

TOWN OF PAHRUMP, NEVADA
REPORT ON FINANCIAL STATEMENTS
AND SUPPLEMENTAL MATERIAL
YEAR ENDED JUNE 30, 2007

TOWN OF PAHRUMP, NEVADA
REPORT ON FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007
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**TOWN OF PAHRUMP, NEVADA
ELECTED TOWN OFFICIALS
JUNE 30, 2007**

CHAIRPERSON

Laurayne C. Murray

TOWN BOARD MEMBERS

John T. McDonald

Nicole Shupp

Dan Sprouse

Don Rust

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, 2007, 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, 2007, 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, 3/10 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.

Las Vegas, Nevada
January 29, 2008

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2007

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 \$2,221,278, consolidated taxes of \$952,388, and charges for services of \$1,337,386. These revenue sources comprised 38.29%, 16.42%, and 23.05% respectively, or 77.76% of total governmental activities revenues.

The Town's total governmental expenses were \$6,839,089. The greatest expenses were in the General Government with \$1,774,178 and Public Safety with \$1,435,797. Business-type activities contributed \$2,390,108 to total expenses.

At the end of the fiscal year, the unreserved fund balance for the General Fund was \$1,885,914. This was an increase of \$346,657 from the prior year.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2007

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, 3/10 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, 2007

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, 2007

Government-wide Financial Analysis

Net assets of the Town as of June 30, 2007, are summarized and analyzed below:

| | Governmental Activities | | Business Type Activities | | Total Primary Governmental | |
|--|-------------------------|---------------------|--------------------------|--------------------|----------------------------|---------------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Assets: | | | | | | |
| Current and other assets | \$ 9,077,071 | \$ 8,141,384 | \$2,380,633 | \$ 857,500 | \$11,457,704 | \$ 8,998,884 |
| Net capital assets | <u>4,692,072</u> | <u>4,605,837</u> | <u>748,224</u> | <u>859,304</u> | <u>5,440,296</u> | <u>5,465,141</u> |
| Total Assets | <u>13,769,143</u> | <u>12,747,221</u> | <u>3,128,857</u> | <u>1,716,804</u> | <u>16,898,000</u> | <u>14,464,025</u> |
| Liabilities: | | | | | | |
| Current liabilities | 1,214,097 | 1,477,421 | 178,961 | 152,663 | 1,393,058 | 1,630,084 |
| Long-term liabilities | <u>357,519</u> | <u>424,499</u> | <u>-</u> | <u>-</u> | <u>357,519</u> | <u>424,499</u> |
| Total Liabilities | <u>1,571,616</u> | <u>1,901,920</u> | <u>178,961</u> | <u>152,663</u> | <u>1,750,577</u> | <u>2,054,583</u> |
| Net Assets: | | | | | | |
| Invested in capital assets, net of related debt | 4,253,425 | 4,100,477 | 748,224 | 859,304 | 5,001,649 | 4,959,781 |
| Restricted | 1,739,439 | 2,948,516 | 116,539 | 234,361 | 1,855,978 | 3,182,877 |
| Unrestricted | <u>6,204,663</u> | <u>3,796,308</u> | <u>2,085,133</u> | <u>1,241,441</u> | <u>8,289,796</u> | <u>5,037,749</u> |
| Total Net Assets | <u>\$12,197,527</u> | <u>\$10,845,301</u> | <u>\$2,949,896</u> | <u>\$2,335,106</u> | <u>\$15,147,423</u> | <u>\$13,180,407</u> |

As noted earlier, net assets may serve over time as a useful indicator of the Town's financial position. Assets exceeded liabilities by \$15,147,423 as of June 30, 2007.

A large portion of the Town's net assets, 33.02%, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, etc.), net of any related debt outstanding used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

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

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

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2007

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

| | Governmental Activities | | Business Type Activities | | Total Primary Governmental | |
|---|-------------------------|---------------------|--------------------------|--------------------|----------------------------|---------------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 1,337,386 | \$ 1,258,358 | \$ 2,883,585 | \$2,596,903 | \$ 4,220,971 | \$ 3,855,261 |
| Capital grants and contributions | 108,079 | 743,290 | 60,000 | 60,000 | 168,079 | 803,290 |
| General revenues: | | | | | | |
| Ad valorem taxes | 2,221,278 | 1,804,751 | - | - | 2,221,278 | 1,804,751 |
| Consolidated tax | 952,388 | 899,104 | - | - | 952,388 | 899,104 |
| Fuel taxes | 273,039 | 256,148 | - | - | 273,039 | 256,148 |
| Room tax | 479,337 | 463,441 | - | - | 479,337 | 463,441 |
| Investment income | 408,824 | 225,042 | 61,313 | 20,290 | 470,137 | 245,332 |
| Other | 20,876 | 73,037 | - | - | 20,876 | 73,037 |
| Total revenues | <u>5,801,207</u> | <u>5,723,171</u> | <u>3,004,898</u> | <u>2,677,193</u> | <u>8,806,105</u> | <u>8,400,364</u> |
| Expenses: | | | | | | |
| General government | 1,774,178 | 1,604,896 | - | - | 1,774,178 | 1,604,896 |
| Public safety | 1,435,797 | 1,131,499 | - | - | 1,435,797 | 1,131,499 |
| Public works | 467,588 | 403,415 | - | - | 467,588 | 403,415 |
| Culture and recreation | 232,262 | 186,020 | - | - | 232,262 | 186,020 |
| Community support | 513,496 | 440,742 | - | - | 513,496 | 440,742 |
| Health and sanitation | 6,960 | 4,112 | - | - | 6,960 | 4,112 |
| Other | 18,700 | 20,988 | 2,390,108 | 2,284,795 | 2,408,808 | 2,305,783 |
| Total expenses | <u>4,448,981</u> | <u>3,791,672</u> | <u>2,390,108</u> | <u>2,284,795</u> | <u>6,839,089</u> | <u>6,076,467</u> |
| Excess (deficiency) of revenues over expenditures | 1,352,226 | 1,931,499 | 614,790 | 392,398 | 1,967,016 | 2,323,897 |
| Operating transfers | - | (200,000) | - | 200,000 | - | - |
| Change in net assets | 1,352,226 | 1,731,499 | 614,790 | 592,398 | 1,967,016 | 2,323,897 |
| Net assets - beginning | <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> |
| Net assets - ending | <u>\$12,197,527</u> | <u>\$10,845,301</u> | <u>\$ 2,949,896</u> | <u>\$2,335,106</u> | <u>\$15,147,423</u> | <u>\$13,180,407</u> |

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, 2007

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 \$8,052,617. Approximately 14.77% of fund balances \$1,189,358 constitute unreserved undesignated fund balance. The remainder of the fund balance is reserved or designated 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 undesignated fund balance of the General Fund was \$221,951. The total fund balance was \$1,985,914.

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

Revenues increased by \$451,167, or 14.53%. Property tax revenue increased by \$373,461 or 21.76% due to increased assessed valuation. Intergovernmental revenues increased by \$49,791 or 5.97%, due to increased consolidated taxes (sales tax). Licenses and permit revenues increased by \$10,417 or 2.65% due to an increase in gaming and liquor licenses.

Expenditures increased by \$600,094 or 23.90%. Public Safety expenditures increased by \$451,826 or 46.65%. The increase was mainly attributed to an increase in staffing, service and supply costs and capital outlay for new equipment.

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, 2007, was \$4,692,072 in governmental activities and \$748,224 in business-type activities. Detail by type of activity and asset is summarized in the following table.

Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2007

A summary of changes in capital assets for the year ended June 30, 2007 follows:

Governmental Activities:

| | <u>Balance</u> <u>June 30, 2006</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2007</u> |
|---|--|------------------|------------------|--|
| Capital assets not being depreciated: | | | | |
| Land | \$ 1,344,355 | \$ 108,000 | \$ 0 | \$ 1,452,355 |
| Capital assets being depreciated: | | | | |
| Building | 2,598,004 | 70,549 | 0 | 2,668,553 |
| Equipment | 3,206,078 | 272,255 | 0 | 3,478,333 |
| Total capital assets being depreciated | <u>5,804,082</u> | <u>342,804</u> | <u>0</u> | <u>6,146,886</u> |
| Less accumulated depreciation for: | | | | |
| Building | 1,131,058 | 61,034 | 0 | 1,192,092 |
| Equipment | 1,411,542 | 303,535 | 0 | 1,715,077 |
| Total accumulated depreciation | <u>2,542,600</u> | <u>364,569</u> | <u>0</u> | <u>2,907,169</u> |
| Total capital assets being depreciated, net | <u>3,261,482</u> | <u>(21,765)</u> | <u>0</u> | <u>3,239,717</u> |
| Governmental activities assets, net | <u>\$ 4,605,837</u> | <u>\$ 86,235</u> | <u>\$ 0</u> | <u>\$ 4,692,072</u> |

Business-type Activities:

| | <u>Balance</u> <u>June 30, 2006</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2007</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 | 1,157,714 | 0 | 0 | 1,157,714 |
| 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 | 114,667 | 16,000 | 0 | 130,667 |
| Equipment | 783,743 | 95,080 | 0 | 878,823 |
| Total accumulated depreciation | <u>898,410</u> | <u>111,080</u> | <u>0</u> | <u>1,009,490</u> |
| Total capital assets being depreciated, net | <u>739,304</u> | <u>(111,080)</u> | <u>0</u> | <u>628,224</u> |
| Business-type activities assets, net | <u>\$ 859,304</u> | <u>\$(111,080)</u> | <u>\$ 0</u> | <u>\$ 748,224</u> |

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For the year ended June 30, 2007

**Town of Pahrump, Nevada
Management's Discussion and Analysis
June 30, 2007**

Debt Administration

A summary of changes in long-term debt for the year ended June 30, 2007 follows:

Governmental Activities:

| | Balance <u>July 1, 2006</u> | Net Additions (Reductions) | Balance <u>June 30, 2007</u> |
|------------------------------|--------------------------------|----------------------------------|---------------------------------|
| Accrued compensated absences | \$ 116,257 | \$ 60,438 | \$ 176,695 |
| Notes payable | <u>489,404</u> | <u>(64,200)</u> | <u>425,204</u> |
| Total | <u>\$ 605,661</u> | <u>\$ (3,762)</u> | <u>\$ 601,899</u> |

Business Type Activities:

| | | | |
|------------------------------|------------------|-----------------|------------------|
| Accrued compensated absences | <u>\$ 62,335</u> | <u>\$ 7,506</u> | <u>\$ 69,841</u> |
|------------------------------|------------------|-----------------|------------------|

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

TOWN OF PAHRUMP, NEVADA
STATEMENT OF NET ASSETS
June 30, 2007

| | Primary Government | | |
|--|----------------------------|-----------------------------|----------------------|
| | Governmental Activities | Business-type Activities | Total |
| Assets: | | | |
| Cash and cash equivalents | \$ 8,555,835 | \$ 1,692,752 | \$ 10,248,587 |
| Interest receivable | 75,355 | 11,375 | 86,730 |
| Taxes receivable | 117,383 | - | 117,383 |
| Due from other governments | 328,498 | - | 328,498 |
| Accounts receivable | - | 559,967 | 559,967 |
| Restricted assets - cash | - | 116,539 | 116,539 |
| Capital assets net of accumulated depreciation | 4,692,072 | 748,224 | 5,440,296 |
| Total assets | <u>13,769,143</u> | <u>3,128,857</u> | <u>16,898,000</u> |
| Liabilities: | | | |
| Accounts payable | 862,707 | 50,635 | 913,342 |
| Accrued payroll and benefits | 93,166 | 58,485 | 151,651 |
| Accrued compensated absences | 176,695 | 69,841 | 246,536 |
| Deferred interest | 401 | - | 401 |
| Current portion of long-term debt: | | | |
| Notes payable | 67,685 | - | 67,685 |
| Interest payable | 13,443 | - | 13,443 |
| Total current liabilities | 1,214,097 | 178,961 | 1,393,058 |
| Long-term liabilities: | | | |
| Notes payable | 357,519 | - | 357,519 |
| Total liabilities | <u>1,571,616</u> | <u>178,961</u> | <u>1,750,577</u> |
| Fund equity/Net assets: | | | |
| Invested in capital assets, net of debt | 4,253,425 | 748,224 | 5,001,649 |
| Restricted for: | | | |
| Capital projects | 1,610,616 | 116,539 | 1,727,155 |
| Debt service | 28,823 | - | 28,823 |
| Other purposes | 100,000 | - | 100,000 |
| Unrestricted | 6,204,663 | 2,085,133 | 8,289,796 |
| Total net assets | <u>\$ 12,197,527</u> | <u>\$ 2,949,896</u> | <u>\$ 15,147,423</u> |

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

TOWN OF PAHRUMP, NEVADA
STATEMENT OF ACTIVITIES
June 30, 2007

| Functions/Programs | Expenses | Program Revenues | | Changes in Net Assets | | |
|---|-----------------------------|---------------------------|--------------------------|----------------------------|----------------------------|----------------------------|
| | | Charges for Service | Grants and Contributions | Governmental Activities | Capital | |
| | | | | | Business-type Activities | Total |
| Primary governments: | | | | | | |
| General government | \$ (1,774,178) | \$ 604,678 | \$ - | \$ (1,169,500) | \$ - | \$ (1,169,500) |
| Public safety | (1,435,797) | 185,640 | - | (1,250,157) | - | (1,250,157) |
| Public works | (467,588) | - | 108,079 | (359,509) | - | (359,509) |
| Health and sanitation | (6,960) | 15,600 | - | 8,640 | - | 8,640 |
| Culture and recreation | (232,262) | 279,982 | - | 47,720 | - | 47,720 |
| Community support | (513,496) | 251,486 | - | (262,010) | - | (262,010) |
| Debt service: | | | | | | |
| Interest | (18,700) | - | - | (18,700) | - | (18,700) |
| Total governmental activities | (4,448,981) | 1,337,386 | 108,079 | (3,003,516) | - | (3,003,516) |
| Business-type activities: | | | | | | |
| Ambulance | (2,390,108) | 2,883,585 | 60,000 | - | 553,477 | 553,477 |
| Total primary governments | <u>\$(6,839,089)</u> | <u>\$4,220,971</u> | <u>\$ 168,079</u> | <u>(3,003,516)</u> | <u>553,477</u> | <u>(2,450,039)</u> |
| General Revenues: | | | | | | |
| Property taxes | | | | 2,221,278 | - | 2,221,278 |
| Fuel tax | | | | 273,039 | - | 273,039 |
| Room tax | | | | 479,337 | - | 479,337 |
| Consolidated taxes | | | | 952,388 | - | 952,388 |
| Investment income | | | | 408,824 | 61,313 | 470,137 |
| Miscellaneous | | | | 20,876 | - | 20,876 |
| Total general revenues and transfers | | | | <u>4,355,742</u> | <u>61,313</u> | <u>4,417,055</u> |
| Change in net assets | | | | 1,352,226 | 614,790 | 1,967,016 |
| Net assets - beginning of year | | | | <u>10,845,301</u> | <u>2,335,106</u> | <u>13,180,407</u> |
| Net assets - end of year | | | | <u>\$12,197,527</u> | <u>\$ 2,949,896</u> | <u>\$15,147,423</u> |

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

TOWN OF PAHRUMP, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2007

| | Major Funds | | | |
|--|-------------------------|------------------------------------|---|--------------------------|
| | General Fund | Road Special Revenue Fund | 3/10 Fairgrounds Room Tax Fund | Capital Projects Fund |
| <u>ASSETS</u> | | | | |
| Pooled cash and investments | \$ 1,904,807 | \$ 628,137 | \$ 1,409,322 | \$ 1,179,211 |
| Interest receivable | 19,340 | 7,665 | 10,585 | 10,948 |
| Taxes receivable | 80,486 | - | - | - |
| Room taxes receivable | - | - | - | - |
| Due from other governments | <u>262,408</u> | <u>48,426</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 2,267,041</u> | <u>\$ 684,228</u> | <u>\$ 1,419,907</u> | <u>\$ 1,190,159</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 134,666 | \$ 684,228 | \$ 1,177 | \$ - |
| Accrued payroll and benefits | 80,536 | - | - | - |
| Deferred interest | - | - | - | - |
| Deferred taxes | <u>65,925</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>281,127</u> | <u>684,228</u> | <u>1,177</u> | <u>-</u> |
| <u>FUND BALANCE</u> | | | | |
| Reserved for: | | | | |
| Debt service | - | - | - | - |
| Claims and judgments | 100,000 | - | - | - |
| Unreserved: | | | | |
| Designated for subsequent year | 1,348,963 | - | 1,339,512 | 1,190,159 |
| Designated for Joint Town/County Fiber Project | - | - | - | - |
| Designated for Fire Tanker replacement | 250,000 | - | - | - |
| Designated for Pahrump Senior Center | 65,000 | - | - | - |
| Undesignated | <u>221,951</u> | <u>-</u> | <u>79,218</u> | <u>-</u> |
| Total fund balance | <u>1,985,914</u> | <u>-</u> | <u>1,418,730</u> | <u>1,190,159</u> |
| Total liabilities and fund balance | <u>\$ 2,267,041</u> | <u>\$ 684,228</u> | <u>\$ 1,419,907</u> | <u>\$ 1,190,159</u> |

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

| Other Governmental Funds | Totals |
|--------------------------------|---------------------|
| \$ 3,434,358 | \$ 8,555,835 |
| 26,817 | 75,355 |
| 2,739 | 83,225 |
| 34,158 | 34,158 |
| <u>17,664</u> | <u>328,498</u> |
| <u>\$ 3,515,736</u> | <u>\$ 9,077,071</u> |
| | |
| \$ 42,636 | \$ 862,707 |
| 12,630 | 93,166 |
| 401 | 401 |
| <u>2,255</u> | <u>68,180</u> |
| | |
| <u>57,922</u> | <u>1,024,454</u> |
| | |
| 28,975 | 28,975 |
| - | 100,000 |
| | |
| 2,428,150 | 6,306,784 |
| 112,500 | 112,500 |
| - | 250,000 |
| - | 65,000 |
| <u>888,189</u> | <u>1,189,358</u> |
| | |
| <u>3,457,814</u> | <u>8,052,617</u> |
| | |
| <u>\$ 3,515,736</u> | <u>\$ 9,077,071</u> |

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

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For the year ended June 30, 2007

TOWN OF PAHRUMP, NEVADA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
June 30, 2007

Total fund balance - governmental funds **\$ 8,052,617**

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 4,692,072

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. 68,180

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 (438,647)

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 (176,695)

Total net assets - governmental activities **\$ 12,197,527**

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, 2007

| | Major Funds | | | |
|--|---------------------|------------------------------------|---|-----------------------------|
| | General Fund | Road Special Revenue Fund | 3/10 Fairgrounds Room Tax Fund | Capital Projects Fund |
| Revenues: | | | | |
| Taxes | \$ 2,089,654 | \$ - | \$ 168,605 | \$ - |
| Fines and forfeitures | 55,940 | - | - | - |
| Licenses and permits | 403,255 | - | - | - |
| Intergovernmental | 883,579 | 273,039 | - | - |
| Charges for services | - | - | - | - |
| Other revenues | 124,097 | 39,261 | 54,268 | 58,832 |
| Total revenues | <u>3,556,525</u> | <u>312,300</u> | <u>222,873</u> | <u>58,832</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 1,657,031 | - | - | - |
| Public safety | 1,420,412 | - | - | - |
| Public works | - | 312,300 | - | - |
| Culture and recreation | 33,102 | - | - | - |
| Community support | - | - | 18,655 | - |
| Health and sanitation | - | - | - | - |
| Capital projects | - | - | - | 155,500 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>3,110,545</u> | <u>312,300</u> | <u>18,655</u> | <u>155,500</u> |
| Excess (deficiency) of revenues over expenditures | <u>445,980</u> | <u>-</u> | <u>204,218</u> | <u>(96,668)</u> |
| Other financing sources (uses): | | | | |
| Operating transfers in | - | - | - | - |
| Operating transfers out | (99,323) | - | - | - |
| Total other financing sources (uses) | <u>(99,323)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | 346,657 | - | 204,218 | (96,668) |
| Fund balance: | | | | |
| Beginning of year | <u>1,639,257</u> | <u>-</u> | <u>1,214,512</u> | <u>1,286,827</u> |
| End of year | <u>\$ 1,985,914</u> | <u>\$ -</u> | <u>\$ 1,418,730</u> | <u>\$ 1,190,159</u> |

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

| Other Governmental Funds | | Totals |
|--------------------------|---------------------|--------|
| \$ 380,978 | \$ 2,639,237 | |
| - | 55,940 | |
| 581,876 | 985,131 | |
| 206,972 | 1,363,590 | |
| 289,354 | 289,354 | |
| 160,203 | 436,661 | |
| <u>1,619,383</u> | <u>5,769,913</u> | |
| 121,505 | 1,778,536 | |
| - | 1,420,412 | |
| 108,543 | 420,843 | |
| 127,229 | 160,331 | |
| 494,841 | 513,496 | |
| 6,960 | 6,960 | |
| - | 155,500 | |
| 64,200 | 64,200 | |
| 21,213 | 21,213 | |
| <u>944,491</u> | <u>4,541,491</u> | |
| <u>674,892</u> | <u>1,228,422</u> | |
| 103,233 | 103,233 | |
| (3,910) | (103,233) | |
| <u>99,323</u> | - | |
| 774,215 | 1,228,422 | |
| <u>2,683,599</u> | <u>6,824,195</u> | |
| <u>\$ 3,457,814</u> | <u>\$ 8,052,617</u> | |

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

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For the year ended June 30, 2007

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, 2007

Net Change in Fund Balance - Governmental Funds **\$ 1,228,422**

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 86,235

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 31,294

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. 64,200

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 (57,925)

Change in net assets of governmental activities **\$ 1,352,226**

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, 2007

| | Budget | | Actual | Variance- Positive (Negative) |
|------------------------------|--------------|--------------|--------------|-------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Property taxes | \$ 1,977,665 | \$ 1,977,665 | \$ 2,089,654 | \$ 111,989 |
| Fines and fees | 80,000 | 80,000 | 55,940 | (24,060) |
| Licenses and permits: | | | | |
| Franchise fees | 140,000 | 140,000 | 141,694 | 1,694 |
| Gaming licenses | 240,000 | 240,000 | 241,751 | 1,751 |
| Liquor licenses | 20,000 | 20,000 | 19,810 | (190) |
| Total licenses and permits | 400,000 | 400,000 | 403,255 | 3,255 |
| Intergovernmental: | | | | |
| Consolidated tax | 967,000 | 967,000 | 883,579 | (83,421) |
| Other: | | | | |
| Investment income | - | - | 100,641 | 100,641 |
| Rental | - | - | 2,580 | 2,580 |
| Miscellaneous | 30,000 | 30,000 | 20,876 | (9,124) |
| Total other | 30,000 | 30,000 | 124,097 | 94,097 |
| Total revenues | 3,454,665 | 3,454,665 | 3,556,525 | 101,860 |

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, 2007

| | Budget | | Actual | Variance- Positive (Negative) |
|-----------------------------------|------------------|------------------|------------------|-------------------------------------|
| | Original | Final | | |
| Expenditures: | | | | |
| General government: | | | | |
| Administration: | | | | |
| Salaries and wages | \$ 326,000 | \$ 326,000 | \$ 334,143 | \$ (8,143) |
| Employee benefits | 164,000 | 164,000 | 134,867 | 29,133 |
| Services and supplies | 306,000 | 306,000 | 308,877 | (2,877) |
| Capital outlay | <u>20,000</u> | <u>20,000</u> | <u>3,828</u> | <u>16,172</u> |
| Total administration | <u>816,000</u> | <u>816,000</u> | <u>781,715</u> | <u>34,285</u> |
| Buildings and grounds: | | | | |
| Salaries and wages | 414,000 | 414,000 | 380,642 | 33,358 |
| Employee benefits | 171,000 | 171,000 | 160,447 | 10,553 |
| Services and supplies | 280,000 | 280,000 | 277,347 | 2,653 |
| Capital outlay | <u>150,000</u> | <u>150,000</u> | <u>56,880</u> | <u>93,120</u> |
| Total buildings and grounds | <u>1,015,000</u> | <u>1,015,000</u> | <u>875,316</u> | <u>139,684</u> |
| Total general government | <u>1,831,000</u> | <u>1,831,000</u> | <u>1,657,031</u> | <u>173,969</u> |
| Public safety: | | | | |
| Fire department: | | | | |
| Salaries and wages | 647,000 | 647,000 | 694,690 | (47,690) |
| Employee benefits | 335,000 | 335,000 | 310,131 | 24,869 |
| Services and supplies | 303,500 | 303,500 | 188,923 | 114,577 |
| Capital outlay | <u>225,000</u> | <u>225,000</u> | <u>226,668</u> | <u>(1,668)</u> |
| Total public safety | <u>1,510,500</u> | <u>1,510,500</u> | <u>1,420,412</u> | <u>90,088</u> |
| Culture and recreation: | | | | |
| Television: | | | | |
| Services and supplies | <u>16,500</u> | <u>16,500</u> | <u>11,940</u> | <u>4,560</u> |
| Arena and fair activities: | | | | |
| Services and supplies | 30,000 | 30,000 | 21,162 | 8,838 |
| Capital outlay | <u>5,000</u> | <u>5,000</u> | <u>-</u> | <u>5,000</u> |
| Total arena and fair activities | <u>35,000</u> | <u>35,000</u> | <u>21,162</u> | <u>13,838</u> |
| Total culture and recreation | <u>51,500</u> | <u>51,500</u> | <u>33,102</u> | <u>18,398</u> |
| Contingency | <u>60,000</u> | <u>60,000</u> | <u>-</u> | <u>60,000</u> |
| Total expenditures | <u>3,453,000</u> | <u>3,453,000</u> | <u>3,110,545</u> | <u>342,455</u> |

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

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For the year ended June 30, 2007

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, 2007

| | Budget | | Actual | Variance- Positive (Negative) |
|--|-------------------|-------------------|---------------------|-------------------------------------|
| | Original | Final | | |
| Excess (deficiency) of revenues over expenditures | \$ 1,665 | \$ 1,665 | \$ 445,980 | \$ 444,315 |
| Other financing sources (uses): | | | | |
| Operating transfers out | <u>(499,323)</u> | <u>(499,323)</u> | <u>(99,323)</u> | <u>400,000</u> |
| Net change in fund balance | (497,658) | (497,658) | 346,657 | 844,315 |
| Fund balance: | | | | |
| Beginning of year | <u>706,120</u> | <u>706,120</u> | <u>1,639,257</u> | <u>933,137</u> |
| End of year | <u>\$ 208,462</u> | <u>\$ 208,462</u> | <u>\$ 1,985,914</u> | <u>\$ 1,777,452</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, 2007

| | Budget | | Actual | Variance- Positive (Negative) |
|--|------------|------------|------------|-------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental: | | | | |
| Gas tax \$1.75 | \$ 325,000 | \$ 325,000 | \$ 273,039 | \$ (51,961) |
| Other: | | | | |
| Investment income | - | - | 39,261 | 39,261 |
| Total revenues | 325,000 | 325,000 | 312,300 | (12,700) |
| Expenditures: | | | | |
| Public works: | | | | |
| Services and supplies | 325,000 | 325,000 | 312,300 | 12,700 |
| Excess (deficiency) of revenues over expenditures | - | - | - | - |
| Fund balance: | | | | |
| Beginning of year | - | - | - | - |
| End of year | \$ - | \$ - | \$ - | \$ - |

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - 3/10 FAIR GROUNDS ROOM TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007

| | Budget | | Actual | Variance- Positive (Negative) |
|--|------------------|------------------|---------------------|-------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 140,000 | \$ 140,000 | \$ 168,605 | \$ 28,605 |
| Other: | | | | |
| Investment income | <u>2,000</u> | <u>2,000</u> | <u>54,268</u> | <u>52,268</u> |
| Total revenues | <u>142,000</u> | <u>142,000</u> | <u>222,873</u> | <u>80,873</u> |
| Expenditures: | | | | |
| Community support: | | | | |
| Services and supplies | - | - | 18,655 | (18,655) |
| Capital outlay | <u>650,000</u> | <u>650,000</u> | <u>-</u> | <u>650,000</u> |
| Total expenditures | <u>650,000</u> | <u>650,000</u> | <u>18,655</u> | <u>631,345</u> |
| Excess (deficiency) of revenues over expenditures | (508,000) | (508,000) | 204,218 | 712,218 |
| Other financing sources (uses): | | | | |
| Operating transfers in | <u>30,000</u> | <u>30,000</u> | <u>-</u> | <u>(30,000)</u> |
| Net change in fund balance | (478,000) | (478,000) | 204,218 | 682,218 |
| Fund balance: | | | | |
| Beginning of year | <u>511,713</u> | <u>511,713</u> | <u>1,214,512</u> | <u>702,799</u> |
| End of year | <u>\$ 33,713</u> | <u>\$ 33,713</u> | <u>\$ 1,418,730</u> | <u>\$ 1,385,017</u> |

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

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For the year ended June 30, 2007

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, 2007

| | Budget | | Actual | Variance- Positive (Negative) |
|--|------------------|------------------|---------------------|-------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Other: | | | | |
| Investment income | \$ 5,000 | \$ 5,000 | \$ 58,832 | \$ 53,832 |
| Expenditures: | | | | |
| Capital projects | <u>1,385,000</u> | <u>1,385,000</u> | <u>155,500</u> | <u>1,229,500</u> |
| Excess (deficiency) of revenues over expenditures | (1,380,000) | (1,380,000) | (96,668) | 1,283,332 |
| Other financing sources (uses): | | | | |
| Operating transfers in | <u>200,000</u> | <u>200,000</u> | <u>-</u> | <u>(200,000)</u> |
| Net change in fund balance | (1,180,000) | (1,180,000) | (96,668) | 1,083,332 |
| Fund balance: | | | | |
| Beginning of year | <u>1,246,509</u> | <u>1,246,509</u> | <u>1,286,827</u> | <u>40,318</u> |
| End of year | <u>\$ 66,509</u> | <u>\$ 66,509</u> | <u>\$ 1,190,159</u> | <u>\$ 1,123,650</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, 2007

2007

Assets

Current assets:

| | |
|---|------------------|
| Pooled cash and investments | \$ 1,692,752 |
| Interest receivable | 11,375 |
| Accounts receivable, net of allowance for uncollectibles | <u>559,967</u> |
| Total current assets | <u>2,264,094</u> |

Restricted assets:

| | |
|------|----------------|
| Cash | <u>116,539</u> |
|------|----------------|

Fixed assets:

| | |
|---|--------------------|
| Land | 120,000 |
| Building | 480,000 |
| Vehicles | 833,607 |
| Equipment | 324,107 |
| Less accumulated depreciation | <u>(1,009,490)</u> |
| Total fixed assets, net of depreciation | <u>748,224</u> |

| | |
|--------------|------------------|
| Total assets | <u>3,128,857</u> |
|--------------|------------------|

Liabilities

| | |
|----------------------|---------------|
| Accounts payable | 50,635 |
| Accrued payroll | 58,485 |
| Compensated absences | <u>69,841</u> |

| | |
|-------------------|----------------|
| Total liabilities | <u>178,961</u> |
|-------------------|----------------|

Net assets

| | |
|-----------------------------|------------------|
| Invested in capital assets | 748,224 |
| Reserved for capital assets | 116,539 |
| Unreserved | <u>2,085,133</u> |

| | |
|------------------|---------------------|
| Total net assets | <u>\$ 2,949,896</u> |
|------------------|---------------------|

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

**TOWN OF PAHRUMP, NEVADA
 PROPRIETARY FUND
 MAJOR FUND - AMBULANCE ENTERPRISE FUND
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 YEAR ENDED JUNE 30, 2007**

2007

Revenues:

Charges for services:

Ambulance fees, net of contractual adjustments \$ 2,883,585

Expenses:

Salaries and wages 1,051,772

Employee benefits 489,899

Services and supplies 285,302

Depreciation 111,080

Bad debt 452,055

Total expenses 2,390,108

Operating income (loss) 493,477

Non-operating revenue (expenses):

Grants 60,000

Investment income 61,313

Total non-operating revenue (expense) 121,313

Net income (loss) 614,790

Net assets:

Beginning of year 2,335,106

End of year \$ 2,949,896

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

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For the year ended June 30, 2007

**TOWN OF PAHRUMP, NEVADA
 PROPRIETARY FUND TYPE
 MAJOR FUND - AMBULANCE ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2007**

| | 2007 |
|--|---------------------|
| Cash flows from operating activities: | |
| Cash received from customers | \$ 2,480,727 |
| Cash paid for service and supplies | (255,581) |
| Cash paid for employees and benefits | <u>(1,535,128)</u> |
| Net cash (used) by operating activities | 690,018 |
| Cash flows from capital and related financing activities: | |
| Grant - Nye County | 240,000 |
| Cash flows from investing activities: | |
| Interest received | <u>53,947</u> |
| Net (decrease) in cash | 983,965 |
| Cash: | |
| Beginning of year | <u>825,326</u> |
| End of year | <u>\$ 1,809,291</u> |
| Reconciliation of operating (loss) to net cash (used) by operating activities: | |
| Operating Income | <u>\$ 493,477</u> |
| Adjustments to reconcile operating (loss) to net cash (used) by operating activities: | |
| Depreciation | 111,080 |
| Changes in assets and liabilities: | |
| (Increase) decrease in prepaids | 9,966 |
| (Increase) decrease in accounts receivable | 49,197 |
| Increase (decrease) in accounts payable | 19,755 |
| Increase (decrease) in accrued payroll | (963) |
| Increase (decrease) in compensated absences | <u>7,506</u> |
| Total adjustments | <u>196,541</u> |
| Net cash (used) by operating activities | <u>\$ 690,018</u> |

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

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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, 2007. 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, 2007

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, 2007

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.

3/10 Fairgrounds Room Tax Special Revenue Fund - The Fairgrounds Fund is used to account for room tax allocated for the maintenance and capital needs of the fairgrounds.

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, 2007

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, 2007

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity (Continued)

b. Receivables and Payables

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

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

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

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

c. Inventories and Prepaid Items

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

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. There were no material prepaid expenses as of June 30, 2007.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, and Equity (Continued)

d. Restricted Assets

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

e. Capital Assets

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

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

| <u>Capital Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| 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 is required to capitalize and report its major general infrastructure assets acquired in the fiscal years ending after June 30, 1980. In addition, infrastructure assets acquired before June 30, 1980 that received significant reconstruction must be capitalized. The Town of Pahrump, Nevada has no infrastructure assets that were acquired or reconstructed that must be capitalized.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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, 2007

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, 2007

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 | \$ 425,204 |
| Interest payable | <u>13,443</u> |
| Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities | <u>\$ 438,647</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 | \$ 450,804 |
| Depreciation expense | <u>(364,569)</u> |
| Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities | <u>\$ 86,235</u> |

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

| | |
|--|------------------|
| General obligation debt principal payments | <u>\$ 64,200</u> |
|--|------------------|

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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 | \$ (60,438) |
| Accrued interest | <u>2,513</u> |
| | <u>\$ (57,925)</u> |

C. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Budgetary Information

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

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

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

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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. There were no budgets augmentations for the year ended June 30, 2007.
- i. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

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, 2007

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, 2007.

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

| | |
|---|---------------------|
| Cash on hand | \$ 584,356 |
| Carrying amount of cash and investments | <u>9,780,770</u> |
| Total | <u>\$10,365,126</u> |
| | |
| Cash and cash equivalents | \$10,248,587 |
| Restricted cash | <u>116,539</u> |
| Total | <u>\$10,365,126</u> |

2. Receivables

Receivables as of June 30, 2007 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 | \$ 19,340 | \$ 7,665 | \$ 10,585 | \$ 10,948 | \$ 11,375 | \$ 26,817 | \$ 86,730 |
| Delinquent taxes | 80,486 | 0 | 0 | 0 | 0 | 2,739 | 83,225 |
| Room tax receivable | 0 | 0 | 0 | 0 | 0 | 34,158 | 34,158 |
| Due from other governments | 262,408 | 48,426 | 0 | 0 | 0 | 17,664 | 328,498 |
| Due from others | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gross receivables | 0 | 0 | 0 | 0 | 1,811,504 | 0 | 1,811,504 |
| Less: allowance for Uncollectibles | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(1,251,537)</u> | <u>0</u> | <u>(1,251,537)</u> |
| Net Total receivables | <u>\$ 362,234</u> | <u>\$ 56,091</u> | <u>\$ 10,585</u> | <u>\$ 10,948</u> | <u>\$ 571,342</u> | <u>\$ 81,378</u> | <u>\$1,092,578</u> |

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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, 2007 follows:

Governmental Activities:

| | <u>Balance</u> <u>June 30, 2006</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2007</u> |
|---|--|------------------|------------------|--|
| Capital assets not being depreciated: | | | | |
| Land | \$ 1,344,355 | \$ 108,000 | \$ 0 | \$ 1,452,355 |
| Capital assets being depreciated: | | | | |
| Building | 2,598,004 | 70,549 | 0 | 2,668,553 |
| Equipment | 3,206,078 | 272,255 | 0 | 3,478,333 |
| Total capital assets being depreciated | <u>5,804,082</u> | <u>342,804</u> | <u>0</u> | <u>6,146,886</u> |
| Less accumulated depreciation for: | | | | |
| Building | 1,131,058 | 61,034 | 0 | 1,192,092 |
| Equipment | 1,411,542 | 303,535 | 0 | 1,715,077 |
| Total accumulated depreciation | <u>2,542,600</u> | <u>364,569</u> | <u>0</u> | <u>2,907,169</u> |
| Total capital assets being depreciated, net | <u>3,261,482</u> | <u>(21,765)</u> | <u>0</u> | <u>3,239,717</u> |
| Governmental activities assets, net | <u>\$ 4,605,837</u> | <u>\$ 86,235</u> | <u>\$ 0</u> | <u>\$ 4,692,072</u> |

Business-type Activities:

| | <u>Balance</u> <u>June 30, 2006</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2007</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 | 1,157,714 | 0 | 0 | 1,157,714 |
| 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 | 114,667 | 16,000 | 0 | 130,667 |
| Equipment | 783,743 | 95,080 | 0 | 878,823 |
| Total accumulated depreciation | <u>898,410</u> | <u>111,080</u> | <u>0</u> | <u>1,009,490</u> |
| Total capital assets being depreciated, net | <u>739,304</u> | <u>(111,080)</u> | <u>0</u> | <u>628,224</u> |
| Business-type activities assets, net | <u>\$ 859,304</u> | <u>\$(111,080)</u> | <u>\$ 0</u> | <u>\$ 748,224</u> |

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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 | \$ 15,334 |
| Public safety | 226,034 |
| Public works | 46,745 |
| Culture and recreation | <u>76,456</u> |

\$ 364,569

Business activities:

| | |
|-----------|-------------------|
| Ambulance | <u>\$ 111,080</u> |
|-----------|-------------------|

Construction commitments:

The Town has no active construction projects as of June 30, 2007.

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 \$65,925. Deferred taxes in the Swimming Pool Fund were \$2,255.

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 annually.

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, 2007, the Debt Service fund had an ending fund balance of \$28,975. As of June 30, 2007 the required reserve was \$23,460.

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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, 2007 are as follows:

| <u>Year Ended June 30,</u> | <u>Principal</u> | <u>Interest</u> |
|----------------------------|------------------|------------------|
| 2008 | 34,590 | 5,320 |
| 2009 | 36,147 | 3,763 |
| 2010 | 37,773 | 2,137 |
| 2011 | <u>11,094</u> | <u>437</u> |
| | <u>\$119,604</u> | <u>\$ 11,657</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, 2007 are as follows:

| <u>Year Ended June 30,</u> | <u>Principal</u> | <u>Interest</u> |
|----------------------------|------------------|-----------------|
| 2008 | 33,095 | 12,408 |
| 2009 | 34,439 | 11,064 |
| 2010 | 35,837 | 9,666 |
| 2011 | 37,292 | 8,211 |
| 2012 | 38,806 | 6,697 |
| 2013 | 40,382 | 5,121 |
| 2014-2015 | <u>85,749</u> | <u>5,257</u> |
| | <u>\$305,600</u> | <u>\$58,424</u> |

During the year ended June 30, 2007, the following changes occurred in long-term debt:

Governmental Activities:

| | Balance | Net | Balance |
|------------------------------|---------------------|---------------------------|----------------------|
| | <u>July 1, 2006</u> | Additions (Reductions) | <u>June 30, 2007</u> |
| Accrued compensated absences | \$ 116,257 | \$ 60,438 | \$ 176,695 |
| Notes payable | <u>489,404</u> | <u>(64,200)</u> | <u>425,204</u> |
| Total | <u>\$ 605,661</u> | <u>\$ (3,762)</u> | <u>\$ 601,899</u> |

Business Type Activities:

| | | | |
|------------------------------|------------------|-----------------|------------------|
| Accrued compensated absences | <u>\$ 62,335</u> | <u>\$ 7,506</u> | <u>\$ 69,841</u> |
|------------------------------|------------------|-----------------|------------------|

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

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

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, 2007 were:

| | <u>Transfers In</u> | <u>Transfer Out</u> | |
|-----------------|---------------------|---------------------|--------------------------------------|
| | | <u>General Fund</u> | <u>Vehicle Fire Capital Projects</u> |
| Cemetery | \$ 10,000 | \$ 10,000 | \$ 0 |
| Ambulance Debt | <u>93,233</u> | <u>89,323</u> | <u>3,910</u> |
| Total Transfers | <u>\$ 103,233</u> | <u>\$ 99,323</u> | <u>\$ 3,910</u> |

8. Restricted Assets Accounts

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

Cash - Ambulance \$ 116,539

TOWN OF PAHRUMP, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2007

E. OTHER INFORMATION

1. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town joined together with other local governments in the Nevada Public Agency Insurance Pool (NPAIP), a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Town pays an annual premium to NPAIP for its property, casualty, crimes, and machinery insurance coverage. NPAIP is self-sustaining through member premiums and reinsures through commercial companies for claims in excess of \$200,000 property/crime/ and equipment breakdown; casualty \$500,000 each and every insured event. As a participatory member, the maintenance deductible is \$2,000 for each insured event.

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

The Town is self-insured for unemployment claims.

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

2. Contingent Liabilities

Grants

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

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, 2007

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 2006-2007 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, 2007 was \$583,657. The contributions were equal to the required contributions for the year. Contributions for the years ended June 30, 2006 and 2005 were \$466,776 and \$409,484, 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, 2007

**GENERAL, ROAD, FAIRGROUNDS
AND CAPITAL PROJECTS
(MAJOR FUNDS)**

GENERAL FUND

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

ROAD

To account for gas tax money received for road maintenance.

3/10 FAIRGROUNDS ROOM TAX

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

CAPITAL PROJECTS FUND

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

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For the year ended June 30, 2007

**TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2007 and 2006**

| | 2007 | 2006 |
|--|-----------------------------|-----------------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 1,904,807 | \$ 1,808,455 |
| Interest receivable | 19,340 | 12,755 |
| Taxes receivable | 80,486 | 40,743 |
| Prepaid insurance | - | 12,414 |
| Due from other governments | 262,408 | 148,324 |
| Due from others | - | 35,639 |
| | <u> </u> | <u> </u> |
| Total assets | <u>\$ 2,267,041</u> | <u>\$ 2,058,330</u> |
| <u>Liabilities</u> | | |
| Accounts payable | \$ 134,666 | \$ 308,300 |
| Accrued payroll | 80,536 | 75,100 |
| Deferred tax revenue | 65,925 | 35,673 |
| | <u> </u> | <u> </u> |
| Total liabilities | <u>281,127</u> | <u>419,073</u> |
| <u>Fund Balance</u> | | |
| Reserved for: | | |
| Claims and judgments | 100,000 | 100,000 |
| Unreserved: | | |
| Designated for subsequent year | 1,348,963 | 706,120 |
| Designated for Fire Tanker replacement | 250,000 | 250,000 |
| Designated for Pahrump Senior Center | 65,000 | 65,000 |
| Undesignated | 221,951 | 518,137 |
| | <u> </u> | <u> </u> |
| Total fund balance | <u>1,985,914</u> | <u>1,639,257</u> |
| | | |
| Total liabilities and fund balance | <u>\$ 2,267,041</u> | <u>\$ 2,058,330</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- | 2006 |
|--|-------------------|---------------------|------------------------|---------------------|
| | Budget | Actual | Positive (Negative) | |
| Revenues: | | | | |
| Taxes | \$ 1,977,665 | \$ 2,089,654 | \$ 111,989 | \$ 1,716,193 |
| Fines and fees | 80,000 | 55,940 | (24,060) | 35,789 |
| Licenses and permits | 400,000 | 403,255 | 3,255 | 392,838 |
| Intergovernmental | 967,000 | 883,579 | (83,421) | 833,788 |
| Other | 30,000 | 124,097 | 94,097 | 126,750 |
| Total revenues | <u>3,454,665</u> | <u>3,556,525</u> | <u>101,860</u> | <u>3,105,358</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 1,831,000 | 1,657,031 | 173,969 | 1,520,056 |
| Public safety | 1,510,500 | 1,420,412 | 90,088 | 968,586 |
| Culture and recreation | 51,500 | 33,102 | 18,398 | 21,809 |
| Contingency | 60,000 | - | 60,000 | - |
| Total expenditures | <u>3,453,000</u> | <u>3,110,545</u> | <u>342,455</u> | <u>2,510,451</u> |
| Excess (deficiency) of revenues over expenditures | 1,665 | 445,980 | 444,315 | 594,907 |
| Other financing sources (uses): | | | | |
| Operating transfers out | (499,323) | (99,323) | 400,000 | (285,413) |
| Net change in fund balance | (497,658) | 346,657 | 844,315 | 309,494 |
| Fund balance: | | | | |
| Beginning of year | 706,120 | 1,639,257 | 933,137 | 1,329,763 |
| End of year | <u>\$ 208,462</u> | <u>\$ 1,985,914</u> | <u>\$ 1,777,452</u> | <u>\$ 1,639,257</u> |

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET
YEAR ENDED JUNE 30, 2007

(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 |
|------------------------------|--------------|--------------|-------------------------------------|--------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Property taxes | \$ 1,977,665 | \$ 2,089,654 | \$ 111,989 | \$ 1,716,193 |
| Fines and fees | 80,000 | 55,940 | (24,060) | 35,789 |
| Licenses and permits: | | | | |
| Franchise fees | 140,000 | 141,694 | 1,694 | 141,138 |
| Gaming licenses | 240,000 | 241,751 | 1,751 | 239,760 |
| Liquor licenses | 20,000 | 19,810 | (190) | 11,940 |
| Total licenses and permits | 400,000 | 403,255 | 3,255 | 392,838 |
| Intergovernmental: | | | | |
| Consolidated tax | 967,000 | 883,579 | (83,421) | 833,788 |
| Other: | | | | |
| Investment income | - | 100,641 | 100,641 | 52,528 |
| Rental | - | 2,580 | 2,580 | 1,935 |
| Insurance proceeds | - | - | - | 53,000 |
| Miscellaneous | 30,000 | 20,876 | (9,124) | 19,287 |
| Total other | 30,000 | 124,097 | 94,097 | 126,750 |
| Total revenues | 3,454,665 | 3,556,525 | 101,860 | 3,105,358 |

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED JUNE 30, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- | 2006 |
|-----------------------------------|---------------------|---------------------|------------------------|---------------------|
| | Budget | Actual | Positive (Negative) | |
| Expenditures: | | | | |
| General government: | | | | |
| Administration | | | | |
| Salaries and wages | \$ 326,000 | \$ 334,143 | \$ (8,143) | \$ 290,575 |
| Employee benefits | 164,000 | 134,867 | 29,133 | 121,206 |
| Services and supplies | 306,000 | 308,877 | (2,877) | 314,005 |
| Capital outlay | 20,000 | 3,828 | 16,172 | 6,449 |
| Total administration | <u>816,000</u> | <u>781,715</u> | <u>34,285</u> | <u>732,235</u> |
| Buildings and grounds: | | | | |
| Salaries and wages | 414,000 | 380,642 | 33,358 | 331,080 |
| Employee benefits | 171,000 | 160,447 | 10,553 | 135,790 |
| Services and supplies | 280,000 | 277,347 | 2,653 | 300,320 |
| Capital outlay | 150,000 | 56,880 | 93,120 | 20,631 |
| Total buildings and grounds | <u>1,015,000</u> | <u>875,316</u> | <u>139,684</u> | <u>787,821</u> |
| Total general government | <u>1,831,000</u> | <u>1,657,031</u> | <u>173,969</u> | <u>1,520,056</u> |
| Public safety: | | | | |
| Fire department: | | | | |
| Salaries and wages | 647,000 | 694,690 | (47,690) | 537,964 |
| Employee benefits | 335,000 | 310,131 | 24,869 | 245,773 |
| Services and supplies | 303,500 | 188,923 | 114,577 | 123,889 |
| Capital outlay | 225,000 | 226,668 | (1,668) | 60,960 |
| Total public safety | <u>1,510,500</u> | <u>1,420,412</u> | <u>90,088</u> | <u>968,586</u> |
| Culture and recreation: | | | | |
| Television: | | | | |
| Services and supplies | 16,500 | 11,940 | 4,560 | 10,650 |
| Arena and fair activities: | | | | |
| Services and supplies | 30,000 | 21,162 | 8,838 | 11,159 |
| Capital outlay | 5,000 | - | 5,000 | - |
| Total arena and fair activities | <u>35,000</u> | <u>21,162</u> | <u>13,838</u> | <u>11,159</u> |
| Total culture and recreation | <u>51,500</u> | <u>33,102</u> | <u>18,398</u> | <u>21,809</u> |
| Contingency | <u>60,000</u> | <u>-</u> | <u>60,000</u> | <u>-</u> |
| Total expenditures | <u>\$ 3,453,000</u> | <u>\$ 3,110,545</u> | <u>\$ 342,455</u> | <u>\$ 2,510,451</u> |

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - ROAD SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|-----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 628,137 | \$ 663,117 |
| Interest receivable | 7,665 | 4,160 |
| Due from other governments | <u>48,426</u> | <u>42,270</u> |
| Total assets | <u>\$ 684,228</u> | <u>\$ 709,547</u> |
| <u>Liabilities</u> | | |
| Accounts payable | \$ 684,228 | \$ 709,547 |
| <u>Fund Balance</u> | | |
| Unreserved-undesignated | <u>-</u> | <u>-</u> |
| Total liabilities and fund balance | <u>\$ 684,228</u> | <u>\$ 709,547</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------|------------|-------------------------------------|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Intergovernmental: | | | | |
| Gas tax \$1.75 | \$ 325,000 | \$ 273,039 | \$ (51,961) | \$ 256,148 |
| Other: | | | | |
| Investment income | - | 39,261 | 39,261 | 22,469 |
| Total revenues | 325,000 | 312,300 | (12,700) | 278,617 |
| Expenditures: | | | | |
| Public works: | | | | |
| Services and supplies | 325,000 | 312,300 | 12,700 | 278,617 |
| Excess (deficiency) of revenues over expenditures | - | - | - | - |
| Fund balance: | | | | |
| Beginning of year | - | - | - | - |
| End of year | \$ - | \$ - | \$ - | \$ - |

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - 3/10 FAIR GROUNDS ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|---------------------------------------|---------------------|---------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 1,409,322 | \$ 1,213,790 |
| Interest receivable | <u>10,585</u> | <u>6,043</u> |
| Total assets | <u>\$ 1,419,907</u> | <u>\$ 1,219,833</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 1,177</u> | <u>\$ 5,321</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 1,339,512 | 511,713 |
| Designated for Water rights | - | 250,000 |
| Designated for Water Well Development | - | 300,000 |
| Undesignated | <u>79,218</u> | <u>152,799</u> |
| Total fund balance | <u>1,418,730</u> | <u>1,214,512</u> |
| Total liabilities and fund balance | <u>\$ 1,419,907</u> | <u>\$ 1,219,833</u> |

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - 3/10 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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|---------------------|-------------------------------------|---------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 140,000 | \$ 168,605 | \$ 28,605 | \$ 161,033 |
| Intergovernmental: | | | | |
| PETT Grant | - | - | - | 550,000 |
| Other: | | | | |
| Investment income | 2,000 | 54,268 | 52,268 | 27,531 |
| Total revenues | <u>142,000</u> | <u>222,873</u> | <u>80,873</u> | <u>738,564</u> |
| Expenditures: | | | | |
| Community support: | | | | |
| Salaries and wages | - | - | - | 2,578 |
| Employee benefits | - | - | - | 1,348 |
| Services and supplies | - | 18,655 | (18,655) | 54,839 |
| Capital outlay | 650,000 | - | 650,000 | - |
| Total expenditures | <u>650,000</u> | <u>18,655</u> | <u>631,345</u> | <u>58,765</u> |
| Excess (deficiency) of revenues over expenditures | (508,000) | 204,218 | 712,218 | 679,799 |
| Other financing sources (uses): | | | | |
| Operating transfers in | 30,000 | - | (30,000) | 25,000 |
| Net change in fund balance | (478,000) | 204,218 | 682,218 | 704,799 |
| Fund balance: | | | | |
| Beginning of year | 511,713 | 1,214,512 | 702,799 | 509,713 |
| End of year | <u>\$ 33,713</u> | <u>\$ 1,418,730</u> | <u>\$ 1,385,017</u> | <u>\$ 1,214,512</u> |

**TOWN OF PAHRUMP, NEVADA
MAJOR FUND - CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006**

| | 2007 | 2006 |
|------------------------------------|---------------------|---------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 1,179,211 | \$ 1,278,806 |
| Interest receivable | <u>10,948</u> | <u>8,021</u> |
| Total assets | <u>\$ 1,190,159</u> | <u>\$ 1,286,827</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ -</u> | <u>\$ -</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 1,190,159 | 1,246,509 |
| Undesignated | <u>-</u> | <u>40,318</u> |
| Total fund balance | <u>1,190,159</u> | <u>1,286,827</u> |
| Total liabilities and fund balance | <u>\$ 1,190,159</u> | <u>\$ 1,286,827</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|---------------------|-------------------------------------|---------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Other: | | | | |
| Investment income | \$ 5,000 | \$ 58,832 | \$ 53,832 | \$ 45,318 |
| Expenditures: | | | | |
| Capital projects | <u>1,385,000</u> | <u>155,500</u> | <u>1,229,500</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (1,380,000) | (96,668) | 1,283,332 | 45,318 |
| Other financing sources (uses): | | | | |
| Operating transfers in | <u>200,000</u> | <u>-</u> | <u>(200,000)</u> | <u>-</u> |
| Net change in fund balance | (1,180,000) | (96,668) | 1,083,332 | 45,318 |
| Fund balance: | | | | |
| Beginning of year | <u>1,246,509</u> | <u>1,286,827</u> | <u>40,318</u> | <u>1,241,509</u> |
| End of year | <u>\$ 66,509</u> | <u>\$ 1,190,159</u> | <u>\$ 1,123,650</u> | <u>\$ 1,286,827</u> |

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For the year ended June 30, 2007

ENTERPRISE FUND

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

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

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - AMBULANCE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET ASSETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|---|---------------------|---------------------|
| <u>Assets</u> | | |
| Current assets: | | |
| Pooled cash and investments | \$ 1,692,752 | \$ 770,965 |
| Interest receivable | 11,375 | 4,009 |
| Accounts receivable, net of allowance for uncollectibles | 559,967 | 609,164 |
| Prepaid Insurance | - | 9,966 |
| Total current assets | <u>2,264,094</u> | <u>1,394,104</u> |
| Restricted assets: | | |
| Cash | 116,539 | 54,361 |
| Due from other governments | - | 180,000 |
| Total restricted assets | <u>116,539</u> | <u>234,361</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>(1,009,490)</u> | <u>(898,410)</u> |
| Total fixed assets, net of depreciation | <u>748,224</u> | <u>859,304</u> |
| Total assets | <u>3,128,857</u> | <u>2,487,769</u> |
| <u>Liabilities</u> | | |
| Accounts payable | 50,635 | 30,880 |
| Accrued payroll | 58,485 | 59,448 |
| Compensated absences | <u>69,841</u> | <u>62,335</u> |
| Total liabilities | <u>178,961</u> | <u>152,663</u> |
| <u>Net assets</u> | | |
| Invested in capital assets, net of related debt | 748,224 | 859,304 |
| Reserved for capital assets | 116,539 | 234,361 |
| Unreserved | <u>2,085,133</u> | <u>1,241,441</u> |
| Total net assets | <u>\$ 2,949,896</u> | <u>\$ 2,335,106</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- | 2006 |
|--|------------------|---------------------|------------------------|---------------------|
| | Budget | Actual | Positive (Negative) | Actual |
| Revenues: | | | | |
| Charges for services: | | | | |
| Ambulance fees, net of contractual adjustments | \$ 2,768,000 | \$ 2,883,585 | \$ 115,585 | \$ 2,596,903 |
| Expenses: | | | | |
| Salaries and wages | 1,008,000 | 1,051,772 | (43,772) | 934,697 |
| Employee benefits | 553,000 | 489,899 | 63,101 | 403,690 |
| Services and supplies | 623,450 | 285,302 | 338,148 | 147,286 |
| Depreciation | 125,000 | 111,080 | 13,920 | 131,812 |
| Bad debt | 664,320 | 452,055 | 212,265 | 667,310 |
| Total expenses | <u>2,973,770</u> | <u>2,390,108</u> | <u>583,662</u> | <u>2,284,795</u> |
| Operating income (loss) | <u>(205,770)</u> | <u>493,477</u> | <u>699,247</u> | <u>312,108</u> |
| Non-operating revenue (expense): | | | | |
| Grants | 60,000 | 60,000 | - | 60,000 |
| Investment income | 2,000 | 61,313 | 59,313 | 20,290 |
| Miscellaneous | 1,000 | - | (1,000) | - |
| Operating transfers in | 200,000 | - | (200,000) | 200,000 |
| Total other income | <u>263,000</u> | <u>121,313</u> | <u>(141,687)</u> | <u>280,290</u> |
| Net income (loss) | <u>\$ 57,230</u> | 614,790 | <u>\$ 557,560</u> | 592,398 |
| Net assets: | | | | |
| Beginning of year | | <u>2,335,106</u> | | <u>1,742,708</u> |
| End of year | | <u>\$ 2,949,896</u> | | <u>\$ 2,335,106</u> |

TOWN OF PAHRUMP, NEVADA
MAJOR FUND - AMBULANCE ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
YEARS ENDED JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|---------------------|--------------------|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 2,480,727 | \$ 1,886,817 |
| Cash paid for services and supplies | (255,581) | (423,117) |
| Cash paid for employees and benefits | <u>(1,535,128)</u> | <u>(1,325,011)</u> |
| Net cash (used) by operating activities | <u>690,018</u> | <u>138,689</u> |
| Cash flows from capital and related financing activities: | | |
| Grants - Nye County | 240,000 | 60,000 |
| Operating transfer in (out) | <u>-</u> | <u>200,000</u> |
| Net cash provided by capital and related financing activities | <u>240,000</u> | <u>260,000</u> |
| Cash flows from investing activities: | | |
| Interest received | <u>53,947</u> | <u>16,281</u> |
| Net (decrease) in cash | 983,965 | 414,970 |
| Cash: | | |
| Beginning of year | <u>825,326</u> | <u>410,356</u> |
| End of year | <u>\$ 1,809,291</u> | <u>\$ 825,326</u> |
| Reconciliation of operating (loss) to net cash (used) by operating activities: | | |
| Operating income (loss) | <u>\$ 493,477</u> | <u>\$ 312,108</u> |
| Adjustments to reconcile operating (loss) to net cash (used) by operating activities: | | |
| Depreciation | 111,080 | 131,812 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in prepaids | 9,966 | (9,966) |
| (Increase) decrease in accounts receivable | 49,197 | (42,776) |
| Increase (decrease) in accounts payable | 19,755 | (275,831) |
| Increase (decrease) in accrued payroll | (963) | 27,338 |
| Increase (decrease) in compensated absences | <u>7,506</u> | <u>(3,996)</u> |
| Total adjustments | <u>196,541</u> | <u>(173,419)</u> |
| Net cash (used) by operating activities | <u>\$ 690,018</u> | <u>\$ 138,689</u> |

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For the year ended June 30, 2007

NON MAJOR GOVERNMENTAL FUNDS

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

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For the year ended June 30, 2007

TOWN OF PAHRUMP, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Totals |
|--|--------------------------------------|-----------------------------------|---------------------------------------|--------------------|
| <u>Assets</u> | | | | |
| Pooled cash and investments | \$ 2,988,909 | \$ 28,941 | \$ 416,508 | \$3,434,358 |
| Interest receivable | 22,834 | 34 | 3,949 | 26,817 |
| Delinquent taxes receivable | 2,739 | - | - | 2,739 |
| Room tax receivable | 34,158 | - | - | 34,158 |
| Due from other governments | 17,664 | - | - | 17,664 |
| | <u>3,066,304</u> | <u>28,975</u> | <u>420,457</u> | <u>\$3,515,736</u> |
| Total assets | <u>\$ 3,066,304</u> | <u>\$ 28,975</u> | <u>\$ 420,457</u> | <u>\$3,515,736</u> |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 42,636 | \$ - | \$ - | \$ 42,636 |
| Accrued payroll | 12,630 | - | - | 12,630 |
| Deferred interest | 401 | - | - | 401 |
| Deferred taxes | 2,255 | - | - | 2,255 |
| | <u>57,922</u> | <u>-</u> | <u>-</u> | <u>57,922</u> |
| Total liabilities | <u>57,922</u> | <u>-</u> | <u>-</u> | <u>57,922</u> |
| <u>Fund Balance</u> | | | | |
| Reserved for debt service | - | 28,975 | - | 28,975 |
| Unreserved: | | | | |
| Designated for subsequent year | 2,084,845 | - | 343,305 | 2,428,150 |
| Designated for Joint Town/County Fiber Project | 112,500 | - | - | 112,500 |
| Undesignated | 811,037 | - | 77,152 | 888,189 |
| | <u>3,008,382</u> | <u>28,975</u> | <u>420,457</u> | <u>3,457,814</u> |
| Total fund balance | <u>3,008,382</u> | <u>28,975</u> | <u>420,457</u> | <u>3,457,814</u> |
| Total liabilities and fund balance | <u>\$ 3,066,304</u> | <u>\$ 28,975</u> | <u>\$ 420,457</u> | <u>\$3,515,736</u> |

**TOWN OF PAHRUMP, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007**

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Totals |
|--|--------------------------------------|-----------------------------------|---------------------------------------|-------------------------|
| Revenues: | | | | |
| Taxes | \$ 380,978 | \$ - | \$ - | \$ 380,978 |
| Licenses and permits | 581,876 | - | - | 581,876 |
| Intergovernmental | 176,888 | - | 30,084 | 206,972 |
| Charges for services | 285,314 | - | 4,040 | 289,354 |
| Other | <u>133,410</u> | <u>255</u> | <u>26,538</u> | <u>160,203</u> |
| Total revenues | <u>1,558,466</u> | <u>255</u> | <u>60,662</u> | <u>1,619,383</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 121,505 | - | - | 121,505 |
| Public works | 108,543 | - | - | 108,543 |
| Culture and recreation | 127,229 | - | - | 127,229 |
| Community support | 494,841 | - | - | 494,841 |
| Health and sanitation | 6,960 | - | - | 6,960 |
| Debt service: | | | | |
| Principal | - | 64,200 | - | 64,200 |
| Interest | <u>-</u> | <u>21,213</u> | <u>-</u> | <u>21,213</u> |
| Total expenditures | <u>859,078</u> | <u>85,413</u> | <u>-</u> | <u>944,491</u> |
| Excess (deficiency) of revenues over expenditures | <u>699,388</u> | <u>(85,158)</u> | <u>60,662</u> | <u>674,892</u> |
| Other financing sources (uses) | | | | |
| Operating transfers in | 10,000 | 93,233 | - | 103,233 |
| Operating transfers out | <u>-</u> | <u>-</u> | <u>(3,910)</u> | <u>(3,910)</u> |
| Total other financing sources (uses) | <u>10,000</u> | <u>93,233</u> | <u>(3,910)</u> | <u>99,323</u> |
| Net change in fund balance | 709,388 | 8,075 | 56,752 | 774,215 |
| Fund balance: | | | | |
| Beginning of year | <u>2,298,994</u> | <u>20,900</u> | <u>363,705</u> | <u>2,683,599</u> |
| End of year | <u>\$ 3,008,382</u> | <u>\$ 28,975</u> | <u>\$ 420,457</u> | <u>\$ 3,457,814</u> |

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For the year ended June 30, 2007

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

State Room Tax, 3/10 Tourism, 2/10 Economic Development, 1/10 Parks and 1/10 Arena are used to account for room tax revenues.

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

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

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

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

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

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For the year ended June 30, 2007

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

| | Pahrump Business License | Swimming Pool | State Room Tax | 3/10 Tourism Room Tax |
|--|--------------------------------|-------------------|-------------------|--------------------------|
| <u>Assets</u> | | | | |
| Pooled cash and investments | \$ 243,642 | \$ 367,736 | \$ 96,071 | \$ 586,751 |
| Interest receivable | 1,673 | 3,221 | 868 | 7,243 |
| Delinquent taxes receivable | - | 2,739 | - | - |
| Room tax receivable | - | - | 2,474 | 23,630 |
| Prepaid insurance | - | - | - | - |
| Due from other governments | - | 17,664 | - | - |
| Total assets | <u>\$ 245,315</u> | <u>\$ 391,360</u> | <u>\$ 99,413</u> | <u>\$ 617,624</u> |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 2,281 | \$ 3,837 | \$ 1,500 | \$ 11,632 |
| Accrued payroll | 3,471 | 9,159 | - | - |
| Deferred interest | - | - | - | - |
| Deferred taxes | - | 2,255 | - | - |
| Total liabilities | <u>5,752</u> | <u>15,251</u> | <u>1,500</u> | <u>11,632</u> |
| <u>Fund Balance</u> | | | | |
| Unreserved: | | | | |
| Designated for subsequent year | 185,625 | 308,268 | 90,825 | 502,906 |
| Designated for Joint Town/County Fiber Project | - | - | - | - |
| Undesignated | <u>53,938</u> | <u>67,841</u> | <u>7,088</u> | <u>103,086</u> |
| Total fund balance | <u>239,563</u> | <u>376,109</u> | <u>97,913</u> | <u>605,992</u> |
| Total liabilities and fund balance | <u>\$ 245,315</u> | <u>\$ 391,360</u> | <u>\$ 99,413</u> | <u>\$ 617,624</u> |

| 2/10 Economic Development Room Tax | 1/10 Parks Room Tax | 1/10 Arena Room Tax | Fall Festival | Pahrump Cemetery | Pahrump Cemetery Perpetual | Pahrump Airport |
|--|------------------------|------------------------|-------------------|---------------------|----------------------------------|--------------------|
| \$ 241,020 | \$ 178,576 | \$ 122,729 | \$ 134,184 | \$ 26,753 | \$ 97,673 | \$ 19,401 |
| 2,293 | 1,501 | 1,141 | 255 | 2 | 879 | 103 |
| - | - | - | - | - | - | - |
| 4,050 | 2,002 | 2,002 | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>\$ 247,363</u> | <u>\$ 182,079</u> | <u>\$ 125,872</u> | <u>\$ 134,439</u> | <u>\$ 26,755</u> | <u>\$ 98,552</u> | <u>\$ 19,504</u> |
| | | | | | | |
| \$ 2,348 | \$ 356 | \$ - | \$ - | \$ 1,579 | \$ - | \$ 19,103 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 401 |
| - | - | - | - | - | - | - |
| <u>2,348</u> | <u>356</u> | <u>-</u> | <u>-</u> | <u>1,579</u> | <u>-</u> | <u>19,504</u> |
| | | | | | | |
| 43,352 | 155,941 | 98,094 | 134,439 | 11,216 | 97,883 | - |
| 112,500 | - | - | - | - | - | - |
| <u>89,163</u> | <u>25,782</u> | <u>27,778</u> | <u>-</u> | <u>13,960</u> | <u>669</u> | <u>-</u> |
| | | | | | | |
| <u>245,015</u> | <u>181,723</u> | <u>125,872</u> | <u>134,439</u> | <u>25,176</u> | <u>98,552</u> | <u>-</u> |
| | | | | | | |
| <u>\$ 247,363</u> | <u>\$ 182,079</u> | <u>\$ 125,872</u> | <u>\$ 134,439</u> | <u>\$ 26,755</u> | <u>\$ 98,552</u> | <u>\$ 19,504</u> |

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For the year ended June 30, 2007

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

| | Parks Impact Fee | Fire Impact Fee | Totals 2007 | Totals 2006 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| <u>Assets</u> | | | | |
| Pooled cash and investments | \$ 555,251 | \$ 319,122 | \$ 2,988,909 | \$ 1,920,938 |
| Interest receivable | 2,464 | 1,191 | 22,834 | 12,298 |
| Delinquent taxes receivable | - | - | 2,739 | 1,386 |
| Room tax receivable | - | - | 34,158 | 32,901 |
| Prepaid insurance | - | - | - | 1,027 |
| Due from other governments | - | - | 17,664 | 421,192 |
| Total assets | <u>\$ 557,715</u> | <u>\$ 320,313</u> | <u>\$ 3,066,304</u> | <u>\$ 2,389,742</u> |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ 42,636 | \$ 76,900 |
| Accrued payroll | - | - | 12,630 | 12,460 |
| Deferred interest | - | - | 401 | 175 |
| Deferred taxes | - | - | 2,255 | 1,213 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>57,922</u> | <u>90,748</u> |
| <u>Fund Balance</u> | | | | |
| Unreserved: | | | | |
| Designated for subsequent year | 291,428 | 164,868 | 2,084,845 | 1,538,434 |
| Designated for Joint Town/County Fiber Project | - | - | 112,500 | 112,500 |
| Undesignated | 266,287 | 155,445 | 811,037 | 648,060 |
| Total fund balance | <u>557,715</u> | <u>320,313</u> | <u>3,008,382</u> | <u>2,298,994</u> |
| Total liabilities and fund balance | <u>\$ 557,715</u> | <u>\$ 320,313</u> | <u>\$ 3,066,304</u> | <u>\$ 2,389,742</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

| | Pahrump Business License | Swimming Pool | State Room Tax | 3/10 Tourism Room Tax |
|--|--------------------------------|-----------------------|----------------------|--------------------------|
| Revenues: | | | | |
| Taxes | \$ - | \$ 70,246 | \$ 33,696 | \$ 168,606 |
| Licenses and permits | 124,675 | - | - | - |
| Intergovernmental | - | 68,809 | - | - |
| Charges for services | - | 18,228 | - | - |
| Other | <u>9,368</u> | <u>15,545</u> | <u>4,492</u> | <u>37,598</u> |
| Total revenues | <u>134,043</u> | <u>172,828</u> | <u>38,188</u> | <u>206,204</u> |
| Expenditures: | | | | |
| General government | 121,505 | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | 115,626 | - | - |
| Community support | - | - | 22,100 | 188,118 |
| Health and sanitation | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>121,505</u> | <u>115,626</u> | <u>22,100</u> | <u>188,118</u> |
| Excess (deficiency) of revenues over expenditures | <u>12,538</u> | <u>57,202</u> | <u>16,088</u> | <u>18,086</u> |
| Other financing sources (uses) | | | | |
| Operating transfers in | - | - | - | - |
| Operating transfers out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | 12,538 | 57,202 | 16,088 | 18,086 |
| Fund balance: | | | | |
| Beginning of year | <u>227,025</u> | <u>318,907</u> | <u>81,825</u> | <u>587,906</u> |
| End of year | <u>\$ 239,563</u> | <u>\$ 376,109</u> | <u>\$ 97,913</u> | <u>\$ 605,992</u> |

| 2/10 Economic Development Room Tax | 1/10 Parks Room Tax | 1/10 Arena Room Tax | Fall Festival | Pahrump Cemetery | Pahrump Cemetery Perpetual | Pahrump Airport |
|--|------------------------|------------------------|-------------------|---------------------|----------------------------------|--------------------|
| \$ 54,514 | \$ 26,958 | \$ 26,958 | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 108,079 |
| - | - | - | 251,486 | 10,452 | 5,148 | - |
| 12,123 | 7,427 | 6,820 | 1,995 | 246 | 4,521 | 464 |
| <u>66,637</u> | <u>34,385</u> | <u>33,778</u> | <u>253,481</u> | <u>10,698</u> | <u>9,669</u> | <u>108,543</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 108,543 |
| - | 11,603 | - | - | - | - | - |
| 52,474 | - | - | 232,149 | - | - | - |
| - | - | - | - | 6,960 | - | - |
| <u>52,474</u> | <u>11,603</u> | <u>-</u> | <u>232,149</u> | <u>6,960</u> | <u>-</u> | <u>108,543</u> |
| - | - | - | - | - | - | - |
| 14,163 | 22,782 | 33,778 | 21,332 | 3,738 | 9,669 | - |
| - | - | - | - | 10,000 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | 10,000 | - | - |
| 14,163 | 22,782 | 33,778 | 21,332 | 13,738 | 9,669 | - |
| 230,852 | 158,941 | 92,094 | 113,107 | 11,438 | 88,883 | - |
| <u>\$ 245,015</u> | <u>\$ 181,723</u> | <u>\$ 125,872</u> | <u>\$ 134,439</u> | <u>\$ 25,176</u> | <u>\$ 98,552</u> | <u>\$ -</u> |

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For the year ended June 30, 2007

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

| | Parks Impact Fee | Fire Impact Fee | Totals 2007 | Totals 2006 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ 380,978 | \$ 362,541 |
| Licenses and permits | 275,601 | 181,600 | 581,876 | 529,016 |
| Intergovernmental | - | - | 176,888 | 144,806 |
| Charges for services | - | - | 285,314 | 291,506 |
| Other | <u>20,403</u> | <u>12,408</u> | <u>133,410</u> | <u>55,944</u> |
| Total revenues | <u>296,004</u> | <u>194,008</u> | <u>1,558,466</u> | <u>1,383,813</u> |
| Expenditures: | | | | |
| General government | - | - | 121,505 | 75,584 |
| Public works | - | - | 108,543 | 79,490 |
| Culture and recreation | - | - | 127,229 | 96,202 |
| Community support | - | - | 494,841 | 432,412 |
| Health and sanitation | <u>-</u> | <u>-</u> | <u>6,960</u> | <u>4,112</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>859,078</u> | <u>687,800</u> |
| Excess (deficiency) of revenues over expenditures | <u>296,004</u> | <u>194,008</u> | <u>699,388</u> | <u>696,013</u> |
| Other financing sources (uses) | | | | |
| Operating transfers in | - | - | 10,000 | 25,000 |
| Operating transfers out | <u>-</u> | <u>-</u> | <u>-</u> | <u>(50,000)</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>10,000</u> | <u>(25,000)</u> |
| Net change in fund balance | 296,004 | 194,008 | 709,388 | 671,013 |
| Fund balance: | | | | |
| Beginning of year | <u>261,711</u> | <u>126,305</u> | <u>2,298,994</u> | <u>1,627,981</u> |
| End of year | <u>\$ 557,715</u> | <u>\$ 320,313</u> | <u>\$ 3,008,382</u> | <u>\$ 2,298,994</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP BUSINESS LICENSE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|-----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 243,642 | \$ 231,077 |
| Interest receivable | 1,673 | 1,166 |
| Prepaid insurance | <u>-</u> | <u>1,027</u> |
| Total assets | <u>\$ 245,315</u> | <u>\$ 233,270</u> |
| <u>Liabilities</u> | | |
| Accounts payable | \$ 2,281 | \$ 4,023 |
| Accrued payroll | <u>3,471</u> | <u>2,222</u> |
| Total liabilities | <u>5,752</u> | <u>6,245</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 185,625 | 146,815 |
| Undesignated | <u>53,938</u> | <u>80,210</u> |
| Total fund balance | <u>239,563</u> | <u>227,025</u> |
| Total liabilities and fund balance | <u>\$ 245,315</u> | <u>\$ 233,270</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Licenses and permits | \$ 110,000 | \$ 124,675 | \$ 14,675 | \$ 141,000 |
| Other: | | | | |
| Investment income | <u>3,000</u> | <u>9,368</u> | <u>6,368</u> | <u>5,794</u> |
| Total revenues | <u>113,000</u> | <u>134,043</u> | <u>21,043</u> | <u>146,794</u> |
| Expenditures: | | | | |
| General government: | | | | |
| Salaries and wages | 93,000 | 76,475 | 16,525 | 45,795 |
| Employee benefits | 46,400 | 29,556 | 16,844 | 20,833 |
| Services and supplies | 18,000 | 12,071 | 5,929 | 8,956 |
| Capital outlay | <u>5,000</u> | <u>3,403</u> | <u>1,597</u> | <u>-</u> |
| Total expenditures | <u>162,400</u> | <u>121,505</u> | <u>40,895</u> | <u>75,584</u> |
| Excess (deficiency) of revenues over expenditures | (49,400) | 12,538 | 61,938 | 71,210 |
| Fund balance: | | | | |
| Beginning of year | <u>146,815</u> | <u>227,025</u> | <u>80,210</u> | <u>155,815</u> |
| End of year | <u>\$ 97,415</u> | <u>\$ 239,563</u> | <u>\$ 142,148</u> | <u>\$ 227,025</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SWIMMING POOL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|-----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 367,736 | \$ 328,185 |
| Interest receivable | 3,221 | 2,007 |
| Delinquent property taxes | 2,739 | 1,386 |
| Due from other governments | <u>17,664</u> | <u>11,599</u> |
| Total assets | <u>\$ 391,360</u> | <u>\$ 343,177</u> |
| <u>Liabilities</u> | | |
| Accounts payable | \$ 3,837 | \$ 12,819 |
| Accrued payroll | 9,159 | 10,238 |
| Deferred taxes | <u>2,255</u> | <u>1,213</u> |
| Total liabilities | <u>15,251</u> | <u>24,270</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 308,268 | 310,769 |
| Undesignated | <u>67,841</u> | <u>8,138</u> |
| Total fund balance | <u>376,109</u> | <u>318,907</u> |
| Total liabilities and fund balance | <u>\$ 391,360</u> | <u>\$ 343,177</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|----------------|----------------|-------------------------------------|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Property taxes | \$ 67,585 | \$ 70,246 | \$ 2,661 | \$ 60,133 |
| Intergovernmental: | | | | |
| Consolidated tax | 75,076 | 68,809 | (6,267) | 65,316 |
| Charges for services: | | | | |
| Pool receipts | 30,000 | 18,228 | (11,772) | 13,627 |
| Other: | | | | |
| Miscellaneous | - | 189 | 189 | - |
| Investment income | 5,000 | 15,356 | 10,356 | 9,282 |
| Total other | 5,000 | 15,545 | 10,545 | 9,282 |
| Total revenues | 177,661 | 172,828 | (4,833) | 148,358 |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Salaries and wages | 45,000 | 58,739 | (13,739) | 50,031 |
| Employee benefits | 6,300 | 7,173 | (873) | 6,267 |
| Services and supplies | 30,300 | 45,190 | (14,890) | 28,456 |
| Capital outlay | 125,000 | 4,524 | 120,476 | - |
| Total expenditures | 206,600 | 115,626 | 90,974 | 84,754 |
| Excess (deficiency) of revenues over expenditures | (28,939) | 57,202 | 86,141 | 63,604 |
| Fund balance: | | | | |
| Beginning of year | 310,769 | 318,907 | 8,138 | 255,303 |
| End of year | \$ 281,830 | \$ 376,109 | \$ 94,279 | \$ 318,907 |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - STATE ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|------------------------------------|------------------|------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 96,071 | \$ 78,926 |
| Interest receivable | 868 | 515 |
| Room tax receivable | <u>2,474</u> | <u>2,384</u> |
| Total assets | <u>\$ 99,413</u> | <u>\$ 81,825</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 1,500</u> | <u>\$ -</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 90,825 | 75,657 |
| Undesignated | <u>7,088</u> | <u>6,168</u> |
| Total fund balance | <u>97,913</u> | <u>81,825</u> |
| Total liabilities and fund balance | <u>\$ 99,413</u> | <u>\$ 81,825</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|------------------|-------------------------------------|------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 40,000 | \$ 33,696 | \$ (6,304) | \$ 33,494 |
| Other: | | | | |
| Investment income | <u>2,000</u> | <u>4,492</u> | <u>2,492</u> | <u>2,490</u> |
| Total revenues | <u>42,000</u> | <u>38,188</u> | <u>(3,812)</u> | <u>35,984</u> |
| Expenditures: | | | | |
| Community support: | | | | |
| Salaries and wages | - | - | - | 536 |
| Employee benefits | - | - | - | 280 |
| Services and supplies | <u>33,000</u> | <u>22,100</u> | <u>10,900</u> | <u>17,500</u> |
| Total expenditures | <u>33,000</u> | <u>22,100</u> | <u>10,900</u> | <u>18,316</u> |
| Excess (deficiency) of revenues over expenditures | 9,000 | 16,088 | 7,088 | 17,668 |
| Fund balance: | | | | |
| Beginning of year | <u>75,657</u> | <u>81,825</u> | <u>6,168</u> | <u>64,157</u> |
| End of year | <u>\$ 84,657</u> | <u>\$ 97,913</u> | <u>\$ 13,256</u> | <u>\$ 81,825</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 3/10 TOURISM ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|-----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 586,751 | \$ 565,431 |
| Interest receivable | 7,243 | 4,587 |
| Room tax receivable | <u>23,630</u> | <u>22,888</u> |
| Total assets | <u>\$ 617,624</u> | <u>\$ 592,906</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 11,632</u> | <u>\$ 5,000</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 502,906 | 587,906 |
| Undesignated | <u>103,086</u> | <u>-</u> |
| Total fund balance | <u>605,992</u> | <u>587,906</u> |
| Total liabilities and fund balance | <u>\$ 617,624</u> | <u>\$ 592,906</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 3/10 TOURISM ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|-------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 195,000 | \$ 168,606 | \$ (26,394) | \$ 161,033 |
| Other: | | | | |
| Investment income | <u>15,000</u> | <u>37,598</u> | <u>22,598</u> | <u>19,175</u> |
| Total revenues | <u>210,000</u> | <u>206,204</u> | <u>(3,796)</u> | <u>180,208</u> |
| Expenditures: | | | | |
| Community support: | | | | |
| Salaries and wages | - | - | - | 2,579 |
| Employee benefits | - | - | - | 1,350 |
| Service and supplies | 325,000 | 188,118 | 136,882 | 114,413 |
| Capital outlay | <u>-</u> | <u>-</u> | <u>-</u> | <u>50,435</u> |
| Total Community support | <u>325,000</u> | <u>188,118</u> | <u>136,882</u> | <u>168,777</u> |
| Excess (deficiency) of revenues over expenditures | (115,000) | 18,086 | 133,086 | 11,431 |
| Fund balance: | | | | |
| Beginning of year | <u>827,140</u> | <u>587,906</u> | <u>(239,234)</u> | <u>576,475</u> |
| End of year | <u>\$ 712,140</u> | <u>\$ 605,992</u> | <u>\$ (106,148)</u> | <u>\$ 587,906</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 2/10 ECONOMIC DEVELOPMENT ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|-----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 241,020 | \$ 227,094 |
| Interest receivable | 2,293 | 1,532 |
| Room tax receivable | <u>4,050</u> | <u>3,815</u> |
| Total assets | <u>\$ 247,363</u> | <u>\$ 232,441</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 2,348</u> | <u>\$ 1,589</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 43,352 | 118,352 |
| Designated for Joint Town/County Fiber Project | 112,500 | 112,500 |
| Undesignated | <u>89,163</u> | <u>-</u> |
| Total fund balance | <u>245,015</u> | <u>230,852</u> |
| Total liabilities and fund balance | <u>\$ 247,363</u> | <u>\$ 232,441</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 2/10 ECONOMIC DEVELOPMENT ROOM TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 75,000 | \$ 54,514 | \$ (20,486) | \$ 54,203 |
| Other: | | | | |
| Investment income | <u>5,000</u> | <u>12,123</u> | <u>7,123</u> | <u>7,484</u> |
| Total revenues | <u>80,000</u> | <u>66,637</u> | <u>(13,363)</u> | <u>61,687</u> |
| Expenditures: | | | | |
| Community support: | | | | |
| Salaries and wages | - | - | - | 867 |
| Employee benefits | - | - | - | 454 |
| Services and supplies | <u>150,000</u> | <u>52,474</u> | <u>97,526</u> | <u>52,910</u> |
| Total expenditures | <u>150,000</u> | <u>52,474</u> | <u>97,526</u> | <u>54,231</u> |
| Excess (deficiency) of revenues over expenditures | (70,000) | 14,163 | 84,163 | 7,456 |
| Fund balance: | | | | |
| Beginning of year | <u>121,396</u> | <u>230,852</u> | <u>109,456</u> | <u>223,396</u> |
| End of year | <u>\$ 51,396</u> | <u>\$ 245,015</u> | <u>\$ 193,619</u> | <u>\$ 230,852</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 1/10 PARKS ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|-----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 178,576 | \$ 156,176 |
| Interest receivable | 1,501 | 858 |
| Room tax receivable | <u>2,002</u> | <u>1,907</u> |
| Total assets | <u>\$ 182,079</u> | <u>\$ 158,941</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 356</u> | <u>\$ -</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 155,941 | 73,584 |
| Undesignated | <u>25,782</u> | <u>85,357</u> |
| Total fund balance | <u>181,723</u> | <u>158,941</u> |
| Total liabilities and fund balance | <u>\$ 182,079</u> | <u>\$ 158,941</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 40,000 | \$ 26,958 | \$ (13,042) | \$ 26,839 |
| Other: | | | | |
| Investment income | <u>1,000</u> | <u>7,427</u> | <u>6,427</u> | <u>4,173</u> |
| Total revenues | <u>41,000</u> | <u>34,385</u> | <u>(6,615)</u> | <u>31,012</u> |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Salaries and wages | - | - | - | 430 |
| Employee benefits | - | - | - | 225 |
| Service and supplies | 15,000 | 11,603 | 3,397 | - |
| Capital outlay | <u>75,000</u> | <u>-</u> | <u>75,000</u> | <u>-</u> |
| Total expenditures | <u>90,000</u> | <u>11,603</u> | <u>78,397</u> | <u>655</u> |
| Excess (deficiency) of revenues over expenditures | (49,000) | 22,782 | 71,782 | 30,357 |
| Other financing sources (uses): | | | | |
| Operating transfers in | <u>30,000</u> | <u>-</u> | <u>(30,000)</u> | <u>25,000</u> |
| Net change in fund balance | (19,000) | 22,782 | 41,782 | 55,357 |
| Fund balance: | | | | |
| Beginning of year | <u>73,584</u> | <u>158,941</u> | <u>85,357</u> | <u>103,584</u> |
| End of year | <u>\$ 54,584</u> | <u>\$ 181,723</u> | <u>\$ 127,139</u> | <u>\$ 158,941</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - 1/10 ARENA ROOM TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|-----------------------|----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 122,729 | \$ 89,599 |
| Interest receivable | 1,141 | 588 |
| Room tax receivable | <u>2,002</u> | <u>1,907</u> |
| Total assets | <u>\$ 125,872</u> | <u>\$ 92,094</u> |
| <u>Liabilities</u> | | |
| Accounts payable | \$ <u>-</u> | \$ <u>-</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 98,094 | 53,403 |
| Undesignated | <u>27,778</u> | <u>38,691</u> |
| Total fund balance | <u>125,872</u> | <u>92,094</u> |
| Total liabilities and fund balance | <u>\$ 125,872</u> | <u>\$ 92,094</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|-------------------|-------------------------------------|------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Room tax | \$ 30,000 | \$ 26,958 | \$ (3,042) | \$ 26,839 |
| Other: | | | | |
| Investment income | <u>100</u> | <u>6,820</u> | <u>6,720</u> | <u>2,745</u> |
| Total revenues | <u>30,100</u> | <u>33,778</u> | <u>3,678</u> | <u>29,584</u> |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Salaries and wages | - | - | - | 429 |
| Employee benefits | - | - | - | 225 |
| Services and supplies | - | - | - | 10,139 |
| Capital outlay | <u>50,000</u> | <u>-</u> | <u>50,000</u> | <u>-</u> |
| Total expenditures | <u>50,000</u> | <u>-</u> | <u>50,000</u> | <u>10,793</u> |
| Excess (deficiency) of revenues over expenditures | (19,900) | 33,778 | 53,678 | 18,791 |
| Fund balance: | | | | |
| Beginning of year | <u>53,403</u> | <u>92,094</u> | <u>38,691</u> | <u>73,303</u> |
| End of year | <u>\$ 33,503</u> | <u>\$ 125,872</u> | <u>\$ 92,369</u> | <u>\$ 92,094</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - FALL FESTIVAL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--------------------------------|-------------------|-------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 134,184 | \$ 112,769 |
| Interest receivable | <u>255</u> | <u>338</u> |
| Total assets | <u>\$ 134,439</u> | <u>\$ 113,107</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | \$ 134,439 | \$ 77,580 |
| Undesignated | <u>-</u> | <u>35,527</u> |
| Total fund balance | <u>\$ 134,439</u> | <u>\$ 113,107</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Charges for services: | | | | |
| Event sales/fees | \$ 305,000 | \$ 251,486 | \$ (53,514) | \$ 265,079 |
| Other: | | | | |
| Investment income | <u>-</u> | <u>1,995</u> | <u>1,995</u> | <u>1,536</u> |
| Total revenues | <u>305,000</u> | <u>253,481</u> | <u>(51,519)</u> | <u>266,615</u> |
| Expenditures: | | | | |
| Community support: | | | | |
| Services and supplies | 250,000 | 232,149 | 17,851 | 191,088 |
| Capital outlay | <u>10,000</u> | <u>-</u> | <u>10,000</u> | <u>-</u> |
| Total expenditures | <u>260,000</u> | <u>232,149</u> | <u>27,851</u> | <u>191,088</u> |
| Excess (deficiency) of revenues over expenditures | 45,000 | 21,332 | (23,668) | 75,527 |
| Other financing sources (uses): | | | | |
| Operating transfers out | <u>(60,000)</u> | <u>-</u> | <u>60,000</u> | <u>(50,000)</u> |
| Net change in fund balance | (15,000) | 21,332 | 36,332 | 25,527 |
| Fund balance: | | | | |
| Beginning of year | <u>77,580</u> | <u>113,107</u> | <u>35,527</u> | <u>87,580</u> |
| End of year | <u>\$ 62,580</u> | <u>\$ 134,439</u> | <u>\$ 71,859</u> | <u>\$ 113,107</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP CEMETERY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|------------------------------------|------------------|------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 26,753 | \$ 12,102 |
| Interest receivable | <u>2</u> | <u>78</u> |
| | <u>\$ 26,755</u> | <u>\$ 12,180</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ 1,579</u> | <u>\$ 742</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 11,216 | 8,068 |
| Undesignated | <u>13,960</u> | <u>3,370</u> |
| Total fund balance | <u>25,176</u> | <u>11,438</u> |
| Total liabilities and fund balance | <u>\$ 26,755</u> | <u>\$ 12,180</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|----------|-----------|-------------------------------------|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Charges for services: | | | | |
| Cemetery receipts | \$ 6,000 | \$ 10,452 | \$ 4,452 | \$ 8,056 |
| Other: | | | | |
| Investment income | - | 246 | 246 | 426 |
| Total revenue | 6,000 | 10,698 | 4,698 | 8,482 |
| Expenditures: | | | | |
| Health and sanitation: | | | | |
| Services and supplies | 15,000 | 6,960 | 8,040 | 4,112 |
| Excess (deficiency) of revenues over expenditures | (9,000) | 3,738 | 12,738 | 4,370 |
| Other financing sources (uses): | | | | |
| Operating transfers in | 10,000 | 10,000 | - | - |
| Net change in fund balance | 1,000 | 13,738 | 12,738 | 4,370 |
| Fund balance: | | | | |
| Beginning of year | 8,068 | 11,438 | 3,370 | 7,068 |
| End of year | \$ 9,068 | \$ 25,176 | \$ 16,108 | \$ 11,438 |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP CEMETERY PERPETUAL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--------------------------------|----------------------|----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 97,673 | \$ 88,307 |
| Interest receivable | <u>879</u> | <u>576</u> |
| Total assets | <u>\$ 98,552</u> | <u>\$ 88,883</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | \$ 97,883 | \$ 86,300 |
| Undesignated | <u>669</u> | <u>2,583</u> |
| Total fund balance | <u>\$ 98,552</u> | <u>\$ 88,883</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|------------------|-------------------------------------|------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Charges for services: | | | | |
| Cemetery receipts | \$ 6,000 | \$ 5,148 | \$ (852) | \$ 4,744 |
| Other: | | | | |
| Investment income | <u>3,000</u> | <u>4,521</u> | <u>1,521</u> | <u>2,839</u> |
| Total revenues | 9,000 | 9,669 | 669 | 7,583 |
| Expenditures: | | | | |
| Health and sanitation | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | 9,000 | 9,669 | 669 | 7,583 |
| Fund balance: | | | | |
| Beginning of year | <u>86,300</u> | <u>88,883</u> | <u>2,583</u> | <u>81,300</u> |
| End of year | <u>\$ 95,300</u> | <u>\$ 98,552</u> | <u>\$ 3,252</u> | <u>\$ 88,883</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PAHRUMP AIRPORT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--|----------------------|----------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 19,401 | \$ 31,272 |
| Interest receivable | 103 | 53 |
| Due from other governments | <u>-</u> | <u>21,577</u> |
| Total assets | <u>\$ 19,504</u> | <u>\$ 52,902</u> |
| <u>Liabilities</u> | | |
| Accounts payable | \$ 19,103 | \$ 52,727 |
| Deferred interest | <u>401</u> | <u>175</u> |
| Total liabilities | 19,504 | 52,902 |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | <u>-</u> | <u>-</u> |
| Total liabilities and fund balance | <u>\$ 19,504</u> | <u>\$ 52,902</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------|------------|-------------------------------------|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Intergovernmental: | | | | |
| Grants | \$ 150,000 | \$ 108,079 | \$ (41,921) | \$ 79,490 |
| Other: | | | | |
| Interest | - | 464 | 464 | - |
| Total revenues | 150,000 | 108,543 | (41,457) | 79,490 |
| Expenditures: | | | | |
| Public works: | | | | |
| Services and supplies | 150,000 | 108,543 | 41,457 | 79,490 |
| Excess (deficiency) of revenues over expenditures | - | - | - | - |
| Fund balance: | | | | |
| Beginning of year | - | - | - | - |
| End of year | \$ - | \$ - | \$ - | \$ - |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PARKS IMPACT FEE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|------------------------------------|-------------------|-------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 555,251 | \$ - |
| Interest receivable | 2,464 | - |
| Due from other government | <u>-</u> | <u>261,711</u> |
| Total assets | <u>\$ 557,715</u> | <u>\$ 261,711</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ -</u> | <u>\$ -</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 291,428 | - |
| Undesignated | <u>266,287</u> | <u>261,711</u> |
| Total fund balance | <u>557,715</u> | <u>261,711</u> |
| Total liabilities and fund balance | <u>\$ 557,715</u> | <u>\$ 261,711</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - PARKS IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|-------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Licenses and permits | \$ 500,000 | \$ 275,601 | \$ (224,399) | \$ 261,711 |
| Other | | | | |
| Interest | - | 20,403 | 20,403 | - |
| Total revenues | <u>500,000</u> | <u>296,004</u> | <u>(203,996)</u> | <u>261,711</u> |
| Expenditures: | | | | |
| General government: | | | | |
| Services and supplies | 100,000 | - | 100,000 | - |
| Capital outlay | <u>700,000</u> | <u>-</u> | <u>700,000</u> | <u>-</u> |
| Total expenditures | <u>800,000</u> | <u>-</u> | <u>800,000</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (300,000) | 296,004 | 596,004 | 261,711 |
| Fund balance: | | | | |
| Beginning of year | <u>400,000</u> | <u>261,711</u> | <u>(138,289)</u> | <u>-</u> |
| End of year | <u>\$ 100,000</u> | <u>\$ 557,715</u> | <u>\$ 457,715</u> | <u>\$ 261,711</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - FIRE IMPACT FEE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|------------------------------------|-------------------|-------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 319,122 | \$ - |
| Interest receivable | 1,191 | - |
| Due from other government | <u>-</u> | <u>126,305</u> |
| Total assets | <u>\$ 320,313</u> | <u>\$ 126,305</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ -</u> | <u>\$ -</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 164,868 | - |
| Undesignated | <u>155,445</u> | <u>126,305</u> |
| Total fund balance | <u>320,313</u> | <u>126,305</u> |
| Total liabilities and fund balance | <u>\$ 320,313</u> | <u>\$ 126,305</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - FIRE IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Licenses and permits | \$ 250,000 | \$ 181,600 | \$ (68,400) | \$ 126,305 |
| Other | | | | |
| Investment income | <u>-</u> | <u>12,408</u> | <u>12,408</u> | <u>-</u> |
| Total revenues | 250,000 | 194,008 | (55,992) | 126,305 |
| Expenditures: | | | | |
| General government: | | | | |
| Capital outlay | <u>350,000</u> | <u>-</u> | <u>350,000</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (100,000) | 194,008 | 294,008 | 126,305 |
| Fund balance: | | | | |
| Beginning of year | <u>160,000</u> | <u>126,305</u> | <u>(33,695)</u> | <u>-</u> |
| End of year | <u>\$ 60,000</u> | <u>\$ 320,313</u> | <u>\$ 260,313</u> | <u>\$ 126,305</u> |

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For the year ended June 30, 2007

NONMAJOR DEBT SERVICE FUND

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

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For the year ended June 30, 2007

**TOWN OF PAHRUMP, NEVADA
NONMAJOR - DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2007 and 2006**

| | 2007 | 2006 |
|-----------------------------|------------------|------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 28,941 | \$ 20,640 |
| Interest receivable | <u>34</u> | <u>260</u> |
| Total assets | <u>\$ 28,975</u> | <u>\$ 20,900</u> |
| <u>Fund Balance</u> | | |
| Reserved for debt service | <u>\$ 28,975</u> | <u>\$ 20,900</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|-----------|-----------|-------------------------------------|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Other | | | | |
| Investment income | \$ 200 | \$ 255 | \$ 55 | \$ 671 |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal | 64,200 | 64,200 | - | 68,594 |
| Interest | 21,213 | 21,213 | - | 16,819 |
| Total expenditures | 85,413 | 85,413 | - | 85,413 |
| Excess (deficiency) of revenues over expenditures | (85,213) | (85,158) | 55 | (84,742) |
| Other financing sources (uses): | | | | |
| Operating transfers in | 89,323 | 93,233 | 3,910 | 89,323 |
| Net changes in fund balance | 4,110 | 8,075 | 3,965 | 4,581 |
| Fund balance: | | | | |
| Beginning of year | 20,259 | 20,900 | 641 | 16,319 |
| End of year | \$ 24,369 | \$ 28,975 | \$ 4,606 | \$ 20,900 |

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For the year ended June 30, 2007

NONMAJOR CAPITAL PROJECTS FUNDS

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

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

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

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

Vehicle Fire Fund is used to account for vehicle acquisition of the Town.

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For the year ended June 30, 2007

TOWN OF PAHRUMP, NEVADA
NONMAJOR - CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2007

| | Special Ad Valorem | TV Construction | Arena | Vehicle Fire | Totals 2007 | Totals 2006 |
|------------------------------------|-----------------------|--------------------|------------------|-------------------|-------------------|-------------------|
| <u>Assets</u> | | | | | | |
| Pooled cash and investments | \$ 216,462 | \$ 55,862 | \$ 39,553 | \$ 104,631 | \$ 416,508 | \$ 452,684 |
| Interest receivable | <u>1,569</u> | <u>510</u> | <u>353</u> | <u>1,517</u> | <u>3,949</u> | <u>3,521</u> |
| Total assets | <u>\$ 218,031</u> | <u>\$ 56,372</u> | <u>\$ 39,906</u> | <u>\$ 106,148</u> | <u>\$ 420,457</u> | <u>\$ 456,205</u> |
| <u>Liabilities</u> | | | | | | |
| Accounts payable | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 92,500</u> |
| <u>Fund Balance</u> | | | | | | |
| Unreserved: | | | | | | |
| Designated for subsequent year | 170,143 | 40,214 | 36,810 | 96,138 | 343,305 | 333,083 |
| Undesignated | <u>47,888</u> | <u>16,158</u> | <u>3,096</u> | <u>10,010</u> | <u>77,152</u> | <u>30,622</u> |
| Total fund balance | <u>218,031</u> | <u>56,372</u> | <u>39,906</u> | <u>106,148</u> | <u>420,457</u> | <u>363,705</u> |
| Total liabilities and fund balance | <u>\$ 218,031</u> | <u>\$ 56,372</u> | <u>\$ 39,906</u> | <u>\$ 106,148</u> | <u>\$ 420,457</u> | <u>\$ 456,205</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2007

| | Special Ad Valorem | TV Construction | Arena | Vehicle Fire | Totals 2007 | Totals 2006 |
|--|-----------------------|--------------------|------------------|-------------------|-------------------|-------------------|
| Revenues: | | | | | | |
| Intergovernmental | \$ 30,084 | \$ - | \$ - | \$ - | \$ 30,084 | \$ 142,894 |
| Charge for services | - | - | - | 4,040 | 4,040 | 5,830 |
| Other | <u>7,804</u> | <u>2,658</u> | <u>6,196</u> | <u>9,880</u> | <u>26,538</u> | <u>22,775</u> |
| Total revenues | 37,888 | 2,658 | 6,196 | 13,920 | 60,662 | 171,499 |
| Expenditures: | | | | | | |
| Capital projects | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>209,318</u> |
| Excess (deficiency) of revenues over expenditures | 37,888 | 2,658 | 6,196 | 13,920 | 60,662 | (37,819) |
| Other financing sources (uses): | | | | | | |
| Operating transfers out | <u>-</u> | <u>-</u> | <u>-</u> | <u>(3,910)</u> | <u>(3,910)</u> | <u>(3,910)</u> |
| Net changes in fund balance | 37,888 | 2,658 | 6,196 | 10,010 | 56,752 | (41,729) |
| Fund balance: | | | | | | |
| Beginning 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> |
| End of year | <u>\$ 218,031</u> | <u>\$ 56,372</u> | <u>\$ 39,906</u> | <u>\$ 106,148</u> | <u>\$ 420,457</u> | <u>\$ 363,705</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - SPECIAL AD VALOREM CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--------------------------------|-------------------|-------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 216,462 | \$ 179,167 |
| Interest receivable | <u>1,569</u> | <u>976</u> |
| Total assets | <u>\$ 218,031</u> | <u>\$ 180,143</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | \$ 170,143 | \$ 175,812 |
| Undesignated | <u>47,888</u> | <u>4,331</u> |
| Total fund balance | <u>\$ 218,031</u> | <u>\$ 180,143</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|-------------------|-------------------|-------------------------------------|-------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Intergovernmental: | | | | |
| Other | \$ 35,000 | \$ 30,084 | \$ (4,916) | \$ 29,094 |
| Other: | | | | |
| Investment income | <u>1,000</u> | <u>7,804</u> | <u>6,804</u> | <u>5,055</u> |
| Total revenues | 36,000 | 37,888 | 1,888 | 34,149 |
| Expenditures: | | | | |
| Capital projects | | | | |
| Capital outlay | <u>50,000</u> | <u>-</u> | <u>50,000</u> | <u>95,518</u> |
| Excess (deficiency) of revenues over expenditures | (14,000) | 37,888 | 51,888 | (61,369) |
| Fund balance: | | | | |
| Beginning of year | <u>175,812</u> | <u>180,143</u> | <u>4,331</u> | <u>241,512</u> |
| End of year | <u>\$ 161,812</u> | <u>\$ 218,031</u> | <u>\$ 56,219</u> | <u>\$ 180,143</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - TV CONSTRUCTION CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|--------------------------------|------------------|------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 55,862 | \$ 53,365 |
| Interest receivable | <u>510</u> | <u>349</u> |
| Total assets | <u>\$ 56,372</u> | <u>\$ 53,714</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | \$ 40,214 | \$ 38,070 |
| Undesignated | <u>16,158</u> | <u>15,644</u> |
| Total fund balance | <u>\$ 56,372</u> | <u>\$ 53,714</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|------------------|------------------|-------------------------------------|------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Other: | | | | |
| Investment income | \$ 1,500 | \$ 2,658 | \$ 1,158 | \$ 2,144 |
| Expenditures: | | | | |
| Capital projects | | | | |
| Capital outlay | <u>15,000</u> | <u>-</u> | <u>15,000</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (13,500) | 2,658 | 16,158 | 2,144 |
| Fund balance: | | | | |
| Beginning of year | <u>38,070</u> | <u>53,714</u> | <u>15,644</u> | <u>51,570</u> |
| End of year | <u>\$ 24,570</u> | <u>\$ 56,372</u> | <u>\$ 31,802</u> | <u>\$ 53,714</u> |

**TOWN OF PAHRUMP, NEVADA
NONMAJOR - ARENA CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006**

| | 2007 | 2006 |
|--------------------------------|------------------|------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 39,553 | \$ 33,494 |
| Interest receivable | <u>353</u> | <u>216</u> |
| Total assets | <u>\$ 39,906</u> | <u>\$ 33,710</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | \$ 36,810 | \$ 33,710 |
| Undesignated | <u>3,096</u> | <u>-</u> |
| Total Fund balance | <u>\$ 39,906</u> | <u>\$ 33,710</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|---------------------|----------------------|-------------------------------------|----------------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Other: | | | | |
| Investment income | \$ 1,000 | \$ 1,815 | \$ 815 | \$ 1,315 |
| Donations | 100 | - | (100) | - |
| Rent | <u>2,000</u> | <u>4,381</u> | <u>2,381</u> | <u>1,444</u> |
| Total revenues | 3,100 | 6,196 | 3,096 | 2,759 |
| Expenditures: | | | | |
| Capital projects | | | | |
| Capital outlay | <u>30,000</u> | <u>-</u> | <u>30,000</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (26,900) | 6,196 | 33,096 | 2,759 |
| Fund balance: | | | | |
| Beginning of year | <u>33,951</u> | <u>33,710</u> | <u>(241)</u> | <u>30,951</u> |
| End of year | <u>\$ 7,051</u> | <u>\$ 39,906</u> | <u>\$ 32,855</u> | <u>\$ 33,710</u> |

TOWN OF PAHRUMP, NEVADA
NONMAJOR - VEHICLE FIRE CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

| | 2007 | 2006 |
|------------------------------------|-------------------|-------------------|
| <u>Assets</u> | | |
| Pooled cash and investments | \$ 104,631 | \$ 186,658 |
| Interest receivable | <u>1,517</u> | <u>1,980</u> |
| Total assets | <u>\$ 106,148</u> | <u>\$ 188,638</u> |
| <u>Liabilities</u> | | |
| Accounts payable | <u>\$ -</u> | <u>\$ 92,500</u> |
| <u>Fund Balance</u> | | |
| Unreserved: | | |
| Designated for subsequent year | 96,138 | 85,491 |
| Undesignated | <u>10,010</u> | <u>10,647</u> |
| Total fund balance | <u>106,148</u> | <u>96,138</u> |
| Total liabilities and fund balance | <u>\$ 106,148</u> | <u>\$ 188,638</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, 2007
(With Comparative Actual Amounts for Year Ended June 30, 2006)

| | 2007 | | Variance- Positive (Negative) | 2006 Actual |
|--|-----------|------------|-------------------------------------|----------------|
| | Budget | Actual | | |
| Revenues: | | | | |
| Intergovernmental: | | | | |
| Grants | \$ - | \$ - | \$ - | \$ 113,800 |
| Charges for services: | | | | |
| Fire collections | - | 4,040 | 4,040 | 5,830 |
| Other: | | | | |
| Miscellaneous | - | - | - | 750 |
| Investment income | - | 9,880 | 9,880 | 12,067 |
| Total other revenue | - | 9,880 | 9,880 | 12,817 |
| Total revenues | - | 13,920 | 13,920 | 132,447 |
| Expenditures: | | | | |
| Capital projects: | | | | |
| Service and supplies | - | - | - | 5,000 |
| Capital outlay | - | - | - | 108,800 |
| Total expenditures | - | - | - | 113,800 |
| Excess (deficiency) of revenues over expenditures | - | 13,920 | 13,920 | 18,647 |
| Other financing sources (uses): | | | | |
| Operating transfers out | - | (3,910) | (3,910) | (3,910) |
| Net change in fund balance | - | 10,010 | 10,010 | 14,737 |
| Fund balance: | | | | |
| Beginning of year | 85,491 | 96,138 | 10,647 | 81,401 |
| End of year | \$ 85,491 | \$ 106,148 | \$ 20,657 | \$ 96,138 |

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For the year ended June 30, 2007

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, 2007, which collectively comprise the Town's basic financial statements and have issued my report thereon dated January 29, 2008. 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 29, 2008

THE TOWN OF PAHRUMP, NEVADA
APPENDIX A
SCHEDULE OF BUSINESS LICENSE FEES
JUNE 30, 2007

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, 2007 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, 2007

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:

| | |
|------------|------------|
| Land | \$ 108,000 |
| Skate Park | \$ 47,500 |

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

Response

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

| | |
|------------------------|-----------|
| Capital Projects Fund | |
| Interest | \$ 45,000 |
| TV Construction | |
| Interest | \$ 1,500 |
| Special Ad Valorem | |
| Taxes | \$ 35,000 |
| Interest | \$ 5,000 |
| Arena Capital Projects | |
| Rent | \$ 2,000 |
| Interest | \$ 1,000 |
| Donations | \$ 100 |

THE TOWN OF PAHRUMP, NEVADA
APPENDIX B
SCHEDULE OF CAPITAL PROJECTS ACTIVITY
JUNE 30, 2007

PAGE 2

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

Response

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

Capital Projects Fund

| | |
|------------------------------------|--------------------|
| Parks Capital Projects | <u>\$1,300,000</u> |
| T.V. Construction Capital Projects | |
| Transmitter | <u>\$ 40,000</u> |
| Ad Valorem Capital Projects | |
| Projects | <u>\$ 200,000</u> |
| Arena Capital Projects | <u>\$ 35,000</u> |

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

Response

The Town does not plan to accumulate any fund balance.

