

CLARK COUNTY, NEVADA
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009
AND
INDEPENDENT AUDITOR'S REPORTS

CLARK COUNTY, NEVADA

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For the Year Ended June 30, 2009

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CLARK COUNTY, NEVADA

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

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KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Clark County, Nevada, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of University Medical Center of Southern Nevada or Las Vegas Valley Water District, which, when combined, represent 31 percent, 28 percent, and 61 percent, respectively, of the assets, net assets, and revenues of the Enterprise Funds. Additionally, we did not audit the financial statements of the Regional Transportation Commission of Southern Nevada, a discretely presented component unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for University Medical Center of Southern Nevada, Las Vegas Valley Water District, and Regional Transportation Commission of Southern Nevada is based solely on the reports of the other auditors.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2009, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison information, and pension and OPEB trend data on pages 3 through 12 and 112 through 127 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to the management's discussion and analysis and pension and OPEB trend data, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Clark County, Nevada. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
December 22, 2009

Clark County, Nevada

Management's Discussion and Analysis
June 30, 2009

The discussion and analysis of Clark County, Nevada (the County) is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activities, (c) identify changes in the County's financial position (its ability to address subsequent years' challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

We encourage readers to read this information in conjunction with the transmittal letter, financial statements and accompanying notes to gain a more complete picture of the information presented.

Financial Highlights – Primary Government

- The auditor's report offers an unqualified opinion that the County's financial statements are presented fairly in all material respects.
- Government-wide net assets totaled \$11,650,836,791. Net assets of governmental activities totaled \$7,250,169,071 and those of business-type activities totaled \$4,400,667,720.
- The County's total net assets increased by \$395,355,793, resulting from an increase in net assets from governmental activities of \$331,468,154 and an increase in net assets from business-type activities of 63,887,639. Net assets from governmental activities increased mainly due to infrastructure additions of roadways and improvements. Net assets from business-type activities increased due to increases in net capital assets of the Clark County Department of Aviation and Clark County Water Reclamation District.
- Unrestricted net assets were \$1,963,276,773, with \$1,137,020,922 resulting from governmental activities and \$826,255,851 from business-type activities. Unrestricted net assets from governmental activities decreased by 7 percent from the prior year, and unrestricted net assets from business-type activities increased by 31 percent over the prior year.
- Net capital assets were \$12,900,901,842 of which \$5,658,297,499 were from governmental activities and \$7,242,604,343 were from business type activities. Major additions for governmental activities during the year included \$375 million toward beltways, roadways, and streets, \$24 million toward parks, and \$22 million toward police mobile radios. Major additions for business-type activities during the year included \$156 million in water system additions, \$656 million for terminal 3 and other additions for the Department of Aviation, and \$56 million in sewer system additions. Depreciation expense attributable to assets of governmental activities amounted to \$208,408,202 for the year, and \$265,635,410 for business-type activities.
- Bonds and loans payable totaled \$7,753,523,931. The following new debt was issued during the fiscal year:

Governmental activities:

General obligation bonds:

\$400,000,000 in Southern Nevada Water Authority bond bank bonds

\$60,000,000 in transportation bonds

\$49,615,000 in public facilities bonds

Revenue bonds:

\$10,000 in public facility bonds for the performing arts

Loans:

\$72,000,000 in Master Transportation Plan commercial paper

Business-type activities:

\$375,825,000 in bonds for the Water Reclamation District

\$6,950,000 in refunding bonds for University Medical Center (UMC)

Revenue bonds:

\$2,520,000 in bonds for the Las Vegas Valley Water District

- The County's primary revenue sources for governmental activities were ad valorem taxes (\$870,671,907) consolidated taxes (\$424,296,491), and sales and use taxes (\$230,475,375). These three revenue sources comprised 29 percent, 14 percent, and 8 percent, respectively, or 51 percent of total governmental activities revenues.
- The County's total expenses were \$4,405,403,857. Governmental activities comprised \$2,698,215,453 of total expenses, the largest functional expenses being public safety (\$1,197,914,886) and public works (\$484,787,359). Business-type activities contributed \$1,707,188,404 to total expenses, the largest components being hospital (599,590,137), airport (\$513,349,050), and water (\$416,639,766) .
- Public safety expenses were \$1,197,914,886, or 11 percent higher than in the prior year. This increase is due to continued growth in the program to hire new police officers funded by a voter-approved one-quarter of a cent sales tax as well as growth in fire protection personnel costs.
- Health expenses were \$112,505,490, or 34 percent higher than in the prior year, due to increased subsidies to the University Medical Center and greater demand for health care to low income clients.
- At the end of the fiscal year, the unreserved fund balance for the General Fund was \$195,866,606 or 15 percent of total General Fund expenditures and transfers out. This was an increase of \$15,670,544, or 9 percent, from the prior year. This increase is due to a reduction of fund balance reserved for encumbrances.

Overview of the Financial Statements

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

Government-Wide Financial Statements

- The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.
- The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.
- The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).
- The government-wide financial statements report three types of activities: governmental activities, business-type activities, and discretely presented component units. The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health, welfare, culture and recreation, community support, other, and interest on long-term debt. The business-type activities of the County include operations of its hospital, airports, water and sewer utilities, and other operations. Discretely presented component units account for functions of legally separate entities for whom the County is financially accountable, but whose governing bodies are not substantially the same as the County. The activities of the discretely presented component units include regional transportation and flood control planning. Complete financial statements of the individual component units can be obtained from their respective administrative

offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.

- o The government-wide financial statements include not only the business-type activities of the County itself (known as the primary government), but also those of the legally separate component units: UMC, Las Vegas Valley Water District, and the Clark County Water Reclamation District. The Board of County Commissioners acts as the governing board for each of these component units whose activities are blended with those of the primary government because they function as part of the County government. Complete financial statements of the individual component units can be obtained from their respective administrative offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.

Fund Financial Statements

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

Governmental Funds

- Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financial requirements.
- Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.
- The County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Las Vegas Metropolitan Police Department, and the Master Transportation Plan fund, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules.
- The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement is provided for each of the County's governmental funds to demonstrate compliance with the budget. The budgetary comparison statements for the major governmental funds are presented as required supplementary information; the budgetary comparison statements for all other governmental funds are included in the fund financial statements accompanying information.

Proprietary Funds

- The County maintains two distinct types of proprietary funds.
 - ◆ Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its hospital, airport, water, sewer, and other activities.

- ◆ Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The County uses internal service funds to account for the following activities:

- * Construction management
- * Fleet maintenance
- * Investment pool operations
- * Employee benefits
- * Central printing and mailing
- * Information systems development
- * Self-insurance activities, including:
 - + Liability insurance
 - + Workers' compensation
 - + Group insurance
 - + Other post-employment benefits

- Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail. The proprietary fund financial statements provide separate information for UMC, Clark County Water Reclamation District, and the Las Vegas Valley Water District, each of which is a blended component unit and reported as a major fund within the fund financial statements. In addition, separate information is provided for an additional major fund, the Department of Aviation. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining and individual fund statements and schedules.

Fiduciary Funds

- The County's fiduciary funds consist of 2 employee benefit funds, 1 pension fund, and 39 agency funds. The employee benefit funds are the Medical Insurance Premium Retirement Plan and the County Section 125 Plan. The pension fund is the Las Vegas Valley Water District Pension Plan. The agency funds are used to hold monies for other entities or individuals until disposition.

Notes to Financial Statements

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

Other Information

- In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Las Vegas Valley Water District's progress in funding its obligation to provide pension benefits to its employees. It also includes a schedule of budgetary comparisons for the following major governmental funds:

- ◆ General Fund
- ◆ Special Revenue Funds:
 - * Las Vegas Metropolitan Police Department
 - * Master Transportation Plan

- The combining statements and individual fund schedules are presented immediately following the required supplementary information.
- Unaudited statistical information is provided on a ten-year basis for trend and historical analysis, except where data is not available due to the initial year of GASB Statement No. 34 presentation.

Government-Wide Financial Analysis

- Net assets of the County as of June 30, 2009, and June 30, 2008, are summarized and analyzed below:

<u>Clark County, Nevada Net Assets – Primary Government</u>						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Assets						
Current and other assets	\$ 5,225,819,410	\$ 4,835,784,306	\$ 3,474,370,616	\$ 4,104,821,265	\$ 8,700,190,026	\$ 8,940,605,571
Net capital assets	<u>5,658,297,499</u>	<u>5,230,348,275</u>	<u>7,242,604,343</u>	<u>6,307,623,796</u>	<u>12,900,901,842</u>	<u>11,537,972,071</u>
Total assets	<u>10,884,116,909</u>	<u>10,066,132,581</u>	<u>10,716,974,959</u>	<u>10,412,445,061</u>	<u>21,601,091,868</u>	<u>20,478,577,642</u>
Liabilities						
Long-term liabilities	2,523,143,425	1,974,091,972	4,881,366,924	4,669,661,491	7,404,510,349	6,643,753,463
Other liabilities	<u>1,110,804,413</u>	<u>1,173,339,692</u>	<u>1,434,940,315</u>	<u>1,406,003,489</u>	<u>2,545,744,728</u>	<u>2,579,343,181</u>
Total liabilities	<u>3,633,947,838</u>	<u>3,147,431,664</u>	<u>6,316,307,239</u>	<u>6,075,664,980</u>	<u>9,950,255,077</u>	<u>9,223,096,644</u>
Net assets						
Invested in capital assets, net of related debt	4,804,599,338	4,436,761,991	3,302,426,756	3,023,318,923	8,107,026,094	7,460,080,914
Restricted	1,308,548,811	1,263,653,507	271,985,113	683,952,349	1,580,533,924	1,947,605,856
Unrestricted	<u>1,137,020,922</u>	<u>1,218,285,419</u>	<u>826,255,851</u>	<u>629,508,809</u>	<u>1,963,276,773</u>	<u>1,847,794,228</u>
Total net assets	<u>\$ 7,250,169,071</u>	<u>\$ 6,918,700,917</u>	<u>\$ 4,400,667,720</u>	<u>\$ 4,336,780,081</u>	<u>\$11,650,836,791</u>	<u>\$11,255,480,998</u>

- As noted earlier, net assets may serve over time as a useful indicator of the County’s financial position. Assets exceeded liabilities by \$11,650,836,791 as of June 30, 2009, and by \$11,255,480,998 as of June 30, 2008, a net increase of \$395,355,793, or 4 percent.
- The largest portion of the County’s net assets (70 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.), less any related debt outstanding used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.
- The County’s restricted net assets (13 percent) represent resources that are subject to external restrictions on how they may be used. Of these restricted net assets, 46 percent is for construction of capital assets (unspent proceeds from long-term debt issues), 23 percent is for repayment of long-term debt, and the balance is restricted for the County’s special revenue funds or other purposes.
- The remaining portion of the County’s net assets (17 percent) is unrestricted and may be used to meet the County’s ongoing obligations to citizens and creditors.
- At June 30, 2009, the County had positive balances in all three categories of net assets, both for the government as a whole, as well as for separate governmental and business-type activities

Clark County, Nevada Changes in Net Assets – Primary Government

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 371,520,267	\$ 487,124,450	\$1,486,025,667	\$1,581,233,246	\$ 1,857,545,934	\$2,068,357,696
Operating grants and contributions	455,497,564	414,259,506	60,000,000	31,000,000	515,497,564	445,259,506
Capital grants and contributions	296,666,310	253,029,125	98,328,506	132,905,410	394,994,816	385,934,535
General revenues:						
Ad valorem taxes	870,671,907	799,257,814	15,957	15,181	870,687,864	799,272,995
Consolidated tax	424,296,491	489,752,501	53,466	65,526	424,349,957	489,818,027
Sales and use tax	230,475,375	265,477,538	13,735,092	15,813,975	244,210,467	281,291,513
Franchise fees	95,441,780	91,081,001	-	-	95,441,780	91,081,001
Fuel taxes	73,662,757	77,710,751	-	-	73,662,757	77,710,751
Motor vehicle privilege tax	43,158,008	47,805,025	-	-	43,158,008	47,805,025
Room tax	37,179,811	45,917,555	-	-	37,179,811	45,917,555
Other	32,310,674	34,901,285	-	-	32,310,674	34,901,285
Gain (loss) on sale or disposition of assets	3,172,705	2,620,375	161,239	323,033	3,333,944	2,943,408
Interest income	106,744,335	208,926,347	79,651,192	137,391,418	186,395,527	346,317,765
Total revenues	3,040,797,984	3,217,863,273	1,737,971,119	1,898,747,789	4,778,769,103	5,116,611,062
Expenses						
General government	237,328,938	220,165,615	-	-	237,328,938	220,165,615
Judicial	188,151,791	199,563,451	-	-	188,151,791	199,563,451
Public safety	1,197,914,886	1,082,216,327	-	-	1,197,914,886	1,082,216,327
Public works	484,787,359	467,845,743	-	-	484,787,359	467,845,743
Health	112,505,490	84,025,232	-	-	112,505,490	84,025,232
Welfare	199,691,030	174,289,857	-	-	199,691,030	174,289,857
Culture and recreation	42,244,450	54,067,340	-	-	42,244,450	54,067,340
Community support	22,015,264	19,710,319	-	-	22,015,264	19,710,319
Other	101,298,299	113,762,028	-	-	101,298,299	113,762,028
Interest on long-term debt	112,277,946	91,136,714	-	-	112,277,946	91,136,714
Hospital	-	-	599,590,137	589,797,799	599,590,137	589,797,799
Water	-	-	416,639,766	431,929,066	416,639,766	431,929,066
Airport	-	-	513,349,050	495,754,402	513,349,050	495,754,402
Sewer	-	-	108,643,275	106,987,817	108,643,275	106,987,817
Other	-	-	68,966,176	74,264,231	68,966,176	74,264,231
Total expenses	2,698,215,453	2,506,782,626	1,707,188,404	1,698,733,315	4,405,403,857	4,205,515,941
Increase in net assets before transfers	342,582,531	711,080,647	30,782,715	200,014,474	373,365,246	911,095,121
Transfers	(11,114,377)	(24,600,831)	11,114,377	24,600,831	-	-
Increase (decrease) in net assets	331,468,154	686,479,816	41,897,092	224,615,305	373,365,246	911,095,121
Net assets – beginning	6,918,700,917	6,229,422,398	4,336,780,081	4,112,164,776	11,255,480,998	10,341,587,174
Restatement of beginning fund balances	-	2,798,703	21,990,547	-	21,990,547	2,798,703
Net assets restated	6,918,700,917	6,232,221,101	4,358,770,628	4,112,164,776	11,277,471,545	10,344,385,877
Net assets – ending	\$7,250,169,071	\$6,918,700,917	\$4,400,667,720	\$4,336,780,081	\$11,650,836,791	\$11,255,480,998

- Program revenues included charges for services, fines and forfeitures, certain licenses and permits, special assessments, and both operating and capital grants and contributions. Program revenues from governmental activities decreased by \$30,728,940, or 3 percent, due to decreases in development activity. Program revenues from business-type activities decreased by \$100,784,483, or 6 percent, due to decreases in passenger facility charges and building permits, charges for services and decreases in capital contributions to the Las Vegas Valley Water District and Clark County Water Reclamation District.
- General revenues consisted of taxes and interest not allocable to specific programs. For governmental activities, the largest of these revenues, ad valorem taxes, increased by \$71,414,093, or 9 percent. This increase was due mainly to increases in assessed valuation. Consolidated tax declined by \$65,456,010, or 13 percent, and sales and use tax decreased in governmental activities by \$35,002,163, or 13 percent, both due to the effects of the recession on the local economy during fiscal year 2009. Interest revenue for governmental activities decreased by \$102,182,012 or 49 percent; interest

revenue for business-type activities decreased by \$57,740,226, or 42 percent. These decreases were due to lower rates of investment returns.

- The County had a gain on disposition of assets of \$3,172,705 from governmental activities. This was mainly due to sales of County right-of-way and equipment during the fiscal year.
- County governmental activity expenses increased 8 percent in fiscal year 2009. Increases in general government of 9 percent were due to the reorganization of the Office of Appointed Counsel division from the judicial function, as well as the costs of the 2008 elections. Public safety expenses for governmental activities increased \$115,698,559, or 11 percent, mostly due to increased expenditures of the Las Vegas Metropolitan Police Department, including the hiring of new officers as a result of the previously mentioned sales tax. Increases in fire protection personnel costs were also a factor. Health expenditures increased \$28,480,258 or 34 percent due to increased subsidies to the University Medical Center and greater demands for health care to low income clients. Welfare expenditures for governmental activities increased \$25,401,173, or 15 percent, showing the growing demand on the County welfare system. Water functional area expenses decreased \$15,289,300, or 4 percent, because of the decrease in the regional connection fees paid by the Las Vegas Valley Water District to the Southern Nevada Water Authority. Airport functional expenses increased \$17,594,648, or 4 percent, because of two primary events; 1) the completion of the Airport's in-line baggage handling system which is owned and operated by the Airport and maintained by Airport system staff; and 2) unfunded security related mandates from the Transportation Security Administration which require the Airport to physically man all terminal access point doorways into the secured areas of the terminal.

Financial Analysis of the County's Funds

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

Governmental Funds

- The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.
- As of the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$2,363,753,506, a decrease of \$6,488,001, or 1 percent, from the prior year. Approximately 81 percent of fund balances (\$1.9 billion) constitute unreserved fund balance. Approximately \$1.2 billion dollars, or 60 percent, of the unreserved fund balance is designated for specific projects in major special revenue and capital project funds. Of the unreserved fund balance, \$759 million, or 40 percent, is undesignated. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$172 million), 2) to pay debt service (\$252 million), and 3) as reserves for long-term receivables (\$22 million).
- The General Fund is the main operating fund of the County. At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$195,866,606, an increase of \$15,670,544, or 9 percent, from the prior year. The total fund balance was \$218,345,400, a decrease of \$108,484, or 1 percent, from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers. Unreserved fund balance represented 15 percent of total General Fund expenditures and transfers out for the fiscal year ended June 30, 2009, and 13 percent for the fiscal year ended June 30, 2008. Total fund balance represented 17 percent and 15 percent of that same amount in the fiscal years ended June 30, 2009, and June 30, 2008, respectively.
- Key factors in the change in fund balance in the General Fund are as follows:
 - Revenues and transfers-in decreased by \$36,624,635, or 3 percent. General fund revenues decreased by \$30,272,668, or 3 percent. Ad valorem tax revenues generated the largest revenue increase of \$37,673,465, or 11 percent, due to valuation increases. Intergovernmental revenue, the largest component of which is the

consolidated tax, decreased by \$42,591,590, or 13 percent, due to the effects of the recession on the local economy. Interest income decreased by \$19,454,482 or 71 percent due to lower interest rates. The transfers in were primarily ad valorem and consolidated taxes from the unincorporated towns and the Clark County Fire District. Increases in ad valorem taxes and decreases in consolidated taxes were also reflected in transfers into the general fund, for a net decrease of \$6,351,967, or 2 percent.

- Expenditures and transfers out decreased by \$127,864,415, or 9 percent. General fund expenditures increased \$57,673,029, or 8 percent. Transfers out decreased by \$185,537,444, or 27 percent. The transfers out are primarily to the Las Vegas Metropolitan Police Department and the Detention Services special revenue funds. In addition, periodic transfers are made from the general fund to the County Capital Projects Fund at the discretion of the Board of County Commissioners. Transfers to the County Capital Projects fund were \$4,617,809 and \$208,352,070 for the fiscal years ended June 30, 2009, and 2008 respectively, a decrease of \$203,734,261.

o Other major fund activity is as follows:

- The Las Vegas Metropolitan Police Department operates from current year resources and it budgets for a zero fund balance; however, it ended the year with a total fund balance of \$52,058,835 of which \$4,586,007 was reserved. Total revenues and transfers in were \$563,358,051, which was an increase of 5 percent, or \$27,542,580, over the prior year. This increased amount occurred primarily as a result of a 9 percent increase in ad valorem taxes of \$13,823,722 and a combined 5 percent increase of \$15,782,883 in City of Las Vegas contributions and County transfers. Expenditures, which are primarily personnel costs, increased 9 percent, or \$44,668,493.
- The Master Transportation Plan fund accounts for tax proceeds from a variety of sources used to improve transportation in Clark County. Total revenues decreased \$75,923,388, or 21 percent, from the prior year, due to a broad decline in all revenue categories, related both to growth and activity. The proceeds of these taxes are then moved to the appropriate capital projects, debt service, or enterprise fund to effect the transportation improvements.
- The non-major governmental funds showed an increase in fund balances of \$2,534,837, with total fund balances of \$2,093,349,271, and unreserved fund balances of \$1,673,990,000. All funds have the resources to meet their commitments.

Enterprise Funds

- The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Minor differences arise between the enterprise funds and the business-type activities in the government-wide statements due to the effects of consolidation of internal service fund activities related to the enterprise funds. Unrestricted net assets of the enterprise funds totaled \$830,668,279, an increase of \$196,747,021, or 31 percent, and the total growth in net assets for these funds was \$63,870,315, a 1 percent increase from the prior year. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

Internal Service Funds

- The County's internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Other factors concerning the finances of the internal service funds have already been addressed in the discussion of the County's governmental activities.

Budgetary Highlights

- The General Fund’s legal level of budgetary control is the function level. The final amended budget for expenditure appropriation was \$869,497,976, an increase of \$15,000,000 or 2 percent from the original budget. Actual expenditures were \$813,846,348, or 6 percent less than the final budget, primarily due to the County’s cost containment efforts.
- Revenues of the general fund fell short of the final budget by \$47,856,170, or 5 percent. This occurred in spite of generally conservative revenue forecasts due to the current recession.

Capital Assets and Debt Administration

Primary Government

- Capital Assets
 - The County’s investment in capital assets, net of accumulated depreciation at June 30, 2009, was \$12,900,901,842, an increase of \$1,362,929,771, or 12 percent. Detail by type of activity and asset is summarized in the table below.

Major additions for this fiscal year are as follows:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
Roadways and streets (beltway)	\$375 million	Water system additions	\$ 156 million
Parks	\$ 24 million	Airport land acquisition and construction	\$ 656 million
Police mobile radios	\$ 22 million	Sewer system additions	\$ 56 million

Clark County, Nevada Capital Assets – Primary Government
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land and improvements	\$1,502,446,164	\$1,434,470,355	\$2,950,977,615	\$2,635,898,572	\$ 4,453,423,779	\$ 4,070,368,927
Buildings	766,375,339	736,399,089	2,233,574,462	2,022,984,206	2,999,949,801	2,759,383,295
Machinery and equipment	125,820,120	106,367,566	607,971,976	507,978,156	733,792,096	614,345,722
Infrastructure	2,897,023,395	2,646,517,066	-	-	2,897,023,395	2,646,517,066
Construction in progress	<u>366,632,481</u>	<u>306,594,199</u>	<u>1,450,080,290</u>	<u>1,140,762,862</u>	<u>1,816,712,771</u>	<u>1,447,357,061</u>
Total	<u>\$5,658,297,499</u>	<u>\$5,230,348,275</u>	<u>\$7,242,604,343</u>	<u>\$6,307,623,796</u>	<u>\$12,900,901,842</u>	<u>\$11,537,972,071</u>

- For additional information on the County’s capital assets see note 4 in the accompanying financial statements.

Long-Term Debt

Primary Government

- At June 30, 2009, the County had total outstanding bonds and loans of \$7,753,523,931, an increase of \$750,783,291, or 11 percent, from the prior year. Of this amount, \$2,037,870,241 comprised general obligation debt backed by the full faith and credit of the County, \$1,931,506,885 of general obligation bonds additionally secured by specified revenue sources, \$495,398,223 of loans, primarily in the form of commercial paper, and \$276,227,136 was special assessment debt for which the County is liable in the event of default by the property owners subject to assessment.

Clark County, Nevada Outstanding Debt

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General obligation bonds	\$2,037,843,510	\$1,601,883,424	\$ 26,731	\$ 39,150	\$2,037,870,241	\$1,601,922,574
Revenue backed general obligation bonds	-	-	1,931,506,885	1,612,753,453	1,931,506,885	1,612,753,453
Revenue bonds	10,000	-	3,012,511,446	3,067,627,775	3,012,521,446	3,067,627,775
Special assessment bonds	276,227,136	295,574,559	-	-	276,227,136	295,574,559
Loans	<u>92,924,406</u>	<u>21,180,941</u>	<u>402,473,817</u>	<u>403,681,338</u>	<u>495,398,223</u>	<u>424,862,279</u>
Total	<u>\$2,407,005,052</u>	<u>\$1,918,638,924</u>	<u>\$5,346,518,879</u>	<u>\$5,084,101,716</u>	<u>\$7,753,523,931</u>	<u>\$7,002,740,640</u>

- o For additional information on the County's debt, see note 6 in the accompanying financial statements.

Economic Factors

- After several years of significant economic growth, Las Vegas showed signs of continued slowing in 2009. Both taxable sales and new and existing home sales showed significant decreases. The County's unemployment rate at June 30, 2009, was 12.3 percent as compared to 6.5 percent in the prior year.
- Clark County remains an attractive place for people to relocate and find employment. Although population growth slowed in 2009, several significant projects in the County strip resort corridor provide the opportunity for continued growth. The rapid growth in recent years, and the likelihood of growth in the future, continues to create challenges in keeping up with infrastructure needs. The County has a Master Transportation Plan in place that was approved by the 1991 legislature. During the November 2002 general election, the voters of Clark County approved an additional funding measure, subsequently enacted by the legislature to allow an additional sales tax levy to further improve the County's transportation needs.
- UMC continues to deal with the impact of uninsured patients. UMC's operating loss was \$82,513,340 for the fiscal year 2009 from \$54,999,992 in fiscal year 2008 due to continued high levels of care for uninsured and underinsured patients. The County may need to help with the financing of these continued losses.
- Despite UMC's financial difficulties, the County has positioned itself to meet the needs of its citizens. A solid tax base continues to provide adequate revenues to provide basic services. A cost containment program continues to be in place, enforcing a reasonable pace of hiring and position savings. The County's general fund unreserved ending fund balance remains healthy. Together, these factors have placed the County in a sound financial position to mitigate short-term economic uncertainty.

Requests for Information

- This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Edward M. Finger, County Comptroller, at 500 South Grand Central Parkway, Las Vegas, NV 89155.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Clark County, Nevada
Statement of Net Assets
June 30, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional
					Transportation Commission of Southern Nevada
ASSETS					
Cash and investments:					
In custody of the County Treasurer	\$ 2,667,887,498	\$ 299,763,918	\$ 2,967,651,416	\$ 336,621,445	\$ 287,805,818
In custody of other officials	6,816,507	43,177,889	49,994,396	500	60,216
With fiscal agent	130,150,968	-	130,150,968	2,652,616	42,965,038
Investments in custody of other officials	-	520,382,099	520,382,099	-	-
Loaned securities	386,225,253	15,610,058	401,835,311	48,589,903	41,391,617
Accounts receivable (net of provision for doubtful accounts)	19,892,652	236,455,160	256,347,812	78,348	1,122,824
Interest receivable	22,300,258	10,733,928	33,034,186	2,657,057	2,263,430
Bond bank receivable	42,360,000	-	42,360,000	-	-
Taxes receivable, delinquent	22,566,657	583	22,567,240	-	-
Penalties receivable on delinquent taxes	9,771,185	-	9,771,185	-	-
Special assessments receivable	279,936,572	-	279,936,572	-	-
Internal balances	16,280,396	(16,280,396)	-	-	-
Due from other governmental units	204,769,416	5,056,142	209,825,558	11,746,193	52,134,767
Inventories	450,874	30,235,089	30,685,963	-	-
Prepaid items and other current assets	2,522,698	2,383,954	4,936,652	-	522,438
Deferred charges and other assets	46,413,476	113,413,810	159,827,286	2,876,153	3,035,276
Restricted assets:					
Cash and investments:					
In custody of the County Treasurer	-	487,781,299	487,781,299	-	-
In custody of other officials	-	215,979,003	215,979,003	-	-
With fiscal agent	-	509,595,702	509,595,702	-	-
Loaned securities	-	205,145,609	205,145,609	-	-
Accounts receivable	-	421,806,769	421,806,769	-	-
Bond bank receivable, noncurrent	1,367,445,000	373,130,000	1,740,575,000	-	-
Capital assets not being depreciated	1,718,857,595	2,386,437,397	4,105,294,992	119,967	217,031,052
Capital assets being depreciated, net of accumulated depreciation	3,939,439,904	4,856,166,946	8,795,606,850	2,651,997	223,735,526
Total Assets	10,884,116,909	10,716,974,959	21,601,091,868	407,994,179	872,068,002

(Continued)

Clark County, Nevada
Statement of Net Assets
June 30, 2009
(Continued)

	Primary Government		Component Units	
	Governmental Activities	Business-Type Activities	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada
LIABILITIES				
Accounts payable	\$ 303,838,316	\$ 174,126,535	\$ 15,130,640	\$ 96,973,841
Accrued payroll and other accrued liabilities	169,452,031	128,512,158	129,767	1,012,486
Accrued interest	16,647,102	-	2,457,898	11,111,865
Due to other governmental units	44,534,905	-	-	-
Loaned securities	405,767,172	134,767,709	51,048,415	43,485,916
Unearned revenue and other liabilities	40,178,599	130,560,417	-	439,211
Liabilities payable from restricted assets:				
Accounts payable	-	151,315,295	-	-
Customer deposits	-	9,933,670	-	-
Accrued expenses	-	84,914,588	-	-
Loaned securities	-	91,613,677	-	-
Bonds and loans payable, due within one year	-	514,178,000	-	-
Bonds and loans payable, due within one year	130,386,288	15,018,266	11,155,000	17,355,000
Bonds and loans payable, due after one year	2,276,618,764	4,817,322,613	434,624,269	632,060,438
Other non-current liabilities, due after one year	246,524,661	64,044,311	833,206	3,585,923
Total Liabilities	3,633,947,838	6,316,307,239	515,379,195	806,024,680
NET ASSETS				
Invested in capital assets, net of related debt	4,804,599,338	3,302,426,756	2,771,964	440,766,578
Restricted for:				
Capital projects	601,402,296	123,887,380	239,674,603	137,007,825
Debt service	252,166,904	113,527,149	10,208,453	60,421,863
Other purposes	454,979,611	34,570,584	85,739,233	-
Unrestricted	1,137,020,922	826,255,851	(445,779,269)	(572,152,943)
Total Net Assets	\$ 7,250,169,071	\$ 4,400,667,720	\$ (107,385,016)	\$ 66,043,323

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Statement of Activities
For the fiscal year ended June 30, 2009
(Continued)

	Net (Expenses) Revenues and Changes in Net Assets									
	Program Revenues				Primary Government			Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	-
Governmental activities:										
General government	\$ 237,328,938	\$ 193,369,543	\$ 132,289,024	\$ -	\$ 88,329,629	\$ -	\$ 88,329,629	\$ -	\$ -	-
Judicial	188,151,791	59,591,447	16,406,246	-	(112,154,098)	-	(112,154,098)	-	-	-
Public safety	1,197,914,886	52,199,999	241,494,128	-	(904,220,759)	-	(904,220,759)	-	-	-
Public works	484,787,359	40,243,272	54,099,850	296,042,142	(94,402,095)	-	(94,402,095)	-	-	-
Health	112,505,490	7,717,222	3,782,853	-	(101,005,415)	-	(101,005,415)	-	-	-
Welfare	199,691,030	-	7,425,463	-	(192,265,567)	-	(192,265,567)	-	-	-
Culture and recreation	42,244,450	17,701,781	-	624,168	(23,918,501)	-	(23,918,501)	-	-	-
Community support	22,015,264	-	-	-	(22,015,264)	-	(22,015,264)	-	-	-
Other	101,298,299	697,003	-	-	(100,601,296)	-	(100,601,296)	-	-	-
Interest on long-term debt	112,277,946	-	-	-	(112,277,946)	-	(112,277,946)	-	-	-
Total governmental activities	2,698,215,453	371,520,267	455,497,564	296,666,310	(1,574,531,312)	-	(1,574,531,312)	-	-	-

(Continued)

Clark County, Nevada
Statement of Activities
For the fiscal year ended June 30, 2009
(Continued)

	Program Revenues				Primary Government			Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	
Business-type activities:										
Hospital	\$ 599,590,137	\$ 510,430,588	\$ 60,000,000	\$ -	\$ -	\$ (29,159,549)	\$ -	\$ -	\$ -	\$ -
Water	416,639,766	358,078,404	-	34,930,004	-	(23,631,358)	-	-	-	-
Airport	513,349,050	462,615,242	-	32,846,693	-	(17,887,115)	-	-	-	-
Sewer	108,643,275	112,099,618	-	30,551,809	-	34,008,152	-	-	-	-
Other	68,966,176	42,801,815	-	-	-	(26,164,361)	-	-	-	-
Total business-type activities	1,707,188,404	1,486,025,667	60,000,000	98,328,506	-	(62,834,231)	-	-	-	-
Total primary government	\$ 4,405,403,857	\$ 1,857,545,934	\$ 515,497,564	\$ 394,994,816						
Component units:										
Clark County Regional Flood Control District	\$ 114,524,228	\$ -	\$ -	\$ -			\$ (114,524,228)	\$ -	\$ -	\$ -
Regional Transportation Commission of Southern Nevada	437,061,825	61,085,195	4,777,869	129,677,292						(241,521,469)
Total component units	\$ 551,586,053	\$ 61,085,195	\$ 4,777,869	\$ 129,677,292			\$ (114,524,228)	\$ -	\$ (241,521,469)	\$ (241,521,469)
General revenues:										
Ad valorem taxes					870,671,907	15,957	870,687,864	-	-	-
Consolidated tax					424,296,491	53,466	424,349,957	-	-	-
Sales and use tax					230,475,375	13,735,092	244,210,467	75,034,138	149,922,311	-
Franchise fees					95,441,780	-	95,441,780	-	-	-
Fuel taxes					73,662,757	-	73,662,757	-	-	71,476,794
Motor vehicle privilege tax					43,158,008	-	43,158,008	-	-	-
Room tax					37,179,811	-	37,179,811	-	-	-
Other					32,310,674	-	32,310,674	124,242	32,542,981	-
Gain on sale of capital assets					3,172,705	161,239	3,333,944	-	-	-
Interest income					106,744,335	79,651,192	186,395,527	9,376,079	12,322,605	-
Transfers					(11,114,377)	11,114,377	-	-	-	-
Total general revenues and transfers					1,905,995,466	104,731,323	2,010,730,789	84,534,459	266,264,691	-
Change in net assets					331,468,154	41,897,092	373,365,246	(29,989,769)	24,743,222	-
Net assets - beginning					6,918,700,917	4,336,780,081	11,255,480,998	(77,395,247)	51,663,953	-
Prior period adjustment					-	21,990,547	21,990,547	-	(10,363,852)	-
Net assets - beginning as restated					6,918,700,917	4,358,770,628	11,277,471,545	(77,395,247)	41,300,101	-
Net assets - ending					\$ 7,250,169,071	\$ 4,400,667,720	\$ 11,650,836,791	\$ (107,385,016)	\$ 66,043,323	\$ -

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2009

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments:					
In custody of the County Treasurer	\$ 156,750,412	\$ 77,631,680	\$ 1,948,919	\$ 2,042,250,877	\$ 2,278,581,888
In custody of other officials	1,193,459	238,000	-	1,283,048	2,714,507
With fiscal agent	-	-	-	130,150,968	130,150,968
Loaned securities	32,747,070	11,314,757	2,722,378	292,746,348	339,530,553
Accounts receivable	25,189,614	566,694	-	4,462,872	30,219,180
Interest receivable	1,790,716	626,982	148,871	17,175,137	19,741,706
Taxes receivable, delinquent	10,254,836	4,141,593	-	8,170,228	22,566,657
Penalties receivable on delinquent taxes	9,771,185	-	-	-	9,771,185
Special assessments receivable	-	-	-	279,936,572	279,936,572
Due from other funds	-	-	-	18,176,094	18,176,094
Due from other governmental units	66,395,764	6,251,634	36,653,715	95,468,303	204,769,416
Prepaid items	-	708,500	-	-	708,500
Total Assets	<u>\$ 304,093,056</u>	<u>\$ 101,479,840</u>	<u>\$ 41,473,883</u>	<u>\$ 2,889,820,447</u>	<u>\$ 3,336,867,226</u>

(Continued)

Clark County, Nevada
 Governmental Funds
 Balance Sheet
 June 30, 2009
 (Continued)

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 15,949,530	\$ 10,825,447	\$ -	\$ 127,416,211	\$ 154,191,188
Accrued payroll	18,945,706	18,938,124	-	12,816,592	50,700,422
Due to other funds	457,270	-	7,414,421	13,703,615	21,575,306
Due to other governmental units	-	37,302	31,199,340	13,298,263	44,534,905
Loaned securities	34,403,996	11,887,252	2,860,122	307,558,482	356,709,852
Deferred revenue and other liabilities	15,991,154	7,732,880	-	321,678,013	345,402,047
Total Liabilities	<u>85,747,656</u>	<u>49,421,005</u>	<u>41,473,883</u>	<u>796,471,176</u>	<u>973,113,720</u>
Fund balances:					
Reserved for encumbrances	34,538	4,586,007	-	167,192,367	171,812,912
Reserved for long-term receivables	22,444,256	-	-	-	22,444,256
Reserved for debt service	-	-	-	252,166,904	252,166,904
Unreserved:					
Designated for specific projects, reported in:					
Major funds	2,005,945	25,129,825	-	-	27,135,770
Special revenue funds	-	-	-	80,971,925	80,971,925
Capital projects funds	-	-	-	1,050,201,291	1,050,201,291
Undesignated, reported in:					
Major funds	193,860,661	22,343,003	-	-	216,203,664
Special revenue funds	-	-	-	541,894,869	541,894,869
Capital projects funds	-	-	-	921,915	921,915
Total Fund Balances	<u>218,345,400</u>	<u>52,058,835</u>	<u>-</u>	<u>2,093,349,271</u>	<u>2,363,753,506</u>
Total Liabilities and Fund Balances	<u>\$ 304,093,056</u>	<u>\$ 101,479,840</u>	<u>\$ 41,473,883</u>	<u>\$ 2,889,820,447</u>	<u>\$ 3,336,867,226</u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
 Reconciliation of the Balance Sheet
 to the Statement of Net Assets
 June 30, 2009

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balances – governmental funds		\$2,363,753,506
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Governmental capital assets	\$7,496,243,756	
Less accumulated depreciation	<u>(1,837,946,257)</u>	5,658,297,499
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore not reported in governmental funds:		
Bonds payable, net of premiums and discounts	(2,314,080,646)	
Unamortized bond costs, premiums and discounts	12,196,702	
Loans payable	(92,924,406)	
Litigation liability	(2,500,000)	
Litigation settlement	(10,000,000)	
LVMPD OPEB liability, net of Detention portion	(88,621,534)	
Compensated absences	<u>(179,559,457)</u>	(2,675,489,341)
Accrued interest payable		(16,647,102)
Deferred revenue representing amounts that were not available to fund current expenditures and therefore are not reported in governmental funds		305,492,216
Long-term receivables reserved in governmental funds, adjusted to allowance for uncollectibles in statement of net assets		(22,444,256)
Long-term receivables not recorded in governmental funds:		
Bond bank receivable from So. Nevada Water Authority	1,409,805,000	
LVMPD OPEB receivable from City of Las Vegas	34,216,774	1,444,021,774
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of the internal service funds are reported with the governmental activities		188,789,650
Internal balances that are receivable from business-type activities		<u>4,395,125</u>
Net assets of governmental activities		<u>\$7,250,169,071</u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2009

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 383,096,346	\$ 169,704,913	\$ 37,179,811	\$ 326,401,789	\$ 916,382,859
Special assessments	-	-	-	41,564,558	41,564,558
Licenses and permits	212,457,083	-	9,853,781	32,803,346	255,114,210
Intergovernmental revenue	287,980,237	148,587,277	243,083,174	589,300,712	1,268,951,400
Charges for services	85,915,596	25,753,687	-	46,558,729	158,228,012
Fines and forfeitures	24,535,699	-	-	2,385,408	26,921,107
Interest	7,869,934	2,717,848	967,199	82,974,001	94,528,982
Other	4,626,029	921,365	-	11,441,580	16,988,974
Total revenues	<u>1,006,480,924</u>	<u>347,685,090</u>	<u>291,083,965</u>	<u>1,133,430,123</u>	<u>2,778,680,102</u>
Expenditures:					
Current:					
General government	124,513,446	-	-	35,875,708	160,389,154
Judicial	140,327,933	-	-	42,813,788	183,141,721
Public safety	207,312,119	519,797,717	-	338,495,703	1,065,605,539
Public works	15,060,398	-	194,863,401	62,925,784	272,849,583
Health	92,225,951	-	-	19,267,216	111,493,167
Welfare	105,904,299	-	-	93,314,048	199,218,347
Culture and recreation	28,151,167	-	-	831,602	28,982,769
Community support	-	-	-	22,010,183	22,010,183
Other general expenditures	98,484,642	-	-	3,041,324	101,525,966
Capital outlays	1,866,393	34,293,572	-	548,271,487	584,431,452
Debt service:					
Principal	-	220,660	-	85,023,737	85,244,397
Interest	-	44,114	-	109,510,085	109,554,199
Bond issuance costs and other	-	-	-	2,864,727	2,864,727
Total expenditures	<u>813,846,348</u>	<u>554,356,063</u>	<u>194,863,401</u>	<u>1,364,245,392</u>	<u>2,927,311,204</u>
Excess (deficiency) of revenues over (under) expenditures	<u>192,634,576</u>	<u>(206,670,973)</u>	<u>96,220,564</u>	<u>(230,815,269)</u>	<u>(148,631,102)</u>

(Continued)

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2009
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):					
Transfers from other funds	297,183,448	215,672,961	-	553,925,948	1,066,782,357
Transfers to other funds	(489,926,508)	(17,916,342)	(96,220,564)	(497,392,460)	(1,101,455,874)
Bonds and loans issued	-	-	-	556,760,000	556,760,000
Refunding bonds issued	-	-	-	24,865,000	24,865,000
Premium on bonds issued	-	-	-	19,885,267	19,885,267
Payment to escrow agent	-	-	-	(24,693,649)	(24,693,649)
Payment to bond bank entity	-	-	-	(400,000,000)	(400,000,000)
Total other financing sources (uses)	(192,743,060)	197,756,619	(96,220,564)	233,350,106	142,143,101
Net changes in fund balances	(108,484)	(8,914,354)	-	2,534,837	(6,488,001)
Fund balance:					
Beginning of year	218,453,884	60,973,189	-	2,090,814,434	2,370,241,507
End of year	\$ 218,345,400	\$ 52,058,835	\$ -	\$ 2,093,349,271	\$ 2,363,753,506

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
 Reconciliation of Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the year ended June 30, 2009

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – governmental funds \$ (6,488,001)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives. Also, the County relinquished infrastructure that was annexed by the cities. The County does not capitalize items costing less than \$5,000.

Capital outlay recorded in governmental funds	\$ 584,431,452	
Less amounts not capitalized	<u>(139,255,644)</u>	
Capitalized expenditures	445,175,808	
Less current year depreciation	<u>(208,408,202)</u>	236,767,606

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:

Donated capital assets	254,086,727	
Loss on sale of capital assets	(211,936)	
Change in deferred revenue	(8,807,807)	
Bond bank operating contribution	<u>(14,745,000)</u>	230,321,984

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bonds issued exceeded repayments:

Bonds and loans issued	(581,625,000)	
Bond issuance and other deferred costs	2,864,727	
Bond premiums and discounts	(19,885,267)	
Accrued interest	(2,723,747)	
Amortized bond costs	(9,207,681)	
Principal payment	85,244,397	
Payments to escrow agents	24,693,649	
Payment to bond bank entity	<u>400,000,000</u>	(100,638,922)

(Continued)

Clark County, Nevada
 Reconciliation of Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the year ended June 30, 2009

(Continued)

Some expenses reported in the statement of net activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Change in long-term compensated absences	(9,145,668)	
Change in LVMPD OPEB liability	<u>(38,624,773)</u>	\$(47,770,441)
Long-term receivable is recorded in the governmental funds. The current portion of the provision for doubtful accounts is recognized in the statement of activities.		(1,576,975)
Long-term LVMPD OPEB receivable due from the City of Las Vegas		14,913,025
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of the internal service funds is reported with governmental activities.		5,957,202
Increase to internal balances that are receivable from business-type activities.		<u>(17,324)</u>
Change in net assets of governmental activities		<u>\$331,468,154</u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2009

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
ASSETS				
Unrestricted current assets:				
Cash and cash equivalents:				
In custody of the County Treasurer	\$ 18,349,581	\$ -	\$ -	\$ 173,011,648
In custody of other officials	22,900	28,475,537	6,335,434	77,550
Investments in custody of other officials	-	432,548,780	87,833,319	-
Loaned securities	-	-	-	-
Accounts receivable	145,173,207	17,206,690	48,580,182	25,237,447
Interest receivable	-	3,460,355	294,699	6,125,267
Taxes receivable, delinquent	-	-	-	-
Due from other funds	-	-	-	1,414,421
Due from other governmental units	-	-	-	4,825,629
Inventories	12,786,896	2,744,827	12,875,385	1,827,981
Prepaid items and other current assets	1,268,506	403,827	-	696,621
Total unrestricted current assets	<u>177,601,090</u>	<u>484,840,016</u>	<u>155,919,019</u>	<u>213,216,564</u>
Restricted current assets:				
Cash and cash equivalents:				
In custody of the County Treasurer	40,587,639	14,172,178	-	433,021,482
In custody of other officials	-	-	-	-
With fiscal agent	-	-	-	509,595,702
Investments in custody of other officials	-	145,918,137	69,808,581	-
Loaned securities	6,333,463	111,610,618	-	87,201,528
Accounts receivable	1,746,081	2,118,732	417,941,956	-
Total restricted current assets	<u>48,667,183</u>	<u>273,819,665</u>	<u>487,750,537</u>	<u>1,029,818,712</u>
Total current assets	<u>226,268,273</u>	<u>758,659,681</u>	<u>643,669,556</u>	<u>1,243,035,276</u>
Noncurrent assets:				
Accounts receivable, restricted	-	-	373,130,000	-
Deferred charges and other assets	565,632	4,489,103	6,307,620	102,051,455
Capital assets:				
Property and equipment	284,606,219	1,791,918,650	2,669,354,879	4,788,602,467
Accumulated depreciation	(130,187,558)	(463,387,133)	(718,023,561)	(1,043,013,154)
Total capital assets, net of accumulated depreciation	<u>154,418,661</u>	<u>1,328,531,517</u>	<u>1,951,331,318</u>	<u>3,745,589,313</u>
Total noncurrent assets	<u>154,984,293</u>	<u>1,333,020,620</u>	<u>2,330,768,938</u>	<u>3,847,640,768</u>
Total assets	<u>381,252,566</u>	<u>2,091,680,301</u>	<u>2,974,438,494</u>	<u>5,090,676,044</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
LIABILITIES				
Current liabilities (payable from current assets):				
Current maturities of long-term debt	\$ 7,288,750	\$ 6,110,000	\$ -	\$ -
Accounts payable	63,203,453	42,474,808	46,931,034	16,506,245
Accrued expenses	69,732,886	15,437,926	32,521,433	15,576,008
Due to other funds	13,299,692	-	-	-
Loaned securities	6,653,919	111,713,907	-	-
Deferred revenue	-	-	-	5,283,001
Deposits and other current liabilities	-	3,872,332	25,730,616	95,180,000
Total current liabilities (payable from current assets)	<u>160,178,700</u>	<u>179,608,973</u>	<u>105,183,083</u>	<u>132,545,254</u>
Current liabilities (payable from restricted assets):				
Current maturities of long-term debt	-	-	442,398,000	71,780,000
Accounts payable	-	-	3,133,720	148,181,575
Accrued expenses	-	-	7,984,579	76,930,009
Customer deposits	-	-	9,933,670	-
Loaned securities	-	-	-	91,613,677
Total current liabilities (payable from restricted assets)	<u>-</u>	<u>-</u>	<u>463,449,969</u>	<u>388,505,261</u>
Total current liabilities	<u>160,178,700</u>	<u>179,608,973</u>	<u>568,633,052</u>	<u>521,050,515</u>
Noncurrent liabilities:				
Long-term debt, less current maturities	86,958,877	454,973,317	1,258,372,447	3,009,767,306
Deferred revenue and other non-current liabilities	32,673,232	2,393,855	6,210,660	10,888,041
Total noncurrent liabilities	<u>119,632,109</u>	<u>457,367,172</u>	<u>1,264,583,107</u>	<u>3,020,655,347</u>
Total Liabilities	<u>279,810,809</u>	<u>636,976,145</u>	<u>1,833,216,159</u>	<u>3,541,705,862</u>
NET ASSETS				
Invested in capital assets, net of related debt	79,392,935	1,017,299,654	1,054,055,721	1,097,788,362
Restricted for:				
Capital projects	7,934,437	-	385,338	115,567,605
Debt service	-	16,290,910	10,523,591	86,460,363
Other	-	-	-	34,570,584
Unrestricted	14,114,385	421,113,592	76,257,685	214,583,268
Total Net Assets	<u>\$ 101,441,757</u>	<u>\$ 1,454,704,156</u>	<u>\$ 1,141,222,335</u>	<u>\$ 1,548,970,182</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2009
(Continued)

	Business-Type Activities- Enterprise Funds		
	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
ASSETS			
Unrestricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	\$ 108,402,689	\$ 299,763,918	\$ 389,305,610
In custody of other officials	8,266,468	43,177,889	4,102,000
Investments in custody of other officials	-	520,382,099	-
Loaned securities	15,610,058	15,610,058	46,694,700
Accounts receivable	257,634	236,455,160	12,117,728
Interest receivable	853,607	10,733,928	2,558,553
Taxes receivable, delinquent	583	583	-
Due from other funds	-	1,414,421	15,284,483
Due from other governmental units	230,513	5,056,142	-
Inventories	-	30,235,089	450,874
Prepaid items and other current assets	15,000	2,383,954	1,844,198
Total unrestricted current assets	133,636,552	1,165,213,241	472,358,146
Restricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	-	487,781,299	-
In custody of other officials	252,285	252,285	-
With fiscal agent	-	509,595,702	-
Investments in custody of other officials	-	215,726,718	-
Loaned securities	-	205,145,609	-
Accounts receivable	-	421,806,769	-
Total restricted current assets	252,285	1,840,308,382	-
Total current assets	133,888,837	3,005,521,623	472,358,146
Noncurrent assets:			
Accounts receivable, restricted	-	373,130,000	-
Deferred charges and other assets	-	113,413,810	10,103,001
Capital assets:			
Property and equipment	95,168,294	9,629,650,509	21,155,699
Accumulated depreciation	(32,434,760)	(2,387,046,166)	(17,632,357)
Total capital assets, net of accumulated depreciation	62,733,534	7,242,604,343	3,523,342
Total noncurrent assets	62,733,534	7,229,148,153	13,626,343
Total assets	196,622,371	10,734,669,776	485,984,489

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2009
(Continued)

	Business-Type Activities- Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
LIABILITIES			
Current liabilities (payable from current assets):			
Current maturities of long-term debt	\$ 1,619,516	\$ 15,018,266	\$ -
Accounts payable	5,010,995	174,126,535	149,647,128
Accrued expenses	7,122,428	140,390,681	94,698,279
Due to other funds	-	13,299,692	-
Loaned securities	16,399,883	134,767,709	49,057,320
Deferred revenue	300,538	5,583,539	-
Deposits and other current liabilities	193,930	124,976,878	268,770
Total current liabilities (payable from current assets)	30,647,290	608,163,300	293,671,497
Current liabilities (payable from restricted assets):			
Current maturities of long-term debt	-	514,178,000	-
Accounts payable	-	151,315,295	-
Accrued expenses	-	84,914,588	-
Customer deposits	-	9,933,670	-
Loaned securities	-	91,613,677	-
Total current liabilities (payable from restricted assets)	-	851,955,230	-
Total current liabilities	30,647,290	1,460,118,530	293,671,497
Noncurrent liabilities:			
Long-term debt, less current maturities	7,250,666	4,817,322,613	-
Deferred revenue and other non-current liabilities	-	52,165,788	-
Total noncurrent liabilities	7,250,666	4,869,488,401	-
Total Liabilities	37,897,956	6,329,606,931	293,671,497
NET ASSETS			
Invested in capital assets, net of related debt	53,890,084	3,302,426,756	3,523,342
Restricted for:			
Capital projects	-	123,887,380	-
Debt service	252,285	113,527,149	-
Other	-	34,570,584	-
Unrestricted	104,582,046	830,650,976	188,789,650
Total Net Assets	158,724,415	4,405,062,845	192,312,992
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			
Net assets of business-type of activities		(4,395,125)	
		\$ 4,400,667,720	

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2009

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Operating revenues:				
Licenses and permits:				
New development fees	\$ -	\$ -	\$ -	\$ -
Charges for services:				
Sewer services and operations	-	110,587,495	-	-
Water sales and related water fees	-	-	350,263,217	-
Services to patients	482,019,526	-	-	-
Landing and other airport fees	-	-	-	56,536,637
Building and land rental	-	-	-	225,548,519
Concession fees	-	-	-	66,555,409
Constable fees	-	-	-	-
Building fees and permits	-	-	-	-
Recreation fees	-	-	-	-
Parking fees	-	-	-	-
Insurance	-	-	-	-
Other	27,754,485	-	-	-
Other operating revenues	-	1,239,223	2,481,977	30,573,233
Total operating revenues	<u>509,774,011</u>	<u>111,826,718</u>	<u>352,745,194</u>	<u>379,213,798</u>
Operating expenses:				
Salaries and benefits	-	27,748,380	-	112,280,932
General and administrative	140,555,450	-	-	64,084,786
Other professional services	437,940,964	6,306,470	-	-
Operating and maintenance	-	28,580,109	291,519,567	79,770,877
Depreciation	13,790,937	44,849,343	83,026,725	119,867,893
Total operating expenses	<u>592,287,351</u>	<u>107,484,302</u>	<u>374,546,292</u>	<u>376,004,488</u>
Operating income (loss)	<u>(82,513,340)</u>	<u>4,342,416</u>	<u>(21,801,098)</u>	<u>3,209,310</u>

(Continued)

Clark County, Nevada
Proprietary Funds

Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Nonoperating revenues (expenses):				
Interest income	\$ 1,915,183	\$ 21,116,439	\$ 2,266,567	\$ 49,555,557
Interest expense	(4,998,533)	-	(36,106,404)	(137,253,683)
Gain (loss) on sale or abandonment of property and equipment	(2,785,654)	(1,150,311)	-	-
Consolidated tax	-	-	-	-
Sales and use tax	-	13,482,807	-	-
Contributions from other governmental units	60,000,000	-	-	-
Other	656,577	272,900	481,205	83,401,444
Total nonoperating revenues (expenses)	54,787,573	33,721,835	(33,358,632)	(4,296,682)
Income (loss) before contributions and transfers	(27,725,767)	38,064,251	(55,159,730)	(1,087,372)
Capital contributions	-	30,551,809	34,930,004	32,846,693
Transfers from other funds	1,026,422	-	-	8,387,955
Change in net assets	(26,699,345)	68,616,060	(20,229,726)	40,147,276
Net assets:				
Beginning of year	128,141,102	1,386,088,096	1,139,461,514	1,508,822,906
Prior period adjustment	-	-	21,990,547	-
End of year	\$ 101,441,757	\$ 1,454,704,156	\$ 1,141,222,335	\$ 1,548,970,182

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds		
Operating revenues:				
Licenses and permits:				
New development fees	\$ 120,657	120,657	\$ -	-
Charges for services:				
Sewer services and operations	-	110,587,495	-	-
Water sales and related water fees	3,898,683	354,161,900	-	-
Services to patients	-	482,019,526	-	-
Landing and other airport fees	-	56,536,637	-	-
Building and land rental	-	225,548,519	-	-
Concession fees	-	66,555,409	-	-
Constable fees	3,314,897	3,314,897	-	-
Building fees and permits	29,213,172	29,213,172	-	-
Recreation fees	8,514,896	8,514,896	-	-
Parking fees	803,812	803,812	-	196,339
Insurance	-	-	-	173,401,633
Other	-	27,754,485	-	50,912,028
Other operating revenues	1,488,323	35,782,756	-	13,931,999
Total operating revenues	<u>47,354,440</u>	<u>1,400,914,161</u>	<u>238,441,999</u>	<u>238,441,999</u>
Operating expenses:				
Salaries and benefits	53,296,616	193,325,928	81,790,506	-
General and administrative	-	204,640,236	-	-
Other professional services	-	444,247,434	-	-
Operating and maintenance	16,514,001	416,384,554	186,457,307	-
Depreciation	4,100,512	265,635,410	1,419,665	-
Total operating expenses	<u>73,911,129</u>	<u>1,524,233,562</u>	<u>269,667,478</u>	<u>269,667,478</u>
Operating income (loss)	<u>(26,556,689)</u>	<u>(123,319,401)</u>	<u>(31,225,479)</u>	<u>(31,225,479)</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	Funds
Nonoperating revenues (expenses):			
Interest income	\$ 4,797,446	\$ 79,651,192	\$ 12,736,627
Interest expense	(677,581)	(179,036,201)	(521,455)
Gain (loss) on sale or abandonment of property and equipment	161,239	(3,774,726)	249,193
Consolidated tax	53,466	53,466	-
Sales and use tax	252,285	13,735,092	-
Contributions from other governmental units	-	60,000,000	-
Other	315,337	85,127,463	-
Total nonoperating revenues (expenses)	4,902,192	55,756,286	12,464,365
Income (loss) before contributions and transfers	(21,654,497)	(67,563,115)	(18,761,114)
Capital contributions	-	98,328,506	-
Transfers from other funds	1,700,000	11,114,377	23,559,140
Change in net assets	(19,954,497)	41,879,768	4,798,026
Net assets:			
Beginning of year	178,678,912		187,514,966
End of year	\$ 158,724,415		\$ 192,312,992
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		17,324	
Change in net assets of business-type activities		\$ 41,897,092	

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Proprietary Funds

Statement of Cash Flows

For the fiscal year ended June 30, 2009

(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Cash flows from operating activities:				
Cash received from customers	\$ 488,628,493	\$ 110,282,350	\$ 364,213,119	\$ 339,276,838
Cash paid for employees and for benefits	(319,335,402)	(27,080,947)	(121,343,940)	(103,282,123)
Cash paid for services and supplies	(232,519,377)	(34,126,351)	(142,984,147)	(140,980,317)
Other operating receipts	27,754,484	-	229,910	-
Net cash provided (used) by operating activities	(35,471,802)	49,075,052	100,114,942	95,014,398
Cash flows from noncapital financing activities:				
Cash provided by property taxes	-	-	-	-
Cash provided by consolidated taxes and sales and use taxes	-	-	-	-
Federal and state grants	-	-	-	-
Transfers from other funds	1,026,422	-	-	8,387,955
Contributions from other governmental units	60,000,000	-	-	-
Net cash provided (used) by non-capital financing activities	61,026,422	-	-	8,387,955
Cash flows from capital and related financing activities:				
Cash provided by contributed capital	-	14,657,945	9,121,880	-
Bonds and loans issued	6,950,000	-	2,520,000	-
Federal and state grants	-	60,771	-	46,815,659
Cash used for bond issue costs	-	-	(55,386)	(686,007)
Acquisition, construction, or improvement of capital assets	(14,070,363)	(237,809,604)	(107,998,205)	(810,537,325)
	(Continued)			

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Reclamation District	Las Vegas Valley Water District	Department of Aviation
Cash used for debt service:				
Principal	\$ (5,272,521)	\$ (5,825,000)	\$ (25,433,000)	\$ (66,150,000)
Interest	(4,190,168)	(4,217,334)	(40,367,113)	(117,659,944)
Payments to bond refunding agent	-	-	-	-
Proceeds from the sale of capital assets	-	375,094,534	259,900	-
Proceeds from customer assessments	-	-	-	83,656,926
Sales tax apportionment	-	14,008,075	-	-
Cash provided by other capital	656,579	-	(832,457)	(322,010)
Net cash used by capital and related financing activities:	<u>(22,916,473)</u>	<u>155,969,387</u>	<u>(162,784,381)</u>	<u>(864,882,701)</u>
Cash flows from investing activities:				
Purchase of investments	-	(348,903,926)	(11,106,843,262)	-
Proceeds from maturities of investments	-	147,761,202	11,168,829,823	-
Interest income	2,235,638	21,135,301	3,003,696	57,592,083
Net cash provided (used) by investing activities	<u>2,235,638</u>	<u>(180,007,423)</u>	<u>64,990,257</u>	<u>57,592,083</u>
Net increase (decrease) in cash and cash equivalents	4,873,785	25,037,016	2,320,818	(703,888,265)
Cash and cash equivalents:				
Beginning of year	<u>54,086,335</u>	<u>17,610,699</u>	<u>4,014,616</u>	<u>1,819,594,647</u>
End of year:				
Unrestricted	18,372,481	28,475,537	6,335,434	173,089,198
Restricted	<u>40,587,639</u>	<u>14,172,178</u>	<u>-</u>	<u>942,617,184</u>
Total cash and cash equivalents at end of year	<u>\$ 58,960,120</u>	<u>\$ 42,647,715</u>	<u>\$ 6,335,434</u>	<u>\$ 1,115,706,382</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
	\$ (82,513,340)	\$ 4,342,416	\$ (21,801,098)	\$ 3,209,310
Operating income (loss)	13,790,937	44,849,343	83,026,725	122,688,008
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	50,646,718	-	-	-
Depreciation	(44,037,750)	(939,600)	8,617,097	(33,805,030)
Provision for doubtful accounts	-	-	-	-
(Increase) decrease in accounts receivable	-	-	-	-
(Increase) decrease in due from other funds	-	-	-	-
(Increase) decrease in due from other governmental units	-	-	-	-
(Increase) decrease in inventory	1,030,161	(494,429)	-	1,724,250
(Increase) decrease in prepaid expense	-	(25,365)	601,639	1,767,652
(Increase) decrease in other assets	(3,068,382)	-	5,661,922	-
Increase (decrease) in accounts payable	22,018,495	834,857	12,749,810	(12,357,632)
Increase (decrease) in accrued payroll	-	-	11,075,283	8,998,809
Increase (decrease) in due to other funds	-	-	-	-
Increase (decrease) in other non-current liabilities	1,181,418	507,830	-	-
Increase (decrease) in deferred revenue	-	-	(30,912)	2,240,073
Increase (decrease) in deposits and other current liabilities	5,479,941	-	164,248	8,936,913
Net cash provided (used) by operating activities	\$ (35,471,802)	\$ 49,075,052	\$ 100,064,714	\$ 103,402,353

(Continued)

Reconciliation of operating income (loss) to net cash flows from operating activities:

Operating income (loss)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:
Depreciation
Provision for doubtful accounts
(Increase) decrease in accounts receivable
(Increase) decrease in due from other funds
(Increase) decrease in due from other governmental units
(Increase) decrease in inventory
(Increase) decrease in prepaid expense
(Increase) decrease in other assets
Increase (decrease) in accounts payable
Increase (decrease) in accrued payroll
Increase (decrease) in due to other funds
Increase (decrease) in other non-current liabilities
Increase (decrease) in deferred revenue
Increase (decrease) in deposits and other current liabilities
Net cash provided (used) by operating activities

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Noncash investing, capital and financing activities				
Donated mains and services	\$ -	\$ 14,137,502	\$ 25,757,896	\$ -
Property, plant and equipment purchased on account	-	40,336,361	-	-
Change in fair value of investments	-	10,500,180	(778,107)	-
Reduction of debt issued on behalf of related party	-	-	(15,410,000)	-
Liability for litigation settlements charged to capital assets	-	-	-	27,180,000
Accounts receivable exchanged for capital assets	-	-	-	3,426,924
Increase in fair market value from exchange of capital assets	-	-	-	3,252,551

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 46,502,739	\$ 1,348,903,539	\$ 222,652,879	(29,959,075)
Cash paid for employees and for benefits	(53,553,362)	(624,595,774)	(142,918,067)	13,931,999
Cash paid for services and supplies	(14,699,562)	(565,309,754)	28,692,651	63,707,736
Other operating receipts	708,257	28,692,651	-	-
Net cash provided (used) by operating activities	(21,041,928)	187,690,662	-	-
Cash flows from noncapital financing activities:				
Cash provided by property taxes	16,007	16,007	-	-
Cash provided by consolidated taxes and sales and use taxes	53,466	53,466	-	-
Federal and state grants	293,486	293,486	-	-
Transfers from other funds	1,700,000	11,114,377	23,559,140	-
Contributions from other governmental units	-	60,000,000	-	-
Net cash provided (used) by non-capital financing activities	2,062,959	71,477,336	23,559,140	-
Cash flows from capital and related financing activities:				
Cash provided by contributed capital	-	23,779,825	-	-
Bonds and loans issued	-	9,470,000	-	-
Federal and state grants	-	46,876,430	-	-
Cash used for bond issue costs	-	(741,393)	-	-
Acquisition, construction, or improvement of capital assets	(7,096,191)	(1,177,511,688)	(260,490)	-
	-	-	-	-

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds		
Cash used for debt service:				
Principal	\$ (1,339,083)	\$ (104,019,604)	\$	-
Interest	(484,521)	(166,919,080)		-
Payments to bond refunding agent	-	(6,990,000)		-
Proceeds from the sale of capital assets	-	375,354,434		249,193
Proceeds from customer assessments	-	83,656,926		-
Sales tax apportionment	252,285	14,260,360		-
Cash provided by other capital	-	(497,888)		-
Net cash used by capital and related financing activities	(8,667,510)	(903,281,678)		(11,297)
Transfer to joint venture	-	-		-
Purchase of investments	-	(11,455,747,188)		-
Proceeds from maturities of investments	-	11,316,591,025		-
Interest income	5,726,070	89,692,788		13,998,366
Net cash provided (used) by investing activities	5,726,070	(49,463,375)		13,998,366
Net increase (decrease) in cash and cash equivalents	(21,920,409)	(693,577,055)		101,253,945
Cash and cash equivalents:				
Beginning of year	138,841,851	2,034,148,148		292,153,665
End of year:				
Unrestricted	116,669,157	342,941,807		393,407,610
Restricted	252,285	997,629,286		-
Total cash and cash equivalents at end of year	\$ 116,921,442	\$ 1,340,571,093		\$ 393,407,610

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ (26,556,689)	\$ (123,319,401)	\$ (123,319,401)	\$ (31,225,479)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	4,100,512	268,455,525	268,455,525	1,419,665
Provision for doubtful accounts	-	50,646,718	50,646,718	-
(Increase) decrease in accounts receivable	41,414	(70,123,869)	(70,123,869)	(8,019,703)
(Increase) decrease in due from other funds	-	-	-	16,251,769
(Increase) decrease in due from other governmental units	(214,042)	-	(214,042)	47,564
(Increase) decrease in inventory	-	2,259,982	2,259,982	35,839
(Increase) decrease in prepaid expense	-	2,343,926	2,343,926	(477,759)
(Increase) decrease in other assets	-	2,593,540	2,593,540	(10,103,001)
Increase (decrease) in accounts payable	1,774,429	25,019,959	25,019,959	48,481,160
Increase (decrease) in accrued payroll	(331,518)	19,742,574	19,742,574	51,831,431
Increase (decrease) in due to other funds	-	-	-	(4,500,000)
Increase (decrease) in other non-current liabilities	-	1,689,248	1,689,248	-
Increase (decrease) in deferred revenue	229	2,209,390	2,209,390	-
Increase (decrease) in deposits and other current liabilities	143,177	14,724,279	14,724,279	(33,750)
Net cash provided (used) by operating activities	<u>\$ (21,042,488)</u>	<u>\$ 196,027,829</u>	<u>\$ 196,027,829</u>	<u>\$ 63,707,736</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2009
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Noncash investing, capital and financing activities			
Donated mains and services	\$	\$ 39,895,398	\$ -
Property, plant and equipment purchased on account	-	40,336,361	-
Change in fair value of investments	-	9,722,073	-
Reduction of debt issued on behalf of related party	-	(15,410,000)	-
Liability for litigation settlements charged to capital assets	-	27,180,000	-
Accounts receivable exchanged for capital assets	-	3,426,924	-
Increase in fair market value from exchange of capital assets	-	3,252,551	-

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Fiduciary Funds
Statement of Net Assets
June 30, 2009

	Employee Benefit and Pension Funds	Agency Funds
ASSETS		
Cash and investments:		
In custody of the County Treasurer	\$ 3,374,603	\$ 149,716,500
In custody of other officials	-	39,969,990
With fiscal agent	131,029,196	-
Loaned securities	488,758	21,548,151
Accounts receivable	2,531	79,884
Interest receivable	1,137,453	1,179,713
Taxes receivable, delinquent	-	43,044,807
Due from other governmental units	-	1,548,943
Total Assets	136,032,541	257,087,988
LIABILITIES		
Accrued expenses	55,241	-
Loaned securities	513,487	22,638,426
Amounts held for others	-	234,449,562
Total Liabilities	568,728	257,087,988
NET ASSETS		
Held in trust for pension benefits and other purposes	\$ 135,463,813	\$ -

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Fiduciary Funds

Statement of Changes in Net Assets
For the fiscal year ended June 30, 2009

	Employee Benefit and Pension Funds
ADDITIONS	
Contributions:	
Contributions from employer	\$ 27,298,811
Contributions from employees	904,043
Total contributions	<u>28,202,854</u>
Investment earnings:	
Interest	1,860,390
Net increase in fair value of investments	<u>(11,074,609)</u>
Total investment earnings	<u>(9,214,219)</u>
Less investment expense	<u>(111,921)</u>
Net investment earnings	<u>(9,326,140)</u>
Total additions	<u>18,876,714</u>
DEDUCTIONS	
General and administrative Benefit payments	204,231
	<u>12,928,866</u>
Total deductions	<u>13,133,097</u>
Change in net assets	5,743,617
NET ASSETS	
Beginning of year	<u>129,720,196</u>
End of year	<u>\$ 135,463,813</u>

The accompanying notes are an integral part of
these financial statements.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Clark County, Nevada (the County) is a municipality governed by an elected seven-member board. As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present Clark County, Nevada (the primary government) and its component units.

Blended Component Units

Included as blended component units are the Las Vegas Valley Water District (Water District), Big Bend Water District, University Medical Center of Southern Nevada (UMC), Clark County Water Reclamation District (Reclamation District) and the Clark County Redevelopment Agency (Redevelopment Agency).

Although each of the above-mentioned governmental units operates as a separate entity, the members of the Board of Clark County Commissioners are also the board members (ex-officio) of each entity. Because each of the component units has substantially the same governing body as the primary government, they are blended into the financial statements. The operations of the Water District, UMC, and the Reclamation District are reflected as enterprise funds. The Redevelopment Agency is reflected as a special revenue fund.

Discretely Presented Component Units

Included as discretely presented component units are the Regional Transportation Commission of Southern Nevada (RTC) and the Clark County Regional Flood Control District (Flood Control District). The RTC and the Flood Control District are governed by two members of the Board of County Commissioners, two members of the City of Las Vegas Council, and one member from the city council of every other incorporated city in Clark County. The County is financially accountable for RTC and Flood Control District, and exclusion of these units would render the financial statements of the County incomplete.

Separately issued financial statements for the component units may be obtained by contacting the component units at the following addresses:

Las Vegas Valley Water District and Big Bend Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

University Medical Center of Southern Nevada
1800 West Charleston Boulevard
Las Vegas, Nevada 89102

Clark County Water Reclamation District
5857 East Flamingo Road
Las Vegas, Nevada 89122

Regional Transportation Commission of Southern Nevada
600 South Grand Central Parkway, Suite 350
Las Vegas, Nevada 89106

Regional Flood Control District
600 South Grand Central Parkway, Suite 300
Las Vegas, Nevada 89106

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Government-Wide Financial Statements

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

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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for services between the governmental activities and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements

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. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues, excluding property taxes, to be available if they are collected within 90 days after the end of the current fiscal year. Property taxes are considered available if collected within 60 days after the end of the current fiscal year. Expenditures generally are 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, consolidated taxes, franchise fees, interest revenue, and charges for services associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year. Only the portion of special assessments receivable due within the fiscal year is considered to be susceptible to accrual as revenue of the current year. Fines and forfeitures, as well as licenses and permits, are not susceptible to accrual as they are generally not measurable until received in cash.

The proprietary fund and employee benefit and pension fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and internal service funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees of the Reclamation District and Water District funds that are intended to recover the cost of connecting new customers to their system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County 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 Las Vegas Metropolitan Police Department Fund accounts for the operation of a police department serving the citizens of unincorporated Clark County and the City of Las Vegas.

The Master Transportation Fund accounts for revenues and expenditures associated with transportation improvements.

The County reports the following major enterprise funds:

The University Medical Center Fund is a blended component unit of the County. It accounts for the operations of the County's hospital.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The Water Reclamation District Fund is a blended component unit of the County. It accounts for the operations of the County's sewage treatment facilities.

The Water District Fund is a blended component unit of the County. It accounts for the operations of the County's water distribution system.

The Department of Aviation Fund accounts for the operations of McCarran International Airport, North Las Vegas Airport, Henderson Executive Airport, Jean Sport Aviation Airport, Perkins Field in Overton, Nevada, and Searchlight Airport.

Additionally, the County reports the following fund types:

Internal service funds account for printing and mailing, fleet management, employee benefits, property management, enterprise resource planning, investment pool costs and self-insurance services provided to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.

Fiduciary funds include the Medical Insurance Premium Retirement Plan fund, the County Section 125 Plan fund, and the Las Vegas Valley Water District Pension Plan fund. These funds account for resources that are required to be held in trust for the members and beneficiaries of the employee benefit plans or for pension benefit payments to qualified employees.

The agency funds are also included as fiduciary funds and they account for assets held by the County as an agent for other governmental entities. The most significant activity in the agency funds is the collection and transfer of taxes to other local governmental entities, primarily ad valorem and room taxes.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities, and Net Assets or Equity

Investments

With the exception of the Water Reclamation District and Water District, the County pools the cash of its individual funds for investment purposes. Each fund in the pool records its own interest earnings. At year end, all the investments in the pool are adjusted to fair value, regardless of the length of time remaining to maturity. The proportionate share of each fund's unrealized gain or loss at year end is adjusted against the interest earnings of the individual funds. The Water Reclamation District and Water District also adjust their investments to fair value, but only to the extent that they are maturing longer than a year from year end. (Also see Note III.1.)

Receivables and Payables

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

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Assets or Equity (Continued)

Receivables and Payables (Continued)

governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

The accounts receivable are shown net of any provision for doubtful accounts.

Inventories and Prepaid Items

The Water District enterprise fund inventories are valued at the weighted average moving cost. The inventories of the other proprietary funds are valued at the lower of cost, determined by first-in, first-out method, or market. Inventories consist primarily of materials and supplies.

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

Restricted Assets

Restricted assets consist of cash and cash equivalents, investments and certain receivables that are restricted in their use by bond covenants or other external agreements. They are primarily used to meet debt service obligations.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, bridges, flood control structures, traffic signals, streetlights, 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 \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Land improvements	5-75
Infrastructure	25-50
Equipment	5-20

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Assets or Equity (Continued)

Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits are accrued when incurred in the government-wide and proprietary financial statements.

Long-Term Obligations

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

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

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Reclassifications

Certain amounts in the prior year statements have been reclassified for comparison purposes to conform to the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations

For the fiscal year ended June 30, 2009, the following funds exceeded appropriations:

The Las Vegas Metropolitan Police Department Shared State Forfeitures Special Revenue fund expenditures and transfers to other funds exceeded appropriations by \$92,905 and \$61,894, respectively; the Big Bend Water District Nonmajor Enterprise fund expenses exceeded appropriations by \$1,051,620.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS

1. CASH AND INVESTMENTS

Deposits

According to state statutes, County monies must be deposited with federally insured banks, credit unions, or savings and loan associations within the County. The County is authorized to use demand accounts, time accounts, and certificates of deposit. State statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable County investments described below, except that statutes permit a longer term and include securities issued by municipalities within Nevada. The County’s deposits are fully covered by federal depository insurance or collateral held by the County’s agent in the County’s name, with the exception of \$14,293,583 that was not collateralized at June 30, 2009, but has subsequently been collateralized. The County has written custodial agreements with the various financial institutions’ trust banks for demand deposits and certificates of deposits. These custodial agreements pledge securities totaling 102 percent of the deposits with each financial institution. The County has a written agreement with the State Treasurer for monitoring the collateral maintained by the County’s depository institutions.

All deposits are subject to credit risk. Credit risk is defined as the risk that another party to a deposit or investment transaction (counterparty) will not fulfill its obligations. At year end, the bank balance of deposits held in custody of the County Treasurer was \$28,175,382 and the carrying amount was (\$14,642,979). The negative carrying amount represents outstanding checks in excess of bank balances. The County utilizes zero balance sweep accounts and there are money market funds available to cover amounts presented for payment.

The bank balance of deposits held in the custody of other officials was \$77,088,472 and the carrying amount was \$70,343,157. The bank balance and the carrying value of deposits with fiscal agent was \$149,519.

At June 30, 2009, the fair value of Countywide deposits, investments, and loaned securities reinvested consisted of the following:

Total Cash, Investments and Loaned Securities Reinvested All Entities Combined		<u>Fair Value</u>
Investments	\$5,688,931,571	
Loaned securities	<u>718,999,349</u>	\$6,407,930,920
Cash		55,849,697
Water District pension		<u>130,949,537</u>
Grand total		<u>\$6,594,730,154</u>

Investments

When investing monies, the County is required to be in conformance with state statutes and written policies adopted by the Board of County Commissioners designating allowable investments and the safeguarding of those investments. The County invests monies both by individual fund and through a pooling of monies. The pooled monies, referred to as the investment pool, are theoretically invested on the whole and not as a combination of monies from each fund belonging to the pool. In this manner, the County Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balances of the funds for the month in which the investment matures. Cash and investments in the custody of the County Treasurer comprise the investment pool.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Securities purchased by the County are delivered against payments and held in a custodial safekeeping account with the trust department of a bank designated by the County.

As described above, the cash and investments in custody of the County Treasurer are invested as a pool. Entity-wide investment pools are considered to have the general characteristics of demand deposits in that the entity may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Therefore, cash and investments in custody of the County Treasurer for the proprietary funds are considered cash equivalents for the purposes of the statement of cash flows, in addition to cash in custody of other officials and cash with fiscal agent. Cash received as collateral for loaned securities is not considered a cash equivalent for the purpose of the statement of cash flows.

State statutes authorize the County to invest in the following: obligations of the U.S. Treasury and U.S. agencies not to exceed ten years maturity; negotiable notes or short-term negotiable bonds issued by other local governments of the State of Nevada; negotiable certificates of deposit insured by commercial banks, credit unions or savings and loan associations; nonnegotiable certificates of deposit issued by insured commercial banks, credit unions or savings and loan associations, except certificates that are not within limits of insurance provided by the Federal Deposit Insurance Corporation, unless those certificates are collateralized as is required for uninsured deposits; bankers' acceptances eligible for rediscount with federal reserve banks, not to exceed 180 days maturity and 20 percent of total investments; obligations of state and local governments if the interest on the obligation is tax exempt and is rated "A" or its equivalent; commercial paper having an "A-1" rating or equivalent, not to exceed 270 days maturity and 20 percent of total investments; money market mutual funds with "AAA" rating invested only in federal government or agency securities; master notes, bank notes or other short-term commercial paper rated "A-1" or its equivalent, or in repurchase agreements fully collateralized by such securities; notes, bonds, and other unconditional obligations issued by corporations organized and operating in the United States, not to exceed 5 years maturity and 20 percent of the total investments; collateralized mortgage obligations that are rated "AAA" or its equivalent, not to exceed 20 percent of the total investments; asset-backed securities that are rated "AAA" or its equivalent, not to exceed 20 percent of the total investments; repurchase agreements that are collateralized at 102 percent and are executed with a primary dealer, not to exceed 90 days maturity. State Statutes require the County to invest with security dealers who are primary dealers when investing in repurchase agreements. Primary dealers are a group of dealers that submit daily reports of market positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its formal oversight.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2009, the fair value of Countywide investments and securities reinvested were categorized by maturity as follows:

Investments with Loaned Securities Reinvested – All Entities Combined

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>				
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 3</u>	<u>3 to 5</u>	<u>5 to 10</u>
Debt Securities:					
U.S. Treasuries	\$ 653,498,131	\$ 225,942,489	\$ 367,652,393	\$ 1,169,576	\$58,733,673
U.S. Agencies	3,694,115,210	1,040,738,490	2,412,207,462	224,246,154	16,923,104
Corporate Obligations	381,919,030	189,994,978	166,153,252	25,770,800	-
Money Market Funds	1,535,170,488	1,535,170,488	-	-	-
Negotiable CDs	100,081	100,081	-	-	-
State Investment Pool	102,080,035	102,080,035	-	-	-
Collateralized Investment Agreements*	21,239,868	21,239,868	-	-	-
Asset Backed Securities	<u>19,808,077</u>	<u>-</u>	<u>19,808,077</u>	<u>-</u>	<u>-</u>
Total	<u>\$6,407,930,920</u>	<u>\$3,115,266,429</u>	<u>\$2,965,821,184</u>	<u>\$251,186,530</u>	<u>\$75,656,777</u>

* These are fully collateralized guaranteed investment contracts and forward delivery agreements related to bond proceeds.

The State Investment Pool is an external pool administered by the State Treasurer with oversight by the State of Nevada Board of Finance. Fair value of the County's position in the pool is the same as the value of the pool shares.

At June 30, 2009, the Las Vegas Valley Water District Pension Trust Fund had the following investments (includes contract investments at contract value):

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Percent of Total</u>
Fixed income securities	\$ 76,907,364	58.73%
Equities	<u>54,042,173</u>	<u>41.27</u>
Total	<u>\$130,949,537</u>	<u>100.00%</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

<u>Investment</u>	<u>Maturities</u>	<u>Carrying Value</u>
Domestic Equity Fund	N/A	\$ 54,042,173
Domestic Bond Fund	Weighted Average 6.59 years	47,535,556
Money Market Fund	Weighted Average 44 days	84,805
Union Central Life Insurance Co. Contract	Open	1,475,509
N.Y. Life Insurance Co. Contract	Open	5,080,222
N.Y. Life Insurance Co. Contract	07/30/10	4,754,544
N.Y. Life Insurance Co. Contract	09/03/10	4,760,989
N.Y. Life Insurance Co. Contract	10/01/10	4,595,215
N.Y. Life Insurance Co. Contract	09/04/12	4,302,626
N.Y. Life Insurance Co. Contract	10/01/12	<u>4,317,898</u>
Total		<u>\$130,949,537</u>

At June 30, 2009, the fair value of Countywide investments and loaned securities reinvested were categorized by quality rating as follows:

Investments with Loaned Securities Reinvested – All Entities Combined

<u>Investment Type</u>	<u>Quality Ratings by Standard & Poor's</u>					
	<u>Fair Value</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>A-1</u>	<u>Unrated</u>
<u>Debt Securities</u>						
U.S. Treasuries	\$ 653,498,131	\$ 653,498,131	\$ -	\$ -	\$ -	\$ -
U.S. Agencies	3,694,115,210	3,595,589,168	-	-	98,526,042	-
Corporate Obligations	381,919,030	122,493,494	25,818,700	48,732,608	180,449,228	4,425,000
Money Market Funds	1,535,170,488	1,535,170,488	-	-	-	-
Negotiable CDs	100,081	-	-	-	100,081	-
State Investment Pool	102,080,035	-	-	-	-	102,080,035
Collateralized Investment Agreements*	21,239,868	-	14,867,770	6,372,098	-	-
Asset Backed Securities	<u>19,808,077</u>	<u>19,808,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$6,407,930,920</u>	<u>\$5,926,559,358</u>	<u>\$40,686,470</u>	<u>\$55,104,706</u>	<u>\$279,075,351</u>	<u>\$106,505,035</u>

* These are fully collateralized guaranteed investment contracts and forward delivery agreements related to bond proceeds.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Las Vegas Valley Water District Pension Trust Fund
Credit Quality with Credit Exposure as a Percentage of Total Fixed Income Investments
(Contracts Not Rated)

		<u>06/30/09</u>
Domestic Equity and Bond Funds	AA	61.81%
Money Market Fund	AAA/Aaa	.11
Contracts	N/A	38.08

The managing institution of the Domestic Bond Fund reports an overall rating of AA at June 30, 2009, for the underlying securities. The fund is benchmarked off the Capital Aggregate Bond Index; therefore, the fund uses Barclays' rating methodology. The methodology uses the middle rating of Moody's, Standard & Poor's, and Fitch after dropping the highest and lowest available ratings. The AAA/Aaa ratings for the Money Market Fund were by Standard & Poor's and Moody's.

The amounts above include investment balances for the RTC and the Flood Control District of \$372,222,689 and \$387,864,464, respectively, which are discretely presented component units and are not broken out separately as they participate in the investment pool.

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the average weighted duration of its investment pool portfolio to less than 2.5 years. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes.

Interest Rate Sensitivity

At June 30, 2009, the County invested in the following types of securities that have a higher sensitivity to interest rates:

Callable securities are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem or call a security before maturity, one time or generally on coupon dates.

Step-up/step-down securities have fixed rate coupons for a specific time interval that will step-up or step-down a predetermined number of basis points at scheduled coupon or other reset dates. These securities are callable one time or on their coupon dates.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Interest Rate Sensitivity (Continued)

Terms Table of Interest Rate Sensitive Securities

<u>CUSIP</u>	<u>Fair Value</u>	<u>Maturity Date</u>	<u>Call Frequency</u>	<u>Index</u>	<u>Coupon</u>
3128X8A93	\$19,923,800	05/11/12	One time	N/A	Fixed
31398AWN8	20,025,000	04/13/12	One time	N/A	Fixed
3128X8FM9	20,025,600	01/27/12	One time	N/A	Fixed
31331Y4H0	20,050,000	07/28/11	One time	N/A	Fixed
31398AWL2	20,068,750	04/15/11	One time	N/A	Fixed
3128X8WC2	20,098,000	04/20/11	One time	N/A	Fixed
3128X8WF5	49,462,000	04/21/14	One time	N/A	Fixed
3128X8DX7	49,967,000	01/13/12	One time	N/A	Fixed
3128X8XS6	49,980,500	04/27/12	One time	N/A	Fixed
3133XTZ82	50,031,250	06/22/10	One time	N/A	Fixed
3128X7P57	50,063,500	07/14/11	One time	N/A	Fixed
31331Y4G2	50,109,375	07/28/10	One time	N/A	Fixed
3133XRTT7	50,109,375	01/24/11	One time	N/A	Fixed
31398ATD4	50,234,375	08/18/11	One time	N/A	Fixed
3128X8JB9	50,253,000	02/17/12	One time	N/A	Fixed
31398AWG3	50,265,625	04/03/12	One time	N/A	Fixed
31398AVB5	50,296,875	02/03/12	One time	N/A	Fixed
3128X8LN0	50,343,750	02/25/11	One time	N/A	Fixed
3136F9X99	50,343,750	12/15/11	One time	N/A	Fixed
31331GCQ0	50,375,000	09/29/11	One time	N/A	Fixed
31398AVX7	50,375,000	03/19/12	One time	N/A	Fixed
3128X72M5	50,410,500	10/20/11	One time	N/A	Fixed
3128X73S1	50,430,500	10/29/10	One time	N/A	Fixed
31331GEW5	50,453,125	11/18/11	One time	N/A	Fixed
3133XTMU7	20,006,250	05/20/10	One time	N/A	Step-up
3136F94A8	49,328,125	01/28/14	Semi annually	N/A	Step-up
3136FHVM1	49,625,000	06/09/14	Semi annually	N/A	Step-up
3133XTPY6	50,000,000	05/20/10	One time	N/A	Step-up
3133XTM52	50,015,625	05/13/10	One time	N/A	Step-up
3128X8SA1	50,203,125	03/24/14	Semi annually	N/A	Step-up

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy applies the prudent-person rule: "In investing the County's monies, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The County's investments were rated by Standard & Poor's and Moody's Investors Service, respectively, as follows: obligations of the U.S. Treasury, AAA/Aaa; bonds of U.S. Federal agencies, AAA/Aaa; discount notes of U.S. Federal agencies, A-1/P-1; money market funds, AAA/Aaa; negotiable certificates of deposit, A-1/P-1; collateralized investment agreements issued by

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Credit Risk (Continued)

insurance companies rated AA/Aa2 or its equivalent or higher, or issued by entities rated A/A2 or its equivalent or higher; asset-backed securities, AAA/Aaa; corporate notes issued by corporations organized and operating in the United States which have a rating of A or its equivalent or higher.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than five percent of the Clark County investment pool.

At June 30, 2009, the following investments exceeded five percent of the total cash, investments, and loaned securities collateral for all entities combined.

Federal Farm Credit Banks (FFCB)	16.38%
Federal Home Loan Banks (FHLB)	24.37
Federal Home Loan Mortgage Corporation (FHLMC)	12.75
Federal National Mortgage Association (FNMA)	11.26
Federated Money Market Funds	8.75
Morgan Stanley Money Market Funds	10.27

Securities Lending

Nevada Revised Statute (NRS) 355.178 authorizes the County to participate in securities lending transactions, where the County's securities are loaned to broker/dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The County's securities lending agent administers the securities lending program and receives cash or other securities equal to at least 102 percent of the fair value of the loaned securities plus accrued interest as collateral for securities of the type on loan at year end. The collateral for the loans is maintained at 102 percent, and the value of the securities borrowed is determined on a daily basis.

At year end, the County had no credit exposure to borrowers because the amount the County held as collateral exceeded the amounts the borrowers owed to the County. The contract with the securities lending agent requires it to indemnify the County for all losses relating to securities lending transactions.

The County does not have the ability to pledge or sell collateral securities without a borrower default. There were no borrower defaults during the period nor were there any prior period losses to recover.

State statutes place no restrictions on the amount of securities that can be loaned. Either the County or the borrower can terminate all open securities loans on demand. Cash collateral is invested in accordance with the investment guidelines stated in NRS 355.170. The County investment policy requires that the aggregate reinvestment of the cash collateral may not be mismatched to the aggregate securities loaned by more than three business days. In regard to this calculation, the final maturity or interest rate reset date is utilized. Such amounts are included in loaned securities in investments and liabilities.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Securities Lending (Continued)

The fair value of the securities on loan at June 30, 2009, was \$627,423,891. At June 30, 2009, the County had received cash collateral with a value totaling \$640,265,590. The total collateral received was in excess of the fair value of the investments held by brokers/dealers under the securities lending agreement.

The Clark County Water Reclamation District participates in securities lending activities through its custodial bank. In addition to the District's allocated share of loaned securities with the County, the loaned securities in the District's custodial bank were \$109,569,212, having an underlying fair value of \$107,406,050. The collateral consisted of money market funds with a fair value totaling \$109,569,708 at June 30, 2009.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the County's securities lending policy, \$609,430,137 was held by the counterparty that was acting as the County's agent in securities lending transactions, and consisted of U.S. corporate obligations, asset-backed securities, and money market funds. In addition, \$109,569,000 was held by the Clark County Water Reclamation District's agent in securities lending transactions conducted through the District's custodial bank.

GASB 31

GASB Statement No. 31 requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income in the funds reflects this positive or negative market value adjustment.

2. PROPERTY TAXES

Taxes on real property are levied on July 1 of each year and a lien is also placed on the property on July 1. The taxes are due on the third Monday in August, but can be paid in four installments on or before the third Monday in August, first Monday in 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 may sell the property to satisfy the tax lien.

The Nevada legislature enacted provisions whereby the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed valuation. The Nevada legislature also passed a property tax abatement law that generally caps increases in property taxes received from any owner-occupied residential property to three percent per year, and eight percent per year for all other property.

Delinquent taxes receivable not collected within sixty days after year end are recorded as deferred revenue in the governmental funds as they are not available to pay liabilities of the current period. The revenue is fully recognized at the government-wide level. The following delinquent taxes receivable and penalties receivable on delinquent taxes have been deferred as of June 30, 2009:

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

2. PROPERTY TAXES (Continued)

<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Non-Major Enterprise Funds</u>	<u>Total</u>
\$15,991,154	\$9,995,918	\$273,804	\$538	\$26,261,414

3. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2009, consisted of the following:

	<u>Accounts Receivable</u>	<u>Provisions for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
<u>Primary Government</u>			
Governmental activities:			
General	\$ 25,189,614	\$(22,444,256)	\$ 2,745,358
Las Vegas Metropolitan Police	566,694	-	566,694
Other governmental	4,462,872	-	4,462,872
Internal service	<u>12,117,728</u>	<u>-</u>	<u>12,117,728</u>
Total governmental activities	<u>\$ 42,336,908</u>	<u>\$(22,444,256)</u>	<u>\$ 19,892,652</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 22,444,256</u>		
Business-type activities:			
University Medical Center	\$149,509,227	\$ (4,336,020)	\$145,173,207
Reclamation District	18,122,980	(916,290)	17,206,690
Water District	49,730,182	(1,150,000)	48,580,182
Department of Aviation	25,622,903	(385,456)	25,237,447
Other proprietary	<u>257,634</u>	<u>-</u>	<u>257,634</u>
Total business-type activities	<u>\$243,242,926</u>	<u>\$(6,787,766)</u>	<u>\$236,455,160</u>
Business-type activities restricted:			
University Medical Center	\$ 1,746,081	\$ -	\$ 1,746,081
Reclamation District	2,118,732	-	2,118,732
Water District	<u>791,071,956</u>	<u>-</u>	<u>791,071,956</u>
Total business-type activities restricted	<u>\$794,936,769</u>	<u>\$ -</u>	<u>\$794,936,769</u>
Amounts not scheduled for collection during the subsequent year	<u>\$373,130,000</u>		

Restricted receivables of the Water District consist of amounts due from the Southern Nevada Water Authority (SNWA) restricted for the repayment of Water District bonds and notes whose proceeds were delivered to the SNWA.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

3. ACCOUNTS RECEIVABLE (Continued)

Discretely Presented Component Units

	<u>Accounts Receivable</u>	<u>Provision for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
Regional Transportation Commission of Southern Nevada	<u>\$1,608,371</u>	<u>\$ (485,547)</u>	<u>\$1,122,824</u>
Regional Flood Control District	<u>\$ 78,348</u>	<u>\$ -</u>	<u>\$ 78,348</u>

Bond Bank Receivable

Nevada Revised Statute authorizes the County to issue general obligation bonds for the purpose of acquiring obligations issued by municipalities and authorities in Clark County for certain purposes. These general obligation bonds are shown in Note 6. The obligations issued by municipalities and authorities are shown as a bond bank receivable on the statement of net assets. Balance as of June 30, 2009:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Bond bank receivable, current	\$ 42,360,000	\$ -
Bond bank receivable, noncurrent	<u>1,367,445,000</u>	<u>373,130,000</u>
Total bond bank receivable	<u>\$1,409,805,000</u>	<u>\$373,130,000</u>

4. CAPITAL ASSETS

	<u>Balance July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2009</u>
<u>Primary Government</u>				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$1,293,925,234	\$ 58,299,880	\$ -	\$1,352,225,114
Construction in progress	<u>306,594,199</u>	<u>342,786,163</u>	<u>282,747,881</u>	<u>366,632,481</u>
Total capital assets not being depreciated	<u>1,600,519,433</u>	<u>401,086,043</u>	<u>282,747,881</u>	<u>1,718,857,595</u>
Capital assets being depreciated:				
Buildings	882,669,547	47,970,413	132,244	930,507,716
Improvements other than buildings	224,733,622	20,560,201	15,650	245,278,173
Equipment	297,658,696	63,270,309	20,083,561	340,845,444
Infrastructure	<u>3,870,897,748</u>	<u>389,857,080</u>	<u>-</u>	<u>4,260,754,828</u>
Total capital assets being depreciated	<u>5,275,959,613</u>	<u>521,658,003</u>	<u>20,231,455</u>	<u>5,777,386,161</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

	<u>Balance</u> <u>July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2009</u>
Less accumulated depreciation for:				
Buildings	146,270,458	17,861,919	-	164,132,377
Improvements other than buildings	84,188,501	10,868,622	-	95,057,123
Equipment	191,291,130	40,676,947	16,942,753	215,025,324
Infrastructure	<u>1,224,380,682</u>	<u>139,350,751</u>	<u>-</u>	<u>1,363,731,433</u>
Total accumulated depreciation	<u>1,646,130,771</u>	<u>208,758,239</u>	<u>16,942,753</u>	<u>1,837,946,257</u>
Total capital assets being depreciated, net	<u>3,629,828,842</u>	<u>312,899,764</u>	<u>3,288,702</u>	<u>3,939,439,904</u>
Governmental activities capital assets, net	<u>\$5,230,348,275</u>	<u>\$ 713,985,807</u>	<u>\$286,036,583</u>	<u>\$5,658,297,499</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 850,011,870	\$ 53,896,562	\$ 352,066	\$ 903,556,366
Construction in progress	1,139,062,862	1,078,883,977	767,866,549	1,450,080,290
Intangible asset	<u>32,800,741</u>	<u>-</u>	<u>-</u>	<u>32,800,741</u>
Total capital assets not being depreciated	<u>2,021,875,473</u>	<u>1,132,780,539</u>	<u>768,218,615</u>	<u>2,386,437,397</u>
Capital assets being depreciated:				
Land improvements	2,557,984,877	338,741,737	30,697,291	2,866,029,323
Buildings and improvements	2,958,009,206	317,694,612	24,772,184	3,250,931,634
Equipment	<u>1,001,794,067</u>	<u>163,502,021</u>	<u>39,043,933</u>	<u>1,126,252,155</u>
Total capital assets being depreciated	<u>6,517,788,150</u>	<u>819,938,370</u>	<u>94,513,408</u>	<u>7,243,213,112</u>
Less accumulated depreciation for:				
Land improvements	768,977,094	86,618,298	4,186,577	851,408,815
Buildings and improvements	933,325,000	107,658,594	23,626,422	1,017,357,172
Equipment	<u>474,072,445</u>	<u>71,358,518</u>	<u>27,150,784</u>	<u>518,280,179</u>
Total accumulated depreciation	<u>2,176,374,539</u>	<u>265,635,410</u>	<u>54,963,783</u>	<u>2,387,046,166</u>
Total capital assets being depreciated, net	<u>4,341,413,611</u>	<u>554,302,960</u>	<u>39,549,625</u>	<u>4,856,166,946</u>
Business-type activities capital assets, net	<u>\$6,363,289,084</u>	<u>\$1,687,083,499</u>	<u>\$807,768,240</u>	<u>\$7,242,604,343</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Prior period adjustments resulted in the following changes in the beginning balances for Business-type activities:

The Clark County Water Reclamation District reclassified an investment in the Clean Water Coalition to an intangible asset resulting in an increase of \$32,800,741 under “Capital assets not being depreciated”; the Clark County Department of Aviation reclassified \$1,700,000 from “Construction in progress” to “Buildings and improvements”; the Las Vegas Valley Water District adjusted the value of donated capital assets (water mains and service lines) resulting in increases of \$3,495,518 under “Land improvements,” \$26,389,545 under “Equipment,” as well as increases in accumulated depreciation of \$373,437 for “Land improvements,” and \$6,646,079 for “Equipment.”

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

Governmental activities:

General government	\$ 20,984,916
Judicial	5,306,374
Public safety	26,447,985
Public works	142,804,618
Health	505,392
Welfare	431,354
Culture and recreation	11,295,495
Other	<u>632,068</u>

Total depreciation expense – governmental activities	<u>\$208,408,202</u>
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Business-type activities:

Hospital	\$ 13,790,937
Water	85,167,217
Airport	119,867,893
Sewer	44,849,343
Other	<u>1,960,020</u>

Total depreciation expense – business-type activities	<u>\$265,635,410</u>
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Construction Commitments

Major projects included in construction-in-progress are the beltway and other major arterial roadways, flood control projects, airport terminal expansion, sewage and water treatment facilities.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Construction-in-progress and remaining commitments as of June 30, 2009, were as follows:

	<u>Spent to date</u>	<u>Remaining Commitment</u>
Governmental activities:		
Buildings and improvements	\$237,590,228	\$ 330,842,881
Infrastructure:		
Work in progress – RFCDC Clark County projects	7,050,762	154,283,420
Work in progress – Public Works	84,671,335	1,002,453,046
Work in progress – RTC Clark County projects	<u>37,320,156</u>	<u>70,780,861</u>
Total infrastructure	<u>129,042,253</u>	<u>1,227,517,327</u>
Total governmental activities	<u>\$366,632,481</u>	<u>\$1,558,360,208</u>
 Business-type activities:		
Hospital	\$ 18,610,391	\$ 4,126,482
Water	107,099,412	64,900,000
Airport	792,367,872	2,100,000,000
Sewer	<u>532,002,615</u>	<u>265,394,906</u>
Total	<u>\$1,450,080,290</u>	<u>\$2,434,421,388</u>

Discretely Presented Component Units

Flood Control District

	<u>Balance July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2009</u>
Capital assets not being depreciated:				
Construction in progress	\$ 125,748	\$ 36,181	\$41,962	\$ 119,967
Capital assets being depreciated:				
Buildings	3,015,708	3,986	-	3,019,694
Equipment	<u>1,502,130</u>	<u>53,716</u>	<u>4,100</u>	<u>1,551,746</u>
Total capital assets being depreciated	<u>4,517,838</u>	<u>57,702</u>	<u>4,100</u>	<u>4,571,440</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued)

	<u>Balance</u> <u>July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2009</u>
Less accumulated depreciation for:				
Buildings	590,887	62,964	-	653,851
Equipment	<u>1,147,098</u>	<u>119,177</u>	<u>683</u>	<u>1,265,592</u>
Total accumulated depreciation	<u>1,737,985</u>	<u>182,141</u>	<u>683</u>	<u>1,919,443</u>
Total capital assets being depreciated, net	<u>2,779,853</u>	<u>(124,439)</u>	<u>3,417</u>	<u>2,651,997</u>
Government activities capital assets, net	<u>\$2,905,601</u>	<u>\$ (88,258)</u>	<u>\$45,379</u>	<u>\$2,771,964</u>

Depreciation expense of \$182,141 was charged to the public works function.

RTC

	<u>Balance</u> <u>July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2009</u>
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 235,718	\$ 83,121	\$ 261,515	\$ 57,324
Total capital assets not being depreciated	<u>235,718</u>	<u>83,121</u>	<u>261,515</u>	<u>57,324</u>
Capital assets being depreciated:				
Buildings	\$ 18,522,095	\$ -	\$ -	\$ 18,522,095
Equipment	<u>2,757,008</u>	<u>552,723</u>	<u>639,885</u>	<u>2,669,846</u>
Total capital assets being depreciated	<u>21,279,103</u>	<u>552,723</u>	<u>639,885</u>	<u>21,191,941</u>
Less accumulated depreciation for:				
Buildings	3,272,522	417,108	-	3,689,630
Equipment	<u>1,424,011</u>	<u>529,801</u>	<u>639,885</u>	<u>1,313,927</u>
Total accumulated depreciation	<u>4,696,533</u>	<u>946,909</u>	<u>639,885</u>	<u>5,003,557</u>
Total capital assets being depreciated, net	<u>16,582,570</u>	<u>(394,186)</u>	<u>-</u>	<u>16,188,384</u>
Governmental activities capital assets, net	<u>\$ 16,818,288</u>	<u>\$ (311,065)</u>	<u>\$ 261,515</u>	<u>\$ 16,245,708</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

	<u>Balance</u> <u>July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2009</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 33,650,793	\$ -	\$ 1,612,711	\$ 32,038,082
Construction in progress	<u>116,207,735</u>	<u>124,030,824</u>	<u>55,302,913</u>	<u>184,935,646</u>
Total capital assets not being depreciated	<u>149,858,528</u>	<u>124,030,824</u>	<u>56,915,624</u>	<u>216,973,728</u>
Capital assets being depreciated:				
Buildings and improvements	66,407,664	1,054,174	-	67,461,838
Equipment	<u>219,936,839</u>	<u>55,380,787</u>	<u>28,130,312</u>	<u>247,187,314</u>
Total capital assets being depreciated	<u>286,344,503</u>	<u>56,434,961</u>	<u>28,130,312</u>	<u>314,649,152</u>
Less accumulated depreciation for:				
Buildings and improvements	21,945,671	2,624,984	-	24,570,655
Equipment	<u>88,792,553</u>	<u>21,726,207</u>	<u>27,987,405</u>	<u>82,531,355</u>
Total accumulated depreciation	<u>110,738,224</u>	<u>24,351,191</u>	<u>27,987,405</u>	<u>107,102,010</u>
Total capital assets being depreciated, net	<u>175,606,279</u>	<u>32,083,770</u>	<u>142,907</u>	<u>207,547,142</u>
Business-type activities capital assets, net	<u>\$325,464,807</u>	<u>\$156,114,594</u>	<u>\$57,058,531</u>	<u>\$424,520,870</u>

Depreciation expense was charged to the following functions or programs:

Governmental activities:

Public Works \$ 946,909

Business-type activities:

Public Transit \$24,351,191

Construction commitments include major arterial roadway projects with various local entities of approximately \$179,400,000. In addition, the Public Transit fund has outstanding construction commitments of approximately \$75,400,000 for capital projects and vehicles.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

5. INTERFUND TRANSACTIONS

Due to/from other funds at June 30, 2009, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	General Fund	\$ 457,270
	Between nonmajor governmental funds	11,718,824
	Master Transportation Fund	6,000,000
Department of Aviation	Master Transportation Fund	1,414,421
Internal Service funds	University Medical Center	13,299,692
	Nonmajor Governmental funds	<u>1,984,791</u>
		<u>\$ 34,874,998</u>
Total due to/from other funds		

These balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2009, consisted of the following:

<u>Fund transferred to:</u>	<u>Fund transferred from:</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 297,183,448
Las Vegas Metropolitan Police Fund	General Fund	215,672,961
Nonmajor governmental funds	General Fund	270,553,547
	Between nonmajor governmental funds	177,623,450
	Las Vegas Metropolitan Police Fund	17,916,342
	Master Transportation Fund	87,832,609
Nonmajor enterprise funds	General Fund	1,700,000
Internal service funds	General Fund	2,000,000
	Nonmajor governmental funds	21,559,140
University Medical Center	Nonmajor governmental funds	1,026,422
Department of Aviation	Master Transportation Fund	<u>8,387,955</u>
		<u>\$1,101,455,874</u>
Total interfund transfers		

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Primary Government

Bonds payable at June 30, 2009, are comprised of the following individual issues:

Governmental Activities:

General Obligation Bonds

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2009</u>
1992	Transportation Improvement	06/01/92	06/01/17	4.90-7.50 %	\$250,000,000	\$ 21,800,000
1998	Transportation Improvement	12/01/98	12/01/19	4.00-5.25	100,000,000	36,865,000
1999	Park and Justice Center	11/01/99	11/01/09	5.00-6.00	107,015,000	4,100,000
2000	Transportation Improvement	02/01/00	12/01/11	5.00-6.00	85,000,000	12,300,000
2000	Public Safety	03/01/00	03/01/11	5.00-6.00	18,000,000	2,650,000
2000	Bond Bank	07/01/00	07/01/10	5.50-6.50	200,000,000	8,520,000
2001	Bond Bank	06/01/01	06/01/31	5.00-5.50	250,000,000	55,180,000
2002	Medium Term	02/01/02	02/01/12	4.50-5.00	20,000,000	6,835,000
2002	Bond Bank	11/01/02	06/01/32	5.00-5.25	200,000,000	83,335,000
2004	Government Center	04/01/04	01/01/14	2.00-5.00	7,910,000	6,070,000
2004	Public Safety	04/01/04	06/01/17	2.50-5.00	75,610,000	57,895,000
2004	Transportation Improvement	12/30/04	12/01/19	3.00-5.00	74,895,000	73,815,000
2004	Park and Justice Center	12/30/04	11/01/17	3.00-5.00	48,935,000	48,125,000
2005	Street Improvement	07/06/05	10/01/10	3.50-5.00	20,475,000	7,230,000
2005	Park and Justice Center	07/06/05	11/01/24	4.125-5.00	32,310,000	32,310,000
2006	Transportation Improvement	03/07/06	06/01/16	5.00	115,585,000	115,585,000
2006	Bond Bank	06/13/06	06/01/30	4.00-4.75	242,880,000	238,630,000
2006	Bond Bank	11/02/06	11/01/36	2.50-5.00	604,140,000	604,140,000
2007	Public Facilities	05/24/07	06/01/24	4.00-5.00	22,325,000	22,230,000
2008	Transportation Improvement	03/13/08	06/01/19	3.460	71,045,000	66,070,000
2008	Bond Bank	07/02/08	06/01/38	5.00	400,000,000	400,000,000
2009	Public Facilities	03/10/09	11/01/18	3.00-4.00	24,750,000	24,750,000
2009	Public facilities	05/14/09	06/01/24	2.00-4.75	24,865,000	24,865,000
2009	Transportation BABs	06/23/09	06/01/29	2.69-7.05	60,000,000	60,000,000
1982	Searchlight	10/15/82	01/01/12	5.00	236,720	42,576
Total General Obligation Bonds						<u>\$2,013,342,576</u>

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$ 77,408,505	\$ 94,493,655	\$ 171,902,160
2011	88,609,181	90,901,808	179,510,989
2012	88,764,890	86,945,520	175,710,410
2013	90,205,000	82,841,661	173,046,661

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

General Obligation Bonds (Continued)

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	94,640,000	78,401,916	173,041,916
2015-2019	457,470,000	323,300,816	780,770,816
2020-2024	319,855,000	228,908,326	548,763,326
2025-2029	353,910,000	148,349,973	502,259,973
2030-2034	276,890,000	67,936,456	344,826,456
2035-2039	<u>165,590,000</u>	<u>15,271,625</u>	<u>180,861,625</u>
	<u>\$2,013,342,576</u>	<u>\$1,217,351,756</u>	<u>\$3,230,694,332</u>

Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2009</u>
2009	Performing Arts	04/01/09	04/01/59	5.83%	\$10,000	\$10,000

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$ -	\$ 583	\$ 583
2011	-	583	583
2012	-	583	583
2013	-	583	583
2014	-	583	583
2015-2019	-	2,915	2,915
2020-2024	-	2,915	2,915
2025-2029	-	2,915	2,915
2030-2034	-	2,915	2,915
2035-2039	-	2,915	2,915
2040-2044	-	2,915	2,915
2045-2049	-	2,915	2,915
2050-2054	-	2,915	2,915
2055-2059	<u>10,000</u>	<u>2,915</u>	<u>12,915</u>
	<u>\$10,000</u>	<u>\$29,150</u>	<u>\$39,150</u>

These bonds are being serviced, principal and interest, by car rental fees.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Special Assessment Bonds

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2009
1998	Laughlin Wash #71A	09/01/98	04/15/14	4.10-7.20 %	\$ 2,155,000	\$ 585,000
1998	Russell Road #81	09/01/98	12/01/12	3.65-5.00	7,155,000	2,395,000
2000	Russell Road #82	01/01/00	02/01/10	4.25-5.40	432,000	5,000
2000	Spring Mountain #103	01/01/00	02/01/10	4.25-5.40	648,000	75,000
2000	Gowan Road #106	01/01/00	02/01/10	4.25-5.40	147,000	5,000
2000	Valley View #109	04/01/00	02/01/10	5.10-5.25	2,123,000	255,000
2001	Windmill #105	01/01/01	02/01/11	4.25-4.75	1,604,000	245,000
2001	Summerlin Centre #128B	05/17/01	02/01/21	4.50-6.75	10,000,000	5,020,000
2001	Summerlin Centre #132	05/17/01	02/01/21	4.50-6.875	24,000,000	16,205,000
2002	Durango #89	06/15/02	08/01/12	1.50-4.20	150,000	20,886
2002	Tropicana #116	06/15/02	08/01/12	1.50-4.20	118,000	27,897
2002	Maryland Parkway #118	06/15/02	08/01/12	1.50-4.20	421,000	115,886
2002	Craig Road #119A	06/15/02	08/01/12	1.50-4.20	67,000	22,196
2002	Jones Blvd. #120	06/15/02	08/01/12	1.50-4.20	194,000	38,745
2002	Flamingo Rd. #123	06/15/02	08/01/12	1.50-4.20	405,000	89,390
2003	Las Vegas Blvd. #97A	06/01/03	03/01/16	2.00-3.70	6,970,000	3,105,000
2003	Durango #117	06/01/03	03/01/14	2.00-3.50	277,000	75,831
2003	Summerlin Gardens #124A	12/23/03	02/01/20	2.25-4.50	4,399,431	2,985,080
2003	Summerlin Gardens #124B	12/23/03	02/01/20	1.50-5.90	1,929,727	1,346,472
2003	Jones Blvd. #125	06/01/03	03/01/14	2.00-3.50	322,000	143,710
2003	Boulder Highway #126A	06/01/03	03/01/23	2.00-4.30	2,119,000	1,140,000
2003	Tenaya Way #136	06/01/03	03/01/14	2.00-3.50	300,000	142,525
2003	Buffalo Drive #139	06/01/03	03/01/14	2.00-3.50	527,000	192,935
2003	Summerlin Centre #128A	11/03/03	02/01/21	3.50-6.30	10,000,000	7,825,000
2003	Mountains Edge #142	12/04/03	08/01/23	2.25-6.375	92,360,000	79,785,000
2003	Summerlin South #108A	12/23/03	02/01/17	2.25-4.50	17,335,569	10,394,920
2003	Summerlin South #108B	12/23/03	02/01/17	3.30-5.70	8,375,273	5,208,528
2004	Mountain Vista St. #113	06/29/04	02/01/15	3.50-4.30	322,424	139,741
2004	Silverado Ranch Blvd. #130	06/29/04	02/01/15	3.50-4.30	1,747,504	894,676
2004	Stewart Ave. #133	06/29/04	02/01/15	3.50-4.30	205,850	95,716
2004	Pebble Road #138	06/29/04	02/01/15	3.50-4.30	808,817	438,604
2004	Buffalo Drive #141	06/29/04	02/01/15	3.50-4.30	64,569	26,002
2004	Alta Drive Bridge #143	06/29/04	02/01/14	3.50-4.30	1,807,964	1,061,542
2004	Durango #144B	06/29/04	02/01/15	3.50-4.30	816,871	518,718
2005	Summerlin Mesa #151	10/12/05	08/01/25	3.15-5.00	25,485,000	23,215,000
2006	Commercial Center #140	05/23/06	02/01/16	4.50	709,000	474,697
2006	Robindale Road #134	05/23/06	02/01/16	4.50	21,000	14,356
2006	Russell Road #127	05/23/06	02/01/16	4.50	1,522,000	845,493
2006	Tenaya Way #145	05/23/06	02/01/16	4.50	125,000	75,454
2006	Southern Highlands #121A	05/31/06	12/01/19	3.75-5.00	30,620,000	24,320,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Special Assessment Bonds (Continued)

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2009
2006	Southern Highlands #121B	05/31/06	12/01/29	3.90-5.30	13,515,000	11,950,000
2007	Alexander #146	05/02/07	02/01/17	4.00-4.25	448,000	279,173
2007	Craig Road #148	05/02/07	02/01/17	4.00-4.25	495,000	362,130
2007	Silverado Ranch Blvd. #150	05/02/07	02/01/17	4.00-4.25	5,664,000	8,478
2007	Durango #144A	05/02/07	02/01/17	4.00-4.25	397,000	312,115
2007	Fort Apache #131	05/02/07	02/01/17	4.00-4.25	462,000	358,104
2007	Summerlin Centre #128A	05/01/07	02/01/31	3.95-5.05	10,755,000	10,300,000
2007	Summerlin Centre #128A	05/01/07	02/01/21	3.95-5.00	480,000	435,000
2008	Flamingo Underground #112	05/13/08	08/01/37	4.00-5.00	70,000,000	<u>69,720,000</u>
Total Special Assessment Bonds						<u>\$283,295,000</u>

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2010	\$ 14,760,000	\$ 14,411,671	\$ 29,171,671
2011	14,935,000	13,759,086	28,694,086
2012	15,420,000	13,074,226	28,494,226
2013	16,085,000	12,342,833	28,427,833
2014	16,050,000	11,573,178	27,623,178
2015-2019	81,290,000	45,035,326	126,325,326
2020-2024	67,890,000	23,316,439	91,206,439
2025-2029	22,645,000	11,060,896	33,705,896
2030-2034	18,265,000	6,172,485	24,437,485
2035-2039	<u>15,955,000</u>	<u>1,643,375</u>	<u>17,598,375</u>
	<u>\$283,295,000</u>	<u>\$152,389,515</u>	<u>\$435,684,515</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Loans Payable

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2009
1996	Moapa Park	01/31/96	06/01/16	5.75 %	\$ 800,000	\$ 299,857 (a)
2002	LVMPD Helicopter	06/03/02	05/01/12	5.36	1,817,013	624,549 (b)
2008	Commercial Paper (Bond Bank)	04/01/08	04/08/13	1.35	200,000,000	20,000,000 (c)
2008	Commercial Paper (MTP)	09/25/08	Various	3.00	200,000,000	<u>72,000,000 (d)</u>
Total Loans Payable						<u>\$92,924,406</u>

- (a) This loan is being serviced, principal and interest, by the Moapa debt service fund.
- (b) This loan is being serviced, principal and interest, by the Las Vegas Metropolitan Police special revenue fund.
- (c) This commercial paper is being serviced, principal and interest, by the Clean Water Coalition.
- (d) This commercial paper is being serviced, principal and interest, by (i) the governmental services tax; (ii) the development privilege tax; and (iii) the non-resort corridor room tax.

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2010	\$38,217,783	\$2,472,551	\$40,690,334
2011	18,265,226	1,649,116	19,914,342
2012	18,259,013	1,094,962	19,353,975
2013	18,042,674	547,261	18,589,935
2014	44,566	5,369	49,935
2015-2017	<u>95,144</u>	<u>4,726</u>	<u>99,870</u>
	<u>\$92,924,406</u>	<u>\$5,773,985</u>	<u>\$98,698,391</u>

Litigation Accrual and Arbitrage Liability

The County is a defendant in various cases (see Note 10). An estimated liability of \$2,500,000 for litigation losses is recorded in the governmental activities column. A deletion of \$52,693,173 is shown to disclose the payment of an arbitration award dated November 30, 2008, on litigation arising from the construction of the Regional Justice Center.

When a state or local government earns interest at a higher rate of return on tax-exempt bond issues than it pays on the debt, a liability for the spread is payable to the federal government. This interest spread, known as “rebtable arbitrage,” is due five years after issuing the bonds. Excess earnings of one year may be offset by lesser earnings in

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Litigation Accrual and Arbitrage Liability (Continued)

subsequent years. As of June 30, 2009, the County has incurred an estimated arbitrage liability of \$3,948,398. This estimated liability consists of \$3,948,398 recorded as a current liability on both the fund financial statements and the governmental activities column.

The following summarizes activity for the year:

	<u>Litigation</u>	<u>Arbitrage</u>	<u>Total</u>
Accrual, July 1, 2008	\$55,193,173	\$3,948,398	\$59,141,571
Additions	-	3,415,819	3,415,919
Deletions	<u>52,693,173</u>	<u>3,415,819</u>	<u>56,108,992</u>
Accrual, June 30, 2009	<u>\$ 2,500,000</u>	<u>\$3,948,398</u>	<u>\$ 6,448,398</u>
Due within one year	<u>\$ -</u>	<u>\$3,948,398</u>	<u>\$ 3,948,398</u>

Compensated Absences

The following is the change in long-term accrued vacation, sick leave, longevity, and severance benefits recorded as a noncurrent liability in the governmental activities column as of June 30, 2009:

Long-Term portion of accrued sick leave and vacation benefits at July 1, 2008	\$ 65,906,603
Additional amount accrued during the year	108,296,538
Less amount paid during the year	<u>93,668,438</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2009	<u>\$ 80,534,703</u>

Pledged Revenues

The County has pledged certain revenues for the payment of debt principal and interest. The following revenues were pledged as of June 30, 2009:

Property Tax Supported Bonds

These bonds are supported by general property taxes. The property tax available to pay these bonds is limited to a \$3.64 per \$100 of assessed valuation statutory limit. The following debt issuances are property tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2004A Public Safety	06/01/2017
2005A Street Improvement	10/01/2010

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Pledged Revenues (Continued)

The total remaining principal and interest payments for property tax supported bonds was \$79,014,075 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$12,716,200, and required debt service totaled \$12,716,200.

Consolidated Tax Supported Bonds

These bonds are secured by a pledge of up to 15 percent of the consolidated taxes allocable to the County. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are consolidated tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1999 Parks and Justice Center	11/01/2009
2000 Public Safety	03/01/2011
2004 Government Center	01/01/2014
2004C Parks and Justice Center	11/01/2017
2005B Parks and Justice Center	11/01/2024
2007A Public Facilities	06/01/2024
2009A Public Facilities	06/01/2019

The total remaining principal and interest payments for consolidated tax supported bonds was \$141,316,949 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$41,608,741 (of the total \$277,391,610 of general fund consolidated tax), and required debt service totaled \$13,685,818.

Beltway Pledged Revenue Bonds

These bonds are secured by the combined pledge of: 1) a one percent supplemental governmental services (motor vehicle privilege) tax; 2) a one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the County but outside of the strip and Laughlin resort corridors (non-resort corridor); and 3) a portion of the development tax. The development tax is \$700 per single-family dwelling of residential development, and 75 cents per square foot on commercial, industrial, and other development. Of this, \$500 per single-family dwelling and 50 cents per square foot of commercial, industrial, and other development is pledged. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are Beltway pledged revenue supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1992A Transportation Improvement	06/01/2017
1998A Transportation Improvement	12/01/2019
2000A Transportation Improvement	12/01/2011
2004A Transportation Improvement	12/01/2019
2006A Transportation Improvement	06/01/2016
2008A Transportation Improvement	06/01/2019

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Pledged Revenues (Continued)

<u>Loans</u>	<u>Maturity (Length of Pledge)</u>
2008 Transportation Commercial Paper	Various

The total remaining principal and interest payments for Beltway pledged revenue tax supported bonds and commercial paper was \$333,941,702 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$51,595,326; consisting of \$43,158,008 of supplemental governmental services tax; \$1,638,208 of non-resort corridor room tax; and \$6,799,110 of the total \$9,853,782 development tax. Required debt service totaled \$27,012,309. As described below, beltway pledged revenues are also pledged to make up any difference between pledged revenues and annual debt service for Laughlin resort corridor room tax supported bonds.

Strip Resort Corridor Room Tax Supported Bonds

These bonds are secured by a pledge of the one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the strip resort corridor. This tax is imposed specifically for the purpose of transportation improvements within the strip resort corridor, or within one mile outside the boundaries of the strip resort corridor. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are strip resort corridor room tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1992B Transportation Improvement	06/01/2017
1998B Transportation Improvement	12/01/2019
2000B Transportation Improvement	12/01/2011
2004B Transportation Improvement	12/01/2019
2006B Transportation Improvement	06/01/2016
2009B Transportation Improvement	06/01/2029

The total remaining principal and interest payments for strip resort corridor room tax supported bonds was \$249,350,425 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$31,895,737. Required debt service totaled \$15,613,859.

Laughlin Resort Corridor Room Tax Supported Bonds

These bonds are secured by a pledge of the one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the Laughlin resort corridor. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are Laughlin resort corridor room tax supported:

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Pledged Revenues (Continued)

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1992C Transportation Improvement	06/01/2017
2008C Transportation Improvement	06/01/2019

The total remaining principal and interest payments for Laughlin resort corridor room tax supported bonds was \$8,529,996 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$528,747. Required debt service totaled \$1,014,732. As described above, beltway pledged revenues are also pledged to make up any difference between pledged revenues and annual debt service. Excess beltway pledged revenues were \$24,583,017.

Court Administrative Assessment Supported Bonds

These bonds are secured by a pledge of the \$10 court administrative assessment for the provision of justice court facilities. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are court administrative assessment supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2007B Public Facilities	06/01/2019
2009B Public Facilities	06/01/2019

The total remaining principal and interest payments for court administrative assessment supported bonds was \$14,532,570 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$2,253,233. Required debt service totaled \$1,317,756.

Interlocal Agreement Supported Bonds

These bonds are secured by a pledge through an interlocal agreement with the City of Las Vegas. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are interlocal agreement supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2007C Public Facilities	06/01/2024
2009C Public Facilities	06/01/2024

The total remaining principal and interest payments for interlocal agreement supported bonds was \$29,724,516 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$1,978,208. Required debt service totaled \$2,055,661.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Special Assessment Bonds

Special assessment supported bonds are secured by property assessments within the individual districts. The bonds are identified as special assessment bonds in this note above. The total remaining principal and interest payments for special assessment supported bonds was \$435,684,515 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$39,816,417. Required debt service totaled \$34,135,918.

Bond Bank Bonds

These bonds are secured by securities issued to the County by local governments utilizing the bond bank. These securities pledge system revenues and contain rate covenants to guarantee adequate revenues for bond bank debt service. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are bond bank supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2000 Bond Bank (SNWA)	07/01/2010
2001 Bond Bank (SNWA)	06/01/2031
2002 Bond Bank (SNWA)	06/01/2032
2006 Bond Bank (SNWA)	06/01/2030
2006 Bond Bank (SNWA)	11/01/2036
2008 Bond Bank (SNWA)	06/01/2038

<u>Loans</u>	<u>Maturity (Length of Pledge)</u>
2008 Commercial Paper (CWC)	04/08/2013

The total remaining principal and interest payments for bond bank supported bonds was \$2,435,107,063 at June 30, 2009. In fiscal year 2009, pledged revenues received totaled \$79,529,334. Required debt service totaled \$79,529,334.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities:

General Obligation Bonds

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2009
2003	Big Bend Water District	06/03/04	01/01/25	3.190 %	\$ 4,000,000	\$ 2,620,000 (a)
2003	Big Bend Water District	11/25/03	11/01/10	3.00-5.00	8,195,000	3,388,781 (a)
2004	Big Bend Water District	TBD	TBD	3.20	6,000,000	2,979,750 (a)
2003B	Department of Aviation	05/29/03	07/01/24	4.75-5.00	37,000,000	37,000,000 (b)
2008A	Department of Aviation	02/26/08	07/01/27	variable	43,105,000	43,105,000 (b)
2000	University Medical Center	03/01/00	03/01/11	5.00-5.75	56,825,000	7,395,000 (c)
2003	University Medical Center	11/01/03	09/01/23	2.25-5.00	36,765,000	10,770,000 (c)
2004	University Medical Center	05/01/04	09/01/09	2.25-3.50	8,085,000	1,630,000 (c)
2005	University Medical Center	07/28/05	03/01/20	4.00-5.00	48,390,000	47,740,000 (c)
2007	University Medical Center	05/22/07	09/01/23	4.19	18,095,000	18,075,000 (c)
2009	University Medical Center	03/10/09	11/01/17	3.00-3.50	6,950,000	6,950,000 (c)
1980	Kyle Canyon Water Dist.	10/30/80	10/30/10	5.00	221,000	26,731 (d)
2003	Water Reclamation Dist.	04/01/03	07/01/12	2.70-5.00	47,170,000	26,325,000 (e)
2007	Water Reclamation Dist.	11/13/07	07/01/37	4.00-4.75	55,000,000	55,000,000 (e)
2008	Water Reclamation Dist.	11/20/08	07/01/38	4.00-6.00	115,825,000	115,825,000 (e)
2009A	Water Reclamation Dist.	04/01/09	07/01/38	4.00-5.25	135,000,000	135,000,000 (e)
2009B	Water Reclamation Dist.	04/01/09	07/01/38	4.00-5.75	125,000,000	125,000,000 (e)
2003A	Las Vegas Valley Water Dist.	01/09/03	06/01/32	4.00-5.25	168,685,000	136,090,000 (f)
2003B	Las Vegas Valley Water Dist.	01/01/03	06/01/27	4.00-5.25	250,000,000	212,265,000 (f)
2005A	Las Vegas Valley Water Dist.	05/04/05	06/01/27	4.00-5.00	302,425,000	267,100,000 (f)
2005B	Las Vegas Valley Water Dist.	05/04/05	06/01/10	3.75-5.00	27,925,000	7,010,000 (f)
2006A	Las Vegas Valley Water Dist.	06/01/06	06/01/36	4.75-5.00	151,555,000	148,950,000 (f)
2006B	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	73,715,000 (f)
2006C	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	73,715,000 (f)
2008A	Las Vegas Valley Water Dist.	02/19/08	12/01/37	5.00	190,760,000	184,805,000 (f)
2008B	Las Vegas Valley Water Dist.	02/19/08	06/01/26	3.50-5.00	171,720,000	<u>170,025,000 (f)</u>

Total General Obligation Bonds \$1,912,505,262

- (a) These bonds are being serviced, principal and interest, by the Big Bend Water District enterprise fund.
- (b) These bonds are being serviced, principal and interest, by the Department of Aviation enterprise fund. The variable rate bond is valued at the rate in effect as of June 30, 2009.
- (c) These bonds are being serviced, principal and interest, by the University Medical Center enterprise fund.
- (d) These bonds are being serviced, principal and interest, by the Kyle Canyon Water District enterprise fund.
- (e) These bonds are being serviced, principal and interest, by the Clark County Water Reclamation District enterprise fund.
- (f) These bonds are being serviced, principal and interest, by the Las Vegas Valley Water District enterprise fund.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

General Obligation Bonds (Continued)

The annual debt service requirements to maturity are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2010	\$ 55,984,516	\$ 86,340,186	\$ 142,324,702
2011	57,115,360	86,483,427	143,598,787
2012	57,372,188	83,752,442	141,124,630
2013	60,388,046	80,997,702	141,385,748
2014	61,109,254	78,122,409	139,231,663
2015-2019	333,157,440	345,612,555	678,769,995
2020-2024	428,622,015	259,103,375	687,725,390
2025-2029	398,666,443	152,918,610	551,585,053
2030-2034	248,825,000	82,480,834	331,305,834
2035-2039	<u>211,265,000</u>	<u>26,061,702</u>	<u>237,326,702</u>
	<u>\$1,912,505,262</u>	<u>\$1,281,873,242</u>	<u>\$3,194,378,504</u>

Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Date</u> <u>Issued</u>	<u>Date of</u> <u>Final</u> <u>Maturity</u>	<u>Interest</u>	<u>Original</u> <u>Issue</u>	<u>Balance</u> <u>June 30, 2009</u>
1993A	Department of Aviation	05/18/93	07/01/12	variable %	\$339,000,000	\$ 124,900,000 (a)
1998APFC	Department of Aviation	04/01/98	07/01/22	4.10-5.50	214,245,000	87,835,000 (a)
1998A	Department of Aviation	04/01/98	07/01/18	3.75-6.00	121,045,000	16,520,000 (a)
2002APFC	Department of Aviation	10/01/02	07/01/13	4.00-5.25	34,490,000	19,010,000 (a)
2003C	Department of Aviation	05/29/03	07/01/22	5.00-5.375	105,435,000	99,120,000 (a)
2004A1	Department of Aviation	09/01/04	07/01/24	5.00-5.50	128,430,000	128,430,000 (a)
2004A2	Department of Aviation	09/01/04	07/01/36	5.00-5.125	232,725,000	232,725,000 (a)
2005A	Department of Aviation	09/14/05	07/01/40	variable	69,590,000	69,590,000 (a)
2005A1	Department of Aviation	04/04/05	07/01/22	variable	130,000,000	120,200,000 (a)
2005A2	Department of Aviation	04/04/05	07/01/22	variable	129,900,000	120,200,000 (a)
2006A	Department of Aviation	09/21/06	07/01/40	4.00-5.00	100,000,000	74,255,000 (a)
2007A1	Department of Aviation	05/16/07	07/01/27	5.00	150,400,000	150,400,000 (a)
2007A2	Department of Aviation	05/16/07	07/01/40	5.00	56,225,000	56,225,000 (a)
2007A1PFC	Department of Aviation	04/27/07	07/01/26	4.00-5.00	113,510,000	113,510,000 (a)
2007A2PFC	Department of Aviation	04/27/07	07/01/27	5.00	105,475,000	105,475,000 (a)
2008C1	Department of Aviation	03/19/08	07/01/40	variable	122,900,000	122,900,000 (a)
2008C2	Department of Aviation	03/19/08	07/01/29	variable	71,550,000	71,550,000 (a)
2008C3	Department of Aviation	03/19/08	07/01/29	variable	71,550,000	71,550,000 (a)
2008D1	Department of Aviation	03/19/08	07/01/36	variable	58,920,000	58,920,000 (a)
2008D2	Department of Aviation	03/19/08	07/01/40	variable	199,605,000	199,605,000 (a)

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Revenue Bonds (Continued)

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2009</u>
2008D3	Department of Aviation	03/19/08	07/01/29	variable	122,865,000	122,865,000 (a)
2008E	Department of Aviation	05/28/08	07/01/17	4.00-5.00	61,430,000	61,430,000 (a)
2008APFC	Department of Aviation	06/26/08	07/01/18	variable	115,845,000	115,845,000 (a)
2008F	Department of Aviation	06/26/08	07/01/09	3.00	400,000,000	400,000,000 (a)
2008A1	Department of Aviation	06/26/08	07/01/22	variable	100,000,000	100,000,000 (a)
2008A2	Department of Aviation	06/26/08	07/01/22	variable	50,000,000	50,000,000 (a)
2008B1	Department of Aviation	06/26/08	07/01/22	variable	100,000,000	100,000,000 (a)
2008B2	Department of Aviation	06/26/08	07/01/22	variable	50,000,000	50,000,000 (a)
2008	Las Vegas Valley Water District	07/15/08	12/15/22	1.30	2,520,000	<u>2,352,000</u> (b)
Total Revenue Bonds						<u>\$3,045,412,000</u>

- (a) These bonds are being serviced, principal and interest, by the Department of Aviation enterprise fund. The variable rate bonds are valued at the rate in effect as of June 30, 2009.
- (b) These bonds are being serviced, principal and interest, by the Las Vegas Valley Water District enterprise fund.

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$ 71,948,000	\$ 133,259,587	\$ 205,207,587
2011	486,318,000	123,362,473	609,680,473
2012	92,538,000	107,144,111	199,682,111
2013	107,553,000	101,931,564	209,484,564
2014	69,558,000	97,529,169	167,087,169
2015-2019	414,890,000	396,764,714	811,654,714
2020-2024	614,267,000	261,822,822	876,089,822
2025-2029	492,385,000	166,970,152	659,355,152
2030-2034	260,715,000	100,787,614	361,502,614
2035-2039	305,665,000	50,288,436	355,953,436
2040-2044	<u>129,575,000</u>	<u>4,776,550</u>	<u>134,351,550</u>
	<u>\$3,045,412,000</u>	<u>\$1,544,637,192</u>	<u>\$4,590,049,192</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Loans Payable

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2009</u>
2004	University Medical Center	06/20/04	05/20/11	4.56%	\$ 8,079,363	\$ 2,473,817(a)
2004	Commercial Paper	06/02/04	03/09/09	3.55	400,000,000	<u>400,000,000(b)</u>
Total loans payable						<u>\$402,473,817</u>

(a) This loan is being serviced, principal and interest, by the University Medical Center enterprise fund.

(b) This loan is being serviced, principal and interest, by the Las Vegas Valley Water District enterprise fund.

Commercial Paper Notes Activity

<u>Date</u>	<u>Issued</u>	<u>Repayments</u>	<u>Balance</u>
07/01/04	\$140,000,000	\$ -	\$140,000,000
07/15/04	60,000,000	-	200,000,000
02/02/05	100,000,000	-	300,000,000
10/11/05	100,000,000	-	400,000,000

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$401,263,750	\$232,566	\$401,496,316
2011	<u>1,210,067</u>	<u>27,764</u>	<u>1,237,831</u>
	<u>\$402,473,817</u>	<u>\$260,330</u>	<u>\$402,734,147</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Gen. obligation bonds	\$1,593,640,438	\$ 509,615,000	\$ 89,912,862	\$2,013,342,576	\$ 77,408,505
Revenue bonds	-	10,000	-	10,000	-
Special assessment bonds with govern- mental commitment	303,045,000	-	19,750,000	283,295,000	14,760,000
Loans	21,180,941	72,000,000	256,535	92,924,406	38,217,783
Litigation settlement	20,000,000	-	10,000,000	10,000,000	10,000,000
Litigation accrual	55,193,173	-	52,693,173	2,500,000	-
Arbitrage	3,948,398	3,415,819	3,415,819	3,948,398	3,948,398
County and Fire OPEB liability	33,580,581	15,083,855	-	48,664,436	-
LVMPD OPEB liability	49,996,761	64,828,761	-	114,825,522	-
Compensated absences	<u>174,406,603</u>	<u>108,296,538</u>	<u>99,168,438</u>	<u>183,534,703</u>	<u>103,000,000</u>
Total	<u>2,254,991,895</u>	<u>773,249,973</u>	<u>275,196,827</u>	<u>2,753,045,041</u>	<u>245,334,686</u>
Business-Type Activities:					
Gen. obligation bonds	1,588,841,967	375,825,000	52,161,705	1,912,505,262	55,984,516
Revenue bonds	3,109,210,000	2,352,000	66,150,000	3,045,412,000	71,948,000
Loans	403,681,338	-	1,207,521	402,473,817	401,263,750
OPEB Liability	18,260,213	18,906,255	-	37,166,468	-
Compensated absences	57,945,235	64,228,431	61,659,002	60,514,664	48,636,141
Other liabilities	<u>110,814,396</u>	<u>1,168,427</u>	<u>96,983,503</u>	<u>14,999,320</u>	<u>-</u>
Total	<u>5,288,753,149</u>	<u>462,480,113</u>	<u>278,161,731</u>	<u>5,473,071,531</u>	<u>577,832,407</u>
Total long-term debt	<u>\$7,543,745,044</u>	<u>\$1,220,898,086</u>	<u>\$553,358,558</u>	<u>\$8,211,284,572</u>	<u>\$823,167,093</u>

Unamortized premium/discount on governmental activity general obligation bonds amounted to \$24,500,934.
 Unamortized premium/discount on governmental activity special assessment bonds amounted to \$(7,067,864).
 Unamortized premium/discount on business-type activity general obligation bonds amounted to \$19,028,354.
 Unamortized premium/discount on business-type activity revenue bonds amounted to \$(32,900,554). There are a number of limitations and restrictions contained in the various bond indentures. Management believes the County is in compliance with all significant limitations and restrictions.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Current Year Refunded and Defeased Bond Issues

In March 2009, Clark County issued \$6,950,000 in Hospital Public Facilities Medium Term Refunding Bonds with interest ranging from 3.00 to 3.50 percent to currently refund the outstanding 2007 Hospital series with an interest rate of 3.889 percent.

The bond proceeds totaled \$7,177,985. Net proceeds of \$7,087,410 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a refunding of the 2007 bond issue, and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$50,614, which represents the difference between the refunded bonds and the amount placed in escrow. The current refunding also resulted in future cash flow savings of \$325,852 and an economic gain (difference between the present value of the old and new debt service payments) of \$301,798.

In May 2009, Clark County issued \$10,985,000 in Public Facilities Refunding Bonds with interest ranging from 2.00 to 4.00 percent to currently refund the outstanding 1999A series with interest ranging from 4.75 to 5.125 percent.

The bond proceeds totaled \$11,309,840. Net proceeds of \$11,239,264 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a refunding of the 1999A bond issue, and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$257,719 which represents the difference between the refunded bonds and the amount placed in escrow. The current refunding also resulted in future cash flow savings of \$612,492 and an economic gain (difference between the present value of the old and new debt service payments) of \$588,718.

In May 2009, Clark County issued \$5,820,000 in Public Facilities Refunding Bonds with interest ranging from 2.00 to 4.00 percent to currently refund the outstanding 1999B series with interest ranging from 4.75 to 5.125 percent.

The bond proceeds totaled \$5,951,041. Net proceeds of \$5,909,123 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a refunding of the 1999B bond issue, and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$175,012 which represents the difference between the refunded bonds and the amount placed in escrow. The current refunding also resulted in future cash flow savings of \$363,012 and an economic gain (difference between the present value of the old and new debt service payments) of \$342,971.

In May 2009, Clark County issued \$8,060,000 in Public Facilities Refunding Bonds with interest ranging from 3.00 to 4.75 percent to currently refund the outstanding 1999C series with interest ranging from 4.75 to 5.125 percent.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Current Year Refunded and Defeased Bond Issues (Continued)

The bond proceeds totaled \$8,202,393. Net proceeds of \$8,148,545 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a refunding of the 1999C bond issue, and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$275,453, which represents the difference between the refunded bonds and the amount placed in escrow. The current refunding also resulted in future cash flow savings of \$417,606 and an economic gain (difference between the present value of the old and new debt service payments) of \$364,878.

Discretely Presented Component Units

Flood Control District:

In August 2008, the Flood Control District issued \$50,570,000 in General Obligation (Limited Tax) Flood Control Refunding Bonds with interest ranging from 3.00 to 5.00 percent to currently refund the outstanding 1998 series with interest ranging from 4.25 to 5.25 percent.

The bond proceeds totaled \$54,834,886. Net proceeds of \$54,535,946 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial refunding of the 1998 bond issue, and the related liability has been removed from the financial statements of the County.

The refunding resulted in a gain of \$1,615,000, which represents the difference between the refunded bonds and the amount placed in escrow. The current refunding also resulted in future cash flow savings of \$3,337,015 and an economic gain (difference between the present value of the old and new debt service payments) of \$2,671,642.

Prior Year Defeasance of Debt

In prior years, the County defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At June 30, 2009, the following were the remaining balances of the defeased bond issues:

Clark County Street Improvement:	
Series of December 1, 1995	\$ 7,480,000
Special Assessment Bonds:	
Series of December 1, 1992	2,615,000
Series of October 1, 1995	6,380,000
Series of April 15, 1994	750,000
Series of December 14, 1999	42,245,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Prior Year Defeasance of Debt (Continued)

Clark County Public Safety:	
Series of October 1, 1996	59,555,000
Series of March 1, 2000	6,240,000
Clark County Transportation:	
Series of June 1, 1992 (C)	4,200,000
Series of July 1, 1994 (A)	58,075,000
Series of July 1, 1994 (C)	2,070,000
Series of December 1, 1998(A)	16,590,000
Series of December 1, 1998(B)	11,060,000
Series of February 1, 2000(A)	24,000,000
Series of February 1, 2000(B)	21,340,000
Series of January 15, 1996(A)	65,605,000
Series of January 15, 1996(B)	52,485,000
Series of March 1, 1998(A)	59,520,000
Series of March 1, 1998(C)	6,340,000
Big Bend Water District:	
Series of November 1, 1990	2,690,000
Series of 1993	2,740,000
Las Vegas Valley Water District:	
General Obligation Bonds:	
Series of October 1, 1989	860,000
Series of August 1, 1990	3,510,000
Series of September 1, 1992	12,560,000
Series of April 1, 1994	25,705,000
Series of March 1, 1995	8,570,000
Series of July 1, 1995	12,380,000
Series of July 1, 1996	149,095,000
Clark County Water Reclamation District:	
Series of June 1, 1993	21,940,000
Clark County Parks and Regional Justice Center:	
Series of 1999	73,515,000
Clark County Bond Bank:	
Series of July 1, 2000	170,730,000
Series of June 1, 2001	166,915,000
Series of November 1, 2002	97,455,000
Clark County Government Center:	
Series of July 1, 1993	14,960,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Prior Year Defeasance of Debt (Continued)

Clark County Public Facilities:

Series of March 1, 1999(A)	13,530,000
Series of March 1, 1999(B)	11,670,000
Series of March 1, 1999(C)	21,345,000

Airport Improvement Bonds:

Series of August 1, 1992(A)	147,120,000
Series of August 1, 1992(B)	64,820,000
Series of May 1, 1993	27,455,000
Series of September 1, 1993	10,775,000
Series of 1999(A)	105,220,000
Series of 2003(A)	42,550,000
Series of 2001(C)	115,560,000
Series of 2005(B)	50,850,000
Series of 2005(C1, 2, 3)	215,150,000
Series of 2005(D1, 2, 3)	205,375,000
Series of 2005(E1, 2, 3)	58,920,000
Series of 1998(A)	59,465,000
Series of 1998(A) PFC	119,210,000

Hospital Bonds:

Series of 2000	47,875,000
Series of 2003	17,205,000
Series of 2007	6,990,000

Flood Control Bonds:

Series of September 15, 1998	<u>52,855,000</u>
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Total

\$2,604,115,000

Conduit Debt Obligations

The County has issued approximately \$1,676,245,000 in economic development revenue bonds since 1990. The bonds have been issued for a number of economic development projects, including: utility projects, healthcare projects, and education projects. The bonds are paid solely from the revenues derived from the respective projects, therefore, these bonds are not liabilities of the County under any condition, and they are not included as a liability of the County.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units

Flood Control District:

The following is a summary of bonds, loans, and compensated absences payable by the Flood Control District for the year ended June 30, 2009:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
General obligation bonds	\$440,120,000	\$11,155,000	\$428,965,000
Compensated absences	677,104	-	677,104
Other post-employment benefits	<u>156,102</u>	<u>-</u>	<u>156,102</u>
Total liabilities	<u>\$440,953,206</u>	<u>\$11,155,000</u>	<u>\$429,798,206</u>

Bonds payable July 1, 2008	\$299,870,000
Reductions	(60,320,000)
Additions	<u>200,570,000</u>
Bonds payable June 30, 2009	<u>\$440,120,000</u>

Unamortized premium on governmental activity general obligation bonds amounted to \$5,659,269.

The following individual issues comprised the bonds payable at June 30, 2009.

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2009</u>
Series of September 15, 1998	\$150,000,000	4.25-5.25%	\$ 40,060,000
Series of 2006	200,000,000	3.50-4.75	199,900,000
Series of 2008	50,570,000	3.00-5.00	50,160,000
Series of 2009B	150,000,000	2.69-7.25	<u>150,000,000</u>
Total general obligation bonds			<u>\$440,120,000</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued):

The debt service requirements are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2010	\$ 11,155,000	\$ 21,713,803	\$ 32,868,803
2011	10,350,000	22,621,008	32,971,008
2012	10,775,000	22,158,501	32,933,501
2013	11,240,000	21,663,563	32,903,563
2014	11,730,000	21,126,188	32,856,188
2015-2019	68,650,000	96,310,797	164,960,797
2020-2024	63,975,000	80,104,188	144,079,188
2025-2029	79,245,000	61,232,736	140,477,736
2030-2034	100,285,000	36,705,809	136,990,809
2035-2039	<u>72,715,000</u>	<u>9,111,106</u>	<u>81,826,106</u>
Total	<u>\$440,120,000</u>	<u>\$392,747,699</u>	<u>\$832,867,699</u>

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2009:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2008	\$676,409
Additional amount accrued during the year	<u>695</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2009	<u>\$677,104</u>

Pledged Revenues

All bonds issued by the Flood Control District are collateralized by a portion of the one-quarter cent sales tax authorized by NRS 543.600 for Flood Control District operations.

The pledged revenues and debt service coverage for the year ended June 30, 2009, are:

Pledged revenues – sales tax	\$75,034,138
Debt service	20,690,902
Coverage	3.63

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC:

The following is a summary of bonds, loans, and compensated absences payable by the RTC for the year ended June 30, 2009:

Governmental activities:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Revenue bonds	\$458,315,000	\$17,355,000	\$440,960,000
Loans payable	180,000,000	-	180,000,000
Compensated absences	1,256,583	803,444	453,139
Other post-employment benefits	<u>722,840</u>	<u>-</u>	<u>722,840</u>
Total liabilities	<u>\$640,294,423</u>	<u>\$18,158,444</u>	<u>\$622,135,979</u>

Revenue Bonds

The following is a summary of revenue bond activities for the year ended June 30, 2009:

Bonds payable July 1, 2008	\$474,190,000
Bonds retired	<u>(15,875,000)</u>
Bonds payable June 30, 2009	<u>\$458,315,000</u>

The following individual issues comprised the bonds payable at June 30, 2009.

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2009</u>
Highway Improvement Motor Vehicle Fuel Tax Revenue Bonds:			
Series of 2003	\$200,000,000	4.50-6.00%	\$166,760,000
Series of 2007	300,000,000	5.00	<u>291,555,000</u>
Total revenue bonds			<u>\$458,315,000</u>

Unamortized premium on governmental activity revenue bonds amounted to \$11,100,438.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Revenue Bonds (Continued)

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$ 17,355,000	\$ 21,320,456	\$ 38,675,456
2011	18,185,000	20,431,956	38,616,956
2012	19,090,000	19,500,081	38,590,081
2013	20,045,000	18,521,706	38,566,706
2014	21,045,000	17,482,719	38,527,719
2015-2019	122,115,000	69,790,513	191,905,513
2020-2024	155,845,000	34,936,491	190,781,491
2025-2029	<u>84,635,000</u>	<u>5,388,975</u>	<u>90,023,975</u>
Total	<u>\$458,315,000</u>	<u>\$207,372,897</u>	<u>\$665,687,897</u>

Loans Payable

In January 2008, the RTC established a commercial paper program allowing for the issuance of \$200 million in tax-exempt commercial paper notes (Series 2008A and Series 2008B) for the streets and highways improvements projects incorporated in Clark County's Master Transportation Plan. As of June 30, 2009, \$180 million has been issued. The loan is being serviced, interest only in the current year, through budgeted transfers from the Highway Improvement Acquisition fund (4100) and the Highway Improvement fund (4130). The commercial paper notes may have a maturity date from 1 to 270 days after their issuance, provided, however, that no note may mature after the earlier of January 1, 2018, or five days prior to the line of credit expiration date. The line of credit expiration date is January 23, 2015; however, the line of credit may be extended from time to time. Interest rates are variable and averaged 0.54 percent at June 30, 2009.

The following is the loan payable at June 30, 2009:

<u>Lender</u>	<u>Original Amount</u>	<u>Date of Loan</u>	<u>Date Final Payment Due</u>	<u>Interest Rate</u>	<u>Balance June 30, 2009</u>
Commercial Paper	\$200,000,000	01/08	Various	0.54%	\$180,000,000

This loan is being serviced, principal and interest, by the RTC.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2009:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2008	\$1,388,523
Reductions during the year	<u>(131,940)</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2009	<u>\$1,256,583</u>

Business-type activities:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Compensated absences	\$ 827,568	\$ 592,750	\$ 234,818
Other post-employment benefits	<u>778,932</u>	<u>-</u>	<u>778,932</u>
	<u>\$1,606,500</u>	<u>\$ 592,750</u>	<u>\$1,013,750</u>

Long-term portion of accrued sick leave and vacation benefits at July 1, 2008	\$947,594
Reductions during the year	<u>(120,026)</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2009	<u>\$ 827,568</u>

7. SEGMENT INFORMATION FOR NONMAJOR ENTERPRISE FUNDS

The County maintains eleven enterprise funds that provide airport, water, sewer, hospital, parking, public safety, and recreational services. Of the nonmajor enterprise funds, only the Big Bend Water District has outstanding revenue bonds that require disclosure of the summary financial information presented below:

Condensed Statement of Net Assets

Assets:

Current assets	\$ 8,395,670
Restricted assets	252,285
Capital assets	<u>31,867,820</u>
Total assets	<u>40,515,775</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

7. SEGMENT INFORMATION FOR NONMAJOR ENTERPRISE FUNDS

Condensed Statement of Net Assets (Continued)

Liabilities:	
Current liabilities	1,759,457
Current liabilities payable from restricted assets	-
Noncurrent liabilities	<u>7,236,974</u>
Total liabilities	<u>8,996,431</u>
Net Assets:	
Invested in capital assets, net of related debt	23,024,370
Restricted	252,285
Unrestricted	<u>8,242,689</u>
Total net assets	<u>\$31,519,344</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Assets

Water sales and related water fees	\$3,565,278
Other operating revenue	780,066
Depreciation expense	(1,944,398)
Other operating expenses	<u>(3,167,953)</u>
Operating income	(767,007)
Non-operating revenues (expenses):	
Interest income	146,377
Sales and use tax	252,285
Interest expense	<u>(443,299)</u>
Change in net assets	(811,644)
Beginning net assets	<u>32,330,988</u>
Ending net assets	<u>\$31,519,344</u>

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ 554,593
Noncapital financing activities	-
Capital and related financing activities	(1,923,727)
Investing activities	<u>249,505</u>
Net increase (decrease)	(1,119,629)
Beginning cash and cash equivalents	<u>9,585,165</u>
Ending cash and cash equivalents	<u>\$ 8,465,536</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

8. NET ASSETS AND FUND BALANCES

Primary Government

Net Assets:

The government-wide statement of net assets reports \$1,580,533,924 of restricted net assets, of which \$346,940,292 is restricted by enabling legislation.

Net Assets Restricted for Other Purposes:

At June 30, 2009, net assets restricted for other purposes on the government-wide statement of net assets totaled \$489,550,195. These net assets utilize revenue sources that are externally imposed by creditors, grantors, and contributors or are imposed by law through enabling legislation. The primary activities of restriction are public safety for \$212,603,550, community development for \$77,091,236, Clark County redevelopment for \$38,545,773, roads for \$22,617,174, parks for \$30,882,578, and air quality management for \$16,573,544. The remaining activities totaled \$91,236,340.

Fund Balances:

Designated for Specific Projects:

Major governmental funds:	
General Fund	\$ 2,005,945
Las Vegas Metropolitan Police Department	25,129,825
Nonmajor governmental funds:	
Special revenue	80,971,925
Capital projects	<u>1,050,201,291</u>
	<u>\$1,158,308,986</u>

Major governmental fund balances are designated primarily for public safety projects of \$25,129,825. Special revenue fund balances are designated principally for park projects of \$30,576,213, road repair and maintenance projects of \$21,981,180, funding for federal and state grants of \$10,133,906 and public safety of \$9,565,359. Capital projects fund balances are designated largely for transportation projects of \$408,745,460, various projects within the County Capital Projects fund of \$298,629,051, park projects of \$126,335,161, public safety of \$105,616,573, the Information Technology capital projects fund of \$57,658,218, and special improvement district street improvement projects of \$51,850,508.

Discretely Presented Component Units

Flood Control District

Net Assets:

The government-wide statement of net assets reports \$335,622,289 of restricted net assets, of which \$325,413,836 is restricted by enabling legislation for flood control activities and \$10,208,453 is restricted by creditors for general obligation debt repayment.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

8. NET ASSETS AND FUND BALANCES

Discretely Presented Component Units (Continued)

RTC

Net Assets:

The government-wide statement of net assets reports \$197,429,688 of restricted net assets, of which \$137,007,825 is restricted by enabling legislation for street and highway projects and other related activities and \$60,421,863 is restricted by creditors for debt repayment.

9. RISK MANAGEMENT

The 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. Over the past three years, settlements have not exceeded insurance coverage. The County maintains the following types of risk exposures:

Self-Funded Group Insurance and Group Insurance Reserve

The County has established self-insurance funds for insuring medical benefits provided to County employees and covered dependents. An independent claims administrator performs all claims-handling procedures.

Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Clark County Workers' Compensation

The County has established a fund for self-insurance related to workers' compensation claims. Self-insurance is in effect up to an individual stop loss amount of \$500,000 per occurrence in the first year, \$275,000 in the second year and \$175,000 per year thereafter. Coverage from private insurers is maintained for losses in excess of the claim stop loss amount up to \$100,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Las Vegas Metropolitan Police Department (LVMPD) Self-Funded Insurance

The LVMPD has established a self-insurance fund for general liabilities. Loss amounts of \$25,000 or more require approval of the LVMPD Fiscal Affairs Committee. Self-insurance is in effect for loss amounts up to \$2,000,000 per occurrence, accident, or loss. Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$10,000,000. An independent claims administrator performs claims-handling procedures for traffic claims. All other claims are administered through the LVMPD Risk Management Section. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

LVMPD Self-Funded Industrial Insurance

The LVMPD has established a self-insurance fund to pay workers' compensation claims. Self-insurance is in effect up to an individual stop loss amount of \$500,000 per occurrence in the first year, \$275,000 in the second year, and \$175,000 each year thereafter. Coverage from private insurers is maintained for losses in excess of the claim stop

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

LVMPD Self-Funded Industrial Insurance (Continued)

loss amount up to \$10,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance

The County has established a general liability self-insurance fund for losses up to a \$25,000 per occurrence retention limit. Losses in excess of this retention are covered by the County liability insurance pool fund. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance Pool

The County has established a general liability insurance pool for the benefit of County funds. Self-insurance is in effect for loss amounts over the \$25,000 retention up to \$2,000,000 per occurrence, accident, or loss.

Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$10,000,000. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Changes in Liability Amounts

Changes in the funds' claims liability amounts for the past two years were:

	<u>Liability July 1, 2008</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability June 30, 2009</u>
Self-funded group insurance	\$16,521,374	\$ 71,930,690	\$ 68,501,929	\$ 19,950,135
Clark County workers' compensation	28,099,950	10,150,602	10,127,276	28,123,276
LVMPD self-funded insurance	10,392,063	4,293,252	4,488,862	10,196,453
LVMPD self-funded industrial insurance	31,565,946	15,833,730	15,742,883	31,656,793
County liability insurance	5,014,064	5,983,514	1,805,452	9,192,126
County liability insurance pool	<u>5,149,802</u>	<u>5,785,823</u>	<u>4,670,330</u>	<u>6,265,295</u>
 Total self-insurance funds	 <u>\$96,743,199</u>	 <u>\$113,977,611</u>	 <u>\$105,336,732</u>	 <u>\$105,384,078</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

Changes in Liability Amounts (Continued)

The total liability at June 30, 2009, is included in the accounts payable line item in the government-wide financial statements.

	<u>Liability July 1, 2007</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability June 30, 2008</u>
Self-funded group insurance Clark County workers' compensation	\$17,720,730	\$ 71,361,740	\$ 72,561,096	\$16,521,374
LVMPD self-funded insurance	27,146,638	9,902,259	8,948,947	28,099,950
LVMPD self-funded industrial insurance	10,423,002	4,843,356	4,874,295	10,392,063
County liability insurance	31,544,697	12,520,633	12,499,384	31,565,946
County liability insurance pool	4,545,694	1,709,127	1,240,757	5,014,064
	<u>5,117,497</u>	<u>5,239,449</u>	<u>5,207,144</u>	<u>5,149,802</u>
 Total self-insurance funds	 <u>\$96,498,258</u>	 <u>\$105,576,564</u>	 <u>\$105,331,623</u>	 <u>\$96,743,199</u>

10. COMMITMENTS AND CONTINGENCIES

In addition to the County general obligation bonds, the County is contingently liable on the Las Vegas Convention and Visitors Authority (the "Authority") general obligation bonds, Series April 1, 1998, May 31, 2007, and July 29, 2008, in the amounts of \$35,575,000, \$38,200,000, and \$26,455,000 respectively. Although the County is contingently liable for the general obligation bonds of the Authority, in the event of a default by the Authority, it is anticipated that additional ad valorem taxes would be levied to retire the bonds. Therefore, the County's exposure to this contingent liability is remote.

Grant Entitlement

The County is a participant in a number of federal and state-assisted programs. These programs are subject to compliance audits by the grantors. The audits of these programs for fiscal year 2008 and certain earlier years have not yet been completed. Accordingly, the County's compliance with applicable program requirements is not completely established. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time. The County believes it has adequately provided for potential liabilities, if any, which may arise from the grantors' audits.

Medicare and Medicaid Reimbursements

UMC's Medicare and Medicaid cost reports for certain prior years are in various stages of review by third-party intermediaries and have not been settled as a result of certain unresolved reimbursement issues. The County believes it has adequately provided for any potential liabilities that may arise from the intermediaries' audits.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Primary Government

Operating Lease Commitments

The following is a schedule of future minimum lease payments for operating leases (with initial or remaining terms in excess of one year) as of June 30, 2009:

Years ending June 30:	
2010	\$14,663,298
2011	8,490,980
2012	2,203,374
2013	1,558,738
2014	1,240,155
2015-2019	<u>1,412,556</u>
 Total minimum lease payments	 <u>\$29,569,101</u>

The UMC enterprise fund also had future minimum rental commitments as of June 30, 2009, for noncancelable operating leases for property and equipment as follows:

Years ending June 30:	
2010	\$ 8,675,722
2011	7,336,770
2012	6,504,277
2013	6,403,419
2014	4,190,114
Thereafter	<u>3,710,364</u>
 Total	 <u>\$36,820,666</u>

The rental expense of UMC for property and equipment was approximately \$9,532,576 for the year ended June 30, 2009.

Rentals and Operating Leases

The Department of Aviation derives a substantial portion of its revenues from fees and charges to air carriers and concessionaires. Charges to air carriers are generated principally from terminal building rentals, apron charges and airfield landing fees in accordance with the Scheduled Airline Operating Agreement and Terminal Building Lease that expired on June 30, 2008. The Department of Aviation leases land, building, and terminal space to concessionaires under operating leases that expire at various times through 2048. Under the terms of the agreements, concession fees are based principally on a percentage of the concessionaire's revenues or a stated minimum annual guarantee, whichever is greater; land and building rentals are based on square footage rates. The Department of Aviation received \$77,256,725 in FY 2009 and \$108,781,147 in FY 2008 for contingent rental payments in excess of stated minimum annual guarantees.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Primary Government (Continued)

Rentals and Operating Leases (Continued)

The following is a schedule of minimum future rentals receivable on non-cancelable operating leases (with initial or remaining terms in excess of one year) as of June 30, 2009:

Years ending June 30:	
2010	\$ 98,292,166
2011	92,386,873
2012	86,212,848
2013	85,387,129
2014	77,995,223
Thereafter	<u>468,857,960</u>
Total minimum rents receivable	<u>\$909,132,199</u>

Discretely Presented Component Units

RTC:

Operating Lease Commitments

The following summarizes the current operating lease commitments for the RTC:

<u>Lessor</u>	<u>Monthly Rental</u>	<u>Date Lease Commenced</u>	<u>Date Lease Terminates</u>
Ferguson Family Trust	\$ 35,229	10/01/02	09/30/09
Live Work, LLC	<u>104,167</u>	03/01/08	02/28/47
Total	<u>\$139,396</u>		

Rentals and Operating Leases

The following is a schedule of future minimum lease payments for operating leases as of June 30, 2009:

Years ending June 30:	
2010	\$ 1,412,498
2011	1,339,386
2012	1,393,637
2013	1,463,584
2014	1,507,491
Thereafter	<u>94,103,050</u>
Total	<u>\$101,219,646</u>

The total rent expense for fiscal year 2009 was \$1,694,758.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Litigation

There are various outstanding claims against the County for which a probability of loss exists with a cumulative amount of approximately \$2,500,000. An accrual for litigation losses has been provided in the governmental activities column.

Other cases, some of which involve alleged civil rights violations, have been filed against the County. These cases are in the discovery stage and no estimate of the probability or extent of possible losses can be determined at this time.

11. JOINT VENTURES

Southern Nevada Water Authority

The Water District, a component unit (see Note 1), has a joint venture with the Southern Nevada Water Authority (“SNWA”). The SNWA is a political subdivision of the State of Nevada, created on July 25, 1991, by a cooperative agreement between the Water District, the Big Bend Water District, the City of Boulder City, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, and the Reclamation District (the “Members”). SNWA was created to secure additional supplies of water and effectively manage existing supplies of water on a regional basis through the cooperative action of the Members.

The SNWA is governed by a seven-member board of directors composed of one director from each member agency. The Water District is the operating agent for the SNWA; the General Manager of the Water District is the General Manager of the SNWA; and the Director of Finance of the Water District is the Treasurer of the SNWA.

The SNWA has the power to periodically assess the Members directly for operating and capital costs and for the satisfaction of any liabilities imposed against the SNWA. The Water District and other members do not have an expressed claim to the resources of the SNWA except that, upon termination of the joint venture, any assets remaining after payment of all obligations shall be returned to the contributing member. For this reason, the Water District records capital contributions as an operating expense, or as noted below, in some instances as capital projects.

In 1995, the SNWA approved agreements for the repayment of the cost of an additional expansion of the Southern Nevada Water System (SNWS). The agreements required contributions from purveyor members, including the Water District, benefiting from the expansion. In 1996, the Water District approved the collection of regional connection charges, regional commodity charges, and regional reliability surcharges to fund these contributions. The Water District records these charges as operating revenues, and contributions to the SNWA as operating expenses, except for District funded capital projects. On a Water District funded capital project, no regional revenue is collected, but a contribution to SNWA is still required, and it is charged to the capital project instead of operating expenses. The Water District does not act as a collecting agency for the SNWA. If the regional revenue were not collected, the Water District would still have the liability to the SNWA.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

11. JOINT VENTURES (Continued)

Southern Nevada Water Authority (Continued)

The Water District operates the SNWS, a regional system consisting of a water treatment plant and pumping and distribution facilities that supply water to the water purveyors in Southern Nevada for the SNWA.

During fiscal year 2009, the SNWA reimbursed the Water District \$110,945,112 (excluding funds advanced for unbilled expenditures – see next paragraph) for expenditures made by the Water District on behalf of the SNWA. For these and other costs of SNWA, including debt service, SNWA billed the Water District for its share based on water delivered at a flat rate per acre-foot (wholesale delivery charge). The wholesale delivery charge is recorded as a component of purchased water expense.

During fiscal year 2009, the SNWA advanced funds to the Water District for expenditures to be made on its behalf. The Water District credits the SNWA interest on the monthly average advance balance at the Water District's current investment earnings rate. The advance balance at June 30, 2009, was \$10,312,399.

The contributions for fiscal year 2009 for the SNWS expansion totaled \$31,798,812, and in fiscal year 2008 totaled \$54,209,202. Additionally, the Water District contributed \$1,210,785 in both fiscal year 2009 and 2008 to SNWA to help fund a groundwater management program in the Las Vegas Valley. Total contributions to the SNWA for the fiscal year ended June 30, 2009, were \$33,009,597 and in fiscal year 2008 were \$55,419,987, and were recorded as an SNWA expense on the Water District's financial statements.

Audited financial reports for fiscal year 2009 can be obtained by contacting:

Office of the Treasurer
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Clean Water Coalition

The Reclamation District, a component unit (see Note 1) has a joint venture with the Clean Water Coalition (CWC). The CWC was formed as a joint powers authority under NRS 277 in November 2002. Members of the CWC include the Reclamation District, the City of Las Vegas, the City of Henderson, and the City of North Las Vegas. These agencies have worked together for many years on a variety of projects, including planning, engineering studies and environmental monitoring. The primary function of the CWC is to carry out the Systems Conveyance and Operations Program (SCOP). SCOP encompasses the planning, design, financing, construction, and operation and maintenance of a regional system to transport treated wastewater effluent from facilities of the member agencies to the ultimate outfall location within the Colorado River system. The primary objective of the project is to improve water quality in Lake Mead at the point of discharge.

Construction of the SCOP project currently is anticipated to cost over \$860 million. The primary sources of capital funding for the SCOP project are wastewater connection fees, usage surcharges, state and federal grants, and member agency contributions. These sources are expected to support pay-as-you-go costs and debt service for the SCOP project. Each member agency is obligated to provide a direct member contribution on behalf of its customers. Each proportionate share is based on average wastewater flows; the Reclamation District's proportionate share is currently 46 percent. All member agencies, including the Reclamation District began imposing CWC regional water connection charges and sewer service surcharges in October 2006 and July 2007, respectively, in anticipation of

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

11. JOINT VENTURES (Continued)

Clean Water Coalition (Continued)

replacing the member contributions. The reserve target of \$58 million was reached during fiscal year 2007-08. As a result of reaching this target, the CWC ceased the contribution requirement of member agencies by CWC Board action on March 25, 2008, with the effective date being July 1, 2008. If the CWC surcharges prove to be inadequate to support either direct funding needs or debt service, the member agencies will be required to fund the shortfall directly.

Based on studies analyzing each member's present and projected daily peak discharge of effluent from their respective wastewater treatment facilities and, as negotiated by the members, the percentage capacity rights for the Reclamation District is 46 percent. These capacity rights are considered an intangible asset with a definite useful life with a value in the amount of \$32,800,740 which represents the Reclamation District's contribution to the project. As such, the asset will be amortized over the useful life once the project is put into service.

Separate audited financial statements for the CWC are prepared annually and can be obtained from the CWC's website at www.cleanwatercoalition.com or by contacting the CWC's deputy general manager.

12. RETIREMENT SYSTEM

Clark County, Nevada employees, with the exception of those of the Water District enterprise fund, are covered by the State of Nevada Public Employees' Retirement System (the "System"). The System was established on July 1, 1948, by the Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements participate in the System, which is a cost sharing multiple-employer defined benefit plan. Clark County, Nevada does not exercise any control over the System. Nevada Revised Statute 286.110 states that: "Respective participating public employers are not liable for any obligation of the System."

Benefits, as required by 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 payments to which participants may be entitled under the System include pension benefits, disability benefits, and death benefits.

Monthly benefit allowances for regular members and police and firemen are computed at 2.5 percent for service credits earned prior to July 1, 2001, and 2.67 percent for service credit earned July 1, 2001, and thereafter, of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement up to a maximum of 90 percent of the average compensation for employees who entered the System prior to July 1, 1985, and 75 percent for those entering after that date. The System offers several alternatives to the unmodified service retirement allowance which, in general, allows the retired employee to accept a reduced service retirement allowance payable monthly during the employee's life and various optional monthly payments to a named beneficiary after the employee's death. Regular members are eligible for full retirement benefits 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 full retirement benefits with 5 years of service at age 65, with 10 years of service at age 55, at age 50 with 20 years of service, or at any age with 25 years of service.

Contribution rates are established by NRS 286.410. The statute provides for increases in odd-numbered years to an actuarially determined rate sufficient to amortize the unfunded liability of the system to zero over a 30-year amortization period. The County is obligated to contribute all amounts due under the System. The contribution

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

rate for regular members, based on covered payroll, for the years ended June 30, 2009, and 2008, was 20.5 percent, and was 19.75 percent for the year ended June 30, 2007. The contribution rate for police and firemen for the years ended June 30, 2009 and 2008, was 33.5 percent, and 32.0 percent for the year ended June 30, 2007.

The County's contributions to the plan for the years ended June 30, 2009, 2008, and 2007 were \$279,280,514, \$261,696,406, and \$229,810,822, respectively, equal to the required contributions for each year.

An annual report containing financial statements and required information for the System may be obtained by writing to PERS, 693 W. Nye Lane, Carson City, Nevada 89703-1599, or by calling (775) 687-4200.

Las Vegas Valley Water District Retirement Plan

The Water District enterprise fund has provided for employee retirement by participation in Social Security and adoption of a supplementary defined benefit pension plan covering substantially all employees.

A. Plan Description

The Water District contributes to the Las Vegas Valley Water District Pension Plan (the "Plan"), a single-employer defined benefit pension trust fund established by the Water District to provide pension benefits solely for the employees of the Water District. The Board of Trustees of the Plan, composed of the Water District's board of directors, has the authority to establish and amend the benefit provisions of the Plan and the contribution requirements of the Water District and the employees. Water District employees are not required to contribute to the Plan. Water District employees may, however, under certain conditions, purchase additional years of service for eligibility and increased benefits. For the year ended, June 30, 2009, the contributions for this purpose were \$72,430; for the year ended June 30, 2008, the contributions were \$13,239.

The Plan was amended effective February 15, 2005, to provide the following: (1) Increase the annual service credit of 2 percent to 2.17 percent for years of service after July 1, 2001. (Service credit is the accumulation of pension plan years while an employee was in paid status at the Water District.) (2) Change the benefit formula to increase the calculation of highest average pay by approximately 10 percent as currently prescribed in the Nevada Revised Statutes. (3) Add shift differential and standby pay to the total compensation counted toward the pension benefit.

Other than cost of living adjustments, the Plan does not provide ad hoc post-retirement benefit increases nor does it administer post-employment healthcare plans. The Plan does not issue a stand-alone financial report.

All Water District employees are eligible to participate in the Plan after attaining age 20 and completing six months of employment. Subject to a maximum pension benefit, normally 60 percent of average monthly compensation, Water District employees who retire at age 65 are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 percent of their average monthly compensation multiplied by the years of service prior to July 1, 2001, and 2.17 percent of their average monthly compensation multiplied for the years of service after July 1, 2001.

For the purpose of calculating the pension benefit, average monthly compensation means the average of a member's 36 consecutive months of highest compensation, after excluding certain elements, times approximately 110 percent, while participating in the Plan. For participants in the plan as of January 1, 2001, benefits start to vest after three years of service with a 20 percent vested interest; after four years of service,

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

40 percent; and after five years of service, 100 percent. New participants after January 1, 2001, start to vest at 5 years of service, at which time they are vested 100 percent. The Plan also provides for early retirement and pre-retirement death benefits. The Plan is not subject to the Employee Retirement Income Security Act (ERISA) of 1974, but is operated consistent with ERISA fiduciary requirements.

The Water District contributes amounts actuarially determined necessary to fund the Plan in order to pay benefits when due and to provide an allowance sufficient to finance the administrative costs of the Plan. Contributions cannot revert to or be revocable by the Water District or be used for any purpose other than the exclusive benefit of the participants.

At June 30, 2009, and 2008, participants in the Plan consisted of the following:

	<u>2009</u>	<u>2008</u>
Retirees in pay status with unpurchased benefits	165	150
Terminated employees not yet receiving benefits	297	301
Active employees		
Fully vested	951	894
Partially vested	-	-
Nonvested	<u>506</u>	<u>410</u>
Total active employees	<u>1,457</u>	<u>1,304</u>
Total participants	<u>1,919</u>	<u>1,755</u>

Three-Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/07	\$22,040,681	100%	\$ -
06/30/08	23,587,076	100	-
06/30/09	27,262,106	100	-

B. Supplemental Information

The schedule of employer contributions is included in the Required Supplementary Information section in the Comprehensive Annual Financial Report.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

C. Annual Pension Cost and Net Pension Obligation

It is the policy of the Water District to pay Annual Required Contributions (ARC) when due; therefore, annual pension cost and the ARC are the same and aggregated \$27,262,106 for the year ended June 30, 2009, and \$23,587,976 for the year ended June 30, 2008. The significant actuarial assumptions used to determine the ARC are: (a) rate of return on the investment of present and future assets of 8.00 percent per year compounded annually, (b) estimated salary increases of 3.0 percent per year compounded annually, attributable to inflation, (c) additional estimated salary increases of 3.0 percent attributable to seniority/merit, and (d) postretirement benefit increases for cost of living adjustments which are limited to certain maximum rates.

An actuarial valuation has been performed each plan year since February 1987.

The Plan uses the aggregate actuarial cost method. Because this method does not identify or separately amortize unfunded actuarial accrued liabilities, information about the plan's funded status and funding progress has been prepared using the entry age normal actuarial cost method. The information presented as required supplementary information is intended to serve as a surrogate for the funded status and funding progress of the plan.

D. Identification of Investments

	<u>June 30, 2009</u>	<u>June 30, 2008</u>
Investments at contract value:		
Union Central Life Insurance Company	\$ 1,475,509	\$ 1,443,041
New York Life Insurance Company	<u>27,811,494</u>	<u>27,236,188</u>
Total investments at contract value	<u>29,287,003</u>	<u>28,679,229</u>
Investments at fair value:		
Alliance Capital Domestic Equity	54,042,173	50,866,381
Mellon Bank, Domestic Bond	47,535,556	45,523,709
Nevada State Bank, Money Market Fund	<u>84,805</u>	<u>77,596</u>
Total investments at fair value	<u>101,662,534</u>	<u>96,467,686</u>
Total investments	<u>\$130,949,537</u>	<u>\$125,146,915</u>

E. Valuation of Investments

Domestic equity and domestic bond amounts represent units of investments in aggregate indexed accounts. These accounts and the money market account are stated at fair value, measured by the underlying market value as reported by the managing institutions. Insurance contracts are Guaranteed Investment Contracts and pooled accounts, stated at contract value as determined by the insurance companies in accordance with the terms of the contracts, plus an estimated interest accrual for the pooled accounts. Excluded from the plan assets are annuities purchased for retired employees or their beneficiaries from an insurance company rated at least A+ by A.M. Best insurance rating company

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

F. Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Employer contributions are recognized and received when due. Participants do not make contributions except under certain conditions to voluntarily purchase additional years of service. Contributions are non-refundable. Benefits, which are purchased insurance company annuities, are recognized and paid when due.

G. Financial Statements

Las Vegas Valley Water District Pension Plan
Statement of Net Assets
June 30, 2009

Assets:

Cash and investments:	
with fiscal agent	\$130,949,537
Interest receivable	<u>1,110,727</u>
 Total assets	 <u>\$132,060,264</u>

Net Assets:

Held in trust for pension benefits and other purposes	<u>\$132,060,264</u>
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Las Vegas Valley Water District Pension Plan
Statement of Changes in Net Assets
For the fiscal year ended June 30, 2009

Additions:

Contributions:	
Contributions from employer	\$ 27,262,106
Contributions from employees	<u>72,431</u>
Total contributions	<u>27,334,537</u>
 Investment earnings:	
Interest	1,715,012
Net increase (decrease) in fair value of investments	<u>(11,074,609)</u>
Total investment earnings	<u>(9,359,597)</u>
Less investment expense	<u>(105,043)</u>
Net investment earnings	<u>(9,464,640)</u>
Total additions	<u>17,869,897</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

G. Financial Statements (Continued)

<u>Deductions:</u>	
General and administrative	204,231
Benefit payments	<u>11,808,271</u>
Total deductions	<u>12,012,502</u>
Change in net assets	5,857,395
<u>Net Assets:</u>	
Beginning of year	<u>126,202,869</u>
End of year	<u>\$132,060,264</u>

13. RELATED PARTY TRANSACTIONS

The County transfers sales, fuel, and various other taxes and fees deposited in the Master Transportation Plan special revenue fund to the RTC, a discretely presented component unit. Transfers during the fiscal year ended June 30, 2009, totaled \$191,537,207. The balance payable from the Master Transportation Plan fund to the RTC as of June 30, 2009, was \$30,424,770.

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Information

Clark County and the component units described in Footnote I contribute to four different defined benefit health programs:

1. Clark County retiree health program (County) – the County plan is an agent, multiple-employer defined benefit plan. Retirees may choose between the Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and a health maintenance organization (HMO) plan.
2. Public Employee Benefit Program (PEBP) – an agent, multiple-employer, defined benefit plan;
3. Clark County Firefighters Union Local 1908 Security Fund (Fire Plan) – a single-employer, defined benefit plan; and
4. Las Vegas Metro Employee Benefit Trust (Metro Plan) – a single-employer, defined benefit plan.

Each plan provides medical, dental, and vision benefits to eligible active and retired employees and beneficiaries. Except for the PEBP, benefit provisions are established and amended through negotiations between the respective unions and the employers. PEBP benefit provisions are established by the Nevada State Legislature.

The Self-Funded Plan is included in the financial reporting entity, as described in the next section. The Public Employee Benefit Plan, Clark County Firefighters Union Local 1908 Security Fund, and the Las Vegas Metro Employee Benefit Trust issue publicly available financial reports that include financial statements and required

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Information (Continued)

supplementary information for those plans. Those reports may be obtained by writing or calling the plans at the following addresses or numbers:

Public Employee Benefits Plan
901 South Stewart Street, Suite 101
Carson City, Nevada 89701
(800) 326-5496

Clark County Firefighters Union Local 1908 Security Fund
6200 W. Charleston Boulevard
Las Vegas, NV 89146
(702) 870-1908

Las Vegas Metro Employee Benefit Trust
UMR
700 E. Warm Springs Road, Suite 210
Las Vegas, NV 89119
(866) 868-1395

Funding Policy and Annual OPEB Cost

For all plans other than the PEBP, contribution requirements of plan members and the employer are established and may be amended through negotiations between the various unions and the governing bodies of the employers.

Clark County is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who enroll in this plan. In 2009, retirees were eligible for a \$103 per month subsidy after five years of service with a Nevada state or local government entity. The maximum subsidy of \$564 is earned after 20 years of combined service with any eligible entity. The subsidy is set by the State Legislature.

The annual OPEB cost for each program is calculated based on the annual required contribution to the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County's annual OPEB cost for the current year and the related information for each program are as follows:

	<u>County</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro ⁽¹⁾</u>
Contribution Rates:	Actuarially determined, premium sharing determined by union contracts	Set by State Legislature	Contractually determined	Contractually determined

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy and Annual OPEB Cost (Continued)

	<u>County</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro ⁽¹⁾</u>
County Plan members annual required contribution (ARC)	\$51,894,945	\$ 6,373,729	\$ 8,045,702	\$ 60,431,366
Interest on net OPEB obligations	1,046,518	126,708	-	-
Adjustment to annual required contributions	<u>(7,803,528)</u>	<u>(351,675)</u>	<u>(79,760)</u>	<u>7,416,000</u>
Annual OPEB cost	45,137,935	6,148,762	7,965,942	67,847,366
Contributions made	<u>(6,361,423)</u>	<u>(4,934,079)</u>	<u>(1,841,658)</u>	<u>(3,018,605)</u>
Increase in net OPEB obligation	38,776,512	1,214,683	6,124,284	64,828,761
Net OPEB obligation, beginning of year	<u>34,385,709</u>	<u>1,285,418</u>	<u>4,044,298</u>	<u>49,996,761</u>
Net OPEB obligation, end of year	<u>\$73,162,221</u>	<u>\$ 2,500,101</u>	<u>\$10,168,582</u>	<u>\$114,825,522</u>

⁽¹⁾ The County is responsible for 100 percent of the net OPEB obligation for the Detention Center employees covered under the Metro plan in the amount of \$26,203,988. The remaining net OPEB obligation of \$88,621,534 for the Las Vegas Metropolitan Police Department (LVMPD), is jointly funded by the County and the City of Las Vegas. The City funds 38.61 percent of the LVMPD and is liable for \$34,216,774 of the Metro net OPEB obligation. A receivable has been established in the government-wide statement of net assets for the City's portion.

The County's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2008 and 2009 were as follows:

<u>Plan</u>	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percent of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
County	06/30/2008	\$39,526,617	22.5%	\$ 34,385,709
County	06/30/2009	45,137,935	14.1	73,162,221
PEBP	06/30/2008	3,678,920	65.1	1,285,418
PEBP	06/30/2009	6,148,762	80.2	2,500,101
Fire	06/30/2008	5,682,663	28.8	4,044,298
Fire	06/30/2009	7,965,942	23.1	10,168,582
Metro	06/30/2008	53,015,366	5.7	49,996,761
Metro	06/30/2009	53,015,366	5.7	114,825,522

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2009, was as follows:

	<u>County</u>	<u>PEBP*</u>	<u>Fire</u>	<u>Metro</u>
Actuarial accrued liability (a)	\$447,990,595	\$111,336,740	\$83,378,281	\$446,757,386
Actuarial value of plan assets (b)	-	-	5,552,810	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	447,990,595	111,336,740	79,825,471	446,757,386
Funded ratio (b)/(a)	0%	0%	6.7%	0%
Covered payroll (c)	680,747,522	-	80,460,440	415,850,264
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	65.8%	N/A	99.2%	107.4%

* PEBP closed to new County participants as of November 1, 2008; therefore, covered payroll is zero.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions of the employer are subject to continual revision and actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information will provide multi-year trend information that will show, in future years, whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plans (the plans as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and the plan members at this point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

	<u>County</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro</u>
Actuarial valuation date	07/01/08	07/01/08	07/01/08	06/30/08
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Projected unit credit cost
Amortization method	Level dollar	Level dollar	Level dollar	Level percentage
Remaining amortization period	30 years, open	30 years, open	30 years, open	30 years, open
Asset valuation method	No assets in trust	No assets in trust	Date of valuation	No assets in trust

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Methods and Assumptions (Continued)

	<u>County</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro</u>
Actuarial assumptions:				
Investment rate of return	4.0%	4.0%	4.0%	4.0%
Projected salary increases	N/A	N/A	N/A	3.25%
Healthcare inflation rate	8% initial 5% ultimate	8% initial 5% ultimate	6.5% initial 4.5% ultimate	14% initial 5% ultimate

County Net Assets in Internal Service Fund

The County uses the Other Postemployment Benefits Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2009, the Other Postemployment Benefit Reserve fund had \$111,528,784 in cash and investments, and \$12,087,792 in receivables that the County intends to use for future OPEB costs for the net OPEB obligations of the County, PEBP, and Fire plans, which total \$84,210,182 as of June 30, 2009. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Clark County Self-Funded Group Medical and Dental Benefits Plan

Clark County administers the Clark County Self-Funded Group Medical and Dental Benefits Plan, a cost-sharing multiple-employer defined benefit plan (the "Self-Funded Plan"). Participants of the Self-Funded Plan include Clark County, University Medical Center of Southern Nevada, the Las Vegas Valley Water District, the Clark County Water Reclamation District, the Las Vegas Convention and Visitors Authority, the Regional Transportation Commission of Southern Nevada, the Regional Flood Control District, and the Henderson Library District. The Self-Funded Plan provides benefits for all full-time active employees of each participant entity effective the first day of the month following two consecutive months of active employment, as well as for retired employees of the entities. As of June 30, 2009, there were 8,111 employee members and 1,199 retired members enrolled in the Self-Funded Plan, with 9,608 additional covered dependents. The Self-Funded Plan provides medical, dental, and vision benefits. The Self-Funded Plan is governed by an interlocal agreement between each of the participant entities, and all Self-Funded Plan benefit changes must be approved by the governing boards of these entities.

The Self-Funded Plan is not administered as a qualifying trust or equivalent arrangement. The Self-Funded Plan is included in this CAFR as an internal service fund (the Self-Funded Group Insurance fund), as required by Nevada Revised Statutes.

Basis of Accounting: The Plan is accounted for using the accrual basis of accounting. Plan member and employer contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments: Investments are reported at fair value as described in Note 1.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Retirement Health Account Plan

Effective November 1, 2005, Clark County established a retirement health account plan under the provisions of Internal Revenue Code sections 105 and 106. The purpose of the plan is to provide employees a means to save for the cost of health insurance premiums once they retire. Each participant maintains a separate account within the plan. All contributions come from employees, with the exception that the County provides a 100 percent match up to \$480 annually for a maximum of five years to employees in eligible bargaining units. Retirees are reimbursed from their individual accounts for their out-of-pocket health insurance premium costs as they submit documentation of those costs. As of July 1, 2007, the plan was closed to new participants.

Contributions and Reserves

Premium rates for the Plan are established through the previously mentioned interlocal agreement. Each participant entity, through its employee bargaining and budgeting processes, establishes the employer and employee contribution sharing percentages. All administrative costs other than personnel costs are funded through premium rates. Administrative personnel costs are funded through the County Liability Insurance Internal Service fund, which provides general risk management administration. The County pays approximately 90 percent of premiums for active employee coverage, an average of \$7,468 per active employee for the year ended June 30, 2009. County retirees pay the entire cost of their premium. Active and retiree loss experience is combined to create a single, blended premium for each level of coverage (member only, member plus spouse, member plus children, or family), as required by state law. This combining of loss experience creates an implicit subsidy to the retirees who would otherwise pay higher premiums if their loss experience were rated separately.

Clark County Regional Flood Control District

The Clark County Regional Flood Control District (the “District”) uses the County and PEBP plans, with contribution rates and actuarial assumptions identical to those previously described. The District’s annual OPEB cost for the current year is as follows:

	<u>County</u>	<u>PEBP</u>
Annual required contribution (ARC)	\$ 96,368	\$ 17,795
Interest on net OPEB obligation	1,996	368
Adjustment to annual required contribution	<u>(33,481)</u>	<u>(4,016)</u>
Annual OPEB cost	64,883	14,147
Contributions made	<u>(3,426)</u>	<u>(19,241)</u>
Increase (decrease) in net OPEB obligation	61,547	(5,094)
Net OPEB obligation, beginning of year	<u>99,739</u>	<u>-</u>
Net OPEB obligation (benefit), end of year	<u>\$161,196</u>	<u>\$ (5,094)</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Clark County Regional Flood Control District (Continued)

The District's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2008 and 2009 were as follows:

<u>Plan</u>	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percent of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
County	06/30/2008	\$99,985	0.25%	\$ 99,739
County	06/30/2009	64,883	5.28	161,196
PEBP	06/30/2008	-	N/A	-
PEBP	06/30/2009	14,147	136.01	(5,094)

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2009, was as follows:

	<u>County</u>	<u>PEBP*</u>
Actuarial accrued liability (a)	\$ 881,456	\$ 307,713
Actuarial value of plan assets (b)	-	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	881,456	307,713
Funded ratio (b)/(a)	0.0%	0.0%
Covered payroll (c)	2,163,781	-
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	40.7%	14.2%

* PEBP closed to new District participants as of November 1, 2008; therefore, covered payroll is zero.

District Assets in Internal Service Fund

Clark County utilizes the Other Postemployment Benefit Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2009, the Other Postemployment Benefit Reserve fund had \$156,725 in cash, investments, and interest receivable held on behalf of the District. The District intends to use these assets for future OPEB funding. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Regional Transportation Commission of Southern Nevada

The Regional Transportation Commission of Southern Nevada (RTC) uses the County and PEBP plans, with contribution rates and actuarial assumptions identical to those previously described. The RTC's annual OPEB cost for the current year is as follows:

	County	PEBP
Annual required contribution (ARC)	\$ 893,940	\$ 48,093
Interest on net OPEB obligation	24,610	1,324
Adjustment to annual required contribution	(65,126)	(9,322)
Annual OPEB cost	853,424	40,095
Contributions made	(41,198)	(35,845)
Increase (decrease) in net OPEB obligations	812,226	4,250
Net OPEB obligation, beginning of year	648,975	36,321
Net OPEB obligation (benefit), end of year	\$1,461,201	\$ 40,571

The RTC's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2008 and 2009 were as follows:

Plan	Year Ended	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Obligation
County	06/30/2008	\$688,016	5.67%	\$ 648,975
County	06/30/2009	853,424	4.83	1,461,201
PEBP	06/30/2008	62,950	42.30	36,321
PEBP	06/30/2009	40,095	89.40	40,571

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2009, was as follows:

	County	PEBP*
Actuarial accrued liability (a)	\$ 6,633,463	\$ 864,895
Actuarial value of plan assets (b)	-	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	6,633,463	864,895
Funded ratio (b)/(a)	0.0%	0.0%
Covered payroll (c)	17,076,022	-
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	38.8%	5.1%

* PEBP closed to new RTC participants as of November 1, 2008; therefore, covered payroll is zero.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

RTC Assets in Internal Service Fund

Clark County utilizes the Other Employment Benefit Reserve internal service fund to allocate OPEB costs to each fund based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2009, the Other Postemployment Benefit Reserve fund had \$211,855 in cash, investments, and interest receivable held on behalf of the RTC. The RTC intends to use these assets for future OPEB funding. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

15. SUBSEQUENT EVENTS

Primary Government

In July 2009, Moody's Investors Service, Inc. downgraded the rating on the Water District's outstanding general obligation bonds to Aa2 from Aa1. Additionally, the outlook on the Water District's bonds was revised to negative from stable.

On July 1, 2009, the County issued \$400 million of Airport System Junior Subordinate Lien Revenue Notes Series 2009A to refund the outstanding Clark County, Nevada, Airport System Junior Subordinate Lien Revenue Notes Series 2008F. The proceeds of the 2009A notes will be used to finance portions of the Terminal 3 project and the height restriction settlements. The effective interest rate on the 2009A notes is 0.85 percent and the notes are due July 1, 2010.

On August 5, 2009, the Water District issued \$100 million in general obligation bonds additionally secured by pledged revenue of the SNWA. The purpose of the bonds is to (i) finance certain additions, betterments, and improvements to the SNWS, which is owned by the SNWA and (ii) pay the costs of issuing the bonds.

On September 16, 2009, the County issued \$168,495,000 in Airport System Subordinate Lien Revenue Bonds to pay for the costs of Terminal 3. The bonds mature in 2022 through 2026 and have an interest rate of 5.0 percent. The Bonds are insured by FSA.

On September 16, 2009, the County issued \$300,000,000 in Airport System Senior Lien Bonds (Taxable Direct Payment Build America Bonds). The proceeds of this bond issue will be used for height restriction settlements and Terminal 3. The bonds have a taxable rate of 6.881 percent and the County will receive an annual rebate from the federal government for 35 percent of this rate for a net interest rate of 4.47 percent. The bonds mature July 1, 2042, and have a call provision in 10 years.

In October 2009, the Water Reclamation District issued a general obligation (limited tax) water reclamation bond (additionally secured by pledged revenues) in the principal amount of \$5,744,780. The bond was transferred to the State of Nevada through private placement with the State Revolving Loan Fund. The bond will be used as collateral for a zero percent interest loan provided to the Water Reclamation District through the State Revolving Loan Fund under the American Recovery and Reinvestment Act. Execution of loan documents and transfer of the bond both occurred in October 2009. The purpose of the loan is to provide partial financing of the Indian Springs waste water treatment plant upgrades. The interest rate on the bond is zero percent and the maturity date is June 30, 2030.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2009

III. DETAILED NOTES – ALL FUNDS (Continued)

15. SUBSEQUENT EVENTS

Primary Government (Continued)

In November 2009, the County issued \$50,000,000 in general obligation (limited tax) bond bank refunding bonds (additionally secured by SNWA pledged revenues), Series 2009. The bonds bear an interest rate of five percent, payable on June 1 2010, and semiannually thereafter on December 1 and June 1. Principal payments commence on June 1, 2013, and continue annually through June 1, 2030. The proceeds of the bonds will be used by the County to refund the following County Bonds: (1) the entire \$4,375,000 aggregate principal amount of the general obligation (limited tax) Bond Bank bonds, Series 2000; (2) \$17,795,000 aggregate principal amount of the general obligation (limited tax) Bond Bank bonds, Series 2001; (3) \$13,605,000 aggregate principal amount of the general obligation (limited tax) Bond Bank bonds, Series 2002; (4) \$4,345,000 aggregate principal amount of the general obligation (limited tax) Bond Bank bonds, Series 2006; (5) \$14,040,000, aggregate principal amount of the general obligation (limited tax) Bond Bank bonds, Series 2008 and pay the costs of issuing the 2009 bonds.

In December 2009, the County issued \$111,605,000 in general obligation (limited tax) transportation refunding bonds (additionally secured with pledged revenues), Series 2009A. The bonds bear interest rates from 2.00 to 5.00 percent, payable on June 1, 2010, and semiannually thereafter on December 1 and June 1. Principal payments commence on December 1, 2010, and December 1, 2016, and continue annually through December 1, 2029. The proceeds of the bonds will be used by the County for (1) funding transportation improvements projects; (2) refunding \$19,350,000 aggregate principal amount of general obligation (limited tax) transportation refunding bonds, Series 1998A and paying the costs of issuing the 2009A bonds.

In December 2009, the County issued \$12,860,000 in general obligation (limited tax) transportation refunding bonds (additionally secured with pledged revenues) Series 2009B-3. The bonds bear interest rates from 1.00 to 4.00 percent, payable on June 1, 2010, and semiannually thereafter on December 1 and June 1. Principal payments commence on December 1, 2010, and December 1, 2016, and will continue annually through December 1, 2019. The proceeds of the bonds will be used to refund \$12,905,000 aggregate principal amount of general obligation (limited tax) transportation refunding bonds, Series 1998B and pay the costs of issuing the 2009B-3 bonds.

On December 1, 2009, the Board of Directors for the Water District approved a resolution to issue \$425 million in general obligation bonds additionally secured by pledged revenue of the SNWA. The purpose of the bonds will be to (i) finance certain additions, betterments and improvements to the SNWS (ii) refund existing Water District bonds issued on behalf of the SNWA in an amount not to exceed \$25 million and (iii) pay the costs of issuing the bonds.

On December 1, 2009, the Board of Directors for the Water District approved an action to establish increases in the SNWA Regional Commodity Charge and increases to the Water District's domestic backflow and fireline service charges effective January 1, 2010, and January 1, 2011.

Discretely Presented Component Units

RTC

On August 25, 2009, the State of Nevada was notified by the U.S. Department of Transportation that approximately \$8.7 billion of unobligated Federal-aid funds apportioned to the states would be rescinded on September 30, 2009. While the amount of these total Nevada rescissions is subject to reallocation within certain limits at the state level, the rescissions that are likely to affect RTC are unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Clark County, Nevada

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2009

(With comparative actual for the fiscal year ended June 30, 2008)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes	\$ 382,644,518	\$ 382,644,518	\$ 383,096,346	\$ 451,828	\$ 345,422,881
Licenses and permits	210,721,800	210,721,800	212,457,083	1,735,283	219,886,318
Intergovernmental revenue	334,990,000	334,990,000	287,980,237	(47,009,763)	330,571,827
Charges for services	84,971,250	84,971,250	85,915,596	944,346	82,533,326
Fines and forfeitures	20,500,000	20,500,000	24,535,699	4,035,699	24,644,256
Interest	17,700,000	17,700,000	7,869,934	(9,830,066)	27,324,416
Other	2,809,526	2,809,526	4,626,029	1,816,503	6,370,568
Total revenues	<u>1,054,337,094</u>	<u>1,054,337,094</u>	<u>1,006,480,924</u>	<u>(47,856,170)</u>	<u>1,036,753,592</u>
Other financing sources:					
Transfers from other funds	330,087,390	320,397,376	297,183,448	(23,213,928)	303,535,415
Total revenues and other financing sources	<u>1,384,424,484</u>	<u>1,374,734,470</u>	<u>1,303,664,372</u>	<u>(71,070,098)</u>	<u>1,340,289,007</u>
Expenditures:					
General Government	135,210,426	135,000,486	125,776,139	(9,224,347)	105,966,417
Judicial	148,176,211	148,347,211	140,327,933	(8,019,278)	144,277,455
Public Safety	222,756,833	223,976,833	207,312,119	(16,664,714)	205,777,429
Public Works	17,254,609	17,254,609	15,076,750	(2,177,859)	15,227,899
Health	62,086,620	92,236,620	92,225,951	(10,669)	62,919,755
Welfare	106,524,300	107,837,689	105,904,299	(1,933,390)	83,974,688
Culture and Recreation	30,985,837	30,010,482	28,305,713	(1,704,769)	29,258,569
Other General Expenditures	131,503,140	114,834,046	98,917,444	(15,916,602)	108,771,107
Total expenditures	<u>854,497,976</u>	<u>869,497,976</u>	<u>813,846,348</u>	<u>(55,651,628)</u>	<u>756,173,319</u>
Other financing uses:					
Transfers to other funds	529,926,508	514,926,508	489,926,508	(25,000,000)	675,463,952
Total expenditures and other financing uses	<u>1,384,424,484</u>	<u>1,384,424,484</u>	<u>1,303,772,856</u>	<u>(80,651,628)</u>	<u>1,431,637,271</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	(9,690,014)	(108,484)	9,581,530	(91,348,264)
Fund balance:					
Beginning of year	165,764,378	165,764,378	218,453,884	52,689,506	309,802,148
End of year	<u>\$ 165,764,378</u>	<u>\$ 156,074,364</u>	<u>\$ 218,345,400</u>	<u>\$ 62,271,036</u>	<u>\$ 218,453,884</u>

See notes to Required Supplementary Information

Clark County, Nevada
General Fund

Schedule of Revenues and Transfers - Budget and Actual

For the fiscal year ended June 30, 2009

(With comparative actual for the fiscal year ended June 30, 2008)

	2009		2008		
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes:					
Ad valorem taxes	\$ 375,644,518	\$ 375,644,518	\$ 366,638,410	\$ (9,006,108)	\$ 331,089,911
Penalties & interest on delinquent taxes	7,000,000	7,000,000	16,457,936	9,457,936	14,332,970
Total taxes	<u>382,644,518</u>	<u>382,644,518</u>	<u>383,096,346</u>	<u>451,828</u>	<u>345,422,881</u>
Licenses and permits:					
Business licenses	32,500,000	32,500,000	27,617,205	(4,882,795)	30,526,108
Liquor licenses	6,635,000	6,635,000	7,115,539	480,539	6,977,982
County gaming licenses	43,200,000	43,200,000	41,862,672	(1,337,328)	42,690,753
Franchise fees:					
Gas	1,500,000	1,500,000	2,485,493	985,493	2,397,745
Electric	50,200,000	50,200,000	65,656,494	15,456,494	61,783,607
Other	28,500,000	28,500,000	26,860,781	(1,639,219)	26,472,803
Other licenses and permits	45,936,800	45,936,800	38,863,269	(7,073,531)	46,854,916
Marriage licenses	2,250,000	2,250,000	1,995,630	(254,370)	2,182,404
Total licenses and permits	<u>210,721,800</u>	<u>210,721,800</u>	<u>212,457,083</u>	<u>1,735,283</u>	<u>219,886,318</u>
Intergovernmental revenue:					
Federal grants	1,700,000	1,700,000	4,622,063	2,922,063	2,067,614
Federal payments in lieu of taxes	2,000,000	2,000,000	4,315,659	2,315,659	1,984,174
State grants	500,000	500,000	423,341	(76,659)	524,604
State gaming licenses	160,000	160,000	146,458	(13,542)	153,686
Consolidated tax	329,900,000	329,900,000	277,391,610	(52,508,390)	324,868,936
Court administrative assessment	630,000	630,000	923,564	293,564	829,926
Other	100,000	100,000	157,542	57,542	142,887
Total intergovernmental revenue	<u>334,990,000</u>	<u>334,990,000</u>	<u>287,980,237</u>	<u>(47,009,763)</u>	<u>330,571,827</u>
Charges for services:					
General government					
Clerk fees	3,700,000	3,700,000	3,557,743	(142,257)	3,910,587
Recorder fees	22,000,000	22,000,000	22,747,962	747,962	21,487,596
Map fees	500,000	500,000	64,764	(435,236)	752,451
Assessor commissions	11,500,000	11,500,000	10,668,811	(831,189)	11,542,069
Building and zoning fees	1,500,000	1,500,000	1,075,835	(424,165)	1,187,798
Room tax collection commissions	8,250,000	8,250,000	5,627,722	(2,622,278)	7,563,146
Administrative fees	13,200,000	13,200,000	11,349,722	(1,850,278)	10,561,312
Other	5,000,000	5,000,000	4,358,442	(641,558)	3,648,277

(Continued)

Clark County, Nevada
General Fund

Schedule of Revenues and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues (Continued):					
Charges for services (Continued):					
Judicial					
Clerk fees	7,800,000	7,800,000	8,421,112	621,112	8,735,914
Other	2,000,000	2,000,000	2,563,829	563,829	1,964,007
Public safety					
Fire protection services	7,546,250	7,546,250	9,666,510	2,120,260	7,917,355
Other	650,000	650,000	2,530,208	1,880,208	1,171,001
Public works					
Engineering	1,000,000	1,000,000	3,131,924	2,131,924	2,071,009
Health and welfare					
Animal control	100,000	100,000	148,900	48,900	11,541
Culture and recreation					
Other	225,000	225,000	2,112	(222,888)	9,263
Total charges for services	84,971,250	84,971,250	85,915,596	944,346	82,533,326
Fines and forfeitures:					
Court fines	6,500,000	6,500,000	7,950,791	1,450,791	7,668,674
Court forfeits	14,000,000	14,000,000	16,584,908	2,584,908	16,975,582
Total fines and forfeitures	20,500,000	20,500,000	24,535,699	4,035,699	24,644,256
Interest	17,700,000	17,700,000	7,869,934	(9,830,066)	27,324,416
Other	2,809,526	2,809,526	4,626,029	1,816,503	6,370,568
Total revenues	1,054,337,094	1,054,337,094	1,006,480,924	(47,856,170)	1,036,753,592
Other financing sources:					
Transfers from other funds	330,087,390	320,397,376	297,183,448	(23,213,928)	303,535,415
Total revenues and other financing sources	1,384,424,484	1,374,734,470	1,303,664,372	(71,070,098)	1,340,289,007

See notes to Required Supplementary Information

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures					
General Government:					
Commission/Manager:					
Salaries and wages	\$ 3,266,704	\$ 3,266,704	\$ 3,152,062	\$ (114,642)	\$ 3,204,677
Employee benefits	1,048,413	1,048,413	1,011,413	(37,000)	1,017,040
Services and supplies	684,000	677,041	433,852	(243,189)	400,706
Capital outlay	-	6,959	5,969	(990)	-
Total Commission/Manager	<u>4,999,117</u>	<u>4,999,117</u>	<u>4,603,296</u>	<u>(395,821)</u>	<u>4,622,423</u>
Office of Diversity:					
Salaries and wages	427,445	427,445	373,748	(53,697)	374,228
Employee benefits	131,503	131,503	117,980	(13,523)	115,264
Services and supplies	61,900	61,900	50,677	(11,223)	73,620
Total Office of Diversity	<u>620,848</u>	<u>620,848</u>	<u>542,405</u>	<u>(78,443)</u>	<u>563,112</u>
Office of Appointed Counsel					
Salaries and wages	169,047	169,047	163,311	(5,736)	-
Employee benefits	48,162	48,162	47,320	(842)	-
Services and supplies	6,428,000	8,428,000	9,391,388	963,388	-
Total Office of Appointed Counsel	<u>6,645,209</u>	<u>8,645,209</u>	<u>9,602,019</u>	<u>956,810</u>	<u>-</u>
Audit:					
Salaries and wages	1,029,970	1,029,970	1,027,775	(2,195)	927,156
Employee benefits	332,946	332,946	317,564	(15,382)	281,097
Services and supplies	61,716	61,716	26,080	(35,636)	41,878
Total Audit	<u>1,424,632</u>	<u>1,424,632</u>	<u>1,371,419</u>	<u>(53,213)</u>	<u>1,250,131</u>
Finance:					
Salaries and wages	3,751,540	3,751,540	3,519,086	(232,454)	3,056,902
Employee benefits	1,237,938	1,237,938	1,080,197	(157,741)	979,957
Services and supplies	993,238	604,198	328,387	(275,811)	269,057
Total Finance	<u>5,982,716</u>	<u>5,593,676</u>	<u>4,927,670</u>	<u>(666,006)</u>	<u>4,305,916</u>
Comptroller:					
Salaries and wages	2,467,062	2,467,062	2,478,030	10,968	2,222,475
Employee benefits	812,269	812,269	845,383	33,114	697,943
Services and supplies	297,290	297,290	218,426	(78,864)	238,534
Total Comptroller	<u>3,576,621</u>	<u>3,576,621</u>	<u>3,541,839</u>	<u>(34,782)</u>	<u>3,158,952</u>
Treasurer:					
Salaries and wages	2,087,143	2,087,143	1,869,722	(217,421)	1,869,416
Employee benefits	724,969	724,969	644,033	(80,936)	663,272
Services and supplies	882,753	882,753	948,427	65,674	819,806
Total Treasurer	<u>3,694,865</u>	<u>3,694,865</u>	<u>3,462,182</u>	<u>(232,683)</u>	<u>3,352,494</u>

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
General Government (Continued):					
Elections:					
Salaries and wages	7,641,880	7,641,880	5,369,685	(2,272,195)	2,720,213
Employee benefits	1,761,839	1,761,839	1,056,572	(705,267)	895,718
Services and supplies	7,550,998	5,580,998	4,781,955	(799,043)	2,057,740
Total Elections	16,954,717	14,984,717	11,208,212	(3,776,505)	5,673,671
Assessor:					
Salaries and wages	11,388,794	11,388,794	10,882,727	(506,067)	10,528,556
Employee benefits	3,829,029	3,829,029	3,560,304	(268,725)	3,456,392
Services and supplies	1,503,115	1,503,115	1,419,070	(84,045)	1,300,495
Total Assessor	16,720,938	16,720,938	15,862,101	(858,837)	15,285,443
Recorder:					
Salaries and wages	3,064,991	3,064,991	2,816,673	(248,318)	2,615,733
Employee benefits	1,107,934	1,107,934	1,037,439	(70,495)	955,238
Services and supplies	463,339	363,339	240,461	(122,878)	488,533
Total Recorder	4,636,264	4,536,264	4,094,573	(441,691)	4,059,504
Clerk:					
Salaries and wages	2,580,309	2,580,309	2,477,164	(103,145)	2,441,517
Employee benefits	930,514	930,514	864,519	(65,995)	871,122
Services and supplies	222,251	316,996	286,968	(30,028)	199,603
Total Clerk	3,733,074	3,827,819	3,628,651	(199,168)	3,512,242
Administrative Services:					
Salaries and wages	5,754,277	5,754,277	5,469,663	(284,614)	5,230,733
Employee benefits	1,891,818	1,891,818	1,826,549	(65,269)	1,724,902
Services and supplies	3,497,500	3,422,500	3,780,696	358,196	3,333,392
Total Administrative Services	11,143,595	11,068,595	11,076,908	8,313	10,289,027
Human Resources:					
Salaries and wages	2,823,954	2,823,954	2,664,090	(159,864)	2,620,627
Employee benefits	910,108	910,108	883,570	(26,538)	828,055
Services and supplies	746,100	676,100	440,654	(235,446)	695,502
Capital outlay	-	-	-	-	12,219
Total Human Resources	4,480,162	4,410,162	3,988,314	(421,848)	4,156,403
Comprehensive Planning:					
Salaries and wages	6,580,371	6,847,236	5,844,646	(1,002,590)	5,555,484
Employee benefits	2,150,339	2,238,829	1,931,702	(307,127)	1,772,841
Services and supplies	1,193,446	943,446	595,498	(347,948)	624,213
Total Comprehensive Planning	9,924,156	10,029,511	8,371,846	(1,657,665)	7,952,538

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009		2008		
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
General Government (Continued):					
A-95 Clearinghouse Council:					
Salaries and wages	42,995	42,995	43,588	593	39,905
Employee benefits	18,865	18,865	18,598	(267)	17,449
Services and supplies	13,875	13,875	7,417	(6,458)	5,637
Total A-95 Clearinghouse Council	<u>75,735</u>	<u>75,735</u>	<u>69,603</u>	<u>(6,132)</u>	<u>62,991</u>
Information Technology:					
Salaries and wages	9,072,130	9,072,130	8,728,243	(343,887)	8,973,992
Employee benefits	2,823,064	2,823,064	2,629,381	(193,683)	2,800,380
Services and supplies	1,352,600	1,127,600	674,811	(452,789)	1,379,669
Total Information Technology	<u>13,247,794</u>	<u>13,022,794</u>	<u>12,032,435</u>	<u>(990,359)</u>	<u>13,154,041</u>
Business License:					
Salaries and wages	5,166,211	5,166,211	4,610,673	(555,538)	4,673,582
Employee benefits	1,748,613	1,748,613	1,511,532	(237,081)	1,507,904
Services and supplies	494,787	494,787	437,477	(57,310)	473,109
Total Business License	<u>7,409,611</u>	<u>7,409,611</u>	<u>6,559,682</u>	<u>(849,929)</u>	<u>6,654,595</u>
Real Property Management:					
Salaries and wages	8,032,991	8,032,991	7,975,693	(57,298)	7,343,401
Employee benefits	2,692,660	2,692,660	2,541,371	(151,289)	2,422,792
Services and supplies	9,214,721	9,633,721	9,059,196	(574,525)	8,078,071
Capital outlay	-	-	1,256,724	1,256,724	68,670
Total Real Property Management	<u>19,940,372</u>	<u>20,359,372</u>	<u>20,832,984</u>	<u>473,612</u>	<u>17,912,934</u>
Total General Government	<u>135,210,426</u>	<u>135,000,486</u>	<u>125,776,139</u>	<u>(9,224,347)</u>	<u>105,966,417</u>
Judicial:					
Outlying Constable:					
Salaries and wages	106,510	106,510	86,380	(20,130)	95,342
Employee benefits	95,440	95,440	80,298	(15,142)	75,773
Services and supplies	24,716	24,716	9,467	(15,249)	14,988
Total Outlying Constable	<u>226,666</u>	<u>226,666</u>	<u>176,145</u>	<u>(50,521)</u>	<u>186,103</u>
Henderson Constable:					
Salaries and wages	173,211	173,211	153,394	(19,817)	177,842
Employee benefits	63,737	63,737	54,434	(9,303)	66,734
Services and supplies	23,120	23,120	19,383	(3,737)	18,360
Total Henderson Constable	<u>260,068</u>	<u>260,068</u>	<u>227,211</u>	<u>(32,857)</u>	<u>262,936</u>

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009			2008
	Original Budget	Final Budget	Actual	Variance
Expenditures (Continued):				Actual
Judicial (Continued):				
North Las Vegas Constable:				
Salaries and wages	108,429	108,429	104,193	(4,236)
Employee benefits	41,147	41,147	41,132	(15)
Services and supplies	17,767	17,767	21,414	3,647
Total North Las Vegas Constable	167,343	167,343	166,739	(604)
District Attorney:				
Salaries and wages	28,832,738	28,832,738	27,669,781	(1,162,957)
Employee benefits	9,041,143	9,041,143	8,477,719	(563,424)
Services and supplies	2,226,205	2,336,205	1,751,166	(585,039)
Total District Attorney	40,100,086	40,210,086	37,898,666	(2,311,420)
Witness/Legal Fees:				
Services and supplies	1,700,000	1,700,000	2,067,148	367,148
Total Witness/Legal Fees	1,700,000	1,700,000	2,067,148	367,148
Family Court:				
Salaries and wages	8,254,171	8,254,171	7,005,671	(1,248,500)
Employee benefits	2,798,229	2,798,229	2,182,873	(615,356)
Services and supplies	1,651,041	1,651,041	1,469,222	(181,819)
Total Family Court	12,703,441	12,703,441	10,657,766	(2,045,675)
Indigent Defense:				
Services and supplies	-	-	-	-
Total Indigent Defense	-	-	-	-
Civil/Criminal:				
Salaries and wages	12,675,598	12,675,598	12,376,795	(298,803)
Employee benefits	4,243,858	4,243,858	3,935,101	(308,757)
Services and supplies	4,000,499	4,000,499	3,490,566	(509,933)
Total Civil/Criminal	20,919,955	20,919,955	19,802,462	(1,117,493)
Clerk of the Court:				
Salaries and wages	12,417,134	12,417,134	12,605,848	188,714
Employee benefits	4,271,848	4,271,848	4,349,171	77,323
Services and supplies	932,646	932,646	893,254	(39,392)
Total Clerk of the Court	17,621,628	17,621,628	17,848,273	226,645
Alternative Dispute Resolution				
Salaries and wages	464,461	464,461	461,807	(2,654)
Employee benefits	169,595	169,595	172,074	2,479
Services and supplies	47,038	47,038	35,406	(11,632)
Capital outlay	-	30,000	-	(30,000)
Total Alternative Dispute Resolution	681,094	711,094	669,287	(41,807)

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Special Public Defender:					
Salaries and wages	2,091,136	2,091,136	2,033,257	(57,879)	1,944,765
Employee benefits	657,554	657,554	644,333	(13,221)	611,708
Services and supplies	379,367	379,367	290,884	(88,483)	338,315
Total Special Public Defender	3,128,057	3,128,057	2,968,474	(159,583)	2,894,788
Court Jury Services:					
Salaries and wages	333,866	333,866	268,446	(65,420)	307,478
Employee benefits	115,628	115,628	94,524	(21,104)	104,856
Services and supplies	1,314,125	1,314,125	1,276,308	(37,817)	1,354,580
Total Court Jury Services	1,763,619	1,763,619	1,639,278	(124,341)	1,766,914
Grand Jury:					
Services and supplies	147,200	147,200	185,378	38,178	94,611
Total Grand Jury	147,200	147,200	185,378	38,178	94,611
Las Vegas Justice Court:					
Salaries and wages	11,149,462	11,149,462	10,150,738	(998,724)	10,242,706
Employee benefits	3,696,765	3,696,765	3,339,411	(357,354)	3,252,387
Services and supplies	2,355,492	2,355,492	2,461,444	105,952	2,386,356
Total Las Vegas Justice Court	17,201,719	17,201,719	15,951,593	(1,250,126)	15,881,449
Henderson Justice Court:					
Salaries and wages	1,455,200	1,455,200	1,537,405	82,205	1,235,674
Employee benefits	495,369	495,369	536,781	41,412	433,114
Services and supplies	227,104	227,104	183,534	(43,570)	183,369
Total Henderson Justice Court	2,177,673	2,177,673	2,257,720	80,047	1,852,157
North Las Vegas Justice Court:					
Salaries and wages	1,632,451	1,632,451	1,647,215	14,764	1,345,307
Employee benefits	589,627	589,627	576,577	(13,050)	484,985
Services and supplies	403,896	403,896	339,354	(64,542)	361,539
Total North Las Vegas Justice Court	2,625,974	2,625,974	2,563,146	(62,828)	2,191,831
Outlying Justice Court:					
Salaries and wages	1,741,540	1,741,540	1,668,219	(73,321)	1,607,009
Employee benefits	545,199	545,199	507,387	(37,812)	482,872
Services and supplies	226,134	257,134	253,298	(3,836)	259,839
Total Outlying Justice Court	2,512,873	2,543,873	2,428,904	(114,969)	2,349,720

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Public Defender:					
Salaries and wages	16,325,864	16,325,864	15,781,196	(544,668)	15,508,371
Employee benefits	5,080,147	5,080,147	4,898,354	(181,793)	4,737,313
Services and supplies	1,578,804	1,578,804	1,158,996	(419,808)	1,309,553
Total Public Defender	22,984,815	22,984,815	21,838,546	(1,146,269)	21,555,237
Neighborhood Justice Center:					
Salaries and wages	874,021	874,021	705,311	(168,710)	715,311
Employee benefits	289,447	289,447	238,675	(50,772)	224,560
Services and supplies	90,532	90,532	37,211	(53,321)	172,060
Total Neighborhood Justice Center	1,254,000	1,254,000	981,197	(272,803)	1,111,931
Total Judicial	148,176,211	148,347,211	140,327,933	(8,019,278)	144,277,455
Public Safety:					
Office of the Sheriff:					
Salaries and wages	165,010	165,010	178,872	13,862	173,564
Employee benefits	40,444	40,444	17,747	(22,697)	16,655
Services and supplies	5,000	5,000	1,577	(3,423)	133
Total Office of the Sheriff	210,454	210,454	198,196	(12,258)	190,352
Fire Department:					
Salaries and wages	88,630,047	88,630,047	82,727,070	(5,902,977)	78,216,612
Employee benefits	35,892,256	35,892,256	33,873,137	(2,019,119)	37,779,446
Services and supplies	8,826,781	9,426,781	8,150,937	(1,275,844)	8,205,655
Total Fire Department	133,349,084	133,949,084	124,751,144	(9,197,940)	124,201,713
Volunteer Fire and Ambulance:					
Services and supplies	374,517	374,517	237,825	(136,692)	339,856
Total Volunteer Fire and Ambulance	374,517	374,517	237,825	(136,692)	339,856
Public Guardian:					
Salaries and wages	1,738,200	1,738,200	1,515,986	(222,214)	1,421,345
Employee benefits	609,479	609,479	527,703	(81,776)	476,820
Services and supplies	213,040	213,040	159,508	(53,532)	174,231
Total Public Guardian	2,560,719	2,560,719	2,203,197	(357,522)	2,072,396

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
				Variance
Expenditures (Continued):				
Public Safety (Continued):				
Public Administrator:				
Salaries and wages	847,119	847,119	800,821	(46,298)
Employee benefits	220,503	220,503	189,946	(30,557)
Services and supplies	122,900	122,900	86,724	(36,176)
Total Public Administrator	<u>1,190,522</u>	<u>1,190,522</u>	<u>1,077,491</u>	<u>(113,031)</u>
Coroner:				
Salaries and wages	3,583,518	3,583,518	3,388,983	(194,535)
Employee benefits	1,064,321	1,064,321	1,018,179	(46,142)
Services and supplies	850,239	850,239	876,882	26,643
Total Coroner	<u>5,498,078</u>	<u>5,498,078</u>	<u>5,284,044</u>	<u>(214,034)</u>
Juvenile Justice:				
Salaries and wages	27,674,125	27,674,125	26,546,052	(1,128,073)
Employee benefits	10,768,815	10,768,815	9,896,432	(872,383)
Services and supplies	6,119,370	5,889,370	5,528,490	(360,880)
Total Juvenile Justice	<u>44,562,310</u>	<u>44,332,310</u>	<u>41,970,974</u>	<u>(2,361,336)</u>
Family Services:				
Salaries and wages	23,423,561	23,423,561	20,310,969	(3,112,592)
Employee benefits	7,466,674	7,466,674	6,486,550	(980,124)
Services and supplies	4,120,914	4,970,914	4,791,729	(179,185)
Total Family Services	<u>35,011,149</u>	<u>35,861,149</u>	<u>31,589,248</u>	<u>(4,271,901)</u>
Total Public Safety	<u>222,756,833</u>	<u>223,976,833</u>	<u>207,312,119</u>	<u>(16,664,714)</u>
Public Works				
Public Works:				
Salaries and wages	11,074,415	11,074,415	9,836,254	(1,238,161)
Employee benefits	3,672,690	3,672,690	3,153,583	(519,107)
Services and supplies	2,257,504	2,491,152	2,070,561	(420,591)
Capital outlay	250,000	16,352	16,352	-
Total Public Works	<u>17,254,609</u>	<u>17,254,609</u>	<u>15,076,750</u>	<u>(2,177,859)</u>

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)
(Continued)

	2009			2008
	Original Budget	Final Budget	Actual	Variance
Expenditures (Continued):				
Health:				
Emergency Room Admittance:				
Services and supplies	59,036,620	89,086,620	89,046,224	(40,396)
Total Emergency Room Admittance	59,036,620	89,086,620	89,046,224	(40,396)
Emergency Medical Care:				
Services and supplies	3,050,000	3,150,000	3,179,727	29,727
Total Emergency Medical Care	3,050,000	3,150,000	3,179,727	29,727
Total Health	62,086,620	92,236,620	92,225,951	(10,669)
Welfare:				
Salaries and wages	9,591,732	9,591,732	9,536,931	(54,801)
Employee benefits	3,185,825	3,185,825	3,039,837	(145,988)
Services and supplies	93,246,743	94,560,132	93,327,531	(1,232,601)
Capital outlay	500,000	500,000	-	(500,000)
Total Welfare	106,524,300	107,837,689	105,904,299	(1,933,390)
Culture and Recreation:				
Salaries and wages	18,439,708	18,172,843	17,350,204	(822,639)
Employee benefits	6,244,254	6,155,764	5,892,347	(263,417)
Services and supplies	6,301,875	5,681,875	4,908,616	(773,259)
Capital outlay	-	-	154,546	154,546
Total Culture and Recreation	30,985,837	30,010,482	28,305,713	(1,704,769)
Other General Expenditures:				
Utilities	23,107,000	21,107,000	17,912,819	(3,194,181)
Building rental	5,710,274	4,710,274	3,808,050	(902,224)
Capital replacement	5,300,000	4,300,000	1,418,419	(2,881,581)
Administrative assessments	1,697,000	1,697,000	1,081,657	(615,343)
Maintenance contracts	16,772,075	15,272,075	13,141,638	(2,130,437)
Insurance and official bonds	4,886,024	4,886,024	3,858,590	(1,027,434)
Miscellaneous refunds and expenditures	18,469,365	8,227,771	5,121,753	(3,106,018)
Internal service charges	22,934,452	22,434,452	21,964,360	(470,092)
Publications and professional services	4,444,000	4,016,500	2,427,208	(1,589,292)
Contributions	28,182,950	28,182,950	28,182,950	-
Total Other General Expenditures	131,503,140	114,834,046	98,917,444	(15,916,602)
Total expenditures	854,497,976	869,497,976	813,846,348	(55,651,628)
Transfers to other funds	529,926,508	514,926,508	489,926,508	(25,000,000)
Total expenditures and transfers	\$ 1,384,424,484	\$ 1,384,424,484	\$ 1,303,772,856	\$ (80,651,628)

See notes to Required Supplementary Information

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FUND

To account for the operations of the Las Vegas Metropolitan Police Department. Financing is provided primarily by contributions from the City of Las Vegas and transfers from the County general fund.

Clark County, Nevada
Las Vegas Metropolitan Police Department
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)

	2009		2008		
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Ad valorem taxes	\$ 170,760,379	\$ 170,760,379	\$ 169,704,913	\$ (1,055,466)	\$ 155,881,191
Intergovernmental revenue:					
Federal and state grants	-	25,912,748	12,969,911	(12,942,837)	11,929,927
City of Las Vegas contribution	135,617,366	135,617,366	135,617,366	-	129,525,173
Charges for services:					
Airport security	14,401,278	14,401,278	16,261,814	1,860,536	13,044,177
Other	8,325,000	8,325,000	9,491,873	1,166,873	10,735,828
Interest	3,000,000	3,000,000	2,717,848	(282,152)	6,811,363
Other	960,000	1,006,358	921,365	(84,993)	1,905,541
Total revenues	<u>333,064,023</u>	<u>359,023,129</u>	<u>347,685,090</u>	<u>(11,338,039)</u>	<u>329,833,200</u>
Other financing sources:					
Transfers from other funds	215,672,961	215,672,961	215,672,961	-	205,982,271
Total revenues and other financing sources	<u>548,736,984</u>	<u>574,696,090</u>	<u>563,358,051</u>	<u>(11,338,039)</u>	<u>535,815,471</u>
Expenditures:					
Salaries and wages	330,830,114	333,761,799	320,460,883	(13,300,916)	304,976,928
Employee benefits	133,107,533	133,268,224	126,442,044	(6,826,180)	116,906,013
Services and supplies	72,085,748	80,131,089	72,894,790	(7,236,299)	71,385,108
Capital outlay	13,213,589	42,253,559	34,293,572	(7,959,987)	16,154,747
Principal	-	-	220,660	220,660	208,284
Interest	-	-	44,114	44,114	56,490
Total expenditures	<u>549,236,984</u>	<u>589,414,671</u>	<u>554,356,063</u>	<u>(35,058,608)</u>	<u>509,687,570</u>
Other financing uses:					
Transfers to other funds	-	17,916,342	17,916,342	-	17,000,000
Total expenditures and other financing uses	<u>549,236,984</u>	<u>607,331,013</u>	<u>572,272,405</u>	<u>35,058,608</u>	<u>526,687,570</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(500,000)	(22,992,598)	(8,914,354)	14,078,244	9,127,901
Fund balance:					
Beginning of year	34,709,143	60,973,189	60,973,189	-	51,845,288
End of year	<u>\$ 34,209,143</u>	<u>\$ 37,980,591</u>	<u>\$ 52,058,835</u>	<u>\$ 14,078,244</u>	<u>\$ 60,973,189</u>

See notes to Required Supplementary Information

MASTER TRANSPORTATION PLAN FUND

To account for proceeds to be used for improved transportation in Clark County. Financing is provided by additional motor vehicle fuel taxes, motor vehicle privilege taxes, aviation fuel taxes, sales taxes, room taxes, and new development fees. Such proceeds may only be used for transportation purposes.

Clark County, Nevada
Master Transportation Plan

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2009
(With comparative actual for the fiscal year ended June 30, 2008)

	2009			2008	
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes					
Room tax	\$ 47,576,000	\$ 47,576,000	\$ 37,179,811	\$ (10,396,189)	\$ 45,917,555
Licenses and permits					
New development fees	35,000,000	35,000,000	9,853,781	(25,146,219)	44,381,875
Intergovernmental revenue:					
Sales and use tax	176,185,000	176,185,000	149,922,311	(26,262,689)	172,523,136
Motor vehicle privilege tax	51,791,000	51,791,000	43,158,008	(8,632,992)	47,805,025
Motor vehicle fuel tax	41,303,000	41,303,000	37,420,918	(3,882,082)	39,051,076
Aviation fuel tax	14,860,000	14,860,000	12,581,937	(2,278,063)	14,247,531
Interest	1,070,000	1,070,000	967,199	(102,801)	3,081,155
Total revenues	<u>367,785,000</u>	<u>367,785,000</u>	<u>291,083,965</u>	<u>(76,701,035)</u>	<u>367,007,353</u>
Expenditures:					
Services and supplies					
Contributions to other local governments	231,584,000	231,584,000	194,863,401	(36,720,599)	225,392,931
Other	1,428,000	1,428,000	-	(1,428,000)	840,087
Total expenditures	<u>233,012,000</u>	<u>233,012,000</u>	<u>194,863,401</u>	<u>(38,148,599)</u>	<u>226,233,018</u>
Other financing uses:					
Transfers to other funds	134,773,000	134,773,000	96,220,564	(38,552,436)	140,774,335
Total expenditures and other financing uses	<u>367,785,000</u>	<u>367,785,000</u>	<u>291,083,965</u>	<u>(76,701,035)</u>	<u>367,007,353</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	-	-	-	-	-
Fund balance:					
Beginning of year	-	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to Required Supplementary Information

Clark County, Nevada
Las Vegas Valley Water District Pension Trust
Defined Benefit Pension Plan Required Supplementary Information
Schedule of Employer Contributions

<u>Year Ended June 30, _</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2000	\$ 3,304,517	100%
2001	4,125,838	100
2002	9,284,697	100
2003	11,080,679	100
2004	12,923,933	100
2005	15,338,670	100
2006	18,913,372	100
2007	22,040,681	100
2008	23,587,076	100
2009	27,262,106	100

Annual required contributions are determined as part of the actuarial valuations at July 1 of each plan year. The aggregate actuarial cost method is used, and therefore no separate unfunded actuarial accrued liability is determined for any plan year.

Additional actuarial assumptions as of the latest actuarial valuation:

Investment rate of return	8.0%
Projected salary increases	6.0%

See notes to Required Supplementary Information

Clark County, Nevada
Las Vegas Valley Water District Pension Trust
Defined Benefit Pension Plan Required Supplementary Information
Schedule of Funding Progress

The Las Vegas Valley Water District Pension Plan uses the aggregate actuarial cost method. Because the method does not identify or separately amortize unfunded actuarial accrued liabilities, information about the plan's funded status and funding progress has been prepared using the entry age normal actuarial cost method. The information presented below is intended to serve as a surrogate for the funded status and funding progress of the plan.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Entry Age Normal Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
07/01/07	\$119,142,043	\$222,471,907	\$103,329,864	53.60%	\$ 97,880,824	105.60%
07/01/08	127,179,936	250,041,067	122,870,131	50.90	111,054,552	110.60

The actuarially determined AAL and UAAL involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The estimates are subject to continual revision.

The July 1, 2007, actuarial valuation is the first to use the entry age actuarial cost method. As additional actuarial valuations using this method are obtained, this schedule will ultimately present information from the six most recent valuations.

See notes to Required Supplementary Information

Clark County, Nevada
 Other Post-Employment Benefits Required Supplementary Information
 Schedule of Funding Progress

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
County Plan	06/30/2006 07/01/2008	\$ - 0	\$369,159,987 447,990,595	\$369,159,987 447,990,595	0.0% 0.0	\$648,796,348 680,747,522	56.9% 65.9
PEBP*	06/30/2006 07/01/2008	0 0	61,169,230 111,336,740	61,169,230 111,336,740	0.0 0.0	561,796,448 -	10.9 n/a
Fire Plan	07/01/2006 07/01/2008	4,638,905 5,552,810	52,091,883 85,378,281	47,452,978 79,825,471	8.9 6.5	74,585,085 80,460,440	63.6 99.2
Metro Plan	06/30/2008	-	446,757,386	446,757,386	0.0	415,850,264	107.4

* PEBP closed to new County participants as of November 1, 2008; therefore, covered payroll is zero as of July 1, 2008, valuation date.

See notes to Required Supplementary Information

Clark County, Nevada
Notes to Required Supplementary Information
Year Ended June 30, 2009

Budgetary Information

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

- a. Prior to April 15, the County Manager submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.
- b. The Nevada State Department of Taxation notifies the County of its acceptance of the budget.
- c. Public hearings are conducted on the third Monday in May.
- d. After all the changes have been noted and hearings closed, the County Commission adopts the budget on or before June 1.
- e. The County Manager is authorized to transfer budgeted amounts within functions or funds, but the County Commission must approve any transfers between funds or increases to a fund's original appropriated level.
- f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal County Commission action.
- g. The General Fund and all special revenue, debt service, and capital project funds have legally adopted annual budgets.
- h. Statutory regulations require budgetary control to be exercised at the function level within the General Fund or at the fund level of all other funds. The County administratively exercises control at the budgeted item level within a department.
- i. All appropriations lapse at the end of the fiscal year. Encumbrances are reappropriated in the ensuing fiscal year.
- j. Budgets are adopted on a basis consistent with the method used to report on governmental funds that are prepared in accordance with the accounting principles generally accepted in the United States of America.
- k. Budgeted expenditure amounts for the year ended June 30, 2009, as originally adopted, were augmented during the year for grants and other County Commission action.

COMMENTS OF INDEPENDENT AUDITOR



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S 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 County Commissioners
and the County Manager
Clark County, Nevada

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Clark County, Nevada (the "County") as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 22, 2009. Our report was modified to include a reference to other auditors. 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. Other auditors audited the financial statements of University Medical Center of Southern Nevada, Las Vegas Valley Water District, and Regional Transportation Commission of Southern Nevada, as described in our report on Clark County, Nevada's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified one deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting. See Finding 2009-1-FS for further details.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity'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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the County are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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*.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of County Commissioners, and others within the County, and is not intended to be and should not be used by anyone other than these specified parties.

Las Vegas, Nevada
December 22, 2009

Kafoony, Armstrong & Co.

ACCOMPANYING INFORMATION – EXPENDITURES OF FEDERAL AWARDS



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

Compliance

We have audited the compliance of Clark County, Nevada (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

Clark County, Nevada's financial statements include the operations of the following component units: University Medical Center of Southern Nevada, Las Vegas Valley Water District, and Regional Transportation Commission of Southern Nevada. The federal awards received by these entities are not included in the County's schedule of expenditures of federal awards for the year ended June 30, 2009. Our audit, described below, did not include the operations of University Medical Center of Southern Nevada, Las Vegas Valley Water District, or Regional Transportation Commission of Southern Nevada because these entities engaged other auditors to perform their audits in accordance with OMB Circular A-133.

Clark County, Nevada's financial statements include the operations of the Department of Aviation, which received \$41,234,648 in federal awards which is not included in the schedule during the year ended June 30, 2009. Our audit, described below, did not include the operations of the Department of Aviation because they were audited separately in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with generally accepted auditing standards 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of 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 the 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described in items 2009-1, 2009-8, 2009-9, and 2009-11 in the accompanying schedule of findings and questioned costs, Clark County, Nevada did not comply with requirements regarding procurement, subrecipient monitoring, maintenance of effort, and reporting that are applicable to its HIV Emergency Relief Project Grants (CFDA No. 93.914). Additionally, as described in item 2009-12 in the accompanying schedule of findings and questioned costs, Clark County, Nevada did not comply with requirements

regarding activities, allowable costs, matching criteria, and reporting that are applicable to its Emergency Management Performance Grant (CFDA No. 97.042). Compliance with such requirements is necessary, in our opinion, for Clark County, Nevada to comply with the requirements applicable to that program.

In our opinion, because of the effects of the noncompliance described in the preceding paragraph, Clark County, Nevada did not comply in all material respects, with the requirements referred to above that are applicable to its Emergency Management Performance Grant (CFDA No. 97.042). Also in our opinion, except for the noncompliance related to the HIV Emergency Relief Grants (CFDA No. 93.914) described in the preceding paragraph, Clark County, Nevada complied, in all material respects, with the requirements referred to above that are applicable to each of its other major federal programs for the year ended June 30, 2009. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2009-3, 2009-4, and 2009-13.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance; 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 the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and others that we consider to be material weaknesses.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2009-1 through 2009-13 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items 2009-1 through 2009-13 to be material weaknesses.

Clark County, Nevada's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Clark County, Nevada's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
March 26, 2010

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
OFFICE OF NATIONAL DRUG CONTROL POLICY				
Direct Program:				
Executive Office of the President				
2005 HIDTA #15PNVP501Z	07. Unknown	15PNVP501Z	\$ 1,900,000	\$ 5,091
2006 HIDTA #16PNVP501Z	07. Unknown	16PNVP501Z	2,500,000	199,062
2007 HIDTA #17PNVP501Z	07. Unknown	17PNVP501Z	2,625,000	669,774
2008 HIDTA #18PNVP501Z	07. Unknown	18PNVP501Z	3,162,150	2,172,494
2009 HIDTA #G09NV0001A	07. Unknown	G09NV0001A	3,000,000	403,157
Total Office of National Drug Control Policy				<u>3,449,578</u>
DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster				
Passed Through Nevada Department of Education:				
School Breakfast Program, FY 08-09	10.553	Agreement R-310-09	15,957	15,957
School Breakfast Program, FY 08-09	10.553	Agreement R-315-09	165,789	165,789
				<u>181,746</u>
Passed Through Nevada Department of Education:				
National School Lunch Program, FY 08-09	10.555	Agreement R-310-09	25,190	25,190
National School Lunch Program, FY 08-09	10.555	Agreement R-315-09	255,524	255,524
National School Lunch Program - Commodity	10.555	Permanent Agreement	10,311	10,311
				<u>291,025</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF AGRICULTURE (Continued)				
Passed Through Nevada Department of Education:				
Summer Food Service Program for Children 6/1/09-8/27/10	10.559	None	\$ 130,600	\$ 21,941
Summer Food Service Program Administrative, 6/9/08-8/22/08	10.559	None	5,630	4,649
Summer Food Service Program for Children, 6/9/08-8/22/08	10.559	None	67,277	55,523
Total Child Nutrition Cluster				
				<u>82,113</u>
				<u>554,884</u>
Passed Through Nevada Division of Forestry:				
CCFD Indian Springs Sta. 83, Moapa Sta. 72, Mt. Springs Sta. 79	10.664	USDA/SFA/07/03, USDA/SFA/07/02, USDA/SFA/07/01	30,000	30,000
Direct Program:				
United States Department of Agriculture Forest Service	10.917	06-CA-11046000-044	498,000	175,849
Total Department of Agriculture				
				<u>760,733</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG – Entitlement and (HUD-Administered) Small Cities Cluster				
Direct Program:				
Community Development Block Grant, FY 08-09	14.218	B-08-UC-32-0001	7,880,458	3,268,610
Community Development Block Grant, FY 07-08	14.218	B-07-UC-32-0001	8,077,442	5,598,602
Total CDBG – Entitlement and (HUD-Administered) Small Cities Cluster				
				<u>8,867,212</u>
Direct Program:				
Emergency Shelter Grants Program, FY 08-09	14.231	S-06-UC-32-0001	276,989	218,594

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)				
Direct Program:				
HOME Investment Partnerships Program, FFY 2005	14.239	M-05-DC-320224	\$ 6,312,258	\$ 5,356,035
HOME Investment Partnerships Program, FFY 2004	14.239	M-04-DC-320224	7,182,129	1,267,597
Recaptured Home Funds	14.239			<u>725,468</u>
				<u>7,349,100</u>
Passed Through Nevada Housing Division:				
HOME Investment Partnerships Program, FY 04-05	14.239	M-04-SG320106	975,560	733,444
HOME Investment Partnerships Program, FY 03-04	14.239	M-03-SG320106	903,415	334,586
Recaptured Home Funds				<u>47,552</u>
				<u>1,115,582</u>
				<u>8,464,682</u>
				<u>17,550,488</u>
Total Department of Housing and Urban Development				
DEPARTMENT OF INTERIOR				
Direct Program:				
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF04CC07	5,019,000	371,737
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC16	3,108,000	48,431
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC18	4,662,000	1,138,658
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC13	2,886,000	1,412,171
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC19	888,000	332,337
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC14	335,000	133
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC26	17,424,000	10,628,160
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC21	17,424,000	273,756
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC23	5,808,000	230,802
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC27	2,323,200	324,758
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC28	17,424,000	1,125,482

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF INTERIOR (Continued)				
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC29	\$ 1,742,400	\$ 190,683
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC30	1,161,600	317,446
Southern Nevada Public Land Management Act	15.235	NAA000002	46,376,000	23,815,024
Southern Nevada Public Land Management Act	15.235	NAA000002	15,840,000	682,315
Southern Nevada Public Land Management Act	15.235	NAA000002	14,080,000	958,288
Southern Nevada Public Land Management Act	15.235	NAA000002	3,520,000	31,749
Southern Nevada Public Land Management Act	15.235	FAA080051	2,200,000	4,163
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC12	4,939,500	56,111
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC17	2,775,000	26,288
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC20	4,065,600	368,941
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC22	4,762,560	220,482
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC24	3,949,440	2,465,782
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC31	14,868,480	17,511
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC25	4,530,240	120,863
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC33	15,913,920	54,923
Southern Nevada Public Land Management Act	15.235	NAA000002, Task NAF05CC32	1,161,600	366,692
Southern Nevada Public Land Management Act	15.235	NAA000002	3,520,000	6,705
Southern Nevada Public Land Management Act	15.235	NAA000002	550,000	99,805
Southern Nevada Public Land Management Act	15.235	NAA000002	1,870,000	165,172
Southern Nevada Public Land Management Act	15.235	NAA000002	5,940,000	114,254
Southern Nevada Public Land Management Act	15.235	NAA000002	16,951,000	682,930
Southern Nevada Public Land Management Act	15.235	NAA000002	3,520,000	11,637
Southern Nevada Public Land Management Act	15.235	NAA000002	1,100,000	46,277
Southern Nevada Public Land Management Act	15.235	NAA000002	1,540,000	169,498
Southern Nevada Public Land Management Act	15.235	NAA000002	1,732,687	6,304
Southern Nevada Public Land Management Act	15.235	FAA080025	2,475,000	20,987
Southern Nevada Public Land Management Act	15.235	FAA080021	500,000	351,550
Southern Nevada Public Land Management Act	15.235	FAA080009	250,000	156,775
Southern Nevada Public Land Management Act	15.235	FAA080010	385,000	172,732
Southern Nevada Public Land Management Act	15.235	FAA080008	200,000	98,636
Southern Nevada Public Land Management Act	15.235	FAA080011	250,000	120,997

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF INTERIOR (Continued)				
Southern Nevada Public Land Management Act	15.235	FAA080046	\$ 1,320,000	\$ 3,442
Direct Program: U.S. Geological Survey GIS Digital Ortho Imagery 2009	15.808	08WRA00064	96,600	96,600
Passed Through Nevada Division of State Parks: Wetlands Land and Water Conservation (PK04411-P473)	15.916	32-00-00261	134,083	796
Total Department of Interior				<u>47,908,783</u>
DEPARTMENT OF JUSTICE				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: FFY05 Juvenile Accountability Incentive Block Grant	16.523	2005-JB-FX-0043	295,808	32,868
FFY08 Juvenile Accountability Incentive Block Grant	16.523	2008-JB-FX-0020	270,891	230,065
FFY04 Juvenile Accountability Incentive Block Grant Interest	16.523	2004-JB-FX-0065	20,250	20,250
FFY07 Juvenile Accountability Incentive Block Grant	16.523	2007-JB-FX-0036	253,891	<u>15,975</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Juvenile Justice Delinquency Prevention Formula Grant	16.540	2008-JF-FX-0016	254,705	208,997
				<u>299,158</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Direct Program: Internet Crimes Against Children	16.543	2005-MC-CX-K117 (ICAC)	\$ 613,929	\$ 77,076
Internet Crimes Against Children	16.543	2008-MC-CX-K008	430,000	156,976
				<u>234,052</u>
Passed Through the National Childrens Alliance: Program Support Grant - Sexual Abuse Investigative Team	16.543	426-LASV-NV-PS09	9,990	4,236
Program Support Grant - Sexual Abuse Investigative Team	16.543	LASV-NV-PS08	10,000	8,808
				<u>13,044</u>
				<u>247,096</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: FFY08 Title V – New Inspirations/Empower Program	16.548	2008-JP-FX-0002	32,159	27,765
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Crime Victim Assistance	16.575	VOCA3145/20-SFY07-09-073	351,805	351,805
Crime Victim Assistance	16.575	VOCA-3145	136,134	50,000
				<u>401,805</u>
Direct Program: Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program: BJA – Southern Nevada Human Trafficking Task Force	16.580	2006-DD-BX-0001	369,572	102,561

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Passed Through the State of Nevada Office of the Attorney General: Violence Against Women Formula Grant	16.588	2006-STOP-03	\$ 50,000	\$ 22,381
Violence Against Women Formula Grant	16.588	2008-STOP-02	22,734	6,790
				<u>29,171</u>
Direct Program: Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2007-WE-AX-0046	309,763	91,390
Direct Program: State Criminal Alien Assistance Program	16.606	2004-AP-BX-0486	1,486,607	701,806
State Criminal Alien Assistance Program	16.606	2002-AP-BX-0584	1,070,649	377,661
				<u>1,079,467</u>
Direct Program: Bulletproof Vest Partnership Grant Act of 1998	16.607	BVP 2008	21,289	21,289
Passed Through the Nevada Department of Public Safety, Office of Criminal Justice Assistance: Community Prosecution and Project Safe Neighborhoods: Project Safe Neighborhood (Guns) Project Safe Neighborhood (Guns)	16.609 16.609	07-PSN/GC-03 08-PSN/AG-02	25,555 71,431	25,555 850
				<u>26,405</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Direct Program: Public Safety Partnership and Community Policing Grants: Community Oriented Policing (Forensics and CSI Upgrade)	16.710	2008-CK-WX-0374	\$ 88,854	\$ 87,182
Community Oriented Policing (Electronic Crimes & SWAT)	16.710	2008-CK-WX-0614	93,530	52,233
				<u>139,415</u>
Passed Through Nevada State Juvenile Justice Commission: Combating Underage Drinking Program	16.727	None	58,240	49,904
Combating Underage Drinking Program	16.727	None	68,000	3,196
				<u>53,100</u>
Direct Program: Edward Byrne Memorial Justice Assistance Grant, FFY08	16.738	2008-DJ-BX-0641	441,565	59,506
Edward Byrne Memorial Justice Assistance Grant, FFY07	16.738	2007-DJ-BX-1380	1,240,885	680,946
Edward Byrne Memorial Assistance Justice Grant, FFY06	16.738	2006-DJ-BX-0465	729,448	236,201
Edward Byrne Memorial Assistance Justice Grant, FFY05	16.738	2005-DJ-BX-0023	1,156,066	37,276
				<u>1,013,929</u>
Passed Through Nevada Department of Public Safety, Office of Criminal Justice Assistance: Byrne Formula Grant Program: Narcotics Control Program (Gangs)	16.738	08-JAG-04S	11,998	11,998
Direct Program: Forensic DNA Capacity Enhancement Program (2005)	16.741	2005-DA-BX-K058	340,360	105,853

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
Paul Coverdell Forensic Sciences Improvement Grant Program (2007)	16.742	2007-CD-BX-0019	\$ 71,664	\$ 22,815
Paul Coverdell Forensic Sciences Improvement Grant Program (2008)	16.742	2008-CD-BX-0085	95,000	21,000
				43,815
Passed Through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Paul Coverdell Forensic Sciences Improvement Grant Program (2007)	16.742	07-PC-01	87,921	13,247
Paul Coverdell Forensic Sciences Improvement Grant Program (2008)	16.742	08-PC-02	19,649	8,015
				21,262
				65,077
Direct Program:				
Forensic Casework DNA Backlog Reduction Program	16.743	2005-DN-BX-K084	263,185	227,015
Forensic Casework DNA Backlog Reduction Program	16.743	2007-DN-BX-K133	251,695	83,445
Forensic Casework DNA Backlog Reduction Program	16.743	2008-DN-BX-K054	500,000	295,411
Forensic Casework DNA Convicted Offender Backlog	16.743	2008-DN-BX-K015	227,220	11,480
Forensic Casework DNA Convicted Offender Backlog	16.743	2008-DN-BX-K001	66,227	66,227
				683,578
Passed Through Nevada Department of Public Safety, Office of Criminal Justice Assistance: Project Safe Neighborhoods Anti Gang Initiative Grant	16.744	07-PSN/AG-01	165,732	63,934

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
ATF – Gang Task Force	16. Unknown	None	\$ 72,960	\$ 9,877
ATF – Gang Task Force	16. Unknown	None	62,400	31,737
ATF – Intel Task Force	16. Unknown	None	81,533	13,533
ATF – Intel Task Force	16. Unknown	None	78,000	8,974
DEA – So. NV Gang Task Force	16. Unknown	None	84,905	15,811
DEA – So. NV Gang Task Force	16. Unknown	None	97,972	72,682
DEA – Marijuana Eradication	16. Unknown	None	29,878	(1,122)
FBI Safe Streets Task Force	16. Unknown	None	43,091	12,271
FBI Safe Streets Task Force	16. Unknown	None	65,315	47,593
FBI – Joint Terrorism Task Force	16. Unknown	66F-LV-A35763	58,125	13,396
FBI – Joint Terrorism Task Force	16. Unknown	66F-LV-A35763	65,315	43,808
FBI – Innocence Lost Task Force	16. Unknown	None	88,414	26,098
FBI – Innocence Lost Task Force	16. Unknown	None	146,959	70,016
FBI – Las Vegas Safe Streets Gang Task Force	16. Unknown	None	38,256	11,274
FBI – Las Vegas Safe Streets Gang Task Force	16. Unknown	None	65,315	41,580
US Marshals – Operations Falcon 4	16. Unknown	None	50,000	38,240
US Marshals – NV Fugitive Investigative Strike Team	16. Unknown	None	23,802	13,452
US Marshals – NV Fugitive Investigative Strike Team	16. Unknown	None	25,000	2,994
				<u>472,214</u>
Total Department of Justice				<u>5,144,202</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF LABOR				
Passed Through the Southern Nevada Workforce Investment Board:				
WIA Youth Activities – Title 1 – ARRA	17.259	Agreement	\$ 66,250	\$ 11,695
WIA Youth Activities – ARRA Youth Summer Stimulus Funds	17.259	Agreement	56,104	17,960
WIA Youth Activities – ARRA Youth Summer Stimulus Governor Reserve Fund	17.259	Agreement	672,922	186,290
Youth Employment and Training Services (Workforce Investment Act) – ARRA	17.259	Agreement	147,580	<u>14,115</u>
Total Department of Labor				<u>230,060</u>
DEPARTMENT OF STATE BUREAU OF DIPLOMATIC SECURITY				
Direct Program: Foreign Police Training	19. Unknown	S-DSASD-03-GR-001	151,798	<u>20,050</u>
Total Department of State				<u>20,050</u>
DEPARTMENT OF TRANSPORTATION				
Highway Safety Cluster Passed Through Nevada Department of Public Safety, Office of Traffic Safety:				
DUI Court Program	20.600	28-K8-18-6	100,000	51,102
DUI Court Program	20.600	28-K8-18-6	22,078	<u>22,078</u>
				<u>73,180</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF TRANSPORTATION (Continued)				
Passed Through Nevada Department of Motor Vehicles:				
State & Community Highway Safety	20.600	27-JF-1.11	\$ 138,848	\$ 31,137
State & Community Highway Safety	20.600	28-JF-1.09M, L, DV	182,092	131,480
State & Community Highway Safety	20.600	27-K8-18-3	99,729	99,729
State & Community Highway Safety	20.600	27-K8-18-3	125,000	1,719
				<u>264,065</u>
Total Highway Safety Cluster				<u>337,245</u>
Passed Through State Emergency Response Commission:				
HMEP Grant: Planning	20.703	08-HMEP-03-02	16,000	16,000
FFY09 HMEP Training Grant	20.703	09-HMEP-03-01	18,150	18,150
				<u>34,150</u>
Total Department of Transportation				<u>371,395</u>
NATIONAL FOUNDATION ON THE ARTS & THE HUMANITIES				
Passed Through Nevada Arts Council:				
Partners in Excellence; Tier II Level 5 (Year 2)	45.024	PIE08:5:04	24,117	24,117
Total National Foundation on the Arts and the Humanities				<u>24,117</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
ENVIRONMENTAL PROTECTION AGENCY				
Direct Program: Air Pollution Control Program Support	66.001	A-97914709-0	\$ 771,742	\$ 771,742
Direct Program: Surveys, Studies, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act PM 2.5 Monitoring Network	66.034	PM-96948101-0	98,960	98,960
Passed Through State of Nevada, Division of Environmental Protection 208 Water Quality Management Plan Update 2008	66.454	C6-98950106	40,000	29,090
Direct Program: Brownfields Assessment Grant	66.818	BF-00987301-0	184,000	<u>184,000</u>
Total Environmental Protection Agency				<u>1,083,792</u>
DEPARTMENT OF ENERGY				
Direct Program: Nuclear Waste Disposal Siting, 10/1/08 - 9/30/09 – Yucca Mountain Project	81.065	Public Law	1,028,743	925,286
Nuclear Waste Disposal Siting, 10/1/08 – 9/30/09 – Yucca Mountain Project	81.065	Public Law	771,257	771,257
Nuclear Waste Disposal Siting, 10/1/08 – 9/30/09 – Yucca Mountain Project	81.065	Public Law	2,208	2,208
Nuclear Waste Disposal Siting, 10/1/07 – 9/30/08 – Yucca Mountain Project	81.065	Public Law	1,781,412	<u>1,040,225</u>
				<u>2,738,976</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF ENERGY (Continued)				
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
Emergency Preparedness Working Group	81.502	8150209	\$ 36,700	\$ 36,174
Emergency Preparedness Working Group	81.502	8150207	32,189	29,186
				<u>65,360</u>
Total Department of Energy				<u>2,804,336</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Aging Cluster				
Passed Through Nevada Department of Health and Human Services, Division for Aging Services:				
Older American Act/State Senior Advocacy Program	93.044	03-005-13-BX-09	45,329	45,329
Older American Act/State Senior Advocacy Program	93.044	03-005-13-BX-08	43,170	8,517
Older Americans Act/Representative Payee Program	93.044	03-015-21-BX-09	169,969	159,973
Older Americans Act/Independent Living	93.044	03-005-20-LX-09	405,000	405,000
Total Aging Cluster				<u>618,819</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Meth Regional Partnership Grant, Grant (Year 2)	93.087	RPG-3145/25-SFY08-10-001	114,370	75,230
Meth Regional Partnership Grant, Grant (Year 1)	93.087	RPG-3145/25-SFY08-10-001	77,275	11,403
				<u>86,633</u>
Direct Program: Prevention/Treatment of HIV/AIDS & Substance Abuse-Paths	93.230	5H79TT1010382-03 Revised	526,630	149,859

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Promoting Safe and Stable Families:				
Title IV-B Support to Children Welfare Medical Wrap Around Services (Year 2)	93.556	0901NV1400	\$ 158,019	\$ 158,019
Title IV-B Case Worker Visit Sub-Grant	93.556	IVB-2-3145/17-SFY08-10-048 IVB-3145/17-SFY07-08-034	176,917 139,980	176,917 42,080
				<u>377,016</u>
Passed Through Nevada Department Health and of Human Services, Welfare Division:				
Child Support Enforcement – Hearing Master, FY 08-09	93.563	Coop. Agreement	574,902	574,902
Child Support Enforcement – Hearing Master, FY 08-09	93.563	Coop. Agreement	528,381	528,381
Child Support Enforcement, FY 08-09	93.563	Interlocal Agreement	15,309,490	15,309,490
Child Support Enforcement, FFY05 Incentive Award	93.563	Interlocal Agreement	995,080	587,486
				<u>17,000,259</u>
Passed Through Nevada Dept. of Health and Human Services, Welfare Division				
Child Care and Development Block Grant	93.575	Agreement	26,158	26,158
Passed Through Nevada Department of Health and Human Services, Welfare Division:				
Access and Visitation Grant	93.597	0901NVSAVP	76,000	36,549
Access and Visitation Grant	93.597	0801NVSAVP	73,210	18,467
				<u>55,016</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Federal Adoption Incentive Program Federal Adoption Incentive Program (Year 2)	93.603 93.603	AI3229/31-SFY09-10-007 AI3229/31-SFY07-002	\$ 74,303 98,501	\$ 32,500 <u>27,901</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Clark Co. Dept. of Family Services Sexual Assault/Sexual Abuse Seminar (Year 2)	93.643	CJA-3271/10-SFY06-08-012	2,500	2,500
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Foster Care Title IV-E – ARRA Foster Care Title IV-E	93.658 93.658	0901NV1401 0901NV1401	661,604 14,335,329	661,604 <u>14,335,329</u>
				<u>14,996,933</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Adoption Assistance Title IV-E – ARRA Adoption Assistance Title IV-E	93.659 93.659	0901NV1407 0901NV1407	851,053 7,324,798	851,053 <u>7,324,798</u>
				<u>8,175,851</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services: Social Services Block Grant: Title XX 2009	93.667	2009G992342	1,794,755	1,794,755

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Direct Program:				
Caring Communities Demonstration Project (Kinship-08)	93.670	90CA1717/05	\$ 846,129	\$ 356,457
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Chafee Independent Living Program (Year 2)	93.674	CH3145/32-SFY08-10-018	1,028,835	793,844
Direct Program:				
HIV Emergency Relief Project Grants:				
Ryan White – HIV Emergency Relief Project	93.914	2 H89HA06900-04-00	2,010,770	1,086,721
Ryan White Part A Minority AIDS Initiative Program	93.914	5 H3MHA08430-02-00	247,193	233,460
Ryan White Part A Minority AIDS Initiative Program	93.914	1 H3MHA08430-01-00	202,174	55,578
Ryan White Transitional Grant Area Supplemental – HIV Emergency Relief Project	93.914	2 H89HA06900-03-00	4,345,623	3,444,792
			<u>4,820,551</u>	
Total Department of Health and Human Services				<u>49,315,052</u>
DEPARTMENT OF HOMELAND SECURITY				
Homeland Security Grant Program Cluster				
Department of Homeland Security:				
State Domestic Preparedness Equipment Support Program				
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
2006 Citizen Corps Program	97.067	97067CL6	147,629	40,293
2006 Citizen Corps Program Supplemental	97.067	97067CL6	1,676	1,676
2007 Citizen Corps Program	97.067	97067CL7	8,200	884
2006 Urban Area Security Initiative	97.067	97067U06	7,362,500	2,244,996

(Continued)

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY (Continued)				
Homeland Security Grant Program Cluster				
Department of Homeland Security (Continued):				
State Domestic Preparedness Equipment Support Program				
Passed Through Nevada Department of Public Safety, Division of Emergency Management (Continued):				
2007 Urban Area Security Initiative	97.067	97067U07	\$ 8,594,500	\$ 1,112,898
2008 Urban Area Security Initiative	97.067	97067U08	8,759,585	346,082
2005 Law Enforcement Terrorism Prevention Program	97.067	97074LL5	2,993	2,993
2006 Law Enforcement Terrorism Prevention Program	97.067	97067LL06	1,754,271	937,600
2007 Law Enforcement Terrorism Prevention Program	97.067	97067LL7	2,687,400	193,816
2006 State Homeland Security Program	97.067	97067HL6	387,437	60,259
2006 State Homeland Security Program	97.067	97067HL6	2,345,779	1,664,752
2007 State Homeland Security Program	97.067	97067HL7	30,000	17,142
2007 State Homeland Security Program	97.067	97067HE7	173,251	84,490
2007 State Homeland Security Program	97.067	97067HS7	452,006	25,897
2007 State Homeland Security Program	97.067	97067HL7	510,744	13,734
2007 Public Safety Interoperable Communications Hospitals Interoperability Plan	97.067	1155507	725,000	114,336
2007 Public Safety Interoperable Communications, LVMPD Radio to Radio Interoperability	97.067	1155507	1,790,560	1,788,264
2008 Public Safety Interoperable Communications, Core Nevada Radio Systems IP Based Community	97.067	1155507	5,114,182	160,160
Total Homeland Security Grant Program Cluster				<u>8,810,272</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY (Continued)				
Direct Program:				
2008 National Urban Search & Rescue Response System	97.025	EMW-2008-CA-0527	\$ 1,088,429	\$ 1,016,347
2007 National Urban Search & Rescue Response System	97.025	EMW-2007-CA-0173	819,479	307,941
2006 National Urban Search & Rescue Response System	97.025	EMW-2006-CA-0226	592,915	56,728
2005 National Urban Search & Rescue Response System	97.025	EMW-2005-CA-0254	961,100	3,194
2008 National Urban Search & Rescue Response System	97.025	EMW-2008-CA-1494	1,078,477	1,078,477
2004 National Urban Search & Rescue Response System	97.025	EMW-2004-CA-0442	973,035	114,650
<hr/>				
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
2008 Emergency Management Performance Grant	97.042	9704208	245,221	245,221
2008 Emergency Management Performance Grant	97.042	9704208	427,134	427,134
2009 Emergency Management Performance Grant	97.042	9704209	142,378	103,363
<hr/>				
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
2006 Buffer Zone Protection Program	97.078	97078B06	1,189,000	404,408
2007 Buffer Zone Protection Program	97.078	97078B07	189,000	83,418
<hr/>				
Direct Program:				
2006 Bio Watch Program (Year 3)	97.091	2006-ST-091-000011-03	231,569	231,569

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY (Continued)				
Direct Program:				
2008 Secret Service Agreement	97.Unknown	None	111,603	5,859
2007 Secret Service Agreement	97.Unknown	None	106,000	91,317
2008 US Customs – ICE	97.Unknown	None	193,061	1,454
2008 US Customs – ICE	97.Unknown	None	300,000	<u>234,303</u>
				<u>332,933</u>
Total Department of Homeland Security				<u>13,215,655</u>
TOTAL FEDERAL DISBURSEMENTS/EXPENDITURES				<u>\$141,878,241</u>

Clark County, Nevada

Notes to Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2009

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of federal financial assistance programs of Clark County, Nevada (the "County"). The County's reporting entity is defined in Note 1 to its basic financial statements. Federal award expenditures for the Department of Aviation, Las Vegas Valley Water District, University Medical Center of Southern Nevada, Clark County Water Reclamation District, and Regional Transportation Commission of Southern Nevada, if any, are not included in this schedule. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included in the schedule.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are issued during the year for budgetary control purposes and lapse at fiscal year end.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Expenditures of federal awards reported in the County's basic financial statements are as follows:

General fund	\$ 6,524,471
Special revenue funds	87,541,587
Capital project funds	<u>47,812,183</u>
Total	<u>\$141,878,241</u>

4. SUBRECIPIENT EXPENDITURES

Clark County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA#</u>	<u>Subrecipient Expenditures</u>
Community Development Block Grant	14.218	\$ 3,707,782
Emergency Shelter Grants Program	14.231	218,594
Home Investment Partnerships Program	14.239	6,913,827
Justice Assistance Grant	16.738	87,255
Ryan White Title I	93.914	4,186,912
Homeland Security Grant Cluster	97.067	726,100
Hazardous Materials Emergency Preparedness Training	20.703	<u>18,150</u>
		<u>\$15,858,620</u>

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2009**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unqualified for all major programs except for HIV Emergency Relief Grants (CFDA 93.914), which was qualified and Emergency Management Performance Grant (CFDA 97.042), which was adverse.
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes
Identification of major programs:	

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Community Development Block Grants	14.218
Southern Nevada Public Land Management	15.235
Child Support Enforcement	93.563
Foster Care – Title IV-E	93.658
Adoption Assistance – Title IV-E	93.659
Chafee Foster Care Independence	93.674
HIV Emergency Relief Project Grants	93.914
Homeland Security Cluster	97.067
Emergency Management Performance Grant	97.042

Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	Yes

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

SECTION II – FINANCIAL STATEMENT FINDINGS

FINDING 2009-1-FS POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Criteria: Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, establishes standards of accounting and financial reporting for OPEB expenses and related OPEB liabilities as well as note disclosures and required supplementary information in the financial reports of state and local government employers. In determining the OPEB expenses and related liabilities, employers are required to obtain an actuarial valuation at least biennially for OPEB plans with total membership of 200 or more participants.

Condition: During our audit, we noted that an actuarial valuation was not performed for Las Vegas Metropolitan Police Department's (LVMPD) Sierra Choice Insurance Plan; however, the other OPEB plans covering Metro employees and County employees did receive actuarial valuations. Upon discovery of this fact during the audit, management determined that there was not sufficient time to obtain the required actuarial valuation for the Sierra Choice Insurance Plan. Instead, management utilized other information to calculate the annual OPEB expenses and related liabilities for this plan.

Cause: The omission of the Sierra Choice Insurance Plan in the actuarial valuation process appears to be the result of insufficient controls in place over the review of the census data submitted to the actuary.

Effect: Insufficient controls over the OPEB actuarial valuation process increase the likelihood that OPEB expenses and related OPEB liabilities will be materially misstated in the County's financial reports and the likelihood that management and other financial statement users will rely on faulty information to make important decisions about the entity.

Recommendation: The County and LVMPD should have sufficient controls in place over the actuarial valuation process of postemployment benefits other than pensions (OPEB) to ensure that all employees and other census data needed to perform an accurate valuation are provided to the independent actuary. As part of this process, the number of participants included in the actuarial valuations should be reconciled to the benefits system. Additionally, the County and LVMPD should contract with an actuary to perform the required actuarial valuation on the Las Vegas Metropolitan Police Department's Sierra Choice Insurance Plan as soon as possible.

Management's
Response: The County will work with the Las Vegas Metropolitan Police Department to revise their actuarial study and to ensure a complete census in the upcoming year. As mentioned, we believe the expenses and related liabilities presented to be materially stated.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
DEPARTMENT OF THE INTERIOR
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DEPARTMENT OF HOMELAND SECURITY

Questioned
Costs

2009-1 Applies to all grant awards for the following federal programs: Community Development Block Grant (CDBG) – CFDA No. 14.218; Southern Nevada Public Land Management Act (SNPLMA) – CFDA No. 15.235; HIV Emergency Relief Project Grants – CFDA No. 93.914; Homeland Security Grant Program Cluster – CFDA No. 97.067; Emergency Management Performance Grant – CFDA No. 97.042; all grant numbers and grant periods reported for these CFDA Nos. on the schedule of expenditures of federal awards.

Condition: Federal procurement requirements were deemed direct and material for 5 of the 9 programs tested as major. Our tests disclosed that these procurement requirements were not being adhered to. Specifically, in 4 of the 5 programs, the required verifications regarding suspended and debarred parties were not performed. A fifth program (CDBG – CFDA No. 14.218) did perform the required verification; however, one debarred party was identified during our testing. The contract awarded to the debarred party was in the amount of \$1,155,685, and the total payments were \$306,950. Additionally, one program (SNPLMA – CFDA No. 15.235) did not comply with the Buy American Act.

Criteria: The OMB Circular A-133 Compliance Supplement (dated March 2009), states that “non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. ‘Covered transactions’ include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000.... [and] all nonprocurement transactions (i.e., subawards to subrecipients), irrespective of award amount.” Prior to entering into a contract for a covered transaction, the non-federal entity is required to verify that the entity is not suspended or debarred or otherwise excluded. The compliance supplement provides three options for performing the verification.

Additionally, certain federal grant agreements include provisions for compliance with the Buy American Act.

Effect: The County entered into a contract with a debarred party and expended \$ 306,950 during the fiscal year under that contract. As a result, these costs are questioned.

Cause: The Purchasing and Contracts Divisions for both the County and Metro do not have written policies and procedures regarding handling federal procurement requirements. Additionally, there appears to be a breakdown in communication regarding whose responsibility it is to perform the required verifications – the Purchasing and Contracts Division or the individual department responsible for administering the grant.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

Recommendation: We recommend that the County amend Fiscal Directive 6 to incorporate the federal procurement requirements into its purchasing and contract administration policy. Additionally, we recommend that Metro establish written policies and procedures regarding Federal procurement requirements. These policies should clearly identify which department will have responsibility for ensuring compliance with all of the federal procurement requirements. Also, we recommend that the policies require documenting in writing the procedures performed.

Views of responsible officials and planned corrective actions: See pages 159-162.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**Questioned
Costs**

2009-2 Community Development Block Grant (CDBG) – CFDA No. 14.218; Grant Nos. B-08-UC-32-0001 (FY 08-09) and B-07-UC-32-0001 (FY 07-08)

Condition: Clark County is required to submit financial and performance reports for the CDBG grant – quarterly cash transaction reports, an activity summary report, a financial summary report, and a performance report. We tested each of these and noted errors with two of the reports. The financial summary report incorrectly reported the beginning and end of year unexpended balances. The performance report did not capture all of the required contracts to be reported; one contract in the amount of \$526,484 was excluded.

Criteria: Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements.

Effect: The PR 26 – CDBG Financial Summary Report for program year 2008 underreported the unexpended CDBG funds at the beginning and end of the year by \$6,012,978. Additionally, the Section 3 Summary Report for reporting period ending September 30, 2009, excluded one construction contract in the amount of \$526,484.

Cause: It appears that there was ineffective management oversight over the reporting compliance requirement, as there was a lack of adequate review of the federal financial reports prior to submission to the grantor.

Recommendation: The County should strengthen its procedures over the review process of the federal financial reports for the CDBG program.

Views of responsible officials and planned corrective actions: See pages 162-163.



Department of Finance

Purchasing and Contracts

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(702) 455-2897 • Fax (702) 386-4914

George W. Stevens, Chief Financial Officer • Yolanda T. King, Director of Budget & Financial Planning
Yolanda C. Jones, C.P.M., CPPO, Purchasing Manager

March 18, 2010

Kafoury Armstrong & Co.
8329 West Sunset Road, Suite 210
Las Vegas, NV 89113

RE: FY09 Single Audit Findings

The following information is offered in response to your e-mail dated March 9, 2010, regarding the Single Audit Findings for the following grant awards for the following federal programs: Community Development Block Grant (CDBG); Southern Nevada Public Land Management Act (SNPLMA); HIV Emergency Relief: Emergency Management Performance Grant; Homeland Security Cluster.

No. 2009-1

Condition

Specifically, in 4 of the 5 programs, the required verification regarding suspended and debarred parties was not performed.

Corrective Action

Purchasing practice and policy is to verify that the contractors/suppliers have not been disbarred when federal funding is applicable. Revision to the process will be to actually print the verification from the website and file a copy in the bid binder to show that this action was taken.

Condition

A fifth program (CDBG-CFDA No. 14.218) did perform verification; however, one debarred party was identified during our testing. The contract was awarded to the debarred party in the amount of \$1,155,685, and the total payments were \$306,950.

Corrective Action

Revision to the process will be made to require purchasing analysts to search the database via multiple ways, as well as with the DUNS number. Bid form will need to be revised to require the contractors'/suppliers' DUNS number for federal programs to be provided. In addition, Purchasing as well will use the Debarment Affidavit Form to be completed by contractors when submitting their bid.

Condition

Additionally, one program (SNPLMA – CFDA No. 15.235) did not comply with the Buy American Act.

Corrective Action

Written grant flow down clauses (or a copy of the grant) will be required to be provided to purchasing when departments administering the grants are requesting the procurements to ensure all are covered, to include debarment and Buy American.

Recommendation

Concur with the recommendation to amend Fiscal Directive No. 6 to incorporate federal procurement requirements. In addition, I would recommend that language also be added to Fiscal Directive No. 2 regarding the grant administration and information to be provided to the Purchasing Division.

Corrective Action

Purchasing will work on proposed language to FD Nos. 2 and 6.

Sincerely,


Yolanda C. Jones, C.P.M., CPPO
Purchasing Manager

cc: Mark Gammet
Elizabeth Vorce
George Stevens
Yolanda King



Department of Finance

Community Resources Management

500 S Grand Central Pky 5th Fl • Box 551212 • Las Vegas NV 89155-1212
(702) 455-5025 • Fax (702) 455-5038

George W. Stevens, Chief Financial Officer • Yolanda King, Director of Budget and Financial Planning
Michael J. Pawlak, Manager

March 17, 2010

Kafoury, Armstrong & Co.
8329 West Sunset Road, Suite 210
Las Vegas, NV 89113

Dear Auditors:

The purpose of this letter is to respond to the findings 2009-1 and 2009-2 identified by the County's external auditors, Kafoury, Armstrong & Co., related to their review of the FY 2008 Community Development Block Grant Program.

2009-1

Condition:

Community Development Block Grant (CDBG-CFDA No. 14.218). The County's Community Resources Management Division performed the required verification of ARS Construction and did not find the company listed on the Excluded Parties List (aka debarred list). ARS did receive a federally funded construction contract in the amount of \$1,155,685. During the audit testing, ARS Construction was found to be on the Excluded Parties List.

Corrective Action:

1. Alert all County parties administering federally funded contracts of the inadequacies of the Excluded Parties List search capabilities.
2. Implement a redundant process to search the EPLS once after bid opening by the Purchasing Department and again by Community Resources Management Division after contract award.
3. Require contractor to complete a notarized affidavit of non-debarment and include it in the submitted bid documents. A similar document will be required of all subcontractors.
4. In future searches of EPLS we will include and document additional search criteria, including but not limited to, search by DUNS number and Principals.

Background:

Prior to a contractor's performance of any construction work performed under a federal contract using Community Development Block Grant funding, Community Resources Management (CRM) staff performs a search of the federal database, the Excluded Parties List (EPLS), to ensure that the contractor(s) have not been suspended, debarred or otherwise excluded. With respect to ARS, on January 23, 2009, we received a signed HUD form 4010 from the contractor. This form includes language that the contractor is certifying that no member of its firm is ineligible to be awarded a

federally funded contract. On March 26, 2009, CRM staff conducted a search on the EPLS for ARS Construction Company, the name of the contractor as identified on the Nevada State Contractor's license. The EPLS indicated that the search produced no results, meaning that the contractor was not on the list. County staff documented the search result in the project file.

During the audit a search of the EPLS for ARS Construction Company returned a positive result, indicating that the contractor was debarred. In its review of this item, CRM staff determined that the two searches were not identical. CRM's search used the firm name as identified on the contractor's license which included spacing between the letters, ARS; the auditors spelled ARS without spaces between the letters. A Government Accounting Office report (GAO-09-174) issued in February 2009 identifies numerous inadequacies in the EPLS system, including the type of search errors that occurred in this particular case. CRM staff discussed this issue with the local HUD representative, Roy Porter. He reviewed the information on how we conducted our due diligence and concluded that we had followed appropriate procedures. He concluded that this was an isolated case relative to the volume of contracts managed by CRM and that it was not a systemic problem. Additionally, in that the contractor had performed in accordance with the contract, he did not have further concerns. Mr. Porter recommended that we add additional criteria to our EPLS search protocol, which we have subsequently done.

2009-2

Condition:

In the Schedule of Findings and Questioned Costs for the Year Ended June 30, 2009, the auditors noted that Clark County is required to submit several financial and performance reports for the CDBG grants, including, 1)quarterly cash transaction report; 2)activity summary report; 3)financial summary report; and, 4)performance report. The auditors reported testing each of the reports and noted errors with two of the reports, the financial summary report and the performance report. The financial summary report incorrectly reported the beginning and end of year unexpended balances. The performance report did not capture all of the required contracts to be reported; one contract in the amount of \$526,484 was excluded.

Corrective Action:

1. As a result of HUD's adjustment to its Integrated Disbursement and Information System, the CDBG Financial Summary Report has been corrected.
2. The Section 3 Summary Report has been corrected to include the contract for the Mesquite Senior Center Expansion project, in the amount of \$526,484. The corrected report has since been sent to HUD. Additionally, prior to submission of future reports, our Section 3 compliance staff person will be required to have the report reviewed by our Principal Planner. The Principal Planner will be able to compare the Section 3 Summary Report to the Consolidated Annual Performance Report to ensure all projects have been accurately reported.

Background:

1. The CDBG Financial Summary Report (PR26) is an annual financial summary that is a required submission as part of our HUD Consolidated Annual Performance Report (CAPER). This report is generated via HUD's Integrated Disbursement and Information System (IDIS). The error identified by the auditors is a single line entry on that financial summary report which has no material effect on program performance. That line item is used to indicate the balance of funds remaining on hand at the close of the prior fiscal year. This was not an accounting error. We did not underreport the prior year balance but, rather made an error by not completing that line on the report. In previous years, this number was automatically populated by IDIS. During the time that we were preparing the FY 2008 CAPER, HUD was making major changes to IDIS, moving it to a web-based access system. CRM's Principal Planner, who is responsible for writing and submitting the CAPER, noticed that the line item defaulted to zero but was unable to manually input the correct number. She assumed that HUD was aware of the issue and submitted the report as it was generated by IDIS, with a zero in the line. Our local HUD Community Planning and Development representative, Roy Porter, noted the omission in his review of the CAPER but did not believe that the error had any material importance. He contacted our staff, and then confirmed that the data could not be entered manually through IDIS. HUD has since resolved this technical problem so that we can now populate that field in the report ourselves.
2. The auditors stated that the performance report did not capture all of the required contracts to be reported; one contract in the amount of \$526,484 was excluded. We agree that the construction contract for the Mesquite Senior Center Expansion project, in the amount of \$526,484, was omitted from the annual Section 3 Summary Report. However, this report is not the same as, part of or correlated to the CDBG Performance Report. That report is included as Appendix "C" in the CAPER. That report was correct as submitted. The Section 3 Summary Report (form HUD-60002) is a separate report that captures data on economic opportunities for low income persons participating in federally funded construction projects.

I appreciate the effort of the auditors and the thoroughness of their work. HUD programs are notoriously complex with numerous cross-cutting federal requirements. The errors noted and the recommendations provided by the audit team will help strengthen our CDBG program and allow us to continue serving the low and moderate income citizens of Clark County.

Sincerely,



Michael J. Pawlak, Manager
Community Resources Management

cc: Yolanda King
Mark Gamett
Elizabeth Vorce
Brian Paulson
Kristin Cooper
Roy Porter

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

DEPARTMENT OF THE INTERIOR

**Questioned
Costs**

2009-3 Southern Nevada Public Land Management Act (SNPLMA) – CFDA No. 15.235; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

Condition: A random sample of 4 reports from a total of 37 financial status reports filed during the year was selected. Our tests disclosed that while the financial status reports indicated they were being prepared on the cash basis of accounting, the total outlays reported were not consistent with the cash basis.

Criteria: Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements.

Effect: Total outlays (grant expenditures) are improperly reported to the grantor.

Cause: It appears that there was ineffective management oversight over the reporting compliance requirement, as there was a lack of adequate review of the financial status reports prior to submission to the grantor.

Recommendation: The County should strengthen its procedures over the review process of the financial status reports for the SNPLMA program.

Views of responsible officials and planned corrective actions: See page 165.



Department of Comprehensive Planning Land Use Planning

500 S Grand Central Pky • Box 551744 • Las Vegas NV 89155-1744
(702) 455-4314 • Fax (702) 455-3271

Barbara Ginoulas, Director • Rod Allison, Assistant Director

March 16, 2010

Kafoury, Armstrong & Co.
8329 W. Sunset Road, Suite 210
Las Vegas, NV 89113

SUBJECT: DEPARTMENT OF THE INTERIOR – 2009-3 AUDIT FINDING

Our office has reviewed the above noted finding from the year ending June 30, 2009, and provide the following response.

Condition: A random sample of 4 reports from a total of 37 financial status reports filed during the year was selected. Our tests disclosed that while the financial status reports indicated they were being prepared on the cash basis of accounting, the total outlays reported were not consistent with the cash basis.

Response: The Grantor requires the financial status reports to include the total draw downs completed for a given quarterly reporting period. Due to accounts payable processing deadlines, it is common for payments to process within the current quarter which will not be included in the quarter's draw down. Although we are in compliance with the Grantor's reporting requirements, current procedures will be modified to ensure the cash basis of accounting.

Should you have any questions, please feel free to contact Ron Gregory at (702) 455-3121.

Sincerely,

Bruce Sillitoe
Planning Manager

Cc: David Dobrzynski
Elizabeth Vorce
Becky Deuel
Patsy Schrader
Ron Gregory

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES

**Questioned
Costs**

2009-4 Child Support Enforcement – CFDA No. 93.563; Interlocal agreement

Condition: During the year under audit, the County served more than 86,000 active child support enforcement cases (they are a IV-D agency under Nevada's program). As a component of our procedures, we tested compliance with the special tests and provisions requirement outlined in the OMB Circular A-133 Compliance Supplement for the Child Support Enforcement program. The special provisions tested include establishment of paternity and support obligations, enforcement of support obligations, securing and enforcing medical support obligations – state programs, and provisions of child support services for interstate cases – state programs.

Of the 40 case files tested for enforcement of support obligations, we noted 1 instance of noncompliance. No enforcement actions have been taken on this case for more than three years (since May, 2006).

Of the 40 case files tested for securing and enforcing medical support obligations – state programs, we noted 2 instances of noncompliance in addition to the 1 instance addressed above. In the first instance, while medical support was ordered, the County did not follow up to determine if the child in fact had satisfactory health insurance. In the second instance, the child was covered under both private insurance provided by the custodial parent and Medicaid, and there was no indication in the file, that the County notified Medicaid.

In regards to the special provisions for interstate cases – state programs, we tested a sample of 40 initiating interstate cases to verify that required information was provided to the responding state within required time frames. We noted a total of 6 instances of noncompliance. In 5 cases, the County was late either initiating or responding to requests for additional information from the responding jurisdiction. Additionally, in 1 case, there is no evidence that the County provided the responding jurisdiction with the additional information requested (request was made in January, 2009).

Criteria: The OMB Circular A-133 Compliance Supplement (dated March 2009), lists specific compliance requirements under the special tests and provisions section for the Child Support Enforcement grant, which are also found in the federal laws and regulations governing the Child Support Enforcement grant. The County should have controls in place to provide reasonable assurance that the federal laws and regulations governing the Child Support Enforcement grant are being adhered to.

Effect: Without proper controls and reporting capabilities in place, the County has a higher risk of material noncompliance with the federal laws and regulations governing this grant.

Cause: It appears that there was ineffective management oversight over the special provisions applicable to this grant.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

Recommendation: The County should strengthen management oversight of the Child Support Enforcement grant.

Views of responsible officials and planned corrective actions: See pages 168-170.

OFFICE OF THE DISTRICT ATTORNEY



DAVID ROGER
District Attorney

Family Support Division
(702) 671-9200 - TDD (702) 385-7486 (for the hearing impaired)

LEGAL SECTION
1900 East Flamingo Road, Suite 100, Las Vegas, Nevada 89119-5168
Fax: (702) 366-2440

TERESA M. LOWRY
Assistant District Attorney

CHRIS OWENS
Assistant District Attorney

MARY-ANNE MILLER
County Counsel

JEFFREY J. WITTHUN
Assistant Director

March 26, 2010

Kafoury, Armstrong & Co.
Attn: Tami Miramontes
8329 W. Sunset Road
Las Vegas, NV 89113

Dear Ms. Miramontes:

Following is the response and corrective action plan for the area that the Clark County District Attorney, Family Support Division (DAFS) was found to be out of compliance.

2009-4 Child Support Enforcement – CFDA No. 93.563; Interlocal agreement

Condition: During the year under audit, the County served more than 86,000 active child support enforcement cases (they are a IV-D agency under Nevada's program). As a component of our procedures, we tested compliance with the special tests and provisions requirement outlined in the OMB Circular A-133 Compliance Supplement for the Child Support Enforcement program. The special provisions tested include establishment of paternity and support obligations, enforcement of support obligations, securing and enforcing medical support obligations – state programs, and provisions of child support services for interstate cases – state programs.

Of the 40 case files tested for enforcement of support obligations, we noted 1 instance of noncompliance. No enforcement actions have been taken on this case for more than three years (since May, 2006).

Of the 40 case files tested for securing and enforcing medical support obligations – state programs, we noted 2 instances of noncompliance in addition to the 1 instance addressed above. In the first instance, while medical support was ordered, the County did not follow up to determine if the child in fact had satisfactory health insurance. In the second instance, the child was covered under both private insurance provided by the custodial parent and Medicaid, and there was no indication in the file, that the County notified Medicaid.

In regards to the special provisions for interstate cases – state programs, we tested a sample of 40 initiating cases to verify that required information was provided to the responding state within the required time frames. We noted a total of 6 instances of noncompliance. In 5 cases, the County was late either initiating or responding to requests for additional information from the responding

jurisdiction. Additionally, in 1 case, there is no evidence that the County provided the responding jurisdiction with the additional information requested (request was made in January, 2009).

Criteria: The OMB Circular A-133 Compliance Supplement (dated March 2009), lists specific compliance requirements under the special tests and provisions section for the Child Support Enforcement grant, which are also found in the federal laws and regulations governing the Child Support Enforcement grant. The County should have controls in place to provide reasonable assurance that the federal laws and regulations governing the Child Support Enforcement grant are being adhered to.

Effect: Without proper controls and reporting capabilities in place, the County has a higher risk of material noncompliance with the federal laws and regulations governing this grant.

Cause: It appears that there was ineffective management oversight over the special provisions applicable to this grant.

Recommendation: The County should strengthen management oversight of the Child Support Enforcement grant.

DAFS Comments:

We agree that actions were not taken within the required timeframes on the five interstate cases which resulted in six findings. (One case had two findings.)

DAFS Corrective Action Plan:

DAFS reorganized into functional areas in November 2009 affording our management a more focused approach to improving our performance measures. Our IT department, with the help of the users who defined the requirements, created a "Super Establishment Report" and a "Super Enforcement Report" to serve as an overview of the case managers' caseload status. The Super Reports provide a list of cases needing establishment or enforcement actions or that is in the process of paternity or obligation establishment or order enforcement. The supervisors monitor their case managers' reports to ensure they are being worked. In addition, periodic desk audits are planned to ensure correspondence received is being worked in a timely manner. Coaching and training will be provided to workers who are falling behind in processing their cases.

In addition, interstate teams have been created in the Establishment and Enforcement units where case managers will be dedicated to working initiating interstate cases. This will provide closer monitoring of cases that are outside of our jurisdiction to establish or enforce.

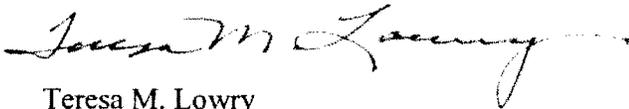
Additional DAFS Comments:

The Condition mentioned one instance of noncompliance in the enforcement of support obligations and two additional instances of noncompliance in securing and enforcing medical support obligations.

DAFS Corrective Action Plan:

Although we were not asked to provide a corrective action for these areas of noncompliance, we would like to explain what we are currently doing to ensure proper handling of cases. Our IT department, with the help of the users who defined the requirements, created a "Super Enforcement Report" to serve as an overview of the case managers' caseload status. The Super Enforcement Report provides a list of cases needing enforcement or in the process of order enforcement. The supervisors monitor their case managers' reports to ensure they are being worked in a timely and comprehensive manner.

Sincerely,



Teresa M. Lowry
Assistant District Attorney

CC: Jeffrey J. Witthun, Assistant Director – Operations
Kathi Brunson, Unit Administrator

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES

**Questioned
Costs**

2009-5 Foster Care Title IV-E – CFDA No. 93.658; Adoption Assistance Title IV-E – CFDA No. 93.659 – ARRA Funding

Condition: The total amount of ARRA funding during the year totaled \$851,053 for the Adoption Assistance program and \$661,604 for the Foster Care program. A review of the amounts provided by management for preparation of the schedule of expenditures of federal awards (SEFA) showed \$481,998 for the Adoption Assistance program and \$406,016 for the Foster Care program.

Criteria: The County is required to separately report expenditures of ARRA awards on the SEFA. These reported amounts should be supported by the accounting records and should be fairly presented in accordance with ARRA and program requirements.

Effect: The SEFA would have underreported ARRA funding for the Adoption Assistance program by \$369,055 and underreported ARRA funding for the Foster Care program by \$255,588.

Cause: There appears to be a lack of understanding on the part of program personnel regarding how much of the expenditures were funded with ARRA sources versus regular sources. The calculation done at year-end to determine how much to report on the SEFA as ARRA funding was performed incorrectly.

Recommendation: We recommend that management establish policies and procedures to comply with federal requirements regarding separately reporting ARRA funds. These should include training program personnel to provide a better understanding of the ARRA requirements as well as developing a management review process of the ARRA calculation to be done prior to submission to the comptroller's office for inclusion on the SEFA.

Views of responsible officials and planned corrective actions: See pages 172-173.



Department of Family Services

121 S. Martin Luther King Blvd. • Las Vegas NV 89106-4309
(702) 455-5444 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 11, 2010

Kafoury, Armstrong & Co
1700 West Sunset Road, Suite 210
Las Vegas, NV 89113

Subject: Foster Care and Adoption Assistance Title IV-E - ARRA funding

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

Finding 2009 – 5 Foster Care Title IV-E

The County is required to separately report expenditures of ARRA awards for Title IV-E Foster Care/Adoption Assistance on the SEFA. The SEFA would have underreported for Foster Care and Adoption Assistance Programs by \$624,643.

Corrective Action

Title IVE funds are passed through from the State of Nevada Division of Child and Family Services (DCFS). Clark County Finance inquired about Federal Reporting requirements for ARRA portion of IVE funds. Department of Family Services fiscal staff followed up with DCFS staff as requested.

DCFS identified their agency as the responsible entity required to report on the ARRA funds. DFS staff provided Clark County Finance auditors with this information. DFS staff worked with audit staff to correct information for FY09. DFS fiscal staff now has a better understanding of the reporting requirements for ARRA funding.

Clark IVE claim for December 2009 includes the correct breakdown of ARRA funds to be passed through to Clark County for the funds earned from the State Child Welfare Integration budget (fund 2370) and funds earned by Clark County (fund 2300.92). Adjustments will be made to the financial claim information for September 2009 to correctly reflect ARRA funds in Clark County SAP general ledger system. DFS fiscal staff is also partnering with County Management staff responsible to provide the latest up to date information for the County website. Written policies and procedures are being developed, and DFS Management will review the ARRA calculation before submission to Comptroller's Office.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Morton". The signature is fluid and cursive, with the first name "Thomas" and last name "Morton" clearly distinguishable.

Thomas Morton
Director
Department of Family Services

cc: Mark Gammet
Julie Mondroski

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned
Costs**

2009-6 Chafee Independent Living Program (Chafee) – CFDA No. 93.674; Grant No. - CH3145/32-SFY08-10-018; Foster Care Title IV-E – CFDA No. 93.658 ; all grant numbers and grant periods reported for this CFDA No. on the schedule of expenditures of federal awards.

Condition: A random sample of 25 case files from a total of 350 active Chafee case files for the year was selected. Our tests disclosed that the date of birth of 1 program participant was erroneously entered into the Unity system. The Unity system is utilized by the Chafee and Foster Care programs to track all of their program participants. Additionally, our tests disclosed that there was no birth certificate on file to support the age of the program participant in 1 of the 25 files tested.

Criteria: Federal eligibility requirements for the Chafee program allow for benefits to youth in the foster care program who are likely to remain in foster care until 18 years of age as well as those who aged out of the program through the age of 21. The Foster Care program also has Federal eligibility requirements concerning the age of the child, with benefits ceasing upon the child's 18th birthday or upon graduation from a secondary educational institution (or similar) prior to the child's 19th birthday.

Effect: We question whether some of the participants receiving benefits under the Chafee and Foster Care programs are eligible to receive benefits due to the age requirements of the programs. Total direct benefits paid on behalf of program participants were \$273,433 during the year under audit. Of that amount, \$970 was paid on behalf of the program participant without a birth certificate on file. \$ 970

Cause: Controls are not in place to ensure that all data is entered correctly into the Unity system. Additionally, appropriate documentation to support the date of birth of program participants is not consistently maintained by the County when participants are entered into the Unity system.

Recommendation: The County should consider modifying its policies and procedures regarding participants entered into the Unity system by incorporating appropriate review procedures for verifying the accuracy of the data entered as well as incorporating written procedures for obtaining birth certificates consistently for all program participants.

Views of responsible officials and planned corrective actions: See page 176.

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned
Costs**

2009-7 Chafee Independent Living Program (Chafee) – CFDA No. 93.674; Grant No. - CH3145/32-SFY08-10-018

Condition: The County did not obtain payroll certifications from employees who charged 100% of their salaries and wages to the Chafee Grant during the year under audit.

Criteria: Where employees are expected to work solely on a single Federal award or cost objective, OMB Circular A-87 requires semi-annual certifications (at a minimum) stating that employees worked solely on that program for the period covered by the certification. These certifications must be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Effect: The County is in noncompliance with Federal requirements for supporting salaries and wages charged to the Chafee Grant. During the year ended June 30, 2009, the County charged in excess of \$400,000 for salaries and related benefits to the Chafee Grant without appropriate required documentation.

Cause: It appears that there was ineffective management oversight over the allowable costs/cost principles compliance requirement.

Recommendation: The County should establish written policies and procedures for obtaining the semi-annual payroll certifications.

Views of responsible officials and planned corrective actions: See pages 176-177.



Department of Family Services

Fiscal Unit

121 S. Martin Luther King Blvd.
Las Vegas NV 89106-4309
Tel (702) 455-1557 • Fax (702) 382-2004

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 23, 2010

Kafoury, Armstrong & Co
1700 West Sunset Road, Suite 210
Las Vegas, NV 89113

Subject: Chafee Foster Care Independence Program – Audit Findings

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

Finding 2009-6 – It was reported that adequate controls are not in place to ensure that all data is entered correctly into the Unity System. Twenty-five (25) Chafee cases were sampled for age-eligibility. The sample case files disclosed that the date of birth of one (1) program participant from the sample group was erroneously entered into the unity system. In addition, tests disclosed that there was no birth certificate on file to support the age of the program participants in 1 of the 25 files tested. Auditors questioned whether this participant receiving benefits under the Chafee program was eligible to receive benefits, due to age requirement, as a birth certificate was not in case file.

Corrective Action – Currently caseworkers are required to verify that the child's birth records are correct upon receipt of certified documentation. This procedure has been revised to include verification of accuracy of the data entered by the medical case management unit upon receipt of certified birth certificate. In addition, new procedures for Supervisory oversight include review of case file contents to ensure that all required documents are placed in the file.

The one (1) program participant referenced above was eligible for Chafee IL services. A State of Nevada Drivers License was used to verify child's age and document was located in case file. This document was forwarded to Kafoury, Armstrong.

Finding 2009-7 – The County is in material noncompliance with Federal Requirements for supporting salaries and wages charged to the Chafee Grant. OMB Circular A-87 requires semi-annual certification stating that employees worked solely on the program for the period covered by the certification.

Corrective action – Employees and Supervisors are now required to sign the Semi-Annual payroll Certification form. The policy and procedures for federally funded awards have been revised to include obtaining the semi-annual payroll certifications.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,



Thomas Morton

Director

Department of Family Services

cc: Mark Gammet
Julie Mondroski

Attachments:

Signed Payroll Certifications

Revised Fiscal Policy 4

Procedure 3.3 Processing Incoming Certificates

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

**Questioned
Costs**

2009-8 HIV Emergency Relief Grant – CFDA No. 93.914; Grant Award No. 2H89HA06900-04-00; Grant Award No. 2H89HA06900-03-00

Condition: The County paid \$3,897,873 to a total of 13 subrecipients of the HIV Emergency Relief Grant during the year. The expenditures spanned two grant years – March 1, 2008 to February 28, 2009 and March 1, 2009 to February 28, 2010. During the year under audit, we noted that the County did not perform some of the required compliance and monitoring procedures for any of its subrecipients under this federal grant. Specifically, during the current year, the County did not notify its subrecipients of the Federal procurement requirements regarding not doing business with suspended and debarred parties. Also, we tested one of the nine subrecipients for compliance with obtaining subrecipient audit reports and taking corrective action and noted that current audit reports were not obtained (the audit report on file was for the year ended June 30, 2007) and corrective action was not taken by the County on the findings noted in the June 30, 2007 audit.

Additionally, the program operated under expired contracts with its subrecipients for the new grant year beginning March 1, 2009, and reimbursed its subrecipients \$915,694 through June 30, 2009 without the new contracts in place. On March 17, 2009, the Clark County Board of Commissioners approved the selection of 11 proposers and authorized County management to negotiate contracts with the proposers. However, it was not until 8 months later, November 17, 2009, that contracts for 8 of the 11 proposers were brought before the commission for approval. The other 3 proposers opted not to negotiate contracts; however, the County paid 1 of these 3 proposers a total of \$34,189 in May and June 2009, for services under the new grant year.

Criteria: The County is required to identify to its subrecipients the applicable Federal award information and compliance requirements. Additionally, the County must monitor subrecipient activities, determine that subrecipient audit findings are resolved, and evaluate the impact on the County of any subrecipient noncompliance. Also, the County should perform procedures to provide reasonable assurance that its subrecipients obtained required audits and took appropriate corrective action on any findings.

Effect: The County is in material noncompliance with the Federal subrecipient monitoring requirements for the HIV Emergency Relief Grant. Additionally, we questioned \$34,189 for the 1 proposer that opted out of contract negotiations because a valid contract was never established. \$ 34,189

Cause: It appears that there was ineffective management oversight over the subrecipient compliance requirement and the HIV Emergency Relief Grant in general.

Recommendation: The County should strengthen management oversight of the HIV Emergency Relief Grant.

Views of responsible officials and planned corrective actions: See pages 182-183.

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

**Questioned
Costs**

2009-9 HIV Emergency Relief Grant – CFDA No. 93.914; Grant Award No. 2H89HA06900-04-00; Grant Award No. 2H89HA06900-03-00

Condition: The County did not sufficiently monitor the maintenance of effort and earmarking compliance requirements specific to the HIV Emergency Relief Grant. Program personnel did not measure the grant's maintenance of effort in relation to the prior year. Additionally, in calculating the earmarking requirements specific to women, infants, children, and youth (WICY), program personnel did not track actual expenditures (as required by the grant), but instead divided total actual costs by total population served to obtain an average cost per participant. This average cost was then applied to the WICY population in determining whether the earmark requirements were achieved. Also, no formal policies and procedures exist to monitor the administrative and clinical quality management earmarking requirements under the grant.

Criteria: The OMB Circular A-133 Compliance Supplement (dated March 2009), lists specific maintenance of effort and earmarking compliance requirements for the HIV Emergency Relief Grant. The County should have controls in place for monitoring expenditures under this grant in order to provide reasonable assurance that the maintenance of effort and earmarking requirements are met using only allowable funds or costs, which are properly calculated and valued.

Effect: Without proper controls in place, the County has a higher risk of noncompliance with the maintenance of effort and earmarking requirements for this grant.

Cause: It appears that there was ineffective management oversight over the matching, level of effort, and earmarking compliance requirement and the HIV Emergency Relief Grant in general.

Recommendation: The County should strengthen management oversight of the HIV Emergency Relief Grant.

Views of responsible officials and planned corrective actions: See page 183.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

DEPARTMENT OF HEALTH AND HUMAN SERVICES

**Questioned
Costs**

2009-10 HIV Emergency Relief Grant – CFDA No. 93.914; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

Condition: The County did not obtain payroll certifications from employees who charged 100% of their salaries and wages to the HIV Emergency Relief Grant during the year under audit.

Criteria: Where employees are expected to work solely on a single Federal award or cost objective, OMB Circular A-87 requires semi-annual certifications (at a minimum) stating that employees worked solely on that program for the period covered by the certification. These certifications must be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Effect: The County is in noncompliance with Federal requirements for supporting salaries and wages charged to the HIV Emergency Relief Grant. During the year ended June 30, 2009, the County charged in excess of \$300,000 for salaries and related benefits to the HIV Emergency Relief Grant without appropriate required documentation.

Cause: It appears that there was ineffective management oversight over the allowable costs/cost principles compliance requirement and the HIV Emergency Relief Grant in general.

Recommendation: The County should strengthen management oversight of the HIV Emergency Relief Grant.

Views of responsible officials and planned corrective actions: See page 183.

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

**Questioned
Costs**

2009-11 HIV Emergency Relief Grant – CFDA No. 93.914; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

Condition: We tested all of the quarterly financial reports and the annual financial report for compliance with Federal requirements. Our tests disclosed that while the financial reports indicated they were being prepared on the cash basis of accounting, the total outlays reported were not consistent with the cash basis. Additionally, we noted that controls were not in place for timely identification of all amounts to be reported on one of the quarterly reports.

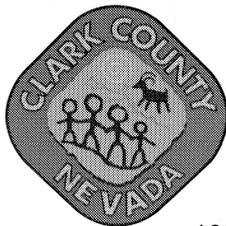
Criteria: Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements.

Effect: Total outlays (grant expenditures) are improperly reported to the grantor.

Cause: It appears that there was ineffective management oversight over the reporting compliance requirement and the HIV Emergency Relief Grant in general.

Recommendation: The County should strengthen management oversight of the HIV Emergency Relief Grant.

Views of responsible officials and planned corrective actions: See page 183.



Department of Social Service

Nancy McLane, Director

Tim Burch, Assistant Director • Sandy Jeantete, Assistant Director
1600 Pinto Lane • Las Vegas NV 89106 • (702) 455-4270 • Fax (702) 455-5950

March 24, 2010

Kafoury, Armstrong & Co
8329 West Sunset Road, Suite 210
Las Vegas, Nevada 89113

The audit findings for the Ryan White program for the year ending June 30, 2009 have been reviewed by Department management and the administrator of the Ryan White program. Below are our responses:

In reference to Finding 2009-8

Corrective Action:

Sub-recipient compliance and monitoring activities were performed during the year under audit; however, the County will improve its documentation of those monitoring activities. A review of the Federal suspended and debarred provider listing will be conducted annually on all contracted providers. The County will develop a revised policy and procedure regarding sub-recipient compliance and monitoring, and formally notify sub-recipients of the Federal procurement requirements regarding suspended and debarred parties. A revised monitoring checklist is currently being developed. As part of that process, Ryan White monitoring checklists will be benchmarked against those utilized by the CDBG program.

As part of annual contract compliance monitoring, sub-recipient audit reports are requested and tracked to ensure submission. The County will implement an official policy of correspondence with sub-recipients related to the submission and review of audits, as well as notification requirements for corrective actions related to any A-133 audit findings for sub-recipients.

The contracting process for Clark County is under the purview of the Purchasing Division; therefore, the response to the item regarding provider contracts is deferred to that division. Related to the citation of material noncompliance regarding a

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Virginia Valentine, P.E., County Manager

provider that opted out of the contract, all expenditures have been reviewed and were appropriate. The provider opted out due to fiscal issues related to its other funding streams not associated with Ryan White funding.

In reference to Finding 2009-9

Corrective Action: The County will clarify the policy with respect to the maintenance of effort and earmarking requirements for the Ryan White HIV Emergency Relief Grant. Actual expenditures will be used in calculating the earmarking requirements specific to women, infants, children, and youth (WICY). It should be noted that a conflict exists between language in the OMB Circular and the guidance policy from the Federal funding source, the Health Resources and Services Administration's HIV/AIDS Bureau (HRSA/HAB). Clarification will be sought from Federal funding source, as the guidance policy from HRSA/HAB requires annual reporting of maintenance of effort, while the OMB Circular requires on-going monitoring.

The administrator of the Ryan White program develops and receives approval from the federal funding source for the administrative and clinical quality management funding earmarks, and tracks them on a monthly basis. Formal policies and procedures will be developed to monitor these requirements.

In reference to Finding 2009-10

Corrective Action: The County will implement a semi-annual payroll certification form for Federal awards for all Ryan White funded employees.

In reference to Finding 2009-11

Corrective Action: The Clark County Comptroller will provide direction on how to modify reporting of cash versus accrual from the County's financial management system.

Please do not hesitate to contact our office if you have any questions related to this correspondence.


Nancy McLane
Director

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009**

**DEPARTMENT OF HOMELAND SECURITY
PASSED THROUGH NEVADA DEPARTMENT OF PUBLIC SAFETY**

**Questioned
Costs**

2009-12 Emergency Management Performance Grant – CFDA No. 97.042; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

Condition: Documentation is poor and internal controls are weak in relation to the activities, allowable costs, matching criteria, and reporting requirements for this grant. Grant personnel could not specifically identify how employee time spent and charged to the grant related to the EMPG work plans (as required by the grant). Additionally, for those employees working on activities other than those supported by the Emergency Management Performance Grant, there were no personnel activity reports to support salaries and wages charged to the grants (both the federal and matching portions). For those employees working solely on the Emergency Management Performance Grant, the required semi-annual certifications from employees or their direct supervisors indicating that 100% of the time was spent on the Emergency Management Performance Grant were not completed. Also, the quarterly financial reports submitted were not supported by a general ledger.

Criteria: The County should have controls in place to provide reasonable assurance that Federal awards are expended only for allowable activities and that the costs of goods and services charged to Federal awards are allowable and in accordance with the applicable costs principles.

OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”. Additionally, the County should “identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received,” and the County should “comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.”

OMB Circular A-87 requires semi-annual certifications (at a minimum) where employees are expected to work solely on a single Federal award or cost objective and personnel activity reports (or equivalent documentation) where employees work on multiple activities or cost objectives.

Effect: We are questioning all costs charged to this grant program for the year in the amount of \$775,718. \$ 775,718

Cause: There was ineffective management oversight over the Emergency Management Performance Grant, and it appears that no written policies and procedures have been established to ensure that this grant is administered in accordance with Federal requirements.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

Recommendation: The County should strengthen management oversight of the Emergency Management Performance grant and establish policies and procedures for properly administering the grant. Specifically, these procedures should include utilizing the County's SAP system to properly track all grant expenditures as well as establishing personnel activity reports and employee certifications to document actual time spent toward achievement of the workplan objectives of the grant. Management oversight procedures also need to be strengthened, such as monitoring progress of the workplan objectives and reviewing and approving updates to the annual workplans as well as the personnel activity reports and quarterly financial reports.

Views of responsible officials and planned corrective actions: See pages 187-188.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2009

DEPARTMENT OF HOMELAND SECURITY
PASSED THROUGH NEVADA DEPARTMENT OF PUBLIC SAFETY

**Questioned
Costs**

2009-13 Homeland Security Grant Program Cluster – CFDA No. 97.067; Grant Nos. 97067CL6, 1155507, 97067HL6, 97067U06, 97067U07, 97067U08

Condition: The County paid \$726,100 to its 3 subrecipients under the Homeland Security Grant Program Cluster during the year. We noted that the County did not perform some of the required compliance and monitoring procedures for these subrecipients under this federal grant. Specifically, during the current year, the County did not notify its subrecipients of the Federal procurement requirements regarding not doing business with suspended and debarred parties. Also, we tested 1 of the 3 subrecipients for compliance with obtaining subrecipient audit reports and taking corrective action and noted that current audit reports were not obtained. Additionally, assets purchased by subrecipients were not monitored to ensure required physical inventories were being performed or, in the case of asset dispositions, that the equipment was disposed of in accordance with Federal requirements.

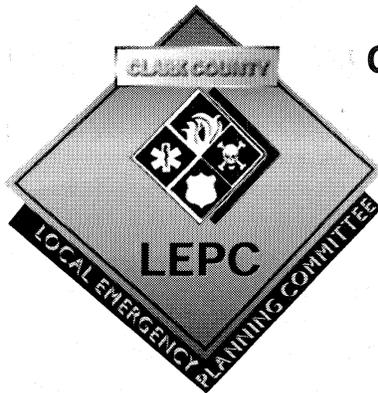
Criteria: The County is required to identify to its subrecipients the applicable Federal award information and compliance requirements. Additionally, the County must monitor subrecipient activities, determine that subrecipient audit findings are resolved, and evaluate the impact on the County of any subrecipient noncompliance.

Effect: Without effective monitoring procedures in place, the County increases the risk of noncompliance with Federal compliance requirements.

Cause: It appears that there was ineffective management oversight over the subrecipient compliance requirement for the Homeland Security Grant Program Cluster.

Recommendation: The County should establish written policies and procedures for monitoring subrecipients of the Homeland Security Grant Program Cluster. Specifically, these written procedures should incorporate monitoring for suspension and debarment, obtaining annual audit reports and developing responses to findings noted as well as proper follow-up procedures, and monitoring all equipment purchased with Federal funds for proper inventorying and disposition.

Views of responsible officials and planned corrective actions: See pages 188-190.



Clark County Local Emergency Planning Committee

March 23, 2010

Kafoury, Armstrong & Co.
8329 West Sunset Road, Suite 210
Las Vegas, NV 89113

Dear Sir or Madam:

Our office has reviewed the findings from the year ending June 30, 2009 Emergency Management Performance Grant and Homeland Security Grant Program Cluster audit. Below are the responses to the two audit findings:

In reference to Finding 2009-12

Conditions:

Documentation is poor and internal controls are weak in relation to the activities, allowable costs, matching criteria, and reporting requirements for this grant. Grant personnel could not specifically identify how employee time spent and charged to the grant related to the EMPG work plans (as required by the grant). Additionally, for those employees working on activities other than those supported by the Emergency Management Performance Grant, there were no personnel activity reports to support salaries and wages charged to the grants (both the federal and matching portions). For those employees working solely on the Emergency Management Performance Grant, the required semi-annual certifications from employees or their direct supervisors indicating that 100% of the time was spent on the Emergency Management Performance Grant were not

completed. Also, the quarterly financial reports submitted were not supported by a general ledger.

Corrective Action: The Clark County Office of Emergency Management and Homeland Security (CCOEMHS) recognizes there are two different funding sources available for reimbursement of personnel and operation expenses. Homeland Security is a function of Emergency Management and all work performed is Emergency Management based. The CCOEMHS will conduct a Time Analysis of each FTE position funded under the EMPG grant in order to create work performance standards that can be directly linked to each function performed and time allocated under the grant. This "timesheet" will then be given to our payroll department in order to ensure all FTE grant paid employees are paid in accordance to the grant cluster they worked on.

The following is submitted as a point of clarification and the reason for a large portion of the Homeland Security UASI Grant fund not being charged personnel. The CCOEMHS hired a program manager via contract that is responsible for the overall program management of the Urban Area and all of its respective sub-grantees, as such the amount of time that that is expended by the official FTEs of CCOEMHS is minimized.

All quarterly financial reports, whereby reimbursement is being requested, will include paid invoice reports, and screenshots with associated document numbers that can be linked directly to SAP, the County's financial reporting software system. The CCOEMHS has engaged both the Budget and Comptrollers offices in an effort to produce reports and documentation that support the Quarterly Financial Report as well as a journal entry from FFY08 Grant Funding to retroactively resolve the justifiable personnel "Questioned Costs". Written procedures will be put in place to include each years EMPG Guidance allowable costs and levels of approval for all expenditures under the grant. Also included within this policy will be the requirement that each employee working 100% on the EMPG sign a Semi-Annual Payroll Certification Form, in order to comply with federal requirements OMB Circular A-87.

Finding 2009-13

Conditions:

The County paid \$726,100 to its three (3) sub recipient's under the Homeland Security Grant Program Cluster

during the year. We noted that the County did not perform some of the required compliance and monitoring procedures for these sub recipients under this federal grant. Specifically, during the current year, the County did not notify its sub recipients of the Federal procurement requirements regarding not doing business with suspended and debarred parties. Also, we tested 1 of the 3 sub recipients for compliance with obtaining sub recipients audit reports and taking corrective action and noted that current audit reports were not obtained. Additionally, assets purchased by sub recipients were not monitored to ensure required physical inventories were being performed or, in the case of asset dispositions that the equipment was disposed of in accordance with Federal requirements.

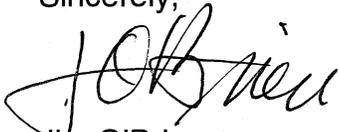
Corrective Actions: As stated in all Interlocal Agreements, which are distributed upon approval to each sub recipient, under Federal Certification Item 2 Titled DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS, each sub recipient is advised of the requirements relative to Debarment and Suspension as required by Executive Order 12549 and implemented at 28 CFR Part 67 section 67.510.

In 2008, our office instituted corrective actions to sub recipients requesting audit findings and equipment inventory to remain in compliance with OMB circular A-133. However, it is entirely up to the sub recipient to provide to our office the requested information. Sub recipients agree to these terms by signing the interlocal contract thereby, authorizing them to purchase only grant approved equipment. Clark County itself is a sub recipient of subject funds. These funds are primarily administered at the State level. The County's sub recipients are reminded to submit equipment inventory sheets as well as any audit reports through quarterly report reminders. Although this information is requested quarterly as well as required in the signed interlocal agreement, information is often submitted intermittently. Any purchase requests made through our office requires verification of the receipt of goods prior to paying the invoice. Purchased equipment, \$5000.00 and over, is tagged and inventoried by the sub recipient. Reimbursements are issued to sub recipients only on grant-authorized equipment from the Department of Homeland Security Authorized Equipment List (AEL).

In an effort to perform the required compliance and monitoring procedures the Office of Emergency Management will create a schedule whereby two selected sub-grantees will be audited on a quarterly basis. In addition to the monitor visit the sub-grantees will be required by the interlocal agreement to provide all annual A-133 audit reports. The CCOEMHS will create a spreadsheet to track those responses. Our office will take appropriate action for findings up to and including withholding reimbursement for findings not addressed.

Should you have any questions, please feel free to contact our office at (702) 455-5710.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim O'Brien", written in a cursive style.

Jim O'Brien
Emergency Manager

**CLARK COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2009**

See pages 192-198.



Clark County Local Emergency Planning Committee

February 1, 2010

Kafoury, Armstrong & Co.
8329 West Sunset Road, Suite 210
Las Vegas, NV 89113

Dear Sir or Madam:

Our office has reviewed the findings from the year ending June 30, 2008 Urban Area Security and Grant Program Cluster audit. Below are the responses to the two audit findings:

In reference to Finding 08-1

Conditions: **A significant portion of payments to sub recipients is for the purchase of equipment. During our testing over sub recipient monitoring, we noted the County's sub recipient monitoring procedures are not adequate to ensure their compliance with Equipment and Real Property Management requirements under OMB Circular A-133.**

Corrective Action: For clarification, Clark County itself is a sub recipient of subject funds. These funds are primarily administered at the State level. The County's sub recipients are reminded to submit equipment inventory sheets through quarterly report reminders. Although this information is requested quarterly as well as required in the signed interlocal agreement, information is often submitted intermittently. Any purchase requests made through our office requires verification of the receipt of goods prior to paying the invoice. Reimbursements are issued to sub recipients only on grant-authorized equipment, from the Department of Homeland Security Authorized Equipment List (AEL).

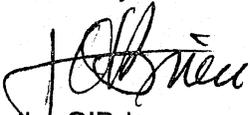
Finding 08-2

Conditions: **The County did not perform procedures to ensure funds were used in accordance with the applicable provisions of the Buy American Act.**

Corrective Actions: As stated in the *Financial Management Guide* from the U.S. Department of Homeland Security, Preparedness Directorate, Office of Grants and Training, January 2006, "grantees generally are not required to comport with the restriction of the Buy American Act (41 U.S.C. 10a)." Therefore, the Buy American Act is not applicable to the Urban Area Security Initiative program or the Homeland Security Grant Program Cluster stated in the schedule of findings.

Should you have any questions, please feel free to contact our office at (702) 455-5710.

Sincerely,



Jim O'Brien
Emergency Manager



Department of Family Services

121 S. Martin Luther King Blvd. • Las Vegas NV 89106-4309
(702) 455-5444 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

January 20, 2010

Kafoury, Armstrong & Co
1700 West Sunset Road, Suite 210
Las Vegas, NV 89113

Subject: Chafee Foster Care Independence Program – Audit Findings-Follow Up

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

Finding 08-3 – It was reported that adequate supporting documentation from the sub recipients would need to be reviewed for compliance with activities allowed and allowable costs. The procedures in place to monitor sub recipient compliance were not adequate.

Corrective Action – Sub recipients submitting supporting documentation for all expenses incurred on a monthly basis. Expenses are reviewed by the DFS Accountant for compliance with activities allowed under Federal award.

Finding 08-4 – No verification that audits were completed and any audit findings were addressed by management within six months after receipt.

Corrective action – Sub recipient audits for FY 09 have been performed quarterly by the DFS Accountant. Audit findings require compliance action plan. The Sub recipient Audit Tracking Form is now used to monitor audits completed. Monitoring includes requirement for appropriate and timely corrective action on all findings.

Finding 08-5 – Non-compliance with the suspension and debarment requirement under OMB Circular A-133.

Corrective action – Procedures are in place to ensure compliance with OMB Circular A-133. Subcontractors funded through grant awards are required to complete the attached Certification #1, Regarding Debarment.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,

Thomas Morton
Director
Department of Family Services

CERTIFICATION # 1

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms “covered transaction”, “debarred”, “suspended”, “ineligible”, “lower tier covered transaction”, “participant”, “person”, “primary covered transaction”, “principal”, “proposal” and “voluntarily excluded”, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549: 45 CFR Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations or the definitions.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, the prospective lower tier participant shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that the clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions” will be included, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon the certification of a prospective participant in a lower tier covered transaction that the prospective participant is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless the participant in a covered transaction knows that the certification is erroneous. A participant may decide the

“The best way to find yourself is to lose yourself in the service of others.”

-- Mahatma Gandhi

method and frequency of determining the eligibility of the principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is debarred, suspended, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including debarment and/or suspension.

**Certification Regarding Debarment, Suspension,
Ineligibility and Voluntary Exclusion –
Lower Tier Covered Transactions**

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither the prospective participant or the prospective participant's principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Suspension. An action taken by a suspending official in accordance with these regulations that immediately excludes a person from participating in a covered transaction for a temporary period, pending completion of an investigation and such legal, debarment, or Program Fraud Civil Remedies Act proceedings as may ensue. A person so excluded is "suspended".

Voluntary Exclusion or Voluntarily Excluded. A status of nonparticipation or limited participation in covered transactions assumed by a person pursuant to the terms of a settlement.

Signature

Title

Grantee Legal/Corporate Name

Date

**“The best way to find yourself is to lose yourself in the service of others.”
-- Mahatma Gandhi**



Department of Social Service

Nancy McLane, Director

Sandy Jeantete, Assistant Director • Tim Burch, Assistant Director
1600 Pinto Lane • Las Vegas NV 89106 • (702) 455-4270 • Fax (702) 455-5950

January 21, 2010

Kafoury, Armstrong & Co.
8329 West sunset Road, Suite 210
Las Vegas, Nevada 89113

Dear Sir or Madam:

Update for Finding 08-6

In response to your request for an update on last year's findings, please note the following:

To address the finding identified as Finding 07-3 in the FY07-08 Ryan White Program audit, Clark County grant staff developed and implemented a policy based on the recommended maintenance of effort policy provided by the Health Resources and Services Administration's HIV/AIDS Bureau.

In summary, this policy requires grantee staff to survey all political subdivisions in the Transitional Grant Area (TGA) regarding the total non-federal general fund expenditures made by each agency toward HIV related services. This process entailed a written request for the total annual expenditures and back up documentation detailing the expenditures. This information is compiled to create the total maintenance of effort for all political subdivisions in the TGA. This figure is a requirement in the federal application for Ryan White funding, and is submitted with the application submission.

The grantee staff continued for the next fiscal year to follow the above identified policy regarding the identification of TGA maintenance of effort for the FY09 grant application. This policy resulted in audit finding 08-6 in the FY08-09 audit. In response to this audit finding, management responded via corrective action that all policies related to maintenance of effort, based on HRSA guidance were followed, but that an inherent structural flaw existed in the federal requirements (reference management response to finding 08-6). In summary, the Clark County Department of Social Service (the designated grantee) and Clark County proper (the official responsible funding recipient) lacks the legal authority to "force" other political jurisdictions in the TGA to maintain their maintenance of effort levels. Additionally, the grantee and the funds recipient are dependent on client demand related to its own maintenance of effort. This structural flaw is identified by HRSA (reference 2005 HRSA/HAB report, "Examination of Fiscal Management and the Allocation of CARE Act Resources).

Acknowledging this structural flaw, HRSA/HAB issued revised Maintenance of Effort guidelines for its Part A grantees (reference e-mail dated 8-31-09) to use for the FY2010 grant application. In summary, the guidance directs grantees to track and monitor maintenance of effort levels based on specific, grantee selected service categories. The grantee adhered to this guidance for the application submission and will

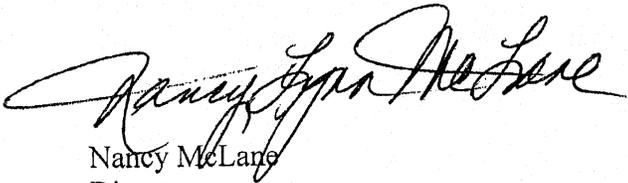
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VIRGINIA VALENTINE, P.E., County Manager

Update for Finding 08-6, cont'd

be required to submit hard financial data at some HRSA/HAB determined point in time during the FY2010 grant year. It is yet to be determined whether the HRSA/HAB guidance will revise or impact the maintenance of effort requirement cited in OMB Circular A-133 Compliance Supplemental. If the revised HRSA/HAB guidelines do result in a revision to the above identified OMB requirement, the County will be in full compliance with said requirement. If the revised guidance does not substantively impact the OMB requirement, we will again face the structural flaw inherent in the Maintenance of Effort requirement.

Please do not hesitate to contact me if you have any questions related to this correspondence.

Sincerely,

A handwritten signature in cursive script, appearing to read "Nancy McLane".

Nancy McLane
Director

