

TOWN OF PAHRUMP, NEVADA
REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTAL MATERIAL
YEAR ENDED JUNE 30, 2012

**TOWN OF PAHRUMP, NEVADA
 REPORT ON FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2012
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**TOWN OF PAHRUMP, NEVADA
ELECTED TOWN OFFICIALS
JUNE 30, 2012**

CHAIRPERSON

Mike Darby

TOWN BOARD MEMBERS

Carolene Endersby

Vicky Parker

Dr. Tom Waters

Harley Kulkin

DANIEL C. McARTHUR, LTD.

Certified Public Accountant

Quail Park III • 501 So. Rancho Dr., Ste. E-30 • Las Vegas, NV 89106 • (702) 385-1899 • FAX (702) 385-9619

INDEPENDENT AUDITOR'S REPORT

Honorable Board Members
Town of Pahrump, Nevada
Pahrump, Nevada

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Pahrump, Nevada, (The Town) as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Pahrump, Nevada, as of June 30, 2012, and the respective changes in financial position and where applicable, cash flows, thereof, and the respective budgetary comparison for the General Fund, Road Special Revenue Fund, 1/10 Fairgrounds Room Tax Special Revenue Fund, 3/10 Tourism Room Tax Special Revenue Fund and Capital Projects Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 9 through 16 and schedule of funding progress on page 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtain during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Pahrump, Nevada's financial statements as a whole. The nonmajor combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The non-major combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. I also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Town's basic financial statements for the year ended June 30, 2011, which are not presented with the accompanying financial statements. In my report dated February 14, 2012, I expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's 2011 financial statements as a whole. The non-major combining and individual fund financial statements, related to the 2011 financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion the 2011 nonmajor combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.



Las Vegas, Nevada
May 1, 2013

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For the year ended June 30, 2012

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

The Management's Discussion and Analysis ("MD&A") introduces the financial reports for the Town of Pahrump, Nevada. The MD&A is designed to give the reader an easy-to-understand overview of the Town's financial position and results of operations for the year.

Financial Highlights

The Town's primary revenue sources for governmental activities were ad valorem taxes of \$2,659,027, consolidated taxes of \$770,474, and charges for services of \$623,013. These revenue sources comprised 52.74%, 15.28%, and 12.36% respectively, or 80.38% of total governmental activities revenues.

The Town's total expenses were \$8,422,416. The greatest expenses were in the General Government with \$1,871,683 and Public Safety with \$1,663,153. Business-type activities contributed \$3,848,115 to total expenses.

At the end of the fiscal year, the fund balance for the General Fund was \$3,054,478. This was an increase of \$599,683 from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements which are composed of government-wide financial statements, fund financial statements, and accompanying notes. This report also contains required supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

Government-wide Financial Statements (Continued)

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, community support, health and sanitation, and culture and recreation.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Road Special Revenue Fund, 1/10 Fairgrounds Room Tax Special Revenue Fund, 3/10 Tourism Room Tax Special Revenue Fund, and Capital Projects Fund, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules.

The Town adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement is provided for each of the Town's governmental funds to demonstrate compliance with the budget.

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

Proprietary Funds

The Town maintains one type of proprietary fund.

The Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses an Enterprise Fund to account for its ambulance service activities.

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

It also includes a schedule of budgetary comparisons for both the original and final budgets of the General Fund and other major funds.

The combining statements and individual fund schedules are presented immediately following the required supplementary information.

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

Government-wide Financial Analysis

Net assets of the Town as of June 30, 2012, are summarized and analyzed below:

	Governmental Activities		Business Type Activities		Total Primary Governmental	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	\$10,518,764	\$10,039,294	\$2,040,403	\$2,683,914	\$12,559,167	\$12,723,208
Net capital assets	<u>5,984,858</u>	<u>6,143,670</u>	<u>1,138,032</u>	<u>813,147</u>	<u>7,122,890</u>	<u>6,956,817</u>
Total Assets	<u>16,503,622</u>	<u>16,182,964</u>	<u>3,178,435</u>	<u>3,497,061</u>	<u>19,682,057</u>	<u>19,680,025</u>
Liabilities:						
Current liabilities	689,930	732,928	277,361	264,389	967,291	997,317
Long-term liabilities	<u>186,136</u>	<u>290,281</u>	<u>-</u>	<u>5,792</u>	<u>186,136</u>	<u>296,073</u>
Total Liabilities	<u>876,066</u>	<u>1,023,209</u>	<u>277,361</u>	<u>270,181</u>	<u>1,153,427</u>	<u>1,293,390</u>
Net Assets:						
Invested in capital assets, net of related debt	5,853,607	5,972,596	1,138,032	813,147	6,991,639	6,785,743
Restricted	6,656,238	1,760,153	275,765	274,116	6,932,003	2,034,269
Unrestricted	<u>3,117,711</u>	<u>7,427,006</u>	<u>1,487,277</u>	<u>2,139,617</u>	<u>4,604,988</u>	<u>9,566,623</u>
Total Net Assets	<u>\$15,627,556</u>	<u>\$15,159,755</u>	<u>\$2,901,074</u>	<u>\$3,226,880</u>	<u>\$18,528,630</u>	<u>\$18,386,635</u>

As noted earlier, net assets may serve over time as a useful indicator of the Town's financial position. Assets exceeded liabilities by \$18,528,630 as of June 30, 2012; net assets increase by \$141,995 or 0.77% from the prior year.

A large portion of the Town's net assets, 37.73% reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, etc.), net of any related debt outstanding used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The Town's restricted net assets represent resources that are subject to restrictions on how they may be used.

The remaining portion of the Town's net assets are unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

Changes in net assets of the Town are summarized as follows:

	Governmental Activities		Business Type Activities		Total Primary Governmental	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 623,013	\$ 651,728	\$3,430,798	\$3,426,039	\$ 4,053,811	\$ 4,077,767
Capital grants and contributions	173,555	601,135	60,000	60,000	233,555	661,135
General revenues:						
Ad valorem taxes	2,659,027	2,721,664	-	-	2,659,027	2,721,664
Fuel taxes	227,281	252,176	-	-	227,281	252,176
Room tax	497,193	494,264	-	-	497,193	494,264
Consolidated tax	770,474	771,371	-	-	770,474	771,371
Investment income	45,537	110,187	5,985	29,219	51,522	139,406
Miscellaneous	46,022	94,216	25,526	37	71,548	94,253
Loss on disposition of capital assets	-	-	-	-	-	-
Total revenues	<u>5,042,102</u>	<u>5,696,741</u>	<u>3,522,309</u>	<u>3,515,295</u>	<u>8,564,411</u>	<u>9,212,036</u>
Expenses:						
General government	1,871,683	1,985,469	-	-	1,871,683	1,985,469
Public safety	1,663,153	1,532,621	-	-	1,663,153	1,532,621
Public works	308,214	348,303	-	-	308,214	348,303
Health and sanitation	30,721	25,451	-	-	30,721	25,451
Culture and recreation	193,194	459,196	-	-	193,194	459,196
Community support	501,656	250,918	-	-	501,656	250,918
Other	5,680	6,912	3,848,115	4,008,128	3,853,795	4,015,040
Total expenses	<u>4,574,301</u>	<u>4,608,870</u>	<u>3,848,115</u>	<u>4,008,128</u>	<u>8,422,416</u>	<u>8,616,998</u>
Excess (deficiency) of revenues over expenditures	467,801	1,087,871	(325,806)	(492,833)	141,995	595,038
Net assets - beginning	<u>15,159,755</u>	<u>14,071,884</u>	<u>3,226,880</u>	<u>3,719,713</u>	<u>18,386,635</u>	<u>17,791,597</u>
Net assets - ending	<u>\$15,627,556</u>	<u>\$15,159,755</u>	<u>\$2,901,074</u>	<u>\$3,226,880</u>	<u>\$18,528,630</u>	<u>\$18,386,635</u>

Program revenues include charges for services (fines and forfeitures, certain licenses, and permits), contributions, and both operating and capital grants.

For governmental activities, the largest of these revenues was ad valorem taxes (property tax). The second largest revenue was consolidated taxes (sales tax). The business-type general revenue came from charges for services related to ambulance services.

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

Financial Analysis of the Town's Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$9,949,322. This was an increase over the prior year of \$603,807 or 6.46%.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the fund balance of the General Fund was \$3,054,478.

Key factors in the change in fund balance in the General Fund are as follows:

Revenues decreased by \$127,201, or 3.24%. Property tax revenue decreased by \$59,073 or 2.23%. Intergovernmental revenues decreased by \$46,898 or 6.16%, due to receiving less grant revenues. Licenses and permits increased by \$22,246 or 6.24% due to an increase in franchise fees and gaming licenses. Charges for services decreased by \$43,769 or 42.74%.

Expenditures increased by \$64,516 or 2.11%. General Government expenditures decreased \$111,934 or 6.19% from the prior year due to a decrease in service and supplies in general administration function of the Town. Public Safety expenditures increased by \$185,097, or 15.02%, due to an increase in salaries and benefits.

Capital Assets and Debt Administration

Capital Assets

The Town's investment in capital assets, net of accumulated depreciation at June 30, 2012, was \$5,984,858 in governmental activities and \$1,138,032 in business-type activities. Detail by type of activity and asset is summarized in the following table.

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012

A summary of changes in capital assets for the year ended June 30, 2012 follows:

Governmental Activities:

	Balance June 30, 2011	Additions	Deletions	Transfers	Balance June 30, 2012
Capital assets not being depreciated:					
Land	2,737,054	6,031	0	0	2,743,085
Construction in Progress	293,601	31,560	0	(238,740)	86,421
Total Capital assets not being depreciated	<u>3,030,655</u>	<u>37,591</u>	<u>0</u>	<u>(238,740)</u>	<u>2,829,506</u>
Capital assets being depreciated:					
Building	3,164,050	155,875	0	265,638	3,585,563
Equipment	4,048,802	109,801	113,799	(26,898)	4,017,906
Total capital assets being depreciated	<u>7,212,852</u>	<u>265,676</u>	<u>113,799</u>	<u>238,740</u>	<u>7,603,469</u>
Less accumulated depreciation for:					
Building	1,490,002	99,704	0	5,380	1,595,086
Equipment	2,609,835	354,609	106,033	(5,380)	2,853,031
Total accumulated depreciation	<u>4,099,837</u>	<u>454,313</u>	<u>106,033</u>	<u>0</u>	<u>4,448,117</u>
Total capital assets being depreciated, net	<u>3,113,015</u>	<u>(188,637)</u>	<u>7,766</u>	<u>238,740</u>	<u>3,155,352</u>
Governmental activities assets, net	<u>\$ 6,143,670</u>	<u>\$ (151,046)</u>	<u>\$ 7,766</u>	<u>\$ 0</u>	<u>\$ 5,984,858</u>

Business-Type Activities

	Balance June 30, 2011	Additions	Deletions	Transfers	Balance June 30, 2012
Capital assets not being depreciated:					
Land	120,000	0	0	0	120,000
Capital assets being depreciated:					
Building	480,000	0	0	0	480,000
Equipment	1,676,516	409,816	0	0	2,086,332
Total capital assets being depreciated	<u>2,156,516</u>	<u>409,816</u>	<u>0</u>	<u>0</u>	<u>2,566,332</u>
Less accumulated depreciation for:					
Building	194,667	16,000	0	0	210,667
Equipment	1,268,702	68,931	0	0	1,337,633
Total accumulated depreciation	<u>1,463,369</u>	<u>84,931</u>	<u>0</u>	<u>0</u>	<u>1,548,300</u>
Total capital assets being depreciated, net	<u>693,147</u>	<u>324,885</u>	<u>0</u>	<u>0</u>	<u>1,018,032</u>
Governmental activities assets, net	<u>\$ 813,147</u>	<u>\$ 324,885</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,138,032</u>

**Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2012**

Debt Administration

A summary of changes in long-term debt for the year ended June 30, 2012 follows:

Governmental Activities:

	Balance <u>July 1, 2011</u>	Net Additions (Reductions)	Balance <u>June 30, 2012</u>
Accrued compensated absences	\$ 277,776	\$ (22,844)	\$ 254,932
OPEB obligation	44,983	21,613	66,596
Notes payable	<u>164,936</u>	<u>(38,806)</u>	<u>126,130</u>
Total	<u>\$ 487,695</u>	<u>\$ (40,037)</u>	<u>\$ 447,658</u>

Business Type Activities:

Accrued compensated absences	<u>\$ 143,940</u>	<u>\$ (25,731)</u>	<u>\$ 118,209</u>
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Budgetary Highlights

The original budget (2011-2012 Final Budget) was approved May 20, 2011. Nevada Revised Statutes require that the Town legally adopt budgets for all funds. Budgets are prepared in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year. The final appropriated budget is prepared by fund and function. All appropriations lapse at year-end.

Revenues for the General Fund for the year were \$398,034 greater than expected. Expenditures for the General Fund were approximately \$941,397 lower than budgeted. The General Fund balance of \$ 3,054,478 was \$1,214,431 more than anticipated to begin the 2012-2013 year. Budgeted capital expenditures in the Fairgrounds and Tourism Special Revenue funds, and the Capital projects funds did not occur as planned.

REQUESTS FOR INFORMATION

This financial report is designed to provide its users with a general overview of the Town of Pahrump, Nevada's finances and to demonstrate the Town's accountability for the revenues it receives. Any comments, further questions, or requests for additional information should be addressed to:

Town Administration
Town of Pahrump, Nevada
400 N. Highway 160
Pahrump, Nevada 89048

TOWN OF PAHRUMP, NEVADA
STATEMENT OF NET ASSETS
June 30, 2012

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Pooled cash and investments	\$ 10,112,139	\$ 1,400,226	\$ 11,512,365
Interest receivable	31,973	4,518	36,491
Taxes receivable	194,112	-	194,112
Due from other governments	180,540	-	180,540
Accounts receivable, net allowance for uncollectibles	-	359,894	359,894
Restricted assets - cash	-	275,765	275,765
Capital assets net of accumulated depreciation	<u>5,984,858</u>	<u>1,138,032</u>	<u>7,122,890</u>
Total assets	<u>16,503,622</u>	<u>3,178,435</u>	<u>19,682,057</u>
Liabilities:			
Accounts payable	301,461	34,302	335,763
Accrued payroll	121,826	124,850	246,676
Current portion of long-term debt:			
Notes payable	40,382	-	40,382
Accrued compensated absences	221,140	118,209	339,349
Interest payable	<u>5,121</u>	<u>-</u>	<u>5,121</u>
Total current liabilities	<u>689,930</u>	<u>277,361</u>	<u>967,291</u>
Long-term liabilities:			
Notes payable	85,748	-	85,748
Accrued compensated absences	33,792	-	33,792
OPEB obligation payable	<u>66,596</u>	<u>-</u>	<u>66,596</u>
Total long term liabilities	<u>186,136</u>	<u>-</u>	<u>186,136</u>
Total liabilities	<u>876,066</u>	<u>277,361</u>	<u>1,153,427</u>
Fund equity/Net assets:			
Invested in capital assets, net of related debt	5,853,607	1,138,032	6,991,639
Restricted for:			
Public safety	458,064	-	458,064
Culture and recreation	1,567,929	-	1,567,929
Community support	2,892,247	-	2,892,247
Capital projects	1,697,170	275,765	1,972,935
Debt service	40,828	-	40,828
Unrestricted	<u>3,117,711</u>	<u>1,487,277</u>	<u>4,604,988</u>
Total net assets	<u>\$ 15,627,556</u>	<u>\$ 2,901,074</u>	<u>\$ 18,528,630</u>

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

TOWN OF PAHRUMP, NEVADA
STATEMENT OF ACTIVITIES
June 30, 2012

Functions/Programs	Expenses	Program Revenues		Changes in Net Assets		Total
		Charges for Service	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Primary governments:						
General government	\$ (1,871,683)	\$ 517,602	\$ 36,589	\$ (1,317,492)	\$ -	\$ (1,317,492)
Public safety	(1,663,153)	63,405	-	(1,599,748)	-	(1,599,748)
Public works	(308,214)	-	80,666	(227,548)	-	(227,548)
Health and sanitation	(30,721)	20,574	-	(10,147)	-	(10,147)
Culture and recreation	(193,194)	21,432	56,300	(115,462)	-	(115,462)
Community support	(501,656)	-	-	(501,656)	-	(501,656)
Debt service:						
Interest	(5,680)	-	-	(5,680)	-	(5,680)
Total governmental activities	(4,574,301)	623,013	173,555	(3,777,733)	-	(3,777,733)
Business-type activities:						
Ambulance	(3,848,115)	3,430,798	60,000	-	(357,317)	(357,317)
Total primary governments	<u>\$(8,422,416)</u>	<u>\$ 4,053,811</u>	<u>\$ 233,555</u>	<u>(3,777,733)</u>	<u>(357,317)</u>	<u>(4,135,050)</u>
General Revenues:						
Property taxes				2,659,027	-	2,659,027
Fuel tax				227,281	-	227,281
Room tax				497,193	-	497,193
Consolidated taxes				770,474	-	770,474
Investment income				45,537	5,985	51,522
Miscellaneous				46,022	25,526	71,548
Total general revenues and transfers				<u>4,245,534</u>	<u>31,511</u>	<u>4,277,045</u>
Change in net assets				467,801	(325,806)	141,995
Net assets - beginning of year				<u>15,159,755</u>	<u>3,226,880</u>	<u>18,386,635</u>
Net assets - end of year				<u>\$ 15,627,556</u>	<u>\$ 2,901,074</u>	<u>\$ 18,528,630</u>

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

**TOWN OF PAHRUMP, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012**

	Major Funds			
	General Fund	Road Fund	1/10 Fairgrounds Room Tax Fund	3/10 Tourism Room Tax Fund
<u>ASSETS</u>				
Pooled cash and investments	\$ 3,105,165	\$ 10,634	\$ 1,719,453	\$ 892,150
Interest receivable	9,801	492	5,359	2,944
Taxes receivable	150,540	-	-	-
Room tax receivable	-	-	4,403	13,212
Due from other governments	131,310	38,863	-	-
Total assets	<u>\$ 3,396,816</u>	<u>\$ 49,989</u>	<u>\$ 1,729,215</u>	<u>\$ 908,306</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 93,639	\$ 49,989	\$ 64,550	\$ 68,158
Accrued payroll	107,785	-	-	2,298
Deferred taxes	140,914	-	-	-
Total liabilities	<u>342,338</u>	<u>49,989</u>	<u>64,550</u>	<u>70,456</u>
<u>FUND BALANCE</u>				
Restricted for:				
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Community support	-	-	1,664,665	837,850
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Committed for:				
General government	-	-	-	-
Health and sanitation	-	-	-	-
Assigned for:				
Claims and judgements	200,000	-	-	-
Subsequent years budget	1,840,047	-	-	-
Unassigned	1,014,431	-	-	-
Total fund balance	<u>3,054,478</u>	<u>-</u>	<u>1,664,665</u>	<u>837,850</u>
Total liabilities and fund balance	<u>\$ 3,396,816</u>	<u>\$ 49,989</u>	<u>\$ 1,729,215</u>	<u>\$ 908,306</u>

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

Capital Projects Fund	Other Governmental Funds	Totals
\$ 1,402,584	\$ 2,982,153	\$ 10,112,139
4,451	8,926	31,973
-	5,589	156,129
-	20,368	37,983
-	10,367	180,540
<u>\$ 1,407,035</u>	<u>\$ 3,027,403</u>	<u>\$ 10,518,764</u>
\$ -	\$ 25,125	\$ 301,461
-	11,743	121,826
-	5,241	146,155
-	42,109	569,442
-	458,064	458,064
-	1,567,929	1,567,929
-	389,732	2,892,247
1,407,035	290,135	1,697,170
-	40,828	40,828
-	54,498	54,498
-	184,108	184,108
-	-	200,000
-	-	1,840,047
-	-	1,014,431
<u>1,407,035</u>	<u>2,985,294</u>	<u>9,949,322</u>
<u>\$ 1,407,035</u>	<u>\$ 3,027,403</u>	<u>\$ 10,518,764</u>

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

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For the year ended June 30, 2012

TOWN OF PAHRUMP, NEVADA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
June 30, 2012

Total fund balance - governmental funds	\$ 9,949,322
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of the related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net assets.	5,984,858
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	146,155
Certain liabilities (such as bonds payable and capital leases payable) are not reported in the Governmental Funds financial statements because they are not due and payable, but they are presented as liabilities in the statement of net assets.	(452,779)
Total net assets - governmental activities	<u>\$ 15,627,556</u>

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

TOWN OF PAHRUMP, NEVADA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2012

	Major Funds			
	General Fund	Road Fund	1/10 Fairgrounds Room Tax Fund	3/10 Tourism Room Tax Fund
Revenues:				
Taxes	\$ 2,585,265	\$ -	\$ 101,809	\$ 173,264
Fines and forfeitures	11,204	-	-	-
Licenses and permits	379,008	-	-	-
Intergovernmental	714,400	227,281	-	-
Charges for services	58,640	-	-	-
Miscellaneous	49,517	267	8,354	3,759
Total revenues	<u>3,798,034</u>	<u>227,548</u>	<u>110,163</u>	<u>177,023</u>
Expenditures:				
Current:				
General government	1,696,323	-	-	-
Public safety	1,417,646	-	-	-
Public works	-	227,548	-	-
Culture and recreation	13,879	-	-	-
Community support	-	-	73,735	313,535
Health and sanitation	-	-	-	-
Capital projects	-	-	-	-
Debt service:	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>3,127,848</u>	<u>227,548</u>	<u>73,735</u>	<u>313,535</u>
Excess (deficiency) of revenues over expenditures	<u>670,186</u>	<u>-</u>	<u>36,428</u>	<u>(136,512)</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	<u>(70,503)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(70,503)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	599,683	-	36,428	(136,512)
Fund balance:				
Beginning of year	<u>2,454,795</u>	<u>-</u>	<u>1,628,237</u>	<u>974,362</u>
End of year	<u>\$ 3,054,478</u>	<u>\$ -</u>	<u>\$ 1,664,665</u>	<u>\$ 837,850</u>

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

Capital Projects Fund	Other Governmental Funds	Totals
\$ -	\$ 314,130	\$ 3,174,468
-	-	11,204
-	124,108	503,116
-	225,471	1,167,152
-	32,606	91,246
6,460	44,807	113,164
<u>6,460</u>	<u>741,122</u>	<u>5,060,350</u>
-	104,863	1,801,186
-	-	1,417,646
-	80,666	308,214
-	234,667	248,546
-	114,386	501,656
-	29,986	29,986
-	103,806	103,806
-	38,806	38,806
-	6,697	6,697
-	<u>713,877</u>	<u>4,456,543</u>
<u>6,460</u>	<u>27,245</u>	<u>603,807</u>
-	70,503	70,503
-	-	(70,503)
-	<u>70,503</u>	-
6,460	97,748	603,807
<u>1,400,575</u>	<u>2,887,546</u>	<u>9,345,515</u>
<u>\$ 1,407,035</u>	<u>\$ 2,985,294</u>	<u>\$ 9,949,322</u>

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

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For the year ended June 30, 2012

TOWN OF PAHRUMP, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Net Change in Fund Balance - Governmental Funds **\$ 603,807**

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 the estimated useful lives as annual depreciation expenses in the statement of activities. (158,812)

Property taxes that are collected in the time to pay obligations of the current period are reported as revenue in the fund statements. However, amounts that related to prior periods that first become available in the current period should not be reported as revenue in the statement of activities. (18,248)

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and other similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 39,823

Generally, expenditures recognized in fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when incurred. 1,231

Change in net assets of governmental activities **\$ 467,801**

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property tax	\$ 2,400,000	\$ 2,400,000	\$ 2,585,265	\$ 185,265
Fines and fees	<u>25,000</u>	<u>25,000</u>	<u>11,204</u>	<u>(13,796)</u>
Licenses and permits:				
Franchise fees	140,000	140,000	147,530	7,530
Gaming licenses	200,000	200,000	218,678	18,678
Liquor licenses	<u>10,000</u>	<u>10,000</u>	<u>12,800</u>	<u>2,800</u>
Total licenses and permits	<u>350,000</u>	<u>350,000</u>	<u>379,008</u>	<u>29,008</u>
Intergovernmental:				
Consolidated tax	600,000	600,000	713,977	113,977
Grants	<u>-</u>	<u>-</u>	<u>423</u>	<u>423</u>
Total intergovernmental	<u>600,000</u>	<u>600,000</u>	<u>714,400</u>	<u>114,400</u>
Charges for services	<u>-</u>	<u>-</u>	<u>58,640</u>	<u>58,640</u>
Miscellaneous:				
Investment income	15,000	15,000	15,856	856
Rental	9,000	9,000	12,390	3,390
Donations	800	800	2,658	1,858
Other	<u>200</u>	<u>200</u>	<u>18,613</u>	<u>18,413</u>
Total miscellaneous	<u>25,000</u>	<u>25,000</u>	<u>49,517</u>	<u>24,517</u>
Total revenues	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,798,034</u>	<u>398,034</u>

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
General government:				
Administration:				
Salaries and wages	\$ 387,479	\$ 387,479	\$ 316,944	\$ 70,535
Employee benefits	214,726	214,726	140,938	73,788
Services and supplies	470,000	470,000	249,646	220,354
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total administration	<u>1,077,205</u>	<u>1,077,205</u>	<u>707,528</u>	<u>369,677</u>
Buildings and grounds:				
Salaries and wages	553,129	553,129	475,706	77,423
Employee benefits	252,850	252,850	234,538	18,312
Services and supplies	365,000	365,000	271,520	93,480
Capital outlay	<u>55,000</u>	<u>55,000</u>	<u>7,031</u>	<u>47,969</u>
Total buildings and grounds	<u>1,225,979</u>	<u>1,225,979</u>	<u>988,795</u>	<u>237,184</u>
Total general government	<u>2,303,184</u>	<u>2,303,184</u>	<u>1,696,323</u>	<u>606,861</u>
Public safety:				
Fire department:				
Salaries and wages	875,684	875,684	875,170	514
Employee benefits	485,927	485,927	372,775	113,152
Services and supplies	253,450	253,450	169,701	83,749
Capital outlay	<u>65,000</u>	<u>65,000</u>	<u>-</u>	<u>65,000</u>
Total public safety	<u>1,680,061</u>	<u>1,680,061</u>	<u>1,417,646</u>	<u>262,415</u>
Culture and recreation:				
Television:				
Services and supplies	10,000	10,000	7,997	2,003
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total television	<u>13,000</u>	<u>13,000</u>	<u>7,997</u>	<u>5,003</u>
Arena and fair activities:				
Services and supplies	10,000	10,000	5,882	4,118
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total arena and fair activities	<u>13,000</u>	<u>13,000</u>	<u>5,882</u>	<u>7,118</u>
Total culture and recreation	<u>26,000</u>	<u>26,000</u>	<u>13,879</u>	<u>12,121</u>
Contingency	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Total expenditures	<u>4,069,245</u>	<u>4,069,245</u>	<u>3,127,848</u>	<u>941,397</u>

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

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For the year ended June 30, 2012

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Excess (deficiency) of revenues over expenditures	\$ (669,245)	\$ (669,245)	\$ 670,186	\$ 1,339,431
Other financing sources (uses):				
Operating transfers out	<u>(70,503)</u>	<u>(70,503)</u>	<u>(70,503)</u>	<u>-</u>
Net change in fund balance	(739,748)	(739,748)	599,683	1,339,431
Fund balance:				
Beginning of year	<u>1,028,304</u>	<u>1,028,304</u>	<u>2,454,795</u>	<u>1,426,491</u>
End of year	<u>\$ 288,556</u>	<u>\$ 288,556</u>	<u>\$ 3,054,478</u>	<u>\$ 2,765,922</u>

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - ROAD SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
Gas tax \$1.75	\$ 325,000	\$ 325,000	\$ 227,281	\$ (97,719)
Miscellaneous:				
Investment income	-	-	267	267
Total revenues	325,000	325,000	227,548	(97,452)
Expenditures:				
Public works:				
Services and supplies	325,000	325,000	227,548	97,452
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - 1/10 FAIRGROUNDS ROOM TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Room tax	\$ 150,000	\$ 150,000	\$ 101,809	\$ (48,191)
Intergovernmental:				
Grants	693,800	693,800	-	(693,800)
Miscellaneous:				
Investment income	<u>7,500</u>	<u>7,500</u>	<u>8,354</u>	<u>854</u>
Total revenues	<u>851,300</u>	<u>851,300</u>	<u>110,163</u>	<u>(741,137)</u>
Expenditures:				
Community support:				
Salaries and wages	-	-	2,455	(2,455)
Employee benefits	-	-	837	(837)
Services and supplies	50,000	50,000	4,553	45,447
Capital outlay	<u>2,293,800</u>	<u>2,293,800</u>	<u>65,890</u>	<u>2,227,910</u>
Total expenditures	<u>2,343,800</u>	<u>2,343,800</u>	<u>73,735</u>	<u>2,270,065</u>
Excess (deficiency) of revenues over expenditures	(1,492,500)	(1,492,500)	36,428	1,528,928
Fund balance:				
Beginning of year	<u>1,583,311</u>	<u>1,583,311</u>	<u>1,628,237</u>	<u>44,926</u>
End of year	<u>\$ 90,811</u>	<u>\$ 90,811</u>	<u>\$ 1,664,665</u>	<u>\$ 1,573,854</u>

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

TOWN OF PAHRUMP, NEVADA
MAJOR - 3/10 TOURISM ROOM TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Room tax	\$ 150,000	\$ 150,000	\$ 173,264	\$ 23,264
Miscellaneous:				
Investment income	1,000	1,000	3,094	2,094
Other	-	-	665	665
Total miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>3,759</u>	<u>2,759</u>
 Total revenues	 <u>151,000</u>	 <u>151,000</u>	 <u>177,023</u>	 <u>26,023</u>
Expenditures:				
Community support:				
Salaries and wages	38,438	38,438	44,300	(5,862)
Employee benefits	13,141	13,141	19,516	(6,375)
Services and supplies	-	-	246,447	(246,447)
Capital outlay	<u>950,000</u>	<u>950,000</u>	<u>3,272</u>	<u>946,728</u>
 Total expenditures	 <u>1,001,579</u>	 <u>1,001,579</u>	 <u>313,535</u>	 <u>688,044</u>
 Excess (deficiency) of revenues over expenditures	 (850,579)	 (850,579)	 (136,512)	 714,067
Fund balance:				
Beginning of year	<u>953,008</u>	<u>953,008</u>	<u>974,362</u>	<u>21,354</u>
End of year	<u>\$ 102,429</u>	<u>\$ 102,429</u>	<u>\$ 837,850</u>	<u>\$ 735,421</u>

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous:				
Investment income	15,000	15,000	6,460	(8,540)
Total revenues	15,000	15,000	6,460	(8,540)
Expenditures:				
Capital projects	1,350,000	1,350,000	-	1,350,000
Excess (deficiency) of revenues over expenditures	(1,335,000)	(1,335,000)	6,460	1,341,460
Fund balance:				
Beginning of year	1,354,421	1,354,421	1,400,575	46,154
End of year	<u>\$ 19,421</u>	<u>\$ 19,421</u>	<u>\$ 1,407,035</u>	<u>\$ 1,387,614</u>

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

TOWN OF PAHRUMP, NEVADA
PROPRIETARY FUND
MAJOR FUND - AMBULANCE ENTERPRISE FUND
STATEMENT OF NET ASSETS
June 30, 2012

2012

Assets

Current assets:

Pooled cash and investments	\$	1,400,226
Interest receivable		4,518
Accounts receivable, net of allowance for uncollectibles		<u>359,894</u>
Total current assets		<u>1,764,638</u>

Restricted assets:

Cash		<u>275,765</u>
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Capital assets:

Land		120,000
Building		480,000
Vehicles		1,747,064
Equipment		339,268
Less accumulated depreciation		<u>(1,548,300)</u>
Total capital assets, net of accumulated depreciation		<u>1,138,032</u>

Total assets		<u>3,178,435</u>
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Liabilities

Current liabilities:

Accounts payable		34,302
Accrued payroll		124,850
Accrued compensated absences		<u>118,209</u>

Total liabilities		<u>277,361</u>
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Net assets

Invested in capital assets, net of related debt		1,138,032
Reserved for capital assets		275,765
Unreserved		<u>1,487,277</u>
Total net assets	\$	<u>2,901,074</u>

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

TOWN OF PAHRUMP, NEVADA
 PROPRIETARY FUND
 MAJOR FUND - AMBULANCE ENTERPRISE FUND
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 YEAR ENDED JUNE 30, 2012

2012

Revenues:

Charges for services:

Ambulance fees, net of contractual adjustments	\$ 3,430,798
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Expenses:

Salaries and wages	1,612,070
Employee benefits	778,939
Services and supplies	344,832
Depreciation	84,931
Bad debt	<u>1,027,343</u>

Total expenses	<u>3,848,115</u>
----------------	------------------

Operating income (loss)	<u>(417,317)</u>
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Non-operating revenue (expenses):

Grants	60,000
Investment income	5,985
Miscellaneous	<u>25,526</u>

Total non-operating revenue (expense)	<u>91,511</u>
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Net income (loss)	(325,806)
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Net assets:

Beginning of year	<u>3,226,880</u>
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End of year	<u>\$ 2,901,074</u>
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The notes to the financial statements are an integral part of this statement.

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For the year ended June 30, 2012

**TOWN OF PAHRUMP, NEVADA
 PROPRIETARY FUND TYPE
 MAJOR FUND - AMBULANCE ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2012**

	2012
Cash flows from operating activities:	
Cash received from customers	\$ 2,397,000
Cash paid for service and supplies	(391,625)
Cash paid for employees and benefits	<u>(2,337,036)</u>
Net cash (used) by operating activities	<u>(331,661)</u>
Cash flows from non-capital financing activities:	
Miscellaneous	<u>25,526</u>
Cash flows from capital and related financing activities:	
Purchase of fixed assets	(409,816)
Grant - Nye County	<u>60,000</u>
Net cash provided by capital and related financing activities	<u>(349,816)</u>
Cash flows from investing activities:	
Interest received	<u>12,098</u>
Net (decrease) in cash	(643,853)
Cash:	
Beginning of year	<u>2,319,844</u>
End of year	<u>\$ 1,675,991</u>
Reconciliation of operating (loss) to net cash (used) by operating activities:	
Operating income (loss)	<u>\$ (417,317)</u>
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:	
Depreciation	84,931
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(6,455)
Increase (decrease) in accounts payable	(46,793)
Increase (decrease) in accrued payroll	79,704
Increase (decrease) in compensated absences	<u>(25,731)</u>
Total adjustments	<u>85,656</u>
Net cash (used) by operating activities	<u>\$ (331,661)</u>

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

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Town has chosen not to do so. The more significant accounting policies established in GAAP and used by the Town are discussed below.

1. Reporting Entity

The Town is governed by an elected five member council. As required by generally accepted accounting principles, these financial statements present the Town's funds for which the Town is considered to be financially accountable. There were no component units of the Town at June 30, 2012. The Town is not included in any other governmental reporting entity as a component unit as defined by Governmental Accounting Standards Board pronouncements.

2. Basic Financial Statements

The Town's basic financial statements consist of government-wide statements and the fund financial statements. The government-wide statements include a Statement of Net Assets and a Statement of Activities. The fund financial statements include financial information for the two fund types: governmental and proprietary. Reconciliations between the fund statements, the Statement of Net Assets, and the Statement of Activities are also included along with Statements of Revenues, Expenditures and Changes in Fund Balances for the Town's General Fund and its other major funds.

3. Government-wide Financial Statements

The government-wide financial statements are made up of the Statement of Net Assets and the Statement of Activities. These statements include the aggregated financial information of the Town as a whole. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Net Assets presents the consolidated financial position of the Town at year-end, in separate columns, for both governmental and business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are specifically associated with a program or service and are, therefore, clearly identifiable to a particular function. Program revenues include operating grants and contributions and investment earnings legally restricted to support a specific program. Taxes and other revenues not included among program revenues are reported instead as general revenues. This statement provides a net cost or net revenue of specific programs and functions within the Town. Those functions with a net cost are generally dependent on general-purpose tax revenues, such as property tax, to remain operational.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Fund Financial Statements

The financial accounts of the Town are organized on the basis of funds. Each is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate financial statements are provided for governmental funds and proprietary funds.

The presentation emphasis in the fund financial statements is on major funds for governmental funds. Major individual governmental funds are required to be reported in separate columns on the fund financial statements. Major funds are determined based on minimum criteria set forth in GASB Statement Number 34. The Town may also display other funds as major funds if it believes the presentation will provide useful information to the users of the financial statements.

5. Measurement Focus, Basis of Accounting, and Basis of Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Gross receipts and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are then recognized as revenue. The government considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period. Anticipated refunds of taxes are recorded as liabilities and reductions of revenue when they are measurable and the payment seems certain. In general, expenditures are recorded when liabilities are incurred. The exception to this rule is that principal and interest on debt service, as well as liabilities related to compensated absences and claims and judgments, are recorded when payment is due.

The major revenue sources of the Town include consolidated taxes (sales tax) and ad valorem taxes (property tax).

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The Town reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all resources and cost of operations traditionally associated with governments which are not required to be accounted for in other funds.

Road Special Revenue Fund - The Road Special Revenue Fund is used to account for gas tax revenues allocated for the highways and streets improvement and maintenance.

1/10 Fairgrounds Room Tax Special Revenue Fund - The Fairgrounds Fund is used to account for room tax allocated for the maintenance and capital needs of the fairgrounds.

3/10 Tourism Room Tax Special Revenue Fund - The Tourism Fund is used to account for room tax allocated to promote tourism.

Capital Projects Fund - The Capital Projects Fund is used to account for general acquisition and construction projects of the Town.

Additionally the Town reports the following major proprietary fund types:

Enterprise Fund - The Pahrump Ambulance Fund is used to account for the revenue and expenses associated with providing ambulance services.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund 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 Town has elected not to follow this subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Pahrump Ambulance Fund are customer charges. Expenses are those required to provide the service. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity

a. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value on the balance sheet. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Changes in the fair value of Town investments are part of investment income which is included in revenue from local sources on the combined Statement of Revenues, Expenditures, and Changes in Fund Balance. (See Note D1).

Nevada Revised Statutes authorize the Town to invest in:

- i. Obligations of the U.S. Treasury and U.S. Agencies in which the maturity dates do not extend more than ten years from the date purchased.
- ii. Negotiable certificates of deposit issued by commercial banks or insured savings and loan associations (those over \$250,000 must be fully collateralized).
- iii. Negotiable notes or short-term negotiable bonds issued by local governments within Nevada.
- iv. Eligible bankers' acceptances which do not exceed 180 days maturity and do not exceed 20 percent of the portfolio.
- v. Commercial paper with a rating of A-1 or P-1 that does not exceed 270 days maturity and does not exceed 20 percent of the portfolio.
- vi. The State of Nevada's Local Government Investment Pool.
- vii. Repurchase agreements that are collateralized at 102 percent of the repurchase price and do not exceed 90 days maturity. Securities used for collateral must meet the criteria listed above.
- viii. Money market mutual funds which are rated as "AAA" or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies, or repurchase agreements fully collateralized by such securities.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity (Continued)

b. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Taxes on real property are levied in July of each year and are due in July. They can be paid in quarterly installments in August, October, January, and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties, and costs, together with interest at the rate of 10 percent per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien.

Article X, Section 2 of the Constitution of the State of Nevada limits the total taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the County, the County School District, the State, and any other City, Town, or special District) to an amount not to exceed \$5 per \$100 of assessed valuation of the property being taxed. The Nevada Legislature enacted provisions whereby the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed valuation. (See Note D2)

c. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when purchased rather than when consumed.

There were no material inventories reported in the government-wide financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity (Continued)

d. Restricted Assets

Certain cash assets of the enterprise fund are from revenue for specific use by the enterprise fund and are classified as restricted assets because their use is restricted by agreement.

e. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. If purchased or constructed, capital assets are recorded at historical cost or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are valued at their estimated value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. (See note D3)

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Assets</u>	<u>Years</u>
Various Other Equipment	5-20
Vehicles	8
Buildings and Improvements	25-50
Infrastructure	25-50

GASB No. 34 requires the Town to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The Town is required to capitalize and report its major general infrastructure assets acquired in the fiscal years ending after June 30, 1980. In addition, infrastructure assets acquired before June 30, 1980 that received significant reconstruction must be capitalized. The Town of Pahrump, Nevada has no infrastructure assets that were acquired or reconstructed that must be capitalized.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity (Continued)

f. Compensated Absences

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide financial statements. No expenditure is reported for these amounts in the fund financial statements. (See Note D5) Vacation leave and sick leave included in accrued liabilities and recorded as expenditures in governmental fund types is the amount normally liquidated from "available spendable resources".

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

g. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. Deferred losses related to the refunding of debt are reported as a deferred charge component of bonds payable and are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

h. Governmental Fund Balances:

In the governmental fund financial statements, fund balances are classified as follows:

- (i) **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- (ii) **Restricted** – Amounts that can be spent only for a specific purpose because of the state or federal laws, or externally imposed conditions by grantors or creditors.
- (iii) **Committed** – Amounts that can be used only for specific purposes determined by a formal action of the board.
- (iv) **Assigned** – Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed.
- (v) **Unassigned** – All amounts not included in other spendable classifications.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity (Continued)

i. Net Assets

In the government-wide statements, net assets on the Statement of Net Assets include the following:

(i) Invested in Capital Assets, net of Related Debt

This is the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

(ii) Restricted Assets

This is the component of net assets that reports the constraints placed on the use of assets by either external parties and/or enabling legislation. Designations of fund balance represent tentative management plans that are subject to change.

(iii) Unrestricted

This is the component of net assets that is the difference between the assets and liabilities not reported in Invested in Capital Assets, Net of Related Debt and Restricted Assets.

j. Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (net assets), the Town's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Town's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

k. Comparative Data/Reclassifications

Comparative total data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

l. Use of Estimates

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

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

B. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental funds Balance Sheet and the government-wide Statement of Net Assets

The governmental funds Balance Sheet includes reconciliation between fund balances - total governmental funds and net assets - governmental activities as reported in the government-wide Statement of Net Assets. One element of the reconciliation explains that "certain liabilities are not reported in this fund financial statement because they are not due and payable." The details of this difference are as follows:

Notes payable	\$(126,130)
OPEB obligation payable	(66,596)
Compensated absences	(254,932)
Interest payable	<u>(5,121)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u><u>\$(452,779)</u></u>

2. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "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 expense in the Statement of Activities." The details of this difference are as follows:

Capital outlay	\$ 303,267
Loss on disposal of assets	(7,766)
Depreciation expense	<u>(454,313)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (158,812)</u></u>

Another element of that reconciliation states that "the issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

General obligation debt principal payments	\$ 38,806
Change in accrued interest	<u>1,017</u>
	<u><u>\$ 39,823</u></u>

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

B. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

2. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "Generally expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the Statement of Activities when incurred." The details of this difference are as follows:

OPEB obligation	\$ (21,613)
Compensated absences	22,844
	<u>\$ 1,231</u>

C. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year end.

The Town uses the following procedures to establish, modify, and control the budgetary data presented in the financial statements:

- a. Prior to April 15, the Town submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget, as submitted, contains the proposed expenditures and means of financing them.
- b. The Nevada State Department of Taxation notifies the Town of its acceptance of the budget.
- c. Public hearings are conducted on the third Thursday in May.
- d. After all changes have been noted and hearings closed, the Town adopts the budget on or before June 1.
- e. Whenever such an action does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions, the Town may transfer appropriations within any function or program or between functions or programs within a fund, if:
 1. The governing body is advised of the action at the next regular meeting; and
 2. The action is recorded in the official minutes of the meeting.
- f. Increases to a fund's budget (augmentations) other than by transfers must be approved by the Town Board.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

C. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

1. Budgetary Information (Continued)

- g. Statutory regulations require budget control to be exercised at the function level.
- h. The TV Construction Capital Projects Fund and the State Room Tax Special Revenue Fund were augmented during the year due to grant receipts. The 2/10 Economic Development Special Revenue Fund was augmented during the year for donation receipts.
- i. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

2. Financial Statement Audit

Nevada Revised Statutes Chapter 354.624 requires local governments to provide audited financial statements to the Nevada Department of Taxation no later than six months after the close of the fiscal year. The Nevada Department of Taxation granted an extended filing date to the Town to file the Town's audit report for the year ending June 30, 2012 of March 15, 2013. The extension date was not met. The Town's accounting records are maintained by Nye County, Nevada. Due to County bookkeeping problems, that were not within the control of the Town, the audit could not be completed and filed by the extended due date. This is an apparent violation of NRS 354.624.

D. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

1. Deposits and Investments

The Town's cash and investments are held under the custody of the County Treasurer of Nye County, Nevada. This is required by Nevada Revised Statutes. Detailed information concerning collateral to cover deposits is contained in the annual financial report of Nye County, Nevada.

Investments made by the Nye County Treasurer from funds of the Town are a part of a pooled investment fund. Monthly interest is apportioned to the Town based on the average balance invested. Risk categories for invested funds are contained in the annual financial report of Nye County.

Pursuant to policy established by the Nye County Treasurer in accordance with Nevada Revised Statutes Chapter 355.168, the Town has elected to be a part of the Nye County Treasurer's Investment Pool. Any local government within Nye County whose money is held under the custody of the Nye County Treasurer may invest its money with the investment pool. The County Treasurer may invest the money of the investment pool in investments which have been authorized as investments by Nevada Revised Statutes. **(See Note A3a)**

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

D. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

1. Deposits and Investments (Continued)

Interest is apportioned to the Town monthly based on the average balance invested for the month.

The fair value of the Town's investment in the Nye County Treasurer's Investment Pool was determined by multiplying the pool's fair value per share factor times the Town's pool balance as of June 30, 2012.

A reconciliation of cash and investments as shown on the Statement of Net Assets follows:

Cash with Town Officers	\$ 191,246
Cash & Investments with Nye County Treasurer	<u>11,596,884</u>
Total	<u>\$11,788,130</u>
Pooled Cash & Investments	\$11,512,365
Restricted cash	<u>275,765</u>
Total	<u>\$11,788,130</u>

2. Receivables

Receivables as of June 30, 2012 are as follows:

	General	Road	1/10 Fairgrounds Room Tax	3/10 Tourism Room Tax	Capital Projects	Enterprise	Other Nonmajor Funds	Total
Receivables:								
Interest receivable	\$ 9,801	\$ 492	\$ 5,359	\$ 2,944	\$ 4,451	\$ 4,518	\$ 8,926	\$ 36,491
Property taxes	150,540	0	0	0	0	0	5,589	156,129
Room tax receivable	0	0	4,403	13,212	0	0	20,368	37,983
Due from other governments:								
Consolidated taxes	131,310	0	0	0	0	0	10,367	141,677
Fuel taxes	0	38,863	0	0	0	0	0	38,863
Net accounts receivable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>359,894</u>	<u>0</u>	<u>359,894</u>
Net Total Receivables	<u>\$ 291,651</u>	<u>\$ 39,355</u>	<u>\$ 9,762</u>	<u>\$ 16,156</u>	<u>\$ 4,451</u>	<u>\$ 364,412</u>	<u>\$ 45,250</u>	<u>\$ 771,037</u>

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

D. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

3. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2012 follows:

Governmental Activities:

	Balance June 30, 2011	Additions	Deletions	Transfers	Balance June 30, 2012
Capital assets not being depreciated:					
Land	\$ 2,737,054	\$ 6,031	\$ 0	\$ 0	\$ 2,743,085
Construction in Progress	293,601	31,560	0	(238,740)	86,421
Total Capital assets not being depreciated	<u>3,030,655</u>	<u>37,591</u>	<u>0</u>	<u>(238,740)</u>	<u>2,829,506</u>
Capital assets being depreciated:					
Building	3,164,050	155,875	0	265,638	3,585,563
Equipment	4,048,802	109,801	113,799	(26,898)	4,017,906
Total capital assets being depreciated	<u>7,212,852</u>	<u>265,676</u>	<u>113,799</u>	<u>238,740</u>	<u>7,603,469</u>
Less accumulated depreciation for:					
Building	1,490,002	99,704	0	5,380	1,595,086
Equipment	2,609,835	354,609	106,033	(5,380)	2,853,031
Total accumulated depreciation	<u>4,099,837</u>	<u>454,313</u>	<u>106,033</u>	<u>0</u>	<u>4,448,117</u>
Total capital assets being depreciated, net	<u>3,113,015</u>	<u>(188,637)</u>	<u>7,766</u>	<u>238,740</u>	<u>3,155,352</u>
Governmental activities assets, net	<u>\$ 6,143,670</u>	<u>\$ (151,046)</u>	<u>\$ 7,766</u>	<u>\$ 0</u>	<u>\$ 5,984,858</u>

Business-Type Activities

	Balance June 30, 2011	Additions	Deletions	Transfers	Balance June 30, 2012
Capital assets not being depreciated:					
Land	\$ 120,000	\$ 0	\$ 0	\$ 0	\$ 120,000
Capital assets being depreciated:					
Building	480,000	0	0	0	480,000
Equipment	1,676,516	409,816	0	0	2,086,332
Total capital assets being depreciated	<u>2,156,516</u>	<u>409,816</u>	<u>0</u>	<u>0</u>	<u>2,566,332</u>
Less accumulated depreciation for:					
Building	194,667	16,000	0	0	210,667
Equipment	1,268,702	68,931	0	0	1,337,633
Total accumulated depreciation	<u>1,463,369</u>	<u>84,931</u>	<u>0</u>	<u>0</u>	<u>1,548,300</u>
Total capital assets being depreciated, net	<u>693,147</u>	<u>324,885</u>	<u>0</u>	<u>0</u>	<u>1,018,032</u>
Governmental activities assets, net	<u>\$ 813,147</u>	<u>\$ 324,885</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,138,032</u>

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

D. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

3. Capital Assets (Continued)

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

Governmental activities:

General government	\$ 47,225
Public safety	283,678
Health and sanitation	735
Culture and recreation	<u>122,675</u>

\$ 454,313

Business activities:

Ambulance	<u>\$ 84,391</u>
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Construction commitments:

The Town has several active construction projects as of June 30, 2012.

4. Deferred Revenue

Delinquent taxes receivable not collected within sixty days after year end are recorded as deferred revenue as they are not available to pay liabilities of the current period. Deferred taxes in the General Fund were \$140,914. Deferred taxes in the Swimming Pool Fund were \$5,241.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

D. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

5. Long -term Debt

Medium-Term Obligation – Fire Equipment

The Town obtained a medium-term obligation note for the purchase of a re-manufactured Aerial Platform Ladder Truck for the Fire Department. The note is being repaid at an annual interest rate of 4.06% over a ten year period with payments of \$45,503 each year.

Annual debt service requirements to maturity for the loan as of June 30, 2012 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 40,382	\$ 5,121
2014	42,021	3,482
2015	<u>43,727</u>	<u>1,775</u>
	<u>\$126,130</u>	<u>\$ 10,378</u>

During the year ended June 30, 2012, the following changes occurred in long-term debt:

Governmental Activities:

	<u>Balance</u>	<u>Net</u>	<u>Balance</u>
	<u>July 1, 2011</u>	<u>Additions</u>	<u>June 30, 2012</u>
		<u>(Reductions)</u>	
Accrued compensated absences	\$ 277,776	\$ (22,844)	\$ 254,932
OPEB obligation	44,983	21,613	66,596
Notes payable	<u>164,936</u>	<u>(38,806)</u>	<u>126,130</u>
Total	<u>\$ 487,695</u>	<u>\$ (40,037)</u>	<u>\$ 447,658</u>

Business Type Activities:

Accrued compensated absences	<u>\$ 143,940</u>	<u>\$ (25,731)</u>	<u>\$ 118,209</u>
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TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

D. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

6. Interfund Transfers

Interfund operating transfers are made from one fund to another fund to support expenditures in accordance with the authority established for the individual funds. Transfers between fund types during the year ended June 30, 2012 were:

	<u>Transfers In</u>	<u>Transfers Out</u> <u>General Fund</u>
Non Major Funds	<u>\$ 70,503</u>	<u>\$ 70,503</u>

7. Restricted Assets Accounts

Cash in the Ambulance Enterprise Fund is restricted for the purchase of equipment.

Cash - Ambulance	<u>\$ 275,765</u>
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TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

E. OTHER INFORMATION

1. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town joined together with other local governments in the Nevada Public Agency Insurance Pool (NPAIP), a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Town pays an annual premium to NPAIP for its property, casualty, crimes, and machinery insurance coverage. NPAIP is self-sustaining through member premiums and reinsures through commercial companies for claims in excess of \$200,000 property/crime/ and equipment breakdown; casualty of \$500,000 each and every insured event. As a participatory member, the maintenance deductible is \$5,000 for each insured event.

The Town participates in the Public Agency Compensation Trust (PACT). The PACT covers workers' compensation claims. Premiums are paid on a quarterly basis based on a percentage of the employees' wages.

The Town is self-insured for unemployment claims.

The Town purchases health care benefits for its employees from a commercial insurance carrier.

2. Contingent Liabilities

Grants

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

3. Pension Plan

Plan Description. The Town of Pahrump is a public employer contributing to the Public Employee Retirement System of the State of Nevada (PERS), a cost sharing multi-employer defined benefit pension plan. The Plan is administered by the State of Nevada Retirement System.

Benefits, as required by Nevada Revised Statutes, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under the Plan include pension, disability, and death benefits.

Monthly benefit allowances for members are computed at 2.5% for each accredited year of service prior to July 1, 2001 and 2.67% thereafter, to a maximum of 30 years, times average compensation. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allows the retired employee to accept a reduced service retirement allowance payable monthly during his/her life and various optional monthly payments to a named beneficiary after his/her death. Regular members are eligible for retirement at age 65 with five years of service, age 60 with 10 years of service, or any age with 30 years of service. Police and firemen are eligible for retirement at age 65 with five years of accredited police and fire service or age 55 with 10 years of service or at age 50 with 20 years of accredited police and fire service. Benefits fully vest with 5 years of service.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

E. OTHER INFORMATION (Continued)

3. Pension Plan (Continued)

Financial statements for the Plan are available by calling (775) 687-4200 or writing to:

Public Employees' Retirement System of Nevada
693 W. Nye Lane
Carson City, NV 89703-1599

Funding Policy. Contribution rates are established by NRS 286.410. The Town's contributions are based on the actuarially determined statutory rate. The Town is obligated to contribute all amounts due under the Plan. The contribution rate during 2011-2012 was 23.75 percent of payroll for regular employees and 39.75 percent for police and fireman. The Town's contribution rates and amounts contributed, which equaled required contributions, for the last three years are as follows:

Fiscal Year	Contribution Rate			Total Contribution
	Employer/ Employee Paid	Regular Members	Police and Firemen	
2011-2012	12.25%	23.75%	39.75%	\$799,701
2010-2011	11.25%	21.50%	37.00%	917,480
2009-2010	11.25%	21.50%	37.00%	861,253

The Town has no liability for unfunded obligations of the system as provided by Nevada Revised Statutes Chapter 286.110.

4. Postemployment Health Care Plan

Plan Description The Town administers a single-employer defined benefit healthcare plan. The plan provides medical, dental, prescription, and life insurance benefits to eligible retired Town employees.

Benefit provisions for the plan are established pursuant to NRS 287.023 and amended through negotiations between the Town and its employees. NRS 288.150 assigns the authority to establish benefit provisions to the Town Board. The plan provides healthcare insurance for eligible retirees through the Town's group health insurance plan, which covers both active and retired members. Under NRS 287.023, eligible retirees are able to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. The plan does not issue a publicly available financial report.

Funding Policy Contribution requirements of the plan members and the Town are established and may be amended through negotiations between the Town and employees. The Town pays 100% of the costs of current-year premiums for eligible retired plan members. For fiscal year 2012 the Town contributed \$30,155 to the plan. Employees hired before January 16, 2011, who vest in the State of Nevada Public Retirement System (PERS) by or through their preceding retirement, and who, when they leave Town employment collect PERS retirement, will have the same percentage of their post-retirement health insurance premiums paid by the Town as the Town pays for its employees, as that percentage may from time to time change. Employees hired on or after January 16, 2011, who vest in PERS by or through their employment with the Town, and who have worked not less than twenty (20) continuous years for the Town, and who, when they leave Town employment collect PERS retirement, will have fifty percent (50%) of their post-retirement health insurance premiums paid by the Town. Employees who retire from the Town do not meet these qualifications, may choose to participate in the plan and would be required to fully pay their costs of health insurance coverage.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

E. OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

Annual OPEB Cost and Net OPEB Obligation The Town's annual other postemployment benefit (OPEB) cost (expense) for the plan is calculated based on the annual required contribution of the employer (ARC). The town has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB statement 45 for employers in plans of fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

For fiscal year 2012 the Town's annual OPEB cost (expense) was \$51,768. The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012, 2011, and 2010 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2012	\$ 51,768	58%	\$ 66,596
6/30/2011	\$ 56,410	43%	\$ 44,983
6/30/2010	\$ 43,927	70%	\$ 13,028

The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation to the PEBP:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Annual Required Contribution	\$ 50,105	\$ 55,889	\$ 43,927
Interest on net OPEB obligation	2,004	521	0
Adjustment to annual required contribution	(341)	0	0
Annual OPEB cost (expense)	<u>51,768</u>	<u>56,410</u>	<u>43,927</u>
Contributions made	<u>30,155</u>	<u>24,455</u>	<u>30,899</u>
Increase in net OPEB obligation	21,613	31,955	13,028
Net OPEB obligation - beginning of the year	<u>44,983</u>	<u>13,028</u>	<u>0</u>
Net OPEB obligation - end of year	<u>\$ 66,596</u>	<u>\$ 44,983</u>	<u>\$ 13,028</u>

Funded Status and Funding Progress The Town's most recent actuarial valuation was as of July 1, 2011 and as of the end of the fiscal year the Town has not prefunded any portion of the plan. The actuarial accrued liability (AAL) for benefits was \$777,952 and having not funded the obligation the Town currently has no associated assets to offset this liability. Because of this the unfunded actuarial accrued liability (UAAL) is equal to the AAL. The covered payroll (annual payroll of active employees covered by the plan) was \$174,219 and the ratio of the UAAL to the covered payroll was 446.54%.

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

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2012

E. OTHER INFORMATION (Continued)

4. Postemployment Health Care Plan (Continued)

Actuarial Methods and Assumptions Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees- Based on the historical average retirement age for the covered group, active plan members were assumed to retire at age 62, or at the first subsequent year in which the member would qualify for benefits.

Mortality- Life expectancies were based on mortality tables from the Period Life Table published by the Social Security Administration.

Turnover- There is expected to be little to no turnover as this is a rural community with few job opportunities.

Healthcare cost trend rate- The expected rate of increase in health care insurance premiums was calculated at a rate of 8 percent initially, reduced to an ultimate rate of 5 percent after seven years.

Health insurance premiums- The insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

Inflation rate- The expected long-term inflation assumption of 3.5 percent was used.

Based on the historical and expected returns of the Town's investment portfolio, a discount rate of 4 percent was used. The unfunded actuarial accrued liability is being amortized over thirty years. The remaining amortization period at June 30, 2012 was twenty-six years.

TOWN OF PAHRUMP, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
JUNE 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2011	\$ -	\$ 777,952	\$ 777,952	0.00%	\$ 174,219	446.54%
7/1/2010	\$ -	\$ 855,241	\$ 855,241	0.00%	\$ 201,083	425.32%
7/1/2008	\$ -	\$ 1,191,783	\$1,191,783	0.00%	\$ 201,823	590.51%

MAJOR FUNDS

GENERAL FUND

To account for resources and costs of operation traditionally associated with governments which are not required to be accounted for in other funds.

ROAD

To account for gas tax money received for road maintenance.

1/10 FAIRGROUNDS ROOM TAX

To account for room tax allocated for the maintenance and capital needs of the fairgrounds.

3/10 TOURISM ROOM TAX

To account for room tax allocated for community support.

CAPITAL PROJECTS FUND

To account for general acquisition and construction projects of the Town.

**TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2012 and 2011**

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 3,105,165	\$ 2,504,152
Interest receivable	9,801	8,435
Taxes receivable	150,540	177,644
Due from other governments	<u>131,310</u>	<u>121,718</u>
Total assets	<u>\$ 3,396,816</u>	<u>\$ 2,811,949</u>
<u>Liabilities</u>		
Accounts payable	\$ 93,639	\$ 156,574
Accrued payroll	107,785	42,349
Deferred tax revenue	<u>140,914</u>	<u>158,231</u>
Total liabilities	<u>342,338</u>	<u>357,154</u>
<u>Fund Balance</u>		
Assigned for:		
Claims and judgments	200,000	200,000
Subsequent year's budget	1,840,047	1,028,304
Unassigned	<u>1,014,431</u>	<u>1,226,491</u>
Total fund balance	<u>3,054,478</u>	<u>2,454,795</u>
Total liabilities and fund balance	<u>\$ 3,396,816</u>	<u>\$ 2,811,949</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011
	Budget	Actual		
Revenues:				
Taxes	\$ 2,400,000	\$ 2,585,265	\$ 185,265	\$ 2,644,338
Fines and fees	25,000	11,204	(13,796)	21,032
Licenses and permits	350,000	379,008	29,008	356,762
Intergovernmental	600,000	714,400	114,400	761,298
Charges for services	-	58,640	58,640	102,409
Miscellaneous	25,000	49,517	24,517	39,396
Total revenues	<u>3,400,000</u>	<u>3,798,034</u>	<u>398,034</u>	<u>3,925,235</u>
Expenditures:				
Current:				
General government	2,303,184	1,696,323	606,861	1,808,257
Public safety	1,680,061	1,417,646	262,415	1,232,549
Culture and recreation	26,000	13,879	12,121	22,526
Contingency	60,000	-	60,000	-
Total expenditures	<u>4,069,245</u>	<u>3,127,848</u>	<u>941,397</u>	<u>3,063,332</u>
Excess (deficiency) of revenues over expenditures	(669,245)	670,186	1,339,431	861,903
Other financing sources (uses):				
Operating transfers out	(70,503)	(70,503)	-	(80,153)
Net change in fund balance	(739,748)	599,683	1,339,431	781,750
Fund balance:				
Beginning of year	<u>1,028,304</u>	<u>2,454,795</u>	<u>1,426,491</u>	<u>1,673,045</u>
End of year	<u>\$ 288,556</u>	<u>\$ 3,054,478</u>	<u>\$ 2,765,922</u>	<u>\$ 2,454,795</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET
YEAR ENDED JUNE 30, 2012

(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011
	Budget	Actual		
Revenues:				
Taxes:				
Property tax	\$ 2,400,000	\$ 2,585,265	\$ 185,265	\$ 2,644,338
Fines and fees	<u>25,000</u>	<u>11,204</u>	<u>(13,796)</u>	<u>21,032</u>
Licenses and permits:				
Franchise fees	140,000	147,530	7,530	142,435
Gaming licenses	200,000	218,678	18,678	201,127
Liquor licenses	<u>10,000</u>	<u>12,800</u>	<u>2,800</u>	<u>13,200</u>
Total licenses and permits	<u>350,000</u>	<u>379,008</u>	<u>29,008</u>	<u>356,762</u>
Intergovernmental:				
Consolidated tax	600,000	713,977	113,977	714,897
Grants	<u>-</u>	<u>423</u>	<u>423</u>	<u>46,401</u>
Total intergovernmental	<u>600,000</u>	<u>714,400</u>	<u>114,400</u>	<u>761,298</u>
Charges for services	<u>-</u>	<u>58,640</u>	<u>58,640</u>	<u>102,409</u>
Miscellaneous:				
Investment income	15,000	15,856	856	24,007
Rental	9,000	12,390	3,390	7,063
Donations	800	2,658	1,858	50
Other	<u>200</u>	<u>18,613</u>	<u>18,413</u>	<u>8,276</u>
Total miscellaneous	<u>25,000</u>	<u>49,517</u>	<u>24,517</u>	<u>39,396</u>
Total revenues	<u>3,400,000</u>	<u>3,798,034</u>	<u>398,034</u>	<u>3,925,235</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011
	Budget	Actual		
Expenditures:				
General government:				
Administration:				
Salaries and wages	\$ 387,479	\$ 316,944	\$ 70,535	\$ 344,949
Employee benefits	214,726	140,938	73,788	136,936
Services and supplies	470,000	249,646	220,354	388,736
Capital outlay	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>906</u>
Total administration	<u>1,077,205</u>	<u>707,528</u>	<u>369,677</u>	<u>871,527</u>
Buildings and grounds:				
Salaries and wages	553,129	475,706	77,423	475,863
Employee benefits	252,850	234,538	18,312	205,472
Services and supplies	365,000	271,520	93,480	247,436
Capital outlay	<u>55,000</u>	<u>7,031</u>	<u>47,969</u>	<u>7,959</u>
Total buildings and grounds	<u>1,225,979</u>	<u>988,795</u>	<u>237,184</u>	<u>936,730</u>
Total general government	<u>2,303,184</u>	<u>1,696,323</u>	<u>606,861</u>	<u>1,808,257</u>
Public safety:				
Fire department:				
Salaries and wages	875,684	875,170	514	682,721
Employee benefits	485,927	372,775	113,152	264,883
Services and supplies	253,450	169,701	83,749	284,945
Capital outlay	<u>65,000</u>	<u>-</u>	<u>65,000</u>	<u>-</u>
Total public safety	<u>1,680,061</u>	<u>1,417,646</u>	<u>262,415</u>	<u>1,232,549</u>
Culture and recreation:				
Television:				
Services and supplies	10,000	7,997	2,003	8,816
Capital outlay	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
Total television	<u>13,000</u>	<u>7,997</u>	<u>5,003</u>	<u>8,816</u>
Arena and fair activities:				
Services and supplies	10,000	5,882	4,118	10,061
Capital outlay	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>3,649</u>
Total arena and fair activities	<u>13,000</u>	<u>5,882</u>	<u>7,118</u>	<u>13,710</u>
Total culture and recreation	<u>26,000</u>	<u>13,879</u>	<u>12,121</u>	<u>22,526</u>
Contingency	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Total expenditures	<u>\$ 4,069,245</u>	<u>\$ 3,127,848</u>	<u>\$ 941,397</u>	<u>\$ 3,063,332</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - ROAD SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 AND 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 10,634	\$ 5,726
Interest receivable	492	977
Due from other governments	<u>38,863</u>	<u>43,019</u>
 Total assets	 <u>\$ 49,989</u>	 <u>\$ 49,722</u>
<u>Liabilities</u>		
Accounts payable	\$ 49,989	\$ 49,722
<u>Fund Balance</u>		
Restricted for public works	<u>-</u>	<u>-</u>
 Total liabilities and fund balance	 <u>\$ 49,989</u>	 <u>\$ 49,722</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - ROAD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Intergovernmental:				
Gas tax \$1.75	\$ 325,000	\$ 227,281	\$ (97,719)	\$ 252,176
Miscellaneous:				
Investment income	-	267	267	7,140
Total revenues	325,000	227,548	(97,452)	259,316
Expenditures:				
Public works:				
Services and supplies	325,000	227,548	97,452	259,316
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - 1/10 FAIRGROUNDS ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 AND 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 1,719,453	\$ 1,611,132
Interest receivable	5,359	5,737
Room taxes receivable	<u>4,403</u>	<u>13,352</u>
Total assets	<u>\$ 1,729,215</u>	<u>\$ 1,630,221</u>
<u>Liabilities</u>		
Accounts payable	\$ 64,550	\$ 1,984
<u>Fund Balance</u>		
Restricted for community support	<u>1,664,665</u>	<u>1,628,237</u>
Total liabilities and fund balance	<u>\$ 1,729,215</u>	<u>\$ 1,630,221</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - 1/10 FAIRGROUNDS ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 150,000	\$ 101,809	\$ (48,191)	\$ 171,918
Intergovernmental:				
Grants	693,800	-	(693,800)	-
Miscellaneous:				
Investment income	<u>7,500</u>	<u>8,354</u>	<u>854</u>	<u>15,390</u>
Total revenues	<u>851,300</u>	<u>110,163</u>	<u>(741,137)</u>	<u>187,308</u>
Expenditures:				
Community support:				
Salaries and wages	-	2,455	(2,455)	3,257
Employee benefits	-	837	(837)	1,310
Services and supplies	50,000	4,553	45,447	5,315
Capital outlay	<u>2,293,800</u>	<u>65,890</u>	<u>2,227,910</u>	<u>-</u>
Total expenditures	<u>2,343,800</u>	<u>73,735</u>	<u>2,270,065</u>	<u>9,882</u>
Excess (deficiency) of revenues over expenditures	(1,492,500)	36,428	1,528,928	177,426
Fund balance:				
Beginning of year	<u>1,583,311</u>	<u>1,628,237</u>	<u>44,926</u>	<u>1,450,811</u>
End of year	<u>\$ 90,811</u>	<u>\$ 1,664,665</u>	<u>\$ 1,573,854</u>	<u>\$ 1,628,237</u>

TOWN OF PAHRUMP, NEVADA
MAJOR - 3/10 TOURISM ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 892,150	\$ 1,005,513
Interest receivable	2,944	4,843
Room tax receivable	<u>13,212</u>	<u>13,079</u>
 Total assets	 <u>\$ 908,306</u>	 <u>\$ 1,023,435</u>
<u>Liabilities</u>		
Accounts payable	\$ 68,158	\$ 48,071
Accrued payroll	<u>2,298</u>	<u>1,002</u>
 Total liabilities	 70,456	 49,073
<u>Fund Balance</u>		
Restricted for community support	<u>837,850</u>	<u>974,362</u>
 Total liabilities and fund balance	 <u>\$ 908,306</u>	 <u>\$ 1,023,435</u>

TOWN OF PAHRUMP, NEVADA
MAJOR - 3/10 TOURISM ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 150,000	\$ 173,264	\$ 23,264	\$ 171,918
Miscellaneous:				
Investment income	1,000	3,094	2,094	13,537
Other	-	665	665	-
Total other	1,000	3,759	2,759	13,537
Total revenues	151,000	177,023	26,023	185,455
Expenditures:				
Community support:				
Salaries and wages	38,438	44,300	(5,862)	22,537
Employee benefits	13,141	19,516	(6,375)	8,419
Service and supplies	-	246,447	(246,447)	113,145
Capital outlay	950,000	3,272	946,728	-
Total Community support	1,001,579	313,535	688,044	144,101
Excess (deficiency) of revenues over expenditures	(850,579)	(136,512)	714,067	41,354
Fund balance:				
Beginning of year	953,008	974,362	21,354	933,008
End of year	\$ 102,429	\$ 837,850	\$ 735,421	\$ 974,362

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 AND 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 1,402,584	\$ 1,394,927
Interest receivable	<u>4,451</u>	<u>5,648</u>
Total assets	<u>\$ 1,407,035</u>	<u>\$ 1,400,575</u>
<u>Fund Balance</u>		
Restricted for capital projects	<u>\$ 1,407,035</u>	<u>\$ 1,400,575</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Intergovernmental:				
Grants	\$ -	\$ -	\$ -	\$ 428,664
Miscellaneous:				
Investment income	<u>15,000</u>	<u>6,460</u>	<u>(8,540)</u>	<u>16,154</u>
Total revenues	15,000	6,460	(8,540)	444,818
Expenditures:				
Capital projects	<u>1,350,000</u>	<u>-</u>	<u>1,350,000</u>	<u>428,664</u>
Excess (deficiency) of revenues over expenditures	(1,335,000)	6,460	1,341,460	16,154
Fund balance:				
Beginning of year	<u>1,354,421</u>	<u>1,400,575</u>	<u>46,154</u>	<u>1,384,421</u>
End of year	<u>\$ 19,421</u>	<u>\$ 1,407,035</u>	<u>\$ 1,387,614</u>	<u>\$ 1,400,575</u>

ENTERPRISE FUND

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Town’s management is that the costs of providing goods and services be financed or recovered primarily through user charges.

Ambulance Enterprise Fund is used to account for revenues and expenses of the ambulance services provided for residents of the unincorporated Town of Pahrump, Nevada.

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - AMBULANCE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET ASSETS
JUNE 30, 2012 AND 2011

	2012	2011
<u>Assets</u>		
Current assets:		
Pooled cash and investments	\$ 1,400,226	\$ 2,045,728
Interest receivable	4,518	10,631
Accounts receivable, net of allowance for uncollectibles	<u>359,894</u>	<u>353,439</u>
Total current assets	<u>1,764,638</u>	<u>2,409,798</u>
Restricted assets:		
Cash	<u>275,765</u>	<u>274,116</u>
Capital assets:		
Land	120,000	120,000
Building	480,000	480,000
Vehicles	1,747,064	1,337,248
Equipment	339,268	339,268
Less accumulated depreciation	<u>(1,548,300)</u>	<u>(1,463,369)</u>
Total capital assets, net of accumulated depreciation	<u>1,138,032</u>	<u>813,147</u>
 Total assets	 <u>3,178,435</u>	 <u>3,497,061</u>
<u>Liabilities</u>		
Current liabilities		
Accounts payable	34,302	81,095
Accrued payroll	124,850	45,146
Accrued compensated absences	118,209	138,148
Long term liabilities		
Accrued compensated absences	<u>-</u>	<u>5,792</u>
 Total liabilities	 <u>277,361</u>	 <u>270,181</u>
<u>Net assets</u>		
Invested in capital assets, net of related debt	1,138,032	813,147
Reserved for capital assets	275,765	274,116
Unreserved	<u>1,487,277</u>	<u>2,139,617</u>
 Total net assets	 <u>\$ 2,901,074</u>	 <u>\$ 3,226,880</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - AMBULANCE ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Charges for services:				
Ambulance fees, net of contractual adjustments	\$ 3,977,405	\$ 3,430,798	\$ (546,607)	\$ 3,426,039
Expenses:				
Salaries and wages	1,547,235	1,612,070	(64,835)	1,663,643
Employee benefits	909,557	778,939	130,618	886,493
Services and supplies	480,300	344,832	135,468	294,684
Capital outlay	250,000	-	250,000	-
Depreciation	125,000	84,931	40,069	91,130
Bad debt	900,000	1,027,343	(127,343)	1,072,178
Total expenses	<u>4,212,092</u>	<u>3,848,115</u>	<u>363,977</u>	<u>4,008,128</u>
Operating income (loss)	<u>(234,687)</u>	<u>(417,317)</u>	<u>(182,630)</u>	<u>(582,089)</u>
Non-operating revenue (expense):				
Grants	60,000	60,000	-	60,000
Investment income	35,000	5,985	(29,015)	29,219
Miscellaneous	1,000	25,526	24,526	37
Total nonoperating revenue (expense)	<u>96,000</u>	<u>91,511</u>	<u>(4,489)</u>	<u>89,256</u>
Net income (loss)	<u>\$ (138,687)</u>	<u>(325,806)</u>	<u>\$ (187,119)</u>	<u>(492,833)</u>
Net assets:				
Beginning of year		<u>3,226,880</u>		<u>3,719,713</u>
End of year		<u>\$ 2,901,074</u>		<u>\$ 3,226,880</u>

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - AMBULANCE ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers	\$ 2,397,000	\$ 2,465,071
Cash paid for services and supplies	(391,625)	(227,883)
Cash paid for employees and benefits	<u>(2,337,036)</u>	<u>(2,644,903)</u>
Net cash (used) by operating activities	<u>(331,661)</u>	<u>(407,715)</u>
Cash flows from non-capital financing activities:		
Miscellaneous	<u>25,526</u>	<u>37</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(409,816)	-
Grants - Nye County	<u>60,000</u>	<u>60,000</u>
Net cash provided by capital and related financing activities	<u>(349,816)</u>	<u>60,000</u>
Cash flows from investing activities:		
Interest received	<u>12,098</u>	<u>30,356</u>
Net (decrease) in cash	(643,853)	(317,322)
Cash:		
Beginning of year	<u>2,319,844</u>	<u>2,637,166</u>
End of year	<u>\$ 1,675,991</u>	<u>\$ 2,319,844</u>
Reconciliation of operating (loss) to net cash (used) by operating activities:		
Operating income (loss)	<u>\$ (417,317)</u>	<u>\$ (582,089)</u>
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:		
Depreciation	84,931	91,130
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(6,455)	111,210
Increase (decrease) in accounts payable	(46,793)	66,801
Increase (decrease) in accrued payroll	79,704	(116,166)
Increase (decrease) in compensated absences	<u>(25,731)</u>	<u>21,399</u>
Total adjustments	<u>85,656</u>	<u>174,374</u>
Net cash (used) by operating activities	<u>\$ (331,661)</u>	<u>\$ (407,715)</u>

NON MAJOR GOVERNMENTAL FUNDS

**Combining statements of all nonmajor
governmental activity.**

**TOWN OF PAHRUMP, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<u>Assets</u>				
Pooled cash and investments	\$ 2,651,974	\$ 40,828	\$ 289,351	\$ 2,982,153
Interest receivable	8,142	-	784	8,926
Taxes receivable	5,589	-	-	5,589
Room tax receivable	20,368	-	-	20,368
Due from other governments	10,367	-	-	10,367
Total assets	<u>\$ 2,696,440</u>	<u>\$ 40,828</u>	<u>\$ 290,135</u>	<u>\$ 3,027,403</u>
<u>Liabilities</u>				
Accounts payable	\$ 25,125	\$ -	\$ -	\$ 25,125
Accrued payroll	11,743	-	-	11,743
Deferred taxes	5,241	-	-	5,241
Total liabilities	<u>42,109</u>	<u>-</u>	<u>-</u>	<u>42,109</u>
<u>Fund Balance</u>				
Restricted for:				
Public safety	458,064	-	-	458,064
Culture and recreation	1,567,929	-	-	1,567,929
Community support	389,732	-	-	389,732
Capital projects	-	-	290,135	290,135
Debt service	-	40,828	-	40,828
Committed for:				
General government	54,498	-	-	54,498
Health and sanitation	184,108	-	-	184,108
Total fund balance	<u>2,654,331</u>	<u>40,828</u>	<u>290,135</u>	<u>2,985,294</u>
Total liabilities and fund balance	<u>\$ 2,696,440</u>	<u>\$ 40,828</u>	<u>\$ 290,135</u>	<u>\$ 3,027,403</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 314,130	\$ -	\$ -	\$ 314,130
Licenses and permits	124,108	-	-	124,108
Intergovernmental	156,238	-	69,233	225,471
Charges for services	32,606	-	-	32,606
Miscellaneous	38,849	-	5,958	44,807
Total revenues	<u>665,931</u>	<u>-</u>	<u>75,191</u>	<u>741,122</u>
Expenditures:				
Current:				
General government	104,863	-	-	104,863
Public works	80,666	-	-	80,666
Culture and recreation	234,667	-	-	234,667
Community support	114,386	-	-	114,386
Health and sanitation	29,986	-	-	29,986
Capital projects	-	-	103,806	103,806
Debt service:				
Principal	-	38,806	-	38,806
Interest	-	6,697	-	6,697
Total expenditures	<u>564,568</u>	<u>45,503</u>	<u>103,806</u>	<u>713,877</u>
Excess (deficiency) of revenues over expenditures	101,363	(45,503)	(28,615)	27,245
Other financing sources (uses)				
Operating transfers in	25,000	45,503	-	70,503
Net change in fund balance	126,363	-	(28,615)	97,748
Fund balance:				
Beginning of year	2,527,968	40,828	318,750	2,887,546
End of year	<u>\$ 2,654,331</u>	<u>\$ 40,828</u>	<u>\$ 290,135</u>	<u>\$ 2,985,294</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Business License Fund is used to collect and monitor business licenses within the Town.

Swimming Pool Fund is used to account for activities of the Town swimming pool.

State Room Tax, 2/10 Economic Development, 1/10 Parks, 2/10 Airport and 1/10 Arena are used to account for room tax revenues.

Fall Festival Fund is used to account for revenues of the Fall Festival.

Cemetery Fund is used to account for revenues and expenditures in the maintenance of the cemetery.

Cemetery Perpetual Fund is used to account for revenues being collected now to be able to maintain the cemetery once full.

Pahrump Airport Fund is used to account for grant money for the airport.

Fire Impact Fee and Parks Impact Fee funds are used address the infrastructure impact from growth in the town.

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

Page 1 of 2

	Pahrump Business License	Swimming Pool	State Room Tax
<u>Assets</u>			
Pooled cash and investments	\$ 57,471	\$ 241,848	\$ 147,041
Interest receivable	-	860	492
Taxes receivable	-	5,589	-
Room tax receivable	-	-	2,752
Due from other governments	-	10,367	-
Total assets	<u>\$ 57,471</u>	<u>\$ 258,664</u>	<u>\$ 150,285</u>
<u>Liabilities</u>			
Accounts payable	\$ 1,063	\$ 5,319	\$ 634
Accrued payroll	1,910	9,687	-
Deferred taxes	-	5,241	-
Total liabilities	<u>2,973</u>	<u>20,247</u>	<u>634</u>
<u>Fund Balance</u>			
Restricted for:			
Public safety	-	-	-
Culture and recreation	-	238,417	-
Community support	-	-	149,651
Committed for:			
General government	54,498	-	-
Health and sanitation	-	-	-
Total fund balance	<u>54,498</u>	<u>238,417</u>	<u>149,651</u>
Total liabilities and fund balance	<u>\$ 57,471</u>	<u>\$ 258,664</u>	<u>\$ 150,285</u>

2/10 Economic Development Room Tax	1/10 Parks Room Tax	1/10 Arena Room Tax	2/10 Airport Room Tax	Pahrump Cemetery	Pahrump Cemetery Perpetual
\$ 163,814	\$ 300,637	\$ 332,246	\$ 62,648	\$ 50,233	\$ 137,499
553	947	1,048	-	120	436
-	-	-	-	-	-
4,404	2,202	2,202	8,808	-	-
-	-	-	-	-	-
<u>\$ 168,771</u>	<u>\$ 303,786</u>	<u>\$ 335,496</u>	<u>\$ 71,456</u>	<u>\$ 50,353</u>	<u>\$ 137,935</u>
\$ -	\$ 497	\$ -	\$ -	\$ 4,180	\$ -
146	-	-	-	-	-
-	-	-	-	-	-
<u>146</u>	<u>497</u>	<u>-</u>	<u>-</u>	<u>4,180</u>	<u>-</u>
-	-	-	-	-	-
-	303,289	335,496	-	-	-
168,625	-	-	71,456	-	-
-	-	-	-	-	-
-	-	-	-	46,173	137,935
<u>168,625</u>	<u>303,289</u>	<u>335,496</u>	<u>71,456</u>	<u>46,173</u>	<u>137,935</u>
<u>\$ 168,771</u>	<u>\$ 303,786</u>	<u>\$ 335,496</u>	<u>\$ 71,456</u>	<u>\$ 50,353</u>	<u>\$ 137,935</u>

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For the year ended June 30, 2012

**TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)**

JUNE 30, 2012

(With Comparative Totals for June 30, 2011)

Page 2 of 2

	Parks Impact Fee	Fire Impact Fee	Totals 2012	Totals 2011
<u>Assets</u>				
Pooled cash and investments	\$ 701,917	\$ 456,620	\$ 2,651,974	\$ 2,708,973
Interest receivable	2,242	1,444	8,142	10,826
Taxes receivable	-	-	5,589	6,926
Room tax receivable	-	-	20,368	11,564
Due from other governments	-	-	10,367	9,446
Total assets	<u>\$ 704,159</u>	<u>\$ 458,064</u>	<u>\$ 2,696,440</u>	<u>\$ 2,747,735</u>
<u>Liabilities</u>				
Accounts payable	\$ 13,432	\$ -	\$ 25,125	\$ 204,974
Accrued payroll	-	-	11,743	8,621
Deferred taxes	-	-	5,241	6,172
Total liabilities	<u>13,432</u>	<u>-</u>	<u>42,109</u>	<u>219,767</u>
<u>Fund Balance</u>				
Restricted for:				
Public safety	-	458,064	458,064	451,187
Culture and recreation	690,727	-	1,567,929	1,572,412
Community support	-	-	389,732	292,461
Committed for:				
General government	-	-	54,498	44,361
Health and sanitation	-	-	184,108	167,547
Total fund balance	<u>690,727</u>	<u>458,064</u>	<u>2,654,331</u>	<u>2,527,968</u>
Total liabilities and fund balance	<u>\$ 704,159</u>	<u>\$ 458,064</u>	<u>\$ 2,696,440</u>	<u>\$ 2,747,735</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

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	Pahrump Business License	Swimming Pool	State Room Tax
Revenues:			
Taxes	\$ -	\$ 92,010	\$ 35,153
Licenses and permits	115,000	-	-
Intergovernmental	-	56,497	19,075
Charges for services	-	12,032	-
Miscellaneous	-	1,606	752
Total revenues	<u>115,000</u>	<u>162,145</u>	<u>54,980</u>
Expenditures:			
General government	104,863	-	-
Public works	-	-	-
Culture and recreation	-	198,198	-
Community support	-	-	67,042
Health and sanitation	-	-	-
Total expenditures	<u>104,863</u>	<u>198,198</u>	<u>67,042</u>
Excess (deficiency) of revenues over expenditures	<u>10,137</u>	<u>(36,053)</u>	<u>(12,062)</u>
Other financing sources (uses)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	10,137	(36,053)	(12,062)
Fund balance:			
Beginning of year	<u>44,361</u>	<u>274,470</u>	<u>161,713</u>
End of year	<u>\$ 54,498</u>	<u>\$ 238,417</u>	<u>\$ 149,651</u>

2/10 Economic Development Room Tax	1/10 Parks Room Tax	1/10 Arena Room Tax	2/10 Airport Room Tax	Pahrump Cemetery	Pahrump Cemetery Perpetual	Pahrump Airport
\$ 57,755	\$ 28,878	\$ 28,878	\$ 71,456	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	80,666
-	-	-	-	13,785	6,789	-
<u>27,466</u>	<u>1,280</u>	<u>1,460</u>	<u>-</u>	<u>340</u>	<u>633</u>	<u>-</u>
<u>85,221</u>	<u>30,158</u>	<u>30,338</u>	<u>71,456</u>	<u>14,125</u>	<u>7,422</u>	<u>80,666</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	80,666
-	5,307	-	-	-	-	-
47,344	-	-	-	-	-	-
-	-	-	-	29,986	-	-
<u>47,344</u>	<u>5,307</u>	<u>-</u>	<u>-</u>	<u>29,986</u>	<u>-</u>	<u>80,666</u>
<u>37,877</u>	<u>24,851</u>	<u>30,338</u>	<u>71,456</u>	<u>(15,861)</u>	<u>7,422</u>	<u>-</u>
-	-	-	-	25,000	-	-
-	-	-	-	-	-	-
-	-	-	-	25,000	-	-
37,877	24,851	30,338	71,456	9,139	7,422	-
<u>130,748</u>	<u>278,438</u>	<u>305,158</u>	<u>-</u>	<u>37,034</u>	<u>130,513</u>	<u>-</u>
<u>\$ 168,625</u>	<u>\$ 303,289</u>	<u>\$ 335,496</u>	<u>\$ 71,456</u>	<u>\$ 46,173</u>	<u>\$ 137,935</u>	<u>\$ -</u>

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For the year ended June 30, 2012

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

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	Parks Impact Fee	Fire Impact Fee	Totals 2012	Totals 2011
Revenues:				
Taxes	\$ -	\$ -	\$ 314,130	\$ 255,019
Licenses and permits	4,343	4,765	124,108	126,657
Intergovernmental	-	-	156,238	145,461
Charges for services	-	-	32,606	35,085
Miscellaneous	<u>3,200</u>	<u>2,112</u>	<u>38,849</u>	<u>103,727</u>
 Total revenues	 <u>7,543</u>	 <u>6,877</u>	 <u>665,931</u>	 <u>665,949</u>
 Expenditures:				
General government	-	-	104,863	118,343
Public works	-	-	80,666	88,987
Culture and recreation	31,162	-	234,667	491,131
Community support	-	-	114,386	96,935
Health and sanitation	<u>-</u>	<u>-</u>	<u>29,986</u>	<u>24,721</u>
 Total expenditures	 <u>31,162</u>	 <u>-</u>	 <u>564,568</u>	 <u>820,117</u>
 Excess (deficiency) of revenues over expenditures	 <u>(23,619)</u>	 <u>6,877</u>	 <u>101,363</u>	 <u>(154,168)</u>
 Other financing sources (uses)				
Operating transfers in	-	-	25,000	146,493
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,493)</u>
 Total other financing sources (uses)	 <u>-</u>	 <u>-</u>	 <u>25,000</u>	 <u>25,000</u>
 Net change in fund balance	 <u>(23,619)</u>	 <u>6,877</u>	 <u>126,363</u>	 <u>(129,168)</u>
 Fund balance:				
Beginning of year	<u>714,346</u>	<u>451,187</u>	<u>2,527,968</u>	<u>2,657,136</u>
 End of year	 <u>\$ 690,727</u>	 <u>\$ 458,064</u>	 <u>\$ 2,654,331</u>	 <u>\$ 2,527,968</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP BUSINESS LICENSE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	<u>\$ 57,471</u>	<u>\$ 50,359</u>
<u>Liabilities</u>		
Accounts payable	\$ 1,063	\$ 4,245
Accrued payroll	<u>1,910</u>	<u>1,753</u>
Total liabilities	2,973	5,998
<u>Fund Balance</u>		
Committed for general government	<u>54,498</u>	<u>44,361</u>
Total liabilities and fund balance	<u>\$ 57,471</u>	<u>\$ 50,359</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP BUSINESS LICENSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Licenses and permits	\$ 100,000	\$ 115,000	\$ 15,000	\$ 106,700
Expenditures:				
General government:				
Salaries and wages	68,804	63,843	4,961	79,550
Employee benefits	33,030	28,202	4,828	32,027
Services and supplies	15,000	12,818	2,182	6,766
Total expenditures	<u>116,834</u>	<u>104,863</u>	<u>11,971</u>	<u>118,343</u>
Excess (deficiency) of revenues over expenditures	(16,834)	10,137	26,971	(11,643)
Fund balance:				
Beginning of year	<u>17,382</u>	<u>44,361</u>	<u>26,979</u>	<u>56,004</u>
End of year	<u>\$ 548</u>	<u>\$ 54,498</u>	<u>\$ 53,950</u>	<u>\$ 44,361</u>

**TOWN OF PAHRUMP, NEVADA
NONMAJOR - SWIMMING POOL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011**

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 241,848	\$ 430,580
Interest receivable	860	2,000
Taxes receivable	5,589	6,926
Due from other governments	<u>10,367</u>	<u>9,446</u>
 Total assets	 <u>\$ 258,664</u>	 <u>\$ 448,952</u>
<u>Liabilities</u>		
Accounts payable	\$ 5,319	\$ 162,167
Accrued payroll	9,687	6,143
Deferred taxes	<u>5,241</u>	<u>6,172</u>
 Total liabilities	 20,247	 174,482
<u>Fund Balance</u>		
Restricted for culture and recreation	<u>238,417</u>	<u>274,470</u>
 Total liabilities and fund balance	 <u>\$ 258,664</u>	 <u>\$ 448,952</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SWIMMING POOL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance-	2011
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Taxes:				
Property tax	\$ 90,000	\$ 92,010	\$ 2,010	\$ 104,591
Intergovernmental:				
Consolidated tax	40,000	56,497	16,497	56,474
Charges for services:				
Pool receipts	5,000	12,032	7,032	24,145
Miscellaneous:				
Investment income	5,000	106	(4,894)	5,819
Grants	-	1,500	1,500	3,000
Total miscellaneous	5,000	1,606	(3,394)	8,819
Total revenues	140,000	162,145	22,145	194,029
Expenditures:				
Culture and recreation:				
Salaries and wages	107,602	94,999	12,603	104,559
Employee benefits	31,334	14,634	16,700	18,881
Services and supplies	70,500	47,413	23,087	57,904
Capital outlay	75,000	41,152	33,848	220,456
Total expenditures	284,436	198,198	86,238	401,800
Excess (deficiency) of revenues over expenditures	(144,436)	(36,053)	108,383	(207,771)
Fund balance:				
Beginning of year	159,744	274,470	114,726	482,241
End of year	\$ 15,308	\$ 238,417	\$ 223,109	\$ 274,470

TOWN OF PAHRUMP, NEVADA
NONMAJOR - STATE ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 147,041	\$ 163,986
Interest receivable	492	645
Room tax receivable	<u>2,752</u>	<u>2,753</u>
Total assets	<u>\$ 150,285</u>	<u>\$ 167,384</u>
<u>Liabilities</u>		
Accounts payable	\$ 634	\$ 5,671
<u>Fund Balance</u>		
Restricted for community support	<u>149,651</u>	<u>161,713</u>
Total liabilities and fund balance	<u>\$ 150,285</u>	<u>\$ 167,384</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - STATE ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 32,000	\$ 35,153	\$ 3,153	\$ 35,816
Intergovernmental:				
Grants	19,075	19,075	-	-
Miscellaneous:				
Investment income	<u>500</u>	<u>752</u>	<u>252</u>	<u>1,669</u>
Total revenues	<u>51,575</u>	<u>54,980</u>	<u>3,405</u>	<u>37,485</u>
Expenditures:				
Community support:				
Salaries and wages	-	566	(566)	593
Employee benefits	-	163	(163)	165
Services and supplies	<u>169,075</u>	<u>66,313</u>	<u>102,762</u>	<u>-</u>
Total community support	<u>169,075</u>	<u>67,042</u>	<u>102,033</u>	<u>758</u>
Excess (deficiency) of revenues over expenditures	(117,500)	(12,062)	105,438	36,727
Fund balance:				
Beginning of year	<u>141,986</u>	<u>161,713</u>	<u>19,727</u>	<u>124,986</u>
End of year	<u>\$ 24,486</u>	<u>\$ 149,651</u>	<u>\$ 125,165</u>	<u>\$ 161,713</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 2/10 ECONOMIC DEVELOPMENT ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 163,814	\$ 128,947
Interest receivable	553	413
Room tax receivable	<u>4,404</u>	<u>4,405</u>
 Total assets	 <u>\$ 168,771</u>	 <u>\$ 133,765</u>
 <u>Liabilities</u>		
Accounts payable	\$ -	\$ 2,292
Accrued payroll	<u>146</u>	<u>725</u>
 Total liabilities	 146	 3,017
 <u>Fund Balance</u>		
Restricted for community support	<u>168,625</u>	<u>130,748</u>
 Total liabilities and fund balance	 <u>\$ 168,771</u>	 <u>\$ 133,765</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 2/10 ECONOMIC DEVELOPMENT ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 50,000	\$ 57,755	\$ 7,755	\$ 57,306
Miscellaneous:				
Investment income	500	835	335	1,374
Donations	25,000	25,000	-	-
Grants	20,000	1,631	(18,369)	70,000
Total miscellaneous	45,500	27,466	(18,034)	71,374
 Total revenues	 95,500	 85,221	 (10,279)	 128,680
Expenditures:				
Community support:				
Salaries and wages	28,746	24,361	4,385	30,680
Employee benefits	12,660	9,693	2,967	12,814
Services and supplies	115,000	11,881	103,119	52,683
Capital outlay	-	1,409	(1,409)	-
Total expenditures	156,406	47,344	109,062	96,177
 Excess (deficiency) of revenues over expenditures	 (60,906)	 37,877	 98,783	 32,503
Fund balance:				
Beginning of year	110,013	130,748	20,735	98,245
 End of year	 \$ 49,107	 \$ 168,625	 \$ 119,518	 \$ 130,748

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 1/10 PARKS ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 300,637	\$ 275,319
Interest receivable	947	1,129
Room tax receivable	<u>2,202</u>	<u>2,203</u>
 Total assets	 <u>\$ 303,786</u>	 <u>\$ 278,651</u>
 <u>Liabilities</u>		
Accounts payable	\$ 497	\$ 213
 <u>Fund Balance</u>		
Restricted for culture and recreation	<u>303,289</u>	<u>278,438</u>
 Total liabilities and fund balance	 <u>\$ 303,786</u>	 <u>\$ 278,651</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 1/10 PARKS ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 25,000	\$ 28,878	\$ 3,878	\$ 28,653
Miscellaneous:				
Investment income	<u>1,000</u>	<u>1,280</u>	<u>280</u>	<u>2,965</u>
Total revenues	<u>26,000</u>	<u>30,158</u>	<u>4,158</u>	<u>31,618</u>
Expenditures:				
Culture and recreation:				
Salaries and wages	-	295	(295)	3,010
Employee benefits	-	81	(81)	1,641
Service and supplies	-	4,931	(4,931)	17,236
Capital outlay	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total expenditures	<u>200,000</u>	<u>5,307</u>	<u>194,693</u>	<u>21,887</u>
Excess (deficiency) of revenues over expenditures	(174,000)	24,851	198,851	9,731
Other financing sources (uses):				
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,747</u>
Net change in fund balance	(174,000)	24,851	198,851	70,478
Fund balance:				
Beginning of year	<u>206,960</u>	<u>278,438</u>	<u>71,478</u>	<u>207,960</u>
End of year	<u>\$ 32,960</u>	<u>\$ 303,289</u>	<u>\$ 270,329</u>	<u>\$ 278,438</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 1/10 ARENA ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 332,246	\$ 301,731
Interest receivable	1,048	1,224
Room tax receivable	<u>2,202</u>	<u>2,203</u>
Total assets	<u>\$ 335,496</u>	<u>\$ 305,158</u>
<u>Liabilities</u>		
Accounts payable	\$ -	\$ -
<u>Fund Balance</u>		
Restricted for culture and recreation	<u>335,496</u>	<u>305,158</u>
Total liabilities and fund balance	<u>\$ 335,496</u>	<u>\$ 305,158</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 1/10 ARENA ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Room tax	\$ 25,000	\$ 28,878	\$ 3,878	\$ 28,653
Miscellaneous:				
Investment income	<u>1,000</u>	<u>1,460</u>	<u>460</u>	<u>3,202</u>
Total revenues	<u>26,000</u>	<u>30,338</u>	<u>4,338</u>	<u>31,855</u>
Expenditures:				
Culture and recreation:				
Services and supplies	-	-	-	12,227
Capital outlay	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
Total expenditures	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>12,227</u>
Excess (deficiency) of revenues over expenditures	(224,000)	30,338	254,338	19,628
Other financing sources (uses):				
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,746</u>
Net change in fund balance	(224,000)	30,338	254,338	80,374
Fund balance:				
Beginning of year	<u>237,784</u>	<u>305,158</u>	<u>67,374</u>	<u>224,784</u>
End of year	<u>\$ 13,784</u>	<u>\$ 335,496</u>	<u>\$ 321,712</u>	<u>\$ 305,158</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 2/10 AIRPORT ROOM TAX SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2012

	2012
<u>Assets</u>	
Pooled cash and investments	\$ 62,648
Room tax receivable	<u>8,808</u>
Total assets	<u>\$ 71,456</u>
<u>Liabilities</u>	
Accounts payable	\$ -
<u>Fund Balance</u>	
Restricted for community support	<u>71,456</u>
Total liabilities and fund balance	<u>\$ 71,456</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 2/10 AIRPORT ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012

	2012		Variance- Positive (Negative)
	Budget	Actual	
Revenues:			
Taxes:			
Room tax	\$ -	\$ 71,456	\$ 71,456
Expenditures:			
Community support:			
Services and supplies	-	-	-
Excess (deficiency) of revenues over expenditures	-	71,456	71,456
Fund balance:			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ 71,456</u>	<u>\$ 71,456</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP CEMETERY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 50,233	\$ 40,891
Interest receivable	120	109
	<u>\$ 50,353</u>	<u>\$ 41,000</u>
<u>Liabilities</u>		
Accounts payable	\$ 4,180	\$ 3,966
<u>Fund Balance</u>		
Committed for health and sanitation	<u>46,173</u>	<u>37,034</u>
Total liabilities and fund balance	<u>\$ 50,353</u>	<u>\$ 41,000</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP CEMETERY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Charges for services:				
Cemetery receipts	\$ 4,000	\$ 13,785	\$ 9,785	\$ 7,330
Miscellaneous:				
Donations	-	113	113	210
Investment income	100	227	127	208
Total miscellaneous	100	340	240	418
Total revenue	4,100	14,125	10,025	7,748
Expenditures:				
Health and sanitation:				
Salaries and wages	-	8,869	(8,869)	10,938
Employee benefits	-	3,618	(3,618)	4,426
Services and supplies	21,000	5,315	15,685	9,071
Capital outlay	15,000	12,184	2,816	286
Total expenditures	36,000	29,986	6,014	24,721
Excess (deficiency) of revenues over expenditures	(31,900)	(15,861)	16,039	(16,973)
Other financing sources (uses):				
Operating transfers in	25,000	25,000	-	25,000
Net change in fund balance	(6,900)	9,139	16,039	8,027
Fund balance:				
Beginning of year	30,107	37,034	6,927	29,007
End of year	\$ 23,207	\$ 46,173	\$ 22,966	\$ 37,034

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP CEMETERY PERPETUAL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 137,499	\$ 129,989
Interest receivable	<u>436</u>	<u>524</u>
 Total assets	 <u>\$ 137,935</u>	 <u>\$ 130,513</u>
 <u>Fund Balance</u>		
Committed for health and sanitation	<u>\$ 137,935</u>	<u>\$ 130,513</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP CEMETERY PERPETUAL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Charges for services:				
Cemetery receipts	\$ 2,000	\$ 6,789	\$ 4,789	\$ 3,610
Miscellaneous:				
Investment income	<u>500</u>	<u>633</u>	<u>133</u>	<u>1,480</u>
Total revenues	2,500	7,422	4,922	5,090
Expenditures:				
Health and sanitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,500	7,422	4,922	5,090
Fund balance:				
Beginning of year	<u>128,923</u>	<u>130,513</u>	<u>1,590</u>	<u>125,423</u>
End of year	<u>\$ 131,423</u>	<u>\$ 137,935</u>	<u>\$ 6,512</u>	<u>\$ 130,513</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP AIRPORT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ -	\$ 25,106
Interest receivable	<u>-</u>	<u>26</u>
Total assets	<u>\$ -</u>	<u>\$ 25,132</u>
<u>Liabilities</u>		
Accounts payable	\$ -	\$ 25,132
<u>Fund Balance</u>		
Restricted for public works	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 25,132</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP AIRPORT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Intergovernmental:				
Grants	\$ 295,000	\$ 80,666	\$ (214,334)	\$ 88,987
Expenditures:				
Public works:				
Services and supplies	<u>295,000</u>	<u>80,666</u>	<u>214,334</u>	<u>88,987</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance:				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PARKS IMPACT FEE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 701,917	\$ 712,685
Interest receivable	<u>2,242</u>	<u>2,949</u>
Total assets	<u>\$ 704,159</u>	<u>\$ 715,634</u>
<u>Liabilities</u>		
Accounts payable	\$ 13,432	\$ 1,288
<u>Fund Balance</u>		
Restricted for culture and recreation	<u>690,727</u>	<u>714,346</u>
Total liabilities and fund balance	<u>\$ 704,159</u>	<u>\$ 715,634</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PARKS IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Licenses and permits	\$ 5,000	\$ 4,343	\$ (657)	\$ 12,565
Miscellaneous:				
Investment income	<u>5,000</u>	<u>3,200</u>	<u>(1,800)</u>	<u>8,659</u>
Total revenues	<u>10,000</u>	<u>7,543</u>	<u>(2,457)</u>	<u>21,224</u>
Expenditures:				
Culture and recreation:				
Services and supplies	-	8,786	(8,786)	1,820
Capital outlay	<u>700,000</u>	<u>22,376</u>	<u>677,624</u>	<u>53,397</u>
Total expenditures	<u>700,000</u>	<u>31,162</u>	<u>668,838</u>	<u>55,217</u>
Excess (deficiency) of revenues over expenditures	(690,000)	(23,619)	666,381	(33,993)
Fund balance:				
Beginning of year	<u>718,339</u>	<u>714,346</u>	<u>(3,993)</u>	<u>748,339</u>
End of year	<u>\$ 28,339</u>	<u>\$ 690,727</u>	<u>\$ 662,388</u>	<u>\$ 714,346</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - FIRE IMPACT FEE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 456,620	\$ 449,380
Interest receivable	<u>1,444</u>	<u>1,807</u>
Total assets	<u>\$ 458,064</u>	<u>\$ 451,187</u>
<u>Fund Balance</u>		
Restricted for public safety	<u>\$ 458,064</u>	<u>\$ 451,187</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - FIRE IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Licenses and permits	\$ 5,000	\$ 4,765	\$ (235)	\$ 7,392
Miscellaneous:				
Investment income	<u>2,000</u>	<u>2,112</u>	<u>112</u>	<u>5,141</u>
Total revenues	7,000	6,877	(123)	12,533
Expenditures:				
Public safety:				
Capital outlay	<u>400,000</u>	<u>-</u>	<u>400,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(393,000)	6,877	399,877	12,533
Fund balance:				
Beginning of year	<u>423,654</u>	<u>451,187</u>	<u>27,533</u>	<u>438,654</u>
End of year	<u>\$ 30,654</u>	<u>\$ 458,064</u>	<u>\$ 427,410</u>	<u>\$ 451,187</u>

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of notes payable and interest from governmental resources.

**TOWN OF PAHRUMP, NEVADA
NONMAJOR - DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011**

	2012	2011
<u>Assets</u>		
Pooled cash and investments	<u>\$ 40,828</u>	<u>\$ 40,828</u>
<u>Fund Balance</u>		
Restricted for debt service	<u>\$ 40,828</u>	<u>\$ 40,828</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Miscellaneous				
Investment income	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Debt service:				
Principal	38,806	38,806	-	46,527
Interest	<u>6,697</u>	<u>6,697</u>	-	<u>8,503</u>
Total expenditures	<u>45,503</u>	<u>45,503</u>	-	<u>55,030</u>
Excess (deficiency) of revenues over expenditures	(45,503)	(45,503)	-	(55,030)
Other financing sources (uses):				
Operating transfers in	<u>45,503</u>	<u>45,503</u>	-	<u>55,153</u>
Net changes in fund balance	-	-	-	123
Fund balance:				
Beginning of year	<u>40,828</u>	<u>40,828</u>	-	<u>40,705</u>
End of year	<u>\$ 40,828</u>	<u>\$ 40,828</u>	<u>\$ -</u>	<u>\$ 40,828</u>

NONMAJOR 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 and trust funds.

Special Ad Valorem Fund is used to account for a tax levy to be used specifically for capital improvements.

TV Construction Fund is used to account for the construction of a TV tower for the Town

Arena Fund is used to account for capital improvements of the arena.

**TOWN OF PAHRUMP, NEVADA
NONMAJOR - CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET**

June 30, 2012

(With Comparative Actual Amounts for Year Ended June 30, 2011)

	Special Ad Valorem	TV Construction	Arena	Totals 2012	Totals 2011
<u>Assets</u>					
Pooled cash and investments	\$ 177,324	\$ 49,411	\$ 62,616	\$ 289,351	\$ 333,620
Interest receivable	<u>492</u>	<u>96</u>	<u>196</u>	<u>784</u>	<u>1,209</u>
Total assets	<u>\$ 177,816</u>	<u>\$ 49,507</u>	<u>\$ 62,812</u>	<u>\$ 290,135</u>	<u>\$ 334,829</u>
<u>Liabilities</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 16,079
<u>Fund Balance</u>					
Restricted for capital projects	<u>177,816</u>	<u>49,507</u>	<u>62,812</u>	<u>290,135</u>	<u>318,750</u>
Total liabilities and fund balance	<u>\$ 177,816</u>	<u>\$ 49,507</u>	<u>\$ 62,812</u>	<u>\$ 290,135</u>	<u>\$ 334,829</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	Special Ad Valorem	TV Construction	Arena	Totals 2012	Totals 2011
Revenues:					
Intergovernmental	\$ 33,508	\$ 35,725	\$ -	\$ 69,233	\$ 34,033
Miscellaneous	<u>548</u>	<u>66</u>	<u>5,344</u>	<u>5,958</u>	<u>21,892</u>
Total revenues	34,056	35,791	5,344	75,191	55,925
Expenditures:					
Capital projects	<u>48,738</u>	<u>50,088</u>	<u>4,980</u>	<u>103,806</u>	<u>31,955</u>
Excess (deficiency) of revenues over expenditures	(14,682)	(14,297)	364	(28,615)	23,970
Fund balance:					
Beginning of year	<u>192,498</u>	<u>63,804</u>	<u>62,448</u>	<u>318,750</u>	<u>294,780</u>
End of year	<u>\$ 177,816</u>	<u>\$ 49,507</u>	<u>\$ 62,812</u>	<u>\$ 290,135</u>	<u>\$ 318,750</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL AD VALOREM CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 177,324	\$ 207,875
Interest receivable	<u>492</u>	<u>702</u>
Total assets	<u>\$ 177,816</u>	<u>\$ 208,577</u>
<u>Liabilities</u>		
Accounts payable	\$ -	\$ 16,079
<u>Fund Balance</u>		
Restricted for capital projects	<u>177,816</u>	<u>192,498</u>
Total liabilities and fund balance	<u>\$ 177,816</u>	<u>\$ 208,577</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL AD VALOREM CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Intergovernmental:				
Other	\$ 35,000	\$ 33,508	\$ (1,492)	\$ 34,033
Miscellaneous:				
Investment income	<u>1,000</u>	<u>548</u>	<u>(452)</u>	<u>2,011</u>
Total revenues	36,000	34,056	(1,944)	36,044
Expenditures:				
Capital projects:				
Capital outlay	<u>200,000</u>	<u>48,738</u>	<u>151,262</u>	<u>16,079</u>
Excess (deficiency) of revenues over expenditures	(164,000)	(14,682)	149,318	19,965
Fund balance:				
Beginning of year	<u>183,533</u>	<u>192,498</u>	<u>8,965</u>	<u>172,533</u>
End of year	<u>\$ 19,533</u>	<u>\$ 177,816</u>	<u>\$ 158,283</u>	<u>\$ 192,498</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - TV CONSTRUCTION CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 49,411	\$ 63,547
Interest receivable	<u>96</u>	<u>257</u>
Total assets	<u>\$ 49,507</u>	<u>\$ 63,804</u>
<u>Fund Balance</u>		
Restricted for capital projects	<u>\$ 49,507</u>	<u>\$ 63,804</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - TV CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Intergovernmental:				
Grants	\$ 35,725	\$ 35,725	\$ -	\$ -
Miscellaneous:				
Investment income	500	66	(434)	736
Other	-	-	-	15,726
Total miscellaneous	500	66	(434)	16,462
Total revenues	36,225	35,791	(434)	16,462
Expenditures:				
Capital projects				
Capital outlay	75,725	50,088	25,637	15,726
Excess (deficiency) of revenues over expenditures	(39,500)	(14,297)	25,203	736
Fund balance:				
Beginning of year	43,568	63,804	20,236	63,068
End of year	\$ 4,068	\$ 49,507	\$ 45,439	\$ 63,804

TOWN OF PAHRUMP, NEVADA
NONMAJOR - ARENA CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2012 and 2011

	2012	2011
<u>Assets</u>		
Pooled cash and investments	\$ 62,616	\$ 62,198
Interest receivable	<u>196</u>	<u>250</u>
Total assets	<u>\$ 62,812</u>	<u>\$ 62,448</u>
<u>Fund Balance</u>		
Restricted for capital projects	<u>\$ 62,812</u>	<u>\$ 62,448</u>

TOWN OF PAHRUMP, NEVADA
NONMAJOR - ARENA CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2012
(With Comparative Actual Amounts for Year Ended June 30, 2011)

	2012		Variance- Positive (Negative)	2011 Actual
	Budget	Actual		
Revenues:				
Miscellaneous:				
Investment income	\$ 500	\$ 287	\$ (213)	\$ 699
Rent	<u>2,000</u>	<u>5,057</u>	<u>3,057</u>	<u>2,720</u>
Total revenues	2,500	5,344	2,844	3,419
Expenditures:				
Capital projects				
Capital outlay	<u>55,000</u>	<u>4,980</u>	<u>50,020</u>	<u>150</u>
Excess (deficiency) of revenues over expenditures	(52,500)	364	52,864	3,269
Fund balance:				
Beginning of year	<u>56,679</u>	<u>62,448</u>	<u>5,769</u>	<u>59,179</u>
End of year	<u>\$ 4,179</u>	<u>\$ 62,812</u>	<u>\$ 58,633</u>	<u>\$ 62,448</u>

DANIEL C. McARTHUR, LTD.

Certified Public Accountant

Quail Park III • 501 So. Rancho Dr., Ste. E-30 • Las Vegas, NV 89106 • (702) 385-1899 • FAX (702) 385-9619

INDEPENDENT AUDITOR'S REPORT ON NEVADA REVISED STATUTES

Honorable Members of the Town Board
Town of Pahrump
Pahrump, Nevada

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Pahrump, Nevada, (the Town), as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements and have issued my report thereon dated May 1, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America.

In connection with my audit, nothing came to my attention that caused me to believe that the funds established by the Town as listed in Nevada Revised Statutes (NRS) 354.624 Section 5 (a) (1) through (5) (II) and NRS 354.6113 failed to comply with the express purposes required by NRS 354.6241 Section 1 (a), (b), (c), (d), (e), and (f) and NRS 354.6113 Section 4 (a), (b), (c), and (d), respectively. Nothing came to my attention that caused me to believe there were instances of noncompliance that are required to be reported under Nevada Revised Statute (NRS) 354.624 Section 4, except as noted in Appendix B.

As required by NRS 354.624 Sec 4(a), a schedule of all fees imposed by the Town which were subject to the provisions of NRS 354.5989 is included in Appendix A. As required by Nevada Revised Statutes (NRS) 354.6113 Section 4, a schedule of capital projects activity is included in the attached Appendix C.

This report is intended for the information of the Honorable Board of Trustees, management, others within the Town, and the Nevada Department of Taxation. However, this report is a matter of public record and its distribution is not limited.



Las Vegas, Nevada
May 1, 2013

THE TOWN OF PAHRUMP, NEVADA
APPENDIX A
SCHEDULE OF BUSINESS LICENSE FEES
JUNE 30, 2012

Nevada Revised Statutes Chapter 354.5989 - The Town may adopt new business license fees only if the revenue from its fees is less than a calculated maximum prescribed by the statute. During the year ended June 30, 2012 the Town did not increase the annual business license fee, and therefore, is in compliance with the statute.

THE TOWN OF PAHRUMP, NEVADA
APPENDIX B
COMPLIANCE WITH LAW AND REGULATION
JUNE 30, 2012

Financial Statement Audit

Nevada Revised Statutes Chapter 354.624 requires local governments to provide audited financial statements to the Nevada Department of Taxation no later than six months after the close of the fiscal year. The Nevada Department of Taxation granted an extended filing date to the Town to file the Town's audit report for the year ending June 30, 2012 of March 15, 2013. The extension date was not met. The Town's accounting records are maintained by Nye County, Nevada. Due to County bookkeeping problems, that were not within the control of the Town, the audit could not be completed and filed by the extended due date. This is an apparent violation of NRS 354.624.

THE TOWN OF PAHRUMP, NEVADA
APPENDIX C
SCHEDULE OF CAPITAL PROJECTS ACTIVITY
JUNE 30, 2012
PAGE 1

The following are responses to requirements of NRS 354.6113.

NRS 354.6113.4 requires that the audit specifically identify the fund and:

1. Indicate in detail the capital projects that have been constructed with money from the fund.

Response

Expenditures were as follows:

Special Ad Valorem – Equipment	\$	48,738
TV Construction – Equipment	\$	50,088
Arena – Equipment	\$	4,980

2. Specify the amount of money that will be deposited in the fund for the next fiscal year.

Response

The following sources are planned to be deposited into the funds:

Capital Projects Fund		
Interest	\$	15,000
TV Construction		
Interest	\$	200
Special Ad Valorem		
Taxes	\$	25,000
Interest	\$	500
Arena Capital Projects		
Rent	\$	2,000
Interest	\$	500

THE TOWN OF PAHRUMP, NEVADA
APPENDIX C
SCHEDULE OF CAPITAL PROJECTS ACTIVITY
JUNE 30, 2012
PAGE 2

3. Specify any proposed capital projects that will be constructed with money from the fund during the next fiscal year.

Response

The following costs are planned to be expended during the next fiscal year:

Capital Projects Fund

Projects-Parks	<u>\$1,350,000</u>
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T.V. Construction Capital Projects

Equipment	<u>\$ 60,000</u>
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Ad Valorem Capital Projects

Equipment	<u>\$ 215,000</u>
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Arena Capital Projects	<u>\$ 60,000</u>
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4. Identify any planned accumulation of the money in the fund.

Response

The Town does not plan to accumulate any fund balance.