



# **STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING**

1/7/2019 10:00 A.M.

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

## **AGENDA**

**MARSHALL MCBRIDE**  
*CHAIRMAN*

**ANNE LANGER**  
*DISTRICT ATTORNEY*

**JACK MCGUFFEY**  
*VICE-CHAIRMAN*

**LANCE GILMAN**  
*COMMISSIONER*

**VANESSA STEPHENS**  
*CLERK-TREASURER*

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Members of the Board of County Commissioners also serve as the Board of Fire Commissioners for the Storey County Fire Protection District, Storey County Brothel License Board, Storey County Water and Sewer System Board and the Storey County Liquor and Gaming Board and during this meeting may convene as any of those boards as indicated on this or a separately posted agenda.

All matters listed under the consent agenda are considered routine, and may be acted upon by the Board of County Commissioners with one action, and without an extensive hearing. Pursuant to NRS 241.020 (2)(d)(6) Items on the agenda may be taken out of order, the public body may combine two or more agenda items for consideration, and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. Any member of the Board or any citizen may request that an item be taken from the consent agenda, discussed, and acted upon separately during this meeting. The Commission Chair reserves the right to limit the time allotted for each individual to speak.

All items include discussion and possible action to approve, modify, deny, or continue unless marked otherwise.

1. **SWEARING IN OF NEWLY ELECTED OFFICIALS**
2. **CALL TO ORDER REGULAR MEETING AT 10:00 A.M.**
3. **ELECTION OF CHAIRMAN TO THE STOREY COUNTY BOARD OF  
COMMISSIONERS FOR THE TERM OF ONE YEAR Pursuant to Storey County Code  
2.04.008**

4. **ELECTION OF VICE CHAIRMAN TO THE STOREY COUNTY BOARD OF COMMISSIONERS FOR THE TERM OF ONE YEAR Pursuant to Storey County Code 2.04.008**

5. **PLEDGE OF ALLEGIANCE**

6. **CONSENT AGENDA**

I For possible action, approval of Assessor's Recommended Correction to 2018-19 Secured Tax Roll for Clerical Error.

II For possible action, approval of Assessor's Recommended Corrections to 2016-17, 2017-18 and 2018-19 Secured Tax Rolls for Factual Error.

III For possible action, approval of Assessor's Recommended Corrections to Unsecured 2017-18 Tax Roll for Overassessment.

IV For possible action, approval of business license first readings:

A. REED ELECTRIC & FIELD SERVICE - Contractor / 5375 Louie Ln ~ Reno, NV

B. AQUA METALS, INC - General / 160 Denmark ~ McCarran, NV

C. CAMBRIDGE BUILDERS, INC - Contractor / 500 E. Ridge Rd ~ Griffith, IN

D. WOOKIEE ENTERPRISES LLC - Home / 21270 Fey Rd ~ Reno, NV

E. INTEGRATED ARCHIVE SYSTEM, INC - General / 1121 N. San Antonio Rd ~ Palo Alto, CA

F. FLOWSERVE US INC - General / 5215 N. O'Connor Blvd ~ Irving, TX

G. CINCINNATI TEST SYSTEMS - General / 10100 Progress Way ~ Harrison, OH

H. KIMLEY-HORN AND ASSOCIATES, INC - General / 421 Fayetteville St ~ Raleigh, NC

I. K & C CONSTRUCTION LLC - Contractor / 701 Schaad Ln ~ Dayton, NV

J. BROWN & READ ENGINEERING, INC - Contractor / 1000 Telegraph ~ Reno, NV

K. FINEST, LLC - Contractor / 4551 E. Fifth St ~ Carson City, NV

L. HUNT & SONS, INC - General / 5750 S. Watt Ave ~ Sacramento, CA

M. BURLITH COMPETIONS LLC - Home business / 257 Ave De La Emerald ~ Sparks, NV

N. SNOW MOLDING - Home Business / 2499 Cartwright ~ VC Highlands, NV

O. ROBERT ELECTRIC INC - Contractor / 774 Mays Blvd ~ Incline Village, NV

P. SCREEWAVE SERVICES INC - Home Business / 2440 Enterprise Road ~ Reno, NV

Q. HECTORS HANDYMAN SERVICE - Home Business / 1390 Main St ~ Virginia City, NV

R. VIP COLLISION CENTER, LLC - General / 100 Gentry Way ~ Reno, NV

S. VAN DYKE BALER CORP - General / 78 Halloween Blvd ~ Stamford, CT

T. NATIONWIDE BOILER INC - General / 42400 Christy Street ~ Fremont, CA

U. DAIWA ENGINEERING COMPANY - General / 1-2-1 Minami ~ Osaka, JP

V. SIMPLE POWER LLC - Contractor / 2187 Market St ~ Reno, NV



W. INTERMOUNTAIN TRAILER - General / 5510 W. Lampert Lane ~ West Valley City, UT

X. CREVO JAPAN CO., LTD - General / 5966 Kamimaki ~ Nagano, JP

7. **DISCUSSION ONLY (No Action - No Public Comment): Committee/Staff Reports**

8. **BOARD COMMENT (No Action - No Public Comment)**

9. **DISCUSSION/POSSIBLE ACTION:**

For possible action approval of a proposed recruitment process, timeline, position announcement and salary range for a new Storey County Manager.

10. **DISCUSSION/POSSIBLE ACTION:**

2019 Appointments to Serve on State, County and Regional Boards:

1. Safety Committee - Jeff Holman - Chair (No Change)
2. Legislative Representative - Marshall McBride with all others, including staff as needed (No Change)
3. Historic Fourth Ward School and Museum Board - Jay Carmona (Was Jack McGuffey)
4. NACO - Lance Gilman with Austin Osborne as alternate (Was Jack McGuffey)
5. Nevada Works - Lance Gilman with Austin Osborne as alternate (No Change)
6. Virginia City Senior Center - Lance Gilman and Cherie Nevin (Adding Lance Gilman)
7. Lockwood Senior Center - Lance Gilman and Cherie Nevin (No Change)
8. St. Mary's Art Center - Jay Carmona with Cherie Nevin as alternate (Was Jack McGuffey)
9. Western Nevada Development District - Austin Osborne (No Change)
10. Carson Water Subconservancy District - Austin Osborne (No Change)
11. State Land Use Planning Advisory Council - Austin Osborne with Kathy Canfield as alternate (No Change)
12. Natural Resources Conservation District (USDA) - Kathy Canfield (No Change)
13. Truckee River Flood Management Authority (Technical Advisory Committee) - Lance Gilman with Austin Osborne and Kathy Canfield as alternates (No Change)
14. Comstock Historic District - Marshall McBride (No Change)
15. Nevada Commission for the Reconstruction of the V&T Railway - Marshall McBride (Was Jack McGuffey)
16. Virginia City Tourism Commission - Lance Gilman (No Change)
17. Oversight of Fire and Public Works - Marshall McBride (No Change)
18. Economic Development
  - a. EDAWN - Pat Whitten (No Change)
  - b. NNDA - Lance Gilman (No Change)
19. Storey County Wildlife Advisory Board - Rob DuFresne, Greg Hess Sr., Greg "Bum" Hess, Jim Clark, and Rich Bacus (No Change)

20. Washoe-Storey Conservation District - Kathy Canfield with Austin Osborne as alternate (No Change)

**11. DISCUSSION/POSSIBLE ACTION:**

Review and possible approval of Storey County Audited Financial Statements for the year ended June 30, 2018.

**12. DISCUSSION/POSSIBLE ACTION:**

Approval of the National Radon Action Month Proclamation.

**13. DISCUSSION/POSSIBLE ACTION:**

Amend project completion benchmarks of contract with Robert Loveberg to review, update, and amend Storey County's floodplain ordinance to improve standards to meet or exceed FEMA minimum requirements, accommodate the regional floodplain mapping and flood insurance rate maps (FIRMs), implement Carson River Flood Mitigation Plan mitigation measures, and consider revisions necessitated by the 2017 flood event, as set forth in the attached scope of work and schedule.

**14. DISCUSSION/POSSIBLE ACTION:**

Consideration and possible action on Resolution 19-562 to provide a date for a public hearing on the proposed lease of a portion of Piper's Opera House commonly known as the Old Corner Bar located at 12 North B Street in Virginia City, Nevada to VC Ponderosa Saloon LLC for a monthly rental amount of \$1,800.

**15. PUBLIC HEARING AT 10:30 A.M. (No Action):**

Public hearing to consider objections to proposed lease of a portion of the County owned building located at 1705 Peru Drive at the Tahoe Regional Industrial Center in Storey County, Nevada to the Nevada Highway Patrol for no rent.

**16. DISCUSSION/POSSIBLE ACTION:**

Consideration and possible action on approval/denial of proposed lease of County property located at 1705 Peru Drive in the Tahoe Reno Industrial Center to Nevada Highway Patrol for no rent.

**17. DISCUSSION/POSSIBLE ACTION:**

Consideration and possible action to approve revised agreement to purchase Assessor's Parcel No. (APN) 001-172-003 (fairgrounds parcel) from Richard Correll for the price of \$83,333.00 and the transfer to Mr. Correll of Lot 6 Block 210 Range H in Virginia City, Nevada.



**18. DISCUSSION/POSSIBLE ACTION:**

Consideration and possible action on Stipulation with Tahoe Reno Industrial Center LLC (TRIC) to provide that incremental tax revenues used to reimburse owners of property within the Tax Increment Area for expenses in constructing the effluent pipeline will not be counted as "Project Revenues" as that term is defined in the Capital Improvement Plan agreed upon between Storey County, DP Operating Partnership LLP and TRIC on or about February 1, 2000 (Project Revenues) and are therefore not available as revenues to pay vouchers issued to TRI Center LLC.

**19. DISCUSSION/POSSIBLE ACTION:**

Approval of second reading for General Business License - Crusader Armament & Training. Hank Shannon, Owner.

**20. DISCUSSION/POSSIBLE ACTION:**

Approval of business license Second Readings:

A. SUGARLOAF MOUNTAIN MOTEL & MARKET - General / 430 S. "C" st ~ Virginia City, NV

B. NOMNIVORE LLC - General / 222 E. 8th Ave ~ Reno, NV

C. FIVES CINETIC CORP - General / 23400 Halstead Rd ~ Farmington Hills, MI

D. DEBELL WINDOW SYSTEMS, INC - Contractor / 2600 S. Virginia St ~ Reno, NV

E. BIGHORN SERVICES, LLC - General / 560 Juniper St ~ Elko, NV

F. STRATOSPHERE QUALITY LLC - General / 12024 Exit Five Pkwy ~ Fishers, IN

G. ANDREWS HARDING, AIA ARCHITECT - General / 111 East 14th St ~ Elmira Heights, NY

H. ERM-WEST, INC - General / 1277 Treat Blvd ~ Walnut Creek, CA

I. SMX, LLC - General / 860 W. Evergreen ~ Chicago, IL

J. A-1 QUALITY CARE, LLC - Contractor / 12 Sunset Way #206 ~ Henderson, NV

K. MANWEB SERVICES INC - Contractor / 11800 Exit Five Pkwy ~ Fishers, IN

L. LOOKOUT TRENDZ - Home / 368 Wagon Wheel Way ~ Dayton, NV

M. JHI ENGINEERING, INC - General / 018 SW. Boundary Ct Ste 200 ~ Portland, OR

N. AMBER'S PET FRIENDLY GROOMING - General / 269 Edith Lane ~ Dayton, NV

O. MICHAEL THOMAS SCHMOKER - Home / 4590 Tybo Rd ~ Reno, NV

P. HARGROVE SERVICES CORPORATION - General / 20 S. Royal St ~ Mobile, AL

Q. CBIZ RISK & ADVISORY SERVICES, LLC - General / 6050 Oak Tree Blvd ~ Cleveland, OH

R. PANASONIC SOLUTION TECHNOLOGIES CO., LTD - General / Tokyo, JP

S. SUEZ WTS ANALYTICAL INSTRUMENTS, INC - General / 6060 Spine Rd ~ Boulder, CO

T. ALLIED MODULAR BUILDING SYSTEMS, INC - General / 642 W. Nicolas Ave ~ Orange, CA

U. TRUCKEE TAHOE LUMBER COMPANY - General / 10242 Church St ~ Truckee, CA

21. **PUBLIC COMMENT (No Action)**

22. **ADJOURNMENT OF ALL ACTIVE AND RECESSED BOARDS ON THE AGENDA**

**NOTICE:**

- Anyone interested may request personal notice of the meetings.
- Agenda items must be received in writing by 12:00 noon on the Monday of the week preceding the regular meeting. For information call (775) 847-0969.
- Items may not necessarily be heard in the order that they appear.
- Public Comment will be allowed at the end of each meeting (this comment should be limited to matters not on the agenda). Public Comment will also be allowed during each item upon which action will be taken on the agenda (this comment should be limited to the item on the agenda). Time limits on Public Comment will be at the discretion of the Chairman of the Board. Please limit your comments to three minutes.
- Storey County recognizes the needs and civil rights of all persons regardless of race, color, religion, gender, disability, family status, or nation origin.
- In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or



(3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

USDA is an equal opportunity provider, employer, and lender.

**Notice to persons with disabilities:** Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the Commissioners' Office in writing at PO Box 176, Virginia City, Nevada 89440.

#### **CERTIFICATION OF POSTING**

I, Vanessa Stephens, Clerk to the Board of Commissioners, do hereby certify that I posted, or caused to be posted, a copy of this agenda at the following locations on or before 12/31/2018; Virginia City Post Office at 132 S C St, Virginia City, NV, the Storey County Courthouse located at 26 S B St, Virginia City, NV, the Virginia City Fire Department located at 145 N C St, Virginia City, NV, the Virginia City Highlands Fire Department located at 2610 Cartwright Rd, VC Highlands, NV and Lockwood Fire Department located at 431 Canyon Way, Lockwood, NV.

By Vanessa Stephens  
Vanessa Stephens Clerk-Treasurer



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 0-5 mins

**Agenda:** Consent ☒ Regular agenda ☐ Public hearing required ☐

1. **Title:** For Possible Action – Approval – Assessor's Recommended Corrections to 2018-19 Secured Tax Roll for Clerical Error

2. **Recommended motion:** Approval

3. **Prepared by:** Tobi Whitten

**Department:** Assessor's Office

**Telephone:** 847-0961

4. **Staff summary:** A clerical error on parcel number 005-061-47 occurred on the 2018-19 Secured Tax Roll. The amount of new improvements was not entered, and the LEED abatement was not adjusted to reflect the new improvements. Our office was not aware of this until after the close of the 2018-19 Tax Roll. Therefore the tax bill was generated based on incorrect values, and requires adjustment per NRS 361.765.

5. **Supporting materials:** Please see attached letter with adjusted values and tax amounts.

6. **Fiscal impact:** Unknown

Funds Available:

Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

\_\_\_\_ District Attorney

8. **Reviewed by:**

 Department Head

Department Name: Assessor's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 6I



**Jana Seddon**  
STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE  
26 South B Street  
P.O. Box 494  
Virginia City, NV 89440  
  
(775) 847-0961 Phone  
(775) 847-0904 Fax  
Assessor@storeycounty.org

December 27, 2018

Memo to: Storey County Commissioners

Re: 005-061-47

The above referenced parcel was billed with errors for the 2018-19 tax year. A clerical error occurred, and the Real Property Tax Bill requires correction. The amount of new improvements was not entered, and the LEED abatement was not adjusted to reflect the new improvements. In accordance with NRS 361.765, I am requesting the following corrections:

	Assessed 2018-19	Corrected 2018-19
<b>Assessed Land</b>	<b>380,484</b>	<b>380,484</b>
<b>Assessed Improvements</b>	<b>4,519,830</b>	<b>4,519,830</b>
<b>Economic Obsolescence</b>	<b>-</b>	<b>-</b>
<b>Net Assessed Value</b>	<b>4,900,314</b>	<b>4,900,314</b>
<b>Prior Yr GAV Override</b>	<b>2,400,361</b>	<b>2,612,318</b>
<b>Tax Cap %</b>	<b>4.20%</b>	<b>4.20%</b>
<b>New Improvements Assessed</b>	<b>-</b>	<b>1,589,687</b>
<b>Tax Rate</b>	<b>3.4607%</b>	<b>3.4607%</b>
<b>LEED Abatement %</b>	<b>23.68%</b>	<b>21.64%</b>
<b>Total Secured Tax Amount</b>	<b>\$ 71,360.34</b>	<b>\$ 125,273.52</b>
	Amount Paid	<b>\$ 71,360.34</b>
	Balance Owning	<b>\$ 53,913.18</b>

Please approve these corrections, and advise the County Treasurer to make the changes and issue a corrected tax bill to the taxpayer.

Thank You,

  
Jana Seddon  
Storey County Assessor

Billed to..... UMS PROPERTY LLC

Address.... ATTN: CJ MADONNA

194 PLEASANT RIDGE ROAD

City, State PLATTSBURGH, NY

Zip 12901

(F11=Allow Input)

Location..... 100 GERMANY CIRCLE

Town..... INDUSTRIAL GID

Oldest Delinquent Year..

District..... 12.2 Roll #... 004616

Tax Service Code.....

To change Ad Valorem Taxes, modify the Input fields on the next three lines

Net Assd Value New Value Prior Yr GAV Abatement Amt Recapture Amt

4,900,314 1,589,687 2,612,318 44,311.65 .00

Exemptions.. 0 Tax Cap %.. 4.2

Bkrp/pp

Current Tax Amended Tax Current Penlty Amended Penlty (B/P)

Instalmnt 1 17,840.34 31,318.38 .00

Instalmnt 2 17,840.00 31,318.38 .00

Instalmnt 3 17,840.00 31,318.38 .00

Instalmnt 4 17,840.00 31,318.38 .00

Totals..... 71,360.34 125,273.52 .00 .00

Current Amount Amended Amount

Special Assessments (Use F5 to change) .. .00 .00

Total of All Taxes and Penalty/Interest.. 71,360.34 125,273.52

Total Amount Paid..... 71,360.34 71,360.34

Total Balance Owning..... .00 53,913.18

F5=Special Assessments F12=Exit F17=Assessor's File Inquiry

LEED ABATEMENT = 21.64 %



# STOREY COUNTY

## DISTRICT 12.2

2018-19

TOTAL TAXES DUE	TOTAL LEED ABATEMENT	NET TAXES DUE ENTITIES	PERCENT TOTAL TAXES
169,585.15	(27,212.46)	142,372.69	16.05%

[illegible]

TAXABLE VALUE PERCENTAGE	WEIGHTED AVG LEED ABATEMENT PERCENTAGE	PRIOR YEAR ABATEMENTS	CURRENT YEAR ABATEMENT	TOTAL ABATEMENT TO DATE	PERCENT OF TOTAL COST
100.00%	21.84%	-	(27,212.46)	(27,212.46)	0.1944%



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 0-5 mins

**Agenda:** Consent ☒ Regular agenda ☐ Public hearing required ☐

1. **Title:** For Possible Action – Approval – Assessor's Recommended Corrections to 2016-17, 2017-18 and 2018-19 Secured Tax Rolls for Factual Error

2. **Recommended motion:** Approval

3. **Prepared by:** Tobi Whitten

**Department:** Assessor's Office

**Telephone:** 847-0961

4. **Staff summary:** A factual error on parcel number 003-092-12 occurred on the 2016-17, 2017-18 and 2018-19 Secured Tax Rolls. The square footage of living area was calculated incorrectly due to modifications to the floor plan that took place during construction. Our office was not aware of this until after the close of the 2018-19 Tax Roll. Therefore the tax bills were generated based on incorrect values, and require adjustment per NRS 361.768.

5. **Supporting materials:** Please see attached letter with adjusted assessed values and tax amounts.

6. **Fiscal impact:** Unknown

Funds Available:

Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

\_\_\_\_ District Attorney

8. **Reviewed by:**

 Department Head

Department Name: Assessor's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 6 II

**Jana Seddon**  
STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE  
26 South B Street  
P.O. Box 494  
Virginia City, NV 89440

(775) 847-0961 Phone  
(775) 847-0904 Fax  
Assessor@storeycounty.org

December 27, 2018

Memo to: Storey County Commissioners

Re: 003-092-12

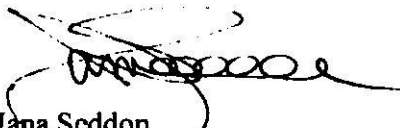
The above referenced parcel was billed with errors for the 2016-17, 2017-18 and 2018-19 tax years. A factual error occurred, and the assessed value of Improvements requires correction. The square footage of living area was calculated incorrectly due to modifications to the floor plan that took place during construction. In accordance with NRS 361.768, I am requesting the following changes be made:

	Assessed 2016-17	Corrected 2016-17	Assessed 2017-18	Corrected 2017-18	Assessed 2018-19	Corrected 2018-19
Assessed Land	4,200	4,200	4,200	4,200	4,536	4,536
Assessed Improvements	50,956	46,914	49,905	46,328	72,817	66,438
Economic Obsolescence	-	-	-	-	-	-
Net Assessed Value	55,156	51,114	54,105	50,528	77,353	70,974
Prior Yr GAV Override	-	-	-	-	-	-
Owner-Occupancy Cap %	2.90%	2.90%	3.00%	3.00%	3.00%	3.00%
New Improvements Assessed	-	-	-	-	30,873	20,235
Secured Tax Amount	\$ 1,908.78	\$ 1,768.90	\$ 1,872.41	\$ 1,748.62	\$ 2,676.96	\$ 2,456.20
Refund Amt: \$ 139.88 Refund Amt: \$ 123.79 Refund Amt: \$ 220.76						

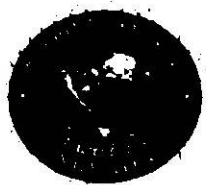
TOTAL REFUND AMT  
\$ 139.88  
\$ 123.79  
\$ 220.76  
\$ 484.43

Please approve this correction, and advise the County Treasurer to make the changes and issue a refund to the taxpayer.

Thank You,

  
Jana Seddon  
Storey County Assessor





## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 0-5 mins

**Agenda:** Consent ☒ Regular agenda ☐ Public hearing required ☐

1. **Title:** For Possible Action – Approval – Assessor's Recommended Corrections to Unsecured 2017-18 Tax Roll for Overassessment

2. **Recommended motion:** Approval

3. **Prepared by:** Tobi Whitten

**Department:** Assessor's Office

**Telephone:** 847-0961

4. **Staff summary:** Level 3 Communications (DC 000011) was assessed an estimate per NRS 361.265 on the 2017-18 Unsecured Tax Roll for assets that have since proven to have been reported on a different account by CenturyLink Communications (who acquired Level 3), and was billed accordingly. The bill and account # DC 000011 both need to be deleted. No refund is required at this time as payment on the 2017-18 billed estimate was never made.

5. **Supporting materials:** Please see attached letter with adjusted assessed value.

6. **Fiscal impact:** Unknown

Funds Available:

Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

\_\_\_\_ District Attorney

8. **Reviewed by:**

☒ Department Head

Department Name: Assessor's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved

☐ Approved with Modifications

☐ Denied

☐ Continued

Agenda Item No. 6 III

**Jana Seddon**  
STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE  
26 South B Street  
P.O. Box 494  
Virginia City, NV 89440

(775) 847-0961 Phone  
(775) 847-0904 Fax  
Assessor@StoreyCounty.org

December 27, 2018

Memo to: Storey County Commissioners

Re: DC 000011, Level 3 Communications / CenturyLink Communications

The above referenced account was processed and billed Unsecured taxes for the 2017-18 tax year based on an estimate of value assessed in accordance with NRS 361.265. Our office has since received information from a CenturyLink representative that the assets on which the estimate was based had been reported on a different account (DC 000004), as they had been in the middle of a corporate acquisition at the time. The corrected amounts are as follows:

	Original	Revised
Acquisition Cost	1,000,000	-
Assessed Value	350,000	-
Unsecured Taxes	\$ 12,112.45	\$ -
Penalty/Interest	\$ 1,211.25	\$ -
Total Amount Due	\$ 13,323.70	\$ -

Pursuant to NRS 361.765, please approve this correction, and advise the Treasurer and/or Assessor to delete the estimate-based 2017-18 bill for account # DC 000011 and deactivate the account itself. No refund is required as payment on this account has not been made.

Thank You,

  
Jana Seddon  
Storey County Assessor

Account #..... DC 000011 Current Owner: CENTURYLINK COMMUNICATIONS  
 Property Loc... 1 SUPERLOOP CIRCLE - 104847 L096-1  
 Billed to..... LEVEL 3 COMMUNICATIONS Parcel #: 005-011-48  
 (F4=Curr Owner) C/O TEOCO CORPORATION District: 12.2  
 12150 MONUMENT DR, SUITE 700  
 FAIRFAX, VA 22033

Outstanding Taxes:

Prior Year	Tax	Penlty/Intrst	Total	Amount Paid	Total Due
2018	12,112.45	1,211.25	13,323.70	.00	13,323.70

Current Year Not yet billed for the Current Year

Inst1

Inst2

Inst3

Inst4

F9=Scan &gt;/&lt; &gt;

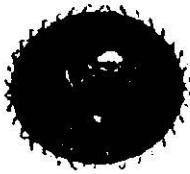
F12=End

F13=Show History

F14=Print Summary

F17=Account Inquiry





## Storey County Board of County Commissioners Agenda Action Report

Meeting date: 1-7-19

Estimate of time required: 0 - 5

Agenda: Consent ☒ Regular agenda ☐ Public hearing required ☐

1. **Title:** Business License First Readings -- Approval

2. **Recommended motion:** None required (if approved as part of the Consent Agenda) I move to approve all first readings (if removed from consent agenda by request).

3. **Prepared by:** Melissa Field

**Department:** Community Development

**Telephone:** 847-0966

4. **Staff summary:** First readings of submitted business license applications are normally approved on the consent agenda. The applications are then submitted at the next Commissioners' meeting for approval.

5. **Supporting materials:** See attached Agenda Letter

6. **Fiscal impact:**

Funds Available:

Fund:

Comptroller

7. **Legal review required:**

\_\_\_\_ District Attorney

8. **Reviewed by:**

☒ Department Head

Department Name:

☐ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved

☐ Approved with Modifications

☐ Denied

☐ Continued

Agenda Item No.

6 IV

# Storey County Community Development

## Business Licensing

P O Box 526 • Virginia City NV 89440 • (775) 847-0966 • Fax (775) 847-0935 • [mfield@storeycounty.org](mailto:mfield@storeycounty.org)

---

To: Vanessa Stephens, Clerk's Office  
Pat Whitten, County Manager

December 24, 2018  
Via email

Fr: Melissa Field

Please add the following item(s) to the **January 7, 2019 COMMISSIONERS** Consent Agenda:

### **LICENSING BOARD**

#### **FIRST READINGS:**

- A. **REED ELECTRIC & FIELD SERVICE** – Contractor / 5375 Louie Ln ~ Reno, NV
- B. **AQUA METALS, INC** – General / 160 Denmark ~ McCarran, NV
- C. **CAMBRIDGE BUILDERS, INC** – Contractor / 500 E. Ridge Rd ~ Griffith, IN
- D. **WOOKIEE ENTERPRISES LLC** – Home / 21270 Fey Rd ~ Reno, NV
- E. **INTEGRATED ARCHIVE SYSTEM, INC** – General / 1121 N. San Antonio Rd ~ Palo Alto, CA
- F. **FLOWSERVE US INC** – General / 5215 N. O'Connor Blvd ~ Irving, TX
- G. **CINCINNATI TEST SYSTEMS** – General / 10100 Progress Way ~ Harrison, OH
- H. **KIMLEY-HORN AND ASSOCIATES, INC** – General / 421 Fayetteville St ~ Raleigh, NC
- I. **K & C CONSTRUCTION LLC** – Contractor / 701 Schaad Ln ~ Dayton, NV
- J. **BROWN & READ ENGINEERING, INC** – Contractor / 1000 Telegraph ~ Reno, NV
- K. **FINEST, LLC** – Contractor / 4551 E. Fifth St ~ Carson City, NV
- L. **HUNT & SONS, INC** – General / 5750 S. Watt Ave ~ Sacramento, CA
- M. **BURLITH COMPETIONS LLC** – Home business / 257 Ave De La Emerald ~ Sparks, NV
- N. **SNOW MOLDING** – Home Business / 2499 Cartwright ~ VC Highlands, NV
- O. **ROBERT ELECTRIC INC** – Contractor / 774 Mays Blvd ~ Incline Village, NV
- P. **SCREEWAVE SERVICES INC** – Home Business / 2440 Enterprise Road ~ Reno, NV
- Q. **HECTORS HANDYMAN SERVICE** – Home Business / 1390 Main St ~ Virginia City, NV
- R. **VIP COLLISION CENTER, LLC** – General / 100 Gentry Way ~ Reno, NV
- S. **VAN DYKE BALER CORP** – General / 78 Halloween Blvd ~ Stamford, CT
- T. **NATIONWIDE BOILER INC** – General / 42400 Christy Street ~ Fremont, CA
- U. **DAIWA ENGINEERING COMPANY** – General / 1-2-1 Minami ~ Osaka, JP
- V. **SIMPLE POWER LLC** – Contractor / 2187 Market St ~ Reno, NV
- W. **INTERMOUNTAIN TRAILER** – General / 5510 W. Lampert Lane ~ West Valley City, UT
- X. **CREVO JAPAN CO., LTD** – General / 5966 Kamimaki ~ Nagano, JP

Ec: Community Development  
Commissioners' Office

Planning Department  
Comptroller's Office

Sheriff's Office

# Storey County Board of County Commissioners

## Agenda Action Report



**Meeting date:** January 7, 2019  
20 min

**Estimate of time required:**

**Agenda:** Consent [ ] Regular agenda [X] Public hearing required [ ]

1. **Title:** For possible action approval of a proposed recruitment process, timeline, position announcement and salary range for a new Storey County Manager.
2. **Recommended motion** Approve the recruitment process, timeline, position announcement and salary range for a new Storey County Manager as presented.
3. **Prepared by:** Pat Whitten

**Department:** Commissioner's Office

**Telephone:** 847-0968

4. **Staff summary:** A position announcement brochure has been developed by the consultant coordinating the recruitment for a new County Manager, Linda Ritter. That draft brochure is included in your Board Packet for review. Additionally, in a memo to the County Manager also included in your Board Packet, a proposed timeline and process has been presented for your review and possible approval. The salary provided to the new County Manager will be negotiated in light of experience of the successful candidate, however, a range needs to be included in the brochure. Ms Ritter will be in attendance at the meeting to discuss the process, timeline and any other matter related to this recruitment.

**5. Supporting materials:**

1. Memo to Pat Whitten from Linda Ritter outlining recruitment process.
2. Recruitment Brochure for Storey County Manager

**6. Fiscal impact:**

Funds Available: Fund: \_\_\_\_\_ Comptroller

**7. Legal review required:** n/a

\_\_\_\_\_ District Attorney

**8. Reviewed by:**

\_\_\_\_\_ Department Head

Department Name: Commissioners

\_\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

**9. Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

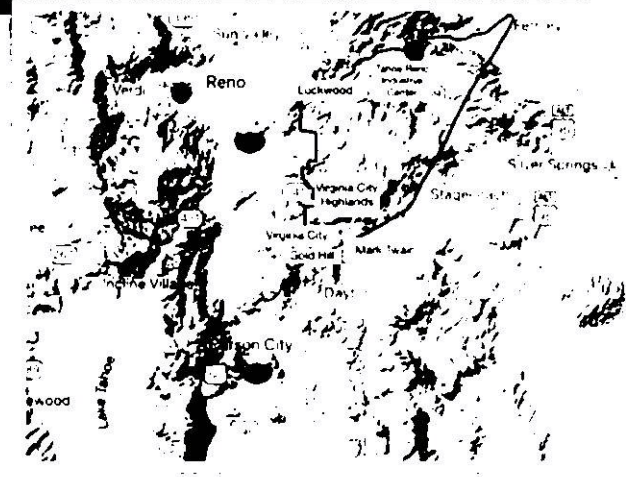
Agenda Item No. 9



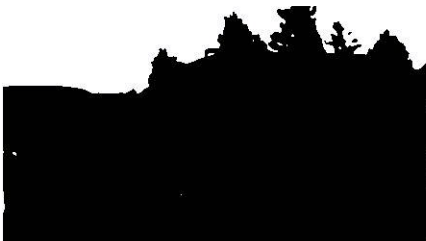


## The County

Storey County is the second smallest county in the State of Nevada. It's 264 square miles is located in the mountains and valleys of western Nevada, just 26 miles southeast of Reno, Nevada and 16 miles northeast of Nevada's capital, Carson City. Beautiful Lake Tahoe is just 25 miles to the east. There are an estimated 4000+ people living in several residential areas in the county - Virginia City, Virginia City Highlands, Gold Hill, Mark Twain and Lockwood. The County Seat is Virginia City.



While small in size, Storey County has played an oversized part in history. In 1859 miners discovered the largest deposit ever found of gold and silver in Virginia City. The mines of the "Comstock Lode" and "Big Bonanza" pumped nearly half a billion dollars into the economy of the United States. At its peak the population of Storey County exceeded 25,000 and was the largest population center in the Nevada. The miners and cowboys have left, but many of the structures and signs of the past remain. Virginia City is a National Historic Landmark District. Historic tourism in the Virginia City / Gold Hill region attracts 1.6 million visitors each year.



Not to be outdone by its past economic contributions, Storey County today is home to the United State's largest industrial park, the Tahoe-Reno Industrial Center (TRIC). The Tahoe Reno Industrial Center is a 104,000 acre center with the capacity to

house 80-million-square-feet of industrial space. Some of the companies already at TRI include Tesla, Switch, Blockchain, Google, Mars Pet Care, US Ordnance, Tire Rack, Chart Industries, James Hardie, Food Bank of Northern Nevada, Golden Gate Petroleum, Pro-Logis, Pittsburgh Paint, Duraflex, DIS, Pet Smart, Wal-Mart, and many others. Also located in the area of TRI are multiple sophisticated power plants: NV Energy and Barrick Mines(a power plant that provides additional power support during peak hours).

Today, Storey County's rich, living legacy unites with high-tech modernization. This county offers a variety of small-town communities that are merely minutes away from large metropolitan areas—the best of both worlds.

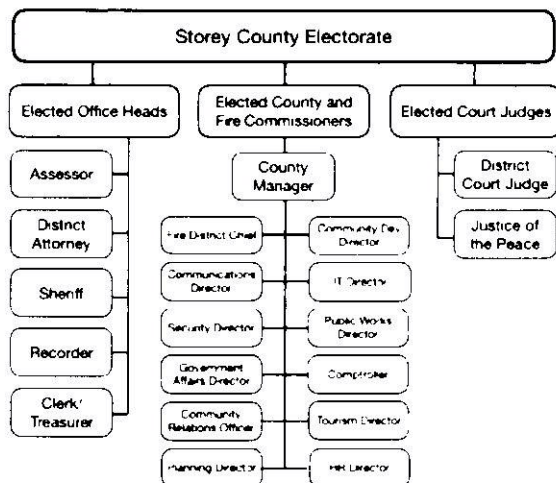
Storey County has had just one County Manager, who is preparing to retire after serving the County for 15 years.

## Governance and Organization

Storey County is organized under the Nevada State Statutes and is governed by an elected 3 member Board of County Commissioners. Each commissioner is required to reside in 1 of 3 districts, however, each

commissioner is elected by all residents of the county to serve a 4 year term. The Board of County Commissioners also serves as the Board of the Storey County Fire District. They also act as the County Fair and Recreation Board, which oversees recreation and tourism marketing and development.

Storey County has 5 elected Department Heads, whose duties are dictated by Nevada Revised Statutes, but whose budgets are provided by the Board of County Commissioners. There are two courts - Justice Court and District Court. Justice Court serves all of Storey County, while the District Court is shared with neighboring Carson City.



Storey County provides a full range of services to 5 distinct residential communities - Virginia City, Virginia City Highlands, Gold Hill, Mark Twain and Lockwood. The County also provides service to the Tahoe Reno Industrial Center, currently housing 18,560,631 square feet of Industrial / Commercial space and an estimated 8,095 employees. County services include law enforcement, fire protection, water and sewer infrastructure, roads and streets, senior services, recreation, and community development.

There are a total of 145 FTE's serving Storey County. The total annual budget is \$ 33 million for all funds. The largest source of general fund revenue is ad valorem (property) tax at 33%. Storey County has a history of conservative financial management, with a stabilization fund established to buffer against swings in revenues from sales and other taxes.

## **The Position**

The Board of County Commissioners employs a County Manager to manage the day-to-day business of the County in accordance with the policies and goals set by the Commission. The County Manager provides support to elected officials, provides leadership to county departments, and coordinates the activities of the County with other governmental agencies in the region, the business community and Storey County residents. Responsibilities include:

- Establish and maintain effective working relationships with County elected officials, employees, other units of government, civic and community groups, and the general public.
- Provide overall direction, coordination and evaluation of all programs and functions of government under the jurisdiction of the Board of County Commissioners.
- Manage and oversee implementation of County ordinances, regulations, resolutions, and policies.
- Provide the Board of County Commissioners with information to support its decision-making role, prepare agendas and provide reports with options and recommendations on matters coming before the Board.
- Oversee the County's financial system by directing, preparing, monitoring, and developing operating and capital budgets, and establishing short- and long-range goals for funding sources.
- Promote positive employee relations and create a team environment of open communication, problem solving and a shared awareness of County goals, objectives and current events.
- Serve as liaison with state and federal legislators; make recommendations to the Board on legislation; report on legislative changes as appropriate.
- Sustain and promote a business friendly environment in terms of County regulations surrounding land development and building processes.
- Oversee negotiating Collective Bargaining Agreements with recognized employee groups.

## **Dynamic Future**

Storey County's future includes several exceptional opportunities. With the continued addition of cutting-edge, national firms to the Tahoe Reno Industrial Center (TRIC) Storey County has the opportunity to become the largest tech sector location in the west. The ample property available for development at TRIC makes corporate campus development a possibility, resulting in exponential business growth.

Along with business and industrial development, there are possibilities for quality housing developments. One development in the planning stages may include enough housing units to produce a 300% increase in the population of Storey County.

All of this growth will require that County services keep up with demand. Public service infrastructure will require evaluation and careful planning in order to insure adequate and efficient service delivery.

## **The Ideal Candidate**

The ideal candidate will be a strategic thinker with an entrepreneurial spirit that projects enthusiasm and a positive attitude. Accessibility and approachability will be essential for success. Keen negotiating and communication skills will come into play for this problem solver and fair minded mediator. The ideal candidate will value the benefits of living in a small community while being close to city conveniences.



Desired capabilities include:

- Executes position responsibilities with a strong sense of ethics, integrity and accountability; earns the trust and credibility of others.
- Provides a customer service focus; understands that citizens are shareholders to whom local government is accountable.
- Understands economic development and diversification principles and practices, including the use of financial incentives and streamlined development processes as a tool.
- Gives department heads the latitude to manage assigned operations while holding them accountable for results.
- Can be objective and neutral, navigates effectively among Commissioners' diverse opinions without being political.
- Has strong financial acumen; understands budgeting, has the ability to provide detailed financial analysis, considers long-range fiscal implications.
- Understands the importance of intergovernmental relations; can effectively develop relationships with neighboring local governments and state representatives.
- Understands utility operations: development, maintenance and capital planning.
- Understands methods of facility planning for a growing County.
- Understands principles of historic tourism development and visitor experience.
- Can develop positive relationship with labor groups; understands collective bargaining.

**The successful candidate will be required to reside within Storey County.**

## **Education and Experience**

The successful candidate will have a combination of education and job experience equivalent to graduation from a four-year college or university with major coursework in public or business administration, political science, public policy, finance or a related field and (10) years executive-level experience in a related administrative/ managerial capacity involving responsibility for planning, organization and implementation of programs and services for an organization.

## **Compensation and Benefits**

The salary range for this position is \$115,000 - \$157,000, depending on qualification and experience. A generous benefits package is offered including health, dental and vision insurance, paid vacation and sick leave days. The County participates in the Nevada Public Employee Retirement Plan which provides a benefit of 2.25% per year of service credit after 5 years.

## **The Application Process**

Qualified candidates please submit your cover letter and resume online by visiting [www.storeycounty.org/Jobs](http://www.storeycounty.org/Jobs). This position is open until filled; first review of resumes occurs beginning on February 1, 2019. Following this date, applications will be screened against criteria outlined in this brochure. On-site interviews will be offered to candidates named as finalists, with reference checks, thorough background checks, including credit history, and academic and employment verifications conducted after receiving candidates' consent.

Please note that finalists applications and resumes will be made available to the public immediately upon selection for on-site interview. For more information, please contact Linda Ritter, Linda Ritter Consulting at [lpitter@gmail.com](mailto:lpitter@gmail.com); (775)720-2982.



## Linda Ritter Consulting

775.720.2982 Lpritter@gmail.com 4250 Hobart Road Carson City, NV. 89703

December 18, 2018

Pat Whitten, County Manager  
Storey County  
PO Box 176  
Virginia City, NV 89440

### **Re: Proposed selection process for new County Manager**

Dear Pat,

Based upon our discussions, I would like to propose the following selection process for the new County Manager.

1. The position will be announced via government jobs websites, the International City/County Managers Association (ICMA) and by direct mail to all Nevada counties. The announcement brochure will be posted on the Storey County website, with a link provided on the ICMA and government job websites.
2. Applicants will be directed to submit their resume's to me directly no later than February 1, 2019. Carson City Human Resources has volunteered to make the posting at the on-line sites and direct all respondents to me. By doing this, we are eliminating a conflict posed as a result of interest expressed by your Human Resources Director in applying for the position.
3. I will screen the applicants against the criteria outlined in the position brochure and select the top candidates for interview with two panels. At this point, those selected will be required to complete a employment application and sign an "Acknowledgement and Release of Public Information", agreeing that their name, application and any supporting materials will become public record and available to the public. Additionally, candidates will also be subject to a background check to include reference checks, employment verification and educational verification.
4. 2 interview panels will be convened:
  1. Citizens / Business Panel  
This panel will include 9 members. County Commissioners will choose 2 representatives each from within their Districts. The County Manager, seeking balanced representation from

throughout the County and the business community, will select the remaining 3 members for the panel.

2. Staff Panel

This panel will be made up of 7 - 9 representatives from elected and appointed City Staff. You will make that selection.

5. Top candidates will be interviewed by each panel during the last two weeks of February, 2019. Each panel will select their top candidates. From those selections, the top 2 - 3 candidates will be chosen for interview before the County Commission.

6. Before the Commission interview, the background check will be expanded to include interviews with past employers, past employees, community members and press representatives.

7. Candidates will appear before the Board of County Commissioners for their final interview, targeted for the first regular meeting in April. After the interview, the Board will direct you to make an offer to one of the candidates, or direct you to continue the search.

You have expressed a willingness to stay on as long as necessary for a successful transition. The length of the transition period will be affected by the experience and qualifications of your replacement. Therefore, I recommend that you not specify your official retirement date until the conclusion of the selection process.

If you have any questions, or would like to make any changes to this proposed selection process, please advise.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Linda Ritter". The signature is fluid and cursive, with the first name "Linda" being more prominent than the last name "Ritter".

Linda Ritter  
Linda Ritter Consulting  
(775) 720-2982





## Linda Ritter Consulting

775.720.2982 Lpritter@gmail.com 4250 Hobart Road Carson City, NV. 89703

December 18, 2018

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Linda Ritter  
Linda Ritter Consulting  
(775) 720-2982



## Linda Ritter

775.720.2982 Lpritter@gmail.com 4250 Hobart Road Carson City, NV. 89703

### Profile

Highly energetic and personable government professional with 30+ years of "in the trenches" experience in Nevada moving government organizations forward through the development of consensus with stakeholders, charting a course for the future and staying the course through consistent attention to direction. Talent for facilitating groups, developing teams and forming positive relationships throughout government organizations and with the public they serve. Demonstrated ability to develop a strategic planning process and move multiple interrelated organizations through implementation. Flexible and versatile - able to manage multiple projects and deadlines under pressure. Extensive experience acting as an agent for positive change within an organization.

### Work History

#### **OWNER, RITTER CONSULTING ASSOCIATES, INC. , 2010 - 2013**

Clients/projects included the following:

##### **Carson City Convention and Visitors Authority**

- Served as Acting Director while recruiting for a new Director
- Facilitated the development of a Strategic Plan and Business Review Process

##### **Western Nevada College**

- As the community representative to their strategic planning group, facilitated the creation of the 2012 - 2018 Strategic Plan.

##### **Consolidated Municipality of Carson City**

- Consulted on the Strategic Plan and Performance Measurement System.

##### **Downtown 2020 Committee**

- Facilitated the development of the Downtown Revitalization Plan, presented and accepted by the Carson City Board of Supervisors. Also worked with property owners to support the creation of a Business Improvement District to support the new improved downtown.

#### **SPECIAL PROJECTS MANAGER, CONSOLIDATED MUNICIPALITY OF CARSON CITY - 2008 - 2010**

Developed a comprehensive Strategic Plan and Performance Measurement System for Carson City. Required working with multiple overlapping departments and implementing a software solution to manage the performance management system.

#### **CITY MANAGER, CONSOLIDATED MUNICIPALITY OF CARSON CITY - 2003 - 2008**

Chief Administrative Officer for the City of Carson City. Managed an organization of 500+ employees and a \$59 million budget. Implemented policies adopted by the elected Board of Supervisors.



**CITY MANAGER, CITY OF ELKO, NEVADA - 1997 - 2003**

Chief Administrative Officer for the City of Elko. Managed all aspects of the City, including operation of a commercial airport and regional landfill.

**ASSISTANT COUNTY MANAGER, ELKO COUNTY, NEVADA - 1991 - 1997**

Under the direction of the County Manager, supervised the financial, administrative and human services operations for Elko County.

## Experience

- Designed, facilitated and implemented an organization wide strategic plan.
- Implemented a strategy execution system through performance scorecards.
- Facilitated strategic planning sessions with non-profit organizations.
- Managed both a City and County organization of up to 550 employees.
- Coordinated day-to-day activities of multiple organizations towards common goals.
- Developed positive relations with civic groups, governing boards and the media.
- Managed a \$59 million annual budget.
- Developed plans for infrastructure development to accommodate future growth and sustained economic activity.
- Negotiated collective bargaining agreements with multiple employee groups.
- Facilitated focus group sessions on sensitive community issues, resulting in improved public policy.

## Education

University of Nevada - Reno; Bachelor of Science, Business Administration with emphasis on Economics, 1980.

## References

Ronni Hannaman, Executive Director, Carson City Chamber of Commerce (775) 882-1565

Shelly Aldean, Eden Management (775) 885-8282



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 5 Minutes

**Agenda:** Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Appointments to serve on State, County and Regional Boards
2. **Recommended motion:** Move to approve committee appointments as recommended by staff (or as alternatively determined)

3. **Prepared by:** Pat Whitten

**Department:** Commissioners

**Telephone:** 847-0968

4. **Staff summary:** Annually at the first Commission meeting in January, the Commission appoints certain individuals to serve on various Committees. Please see the attached list of recommended appointments for each Committee/Board.

5. **Supporting materials:** None

6. **Fiscal impact:** None other than mileage to attend various meetings

Funds Available: Yes

Fund: As budgeted

\_\_\_\_ Comptroller

7. **Legal review required:** No

\_\_\_\_ District Attorney

8. **Reviewed by:**

\_\_\_\_ Department Head

Department Name:

 County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved

☐ Approved with Modifications

☐ Denied

☐ Continued

Agenda Item No. 10

### 2019 Appointments to Serve on State, County and Regional Boards

1. Safety Committee – Jeff Holman – Chair (No Change)
2. Legislative Representative – Marshall McBride with all others, including staff as needed (No Change)
3. Historic Fourth Ward School and Museum Board – Jay Carmona (Was Jack McGuffey)
4. NACO – Lance Gilman with Austin Osborne as alternate (Was Jack McGuffey)
5. Nevada Works – Lance Gilman with Austin Osborne as alternate (No Change)
6. Virginia City Senior Center – Lance Gilman and Cherie Nevin (Adding Lance Gilman)
7. Lockwood Senior Center – Lance Gilman and Cherie Nevin (No Change)
8. St. Mary's Art Center – Jay Carmona with Cherie Nevin as alternate (Was Jack McGuffey)
9. Western Nevada Development District – Austin Osborne (No Change)
10. Carson Water Subconservancy District – Austin Osborne (No Change)
11. State Land Use Planning Advisory Council – Austin Osborne with Kathy Canfield as alternate (No Change)
12. Natural Resources Conservation District (USDA) – Kathy Canfield (No Change)
13. Truckee River Flood Management Authority (Technical Advisory Committee) – Lance Gilman with Austin Osborne and Kathy Canfield as alternates (No Change)
14. Comstock Historic District – Marshall McBride (No Change)
15. Nevada Commission for the Reconstruction of the V& T Railway – Marshall McBride (Was Jack McGuffey)
16. Virginia City Tourism Commission – Lance Gilman (No Change)
17. Oversight of Fire and Public Works – Marshall McBride (No Change)
18. Economic Development
  - a. EDAWN – Pat Whitten (Changed from Lance Gilman)
  - b. NNDA – Lance Gilman (No Change)
19. Storey County Wildlife Advisory Board – Rob DuFresne, Greg Hess Sr., Greg "Bum" Hess, Jim Clark and Rich Bacus (No Change)
20. Washoe-Storey Conservation District – Kathy Canfield with Austin Osborne as alternate (No Change)





## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2018

**Estimate of time required:** 10 minutes

**Agenda:** Consent ☐ Regular agenda ☒ Public hearing required ☐

---

1. **Title:** Review and possible approval of Storey County Audited Financial Statements for the year ended June 30, 2018

2. **Recommended motion:** I hereby approve the Storey County Audited Financial Statements for the year ended June 30, 2018

3. **Prepared by:** Hugh Gallagher and Staff

**Department:** Comptroller

**Telephone:** 775-847-1006

4. **Staff summary:** The attached Storey County Audited Financial Statements are presented to the Storey County Commissioners for approval.

5. **Supporting materials:** Audited Report Storey County, Nevada June 30, 2018

6. **Fiscal impact:** yes

Funds Available:

Fund: \_\_\_\_\_

\_\_\_\_\_ Comptroller

7. **Legal review required:**

\_\_\_\_\_ District Attorney

8. **Reviewed by:**

☒ Department Head *HG*

Department Name: Commissioner's Office

\_\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved

☐

Approved with Modifications

☐ Denied

☐

Continued

Agenda Item No. 11

**Audit Report**  
**STOREY COUNTY, NEVADA**  
**June 30, 2018**

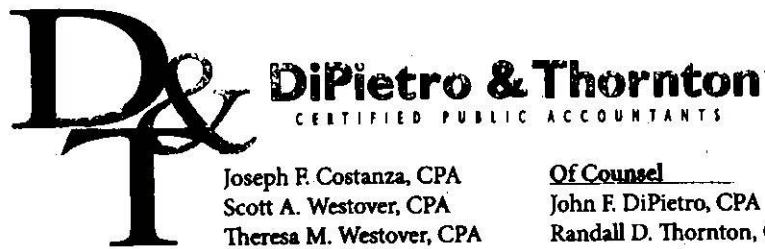
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## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Board of County Commissioners  
Storey County, Nevada

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Storey County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County as of June 30, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Storey County, Nevada's basic financial statements. The introductory section, combining and individual nonmajor fund financial, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2018, on our consideration of Storey County's internal control over financial reporting and on our tests of its compliance with certain provisions out flows, regulations contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Storey County's internal control over financial reporting and compliance.



DiPietro & Thornton  
Reno, NV  
November 30, 2018



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

---

As management of Storey County, State of Nevada, we offer readers of Storey County's financial statements this overview and analysis of Storey County for the fiscal year ended June 30, 2018.

**FINANCIAL HIGHLIGHTS**

- The assets of Storey County exceeded its liabilities by \$12,854,000
- The County's unrestricted net assets decreased \$820,000
- At June 30, 2018, the unreserved fund balance for the general fund was \$12,454,000
- Storey County's bonded debt at June 30, 2018 was \$9,727,000 which was \$6,805,000 in revenue bonds of the County's Enterprise Funds, Virginia City Rail Bonds of \$1,192,000 and \$1,730,000 bond of the Storey County Fire Protection District.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Enterprise funds are presented on pages 28 through 30.

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

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

**Notes to the financial statements.** The notes in this report provide additional information necessary for a full understanding of the information provided in the government-wide financial statements. The notes can be found on pages 32 through 54.

**Other information.** The combining and individual fund statements and schedules for major governmental funds can be found on page 18 through 27 of this report. This same information for non-major governmental funds can be found on pages 55 through 77 of this report

**STOREY COUNTY, NEVADA  
NET POSITION**

	Governmental Activities June 30, 2018	Business Type Activities June 30, 2018	Total June 30, 2018
Current and Other Assets	\$ 35,605,000	\$ 1,572,000	\$ 37,177,000
Capital Assets	<u>55,767,000</u>	<u>19,565,000</u>	<u>75,332,000</u>
Total Assets	<u>\$ 91,372,000</u>	<u>\$ 21,137,000</u>	<u>\$ 112,509,000</u>
Deferred Outflows	<u>\$ 9,505,000</u>	<u>\$ 70,000</u>	<u>\$ 9,575,000</u>
Long Term Liabilities			
Outstanding	\$ 83,602,000	\$ 7,346,000	\$ 90,948,000
Current Liabilities	<u>8,424,000</u>	<u>97,000</u>	<u>8,521,000</u>
Total Liabilities	<u>\$ 92,026,000</u>	<u>\$ 7,443,000</u>	<u>\$ 99,469,000</u>
Deferred Inflows	<u>\$ 6,124,000</u>	<u>\$ 146,000</u>	<u>\$ 6,270,000</u>
Net Position			
Invested in Capital			
Assets, Net of Related Debt	\$ 11,491,000	\$ 12,760,000	\$ 24,251,000
Restricted	<u>143,000</u>	<u>251,000</u>	<u>394,000</u>
Unrestricted	<u>(8,907,000)</u>	<u>607,000</u>	<u>(8,300,000)</u>
Total Net Position	<u>\$ 2,727,000</u>	<u>\$ 13,618,000</u>	<u>\$ 16,345,000</u>

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

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

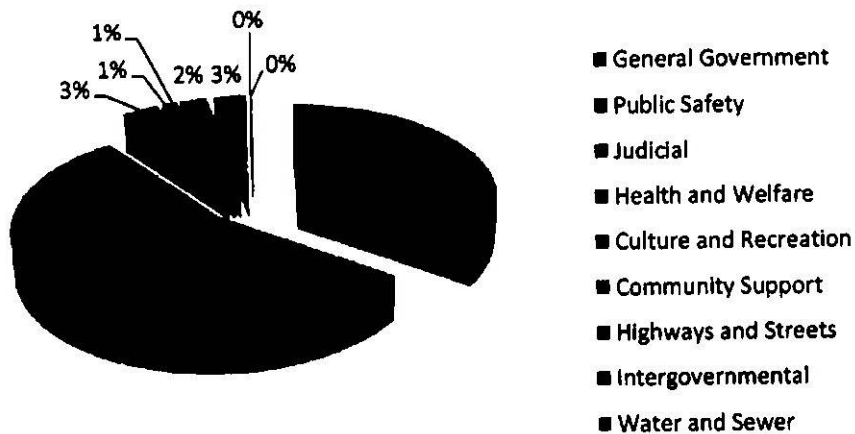
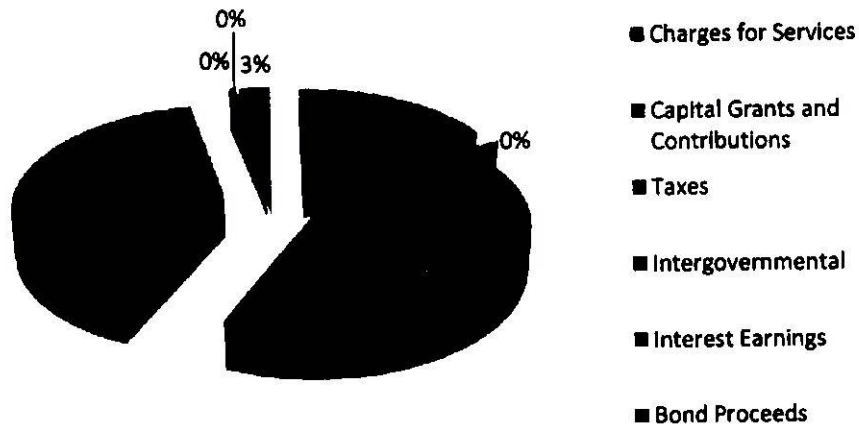
	Governmental Activities <u>June 30, 2018</u>	Business Type Activities <u>June 30, 2018</u>	Total <u>June 30, 2018</u>
<b>REVENUES:</b>			
Program Revenues:			
Charges for Services	\$ 6,289,000	\$ 951,000	\$ 7,240,000
Operating Grants and Contributions	856,000	-	856,000
Capital Grants and Contributions	25,000	-	25,000
General Revenues:			
Taxes	13,628,000	-	13,628,000
Intergovernmental	14,191,000	-	14,191,000
Interest Earnings	148,000	-	148,000
Bond Proceeds	22,000	-	22,000
Other	956,000	14,000	970,000
<b>Total Revenues</b>	<b>36,115,000</b>	<b>965,000</b>	<b>37,080,000</b>
<b>EXPENSES:</b>			
General Government	12,614,000	-	12,614,000
Public Safety	19,884,000	-	19,884,000
Judicial	1,172,000	-	1,172,000
Health and Welfare	247,000	-	247,000
Culture and Recreation	173,000	-	173,000
Community Support	888,000	-	888,000
Highways and Streets	1,083,000	-	1,083,000
Intergovernmental	46,000	-	46,000
Water and Sewer	-	(4,020,000)	(4,020,000)
<b>Total Expenses</b>	<b>36,107,000</b>	<b>(4,020,000)</b>	<b>32,087,000</b>
<b>Changes in Net Position</b>	<b>8,000</b>	<b>4,985,000</b>	<b>4,993,000</b>
<b>Net Position - July 1</b>	<b>2,719,000</b>	<b>8,633,000</b>	<b>11,352,000</b>
<b>Net Position - June 30</b>	<b>\$ 2,727,000</b>	<b>\$ 13,618,000</b>	<b>\$ 16,345,000</b>



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

Revenues in the General Fund were \$17,371,000 which was \$1,471,000 more than the amount budgeted. Actual expenditures were \$12,330,000, which was \$710,000 less than appropriations for the year. Overall, the total ending fund balance was \$12,454,000 which is \$4,394,000 more than budgeted.

**PERCENT TOTALS- ALL FUNDS**



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

**Business Type Activities.** Business-type activities decreased Storey County's net assets by \$4,973,367. Depreciation expense for the current fiscal year was \$250,638.

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

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

**Budgetary Highlights-Fiscal Year June 30, 2018.** The budget statements reflect a comparison of budgeted revenues and expenditures to actual for the year ended June 30, 2018. The budget statements were prepared from the final budget as filed with the Nevada Department of Taxation. Budget revenues and expenditures were adjusted for grants received in excess of original amounts budgeted. Augmentations and line item transfers were made during the year as approved by the Storey County Commissioners.

The General Fund revenues were more than expectations by \$1,471,000, leaving a fund balance of \$12,454,000. General Fund budget information can be found on pages 18 through 22.

**Capital Assets.** Storey County's investment in capital assets for its governmental and business type activities as of June 30, 2018 amounts to \$75,331,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and system, improvements, machinery and equipment, park facilities, roads, and bridges.

**STOREY COUNTY NEVADA  
CAPITAL ASSETS  
JUNE 30, 2018**

	Governmental Activities <u>June 30, 2018</u>	Business Type Activities <u>June 30, 2018</u>	Total <u>June 30, 2018</u>
Land	\$ 811,000	\$ -	\$ 811,000
Antique Furniture	75,000	-	75,000
Construction in Process	1,334,000	10,264,000	11,598,000
Buildings and Improvements	7,627,000	-	7,627,000
Improvements other than Buildings	38,635,000	-	38,635,000
Machinery and Equipment	7,285,000	-	7,285,000
Sewer and Water systems	-	9,300,000	9,300,000
Total	<u>\$ 55,767,000</u>	<u>\$ 19,564,000</u>	<u>\$ 75,331,000</u>

**Tesla Motors:**

On November 20, 2014, The Nevada Governors Office of Economic Development (GOED) gave final approval for the tax incentives and abatements to Tesla Motors for the construction and development of the mile long battery factory, located in the Storey County, Tahoe-Reno Industrial Center. The project is expected to employ more than 6,000 people in the plant located 15 miles east of Reno-Sparks Nevada. See note relating to the tax abatement disclosures.

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

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**STOREY COUNTY, NEVADA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b><u>ASSETS</u></b>			
Cash and investments	\$ 33,890,912	\$ 1,478,087	\$ 35,368,999
Accounts receivables (net allowance)	1,543,418	94,168	1,637,586
Taxes receivable	98,000	-	98,000
Prepaid expenses	44,220	-	44,220
Inventory	28,766	-	28,766
Capital assets - nondepreciable			
Land	810,921	-	810,921
Antique furniture	75,000	-	75,000
Construction in progress	1,334,163	10,264,221	11,598,384
Capital assets - net of accumulated depreciation			
Buildings and improvements	7,626,956	-	7,626,956
Improvements other than buildings	38,634,676	-	38,634,676
Utility system	-	9,300,497	9,300,497
Machinery and equipment	7,285,193	-	7,285,193
Total Assets	<u>\$ 91,372,225</u>	<u>\$ 21,136,973</u>	<u>\$ 112,509,198</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred outflows-OPEB	\$ 214,872	\$ -	\$ 214,872
Deferred outflows-pension	9,290,338	69,795	9,360,133
Total Deferred Inflows of Resources	<u>\$ 9,505,210</u>	<u>\$ 69,795</u>	<u>\$ 9,575,005</u>
<b><u>LIABILITIES</u></b>			
Accounts payable and other current liabilities	\$ 8,424,054	\$ 96,984	\$ 8,521,038
Non-current liabilities			
Bonds/Notes payable - due within one year	174,841	126,124	300,965
- due in more than one year	44,100,612	6,678,431	50,779,043
Compensated absences - due in more than one year	760,534	-	760,534
Net OPEB obligation	18,506,210	-	18,506,210
Net pension liability	20,059,877	542,021	20,601,898
Total Liabilities	<u>\$ 92,026,128</u>	<u>\$ 7,443,560</u>	<u>\$ 99,469,688</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred inflows-OPEB	\$ 2,267,828	\$ -	\$ 2,267,828
Deferred inflows-pension	3,855,981	145,652	4,001,633
Total Deferred Inflows of Resources	<u>\$ 6,123,809</u>	<u>\$ 145,652</u>	<u>\$ 6,269,461</u>
<b><u>NET POSITION</u></b>			
Restricted reserve	\$ 142,640	\$ 250,850	\$ 393,490
Invested in capital assets - net of related debt	11,491,456	12,760,163	24,251,619
Unrestricted	(8,906,598)	606,543	(8,300,055)
Total Net Position	<u>\$ 2,727,498</u>	<u>\$ 13,617,556</u>	<u>\$ 16,345,054</u>

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

**STOREY COUNTY, NEVADA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental activities:				
General government	\$ 12,610,790	\$ 4,977,255	\$ -	\$ -
Public safety	19,883,346	898,715	855,950	24,775
Judicial	1,171,796	188,589	-	-
Health and welfare	246,819	-	-	-
Culture and recreation	174,331	25,532	-	-
Community support	889,164	-	-	-
Highways and streets	1,082,612	198,546	-	-
Intergovernmental	45,594	-	-	-
Total Governmental Activities	<u>36,104,452</u>	<u>6,288,637</u>	<u>855,950</u>	<u>24,775</u>
Business type activities:				
Water	609,190	557,800	-	-
Sewer	(4,628,820)	392,755	-	-
Total Business-Type Activities	<u>(4,019,630)</u>	<u>950,555</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 32,084,822</u>	<u>\$ 7,239,192</u>	<u>\$ 855,950</u>	<u>\$ 24,775</u>

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

**STOREY COUNTY, NEVADA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	NET (EXPENSE)REVENUE AND CHANGES IN NET POSITION		
	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
<b>FUNCTIONS/PROGRAMS</b>			
Primary government:			
Governmental activities:			
General government	\$ (7,633,535)	\$ -	\$ (7,633,535)
Public safety	(18,103,906)	-	(18,103,906)
Judicial	(983,207)	-	(983,207)
Health and welfare	(246,819)	-	(246,819)
Culture and recreation	(148,799)	-	(148,799)
Community support	(889,164)	-	(889,164)
Highways and streets	(884,066)	-	(884,066)
Intergovernmental	(45,594)	-	(45,594)
Total Governmental Activities	<u>(28,935,090)</u>	<u>-</u>	<u>(28,935,090)</u>
Business type activities:			
Water	-	(51,390)	(51,390)
Sewer	-	5,021,575	5,021,575
Total Business-Type Activities	<u>-</u>	<u>4,970,185</u>	<u>4,970,185</u>
Total Primary Government	<u>(28,935,090)</u>	<u>4,970,185</u>	<u>(23,964,905)</u>
General revenues:			
Property taxes	13,628,214	-	13,628,214
Various state collected pass-through revenues	14,190,677	-	14,190,677
Investment earnings	147,539	-	147,539
Bond proceeds	21,753	-	21,753
Miscellaneous revenue	955,571	14,462	970,033
Capital contributions and grants	-	-	-
Total General Revenues	<u>28,943,754</u>	<u>14,462</u>	<u>28,958,216</u>
Change in Net Position	8,664	4,984,647	4,993,311
Net Position, July 1	<u>2,718,834</u>	<u>8,632,909</u>	<u>11,351,743</u>
Net Position, June 30	<u>\$ 2,727,498</u>	<u>\$ 13,617,556</u>	<u>\$ 16,345,054</u>

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



**STOREY COUNTY, NEVADA  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2018**

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI-PAYBACK FUND	USDA BOND FUND
<b>ASSETS</b>					
Cash	\$ 18,634,658	\$ 490,473	\$ 1,948,649	\$ 3,154,850	\$ 29,188
Accounts receivable (net allowance)	418,856	145,837	357,645	-	561,681
Taxes receivable	74,159	-	21,570	-	-
Prepaid expenses	-	-	-	-	-
Inventory	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 19,127,673</b>	<b>\$ 636,310</b>	<b>\$ 2,327,864</b>	<b>\$ 3,154,850</b>	<b>\$ 590,869</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 313,916	\$ 233,393	\$ 137,027	\$ -	\$ 561,682
Accrued expenses and deposits	260,622	2,664	154,135	-	-
Unearned income	-	-	-	-	-
Account payable - Tesla	6,033,195	-	-	-	-
<b>Total Liabilities</b>	<b>6,607,733</b>	<b>236,057</b>	<b>291,162</b>	<b>-</b>	<b>561,682</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable resources property taxes	65,596	-	140,609	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Reserved - debt service	-	-	142,640	-	-
Unassigned reported in:					
General fund	12,454,344	-	-	-	-
Capital projects funds	-	-	-	-	-
Special revenue funds	-	400,253	1,753,453	3,154,850	29,187
<b>Total Fund Balances</b>	<b>12,454,344</b>	<b>400,253</b>	<b>1,896,093</b>	<b>3,154,850</b>	<b>29,187</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 19,127,673</b>	<b>\$ 636,310</b>	<b>\$ 2,327,864</b>	<b>\$ 3,154,850</b>	<b>\$ 590,869</b>

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

**STOREY COUNTY, NEVADA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2018**

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>			
Cash	\$ 264,526	\$ 9,368,568	\$ 33,890,912
Accounts receivable (net allowance)	5,000	54,399	1,543,418
Taxes receivable	-	2,271	98,000
Prepaid expenses	44,220	-	44,220
Inventory	28,766	-	28,766
Total Assets	<u>\$ 342,512</u>	<u>\$ 9,425,238</u>	<u>\$ 35,605,316</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 41,565	\$ 637,899	\$ 1,925,482
Accrued expenses and deposits	7,038	-	424,459
Unearned income	40,918	-	40,918
Account payable - Tesla	-	-	6,033,195
Total Liabilities	<u>89,521</u>	<u>637,899</u>	<u>8,424,054</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable resources property taxes	-	1,984	208,189
<b>FUND BALANCES</b>			
Nonspendable	72,986	-	72,986
Reserved - debt service	-	-	142,640
Unassigned reported in:			
General fund	180,005	-	12,634,349
Capital projects funds	-	5,741,630	5,741,630
Special revenue funds	-	3,043,725	8,381,468
Total Fund Balances	<u>252,991</u>	<u>8,785,355</u>	<u>26,973,073</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 342,512</u>	<u>\$ 9,425,238</u>	<u>\$ 35,605,316</u>

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

**STOREY COUNTY, NEVADA**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

Total Fund Balance - government funds - page 13	\$	26,973,073
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets net of related depreciation are not reported in the Governmental Funds financial statements because they are not current financial resources, but they are reported in the statement of net assets		55,766,909
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Deferred outflows of resources for OPEB		214,872
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Deferred outflows of resources for pensions		9,290,338
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Property taxes receivable that are not available to pay current period expenditures and therefore are reported as unearned in the funds		208,189
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Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.		(44,275,453)
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Pension liabilities are not due and payable in the current period and therefore not reported in funds		(38,566,087)
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Compensated absences are not due and payable in the current period and therefore are not reported in the funds.		(760,534)
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Deferred inflows of resources for OPEB		(2,267,828)
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Deferred inflows of resources for pensions		<u>(3,855,981)</u>
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Total Net Position - governmental activities - page 9	\$	<u>2,727,498</u>
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**STOREY COUNTY, NEVADA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	GENERAL	ROAD FUND	474 FIRE PROTECTION DISTRICT FUND	TRI- PAYBACK FUND	USDA BOND FUND
<b>REVENUES</b>					
Taxes	\$ 10,119,892	\$ -	\$ 3,101,955	\$ -	\$ -
Licenses and permits	1,688,848	-	4,395	-	-
Intergovernmental	2,325,740	845,218	1,279,779	-	8,727,892
Charges for services	2,703,547	198,546	772,649	-	-
Fines and forfeitures	4,981	-	-	-	-
Miscellaneous	527,907	6,442	223,318	-	-
Total Revenues	<u>17,370,915</u>	<u>1,050,206</u>	<u>5,382,096</u>	<u>-</u>	<u>8,727,892</u>
<b>EXPENDITURES</b>					
Current:					
General government	4,578,658	-	-	602,261	-
Public safety	5,577,367	-	4,941,588	-	8,476,892
Judicial	1,133,150	-	-	-	-
Health and welfare	105,167	-	-	-	-
Culture and recreation	115,735	-	-	-	-
Community service	820,052	-	-	-	-
Highways and streets	-	1,426,857	-	-	-
Intergovernmental	-	-	-	-	-
Total Expenditures	<u>12,330,129</u>	<u>1,426,857</u>	<u>4,941,588</u>	<u>602,261</u>	<u>8,476,892</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,040,786</u>	<u>(376,651)</u>	<u>440,508</u>	<u>(602,261)</u>	<u>251,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	751,000	142,640
Transfers out	(2,663,000)	-	(142,000)	-	-
Transfers to proprietary funds	(208,500)	-	-	-	-
Federal grants	-	-	704,513	-	-
Loan (payments) proceeds	-	-	-	-	(199,828)
Bond proceeds	-	-	-	-	(193,642)
Bond interest	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(2,871,500)</u>	<u>-</u>	<u>562,513</u>	<u>751,000</u>	<u>(250,830)</u>
Net Change in Fund Balance	2,169,286	(376,651)	1,003,021	148,739	170
Fund Balance, July 1	<u>10,285,058</u>	<u>776,904</u>	<u>893,072</u>	<u>3,006,111</u>	<u>29,017</u>
Fund Balance, June 30	<u>\$ 12,454,344</u>	<u>\$ 400,253</u>	<u>\$ 1,896,093</u>	<u>\$ 3,154,850</u>	<u>\$ 29,187</u>

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

**STOREY COUNTY, NEVADA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	VCTC FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>			
Taxes	\$ -	\$ 427,216	\$ 13,649,063
Licenses and permits	44,984	-	1,738,227
Intergovernmental	612,649	575,611	14,366,889
Charges for services	579,511	123,657	4,377,910
Fines and forfeitures	-	45,848	50,829
Miscellaneous	128,247	990,776	1,876,690
	<u>1,365,391</u>	<u>2,163,108</u>	<u>36,059,608</u>
Total Revenues			
<b>EXPENDITURES</b>			
Current:			
General government	1,416,477	3,066,548	9,663,944
Public safety	-	516,519	19,512,366
Judicial	-	37,321	1,170,471
Health and welfare	-	141,652	246,819
Culture and recreation	-	34,000	149,735
Community service	-	-	820,052
Highways and streets	-	-	1,426,857
Intergovernmental	-	45,594	45,594
	<u>1,416,477</u>	<u>3,841,634</u>	<u>33,035,838</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(51,086)</u>	<u>(1,678,526)</u>	<u>3,023,770</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	2,067,000	2,960,640
Transfers out	-	(155,640)	(2,960,640)
Transfers to proprietary funds	-	-	(208,500)
Federal Grants	-	-	704,513
Loan (payments) proceeds	-	(171,610)	(371,438)
Bond proceeds	-	21,753	21,753
Bond interest	-	-	(193,642)
	<u>-</u>	<u>1,761,503</u>	<u>(47,314)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	(51,086)	82,977	2,976,456
Fund Balance, July 1	<u>304,077</u>	<u>8,702,378</u>	<u>23,996,617</u>
Fund Balance, June 30	<u>\$ 252,991</u>	<u>\$ 8,785,355</u>	<u>\$ 26,973,073</u>

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

**STOREY COUNTY, NEVADA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Net change in fund balances - governmental funds, page 16	\$	2,976,456
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, those costs are shown in the statement of net assets and allocated over their estimated useful lives as depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation.		(652,441)
Net long-term receipts and payments reported in governmental funds as expenditures		819,214
Compensated absences are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		(37,140)
Revenue from taxes in the statement of activities that does not provide current financial resources is not reported as revenue in the funds		100,822
Total OPEB benefits are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		(2,117,560)
Total pension benefits are reported as expenses in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		(1,080,687)

Change in net assets of governmental activities, page 11	\$	8,664
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**STOREY COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Taxes:				
Property	\$ 8,878,481	\$ 8,878,481	\$ 10,095,487	\$ 1,217,006
Youth services	21,786	21,786	24,405	2,619
Total Taxes	8,900,267	8,900,267	10,119,892	1,219,625
Licenses and Permits				
Merchandise licenses	228,100	228,100	324,428	96,328
County gaming licenses	2,000	2,000	5,730	3,730
Utility licenses	190,000	190,000	294,170	104,170
Franchise tax	80,000	80,000	213,960	133,960
Building permits and study	905,000	905,000	850,560	(54,440)
Total Licenses and Permits	1,405,100	1,405,100	1,688,848	283,748
Intergovernmental				
Federal and state grants	20,000	20,000	16,195	(3,805)
Payment in lieu of taxes	30,000	30,000	39,172	9,172
State shared revenues				
Cigarette tax	14,000	14,000	12,303	(1,697)
Liquor tax	6,000	6,000	5,226	(774)
Gaming licenses	80,000	80,000	131,929	51,929
Basic CCRT	530,000	530,000	683,343	153,343
Supplemental CCRT	600,000	600,000	752,811	152,811
Motor vehicle privilege tax	360,000	360,000	375,551	15,551
Real property transfer tax	40,000	40,000	309,210	269,210
Total Intergovernmental	1,680,000	1,680,000	2,325,740	645,740
Charges for Services				
Clerk fees	24,000	24,000	8,662	(15,338)
Recorder fees	32,000	32,000	55,901	23,901
Assessor fees/commissions	195,000	195,000	300,841	105,841
Building department fees	15,000	15,000	17,228	2,228
District court fees	14,000	14,000	17,851	3,851
Justice court fees	79,000	79,000	170,738	91,738
Sheriffs fees	214,900	214,900	92,526	(122,374)
Swimming pool admissions/lessons	21,000	21,000	19,582	(1,418)
Park facilities fees	500	500	1,200	700
Import tonnage fees	600,000	600,000	703,935	103,935
IT fees	25,000	25,000	22,351	(2,649)
Other fees - Tesla	265,350	265,350	1,133,187	867,837
BIA housing	150,000	150,000	159,545	9,545
Total Charges for Services	1,635,750	1,635,750	2,703,547	1,067,797

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

**STOREY COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUES (cont'd.)</b>				
Fines and Forfeits:				
District fine	500	500	56	(444)
Juvenile fines/assessments	2,000	2,000	3,424	1,424
Chemical analysis fees	5,000	5,000	1,501	(3,499)
Total Fines and Forfeits	<u>7,500</u>	<u>7,500</u>	<u>4,981</u>	<u>(2,519)</u>
Miscellaneous:				
Rents	40,000	40,000	34,152	(5,848)
Penalties -taxes	-	-	78,306	78,306
Penalties - business licenses	-	-	2,357	2,357
Interest	100,000	100,000	147,539	47,539
Tax settlement and sales	5,000	5,000	-	(5,000)
Other	-	2,126,000	265,553	(1,860,447)
Total Miscellaneous	<u>145,000</u>	<u>2,271,000</u>	<u>527,907</u>	<u>(1,743,093)</u>
Total Revenues	<u>13,773,617</u>	<u>15,899,617</u>	<u>17,370,915</u>	<u>1,471,298</u>
<b>EXPENDITURES</b>				
General Government				
Commissioners:				
Salaries and wages	381,460	381,460	357,104	24,356
Employee benefits	203,607	203,607	193,665	9,942
Services and supplies	111,300	111,300	33,868	77,432
Capital outlay	-	-	-	-
	<u>696,367</u>	<u>696,367</u>	<u>584,637</u>	<u>111,730</u>
Clerk Treasurer:				
Salaries and wages	204,140	224,140	220,752	3,388
Employee benefits	104,293	124,293	120,544	3,749
Services and supplies	137,600	177,600	168,159	9,441
Capital outlay	-	-	-	-
	<u>446,033</u>	<u>526,033</u>	<u>509,455</u>	<u>16,578</u>
Recorder:				
Salaries and wages	177,728	177,728	159,238	18,490
Employee benefits	81,083	81,083	75,577	5,506
Services and supplies	53,000	53,000	39,488	13,512
Capital outlay	-	-	-	-
	<u>311,811</u>	<u>311,811</u>	<u>274,303</u>	<u>37,508</u>
Assessor:				
Salaries and wages	244,044	244,044	209,393	34,651
Employee benefits	131,545	131,545	106,388	25,157
Services and supplies	39,650	39,650	41,579	(1,929)
Capital outlay	-	-	6,145	(6,145)
	<u>415,239</u>	<u>415,239</u>	<u>363,505</u>	<u>51,734</u>
Administrative:				
Salaries and wages	206,773	232,773	231,257	1,516
Employee benefits	103,461	123,261	111,168	12,093
Services and supplies	833,520	794,520	650,802	143,718
Capital outlay	-	-	3,497	(3,497)
	<u>1,143,754</u>	<u>1,150,554</u>	<u>996,724</u>	<u>153,830</u>

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

**STOREY COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>EXPENDITURES</b>				
General Government (contd.)				
Building and Grounds:				
Salaries and wages	128,780	128,780	119,865	8,915
Employee benefits	58,376	58,376	55,942	2,434
Services and supplies	173,400	173,400	143,931	29,469
Capital outlay	-	-	-	-
	<u>360,556</u>	<u>360,556</u>	<u>319,738</u>	<u>40,818</u>
Service:				
Salaries and wages	166,220	166,220	147,448	18,772
Employee benefits	80,405	80,405	68,469	11,936
Services and supplies	41,550	41,550	50,806	(9,256)
Capital outlay	4,000	4,000	3,750	250
	<u>292,175</u>	<u>292,175</u>	<u>270,473</u>	<u>21,702</u>
Information technology:				
Salaries and wages	240,340	240,340	233,470	6,870
Employees benefits	133,739	133,739	117,487	16,252
Services and supplies	138,100	138,100	138,325	(225)
Capital outlay	40,000	40,000	35,616	4,384
	<u>552,179</u>	<u>552,179</u>	<u>524,898</u>	<u>27,281</u>
Comptroller:				
Salaries and wages	251,905	251,905	244,173	7,732
Employee benefits	115,180	120,180	117,975	2,205
Services and supplies	91,860	106,860	102,941	3,919
Capital outlay	-	-	-	-
	<u>458,945</u>	<u>478,945</u>	<u>465,089</u>	<u>13,856</u>
Planning Commission:				
Salaries and wages	155,079	154,079	146,277	7,802
Employee benefits	69,414	70,414	70,707	(293)
Services and supplies	47,200	67,200	52,852	14,348
	<u>271,693</u>	<u>291,693</u>	<u>269,836</u>	<u>21,857</u>
Total General Government	<u>4,948,752</u>	<u>5,075,552</u>	<u>4,578,658</u>	<u>496,894</u>
Judicial:				
District Attorney:				
Salaries and wages	329,353	333,353	331,726	1,627
Employee benefits	153,409	158,409	158,395	14
Services and supplies	428,425	240,925	180,061	60,864
Capital outlay	-	-	-	-
	<u>911,187</u>	<u>732,687</u>	<u>670,182</u>	<u>62,505</u>
District Court:				
Services and supplies	123,900	162,400	146,117	16,283
	<u>123,900</u>	<u>162,400</u>	<u>146,117</u>	<u>16,283</u>

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



**STOREY COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>EXPENDITURES</u></b>				
Judicial (contd.)				
Justice of the Peace:				
Salaries and wages	208,883	208,883	200,542	8,341
Employee benefits	107,165	107,165	99,930	7,235
Services and supplies	21,000	24,000	16,379	7,621
	<u>337,048</u>	<u>340,048</u>	<u>316,851</u>	<u>23,197</u>
Total Judicial	<u>1,372,135</u>	<u>1,235,135</u>	<u>1,133,150</u>	<u>101,985</u>
Public Safety:				
Sheriff:				
Salaries and wages	2,010,561	1,970,561	1,968,167	2,394
Employee benefits	1,165,461	1,190,461	1,197,927	(7,466)
Services and supplies	411,300	436,500	433,580	2,920
Capital outlay	72,000	72,000	88,158	(16,158)
	<u>3,659,322</u>	<u>3,669,522</u>	<u>3,687,832</u>	<u>(18,310)</u>
Communications				
Salaries and wages	564,916	573,916	579,411	(5,495)
Employee benefits	270,376	270,376	260,908	9,468
Services and supplies	81,775	72,775	66,413	6,362
Capital outlay	2,000	2,000	-	2,000
	<u>919,067</u>	<u>919,067</u>	<u>906,732</u>	<u>12,335</u>
Emergency Management:				
Salaries and wages	21,678	22,178	21,678	500
Employee benefits	6,573	6,073	4,310	1,763
Services and supplies	21,700	21,700	18,995	2,705
Capital outlay	5,000	5,000	-	5,000
	<u>54,951</u>	<u>54,951</u>	<u>44,983</u>	<u>9,968</u>
Community Development				
Salaries and wages	425,345	580,345	546,352	33,993
Employee benefits	150,065	190,065	179,458	10,607
Services and supplies	148,450	210,450	212,010	(1,560)
Capital outlay	-	-	-	-
	<u>723,860</u>	<u>980,860</u>	<u>937,820</u>	<u>43,040</u>
Total Public Safety	<u>5,357,200</u>	<u>5,624,400</u>	<u>5,577,367</u>	<u>47,033</u>
Health and Human Service				
Salaries and wages	6,645	6,645	6,461	184
Employee benefits	2,864	3,864	3,262	602
Services and supplies	134,500	133,500	95,444	38,056
	<u>144,009</u>	<u>144,009</u>	<u>105,167</u>	<u>38,842</u>
Total Health and Human Services				
Culture and Recreation:				
Swimming Pools and Parks				
Salaries and wages	63,164	63,164	62,036	1,128
Employee benefits	17,344	17,344	13,552	3,792
Services and supplies	31,800	31,800	40,147	(8,347)
Capital outlay	-	-	-	-
	<u>112,308</u>	<u>112,308</u>	<u>115,735</u>	<u>(3,427)</u>
Total Culture and Recreation				

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



**STOREY COUNTY, NEVADA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
Community Support				
Salaries and wages	146,413	146,413	140,952	5,461
Employee benefits	60,380	60,380	57,289	3,091
Services and supplies	<u>641,900</u>	<u>641,900</u>	<u>621,811</u>	<u>20,089</u>
Total Community Support	<u>848,693</u>	<u>848,693</u>	<u>820,052</u>	<u>28,641</u>
Debt Service:				
Principle	-	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>12,783,097</u>	<u>13,040,097</u>	<u>12,330,129</u>	<u>709,968</u>
Excess (Deficiency) of Revenue over Expenditures	<u>990,520</u>	<u>2,859,520</u>	<u>5,040,786</u>	<u>2,181,266</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(596,000)	(2,871,500)	(2,871,500)	-
Contingency	<u>(383,495)</u>	<u>(63,810)</u>	<u>-</u>	<u>63,810</u>
Total Other Financing Sources (Uses)	<u>(979,495)</u>	<u>(2,935,310)</u>	<u>(2,871,500)</u>	<u>63,810</u>
Net Change in Fund Balance	11,025	(75,790)	2,169,286	2,245,076
Fund Balance, July 1	<u>8,135,678</u>	<u>8,135,678</u>	<u>10,285,058</u>	<u>2,149,380</u>
Fund Balance, June 30	<u>\$ 8,146,703</u>	<u>\$ 8,059,888</u>	<u>\$ 12,454,344</u>	<u>\$ 4,394,456</u>

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

**STOREY COUNTY, NEVADA**  
**ROADS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>				
Intergovernmental	\$ 230,000	\$ 230,000	\$ 368,438	\$ 138,438
Gasoline tax	300,000	300,000	476,780	176,780
Supplemental CCRT				
Charges for services	165,000	165,000	198,546	33,546
Import tonnage fees	1,200	1,200	-	(1,200)
Excavation				
Other revenue	12,000	12,000	-	(12,000)
Interest	1,000	1,000	6,442	5,442
Miscellaneous				
Total Revenue	<u>709,200</u>	<u>709,200</u>	<u>1,050,206</u>	<u>341,006</u>
<b>EXPENDITURES</b>				
Highways and Streets	230,009	230,009	149,082	80,927
Salaries and wages	98,494	98,494	89,445	9,049
Employee benefits	264,450	264,450	225,262	39,188
Services and supplies	950,000	950,000	963,068	(13,068)
Capital outlay				
Total Expenditures	<u>1,542,953</u>	<u>1,542,953</u>	<u>1,426,857</u>	<u>116,096</u>
Excess (Deficiency) of Revenues over Expenditures	(833,753)	(833,753)	(376,651)	457,102
Fund Balance, July 1	<u>860,752</u>	<u>860,752</u>	<u>776,904</u>	<u>(83,848)</u>
Fund Balance, June 30	<u>\$ 26,999</u>	<u>\$ 26,999</u>	<u>\$ 400,253</u>	<u>\$ 373,254</u>

**STOREY COUNTY, NEVADA**  
**474 FIRE PROTECTION DISTRICT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>				
Taxes	\$ 2,750,275	\$ 2,750,275	\$ 3,101,955	\$ 351,680
Property				
Intergovernmental revenues	900,000	900,000	1,279,779	379,779
Supplemental CCRT				
Licenses and permits	120,000	120,000	4,395	(115,605)
Ambulance program and license fees				
Charges for services	308,000	308,000	336,656	28,656
Fire/ambulance fees	1,037,000	1,037,000	42,234	(994,766)
Inspection fees	389,704	389,704	389,704	-
Other fees-Tesla	5,000	5,000	4,055	(945)
Special events				
Other revenue	25,000	25,000	223,318	198,318
Miscellaneous - other	5,534,979	5,534,979	5,382,096	(152,883)
Total Revenues				
<b>EXPENDITURES</b>				
Public Safety	3,146,616	2,951,616	2,777,814	173,802
Salaries and wages	1,779,944	1,779,944	1,511,825	268,119
Employee benefits	666,359	666,359	537,164	129,195
Services and supplies	30,000	30,000	114,785	(84,785)
Capital outlay	168,688	168,688	-	168,688
Contingency	5,791,607	5,596,607	4,941,588	655,019
Total Expenditures				
Excess (Deficiency) of Revenue over Expenditures	(256,628)	(61,628)	440,508	502,136
<b>OTHER FINANCING SOURCES (USES)</b>				
Federal Grants	849,935	849,935	704,513	(145,422)
Transfer Out	(142,000)	(142,000)	(142,000)	-
Total Other Financing Sources (Uses)	707,935	707,935	562,513	(145,422)
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	451,307	646,307	1,003,021	356,714
Fund Balance, July 1	519,603	519,603	893,072	373,469
Fund Balance, June 30	\$ 970,910	\$ 1,165,910	\$ 1,896,093	\$ 730,183

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

**STOREY COUNTY, NEVADA**  
**TRI PAYBACK FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUES</u></b>			
Intergovernmental			
474 Fire District	\$ 142,000	\$ -	\$ 142,000
<b><u>EXPENDITURES</u></b>			
General Government			
Tri Payback	1,500,000	602,261	897,739
Excess (Deficiency) of Revenue over Expenditures	(1,358,000)	(602,261)	(755,739)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	609,000	751,000	(142,000)
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(749,000)	148,739	(897,739)
Fund Balance, July 1	2,020,563	3,006,111	985,548
Fund Balance, June 30	\$ 1,271,563	\$ 3,154,850	\$ 1,883,287

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



**STOREY COUNTY, NEVADA**  
**USDA BOND FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUES</u></b>			
Intergovernmental	\$ 8,987,000	\$ 8,476,892	\$ (510,108)
Grants	6,184,000	-	(6,184,000)
Bonds	250,850	251,000	150
Miscellaneous revenue	15,421,850	8,727,892	(6,693,958)
Total revenues			
<b><u>EXPENDITURES</u></b>			
Public safety	15,171,000	8,476,892	6,694,108
Capital outlay			
Excess (Deficiency) of Revenue over Expenditures	250,850	251,000	150
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Bond proceeds	(199,826)	(199,828)	2
Debt service	(193,761)	(193,642)	(119)
Interest	142,640	142,640	-
Transfer in			
Excess (Deficiency) of Revenue and Other Financing Sources (Uses) over Expenditures	(97)	170	267
Fund Balance, July 1	29,001	29,017	16
Fund Balance, June 30	\$ 28,904	\$ 29,187	\$ 283

**STOREY COUNTY, NEVADA  
VIRGINIA CITY TOURISM COMMISSION FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUES</u></b>				
Licenses and permits				
Licenses - permits	\$ 38,500	\$ 38,500	\$ 44,984	\$ 6,484
Intergovernmental				
Grant revenue	50,000	50,000	28,500	(21,500)
State licenses	1,000	1,000	2,695	1,695
Room tax	200,000	200,000	180,619	(19,381)
Tourism tax	315,000	315,000	400,835	85,835
Charges for services				
Special events	404,300	404,300	388,503	(15,797)
CAP service charge (net)	210,000	210,000	191,008	(18,992)
Miscellaneous				
Interest	1,000	1,000	-	(1,000)
Contributions	4,500	4,500	5,755	1,255
Miscellaneous	131,700	131,700	122,492	(9,208)
<b>Total Revenues</b>	<b>1,356,000</b>	<b>1,356,000</b>	<b>1,365,391</b>	<b>9,391</b>
<b><u>EXPENDITURES</u></b>				
General government				
Salaries and wages	285,854	285,854	256,669	29,185
Benefits	129,312	129,312	115,597	13,715
Services and supplies	923,900	923,900	1,030,992	(107,092)
Capital outlay	5,000	5,000	13,219	(8,219)
<b>Total Expenditures</b>	<b>1,344,066</b>	<b>1,344,066</b>	<b>1,416,477</b>	<b>(72,411)</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>11,934</b>	<b>11,934</b>	<b>(51,086)</b>	<b>(63,020)</b>
<b>Fund Balance, July 1</b>	<b>338,729</b>	<b>338,729</b>	<b>304,077</b>	<b>(34,652)</b>
<b>Fund Balance, June 30</b>	<b>\$ 350,663</b>	<b>\$ 350,663</b>	<b>\$ 252,991</b>	<b>\$ (97,672)</b>

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

**STOREY COUNTY, NEVADA  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
JUNE 30, 2018**

	<b>BUSINESS-TYPE ENTERPRISE FUNDS</b>		
	<b>WATER SYSTEM</b>	<b>VIRGINIA DIVIDE SEWER</b>	<b>TOTAL</b>
<b><u>ASSETS</u></b>			
Current Assets			
Cash	\$ 1,111,705	\$ 366,382	\$ 1,478,087
Accounts receivable (net allowance)	60,440	33,728	94,168
Total Current Assets	<u>1,172,145</u>	<u>400,110</u>	<u>1,572,255</u>
Noncurrent Assets			
Capital assets - net of accumulated depreciation	<u>4,789,666</u>	<u>14,775,052</u>	<u>19,564,718</u>
Total Assets	<u>\$ 5,961,811</u>	<u>\$ 15,175,162</u>	<u>\$ 21,136,973</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred outflows-pension	<u>\$ 44,669</u>	<u>\$ 25,126</u>	<u>\$ 69,795</u>
<b><u>LIABILITIES</u></b>			
Current Liabilities			
Accounts payable	\$ 21,923	\$ 13,492	\$ 35,415
Refundable deposits	26,505	-	26,505
Bonds payable - current portion	-	126,124	126,124
Accrued expenses	<u>23,960</u>	<u>11,104</u>	<u>35,064</u>
Total Current Liabilities	<u>72,388</u>	<u>150,720</u>	<u>223,108</u>
Long Term Liabilities			
Bonds payable - net of current portion	-	6,678,431	6,678,431
Net pension liability	<u>346,876</u>	<u>195,145</u>	<u>542,021</u>
Total Long Term Liabilities	<u>346,876</u>	<u>6,873,576</u>	<u>7,220,452</u>
Total Liabilities	<u>419,264</u>	<u>7,024,296</u>	<u>7,443,560</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred inflows-pension	<u>\$ 93,217</u>	<u>\$ 52,435</u>	<u>\$ 145,652</u>
<b><u>NET POSITION</u></b>			
Restricted reserve	131,966	118,884	250,850
Reserved - short lived assets replacement	-	38,021	38,021
Invested in capital assets - net of related debt	4,789,666	7,970,497	12,760,163
Unassigned	<u>572,367</u>	<u>(3,845)</u>	<u>568,522</u>
Total Net Position	<u>\$ 5,493,999</u>	<u>\$ 8,123,557</u>	<u>\$ 13,617,556</u>

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

**STOREY COUNTY, NEVADA  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGE IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2018**

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER SYSTEM	VIRGINIA DIVIDE SEWER	TOTAL
<b>OPERATING REVENUES</b>			
Charges for services	\$ 557,800	\$ 392,755	\$ 950,555
<b>OPERATING EXPENSES</b>			
Salaries and wages	165,177	89,273	254,450
Benefits	73,333	40,768	114,101
Services and supplies	243,863	194,631	438,494
Capital outlay	42,634	-	42,634
Depreciation	102,786	147,852	250,638
Total Operating Expense	627,793	472,524	1,100,317
Operating Income (Loss)	(69,993)	(79,769)	(149,762)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Rent and miscellaneous	13,800	662	14,462
Interest income	-	-	-
Interest expense	(355)	(72,187)	(72,542)
Miscellaneous	6,369	-	6,369
Grants and capital contributions	12,589	5,173,531	5,186,120
Total Nonoperating Revenues (Expenses)	32,403	5,102,006	5,134,409
Change in net position	(37,590)	5,022,237	4,984,647
Net Position, July 1	5,531,589	3,101,320	8,632,909
Net Position, June 30	\$ 5,493,999	\$ 8,123,557	\$ 13,617,556

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



**STOREY COUNTY, NEVADA  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2018**

	BUSINESS-TYPE ENTERPRISE FUNDS		
	WATER SYSTEM	VIRGINIA DIVIDE SEWER	TOTAL
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Cash Inflows	\$ 562,015	\$ 392,867	\$ 954,882
Sales of water/sewer fees	6,369	-	6,369
Miscellaneous income			
Cash Outflows	(161,254)	(87,686)	(248,940)
Salaries and wages	(78,686)	(43,842)	(122,528)
Benefits	(243,180)	(188,360)	(431,540)
Services and supplies			
Net Cash Provided (Used) by Operating Activities	85,264	72,979	158,243
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>			
Cash Inflows	13,800	-	13,800
Rent	-	-	-
Customer deposits	(3,038)	(5,019,853)	(5,022,891)
Capital outlay			
Net Cash Provided (Used) by Non-Capital Financing Activities	10,762	(5,019,853)	(5,009,091)
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>			
Cash Inflows	-	662	662
Other Revenue	12,589	5,173,532	5,186,121
Capital contributions			
Cash Outflows	(147,106)	(123,876)	(270,982)
Capital outlay and grant match	(498,986)	(72,187)	(571,173)
Debt service	(355)	-	(355)
Interest expense			
Net Cash Provided (Used) by Capital and Related Financing Activities	(633,858)	4,978,131	4,344,273
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Cash Inflows	-	-	-
Interest earnings			
Net Increase (Decrease) in Cash	(537,832)	31,257	(506,575)
Cash, July 1	1,649,537	335,125	1,984,662
Cash, June 30	\$ 1,111,705	\$ 366,382	\$ 1,478,087

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

**STOREY COUNTY, NEVADA**  
**STATEMENT OF NET ASSETS**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2018**

	<u>AGENCY FUNDS</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ <u>1,612,764</u>
<u>LIABILITIES</u>	
Due to other governments	\$ <u>1,612,764</u>
Net Assets	\$ <u>-</u>

**STOREY COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

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

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

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

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

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

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

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

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

**STOREY COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

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

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

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

The government reports the following major governmental funds:

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

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

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

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

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

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

The government reports the following major proprietary funds:

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

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



**STOREY COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

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

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

**D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

**1. DEPOSITS AND INVESTMENTS**

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

**2. RECEIVABLES AND PAYABLES**

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

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

**3. INVENTORIES AND PREPAID ITEMS**

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

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

**4. RESTRICTED ASSETS AND RESERVED FUNDS**

At June 30, 2018, the County had the following restricted fund balances: a) 474 Fire Protection District Fund - \$142,640; b) Virginia Divide Sewer Improvement District - \$118,884; and c) Water System Fund - \$131,966.

**STOREY COUNTY, NEVADA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**5. CAPITAL ASSETS**

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

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

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

**6. COMPENSATED ABSENCE**

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

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

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

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

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

**7. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

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

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

**8. LONG-TERM OBLIGATIONS**

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

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

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

**9. NET POSITION**

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



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**10. FUND BALANCE**

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

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

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

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

**11. ESTIMATES**

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

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. BUDGETARY INFORMATION**

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

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

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



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6. Budgets for the General, Special Revenues, Debt Service, Proprietary, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget augmentations were prepared for the general, various special revenue funds and enterprise funds during the fiscal year ended June 30, 2018
8. All budget appropriations lapse at the end of each fiscal year.

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

**B. EXCESS EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2018, expenditures exceeded appropriations as follows:

	Expenditures	Appropriations
Virginia City Tourism Commission Fund	\$ 1,416,477	\$ 1,344,066
Justice Court Special Revenue Fund	28,104	17,000
Indigent Accident Special Revenue Fund	91,542	72,711
Genetic Marker Testing Fund	8,797	6,400
Capital Projects Fund	2,928,118	1,550,200
Virginia Divide Sewer Improvement District	472,524	253,623
Water Systems	627,793	554,617
General Fund-Sheriff	3,687,832	3,669,522
General Fund Culture and Recreation	115,735	112,308

**C. DEFICIT FUND EQUITY**

The Emergency Mitigation Fund incurred a deficit fund equity at June 30, 2018 in the amount of \$41,391.

**D. COMPLIANCE – NRS 354.624**

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

All enterprise and agency funds maintained by Storey County:

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

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

**STOREY COUNTY, NEVADA**  
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**III. CASH AND INVESTMENTS**

In accordance with Nevada Revised Statutes (NRS), the County's cash is deposited with insured banks and those deposits that are not within the limits of insurance must be secured by collateral. At year end, the County's carrying amount of deposits was \$4,955,880 and the bank balance was \$4,948,859. The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected in the bank records.

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

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

**Credit Risk-** Nevada state law limits investments in commercial paper and corporate bonds. Corporate or depository institution commercial paper purchased from a registered dealer must have a credit rating of A-1, P-1, or better. Investments in money market mutual funds that invest in federal securities must have a credit rating of "AAA" and investments in obligations of state and local governments must rate A or higher. The County's investments in U.S. Treasury Notes and U.S. Government Securities are rated AAA by Moody's Investor Services and by Standard and Poor's. The Local Government Investment Pool is an unrated external investment pool. However, the County's policy allows this type of investment as permitted by statute.

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

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

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

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

<u>Investment Type</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>	
		<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>
Money Market Mutual Fund	\$ 6,102,602	\$ 6,102,602	\$ -
Certificates of Deposit	17,792,326	17,792,326	-
U.S. Agency Securities	4,734,856	4,734,856	-
Corporate Bonds	521,257	-	521,257
Commercial Paper	278,136	-	278,136
State of Nevada Local Investment Pool	<u>2,364,107</u>	<u>-</u>	<u>-</u>
	<u>\$ 31,793,284</u>	<u>\$ 28,629,784</u>	<u>\$ 799,393</u>

At year end the County had the following investments and maturities

<u>Investment Type</u>	<u>Total</u>	<u>Investment Maturities in Years</u>	
		<u>Less Than 1</u>	<u>1-5</u>
Money Market Mutual Fund	\$ 6,102,602	\$ 6,102,602	\$ -
Certificates of Deposit	17,792,326	2,703,281	15,089,045
U.S. Agency Securities	4,734,856	-	4,734,856
Corporate Bonds	521,257	-	521,257
Commercial Paper	278,136	-	278,136
State of Nevada Local Investment Pool	<u>2,364,107</u>	<u>2,364,107</u>	<u>-</u>
	<u>\$ 31,793,284</u>	<u>\$ 11,169,990</u>	<u>\$ 20,623,294</u>

**STOREY COUNTY, NEVADA**  
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**IV. RECEIVABLES**

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

	<u>General</u>	<u>Roads</u>	<u>474 Fire District</u>	<u>USDA</u>	<u>VCTC</u>	<u>Non-Major Funds</u>	<u>Proprietary Funds</u>	<u>Total</u>
Receivables:								
Taxes	\$ 74,159	\$ -	\$ 21,570	\$ -	\$ -	\$ 2,271	\$ -	\$ 98,000
Accounts	<u>418,856</u>	<u>145,837</u>	<u>240,144</u>	<u>561,681</u>	<u>5,000</u>	<u>54,399</u>	<u>94,169</u>	<u>1,520,086</u>
Gross Receivables	<u>493,015</u>	<u>145,837</u>	<u>261,714</u>	<u>561,681</u>	<u>5,000</u>	<u>56,670</u>	<u>94,169</u>	<u>1,618,086</u>

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

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

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

General Fund-Delinquent property taxes receivable:	\$ 65,597
454 Fire District Fund-Delinquent property taxes receivable:	18,938
454 Fire District Fund-Ambulance receivable	121,671
Non-major funds-Delinquent property taxes receivable:	<u>1,983</u>
Total	<u>\$ 208,189</u>

**V. INTER-FUND ASSETS/LIABILITIES**

Inter-fund transfers:

General Fund	Capital Projects	\$ 2,000,000
General Fund	TRI Payback	596,000
General Fund	Pipers Opera House	67,000
General Fund	Water Systems	208,500
Equipment Acquisition	USDA	142,640
Equipment Acquisition	TRI Payback	13,000
Fire District 474	TRI Payback	<u>142,000</u>
		<u>\$ 3,169,140</u>



**STOREY COUNTY, NEVADA**  
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**VI. CAPITAL ASSETS (INCLUDING VCTC FUND)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Primary Government</b>				
<b>Governmental Activities</b>				
Capital Assets not being depreciated				
Land	\$ 810,921	\$ -	\$ -	\$ 810,921
Antique Furniture	75,000	-	-	75,000
Construction in progress	<u>1,334,163</u>	<u>-</u>	<u>-</u>	<u>1,334,163</u>
Total Capital Assets not being depreciated	<u>2,220,084</u>	<u>-</u>	<u>-</u>	<u>2,220,084</u>
Capital Assets being depreciated				
Buildings	9,972,121	703,904	-	10,676,025
Improvements other than buildings	47,689,861	876,987	-	48,566,848
Machinery and equipment	<u>13,856,552</u>	<u>1,071,173</u>	<u>-</u>	<u>14,927,725</u>
Total Capital Assets being depreciated	<u>71,518,534</u>	<u>2,652,064</u>	<u>-</u>	<u>74,170,598</u>
Less accumulated depreciation for:				
Buildings	2,859,097	189,972	-	3,049,069
Improvements other than buildings	8,554,402	1,377,770	-	9,932,172
Machinery and equipment	<u>6,731,386</u>	<u>911,146</u>	<u>-</u>	<u>7,642,532</u>
Total accumulated depreciation	<u>18,144,885</u>	<u>2,478,888</u>	<u>-</u>	<u>20,623,773</u>
Governmental activities capital assets - net	<u>\$ 55,593,733</u>	<u>\$ 173,176</u>	<u>\$ -</u>	<u>\$ 55,766,909</u>
<b>Business type activities</b>				
Capital Assets not being depreciated				
Construction in progress	<u>\$ 620,890</u>	<u>\$ 8,643,331</u>	<u>\$ -</u>	<u>\$ 9,264,221</u>
Capital assets being depreciated				
Water and sewer system	13,090,422	-	-	13,090,422
Machinery and equipment	<u>665,086</u>	<u>3,038</u>	<u>-</u>	<u>668,124</u>
Total Capital assets being depreciated	<u>13,755,508</u>	<u>3,038</u>	<u>-</u>	<u>13,758,546</u>
Less accumulated depreciation for:				
Water and sewer systems	2,634,357	226,477	-	2,860,834
Machinery and equipment	<u>573,054</u>	<u>24,161</u>	<u>-</u>	<u>597,215</u>
Total accumulated depreciation	<u>3,207,411</u>	<u>250,638</u>	<u>-</u>	<u>3,458,049</u>
Business type activities capital assets - net	<u>\$ 11,168,987</u>	<u>\$ 8,395,731</u>	<u>\$ -</u>	<u>\$ 19,564,718</u>

**STOREY COUNTY, NEVADA**  
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Depreciation expense was charged to functions programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,439,639
Public safety	744,040
Highways and streets, including depreciation of general infrastructure assets	200,176
Judicial	1,325
Community support	69,112
Culture and recreation	24,596
Total depreciation expense - Governmental activities	<u>\$ 2,478,888</u>
Business type activities:	
Water	\$ 102,786
Sewer	147,852
Total depreciation expense - Business type activities	<u>\$ 250,638</u>

**VII. LONG-TERM OBLIGATIONS**

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

	Date <u>Issue</u>	Maturity <u>Date</u>	Original <u>Note/issue</u>	Interest <u>Rate</u>	Balance <u>6/30/2018</u>
<u>Medium Term Loans</u>					
Virginia City Highlands Property Owners Assoc	6/23/2013	6/30/2017	<u>200,000.00</u>	0.095%	-
<u>Revenue Bonds</u>					
<u>Governmental</u>					
Virginia City Rail Bond-Series 2010A	12/28/2010	12/1/2027	\$ 890,000	8.000%	\$ 601,000
Virginia City Rail Bond-Series 2010B	12/28/2010	12/1/2027	859,000	5.000%	591,000
Storey County Fire District USDA Loan	1/8/2015	7/8/1934	<u>2,000,000</u>	3.750%	<u>1,730,640</u>
			<u>\$ 3,749,000</u>		<u>\$ 2,922,640</u>
<u>Business Type Activities</u>					
Water Revenue Bonds	1/28/1997	1/1/1937	\$ 714,000	0.045%	\$ -
Sewer Revenue Bonds	5/20/2015	5/12/1955	3,002,000	2.500%	2,862,003
Sewer Revenue Bonds	12/20/2016	12/20/1956	<u>4,058,000</u>	1.375%	<u>3,942,551</u>
			<u>\$ 7,774,000</u>		<u>\$ 6,804,554</u>

**STOREY COUNTY, NEVADA**  
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The following represents the current activity in the Long-Term Obligations of the County:

	Balance 6/30/2017	Additions	Retired	Balance 6/30/2018	Principle Due 18-19
<u>Medium Term Loans</u>					
Virginia City Highlands Property Owners	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -
<u>Revenue Bonds</u>					
<u>Governmental</u>					
Virginia City Rail Bond-Series 2010A	\$ 648,000	\$ -	\$ 47,000	\$ 601,000	\$ 49,000
Virginia City Rail Bond-Series 2010B	635,000	-	44,000	591,000	47,000
Storey County Fire District USDA Loan	1,806,593	-	75,953	1,730,640	78,841
	<u>\$ 3,089,593</u>	<u>\$ -</u>	<u>\$ 166,953</u>	<u>\$ 2,922,640</u>	<u>\$ 174,841</u>
<u>Business Type Activities</u>					
Water Revenue Bonds	\$ 498,986	\$ -	\$ 498,986	\$ -	\$ -
Sewer Revenue Bonds	2,908,700	-	46,697	2,862,003	47,877
Sewer Revenue Bonds	500,724	3,519,006	77,179	3,942,551	78,247
	<u>\$ 3,908,410</u>	<u>\$ 3,519,006</u>	<u>\$ 622,862</u>	<u>\$ 6,804,554</u>	<u>\$ 126,124</u>
<u>Long-Term Liabilities</u>					
Compensated Absences	\$ 723,386	\$ 37,140		\$ 760,526	\$ -
TRI-Construction repayment	41,129,487	825,617	602,261	41,352,843	-
	<u>\$ 41,852,873</u>	<u>\$ 862,757</u>	<u>\$ 602,261</u>	<u>\$ 42,113,369</u>	<u>\$ -</u>

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

Year Ended June 30	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 174,841	\$ 138,294	\$ 126,125	\$ 124,726
2019	181,839	128,896	128,082	122,768
2020	189,952	119,098	130,750	120,100
2021	198,183	108,857	133,135	117,715
2022	206,536	98,169	135,568	115,282
2023-2027	1,178,624	312,846	715,461	538,790
2028-2032	617,802	95,398	784,339	469,911
2033-2037	174,863	4,977	860,143	394,108
2038-2042	-	-	944,002	310,249
2043-2047	-	-	1,036,748	217,503
2048-2052	-	-	1,139,754	114,497
2053-2057	-	-	670,445	19,295
Total	<u>\$ 2,922,640</u>	<u>\$ 1,006,535</u>	<u>\$ 6,804,552</u>	<u>\$ 2,664,944</u>

**STOREY COUNTY, NEVADA**  
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**VIII. SEGMENT INFORMATION – PROPRIETARY FUNDS**

Summary information for the Proprietary funds is presented below:

	<u>Water Fund</u>	<u>Virginia Divide Sewer Fund</u>
<b>CONDENSED STATEMENT OF NET ASSETS</b>		
<b>ASSETS</b>		
Current assets	\$ 1,172,145	\$ 400,110
Capital assets (net accumulated depreciation)	4,789,666	14,775,052
Total Assets	<u>5,961,811</u>	<u>15,175,162</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows-pension	<u>44,669</u>	<u>25,126</u>
 <b>LIABILITIES</b>		
Current liabilities	72,388	150,720
Non-current liabilities	346,876	6,873,576
Total Liabilities	<u>419,264</u>	<u>7,024,296</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows-pension	<u>93,217</u>	<u>52,435</u>
 <b>NET POSITION</b>		
Restricted reserve	131,966	118,884
Reserved - Short lived asset replacement	-	38,021
Invested in capital assets - net of related debt	4,789,666	7,970,497
Unrestricted	572,367	(3,845)
Total Net Position	<u>\$ 5,493,999</u>	<u>\$ 8,123,557</u>
 <b>CONDENSED STATEMENT OF REVENUES AND EXPENSES</b>		
Operating revenue	\$ 557,800	\$ 392,755
Depreciation	(102,786)	(147,852)
Other operating expenses	(525,007)	(324,672)
Operating income (loss)	<u>(69,993)</u>	<u>(79,769)</u>
 Non-operating revenues (expenses)		
Rent and miscellaneous	13,800	662
Interest income	-	-
Interest expense	(355)	(72,187)
Miscellaneous	6,369	-
Grants and capital contributions	12,589	5,173,531
Change in net assets	<u>\$ (37,590)</u>	<u>\$ 5,022,237</u>
 <b>CONDENSED STATEMENTS OF CASH FLOWS</b>		
Net cash provided (used) by		
Operating activities	\$ 85,264	\$ 72,979
Non-capital financing activities	10,762	(5,019,853)
Capital and related financing activities	(633,858)	4,978,131
Investing Activities	-	-
Net increase (decrease) in cash	(537,832)	31,257
Cash - beginning	<u>1,649,537</u>	<u>335,125</u>
 Cash - ending	<u>\$ 1,111,705</u>	<u>\$ 366,382</u>



**STOREY COUNTY, NEVADA**  
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**IX. CONTINGENT LIABILITIES**

The County is involved in various lawsuits. The outcome of these lawsuits is not presently determinable; however, management does not anticipate that they would materially impact the financial position of the County.

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

**X. PROPERTY TAXES**

Property taxes attach as an enforceable lien as of July 1. The tax is levied for the fiscal year beginning July 1 after the Nevada Tax Commission has certified the combined tax rate for the County on May 25.

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

**XI. DEFINED BENEFITS PLAN**

General Information about the Pension Plan

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

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

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

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

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

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

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

The County's contributions to the plan totaled \$2,720,384 for the year ended June 30, 2018.

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

At June 30, 2018, the County reported a liability of \$20,601,898 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the plan's net pension liability was based on the County's combined employer and member contributions to the pension plan relative to the contributions of all participating entities for the year ended June 30, 2017. At June 30, 2017, the County's proportion share was .15490% in year 2017, while year 2016 was .14499%.

For the year ended June 30, 2018, the County recognized pension expense of \$2,068,043. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,351,901
Changes in assumptions or other inputs	1,366,740	-
Net difference between projected and actual earnings on pension plan investments	133,765	
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	5,139,244	2,649,732
County contributions subsequent to the measurement date	2,720,384	-
	<u>\$ 9,360,133</u>	<u>\$ 4,001,633</u>

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

2019	\$ (6,558,897)
2020	8,490,543
2021	2,192,706
2022	(5,978,522)
2023	3,091,366
2024	<u>1,400,919</u>
	<u>\$ 2,638,115</u>

In addition, \$2,720,384 is reported as deferred outflows of resources related to pensions and represents County's contributions subsequent to the measurement date. The amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

*Actuarial Assumptions:* The actuarial assumptions were based on the results of an experience study for the period from July 1, 2006, through June 30, 2012. When measuring the total pension liability, GASB uses the same actuarial cost method, all actuarial assumptions, and the same type of discount rate as PERS uses for funding.

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation Rate	2.75%
Payroll Growth	5.0%, including inflation
Investment Rate of Return	7.5%
Productivity Pay Increases	0.5%
Projected Salary Increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.9%, depending on service Rates include inflation and productivity increases
Consumer Price Index	2.75%
Other Assumptions	Same as those used in the June 30, 2017 funding actuarial valuation

The Board evaluates and establishes expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The Board reviews these capital market expectations annually. The PERS' current long-term geometric expected real rates of return for each asset class included in the plan's investment portfolio as of June 30, 2017, are included in the following table:

<u>Asset Class</u>	<u>Long-Term Geometric Expected Real Rate of Return*</u>
Domestic Equity	5.50%
International Equity	5.75%
Domestic Fixed Income	0.25%
Private Markets	6.80%

\*As of June 30, 2017, PERS' long-term inflation assumption was 2.75%.



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*Discount Rate* : The discount rate used to measure the total pension liability was 7.50% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed plan contributions will be made in amounts

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

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

<u>1% Decrease (6.50%)</u>	<u>Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
\$ 31,144,318	\$ 20,601,898	\$ 11,846,253

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

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

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

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

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



**STOREY COUNTY, NEVADA**  
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Storey County's total OPEB liability of \$18,506,210 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	3.00%
Payroll growth	4.00%
Discount rate	3.53%

The discount rate was based on Bond Buyer Go 20 Bond Index

Mortality rates were based on MacLeod Watts Scale 2016

**Changes in Total OPEB Liability**

	PEBP	County	Total
Balance 6/30/17	\$ 565,491	\$ 18,084,288	\$ 18,649,779
Changes for the year			
Service Cost	-	2,020,652	\$ 2,020,652
Interest	15,674	570,467	\$ 586,141
Changes of benefit terms	-	-	\$ -
Differences between expected and actual experience			
Changes in assumptions or other inputs	(41,045)	(2,501,144)	\$ (2,542,189)
Benefit Payments	(31,075)	(177,098)	\$ (208,173)
Net changes	\$ (56,446)	\$ (87,123)	\$ (143,569)
Balance 6/30/18	\$ 509,045	\$ 17,997,165	\$ 18,506,210

*Sensitivity of the County's Proportionate Share of the OPEB Liability to Changes in the Discount Rate:* The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.53%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.53%) or 1 percentage point higher (4.53%) than the current rate:

	1% Decrease (2.53%)	Discount Rate (3.53%)	1% Increase (4.53%)
PEBP	\$ 571,347	\$ 509,045	\$ 457,384
County	\$ 21,838,038	\$ 17,997,165	\$ 15,018,353

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

	1% Decrease	Discount Rate Current Trend	1% Increase
PEBP	\$ 455,369	\$ 509,045	\$ 572,533
County	\$ 14,165,328	\$ 17,997,165	\$ 23,643,225

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For the year ended June 30, 2018, the County recognized OPEB expense of \$2,332,432. At June 30, 2018 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ -	\$ 2,267,828
Deferred contributions	<u>186,024</u>	<u>-</u>
Total	<u>\$ 186,024</u>	<u>\$ 2,267,828</u>

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

2019	\$ (233,316)
2020	(233,316)
2021	(233,316)
2022	(233,316)
2023	(233,316)
Thereafter	<u>(1,101,248)</u>
	<u>\$ (2,267,828)</u>

**XIII. SOLID WASTE LANDFILL – LOCKWOOD**

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

**STOREY COUNTY, NEVADA**  
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**XIV. RISK MANAGEMENT**

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

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

**XV. TAHOE-RENO INDUSTRIAL CENTER**

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

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

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

The term of this agreement shall commence upon the effective date and shall expire fifty (50) years after the effective date, unless extended by written amendment executed by the County and Developer. A special revenue fund was established as of July 1, 2009, to provide payment to our TRI partners. A payment of \$602,261 was made by the TRI Payback Fund during the fiscal year.

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



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**XVI. TESLA MOTORS**

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

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

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

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

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

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

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

**XVII. RELATED PARTY**

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

During the year ended June 30, 2018 the County paid the RAD Strategies \$64,650.



**STOREY COUNTY, NEVADA**  
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**XVIII. DEFERRED INFLOW OF RESOURCES**

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

General Fund:	
Ad Valorem taxes receivable	<u>\$ 65,596</u>
474 Fire Protection Fund:	
Ad Valorem taxes receivable	<u>\$ 18,938</u>
Equipment Acquisition Fund:	
Ad Valorem taxes receivable	<u>\$ 1,646</u>
Indigent Medical Fund:	
Ad Valorem taxes receivable	<u>\$ 338</u>

STOREY COUNTY, NEVADA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018

	SPECIAL REVENUE						
	EQUIPMENT ACQUISITION	JUSTICE COURT	DRUG COURT	INDIGENT MEDICAL	PARK TAX	MUTUAL AID	EMERGENCY MITIGATION
<u>ASSETS</u>							
Cash	\$ 583,008	\$ 80,694	\$ 60	\$ 488,870	\$ 125,131	\$ 899,897	\$ (41,391)
Property taxes receivable	1,885	-	-	386	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Total Assets	\$ 584,893	\$ 80,694	\$ 60	\$ 489,256	\$ 125,131	\$ 899,897	\$ (41,391)
<u>LIABILITIES</u>							
Accounts payable	\$ -	\$ 36,623	\$ 30	\$ 4,120	\$ -	\$ 3,160	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable resources property taxes	1,646	-	-	338	-	-	-
<u>FUND BALANCE</u>							
Nonspendable	-	-	-	-	-	-	-
Unassigned	583,247	44,071	30	484,798	125,131	896,737	(41,391)
Total Fund Balance	583,247	44,071	30	484,798	125,131	896,737	(41,391)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 584,893	\$ 80,694	\$ 60	\$ 489,256	\$ 125,131	\$ 899,897	\$ (41,391)

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

STOREY COUNTY, NEVADA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018

		SPECIAL REVENUE					GENERIC		
		INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY	STABILIZATION FUND	MARKER TESTING FUND	PIPER'S OPERA HOUSE	
<u>ASSETS</u>	Cash	\$ 18,898	\$ 130,227	\$ 84,584	207,141	\$ 1,000,000	\$ 49,892	\$	\$ 54,326
	Property taxes receivable	-	-	-	-	-	-	-	-
	Accounts receivable	-	-	-	-	-	-	-	-
	Total Assets	\$ 18,898	\$ 130,227	\$ 84,584	\$ 207,141	\$ 1,000,000	\$ 49,892	\$	\$ 54,326
<u>LIABILITIES</u>	Accounts payable	\$ 13,544	\$ -	\$ -	\$ -	\$ -	\$ 1,105	-	13,716
		-	-	-	-	-	-	-	-
<u>DEFERRED INFLOWS OF RESOURCES</u>									
Unavailable resources property taxes									
<u>FUND BALANCE</u>	Nonspendable	-	-	-	-	-	-	-	-
	Unassigned	5,354	130,227	84,584	207,141	1,000,000	48,787	-	40,610
	Total Fund Balance	5,354	130,227	84,584	207,141	1,000,000	48,787	-	40,610
Total Liabilities, Deferred Inflows of Resources and Fund Balances		\$ 18,898	\$ 130,227	\$ 84,584	\$ 207,141	\$ 1,000,000	\$ 49,892	\$	\$ 54,326

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

STOREY COUNTY, NEVADA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018

	CAPITAL PROJECTS				
	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	FIRE CAP PROJECTS	TOTAL
<u>ASSETS</u>					
Cash	\$ 1,908,268	\$ 2,165,582	\$ 685,972	\$ 927,409	\$ 9,368,568
Property taxes receivable	-	-	-	-	2,271
Accounts receivable	-	54,399	-	-	54,399
Total Assets	\$ 1,908,268	\$ 2,219,981	\$ 685,972	\$ 927,409	\$ 9,425,238
<u>LIABILITIES</u>					
Accounts payable	\$ 565,601	-	\$ -	-	\$ 637,899
Unavailable resources property taxes	-	-	-	-	1,984
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Nonspendable	1,342,667	2,219,981	685,972	927,409	8,785,355
Unassigned	-	-	-	-	-
Total Fund Balance	1,342,667	2,219,981	685,972	927,409	8,785,355
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,908,268	\$ 2,219,981	\$ 685,972	\$ 927,409	\$ 9,425,238

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



**STOREY COUNTY, NEVADA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

		SPECIAL REVENUE						
		EQUIPMENT ACQUISITION	JUSTICE COURT	DRUG COURT	INDIGENT MEDICAL	PARK TAX	MUTUAL AID	EMERGENCY MITIGATION
<u>REVENUE</u>								
Taxes	\$	284,793	-	\$	56,965	\$	-	\$
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	4,750	-	-
Fine and forfeitures	-	-	34,903	420	-	-	-	-
Other revenues	-	-	-	-	-	-	857,357	-
Total Revenues		284,793	34,903	420	56,965	4,750	857,357	-
<u>EXPENDITURES</u>								
Current								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	381,418	(1,519)
Judicial	-	-	28,104	420	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	50,110	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Total Expenditures		-	28,104	420	50,110	-	381,418	(1,519)
Excess (deficiency) of revenues over expenditures		284,793	6,799	-	6,855	4,750	475,939	1,519
<u>OTHER FINANCIAL SOURCES (USES)</u>								
Transfers	(155,640)	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)		(155,640)	-	-	-	-	-	-
Excess (deficiency) of revenue and other Financing Sources (Uses) over Expenditures		129,153	6,799	-	6,855	4,750	475,939	1,519
Fund Balance, July 1		454,094	37,272	30	477,943	120,381	420,798	(42,910)
Fund Balance, June 30	\$	583,247	\$	44,071	\$	125,131	\$	896,737
				30	484,798			\$ (41,391)

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

**STOREY COUNTY, NEVADA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	SPECIAL REVENUE						GENERIC		
	INDIGENT ACCIDENT	TECHNOLOGY	FEDERAL AND STATE GRANTS	FIRE EMERGENCY	STABILIZATION FUND	MARKER TESTING FUND	OPERA HOUSE	PIPER'S	
REVENUE									
Taxes	\$ 85,458	-	\$ -	\$ -	-	\$ -	-	\$ -	
Intergovernmental	-	-	176,212	-	-	-	-	20,943	
Charges for services	-	97,964	-	-	-	10,525	-	-	
Fine and forfeitures	-	-	-	-	-	-	-	11,966	
Other revenues	-	-	-	-	-	-	-	32,909	
Total Revenues	85,458	97,964	176,212	-	-	10,525	-	-	
EXPENDITURES									
Current	-	79,131	-	-	-	-	-	59,299	
General government	-	-	64,029	-	-	-	-	-	
Public safety	-	-	-	-	-	8,797	-	-	
Judicial	-	-	34,000	-	-	-	-	-	
Culture and recreation	-	-	-	-	-	-	-	-	
Welfare	91,542	-	45,594	-	-	-	-	-	
Intergovernmental	-	-	143,623	-	-	8,797	-	59,299	
Total Expenditures	91,542	79,131	143,623	-	-	8,797	-	(26,390)	
Excess (deficiency) of revenues over expenditures	(6,084)	18,833	32,589	-	-	1,728	-	67,000	
OTHER FINANCIAL SOURCES (USES)									
Transfers	-	-	-	-	-	-	-	-	
Debt service	-	-	-	-	-	-	-	-	
Bond proceeds	-	-	-	-	-	-	-	67,000	
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenue and other financing Sources (Uses) over Expenditures	(6,084)	18,833	32,589	-	-	1,728	-	40,610	
Fund Balance, July 1	11,438	111,394	51,995	207,141	1,000,000	47,059	-	-	
Fund Balance, June 30	\$ 5,354	\$ 130,227	\$ 84,584	\$ 207,141	\$ 1,000,000	\$ 48,787	\$ -	\$ 40,610	

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

**STOREY COUNTY, NEVADA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	CAPITAL PROJECTS					TOTAL
	CAPITAL PROJECTS	INFRASTRUCTURE FUND	VIRGINIA CITY RAIL PROJECT	FIRE CAP PROJECTS		
REVENUE						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	427,216
Intergovernmental	-	399,399	-	-	-	575,611
Charges for services	-	-	-	-	-	123,657
Fine and forfeitures	-	-	-	-	-	45,848
Other revenues	121,453	-	-	-	-	990,776
Total Revenues	121,453	399,399	-	-	-	2,163,108
EXPENDITURES						
Current						
General government	2,928,118	-	-	-	-	3,066,548
Public safety	-	-	-	72,591	-	516,519
Judicial	-	-	-	-	-	37,321
Culture and recreation	-	-	-	-	-	34,000
Welfare	-	-	-	-	-	141,652
Intergovernmental	-	-	-	-	-	45,594
Total Expenditures	2,928,118	-	-	72,591	-	3,841,634
Excess (deficiency) of revenues over expenditures	(2,806,665)	399,399	-	(72,591)	-	(1,678,526)
OTHER FINANCIAL SOURCES (USES)						
Transfers	2,000,000	-	-	-	-	1,911,360
Debt service	-	-	(171,610)	-	-	(171,610)
Bond proceeds	-	-	21,753	-	-	21,753
Total Other Financing Sources (Uses)	2,000,000	-	(149,857)	-	-	1,761,503
Excess (deficiency) of revenue and other financing Sources (Uses) over Expenditures	(806,665)	399,399	(149,857)	(72,591)	-	82,977
Fund Balance, July 1	2,149,332	1,820,582	835,829	1,000,000	-	8,702,378
Fund Balance, June 30	\$ 1,342,667	\$ 2,219,981	\$ 685,972	\$ 927,409	\$ -	\$ 8,785,355

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

**STOREY COUNTY, NEVADA**  
**EQUIPMENT ACQUISITION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Taxes	\$ 252,504	\$ 284,793	\$ 32,289
Property taxes			
Other revenues	-	-	-
Interest	252,504	284,793	32,289
Total Revenues			
<b><u>EXPENDITURES</u></b>			
General government	105,000	-	105,000
Capital outlay	105,000	-	105,000
Total Expenditures			
	147,504	284,793	137,289
Excess (Deficiency) of Revenues over Expenditures			
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
	(13,000)	(13,000)	-
Transfer out - Tri Payback	(142,640)	(142,640)	-
USDA Fund			
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(8,136)	129,153	137,289
	340,923	454,094	113,171
Fund Balance, July 1			
	\$ 332,787	\$ 583,247	\$ 250,460
Fund Balance, June 30			



**STOREY COUNTY, NEVADA**  
**JUSTICE COURT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Fines	\$ 17,000	\$ 34,903	\$ 17,903
Justice court fines			
<b><u>EXPENDITURES</u></b>			
Judicial	17,000	21,001	(4,001)
Services and supplies	-	7,103	(7,103)
Capital outlay	17,000	28,104	(11,104)
Total Expenditures	-	6,799	6,799
Excess (Deficiency) of Revenues over Expenditures	3,272	37,272	34,000
Fund Balance, July 1	\$ 3,272	\$ 44,071	\$ 40,799
Fund Balance, June 30			

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

**STOREY COUNTY, NEVADA  
DRUG COURT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Fines and forfeits			
Drug court fees	\$ 600	\$ 420	\$ (180)
<b><u>EXPENDITURES</u></b>			
Judicial			
Services and supplies	<u>600</u>	<u>420</u>	<u>180</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>80</u>	<u>30</u>	<u>(50)</u>
Fund Balance, June 30	<u>\$ 80</u>	<u>\$ 30</u>	<u>\$ (50)</u>

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

**STOREY COUNTY, NEVADA**  
**INDIGENT MEDICAL SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Taxes			
Property taxes	\$ 48,414	\$ 56,965	\$ 8,551
<b><u>EXPENDITURES</u></b>			
Welfare			
Services and supplies	200,000	50,110	149,890
Excess (Deficiency) of Revenues over Expenditures	(151,586)	6,855	158,441
Fund Balance, July 1	332,331	477,943	145,612
Fund Balance, June 30	\$ 180,745	\$ 484,798	\$ 304,053

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

**STOREY COUNTY, NEVADA**  
**PARK TAX SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>			
Charges for services	\$ 3,500	\$ 4,750	\$ 1,250
Park fees			
Other revenues	1,000	-	(1,000)
Interest	4,500	4,750	250
Total Revenues			
<b>EXPENDITURES</b>			
Culture and recreation	116,000	-	116,000
Services and supplies			
Excess (Deficiency) of Revenues over Expenditures	(111,500)	4,750	116,250
Fund Balance, July 1	123,689	120,381	(3,308)
Fund Balance, June 30	\$ 12,189	\$ 125,131	\$ 112,942



**STOREY COUNTY, NEVADA**  
**MUTUAL AID SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>				
Other revenues	\$ -	\$ 405,000	\$ 857,357	\$ 452,357
Fire suppression	-	405,000	857,357	452,357
Total Revenues				
<b>EXPENDITURES</b>				
Public safety	-	200,000	200,059	(59)
Salaries and wages	-	30,000	22,445	7,555
Benefits	-	50,000	41,451	8,549
Services and supplies	-	125,000	117,463	7,537
Capital outlay	-	405,000	381,418	23,582
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	-	-	475,939	475,939
Fund Balance, July 1	421,185	421,185	420,798	(387)
Fund Balance, June 30	\$ 421,185	\$ 421,185	\$ 896,737	\$ 475,552

**STOREY COUNTY, NEVADA**  
**EMERGENCY MITIGATION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>			
None	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Public Safety	100,000	(1,519)	101,519
Services and supplies			
	(100,000)	1,519	101,519
Excess (Deficiency) of Revenues over Expenditures			
	100,000	(42,910)	(142,910)
Fund Balance, July 1			
	\$ -	\$ (41,391)	\$ (41,391)
Fund Balance, June 30			

**STOREY COUNTY, NEVADA**  
**INDIGENT ACCIDENT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Taxes			
Property taxes	\$ 72,621	\$ 85,458	\$ 12,837
<b><u>EXPENDITURES</u></b>			
Welfare			
Services and supplies	72,711	91,542	(18,831)
Excess (Deficiency) of Revenues over Expenditures	(90)	(6,084)	(5,994)
Fund Balance, July 1	18,903	11,438	(7,465)
Fund Balance, June 30	\$ 18,813	\$ 5,354	\$ (13,459)

**STOREY COUNTY, NEVADA**  
**TECHNOLOGY SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Charges for services	\$ 77,000	\$ 97,964	\$ 20,964
Technology fees			
Other revenues	800	-	(800)
Interest income	77,800	97,964	20,164
Total Revenues			
<b><u>EXPENDITURES</u></b>			
General government	84,000	79,131	4,869
Services and supplies			
Excess (Deficiency) of Revenues over Expenditures	(6,200)	18,833	25,033
Fund Balance, July 1	105,557	111,394	5,837
Fund Balance, June 30	\$ 99,357	\$ 130,227	\$ 30,870

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



**STOREY COUNTY, NEVADA**  
**FEDERAL/STATE GRANT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>			
Intergovernmental			
Federal grants	\$ 471,132	\$ 137,254	\$ (333,878)
State grants	25,000	38,958	13,958
Total Revenues	<u>496,132</u>	<u>176,212</u>	<u>(319,920)</u>
<b>EXPENDITURES</b>			
Culture and recreation			
Services and supplies	-	34,000	(34,000)
Public safety			
Salaries and wages	-	-	-
Employee benefits	-	-	-
Services and supplies	408,452	64,029	344,423
Intergovernmental - State			
Services and supplies	<u>87,680</u>	<u>45,594</u>	<u>42,086</u>
Total Expenditures	<u>496,132</u>	<u>143,623</u>	<u>352,509</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>32,589</u>	<u>32,589</u>
 Fund Balance, July 1	 <u>18,703</u>	 <u>51,995</u>	 <u>33,292</u>
 Fund Balance, June 30	 <u>\$ 18,703</u>	 <u>\$ 84,584</u>	 <u>\$ 65,881</u>

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

**STOREY COUNTY, NEVADA**  
**FIRE EMERGENCY SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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

**STOREY COUNTY, NEVADA**  
**STABILIZATION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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

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

**STOREY COUNTY, NEVADA**  
**GENETIC MARKER TESTING SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Fines and forfeitures	\$ 8,500	\$ 10,525	\$ 2,025
<b><u>EXPENDITURES</u></b>			
Judicial	6,400	8,797	(2,397)
Services and supplies			
	2,100	1,728	(372)
Excess (Deficiency) of Revenues over Expenditures			
	43,810	47,059	3,249
Fund Balance, July 1			
	\$ 45,910	\$ 48,787	\$ 2,877
Fund Balance, June 30			



**STOREY COUNTY, NEVADA  
CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Capital outlay reimbursement	\$ 93,733	\$ 93,733	\$ -
Equipment sales	-	27,720	27,720
Total revenue	93,733	121,453	27,720
<b><u>EXPENDITURES</u></b>			
General Government			
Capital outlay	1,500,128	2,928,118	(1,427,990)
Debt service	50,000	-	50,000
Interest expense	72	-	72
Total Expenditures	<u>1,550,200</u>	<u>2,928,118</u>	<u>(1,377,918)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,456,467)</u>	<u>(2,806,665)</u>	<u>1,405,638</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
General government - Other	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	<u>(1,456,467)</u>	<u>(806,665)</u>	<u>649,802</u>
Fund Balance, July 1	<u>1,866,358</u>	<u>2,149,332</u>	<u>282,974</u>
Fund Balance, June 30	<u>\$ 409,891</u>	<u>\$ 1,342,667</u>	<u>\$ 932,776</u>

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

**STOREY COUNTY, NEVADA**  
**INFRASTRUCTURE CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
Intergovernmental	\$ 315,000	\$ 399,399	\$ 84,399
1/4% Optional sales tax			
Other revenues	-	69,534	3,801
Interest income	315,000	468,933	88,200
Total Revenues			
<b><u>EXPENDITURES</u></b>			
General government	1,000,000	-	1,000,000
Capital outlay			
Excess (Deficiency) of Revenues over Expenditures	(685,000)	468,933	1,153,933
Fund Balance, July 1	773,100	1,820,582	1,047,482
Fund Balance, June 30	\$ 88,100	\$ 2,289,515	\$ 2,201,415

**STOREY COUNTY, NEVADA**  
**VIRGINIA CITY RAIL CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b>REVENUE</b>			
None	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Culture and Recreation			
Capital outlay	<u>700,000</u>	<u>-</u>	<u>700,000</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(700,000)</u>	<u>-</u>	<u>700,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bond proceeds	22,000	21,753	247
Debt service			
Principal	(91,000)	(91,000)	-
Interest	<u>(80,610)</u>	<u>(80,610)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(849,610)	(149,857)	700,247
Fund Balance, July 1	<u>878,385</u>	<u>835,829</u>	<u>(42,556)</u>
Fund Balance, June 30	<u>\$ 28,775</u>	<u>\$ 685,972</u>	<u>\$ 657,197</u>

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

**STOREY COUNTY, NEVADA  
FIRE CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>REVENUE</u></b>			
None	\$ -	\$ -	\$ -
<b><u>EXPENDITURES</u></b>			
Capital outlay	750,000	72,591	677,409
Excess (Deficiency) of Revenues over Expenditures	(750,000)	(72,591)	677,409
Fund Balance, July 1	1,000,000	1,000,000	-
Fund Balance, June 30	\$ 250,000	\$ 927,409	\$ 677,409



**STOREY COUNTY, NEVADA  
WATER SYSTEM ENTERPRISE FUND  
STATEMENT OF REVENUE AND EXPENSE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>OPERATING REVENUES</u></b>			
Sales of water	\$ 604,000	\$ 557,800	\$ (46,200)
<b><u>OPERATING EXPENSES</u></b>			
Salaries and wages	124,787	165,177	(40,390)
Benefits	65,230	73,333	(8,103)
Services and supplies	259,600	243,863	15,737
Capital outlay	-	42,634	(42,634)
Depreciation	105,000	102,786	2,214
Total operating expenses	554,617	627,793	(73,176)
Operating income (loss)	49,383	(69,993)	(119,376)
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>			
Interest earnings	25,000	-	(25,000)
Rents	12,000	13,800	1,800
Interest Expense	(22,712)	(355)	22,357
Miscellaneous	-	6,369	6,369
Grants and capital contributions	-	12,589	12,589
Net Income (loss)	\$ 63,671	\$ (37,590)	\$ (101,261)

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

**STOREY COUNTY, NEVADA  
WATER SYSTEM ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL AND FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Cash In flows			
Sales of water	\$ 604,000	\$ 562,015	\$ (41,985)
Miscellaneous income	-	6,369	6,369
Cash Out flows			
Salaries and wages	(124,787)	(161,254)	(36,467)
Benefits	(65,230)	(78,686)	(13,456)
Services and supplies	(259,600)	(243,180)	16,420
Net Cash Provided by Operating Activities	<u>154,383</u>	<u>85,264</u>	<u>(69,119)</u>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>			
Cash In flows			
Rent	12,000	13,800	1,800
Capital outlay	-	(3,038)	(3,038)
Customer deposits	-	-	-
Net Cash Provided by Non Capital Financing Activities	<u>12,000</u>	<u>10,762</u>	<u>(1,238)</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u></b>			
Cash In flows			
Capital contributed	-	12,589	(12,589)
Cash Out flows			
Capital outlay	(63,000)	(147,106)	(84,106)
Debt service	(16,925)	(498,986)	(482,061)
Interest expense	(22,712)	(355)	22,357
Net Cash (Used) by Capital Related Activities	<u>(102,637)</u>	<u>(633,858)</u>	<u>(531,221)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Interest earnings	25,000	-	(25,000)
Net Increase (Decrease) in Cash	88,746	(537,832)	(626,578)
Cash, July 1	<u>1,614,186</u>	<u>1,649,537</u>	<u>35,351</u>
Cash, June 30	<u>\$ 1,702,932</u>	<u>\$ 1,111,705</u>	<u>\$ (591,227)</u>

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

**STOREY COUNTY, NEVADA**  
**VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND**  
**STATEMENT OF REVENUE AND EXPENSE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>OPERATING REVENUES</u></b>				
Sales of water	\$ 377,000	\$ 377,000	\$ 392,755	\$ 15,755
<b><u>OPERATING EXPENSES</u></b>				
Salaries and wages	74,973	86,973	89,273	(2,300)
Benefits	34,150	41,150	40,768	382
Services and supplies	85,500	85,500	194,631	(109,131)
Depreciation	40,000	40,000	147,852	(107,852)
Total operating expenses	234,623	253,623	472,524	(218,901)
Operating income (loss)	142,377	123,377	(79,769)	(203,146)
<b><u>NON-OPERATING REVENUE (EXPENSES)</u></b>				
Interest income	5,000	5,000	-	(5,000)
Interest expense	-	-	(72,187)	(72,187)
Transfer from general	-	208,500	-	(208,500)
Transfer to USDA	(119,000)	(251,000)	-	251,000
Grants and contributions	-	-	5,173,531	5,173,531
Capital outlay	-	(57,500)	-	57,500
Other income	-	-	662	662
Net Income (loss)	\$ 28,377	\$ 28,377	\$ 5,022,237	\$ 4,993,860

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

**STOREY COUNTY, NEVADA**  
**VIRGINIA DIVIDE SEWER IMPROVEMENT DISTRICT ENTERPRISE FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	ORIGINAL BUDGETED AMOUNTS	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE TO FINAL BUDGET
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>				
Cash In flows	\$ 377,000	\$ 377,000	\$ 392,867	\$ 15,867
Sewer Fees				
Cash Out flows	(74,973)	(86,973)	(87,686)	(713)
Salaries and wages	(34,150)	(41,150)	(43,842)	(2,692)
Benefits	(85,500)	(85,500)	(188,360)	(102,860)
Services and supplies				
Net Cash Provided by Operating Activities	<u>182,377</u>	<u>163,377</u>	<u>72,979</u>	<u>(90,398)</u>
<b><u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u></b>				
Cash Out flows	-	(57,500)	(5,019,853)	(4,962,353)
Capital outlay	-	(57,500)	(5,019,853)	4,962,353
Net Cash (Used) by Non Capital Financing Activities				
<b><u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u></b>				
Cash In flows	-	-	662	662
Other income	-	-	5,173,532	(5,173,532)
Capital contributed				
Cash Out flows	(119,000)	(251,000)	(123,876)	127,124
Debt service	-	-	(72,187)	(72,187)
Interest expense				
Net Cash (Used) by Capital Related Activities	<u>(119,000)</u>	<u>(251,000)</u>	<u>4,978,131</u>	<u>(5,117,933)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
Transfers from general	-	208,500	-	(208,500)
Interest earnings	<u>5,000</u>	<u>5,000</u>	-	<u>(5,000)</u>
Net Cash Provided by Capital Related Activities	<u>5,000</u>	<u>213,500</u>	-	<u>(213,500)</u>
Net Increase (Decrease) in Cash	68,377	68,377	31,257	(459,478)
Cash, July 1	<u>408,452</u>	<u>408,452</u>	<u>335,125</u>	<u>(73,327)</u>
Cash, June 30	<u>\$ 476,829</u>	<u>\$ 476,829</u>	<u>\$ 366,382</u>	<u>\$ (110,447)</u>



**STOREY COUNTY, NEVADA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	BALANCE JULY 1 2017	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2018
<b><u>STATE OF NEVADA FUND</u></b>				
Assets				
Cash	\$ 735,683	\$ 2,387,010	\$ 1,956,351	\$ 1,166,342
Liabilities				
Due Other Governments	\$ 735,683	\$ 2,387,010	\$ 1,956,351	\$ 1,166,342
<b><u>STOREY COUNTY SCHOOL DISTRICT</u></b>				
Assets				
Cash	\$ (3,391)	\$ 4,330,403	\$ 4,314,079	\$ 12,933
Liabilities				
Due Other Governments	\$ (3,391)	\$ 4,330,403	\$ 4,314,079	\$ 12,933
<b><u>STOREY COUNTY SCHOOL DISTRICT DEBT SERVICE</u></b>				
Assets				
Cash	\$ (656)	\$ 833,765	\$ 830,805	\$ 2,304
Liabilities				
Due Other Governments	\$ (656)	\$ 833,765	\$ 830,805	\$ 2,304
<b><u>DISTRICT ATTORNEY RESTITUTION FUND</u></b>				
Assets				
Cash	\$ 143	\$ 623	\$ -	\$ 766
Liabilities				
Due Other Governments	\$ 143	\$ 623	\$ -	\$ 766
<b><u>VIRGINIA CITY RAIL</u></b>				
Assets				
Cash	\$ -	\$ 40,259,381	\$ 39,828,962	\$ 430,419
Liabilities				
Due Other Governments	\$ -	\$ 40,259,381	\$ 39,828,962	\$ 430,419
<b><u>TOTAL - ALL FUNDS</u></b>				
Assets				
Cash	\$ 731,779	\$ 47,811,182	\$ 46,930,197	\$ 1,612,764
Liabilities				
Due Other Governments	\$ 731,779	\$ 47,811,182	\$ 46,930,197	\$ 1,612,764

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

**STOREY COUNTY, NEVADA**  
**SCHEDULE OF STOREY COUNTY ABATEMENT AGREEMENTS**  
**JUNE 30, 2018**

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

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

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

<b>REAL PROPERTY TAX</b>		
<u>ASSESSED VALUE</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$167,858,394	98%	\$5,707,384
<b>SALES AND USE TAX</b>		
<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$27,155,343	100%	\$27,155,343
<b>OPTION TAX</b>		
<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$1,142,548	100%	\$1,142,548
<b>PLAN REVIEW AND PERMIT FEES</b>		
<u>FEES CHARGED</u>	<u>AMOUNT PAID</u>	<u>TOTAL ABATEMENT</u>
\$5,463,424	\$0	\$5,463,424

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

<b>PRE-ABATEMENT</b>		
<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$20,225,922	92%	\$18,568,777

**Nevada Governor's Office of Energy (GOE)**

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

**LEED ABATEMENTS**

<b>PRE-ABATEMENT</b>		
<u>TAX AMOUNT</u>	<u>ABATEMENT</u>	<u>TOTAL ABATEMENT</u>
\$1,129,873	17%	\$188,886
<b>TESLA REIMBURSEMENT</b>		
		(655,053)
<b>Grand Total</b>		<b><u>\$57,571,309</u></b>

**STOREY COUNTY, NEVADA**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**JUNE 30, 2018**

	2018
Total OPEB liability	
Service cost	\$ 2,020,652
Interest	586,141
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	(2,542,189)
Benefit payments	<u>(208,173)</u>
Net change in total OPEB liability	\$ (143,569)
Total OPEB liability-beginning	<u>\$ 18,649,779</u>
Total OPEB liability-ending	<u>\$ 18,506,210</u>
Covered-employee payroll	\$ 9,590,509
Total OPEB liability as a percentage of covered-employee payroll	192.96%

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

**STOREY COUNTY, NEVADA**  
**SCHEDULE OF COUNTY'S SHARE OF NET PENSION LIABILITY**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA**  
**JUNE 30, 2018**

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

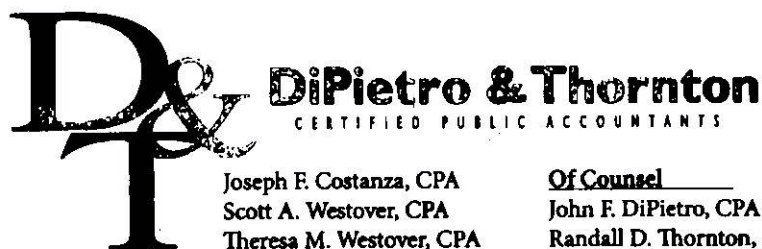
GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.



**STOREY COUNTY, NEVADA**  
**SCHEDULE OF COUNTY'S CONTRIBUTIONS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA**  
**JUNE 30, 2018**

	2018	2017	2016	2015
Statutorily required contribution	\$ 2,720,384	\$ 2,781,291	\$ 2,458,598	\$ 2,037,477
Contributions in relation to the statutorily required contribution	\$ (2,720,384)	\$ (2,781,291)	\$ (2,458,598)	\$ (2,037,477)
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 7,947,637	\$ 8,207,871	\$ 7,299,918	\$ 6,354,233
Contributions as a percentage of covered-employee payroll	34.23%	33.89%	33.68%	32.06%

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



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

To the Honorable Board of Commissioners  
Storey County, Nevada

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Storey County, Nevada, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Storey County's basic financial statements and have issued our report thereon dated November 30, 2018.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as finding 2018-A to be a material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as findings 2018-B and 2018-C to be significant deficiencies.

**Compliance and Other Matters**

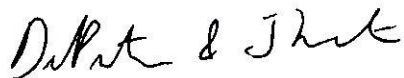
As part of obtaining reasonable assurance about whether Storey County, Nevada's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and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

**Storey County's Response to Findings**

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

**Purpose of this Report**

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



Reno, Nevada  
November 30, 2018





Joseph F. Costanza, CPA  
Scott A. Westover, CPA  
Theresa M. Westover, CPA

Of Counsel  
John F. DiPietro, CPA  
Randall D. Thornton, CPA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

To the Honorable Board of Commissioners  
Storey County, Nevada

**Report on Compliance for Each Major Federal Program**

We have audited Storey County, Nevada's (Storey County) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Storey County's major federal programs for the year ended June 30, 2018. Storey County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

**Opinion on Each Major Federal Program**

In our opinion, Storey County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

**Report on Internal Control over Compliance**

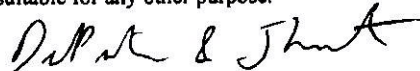
Management of Storey County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Storey County's internal control over compliance with the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



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

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

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



Reno, Nevada  
November 30, 2018

STOREY COUNTY, NEVADA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

<u>Federal Grantor/Program/Grant Description</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
<u>US Department of Agriculture</u>			
Water and Waste Disposal System for Rural Communities	10.760	33-015-0886000 134	\$ 8,476,892
Passed through Nevada Division of Forestry			
Cooperative Forestry Assistance	10.664	N/A	\$ 39,208
<u>US Department of the Interior</u>			
Direct Funding			
Historic Preservation Fund Grants-In-Aid	15.904	32-16-141290	60,000
Historic Preservation Fund Grants-In-Aid	15.904	32-16-141290	6,160
Historic Preservation Fund Grants-In-Aid	15.904	32-16-141290	20,000
<u>US Department of Justice (DOJ)</u>			
Violence Against Women Formula Grants	16.588	2017-VAWA-31	10,000
<u>U.S. Department of Transportation</u>			
Passed through Nevada Department of Public Safety, Office of Traffic Safety	20.616	N/A	38,958
National Priority Safety Programs	20.616	N/A	1,205
National Priority Safety Programs			
Passed through Nevada State Emergency Response Commission	20.703	17-FMEP-15-03-06	975
Interagency Hazardous Materials Public Sector Training and Planning Grants			
<u>US Department of Homeland Security</u>			
Passed Through Nevada Department of Public Safety Division of Emergency Management	97.036	N/A	59,815
FEMA State Administration Plan			
Passed Through State of Nevada Department of Public Safety	97.042	9704216	10,839
Emergency Management Performance Grant	97.042	9704216	9,899
Emergency Management Performance Grant	97.042	9704216	750
Emergency Management Performance Grant			
<b>Total Federal Financial Assistance</b>			<b>\$ 8,734,701</b>

STOREY COUNTY, NEVADA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

**Note A- Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Storey County under programs of the federal government for the year ending June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Storey County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Storey County.

**Note B- Summary of Significant Accounting Policies**

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

Indirect Costs

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

**Note C- Subrecipients**

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

**Note D - Loans with Continuing Compliance Requirement**

Outstanding federally-funded program loans with a continuing compliance requirement, carried balance as of June 30, 2018 as follows:

<u>CFDA</u>	<u>Program Title</u>		<u>Loan Balance</u>
10.76	Water and Waste Disposal System for Rural Communities	\$	3,942,551

STOREY COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONS COSTS  
FOR THE YEAR ENDED JUNE 30, 2018

**A. Summary of Auditors Results**

*Financial Statements*

Type of report the auditor issued on whether the financial Statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	Yes
Significant deficiency identified?	Yes
Noncompliance material to financial statements noted?	No

*Federal awards*

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

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

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

Identification of major federal programs:

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

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

Auditee qualified as low-risk auditee	Yes
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**B. Financial Statement Findings**

**Findings Relating to The Financial Statements Reported in Accordance with GAGAS**

**2018-A Report Preparation  
Material Weakness**

<b>Criteria</b>	Management of Storey County is responsible for establishing and maintaining an effective system of internal control over financial reporting. Properly valuing investments is a key component of effective internal control over financial reporting
<b>Condition</b>	During our review of the cash and investment accounts, we noted that the investments held by the county were not booked at their market value. The County used the cost basis.
<b>Cause</b>	The County has always accounted for investments using the cost basis. They have not properly implemented GASB 72.
<b>Effect</b>	The County overstated their cash accounts by a material amount. An audit adjustment was needed to properly record the investments.
<b>Recommendation</b>	We recommend the bonds be recorded at their fair market value going forward
<b>Views of Responsible Officials</b>	Management agrees with this finding

**B. Financial Statement Findings**

**Findings Relating to The Financial Statements Reported in Accordance with GAGAS**

**2018-B Report Preparation  
Significant Deficiency**

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

**Findings Relating to The Financial Statements Reported in Accordance with GAGAS**

**2018-C Report Preparation**

**Significant Deficiency**

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

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

No audit findings reported

**STOREY COUNTY, NEVADA  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018**

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

**1 2017-A**

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

This was not implemented and is included in the current year finding 2018-B

**2 2017-B**

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

This was not implemented and is included in the current year finding 2018-A

**3 2017-C**

We recommend that in the future all payments made at retirement be approved by the County Commissioners. This will not only help the County be more transparent, but will help protect the County Manager.

This was implemented during the year

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

No audit findings were reported





## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 15 minutes

**Agenda:** Consent ☐ Regular agenda ☒ Public hearing required ☐

---

1. **Title:** National Radon Action Month Proclamation

2. **Recommended motion:** I move to proclaim January 2019 as National Radon Action Month in Storey County.

3. **Prepared by:** Cherie Nevin

**Department:** Community Services

**Telephone:** 775-847-0986

4. **Staff summary:**

January is National Radon Action Month (NRAM). In Nevada, test results show that radon is present at elevated concentrations in about one in four tested homes.

In recognition of National Radon Action Month, University of Nevada Cooperative Extension, the Nevada Division of Public and Behavioral Health, in conjunction with the EPA, will strengthen efforts to educate the public about the dangers of radon and what can be done to minimize the health risk from exposure to elevated levels of indoor radon. Free radon test kits will be offered to Nevadans during January and February.

5. **Supporting materials:** Request and Proclamation

6. **Fiscal impact:** NONE

Funds Available:

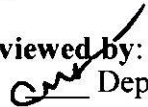
Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

\_\_\_\_ District Attorney

8. **Reviewed by:**

 Department Head

Department Name: Commissioner's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 12

**A PROCLAMATION DECLARING JANUARY 2019 AS  
“NATIONAL RADON ACTION MONTH IN STOREY COUNTY,  
NEVADA”**

**WHEREAS**, many Storey County residents don't know about radon, yet need to know, for the safety and health of their families, as radon is a colorless, odorless, naturally occurring radioactive gas that is the primary cause of lung cancer among nonsmokers; the second leading cause of lung cancer for smokers; and

**WHEREAS**, the U.S. EPA estimates 21,000 people in the U.S. die each year from lung cancer caused by indoor radon exposure, and lung and bronchus cancer kills more people in a year than any other cancer; and

**WHEREAS**, radon kills more people than secondhand smoke, drunk driving and home fires combined; and

**WHEREAS**, any home in Storey County may have elevated levels of radon, even if neighboring homes do not, and living in a home with an average radon level of 4 picocuries per liter of air poses a similar risk of developing lung cancer as smoking half a pack of cigarettes a day; and

**WHEREAS**, testing is the only way to know if a home has an elevated radon level, and testing is easy and inexpensive, and when identified, homes can be fixed; and

**WHEREAS**, University of Nevada Cooperative Extension, the Nevada Division of Public and Behavioral Health, and the U.S. Environmental Protection Agency support efforts to encourage all Storey County residents to test their homes for radon, mitigate elevated levels of radon, and have new homes built with radon-reducing materials and features.

**NOW, THEREFORE**, We, the Storey County Board of Commissioners, do hereby proclaim January 2019, as

**“NATIONAL RADON ACTION MONTH”  
In Storey County, Nevada**

**ADOPTED** this \_\_\_\_<sup>th</sup> day of January, 2019

(Signature and Seal of Official)\_\_\_\_\_



# Storey County Board of County Commissioners

## Agenda Action Report

Meeting date: 01/07/19

Estimate of time required: 10 min.

Agenda: Consent [ ] Regular agenda [x] Public hearing required [x]

1. **Title:** Discussion/Possible Action: Amend project completion benchmarks of contract with Robert Loveberg to review, update, and amend Storey County's floodplain ordinance to improve standards to meet or exceed FEMA minimum requirements, accommodate the regional floodplain mapping and flood insurance rate maps (FIRMs), implement Carson River Flood Mitigation Plan mitigation measures, and consider revisions necessitated by the 2017 flood event, as set forth in the attached scope of work and schedule.

2. **Recommended motion:** Based on the recommendation by staff, I [county commissioner] motion to approve amending project completion benchmarks of contract with Robert Loveberg to review, update, and amend Storey County's floodplain ordinance as indicated in Enclosure B Amended Scope of Work and Schedule.

3. **Prepared by:** Austin Osborne

4. **Department:** Planning

**Telephone:** 775.847.0968

5. **Staff summary:** Enclosure A, Staff Summary; Enclosure B, Amended Scope of Work and Schedule

6. **Supporting materials:** Enclosures: (A) Staff summary; (B) amended contract scope of work; (C) contract approved by board on 07/03/18.

7. **Fiscal impact:** None on local government.

Funds Available:


Fund:

\_\_\_\_ Comptroller

8. **Legal review required:**

\_\_\_\_ District Attorney

9. **Reviewed by:**

 Department Head

Department Name:

 County Manager

Other agency review: \_\_\_\_\_

10. **Board action:**

☐ Approved

☐ Approved with Modifications

☐ Denied

☐ Continued

Agenda Item No. 13

## **Enclosure A: Staff Summary**

On 07/03/18 the Board of Storey County Commissioners authorized the County Manager to contract with Robert Loveberg to update and improve Storey County Code 15.20 Flood Damage Prevention (floodplain ordinance) in order to comply with the Federal Emergency Management Agency (FEMA) National Floodplain Insurance Program (NFIP), to prevent structural damage and devastation from flood events, and to improve the county's FEMA NFIP Community Rating System (CRS). During the contract period unforeseen circumstances caused delay in meeting contract benchmarks. County planning staff discussed the matter with the contractor and is confident that adjusted benchmarks could be met.

Improving the CRS rating translates into reduced flood insurance rates for residents located within the FEMA flood hazards area, which will benefit many residents of Lockwood. The project under this contract will be completed in conjunction with the Carson Water Subconservancy District's (CWSD) regional floodplain ordinance update now underway for Douglas County, Carson City, Lyon County, and Churchill County.





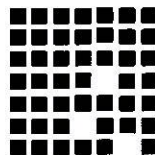
# **STOREY COUNTY NEVADA**

**REVISED  
SCOPE OF SERVICES**

## **FLOODPLAIN ORDINANCE LANGUAGE UPDATE**

**SUBMITTED TO:  
STOREY COUNTY PLANNING DEPARTMENT**

**DECEMBER 27, 2018**



**Robert G. Loveberg**

**Planning ■ Consulting ■ Services**

## SCOPE OF SERVICES

This Scope of Services has been structured to assist Storey County to improve and update its floodplain management regulations. Through a collaborative process, the services will help the County review, update and amend their floodplain ordinance to improve standards to exceed FEMA minimum requirements, accommodate the new regional floodplain mapping and flood insurance rate maps (FIRMs), implement Carson River Flood Mitigation Plan mitigation measures, and consider revisions necessitated by the 2017 flood event. The new ordinance language will be consistent with the State of Nevada model floodplain ordinance, FEMA requirements, and the Carson River Regional Floodplain Plan (CRRFP).

### TASKS

#### **TASK 1 REVIEW BACKGROUND MATERIALS AND DETERMINE NEEDS AND OPPORTUNITIES**

- 1.1 Review the Carson River Regional Floodplain Plan, State of Nevada model floodplain ordinance, FEMA guidance and regulatory materials, and other related reference materials.
- 1.2 Obtain and Review the current Storey County floodplain management ordinance and regulatory measures.
- 1.3 Review the Carson River Flood Mitigation Plan mitigation measures for Alpine County, Carson City, Douglas County, and Lyon County to determine if any measures are relevant to Storey County.
- 1.4 Meet and collaborate with Storey County and Carson Water Subconservancy District (CWSD) staff.
  - 1.4.1 Meet with Storey County staff to initiate the Project and discuss Project goals, concepts, tasks, and timeline. The meeting should include all relevant staff such as the floodplain administrator, Planning Director, Building Department/Community Development Director, engineering staff, District Attorney's Office staff, etc.
  - 1.4.2 Meet with Storey County staff to discuss and document specific needs, unique circumstances, programs and opportunities regarding floodplain management, implementing standards that exceed minimum FEMA requirements, and development of ordinance revisions. Review and discuss needs and opportunities considering the 2017 flooding event and any newly available information. Review and discuss the Carson River Flood Mitigation Plan mitigation measures for Alpine County, Carson City, Douglas County, and Lyon County to determine if any measures are relevant to Storey County.
  - 1.4.3 Meet with CWSD and Storey County staff to discuss and document specific Storey County needs and opportunities as viewed by CWSD. Review and discuss needs and opportunities considering the 2017 flooding event and any newly available information. Review and discuss the Carson River

Flood Mitigation Plan mitigation measures for Alpine County, Carson City, Douglas County, and Lyon County to determine if any measures are relevant to Storey County.

1.5 Prepare an interview summary.

*Collaboration/Coordination:*

- Collaboration/coordination with Storey County staff
- Collaboration/coordination with CWSD staff
- Requests for copies of existing ordinances, CRS materials and other relevant information from Storey County.

*Deliverable Products:*

- Storey County Interview Summary in electronic format

**TASK 2 PREPARE DRAFT AND FINAL FLOODPLAIN MANAGEMENT ORDINANCE LANGUAGE**

Through a collaborative process with Storey County and CWSD, prepare draft floodplain management ordinance language for the County incorporating the requirements, needs, and opportunities, and any identified mitigation measures. Prepare final floodplain management ordinance language for the County incorporating the comments and revisions received on the draft floodplain management ordinance language.

2.1 Prepare draft floodplain management ordinance language through a collaborative effort with County staff

2.1.1 Prepare preliminary draft floodplain management ordinance language by editing, revising and amending the County's floodplain management ordinance language to meet or exceed the minimum requirements of the State of Nevada model floodplain ordinance and FEMA requirements based on the needs and opportunities assessments, and priorities developed in conjunction with County staff.

2.1.2 Prepare draft floodplain management ordinance language based on the reviews, comments, and revisions of the preliminary draft language developed in conjunction with County staff.

2.1.3 Collaborate and meet with Storey County staff

2.1.2.1 Collaborate and meet with Storey County staff during the preparation of preliminary draft language to review, discuss and revise preliminary draft language being prepared for the County.

2.1.2.2 Collaborate and meet with Storey County staff to review the draft ordinance language prepared for the County.

2.2 Prepare final floodplain management ordinance language

2.2.1 Prepare final floodplain management ordinance language incorporating the comments and revisions received on the draft floodplain management ordinance language.

2.2.2 Collaborate and meet with Storey County and CWSD



2.2.2.1 Collaborate with CWSD staff to review the final ordinance language prepared for Storey County by providing an electronic version of the draft language to the CWSD staff for their comments.

2.2.2.2 Collaborate and meet with Storey County staff to review the final ordinance language prepared for the County.

*Collaboration/Coordination:*

- Correspondence/telephone conversations with Storey County staff and CWSD staff during the preparation of preliminary draft and draft language
- Correspondence/telephone conversations with Storey County and CWSD staff to discuss, and solicit reviews of and comments on the preliminary draft and draft floodplain management ordinance language
- Correspondence/telephone conversations with Storey County staff and CWSD staff during the preparation of final language, as needed

*Deliverable Products:*

- Preliminary Draft Ordinance Language in electronic format
- Draft Ordinance Language in electronic format
- Final Ordinance Language in electronic format

### **TASK 3 FLOODPLAIN MANAGEMENT ORDINANCE ADOPTION**

3.1 Assist the Storey County with the adoption of the revised/improved floodplain management ordinance language.

3.1.1 Meeting with Storey County staff, together with CWSD staff if desired, to coordinate and review presentations to Storey County.

3.1.2 Participate in the presentation of the revised ordinance language at one Planning Commission or public outreach meeting.

3.1.3 Participate in the presentation of the revised ordinance language at one Board of Commissioners meeting.

*Collaboration/Coordination:*

- Collaboration/coordination with Storey County staff on presentations to Storey County

*Deliverable Products:*

- None



**PROJECT BUDGET**

1.1 - 1.3	Review Existing Ordinance, Mitigation Measures, and Reference/Regulatory Materials	Planning Support	11 hours 1.5 hours	\$925 \$90
			Subtotal	\$1,015
1.4 - 1.5	Prepare Needs and Opportunities	Planning Support Meetings	3.5 hours 4.5 hours 3 meetings	\$388 \$270 \$1,420
			Subtotal	\$2,078
2.1	Prepare Preliminary Draft and Draft Floodplain Management Ordinance Language	Planning Support Meetings	33 hours 5 hours 2 meetings	\$2,925 \$300 \$1,004
			Subtotal	\$4,229
2.2	Prepare Final Floodplain Management Ordinance Language	Planning Support Meetings	7 hours 1.5 hours 1 meetings	\$675 \$90 \$462
			Subtotal	\$1,227
3	Floodplain Management Ordinance Adoption	Planning Support Meetings	4.5 hours 2.5 hours 3 meetings	\$463 \$150 \$1,377
			Subtotal	\$1,990
Billing Rates: Principal – \$125/hour (\$50/hour travel time) Planner – \$75/hour (\$37.50/hour travel time) Support – \$60/hour			TOTAL	\$10,539

**REVISED PROJECT SCHEDULE**

1	Review Background Materials and Prepare Needs and Opportunities	1.1-1.3	Complete review of ordinances and other reference materials	January 14, 2019
		1.4.1	Complete Project initiation meeting with County staff	January 31, 2019
		1.4.2	Complete meeting with County staff on needs and opportunities	January 31, 2019
		1.4.3	Complete meeting with CWSD & County staff on County needs and opportunities	February 28, 2019
		1.5	Complete County Interview Summary	March 18, 2019
2	Prepare Draft Floodplain Management Ordinance Language and Final Floodplain Management Ordinance Language	2.1.1	Complete preliminary draft of County floodplain management language	March 31, 2019
		2.1.2	Complete draft of County floodplain management language	April 31, 2019
		2.2	Complete final County floodplain management language	June 30, 2019
3	Floodplain Management Ordinance Adoption	3.1	Complete presentation assistance to County for final floodplain management language	August 31, 2019

1. Dates are estimates and subject to change due to the potential change in estimated project initiation date, variances in meeting scheduling, timeliness of the receipt of information and comments, hearing schedules, etc.
2. Professional Services Agreement term ends December 31, 2019.

**MEETINGS AND TRAVEL**

1.4.1	Storey County Staff Introductory Meeting	Virginia City	Storey County staff & consultant
1.4.2	Storey County Needs and Opportunities Identification	Virginia City	Storey County staff & consultant
1.4.3	Storey County Needs and Opportunities Identification	CWSD Office, Carson City	CWSD staff & consultant
2.1.5.1	Review, Discuss & Revise Preliminary Draft Language	Virginia City	Storey County staff & consultant
2.1.5.2	Review & Discussion of Draft Ordinance Language	Virginia City	Storey County staff & consultant
2.2.5.2	Review & Discussion of Final Ordinance Language	Virginia City	Storey County staff & consultant
3.1.1	Coordination and Review of Presentations for Final Ordinance Language	Virginia City	Storey County staff & consultant
3.1.2	Presentation of Final Ordinance Language	Virginia City	Storey County staff & consultant at Planning Commission or public outreach meeting
3.1.3	Presentation of Final Ordinance Language	Virginia City	Storey County Board of Commissioners & staff, and consultant

## **PROFESSIONAL SERVICES AGREEMENT**

### **Agreement for Professional Services of Independent Contractor to Review and Propose Revisions to County Floodplain Ordinance**

THIS AGREEMENT dated this 03 day of July, 2018, is entered into by and between ROBERT G. LOVEBERG (hereinafter "CONSULTANT") and the STOREY COUNTY, a political subdivision of the State of Nevada (hereinafter "COUNTY").

#### **WITNESSETH:**

WHEREAS, COUNTY requires the services of an independent contractor to assist COUNTY in reviewing, revising, and updating its County Code floodplain provisions, which is described in Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, CONSULTANT is a private planning consultant; and

WHEREAS, CONSULTANT has substantial experience as a professional planner, floodplain administrator, emergency manager, and multi-discipline consultant and is currently providing professional services to the Carson Water Subconservancy District to improve floodplain ordinances in the Carson River Watershed; and

WHEREAS, COUNTY desires to contract with CONSULTANT to provide services to review, revise, and update its County Code floodplain provisions; and

WHEREAS, COUNTY holds that the services of CONSULTANT are both necessary and desirable, and that contracting with CONSULTANT is in the best interest of COUNTY; and

WHEREAS, CONSULTANT represents that he is ready, willing, and able to perform and render services hereinafter described.

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, it is mutually agreed by and between the parties as follow:

1. **Effective Date.** This Agreement will not become effective until and unless approved by the Storey County Board of Commissioners.
2. **Compensation.** COUNTY shall reimburse CONSULTANT for the costs to review and propose revisions to its County Code to revise and update its floodplain provisions, as described in Exhibit "A."
3. **Available Funds.** The maximum amount of funds available under this Agreement will not exceed \$12,000.00.
4. **Term of Agreement.** This Agreement shall terminate December 31, 2019, at which time CONSULTANT shall have one (1) month thereafter to submit its final invoice for payment related to work performed under this Agreement. If all funds are expended earlier, this Agreement may be terminated sooner by written notice from COUNTY.
5. **Notices.** For invoicing and notice purposes, the address of each party is as follows:

CONSULTANT  
Robert G. Loveberg  
Planning Consultant  
P.O. Box 2924  
Minden, Nevada 89423  
lovebergconsulting@gamil.com  
775-721-2282

COUNTY  
Attn.: Austin Osborne  
Storey County Administrative Officer  
P.O. Box 176  
Virginia City, Nevada 89440  
aosborne@storeycounty.org  
775-847-0968

6. **Assignment.** This Agreement shall be by and between the parties hereto and shall not be assignable or transferable.



7. **Independent Contractor Status.** Under this Agreement, CONSULTANT is considered an independent contractor and not an employee of COUNTY. As an independent contractor, there will be no:
- a. Withholding of income taxes by COUNTY;
  - b. Industrial insurance coverage by COUNTY;
  - c. Participation in group insurance plans which may be available to employees of COUNTY;
  - d. Participation or contributions by either party to the public employees' retirement system;
  - e. Accumulation of vacation or sick leave; and
  - f. Unemployment compensation coverage provided by COUNTY if the requirements of NRS 612.085 for independent contractors are met.
8. **Industrial Insurance.** CONSULTANT is a sole proprietor. In lieu of providing a certificate of insurance for and maintaining workers compensation insurance, CONSULTANT, in accordance with the provisions of NRS 616B.659, has not elected to be included within the terms, conditions, and provisions of chapters 616A to 616D, inclusive, of NRS; and is otherwise in compliance with those terms, conditions, and provisions.
9. **Indemnification.** CONSULTANT agrees to defend, indemnify and hold harmless COUNTY, its employees, officers and agents from any liabilities, damages, losses, claims, actions or proceedings, including without limitation, reasonable attorney fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of CONSULTANT or its employees or agents in the

performance of this agreement. COUNTY agrees to defend, indemnify and hold harmless CONSULTANT, its employees, officers and agents from any liabilities, damages losses, claims, actions or proceedings, including without limitation, reasonable attorney fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of COUNTY or its employees or agents.

10. **Insurance.** CONSULTANT shall provide COUNTY insurance as follows:

- a. General Liability Insurance: Prior to commencement and for the duration of activities that constitute the Project that is the subject of this Contract, CONSULTANT shall maintain commercial general liability (CGL) insurance as follows:
  - i. Two Million Dollars (\$2,000,000.00) - General Aggregate.
  - ii. Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate.
  - iii. One Million Dollars (\$1,000,000.00) - Each Occurrence.
- b. Automobile Liability Insurance:
  - i. CONSULTANT shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident for bodily injury and property damage.
  - ii. Such insurance shall cover liability arising out of owned, hired, and non-owned autos (as applicable).

11. **County Inspection.** The books, records, documents, and accounting procedures and practices of CONSULTANT related to this agreement will be subject to inspection, examination, and audit by COUNTY, including, but not

limited to, the contracting agency, the County Manager, the District Attorney, and, if applicable, the Comptroller General of the United States or the United States Department of Agriculture, Office of Rural Development, or any authorized representatives of those entities.

12. **Disposition of Contract Materials.** Any books, reports, studies, photographs, negatives, or other documents, data, drawings, or other materials prepared by or supplied to CONSULTANT in the performance of its obligations under this agreement will be the exclusive property of COUNTY, and all materials must be remitted and delivered, at CONSULTANT's expense, by CONSULTANT to COUNTY upon completion, termination, or cancellation of this agreement. Alternatively, if COUNTY provides its written approval to CONSULTANT, any books, reports, studies, photographs, negatives, or other documents, data, drawings, or other materials prepared by or supplied to CONSULTANT in the performance of its obligations under this agreement must be retained by CONSULTANT for a minimum of six years after final payment is made, and all other pending matters are closed. If, at any time during the retention period, COUNTY, in writing, requests any or all of the materials, then CONSULTANT must promptly remit and deliver the materials, at CONSULTANT's expense, to COUNTY. CONSULTANT will not use, willingly allow, or cause to have the materials used for any purpose other than the performance of CONSULTANT's obligations under this Agreement without the prior written consent of COUNTY.
13. **Public Records Law.** CONSULTANT expressly agrees that all documents ever submitted, filed, or deposited with COUNTY by CONSULTANT, unless



designated as confidential by a specific statute of the State of Nevada, will be treated as public records pursuant to NRS 239 and must be available for inspection and copying by any person, as defined in NRS 0.039, or any governmental entity. CONSULTANT expressly and indefinitely waives all of its rights to bring, including but not limited to, by way of complaint, interpleader, intervention, or any third party practice, any claims, demands, suits, actions, judgements, or executions, for damages or any other relief, in any administrative or judicial forum, against COUNTY or any of its officers or employees, in either their official or individual capacity, for violations of or infringement of the copyright laws of the United States or of any other nation.

14. **Modification of Agreement.** This Agreement may only be amended by consent of both parties. Any amendments must be written and executed with the same formality as this Agreement.
15. **Termination of Agreement.** Either party may terminate this agreement without cause, provided that the termination of the agreement shall not be effective until 30 days after a party has served written notice on the other party. All monies due and owing up to the point of termination shall be paid by COUNTY to CONSULTANT within 60 days unless otherwise agreed upon by the parties.
16. **Construction of Agreement.** This Agreement shall be construed and interpreted according to the laws of the State of Nevada.
17. **Compliance with Applicable Laws.** CONSULTANT shall fully and completely comply with all applicable local, state, and federal laws, regulations, orders, or requirements of any sort in carrying out the obligations of this Agreement.

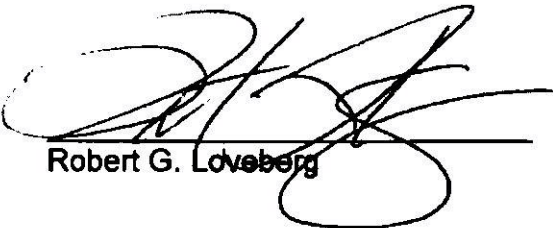


18. **Understanding Between the Parties.** This Agreement, including Exhibit "A," constitutes the entire understanding between the parties and there are no representations, conditions, warranties or collateral agreements (expressed or implied), statutory or otherwise, with respect to the subject of this Agreement.
19. **Signatory Authority.** The parties hereto represent and warrant that the person executing this Agreement on behalf of each party has full power and authority to enter into this Agreement and that the parties are authorized by law to engage in cooperative action set forth herein.
20. This Agreement shall be entered into with duplicate originals, realizing that each entity, by necessity, must approve and execute the subject document at different dates, times and places.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

DATED: 15 October 2018

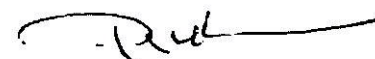
ROBERT G. LOVEBERG  
PLANNING CONSULTANT



Robert G. Loveberg

DATED: 25 Oct 2018

PAT WHITTEN  
STOREY COUNTY MANAGER



Pat Whitten, County Manager

ATTEST:



Vanessa Stephens, County Clerk



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 10 minutes

**Agenda:** Consent [ ] Regular agenda [x] Public hearing required [ ]

1. **Title:** Consideration and Possible action on Resolution 19-526 to provide a date for a public hearing on the proposed lease of a portion of that portion of Pipers Opera House commonly known as the Old Corner Bar located at 12 North B Street in Virginia City, Nevada to VC Ponderosa Saloon LLC.

2. **Recommended motion** I Commissioner, \_\_\_\_\_ hereby move to approve Resolution 19-526 to provide for a hearing on the proposed lease of a portion of Pipers Opera House to VC Ponderosa Saloon LLC on the 5<sup>th</sup> day of February, 2019 and further authorize the County Clerk/Treasurer to publish a notice of the proposed lease at least once in a newspaper published in the County.

3. **Prepared by:** Keith Loomis

**Department:** District Attorney's Office

**Telephone:** 847-0964

4. **Staff summary:** Resolution 19-526 constitutes notice that the County is proposing to lease a portion of Pipers Opera House commonly known as the Old Corner Bar to VC Ponderosa Saloon LLC. NRS 244.2833 requires publication of a notice of the proposed lease in a newspaper and sets a date at which a public hearing will be held to consider the proposed lease. The lease is proposed to be for 3 years with a 2 year renewal and for a rental amount of \$1,800.00 per month

5. **Supporting materials:** Resolution 19 – 526; Proposed Lease Agreement

6. **Fiscal impact:**

Funds Available:

Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

X  District Attorney

8. **Reviewed by:**

\_\_\_\_ Department Head

Department Name: Commissioner's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

**9. Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 14

## **RESOLUTION NO. 19- 526**

### **RESOLUTION      Declaring Intention of Storey County to Lease Real Property and Improvements Located at 12 North B Street in Virginia City, Nevada**

**WHEREAS**, NRS 244.2833 authorizes the Board of County Commissioners of Storey County to lease real property belonging to the County without first offering the property to the public and for less than fair market value, if applicable if the Board determines in a resolution that such lease is in the best interests of the County; and,

**WHEREAS**, NRS 244.2833 further requires that notice of the proposed lease and of a date for a public hearing on the proposed lease be published in a newspaper of general circulation in the County; and

**WHEREAS**, The land and improvements located at 12 North B Street in Virginia City, Nevada, commonly known as Piper's Opera House is real property owned by Storey County; and,

**WHEREAS**; The County is proposing to lease that portion of Piper's Opera House commonly known as the Old Corner Bar (the Property), to VC Ponderosa Saloon LLC.

### **NOW THEREFORE IS IT HEREBY RESOLVED AS FOLLOWS:**

1. That the proposed lease of the Property to VC Ponderosa Saloon LLC, without first offering the Property to the public, is in the best interests of the County.
2. A hearing to consider the proposed lease will be held on the 5th day of February at the hour of 10:30 a.m. at the Virginia City Courthouse at 26 South B Street in Virginia City, Nevada



3. Notice of the time and date for the public hearing to consider the proposed lease must be published in a newspaper of general circulation published in Storey County at least once not less than 10 days nor more than 20 days before the hearing.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2019

**BOARD OF COUNTY COMMISSIONERS OF STOREY COUNTY**

By: \_\_\_\_\_  
MARSHALL McBRIDE, Chairman

ATTEST:

\_\_\_\_\_  
VANESSA STEPHENS  
Storey County Clerk/Treasurer

## Lease Agreement

**June 29, 2017**

**Names:** This lease is made between Storey County a political subdivision of the State of Nevada ~~Piper's Opera House Programs Inc.~~ hereinafter named "Landlord" and VC Ponderosa Saloon LLC, (dba Old Corner Bar) hereinafter named "Tenant"

### **Premises Leased**

Landlord is leasing to Tenant, and Tenant is leasing from Landlord the following premises named the "Old Corner Bar" located

Piper's Opera House  
12 North B St  
Virginia City, NV 89440

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Specifically, Tenant is leasing:  
The bar area

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Storage area in back of bar  
Restrooms  
Utility room

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~~Storage in back room of lobby for beer/liquor and misc storage~~

**Term of Lease:** \_\_\_\_\_

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~~The renewable Lease of the Old corner Bar is for a period of lease is for 3-1.5 years and begins July 1, 2017- January 1, 2019 and is in effect until December 31, 2018 2022. Lease to remain in effect at same terms in the event a transfer of ownership occurs. The lease is renewable for an additional 2 years and is automatically renewed unless a notice of termination in writing is provided at least 90 days prior to the expiration of the initial term. Either party may terminate this lease at any time upon providing written notice of the termination 90 days in advance of the termination.~~

Commented [KL1]: NRS 244.2833 allows a maximum of three years with a two year renewal when leasing a portion of a county owned building.

**Rent:**

Rent of \$1,800.00 is due the first day of every month for the upcoming month. A late fee of 5% of the monthly rental will be charged for all rental payments made later than the 15<sup>th</sup> day of any month. Purchases made on behalf of the Landlord will be deducted from the next month's rent

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**Improvements made by Tenant:****Formatted: Font: Bold**

Tenants may make alterations and improvements to the premises after obtaining Landlords written consent. At any time before this lease ends, Tenant may remove any of Tenants alterations and improvements, as long as Tenant repairs any damage caused by attaching the *items* to or removing them from the premises. Written consent is not required for decorating purposes *i.e.*; pictures.

**Tenant's use of premises:**

Bar services/liquor sales in and about Piper's Opera House  
Snack/Food services  
Music and entertainment

Lobby with written permission (facility form to be filled out)

\*\*If the renter of Piper's Opera House requests to do their own beverage services, the landlord has the right to assign beverage services to them (excluding weddings-tenant to provide beverage services).

**Landlord's Representations:****Utilities:**

Tenant will pay \$50.00 per month for water directly to Landlord. Tenant will pay no propane.  
Tenant will pay 35% of electric bill. Tenant shall pay for bar phone service, cable and satellite radio for bar use.

**Maintenance and repairs of leased premises:**

Landlord will maintain and make all necessary repairs to the following parts of the building in which the leased premises are located:

\*Roof

\*Foundation and structural components

\*Exterior walls

\*Interior walls

\* Exterior doors and windows

\*Plumbing system

\*Sewage disposal

\*Electrical system

Tenant must keep bathrooms and floor clean at all times. Tenant will maintain the leased premises and keep in good condition except those specified above as being Landlord's responsibility.

**Insurance:**

Tenant will carry public liability insurance in a minimum amount of one million dollars (\$1,000,000.00) and shall have Storey County named as an additional insured on Tenant's policy. Landlord will carry fire and extended coverage insurance on the building to include tenant's area.

Landlord and Tenant release each other from any liability to the other for any property loss damage or personal injury to the extent covered by the insurance carried by the party suffering the loss, damage or injury. Exempt is loss of revenue to tenant.

**Taxes:**

Tenant will pay all personal property taxes levied and assessed against Tenant's personal property as well as the value of the lease as calculated and required by NRS 361.257, 361.227 and 361.2275.

Landlord is responsible for all personal and real property taxes levied and assessed against Landlord's personal property and real property.

**Commented [KL2]:** The referenced sections of the NRS require the payment of property taxes on property leased by a tax exempt entity to an entity conducting a for profit business

**Damage to premises:**

If the premises are damaged through fire or other cause not the fault of Tenant, Tenant will owe no rent for any period during which Tenant is substantially deprived of the use of premises. Loss of revenue by tenant will be subtracted from monthly rent until loss is repaid to tenant in full. If Tenant is substantially deprived of the use of the premises for more than 90 days because of such damage, Tenant may terminate lease by written notice of termination to Landlord. Upon termination of the lease by either Tenant or Landlord no further obligation for loss of use is required.

**Quiet enjoyment:**

As long as Tenant is not in default under the terms of this lease, Tenant will have the right to occupy the premises peacefully and without interference.



**Disputes:**

If a dispute arises, the parties will try in good faith to settle it through mediation conducted by a mediator to be mutually selected. The parties will share the costs of the mediator equally. Each

Party will cooperate fully and fairly with mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, either party may take the matter to arbitration before an arbitrator mutually selected by the parties.

**Animals:**

~~Per state law, no animals are allowed on the premises with the exception of service animals. Any continued notification will lead to cessation of the lease. Copies of health inspections must be provided to Storey County School District office within 10 days of receipt.~~

**Entire agreement:**

This is the entire agreement between the parties. It replaces and supersedes any and all oral agreements between the parties, as well as any prior writings.

**Notices:**

All notices must be writing. A notice may be delivered to a party at the address that follows a Party's signature or to a new address that a party designates in writing. A notice may be delivered in person, by certified mail or by overnight courier.

**Governing laws:**

This lease will be governed by and construed in accordance with the laws of the sState of Nevada.

**Modification:**

This lease may be modified only by a written agreement signed by all the parties.

**Waiver:**


If one party waives any term or provision of this lease at any time, that waiver will be effective only for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this lease, that party retains the right to enforce that term or provision at a later time.

**Severability:**

If any court determines that any provision of this lease is invalid or unenforceable, any invalidity or unenforceable will affect only that provision and will not make any other provision of this lease invalid or unenforceable and shall be modified, amended or limited only to extent necessary to

render it valid and enforceable.

Signed this 28<sup>th</sup> day of June 2017.



Landlord

Tenant

Dated this      day of      2019

Dated this      day of      2019

Storey County

VC Ponderosa Saloon LLC

By

Chairman Board of County Commissioners  
Storey County, Nevada

Manager

Attest

Storey County Clerk Treasurer

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Inventory

(Items owned by landlord)

Metal bar stools  
Small wooden chairs  
Small round tables  
Single Keg Cooler  
Walk in Cooler  
Antique Mirror  
Metal storage cabinet

(Items owned by tenant)

Single Keg Cooler  
2 - Double door stainless coolers  
All shelving Units  
Pellet Stove  
Ice Machine  
2 large wooden pub tables



8 wooden bar stools

TV

## **Lease Agreement**

**Names:** This lease is made between Storey County, a political subdivision of the State of Nevada, hereinafter named "Landlord" and VC Ponderosa Saloon LLC; (dba Old Corner Bar) hereinafter named "Tenant"

### **Premises Leased**

Landlord is leasing to Tenant, and Tenant is leasing from Landlord the following premises named the "Old Corner Bar" located

Piper's Opera House  
12 North B St  
Virginia City, NV 89440

Specifically, Tenant is leasing:

The bar area

Storage area in back of bar

Restrooms

Utility room

### **Term of Lease:**

Lease of the Old corner Bar is for a period of 3 years and begins January 1, 2019 and is in effect until December 31, 2022. The lease is renewable for an additional 2 years and is automatically renewed unless a notice of termination in writing is provided at least 90 days prior to the expiration of the initial term. Either party may terminate this lease at any time upon providing written notice of the termination 90 days in advance of the termination.

### **Rent:**

Rent of \$1,800.00 is due the first day of every month for the upcoming month. A late fee of 5% of the monthly rental will be charged for all rental payments made later than the 15<sup>th</sup> day of any month. Purchases made on behalf of the Landlord will be deducted from the next month's rent.

**Improvements made by Tenant:**

Tenants may make alterations and improvements to the premises after obtaining Landlords written consent. At any time before this lease ends, Tenant may remove any of Tenants alterations and improvements, as long as Tenant repairs any damage caused by attaching the *items* to or removing them from the premises. Written consent is not required for decorating purposes *i.e.*; pictures.

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Tenant must keep bathrooms and floor clean at all times. Tenant will maintain the leased premises and keep in good condition except those specified above as being Landlord's responsibility.

**Insurance:**

Tenant will carry public liability insurance in a minimum amount of one million dollars (\$1,000,000.00) and shall have Storey County named as an additional insured on Tenant's policy. Landlord will carry fire and extended coverage insurance on the building to include tenant's area.

Landlord and Tenant release each other from any liability to the other for any property loss damage or personal injury to the extent covered by the insurance carried by the party suffering the loss, damage or injury. Exempt is loss of revenue to tenant.

**Taxes:**

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Landlord is responsible for all personal and real property taxes levied and assessed against Landlord's personal property and real property.

**Damage to premises:**

If the premises are damaged through fire or other cause not the fault of Tenant, Tenant will owe no rent for any period during which Tenant is substantially deprived of the use of premises. Loss of revenue by tenant will be subtracted from monthly rent until loss is repaid to tenant in full. If Tenant is substantially deprived of the use of the premises for more than 90 days because of such damage, Tenant may terminate lease by written notice of termination to Landlord. Upon termination of the lease by either Tenant or Landlord no further obligation for loss of use is required.

**Quiet enjoyment:**

As long as Tenant is not in default under the terms of this lease, Tenant will have the right to occupy the premises peacefully and without interference.

**Disputes:**

If a dispute arises, the parties will try in good faith to settle it through mediation conducted by a



mediator to be mutually selected. The parties will share the costs of the mediator equally. Each Party will cooperate fully and fairly with mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, either party may take the matter to arbitration before an arbitrator mutually selected by the parties.

**Entire agreement:**

This is the entire agreement between the parties. It replaces and supersedes any and all oral agreements between the parties, as well as any prior writings.

**Notices:**

All notices must be writing. A notice may be delivered to a party at the address that follows a Party's signature or to a new address that a party designates in writing. A notice may be delivered in person, by certified mail or by overnight courier.

**Governing laws:**

This lease will be governed by and construed in accordance with the laws of the State of Nevada.

**Modification:**

This lease may be modified only by a written agreement signed by all the parties.

**Waiver:**

If one party waives any term or provision of this lease at any time, that waiver will be effective only for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this lease, that party retains the right to enforce that term or provision at a later time.

**Severability:**

If any court determines that any provision of this lease is invalid or unenforceable, any invalidity or unenforceable will affect only that provision and will not make any other provision of this lease invalid or unenforceable and shall be modified, amended or limited only to extent necessary to render it valid and enforceable.

Dated this \_\_\_\_ day of \_\_\_\_\_ 2019.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019

Storey County

VC Ponderosa Saloon LLC

\_\_\_\_\_  
Chairman Board of County Commissioners  
Storey County, Nevada

By: \_\_\_\_\_  
Manager

Attest

\_\_\_\_\_  
Storey County Clerk Treasurer

#### Inventory

(Items owned by landlord)

Metal bar stools  
Small wooden chairs  
Small round tables  
Single Keg Cooler  
Walk in Cooler  
Antique Mirror  
Metal storage cabinet

(Items owned by tenant)

Single Keg Cooler  
2 - Double door stainless coolers  
All shelving Units  
Pellet Stove  
Ice Machine  
2 large wooden pub tables  
8 wooden bar stools  
TV



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 15 minutes

**Agenda:** Consent ☐ Regular agenda ☒ Public hearing required ☒

1. **Title:** Public hearing to consider objections to proposed lease of a portion of the County owned building located at 1705 Peru Drive at the Tahoe Regional Industrial Center in Storey County Nevada to the Nevada Highway Patrol for no rent.

2. **Recommended motion:** No action required

3. **Prepared by:** Keith Loomis

**Department:** District Attorney's Office

**Telephone:** 847-0964

4. **Staff summary:** Resolution 18-519 approved by this Board as amended on December 4, 2018 provided notice that the County proposed to lease a portion of its complex located at 1705 Peru Drive to the Nevada Highway Patrol for no rent. It also set a date for a public hearing at which objections to the proposed lease would be heard for January 7, 2019 at 10:30 a.m. at the Virginia City Courthouse. This agenda item is to provide for that hearing. The purpose of the hearing is to consider objections to the proposed lease.

5. **Supporting materials:** Amended Resolution 18 – 519 Proposed Lease Agreement

6. **Fiscal impact:**

Funds Available:

Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

X  District Attorney

8. **Reviewed by:**

\_\_\_\_ Department Head

Department Name: Commissioner's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 15

## **AMENDED RESOLUTION NO. 18- 519**

### **RESOLUTION      Declaring Intention of Storey County to Lease Real Property and Improvements Located at 1705 Peru Avenue**

**WHEREAS**, NRS 277.050 authorizes the Board of County Commissioners of Storey County to lease to a department or agency of the State of Nevada any real property belonging to the County.; and,

**WHEREAS**, The land and improvements located at 1705 Peru Avenue is real property owned by Storey County; and,

**WHEREAS**; The Nevada Highway Patrol is an agency of the State of Nevada which desires to lease a portion of that property for highway patrol purposes, and,

**WHEREAS**, The County is prepared to lease the property to the Nevada Highway Patrol.

### **NOW THEREFORE IS IT HEREBY RESOLVED AS FOLLOWS:**

Storey County proposes to lease a portion of the land and improvements located at 1705 Peru Avenue located within the Tahoe-Reno Industrial Center to the Nevada Highway Patrol for no rent. The proposed terms of the lease are set out in the Lease Agreement attached as Exhibit A. A hearing to consider objections to the proposed lease will be held on the 6th day of January, 2019 at the hour of 10:30 a.m. Notice of the adoption of this Resolution and of the time and date for the public hearing must be published in a newspaper of general circulation published in Storey County at least twice with the second publication occurring no less than 7 days before the hearing.

**IT IS FURTHER RESOLVED**



That the County Manager is authorized to temporarily license a portion of the facility to the Nevada Highway Patrol pending a final decision on the approval of the lease

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2018

**BOARD OF COUNTY COMMISSIONERS OF STOREY COUNTY**

By: \_\_\_\_\_  
MARSHALL McBRIDE, Chairman

ATTEST:

\_\_\_\_\_  
VANESSA STEPHENS  
Storey County Clerk/Treasurer



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 10 minutes

**Agenda:** Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Consideration and Possible action on approval/denial of proposed lease of County property located as 1705 Peru Drive in the Tahoe Reno Industrial Center to the Nevada Highway Patrol for no rent.

2. **Recommended motion** I Commissioner, \_\_\_\_\_ hereby move to approve the lease of a portion of the County property located at 1705 Peru Drive in the Tahoe Reno Industrial Center to the State of Nevada for the benefit of the Nevada Highway Patrol on the terms set forth in the lease and authorize the Chairman to sign.

3. **Prepared by:** Keith Loomis

**Department:** District Attorney's Office

**Telephone:** 847-0964

4. **Staff summary:** The State of Nevada, Department of Administration on behalf of the Department of Public Safety, Highway Patrol Division has requested that the County lease a portion of its County complex located at 1705 Peru Drive in the Tahoe Reno Industrial Center in Storey County Nevada for use by the Highway Patrol as a substation. The lease is for a period of 3 years and for not rent

5. **Supporting materials:** Amended Resolution 18 – 519 Proposed Lease Agreement

6. **Fiscal impact:**

Funds Available:

Fund:

\_\_\_\_ Comptroller

7. **Legal review required:**

X  District Attorney

8. **Reviewed by:**

\_\_\_\_ Department Head

Department Name: Commissioner's Office

\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No.

## LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), made and entered into this 15<sup>th</sup> day of October, 2018, by and between the STOREY COUNTY, hereinafter referred to as LESSOR, and the STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, PUBLIC WORKS DIVISION, hereinafter referred to as LESSEE, for and on behalf of the DEPARTMENT OF PUBLIC SAFETY, NEVADA HIGHWAY PATROL, hereinafter referred to as TENANT (hereinafter collectively known as "the Parties").

### W I T N E S S E T H:

For and in consideration of the rents herein reserved and the covenants, terms and conditions herein contained, the LESSOR does by these presents lease unto LESSEE the following described property:

Approximately 393 usable square feet of office space, (the "Demised Premises" and "Shared Space") located at 1705 Peru Drive, Sparks, Nevada 89434. Refer to "**EXHIBIT A**", attached hereto and incorporated herein.

### ONE. TERM OF LEASE.

**1.1 Term of Lease.** Subject to Section Twenty below, LESSOR hereby leases unto LESSEE and LESSEE agrees to lease from LESSOR approximately 393 usable square feet of office space, located at 1705 Peru Drive, Sparks, Nevada 89434, effective upon approval of the Nevada Board of Examiners, expected to be on December 11, 2018, retroactively commencing December 1, 2018 and terminating on November 30, 2022, with an early occupancy of November 1, 2018.





1.2 Lack of Funding. Not Applicable, ZERO dollar lease. See Section Eleven below.

**TWO. RENT**. TENANT agrees to pay to the LESSOR as and for rental for said Demised Premises the sum of:

2.1 A monthly total of ZERO DOLLARS AND 00/100 (\$0.00).

**THREE. UTILITIES AND SERVICES**.

3.1 Utilities and Services Provided by LESSOR. LESSOR, at LESSOR'S sole cost and expense, shall provide the Demised Premises with utilities and services necessary to sustain a comfortable professional office environment.

3.2 Utilities and Services Provided and Paid by TENANT.

a) TELEPHONE/DATA. TENANT shall provide state-owned telephone and computer/data equipment and pay Industrial Standard user fees for telephone/data services.

b) JANITORIAL SERVICES. TENANT shall provide janitorial services for the Demised Premises.

3.3 Hours of Operation. TENANT shall have access to the Demised Premise and the Shared Space twenty-four hours a day 365 days a year as necessary to carry out its operations.

3.4 Building Access. LESSOR shall provide TENANT with access control cards, alarm codes, and building keys for TENANT employees' access to the Demised Premises and Shared Space. TENANT shall be responsible for safeguarding all LESSOR access control cards, alarm codes, and building keys and ensuring that only authorized employees have building access.



**3.5 Co-location.** TENANT and LESSOR shall ensure that their respective employees are sufficiently certified to view, modify, or otherwise use data which may be housed within the building. It is the responsibility of TENANT and LESSOR to safeguard the privacy of its own data.

Neither LESSOR'S nor TENANT'S personnel shall act in any manner that unreasonably causes disruption to the other party's right to quiet enjoyment of the Premises.

**FOUR. REPAIR AND MAINTENANCE.** LESSOR, at LESSOR'S sole cost and expense, agrees to provide maintenance and make any and all repairs necessary to keep the Demised Premises in a first-class condition during the Lease Term. TENANT shall reimburse LESSOR for repairs and replacements to the Demised Premises which are necessary due to TENANT'S misuse or negligence.

**FIVE. ALTERATIONS, ADDITIONS AND IMPROVEMENTS.** TENANT shall not negotiate or cause to be made any alterations, additions or improvements in or to the Demised Premises. TENANT may, at any time during the Lease Term, requisition LESSEE in writing to negotiate and arrange alterations, additions, or improvements in and to the Demised Premises by the LESSOR.

**SIX. PAYMENT OF TAXES AND INSURANCE.** LESSOR, at their sole cost and expense, agrees to maintain property and liability insurance on the building complex and improvements on the Demised Premises and Shared Space at all times during the Term of this Lease. LESSOR will pay all applicable real property taxes or any



other assessments on the Demised Premises when due, including improvements thereon during the Lease Term hereof or any renewal period.

TENANT shall maintain in force at its sole cost and expense, all risk property insurance coverage, including sprinkler leakage (if the building is equipped with sprinklers), in an amount equal to the replacement cost of TENANT'S trade fixtures, furnishings, equipment, and contents upon the Demised Premises.

The State of Nevada is self-insured for both liability and property insurance. All liability claims are handled in accordance with Nevada Revised Statutes, Chapter 41. Regarding property insurance, the State self-insures the first Five Hundred Thousand Dollars (\$500,000.00) of each loss. Claims above that amount are commercially insured under an all risks property insurance policy.

**SEVEN. INDEMNIFICATION.** To the extent of the liability limitation set forth in NRS Chapter 41, the LESSEE/TENANT hereby agrees to indemnify and hold harmless LESSOR, its successor, assigns, agents and employees from all claims, damages, losses and expenses due to TENANT negligence arising out of or resulting from the use and occupancy of the Demised Premises and Shared Space or any accident in connection therewith, but only to the extent caused in whole or in part by negligent acts or omissions of TENANT, its subtenants, employees or agents. The State shall not be required to indemnify the LESSOR, its successors, assigns, agents and employees for any liability, claims, damages, losses or expenses





relating to or arising out of this Lease to the extent caused in whole or in part by the acts, negligence or omission of LESSOR, its successors, assigns, agents, and employees, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

**EIGHT. WAIVER OF SUBROGATION.** LESSOR and LESSEE or TENANT hereby waive any rights each may have against the other for loss or damage to its property or property in which it may have an interest where such loss is caused by a peril of the type generally covered by all risk property insurance with extended coverage or arising from any cause which the claiming party was obligated to insure against under this Lease, and each party waives any right of subrogation regarding such property damage or losses, that it might otherwise have against the other party, any additional designated insured and any other tenant in the building. The Parties agree to cause their respective insurance companies insuring the Demised Premises or insuring their property on or in the Demised Premises to execute a waiver of any such rights of subrogation or, if so provided in the insurance contract, to give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.





**NINE. BREACH OR DEFAULT.** In the event of any failure by LESSOR, LESSEE, or TENANT to keep and comply with any of the terms, covenants or provisions of this Lease or remedy any breach thereof, the defaulting party shall have thirty (30) days from the receipt of written notice of such default or breach within which to remove or cure said default or breach, or in the event the defaulting party is diligently pursuing the removal or cure of such breach, a reasonable time shall be allowed beyond the thirty (30) days.

**TEN. ATTORNEY'S FEES.** In the event suit is brought by LESSOR or by LESSEE or TENANT for breach of any express provision or condition of this Lease, the prevailing party of such action shall be entitled to reasonable attorney's fees, not to exceed \$125.00 per hour, which shall be deemed to have accrued on the commencement of the action and shall be paid on the successful completion of that suit by LESSOR, LESSEE or TENANT whichever the case may be.

**ELEVEN. TERMINATION.** This Lease may be terminated by mutual consent of both parties or unilaterally by either party without cause, provided that a termination shall not be effective until ninety (90) days after a party has serviced written notice upon the other party. The parties expressly agree that this Lease shall be terminated immediately if for any reason State and/or Federal funding ability to satisfy this Lease is withdrawn, limited, or impaired.

**TWELVE. HOLDOVER TENANCY.** If TENANT holds possession of the Demised Premises after the expiration of this Lease or if written



notice of intent to renew for any option period herein is not provided as specified, this Lease shall become a month-to-month lease on the terms herein specified. The monthly rent for each month shall be in an amount equal to the monthly rental immediately preceding the Expiration Date.

**THIRTEEN. OPTION TO RENEW.** LESSEE shall have the option to renew this Lease by giving written notice of intention to renew at least ninety (90) days prior to expiration of the Lease Term or any renewal period hereunder. Receipt of which shall be acknowledged by LESSOR in writing. The exercise of the option shall, however, not be effective nor binding on the Parties herein unless and until the same has been approved by the Nevada Board of Examiners, which may occur after the required prior written notice.

**FOURTEEN. REMEDIES.** The remedies given to LESSOR, LESSEE and/or TENANT shall be cumulative, and the exercise of any one remedy shall not be to the exclusion of any other remedy.

**FIFTEEN. NOTICES.** All notices under this Lease shall be in writing and delivered in person or sent by certified mail, return receipt requested, to LESSOR and in all cases jointly to both LESSEE and TENANT at their respective addresses set forth below or to such other address as may hereafter be designated by either party in writing:



**LESSOR**

Storey County  
PO Box 176  
Virginia City, Nevada 89440  
Telephone: (775) 847-0930  
Fax: (775) 847-0949

**LESSEE**

State of Nevada  
Department of Administration  
Public Works Division  
Attention: Leasing Services  
515 East Musser Street, Suite 102  
Carson City, Nevada 89701-4263  
Telephone: (775) 684-1815  
Fax: (775) 684-1817

**TENANT**

Department of Public Safety  
Attn: Contract Manager  
555 Wright Way  
Carson City, Nevada 89711  
Telephone: (775) 684-4698  
Fax: (775) 684-4809

**SIXTEEN. SEVERABILITY.** If any term or provision of this Lease or the application of it to any person or circumstance shall to any extent determined in a legal proceedings to be invalid and unenforceable, the remainder of this Lease (or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable) shall not be affected thereby, and each term and provision of this Lease shall be valid and shall be enforced to the extent permitted by law.

**SEVENTEEN. AMENDMENT OR MODIFICATION.** This Lease constitutes the entire agreement between the Parties and may only be amended



or modified with the mutual consent of the Parties hereto, which amendment or modification must be in writing, executed and dated by the Parties hereto and approved by the Nevada Board of Examiners.

**EIGHTEEN. PARKING.** LESSOR shall provide TENANT, two (2) reserved parking spaces for marked patrol vehicles and privately owned employee vehicles as necessary for use by employees assigned to work at the Premises, at no cost to the TENANT.

**NINETEEN. PRIOR TERMINATION.** This Lease may be terminated prior to the terms set forth herein above if for any reason, the purpose of this Lease is substantially impaired or obstructed by any event, occurrence or circumstance outside the control of LESSOR, LESSEE, or TENANT, including any governmental condemnation, without prejudice or penalty to any party hereto and without such event, occurrence or circumstance being defined, and interpreted or construed as breach or default on the part of any party.

**TWENTY. PRIOR APPROVAL OF THE NEVADA BOARD OF EXAMINERS.** This Lease is contingent upon prior approval by the Nevada Board of Examiners and is not binding upon the Parties hereto or effective until such approvals.

**TWENTY-ONE. COUNTERPARTS.** This Lease may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.





IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

**LESSOR**

STOREY COUNTY

By \_\_\_\_\_  
Pat Whitten  
County Manager

Date \_\_\_\_\_

Reviewed as to form and  
compliance with law only:

PAUL ADAM LAXALT  
ATTORNEY GENERAL

By \_\_\_\_\_  
Susan K. Stewart  
Deputy Attorney General

Date \_\_\_\_\_

**Approved by:**

BOARD OF EXAMINERS

By \_\_\_\_\_  
Paul Nicks  
Interim Clerk of the Board

Date \_\_\_\_\_

**LESSEE**

STATE OF NEVADA  
DEPARTMENT OF ADMINISTRATION  
PUBLIC WORKS DIVISION

By \_\_\_\_\_  
Ward D. Patrick, PE  
Administrator

Date \_\_\_\_\_

**TENANT**

DEPARTMENT OF PUBLIC SAFETY

By \_\_\_\_\_  
James Wright  
Director

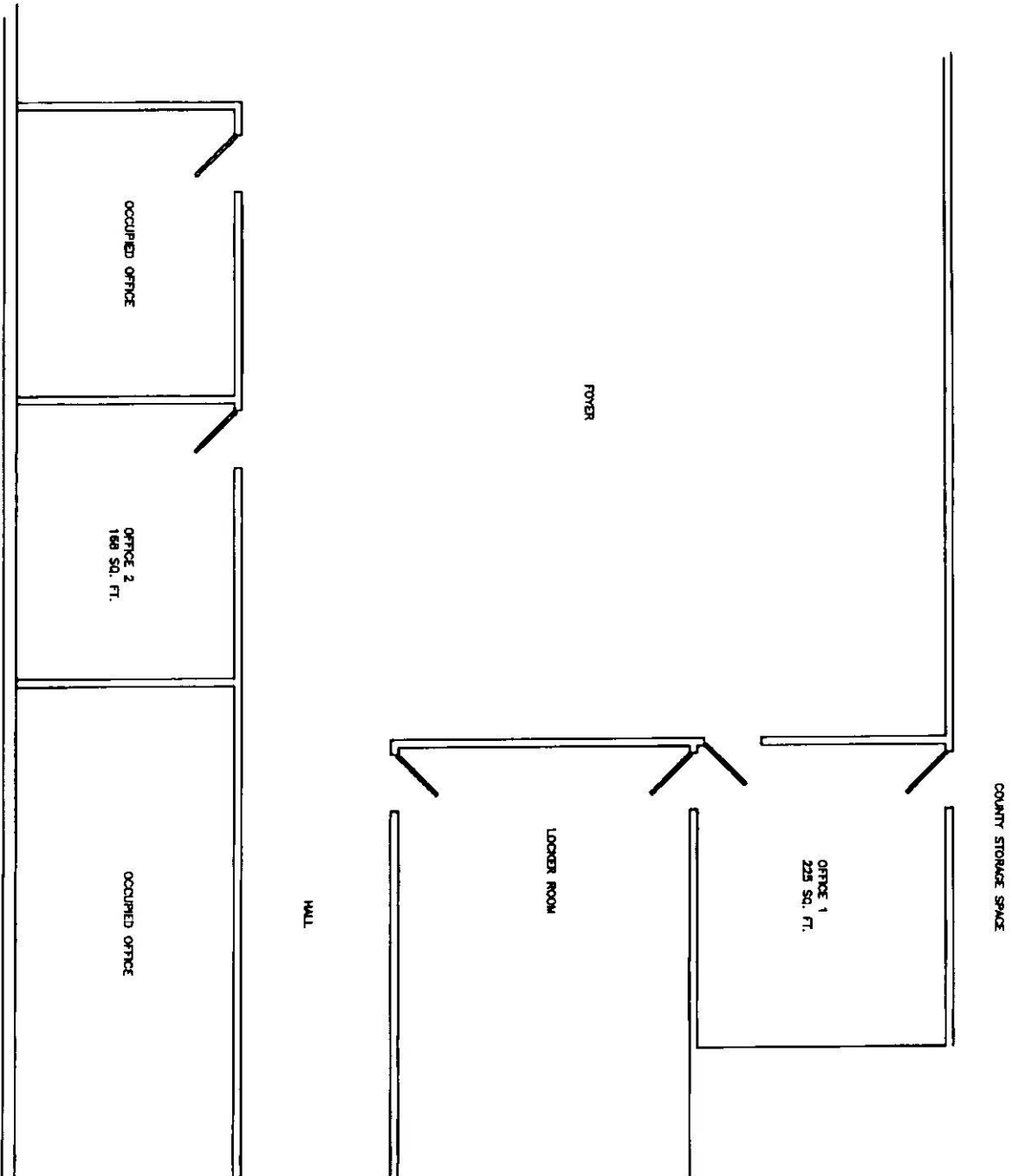
Date \_\_\_\_\_

DEPARTMENT OF PUBLIC SAFETY  
NEVADA HIGHWAY PATROL

By \_\_\_\_\_  
John O'Rourke  
Chief

Date \_\_\_\_\_





AVAILABLE OFFICES

1/8" = 1'-0"

REVISIONS

PORTION OF STOREY COUNTY McCARRAN  
GOVERNMENT CENTER FLOOR PLAN

STOREY COUNTY PUBLIC WORKS  
P.O. BOX 435 - 100 TOLL ROAD  
VIRGINIA CITY NV 89440  
775 847 0958

DATE 12/07/18

SCALE 1/8"

DRAWN BY NCH

PROJECT

1 of 1



## Storey County Board of County Commissioners Agenda Action Report

Meeting date: January 7, 2019

Estimate of time required: 15 minutes

Agenda: Consent [ ] Regular agenda [ X ] Public hearing required [ ]

1. **Title:** Consideration and possible action to approve revised agreement to purchase Assessor's Parcel No. (APN) 001-172-003 (fairgrounds parcel) from Richard Correll for the price of \$83,333.00 and the transfer to Mr. Correll of Lot 6 Block 210 Range H in Virginia City Nevada.
2. **Recommended motion:** I \_\_\_\_\_ (Commissioner) move to approve the revision of the agreement to purchase APN 001-172-003 from Richard Correll for the sum of \$83,333.00 and the transfer of Lot 6 Block 210 Range H in Virginia City Nevada.
3. **Prepared by:** Keith Loomis
4. **Department:** District Attorney's Office **Telephone:** 847-0964
5. **Staff summary:** The agreement to purchase land presently being used for fairgrounds from Richard Correll was previously approved by the Board. At the time of approval the County did not have the signed agreement from Mr. Correll as it had been sent to him for signature while he was on vacation in Mexico. After approval by the Board, Mr. Correll requested a revision to the agreement. As approved, the agreement provided for payment of \$83,333.00 and the transfer of Lot 5. If Lot 6 could not be obtained then the payment would be \$97,000.00, the full appraised value of Mr. Correll's parcel. Mr. Correll did not want the \$97,000.00, if the transfer of Lot 6 could not be obtained. Consequently the provision for the payment of \$97,000.00 has been stricken. It is anticipated that realistically, the transfer of lot 6 will occur as it is presently in escrow in the purchase from Virginia City Ventures, Inc.
6. **Supporting materials:**  
Revised agreement with Mr. Correll
7. **Fiscal impact:**  
  
Funds Available: \_\_\_\_\_ Fund: \_\_\_\_\_ Comptroller
8. **Legal review required:**

X   District Attorney

8. **Reviewed by:**

       Department Head  
       County Manager

Department Name: \_\_\_\_\_  
Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No.



## **AGREEMENT FOR PURCHASE OF REAL PROPERTY (CORRELL)**

**THIS AGREEMENT** is entered into by and between Richard S. Correll, hereafter referred to as "Correll", and the County of Storey, hereafter referred to as "County" and is entered into as of the date of its execution by the last party signing this Agreement as is hereafter set forth.

WHEREAS, Correll owns real property in Virginia City, which is further described as Lots 2, 3, 4, and 5 of Block 210 Range H and which bears Assessor's Parcel No. 001-172-003 (the Correll Parcel); and,

WHEREAS, County desires to purchase the Correll parcel; and,

WHEREAS, County has had the Correll Parcel appraised as required by NRS 244.275; which appraisal has valued the property at \$97,000.00 as of August 8, 2018; and,

WHEREAS, Correll is interested in accepting as part of the consideration for the purchase of his parcel, the transfer of a lot adjacent to the Correll Parcel. The lot is one of three contiguous lots presently owned by Virginia City Ventures, Inc. These parcels have been collectively appraised to have a value of \$41,000 by Sam Ward as of an August 8, 2018 appraisal. The three lots within the parcel are identical in shape and size and it is therefore assumed that one third of the appraised value can be applied to each of the lots, i.e., each would be valued at \$13,666.67. This lot is further described as lot 6 Block 210 Range H Virginia City, Nevada being a portion of Assessor's Parcel Number 001-172-01 (hereafter the Adjacent Lot).

WHEREAS County intends to purchase the Adjacent Lot from Virginia City Ventures, Inc. and is prepared to convey the Adjacent Lot as part of the consideration for the purchase of the Correll Parcel. Virginia City Ventures, Inc. does not desire to close escrow for the purchase of Adjacent Parcel until the beginning of 2019.

WHEREAS, County and Correll are willing to purchase and sell the property on the terms hereafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, and other good and valuable consideration, it is agreed as follows:

1. **Subject Property.** Correll does hereby agree to sell and County does hereby agree to purchase all that certain real property situate in Virginia City, Nevada described as Lots 2, 3, 4, and 5, Block 210 Range H, Virginia City Nevada, Assessor's Parcel Number 001-172-03, which is more particularly described on Exhibit "A", attached hereto and incorporated herein as if set out in full, together with all improvements thereon and easements appurtenant thereto.

2. **Consideration.** County will convey the Adjacent Lot to Correll and pay \$83,333 in additional cash to Correll to purchase Correll's parcel bearing APN 001-172-03. The cash payment will be made at the time of the close of escrow. Transfer of the Adjacent lot by County to Correll is contingent upon the County purchasing the Adjacent Lot from VC Ventures. If County purchases the Adjacent Lot from VC Ventures, the transfer of this lot will be made at the time of the close of escrow or as soon thereafter as is feasible. ~~If County~~

~~does not purchase the Adjacent Lot from VC Ventures, the cash price to be paid Correll will be \$97,000.00 to be delivered at the close of escrow.~~ *RC*

3. Property Access. Currently there is access to the Adjacent Lot by use of roadways apparent on the ground, but the title to which is unclear and uncertain. County agrees not to interfere with Correll's use of the roadways, but does not represent or warrant that there will always be clear title to the roadways.

4. Time for Payment of Purchase Price. The transfer of the Adjacent Lot and the payment of the additional cash amount shall occur on the date of the close of escrow.

5. Appraisal Cost. The VCTC has had an appraisal performed with regard to the property by Samuel K. Ward, Nevada Certified General Appraiser No. 00123. The VCTC will be responsible for all costs incurred in having the appraisal conducted.

6. Escrow. Upon the execution of this Purchase Agreement, the parties shall open an escrow at Ticor Title Company, in Carson City, Nevada, to consummate the purchase in accordance with the terms and provisions hereof. The provisions hereof shall constitute joint instructions to the escrow holder; provided, however, that the parties shall deposit all funds and execute such additional instructions as requested by the escrow holder in order to complete the sale in accordance with the terms set forth herein. Escrow Holder shall obtain a preliminary title report to which County may enter objections, if any, to exceptions set forth in said title report. If the objections are not cured by Correll, then County may cancel the escrow or, at its option continue with the escrow. Said escrow shall close **on or about January 15, 2018, and in no event prior to County's opportunity to review and offer exceptions to the preliminary title report.** County will pay the escrow fee.

7. Possession. Correll agrees to, and shall, deliver possession of the Correll Parcel to County upon the close of escrow. All of the personal property of Correll must be removed from the property by August 1, 2019. The shop building, fencing and storage shed will remain with the Correll Parcel. County will deliver possession of the Adjacent Lot at the close of escrow. During the time that the Adjacent lot is in the ownership of County, County will provide for hooking up water and sewer service to the Adjacent Lot.

8. Title Policy. The Owner's policy of title insurance shall be a standard coverage form policy of title insurance to be paid for by County, subject only to the following exceptions: non-delinquent taxes, non-delinquent assessments, and any restrictions, conditions, reservations, right-of-way or easements of record

9. Proration. All adjustments shall be made as of the date of closing of the escrow opened by this Agreement, and shall be prorated between Correll and County to that date. The items to be adjusted and prorated are:

- A. Current taxes against the real property computed on a calendar year basis.
- B. Unpaid but not delinquent special assessments for local improvements, but all installments of such assessments due after the closing date shall be assumed and paid by the County.
- C. Other prepaid expenses and accrued liabilities which the parties shall agree upon.



10. **Inspections.** County will accept the Property "as is". County does not request any inspections of the Property.

11. **Entire Agreement.** Correll and County agree that this Agreement contains all of the provisions of the agreement between Correll and County for County's purchase of the Property and its improvements. There are no agreements, warranties or representations, express or implied, except those expressly set forth herein. Correll shall have no liability for agreements, warranties or representations, except those expressly set forth herein, and Correll shall not be liable by reason of any agreement, representation or warranty made by any third party to County. All agreements, representations and warranties contained in this Agreement shall apply as of the closing date and shall survive the closing of this Agreement.

12. **Full Performance.** This Agreement and the terms and conditions hereof shall apply to and are binding upon the heirs, legal representatives, successors and assigns of Correll and County.

13. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.

14. **Notices.** All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, and return receipt requested, to the party or parties to be notified at the address or addresses set forth herein, or at such other address as either party may, from time to time, designate in writing. Every notice shall be deemed to have been given at the time it shall be deposited in the United States mail in the manner prescribed herein. Nothing contained herein shall be construed to preclude personal service of any notice.

The address for County for purposes of this paragraph is:

Storey County  
P.O Box 176  
Virginia City, NV. 89440

With copy to:

Storey County District Attorney  
PO Box 496  
Virginia City, Nevada 89440

The address for Correll for purposes of this paragraph is:

Richard S. Correll  
Post Office Box 308  
Virginia City, NV 89440

15. **Attorney's Fees.** Should any litigation be commenced between the parties hereto concerning this Agreement or the property the subject of this Agreement, or the rights or duties of either party relating thereto, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for said attorney's fees in such litigation and costs of court herein.

16. **Time for Acceptance.** Correll understands that the consummation of this agreement is dependent upon the approval of this agreement by the Board of County Commissioners in a duly noticed public meeting of the Board. Accordingly Correll agrees that authority of the County to accept this agreement will remain open for a period of thirty days from the date Correll signs this Agreement.

17. **Real Estate Agency and Commission** County has not utilized the services of a real estate broker or real estate sales person in connection with this transaction, and County shall not be liable for the payment of any commission to any real estate broker or sales person, or to any other person or entity, in connection with this transaction.

18. **Interpretation and Representation.** No provision in this Agreement is to be interpreted either for or against either Correll or County because that party or that party's legal representative drafted the provision. Correll and County acknowledge that Correll and County have each had the opportunity to consult with independent legal counsel concerning the terms and conditions and consequences of this Agreement prior to signing the Agreement.

19. **Counterparts and Facsimile Signatures.** This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each party and delivered to the other party, it being understood that all parties need not sign the same counterpart. This Agreement may be executed by facsimile signatures.

County agrees to Purchase the property on the terms and conditions set forth in this Agreement.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2018.

STOREY COUNTY

\_\_\_\_\_  
By Marshall McBride  
Chairman Board of County Commissioner of Storey County

Attest:

\_\_\_\_\_  
Storey County Clerk

Correll signature on next page



The undersigned Correll agrees to sell the property on the terms and conditions as stated in this agreement.

Dated this 18 day of DEC, 2018.

CORRELL:

  
Richard S. Correll

## **EXHIBIT A**

### **Legal Description**

The land referred to herein is situate in the State of Nevada, County of STOREY, described as follows:

All of Lots 2,3,4, and 5, in Block 210, Range H of Virginia City, Nevada, as shown on the official plat map of Virginia City, County of Storey, State of Nevada filed in the Office of the County Recorder of Storey County, Nevada on August 17 1865.

ASSESSOR'S PARCEL NO. 001-172-03



## Storey County Board of County Commissioners Agenda Action Report

**Meeting date:** January 7, 2019

**Estimate of time required:** 15 minutes

**Agenda:** Consent [ ] Regular agenda [ X ] Public hearing required [ ]

1. **Title:** Consideration and possible action on Stipulation with Tahoe Reno Industrial Center LLC (TRIC) to provide that incremental tax revenues used to reimburse owners of property with the Tax Increment Area for expenses in constructing the effluent pipeline will not be counted as "Project Revenues" as that term is defined in the Capital Improvement Plan agreed upon between Storey County, DP Operating Partnership LLP and TRIC on or about February 1, 2000 (Project Revenues).
2. **Recommended motion:** I \_\_\_\_\_ (Commissioner) move to approve the Stipulation between Storey County and TRIC that incremental tax revenues derived from the Tax Increment Area (TIA) and used to reimburse owners of property within the TIA for the costs of constructing an effluent pipeline will not be counted as Project Revenues when determining the amount of revenue available to pay for infrastructure vouchers issued to TRIC.
3. **Prepared by:** Keith Loomis
4. **Department:** District Attorney's Office **Telephone:** 847-0964
5. **Staff summary:** Under the capital Improvement Plan, which is part of the Development Agreement with TRIC, tax revenues generated within TRI are utilized in part to repay vouchers issued to TRIC to reimburse TRIC for public infrastructure dedicated to the County. The proposed stipulation provides that incremental tax revenues generated within the Tax Increment Area which are to be used to reimburse owners of property within the TIA for expenses of building the Effluent pipeline will not be included as revenues available for payment of the vouchers.
6. **Supporting materials:** Stipulation
7. **Fiscal impact:**  
Funds Available: \_\_\_\_\_ Fund: \_\_\_\_\_ Comptroller

8. **Legal review required:**

  X   District Attorney

8. **Reviewed by:**

       Department Head  
       County Manager

Department Name: \_\_\_\_\_  
Other agency review: \_\_\_\_\_

9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 18



## **STIPULATION REGARDING INCREMENTAL TAX REVENUES RECEIVED FROM THE TAHOE RENO INDUSTRIAL CENTER TAX INCREMENT AREA**

This Stipulation is entered into by and between Storey County, a political subdivision of the State of Nevada (County), and the Tahoe Reno Industrial Center LLC, a Nevada Limited Liability Company (TRI Center), and is effective as of the date of its signature by the last party executing this Stipulation.

### **BACKGROUND**

Storey County has created the Tahoe Reno Industrial Center Tax Increment Area (TIA) to reimburse certain owners of property within the TIA for the costs of constructing a portion of an effluent pipeline from the Truckee Meadows Water Reclamation Facility (TMWRF) in Sparks, Nevada to the TRI GID facility located in the Tahoe Reno Industrial Center (TRIC) in Storey County, Nevada. It is anticipated that to the extent that parcels of real property located within the TIA are improved, that additional property tax revenues, sales and use tax revenues and modified business tax revenues will be generated. A portion of these incremental tax revenues will be deposited in a tax increment account created by County. It is intended that funds deposited in the tax increment account will be utilized to reimburse the owners of property within the TIA for their expenses in contributing to the construction of the effluent pipeline. The funds will be distributed to owners of property within the TIA in accordance with the provisions of a reimbursement agreement conditionally approved by the Board of County Commissioners on December 18, 2018. The funds will also be distributed to County to reimburse County for advances by the County for administrative costs associated with administering the TIA. To the extent that there are revenues deposited in the tax increment account in excess of those necessary to reimburse County for its advance of administrative costs

and to pay annual amounts to the owners of property within the TIA, these excess funds will be distributed to government entities in accordance with the terms of the reimbursement agreement. This stipulation is intended to address the effect of the incremental tax revenues that are distributed to the owners of property within the TIA and that are used to reimburse County for its advance of administrative costs to administer the TIA.

The reason for addressing the issue of the incremental tax revenues arises from the existence of a development Agreement and, in particular, Exhibit E to the Development Agreement referred to as the Capital Improvement Plan, entered into between TRI Center and County on February 1, 2000 (Development Agreement). In the Development Agreement, the County has agreed to pay 35% of the tax, permitting and other revenues originating from TRIC to retire vouchers issued by County to TRI Center to pay for public infrastructure dedicated to and accepted by County within TRIC. The incremental tax revenues originating from the TIA could be considered revenues to be counted towards the funds available to pay the vouchers. The incremental tax revenues, however, are dedicated to reimbursing the costs of constructing the effluent pipeline, an activity in which TRI Center is also involved. This Stipulation is intended to make it clear, that to the extent the incremental tax revenues are used to reimburse the costs of constructing the effluent pipeline and the costs of administering the TIA, they will not be counted as revenues originating within TRIC which are available to retire the vouchers issued by County to TRI Center.

NOW THEREFORE IS IT HEREBY STIPULATED AS FOLLOWS:

To the extent that incremental tax revenues originating within the TIA are utilized to reimburse owners of property within the TIA for the costs of constructing the effluent pipeline or

are used to reimburse County for the costs of administering the TIA, these revenues will not be considered as "Project Revenues" as that term is defined in the Development Agreement. These revenues will not considered as revenues available for retirement of the vouchers.

IN WITNESS WHEREOF, the undersigned parties have set their hands.

**TAHOE-RENO INDUSTRIAL CENTER, LLC,**  
a Nevada limited liability company

**COUNTY OF STOREY,** a political subdivision  
of the State of Nevada

By: Norman Properties, Inc., a California  
corporation, Managing Member

By: \_\_\_\_\_  
Don Roger Norman, President

By: \_\_\_\_\_  
Marshall McBride, Chairman

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## Storey County Board of County Commissioners Agenda Action Report

Meeting date: 1/7/19

Estimate of time required:

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Second reading for General Business License – Crusader Armament & Training. Hank Shannon, Owner.
2. **Recommended motion:** I motion to approve the second reading for General Business License – Crusader Armament & Training. Hank Shannon, Owner. CCW instructor 112 N Curry St., Carson City NV.
3. **Prepared by:** Brandy Gavenda, Admin. Asst.

**Department:** Storey County Sheriff's Office

**Telephone:** 775-847-0959

4. **Staff summary:** Second reading for General Business License – Crusader Armament & Training. Hank Shannon, Owner. CCW instructor 112 N Curry St., Carson City NV.

5. **Supporting materials:** None

6. **Fiscal impact:** None

Funds Available:

Fund:

\_\_\_\_ Comptroller


7. **Legal review required:**

\_\_\_\_ District Attorney

8. **Reviewed by:**

☒ Department Head

Department Name: Sheriff, Gerald Antinoro



\_\_\_\_ County Manager

Other agency review: \_\_\_\_\_

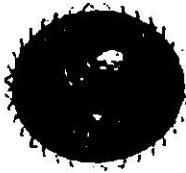
9. **Board action:**

☐ Approved  
☐ Denied

☐ Approved with Modifications  
☐ Continued

Agenda Item No. 19





## Storey County Board of County Commissioners Agenda Action Report

Meeting date:  
1-7-19

Estimate of time required: 0 - 5

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. Title: Business License Second Readings -- Approval

2. Recommended motion: Approval

3. Prepared by: Melissa Field

Department: Community Development

Telephone: 847-0966

4. Staff summary: Second readings of submitted business license applications are normally approved unless, for various reasons, requested to be continued to the next meeting. A follow-up letter noting those to be continued or approved will be submitted prior to the Commission Meeting. The business licenses are then printed and mailed to the new business license holder.

5. Supporting materials: See attached Agenda Letter

6. Fiscal impact:

Funds Available:

Fund:

\_\_\_ Comptroller

7. Legal review required:

\_\_\_ District Attorney

8. Reviewed by:

☒ Department Head

Department Name:

\_\_\_ County Manager

Other agency review: \_\_\_\_\_

9. Board action:

☐ Approved

☐

Approved with Modifications

☐ Denied

☐

Continued

Agenda Item No. 20

# **Storey County Community Development**

## **Business Licensing**

P O Box 526 • Virginia City NV 89440 • (775) 847-0966 • Fax (775) 847-0935 • mfield@storeycounty.org

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To: Vanessa Stephens, Clerk's Office  
Pat Whitten, County Manager

**December 24, 2018**  
Via email

Fr: Melissa Field

Please add the following item(s) to the **January 7, 2019 COMMISSIONERS Agenda**:

Storey County Building Department has inspected and found that the following businesses meet code requirements necessary to operate in the county:

### **LICENSING BOARD SECOND READINGS**

- A. SUGARLOAF MOUNTAIN MOTEL & MARKET – General / 430 S. "C" st ~ Virginia City, NV**
- B. NOMNIVORE LLC – General / 222 E. 8<sup>th</sup> Ave ~ Reno, NV**
- C. FIVES CINETIC CORP – General / 23400 Halstead Rd ~ Farmington Hills, MI**
- D. DEBELL WINDOW SYSTEMS, INC – Contractor / 2600 S. Virginia St ~ Reno, NV**
- E. BIGHORN SERVICES, LLC – General / 560 Juniper St ~ Elko, NV**
- F. STRATOSPHERE QUALITY LLC – General / 12024 Exit Five Pkwy ~ Fishers, IN**
- G. ANDREWS HARDING, AIA ARCHITECT – General / 111 East 14<sup>th</sup> St ~ Elmira Heights, NY**
- H. ERM-WEST, INC – General / 1277 Treat Blvd ~ Walnut Creek, CA**
- I. SMX, LLC – General / 860 W. Evergreen ~ Chicago, IL**
- J. A-1 QUALITY CARE, LLC – Contractor / 12 Sunset Way #206 ~ Henderson, NV**
- K. MANWEB SERVICES INC – Contractor / 11800 Exit Five Pkwy ~ Fishers, IN**
- L. LOOKOUT TRENDZ – Home / 368 Wagon Wheel Way ~ Dayton, NV**
- M. JHI ENGINEERING, INC – General / 018 SW. Boundary Ct Ste 200 ~ Portland, OR**
- N. AMBER'S PET FRIENDLY GROOMING – General / 269 Edith Lane ~ Dayton, NV**
- O. MICHAEL THOMAS SCHMOKER – Home / 4590 Tybo Rd ~ Reno, NV**
- P. HARGROVE SERVICES CORPORATION – General / 20 S. Royal St ~ Mobile, AL**
- Q. CBIZ RISK & ADVISORY SERVICES, LLC – General / 6050 Oak Tree Blvd ~ Cleveland, OH**
- R. PANASONIC SOLUTION TECHNOLOGIES CO., LTD – General / Tokyo, JP**
- S. SUEZ WTS ANALYTICAL INSTRUMENTS, INC – General / 6060 Spine Rd ~ Boulder, CO**
- T. ALLIED MODULAR BUILDING SYSTEMS, INC – General / 642 W. Nicolas Ave ~ Orange, CA**
- U. TRUCKEE TAHOE LUMBER COMPANY – General / 10242 Church St ~ Truckee, CA**

Ec: Community Development  
Commissioners' Office

Planning Department  
Comptroller's Office

Sheriff's Office