<u>\$ 51,995</u>	<u>\$ 110,074</u>	<u>\$ 58,079</u>

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

STOREY COUNTY, NEVADA
FIRE EMERGENCY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
None	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>			
Public Safety	205,000	-	205,000
Services and supplies	-	-	-
Excess (Deficiency) of Revenues over Expenditures	(205,000)	-	205,000
Fund Balance, July 1	205,141	207,141	2,000
Fund Balance, June 30	\$ 141	\$ 207,141	\$ 207,000

STOREY COUNTY, NEVADA
STABILIZATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
None	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>			
Capital outlay	200,000	-	200,000
Excess (Deficiency) of Revenues over Expenditures	(200,000)	-	200,000
Fund Balance, July 1	800,000	1,000,000	200,000
Fund Balance, June 30	<u>\$ 600,000</u>	<u>\$ 1,000,000</u>	<u>\$ 400,000</u>

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

STOREY COUNTY, NEVADA
GENETIC MARKER TESTING SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>				
Fines and forfeitures	\$ 8,000	\$ 11,000	\$ 14,846	\$ 3,846
<u>EXPENDITURES</u>				
Judicial				
Services and supplies	8,500	11,500	6,193	5,307
Excess (Deficiency) of Revenues over Expenditures	(500)	(500)	8,653	9,153
Fund Balance, July 1	49,159	49,159	48,787	(372)
Fund Balance, June 30	\$ 48,659	\$ 48,659	\$ 57,440	\$ 8,781

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

**STOREY COUNTY, NEVADA
PIPER'S OPERA HOUSE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

<u>REVENUE</u>	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Intergovernmental				
State grants	\$ 11,000	\$ 11,000	\$ 17,000	\$ 6,000
Charges for services				
Cap ticket sales	106,000	106,000	111,826	5,826
Other revenues				
Rents	27,500	27,500	22,200	(5,300)
Merchandise sales	2,000	2,000	15	(1,985)
Total Revenues	<u>146,500</u>	<u>146,500</u>	<u>151,041</u>	<u>4,541</u>
<u>EXPENDITURES</u>				
General government				
Salaries and wages	133,642	110,642	62,927	47,715
Employee benefits	59,510	58,368	23,457	34,911
Services and supplies	57,500	80,500	133,148	(52,648)
Total Expenditures	<u>250,652</u>	<u>249,510</u>	<u>219,532</u>	<u>29,978</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(104,152)</u>	<u>(103,010)</u>	<u>(68,491)</u>	<u>34,519</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	105,000	105,000	105,000	-
Excess(Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	848	1,990	36,509	(34,519)
Fund Balance, July 1	<u>250,652</u>	<u>250,652</u>	<u>40,610</u>	<u>(210,042)</u>
Fund Balance, June 30	<u>\$ 251,500</u>	<u>\$ 252,642</u>	<u>\$ 77,119</u>	<u>\$ (175,523)</u>

**STOREY COUNTY, NEVADA
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
REVENUE				
Capital outlay reimbursement	\$ 93,000	\$ 93,000	\$ 93,732	\$ 732
Other	-	5,000,000	-	(5,000,000)
Total revenue	93,000	5,093,000	93,732	(4,999,268)
			(38,908)	
EXPENDITURES				
General Government	500,000	5,500,000	1,286,181	4,213,819
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Interest expense	-	-	-	-
Total Expenditures	500,000	5,500,000	1,286,181	4,213,819
Excess (Deficiency) of Revenues over Expenditures	(407,000)	(407,000)	(1,192,449)	(9,213,087)
OTHER FINANCING SOURCES (USES)				
Transfers to proprietary funds	-	-	(272,903)	(272,903)
Infrastructure capital projects fund	-	-	843,197	843,197
Roads fund	-	-	8,750	8,750
General government - Other	-	-	5,000,000	5,000,000
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(407,000)	(407,000)	4,386,595	4,793,595
Fund Balance, July 1	692,864	692,864	1,342,667	649,803
Fund Balance, June 30	\$ 285,864	\$ 285,864	\$ 5,729,262	\$ 5,443,398

STOREY COUNTY, NEVADA
INFRASTRUCTURE CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
Intergovernmental			
1/4% Optional sales tax	\$ 325,000	\$ 488,650	\$ 163,650
Other revenues			
Interest income	-	-	3,801
Total Revenues	<u>325,000</u>	<u>488,650</u>	<u>88,200</u>
<u>EXPENDITURES</u>			
General government			
Capital outlay	<u>1,000,000</u>	-	<u>1,000,000</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(675,000)</u>	<u>488,650</u>	<u>1,163,650</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers to Capital projects funds	-	<u>(843,197)</u>	<u>843,197</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	<u>(675,000)</u>	<u>(354,547)</u>	<u>2,006,847</u>
Fund Balance, July 1	<u>1,135,582</u>	<u>2,219,981</u>	<u>1,084,399</u>
Fund Balance, June 30	<u>\$ 460,582</u>	<u>\$ 1,865,434</u>	<u>\$ 3,091,246</u>

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

STOREY COUNTY, NEVADA
VIRGINIA CITY RAIL CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
REVENUE			
None	\$ -	\$ -	\$ -
EXPENDITURES			
Culture and Recreation	-	-	-
Capital outlay	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Bond proceeds	22,000	29,571	(7,571)
Debt service			
Principal	(96,000)	(96,000)	-
Interest	(75,000)	(74,495)	(505)
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(149,000)	(140,924)	(8,076)
Fund Balance, July 1	586,219	685,972	99,753
Fund Balance, June 30	\$ 437,219	\$ 545,048	\$ 107,829

**STOREY COUNTY, NEVADA
 FIRE CAPITAL PROJECT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>REVENUE</u>			
None	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>			
Capital outlay	750,000	330,004	419,996
Excess (Deficiency) of Revenues over Expenditures	(750,000)	(330,004)	419,996
Fund Balance, July 1	800,000	927,409	127,409
Fund Balance, June 30	\$ 50,000	\$ 597,405	\$ 547,405

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

STOREY COUNTY, NEVADA
WATER SYSTEM ENTERPRISE FUND
STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>OPERATING REVENUES</u>				
Sales of water	\$ 604,000	\$ 604,000	\$ 561,720	\$ (42,280)
<u>OPERATING EXPENSES</u>				
Salaries and wages	144,878	174,878	158,847	16,031
Benefits	82,810	82,810	44,684	38,126
Services and supplies	278,500	248,500	276,600	(28,100)
Capital outlay	100,000	100,000	16,153	83,847
Depreciation	110,000	110,000	102,398	7,602
Total operating expenses	<u>716,188</u>	<u>716,188</u>	<u>598,682</u>	<u>117,506</u>
Operating income (loss)	<u>(112,188)</u>	<u>(112,188)</u>	<u>(36,962)</u>	<u>75,226</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>				
Interest earnings	50,000	50,000	40,421	(9,579)
Rents	10,000	10,000	8,800	(1,200)
Interest Expense	(29,233)	(29,233)	-	29,233
Miscellaneous	5,000	5,000	5,046	46
Transfer from capital projects fund	-	-	62,806	
Grants and capital contributions	-	-	12,273	12,273
Net Income (loss)	<u>\$ (76,421)</u>	<u>\$ (76,421)</u>	<u>\$ 92,384</u>	<u>\$ 168,805</u>

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

**STOREY COUNTY, NEVADA
WATER SYSTEM ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Cash In flows				
Sales of water	\$ 540,000	\$ 540,000	\$ 563,498	\$ 23,498
Miscellaneous income	5,000	5,000	5,046	46
Cash Out flows				
Salaries and wages	(144,878)	(174,878)	(163,054)	11,824
Benefits	(82,810)	(82,810)	(81,781)	1,029
Services and supplies	(278,500)	(248,500)	(271,754)	(23,254)
Net Cash Provided by Operating Activities	<u>38,812</u>	<u>38,812</u>	<u>51,955</u>	<u>13,143</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>				
Cash In flows				
Rent	10,000	10,000	8,800	(1,200)
Capital outlay	-	-	-	-
Customer deposits	-	-	(580)	(580)
Net Cash Provided by Non Capital Financing Activi	<u>10,000</u>	<u>10,000</u>	<u>8,220</u>	<u>(1,780)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u>				
Cash In flows				
Capital contributed	-	-	(7,511)	(7,511)
Interfund loan	-	-	2,126,000	2,126,000
Transfer from funds	-	-	82,590	82,590
Cash Out flows				
Capital outlay	(100,000)	(100,000)	(1,328,791)	(1,228,791)
Debt service	(40,225)	(40,225)	-	40,225
Interest expense	(29,233)	(29,233)	-	29,233
Net Cash (Used) by Capital Related Activities	<u>(169,458)</u>	<u>(169,458)</u>	<u>872,288</u>	<u>1,041,746</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Interest earnings	50,000	50,000	40,421	(9,579)
Net Increase (Decrease) in Cash	<u>(70,646)</u>	<u>(70,646)</u>	<u>972,884</u>	<u>1,043,530</u>
Cash, July 1	<u>1,643,188</u>	<u>1,643,188</u>	<u>1,111,705</u>	<u>(531,483)</u>
Cash, June 30	<u>\$ 1,572,542</u>	<u>\$ 1,572,542</u>	<u>\$ 2,084,589</u>	<u>\$ 512,047</u>

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

STOREY COUNTY, NEVADA
VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND
STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>OPERATING REVENUES</u>			
Sales of water	\$ 375,000	\$ 396,850	\$ 21,850
<u>OPERATING EXPENSES</u>			
Salaries and wages	87,112	82,788	4,324
Benefits	68,115	14,744	53,371
Services and supplies	94,250	128,094	(33,844)
Depreciation	90,000	145,762	(55,762)
Total operating expenses	<u>339,477</u>	<u>371,388</u>	<u>(31,911)</u>
Operating income (loss)	<u>35,523</u>	<u>25,462</u>	<u>(10,061)</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Interest income	10,000	46,950	36,950
Interest expense	(251,000)	(124,876)	126,124
Transfer from capital projects	-	210,097	210,097
Transfer to USDA	-	-	-
Grants and contributions	-	3,974,249	3,974,249
Capital outlay	(40,000)	-	40,000
Other income	-	-	-
Net Income (loss)	<u>\$ (245,477)</u>	<u>\$ 4,131,882</u>	<u>\$ 4,377,359</u>

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

STOREY COUNTY, NEVADA
VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash In flows			
Sewer Fees	\$ 375,000	\$ 397,754	\$ 22,754
Cash Out flows			
Salaries and wages	(87,112)	(84,190)	2,922
Benefits	(68,115)	(35,613)	32,502
Services and supplies	(94,250)	(135,031)	(40,781)
Net Cash Provided by Operating Activities	<u>125,523</u>	<u>142,920</u>	<u>17,397</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Cash Out flows			
Capital outlay	(40,000)	(4,271,951)	(4,231,951)
Net Cash (Used) by Non Capital Financing Activities	<u>(40,000)</u>	<u>(4,271,951)</u>	<u>(4,231,951)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u>			
Cash In flows			
Other income			
Capital contributed	-	3,920,762	3,920,762
Transfer from funds	-	263,582	263,582
Cash Out flows			
Debt service	-	(126,124)	(126,124)
Interest expense	(251,000)	(124,876)	126,124
Net Cash (Used) by Capital Related Activities	<u>(251,000)</u>	<u>3,933,344</u>	<u>4,184,344</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Transfers from general			
Interest earnings	10,000	46,950	36,950
Net Cash Provided by Capital Related Activities	<u>10,000</u>	<u>46,950</u>	<u>36,950</u>
Net Increase (Decrease) in Cash	(155,477)	(148,737)	6,740
Cash, July 1	<u>265,945</u>	<u>366,382</u>	<u>100,437</u>
Cash, June 30	<u>\$ 110,468</u>	<u>\$ 217,645</u>	<u>\$ 107,177</u>

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

STOREY COUNTY, NEVADA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	BALANCE JULY 1 2018	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2019
<u>STATE OF NEVADA FUND</u>				
Assets				
Cash	\$ 1,166,342	\$ 1,895,597	\$ 1,605,058	\$ 1,456,881
Liabilities				
Due Other Governments	\$ 1,166,342	\$ 1,895,597	\$ 1,605,058	\$ 1,456,881
<u>STOREY COUNTY SCHOOL DISTRICT</u>				
Assets				
Cash	\$ 12,933	\$ 4,594,810	\$ 4,512,752	\$ 94,991
Liabilities				
Due Other Governments	\$ 12,933	\$ 4,594,810	\$ 4,512,752	\$ 94,991
<u>STOREY COUNTY SCHOOL DISTRICT DEBT SERVICE</u>				
Assets				
Cash	\$ 2,304	\$ 885,346	\$ 869,322	\$ 18,328
Liabilities				
Due Other Governments	\$ 2,304	\$ 885,346	\$ 869,322	\$ 18,328
<u>DISTRICT ATTORNEY RESTITUTION FUND</u>				
Assets				
Cash	\$ 766	\$ 2,300	\$ -	\$ 3,066
Liabilities				
Due Other Governments	\$ 766	\$ 2,300	\$ -	\$ 3,066
<u>TOTAL - ALL FUNDS</u>				
Assets				
Cash	\$ 1,182,345	\$ 7,378,053	\$ 6,987,132	\$ 1,573,266
Liabilities				
Due Other Governments	\$ 1,182,345	\$ 7,378,053	\$ 6,987,132	\$ 1,573,266

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

STOREY COUNTY, NEVADA
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2019

	2018	2019
Total OPEB liability		
Service cost	\$ 2,020,652	\$ 1,753,249
Interest	586,141	711,366
Changes of benefit terms	-	1,281,228
Differences between expected and actual experience	-	(4,548,724)
Changes of assumptions or other inputs	(2,542,189)	(1,038,960)
Benefit payments	<u>(208,173)</u>	<u>(214,872)</u>
Net change in total OPEB liability	\$ (143,569)	\$ (2,056,713)
Total OPEB liability-beginning	\$ <u>18,649,779</u>	\$ <u>18,506,210</u>
Total OPEB liability-ending	<u>\$ 18,506,210</u>	<u>\$ 16,449,497</u>
Covered-employee payroll	\$ 9,590,509	\$ 9,394,062
Total OPEB liability as a percentage of covered-employee payroll	192.96%	175.11%

GASB Statement No. 75 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.

STOREY COUNTY, NEVADA
SCHEDULE OF COUNTY'S SHARE OF NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
JUNE 30, 2019

	2018	2017	2016	2015	2014
County's portion of the net pension liability	0.147%	0.145%	0.145%	0.132%	0.129%
County's proportionate share of the net pension liability	\$ 19,998,860	\$ 20,601,898	\$ 19,511,455	\$ 15,126,431	\$ 16,929,912
County's covered-employee payroll	\$ 7,947,637	\$ 8,207,871	\$ 7,299,918	\$ 6,354,233	\$ 6,040,606
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	251.63%	251.00%	267.28%	238.05%	280.27%
Plan fiduciary net position as a percentage of the total net pension liability	75.24%	74.40%	72.20%	75.10%	76.30%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.

STOREY COUNTY, NEVADA
 SCHEDULE OF COUNTY'S CONTRIBUTIONS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
 JUNE 30, 2019

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 1,568,057	\$ 1,360,192	\$ 1,390,646	\$ 1,229,299	\$ 1,018,739
Contributions in relation to the statutorily required contribution	\$ (1,568,057)	\$ (1,360,192)	\$ (1,390,646)	\$ (1,229,299)	\$ (1,018,739)
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 8,676,437	\$ 7,947,637	\$ 8,207,871	\$ 7,299,918	\$ 6,354,233
Contributions as a percentage of covered-employee payroll	18.07%	17.11%	16.94%	16.84%	16.03%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.



DiPietro & Thornton
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Board of Commissioners
Storey County, Nevada

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Storey County's basic financial statements and have issued our report thereon dated January 12, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Storey County, Nevada's internal control over financial reporting (internal control) to determine the audit procedures that are appropriated in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Storey County, Nevada's internal control. Accordingly, we do not express an opinion on the effectiveness of the Storey County, Nevada's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. We consider the deficiencies described in 2019-A and 2019-B to be material weaknesses. We consider the deficiency described in 2019-C to be significant deficiency.

Compliance and Other Matters

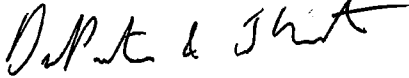
As part of obtaining reasonable assurance about whether Storey County, Nevada's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and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

Storey County's Response to Findings

Storey County, Nevada's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Storey County, Nevada's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "D. P. ... & J. ...".

Reno, Nevada
January 12, 2020



DiPietro & Thornton
CERTIFIED PUBLIC ACCOUNTANTS

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Of Counsel
John F. DiPietro, CPA
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

To the Honorable Board of Commissioners
Storey County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Storey County, Nevada's (Storey County) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Storey County's major federal programs for the year ended June 30, 2019. Storey County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each Storey County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Storey County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Storey County's compliance.

Opinion on Each Major Federal Program

In our opinion, Storey County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

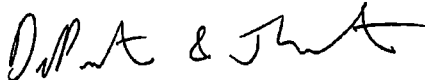
Report on Internal Control over Compliance

Management of Storey County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Storey County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Storey County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Reno, Nevada
January 12, 2020

STOREY COUNTY, NEVADA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2019

<u>Federal Grantor/Program/Grant Description</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
<u>US Department of Agriculture</u>			
Water and Waste Disposal System for Rural Communities	10.760	33-015-0886000 134	\$ 4,528,827
Water and Waste Disposal System for Rural Communities	10.760	N/A	1,288,007
Passed through Nevada Division of Forestry			
Cooperative Forestry Assistance	10.664	N/A	29,876
<u>US Department of the Interior</u>			
Direct Funding			
Historic Preservation Fund Grants-In-Aid	15.904	NV19-10011	46,800
<u>US Department of Homeland Security</u>			
Passed Through Nevada Department of Public Safety Division of Emergency Management			
Hazard Mitigation Grant	97.039	9703918-3000	73,489
Passed Through State of Nevada Department of Public Safety			
Homeland Security Grant Program(SHSP)	97.067	97067.16-3000	4,194
Emergency Management Performance Grant	97.042	9704219	8,721
Emergency Management Performance Grant	97.042	9704218	7,598
Emergency Management Performance Grant	97.042	9704216	750
Total Federal Financial Assistance			<u>\$ 5,988,262</u>

STOREY COUNTY, NEVADA
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2019

Note A- Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Storey County under programs of the federal government for the year ending June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule present only a selected portion of the operations of Storey County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Storey County.

Note B- Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for Audits of State, Local, and Indian Tribal Governments, or the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowed or are limited as reimbursement. When applicable, negative amount shown on the Schedule represent adjustments or credits made in the normal course of business as expenditures in prior years.

Indirect Costs

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance

Note C- Subrecipients

Storey County did not pass any federal awards received to any other government or not-for profit agencies.

Note D - Loans with Continuing Compliance Requirement

Outstanding federally-funded program loans with a continuing compliance requirement, carried balance as of June 30, 2019 as follows:

<u>CFDA</u>	<u>Program Title</u>	<u>Loan Balance</u>
10.76	Water and Waste Disposal System for Rural Communities	\$ 3,864,305

Note E - Matching Requirements

Certain Federal programs require Storey County to contribute non-Federal funds (matching funds) to support the Federally Funded programs. Storey County has met its matching requirements. The Schedule does not include the expenditure for non-Federal matching funds.

STOREY COUNTY, NEVADA
 SCHEDULE OF FINDINGS AND QUESTIONS COSTS
 FOR THE YEAR ENDED JUNE 30, 2019

A. Summary of Auditors Results

Financial Statements

Type of report the auditor issued on whether the financial
 Statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting: Yes
 Material weakness identified? Yes
 Significant deficiency identified?

Noncompliance material to financial statements noted? No

Federal awards

Internal control over major federal programs: No
 Material weakness identified? No
 Significant deficiency identified?

Type of auditor's report issued on compliance Unmodified
 for major programs

Any audit findings disclosed that are required to No
 be reported in accordance with 2 CFR 200.516(a)

Identification of major federal programs:

CFDA #	Name of Federal Program or Cluster
10.76	Water and Waste Disposal System for Rural Communities

Dollar threshold used to distinguish between \$ 750,000
 type A and type B programs

Auditee qualified as low-risk auditee No

B. Financial Statement Findings

Findings Relating to The Financial Statements Reported in Accordance with GAGAS

**2019-A F Financial Close and Reporting-Audit Adjustments
Material Weakness**

Criteria	Management of Storey County is responsible for establishing, and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system, of internal control is to have a monthly closing of the books that includes reconciliation of receivables, payables, and accrued expenses.
Condition	Receivables, Payables and accrued expenses were not updated on the books until year end during the audit
Cause	Storey County did not have adequate controls in place to ensure the correct amounts were appropriately reflected in the financial statements. The County did not have policies in place to close the books on a monthly basis.
Effect	This causes monthly financial statements to be inaccurate until year end. Also this year it was noted that many errors caused during the set up of the new software system were not caught until year end. This caused a delay in getting the audit done.
Recommendation	We recommend that the County put in procedures to close the books each month on a timely basis
Views of Responsible Officials	Management agrees with this finding

B. Financial Statement Findings

Findings Relating to The Financial Statements Reported in Accordance with GAGAS

**2019-B Report Preparation
Material Weakness**

Criteria	Management of Storey County is responsible for establishing, and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system, of internal control is to provide the finance staff with adequate resources available to prepare the financial, statements in accordance with generally accepted accounting principles.
Condition	In the process of completing our audit, we were requested to draft the financial statements, assist with the conversion of fund financial statements to government-wide statements, and prepare the accompanying notes, to the financial statements.
Cause	Given the daily responsibilities of management,, the resources of time, and, training necessary to prepare the County's financial statements in accordance with generally accepted accounting principles are not available. As a result the County has chosen to contract with Dipietro and Thornton to prepare the financial statements. This circumstance is not unusual in an organization of this size; due to time constraints of management and costs associated with compliance of the standards. However, management has not implemented sufficient procedures to capture the necessary information needed for the financial, statements and related disclosures to be prepared in all material respects.
Effect	The County's financial records required audit adjustments in order for the financial statements to be in, accordance with GAAP. Internally prepared financial information may not be accurate and full disclosure financial statements may not be available as timely as they would be if prepared by County personnel.
Recommendation	We recommend County staff continue to obtain training in the preparation of the financial statements and related financial statement disclosures in order to gain the knowledge needed to prepare the financial statements and related financial statement disclosures in all material respects.
Views of Responsible Officials	Management agrees with this finding

Findings Relating to The Financial Statements Reported in Accordance with GAGAS

2019-C Report Preparation
Significant Deficiency

Criteria	Management of Storey County is responsible for establishing, and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system, of internal control is to review accounts receivable during the year for accuracy and collectability
Condition	During the performance of our procedures, it was noted that the County was not able to track the ambulance receivables during the year. It was also noted the County had not reviewed the collectability of the ambulance receivables.
Cause	The County had turnover in the fire department. The new employee has been working on cleaning up the accounts.
Effect	An audit adjustment was necessary during the audit to correct the balance on the books and to adjust the allowance for uncollectable accounts.
Recommendation	We recommend the County review the Accounts Receivables from ambulance service monthly and check for accuracy and collectability
Views of Responsible Officials	Management agrees with this finding

C Findings and Questioned Costs- Major Federal Award, Program Audit

No audit findings reported

STOREY COUNTY, NEVADA
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

A Findings relating to The Financial Statements Reported in Accordance with GAGAS

1 2018-A

We recommend the bonds be recorded at their fair market value going forward

This was implemented during the year

2 2018-B

We recommended County staff continue to obtain training in the preparation of the financial statements and related financial statement disclosures in order to gain the knowledge needed to prepare the financial statements and related financial statement disclosures in all material respects.

This was not implemented and is included in the current year finding 2019-B

3 2018-C

We recommended the County review the Accounts Receivables from ambulance service monthly and check for accuracy and collectability

This was not implemented and is included in the current year finding 2019-C

B. Findings and Questioned Costs- Major Federal Award Program Audit

No audit findings were reported

STOREY COUNTY
OFFICE OF THE COMPTROLLER
POST OFFICE BOX 432
VIRGINIA CITY, NEVADA 89440

Dipietro & Thornton

Mr. Joe Costanza

9550 Prototype Court Ste 101

Reno, Nevada 89521

Mr. Costanza

The following represent my remarks regarding your "Summary of Remarks".

2019-A Financial Close and Reporting-Audit Adjustments.

I concur with your finding. This year was particularly difficult due to the transition of accounting systems. Our time was spent making sure income and expense transactions were transferred from the old accounting system to the new accounting system. We will make a concerted effort to comply.

2019-B Report Preparation

We recognize that we are responsible for producing a yearly financial statement. Currently staffing levels within the Comptrollers department make it impossible to reconcile 32 Special Revenue Funds and the General Fund, which has 16 departments. We will work with the Auditor to provide financial statements for the year ended 2020.

2019-C Report Preparation

I concur with the auditor's findings regarding the Fire Department Receivables. The current software system is aging and is proprietary which makes training and corrections very difficult. Currently the Fire Chief is looking for alternatives for replacement. In the meantime, the Comptroller's office will assist the Fire Department in balancing and reporting Accounts Receivable on a monthly basis.

Sincerely,

Hugh Gallagher