

LANDER COUNTY, NEVADA

JUNE 30, 2008

LANDER COUNTY
JUNE 30, 2008

TABLE OF CONTENTS

	<u>PAGE NO.</u>
FINANCIAL SECTION	
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	4
Statement of Activities	5-6
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	7-8
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	9
Statement of Revenues, Expenditures and Changes in Fund Balances	10-11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual General Fund	13
Major Special Revenue Funds:	
Road and Bridge Fund	14
DOE Nuclear Repository Fund	15
Town of Battle Mountain General Fund	16
Proprietary Funds:	
Statement of Net Assets	17-18
Statement of Revenues, Expenses and Changes in Net Assets	19
Statement of Cash Flows	20-21
Fiduciary Funds:	
Statement of Fiduciary Net Assets	22
Statement of Changes in Fiduciary Net Assets	23
Notes to Financial Statements	24-45
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	46
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	47

**LANDER COUNTY
JUNE 30, 2008**

TABLE OF CONTENTS

	<u>PAGE NO.</u>
Governmental Funds:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual for - General Fund	48-53
Special Revenue Funds:	
Major Special Revenue Funds:	
Road and Bridge Fund	54
DOE Nuclear Repository Fund	55
Town of Battle Mountain General Fund	56
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	57-61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	62-66
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual for -	
Town of Austin General Fund	67-68
Indigent Fund	69
State Medical Indigent Fund	70
Agricultural Extension Fund	71
Aged Services Fund	72
Lander County Landfill Fund	73
Technology Fees Fund	74
Regional Street and Highway Fund	75
Forensic Services Fund	76
Lander County Airports Fund	77
Culture and Recreation Fund	78-79
Administrative Assessment Fees Fund	80
Genetic Marker Testing Fund	81
Court Facility Fees Fund	82
Juvenile Administrative Assessment Fund	83
Mine Map Fees Fund	84
Lander Economic Development Fund	85
District Drug Court Fund	86
Reserve Fund	87
Debt Service Funds:	
Nonmajor Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual for - Public Safety Debt Service Fund	88

LANDER COUNTY
JUNE 30, 2008

TABLE OF CONTENTS

	<u>PAGE NO.</u>
Capital Projects Funds:	
Major Capital Projects Funds:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual for- CCP (Construction of Capital Projects) Fund	89
Airport Capital Improvement Fund	90
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	91-92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	93-94
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual for - Equipment/Building Replacement Fund	95
Capital Acquisition Fund	96
Battle Mountain Capital Acquisition Fund	97
Austin Capital Acquisition Fund	98
Court Facilities Capital Fund	99
Emergency Maintenance Fund	100
 Enterprise Funds:	
Major Enterprise Funds:	
Battle Mountain Water Fund	
Schedule of Revenues, Expenses and Changes in Net Assets – Budget and Actual	101
Schedule of Cash Flows	102-103
Battle Mountain Sewer Fund	
Schedule of Revenues, Expenses and Changes in Net Assets – Budget and Actual	104
Schedule of Cash Flows	105-106
Nonmajor Enterprise Fund:	
Mt. Lewis Communication Site Fund	
Schedule of Revenues, Expenses and Changes in Net Assets – Budget and Actual	107
Schedule of Cash Flows	108
 Fiduciary Funds:	
Combining Statement of Changes in Assets and Liabilities – Agency Funds	109-113
 COMPLIANCE SECTION	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	114-115
Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	116-117
Schedule of Expenditures of Federal Awards	118-119
Notes to the Schedule of Expenditures of Federal Awards	120
Schedule of Findings and Questioned Costs	121-122
Summary Schedule of Prior Year Audit Findings	123

**LANDER COUNTY
JUNE 30, 2008**

TABLE OF CONTENTS

PAGE NO.

AUDITOR'S COMMENTS

Current Year Statute Compliance	124
Progress on Prior Year Statute Compliance	124
Disposition of Prior Year Recommendations	124
Current Year Audit Recommendations	124
Independent Accountant's Report on Nevada Revised Statues 354.6241	125
Nevada Revised Statute 354.6113	126
Limitation of Fees for Business Licenses, NRS 354.5989	127



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Honorable Board of Commissioners of
Lander County, Nevada

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 Lander County, Nevada as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lander County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Lander County, Nevada as of June 30, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Road and Bridge Fund, DOE Nuclear Repository Fund, and the Town of Battle Mountain General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2008, on our consideration of Lander County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Management's Discussion and Analysis on pages 3-1 through 3-8 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Lander County. The combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Winnemucca, Nevada
November 13, 2008



**MANAGEMENT'S DISCUSSION AND ANALYSIS
LANDER COUNTY
FISCAL YEAR 2008**

Our discussion and analysis of Lander County, Town of Battle Mountain, and Town of Austin's financial performance provides an overview of the financial activities for the year ended June 30, 2008.

We encourage readers to read this information in conjunction with the financial statements and notes to gain a more complete picture of the information presented.

FINANCIAL HIGHLIGHTS

- The County's net assets increased \$5.2 million as a result of this year's operations. Net assets of our business – type activities increased by \$1.9 million, or 18.5%, and assets of our governmental activities increased by \$3.3 million, or 6.2%.
- During the year, the County had expenses for governmental activities that were \$9.5 million more than the \$3.6 million generated in program revenues.
- The County Option Motor Vehicle Fuel Tax generated \$1.3 million in FY 07-08. This money is apportioned between the Road and Bridge and Regional Street and Highway Funds. The proceeds of this tax must be used for construction and improvement or the repair and maintenance of county roads.
- Lander County's additional sales tax rate of .25% generated \$564,619, down 19% from FY 06-07. This money is used to accommodate for the infrastructure of our "Wastewater Facility".

USING THE ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on Pages 4-6) provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements start on page 7. For Governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. Finally, the fiduciary funds' statements provide financial information about activities for which the County acts solely as an agent for the benefit of those outside of the government.

Reporting the County as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the County as a whole begins on page 4. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net assets and changes in them. You can think of the County's net assets – the difference between assets and liabilities – as one way to measure the County's financial health, or financial position. Over time, increases and decreases in the County's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the County's property tax base and the condition of the County's roads, buildings, and equipment to assess the overall health of the County.

In the Statement of Net Assets and the Statement of Activities, we divide the County into two kinds of activities:

- **Governmental activities** – Most of the County's basic services are reported here, including the police, fire, judicial system, public works, health, welfare, culture and recreation, community support, and general administration. Ad valorem taxes, Net Proceeds of Mines tax, consolidated taxes, PILT taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- **Business-type activities** – The County charges fees to customers to help cover all or most of the cost of certain services it provides. The County's communication site, and Battle Mountain's sewer and water systems are reported here.

Reporting the County's Most Significant Funds

Fund Financial Statements

Our analysis of the County's major funds begins on page 7. The fund financial statements provide detailed information about the most significant funds – not the County as a whole. Some funds are required to be established by State law and by bond covenants. However, the Board of Commissioners establishes many other funds to help it control and manage money for particular purposes (like the Airport Capital Improvement Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The County's two kinds of funds – governmental and proprietary – use different accounting approaches.

- **Governmental funds** – Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and balances left at year-end that

are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation.

- Proprietary funds – When the County charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the County's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

The County as Trustee

Reporting the County's Fiduciary Responsibilities

The County is the trustee, or fiduciary, for numerous funds. Fiduciary funds include Agency funds. Agency funds are used to account for assets held by the County as an agent for other governments and organizations. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets on page 22. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County has a fiduciary responsibility over the cash maintained in these funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other

Supplementary information, including combining and individual fund statements and schedules providing budget to actual comparisons, are presented after the basic financial statements. These schedules test compliance with budgetary constraints and management directives to enhance accountability at the fund and function level.

The County as a Whole

Net assets are a useful indicator of a government's financial position.

LANDER COUNTY NET ASSETS

Assets	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 33,274,321	\$ 30,337,686	\$ 4,421,479	\$ 4,077,482	\$ 37,695,800	\$ 34,415,168
Net capital assets	27,894,589	27,627,572	12,079,903	11,179,511	39,974,492	38,807,083
<i>Total Assets</i>	61,168,910	57,965,258	16,501,382	15,256,993	77,670,292	73,222,251
Liabilities						
Current liabilities	2,306,283	2,106,315	301,321	682,314	2,607,604	2,788,629
Long-term liabilities	2,505,307	2,795,425	4,037,739	4,308,536	6,543,046	7,103,961
<i>Total Liabilities</i>	4,811,590	4,901,740	4,339,060	4,990,850	9,150,650	9,892,590
Net Assets						
Invested in capital assets, net of related debt	25,216,479	24,629,378	7,851,262	6,682,589	33,067,741	31,311,967
Restricted	5,236,962	5,739,166	188,535	35,000	5,425,497	5,774,166
Unrestricted	25,903,879	22,694,974	4,122,525	3,548,554	30,026,404	26,243,528
<i>Total Net Assets</i>	\$ 56,357,320	\$ 53,063,518	\$ 12,162,322	\$ 10,266,143	\$ 68,519,642	\$ 63,329,661

For more detailed information see the Government-Wide Statement of Net Assets and the Notes to the Financial Statements.

Net Assets: The County's assets exceeded liabilities by \$68.5 million at June 30, 2008. The largest portion of net assets 48% reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, infrastructure and construction in progress) less any related debt used to acquire those assets that is still outstanding. Lander County uses these capital assets to provide services to citizens; therefore, they are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities.

An additional portion of Lander County's net assets 8% represents resources that are subject to external restrictions (statutory, bond covenants, or granting agency) on how they may be used. The remaining balance of unrestricted net assets of \$30 million may be used to meet the government's ongoing obligations to citizens and creditors. At June 30, 2008, Lander County had positive balances in all three categories of net assets, both for the government as a whole, as well as for separate governmental and business-type activities.

Governmental activities increased the County's net asset by \$3.3 million, thereby accounting for 63.5% of the total growth in the net assets of Lander County. Business-type activities increased the County's net assets by \$1.9 million accounting for 36.5% of the total growth. These changes were the result of the excess of revenues over expenses. Key elements of the increase are noted on the following table.

LANDER COUNTY CHANGE OF NET ASSETS

Revenues	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Program revenues:						
Charges for services	\$ 1,862,209	\$ 1,923,716	\$ 1,317,250	\$ 1,174,840	\$ 3,179,459	\$ 3,098,556
Operating grants and contributions	572,567	661,597	44,703	14,845	617,270	676,442
Capital grants and contributions	1,192,090	1,926,304	-	2,712,641	1,192,090	4,638,945
General revenues:						
Ad valorem taxes	4,500,130	4,711,934	-	-	4,500,130	4,711,934
Consolidated taxes	3,738,493	3,910,298	-	-	3,738,493	3,910,298
Net proceeds of mines tax	1,907,921	689,240	-	-	1,907,921	689,240
Federal PILT	477,656	484,028	-	-	477,656	484,028
Unrestricted investment earnings	709,909	986,222	142,536	165,183	852,445	1,151,405
Other	2,548,982	1,843,160	566,734	694,073	3,115,716	2,537,233
<i>Total Revenues</i>	<i>17,509,957</i>	<i>17,136,499</i>	<i>2,071,223</i>	<i>4,761,582</i>	<i>19,581,180</i>	<i>21,898,081</i>
Expenses						
General government	3,223,802	4,976,799	-	-	3,223,802	4,976,799
Judicial	1,446,996	1,404,239	-	-	1,446,996	1,404,239
Public safety	3,396,468	3,310,495	-	-	3,396,468	3,310,495
Highways and streets	1,089,049	-	-	-	1,089,049	-
Public works	1,854,098	1,781,605	-	-	1,854,098	1,781,605
Health & Sanitation	386,092	351,496	-	-	386,092	351,496
Welfare	650,447	609,661	-	-	650,447	609,661
Culture and recreation	770,816	728,937	-	-	770,816	728,937
Community support	144,978	61,877	-	-	144,978	61,877
Intergovernmental	-	108,573	-	-	-	108,573
Interest	132,240	162,959	-	-	132,240	162,959
Water	-	-	553,918	480,414	553,918	480,414
Sewer	-	-	740,287	734,570	740,287	734,570
Communication Site	-	-	2,008	1,426	2,008	1,426
<i>Total expenses</i>	<i>13,094,986</i>	<i>13,496,641</i>	<i>1,296,213</i>	<i>1,216,410</i>	<i>14,391,199</i>	<i>14,713,051</i>
Increase in net assets before transfers	4,414,971	3,639,858	775,010	3,545,172	5,189,981	7,185,030
Transfers	(1,121,169)	(353,259)	1,121,169	353,259	-	-
Change in capitalization threshold	-	(731,891)	-	(117,647)	-	(849,538)
Increase in net assets	3,293,802	2,554,708	1,896,179	3,780,784	5,189,981	6,335,492
Ending net assets	\$ 56,357,320	\$ 53,063,518	\$ 12,162,322	\$ 10,266,143	\$ 68,519,642	\$ 63,329,661

Total revenues: General revenue mainly comprised of various taxes and investment earnings represented 75% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

During the fiscal year, the net assets of the governmental activities increased by \$3,293,802, and the net assets of the business-type activities increased by \$1,896,179.

Program Expenses and Revenues for Governmental Activities

The following table presents program expenses and revenues for governmental activities. To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes

in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net Program(Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the County's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Overall, program revenues were not sufficient to cover program expenses for governmental activities. The net program expenses of these governmental activities were, therefore, supported by general revenues - mainly taxes and fund reserves.

The three largest revenue sources for the County are Ad Valorem taxes, Consolidated Taxes and Net Proceeds of Mines taxes.

Governmental Activities:	Program Expenses		Program Revenues		Net Program (Exp.) Rev	
	2008	2007	2008	2007	2008	2007
General government	\$ 3,223,802	\$ 4,976,799	\$ 2,198,740	\$ 2,932,529	\$ (1,025,062)	\$ (2,044,270)
Judicial	1,446,996	1,404,239	546,685	620,526	(900,311)	(783,713)
Public safety	3,396,468	3,310,495	398,971	519,978	(2,997,497)	(2,790,517)
Highways and streets	1,089,049	-	-	-	(1,089,049)	-
Public works	1,854,098	1,781,605	16,460	16,494	(1,837,638)	(1,765,111)
Health	386,092	351,496	127,063	123,208	(259,029)	(228,288)
Welfare	650,447	609,661	256,027	171,570	(394,420)	(438,091)
Culture & recreation	770,816	728,937	82,920	85,014	(687,896)	(643,923)
Community support	144,978	61,877	-	36,955	(144,978)	(24,922)
Intergovernmental	-	108,573	-	5,343	-	(103,230)
Debt Service interest	132,240	162,959	-	-	(132,240)	(162,959)
Totals	\$13,094,986	\$ 13,496,641	\$ 3,626,866	\$ 4,511,617	\$ (9,468,120)	\$ (8,985,024)

Program Expenses and Revenues for Business-type Activities

This table presents program expenses and revenues for business-type activities. With the exception of the sewer fund, program revenues generated from business-type activities were sufficient to cover program expenses. These expenses not covered by program revenues are supported by fund reserves.

Business-type Activities:	Program Expenses		Program Revenues		Net Program (Exp.) Rev	
	2008	2007	2008	2007	2008	2007
Water	\$ 553,918	\$ 480,414	\$ 681,269	\$ 3,338,589	\$ 127,351	\$ 2,858,175
Sewer	740,287	734,570	674,684	556,412	(65,603)	(178,158)
Communication site	2,008	1,426	6,000	7,325	3,992	5,899
Totals	\$1,296,213	\$ 1,216,410	\$1,361,953	\$ 3,902,326	\$ 65,740	\$ 2,685,916

The County's Funds

Lander County uses fund accounting and budgetary integration to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the County's governmental funds is to provide information on current inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's current funding requirements. In particular, unreserved fund balance serves as a useful measure of net resources available for appropriation at the end of the fiscal year.

As of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$31.3 million, an increase of \$2.7 million over the prior year.

The General Fund is the County's primary operating fund. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$12 million. As a measure of liquidity, it is useful to compare the unreserved fund balance to total fund expenditures. Unreserved fund balance represents 157% of total fund expenditures, including transfers out.

The Road and Bridge Fund accounts for money received from the County fuel tax and is supplemented by Ad valorem taxes, net proceeds of mines taxes and other sources. Expenditures are limited to construction, repair, and maintenance of County roads and bridges, and the purchase of machinery necessary to do such work. Ending fund balance is \$1.9 million, an increase of 14.4% from prior year.

The DOE Nuclear Repository Oversight Fund accounts for money from the Federal Department of Energy for oversight of the proposed nuclear repository pursuant to the Nuclear Waste Policy Act. The money is used to review activities regarding the Yucca Mountain site, to develop a request for impact assistance, to monitor, test and evaluate activities with respect to Yucca Mountain site characteristics, to provide information to Nevada residents regarding activities related to nuclear issues, and to request information from and make recommendations to the federal government regarding activities. Unspent revenues are deferred at year end.

The Town of Battle Mountain General Fund covers certain expenditures that are specifically identifiable to functions within the town. For example, the cost of electricity for street lights within the town limits are paid from this fund. Revenues for this fund consist of the property tax levied, consolidated taxes, and other sources. Fund balance increased by 21.7% from prior year.

The CCP Fund was created under the authority of NRS 354.6113. This statute provides for the construction of capital projects that are included within the plan for capital improvement prepared in accordance with NRS 350.0035. Revenues of the fund include net proceeds of mines taxes, investment earnings, and federal land lease proceeds per NRS 328.460. The ending fund balance is \$4.4 million, a increase of \$568,957 from prior year.

The Airport Capital Improvement Fund is used to account for the proceeds from Federal Aviation Administration grants and related expenditures in connection with the improvements of the Battle Mountain and Austin airports. Under the grant award the FAA funds 95% of the cost of the project with the County providing 5%.

Proprietary Fund statements provide the same type of information found in the government-wide financial statements, but in more detail. They are accounted for by using full accrual; therefore, no reconciliation is required to the government-wide level.

The Battle Mountain Town Water and Sewer Funds were established to account for county-owned and operated water and sewer systems. The fiscal year operating gain for the water system was \$146,673 and net assets of the fund increased by \$176,269 and the operating gain of the sewer system was \$26,979 and net assets of the fund increased by \$1.7 million.

General Fund Budgetary Highlights

Functions represent the legal level of budgetary control. The final budget appropriation was \$537,697 or 6.0% more than the original budget. Actual expenditures were 80% of appropriations and \$1,855,231 less than the final budget.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2008 is \$40 million (net of accumulated depreciation). This investment in capital assets includes land, improvements other than buildings, building and improvements, equipment, vehicles, construction in progress and infrastructure. The total increase in the county's investment in capital assets for the current fiscal year was 3%.

This year's 3% increase in both Governmental and Business-Type Activities is due to net current year additions and depreciation expense.

More detailed information on the County's capital assets can be found in Note 5 on page 37 of this report.

Long -Term Debt

At June 30, 2008, Lander County had total outstanding bonded debt of \$7.1 million. Of this amount, \$2.9 million comprises general obligation debt backed by the full faith and credit of the government, and \$4.2 million are revenue bonds additionally secured by specified revenue sources.

Due to principle payments, the County's general obligation bond debt decreased by \$270,000.

The total revenue bond debt decreased by \$268,000 during the current fiscal year.

Additional information on the County's long-term debt can be found in Note 7 on pages 39 through 42 of this report.

Economic Factors and Next Year's Budgets and Rates

We have seen an economic change this past year in Battle Mountain due to the completion of construction projects with the Phoenix Gold Mine and the Newmont Power Plant . Businesses are not being impacted as they were last year with all the construction projects. With the increase in taxes experienced this year, next year's general fund budget was determined based on another increase. A contract with Reynolds, Smith & Hill's Inc. was let for additional rehabilitation of our airports in Battle Mountain and Austin. This will be funded with FAA grants (95.0%) and County match (5.0%).

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at 825 2nd Street, Battle Mountain, NV. 89820

LANDER COUNTY
STATEMENT OF NET ASSETS
JUNE 30, 2008

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and investments	\$ 31,421,484	\$ 3,926,537	\$ 35,348,021
Accounts receivable, net	155,145	137,768	292,913
Property taxes receivable	43,178	-	43,178
Interest receivable	67,055	7,256	74,311
Intergovernmental receivable	1,567,211	114,117	1,681,328
Internal balances	4,025	(4,025)	-
Inventory	16,223	51,291	67,514
Restricted cash - bond debt	-	103,785	103,785
Restricted cash - capital asset reserves	-	84,750	84,750
Capital assets not being depreciated			
Land	2,424,541	10,950	2,435,491
Construction in progress	2,276,821	-	2,276,821
Capital assets, net of accumulated depreciation			
Buildings	7,616,217	306,843	7,923,060
Improvements other than buildings	10,822,568	11,755,760	22,578,328
Equipment and vehicles	2,116,291	6,350	2,122,641
Infrastructure	2,638,151	-	2,638,151
	<u>61,168,910</u>	<u>16,501,382</u>	<u>77,670,292</u>
Total Assets			
LIABILITIES			
Accounts payable	552,914	27,080	579,994
Accrued liabilities	186,788	8,352	195,140
Accrued interest payable	16,293	43,280	59,573
Contract retainage payable	39,000	-	39,000
Deposits	-	17,890	17,890
Intergovernmental payable	261,658	-	261,658
Unearned revenue	880,244	-	880,244
Noncurrent liabilities:			
Due within one year	369,386	204,719	574,105
Due in more than one year	2,505,307	4,037,739	6,543,046
	<u>4,811,590</u>	<u>4,339,060</u>	<u>9,150,650</u>
Total Liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	25,216,479	7,851,262	33,067,741
Restricted for:			
Debt service	450,781	103,785	554,566
Public works	415,595	-	415,595
Capital projects	4,370,586	84,750	4,455,336
Unrestricted	25,903,879	4,122,525	30,026,404
	<u>\$ 56,357,320</u>	<u>\$ 12,162,322</u>	<u>\$ 68,519,642</u>
Total Net Assets			

See accompanying notes.

**LANDER COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Governmental Activities:				
General government	\$ 3,223,802	\$ 974,688	\$ 31,962	\$ 1,192,090
Judicial	1,446,996	508,648	38,037	-
Public safety	3,396,468	134,186	264,785	-
Highways and streets	1,089,049	-	-	-
Public works	1,854,098	-	16,460	-
Health and sanitation	386,092	127,063	-	-
Welfare	650,447	34,704	221,323	-
Culture and recreation	770,816	82,920	-	-
Community support	144,978	-	-	-
Debt Service				
Interest	132,240	-	-	-
Total Governmental Activities	<u>13,094,986</u>	<u>1,862,209</u>	<u>572,567</u>	<u>1,192,090</u>
Business-type Activities:				
Water	553,918	636,566	44,703	-
Sewer	740,287	674,684	-	-
Communication site	2,008	6,000	-	-
Total Business-type Activities	<u>1,296,213</u>	<u>1,317,250</u>	<u>44,703</u>	<u>-</u>
Total County	<u>\$ 14,391,199</u>	<u>\$ 3,179,459</u>	<u>\$ 617,270</u>	<u>\$ 1,192,090</u>

General Revenues:
 Ad valorem taxes
 Consolidated taxes
 Net proceeds of mine taxes
 Federal payment in lieu of tax
 County option sales tax
 State gaming licenses
 State motor vehicle fuel tax
 Unrestricted investment earnings
 Other sources
 Transfers

Total General Revenues and Transfers

Change in Net Assets

NET ASSETS, JULY 1

NET ASSETS, JUNE 30

See accompanying notes.

NET (EXPENSE) REVENUE AND
CHANGES IN NET ASSETS

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (1,025,062)	\$ -	\$ (1,025,062)
(900,311)	-	(900,311)
(2,997,497)	-	(2,997,497)
(1,089,049)	-	(1,089,049)
(1,837,638)	-	(1,837,638)
(259,029)	-	(259,029)
(394,420)	-	(394,420)
(687,896)	-	(687,896)
(144,978)	-	(144,978)
<u>(132,240)</u>	<u>-</u>	<u>(132,240)</u>
<u>(9,468,120)</u>	<u>-</u>	<u>(9,468,120)</u>
-	127,351	127,351
-	(65,603)	(65,603)
<u>-</u>	<u>3,992</u>	<u>3,992</u>
-	65,740	65,740
<u>(9,468,120)</u>	<u>65,740</u>	<u>(9,402,380)</u>
4,500,130	-	4,500,130
3,738,493	-	3,738,493
1,907,921	-	1,907,921
477,656	-	477,656
-	564,619	564,619
153,686	-	153,686
1,288,552	-	1,288,552
709,909	142,536	852,445
1,106,744	2,115	1,108,859
<u>(1,121,169)</u>	<u>1,121,169</u>	<u>-</u>
<u>12,761,922</u>	<u>1,830,439</u>	<u>14,592,361</u>
3,293,802	1,896,179	5,189,981
<u>53,063,518</u>	<u>10,266,143</u>	<u>63,329,661</u>
<u>\$ 56,357,320</u>	<u>\$ 12,162,322</u>	<u>\$ 68,519,642</u>

**LANDER COUNTY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2008**

	GENERAL FUND	ROAD AND BRIDGE FUND	DOE NUCLEAR REPOSITORY FUND	TOWN OF BATTLE MOUNTAIN GENERAL FUND
ASSETS				
Cash and investments	\$ 11,681,896	\$ 1,877,458	\$ 806,986	\$ 818,376
Accounts receivable, net	128,544	-	-	17,457
Taxes receivable, delinquent	26,575	3,635	-	423
Interest receivable	15,379	-	1,526	1,333
Due from other funds	126	-	-	-
Intergovernmental receivable	648,921	174,980	-	37,953
Inventory	15,002	-	-	-
Total Assets	\$ 12,516,443	\$ 2,056,073	\$ 808,512	\$ 875,542
LIABILITIES				
Accounts payable	\$ 176,819	\$ 45,729	\$ 34,889	\$ 48,382
Accrued liabilities	116,648	32,187	1,427	-
Contract retainage payable	-	-	-	-
Due to other funds	1,379	192	-	404
Intergovernmental payable	34,664	28,573	-	-
Deferred revenue	132,101	3,953	772,196	423
Total Liabilities	461,611	110,634	808,512	49,209
FUND BALANCES				
Reserved for:				
Debt service	-	-	-	-
Inventories	15,002	-	-	-
Unreserved, reported in:				
General fund	12,039,830	-	-	-
Special revenue funds	-	1,945,439	-	826,333
Capital projects funds	-	-	-	-
Total Fund Balances	12,054,832	1,945,439	-	826,333
Total Liabilities and Fund Balances	\$ 12,516,443	\$ 2,056,073	\$ 808,512	\$ 875,542

See accompanying notes.

CCP FUND	AIRPORT CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 4,064,283	\$ 129,458	\$ 12,043,027	\$ 31,421,484
-	-	9,144	155,145
-	-	12,545	43,178
38,177	-	10,640	67,055
12,532	-	-	12,658
556,828	54,405	94,124	1,567,211
-	-	1,221	16,223
<u>\$ 4,671,820</u>	<u>\$ 183,863</u>	<u>\$ 12,170,701</u>	<u>\$ 33,282,954</u>
\$ 112,546	\$ 24,600	\$ 109,949	\$ 552,914
-	-	36,526	186,788
39,000	-	-	39,000
-	-	6,658	8,633
149,688	-	48,733	261,658
-	-	14,749	923,422
<u>301,234</u>	<u>24,600</u>	<u>216,615</u>	<u>1,972,415</u>
-	-	465,405	465,405
-	-	1,221	16,223
-	-	-	12,039,830
-	-	7,527,234	10,299,006
4,370,586	159,263	3,960,226	8,490,075
<u>4,370,586</u>	<u>159,263</u>	<u>11,954,086</u>	<u>31,310,539</u>
<u>\$ 4,671,820</u>	<u>\$ 183,863</u>	<u>\$ 12,170,701</u>	<u>\$ 33,282,954</u>

**LANDER COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008**

Fund Balances - Governmental Funds \$ 31,310,539

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets	\$ 45,575,378	
Less: Accumulated depreciation	<u>(17,680,789)</u>	27,894,589

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Capital lease obligations	(15,643)	
Governmental bonds payable	(2,920,000)	
Bond premium	(36,247)	
Less current year amortization	3,690	
Deferred amount on refunding	265,952	
Less current year amortization	(27,077)	
Bond issuance costs	57,021	
Less current year amortization	(5,806)	
Compensated absences	<u>(196,583)</u>	(2,874,693)
Interest payable		(16,293)

Deferred revenue represents amounts that are not available to fund current expenditures and therefore are not reported in the governmental funds.		<u>43,178</u>
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Total Net Assets of Governmental Activities \$ 56,357,320

**LANDER COUNTY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008**

	GENERAL FUND	ROAD AND BRIDGE FUND	DOE NUCLEAR REPOSITORY FUND	TOWN OF BATTLE MOUNTAIN GENERAL FUND
REVENUES				
Taxes	\$ 2,847,880	\$ 484,133	\$ -	\$ 14,938
Licenses and permits	294,611	-	-	90,191
Intergovernmental revenues	3,900,305	980,980	157,697	215,750
Charges for services	511,817	-	-	-
Fines and forfeits	332,683	-	-	-
Earnings on investments	489,953	-	27,348	28,099
Miscellaneous	136,524	1,216	-	-
	<u>8,513,773</u>	<u>1,466,329</u>	<u>185,045</u>	<u>348,978</u>
EXPENDITURES				
Current:				
General government	2,672,265	-	-	184,662
Judicial	1,414,080	-	-	-
Public safety	3,315,736	-	185,045	-
Highways and streets	-	-	-	-
Public works	-	1,323,237	-	-
Health and sanitation	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	16,840
Community support	-	-	-	-
Intergovernmental	225,813	-	-	-
Debt service:				
Principal	15,644	-	-	-
Interest	972	-	-	-
	<u>7,644,510</u>	<u>1,323,237</u>	<u>185,045</u>	<u>201,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>869,263</u>	<u>143,092</u>	<u>-</u>	<u>147,476</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	67,040	102,310	-	-
Transfers out	(67,040)	-	-	-
	<u>-</u>	<u>102,310</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>102,310</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	869,263	245,402	-	147,476
FUND BALANCES, July 1	<u>11,185,569</u>	<u>1,700,037</u>	<u>-</u>	<u>678,857</u>
FUND BALANCES, June 30	<u>\$ 12,054,832</u>	<u>\$ 1,945,439</u>	<u>\$ -</u>	<u>\$ 826,333</u>

CCP FUND	AIRPORT CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 701,791	\$ 55,380	\$ 2,611,425	\$ 6,715,547
-	-	26,919	411,721
-	234,955	586,492	6,076,179
-	-	537,507	1,049,324
-	-	-	332,683
400,308	-	230,207	1,175,915
556,827	-	1,037,485	1,732,052
<u>1,658,926</u>	<u>290,335</u>	<u>5,030,035</u>	<u>17,493,421</u>
1,089,969	246,462	467,681	4,661,039
-	-	32,824	1,446,904
-	-	-	3,500,781
-	-	1,090,000	1,090,000
-	-	258,672	1,581,909
-	-	350,743	350,743
-	-	642,294	642,294
-	-	696,190	713,030
-	-	145,105	145,105
-	-	5,639	231,452
-	-	333,633	349,277
-	-	106,718	107,690
<u>1,089,969</u>	<u>246,462</u>	<u>4,129,499</u>	<u>14,820,224</u>
<u>568,957</u>	<u>43,873</u>	<u>900,536</u>	<u>2,673,197</u>
-	-	67,040	236,390
-	-	(169,350)	(236,390)
-	-	(102,310)	-
568,957	43,873	798,226	2,673,197
3,801,629	115,390	11,155,860	28,637,342
<u>\$ 4,370,586</u>	<u>\$ 159,263</u>	<u>\$ 11,954,086</u>	<u>\$ 31,310,539</u>

LANDER COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Net Change in Fund Balances - Governmental Funds \$ 2,673,197

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Expenditures for capital assets	\$ 3,093,651	
Less current year depreciation	<u>(1,693,903)</u>	1,399,748

Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities. 349,277

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due and thus requires current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 4,643

Because some property taxes will not be collected in time to pay for obligations of the current period, they are not considered available revenues in the governmental funds and are instead reported as deferred revenues. These revenues are accounted for as revenue in the statement of activities. 16,536

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

Amortization of current year bond premium	3,690	
Amortization of current year bond issuance costs	(5,806)	
Amortization of current year deferred amount on refunding	(27,077)	
Obsolete assets	(11,562)	
Donated capital assets	(1,121,169)	
Change in long-term compensated absences	<u>12,325</u>	<u>(1,149,599)</u>

Change in Net Assets of Governmental Activities \$ 3,293,802

**LANDER COUNTY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 3,129,869	\$ 3,129,869	\$ 2,847,880	\$ (281,989)
Licenses and permits	170,310	170,310	294,611	124,301
Intergovernmental revenues	2,752,130	2,997,941	3,900,305	902,364
Charges for services	421,740	421,740	511,817	90,077
Fines and forfeits	251,600	251,600	332,683	81,083
Earnings on investments	799,302	799,302	489,953	(309,349)
Miscellaneous	71,600	96,600	136,524	39,924
Total Revenues	<u>7,596,551</u>	<u>7,867,362</u>	<u>8,513,773</u>	<u>646,411</u>
EXPENDITURES				
General government	3,467,125	3,498,521	2,672,265	826,256
Judicial	1,544,285	1,557,375	1,414,080	143,295
Public safety	3,914,348	4,197,867	3,315,736	882,131
Intergovernmental	19,670	229,362	225,813	3,549
Debt service	16,616	16,616	16,616	-
Total Expenditures	<u>8,962,044</u>	<u>9,499,741</u>	<u>7,644,510</u>	<u>1,855,231</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,365,493)</u>	<u>(1,632,379)</u>	<u>869,263</u>	<u>2,501,642</u>
OTHER FINANCING SOURCES (USES)				
Contingency	(75,000)	(18,204)	-	18,204
Transfers in	56,762	56,762	67,040	10,278
Transfers out	(56,762)	(56,762)	(67,040)	(10,278)
Total Other Financing Sources (Uses)	<u>(75,000)</u>	<u>(18,204)</u>	<u>-</u>	<u>18,204</u>
Net Change in Fund Balances	<u>(1,440,493)</u>	<u>(1,650,583)</u>	<u>869,263</u>	<u>2,519,846</u>
FUND BALANCES, July 1	<u>8,197,892</u>	<u>8,407,982</u>	<u>11,185,569</u>	<u>2,777,587</u>
FUND BALANCES, June 30	<u>\$ 6,757,399</u>	<u>\$ 6,757,399</u>	<u>\$ 12,054,832</u>	<u>\$ 5,297,433</u>

See accompanying notes.

**LANDER COUNTY
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 536,136	\$ 536,136	\$ 484,133	\$ (52,003)
Intergovernmental revenues	929,837	929,837	980,980	51,143
Miscellaneous	-	-	1,216	1,216
Total Revenues	<u>1,465,973</u>	<u>1,465,973</u>	<u>1,466,329</u>	<u>356</u>
EXPENDITURES				
Public works	<u>1,471,710</u>	<u>1,471,710</u>	<u>1,323,237</u>	<u>148,473</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,737)	(5,737)	143,092	148,829
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>113,500</u>	<u>113,500</u>	<u>102,310</u>	<u>(11,190)</u>
Net Change in Fund Balances	107,763	107,763	245,402	137,639
FUND BALANCES, July 1	<u>1,486,358</u>	<u>1,486,358</u>	<u>1,700,037</u>	<u>213,679</u>
FUND BALANCES, June 30	<u>\$ 1,594,121</u>	<u>\$ 1,594,121</u>	<u>\$ 1,945,439</u>	<u>\$ 351,318</u>

**LANDER COUNTY
DOE NUCLEAR REPOSITORY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Intergovernmental revenues	\$ 300,000	\$ 300,000	\$ 157,697	\$ (142,303)
Earnings on investments	<u>29,388</u>	<u>29,388</u>	<u>27,348</u>	<u>(2,040)</u>
Total Revenues	<u>329,388</u>	<u>329,388</u>	<u>185,045</u>	<u>(144,343)</u>
EXPENDITURES				
Public safety	<u>329,388</u>	<u>329,388</u>	<u>185,045</u>	<u>144,343</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
FUND BALANCES, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LANDER COUNTY
TOWN OF BATTLE MOUNTAIN GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ 15,373	\$ 15,373	\$ 14,938	\$ (435)
Licenses and permits	64,500	64,500	90,191	25,691
Intergovernmental revenues	162,040	162,040	215,750	53,710
Earnings on investments	19,249	19,249	28,099	8,850
Total Revenues	<u>261,162</u>	<u>261,162</u>	<u>348,978</u>	<u>87,816</u>
EXPENDITURES				
General government	282,150	282,150	184,662	97,488
Culture and recreation	22,850	22,850	16,840	6,010
Total Expenditures	<u>305,000</u>	<u>305,000</u>	<u>201,502</u>	<u>103,498</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,838)	(43,838)	147,476	191,314
FUND BALANCES, July 1	<u>446,438</u>	<u>446,438</u>	<u>678,857</u>	<u>232,419</u>
FUND BALANCES, June 30	<u>\$ 402,600</u>	<u>\$ 402,600</u>	<u>\$ 826,333</u>	<u>\$ 423,733</u>

**LANDER COUNTY
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2008
 (Page 1 of 2)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	BATTLE MOUNTAIN WATER	BATTLE MOUNTAIN SEWER	OTHER ENTERPRISE FUNDS	
ASSETS				
Current Assets				
Cash and investments	\$ 1,072,604	\$ 2,724,814	\$ 111,229	\$ 3,908,647
Cash, deposits	8,945	8,945	-	17,890
Accounts receivable, net	71,553	66,215	-	137,768
Interest receivable	2,279	4,977	-	7,256
Due from other funds	7,691	851	-	8,542
Intergovernmental receivable	-	114,117	-	114,117
Inventory	35,029	16,262	-	51,291
Total Current Assets	1,198,101	2,936,181	111,229	4,245,511
Noncurrent Assets				
Restricted cash, cash equivalents, and investments:				
Bond retirement	-	20,200	-	20,200
Revenue bond debt service reserve	83,585	-	-	83,585
Revenue bond capital replacement reserve	33,030	-	-	33,030
Revenue bond short lived assets reserve	51,720	-	-	51,720
Total Restricted Assets	168,335	20,200	-	188,535
Capital Assets				
Land	10,950	-	-	10,950
Buildings and improvements	205,789	3,727	171,207	380,723
Improvements other than buildings	6,630,207	9,861,825	-	16,492,032
Equipment and vehicles	110,628	734	-	111,362
Total Capital Assets	6,957,574	9,866,286	171,207	16,995,067
Less: accumulated depreciation	(1,559,907)	(3,184,050)	(171,207)	(4,915,164)
Net Capital Assets	5,397,667	6,682,236	-	12,079,903
Total Noncurrent Assets	5,566,002	6,702,436	-	12,268,438
Total Assets	6,764,103	9,638,617	111,229	16,513,949

**LANDER COUNTY
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2008
 (Page 2 of 2)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	BATTLE MOUNTAIN WATER	BATTLE MOUNTAIN SEWER	OTHER ENTERPRISE FUNDS	
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 17,902	\$ 9,002	\$ 176	\$ 27,080
Accrued salaries	4,775	3,577	-	8,352
Interest payable	1,292	41,988	-	43,280
Due to other funds	-	12,567	-	12,567
Customer deposits	8,945	8,945	-	17,890
Compensated absences	4,836	8,981	-	13,817
Bonds payable, current	<u>20,534</u>	<u>170,368</u>	<u>-</u>	<u>190,902</u>
Total Current Liabilities	<u>58,284</u>	<u>255,428</u>	<u>176</u>	<u>313,888</u>
Noncurrent Liabilities				
Bonds payable	<u>1,516,878</u>	<u>2,520,861</u>	<u>-</u>	<u>4,037,739</u>
Total Liabilities	<u>1,575,162</u>	<u>2,776,289</u>	<u>176</u>	<u>4,351,627</u>
NET ASSETS				
Invested in capital assets, net of related debt	3,860,255	3,991,007	-	7,851,262
Restricted per bond agreement	-	20,200	-	20,200
Restricted for debt service	83,585	-	-	83,585
Restricted for capital replacement	84,750	-	-	84,750
Unrestricted	<u>1,160,351</u>	<u>2,851,121</u>	<u>111,053</u>	<u>4,122,525</u>
Total Net Assets	<u>\$ 5,188,941</u>	<u>\$ 6,862,328</u>	<u>\$ 111,053</u>	<u>\$ 12,162,322</u>

**LANDER COUNTY
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2008**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	BATTLE MOUNTAIN WATER	BATTLE MOUNTAIN SEWER	OTHER ENTERPRISE FUNDS	
OPERATING REVENUES				
Water use fees	\$ 636,566	\$ -	\$ -	\$ 636,566
Sewer use fees	-	674,684	-	674,684
Other use fees	-	-	6,000	6,000
Total Operating Revenues	<u>636,566</u>	<u>674,684</u>	<u>6,000</u>	<u>1,317,250</u>
OPERATING EXPENSES				
Salaries and wages	102,816	84,827	-	187,643
Employee benefits	40,923	30,726	-	71,649
Services and supplies	226,410	246,922	2,008	475,340
Depreciation	119,744	285,230	-	404,974
Total Operating Expenses	<u>489,893</u>	<u>647,705</u>	<u>2,008</u>	<u>1,139,606</u>
Operating Income (Loss)	<u>146,673</u>	<u>26,979</u>	<u>3,992</u>	<u>177,644</u>
NONOPERATING REVENUES (EXPENSES)				
Earnings on investments	48,918	93,618	-	142,536
County option-sales tax	-	564,619	-	564,619
Miscellaneous income	-	2,115	-	2,115
State grant revenue	44,703	-	-	44,703
Interest expense	(64,025)	(92,582)	-	(156,607)
Total Nonoperating Revenues (Expenses)	<u>29,596</u>	<u>567,770</u>	<u>-</u>	<u>597,366</u>
Income (Loss) before Capital Contributions and Transfers	176,269	594,749	3,992	775,010
CAPITAL CONTRIBUTIONS	<u>-</u>	<u>1,121,169</u>	<u>-</u>	<u>1,121,169</u>
Change in Net Assets	176,269	1,715,918	3,992	1,896,179
NET ASSETS, July 1	<u>5,012,672</u>	<u>5,146,410</u>	<u>107,061</u>	<u>10,266,143</u>
NET ASSETS, June 30	<u>\$ 5,188,941</u>	<u>\$ 6,862,328</u>	<u>\$ 111,053</u>	<u>\$ 12,162,322</u>

See accompanying notes.

**LANDER COUNTY
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 1 of 2)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	BATTLE MOUNTAIN WATER	BATTLE MOUNTAIN SEWER	OTHER ENTERPRISE FUNDS	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 638,424	\$ 665,061	\$ 6,000	\$ 1,309,485
Cash payments to suppliers for goods and services	(607,985)	(241,002)	(1,874)	(850,861)
Cash payments to employees for services	(142,032)	(112,967)	-	(254,999)
Net Cash Provided (Used) by Operating Activities	(111,593)	311,092	4,126	203,625
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
County option-sales tax	-	607,784	-	607,784
State grant revenue	293,672	-	-	293,672
Net Cash Provided (Used) by Non-Capital Financing Activities	293,672	607,784	-	901,456
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Customer deposits	1,886	1,886	-	3,772
Miscellaneous revenue	-	2,115	-	2,115
Acquisition of capital assets	(109,250)	(74,947)	-	(184,197)
Interest paid on financing	(64,124)	(95,307)	-	(159,431)
Principal payments on financing	(103,557)	(164,724)	-	(268,281)
Net Cash Provided (Used) by Capital and Related Financing Activities	(275,045)	(330,977)	-	(606,022)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	55,149	96,362	-	151,511
Net Increase (Decrease) in Cash and Cash Equivalents	(37,817)	684,261	4,126	650,570
CASH AND CASH EQUIVALENTS, July 1	1,287,701	2,069,698	107,103	3,464,502
CASH AND CASH EQUIVALENTS, June 30	\$ 1,249,884	\$ 2,753,959	\$ 111,229	\$ 4,115,072

**LANDER COUNTY
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2008
 (Page 2 of 2)**

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	BATTLE MOUNTAIN WATER	BATTLE MOUNTAIN SEWER	OTHER ENTERPRISE FUNDS	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 146,673	\$ 26,979	\$ 3,992	\$ 177,644
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	119,744	285,230	-	404,974
(Increase) decrease in:				
Receivables	1,886	(9,665)	-	(7,779)
Due from other funds	(28)	42	-	14
Inventory	786	366	-	1,152
Increase (decrease) in:				
Payables	(382,116)	(6,768)	134	(388,750)
Accrued liabilities	1,707	2,586	-	4,293
Due to other funds	(245)	12,322	-	12,077
	<u>\$ (111,593)</u>	<u>\$ 311,092</u>	<u>\$ 4,126</u>	<u>\$ 203,625</u>
Net Cash Provided (Used) by Operating Activities				
	<u>\$ (111,593)</u>	<u>\$ 311,092</u>	<u>\$ 4,126</u>	<u>\$ 203,625</u>
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Capital assets acquired by cash	\$ 109,250	\$ 74,947	\$ -	\$ 184,197
Add: Capital assets contributed from government	-	1,121,169	-	1,121,169
Total capital assets acquired	<u>\$ 109,250</u>	<u>\$ 1,196,116</u>	<u>\$ -</u>	<u>\$ 1,305,366</u>

**LANDER COUNTY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
June 30, 2008**

	<u>AGENCY FUNDS</u>	<u>INVESTMENT TRUST FUND</u>
ASSETS		
Cash and investments	\$ <u>1,723,714</u>	\$ <u>845,442</u>
LIABILITIES		
Due to others and governments	<u>1,723,714</u>	<u>-</u>
NET ASSETS		
Held in trust for pool participants	\$ <u><u>-</u></u>	\$ <u><u>845,442</u></u>

LANDER COUNTY
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008

	INVESTMENT TRUST FUND
Investment income	\$ 32,369
Capital share transactions	176,993
Change in Net Assets	209,362
NET ASSETS, July 1	636,080
NET ASSETS, June 30	\$ 845,442

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – Summary of Significant Accounting Policies:

The accompanying financial statements of Lander County, Nevada have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of existing Government and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements of Interpretations), constitutes GAAP for governmental units.

Reporting Entity:

Formed on December 19, 1862, Lander County is a municipality of the State of Nevada. A three member Board of County Commissioners elected by the registered voters of Lander County, Nevada governs the County. The County is responsible for providing judicial and public safety services, maintaining roads and other normal activities related to County government.

These financial statements include the unincorporated towns of Austin and Battle Mountain as component units of Lander County, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity. Component units include legally separate organizations for which the County is financially accountable or the Board has the ability to impose its will on these entities. The Board of County Commissioners, by state statute, acts as the governing board for the unincorporated towns of Austin and Battle Mountain. The component units are reported under the “blended” basis and are, therefore, included within the financial statements of Lander County.

Activities under the jurisdiction of other governing boards, elected or appointed, that exercise substantial or total administrative and supervisory authority in their own name, are legally separate, and are fiscally independent as defined by the Governmental Accounting Standards Board are not considered to be a part of Lander County government and are reported separately.

Basic Financial Statements – Government-Wide Statements:

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. The reporting focus is on either the County as a whole or major individual funds and nonmajor funds in the aggregate (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type.

The government-wide financial statements (the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from the business-type activities, which rely to a significant extent on user fees and charges for support.

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – Summary of Significant Accounting Policies (Continued):

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis that recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The County first utilizes restricted resources to finance qualifying activities then unrestricted resources, as they are needed.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. The functions are also supported by general government revenues (property and consolidated taxes, certain intergovernmental revenues, interest income not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues include charges to customers or applicants for goods, services or privileges provided; operating grants and contributions; and capital grants and contributions, including special assessments and investment earnings legally restricted to support specific programs. Program revenue must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while the capital grants reflect capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

Basic Financial Statements – Fund Financial Statements:

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditure/expenses. Separate financial statements are provided for governmental funds, propriety funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activity categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth criteria for the determination of major funds. County management may electively add funds as major funds, when it is determined the funds have specific community or management focus. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The focus of the governmental funds' measurement in the fund statements is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The focus for proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flow. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – Summary of Significant Accounting Policies (Continued):

principle ongoing operations. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principals applicable are those similar to businesses in the private sector.

The County's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the County, these funds are not incorporated into the government-wide statements.

The County uses the following funds:

1. Major Funds:

Governmental Funds:

- **General Fund** - The General Fund is the general operating fund of the County and accounts for many of the County's primary services and is the primary operating unit of the County.
- **Road and Bridge Fund** – accounts for activity related to maintenance of the County's roads and infrastructure.
- **DOE Nuclear Repository Fund** – accounts for activity related to federal funding received from the U.S. Department of Energy.
- **Town of Battle Mountain General Fund** – accounts for activity related to the general operations of the Town.
- **CCP (Construction of Capital Projects) Fund** – established pursuant to NRS 354.6113 and is used to account for the construction of capital projects included in the plan for capital improvement prepared pursuant to NRS 350.0035.
- **Airport Capital Improvement Fund** – accounts for capital improvement projects at the Battle Mountain and Austin airports. Resources are derived primarily from federal grant awards along with a County matching requirement.

Business-Type Funds:

- **Battle Mountain Water Fund** – accounts for operations of the County's water system.
- **Battle Mountain Sewer Fund** – accounts for operations of the County's sewer system.

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – Summary of Significant Accounting Policies (Continued):

2. Fiduciary Fund Types:

Agency Funds - account for assets held by Lander County in a trustee capacity or as an agent for other governmental units.

Investment Trust Fund – accounts for the external portion of the county investment pool.

Measurement Focus, Basis of Accounting:

The measurement focus describes the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the 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 revenues 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred revenue account is established. Expenditures generally are 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.

Governmental revenues susceptible to accrual are ad valorem taxes, interest, grant revenues and revenues collected and distributed by the State. These include consolidated taxes, government service taxes, and motor vehicle fuel taxes. Construction taxes, licenses and permits, fines, and charges for services are recognized as revenue when they are received.

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Proprietary Funds are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgets and Budgetary Accounting:

Lander County adheres to the Local Government Budget and Finance Act incorporated within Nevada Revised Statutes, which includes the following major procedures to establish the budgetary data, which is reflected in these financial statements.

1. On or before April 15, the Board of County Commissioners submits a tentative budget to the Nevada State Department of Taxation for the next fiscal year, commencing on July 1. The tentative budget includes the proposed expenditures and means of financing them.
2. Public budget hearings on the tentative budget are held on the third Monday in May.
3. Prior to June 1, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by a favorable vote of a majority of the Board. The final budget must then be forwarded to the Nevada Tax Commission for final hearings and approval.
4. Budgets are adopted on a basis consistent with Accounting Principles Generally Accepted in the United States of America (GAAP) for all funds except the fiduciary funds, which do not require budgets. Formal budgetary integration in the financial records is employed to enhance management control during the year.
5. All budget amounts presented in these financial statements and schedules reflect the original budget and amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations lapse at the end of each fiscal year.
6. Budget amounts within funds, and between funds, may be transferred if amounts do not exceed the original budget. Such transfers are to be approved by the budget officer and/or the Board of County Commissioners, depending on established criteria. Budget augmentations in excess of original budgetary amounts may not be made without prior approval of the Lander County Board of Commissioners, following a scheduled and noticed public hearing, as necessary, and transmittal to the Department of Taxation.
7. The legal level of budgetary control is at the function level (excluding debt service function) for the General Fund, Special Revenue, and Capital Projects funds, and by the sum of operating and non-operating expenses in the Proprietary Funds, except as specifically permitted by NRS 354.626.

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Cash and Investments:

A. Deposits:

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. In accordance with Nevada Revised Statute 355.175(3), all interest earned on cash deposits is recognized in the General Fund, except for amounts credited to various other funds in accordance with law, contract, or as the result of conditions related to grant awards and is allocated based upon their combined investment balances.

B. Investments:

Pursuant to NRS 355.170, Lander County may invest in the following types of securities:

- Obligations of the United States, or an agency or instrumentality of the United States, or a corporation sponsored by the government, maturing within ten (10) years from the date of purchase.
- Time certificates of deposit from commercial banks and insured savings and loan associations within the State of Nevada, and certain farm loan bonds.
- Certain securities issued by local governments of the State of Nevada and other securities expressly provided by other statutes, including repurchase agreements.
- State of Nevada Local Government Investment Pool.
- Money market mutual funds that are registered with the Securities and Exchange Commission, are AAA rated and invest only in securities of the Federal Government or fully collateralized repurchase agreements.

Statements of Cash Flows:

For purposes of the statement of cash flows presented for proprietary funds, cash equivalents are defined as short-term, highly liquid investments, generally with original maturities of three months or less. Cash equivalents consist principally of certificates of deposit, repurchase agreements, and money market mutual funds and are stated at cost, which approximates market value.

Accounts Receivable:

Accounts receivable are stated net of their allowance for uncollectible amounts. Management does not anticipate any material collection losses with respect to the remaining accounts receivable balances.

Taxes Receivable:

Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. No provision for uncollectible accounts has been established since management does not anticipate any material collection loss in respect to remaining balances.

Personal property taxes receivable reflect only those taxes collected within 60 days of year-end.

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Due From and Due To Other Governments:

The amounts receivable (due from) generally represent grants, shared taxes, taxes collected by another governmental unit, loans and charges for services rendered by the County for another government. The payable amounts (due to) are primarily liquid assets held by the County for or on behalf of other governmental units.

Inventories:

Inventories for proprietary funds consist of general supplies and construction materials and are valued at lower of cost or market on a first-in, first-out basis. Inventories for the ambulance department of the general fund and aged services fund consist of general supplies and food inventory and are valued at cost on a first-in, first-out basis. For all other funds, Lander County charges consumable supplies as expenditures against appropriations at the time of purchase. Any inventories of such supplies at June 30 are not material to the individual funds and are not recognized in these financial statements.

Capital Assets:

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value as of the date of donation. The County's capitalization level is \$50,000 for infrastructure assets, land, buildings and improvements, and \$5,000 for all other classifications of capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings & Improvements	5-65
Improvements (other than buildings)	10-60
Equipment & Vehicles	3-50
Infrastructure	30

Compensated Absences:

In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as a payroll expenditure. The estimated long-term liability for compensated absences is accounted for in the government-wide financial statements.

Agreements with various employees' associations provide for payment of total accrued vacation time up to a specified maximum. Accumulated sick leave benefits are payable to terminated employees who have accumulated a set number of hours up to a specified maximum, depending on the particular employee association.

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Property Taxes:

All real property in Lander County is assigned a parcel number in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The assessed valuation of the property and its improvements is being assessed at 35% of “taxable value” as defined by Nevada Revised Statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located. The maximum tax rate was established in the State Constitution at \$5.00 per hundred dollars of assessed valuation; however, as a result of legislative action the tax rate has been further limited to \$3.64 per hundred dollars of assessed valuation, except in cases of severe financial emergency as defined in NRS 354.705. In 2005 the Nevada State Legislature passed Assembly Bill 489 which provides for a partial abatement of the ad valorem taxes levied on qualified property. If the property qualifies, the abatement will limit the increase of a taxpayer's bill over the previous year's assessment.

Taxes on real property are a lien on the property and attach on July 1 of the year for which taxes are levied.

Taxes may be paid in four installments payable on the third Monday in August, and the first Monday in October, January, and March. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two year waiting period, if the taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest and costs before sale.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation and tax rates described above.

The major classifications of personal property are commercial and mobile homes. In Lander County, Nevada, taxes on motor vehicles are collected by the County Recorder and remitted to the State. The taxes are then returned to the county of origin to be apportioned based on a statutory formula.

Net Proceeds of Mines:

Net proceeds of mines are paid on an annual basis beginning January 1, 2001. For the year ended June 30, 2008, net proceeds of mines received on actual business from January 1, 2007 through December 31, 2007 are reflected in the financial statements.

Net proceeds of mines from January through June 2008 are neither measurable nor available to meet obligations existing at June 30, 2008; the management of Lander County determined that such amounts should not be reported for the year ended June 30, 2008.

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 1 – Summary of Significant Accounting Policies (Continued):

Unemployment Insurance:

Lander County and its unincorporated towns have elected to adopt the “reimbursement method” of providing for unemployment benefits to its eligible employees. Under this self-insurance method, the employer must reimburse the State of Nevada Employment Security Department for all eligible paid claims that are determined by the State.

Equity Classifications:

In government-wide statements, equity is classified as net assets and displayed in three components:

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

In fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Reservations of fund balance consist of amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Proprietary fund equity is classified the same as in the government-wide statements.

NOTE 2 – Compliance with Nevada Revised Statutes and the Nevada Administrative Code:

Compliance with Nevada Revised Statutes

The County conformed to all significant statutory constraints on its financial administration during the year.

NOTE 3 – Cash and Investments:

The County has a formal investment policy that, in the opinion of management, is designed to insure conformity with State Statutes and seeks to limit exposure to investment risks.

To facilitate efficient management of County resources, the County maintains pooled operating and investment accounts unless cash is restricted and required to be maintained separately or is held by other custodians on behalf of the County, such as certain imprest bank and petty cash accounts.

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 3 – Cash and Investments (Continued):

Cash and deposits are carried at cost. The following schedule summarizes cash and investments for the County at June 30, 2008:

Cash and Investment Balances Held By:	
Governmental Funds	\$31,421,484
Enterprise Funds	4,115,072
Fiduciary Funds	<u>2,569,156</u>
Total Cash and Investments	<u>\$38,105,712</u>

Balances at Fair Value Classified by:	
Wells Fargo checking	\$ 445,377
Wells Fargo Money Market	5,865,152
Wells Fargo Sweep account	7,878,342
Wells Fargo Trust account	71,366
Wells Fargo CD account	110,766
Bank of America checking	10,920
Mellon Money Market	16,413
State of Nevada Investment Pool	15,462,866
Mellon Investments	8,240,619
Petty cash	<u>3,891</u>
Total Cash and Investments	<u>\$38,105,712</u>

All investments are governed by the Board of Commissioners' policy of the "prudent person" rule. The prudent person rule is a standard to guide those with responsibility for investing the money of others. Such fiduciaries, must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculation.

Permitted investments allowed by the County's investment policy include the Local Government Investment Pool (LGIP) managed by the Office of the State Treasurer, fund sweep (repurchase agreements), mutual funds, agency discount notes, government agency securities (maturity of 5 years or less), AAA rated mortgage backed securities (through an investment advisor only), U.S. Treasuries (maturity of 5 years or less) and time certificates of deposit.

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 3 – Cash and Investments (Continued):

As of June 30, 2008, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	Maturities (average weighted maturity, in years)	
		<u>Less than 1</u>	<u>1 to 3</u>
U.S. Government Securities	\$ 8,240,619	\$ 1,317,093	\$ 6,923,526
Repurchase Agreement	7,878,342	7,878,342	-
State of Nevada Local Government Investment Pool	15,462,866	15,462,866	-
Certificate of Deposit	110,766	110,766	-
Money Market Mutual Funds	<u>5,881,565</u>	<u>5,881,565</u>	<u>-</u>
Total Investments	37,574,158	30,650,632	6,923,526
Total Cash	<u>531,554</u>	<u>531,554</u>	<u>-</u>
Total Cash and Investments	<u>\$38,105,712</u>	<u>\$31,182,186</u>	<u>\$ 6,923,526</u>

Investment in the State of Nevada Local Government Investment Pool is carried at fair value, which is the same as the value of the pool shares. The Local Government Investment Pool is an external investment pool administered by the Treasurer of the State of Nevada, with oversight provided by the Board of Finance.

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. This risk can be reduced by diversifying the durations of the fixed-income investments that are held at a given time. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County’s investment policy limits the maximum maturity of investments to 5 years.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of investments. The County’s investments in U.S. Government Securities are rated AAA by Moody’s Investor Services and by Standard and Poor’s. The LGIP is an unrated external investment pool, however, the County’s investment policy allows this type of investment.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The County’s policy reserves the right to place a limit on the amount invested with any one financial institution. The County considers each situation individually. At June 30, 2008 more than 5% of the County’s investments were in a repurchase agreement with Wells Fargo Bank. This investment was 20.6% of the County’s total investments.

Custodial Credit Risk – Deposits Custodial credit risk is the risk in the event of a bank failure, the County’s deposits may not be returned. The County’s bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance and collateralized by the Office of the State Treasurer/Nevada Collateral

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 3 – Cash and Investments (Continued):

Pool. Of the County's \$7.88 million investment in repurchase agreements, \$8.17 million of underlying securities are held by the investment's counterparty, not in the name of the County.

GASB 31 – GASB Statement No. 31 requires the county to adjust the carrying amount of its investments portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income in the funds reflects this positive or negative market value adjustment.

External Investment Pool:

Lander County administers an external investment pool combining Lander County funds with voluntary investments from the Battle Mountain and Austin Fair and Recreation Boards. The Board of County Commissioners has overall responsibility for investment of funds, including the external investment pool in accordance with NRS 355.175. The Lander County Treasurer is delegated investment responsibilities. Monthly, Wells Fargo determines the fair value of the investments held in the State of Nevada Local Government Pooled Investment Fund. Each participant's share is equal to their original investment plus or minus monthly allocations of interest income, and realized and unrealized gains and losses. The County has not provided nor obtained any legally binding guarantees to support the value of shares.

<u>Investment Type</u>	<u>Fair Value/ Carrying Amount</u>	<u>Principal Amount/ Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Government Pooled Investment Fund	<u>\$15,462,866</u>	<u>\$15,462,866</u>	Variable	July 1, 2008

**External Investment Pool Condensed Financial Statements
Statement of Net Assets
June 30, 2008**

Assets:

Local Government Pooled Investment Fund	\$15,462,866
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Net Assets Held in Trust for Pool Participants:

Net assets consist of:

Internal participant shares	\$14,617,424
External participant shares	<u>845,442</u>

Total Participant Shares Outstanding (\$1.00 par)	\$15,462,866
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Price per share (\$15,462,866/15,462,866)	\$ <u>1.00</u>
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**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 3 – Cash and Investments (Continued):

**External Investment Pool Condensed Financial Statements
Statement of Changes in Net Assets
for the Year Ended June 30, 2008**

Net Increase in Net Assets Resulting from Operations:	
Investment income	\$ 613,022
Capital share transactions	<u>(85,167)</u>
Total increase in net assets	527,855
Net assets, July 1	<u>14,935,011</u>
Net assets, June 30	<u>\$15,462,866</u>

NOTE 4 – Accounts Receivable:

Accounts receivable, including the applicable allowance for uncollectible accounts, at June 30, 2008 are as follows:

Governmental Funds:

	General Fund	Battle Mountain Town Fund	Other Governmental Funds	Total Governmental Funds
Accounts Receivable	\$238,906	\$17,457	\$9,144	\$265,507
Less: Allowance for Uncollectible	<u>(110,362)</u>	<u>(-)</u>	<u>(-)</u>	<u>(110,362)</u>
	<u>\$128,544</u>	<u>\$17,457</u>	<u>\$9,144</u>	<u>\$155,145</u>

Proprietary Funds:

	Battle Water Fund	Mountain	Battle Sewer Fund	Mountain	Total Funds	Proprietary
Accounts Receivable	\$71,553		\$66,215		\$137,768	
Less: Allowance for Uncollectible	<u>(-)</u>		<u>(-)</u>		<u>(-)</u>	
	<u>\$71,553</u>		<u>\$66,215</u>		<u>\$137,768</u>	

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 5 – Capital Assets:

Capital asset activity for the year ended June 30, 2008 was as follows:

	June 30, 2007				June 30, 2008
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers*</u>	<u>Balance</u>
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 2,424,541	\$ -	\$ -	\$ -	\$ 2,424,541
Construction in progress	<u>1,183,022</u>	<u>2,214,968</u>	<u>-</u>	<u>(1,121,169)</u>	<u>2,276,821</u>
Total capital assets not being depreciated	<u>3,607,563</u>	<u>2,214,968</u>	<u>-</u>	<u>(1,121,169)</u>	<u>4,701,362</u>
Capital assets being depreciated					
Improvements (other than buildings)	15,091,922	247,321	-	-	15,339,243
Buildings & improvements	10,014,132	-	-	-	10,014,132
Equipment & vehicles	8,187,359	631,362	315,586	-	8,503,135
Infrastructure	<u>7,017,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,017,506</u>
Total capital assets being depreciated	<u>40,310,919</u>	<u>878,683</u>	<u>315,586</u>	<u>-</u>	<u>40,874,016</u>
Less accumulated depreciation for:					
Improvements (other than buildings)	3,763,673	753,002	-	-	4,516,675
Buildings & improvements	2,201,909	196,006	-	-	2,397,915
Equipment & vehicles	6,332,630	358,238	304,024	-	6,386,844
Infrastructure	<u>3,992,698</u>	<u>386,657</u>	<u>-</u>	<u>-</u>	<u>4,379,355</u>
Total accumulated depreciation	<u>16,290,910</u>	<u>1,693,903</u>	<u>304,024</u>	<u>-</u>	<u>17,680,789</u>
Governmental activities capital assets, net	<u>\$ 27,627,572</u>	<u>\$ 1,399,748</u>	<u>\$ 11,562</u>	<u>\$ (1,121,169)</u>	<u>\$27,894,589</u>
Business-type activities:					
Capital assets not being depreciated					
Land	\$ 10,950	\$ -	\$ -	\$ -	\$ 10,950
Construction in progress	<u>4,579,502</u>	<u>67,367</u>	<u>5,768,038</u>	<u>1,121,169</u>	<u>-</u>
Total capital assets not being depreciated	<u>4,590,452</u>	<u>67,367</u>	<u>5,768,038</u>	<u>1,121,169</u>	<u>10,950</u>
Capital assets being depreciated					
Improvements (other than buildings)	10,613,848	5,878,184	-	-	16,492,032
Buildings & improvements	380,723	-	-	-	380,723
Equipment & vehicles	<u>104,678</u>	<u>6,684</u>	<u>-</u>	<u>-</u>	<u>111,362</u>
Total capital assets being depreciated	<u>11,099,249</u>	<u>5,884,868</u>	<u>-</u>	<u>-</u>	<u>16,984,117</u>
Less accumulated depreciation for:					
Improvements (other than buildings)	4,367,211	369,061	-	-	4,736,272
Buildings & improvements	38,301	35,579	-	-	73,880
Equipment and vehicles	<u>104,678</u>	<u>334</u>	<u>-</u>	<u>-</u>	<u>105,012</u>
Total accumulated depreciation	<u>4,510,190</u>	<u>404,974</u>	<u>-</u>	<u>-</u>	<u>4,915,164</u>
Business-type activities capital assets, net	<u>\$ 11,179,511</u>	<u>\$ 5,547,261</u>	<u>\$ 5,768,038</u>	<u>\$ 1,121,169</u>	<u>\$12,079,903</u>

* Includes current year capital assets contributed from governmental type activities to business type activities.

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 5 – Capital Assets (Continued):

Depreciation expense was charged to functions/programs of the County as follows:

Governmental Activities:

General government	\$ 837,618
Judicial	9,521
Public Safety	275,141
Public Works	468,846
Health and Sanitation	35,655
Welfare	8,714
Culture and recreation	<u>58,408</u>
 Total Depreciation Expense-Governmental Activities	 <u>\$1,693,903</u>

Business-Type Activities:

Water	\$ 119,744
Sewer	<u>285,230</u>
 Total Depreciation Expense-Business-type Activities	 <u>\$ 404,974</u>

Equipment and vehicles include equipment under capital leases consists of software with an aggregate carrying value of \$46,931 at June 30, 2008 (see Note 7).

NOTE 6 – Landfill Closure and Postclosure Care Cost:

State and federal laws and regulations require Lander County to place final covers on its Battle Mountain and Austin landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. During the year ended June 30, 1999, the County Commissioners approved the County's purchase of insurance to cover the costs of closure and post-closure of the landfills. As such, the County has not recorded its liability in the Lander County Landfills Fund. The County is obligated under the insurance policy to pay an annual premium over 15 years. The first annual payment of \$87,500 was due July 1, 1999. The County submitted a revised engineering report to the insurance underwriters. This report is based upon incurring interim closure costs as each cell is filled to capacity, rather than after the date the entire landfill stops accepting waste. The revised closure schedule in the report decreased the annual insurance premiums to \$66,180 per year beginning July 1, 2000, of which \$29,710 is for the Battle Mountain Landfill policy. The County expects to close the Battle Mountain landfill in 2011.

The Austin landfill was closed in 2006. During the fiscal year ended June 30, 2007, the County received State approval on the Austin landfill closure. A trust fund for postclosure financial assurance was established with Nevada Division of Environmental Protection named beneficiary of the trust. The trust was fully funded in 2007 in the amount of \$64,200 pursuant to an engineering report.

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 7 –General Long-Term Obligations:

Prior Year’s Advance Refunding:

In prior years, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the bonds refunded. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County’s financial statements. On June 30, 2008, \$2,755,000 of bonds outstanding is considered defeased.

Capital Lease Obligations:

Included in capital lease payable is the following agreement:

An agreement dated December 13, 2005, in the amount of \$62,576 for the purpose of financing software for the sheriff’s department. The agreement matures December 13, 2008.

As of June 30, 2008, the assets acquired through capital leases are as follows:

Equipment	\$ 62,576
Less: Accumulated amortization	<u>(15,645)</u>
Total	<u>\$ 46,931</u>

The future minimum lease obligation and the net present value of the minimum lease payments are as follows:

Year Ending	
<u>June 30,</u>	
2009	<u>\$ 16,616</u>
Total minimum lease payments	16,616
Less: amount representing interest	<u>(973)</u>
Present value of minimum lease payments	<u>\$ 15,643</u>

NOTE 7 – General Long-Term Obligations (Continued):

GOVERNMENTAL ACTIVITIES:

	<u>Date of Issue</u>	<u>Original Note/Issue</u>	<u>Interest Rate</u>	<u>Interest Maturing During Period</u>	<u>Balance July 1, 2007</u>
<u>General Obligation Bonds:</u>					
Public Safety Refunding Bonds Series 2004	04/08/04	\$3,300,000	2.0 - 3.55%	\$ 106,393	\$ 3,190,000
Deferred Amounts for Issuance Premiums	04/08/04	N/A	N/A	N/A	36,247
Less Deferred Amount on Refunding	04/08/04	N/A	N/A	N/A	(265,952)
Less Issuance Discounts	04/08/04	N/A	N/A	N/A	(57,021)
Total General Obligation Bonds				<u>106,393</u>	<u>2,903,274</u>
<u>Capital Leases and Notes Payable</u>					
Note Payable, Building Purchase	07/01/03	200,000	6.0%	-	50,000
Capital Lease - Mower	05/15/05	39,105	4.9%	325	13,633
Capital Lease – Software	12/13/05	62,576	5.0%	972	31,287
Total Capital Leases and Notes Payable				<u>1,297</u>	<u>94,920</u>
<u>Other Obligations:</u>					
Compensated Absences	N/A	N/A	N/A	N/A	208,908
Total Governmental Activities				<u>\$ 107,690</u>	<u>\$ 3,207,102</u>

BUSINESS-TYPE ACTIVITIES:

<u>Revenue Bonds:</u>					
Town of Battle Mountain Utility Fund:					
Water Revenue Bond	07/01/78	\$ 237,000	5.0%	\$ 254	\$ 5,921
Sewer Revenue Bond	1981	327,200	5.0%	8,304	170,997
Sewer Revenue Bond	01/03/01	3,500,000	3.28%	86,815	2,684,956
Water Revenue Loan	06/22/07	1,033,048	4.13%	41,519	1,033,048
Water Revenue Loan	06/22/07	602,000	4.13%	19,715	602,000
Total Revenue Bonds				<u>156,607</u>	<u>4,496,922</u>
<u>Other Obligations:</u>					
Compensated Absences	N/A	N/A	N/A	N/A	10,233
Total Business-Type Activities				<u>156,607</u>	<u>4,507,155</u>
Total Lander County Obligations				<u>\$ 264,297</u>	<u>\$ 7,714,257</u>

For the governmental activities, compensated absences are generally liquidated by a combination of the major and non major governmental funds with the majority liquidated from the General Fund.

NOTE 7 – General Long-Term Obligations (Continued):

<u>Issued/ Incurred</u>	<u>Retired/ Paid</u>	<u>Balance June 30, 2008</u>	<u>Due Within One Year</u>		<u>Year of Final Payment</u>
			<u>Principal/Comp.</u>	<u>Absences Interest</u>	
\$ -	\$ 270,000	\$ 2,920,000	\$ 280,000	\$ 98,293	2017
-	3,690	32,557	3,690	-	
-	(27,077)	(238,875)	(27,077)	-	
-	(5,806)	(51,215)	(5,806)	-	
-	<u>240,807</u>	<u>2,662,467</u>	<u>250,807</u>	<u>98,293</u>	
-	50,000	-	-	-	2008
-	13,633	-	-	-	2008
-	<u>15,644</u>	<u>15,643</u>	<u>15,643</u>	<u>973</u>	2009
-	<u>79,277</u>	<u>15,643</u>	<u>15,643</u>	<u>973</u>	
<u>203,759</u>	<u>216,084</u>	<u>196,583</u>	<u>102,936</u>	<u>-</u>	
<u>\$ 203,759</u>	<u>\$ 536,168</u>	<u>\$ 2,874,693</u>	<u>\$ 369,386</u>	<u>\$ 99,266</u>	
\$ -	\$ 5,921	\$ -	\$ -	\$ -	2008
-	10,824	160,173	11,378	7,750	2019
-	153,900	2,531,056	158,990	81,725	2021
-	11,688	1,021,360	10,865	41,944	2047
-	<u>85,948</u>	<u>516,052</u>	<u>9,669</u>	<u>21,106</u>	2037
-	<u>268,281</u>	<u>4,228,641</u>	<u>190,902</u>	<u>152,525</u>	
<u>10,274</u>	<u>6,690</u>	<u>13,817</u>	<u>13,817</u>	<u>-</u>	
<u>10,274</u>	<u>274,971</u>	<u>4,242,458</u>	<u>204,719</u>	<u>152,525</u>	
<u>\$ 214,033</u>	<u>\$ 811,139</u>	<u>\$ 7,117,151</u>	<u>\$ 574,105</u>	<u>\$ 251,791</u>	

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 7 – General Long-Term Obligations (Continued):

The annual requirements to amortize the outstanding bond and note payable debt at June 30, 2008 are as follows:

Year Ended June 30,	Governmental Activities General Obligation		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2009	280,000	98,293	190,902	152,525
2010	290,000	89,893	197,605	145,822
2011	300,000	80,468	204,548	138,879
2012	310,000	70,268	211,740	131,687
2013	320,000	59,728	219,189	124,238
2014-2018	1,420,000	125,350	1,217,397	499,714
2019-2023	-	-	867,303	289,460
2024-2028	-	-	207,115	210,803
2029-2033	-	-	254,468	163,451
2034-2038	-	-	267,595	106,506
2039-2043	-	-	203,260	60,787
2044-2047	-	-	187,519	15,659
	<u>\$ 2,920,000</u>	<u>\$ 524,000</u>	<u>\$ 4,228,641</u>	<u>\$ 2,039,531</u>

The County was, in accordance with Nevada Revised Statutes, 244A.059, within the legal debt limit at June 30, 2008.

NOTE 8 – Interfund Receivable, Payables and Transfers:

Generally, outstanding balances between funds represent outstanding charges by one fund to another for services or goods and other miscellaneous receivables/payables between the funds.

Interfund receivable/payable balances as of June 30, 2008 are as follows:

Due to/from other funds:

Governmental Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Road and Bridge	<u>\$ 126</u>
CCP Fund	General Fund	528
	Road and Bridge Fund	66
	Battle Mountain Town Fund	404
	Non-Major Funds	6,658
	Sewer Fund	<u>4,876</u>
		<u>12,532</u>
Total Governmental Funds		<u>\$ 12,658</u>

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 8 – Interfund Receivable, Payables and Transfers (Continued):

Enterprise Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water Fund	Sewer Fund	\$ 7,691
Sewer Fund	General Fund	<u>851</u>
Total Enterprise Funds		<u>\$ 8,542</u>

Transfers and payments within the County are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects or programs.

Transfers between funds during the year ended June 30, 2008 are as follows:

	<u>Transfers From:</u>		
	<u>General Fund</u>	<u>Non Major Governmental</u>	<u>Total</u>
<u>Transfers To:</u>			
General Fund	\$ -	\$ 67,040	\$ 67,040
Road and Bridge	-	102,310	102,310
Non Major Governmental	<u>67,040</u>	-	<u>67,040</u>
Total	<u>\$ 67,040</u>	<u>\$ 169,350</u>	<u>\$ 236,390</u>

NOTE 9 – Construction and Purchase Commitments:

Lander County has entered into contracts for construction and asset purchases as follows:

	<u>PROJECT AUTHORIZATION</u>	<u>EXPENDED/ RETAINAGE</u>	<u>COMMITMENT JUNE 30, 2008</u>
Paving Projects	<u>\$ 2,009,869</u>	<u>\$ 1,669,387</u>	<u>\$ 340,482</u>

NOTE 10 – Risk Management:

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries of employees; and natural disasters, as are all entities. The County has joined together with similar public agencies (cities, counties, and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The County pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that will provide liability coverage for its members up to \$10,000,000 per event and a \$13,000,000 general aggregate per member. Property, crime and equipment breakdown coverage is

LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 10 – Risk Management (Continued):

provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities.

The County has entered into an agreement with PACT (Public Agency Compensation Trust), a self-insured association for workers' compensation coverage. The purpose of the County's participation is to enhance its ability to control costs and to better serve and protect its employees. PACT is bound by statute as defined in NRS 616A-616D. The County pays premiums based on payroll costs to the PACT. The PACT is considered a self-sustaining pool that will provide coverage based on established statutory limits.

The County continues to carry commercial insurance for other risks of loss, including specific risks of loss not covered by the Pool (airport liability, bonding and boiler coverage) 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.

The County has obtained insurance to cover the costs of closure and post-closure of the Battle Mountain and Austin landfills (see Note 6).

NOTE 11 – Defined Benefit Pension Plan:

- **Plan Description** - Lander County contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan administered by the Public Employees Retirement System of the State of Nevada. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. The Public Employees Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. The report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.
- **Funding Policy** – Benefits for plan members are funded under one of two methods. Under the employer pay contribution plan, the County is required to contribute all amounts due under the plan. The second funding mechanism for providing benefits is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while the County is required to match that contribution. The contribution requirements of plan members and the County are established by Chapter 286 of the Nevada Revised Statutes. The funding mechanism may only be amended through legislation.

**LANDER COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

NOTE 11 – Defined Benefit Pension Plan (Continued):

The County's contribution rates based on employee members covered payroll and amounts contributed (equal to the required contributions) for the last three years are as follows:

<u>Fiscal Year</u>	<u>Employer/ Employee</u>	<u>Employer Pay</u>			<u>Total Contribution</u>
	<u>Regular</u>	<u>Regular</u>	<u>Police</u>	<u>Fire</u>	
2007 - 08	10.50%	20.50%	34.00%	21.00%	\$978,574
2006 - 07	10.50%	19.75%	32.00%	21.00%	\$931,075
2005 - 06	10.50%	19.72%	32.00%	21.00%	\$822,429

NOTE 12 – Post Retirement Health Insurance Benefits:

In addition to the pension benefits described in Note 11, the County provides a subsidy for postretirement health care benefits, in accordance with NRS 287.023, to all retired employees who enroll with the Nevada Public Employees' Benefits Program. As of June 30, 2008, there were 25 retirees belonging to the program. Enrolled retirees pay monthly premiums for health insurance benefits directly to the program, while the County is required to subsidize the partial or total cost of the premium based incrementally on a retiree's number of years of service with the County. Expenditures for post retirement health care benefits are recognized on a monthly basis and totaled \$60,426 for the 2007-08 fiscal year.

LANDER COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE, 30 2008
(With Comparative Totals for June 30, 2007)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL	2007
ASSETS:					
Cash and investments	\$ 7,572,352	\$ 464,661	\$ 4,006,014	\$ 12,043,027	\$ 11,241,373
Accounts receivable, net	9,144	-	-	9,144	20,334
Taxes receivable, delinquent	10,210	1,669	666	12,545	7,887
Interest receivable	6,661	745	3,234	10,640	23,766
Intergovernmental receivable	91,881	456	1,787	94,124	71,702
Inventory	1,221	-	-	1,221	3,843
	<u>7,691,469</u>	<u>467,531</u>	<u>4,011,701</u>	<u>12,170,701</u>	<u>11,368,905</u>
Total Assets	<u>\$ 7,691,469</u>	<u>\$ 467,531</u>	<u>\$ 4,011,701</u>	<u>\$ 12,170,701</u>	<u>\$ 11,368,905</u>
LIABILITIES					
Accounts payable	\$ 61,032	\$ -	\$ 48,917	\$ 109,949	\$ 114,109
Accrued liabilities	36,526	-	-	36,526	32,628
Due to other funds	6,658	-	-	6,658	25,379
Intergovernmental payable	46,960	-	1,773	48,733	32,236
Deferred revenue	11,838	2,126	785	14,749	8,693.00
	<u>163,014</u>	<u>2,126</u>	<u>51,475</u>	<u>216,615</u>	<u>213,045</u>
Total Liabilities	<u>163,014</u>	<u>2,126</u>	<u>51,475</u>	<u>216,615</u>	<u>213,045</u>
FUND BALANCES					
Reserved for:					
Debt service	-	465,405	-	465,405	599,951
Inventories	1,221	-	-	1,221	3,843
Unreserved, reported in:					
Special revenue funds	7,527,234	-	-	7,527,234	6,948,076
Capital projects funds	-	-	3,960,226	3,960,226	3,603,990
	<u>7,528,455</u>	<u>465,405</u>	<u>3,960,226</u>	<u>11,954,086</u>	<u>11,155,860</u>
Total Fund Balances	<u>7,528,455</u>	<u>465,405</u>	<u>3,960,226</u>	<u>11,954,086</u>	<u>11,155,860</u>
Total Liabilities and Fund Balances	<u>\$ 7,691,469</u>	<u>\$ 467,531</u>	<u>\$ 4,011,701</u>	<u>\$ 12,170,701</u>	<u>\$ 11,368,905</u>

LANDER COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL	2007
REVENUES					
Taxes	\$ 1,736,057	\$ 213,712	\$ 661,656	\$ 2,611,425	\$ 2,060,699
Licenses and permits	26,919	-	-	26,919	23,309
Intergovernmental revenues	581,186	-	5,306	586,492	621,325
Charges for services	537,507	-	-	537,507	563,851
Earnings on investments	128,878	28,135	73,194	230,207	233,939
Miscellaneous	<u>1,037,485</u>	<u>-</u>	<u>-</u>	<u>1,037,485</u>	<u>311,963</u>
Total Revenues	<u>4,048,032</u>	<u>241,847</u>	<u>740,156</u>	<u>5,030,035</u>	<u>3,815,086</u>
EXPENDITURES					
Current:					
General government	256,032	-	211,649	467,681	333,058
Judicial	32,824	-	-	32,824	65,671
Highways and streets	1,090,000	-	-	1,090,000	-
Public works	75,000	-	183,672	258,672	184,235
Health and sanitation	350,743	-	-	350,743	328,126
Welfare	642,294	-	-	642,294	599,257
Culture and recreation	696,190	-	-	696,190	695,216
Community support	145,105	-	-	145,105	60,460
Intergovernmental	-	-	5,639	5,639	5,087
Debt service:					
Principal	13,633	270,000	50,000	333,633	323,128
Interest	325	106,393	-	106,718	135,046
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>
Total Expenditures	<u>3,302,146</u>	<u>376,393</u>	<u>450,960</u>	<u>4,129,499</u>	<u>2,729,784</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>745,886</u>	<u>(134,546)</u>	<u>289,196</u>	<u>900,536</u>	<u>1,085,302</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	67,040	67,040	32,194
Transfers out	<u>(169,350)</u>	<u>-</u>	<u>-</u>	<u>(169,350)</u>	<u>(150,694)</u>
Total Other Financing Sources (Uses)	<u>(169,350)</u>	<u>-</u>	<u>67,040</u>	<u>(102,310)</u>	<u>(118,500)</u>
Net Change in Fund Balances	576,536	(134,546)	356,236	798,226	966,802
FUND BALANCES, July 1	<u>6,951,919</u>	<u>599,951</u>	<u>3,603,990</u>	<u>11,155,860</u>	<u>10,189,058</u>
FUND BALANCES, June 30	<u>\$ 7,528,455</u>	<u>\$ 465,405</u>	<u>\$ 3,960,226</u>	<u>\$ 11,954,086</u>	<u>\$ 11,155,860</u>

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

**LANDER COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 1 of 6)**

REVENUES	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
Taxes:					
Ad valorem	\$ 3,084,979	\$ 3,088,899	\$ 2,749,362	\$ (339,537)	\$ 2,956,361
Net proceeds of mines	44,890	40,970	98,518	57,548	36,411
Total Taxes	<u>3,129,869</u>	<u>3,129,869</u>	<u>2,847,880</u>	<u>(281,989)</u>	<u>2,992,772</u>
Licenses and Permits:					
Business Licenses and Permits					
Liquor licenses	4,500	4,500	5,053	553	4,800
County gaming licenses	15,035	15,035	15,030	(5)	14,160
Motor vehicle licenses	35,000	35,000	42,543	7,543	40,608
Franchise fees	60,000	60,000	97,227	37,227	96,772
Nonbusiness Licenses and Permits					
Marriage licenses	900	900	1,050	150	1,029
Building permits	54,800	54,800	133,623	78,823	69,532
Mobile home permits	75	75	85	10	80
Total Licenses and Permits	<u>170,310</u>	<u>170,310</u>	<u>294,611</u>	<u>124,301</u>	<u>226,981</u>
Intergovernmental Revenues:					
Federal Grants					
Housing rehabilitation grant	-	141,832	141,832	-	53,763
BLM rural fire assistance grant	-	33,475	26,696	(6,779)	-
NDH grant	-	15,800	15,800	-	-
Task force grant	-	36,256	36,256	-	86,096
DUI enforcement grant	-	988	988	-	-
HMEP planning grant	-	14,460	14,460	-	-
State Shared Revenue					
State LEPC grant	-	3,000	2,483	(517)	29,640
Consolidated tax	2,597,130	2,597,130	3,508,104	910,974	3,671,667
State gaming licenses	155,000	155,000	153,686	(1,314)	158,391
Total Intergovernmental Revenues	<u>2,752,130</u>	<u>2,997,941</u>	<u>3,900,305</u>	<u>902,364</u>	<u>3,999,557</u>

**LANDER COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 2 of 6)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
Charges for Services:					
Clerk fees	\$ 5,140	\$ 5,140	\$ 3,651	\$ (1,489)	\$ 2,728
Recorder fees	85,000	85,000	89,973	4,973	109,943
Assessor's commissions	150,000	150,000	206,568	56,568	243,411
Sheriff's fees	2,500	2,500	7,899	5,399	3,303
Inmate housing fees	-	-	5,178	5,178	-
Law library fees	1,000	1,000	1,485	485	1,500
Divorce action fees	1,100	1,100	1,276	176	1,540
Civil cases	13,000	13,000	15,804	2,804	19,603
Copy fees	15,000	15,000	13,646	(1,354)	15,398
Justice court fees	11,000	11,000	47,573	36,573	22,656
Ambulance fees	138,000	138,000	118,764	(19,236)	115,585
Total Charges for Services	<u>421,740</u>	<u>421,740</u>	<u>511,817</u>	<u>90,077</u>	<u>535,667</u>
Fines and Forfeits:					
Fines and forfeits	251,500	251,500	331,998	80,498	413,381
Other	100	100	685	585	360
Total Fines and Forfeits	<u>251,600</u>	<u>251,600</u>	<u>332,683</u>	<u>81,083</u>	<u>413,741</u>
Earnings on Investments	<u>799,302</u>	<u>799,302</u>	<u>489,953</u>	<u>(309,349)</u>	<u>768,674</u>
Miscellaneous:					
Interest and penalties	29,500	29,500	46,170	16,670	49,254
Rents	17,000	17,000	22,821	5,821	22,543
Sales of tax deeded property	2,000	2,000	-	(2,000)	21,408
Other miscellaneous	23,100	48,100	67,533	19,433	39,027
Total Miscellaneous	<u>71,600</u>	<u>96,600</u>	<u>136,524</u>	<u>39,924</u>	<u>132,232</u>
Total Revenues	<u>7,596,551</u>	<u>7,867,362</u>	<u>8,513,773</u>	<u>646,411</u>	<u>9,069,624</u>
EXPENDITURES					
General Government:					
Commissioners					
Salaries and wages	76,345	76,345	70,768	5,577	72,351
Employee benefits	44,320	44,320	42,188	2,132	43,214
Services and supplies	45,800	45,800	24,718	21,082	31,980
Capital outlay	35,000	35,000	34,003	997	5,620
Total Commissioners	<u>201,465</u>	<u>201,465</u>	<u>171,677</u>	<u>29,788</u>	<u>153,165</u>
Clerk					
Salaries and wages	172,705	172,705	154,599	18,106	156,492
Employee benefits	78,245	78,245	63,970	14,275	62,204
Services and supplies	79,615	79,615	39,042	40,573	57,726
Total Clerk	<u>330,565</u>	<u>330,565</u>	<u>257,611</u>	<u>72,954</u>	<u>276,422</u>

**LANDER COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 3 of 6)

	BUDGET		ACTUAL	VARIANCE TO	2007
	ORIGINAL	FINAL		FINAL BUDGET	
Treasurer					
Salaries and wages	\$ 169,410	\$ 169,410	\$ 168,767	\$ 643	\$ 158,027
Employee benefits	78,815	78,815	66,781	12,034	60,944
Services and supplies	26,650	26,650	23,432	3,218	21,423
Capital outlay	-	6,396	6,395	1	-
	<u>274,875</u>	<u>281,271</u>	<u>265,375</u>	<u>15,896</u>	<u>240,394</u>
Recorder					
Salaries and wages	186,445	186,445	185,586	859	172,602
Employee benefits	91,135	91,135	78,456	12,679	72,433
Services and supplies	39,625	39,625	22,287	17,338	27,081
	<u>317,205</u>	<u>317,205</u>	<u>286,329</u>	<u>30,876</u>	<u>272,116</u>
Finance					
Salaries and wages	145,725	145,725	145,522	203	134,953
Employee benefits	54,975	54,975	43,599	11,376	41,190
Services and supplies	112,800	112,800	107,922	4,878	105,244
	<u>313,500</u>	<u>313,500</u>	<u>297,043</u>	<u>16,457</u>	<u>281,387</u>
Assessor					
Salaries and wages	192,690	192,690	156,658	36,032	144,766
Employee benefits	78,950	78,950	51,222	27,728	47,265
Services and supplies	62,950	62,950	43,942	19,008	48,587
	<u>334,590</u>	<u>334,590</u>	<u>251,822</u>	<u>82,768</u>	<u>240,618</u>
County Manager					
Salaries and wages	167,170	167,170	166,843	327	161,517
Employee benefits	76,945	76,945	63,218	13,727	59,121
Services and supplies	132,800	132,800	51,787	81,013	62,580
	<u>376,915</u>	<u>376,915</u>	<u>281,848</u>	<u>95,067</u>	<u>283,218</u>
Building Maintenance					
Salaries and wages	10,405	10,405	3,433	6,972	5,302
Employee benefits	1,640	1,640	889	751	1,462
Services and supplies	246,000	246,000	216,630	29,370	201,086
	<u>258,045</u>	<u>258,045</u>	<u>220,952</u>	<u>37,093</u>	<u>207,850</u>

**LANDER COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 4 of 6)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
Building and Planning					
Salaries and wages	\$ 80,125	\$ 80,125	\$ 82,570	\$ (2,445)	\$ 77,078
Employee benefits	33,360	33,360	28,192	5,168	26,199
Services and supplies	69,900	94,900	48,605	46,295	24,155
	<u>183,385</u>	<u>208,385</u>	<u>159,367</u>	<u>49,018</u>	<u>127,432</u>
Other General Expenditures					
Services and supplies	876,580	876,580	480,241	396,339	485,503
Total General Government	<u>3,467,125</u>	<u>3,498,521</u>	<u>2,672,265</u>	<u>826,256</u>	<u>2,568,105</u>
Judicial:					
District Court					
Services and supplies	202,327	202,327	167,627	34,700	171,879
District Attorney					
Salaries and wages	277,825	277,825	273,631	4,194	268,927
Employee benefits	112,495	112,495	100,078	12,417	89,029
Services and supplies	83,800	83,800	64,676	19,124	59,502
Capital outlay	10,000	10,000	8,104	1,896	-
	<u>484,120</u>	<u>484,120</u>	<u>446,489</u>	<u>37,631</u>	<u>417,458</u>
Juvenile Probation					
Services and supplies	422,098	422,098	404,764	17,334	383,061
Justice Court - Argenta					
Salaries and wages	176,380	181,675	181,880	(205)	171,983
Employee benefits	70,075	77,870	70,126	7,744	64,499
Services and supplies	47,850	47,850	17,238	30,612	25,905
	<u>294,305</u>	<u>307,395</u>	<u>269,244</u>	<u>38,151</u>	<u>262,387</u>
Justice Court - Austin					
Salaries and wages	47,935	47,935	43,983	3,952	41,279
Employee benefits	17,575	17,575	13,647	3,928	11,874
Services and supplies	14,925	14,925	7,531	7,394	9,283
	<u>80,435</u>	<u>80,435</u>	<u>65,161</u>	<u>15,274</u>	<u>62,436</u>
Public Defender					
Services and supplies	61,000	61,000	60,795	205	60,795
Total Judicial	<u>1,544,285</u>	<u>1,557,375</u>	<u>1,414,080</u>	<u>143,295</u>	<u>1,358,016</u>

**LANDER COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 5 of 6)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
Public Safety:					
Sheriff					
Salaries and wages	\$ 1,307,830	\$ 1,307,830	\$ 992,419	\$ 315,411	\$ 1,041,728
Employee benefits	834,840	834,840	526,253	308,587	535,436
Services and supplies	270,603	323,647	302,881	20,766	328,468
Capital outlay	78,300	78,300	78,302	(2)	29,930
	<u>2,491,573</u>	<u>2,544,617</u>	<u>1,899,855</u>	<u>644,762</u>	<u>1,935,562</u>
Jail Operations					
Salaries and wages	338,445	338,445	335,352	3,093	267,508
Employee benefits	242,050	242,050	164,989	77,061	136,325
Services and supplies	292,280	489,280	460,387	28,893	257,664
Capital outlay	48,000	48,000	48,000	-	-
	<u>920,775</u>	<u>1,117,775</u>	<u>1,008,728</u>	<u>109,047</u>	<u>661,497</u>
Animal Control					
Salaries and wages	48,275	48,275	40,254	8,021	44,569
Employee benefits	24,810	24,810	11,907	12,903	17,890
Services and supplies	16,910	16,910	13,144	3,766	16,005
	<u>89,995</u>	<u>89,995</u>	<u>65,305</u>	<u>24,690</u>	<u>78,464</u>
Austin Fire Department					
Salaries and wages	420	420	-	420	-
Employee benefits	12,625	12,625	8,602	4,023	5,633
Services and supplies	13,550	16,923	10,828	6,095	10,109
	<u>26,595</u>	<u>29,968</u>	<u>19,430</u>	<u>10,538</u>	<u>15,742</u>
Austin Ambulance					
Salaries and wages	13,150	13,150	992	12,158	8,519
Employee benefits	4,150	4,150	1,740	2,410	1,800
Services and supplies	32,500	32,500	30,969	1,531	22,553
Capital outlay	145,000	145,000	135,000	10,000	13,726
	<u>194,800</u>	<u>194,800</u>	<u>168,701</u>	<u>26,099</u>	<u>46,598</u>
Battle Mountain Fire Department					
Salaries and wages	1,800	1,800	1,800	-	-
Employee benefits	25,750	25,750	24,352	1,398	14,870
Services and supplies	52,180	82,282	66,656	15,626	35,862
	<u>79,730</u>	<u>109,832</u>	<u>92,808</u>	<u>17,024</u>	<u>50,732</u>

**LANDER COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 6 of 6)**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
Battle Mountain Amulance					
Salaries and wages	\$ 31,745	\$ 31,745	\$ 21,033	\$ 10,712	\$ 26,440
Employee benefits	11,635	11,635	8,213	3,422	6,203
Services and supplies	67,500	67,500	31,663	35,837	38,802
Capital outlay	-	-	-	-	41,455
	<u>110,880</u>	<u>110,880</u>	<u>60,909</u>	<u>49,971</u>	<u>112,900</u>
Total Public Safety	<u>3,914,348</u>	<u>4,197,867</u>	<u>3,315,736</u>	<u>882,131</u>	<u>2,901,495</u>
Intergovernmental Expenditures:					
Services and supplies	<u>19,670</u>	<u>229,362</u>	<u>225,813</u>	<u>3,549</u>	<u>102,986</u>
Debt Service:					
Principal	15,644	15,644	15,644	-	112,770
Interest	<u>972</u>	<u>972</u>	<u>972</u>	<u>-</u>	<u>7,424</u>
Total Debt Service	<u>16,616</u>	<u>16,616</u>	<u>16,616</u>	<u>-</u>	<u>120,194</u>
Total Expenditures	<u>8,962,044</u>	<u>9,499,741</u>	<u>7,644,510</u>	<u>1,855,231</u>	<u>7,050,796</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,365,493)</u>	<u>(1,632,379)</u>	<u>869,263</u>	<u>2,501,642</u>	<u>2,018,828</u>
OTHER FINANCING SOURCES (USES)					
Capital leases	-	-	-	-	28,500
Contingency	(75,000)	(18,204)	-	18,204	-
Transfers in	56,762	56,762	67,040	10,278	32,194
Transfers out	<u>(56,762)</u>	<u>(56,762)</u>	<u>(67,040)</u>	<u>(10,278)</u>	<u>(32,194)</u>
Total Other Financing Sources (Uses)	<u>(75,000)</u>	<u>(18,204)</u>	<u>-</u>	<u>18,204</u>	<u>28,500</u>
Net Change in Fund Balances	(1,440,493)	(1,650,583)	869,263	2,519,846	2,047,328
FUND BALANCES, July 1	<u>8,197,892</u>	<u>8,407,982</u>	<u>11,185,569</u>	<u>2,777,587</u>	<u>9,138,241</u>
FUND BALANCES, June 30	<u>\$ 6,757,399</u>	<u>\$ 6,757,399</u>	<u>\$ 12,054,832</u>	<u>\$ 5,297,433</u>	<u>\$ 11,185,569</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. Special Revenue Funds are comprised of the following:

MAJOR SPECIAL REVENUE FUNDS

- Road and Bridge Fund
- DOE Nuclear Repository Fund
- Town of Battle Mountain General Fund

NONMAJOR SPECIAL REVENUE FUNDS

- Town of Austin General Fund
- Indigent Fund
- State Medical Indigent Fund
- Agricultural Extension Fund
- Aged Services Fund
- Lander County Landfill Fund
- Technology Fees Fund
- Regional Street and Highway Fund
- Forensic Services Fund
- Lander County Airports Fund
- Culture and Recreation Fund
- Administrative Assessment Fees Fund
- Genetic Marker Testing Fund
- Court Facility Fees Fund
- Juvenile Administration Assessment Fund
- Mine Map Fees Fund
- Lander Economic Development Fund
- District Drug Court Fund
- Reserve Fund

LANDER COUNTY
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
REVENUES					
Property Taxes:					
Ad valorem	\$ 468,786	\$ 468,786	\$ 416,691	\$ (52,095)	\$ 317,811
Net proceeds of mines	67,350	67,350	67,442	92	116,150
Total Property Taxes	<u>536,136</u>	<u>536,136</u>	<u>484,133</u>	<u>(52,003)</u>	<u>433,961</u>
Intergovernmental Revenues:					
Motor vehicle fuel tax	914,837	914,837	964,520	49,683	989,369
Forest reserve fees	15,000	15,000	16,460	1,460	16,494
Total Intergovernmental Revenues	<u>929,837</u>	<u>929,837</u>	<u>980,980</u>	<u>51,143</u>	<u>1,005,863</u>
Miscellaneous	-	-	1,216	1,216	4,302
Total Revenues	<u>1,465,973</u>	<u>1,465,973</u>	<u>1,466,329</u>	<u>356</u>	<u>1,444,126</u>
EXPENDITURES					
Public Works:					
Highway and Streets					
Salaries and wages	657,315	657,315	650,239	7,076	627,439
Employee benefits	351,095	351,095	276,666	74,429	283,486
Services and supplies	463,300	463,300	396,332	66,968	372,365
Total Expenditures	<u>1,471,710</u>	<u>1,471,710</u>	<u>1,323,237</u>	<u>148,473</u>	<u>1,283,290</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,737)	(5,737)	143,092	148,829	160,836
OTHER FINANCING SOURCES (USES)					
Transfers in	113,500	113,500	102,310	(11,190)	118,500
Net Change in Fund Balances	107,763	107,763	245,402	137,639	279,336
FUND BALANCES, July 1	<u>1,486,358</u>	<u>1,486,358</u>	<u>1,700,037</u>	<u>213,679</u>	<u>1,420,701</u>
FUND BALANCES, June 30	<u>\$ 1,594,121</u>	<u>\$ 1,594,121</u>	<u>\$ 1,945,439</u>	<u>\$ 351,318</u>	<u>\$ 1,700,037</u>

LANDER COUNTY
DOE NUCLEAR REPOSITORY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Intergovernmental Revenues:					
Federal grants	\$ 300,000	\$ 300,000	\$ 157,697	\$ (142,303)	\$ 286,737
Earnings on Investments	29,388	29,388	27,348	(2,040)	26,159
Total Revenues	<u>329,388</u>	<u>329,388</u>	<u>185,045</u>	<u>(144,343)</u>	<u>312,896</u>
EXPENDITURES					
Public Safety:					
Salaries and wages	28,760	28,760	28,874	(114)	28,157
Employee benefits	11,080	11,080	9,750	1,330	9,335
Services and supplies	282,548	282,548	146,421	136,127	247,535
Capital outlay	7,000	7,000	-	7,000	27,869
Total Expenditures	<u>329,388</u>	<u>329,388</u>	<u>185,045</u>	<u>144,343</u>	<u>312,896</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
FUND BALANCES, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LANDER COUNTY
TOWN OF BATTLE MOUNTAIN GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Ad valorem	\$ 15,373	\$ 15,373	\$ 14,938	\$ (435)	\$ 14,900
Licenses and Permits:					
Business licenses	10,000	10,000	13,957	3,957	10,695
Gaming licenses	14,000	14,000	14,991	991	14,131
Animal licenses	500	500	1,207	707	589
Franchise fee	40,000	40,000	60,036	20,036	63,263
Total Licenses and Permits	64,500	64,500	90,191	25,691	88,678
Intergovernmental Revenues:					
Consolidated tax	162,040	162,040	215,750	53,710	223,195
Senior housing grant	-	-	-	-	631,146
Total Intergovernmental Revenues	162,040	162,040	215,750	53,710	854,341
Earnings on Investments	19,249	19,249	28,099	8,850	24,456
Total Revenues	261,162	261,162	348,978	87,816	982,375
EXPENDITURES					
General Government:					
Services and supplies	282,150	282,150	184,662	97,488	163,311
Capital outlay	-	-	-	-	598,675
Total General Government	282,150	282,150	184,662	97,488	761,986
Culture and Recreation:					
Services and supplies	22,850	22,850	16,840	6,010	14,850
Total Expenditures	305,000	305,000	201,502	103,498	776,836
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,838)	(43,838)	147,476	191,314	205,539
FUND BALANCES, July 1	446,438	446,438	678,857	232,419	473,318
FUND BALANCES, June 30	\$ 402,600	\$ 402,600	\$ 826,333	\$ 423,733	\$ 678,857

LANDER COUNTY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2008
(With Comparative Totals for June 30, 2007)
(Page 1 of 3)

	TOWN OF AUSTIN GENERAL	INDIGENT	STATE MEDICAL INDIGENT	AGRICULTURAL EXTENSION
ASSETS				
Cash and investments	\$ 66,376	\$ 101,939	\$ 1,175,326	\$ 135,031
Accounts receivable, net	1,843	-	-	-
Taxes receivable, delinquent	342	1,046	1,777	644
Interest receivable	108	-	1,821	-
Intergovernmental receivable	2,578	2,140	377	119
Inventory	-	-	-	-
Total Assets	\$ <u>71,247</u>	\$ <u>105,125</u>	\$ <u>1,179,301</u>	\$ <u>135,794</u>
LIABILITIES				
Accounts payable	\$ 928	\$ 2,562	\$ 1,240	\$ 5,595
Accrued liabilities	-	2,627	1,028	1,223
Due to other funds	-	-	-	-
Intergovernmental payable	-	-	36,752	-
Deferred revenue	342	1,165	2,154	763
Total Liabilities	<u>1,270</u>	<u>6,354</u>	<u>41,174</u>	<u>7,581</u>
FUND BALANCES				
Reserved for:				
Inventories	-	-	-	-
Unreserved	69,977	98,771	1,138,127	128,213
Total Fund Balance	<u>69,977</u>	<u>98,771</u>	<u>1,138,127</u>	<u>128,213</u>
Total Liabilities and Fund Balances	\$ <u>71,247</u>	\$ <u>105,125</u>	\$ <u>1,179,301</u>	\$ <u>135,794</u>

AGED SERVICES	LANDER COUNTY LANDFILL	TECHNOLOGY FEES	REGIONAL STREET AND HIGHWAY	FORENSIC SERVICES
\$ 443,404	\$ 1,069,052	\$ 405,116	\$ 340,750	\$ 8,243
380	5,581	-	-	-
1,657	2,066	-	-	-
-	1,696	569	-	-
1,930	219	-	84,002	-
<u>1,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 448,592</u>	<u>\$ 1,078,614</u>	<u>\$ 405,685</u>	<u>\$ 424,752</u>	<u>\$ 8,243</u>
\$ 12,295	\$ 10,327	\$ -	\$ -	\$ -
5,845	5,632	-	-	-
124	-	-	-	-
-	-	-	9,157	-
<u>1,935</u>	<u>2,285</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>20,199</u>	<u>18,244</u>	<u>-</u>	<u>9,157</u>	<u>-</u>
1,221	-	-	-	-
<u>427,172</u>	<u>1,060,370</u>	<u>405,685</u>	<u>415,595</u>	<u>8,243</u>
<u>428,393</u>	<u>1,060,370</u>	<u>405,685</u>	<u>415,595</u>	<u>8,243</u>
<u>\$ 448,592</u>	<u>\$ 1,078,614</u>	<u>\$ 405,685</u>	<u>\$ 424,752</u>	<u>\$ 8,243</u>

LANDER COUNTY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2008
(With Comparative Totals for June 30, 2007)
(Page 2 of 3)

	LANDER COUNTY AIRPORTS	CULTURE AND RECREATION	ADMINISTRATIVE ASSESSMENT FEES	GENETIC MARKER TESTING
ASSETS				
Cash and investments	\$ 449,168	\$ 1,757,541	\$ 61,571	\$ 1,512
Accounts receivable, net	664	676	-	-
Taxes receivable, delinquent	444	2,234	-	-
Interest receivable	610	-	-	-
Intergovernmental receivable	79	437	-	-
Inventory	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>450,965</u>	\$ <u>1,760,888</u>	\$ <u>61,571</u>	\$ <u>1,512</u>
LIABILITIES				
Accounts payable	\$ 1,144	\$ 21,131	\$ 3,597	\$ -
Accrued liabilities	-	20,171	-	-
Due to other funds	-	6,534	-	-
Intergovernmental payable	-	854	-	-
Deferred revenue	523	2,671	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>1,667</u>	<u>51,361</u>	<u>3,597</u>	<u>-</u>
FUND BALANCES				
Reserved for:				
Inventories	-	-	-	-
Unreserved	449,298	1,709,527	57,974	1,512
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>449,298</u>	<u>1,709,527</u>	<u>57,974</u>	<u>1,512</u>
Total Liabilities and Fund Balances	\$ <u>450,965</u>	\$ <u>1,760,888</u>	\$ <u>61,571</u>	\$ <u>1,512</u>

<u>COURT FACILITY FEES</u>	<u>JUVENILE ADMINISTRATIVE ASSESSMENT</u>	<u>MINE MAP FEES</u>	<u>LANDER ECONOMIC DEVELOPMENT</u>	<u>DISTRICT DRUG COURT</u>
\$ 214,855	\$ 9,502	\$ 134,278	\$ 90,131	\$ 55,086
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>214,855</u>	\$ <u>9,502</u>	\$ <u>134,278</u>	\$ <u>90,131</u>	\$ <u>55,086</u>
\$ -	\$ 1,273	\$ -	\$ -	\$ 940
-	-	-	-	-
-	-	-	-	-
-	-	-	-	197
-	-	-	-	-
<u>-</u>	<u>1,273</u>	<u>-</u>	<u>-</u>	<u>1,137</u>
-	-	-	-	-
<u>214,855</u>	<u>8,229</u>	<u>134,278</u>	<u>90,131</u>	<u>53,949</u>
<u>214,855</u>	<u>8,229</u>	<u>134,278</u>	<u>90,131</u>	<u>53,949</u>
\$ <u>214,855</u>	\$ <u>9,502</u>	\$ <u>134,278</u>	\$ <u>90,131</u>	\$ <u>55,086</u>

LANDER COUNTY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2008
(With Comparative Totals for June 30, 2007)
(Page 3 of 3)

	RESERVE FUND	TOTAL	2007
ASSETS			
Cash and investments	\$ 1,053,471	\$ 7,572,352	\$ 7,017,266
Accounts receivable, net	-	9,144	20,217
Taxes receivable, delinquent	-	10,210	5,993
Interest receivable	1,857	6,661	10,627
Intergovernmental receivable	-	91,881	71,442
Inventory	-	1,221	3,843
	\$ 1,055,328	\$ 7,691,469	\$ 7,129,388
LIABILITIES			
Accounts payable	\$ -	\$ 61,032	\$ 81,904
Accrued liabilities	-	36,526	32,628
Due to other funds	-	6,658	25,379
Intergovernmental payable	-	46,960	30,761
Deferred revenue	-	11,838	6,797
	-	163,014	177,469
FUND BALANCES			
Reserved for:			
Inventories	-	1,221	-
Unreserved	1,055,328	7,527,234	6,951,919
	1,055,328	7,528,455	6,951,919
Total Fund Balance	1,055,328	7,528,455	6,951,919
Total Liabilities and Fund Balances	\$ 1,055,328	\$ 7,691,469	\$ 7,129,388

LANDER COUNTY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 1 of 3)

	TOWN OF AUSTIN GENERAL	INDIGENT	STATE MEDICAL INDIGENT	AGRICULTURAL EXTENSION
REVENUES				
Taxes	\$ 6,654	\$ 115,780	\$ 311,695	\$ 67,045
Licenses and permits	11,257	-	-	-
Intergovernmental revenues	24,039	17,765	-	-
Charges for services	-	-	-	-
Earnings on investments	2,349	-	42,638	-
Miscellaneous	75	804	-	-
	<u>44,374</u>	<u>134,349</u>	<u>354,333</u>	<u>67,045</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	27,060	-	-	-
Judicial	-	-	-	-
Highways and streets	-	-	-	-
Public works	-	-	-	-
Health and sanitation	4,500	-	-	-
Welfare	-	127,796	225,999	-
Culture and recreation	5,333	-	-	-
Community support	-	-	-	58,785
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>36,893</u>	<u>127,796</u>	<u>225,999</u>	<u>58,785</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,481</u>	<u>6,553</u>	<u>128,334</u>	<u>8,260</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Net Change in Fund Balances	7,481	6,553	128,334	8,260
FUND BALANCES, July 1	<u>62,496</u>	<u>92,218</u>	<u>1,009,793</u>	<u>119,953</u>
FUND BALANCES, June 30	<u>\$ 69,977</u>	<u>\$ 98,771</u>	<u>\$ 1,138,127</u>	<u>\$ 128,213</u>

AGED SERVICES	LANDER COUNTY LANDFILL	TECHNOLOGY FEES	REGIONAL STREET AND HIGHWAY	FORENSIC SERVICES
\$ 198,950	\$ 311,621	\$ -	\$ 323,554	\$ -
-	-	-	-	-
61,726	-	-	-	-
34,704	127,063	139,756	-	2,345
-	36,808	11,896	-	-
-	15,849	-	-	-
<u>295,380</u>	<u>491,341</u>	<u>151,652</u>	<u>323,554</u>	<u>2,345</u>
-	-	32,404	-	-
-	-	-	-	-
-	-	-	1,090,000	-
-	-	-	75,000	-
-	335,558	-	-	-
288,499	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>288,499</u>	<u>335,558</u>	<u>32,404</u>	<u>1,165,000</u>	<u>-</u>
<u>6,881</u>	<u>155,783</u>	<u>119,248</u>	<u>(841,446)</u>	<u>2,345</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
6,881	155,783	119,248	(941,446)	2,345
<u>421,512</u>	<u>904,587</u>	<u>286,437</u>	<u>1,357,041</u>	<u>5,898</u>
<u>\$ 428,393</u>	<u>\$ 1,060,370</u>	<u>\$ 405,685</u>	<u>\$ 415,595</u>	<u>\$ 8,243</u>

LANDER COUNTY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 2 of 3)

	LANDER COUNTY AIRPORTS	CULTURE AND RECREATION	ADMINISTRATIVE ASSESSMENT FEES	GENETIC MARKER TESTING
REVENUES				
Taxes	\$ 168,726	\$ 232,032	\$ -	\$ -
Licenses and permits	15,662	-	-	-
Intergovernmental revenues	-	477,656	-	-
Charges for services	17,432	82,920	29,322	510
Earnings on investments	13,468	-	-	-
Miscellaneous	-	5,361	-	-
	<u>215,288</u>	<u>797,969</u>	<u>29,322</u>	<u>510</u>
Total Revenues				
EXPENDITURES				
Current:				
General government	101,123	-	-	-
Judicial	-	-	5,585	-
Highways and streets	-	-	-	-
Public works	-	-	-	-
Health and sanitation	-	10,685	-	-
Welfare	-	-	-	-
Culture and recreation	-	690,857	-	-
Community support	-	-	-	-
Debt service				
Principal	-	13,633	-	-
Interest	-	325	-	-
	<u>101,123</u>	<u>715,500</u>	<u>5,585</u>	<u>-</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>114,165</u>	<u>82,469</u>	<u>23,737</u>	<u>510</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(2,310)</u>	<u>-</u>	<u>(32,196)</u>	<u>-</u>
Net Change in Fund Balances	111,855	82,469	(8,459)	510
FUND BALANCES, July 1	<u>337,443</u>	<u>1,627,058</u>	<u>66,433</u>	<u>1,002</u>
FUND BALANCES, June 30	<u>\$ 449,298</u>	<u>\$ 1,709,527</u>	<u>\$ 57,974</u>	<u>\$ 1,512</u>

<u>COURT FACILITY FEES</u>	<u>JUVENILE ADMINISTRATIVE ASSESSMENT</u>	<u>MINE MAP FEES</u>	<u>LANDER ECONOMIC DEVELOPMENT</u>	<u>DISTRICT DRUG COURT</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
41,682	10,501	22,950	-	28,322
-	-	-	-	-
-	-	-	-	-
<u>41,682</u>	<u>10,501</u>	<u>22,950</u>	<u>-</u>	<u>28,322</u>
-	-	25,445	-	-
-	9,992	-	-	17,247
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	86,320	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>9,992</u>	<u>25,445</u>	<u>86,320</u>	<u>17,247</u>
<u>41,682</u>	<u>509</u>	<u>(2,495)</u>	<u>(86,320)</u>	<u>11,075</u>
<u>(30,930)</u>	<u>(3,914)</u>	<u>-</u>	<u>-</u>	<u>-</u>
10,752	(3,405)	(2,495)	(86,320)	11,075
<u>204,103</u>	<u>11,634</u>	<u>136,773</u>	<u>176,451</u>	<u>42,874</u>
<u>\$ 214,855</u>	<u>\$ 8,229</u>	<u>\$ 134,278</u>	<u>\$ 90,131</u>	<u>\$ 53,949</u>

LANDER COUNTY
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 3 of 3)

	RESERVE FUND	TOTAL	2007
REVENUES			
Taxes	\$ -	\$ 1,736,057	\$ 1,605,978
Licenses and permits	-	26,919	23,309
Intergovernmental revenues	-	581,186	616,541
Charges for services	-	537,507	563,851
Earnings on investments	21,719	128,878	107,764
Miscellaneous	<u>1,015,396</u>	<u>1,037,485</u>	<u>300,181</u>
 Total Revenues	 <u>1,037,115</u>	 <u>4,048,032</u>	 <u>3,217,624</u>
EXPENDITURES			
Current:			
General government	70,000	256,032	190,311
Judicial	-	32,824	65,671
Highways and streets	-	1,090,000	-
Public works	-	75,000	41,399
Health and sanitation	-	350,743	328,126
Welfare	-	642,294	599,257
Culture and recreation	-	696,190	695,216
Community support	-	145,105	60,460
Debt service			
Principal	-	13,633	13,128
Interest	<u>-</u>	<u>325</u>	<u>830</u>
 Total Expenditures	 <u>70,000</u>	 <u>3,302,146</u>	 <u>1,994,398</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>967,115</u>	 <u>745,886</u>	 <u>1,223,226</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>(169,350)</u>	<u>(150,694)</u>
 Net Change in Fund Balances	 967,115	 576,536	 1,072,532
 FUND BALANCES, July 1	 <u>88,213</u>	 <u>6,951,919</u>	 <u>5,879,387</u>
 FUND BALANCES, June 30	 <u>\$ 1,055,328</u>	 <u>\$ 7,528,455</u>	 <u>\$ 6,951,919</u>

LANDER COUNTY
TOWN OF AUSTIN GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 1 of 2)

	BUDGET		ACTUAL	VARIANCE TO	2007
	ORIGINAL	FINAL		FINAL BUDGET	
REVENUES					
Property Taxes:					
Ad valorem	\$ 6,906	\$ 6,906	\$ 6,654	\$ (252)	\$ 6,992
Licenses and Permits:					
Business licenses	900	900	2,912	2,012	875
Gaming licenses	500	500	156	(344)	-
Animal licenses	25	25	433	408	92
Franchise fee	6,000	6,000	7,756	1,756	7,830
Total Licenses and Permits	7,425	7,425	11,257	3,832	8,797
Intergovernmental Revenues:					
Grant from Lander County	-	9,400	9,400	-	-
Consolidated tax	10,933	10,933	14,639	3,706	15,436
Total Intergovernmental Revenues	10,933	20,333	24,039	3,706	15,436
Earnings on Investments	2,369	2,369	2,349	(20)	2,623
Miscellaneous	350	350	75	(275)	1,455
Total Revenues	27,983	37,383	44,374	6,991	35,303
EXPENDITURES					
General Government:					
Services and supplies	19,700	29,100	27,060	2,040	16,387
Public Works:					
Services and supplies	8,000	8,000	-	8,000	4,999
Health and Sanitation:					
Community events and grants	4,500	4,500	4,500	-	4,500

LANDER COUNTY
TOWN OF AUSTIN GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 2 of 2)

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
Culture and Recreation:					
Community events and grants	\$ 5,333	\$ 5,333	\$ 5,333	\$ -	\$ 5,333
Total Expenditures	<u>37,533</u>	<u>46,933</u>	<u>36,893</u>	<u>10,040</u>	<u>31,219</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,550)	(9,550)	7,481	17,031	4,084
FUND BALANCE, July 1	<u>52,699</u>	<u>52,699</u>	<u>62,496</u>	<u>9,797</u>	<u>58,412</u>
FUND BALANCE, June 30	<u>\$ 43,149</u>	<u>\$ 43,149</u>	<u>\$ 69,977</u>	<u>\$ 26,828</u>	<u>\$ 62,496</u>

**LANDER COUNTY
INDIGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
REVENUES					
Property Taxes:					
Ad valorem	\$ 130,146	\$ 130,146	\$ 115,751	\$ (14,395)	\$ 97,940
Net proceeds of mines	-	-	29	29	20,431
Total Property Taxes	<u>130,146</u>	<u>130,146</u>	<u>115,780</u>	<u>(14,366)</u>	<u>118,371</u>
Intergovernmental Revenues:					
Federal grants	-	32,358	17,765	(14,593)	20,607
Miscellaneous	-	804	804	-	1,165
Total Revenues	<u>130,146</u>	<u>163,308</u>	<u>134,349</u>	<u>(28,959)</u>	<u>140,143</u>
EXPENDITURES					
Welfare:					
Health Nurse					
Salaries and wages	31,475	31,475	31,090	385	28,621
Employee benefits	16,470	16,470	14,482	1,988	12,544
Services and supplies	30,180	30,180	29,444	736	26,223
Total Welfare	<u>78,125</u>	<u>78,125</u>	<u>75,016</u>	<u>3,109</u>	<u>67,388</u>
Other Indigent					
Salaries and wages	21,785	21,785	21,562	223	21,109
Employee benefits	10,387	10,387	8,566	1,821	8,169
Services and supplies	6,500	39,662	22,652	17,010	27,181
Total Other Indigent	<u>38,672</u>	<u>71,834</u>	<u>52,780</u>	<u>19,054</u>	<u>56,459</u>
Total Expenditures	<u>116,797</u>	<u>149,959</u>	<u>127,796</u>	<u>22,163</u>	<u>123,847</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,349	13,349	6,553	(6,796)	16,296
FUND BALANCES, July 1	<u>116,423</u>	<u>116,423</u>	<u>92,218</u>	<u>(24,205)</u>	<u>75,922</u>
FUND BALANCES, June 30	<u>\$ 129,772</u>	<u>\$ 129,772</u>	<u>\$ 98,771</u>	<u>\$ (31,001)</u>	<u>\$ 92,218</u>

LANDER COUNTY
STATE MEDICAL INDIGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Ad valorem	\$ 208,233	\$ 208,233	\$ 185,426	\$ (22,807)	\$ 196,019
Net proceeds of mines	56,000	56,000	77,036	21,036	27,240
Ad valorem auto accident	39,044	39,044	34,800	(4,244)	37,228
Net proceeds auto accident	<u>10,500</u>	<u>10,500</u>	<u>14,433</u>	<u>3,933</u>	<u>4,879</u>
Total Property Taxes	<u>313,777</u>	<u>313,777</u>	<u>311,695</u>	<u>(2,082)</u>	<u>265,366</u>
Earnings on Investments	<u>38,660</u>	<u>38,660</u>	<u>42,638</u>	<u>3,978</u>	<u>45,996</u>
Total Revenues	<u>352,437</u>	<u>352,437</u>	<u>354,333</u>	<u>1,896</u>	<u>311,362</u>
EXPENDITURES					
Welfare:					
Salaries and wages	21,785	21,785	21,561	224	21,108
Employee benefits	10,392	10,392	8,566	1,826	8,169
Services and supplies	384,028	384,028	113,798	270,230	112,968
Remittance to State	<u>104,010</u>	<u>104,010</u>	<u>82,074</u>	<u>21,936</u>	<u>69,998</u>
Total Expenditures	<u>520,215</u>	<u>520,215</u>	<u>225,999</u>	<u>294,216</u>	<u>212,243</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(167,778)	(167,778)	128,334	296,112	99,119
FUND BALANCES, July 1	<u>743,270</u>	<u>743,270</u>	<u>1,009,793</u>	<u>266,523</u>	<u>910,674</u>
FUND BALANCES, June 30	<u>\$ 575,492</u>	<u>\$ 575,492</u>	<u>\$ 1,138,127</u>	<u>\$ 562,635</u>	<u>\$ 1,009,793</u>

LANDER COUNTY
AGRICULTURAL EXTENSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Ad valorem	\$ 75,224	\$ 75,224	\$ 67,021	\$ (8,203)	\$ 70,844
Net proceeds of mines	-	-	24	24	431
Total Revenues	<u>75,224</u>	<u>75,224</u>	<u>67,045</u>	<u>(8,179)</u>	<u>71,275</u>
EXPENDITURES					
Community Support:					
Salaries and wages	23,730	23,730	23,783	(53)	21,684
Employee benefits	12,605	12,605	7,715	4,890	10,103
Services and supplies	46,300	46,300	27,287	19,013	27,947
Total Expenditures	<u>82,635</u>	<u>82,635</u>	<u>58,785</u>	<u>23,850</u>	<u>59,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,411)	(7,411)	8,260	15,671	11,541
FUND BALANCES , July 1	<u>107,962</u>	<u>107,962</u>	<u>119,953</u>	<u>11,991</u>	<u>108,412</u>
FUND BALANCES, June 30	<u>\$ 100,551</u>	<u>\$ 100,551</u>	<u>\$ 128,213</u>	<u>\$ 27,662</u>	<u>\$ 119,953</u>

**LANDER COUNTY
AGED SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Ad valorem	\$ 195,219	\$ 195,219	\$ 173,890	\$ (21,329)	\$ 183,742
Net proceed of mines	25,000	25,000	25,060	60	67,206
Total Property Taxes	<u>220,219</u>	<u>220,219</u>	<u>198,950</u>	<u>(21,269)</u>	<u>250,948</u>
Intergovernmental Revenues:					
Federal grants	51,884	61,726	61,726	-	59,515
Charges for Services:					
Other	30,825	30,825	34,704	3,879	37,685
Total Revenues	<u>302,928</u>	<u>312,770</u>	<u>295,380</u>	<u>(17,390)</u>	<u>348,148</u>
EXPENDITURES					
Welfare:					
Senior Center					
Salaries and wages	137,200	137,200	126,562	10,638	116,543
Employee benefits	73,606	73,606	45,242	28,364	47,255
Services and supplies	98,065	107,907	101,437	6,470	83,512
Total	<u>308,871</u>	<u>318,713</u>	<u>273,241</u>	<u>45,472</u>	<u>247,310</u>
Austin School					
Salaries and wages	7,440	7,440	6,341	1,099	6,101
Employee benefits	3,090	3,090	2,522	568	2,457
Services and supplies	6,800	6,800	6,395	405	7,299
Total	<u>17,330</u>	<u>17,330</u>	<u>15,258</u>	<u>2,072</u>	<u>15,857</u>
Total Expenditures	<u>326,201</u>	<u>336,043</u>	<u>288,499</u>	<u>47,544</u>	<u>263,167</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,273)	(23,273)	6,881	30,154	84,981
FUND BALANCES , July 1	<u>397,623</u>	<u>397,623</u>	<u>421,512</u>	<u>23,889</u>	<u>336,531</u>
FUND BALANCES, June 30	<u>\$ 374,350</u>	<u>\$ 374,350</u>	<u>\$ 428,393</u>	<u>\$ 54,043</u>	<u>\$ 421,512</u>

LANDER COUNTY
LANDER COUNTY LANDFILL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
REVENUES					
Property Taxes:					
Ad valorem	\$ 247,538	\$ 247,538	\$ 220,073	\$ (27,465)	\$ 231,783
Net proceeds of mines	<u>66,570</u>	<u>66,570</u>	<u>91,548</u>	<u>24,978</u>	<u>31,806</u>
Total Property Taxes	<u>314,108</u>	<u>314,108</u>	<u>311,621</u>	<u>(2,487)</u>	<u>263,589</u>
Charges for Services:					
Fees	<u>65,000</u>	<u>65,000</u>	<u>127,063</u>	<u>62,063</u>	<u>123,208</u>
Earnings on Investments	<u>21,057</u>	<u>21,057</u>	<u>36,808</u>	<u>15,751</u>	<u>28,648</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>15,849</u>	<u>15,849</u>	<u>232,588</u>
Total Revenues	<u>400,165</u>	<u>400,165</u>	<u>491,341</u>	<u>91,176</u>	<u>648,033</u>
EXPENDITURES					
Health and Sanitation:					
Salaries and wages	128,635	128,635	121,407	7,228	116,120
Employee benefits	57,690	57,690	43,592	14,098	46,228
Services and supplies	206,725	210,725	170,559	40,166	153,088
Capital outlay	<u>35,000</u>	<u>31,000</u>	<u>-</u>	<u>31,000</u>	<u>-</u>
Total Expenditures	<u>428,050</u>	<u>428,050</u>	<u>335,558</u>	<u>92,492</u>	<u>315,436</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,885)	(27,885)	155,783	183,668	332,597
FUND BALANCES, July 1	<u>573,315</u>	<u>573,315</u>	<u>904,587</u>	<u>331,272</u>	<u>571,990</u>
FUND BALANCES, June 30	<u>\$ 545,430</u>	<u>\$ 545,430</u>	<u>\$ 1,060,370</u>	<u>\$ 514,940</u>	<u>\$ 904,587</u>

**LANDER COUNTY
TECHNOLOGY FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes					
Net proceeds of mines	\$ 26,940	\$ 26,940	\$ -	\$ (26,940)	\$ -
Charges for Services:					
Technology fees					
Recorder	14,500	14,500	9,549	(4,951)	12,495
Assessor	85,000	85,000	130,207	45,207	105,413
Total Charges for Services	99,500	99,500	139,756	40,256	117,908
Earnings on Investments					
Recorder	630	630	1,919	1,289	1,602
Assessor	8,378	8,378	9,976	1,598	9,818
District court	1	1	1	-	1
Total Earnings on Investments	9,009	9,009	11,896	2,887	11,421
Total Revenues	135,449	135,449	151,652	16,203	129,329
EXPENDITURES					
General Government:					
Recorder					
Services and supplies	26,000	26,000	21,090	4,910	3,802
Assessor					
Services and supplies	15,490	15,490	8,104	7,386	48,195
Capital outlay	350,250	350,250	3,210	347,040	9,999
Total General Government	391,740	391,740	32,404	359,336	61,996
Judicial:					
District court					
Services and supplies	15	15	-	15	-
Total Expenditures	391,755	391,755	32,404	359,351	61,996
Excess (Deficiency) of Revenues Over (Under) Expenditures	(256,306)	(256,306)	119,248	375,554	67,333
FUND BALANCES, July 1	260,105	260,105	286,437	26,332	219,104
FUND BALANCES, June 30	\$ 3,799	\$ 3,799	\$ 405,685	\$ 401,886	\$ 286,437

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's Board is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's Board has decided that periodic determination of net income is appropriate for accountability purposes.

MAJOR ENTERPRISE FUNDS

Battle Mountain Water Fund

Battle Mountain Sewer Fund

NONMAJOR ENTERPRISE FUND

Mt. Lewis Communication Site Fund

LANDER COUNTY
REGIONAL STREET AND HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2007</u>
REVENUES					
Taxes:					
Gasoline tax	\$ 307,213	\$ 307,213	\$ 323,554	\$ 16,341	\$ 317,057
EXPENDITURES					
Highways and Streets:					
Capital outlay	1,090,000	1,090,000	1,090,000	-	-
Public Works:					
Services and supplies	75,000	75,000	75,000	-	36,400
Total Expenditures	1,165,000	1,165,000	1,165,000	-	36,400
Excess (Deficiency) of Revenues Over (Under) Expenditures	(857,787)	(857,787)	(841,446)	16,341	280,657
OTHER FINANCING SOURCES (USES)					
Transfers out	(100,000)	(100,000)	(100,000)	-	(100,000)
Net Change in Fund Balances	(957,787)	(957,787)	(941,446)	16,341	180,657
FUND BALANCES, July 1	1,056,254	1,056,254	1,357,041	300,787	1,176,384
FUND BALANCES, June 30	\$ 98,467	\$ 98,467	\$ 415,595	\$ 317,128	\$ 1,357,041

LANDER COUNTY
FORENSIC SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Charges for Services:					
Miscellaneous	\$ 1,450	\$ 1,450	\$ 2,345	\$ 895	\$ 2,098
EXPENDITURES					
Public Safety:					
Services and supplies	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,550)	(2,550)	2,345	4,895	2,098
FUND BALANCES, July 1	<u>3,300</u>	<u>3,300</u>	<u>5,898</u>	<u>2,598</u>	<u>3,800</u>
FUND BALANCES, June 30	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 8,243</u>	<u>\$ 7,493</u>	<u>\$ 5,898</u>

LANDER COUNTY
LANDER COUNTY AIRPORTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Taxes:					
Ad valorem	\$ 52,058	\$ 52,058	\$ 46,381	\$ (5,677)	\$ 49,011
Net proceeds of mines	-	-	121,867	121,867	15,287
Gasoline tax	500	500	478	(22)	1,332
Total Taxes	<u>52,558</u>	<u>52,558</u>	<u>168,726</u>	<u>116,168</u>	<u>65,630</u>
Licenses and Permits:					
Lease and use fees	<u>15,000</u>	<u>15,000</u>	<u>15,662</u>	<u>662</u>	<u>14,512</u>
Charges for Services:					
User fees, fuel sales	<u>8,000</u>	<u>8,000</u>	<u>17,432</u>	<u>9,432</u>	<u>41,823</u>
Earnings on Investments	<u>16,447</u>	<u>16,447</u>	<u>13,468</u>	<u>(2,979)</u>	<u>16,270</u>
Total Revenues	<u>92,005</u>	<u>92,005</u>	<u>215,288</u>	<u>123,283</u>	<u>138,235</u>
EXPENDITURES					
General Government:					
Services and supplies	<u>134,000</u>	<u>134,000</u>	<u>101,123</u>	<u>32,877</u>	<u>101,241</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,995)	(41,995)	114,165	156,160	36,994
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(13,500)</u>	<u>(13,500)</u>	<u>(2,310)</u>	<u>11,190</u>	<u>(18,500)</u>
Net Change in Fund Balances	(55,495)	(55,495)	111,855	167,350	18,494
FUND BALANCES, July 1	<u>268,224</u>	<u>268,224</u>	<u>337,443</u>	<u>69,219</u>	<u>318,949</u>
FUND BALANCES, June 30	<u>\$ 212,729</u>	<u>\$ 212,729</u>	<u>\$ 449,298</u>	<u>\$ 236,569</u>	<u>\$ 337,443</u>

LANDER COUNTY
CULTURE AND RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 1 of 2)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Ad valorem	\$ 260,292	\$ 260,292	\$ 231,945	\$ (28,347)	\$ 245,169
Net proceeds of mines	-	-	87	87	1,581
	<u>260,292</u>	<u>260,292</u>	<u>232,032</u>	<u>(28,260)</u>	<u>246,750</u>
Total Property Taxes					
Intergovernmental Revenues:					
Federal payment in lieu of taxes	477,000	477,000	477,656	656	484,028
	<u>477,000</u>	<u>477,000</u>	<u>477,656</u>	<u>656</u>	<u>484,028</u>
Charges for Services:					
Greens fees	45,000	45,000	56,690	11,690	56,330
Golf cart fees	3,500	3,500	4,140	640	4,815
Pool fees	14,300	14,300	18,850	4,550	20,686
Trail fees	2,200	2,200	3,240	1,040	3,183
	<u>65,000</u>	<u>65,000</u>	<u>82,920</u>	<u>17,920</u>	<u>85,014</u>
Total Charges for Services					
Miscellaneous	6,000	6,000	5,361	(639)	12,550
	<u>6,000</u>	<u>6,000</u>	<u>5,361</u>	<u>(639)</u>	<u>12,550</u>
Total Revenues	<u>808,292</u>	<u>808,292</u>	<u>797,969</u>	<u>(10,323)</u>	<u>828,342</u>
EXPENDITURES					
Health and Sanitation:					
Cemeteries					
Services and supplies	12,500	12,500	10,685	1,815	8,190
	<u>12,500</u>	<u>12,500</u>	<u>10,685</u>	<u>1,815</u>	<u>8,190</u>
Culture and Recreation:					
Battle Mountain Golf Course					
Salaries and wages	97,350	97,350	86,859	10,491	96,029
Employee benefits	43,780	43,780	36,499	7,281	34,362
Services and supplies	88,550	88,550	73,783	14,767	76,246
	<u>229,680</u>	<u>229,680</u>	<u>197,141</u>	<u>32,539</u>	<u>206,637</u>

LANDER COUNTY
CULTURE AND RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)
(Page 2 of 2)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
Lander County Parks					
Salaries and wages	\$ 7,885	\$ 7,885	\$ 6,126	\$ 1,759	\$ 7,161
Employee benefits	2,365	2,365	2,485	(120)	1,681
Services and supplies	229,500	229,500	212,007	17,493	211,021
Capital outlay	7,500	7,500	1,450	6,050	1,274
	<u>247,250</u>	<u>247,250</u>	<u>222,068</u>	<u>25,182</u>	<u>221,137</u>
Lander County Pools					
Salaries and wages	118,390	118,390	80,748	37,642	73,694
Employee benefits	18,535	18,535	12,920	5,615	11,672
Services and supplies	64,575	64,575	50,869	13,706	50,835
	<u>201,500</u>	<u>201,500</u>	<u>144,537</u>	<u>56,963</u>	<u>136,201</u>
Battle Mountain Civic Center					
Services and supplies	35,000	35,000	31,396	3,604	31,356
Battle Mountain & Austin Libraries					
Services and supplies	97,800	97,800	95,715	2,085	94,552
Total Culture and Recreation	<u>811,230</u>	<u>811,230</u>	<u>690,857</u>	<u>120,373</u>	<u>689,883</u>
Debt Service:					
Principal	13,633	13,633	13,633	-	13,128
Interest	325	325	325	-	830
Total Debt Service	<u>13,958</u>	<u>13,958</u>	<u>13,958</u>	<u>-</u>	<u>13,958</u>
Total Expenditures	<u>837,688</u>	<u>837,688</u>	<u>715,500</u>	<u>122,188</u>	<u>712,031</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,396)	(29,396)	82,469	111,865	116,311
FUND BALANCES, July 1	<u>1,513,320</u>	<u>1,513,320</u>	<u>1,627,058</u>	<u>113,738</u>	<u>1,510,747</u>
FUND BALANCES, June 30	<u>\$ 1,483,924</u>	<u>\$ 1,483,924</u>	<u>\$ 1,709,527</u>	<u>\$ 225,603</u>	<u>\$ 1,627,058</u>

LANDER COUNTY
ADMINISTRATIVE ASSESSMENT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Charges for Services:					
Administrative assessments	\$ 29,000	\$ 29,000	\$ 29,322	\$ 322	\$ 32,349
EXPENDITURES					
Judicial:					
Services and supplies	32,000	32,000	5,585	26,415	1,014
Capital outlay	-	-	-	-	28,832
Total Expenditures	32,000	32,000	5,585	26,415	29,846
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,000)	(3,000)	23,737	26,737	2,503
OTHER FINANCING SOURCES (USES)					
Transfers out	(25,662)	(25,662)	(32,196)	(6,534)	(1,094)
Net Change in Fund Balances	(28,662)	(28,662)	(8,459)	20,203	1,409
FUND BALANCES, July 1	30,862	30,862	66,433	35,571	65,024
FUND BALANCES, June 30	\$ 2,200	\$ 2,200	\$ 57,974	\$ 55,774	\$ 66,433

LANDER COUNTY
GENETIC MARKER TESTING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
REVENUES					
Charges for Services:					
Fees	\$ 100	\$ 100	\$ 510	\$ 410	\$ 311
EXPENDITURES					
Judicial:					
Services and supplies	<u>800</u>	<u>800</u>	<u>-</u>	<u>800</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(700)	(700)	510	1,210	311
FUND BALANCES, July 1	<u>791</u>	<u>791</u>	<u>1,002</u>	<u>211</u>	<u>691</u>
FUND BALANCES, June 30	<u>\$ 91</u>	<u>\$ 91</u>	<u>\$ 1,512</u>	<u>\$ 1,421</u>	<u>\$ 1,002</u>

**LANDER COUNTY
COURT FACILITY FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2007</u>
REVENUES					
Charges for Services:					
Court fees	\$ 41,000	\$ 41,000	\$ 41,682	\$ 682	\$ 46,185
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(31,100)</u>	<u>(31,100)</u>	<u>(30,930)</u>	<u>170</u>	<u>(31,100)</u>
Net Change in Fund Balances	9,900	9,900	10,752	852	15,085
FUND BALANCES, July 1	<u>200,918</u>	<u>200,918</u>	<u>204,103</u>	<u>3,185</u>	<u>189,018</u>
FUND BALANCES, June 30	<u>\$ 210,818</u>	<u>\$ 210,818</u>	<u>\$ 214,855</u>	<u>\$ 4,037</u>	<u>\$ 204,103</u>

LANDER COUNTY
JUVENILE ADMINISTRATIVE ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Charges for Services:					
Administrative assessments	\$ 8,500	\$ 8,500	\$ 10,501	\$ 2,001	\$ 11,148
EXPENDITURES					
Judicial:					
Services and supplies	<u>10,000</u>	<u>10,000</u>	<u>9,992</u>	<u>8</u>	<u>11,893</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,500)	(1,500)	509	2,009	(745)
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>-</u>	<u>-</u>	<u>(3,914)</u>	<u>(3,914)</u>	<u>-</u>
Net Change in Fund Balances	(1,500)	(1,500)	(3,405)	(1,905)	-
FUND BALANCES, July 1	<u>12,379</u>	<u>12,379</u>	<u>11,634</u>	<u>(745)</u>	<u>12,379</u>
FUND BALANCES, June 30	<u>\$ 10,879</u>	<u>\$ 10,879</u>	<u>\$ 8,229</u>	<u>\$ 1,264</u>	<u>\$ 11,634</u>

LANDER COUNTY
MINE MAP FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Charges for Services:					
Map fees	\$ 45,000	\$ 45,000	\$ 22,950	\$ (22,050)	\$ 34,606
EXPENDITURES					
General Government:					
Services and supplies	25,000	25,000	7,695	17,305	10,687
Capital outlay	75,000	75,000	17,750	57,250	-
Total Expenditures	100,000	100,000	25,445	74,555	10,687
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55,000)	(55,000)	(2,495)	52,505	23,919
FUND BALANCES, July 1	77,854	77,854	136,773	58,919	112,854
FUND BALANCES, June 30	\$ 22,854	\$ 22,854	\$ 134,278	\$ 111,424	\$ 136,773

LANDER COUNTY
LANDER ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Intergovernmental Revenues:					
State grants	\$ -	\$ -	\$ -	\$ -	\$ 36,955
LEDA grant	25,000	25,000	-	25,000	-
Total Intergovernmental Revenues	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>36,955</u>
EXPENDITURES					
Community Support:					
Employee benefits	-	-	4,359	(4,359)	456
Services and supplies	160,000	160,000	81,961	78,039	270
Total Expenditures	<u>160,000</u>	<u>160,000</u>	<u>86,320</u>	<u>73,680</u>	<u>726</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,000)	(135,000)	(86,320)	48,680	36,229
FUND BALANCES, July 1	<u>135,222</u>	<u>135,222</u>	<u>176,451</u>	<u>41,229</u>	<u>140,222</u>
FUND BALANCES, June 30	<u>\$ 222</u>	<u>\$ 222</u>	<u>\$ 90,131</u>	<u>\$ 89,909</u>	<u>\$ 176,451</u>

LANDER COUNTY
DISTRICT DRUG COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Charges for Services:					
Fees	\$ 30,000	\$ 30,000	\$ 28,322	\$ (1,678)	\$ 31,516
EXPENDITURES					
Judicial:					
Services and supplies	<u>30,000</u>	<u>30,000</u>	<u>17,247</u>	<u>12,753</u>	<u>23,932</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	11,075	11,075	7,584
FUND BALANCES, July 1	<u>35,290</u>	<u>35,290</u>	<u>42,874</u>	<u>7,584</u>	<u>35,290</u>
FUND BALANCES, June 30	<u>\$ 35,290</u>	<u>\$ 35,290</u>	<u>\$ 53,949</u>	<u>\$ 18,659</u>	<u>\$ 42,874</u>

**LANDER COUNTY
RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
REVENUES					
Earnings on Investments	\$ 61,797	\$ 1,797	\$ 21,719	\$ 19,922	\$ 2,806
Miscellaneous revenues					
Geothermal revenue	-	60,000	1,015,396	955,396	52,423
Total Revenues	<u>61,797</u>	<u>61,797</u>	<u>1,037,115</u>	<u>975,318</u>	<u>55,229</u>
EXPENDITURES					
General Government:					
Services and supplies	-	-	70,000	(70,000)	-
Capital outlay	<u>90,000</u>	<u>90,000</u>	-	<u>90,000</u>	-
Total Expenditures	<u>90,000</u>	<u>90,000</u>	<u>70,000</u>	<u>20,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,203)	(28,203)	967,115	995,318	55,229
FUND BALANCES, July 1	<u>67,284</u>	<u>67,284</u>	<u>88,213</u>	<u>20,929</u>	<u>32,984</u>
FUND BALANCES, June 30	<u>\$ 39,081</u>	<u>\$ 39,081</u>	<u>\$ 1,055,328</u>	<u>\$ 1,016,247</u>	<u>\$ 88,213</u>

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal, interest and related costs from governmental resources when the government is obligated in some manner for the payment.

NONMAJOR DEBT SERVICE FUND
Public Safety Debt Service Fund

**LANDER COUNTY
PUBLIC SAFETY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)**

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property taxes:					
Ad valorem	\$ 169,190	\$ 169,190	\$ 151,098	\$ (18,092)	\$ 257,272
Net proceeds of mines	45,500	45,500	62,614	17,114	35,896
Total Property Taxes	214,690	214,690	213,712	(978)	293,168
Earnings on Investments	32,621	32,621	28,135	(4,486)	44,764
Total Revenues	247,311	247,311	241,847	(5,464)	337,932
EXPENDITURES					
Debt Service:					
Principal	270,000	270,000	270,000	-	260,000
Interest	106,395	106,395	106,393	2	125,216
Other	-	-	-	-	500
Total Expenditures	376,395	376,395	376,393	2	385,716
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129,084)	(129,084)	(134,546)	(5,462)	(47,784)
FUND BALANCES, July 1	592,693	592,693	599,951	7,258	647,735
FUND BALANCES, June 30	\$ 463,609	\$ 463,609	\$ 465,405	\$ 1,796	\$ 599,951

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

MAJOR CAPITAL PROJECTS FUNDS

CCP (Construction of Capital Projects) Fund
Airport Capital Improvement Fund

NONMAJOR CAPITAL PROJECTS FUNDS

Equipment/Building Replacement Fund
Capital Acquisition Fund
Battle Mountain Capital Acquisition Fund
Austin Capital Acquisition Fund
Court Facilities Capital Fund
Emergency Maintenance Fund

LANDER COUNTY
CCP (CONSTRUCTION OF CAPITAL PROJECTS) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Net proceeds of mines	\$ 500,000	\$ 500,000	\$ 701,791	\$ 201,791	\$ 243,888
Earnings on Investments	288,938	288,938	359,627	70,689	209,006
Net increase (decrease) in the fair value of investments	-	-	40,681	40,681	55,456
Miscellaneous	-	-	556,827	556,827	-
Total Revenues	788,938	788,938	1,658,926	869,988	508,350
EXPENDITURES					
General Government:					
Capital outlay	2,150,000	2,150,000	1,089,969	1,060,031	1,451,194
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,361,062)	(1,361,062)	568,957	1,930,019	(942,844)
FUND BALANCES, July 1	2,576,999	2,576,999	3,801,629	1,224,630	4,744,473
FUND BALANCES, June 30	\$ 1,215,937	\$ 1,215,937	\$ 4,370,586	\$ 3,154,649	\$ 3,801,629

LANDER COUNTY
AIRPORT CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
REVENUES					
Property Taxes:					
Net proceeds of mines	\$ 121,850	\$ 121,850	\$ 55,380	\$ (66,470)	\$ -
Intergovernmental Revenues:					
Federal FAA grants	<u>2,411,983</u>	<u>2,411,983</u>	<u>234,955</u>	<u>(2,177,028)</u>	<u>1,030,696</u>
Total Revenues	2,533,833	2,533,833	290,335	(2,243,498)	1,030,696
EXPENDITURES					
General Government:					
Capital outlay	<u>2,540,106</u>	<u>2,540,106</u>	<u>246,462</u>	<u>2,293,644</u>	<u>1,088,405</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,273)</u>	<u>(6,273)</u>	<u>43,873</u>	<u>50,146</u>	<u>(57,709)</u>
FUND BALANCES, July 1	<u>44,976</u>	<u>44,976</u>	<u>115,390</u>	<u>70,414</u>	<u>173,099</u>
FUND BALANCES, June 30	<u>\$ 38,703</u>	<u>\$ 38,703</u>	<u>\$ 159,263</u>	<u>\$ 120,560</u>	<u>\$ 115,390</u>

LANDER COUNTY
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2008
(With Comparative Totals for June 30, 2007)

	EQUIPMENT/ BUILDING REPLACEMENT	CAPITAL ACQUISITION	BATTLE MOUNTAIN CAPITAL ACQUISITION
ASSETS			
Cash and investments	\$ 1,835,880	\$ 322,838	\$ 6,599
Accounts receivable, net	-	-	-
Taxes receivable, delinquent	-	666	-
Interest receivable	-	489	11
Intergovernmental receivable	-	119	1,426
 Total Assets	 \$ 1,835,880	 \$ 324,112	 \$ 8,036
 LIABILITIES			
Accounts payable	\$ 48,917	\$ -	\$ -
Intergovernmental payable	-	1,773	-
Deferred revenue	-	785	-
 Total Liabilities	 48,917	 2,558	 -
 FUND BALANCES			
Unreserved	1,786,963	321,554	8,036
 Total Liabilities and Fund Balances	 \$ 1,835,880	 \$ 324,112	 \$ 8,036

AUSTIN CAPITAL ACQUISITION	COURT FACILITIES CAPITAL	EMERGENCY MAIN- TENANCE	TOTALS	
			2008	2007
\$ 4,032	\$ 1,104,100	\$ 732,565	\$ 4,006,014	\$ 3,629,690
-	-	-	-	26
-	-	-	666	413
7	1,637	1,090	3,234	7,696
<u>242</u>	<u>-</u>	<u>-</u>	<u>1,787</u>	<u>260</u>
<u>\$ 4,281</u>	<u>\$ 1,105,737</u>	<u>\$ 733,655</u>	<u>\$ 4,011,701</u>	<u>\$ 3,638,085</u>
\$ -	\$ -	\$ -	\$ 48,917	\$ 32,205
-	-	-	1,773	1,475
-	-	-	785	415
<u>-</u>	<u>-</u>	<u>-</u>	<u>51,475</u>	<u>34,095</u>
<u>4,281</u>	<u>1,105,737</u>	<u>733,655</u>	<u>3,960,226</u>	<u>3,603,990</u>
<u>\$ 4,281</u>	<u>\$ 1,105,737</u>	<u>\$ 733,655</u>	<u>\$ 4,011,701</u>	<u>\$ 3,638,085</u>

LANDER COUNTY
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	<u>EQUIPMENT/ BUILDING REPLACEMENT</u>	<u>CAPITAL ACQUISITION</u>	<u>BATTLE MOUNTAIN CAPITAL ACQUISITION</u>
REVENUES			
Taxes	\$ 437,791	\$ 98,455	\$ -
Intergovernmental revenues	-	-	4,535
Earnings on investments	-	9,433	172
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total Revenues	437,791	107,888	4,707
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
General government	208,939	-	-
Public works	183,672	-	-
Intergovernmental	-	5,639	-
Debt Service			
Principal	-	50,000	-
Interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total Expenditures	392,611	55,639	-
	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,180	52,249	4,707
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	45,180	52,249	4,707
	<hr/>	<hr/>	<hr/>
FUND BALANCES, July 1	1,741,783	269,305	3,329
	<hr/>	<hr/>	<hr/>
FUND BALANCES, June 30	\$ 1,786,963	\$ 321,554	\$ 8,036
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

AUSTIN CAPITAL ACQUISITION	COURT FACILITIES CAPITAL	EMERGENCY MAINTENANCE	TOTALS	
			2008	2007
\$ -	\$ 50,000	\$ 75,410	\$ 661,656	\$ 161,553
771	-	-	5,306	4,784
141	38,037	25,411	73,194	81,411
-	-	-	-	11,782
<u>912</u>	<u>88,037</u>	<u>100,821</u>	<u>740,156</u>	<u>259,530</u>
-	-	2,710	211,649	142,747
-	-	-	183,672	142,836
-	-	-	5,639	5,087
-	-	-	50,000	50,000
-	-	-	-	9,000
<u>-</u>	<u>-</u>	<u>2,710</u>	<u>450,960</u>	<u>349,670</u>
<u>912</u>	<u>88,037</u>	<u>98,111</u>	<u>289,196</u>	<u>(90,140)</u>
<u>-</u>	<u>67,040</u>	<u>-</u>	<u>67,040</u>	<u>32,194</u>
912	155,077	98,111	356,236	(57,946)
<u>3,369</u>	<u>950,660</u>	<u>635,544</u>	<u>3,603,990</u>	<u>3,661,936</u>
<u>\$ 4,281</u>	<u>\$ 1,105,737</u>	<u>\$ 733,655</u>	<u>\$ 3,960,226</u>	<u>\$ 3,603,990</u>

LANDER COUNTY
EQUIPMENT/BUILDING REPLACEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Net proceeds of mines	\$ 236,000	\$ 236,000	\$ 437,791	\$ 201,791	\$ 77,819
Miscellaneous	-	-	-	-	11,782
Total Revenues	<u>236,000</u>	<u>236,000</u>	<u>437,791</u>	<u>201,791</u>	<u>89,601</u>
EXPENDITURES					
General Government:					
Services and supplies	<u>120,766</u>	<u>255,766</u>	<u>208,939</u>	<u>46,827</u>	<u>82,153</u>
Public Works:					
Capital outlay	<u>485,000</u>	<u>350,000</u>	<u>183,672</u>	<u>166,328</u>	<u>98,465</u>
Total Expenditures	<u>605,766</u>	<u>605,766</u>	<u>392,611</u>	<u>213,155</u>	<u>180,618</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(369,766)	(369,766)	45,180	414,946	(91,017)
FUND BALANCES, July 1	<u>1,607,800</u>	<u>1,607,800</u>	<u>1,741,783</u>	<u>133,983</u>	<u>1,832,800</u>
FUND BALANCES, June 30	<u><u>\$ 1,238,034</u></u>	<u><u>\$ 1,238,034</u></u>	<u><u>\$ 1,786,963</u></u>	<u><u>\$ 548,929</u></u>	<u><u>\$ 1,741,783</u></u>

LANDER COUNTY
CAPITAL ACQUISITION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Ad valorem	\$ 78,088	\$ 78,088	\$ 69,564	\$ (8,524)	\$ 73,519
Net proceeds of mines	21,000	21,000	28,891	7,891	10,215
Total Property Taxes	99,088	99,088	98,455	(633)	83,734
Earnings on Investments	10,020	10,020	9,433	(587)	12,078
Total Revenues	109,108	109,108	107,888	(1,220)	95,812
EXPENDITURES					
Public works:					
Services and supplies	-	-	-	-	37,385
Capital outlay	54,500	54,500	-	54,500	-
Total Public Works	54,500	54,500	-	54,500	37,385
Intergovernmental Expenditures:					
Grants to other entities	6,124	6,124	5,639	485	5,087
Debt Service:					
Principal	50,000	50,000	50,000	-	50,000
Interest	-	-	-	-	9,000
Total Debt Service	50,000	50,000	50,000	-	59,000
Total Expenditures	110,624	110,624	55,639	54,985	101,472
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,516)	(1,516)	52,249	53,765	(5,660)
FUND BALANCES, July 1	261,993	261,993	269,305	7,312	274,965
FUND BALANCES, June 30	\$ 260,477	\$ 260,477	\$ 321,554	\$ 61,077	\$ 269,305

LANDER COUNTY
BATTLE MOUNTAIN CAPITAL ACQUISITION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Intergovernmental Revenues:					
Grant from Lander County	\$ 4,842	\$ 4,842	\$ 4,535	\$ (307)	\$ 4,090
Earnings on Investments	<u>552</u>	<u>552</u>	<u>172</u>	<u>(380)</u>	<u>324</u>
Total Revenues	<u>5,394</u>	<u>5,394</u>	<u>4,707</u>	<u>(687)</u>	<u>4,414</u>
EXPENDITURES					
General Government:					
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,107</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,394	5,394	4,707	(687)	(13,693)
FUND BALANCES, July 1	<u>2,052</u>	<u>2,052</u>	<u>3,329</u>	<u>1,277</u>	<u>17,022</u>
FUND BALANCES, June 30	<u>\$ 7,446</u>	<u>\$ 7,446</u>	<u>\$ 8,036</u>	<u>\$ 590</u>	<u>\$ 3,329</u>

LANDER COUNTY
AUSTIN CAPITAL ACQUISITION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	2007
	ORIGINAL	FINAL		FINAL BUDGET	
REVENUES					
Intergovernmental Revenues:					
Grant from Lander County	\$ 822	\$ 822	\$ 771	\$ (51)	\$ 694
Earnings on Investments	<u>316</u>	<u>316</u>	<u>141</u>	<u>(175)</u>	<u>235</u>
Total Revenues	<u>1,138</u>	<u>1,138</u>	<u>912</u>	<u>(226)</u>	<u>929</u>
EXPENDITURES					
Public Works:					
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,986</u>
Excess (Deficiency) of					
Revenues Over (Under) Expenditures	1,138	1,138	912	(226)	(6,057)
FUND BALANCES, July 1	<u>3,361</u>	<u>3,361</u>	<u>3,369</u>	<u>8</u>	<u>9,426</u>
FUND BALANCES, June 30	<u>\$ 4,499</u>	<u>\$ 4,499</u>	<u>\$ 4,281</u>	<u>\$ (218)</u>	<u>\$ 3,369</u>

LANDER COUNTY
COURT FACILITIES CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	<u>2007</u>
REVENUES					
Property Taxes:					
Net proceeds of mines	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -
Earnings on Investments	<u>35,246</u>	<u>35,246</u>	<u>38,037</u>	<u>2,791</u>	<u>40,288</u>
Total Revenues	<u>85,246</u>	<u>85,246</u>	<u>88,037</u>	<u>2,791</u>	<u>40,288</u>
EXPENDITURES					
General Government:					
Capital outlay	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(914,754)	(914,754)	88,037	1,002,791	40,288
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>56,762</u>	<u>56,762</u>	<u>67,040</u>	<u>10,278</u>	<u>32,194</u>
Net Change in Fund Balances	(857,992)	(857,992)	155,077	1,013,069	72,482
FUND BALANCES, July 1	<u>942,440</u>	<u>942,440</u>	<u>950,660</u>	<u>8,220</u>	<u>878,178</u>
FUND BALANCES, June 30	<u>\$ 84,448</u>	<u>\$ 84,448</u>	<u>\$ 1,105,737</u>	<u>\$ 1,021,289</u>	<u>\$ 950,660</u>

LANDER COUNTY
EMERGENCY MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	
	ORIGINAL	FINAL		FINAL BUDGET	2007
REVENUES					
Property Taxes:					
Net proceeds of mines	\$ 75,410	\$ 75,410	\$ 75,410	\$ -	\$ -
Earnings on Investments	<u>25,295</u>	<u>25,295</u>	<u>25,411</u>	<u>116</u>	<u>28,486</u>
Total Revenue	<u>100,705</u>	<u>100,705</u>	<u>100,821</u>	<u>116</u>	<u>28,486</u>
EXPENDITURES					
General government:					
Services and supplies	<u>50,000</u>	<u>50,000</u>	<u>2,710</u>	<u>47,290</u>	<u>42,487</u>
Health and sanitation:					
Capital outlay	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Total Expenditures	<u>75,000</u>	<u>75,000</u>	<u>2,710</u>	<u>72,290</u>	<u>42,487</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,705	25,705	98,111	72,406	(14,001)
FUND BALANCES, July 1	<u>608,645</u>	<u>608,645</u>	<u>635,544</u>	<u>26,899</u>	<u>649,545</u>
FUND BALANCES, June 30	<u>\$ 634,350</u>	<u>\$ 634,350</u>	<u>\$ 733,655</u>	<u>\$ 99,305</u>	<u>\$ 635,544</u>

LANDER COUNTY
BATTLE MOUNTAIN WATER FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO	2007
	ORIGINAL	FINAL		FINAL BUDGET	
OPERATING REVENUES					
Water use fees	\$ 565,104	\$ 566,604	\$ 636,566	\$ 69,962	\$ 611,103
OPERATING EXPENSES					
Salaries and wages	110,455	110,455	102,816	7,639	99,899
Employee benefits	47,890	47,890	40,923	6,967	38,343
Services and supplies	319,790	319,790	226,410	93,380	206,931
Depreciation	150,000	150,000	119,744	30,256	73,099
Capital outlay	115,000	115,000	-	115,000	-
Total Operating Expenses	<u>743,135</u>	<u>743,135</u>	<u>489,893</u>	<u>253,242</u>	<u>418,272</u>
Operating Income (Loss)	<u>(178,031)</u>	<u>(176,531)</u>	<u>146,673</u>	<u>323,204</u>	<u>192,831</u>
NONOPERATING REVENUES (EXPENSES)					
Earnings on investments	31,875	31,875	48,918	17,043	58,333
Federal grant revenue	-	-	-	-	14,845
State grant revenue	-	117,000	44,703	(72,297)	2,712,641
Interest expense	<u>(67,450)</u>	<u>(25,080)</u>	<u>(64,025)</u>	<u>(38,945)</u>	<u>(62,142)</u>
Total Nonoperating Revenues (Expenses)	<u>(35,575)</u>	<u>123,795</u>	<u>29,596</u>	<u>(94,199)</u>	<u>2,723,677</u>
Income (Loss) before Capital Contributions and Transfers	(213,606)	(52,736)	176,269	229,005	2,916,508
CAPITAL CONTRIBUTIONS	-	-	-	-	23,500
Change in Net Assets	<u>\$ (213,606)</u>	<u>\$ (52,736)</u>	<u>176,269</u>	<u>\$ 229,005</u>	<u>2,940,008</u>
NET ASSETS, July 1, as originally reported			5,012,672		2,099,911
Less: Change in capitalization threshold			-		<u>(27,247)</u>
NET ASSETS, July 1, as restated			<u>5,012,672</u>		<u>2,072,664</u>
NET ASSETS, June 30			<u>\$ 5,188,941</u>		<u>\$ 5,012,672</u>

LANDER COUNTY
BATTLE MOUNTAIN WATER FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 1 of 2)

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 638,424	\$ 618,749
Cash payments to suppliers for goods and services	(607,985)	(195,392)
Cash payments to employees for services	<u>(142,032)</u>	<u>(137,757)</u>
Net Cash Provided (Used) by Operating Activities	<u>(111,593)</u>	<u>285,600</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State grant revenue	<u>293,672</u>	<u>2,486,893</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Customer deposits	1,886	1,846
Principal received on financing	-	4,245,048
Federal grant revenue	-	14,845
Acquisition of capital assets	(109,250)	(3,827,990)
Interest paid on financing	(64,124)	(61,509)
Principal payments on financing	<u>(103,557)</u>	<u>(2,622,908)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(275,045)</u>	<u>(2,250,668)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	<u>55,149</u>	<u>54,245</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(37,817)	576,070
CASH AND CASH EQUIVALENTS, July 1	<u>1,287,701</u>	<u>711,631</u>
CASH AND CASH EQUIVALENTS, June 30	<u>\$ 1,249,884</u>	<u>\$ 1,287,701</u>

LANDER COUNTY
BATTLE MOUNTAIN WATER FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 2 of 2)

	2008	2007
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 146,673	\$ 192,831
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	119,744	73,099
(Increase) decrease in:		
Receivables	1,886	(778)
Due from other funds	(28)	8,424
Inventory	786	11,284
Increase (decrease) in:		
Payables	(382,116)	967
Accrued liabilities	1,707	485
Due to other funds	(245)	(712)
	(111,593)	285,600
Net Cash Provided by Operating Activities	\$ (111,593)	\$ 285,600
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Capital assets acquired by cash	\$ 109,250	\$ 3,827,990
Add: Capital assets contributed from government	-	23,500
Capital assets acquired through payables	-	383,582
Total capital assets acquired	\$ 109,250	\$ 4,235,072

LANDER COUNTY
BATTLE MOUNTAIN SEWER FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
OPERATING REVENUES					
Sewer use fees	\$ 506,000	\$ 506,000	\$ 674,684	\$ 168,684	\$ 556,412
OPERATING EXPENSES					
Salaries and wages	87,125	87,125	84,827	2,298	79,374
Employee benefits	33,315	33,315	30,726	2,589	29,439
Services and supplies	369,050	369,050	246,922	122,128	242,336
Capital outlay	75,000	75,000	-	75,000	-
Depreciation	270,000	270,000	285,230	(15,230)	267,875
Total Operating Expenses	834,490	834,490	647,705	186,785	619,024
Operating Income (Loss)	(328,490)	(328,490)	26,979	355,469	(62,612)
NONOPERATING REVENUES (EXPENSES)					
Earnings on investments	103,776	103,776	93,618	(10,158)	106,850
County option-sales tax	427,000	591,420	564,619	(26,801)	693,406
Miscellaneous income	-	-	2,115	2,115	667
Interest expense	(95,315)	(95,315)	(92,582)	2,733	(115,546)
Total Nonoperating Revenues (Expenses)	435,461	599,881	567,770	(32,111)	685,377
Income (Loss) before Capital Contributions and Transfers	106,971	271,391	594,749	323,358	622,765
CAPITAL CONTRIBUTIONS					
Change in Net Assets	-	-	1,121,169	1,121,169	329,759
Change in Net Assets	\$ 106,971	\$ 271,391	1,715,918	\$ 1,444,527	952,524
NET ASSETS, July 1, as originally reported					
			5,146,410		4,279,197
Less: Change in capitalization threshold			-		(85,311)
NET ASSETS, July 1, as restated					
			5,146,410		4,193,886
NET ASSETS, June 30					
			\$ 6,862,328		\$ 5,146,410

LANDER COUNTY
BATTLE MOUNTAIN SEWER FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 1 of 2)

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 665,061	\$ 552,475
Cash payments to suppliers for goods and services	(241,002)	(238,558)
Cash payments to employees for services	(112,967)	(108,393)
Net Cash Provided (Used) by Operating Activities	311,092	205,524
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
County option-sales tax	607,784	636,453
Net Cash Provided (Used) by Non-Capital Financing Activities	607,784	636,453
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Customer deposits	1,886	1,846
Principal received on financing	-	1,000,000
Miscellaneous revenue	2,115	667
Acquisition of capital assets	(74,947)	-
Interest paid on financing	(95,307)	(118,030)
Principal payments on financing	(164,724)	(1,159,272)
Net Cash Provided (Used) by Capital and Related Financing Activities	(330,977)	(274,789)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Earnings on investments	96,362	104,683
Net Increase (Decrease) in Cash and Cash Equivalents	684,261	671,871
CASH AND CASH EQUIVALENTS, July 1	2,069,698	1,397,827
CASH AND CASH EQUIVALENTS, June 30	\$ 2,753,959	\$ 2,069,698

LANDER COUNTY
BATTLE MOUNTAIN SEWER FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)
(Page 2 of 2)

	2008	2007
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 26,979	\$ (62,612)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	285,230	267,875
(Increase) decrease in:		
Receivables	(9,665)	(4,656)
Due from other funds	42	719
Inventory	366	243
Increase (decrease) in:		
Payables	(6,768)	3,495
Accrued liabilities	2,586	420
Due to other funds	12,322	40
	<u>\$ 311,092</u>	<u>\$ 205,524</u>
Net Cash Provided (Used) by Operating Activities		
	<u>\$ 311,092</u>	<u>\$ 205,524</u>
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Capital assets acquired by cash	74,947	-
Add: Capital assets contributed from government	1,121,169	329,759
Total capital assets acquired	<u>\$ 1,196,116</u>	<u>\$ 329,759</u>

LANDER COUNTY
MT. LEWIS COMMUNICATION SITE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Actual Amounts for the Year Ended June 30, 2007)

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET	2007
	ORIGINAL	FINAL			
OPERATING REVENUES					
License agreements	\$ 9,600	\$ 3,600	\$ -	\$ (3,600)	\$ 1,325
County use fees	-	6,000	6,000	-	6,000
Total Operating Revenues	<u>9,600</u>	<u>9,600</u>	<u>6,000</u>	<u>(3,600)</u>	<u>7,325</u>
OPERATING EXPENSES					
Services and supplies	12,100	12,100	2,008	10,092	1,426
Depreciation	<u>1,032</u>	<u>1,032</u>	<u>-</u>	<u>1,032</u>	<u>-</u>
Total Operating Expenses	<u>13,132</u>	<u>13,132</u>	<u>2,008</u>	<u>11,124</u>	<u>1,426</u>
Operating Income (Loss)	<u>(3,532)</u>	<u>(3,532)</u>	<u>3,992</u>	<u>(14,724)</u>	<u>5,899</u>
NONOPERATING REVENUES (EXPENSES)					
Loss on disposition of assets	-	-	-	-	5,089
Change in Net Assets	<u>\$ (3,532)</u>	<u>\$ (3,532)</u>	<u>3,992</u>	<u>\$ (14,724)</u>	<u>5,899</u>
NET ASSETS, July 1, as originally reported			107,061		106,251
Less: Change in capitalization threshold			<u>-</u>		<u>(5,089)</u>
NET ASSETS, July 1, as restated			<u>107,061</u>		<u>101,162</u>
NET ASSETS, June 30			<u>\$ 111,053</u>		<u>\$ 107,061</u>

LANDER COUNTY
MT. LEWIS COMMUNICATION SITE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 6,000	\$ 7,700
Cash payments to suppliers for goods and services	<u>(1,874)</u>	<u>(1,384)</u>
Net Cash Provided (Used) by Operating Activities	<u>4,126</u>	<u>6,316</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,126	6,316
CASH AND CASH EQUIVALENTS, July 1	<u>107,103</u>	<u>100,787</u>
CASH AND CASH EQUIVALENTS, June 30	<u><u>\$ 111,229</u></u>	<u><u>\$ 107,103</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 3,992	\$ 5,899
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
(Increase) decrease in:		
Accounts receivable	-	375
Increase (decrease) in:		
Accounts payable	<u>134</u>	<u>42</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 4,126</u></u>	<u><u>\$ 6,316</u></u>

FIDUCIARY FUNDS

Fiduciary funds account for activities in which the County acts in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

LANDER COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 1 of 5)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
ARGENTA TELEVISION				
MAINTENANCE DISTRICT				
ASSETS				
Cash	\$ <u>944</u>	\$ <u>45,749</u>	\$ <u>45,997</u>	\$ <u>696</u>
LIABILITIES				
Due to others	\$ <u>944</u>	\$ <u>45,749</u>	\$ <u>45,997</u>	\$ <u>696</u>
LANDER COUNTY FAIR AND RECREATION FUND				
ASSETS				
Cash	\$ <u>44,995</u>	\$ <u>418,544</u>	\$ <u>444,574</u>	\$ <u>18,965</u>
LIABILITIES				
Due to other governments	\$ <u>44,995</u>	\$ <u>418,544</u>	\$ <u>444,574</u>	\$ <u>18,965</u>
SEWER AND WATER DISTRICT NO. 2				
ASSETS				
Cash	\$ <u>691</u>	\$ <u>61,947</u>	\$ <u>62,033</u>	\$ <u>605</u>
LIABILITIES				
Due to other governments	\$ <u>691</u>	\$ <u>61,947</u>	\$ <u>62,033</u>	\$ <u>605</u>
LANDER COUNTY HOSPITAL DISTRICT				
ASSETS				
Cash	\$ <u>80,714</u>	\$ <u>1,652,155</u>	\$ <u>1,263,458</u>	\$ <u>469,411</u>
LIABILITIES				
Due to other governments	\$ <u>80,714</u>	\$ <u>1,652,155</u>	\$ <u>1,263,458</u>	\$ <u>469,411</u>
LANDER COUNTY SCHOOL DISTRICT				
ASSETS				
Cash	\$ <u>118,513</u>	\$ <u>2,442,389</u>	\$ <u>1,871,607</u>	\$ <u>689,295</u>
LIABILITIES				
Due to other governments	\$ <u>118,513</u>	\$ <u>2,442,389</u>	\$ <u>1,871,607</u>	\$ <u>689,295</u>
LANDER COUNTY CLERK				
ASSETS				
Cash	\$ <u>44,086</u>	\$ <u>33,883</u>	\$ <u>67,960</u>	\$ <u>10,009</u>
LIABILITIES				
Due to other governments	\$ <u>44,086</u>	\$ <u>33,883</u>	\$ <u>67,960</u>	\$ <u>10,009</u>

LANDER COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 2 of 5)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
FISH AND GAME FUND				
ASSETS				
Cash	\$ <u>5,076</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5,076</u>
LIABILITIES				
Due to other governments	\$ <u>5,076</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5,076</u>
STATE OF NEVADA				
ASSETS				
Cash	\$ <u>39,973</u>	\$ <u>817,907</u>	\$ <u>825,164</u>	\$ <u>32,716</u>
LIABILITIES				
Due to other governments	\$ <u>39,973</u>	\$ <u>817,907</u>	\$ <u>825,164</u>	\$ <u>32,716</u>
RANGE IMPROVEMENT DISTRICT NO. 1				
ASSETS				
Cash	\$ <u>24,940</u>	\$ <u>1,447</u>	\$ <u>-</u>	\$ <u>26,387</u>
LIABILITIES				
Due to other governments	\$ <u>24,940</u>	\$ <u>1,447</u>	\$ <u>-</u>	\$ <u>26,387</u>
RANGE IMPROVEMENT DISTRICT NO. 2				
ASSETS				
Cash	\$ <u>1,114</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,114</u>
LIABILITIES				
Due to other governments	\$ <u>1,114</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,114</u>
RANGE IMPROVEMENT DISTRICT NO. 3				
ASSETS				
Cash	\$ <u>2,117</u>	\$ <u>1,235</u>	\$ <u>-</u>	\$ <u>3,352</u>
LIABILITIES				
Due to other governments	\$ <u>2,117</u>	\$ <u>1,235</u>	\$ <u>-</u>	\$ <u>3,352</u>
RANGE IMPROVEMENT DISTRICT NO. 6				
ASSETS				
Cash	\$ <u>90,568</u>	\$ <u>25,514</u>	\$ <u>21,870</u>	\$ <u>94,212</u>
LIABILITIES				
Due to other governments	\$ <u>90,568</u>	\$ <u>25,514</u>	\$ <u>21,870</u>	\$ <u>94,212</u>

LANDER COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 3 of 5)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
KINGSTON CAPITAL ACQUISITION				
ASSETS				
Cash	\$ <u>19,457</u>	\$ <u>980</u>	\$ <u>388</u>	\$ <u>20,049</u>
LIABILITIES				
Due to other governments	\$ <u>19,457</u>	\$ <u>980</u>	\$ <u>388</u>	\$ <u>20,049</u>
KINGSTON TOWN GENERAL FUND				
ASSETS				
Cash	\$ <u>64,586</u>	\$ <u>32,529</u>	\$ <u>40,267</u>	\$ <u>56,848</u>
LIABILITIES				
Due to other governments	\$ <u>64,586</u>	\$ <u>32,529</u>	\$ <u>40,267</u>	\$ <u>56,848</u>
KINGSTON VOLUNTEER FIRE DEPARTMENT				
ASSETS				
Cash	\$ <u>17,260</u>	\$ <u>13,000</u>	\$ <u>15,037</u>	\$ <u>15,223</u>
LIABILITIES				
Due to other governments	\$ <u>17,260</u>	\$ <u>13,000</u>	\$ <u>15,037</u>	\$ <u>15,223</u>
KINGSTON TOWN WATER DISTRICT				
ASSETS				
Cash	\$ <u>77,001</u>	\$ <u>60,769</u>	\$ <u>53,558</u>	\$ <u>84,212</u>
LIABILITIES				
Due to other governments	\$ <u>77,001</u>	\$ <u>60,769</u>	\$ <u>53,558</u>	\$ <u>84,212</u>
ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE				
ASSETS				
Cash	\$ <u>160</u>	\$ <u>1,175</u>	\$ <u>1,160</u>	\$ <u>175</u>
LIABILITIES				
Due to other governments	\$ <u>160</u>	\$ <u>1,175</u>	\$ <u>1,160</u>	\$ <u>175</u>
DISTRICT ATTORNEY TRUST ACCOUNT				
ASSETS				
Cash	\$ <u>109,416</u>	\$ <u>34,071</u>	\$ <u>12,489</u>	\$ <u>130,998</u>
LIABILITIES				
Due to others	\$ <u>109,416</u>	\$ <u>34,071</u>	\$ <u>12,489</u>	\$ <u>130,998</u>

LANDER COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 4 of 5)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
SHERIFF'S CIVIL ACCOUNT				
ASSETS				
Cash	\$ <u>30</u>	\$ <u>11,008</u>	\$ <u>10,895</u>	\$ <u>143</u>
LIABILITIES				
Due to others	\$ <u>30</u>	\$ <u>11,008</u>	\$ <u>10,895</u>	\$ <u>143</u>
SHERIFF'S RESTRICTED ACCOUNT				
ASSETS				
Cash	\$ <u>6,752</u>	\$ <u>-</u>	\$ <u>1,653</u>	\$ <u>5,099</u>
LIABILITIES				
Due to others	\$ <u>6,752</u>	\$ <u>-</u>	\$ <u>1,653</u>	\$ <u>5,099</u>
SHERIFF'S TASK FORCE				
ASSETS				
Cash	\$ <u>6,685</u>	\$ <u>5,178</u>	\$ <u>659</u>	\$ <u>11,204</u>
LIABILITIES				
Due to others	\$ <u>6,685</u>	\$ <u>5,178</u>	\$ <u>659</u>	\$ <u>11,204</u>
INMATE TRUST FUND ACCOUNT				
ASSETS				
Cash	\$ <u>14,262</u>	\$ <u>57,756</u>	\$ <u>60,291</u>	\$ <u>11,727</u>
LIABILITIES				
Due to others	\$ <u>14,262</u>	\$ <u>57,756</u>	\$ <u>60,291</u>	\$ <u>11,727</u>
INMATE WELFARE FUND ACCOUNT				
ASSETS				
Cash	\$ <u>5,000</u>	\$ <u>16,448</u>	\$ <u>13,933</u>	\$ <u>7,515</u>
LIABILITIES				
Due to others	\$ <u>5,000</u>	\$ <u>16,448</u>	\$ <u>13,933</u>	\$ <u>7,515</u>
BATTLE MOUNTAIN CEMETERY MEMORIAL				
ASSETS				
Cash	\$ <u>1,647</u>	\$ <u>1,270</u>	\$ <u>320</u>	\$ <u>2,597</u>
LIABILITIES				
Due to others	\$ <u>1,647</u>	\$ <u>1,270</u>	\$ <u>320</u>	\$ <u>2,597</u>

LANDER COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 5 of 5)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
BATTLE MOUNTAIN CEMETERY DISTRICT				
ASSETS				
Cash	\$ <u>1</u>	\$ <u>5,250</u>	\$ <u>5,250</u>	\$ <u>1</u>
LIABILITIES				
Due to others	\$ <u>1</u>	\$ <u>5,250</u>	\$ <u>5,250</u>	\$ <u>1</u>
LANDER COUNTY TREASURER SPECIAL ACCOUNT				
ASSETS				
Cash	\$ <u>100</u>	\$ <u>38,599</u>	\$ <u>37,411</u>	\$ <u>1,288</u>
LIABILITIES				
Due to others	\$ <u>100</u>	\$ <u>38,599</u>	\$ <u>37,411</u>	\$ <u>1,288</u>
ARGENTA JUSTICE COURT				
ASSETS				
Cash	\$ <u>65,976</u>	\$ <u>600,432</u>	\$ <u>655,488</u>	\$ <u>10,920</u>
LIABILITIES				
Due to others	\$ <u>65,976</u>	\$ <u>600,432</u>	\$ <u>655,488</u>	\$ <u>10,920</u>
AUSTIN JUSTICE COURT				
ASSETS				
Cash	\$ <u>22,124</u>	\$ <u>198,109</u>	\$ <u>206,356</u>	\$ <u>13,877</u>
LIABILITIES				
Due to others	\$ <u>22,124</u>	\$ <u>198,109</u>	\$ <u>206,356</u>	\$ <u>13,877</u>
TOTAL - AGENCY FUNDS				
ASSETS				
Cash	\$ <u>864,188</u>	\$ <u>6,577,344</u>	\$ <u>5,717,818</u>	\$ <u>1,723,714</u>
LIABILITIES				
Due to others and governments	\$ <u>864,188</u>	\$ <u>6,577,344</u>	\$ <u>5,717,818</u>	\$ <u>1,723,714</u>



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's 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
of Lander County, Nevada

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 Lander County, Nevada as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 13, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We considered the deficiency described in the accompanying schedule of findings and questioned costs (item 2008-1) to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant 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 or other matters that are required to be reported under *Government Auditing Standards*.

Lander County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Commissioners, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Winnemucca, Nevada
November 13, 2008



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Compliance with Requirements Applicable
To Each Major Program and Internal Control Over
Compliance in Accordance with OMB Circular A-133**

To the Honorable Board of Commissioners
of Lander County, Nevada

Compliance

We have audited the compliance of Lander County, Nevada ("the County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

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

our opinion on compliance, 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 the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Winnemucca, Nevada
November 13, 2008

LANDER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 1 of 2)

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>EXPENDITURES</u>
<u>U.S. Department of Transportation</u>			
Direct Programs:			
Battle Mountain Airport Improvement Program	20.106	3-32-0001-16	\$ 234,955
Passed through State of Nevada			
Emergency Response Commission HMEP Planning Grant	20.703	08-HMEP-09-01	14,460
Passed through State of Nevada			
Department of Public Safety, Office of Traffic Safety Joining Forces Project	20.600	28-JF-1.10	<u>988</u>
Total U.S. Department of Transportation			<u>250,403</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed through State of Nevada			
Community Development Block Grants			
CDBG Kingston Water System Rehabilitation	14.228	CDBG/06/PF/007	5,000
CDBG Austin Sewer Relocation	14.228	CDBG/07/PF/007	57,140
CDBG Housing Rehabilitation	14.228	CDBG/07/HS/001	75,595
CDBG Housing Rehabilitation	14.228	CDBG/06/HS/002	<u>66,237</u>
Total U.S. Department of Housing and Urban Development			<u>203,972</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through State of Nevada Department of Health and Human Services:			
CSBG - State Program	93.569	CSBG-00011	17,765
Criminal History Background Check Pilot Program	93.785	11-P-93035/9	<u>15,800</u>
			<u>33,565</u>
Aging Cluster			
Passed through State of Nevada Department of Health and Human Services:			
Division for Aging Services:			
Title IIIC-1 - Nutrition Services	93.045	0900-07-13-08	23,251
Title IIIC-2 - Nutrition Services	93.045	0900-04-24-08	13,949
Title IIIB - Transportation Program	93.044	0900-10-BX-08	14,055
Nutrition Services Incentive Program	93.053	0900-57-NX-08	8,329
Passed through State of Nevada Department of Administrative Purchasing Division:			
Nutrition Program for the Elderly	93.053	-	<u>4,764</u>
Total Aging Cluster			<u>64,348</u>
Total U.S. Department of Health and Human Services			<u>97,913</u>

LANDER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008
(Page 2 of 2)

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>EXPENDITURES</u>
<u>U.S. Department of Agriculture</u>			
Passed through State of Nevada:			
Schools and Roads - Grants to Counties	10.665	-	\$ <u>16,460</u>
<u>U.S. Department of Energy</u>			
Direct Program:			
Nuclear Waste Disposal Siting, Repository Oversite and Planning	81.065	-	<u>185,045</u>
<u>U.S. Department of Justice</u>			
Direct Programs:			
Federal Equitable Sharing	16.N/A	NV008000	2,173
Passed through State of Nevada Department of Public Safety, Office of Criminal Justice:			
Office of Criminal Justice Task Force	16.738	07-JAG-14	<u>36,256</u>
Total U.S. Department of Justice			<u>38,429</u>
<u>U.S. Department of Environmental Protection Agency</u>			
Passed through Bureau of Land Management			
Rural Fire Assistance	15-228	FAA050028	<u>26,696</u>
Total Expenditures of Federal Awards			\$ <u><u>818,918</u></u>

See accompanying notes to schedule of expenditures of federal awards.

LANDER COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

(1) Reporting Entity

The accompanying schedule of expenditures of federal awards presents the expenditure activity of all federal awards programs of Lander County (the County) for the year ended June 30, 2008. The County's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the schedule.

(2) Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of the Nutrition Program for the Elderly represent the fair value of commodity food expended by the County.

(3) Relationship to Basic Financial Statements

Expenditures of federal awards have been included in the individual funds of the County as follows:

General Fund	\$ 236,032
Major Special Revenue Funds	201,505
Nonmajor Special Revenue Funds	82,113
Major Capital Project Funds	234,955
Agency Funds	<u>64,313</u>
Total	<u>\$ 818,918</u>

**LANDER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

A. SUMMARY OF AUDIT RESULTS:

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes

Material weakness(es) identified? No

Noncompliance material to financial statements noted No

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? No

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

Identification of major programs:

CFDA Number Name of Federal Program or Cluster

20.106 U.S. Department of Transportation- Battle Mountain Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee? Yes

**LANDER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

B. FINDINGS RELATING TO THE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS (GAGAS):

SIGNIFICANT DEFICIENCY

2008-1 Financial Statement Reporting:

Condition: Personnel at the County do not have sufficient expertise in selecting and applying accounting principles to prepare financial statements in accordance with generally accepted accounting principles.

Criteria: Internal controls should be in place providing reasonable assurance the County can prepare its financial statements in accordance with generally accepted accounting principles.

Effect: The County cannot complete its financial reporting in accordance with generally accepted accounting principles.

Recommendation: Personnel responsible for the accounting and reporting function should obtain the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.

Management's Response: Management believes the cost of correcting the significant deficiency identified above would exceed the benefits to be derived from doing so.

C. FINDINGS AND QUESTIONED COSTS FOR MAJOR FEDERAL AWARDS PROGRAMS:

NONE

**LANDER COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

SIGNIFICANT DEFICIENCY

2007-1 Financial Statement Reporting:

Condition: Personnel at the County do not have sufficient expertise in selecting and applying accounting principles to prepare financial statements in accordance with generally accepted accounting principles.

Criteria: Internal controls should be in place providing reasonable assurance the County can prepare its financial statements in accordance with generally accepted accounting principles.

Effect: The County cannot complete its financial reporting in accordance with generally accepted accounting principles.

Recommendation: Personnel responsible for the accounting and reporting function should obtain the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.

Management's Response: Management believes the cost of correcting the significant deficiency identified above would exceed the benefits to be derived from doing so.

This significant deficiency is still in effect for the June 30, 2008 fiscal year. See Schedule of Findings and Questioned Costs.

AUDITOR'S COMMENTS

STATUTE COMPLIANCE

Disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The following actions were taken during 2007-2008 relating to potential statute violations as reported in the June 30, 2007 audit report:

- The statute violation of NRS 354.626 was due to a grant reimbursement not received in a timely manner therefore expenditures exceeded revenues. All efforts were made during the current fiscal year to monitor revenue more closely and avoid any violations.
- The statute violation of NRS 354.626 was due to a last minute unanticipated expense. All efforts were made during the current fiscal year to monitor expenditures and avoid any violations.

PRIOR YEAR AUDIT RECOMMENDATIONS

For recommendations made in the audit report for the year ended June 30, 2007 see the Summary Schedule of Prior Year Audit Findings.

CURRENT YEAR AUDIT RECOMMENDATIONS

Current year audit recommendations are included in the Schedule of Findings and Questioned Costs.



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountant's Report

To the Honorable Board of Commissioners
of Lander County, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2008 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenue, including transfers, available for the funds are as noted in the financial statements,
- The funds conform to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2008,
- The balance and net assets of the funds are as noted in the financial statements,

This assertion is the responsibility of the management of Lander County.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe the assertion provided by management referred to above is not fairly stated in all material respects.

Winnemucca, Nevada
November 13, 2008

LANDER COUNTY, NEVADA
NEVADA REVISED STATUTE 354.6113
JUNE 30, 2008

The County created the CCP (Construction of Capital Projects) Fund under the authority of NRS 354.6113. This statute provides for construction of capital projects. The following is a discussion of items required by that statute.

- A. Any interest earned on money in the fund must be credited to the fund.

Interest earned on the cash balance of the fund was credited to the fund.

- B. The money in the fund must be used only for the construction of capital projects, which are included in the plan for capital improvement of the local government prepared pursuant to NRS 350.013. The money in the fund at the end of the fiscal year may not revert to any other fund or be a surplus for any purpose other than the purpose specified in the subsection, except as follows:

During the year, money in the fund was spent on the construction of capital projects that were included in the plan for capital improvement of the local government prepared in accordance with NRS 350.013.

- C. The annual budget and audit report must specifically identify the fund and (a) indicate in detail the capital projects that have been constructed with money from the fund; (b) specify the amount of money, if any that will be deposited in the fund for the next fiscal year; (c) specify any proposed capital projects that will be constructed with money from the fund during the next fiscal year; and (d) identify any planned accumulation of money in the fund.

- (a) *During 2007 – 08, the money in the fund was used on the sewer project and the paving projects.*
- (b) *Per the 2008 – 09 budget, the only money to be deposited in the fund will be interest earnings and net proceeds of mines tax.*
- (c) *Per the 2008 – 09 budget, the proposed capital projects that will be constructed during 2008 – 09 with money from this fund include various paving projects and an arsenic project related to testing a well.*
- (d) *Per the 2008 – 09 budget, capital outlay for the general government function is anticipated, which will result in very little accumulation of monies in the fund.*

LANDER COUNTY
LIMITATION OF FEES FOR BUSINESS LICENSES, NRS 354.5989
FOR THE YEAR ENDED JUNE 30, 2008

Flat Fixed Fees:

Business license revenue for the year ended June 30, 1991 (base year) adjusted through June 30, 2007	\$ <u>17,199</u>
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Adjustment to Base:

Base year adjusted	17,199		
Percentage increase in population of the local government	2.27%		
Percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated	<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="border-bottom: 1px solid black;">4.10%</td> <td style="border-bottom: 1px solid black; padding-left: 20px;">6.37%</td> </tr> </table>	4.10%	6.37%
4.10%	6.37%		

1,096

Adjusted base at June 30, 2008	18,295
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Actual revenue	<u>16,869</u>
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Amount under allowable amount	\$ <u><u>1,426</u></u>
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