

**TOWN OF PAHRUMP, NEVADA**  
**REPORT ON FINANCIAL STATEMENTS**  
**AND SUPPLEMENTAL MATERIAL**  
**YEAR ENDED JUNE 30, 2006**

**TOWN OF PAHRUMP, NEVADA  
 REPORT ON FINANCIAL STATEMENTS  
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**TOWN OF PAHRUMP, NEVADA  
ELECTED TOWN OFFICIALS  
JUNE 30, 2006**

**CHAIRPERSON**

Richard Billman

**TOWN BOARD MEMBERS**

Laurayne Murray

Ron Johnson

Paul Willis

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, 2006, 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 Town of Pahrump, Nevada as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund, Road Special Revenue Fund, Fairgrounds 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.

Management's discussion and analysis on pages 9 through 16 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Town of Pahrump, Nevada's basic financial statements. The introductory section and combining and individual fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on them.

A handwritten signature in black ink, appearing to read "Duane M. DeWitt". The signature is written in a cursive, flowing style.

Las Vegas, Nevada  
January 17, 2007



**Town of Pahrump, Nevada**  
**Management's Discussion and Analysis**  
**June 30, 2006**

The Management's Discussion and Analysis ("MD&A") introduces the financial reports for 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 \$1,804,751, consolidated taxes of \$899,104, and charges for services of \$1,258,358. These revenue sources comprised 31.53%, 15.71%, and 21.99% respectively, or 69.23% of total governmental activities revenues.

The Town's total governmental expenses were \$3,791,672. The greatest expenses were in the General Government with \$1,604,896 and Public Safety with \$1,131,499.

At the end of the fiscal year, the unreserved fund balance for the General Fund was \$1,539,257. This was an increase of \$309,494 from the prior year.

The Town has added two new funds, the Fire Impact Fee special revenue fund and the Park Impact Fee special revenue fund.

**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, 2006**

**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, Fairgrounds 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, 2006**

**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 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, 2006**

**Government-wide Financial Analysis**

Net assets of the Town as of June 30, 2006, are summarized and analyzed below:

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total Primary Governmental</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Assets:</b>						
Current and other assets	\$ 8,141,384	\$ 6,234,311	\$ 1,628,465	\$ 1,156,744	\$ 9,769,849	\$ 7,391,055
Net capital assets	<u>4,605,837</u>	<u>4,610,156</u>	<u>859,304</u>	<u>991,116</u>	<u>5,465,141</u>	<u>5,601,272</u>
Total Assets	<u>12,747,221</u>	<u>10,844,467</u>	<u>2,487,769</u>	<u>2,147,860</u>	<u>15,234,990</u>	<u>12,992,327</u>
<b>Liabilities:</b>						
Current liabilities	1,477,421	1,241,261	152,663	405,152	1,630,084	1,646,413
Long-term liabilities	<u>424,499</u>	<u>489,404</u>	<u>-</u>	<u>-</u>	<u>424,499</u>	<u>489,404</u>
Total Liabilities	<u>1,901,920</u>	<u>1,730,665</u>	<u>152,663</u>	<u>405,152</u>	<u>2,054,583</u>	<u>2,135,817</u>
<b>Net Assets:</b>						
Invested in capital assets,						
net of related debt	4,100,477	4,040,371	859,304	991,116	4,959,781	5,031,487
Restricted	2,948,516	1,763,262	234,361	172,192	3,182,877	1,935,454
Unrestricted	<u>3,796,308</u>	<u>3,310,169</u>	<u>1,241,441</u>	<u>579,400</u>	<u>5,037,749</u>	<u>3,889,569</u>
Total Net Assets	<u>\$10,845,301</u>	<u>\$ 9,113,802</u>	<u>\$2,335,106</u>	<u>\$ 1,742,708</u>	<u>\$13,180,407</u>	<u>\$ 10,856,510</u>

As noted earlier, net assets may serve over time as a useful indicator of the Town's financial position. Assets exceeded liabilities by \$13,180,407 as of June 30, 2006.

The second largest portion of the Town's net assets, 37.63%, 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 external restrictions on how they may be used.

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

**Town of Pahrump, Nevada**  
**Management's Discussion and Analysis**  
**June 30, 2006**

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

	Governmental Activities		Business Type Activities		Total Primary Governmental	
	2006	2005	2006	2005	2006	2005
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 1,258,358	\$ 733,158	\$ 2,596,903	\$ 2,345,891	\$ 3,855,261	\$ 3,079,049
Operating grants and contributions	-	81,997	-	2,000	-	83,997
Capital grants and contributions	743,290	-	60,000	60,000	803,290	60,000
<b>General revenues:</b>						
Ad valorem taxes	1,804,751	1,583,829	-	-	1,804,751	1,583,829
Consolidated tax	899,104	874,050	-	-	899,104	874,050
Fuel taxes	256,148	248,334	-	-	256,148	248,334
Room tax	463,441	432,630	-	-	463,441	432,630
Investment income	225,042	170,755	20,290	727	245,332	171,482
Other	73,037	52,776	-	-	73,037	52,776
<b>Total revenues</b>	<b><u>5,723,171</u></b>	<b><u>4,177,529</u></b>	<b><u>2,677,193</u></b>	<b><u>2,408,618</u></b>	<b><u>8,400,364</u></b>	<b><u>6,586,147</u></b>
<b>Expenses:</b>						
General government	1,604,896	1,318,017	-	-	1,604,896	1,318,017
Public safety	1,131,499	935,434	-	2,060,404	1,131,499	2,995,838
Public works	403,415	320,764	-	-	403,415	320,764
Culture and recreation	186,020	39,365	-	-	186,020	39,365
Community support	440,742	326,638	-	-	440,742	326,638
Health and sanitation	4,112	78,875	-	-	4,112	78,875
Other	20,988	16,056	2,284,795	104	2,305,783	16,160
<b>Total expenses</b>	<b><u>3,791,672</u></b>	<b><u>3,035,149</u></b>	<b><u>2,284,795</u></b>	<b><u>2,060,508</u></b>	<b><u>6,076,467</u></b>	<b><u>5,095,657</u></b>
Excess (deficiency) of revenues over expenditures	1,931,499	1,142,380	392,398	348,110	2,323,897	1,490,490
Operating transfers	<u>(200,000)</u>	<u>(70,000)</u>	<u>200,000</u>	<u>70,000</u>	-	-
<b>Change in net assets</b>	<b>1,731,499</b>	<b>1,072,380</b>	<b>592,398</b>	<b>418,110</b>	<b>2,323,897</b>	<b>1,490,490</b>
Net assets - beginning	<u>9,113,802</u>	<u>8,041,422</u>	<u>1,742,708</u>	<u>1,324,598</u>	<u>10,856,510</u>	<u>9,366,020</u>
<b>Net assets - ending</b>	<b><u>\$10,845,301</u></b>	<b><u>\$9,113,802</u></b>	<b><u>\$ 2,335,106</u></b>	<b><u>\$1,742,708</u></b>	<b><u>\$13,180,407</u></b>	<b><u>\$10,856,510</u></b>

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

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 Service. Investment income increased due to increased interest rates.

**Town of Pahrump, Nevada**  
**Management's Discussion and Analysis**  
**June 30, 2006**

**Financial Analysis of the Town's Funds**

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

**Governmental Funds**

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, unreserved 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 \$6,824,195. Approximately 20.31% of fund balances \$1,389,936 constitute unreserved undesignated fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$518,137. The total fund balance was \$1,639,257.

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

Revenues increased by \$271,051, or 9.56%. Property tax revenue increased by \$204,801 or 13.55% due to increased assessed valuation. Intergovernmental revenues increased by \$17,941 or 2.20%, due to increased consolidated taxes (sales tax). Licenses and permit revenues increased by \$35,916 or 10.06% due to an increase in gaming licenses.

Expenditures increased by \$271,974 or 12.15%. General government expenditures increased by \$249,839 or 19.67% . The increase was mainly attributed to an increase in service and supply costs.

The business license billing cycle changed from June 30 each year for all businesses to each businesses anniversary date.

**Capital Assets and Debt Administration**

**Capital Assets**

The Town's investment in capital assets, net of accumulated depreciation at June 30, 2006, was \$4,605,837.

**Town of Pahrump, Nevada**  
**Management's Discussion and Analysis**  
**June 30, 2006**

A summary of changes in capital assets for the year ended June 30, 2006 follows:

**Governmental Activities:**

	Balance <u>June 30, 2005</u>	<u>Additions</u>	<u>Deletion</u>	Balance <u>June 30, 2006</u>
<b>Capital asset not being depreciated:</b>				
Land	\$ 1,344,355	\$ 0	\$ 0	\$ 1,344,355
<b>Capital assets, being depreciated:</b>				
Building	2,593,271	4,733	0	2,598,004
Equipment	<u>2,866,801</u>	<u>339,277</u>	<u>0</u>	<u>3,206,078</u>
<b>Total capital assets being depreciated</b>	<u>5,460,072</u>	<u>344,010</u>	<u>0</u>	<u>5,804,082</u>
<b>Less accumulated depreciation for:</b>				
Building	1,075,614	55,444	0	1,131,058
Equipment	<u>1,118,657</u>	<u>292,885</u>	<u>0</u>	<u>1,411,542</u>
<b>Total accumulated depreciation</b>	<u>2,194,271</u>	<u>348,329</u>	<u>0</u>	<u>2,542,600</u>
<b>Total capital assets being depreciated, net</b>	<u>3,265,801</u>	<u>(4,319)</u>	<u>0</u>	<u>3,261,482</u>
<b>Governmental activities assets, net</b>	<u>\$ 4,610,156</u>	<u>\$ (4,319)</u>	<u>\$ 0</u>	<u>\$ 4,605,837</u>

**Business Type Activities:**

	Balance <u>June 30, 2005</u>	<u>Additions</u>	<u>Deletion</u>	Balance <u>June 30, 2006</u>
<b>Capital assets not being depreciated:</b>				
Land	\$ 120,000	\$ 0	\$ 0	\$ 120,000
<b>Capital assets, being depreciated:</b>				
Building	480,000	0	0	480,000
Equipment	<u>1,157,714</u>	<u>0</u>	<u>0</u>	<u>1,157,714</u>
<b>Total capital assets being depreciated</b>	<u>1,637,714</u>	<u>0</u>	<u>0</u>	<u>1,637,714</u>
<b>Less accumulated depreciation for:</b>				
Building	98,667	16,000	0	114,667
Equipment	<u>667,931</u>	<u>115,812</u>	<u>0</u>	<u>783,743</u>
<b>Total accumulated depreciation</b>	<u>766,598</u>	<u>131,812</u>	<u>0</u>	<u>898,410</u>
<b>Total capital assets being depreciated, net</b>	<u>871,116</u>	<u>(131,812)</u>	<u>0</u>	<u>739,304</u>
<b>Business-type activities assets, net</b>	<u>\$ 991,116</u>	<u>\$ (131,812)</u>	<u>0</u>	<u>\$ 859,304</u>

A summary of changes in debt for the year ended June 30, 2006 follows:

**Debt Administration**

**Governmental Activities:**

	Balance <u>July 1, 2005</u>	Additions <u>(Reductions)</u>	Balance <u>June 30, 2006</u>
Accrued compensated absences	\$ 94,843	\$ 21,414	\$ 116,257
Interest payable	11,787	4,169	15,956
Notes payable	<u>557,998</u>	<u>(68,594)</u>	<u>489,404</u>
Total	<u>\$ 664,628</u>	<u>\$ (43,011)</u>	<u>\$ 621,617</u>

**Business Type Activities:**

	Balance <u>July 1, 2005</u>	Additions <u>(Reductions)</u>	Balance <u>June 30, 2006</u>
Accrued compensated absences	<u>\$ 66,331</u>	<u>\$ (3,996)</u>	<u>\$ 62,335</u>

**Town of Pahrump, Nevada  
Management's Discussion and Analysis  
June 30, 2006**

**REQUESTS FOR INFORMATION**

This financial report is designed to provide its users with a general overview of 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



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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**STATEMENT OF NET ASSETS**  
**June 30, 2006**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 7,358,430	\$ 770,965	\$ 8,129,395
Interest receivable	47,058	4,009	51,067
Taxes receivable	75,030	-	75,030
Prepaid insurance	13,441	9,966	23,407
Due from other governments	611,786	-	611,786
Due from others	35,639	-	35,639
Accounts receivable	-	609,164	609,164
Restricted assets - cash	-	54,361	54,361
Restricted assets - due from other governments	-	180,000	180,000
Capital assets net of accumulated depreciation	<u>4,605,837</u>	<u>859,304</u>	<u>5,465,141</u>
<b>Total assets</b>	<u>12,747,221</u>	<u>2,487,769</u>	<u>15,234,990</u>
<b>Liabilities:</b>			
Accounts payable	1,192,568	30,880	1,223,448
Accrued payroll and benefits	87,560	59,448	147,008
Accrued compensated absences	116,257	62,335	178,592
Deferred interest	175	-	175
Current portion of long-term debt:			
Bond payable	64,905	-	64,905
Interest payable	<u>15,956</u>	<u>-</u>	<u>15,956</u>
<b>Total current liabilities</b>	1,477,421	152,663	1,630,084
Long-term liabilities:			
Bond payable	<u>424,499</u>	<u>-</u>	<u>424,499</u>
<b>Total liabilities</b>	<u>1,901,920</u>	<u>152,663</u>	<u>2,054,583</u>
<b>Fund equity/Net assets:</b>			
Invested in capital assets, net of debt	4,100,477	859,304	4,959,781
Restricted for:			
Capital projects	1,537,616	234,361	1,771,977
Debt service	20,900	-	20,900
Other purposes	1,390,000	-	1,390,000
Unrestricted	<u>3,796,308</u>	<u>1,241,441</u>	<u>5,037,749</u>
<b>Total net assets</b>	<u>\$ 10,845,301</u>	<u>\$ 2,335,106</u>	<u>\$ 13,180,407</u>

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

**TOWN OF PAHRUMP, NEVADA**  
**STATEMENT OF ACTIVITIES**  
**June 30, 2006**

Functions/Programs	Expenses	Program Revenues		Changes in Net Assets		
		Charges for Service	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary governments:</b>						
General government	\$ (1,604,896)	\$ 585,189	\$ -	\$ (1,019,707)	\$ -	\$ (1,019,707)
Public safety	(1,131,499)	132,135	113,800	(885,564)	-	(885,564)
Public works	(403,415)	-	79,490	(323,925)	-	(323,925)
Health and sanitation	(4,112)	12,800	-	8,688	-	8,688
Culture and recreation	(186,020)	263,155	-	77,135	-	77,135
Community support	(440,742)	265,079	550,000	374,337	-	374,337
<b>Debt service:</b>						
Interest	(20,988)	-	-	(20,988)	-	(20,988)
<b>Total governmental activities</b>	<b>(3,791,672)</b>	<b>1,258,358</b>	<b>743,290</b>	<b>(1,790,024)</b>	<b>-</b>	<b>(1,790,024)</b>
<b>Business-type activities:</b>						
Ambulance	(2,284,795)	2,596,903	60,000	-	372,108	372,108
<b>Total primary governments</b>	<b>\$ (6,076,467)</b>	<b>\$ 3,855,261</b>	<b>\$ 803,290</b>	<b>(1,790,024)</b>	<b>372,108</b>	<b>(1,417,916)</b>
<b>General Revenues:</b>						
Property taxes				1,804,751	-	1,804,751
Fuel tax				256,148	-	256,148
Room tax				463,441	-	463,441
Consolidated taxes				899,104	-	899,104
Investment income				225,042	20,290	245,332
Miscellaneous				73,037	-	73,037
Operating transfers				(200,000)	200,000	-
<b>Total general revenues and transfers</b>				<b>3,521,523</b>	<b>220,290</b>	<b>3,741,813</b>
<b>Change in net assets</b>				<b>1,731,499</b>	<b>592,398</b>	<b>2,323,897</b>
<b>Net assets - beginning of year</b>				<b>9,113,802</b>	<b>1,742,708</b>	<b>10,856,510</b>
<b>Net assets - end of year</b>				<b>\$ 10,845,301</b>	<b>\$ 2,335,106</b>	<b>\$ 13,180,407</b>

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

**TOWN OF PAHRUMP, NEVADA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2006**

	Major Funds				
	General Fund	Road Special Revenue Fund	Fairgrounds Room Tax Fund	Capital Projects Fund	Other Governmental Funds
<b><u>ASSETS</u></b>					
Pooled cash and investments	\$ 1,808,455	\$ 663,117	\$ 1,213,790	\$ 1,278,806	\$ 2,394,262
Interest receivable	12,755	4,160	6,043	8,021	16,079
Taxes receivable	40,743	-	-	-	1,386
Room taxes receivable	-	-	-	-	32,901
Prepaid insurance	12,414	-	-	-	1,027
Due from other governments	148,324	42,270	-	-	421,192
Due from others	35,639	-	-	-	-
Total assets	<u>\$ 2,058,330</u>	<u>\$ 709,547</u>	<u>\$ 1,219,833</u>	<u>\$ 1,286,827</u>	<u>\$ 2,866,847</u>
<b><u>LIABILITIES</u></b>					
Accounts payable	\$ 308,300	\$ 709,547	\$ 5,321	\$ -	\$ 169,400
Accrued payroll and benefits	75,100	-	-	-	12,460
Deferred interest	-	-	-	-	175
Deferred taxes	35,673	-	-	-	1,213
Total liabilities	<u>419,073</u>	<u>709,547</u>	<u>5,321</u>	<u>-</u>	<u>183,248</u>
<b><u>FUND BALANCE</u></b>					
Reserved for:					
Debt service	-	-	-	-	20,900
Claims and judgments	100,000	-	-	-	-
Unreserved:					
Designated for subsequent year	706,120	-	511,713	1,246,509	1,871,517
Designated for Joint Town/County Fiber Project	-	-	-	-	112,500
Designated for Water rights VEA	-	-	250,000	-	-
Designated for Water Well Development	-	-	300,000	-	-
Designated for Fire Tanker replacement	250,000	-	-	-	-
Designated for Pahrump Senior Center	65,000	-	-	-	-
Undesignated	518,137	-	152,799	40,318	678,682
Total fund balance	<u>1,639,257</u>	<u>-</u>	<u>1,214,512</u>	<u>1,286,827</u>	<u>2,683,599</u>
Total liabilities and fund balance	<u>\$ 2,058,330</u>	<u>\$ 709,547</u>	<u>\$ 1,219,833</u>	<u>\$ 1,286,827</u>	<u>\$ 2,866,847</u>

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

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Totals

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\$ 7,358,430  
47,058  
42,129  
32,901  
13,441  
611,786  
35,639

\$ 8,141,384

\$ 1,192,568  
87,560  
175  
36,886

1,317,189

20,900  
100,000  
4,335,859  
112,500  
250,000  
300,000  
250,000  
65,000  
1,389,936

6,824,195

\$ 8,141,384

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

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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**June 30, 2006**

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<b>Total fund balance - governmental funds</b>	<b>\$ 6,824,195</b>
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	4,605,837
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	36,886
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	(505,360)
Certain liabilities, such as compensated absences, 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	<u>(116,257)</u>
<b>Total net assets - governmental activities</b>	<b><u>\$ 10,845,301</u></b>

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, 2006**

	Major Funds				
	General Fund	Road Special Revenue Fund	Fairgrounds Room Tax Fund	Capital Projects Fund	Other Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 1,716,193	\$ -	\$ 161,033	\$ -	\$ 362,541
Fines and forfeitures	35,789	-	-	-	-
Licenses and permits	392,838	-	-	-	529,016
Intergovernmental	833,788	256,148	550,000	-	287,700
Charges for services	-	-	-	-	297,336
Other revenues	126,750	22,469	27,531	45,318	79,390
Total revenues	<u>3,105,358</u>	<u>278,617</u>	<u>738,564</u>	<u>45,318</u>	<u>1,555,983</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	1,520,056	-	-	-	75,584
Public safety	968,586	-	-	-	-
Public works	-	278,617	-	-	79,490
Culture and recreation	21,809	-	-	-	96,202
Community support	-	-	58,765	-	432,412
Health and sanitation	-	-	-	-	4,112
<b>Capital projects</b>	-	-	-	-	209,318
<b>Debt service:</b>					
Principal	-	-	-	-	68,594
Interest	-	-	-	-	16,819
Total expenditures	<u>2,510,451</u>	<u>278,617</u>	<u>58,765</u>	<u>-</u>	<u>982,531</u>
Excess (deficiency) of revenues over expenditures	<u>594,907</u>	<u>-</u>	<u>679,799</u>	<u>45,318</u>	<u>573,452</u>
<b>Other financing sources (uses):</b>					
Bond Proceeds	-	-	-	-	-
Operating transfers in	-	-	25,000	-	114,323
Operating transfers out	(285,413)	-	-	-	(53,910)
Total other financing sources (uses)	<u>(285,413)</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>60,413</u>
Net change in fund balance	309,494	-	704,799	45,318	633,865
<b>Fund balance:</b>					
Beginning of year	<u>1,329,763</u>	<u>-</u>	<u>509,713</u>	<u>1,241,509</u>	<u>2,049,734</u>
End of year	<u>\$ 1,639,257</u>	<u>\$ -</u>	<u>\$ 1,214,512</u>	<u>\$ 1,286,827</u>	<u>\$ 2,683,599</u>

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



<u>Totals</u>	
\$	2,239,767
	35,789
	921,854
	1,927,636
	297,336
	<u>301,458</u>
	<u>5,723,840</u>
	1,595,640
	968,586
	358,107
	118,011
	491,177
	4,112
	209,318
	68,594
	<u>16,819</u>
	<u>3,830,364</u>
	<u>1,893,476</u>
	-
	139,323
	<u>(339,323)</u>
	<u>(200,000)</u>
	1,693,476
	<u>5,130,719</u>
\$	<u>6,824,195</u>

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

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***For the year ended June 30, 2006***

**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, 2006**

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**Net Change in Fund Balance - Governmental Funds** **\$ 1,693,476**

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 (4,319)

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 (669)

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. 68,594

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 (25,583)

**Change in net assets of governmental activities** **\$ 1,731,499**

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, 2006**

	Budget		Actual	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Property taxes</b>	\$ 1,625,539	\$ 1,625,539	\$ 1,716,193	\$ 90,654
<b>Fines and fees</b>	80,000	80,000	35,789	(44,211)
<b>Licenses and permits:</b>				
Franchise fees	325,000	73,000	141,138	68,138
Gaming licenses	-	240,000	239,760	(240)
Liquor licenses	-	12,000	11,940	(60)
Total licenses and permits	325,000	325,000	392,838	67,838
<b>Intergovernmental:</b>				
Consolidated tax	803,481	803,481	833,788	30,307
<b>Other:</b>				
Investment income	-	-	52,528	52,528
Rental	-	-	1,935	1,935
Insurance proceeds	-	-	53,000	53,000
Miscellaneous	25,000	25,000	19,287	(5,713)
Total other	25,000	25,000	126,750	101,750
Total revenues	2,859,020	2,859,020	3,105,358	246,338

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, 2006**

	Budget		Actual	Variance- Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
<b>General government:</b>				
<b>Administration:</b>				
Salaries and wages	\$ 287,000	\$ 287,000	\$ 290,575	\$ (3,575)
Employee benefits	141,000	141,000	121,206	19,794
Services and supplies	276,000	276,000	314,005	(38,005)
Capital outlay	20,000	20,000	6,449	13,551
Total administration	<u>724,000</u>	<u>724,000</u>	<u>732,235</u>	<u>(8,235)</u>
<b>Buildings and grounds:</b>				
Salaries and wages	378,000	378,000	331,080	46,920
Employee benefits	156,000	156,000	135,790	20,210
Services and supplies	227,000	227,000	300,320	(73,320)
Capital outlay	110,000	110,000	20,631	89,369
Total buildings and grounds	<u>871,000</u>	<u>871,000</u>	<u>787,821</u>	<u>83,179</u>
Total general government	<u>1,595,000</u>	<u>1,595,000</u>	<u>1,520,056</u>	<u>74,944</u>
<b>Public safety:</b>				
<b>Fire department:</b>				
Salaries and wages	601,000	601,000	537,964	63,036
Employee benefits	321,000	321,000	245,773	75,227
Services and supplies	244,750	244,750	123,889	120,861
Capital outlay	224,000	224,000	60,960	163,040
Total public safety	<u>1,390,750</u>	<u>1,390,750</u>	<u>968,586</u>	<u>422,164</u>
<b>Culture and recreation:</b>				
<b>Television:</b>				
Services and supplies	16,500	16,500	10,650	5,850
<b>Arena and fair activities:</b>				
Services and supplies	10,000	10,000	11,159	(1,159)
Capital outlay	5,000	5,000	-	5,000
Total arena and fair activities	<u>15,000</u>	<u>15,000</u>	<u>11,159</u>	<u>3,841</u>
Total culture and recreation	<u>31,500</u>	<u>31,500</u>	<u>21,809</u>	<u>9,691</u>
<b>Contingency</b>	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Total expenditures	<u>3,077,250</u>	<u>3,077,250</u>	<u>2,510,451</u>	<u>566,799</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, 2006**

	Budget		Actual	Variance- Positive (Negative)
	Original	Final		
Excess (deficiency) of revenues over expenditures	\$ (218,230)	\$ (218,230)	\$ 594,907	\$ 813,137
<b>Other financing sources (uses):</b>				
Operating transfers out	<u>(495,413)</u>	<u>(495,413)</u>	<u>(285,413)</u>	<u>210,000</u>
Net change in fund balance	(713,643)	(713,643)	309,494	1,023,137
<b>Fund balance:</b>				
Beginning of year	<u>922,645</u>	<u>922,645</u>	<u>1,329,763</u>	<u>407,118</u>
End of year	<u>\$ 209,002</u>	<u>\$ 209,002</u>	<u>\$ 1,639,257</u>	<u>\$ 1,430,255</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, 2006**

	Budget		Actual	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Gas tax \$1.75	\$ 300,000	\$ 300,000	\$ 256,148	\$ (43,852)
<b>Other:</b>				
Investment income	-	-	22,469	22,469
Total revenues	300,000	300,000	278,617	(21,383)
<b>Expenditures:</b>				
<b>Public works:</b>				
Services and supplies	300,000	300,000	278,617	21,383
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Fund balance:</b>				
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 - FAIR GROUNDS ROOM TAX SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2006**

	Budget		Actual	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 140,000	\$ 140,000	\$ 161,033	\$ 21,033
<b>Intergovernmental:</b>				
PETT Grant	-	-	550,000	550,000
<b>Other:</b>				
Investment income	<u>2,000</u>	<u>2,000</u>	<u>27,531</u>	<u>25,531</u>
Total revenues	<u>142,000</u>	<u>142,000</u>	<u>738,564</u>	<u>596,564</u>
<b>Expenditures:</b>				
<b>Community support:</b>				
Salaries and wages	-	-	2,578	(2,578)
Employee benefits	-	-	1,348	(1,348)
Services and supplies	-	-	54,839	(54,839)
Capital outlay	<u>550,000</u>	<u>550,000</u>	<u>-</u>	<u>550,000</u>
Total expenditures	<u>550,000</u>	<u>550,000</u>	<u>58,765</u>	<u>491,235</u>
Excess (deficiency) of revenues over expenditures	(408,000)	(408,000)	679,799	1,087,799
<b>Other financing sources (uses):</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Net change in fund balance	(408,000)	(408,000)	704,799	1,112,799
<b>Fund balance:</b>				
Beginning of year	<u>458,696</u>	<u>458,696</u>	<u>509,713</u>	<u>51,017</u>
End of year	<u>\$ 50,696</u>	<u>\$ 50,696</u>	<u>\$ 1,214,512</u>	<u>\$ 1,163,816</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, 2006**

	Budget		Actual	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Other:</b>				
Investment income	\$ 500	\$ 500	\$ 45,318	\$ 44,818
<b>Expenditures:</b>				
Capital projects	<u>1,555,000</u>	<u>1,555,000</u>	<u>-</u>	<u>1,555,000</u>
Excess (deficiency) of revenues over expenditures	(1,554,500)	(1,554,500)	45,318	1,599,818
<b>Other financing sources (uses):</b>				
Operating transfers in	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>
Net change in fund balance	(1,154,500)	(1,154,500)	45,318	1,199,818
<b>Fund balance:</b>				
Beginning of year	<u>1,226,879</u>	<u>1,226,879</u>	<u>1,241,509</u>	<u>14,630</u>
End of year	<u>\$ 72,379</u>	<u>\$ 72,379</u>	<u>\$ 1,286,827</u>	<u>\$ 1,214,448</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, 2006**

2006

**Assets**

Current assets:

Pooled cash and investments	\$	770,965
Interest receivable		4,009
Accounts receivable, net of allowance for uncollectibles		609,164
Prepaid insurance		9,966
Total current assets		1,394,104

Restricted assets:

Cash		54,361
Due from other governments		180,000
Total restricted assets		234,361

Fixed assets:

Land		120,000
Building		480,000
Vehicles		833,607
Equipment		324,107
Less accumulated depreciation		(898,410)
Total fixed assets, net of depreciation		859,304

Total assets		2,487,769
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**Liabilities**

Accounts payable		30,880
Accrued payroll		59,448
Compensated absences		62,335

Total liabilities		152,663
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**Net assets**

Invested in capital assets		859,304
Reserved for capital assets		234,361
Unreserved		1,241,441

Total net assets	\$	2,335,106
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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, 2006**

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	2006
<b>Revenues:</b>	
Charges for services:	
Ambulance fees, net of contractual adjustments	<u>\$ 2,596,903</u>
<b>Expenses:</b>	
Salaries and wages	934,697
Employee benefits	403,690
Services and supplies	147,286
Depreciation	131,812
Bad debt	<u>667,310</u>
 Total expenses	 <u>2,284,795</u>
 <b>Operating income (loss)</b>	 <u>312,108</u>
<b>Non-operating revenue (expenses):</b>	
Grants	60,000
Investment income	20,290
Operating transfer in ( General Fund)	<u>200,000</u>
 Total non-operating revenue (expense)	 <u>280,290</u>
 <b>Net income (loss)</b>	 592,398
<b>Net assets:</b>	
Beginning of year	<u>1,742,708</u>
 End of year	 <u>\$ 2,335,106</u>

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

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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**PROPRIETARY FUND TYPE**  
**MAJOR FUND - AMBULANCE ENTERPRISE FUND**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2006**

	2006
<b>Cash flows from operating activities:</b>	
Cash received from customers	\$ 1,886,817
Cash paid for service and supplies	(423,117)
Cash paid for employees and benefits	<u>(1,325,011)</u>
Net cash (used) by operating activities	<u>138,689</u>
<b>Cash flows from capital and related financing activities:</b>	
Grant - Nye County	60,000
Operating transfer in	<u>200,000</u>
Net cash provided by capital and related financing activities	<u>260,000</u>
<b>Cash flows from investing activities:</b>	
Interest received	<u>16,281</u>
Net (decrease) in cash	414,970
<b>Cash:</b>	
Beginning of year	<u>410,356</u>
End of year	<u>\$ 825,326</u>
<b>Reconciliation of operating (loss) to net cash (used) by operating activities:</b>	
Operating Income	<u>\$ 312,108</u>
<b>Adjustments to reconcile operating (loss) to net cash (used) by operating activities:</b>	
Depreciation	131,812
Changes in assets and liabilities:	
(Increase) decrease in prepaids	(9,966)
(Increase) decrease in accounts receivable	(42,776)
Increase (decrease) in accounts payable	(275,831)
Increase (decrease) in accrued payroll	27,338
Increase (decrease) in compensated absences	<u>(3,996)</u>
Total adjustments	<u>(173,419)</u>
<b>Net cash (used) by operating activities</b>	<u><u>\$ 138,689</u></u>

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

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**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, 2006. 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 properly 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**  
**JUNE 30, 2006**

**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, etc) and ad valorem taxes (property tax).

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**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.

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.

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, 2006**

**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 \$100,000 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
- ix.

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**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 was 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, 2006**

**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 \$3,000 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>
Buildings and Improvements	25-50
Vehicles	8
Various Other Equipment	5-20
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 retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2007. The Town has implemented the general provisions of GASB No. 34 and plans to implement the retroactive infrastructure provisions (under the modified approach) in the fiscal year ending June 30, 2007.

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**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 D4) 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 Statement 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. Fund Equity**

In the fund financial statements, reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**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. 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.

**k. 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, 2006**

**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:

Bond payable	\$ 489,404
Interest payable	<u>15,956</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 505,360</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	\$ 344,010
Depreciation expense	<u>(348,329)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ ( 4,319)</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:

Debt issued	\$ 0
General obligation debt principal payments	<u>68,594</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 68,594</u>

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**B. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (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:

Compensated absences	\$ ( 21,414)
Accrued interest	<u>( 4,169)</u>
	\$ <u>( 25,583)</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 the General, Special Revenue, Capital Projects, and Enterprise 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, 2006**

**C. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

**1. Budgetary Information (Continued)**

g. Statutory regulations require budget control to be exercised at the function level within the General Fund or at the fund level for other funds.

h. The following fund budgets were augmented (increases) for the year ended June 30, 2006:

Fall Festival Special Revenue Fund

**2. Excess of expenditures over appropriations**

For the year ended June 30, 2006 there were no expenditures that exceeded appropriations in any fund.

**3. Encumbrance Accounting**

Encumbrance accounting is not utilized in the governmental funds.

**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, 2006**

**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, 2006.

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

Cash on hand	\$ 409,704
Carrying amount of cash and investments	<u>7,774,052</u>
Total	<u>\$8,183,756</u>
Cash and cash equivalents	\$8,129,395
Restricted cash	<u>54,361</u>
Total	<u>\$8,183,756</u>

**2. Receivables**

Receivables as of June 30, 2006 are as follows:

	<u>General</u>	<u>Road</u>	<u>Fairgrounds Room Tax</u>	<u>Capital Projects</u>	<u>Enterprise fund</u>	<u>Other nonmajor funds</u>	<u>Total</u>
Receivables:							
Interest receivable	\$ 12,755	\$ 4,160	\$ 6,043	\$ 8,021	\$ 4,009	\$ 16,079	\$ 51,067
Delinquent taxes	40,743	0	0	0	0	1,386	42,129
Room tax receivable	0	0	0	0	0	32,901	32,901
Due from other governments	148,324	42,270	0	0	180,000	421,192	791,786
Due from others	35,639	0	0	0	0	0	35,639
Gross receivables	0	0	0	0	1,989,130	0	1,989,130
Less: allowance for Uncollectibles	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,379,966)</u>	<u>0</u>	<u>(1,379,966)</u>
 Net Total receivables	 <u>\$ 237,461</u>	 <u>\$ 46,430</u>	 <u>\$ 6,043</u>	 <u>\$ 8,021</u>	 <u>\$ 793,173</u>	 <u>471,558</u>	 <u>\$1,562,686</u>

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**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, 2006 follows:

**Governmental Activities:**

	Balance <u>June 30, 2005</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2006</u>
Capital assets not being depreciated:				
Land	\$ 1,344,355	\$ 0	\$ 0	\$ 1,344,355
Construction in Progress	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>1,344,355</u>	<u>0</u>	<u>0</u>	<u>1,344,355</u>
Capital assets being depreciated:				
Building	2,593,271	4,733	0	2,598,004
Equipment	<u>2,866,801</u>	<u>339,277</u>	<u>0</u>	<u>3,206,078</u>
Total capital assets being depreciated	<u>5,460,072</u>	<u>344,010</u>	<u>0</u>	<u>5,804,082</u>
Less accumulated depreciation for:				
Building	1,075,614	55,444	0	1,131,058
Equipment	<u>1,118,657</u>	<u>292,885</u>	<u>0</u>	<u>1,411,542</u>
Total accumulated depreciation	<u>2,194,271</u>	<u>348,329</u>	<u>0</u>	<u>2,542,600</u>
Total capital assets being depreciated, net	<u>3,265,801</u>	<u>( 4,319)</u>	<u>0</u>	<u>3,261,482</u>
Governmental activities assets, net	<u>\$ 4,610,156</u>	<u>\$ ( 4,319)</u>	<u>\$ 0</u>	<u>\$ 4,605,837</u>

**Business-type Activities:**

	Balance <u>June 30, 2005</u>	<u>Additions</u>	<u>Deletion</u>	Balance <u>June 30, 2006</u>
Capital assets not being depreciated				
Land	\$ 120,000	\$ 0	\$ 0	\$ 120,000
Capital assets, being depreciated:				
Building	480,000	0	0	480,000
Equipment	<u>1,157,714</u>	<u>0</u>	<u>0</u>	<u>1,157,714</u>
Total capital assets being depreciated	<u>1,637,714</u>	<u>0</u>	<u>0</u>	<u>1,637,714</u>
Less accumulated depreciation for:				
Building	98,667	16,000	0	114,667
Equipment	<u>667,931</u>	<u>115,812</u>	<u>0</u>	<u>783,743</u>
Total accumulated depreciation	<u>766,598</u>	<u>131,812</u>	<u>0</u>	<u>898,410</u>
Total capital assets being depreciated, net	<u>871,116</u>	<u>(131,812)</u>	<u>0</u>	<u>739,304</u>
Business-type activities assets, net	<u>\$ 991,116</u>	<u>\$ (131,812)</u>	<u>\$ 0</u>	<u>\$ 859,304</u>

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**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	\$ 17,070
Public safety	217,942
Public works	45,308
Culture and recreation	<u>68,009</u>
	<u>\$ 348,329</u>

Business activities:

Ambulance	<u>\$ 131,812</u>
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Construction commitments:

The Town has no active construction projects as of June 30, 2006.

**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 \$35,673. Deferred taxes in the Swimming Pool Fund were \$1,213.

**5. Long -term Debt**

Medium-Term Obligation Fire-Rescue Service

The Town obtained a loan from the United States Department of Agriculture (USDA). The loan proceeds are being repaid at an annual interest rate of 4.5% over a ten year period with payments of \$39,910 each year.

The debt is being repaid from General Fund tax revenues. Pursuant to loan requirements, the Town must set aside \$3,910 per year, for ten years, to cover the interest and principal payment in the event the Town cannot make complete principal and interest payments. If all loan payments have been met at the end of the ten year period this loan reserve will be available to the Town to spend at its discretion. At June 30, 2006, the Debt Service fund had an ending fund balance of \$20,900. As of June 30, 2006 the required reserve was \$19,550.

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

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

**5. Long -term Debt (Continued)**

Annual debt service requirements to maturity for the loan as of June 30, 2006 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2007	33,100	6,810
2008	34,590	5,320
2009	36,147	3,763
2010	37,773	2,137
2011	<u>10,388</u>	<u>437</u>
	<u>\$151,998</u>	<u>\$ 18,467</u>

**Medium-Term Obligation Note**

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 4.060% 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, 2006 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2007	31,805	13,699
2008	33,095	12,407
2009	34,439	11,064
2010	35,837	9,666
2011	37,292	8,211
2012-2014	<u>164,938</u>	<u>17,074</u>
	<u>\$337,406</u>	<u>\$72,121</u>

During the year ended June 30, 2006, the following changes occurred in long-term debt:

<b>Governmental Activities:</b>	<u>Balance</u>	<u>Net</u>	<u>Balance</u>
	<u>July 1, 2005</u>	<u>Additions</u>	<u>June 30, 2006</u>
		<u>(Reductions)</u>	
Accrued compensated absences	\$ 94,843	\$ 21,414	\$ 116,257
Notes payable	<u>557,998</u>	<u>( 68,594)</u>	<u>489,404</u>
Total	<u>\$ 652,841</u>	<u>\$ ( 47,180)</u>	<u>\$ 605,661</u>

**Business Type Activities:**

Accrued compensated absences	<u>\$ 66,331</u>	<u>\$ ( 3,996)</u>	<u>\$ 62,335</u>
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**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

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

**6. Contributed Capital**

The changes in the Town's contributed capital accounts for its proprietary funds were as follows:

	Enterprise Fund
Balance at July 1, 2005	\$1,468,538
Contributions	0
Retirements	0
Balance at June 30, 2006	<u>\$1,468,538</u>

**7. 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, 2006 were:

	Transfers In	Transfer Out			
		General Fund	Fall Festival	Vehicle Fire Capital Projects	Ambulance Enterprise
1/10 Room Tax	\$ 25,000	\$ 0	\$ 25,000	\$ 0	\$ 0
Fair Grounds	25,000	0	25,000	0	0
Ambulance Debt	89,323	85,413	0	3,910	0
Ambulance Enterprise Fund	200,000	200,000	0	0	0
Total Transfers	<u>\$ 339,323</u>	<u>\$ 285,413</u>	<u>\$ 50,000</u>	<u>\$ 3,910</u>	<u>\$ 0</u>

**8. Restricted Assets Accounts**

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

Cash - Ambulance      \$ 54,361

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**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 \$100,000 property and crime; casualty \$150,000 each and every insured event. As a participatory member, the maintenance deductible is \$500 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.

Litigation

Counsel for the Town has indicated there are pending actions against the Town. The ultimate outcome and economic impact to the Town cannot be determined at this time. The Town has reserved \$100,000 in the General Fund for potential claims and judgments.

**TOWN OF PAHRUMP, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2006**

**E. OTHER INFORMATION (Continued)**

**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% of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement with a ceiling of 75% of the 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.

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 statute, which is tied to the increase in taxable sales within the State each year, provides for yearly increases of up to one percent until such time as the actuarially determined unfunded liability of the Plan is reduced to zero. The Town is obligated to contribute all amounts due under the Plan. The contribution rate during 2005-2006 was 19.75 percent of payroll for regular employees and 32.0 percent for police and fireman. The contribution requirement for the year ended June 30, 2006 was \$424,176. The contributions were equal to the required contributions for the year. Contributions for the years ended June 30, 2005 and 2004 were \$409,484 and \$369,587, respectively, which equaled the determined contribution requirement.

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

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***For the year ended June 30, 2006***



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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA  
MAJOR FUND - GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
June 30, 2006 and 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 1,808,455	\$ 1,433,149
Interest receivable	12,755	19,450
Taxes receivable	40,743	43,490
Prepaid insurance	12,414	-
Due from other governments	148,324	144,971
Due from others	<u>35,639</u>	<u>-</u>
 Total assets	 <u>\$ 2,058,330</u>	 <u>\$ 1,641,060</u>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 308,300	\$ 216,974
Accrued payroll	75,100	57,962
Deferred tax revenue	<u>35,673</u>	<u>36,361</u>
 Total liabilities	 <u>419,073</u>	 <u>311,297</u>
<b><u>Fund Balance</u></b>		
Reserved for:		
Claims and judgments	100,000	100,000
Unreserved:		
Designated for subsequent year	706,120	922,645
Designated for Fire Tanker replacement	250,000	-
Designated for Pahrump Senior Center	65,000	-
Undesignated	<u>518,137</u>	<u>307,118</u>
 Total fund balance	 <u>1,639,257</u>	 <u>1,329,763</u>
 Total liabilities and fund balance	 <u>\$ 2,058,330</u>	 <u>\$ 1,641,060</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005
	Budget	Actual		
<b>Revenues:</b>				
Taxes	\$ 1,625,539	\$ 1,716,193	\$ 90,654	\$ 1,511,392
Fines and fees	80,000	35,789	(44,211)	15,477
Licenses and permits	325,000	392,838	67,838	356,922
Intergovernmental	803,481	833,788	30,307	815,847
Other	<u>25,000</u>	<u>126,750</u>	<u>101,750</u>	<u>134,669</u>
Total revenues	<u>2,859,020</u>	<u>3,105,358</u>	<u>246,338</u>	<u>2,834,307</u>
<b>Expenditures:</b>				
Current:				
General government	1,595,000	1,520,056	74,944	1,270,217
Public safety	1,390,750	968,586	422,164	950,773
Culture and recreation	31,500	21,809	9,691	17,487
Contingency	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Total expenditures	<u>3,077,250</u>	<u>2,510,451</u>	<u>566,799</u>	<u>2,238,477</u>
Excess (deficiency) of revenues over expenditures	(218,230)	594,907	813,137	595,830
<b>Other financing sources (uses):</b>				
Operating transfers out	<u>(495,413)</u>	<u>(285,413)</u>	<u>210,000</u>	<u>(639,910)</u>
Net change in fund balance	(713,643)	309,494	1,023,137	(44,080)
<b>Fund balance:</b>				
Beginning of year	<u>922,645</u>	<u>1,329,763</u>	<u>407,118</u>	<u>1,373,843</u>
End of year	<u>\$ 209,002</u>	<u>\$ 1,639,257</u>	<u>\$ 1,430,255</u>	<u>\$ 1,329,763</u>

**TOWN OF PAHRUMP, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**SCHEDULE OF REVENUES COMPARED TO BUDGET**  
**YEAR ENDED JUNE 30, 2006**

(With Comparative Actual Amounts for Year Ended June 30, 2005)

	2006		Variance- Positive (Negative)	2005
	Budget	Actual		
<b>Revenues:</b>				
<b>Property taxes</b>	\$ 1,625,539	\$ 1,716,193	\$ 90,654	\$ 1,511,392
<b>Fines and fees</b>	80,000	35,789	(44,211)	15,477
<b>Licenses and permits:</b>				
Franchise fees	73,000	141,138	68,138	137,144
Gaming licenses	240,000	239,760	(240)	207,938
Liquor licenses	12,000	11,940	(60)	11,840
Total licenses and permits	325,000	392,838	67,838	356,922
<b>Intergovernmental:</b>				
Consolidated tax	803,481	833,788	30,307	815,847
<b>Other:</b>				
Investment income	-	52,528	52,528	81,270
Rental	-	1,935	1,935	3,010
Insurance proceeds	-	53,000	53,000	-
Miscellaneous	25,000	19,287	(5,713)	50,389
Total other	25,000	126,750	101,750	134,669
Total revenues	2,859,020	3,105,358	246,338	2,834,307

**TOWN OF PAHRUMP, NEVADA**  
**MAJOR FUND - GENERAL FUND**  
**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET**  
**YEAR ENDED JUNE 30, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance-	2005
	Budget	Actual	Positive (Negative)	
<b>Expenditures:</b>				
<b>General government:</b>				
<b>Administration</b>				
Salaries and wages	\$ 287,000	\$ 290,575	\$ (3,575)	\$ 286,175
Employee benefits	141,000	121,206	19,794	92,949
Services and supplies	276,000	314,005	(38,005)	186,632
Capital outlay	20,000	6,449	13,551	18,073
Total administration	<u>724,000</u>	<u>732,235</u>	<u>(8,235)</u>	<u>583,829</u>
<b>Buildings and grounds:</b>				
Salaries and wages	378,000	331,080	46,920	327,731
Employee benefits	156,000	135,790	20,210	128,291
Services and supplies	227,000	300,320	(73,320)	206,666
Capital outlay	110,000	20,631	89,369	23,700
Total buildings and grounds	<u>871,000</u>	<u>787,821</u>	<u>83,179</u>	<u>686,388</u>
Total general government	<u>1,595,000</u>	<u>1,520,056</u>	<u>74,944</u>	<u>1,270,217</u>
<b>Public safety:</b>				
<b>Fire department:</b>				
Salaries and wages	601,000	537,964	63,036	477,626
Employee benefits	321,000	245,773	75,227	200,105
Services and supplies	244,750	123,889	120,861	153,042
Capital outlay	224,000	60,960	163,040	120,000
Total public safety	<u>1,390,750</u>	<u>968,586</u>	<u>422,164</u>	<u>950,773</u>
<b>Culture and recreation:</b>				
<b>Television:</b>				
Services and supplies	16,500	10,650	5,850	9,888
<b>Arena and fair activities:</b>				
Services and supplies	10,000	11,159	(1,159)	6,685
Capital outlay	5,000	-	5,000	914
Total arena and fair activities	<u>15,000</u>	<u>11,159</u>	<u>3,841</u>	<u>7,599</u>
Total culture and recreation	<u>31,500</u>	<u>21,809</u>	<u>9,691</u>	<u>17,487</u>
<b>Contingency</b>	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Total expenditures	<u>\$ 3,077,250</u>	<u>\$ 2,510,451</u>	<u>\$ 566,799</u>	<u>\$ 2,238,477</u>

**TOWN OF PAHRUMP, NEVADA  
MAJOR FUND - ROAD SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 663,117	\$ 406,360
Interest receivable	4,160	-
Due from other governments	<u>42,270</u>	<u>43,443</u>
Total assets	<u>\$ 709,547</u>	<u>\$ 449,803</u>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 709,547	\$ 449,803
<b><u>Fund Balance</u></b>		
Unreserved-undesignated	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 709,547</u>	<u>\$ 449,803</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Gas tax \$1.75	\$ 300,000	\$ 256,148	\$ (43,852)	\$ 248,334
<b>Other:</b>				
Investment income	-	22,469	22,469	-
Total revenues	<u>300,000</u>	<u>278,617</u>	<u>(21,383)</u>	<u>248,334</u>
<b>Expenditures:</b>				
<b>Public works:</b>				
Services and supplies	300,000	278,617	21,383	238,896
Capital outlay	-	-	-	9,438
Total expenditures	<u>300,000</u>	<u>278,617</u>	<u>21,383</u>	<u>248,334</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Fund balance:</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWN OF PAHRUMP, NEVADA**  
**MAJOR FUND - FAIR GROUNDS ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 1,213,790	\$ 512,765
Interest receivable	<u>6,043</u>	<u>-</u>
Total assets	<u>\$ 1,219,833</u>	<u>\$ 512,765</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ 5,321</u>	<u>\$ 3,052</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	511,713	361,887
Designated for Water rights VEA	250,000	-
Designated for Water Well Development	300,000	-
Undesignated	<u>152,799</u>	<u>147,826</u>
Total fund balance	<u>1,214,512</u>	<u>509,713</u>
Total liabilities and fund balance	<u>\$ 1,219,833</u>	<u>\$ 512,765</u>



**TOWN OF PAHRUMP, NEVADA**  
**MAJOR FUND - FAIR GROUNDS ROOM TAX SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 140,000	\$ 161,033	\$ 21,033	\$ 150,480
<b>Intergovernmental:</b>				
PETT Grant	-	550,000	550,000	-
<b>Other:</b>				
Investment income	<u>2,000</u>	<u>27,531</u>	<u>25,531</u>	<u>-</u>
Total revenues	<u>142,000</u>	<u>738,564</u>	<u>596,564</u>	<u>150,480</u>
<b>Expenditures:</b>				
<b>Community support:</b>				
Salaries and wages	-	2,578	(2,578)	-
Employee benefits	-	1,348	(1,348)	-
Services and supplies	-	54,839	(54,839)	3,463
Capital outlay	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>-</u>
Total expenditures	<u>550,000</u>	<u>58,765</u>	<u>491,235</u>	<u>3,463</u>
Excess (deficiency) of revenues over expenditures	(408,000)	679,799	1,087,799	147,017
<b>Other financing sources (uses):</b>				
Operating transfers in	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>21,000</u>
Net change in fund balance	(408,000)	704,799	1,112,799	168,017
<b>Fund balance:</b>				
Beginning of year	<u>458,696</u>	<u>509,713</u>	<u>51,017</u>	<u>341,696</u>
End of year	<u>\$ 50,696</u>	<u>\$ 1,214,512</u>	<u>\$ 1,163,816</u>	<u>\$ 509,713</u>

**TOWN OF PAHRUMP, NEVADA  
MAJOR FUND - CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 1,278,806	\$ 1,236,839
Interest receivable	<u>8,021</u>	<u>4,670</u>
Total assets	<u>\$ 1,286,827</u>	<u>\$ 1,241,509</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	1,246,509	841,509
Undesignated	<u>40,318</u>	<u>400,000</u>
Total fund balance	<u>1,286,827</u>	<u>1,241,509</u>
Total liabilities and fund balance	<u>\$ 1,286,827</u>	<u>\$ 1,241,509</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Other:</b>				
Investment income	\$ 500	\$ 45,318	\$ 44,818	\$ 15,130
<b>Expenditures:</b>				
Capital projects	<u>1,555,000</u>	<u>-</u>	<u>1,555,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,554,500)	45,318	1,599,818	15,130
<b>Other financing sources (uses):</b>				
Operating transfers in	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>	<u>400,000</u>
Net change in fund balance	(1,154,500)	45,318	1,199,818	415,130
<b>Fund balance:</b>				
Beginning of year	<u>1,226,879</u>	<u>1,241,509</u>	<u>14,630</u>	<u>826,379</u>
End of year	<u>\$ 72,379</u>	<u>\$ 1,286,827</u>	<u>\$ 1,214,448</u>	<u>\$ 1,241,509</u>

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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**MAJOR FUND - AMBULANCE ENTERPRISE FUND**  
**COMPARATIVE STATEMENTS OF NET ASSETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Current assets:		
Pooled cash and investments	\$ 770,965	\$ 358,164
Interest receivable	4,009	-
Accounts receivable, net of allowance for uncollectibles	609,164	626,388
Prepaid Insurance	9,966	-
Total current assets	<u>1,394,104</u>	<u>984,552</u>
Restricted assets:		
Cash	54,361	52,192
Due from other governments	180,000	120,000
Total restricted assets	<u>234,361</u>	<u>172,192</u>
Fixed assets:		
Land	120,000	120,000
Building	480,000	480,000
Vehicles	833,607	833,607
Equipment	324,107	324,107
Less accumulated depreciation	<u>(898,410)</u>	<u>(766,598)</u>
Total fixed assets, net of depreciation	<u>859,304</u>	<u>991,116</u>
Total assets	<u>2,487,769</u>	<u>2,147,860</u>
<b><u>Liabilities</u></b>		
Accounts payable	30,880	306,711
Accrued payroll	59,448	32,110
Compensated absences	<u>62,335</u>	<u>66,331</u>
Total liabilities	<u>152,663</u>	<u>405,152</u>
<b><u>Net assets</u></b>		
Invested in capital assets, net of related debt	859,304	991,116
Reserved for capital assets	234,361	172,192
Unreserved	<u>1,241,441</u>	<u>579,400</u>
Total net assets	<u>\$ 2,335,106</u>	<u>\$ 1,742,708</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Charges for services:</b>				
Ambulance fees, net of contractual adjustments	\$ 2,500,000	\$ 2,596,903	\$ 96,903	\$ 2,345,891
<b>Expenses:</b>				
Salaries and wages	945,000	934,697	10,303	878,160
Employee benefits	527,000	403,690	123,310	319,982
Services and supplies	358,700	147,286	211,414	201,970
Depreciation	200,000	131,812	68,188	103,044
Bad debt	600,000	667,310	(67,310)	557,248
Total expenses	<u>2,630,700</u>	<u>2,284,795</u>	<u>345,905</u>	<u>2,060,404</u>
<b>Operating income (loss)</b>	<u>(130,700)</u>	<u>312,108</u>	<u>442,808</u>	<u>285,487</u>
<b>Non-operating revenue (expense):</b>				
Grants	60,000	60,000	-	62,000
Investment income	1,200	20,290	19,090	727
Miscellaneous	1,000	-	(1,000)	-
Gain (loss) on disposal of assets	40,000	-	(40,000)	(104)
Operating transfers in	200,000	200,000	-	200,000
Operating transfers out	-	-	-	(130,000)
Total other income	<u>302,200</u>	<u>280,290</u>	<u>(21,910)</u>	<u>132,623</u>
<b>Net income (loss)</b>	<u>\$ 171,500</u>	592,398	<u>\$ 420,898</u>	418,110
<b>Net assets:</b>				
Beginning of year		<u>1,742,708</u>		<u>1,324,598</u>
End of year		<u>\$ 2,335,106</u>		<u>\$ 1,742,708</u>

**TOWN OF PAHRUMP, NEVADA**  
**MAJOR FUND - AMBULANCE ENTERPRISE FUND**  
**SCHEDULE OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2006 AND 2005**

	2006	2005
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 1,886,817	\$ 1,518,950
Cash paid for services and supplies	(423,117)	(20,631)
Cash paid for employees and benefits	(1,325,011)	(1,239,182)
Net cash (used) by operating activities	<u>138,689</u>	<u>259,137</u>
<b>Cash flows from capital and related financing activities:</b>		
Purchase of fixed assets	-	(205,187)
Sale of fixed assets	-	30,100
Grants - Nye County	60,000	62,000
Operating transfer in (out)	200,000	70,000
Net cash provided by capital and related financing activities	<u>260,000</u>	<u>(43,087)</u>
<b>Cash flows from investing activities:</b>		
Interest received	<u>16,281</u>	<u>727</u>
Net (decrease) in cash	414,970	216,777
<b>Cash:</b>		
Beginning of year	<u>410,356</u>	<u>193,579</u>
End of year	<u>\$ 825,326</u>	<u>\$ 410,356</u>
<b>Reconciliation of operating (loss) to net cash (used) by operating activities:</b>		
Operating income (loss)	<u>\$ 312,108</u>	<u>\$ 285,487</u>
<b>Adjustments to reconcile operating (loss) to net cash (used) by operating activities:</b>		
Depreciation	131,812	103,044
Changes in assets and liabilities:		
(Increase) decrease in prepaids	(9,966)	-
(Increase) decrease in accounts receivable	(42,776)	(269,693)
Increase (decrease) in accounts payable	(275,831)	181,339
Increase (decrease) in accrued payroll	27,338	(50,022)
Increase (decrease) in compensated absences	(3,996)	8,982
Total adjustments	<u>(173,419)</u>	<u>(26,350)</u>
<b>Net cash (used) by operating activities</b>	<u>\$ 138,689</u>	<u>\$ 259,137</u>

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***For the year ended June 30, 2006***



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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2006**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<b><u>Assets</u></b>				
Pooled cash and investments	\$ 1,920,938	\$ 20,640	\$ 452,684	\$ 2,394,262
Interest receivable	12,298	260	3,521	16,079
Delinquent taxes receivable	1,386	-	-	1,386
Room tax receivable	32,901	-	-	32,901
Prepaid insurance	1,027	-	-	1,027
Due from other governments	<u>421,192</u>	<u>-</u>	<u>-</u>	<u>421,192</u>
 Total assets	 <u>\$ 2,389,742</u>	 <u>\$ 20,900</u>	 <u>\$ 456,205</u>	 <u>\$ 2,866,847</u>
 <b><u>Liabilities</u></b>				
Accounts payable	\$ 76,900	\$ -	\$ 92,500	\$ 169,400
Accrued payroll	12,460	-	-	12,460
Deferred interest	175	-	-	175
Deferred taxes	<u>1,213</u>	<u>-</u>	<u>-</u>	<u>1,213</u>
 Total liabilities	 <u>90,748</u>	 <u>-</u>	 <u>92,500</u>	 <u>183,248</u>
 <b><u>Fund Balance</u></b>				
Reserved for debt service	-	20,900	-	20,900
Unreserved:				
Designated for subsequent year	1,538,434	-	333,083	1,871,517
Designated for Joint Town/County Fiber Project	112,500	-	-	112,500
Undesignated	<u>648,060</u>	<u>-</u>	<u>30,622</u>	<u>678,682</u>
 Total fund balance	 <u>2,298,994</u>	 <u>20,900</u>	 <u>363,705</u>	 <u>2,683,599</u>
 Total liabilities and fund balance	 <u>\$ 2,389,742</u>	 <u>\$ 20,900</u>	 <u>\$ 456,205</u>	 <u>\$ 2,866,847</u>

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2006**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<b>Revenues:</b>				
Taxes	\$ 362,541	\$ -	\$ -	\$ 362,541
Licenses and permits	529,016	-	-	529,016
Intergovernmental	144,806	-	142,894	287,700
Charges for services	291,506	-	5,830	297,336
Other	<u>55,944</u>	<u>671</u>	<u>22,775</u>	<u>79,390</u>
Total revenues	<u>1,383,813</u>	<u>671</u>	<u>171,499</u>	<u>1,555,983</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	75,584	-	-	75,584
Public works	79,490	-	-	79,490
Culture and recreation	96,202	-	-	96,202
Community support	432,412	-	-	432,412
Health and sanitation	4,112	-	-	4,112
Capital projects	-	-	209,318	209,318
<b>Debt service:</b>				
Principal	-	68,594	-	68,594
Interest	<u>-</u>	<u>16,819</u>	<u>-</u>	<u>16,819</u>
Total expenditures	<u>687,800</u>	<u>85,413</u>	<u>209,318</u>	<u>982,531</u>
Excess (deficiency) of revenues over expenditures	<u>696,013</u>	<u>(84,742)</u>	<u>(37,819)</u>	<u>573,452</u>
<b>Other financing sources ( uses)</b>				
Operating transfers in	25,000	89,323	-	114,323
Operating transfers out	<u>(50,000)</u>	<u>-</u>	<u>(3,910)</u>	<u>(53,910)</u>
Total other financing sources (uses)	<u>(25,000)</u>	<u>89,323</u>	<u>(3,910)</u>	<u>60,413</u>
Net change in fund balance	671,013	4,581	(41,729)	633,865
<b>Fund balance:</b>				
Beginning of year	<u>1,627,981</u>	<u>16,319</u>	<u>405,434</u>	<u>2,049,734</u>
End of year	<u>\$ 2,298,994</u>	<u>\$ 20,900</u>	<u>\$ 363,705</u>	<u>\$ 2,683,599</u>

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***For the year ended June 30, 2006***

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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2006**

	Pahrump Business License	Swimming Pool	State Room Tax	3/5 Tourism Room Tax	1/5 Economic Development Room Tax
<b><u>Assets</u></b>					
Pooled cash and investments	\$ 231,077	\$ 328,185	\$ 78,926	\$ 565,431	\$ 227,094
Interest receivable	1,166	2,007	515	4,587	1,532
Delinquent taxes receivable	-	1,386	-	-	-
Room tax receivable	-	-	2,384	22,888	3,815
Prepaid insurance	1,027	-	-	-	-
Due from other governments	-	11,599	-	-	-
<b>Total assets</b>	<b><u>\$ 233,270</u></b>	<b><u>\$ 343,177</u></b>	<b><u>\$ 81,825</u></b>	<b><u>\$ 592,906</u></b>	<b><u>\$ 232,441</u></b>
<b><u>Liabilities</u></b>					
Accounts payable	\$ 4,023	\$ 12,819	\$ -	\$ 5,000	\$ 1,589
Accrued payroll	2,222	10,238	-	-	-
Deferred interest	-	-	-	-	-
Deferred taxes	-	1,213	-	-	-
Deferred revenue	-	-	-	-	-
<b>Total liabilities</b>	<b><u>6,245</u></b>	<b><u>24,270</u></b>	<b><u>-</u></b>	<b><u>5,000</u></b>	<b><u>1,589</u></b>
<b><u>Fund Balance</u></b>					
Unreserved:					
Designated for subsequent year	146,815	310,769	75,657	587,906	118,352
Designated for Joint Town/County Fiber Project	-	-	-	-	112,500
Designated for Water rights VEA	-	-	-	-	-
Designated for Water Well Development	-	-	-	-	-
Undesignated	<u>80,210</u>	<u>8,138</u>	<u>6,168</u>	<u>-</u>	<u>-</u>
<b>Total fund balance</b>	<b><u>227,025</u></b>	<b><u>318,907</u></b>	<b><u>81,825</u></b>	<b><u>587,906</u></b>	<b><u>230,852</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 233,270</u></b>	<b><u>\$ 343,177</u></b>	<b><u>\$ 81,825</u></b>	<b><u>\$ 592,906</u></b>	<b><u>\$ 232,441</u></b>

1/10 Parks Room Tax	1/10 Arena Room Tax	Fall Festival	Pahrump Cemetery	Pahrump Cemetery Perpetual	Pahrump Airport
\$ 156,176	\$ 89,599	\$ 112,769	\$ 12,102	\$ 88,307	\$ 31,272
858	588	338	78	576	53
-	-	-	-	-	-
1,907	1,907	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	21,577
<u>\$ 158,941</u>	<u>\$ 92,094</u>	<u>\$ 113,107</u>	<u>\$ 12,180</u>	<u>\$ 88,883</u>	<u>\$ 52,902</u>
\$ -	\$ -	\$ -	\$ 742	\$ -	\$ 52,727
-	-	-	-	-	-
-	-	-	-	-	175
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	742	-	52,902
73,584	53,403	77,580	8,068	86,300	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
85,357	38,691	35,527	3,370	2,583	-
158,941	92,094	113,107	11,438	88,883	-
<u>\$ 158,941</u>	<u>\$ 92,094</u>	<u>\$ 113,107</u>	<u>\$ 12,180</u>	<u>\$ 88,883</u>	<u>\$ 52,902</u>

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***For the year ended June 30, 2006***



**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2006**

	Parks Impact Fee	Fire Impact Fee	Totals 2006	Totals 2005
<b><u>Assets</u></b>				
Pooled cash and investments	\$ -	\$ -	\$ 1,920,938	\$ 1,726,402
Interest receivable	-	-	12,298	14,557
Delinquent taxes receivable	-	-	1,386	1,428
Room tax receivable	-	-	32,901	29,252
Prepaid insurance	-	-	1,027	-
Due from other governments	<u>261,711</u>	<u>126,305</u>	<u>421,192</u>	<u>10,782</u>
 Total assets	 <u>\$ 261,711</u>	 <u>\$ 126,305</u>	 <u>\$ 2,389,742</u>	 <u>\$ 1,782,421</u>
 <b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ -	\$ 76,900	\$ 104,603
Accrued payroll	-	-	12,460	7,410
Deferred interest	-	-	175	-
Deferred taxes	-	-	1,213	1,194
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,233</u>
 Total liabilities	 <u>-</u>	 <u>-</u>	 <u>90,748</u>	 <u>154,440</u>
 <b><u>Fund Balance</u></b>				
Unreserved:				
Designated for subsequent year	-	-	1,538,434	1,259,233
Designated for Joint Town/County Fiber Project	-	-	112,500	-
Designated for Water rights VEA	-	-	-	-
Designated for Water Well Development	-	-	-	-
Undesignated	<u>261,711</u>	<u>126,305</u>	<u>648,060</u>	<u>368,748</u>
 Total fund balance	 <u>261,711</u>	 <u>126,305</u>	 <u>2,298,994</u>	 <u>1,627,981</u>
 Total liabilities and fund balance	 <u>\$ 261,711</u>	 <u>\$ 126,305</u>	 <u>\$ 2,389,742</u>	 <u>\$ 1,782,421</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2006**

	Pahrump Business License	Swimming Pool	State Room Tax	3/5 Tourism Room Tax	1/5 Economic Development Room Tax
<b>Revenues:</b>					
Taxes	\$ -	\$ 60,133	\$ 33,494	\$ 161,033	\$ 54,203
Licenses and permits	141,000	-	-	-	-
Intergovernmental	-	65,316	-	-	-
Charges for services	-	13,627	-	-	-
Other	5,794	9,282	2,490	19,175	7,484
Total revenues	<u>146,794</u>	<u>148,358</u>	<u>35,984</u>	<u>180,208</u>	<u>61,687</u>
<b>Expenditures:</b>					
General government	75,584	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	84,754	-	-	-
Community support	-	-	18,316	168,777	54,231
Health and sanitation	-	-	-	-	-
Total expenditures	<u>75,584</u>	<u>84,754</u>	<u>18,316</u>	<u>168,777</u>	<u>54,231</u>
Excess (deficiency) of revenues over expenditures	<u>71,210</u>	<u>63,604</u>	<u>17,668</u>	<u>11,431</u>	<u>7,456</u>
<b>Other financing sources ( uses)</b>					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	71,210	63,604	17,668	11,431	7,456
<b>Fund balance:</b>					
Beginning of year	<u>155,815</u>	<u>255,303</u>	<u>64,157</u>	<u>576,475</u>	<u>223,396</u>
End of year	<u>\$ 227,025</u>	<u>\$ 318,907</u>	<u>\$ 81,825</u>	<u>\$ 587,906</u>	<u>\$ 230,852</u>

1/10 Parks Room Tax	1/10 Arena Room Tax	Fall Festival	Pahrump Cemetery	Pahrump Cemetery Perpetual	Pahrump Airport
\$ 26,839	\$ 26,839	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	79,490
-	-	265,079	8,056	4,744	-
<u>4,173</u>	<u>2,745</u>	<u>1,536</u>	<u>426</u>	<u>2,839</u>	<u>-</u>
<u>31,012</u>	<u>29,584</u>	<u>266,615</u>	<u>8,482</u>	<u>7,583</u>	<u>79,490</u>
-	-	-	-	-	-
-	-	-	-	-	79,490
655	10,793	-	-	-	-
-	-	191,088	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,112</u>	<u>-</u>	<u>-</u>
<u>655</u>	<u>10,793</u>	<u>191,088</u>	<u>4,112</u>	<u>-</u>	<u>79,490</u>
<u>30,357</u>	<u>18,791</u>	<u>75,527</u>	<u>4,370</u>	<u>7,583</u>	<u>-</u>
25,000	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>25,000</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
55,357	18,791	25,527	4,370	7,583	-
<u>103,584</u>	<u>73,303</u>	<u>87,580</u>	<u>7,068</u>	<u>81,300</u>	<u>-</u>
<u>\$ 158,941</u>	<u>\$ 92,094</u>	<u>\$ 113,107</u>	<u>\$ 11,438</u>	<u>\$ 88,883</u>	<u>\$ -</u>

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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2006**

	Parks Impact Fee	Fire Impact Fee	Totals 2006	Totals 2005
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ 362,541	\$ 331,167
Licenses and permits	261,711	126,305	529,016	87,649
Intergovernmental	-	-	144,806	140,000
Charges for services	-	-	291,506	258,780
Other	-	-	55,944	61,232
<b>Total revenues</b>	<u>261,711</u>	<u>126,305</u>	<u>1,383,813</u>	<u>878,828</u>
<b>Expenditures:</b>				
General government	-	-	75,584	48,785
Public works	-	-	79,490	81,797
Culture and recreation	-	-	96,202	127,694
Community support	-	-	432,412	323,175
Health and sanitation	-	-	4,112	6,896
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>687,800</u>	<u>588,347</u>
Excess (deficiency) of revenues over expenditures	<u>261,711</u>	<u>126,305</u>	<u>696,013</u>	<u>290,481</u>
<b>Other financing sources ( uses)</b>				
Operating transfers in	-	-	25,000	21,000
Operating transfers out	-	-	(50,000)	(42,000)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>(21,000)</u>
<b>Net change in fund balance</b>	261,711	126,305	671,013	269,481
<b>Fund balance:</b>				
Beginning of year	-	-	1,627,981	1,358,500
<b>End of year</b>	<u>\$ 261,711</u>	<u>\$ 126,305</u>	<u>\$ 2,298,994</u>	<u>\$ 1,627,981</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - PAHRUMP BUSINESS LICENSE SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 231,077	\$ 201,352
Interest receivable	1,166	1,258
Prepaid insurance	<u>1,027</u>	<u>-</u>
Total assets	<u>\$ 233,270</u>	<u>\$ 202,610</u>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 4,023	\$ 3,564
Accrued payroll	2,222	1,998
Deferred revenue	<u>-</u>	<u>41,233</u>
Total liabilities	<u>6,245</u>	<u>46,795</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	146,815	138,507
Undesignated	<u>80,210</u>	<u>17,308</u>
Total fund balance	<u>227,025</u>	<u>155,815</u>
Total liabilities and fund balance	<u>\$ 233,270</u>	<u>\$ 202,610</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Licenses and permits</b>	\$ 90,000	\$ 141,000	\$ 51,000	\$ 87,649
<b>Other:</b>				
Miscellaneous	-	-	-	240
Investment income	500	5,794	5,294	5,204
Total other	500	5,794	5,294	5,444
Total revenues	90,500	146,794	56,294	93,093
<b>Expenditures:</b>				
<b>General government:</b>				
Salaries and wages	45,000	45,795	(795)	25,387
Employee benefits	19,200	20,833	(1,633)	13,079
Services and supplies	13,000	8,956	4,044	10,319
Capital outlay	3,000	-	3,000	-
Total expenditures	80,200	75,584	4,616	48,785
Excess (deficiency) of revenues over expenditures	10,300	71,210	60,910	44,308
<b>Fund balance:</b>				
Beginning of year	138,507	155,815	17,308	111,507
End of year	\$ 148,807	\$ 227,025	\$ 78,218	\$ 155,815

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - SWIMMING POOL SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 328,185	\$ 283,585
Interest receivable	2,007	2,252
Delinquent property taxes	1,386	1,428
Due from other governments	<u>11,599</u>	<u>10,782</u>
 Total assets	 <u>\$ 343,177</u>	 <u>\$ 298,047</u>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 12,819	\$ 36,138
Accrued payroll	10,238	5,412
Deferred taxes	<u>1,213</u>	<u>1,194</u>
 Total liabilities	 <u>24,270</u>	 <u>42,744</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	310,769	188,418
Undesignated	<u>8,138</u>	<u>66,885</u>
 Total fund balance	 <u>318,907</u>	 <u>255,303</u>
 Total liabilities and fund balance	 <u>\$ 343,177</u>	 <u>\$ 298,047</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Property taxes</b>	\$ 52,758	\$ 60,133	\$ 7,375	\$ 49,017
<b>Intergovernmental:</b>				
Consolidated tax	63,008	65,316	2,308	58,203
<b>Charges for services:</b>				
Pool receipts	10,000	13,627	3,627	24,896
<b>Other:</b>				
Miscellaneous	-	-	-	17
Investment income	500	9,282	8,782	9,012
Total other	500	9,282	8,782	9,029
 Total revenues	 126,266	 148,358	 22,092	 141,145
<b>Expenditures:</b>				
<b>Culture and recreation:</b>				
Salaries and wages	45,000	50,031	(5,031)	34,787
Employee benefits	6,300	6,267	33	3,143
Services and supplies	16,300	28,456	(12,156)	18,239
Capital outlay	20,000	-	20,000	59,266
 Total expenditures	 87,600	 84,754	 2,846	 115,435
 Excess (deficiency) of revenues over expenditures	 38,666	 63,604	 24,938	 25,710
<b>Fund balance:</b>				
Beginning of year	188,418	255,303	66,885	229,593
 End of year	 \$ 227,084	 \$ 318,907	 \$ 91,823	 \$ 255,303

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - STATE ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 78,926	\$ 68,622
Interest receivable	515	509
Room tax receivable	<u>2,384</u>	<u>2,120</u>
 Total assets	 <u>\$ 81,825</u>	 <u>\$ 71,251</u>
<b><u>Liabilities</u></b>		
 Accounts payable	 <u>\$ -</u>	 <u>\$ 7,094</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	75,657	57,657
Undesignated	<u>6,168</u>	<u>6,500</u>
 Total fund balance	 <u>81,825</u>	 <u>64,157</u>
 Total liabilities and fund balance	 <u>\$ 81,825</u>	 <u>\$ 71,251</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 25,000	\$ 33,494	\$ 8,494	\$ 31,350
<b>Other:</b>				
Investment income	<u>100</u>	<u>2,490</u>	<u>2,390</u>	<u>2,053</u>
Total revenues	<u>25,100</u>	<u>35,984</u>	<u>10,884</u>	<u>33,403</u>
<b>Expenditures:</b>				
<b>Community support:</b>				
Salaries and wages	-	536	(536)	-
Employee benefits	-	280	(280)	-
Services and supplies	<u>41,000</u>	<u>17,500</u>	<u>23,500</u>	<u>29,294</u>
Total expenditures	<u>41,000</u>	<u>18,316</u>	<u>22,684</u>	<u>29,294</u>
Excess (deficiency) of revenues over expenditures	(15,900)	17,668	33,568	4,109
<b>Fund balance:</b>				
Beginning of year	<u>58,448</u>	<u>64,157</u>	<u>5,709</u>	<u>60,048</u>
End of year	<u>\$ 42,548</u>	<u>\$ 81,825</u>	<u>\$ 39,277</u>	<u>\$ 64,157</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - 3/5 TOURISM ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 565,431	\$ 562,902
Interest receivable	4,587	6,712
Room tax receivable	<u>22,888</u>	<u>20,349</u>
 Total assets	 <u>\$ 592,906</u>	 <u>\$ 589,963</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ 5,000</u>	<u>\$ 13,488</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	587,906	419,457
Undesignated	<u>-</u>	<u>157,018</u>
 Total fund balance	 <u>587,906</u>	 <u>576,475</u>
 Total liabilities and fund balance	 <u>\$ 592,906</u>	 <u>\$ 589,963</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - 3/5 TOURISM ROOM TAX SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 140,000	\$ 161,033	\$ 21,033	\$ 150,480
<b>Other:</b>				
Investment income	<u>2,000</u>	<u>19,175</u>	<u>17,175</u>	<u>29,227</u>
Total revenues	<u>142,000</u>	<u>180,208</u>	<u>38,208</u>	<u>179,707</u>
<b>Expenditures:</b>				
<b>Community support:</b>				
Salaries and wages	-	2,579	(2,579)	-
Employee benefits	-	1,350	(1,350)	-
Service and supplies	273,000	114,413	158,587	90,689
Capital outlay	<u>-</u>	<u>50,435</u>	<u>(50,435)</u>	<u>-</u>
Total Community support	<u>273,000</u>	<u>168,777</u>	<u>104,223</u>	<u>90,689</u>
Excess (deficiency) of revenues over expenditures	(131,000)	11,431	142,431	89,018
<b>Fund balance:</b>				
Beginning of year	<u>419,457</u>	<u>576,475</u>	<u>157,018</u>	<u>487,457</u>
End of year	<u>\$ 288,457</u>	<u>\$ 587,906</u>	<u>\$ 299,449</u>	<u>\$ 576,475</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - 1/5 ECONOMIC DEVELOPMENT ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 227,094	\$ 247,230
Interest receivable	1,532	1,922
Room tax receivable	<u>3,815</u>	<u>3,391</u>
 Total assets	 <u>\$ 232,441</u>	 <u>\$ 252,543</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ 1,589</u>	<u>\$ 29,147</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	118,352	188,791
Designated for Joint Town/County Fiber Project	112,500	-
Undesignated	<u>-</u>	<u>34,605</u>
 Total fund balance	 <u>230,852</u>	 <u>223,396</u>
 Total liabilities and fund balance	 <u>\$ 232,441</u>	 <u>\$ 252,543</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - 1/5 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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 45,000	\$ 54,203	\$ 9,203	\$ 50,160
<b>Other:</b>				
Investment income	<u>1,000</u>	<u>7,484</u>	<u>6,484</u>	<u>7,749</u>
Total revenues	<u>46,000</u>	<u>61,687</u>	<u>15,687</u>	<u>57,909</u>
<b>Expenditures:</b>				
<b>Community support:</b>				
Salaries and wages	-	867	(867)	-
Employee benefits	-	454	(454)	-
Services and supplies	<u>163,000</u>	<u>52,910</u>	<u>110,090</u>	<u>42,304</u>
Total expenditures	<u>163,000</u>	<u>54,231</u>	<u>108,769</u>	<u>42,304</u>
Excess (deficiency) of revenues over expenditures	(117,000)	7,456	124,456	15,605
<b>Fund balance:</b>				
Beginning of year	<u>188,791</u>	<u>223,396</u>	<u>34,605</u>	<u>207,791</u>
End of year	<u>\$ 71,791</u>	<u>\$ 230,852</u>	<u>\$ 159,061</u>	<u>\$ 223,396</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - 1/10 PARKS ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 156,176	\$ 102,054
Interest receivable	858	708
Room tax receivable	<u>1,907</u>	<u>1,696</u>
 Total assets	 <u>\$ 158,941</u>	 <u>\$ 104,458</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ -</u>	<u>\$ 874</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	73,584	66,068
Undesignated	<u>85,357</u>	<u>37,516</u>
 Total fund balance	 <u>158,941</u>	 <u>103,584</u>
 Total liabilities and fund balance	 <u>\$ 158,941</u>	 <u>\$ 104,458</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 30,000	\$ 26,839	\$ (3,161)	\$ 25,080
<b>Other:</b>				
Investment income	<u>500</u>	<u>4,173</u>	<u>3,673</u>	<u>2,719</u>
Total revenues	<u>30,500</u>	<u>31,012</u>	<u>512</u>	<u>27,799</u>
<b>Expenditures:</b>				
<b>Culture and recreation:</b>				
Salaries and wages	-	430	(430)	-
Employee benefits	-	225	(225)	-
Service and supplies	16,000	-	16,000	11,783
Capital outlay	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>-</u>
Total expenditures	<u>91,000</u>	<u>655</u>	<u>90,345</u>	<u>11,783</u>
Excess (deficiency) of revenues over expenditures	(60,500)	30,357	90,857	16,016
<b>Other financing sources (uses):</b>				
Operating transfers in	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>21,000</u>
Net change in fund balance	(60,500)	55,357	115,857	37,016
<b>Fund balance:</b>				
Beginning of year	<u>66,068</u>	<u>103,584</u>	<u>37,516</u>	<u>66,568</u>
End of year	<u>\$ 5,568</u>	<u>\$ 158,941</u>	<u>\$ 153,373</u>	<u>\$ 103,584</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - 1/10 ARENA ROOM TAX SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 89,599	\$ 71,527
Interest receivable	588	556
Room tax receivable	<u>1,907</u>	<u>1,696</u>
 Total assets	 <u>\$ 92,094</u>	 <u>\$ 73,779</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ -</u>	<u>\$ 476</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	53,403	46,660
Undesignated	<u>38,691</u>	<u>26,643</u>
 Total fund balance	 <u>92,094</u>	 <u>73,303</u>
 Total liabilities and fund balance	 <u>\$ 92,094</u>	 <u>\$ 73,779</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Room tax	\$ 30,000	\$ 26,839	\$ (3,161)	\$ 25,080
<b>Other:</b>				
Investment income	<u>100</u>	<u>2,745</u>	<u>2,645</u>	<u>2,139</u>
Total revenues	<u>30,100</u>	<u>29,584</u>	<u>(516)</u>	<u>27,219</u>
<b>Expenditures:</b>				
<b>Culture and recreation:</b>				
Salaries and wages	-	429	(429)	
Employee benefits	-	225	(225)	
Services and supplies	-	10,139	(10,139)	476
Capital outlay	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Total expenditures	<u>50,000</u>	<u>10,793</u>	<u>39,207</u>	<u>476</u>
Excess (deficiency) of revenues over expenditures	(19,900)	18,791	38,691	26,743
<b>Fund balance:</b>				
Beginning of year	<u>46,660</u>	<u>73,303</u>	<u>26,643</u>	<u>46,560</u>
End of year	<u>\$ 26,760</u>	<u>\$ 92,094</u>	<u>\$ 65,334</u>	<u>\$ 73,303</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - FALL FESTIVAL SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 112,769	\$ 87,580
Interest receivable	<u>338</u>	<u>-</u>
Total assets	<u>\$ 113,107</u>	<u>\$ 87,580</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	\$ 77,580	\$ 69,219
Undesignated	<u>35,527</u>	<u>18,361</u>
Total fund balance	<u>\$ 113,107</u>	<u>\$ 87,580</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - FALL FESTIVAL SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Charges for services:</b>				
Event sales/fees	\$ 246,905	\$ 265,079	\$ 18,174	\$ 221,049
<b>Other:</b>				
Investment income	-	1,536	1,536	-
Donations	-	-	-	200
Total other	-	1,536	1,536	200
 Total revenues	 246,905	 266,615	 19,710	 221,249
<b>Expenditures:</b>				
<b>Community support:</b>				
Services and supplies	210,266	191,088	19,178	160,888
Capital outlay	10,000	-	10,000	-
 Total expenditures	 220,266	 191,088	 29,178	 160,888
 Excess (deficiency) of revenues over expenditures	 26,639	 75,527	 48,888	 60,361
<b>Other financing sources (uses):</b>				
Operating transfers in	15,000	-	(15,000)	-
Operating transfers out	(50,000)	(50,000)	-	(42,000)
 Total other financing sources (uses)	 (35,000)	 (50,000)	 (15,000)	 (42,000)
 Net change in fund balance	 (8,361)	 25,527	 33,888	 18,361
<b>Fund balance:</b>				
Beginning of year	87,580	87,580	-	69,219
 End of year	 \$ 79,219	 \$ 113,107	 \$ 33,888	 \$ 87,580

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - PAHRUMP CEMETERY SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 12,102	\$ 7,402
Interest receivable	<u>78</u>	<u>-</u>
	<u>\$ 12,180</u>	<u>\$ 7,402</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ 742</u>	<u>\$ 334</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	8,068	7,068
Undesignated	<u>3,370</u>	<u>-</u>
Total fund balance	<u>11,438</u>	<u>7,068</u>
Total liabilities and fund balance	<u>\$ 12,180</u>	<u>\$ 7,402</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Charges for services:</b>				
Cemetery receipts	\$ 6,000	\$ 8,056	\$ 2,056	\$ 7,295
<b>Other:</b>				
Investment income	-	426	426	-
Total revenue	6,000	8,482	2,482	7,295
<b>Expenditures:</b>				
<b>Health and sanitation:</b>				
Services and supplies	15,000	4,112	10,888	6,896
Excess (deficiency) of revenues over expenditures	(9,000)	4,370	13,370	399
<b>Other financing sources (uses):</b>				
Operating transfers in	10,000	-	(10,000)	-
Net change in fund balance	1,000	4,370	3,370	399
<b>Fund balance:</b>				
Beginning of year	10,669	7,068	(3,601)	6,669
End of year	\$ 11,669	\$ 11,438	\$ (231)	\$ 7,068

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - PAHRUMP CEMETERY PERPETUAL SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 88,307	\$ 80,660
Interest receivable	<u>576</u>	<u>640</u>
Total assets	<u>\$ 88,883</u>	<u>\$ 81,300</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	\$ 86,300	\$ 77,388
Undesignated	<u>2,583</u>	<u>3,912</u>
Total fund balance	<u>\$ 88,883</u>	<u>\$ 81,300</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Charges for services:</b>				
Cemetery receipts	\$ 2,000	\$ 4,744	\$ 2,744	\$ 5,540
<b>Other:</b>				
Investment income	<u>600</u>	<u>2,839</u>	<u>2,239</u>	<u>2,672</u>
Total revenues	2,600	7,583	4,983	8,212
<b>Expenditures:</b>				
<b>Health and sanitation</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,600	7,583	4,983	8,212
<b>Fund balance:</b>				
Beginning of year	<u>77,388</u>	<u>81,300</u>	<u>3,912</u>	<u>73,088</u>
End of year	<u>\$ 79,988</u>	<u>\$ 88,883</u>	<u>\$ 8,895</u>	<u>\$ 81,300</u>

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - PAHRUMP AIRPORT SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 31,272	\$ 13,488
Interest receivable	53	-
Due from other governments	<u>21,577</u>	<u>-</u>
 Total assets	 <u>\$ 52,902</u>	 <u>\$ 13,488</u>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 52,727	\$ 13,488
Deferred interest	<u>175</u>	<u>-</u>
 Total liabilities	 <u>\$ 52,902</u>	 <u>\$ 13,488</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Grants	\$ 220,000	\$ 79,490	\$ (140,510)	\$ 81,797
<b>Expenditures:</b>				
<b>Public works:</b>				
Services and supplies	<u>220,000</u>	<u>79,490</u>	<u>140,510</u>	<u>81,797</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Fund balance:</b>				
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**  
**BALANCE SHEET**  
**JUNE 30, 2006**

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2006

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**Assets**

Due from other government \$ 261,711

**Liabilities**

Accounts payable \$ -

**Fund Balance**

Unreserved:

Designated for subsequent year -

Undesignated 261,711

Total fund balance 261,711

Total liabilities and fund balance \$ 261,711

**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, 2006**

	2006		Variance- Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
<b>Licenses and permits</b>	\$ -	\$ 261,711	\$ 261,711
<b>Expenditures:</b>			
<b>General government:</b>			
Services and supplies	-	-	-
Excess (deficiency) of revenues over expenditures	-	261,711	261,711
<b>Fund balance:</b>			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ 261,711</u>	<u>\$ 261,711</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - FIRE IMPACT FEE SPECIAL REVENUE FUND**  
**BALANCE SHEET**  
**JUNE 30, 2006**

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2006

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**Assets**

Due from other government \$ 126,305

**Liabilities**

Accounts payable \$ -

**Fund Balance**

Unreserved:

Designated for subsequent year -

Undesignated 126,305

Total fund balance 126,305

Total liabilities and fund balance \$ 126,305

**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, 2006**

	2006		Variance- Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Licenses and permits	\$ -	\$ 126,305	\$ 126,305
<b>Expenditures:</b>			
<b>General government:</b>			
Services and supplies	-	-	-
Excess (deficiency) of revenues over expenditures	-	126,305	126,305
<b>Fund balance:</b>			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ 126,305</u>	<u>\$ 126,305</u>

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***For the year ended June 30, 2006***



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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2006 and 2005**

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	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 20,640	\$ 16,319
Interest receivable	<u>260</u>	<u>-</u>
Total assets	<u>\$ 20,900</u>	<u>\$ 16,319</u>
<b><u>Fund Balance</u></b>		
Reserved for debt service	<u>\$ 20,900</u>	<u>\$ 16,319</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Other</b>				
Investment income	\$ 30	\$ 671	\$ 641	\$ 164
<b>Expenditures:</b>				
<b>Debt service:</b>				
Principal	68,594	68,594	-	44,665
Interest	16,819	16,819	-	10,245
Total expenditures	85,413	85,413	-	54,910
Excess (deficiency) of revenues over expenditures	(85,383)	(84,742)	641	(54,746)
<b>Other financing sources (uses):</b>				
Operating transfers in	89,323	89,323	-	58,820
Net changes in fund balance	3,940	4,581	641	4,074
<b>Fund balance:</b>				
Beginning of year	12,244	16,319	4,075	12,245
End of year	\$ 16,184	\$ 20,900	\$ 4,716	\$ 16,319

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***For the year ended June 30, 2006***

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***For the year ended June 30, 2006***

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2006**

	Special Ad Valorem	TV Construction	Arena	Vehicle Fire	Totals 2006	Totals 2005
<b><u>Assets</u></b>						
Pooled cash and investments	\$ 179,167	\$ 53,365	\$ 33,494	\$ 186,658	\$ 452,684	\$ 588,111
Interest receivable	<u>976</u>	<u>349</u>	<u>216</u>	<u>1,980</u>	<u>3,521</u>	<u>2,323</u>
Total assets	<u>\$ 180,143</u>	<u>\$ 53,714</u>	<u>\$ 33,710</u>	<u>\$ 188,638</u>	<u>\$ 456,205</u>	<u>\$ 590,434</u>
<b><u>Liabilities</u></b>						
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,500</u>	<u>\$ 92,500</u>	<u>\$ 185,000</u>
<b><u>Fund Balance</u></b>						
Unreserved:						
Designated for subsequent year	175,812	38,070	33,710	85,491	333,083	166,641
Undesignated	<u>4,331</u>	<u>15,644</u>	<u>-</u>	<u>10,647</u>	<u>30,622</u>	<u>238,793</u>
Total fund balance	<u>180,143</u>	<u>53,714</u>	<u>33,710</u>	<u>96,138</u>	<u>363,705</u>	<u>405,434</u>
Total liabilities and fund balance	<u>\$ 180,143</u>	<u>\$ 53,714</u>	<u>\$ 33,710</u>	<u>\$ 188,638</u>	<u>\$ 456,205</u>	<u>\$ 590,434</u>

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2006**

	Special Ad Valorem	TV Construction	Arena	Vehicle Fire	Totals 2006	Totals 2005
<b>Revenues:</b>						
Intergovernmental	\$ 29,094	\$ -	\$ -	\$ 113,800	\$ 142,894	\$ 29,814
Charge for services	-	-	-	5,830	5,830	8,580
Other	<u>5,055</u>	<u>2,144</u>	<u>2,759</u>	<u>12,817</u>	<u>22,775</u>	<u>18,286</u>
 Total revenues	 34,149	 2,144	 2,759	 132,447	 171,499	 56,680
<b>Expenditures:</b>						
<b>Capital projects</b>	<u>95,518</u>	<u>-</u>	<u>-</u>	<u>113,800</u>	<u>209,318</u>	<u>516,090</u>
 Excess (deficiency) of revenues over expenditures	 (61,369)	 2,144	 2,759	 18,647	 (37,819)	 (459,410)
<b>Other financing sources (uses):</b>						
Bond Proceeds	-	-	-	-	-	375,000
Operating transfers in	-	-	-	-	-	115,000
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,910)</u>	<u>(3,910)</u>	<u>(3,910)</u>
 Total other financing sources (use)	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>(3,910)</u>	 <u>(3,910)</u>	 <u>486,090</u>
 Net changes in fund balance	 (61,369)	 2,144	 2,759	 14,737	 (41,729)	 26,680
<b>Fund balance:</b>						
Beginning of year	<u>241,512</u>	<u>51,570</u>	<u>30,951</u>	<u>81,401</u>	<u>405,434</u>	<u>378,754</u>
 End of year	 <u>\$ 180,143</u>	 <u>\$ 53,714</u>	 <u>\$ 33,710</u>	 <u>\$ 96,138</u>	 <u>\$ 363,705</u>	 <u>\$ 405,434</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - SPECIAL AD VALOREM CAPITAL PROJECTS FUND**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 179,167	\$ 239,869
Interest receivable	<u>976</u>	<u>1,643</u>
Total assets	<u>\$ 180,143</u>	<u>\$ 241,512</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	\$ 175,812	\$ 103,824
Undesignated	<u>4,331</u>	<u>137,688</u>
Total fund balance	<u>\$ 180,143</u>	<u>\$ 241,512</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Other	\$ 25,000	\$ 29,094	\$ 4,094	\$ 29,814
<b>Other:</b>				
Investment income	<u>300</u>	<u>5,055</u>	<u>4,755</u>	<u>6,174</u>
Total revenues	25,300	34,149	8,849	35,988
<b>Expenditures:</b>				
<b>Capital projects</b>				
Capital outlay	<u>115,000</u>	<u>95,518</u>	<u>19,482</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(89,700)	(61,369)	28,331	35,988
<b>Fund balance:</b>				
Beginning of year	<u>103,824</u>	<u>241,512</u>	<u>137,688</u>	<u>205,524</u>
End of year	<u>\$ 14,124</u>	<u>\$ 180,143</u>	<u>\$ 166,019</u>	<u>\$ 241,512</u>

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - TV CONSTRUCTION CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 53,365	\$ 51,570
Interest receivable	<u>349</u>	<u>-</u>
Total assets	<u>\$ 53,714</u>	<u>\$ 51,570</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	\$ 38,070	\$ 50,542
Undesignated	<u>15,644</u>	<u>1,028</u>
Total fund balance	<u>\$ 53,714</u>	<u>\$ 51,570</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Other:</b>				
Investment income	\$ 200	\$ 2,144	\$ 1,944	\$ 1,321
<b>Expenditures:</b>				
<b>Capital projects</b>				
Capital outlay	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>7,593</u>
Excess (deficiency) of revenues over expenditures	(29,800)	2,144	31,944	(6,272)
<b>Fund balance:</b>				
Beginning of year	<u>50,542</u>	<u>51,570</u>	<u>1,028</u>	<u>57,842</u>
End of year	<u>\$ 20,742</u>	<u>\$ 53,714</u>	<u>\$ 32,972</u>	<u>\$ 51,570</u>

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - ARENA CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 33,494	\$ 30,951
Interest receivable	<u>216</u>	<u>-</u>
Total assets	<u>\$ 33,710</u>	<u>\$ 30,951</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	\$ 33,710	\$ 3,282
Undesignated	<u>-</u>	<u>27,669</u>
Total Fund balance	<u>\$ 33,710</u>	<u>\$ 30,951</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, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Other:</b>				
Investment income	\$ 200	\$ 1,315	\$ 1,115	\$ 839
Donations	100	-	(100)	-
Rent	<u>2,000</u>	<u>1,444</u>	<u>(556)</u>	<u>2,740</u>
 Total revenues	 2,300	 2,759	 459	 3,579
<b>Expenditures:</b>				
<b>Capital projects</b>				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,203</u>
 Excess (deficiency) of revenues over expenditures	 2,300	 2,759	 459	 (624)
<b>Fund balance:</b>				
Beginning of year	<u>3,282</u>	<u>30,951</u>	<u>27,669</u>	<u>31,575</u>
 End of year	 <u>\$ 5,582</u>	 <u>\$ 33,710</u>	 <u>\$ 28,128</u>	 <u>\$ 30,951</u>

**TOWN OF PAHRUMP, NEVADA  
NONMAJOR - VEHICLE FIRE CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>Assets</u></b>		
Pooled cash and investments	\$ 186,658	\$ 265,721
Interest receivable	<u>1,980</u>	<u>680</u>
Total assets	<u>\$ 188,638</u>	<u>\$ 266,401</u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>\$ 92,500</u>	<u>\$ 185,000</u>
<b><u>Fund Balance</u></b>		
Unreserved:		
Designated for subsequent year	85,491	8,993
Undesignated	<u>10,647</u>	<u>72,408</u>
Total fund balance	<u>96,138</u>	<u>81,401</u>
Total liabilities and fund balance	<u>\$ 188,638</u>	<u>\$ 266,401</u>

**TOWN OF PAHRUMP, NEVADA**  
**NONMAJOR - VEHICLE FIRE CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2006**  
**(With Comparative Actual Amounts for Year Ended June 30, 2005)**

	2006		Variance- Positive (Negative)	2005 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Intergovernmental:</b>				
Grants	\$ 113,800	\$ 113,800	\$ -	\$ -
<b>Charges for services:</b>				
Fire collections	5,000	5,830	830	8,580
<b>Other:</b>				
Miscellaneous	-	750	750	2,130
Investment income	-	12,067	12,067	5,082
Total other revenue	-	12,817	12,817	7,212
Total revenues	118,800	132,447	13,647	15,792
<b>Expenditures:</b>				
<b>Capital projects:</b>				
Service and supplies	5,000	5,000	-	4,194
Capital outlay	108,800	108,800	-	500,100
Total expenditures	113,800	113,800	-	504,294
Excess (deficiency) of revenues over expenditures	5,000	18,647	13,647	(488,502)
<b>Other financing sources (uses):</b>				
Bond Proceeds	-	-	-	375,000
Operating transfers in	-	-	-	115,000
Operating transfers out	(3,910)	(3,910)	-	(3,910)
Total other financing sources (uses)	(3,910)	(3,910)	-	486,090
Net change in fund balance	1,090	14,737	13,647	(2,412)
<b>Fund balance:</b>				
Beginning of year	8,993	81,401	72,408	83,813
End of year	\$ 10,083	\$ 96,138	\$ 86,055	\$ 81,401

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***For the year ended June 30, 2006***



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, 2006, which collectively comprise the Town's basic financial statements and have issued my report thereon dated January 17, 2006. 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.

As required by Nevada Revised Statutes (NRS) 354.6113 Section 4, a schedule of capital projects activity is included in the attached Appendix B.

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  
January 17, 2007

**THE TOWN OF PAHRUMP, NEVADA**  
**APPENDIX A**  
**SCHEDULE OF BUSINESS LICENSE FEES**  
**JUNE 30, 2006**

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, 2006 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**  
**SCHEDULE OF CAPITAL PROJECTS ACTIVITY**  
**JUNE 30, 2006**

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:

Backhoe Loader	\$ 95,518
Exhaust removal system	102,155
Firedog robot	6,645
Turnout gear	5,000
	<u>\$ 209,318</u>

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:

Pahrump Capital Projects	
Interest	\$ 5,000
TV Construction	
Interest	\$ 1,500
Special Ad Valorem	
Taxes	\$ 35,000
Interest	\$ 1,000
Arena Capital Projects	
Rent	\$ 2,000
Interest	\$ 1,000
Donations	\$ 100
Vehicle Fire Capital Projects	
Ambulance	\$ 0

**THE TOWN OF PAHRUMP, NEVADA**  
**APPENDIX B**  
**SCHEDULE OF CAPITAL PROJECTS ACTIVITY**  
**JUNE 30, 2006**  
**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:

Pahrump Capital Projects

Parks Capital Projects	<u>\$ 1,385,000</u>
------------------------	---------------------

T.V. Construction Capital Projects

Transmitter	<u>\$ 15,000</u>
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Ad Valorem Capital Projects

Projects	<u>\$ 50,000</u>
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Arena Capital Projects	<u>\$ 30,000</u>
------------------------	------------------

4. Identify any planned accumulation of the money in the fund.

Response

The Town does not plan to accumulate any fund balance.