TOWN OF ROUND MOUNTAIN, NEVADA

REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTAL MATERIAL

YEAR ENDED JUNE 30, 1994

TOWN OF ROUND MOOUNTAIN, NEVADA

REPORT ON FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1994

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TOWN OF ROUND MOUNTAIN, NEVADA

ELECTED TOWN OFFICIALS
June 30, 1994

CHAIRPERSON

Joni Eastley

TOWN COUNCIL

Dan Earp

L.D. "Bud" Hansen

Kathy Quick

Joanne Arnston

DANIEL C. McARTHUR, LTD.
Certified Public Accountant

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Independent Auditors' Report

Honorable Members of the Town Board
Town of Round Mountain
Round Mountain, Nevada

I have audited the accompanying general purpose financial statements of the Town of Round Mountain, Nevada, as of June 30, 1994, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Round Mountain, Nevada's, management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

The historical cost of fixed assets was unable to be substantiated. Because I was unable to satisfy myself by appropriate audit tests or by other means, I was unable to express an opinion on the general fixed assets group of accounts.

In my opinion, except for the general fixed asset group of accounts, the general purpose financial statements referred to in the first paragraph present fairly in all material respects the financial position of the Town of Round Mountain as of June 30, 1994 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combined and individual fund statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Round Mountain, Nevada. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Daniel C McArthur Ltd.

Las Vegas, Nevada
October 20, 1994

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TOWN OF ROUND MOUNTAIN, NEVADA

COMBINED BALANCE SHEET - ALL FUNDS TYPES AND ACCOUNT GROUPS
June 30, 1994

	Governmental Fund Types		
	General	Debt Service	Capital Projects
Assets			
Cash (Note 7)	$ 692 578	$ 3 412	$ 289 195
Interest receivable	-	-	-
Taxes receivable (Note 3)	560	-	-
Due from other governments	111 168	-	-
Building (Note 2)	-	-	-
Equipment (Note 2)	-	-	-
Other Debits			
Amount available for retirement of notes payable	-	-	-
Amount to be provided for retirement of notes payable/ compensated absences	-	-	-
Total assets and other debits	$ 804 306	$ 3 412	$ 289 195
Liabilities			
Accounts payable	$ 21 125	$ -	$ 31 278
Deferred taxes (Note 3)	499	-	-
Accrued payroll	13 962	-	-
Accrued compensated absences (Note 4)	-	-	-
Total liabilities	35 586	-	31 278
Equity and Other Credits			
Investment in general fixed assets	-	-	-
Fund Balance:			
Reserved for debt service	-	3 412	-
Unreserved - undesignated	768 720	-	257 917
Total fund equity and other credits	768 720	3 412	257 917
Total liabilities, fund equity, and other credits	$ 804 306	$ 3 412	$ 289 195

Fiduciary Fund Types	Account Groups		
Expendable Trust Fund	General Long-Term Debt	Fixed Assets	Totals 1994
$ 766	$ -	$ -	$ 985 951
-	-	-	-
-	-	-	560
-	-	-	111 168
-	-	1 890 302	1 890 302
-	-	344 383	344 383
-	3 412	-	3 412
-	25 511	-	25 511
$ 766	$ 28 923	$2 234 685	$ 3 361 287
$ 779	$ -	$ -	$ 53 182
-	-	-	13 962
-	-	-	499
-	28 923	-	28 923
779	28 923	-	96 566
-	-	2 234 685	2 234 685
-	-	-	3 412
(13)	-	-	1 026 624
(13)	-	2 234 685	3 264 721
$ 766	$ 28 923	$2 234 685	$ 3 361 287

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES, ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
Year Ended June 30, 1994

	Governmental Fund Types		
	General	Debt Service	Capital Projects
Revenues:			
Taxes	$ 815 222	$ -	$ -
Licenses & permits	4 452	-	-
Intergovernmental	191 345	-	10 574
Charges for services	7 196	-	-
Fines & Forfeitures	1 661	-	-
Other	4 786	-	500
Total revenues	1 024 662	-	11 074
Expenditures:			
Current:			
General Government	245 252	-	-
Public safety	95 629	-	-
Public works	33 662	-	-
Culture & recreation	235 486	-	-
Capital projects	-	-	181 416
Debt service:			
Principal retirement	-	-	-
Interest charges	-	-	-
Total expenditures	610 029	-	181 416
Excess (deficiency) of revenues over expenditures	414 633	-	(170 342)
Other financing sources (uses):			
Operating transfer in (Note 6)	-	-	300 000
Operating transfers out (Note 6)	(300 000)	-	-
Total other financing sources (uses)	(300 000)	-	300 000
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	114 633	-	129 658
Fund balance:			
Beginning of year	654 087	3 412	128 259
End of year	$ 768 720	$ 3 412	$ 257 917

Fiduciary Fund Expendable Trust	Total (Memorandum Only) 1994
$ -	$ 815 222
-	4 452
-	201 919
-	7 196
-	1 661
-	5 286
-	1 035 736
-	245 252
-	95 629
-	29 210
5 050	244 988
-	181 416
-	-
-	-
5 050	796 495
(5 050)	239 241
-	300 000
-	(300 000)
-	-
(5 050)	(239 241)
5 037	790 795
$ (13)	$ 1 030 036

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALL GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 1994

	General Fund		
	Budget	Actual	Variance-Favorable (unfavorable)
Revenues:			
Taxes	$ 605 286	$ 815 222	$ 209 936
Fines and forfeitures	1 500	1 661	161
Licenses & permits	4 000	4 452	452
Intergovernmental	184 315	191 345	7 030
Charges for services	-	7 196	7 196
Other	7 850	4 786	(3 064)
Total revenues	802 951	1 024 662	221 711
Expenditures:			
Current:			
General government	306 160	245 252	60 908
Public safety	117 293	95 629	21 664
Public works	126 501	33 662	92 839
Culture & recreation	315 742	235 486	80 256
Contingency	25 911	-	25 911
Capital projects	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest charges	-	-	-
Total expenditures	891 607	610 029	281 578
Excess (deficiency) of revenues over expenditures	(88 656)	414 633	503 289
Other financing sources (uses):			
Operating transfer in (Note 6)	-	-	-
Operating transfer out (Note 6)	(350 000)	(300 000)	50 000
Total other financing sources (uses)	(350 000)	(300 000)	50 000
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(438 656)	114 633	553 289
Fund balance:			
Beginning of year	610 067	654 087	44 020
End of year	$ 171 411	$ 768 720	$ 597 309

Debt Service		
Budget	Actual	Variance-Favorable (Unfavorable)
$ -	$ -	$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
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-	-	-
-	-	-
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-	-	-
-	-	-
-	-	-
-	-	-
-	3 412	3 412
$ -	$ 3 412	$ 3 412

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALL GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 1994

	Capital Projects		
	Budget	Actual	Variance-Favorable (Unfavorable)
Revenues:			
Taxes	$ -	$ -	$ -
Fines and forfeitures	-	-	-
Licenses & permits	-	-	-
Intergovernmental	6 802	10 574	3 772
Charges for services	-	-	-
Other	500	500	-
Total revenues	7 302	11 074	3 772
Expenditures:			
Current:			
General	-	-	-
Public safety	-	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Capital projects	347 446	181 416	166 330
Debt service:			
Principal retirement	-	-	-
Interest charges	-	-	-
Total expenditures	347 446	181 416	166 330
Excess (deficiency) of revenues over expenditures	(340 444)	(170 342)	170 102
Other financing sources (uses):			
Operating transfer in (Note 6)	350 000	300 000	(50 000)
Operating transfer out (Note 6)	-	-	-
Total other sources (uses)	350 000	300 000	(50 000)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	9 556	129 658	120 102
Fund balance:			
Beginning of year	97 031	128 259	31 228
End of year	$ 106 587	$ 257 917	$ 151 330

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA

SUMMARY OF ACCOUNTING POLICIES

The financial statements of the Town of Round Mountain, Nevada have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The town is governed by an elected five member council. As required by generally accepted accounting principles, these financial statements present the government and its component inits, entities for which the government is considered to be financiallt accountable. Blended component units, although legally separate entities, are, in substance, part of a government's operations and so data from these units are require to be combined with data of the town. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statments to emphasize it is legally separate from the town. The town does not have any discretely presented component units or blended components.

B. Fund Accounting

The government uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), and the servicing of general long-term debt (debt service fund). The acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and expendable trust funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The government considers property taxes as available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, licenses, interest revenues and charges for services. Revenues collected and held by the state at year end on behalf of the government also are recognized as revenue.

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In a subsequent period, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, debt service funds and capital projects funds. All annual appropriations lapse at fiscal year end.

Encumbrance accounting is not utilized in the governmental funds.

E. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies having maturity dates that do not extend more than ten years from the date of purchase, negotiable notes or short-term negotiable bonds issued by other local governments of the State of Nevada and bankers acceptances not exceeding 180 days maturity and eligible by law for rediscount with the Federal reserve Banks, (purchases of banker's acceptance notes are subject to 10% of the money available for local government investment). Investments are stated at cost.

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

SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

F. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records are available. Donated fixed assets are valued at their estimated fair market value on the date received.

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

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized.

Assets in the general fixed assets account group are not depreciated.

G. Compensated Absences

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

H. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. The remaining portion of such obligations is reported in the general long-term debt account group.

I. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

J. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not represent financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

K. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

L. Fund Equity

Reserves represent those portions of fund equity appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

M. Inventories

The costs of governmental fund-type inventories are recorded as expenditures when purchased.

TOWN OF ROUND MOUNTAIN, NEVADA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - LEGAL COMPLIANCE BUDGETS

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

1. Prior to April 15, the Town submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget, as submitted, contains the proposed expenditures and means of financing them.

2. The Nevada State Department of Taxation notifies the Town of its acceptance of the budget.

3. Public hearings are conducted on the third Thursday in May.

4. After all changes have been noted and hearings closed, the Town Council adopts the budget on or before June 1.

5. The Financial officer of the Town is authorized to transfer budgeted amounts within functions or funds, but any other transfer must be approved by the Town Board.

6. Increases to a fund's budget (augmentations) other than by transfers must be approved by the Town Board.

7. Statutory regulations require budget control to be exercised at the function level within a fund or at the fund level.

8. The following fund budgets were augmented (increased), General Fund and Capital Projects.

NOTE 2 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance June 30, 1993	Additions	Deletions	Balance June 30, 1994
Buildings	$ 990 302	$ 900 000	$ -	$1 890 302
Equipment	373 004	113 542	142 163	344 383
	$1 363 306	$1 013 542	$ 142 163	$2 234 685

The building was donated to the town.

NOTE 3 - PROPERTY TAXES

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

Article X, Section 2, of the Constitution of the State of Nevada limits the total taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the county, the county school district, the State, and any other city, town, or special district) to an amount not to exceed $5 per $100 of assessed valuation of the property being taxed.

The 1979 Nevada Legislature enacted provisions whereby, the combined overlapping tax rate was limited to $3.64 per $100 of assessed valuation (as thereafter annually adjusted).

Delinquent taxes receivable not collected within sixty days after year end are recorded as deferred revenue as they are not available to pay liabilities of the current period. Delinquent taxes receivable in the general fund of $499 were recorded as deferred revenue.

NOTE 4 - ACCRUED COMPENSATED ABSENCES

Town policy allows employees to accumulate annual leave to a maximum of 240 hours. Employees can accumulate up to 720 hours of sick leave. If an employee has five years of service, upon termination he/she will be paid 25% of his sick leave. At ten years of service upon termination, he/she will be paid 50% of accumulated sick leave. After ten years of service upon termination he/she will be paid 75% of accumulated sick leave.

Balance - June 30, 1993	$ 16 176
Net additions	12 747
Balance - June 30, 1994	$ 28 923

NOTE 5 - RETIREMENT PLAN

The Town of Round Mountain is a public employer participating in the Public Employees Retirement System of the State of Nevada (PERS), a multiple-employer program. All full-time employees are covered under the system. In addition, those part-time employees working at least twenty hours per week and more than 120 days are covered except for those employees who participate in PERS with an employer other than the Town. The Town has no liability for unfunded obligations of the system as provided by NRS 286.110. The payroll for employees covered by the system for the year ended June 30, 1994 was $276 898; the Town's total payroll was $303,516.

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

Monthly benefit allowances for members are computed at 2.5% of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement with a ceiling of 75% of the average compensation. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his/her life and various optional monthly payments to a named beneficiary after his/her death. Regular members are eligible for retirement at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Police and firemen are eligible for retirement at age 65 with 5 years of service, at age 55 with 10 years of accredited police and fire service or at age 50 with 20 years of accredited police and fire service. A member who retired on or after July 1, 1977 or is an active member whose effective date of membership is before July 1, 1985 and who has 36 years of service is entitled to a benefit of up to 90% of his/her average compensation. When members are eligible for the earlier retirement due to the increased service years, the ceiling limitation on monthly benefit allowances increases from the normal 75% to a maximum of 90% of average compensation. Regular members and members of the Police and Firemen Fund become fully vested as to benefits upon completion of 5 years of service.

NOTE 5 - RETIREMENT PLAN (CONTINUED)

Member contribution rates are established by NRS 286.465. That statute, which is tied to the increase in taxable sales within the State each year, provides for yearly increases of up to 1%. Rates of contribution cannot increase beyond the level which is actuarially computed to be sufficient to bring the unfunded liability of the plan to zero.

The Town is required to contribute all amounts due under the plan. The contribution rate for regular employees was 18.22% for the 1993-94 year. The contribution rate for police and firemen was 27%. The contribution requirement for the year ended June 30, 1994 was $54,547. These contributions reflected 19.20% of covered payroll.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and the pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1994 for the System as a whole, determined through an actuarial valuation performed as of that date, was $7,148 million. The System's net assets available for benefits on that date (valued at market) were $5,643.0 million, leaving an unfunded pension benefit obligation of $1,505.0 million. The Town's 1994 contribution represented 0.014 percent of total contributions required of all participating entities.

Historical trend information is presented in the System's June 30, 1994 annual financial report.

NOTE 6 - INTERFUND TRANSACTIONS

Interfund operating transfers are made from one fund to another fund to support expenditures in accordance with the authority established for the individual funds. Transfers between fund types during the year ended June 30, 1994 were:

	Total Transfers In	Transfers Out General Fund
Capital Projects	$ 300 000	$ 300 000

NOTE 7 - CASH AND INVESTMENTS

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

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

NOTE 8 - CONTINGENT LIABILTIES

Counsel for the Town has indicated there is no pending or threatened litigation against the Town.

Note 9 - DEFICIT FUND BALANCE

The liability gift trust fund has a deficit balance at year end of $13. This deficit will be corrected by a transfer from the general fund.

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TOWN OF ROUND MOUNTAIN, NEVADA
GENERAL FUND

COMPARATIVE BALANCE SHEET

June 30, 1994 and 1993

	1994	1993
ASSETS		
Cash	$ 692 578	$ 675 453
Delinquent property taxes receivable	560	43 664
Due from other governments	111 168	16 119
Total assets	$ 804 306	$ 735 236
LIABILITIES		
Accounts payable	$ 21 125	$ 23 082
Payroll accrual	13 962	14 677
Deferred taxes	499	43 390
Total liabilities	35 586	81 149
FUND BALANCE		
Unreserved - undesignated	768 720	654 087
Total liabilities and fund balance	$ 804 306	$ 735 236

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994 Budget	1994 Actual	Variance Favorable (Unfavorable)	1993 Actual
Revenues:				
Taxes	$ 605 286	$ 815 222	$ 209 936	$ 709 276
Fines and forfeitures	1 500	1 661	161	1 509
Licenses & Permits	4 000	4 452	452	4 303
Intergovernmental	184 315	191 345	7 030	209 435
Charges for Services	-	7 196	7 196	7 954
Other	7 850	4 786	(3 064)	7 595
Total revenues	$ 802 951	$ 1 024 662	$ 221 711	$940 072
Expenditures:				
General	306 160	245 252	60 908	249 488
Public Safety	117 293	95 629	21 664	69 001
Public Works	126 501	33 662	92 839	9 760
Culture & Recreation	315 742	235 486	80 256	287 886
Contingency	25 911	-	25 911	-
Total Expenditures	891 607	610 029	281 578	616 135
Excess (deficiency) of revenues over expenditures	(88 656)	414 633	503 289	323 937
Other financing sources (uses:)				
Operating transfers out	(350 000)	(300 000)	50 000	(105 000)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(438 656)	114 633	553 289	218 937
Fund balance:				
Beginning of year	610 067	654 087	44 020	435 150
End of year	$ 171 411	$ 768 720	$ 597 309	$ 654 087

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
GENERAL FUND
STATEMENT OF REVENUES COMPARED TO BUDGET
Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance Favorable (Unfavorable)	1993
	Budget	Actual		Actual
Revenues:				
Taxes:				
Property taxes	$ 345 468	$ 815 222	$ 469 754	$ 487 063
Net proceeds	259 818	-	(259 818)	222 213
Total Taxes:	605 286	815 222	209 936	709 276
Fines and forfeitures				
Fines	1 500	1 661	161	1 509
Licenses and permits:				
Gaming licenses	3 000	3 292	292	3 143
Liquor licenses	1 000	1 160	160	1 160
Total licenses	4 000	4 452	452	4 303
Intergovernmental:				
Motor vehicle priv.	34 913	45 490	10 577	33 072
Supplemental County	85 658	82 124	(3 534)	92 254
State library grant	1 500	1 500	-	2 650
Gas tax $1.75	36 000	29 165	6 835	46 536
LGTA	-	6 637	6 637	-
LSCA Title I	-	-	-	8 000
Nye County reimbursement	26 244	26 429	185	26 923
Total intergovernmental	184 315	191 345	7 030	209 435
Charges for services:				
Swimming pool	-	7 196	7 196	7 954
Other:				
Interest	-	-	-	553
Rent	1 200	1 245	45	1 185
Photo copy	1 150	1 593	443	1 351
Donations	500	500	-	1 279
Miscellaneous	5 000	1 448	(3 552)	3 227
Total other sources	7 850	4 786	(3 064)	7 595
Total revenues	$ 802 951	$ 1 024 662	$ 221 711	$ 940 072

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET
Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994			
	Budget	Actual	Variance Favorable (Unfavorable)	1993 Actual
Expenditures:				
General government:				
Administration:				
Salaries and wages	$ 55 396	$ 45 154	$ 10 242	$ 83 758
Employee benefits	18 057	14 884	3 173	23 636
Service and supplies	50 900	29 377	21 523	34 668
Total administration	124 353	89 415	34 938	142 062
Building and Grounds:				
Salaries and wages	96 504	87 250	9 254	64 909
Employee benefits	32 103	27 473	4 630	22 249
Service and supplies	53 200	41 114	12 086	20 268
Total building and grounds	181 807	155 837	25 970	107 426
Total general	306 160	245 252	60 908	249 488
Public safety:				
Fire department:				
Services and supplies	7 400	5 745	1 655	6 245
Fire department - Hadley Station:				
Salaries and wages	50 515	50 339	176	31 010
Employee benefits	20 778	21 292	(514)	15 725
Services and supplies	38 600	18 253	20 347	16 021
	109 893	89 884	20 009	62 756
Total public safety	117 293	95 629	21 664	69 001

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (CONTINUED)
Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance Favorable	1993
	Budget	Actual	(Unfavorable)	Actual
Public works:				
Highways and streets:				
Services and supplies	$ 110 001	$ 29 210	$ 80 791	$ 9 760
Round Mountain Water:				
Services and supplies	16 500	4 452	12 048	-
Total Public works:	$ 126 501	33 662	92 839	9 760
Culture and recreation:				
Library				
Services and supplies	500	436	64	598
Hadley Library				
Salaries and wages	81 250	74 797	6 453	76 500
Employee benefits	25 876	23 094	2 782	23 445
Services and supplies	45 249	32 681	12 568	34 336
	152 375	130 572	21 803	134 281
Gym				
Services and supplies	12 900	9 063	3 837	9 120
Swimming Pool				
Salaries and wages	25 853	15 108	10 745	29 843
Employee benefits	2 788	1 742	1 046	6 451
Services and supplies	22 429	21 643	786	39 277
	51 070	38 493	12 577	75 571
Parks and recreation				
Salaries and wages	55 710	30 868	24 842	42 605
Employee benefits	16 752	11 446	5 306	13 918
Services and supplies	23 250	12 031	11 219	9 326
	95 712	54 345	41 367	65 849
Activity center				
Services and supplies	3 185	2 577	608	2 467
Total culture and recreation	315 742	235 486	80 256	287 886
Contingency	25 911	-	25 911	-
Total expenditures	$891 607	$ 610 029	$ 281 578	$616 135

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
GENERAL FUND

STATEMENT OF CHANGES TO ORIGINAL BUDGET
Year Ended June 30, 1994

	Original	Budget Transfer & Augmentation To (From)	Final
Revenues:			
Taxes	$ 605 286	$ -	$ 605 286
Licenses and permits	4 000	-	4 000
Intergovernmental	182 815	1 500	184 315
Fines and forfeitures	1 500	-	1 500
Other	7 350	500	7 850
Total revenues	800 951	2 000	802 951
Expenditures:			
General governments	306 160	-	306 160
Public safety	117 293	-	117 293
Public works	126 501	-	126 501
Culture and recreation	313 742	2 000	315 742
Contingency	25 911	-	25 911
Total expenditures	889 607	2 000	891 607
Excess (deficiency) of revenues over expenditures	(88 656)	-	(88 656)
Other financing sources (uses):			
Operating transfers out	(350 000)	-	(350 000)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(438 656)	-	(438 656)
Fund balance:			
Beginning of year	610 067	-	610 067
End of year	$ 171 411	$ -	$ 171 411

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
DEBT SERVICE FUND

BALANCE SHEET

June 30, 1994 and 1993

	1994	1993
Assets		
Cash	$ 3 412	$ 3 412
Fund Equity		
Fund balance - reserved	$ 3 412	$ 3 412

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
DEBT SERVICE FUND

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance Favorable (Unfavorable)	1993
	Budget	Actual		Actual
Revenues:				
Interest	$ -	$ -	$ -	$ -
Expenditures:				
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources:				
Operating transfer in	-	-	-	-
Excess (deficiency) of revenue and other sources over expenditures	-	-	-	-
Fund balance:				
Beginning of year	-	3 412	3 412	3 412
End of year	$ -	$ 3 412	$ 3 412	$ 3 412

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET

June 30, 1994
With Comparative Totals for June 30, 1993

	Capital Projects	Special Ad Valorem Capital Projects	Totals 1994	Totals 1993
Assets				
Cash	$ 249 385	$ 39 810	$ 289 195	$ 132 740
Interest receivable	-	-	-	-
Total assets	$ 249 385	$ 39 810	$ 289 195	$ 132 740
Liabilities and Fund Balances				
Accounts payable	$ 31 278	$ -	$ 31 278	$ 4 481
Fund balance - unreserved-undesignated	218 107	39 810	257 917	128 259
Total liabilities and fund balances	$ 249 385	$ 39 810	$ 289 195	$ 132 740

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
CAPITAL PROJECTS FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

Year Ended June 30, 1994
With Comparative Totals for June 30, 1993

	Capital Projects	Special Ad Valorem Capital Projects	Totals 1994	Totals 1993
Revenue:				
Intergovernmental	$ -	$ 10 574	$ 10 574	$ 11 042
Interest	-	-	-	1 845
Other	500	-	500	-
Total revenue	500	10 574	11 074	12 887
Expenditures:				
Principal	-	-	-	500 000
Interest	-	-	-	10 774
Capital projects	181 416	-	181 416	156 970
Total expenditures	181 416	-	181 416	667 744
Excess (deficiency) of revenues over expenditures	(180 916)	10 574	(170 342)	(654 857)
Other financing sources:				
Loan/Bond Proceeds	-	-	-	500 000
Operating transfers in	300 000	-	300 000	105 000
Total other financing sources (uses)	300 000	-	300 000	605 000
Excess (deficiency) of revenues and other sources over expenditures	119 084	10 574	129 658	(49 857)
Fund balance:				
Beginning of year	99 023	29 236	128 259	178 116
End of year	$ 218 107	$ 39 810	$ 257 917	$ 128 259

See accompanying summary of accounting policies
and notes to financial statement

TOWN OF ROUND MOUNTAIN, NEVADA
CAPITAL PROJECTS FUND

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance Favorable	1993
	Budget	Actual	(Unfavorable)	Actual
Revenues:				
Other resources	$ 500	$ 500	$ -	$ -
Interest	-	-	-	1 845
Total revenues	$ 500	$ 500	$ -	$ 1 845
Expenditures:				
Capital projects:				
General government	107 700	87 935	19 765	109 397
Public safety	97 700	24 673	73 027	25 408
Culture and recreation:				
Library	5 912	2 288	3 624	1 963
Parks and recreation	66 600	58 290	8 310	11 814
Pool	-	-	-	3 587
Community center	-	-	-	4 801
New community center	-	-	-	-
Activity center	21 400	1 134	20 266	-
Gym	14 700	7 096	7 604	-
Total capital projects	314 012	181 416	132 596	156 970
Debt Service:				
Principal	-	-	-	500 000
Interest	-	-	-	10 774
Total expenditures	314 012	181 416	132 596	667 744
Excess (deficiency) of revenues over expenditures	(313 512)	(180 916)	132 596	(665 899)
Other financing sources:				
Loan proceeds	-	-	-	500 000
Operating transfer in	350 000	300 000	(50 000)	105 000
Total other sources	350 000	300 000	(50 000)	605 000
Excess (deficiency) of revenue and other sources over expenditures	36 488	119 084	82 596	(60 899)
Fund balance:				
Beginning of year	70 399	99 023	28 624	159 922
End of year	$ 106 887	$ 218 107	$ 111 220	$ 99 023

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
SPECIAL AD VALOREM CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended June 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance Favorable (Unfavorable)	1993
	Budget	Actual		Actual
Revenues:				
Intergovernmental	$ 6 802	$ 10 574	$ 3 772	$ 11 042
Expenditures:				
Capital projects	33 434	-	33 434	-
Excess (deficiency) of revenues over expenditures	(26 632)	10 574	37 206	11 042
Fund balance:				
Beginning of year	26 632	29 236	2 604	18 194
End of year	$ -	$ 39 810	$ 39 810	$ 29 236

See accompanying summary of accounting policies and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
CAPITAL PROECTS

STATEMENT OF CHANGES TO ORIGINAL BUDGET
Year Ended June 30, 1994

	Original	Budget Transfer & Augmentation To (From)	Final
Revenues:			
Other	$ -	$ 500	$ 500
Total revenues	-	500	500
Expenditures:			
General governments	107 700	-	107 700
Public Safety	97 200	500	97 700
Culture and recreation	108 612	-	108 612
	313 512	500	314 012
Excess (deficiency) of revenues over expenditures	(313 512	-	(313 512)
Other financing sources (uses):			
Operating transfers in	350 000	-	350 000
Excess (deficiency) of revenues and other sources over expenditures and other uses	36 488	-	36 488
Fund balance:			
Beginning of year	70 399	-	70 399
End of year	$106 887	$ -	$106 887

See accompanying summary of accounting policies
and notes to financial statements

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TOWN OF ROUND MOUNTAIN, NEVADA
FIDUCIARY FUNDS
COMBINING BALANCE SHEET

June 30, 1994
With Comparative Totals for June 30, 1993

	Totals	
	1994	1993
Assets		
Cash and investments	$ 766	$ 6 113
Liabilities and Fund Balances		
Accounts payable	779	1 076
Fund balance	(13)	5 037
	$ 766	$ 6 113

See accompanying summary of accounting policies
and notes to financial statements

TOWN OF ROUND MOUNTAIN, NEVADA
EXPENDABLE TRUST FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -

June 30, 1994
With Comparative Totals for June 30, 1993

	Totals 1994	Totals 1993
Revenues:		
Donations	$ -	$ -
Expenditures:		
Culture and recreation	5 050	7 283
Excess of revenue over expenditures	(5 050)	(7 283)
Fund balance:		
Beginning of year	5 037	12 320
End of year	$ (13)	$ 5 037

See accompanying summary of accounting policies
and notes to financial statements

GAS TAX REVENUES

The Town receives gas tax revenue for road maintenance. Nevada revised statutes require this money to be used only for road expenditures. Revenues received have been recorded in the general fund for several years. I have analyzed the gas tax revenue received and road maintenance expenditure for the past four years. As listed below there is a cummulative excess of $95,871.

I recommend this money be transferred to a new road special revenue fund to insure the money is spent in accordance with Nevada Revised Statutes for road maintenance.

	1991	1992	1993	1994	Cumulative Excess
Revenue	36 806	37 192	46 536	29 165	
Expense	8 799	6 064	9 760	29 200	
Excess	28 005	31 133	36 776	(45)	$95 871

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DANIEL C. McARTHUR, LTD.
Certified Public Accountant

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

**INDEPENDENT AUDITOR'S REPORT
ON THE INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED
IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Members of the Town Board
Town of Round Mountain
Round Mountain, Nevada

I have audited the general purpose financial statements of the Town of Round Mountain, Nevada for the year ended June 30, 1994 and have issued my report thereon dated October 20, 1994.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements of the Town of Round Mountain, Nevada, for the year ended June 30, 1994, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the Town of Round Mountain, Nevada, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors, or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories: financing, receipts, and disbursements.

For all of the internal control categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be a material weakness as defined above. However, I noted certain matters involving the internal control structure and its operations that I have listed on page 33 of this financial report.

This report is intended for the information of management, and the Town of Round Mountain Council. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Daniel C McArthur CPA.

Las Vegas, Nevada
October 20, 1994

DANIEL C. McARTHUR, LTD.
Certified Public Accountant

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Members of the Town Board
Town of Round Mountain, Nevada
Round Mountain, Nevada

I have audited the general purpose financial statements of the Town of Round Mountain, Nevada, as of and for the year ended June 30, 1994, and have issued my report thereon dated October 20, 1994

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Town of Round Mountain, Nevada is the responsibility of the Town's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Town of Round Mountain, Nevada's compliance with certain provisions of laws, regulations, contracts, and grants. However, the obective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests indicate that, with respect to the items tested, the Town of Round Mountain, Nevada complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the Town of Round Mountain, Nevada had not complied, in all material respects, with those provisions.

This report is intended for the information of the Town of Round Mountain, Nevada Town Board and management. However, this report is a matter of public record and its distribution is not limited.

Daniel C McArthur Ltd.

Las Vegas, Nevada
October 20, 1994