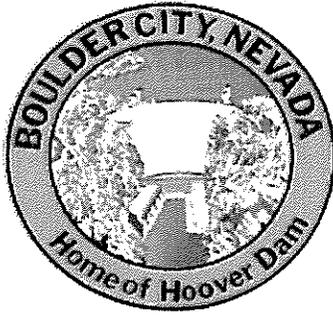


City of Boulder City Nevada



**Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2007**



City of Boulder City Nevada



Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2007

**Prepared by
Finance Department**

**Timothy T. Inch
Finance Director**

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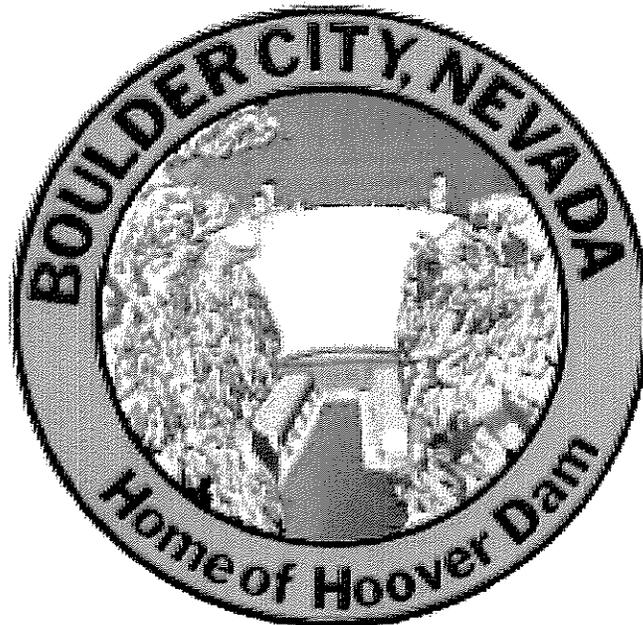
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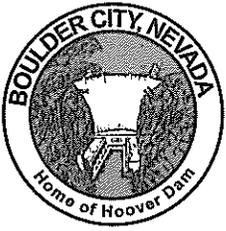
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Introductory Section





City of Boulder City
401 CALIFORNIA AVENUE
BOULDER CITY, NEVADA 89005
Mailing Address
P.O. BOX 61350
BOULDER CITY, NEVADA 89006-1350

December 31, 2007

To the City Council and the Citizens of the City of Boulder City, Nevada:

Nevada Revised Statutes (NRS) 354.624 requires the City of Boulder City (the City) to submit a "complete set" of financial statements prepared in accordance with accounting principles generally accepted in the United States and audited by a firm of independent certified public accountants in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, the comprehensive annual financial report for the City as of and for the year ended June 30, 2007, is hereby submitted.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed, among other things, both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States. Because the cost of internal controls should not outweigh the benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the City's financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this comprehensive annual financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Stewart, Archibald and Barney, Certified Public Accountants & Business Advisors. The goal of the independent audit was to provide reasonable assurance that the City's basic financial statements as of and for the year ended June 30, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's basic financial statements as of and for the year ended June 30, 2007, are fairly presented in conformity with accounting principles generally accepted in the United States. The Independent Auditors' Report on Financial Statements and Supplementary Information is presented as the first component of the financial section of this report. In addition, the Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* is presented as the last component of the financial section of this report.

The independent audit, of the City's basic financial statements, was also designed to meet the more narrowly focused, federally mandated "Single Audit" requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with regulatory and other legal requirements, with special emphasis on the administration of federal awards. This report is presented as the first component in the Single Audit and accompanying information section of this report.

Generally Accepted Accounting Principals (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditors' Report on Financial Statements and Supplementary Information in the financial section of this report.

The CAFR is divided into four sections: Introductory, Financial, Statistical and Single Audit. The introductory section, which is unaudited, includes this letter of transmittal, which provides a brief overview of the operations of the City and an organizational chart of the City. The financial section includes the independent certified public accountants' report, management's discussion and analysis, government-wide financial statements, more detailed fund statements and schedules and other supplementary financial data. The statistical section, which is unaudited, includes selected financial and general information, much of which is presented on a multi-year basis. This report includes all funds of the City of Boulder City.

Profile of the City

The City of Boulder City, Nevada is located in southeastern Clark County and is best known as the City created for the construction of Hoover Dam (the Dam). Boulder City housed over 4,000 workers during the construction of the Dam, which lasted from 1931 to 1935. One thousand, five hundred permanent and temporary buildings were built to accommodate the needs of the construction workers, including over a thousand homes, a dozen dormitories, four churches, tourist centers, trade facilities, a grade school, theater, and recreation hall. Once the Dam was completed, the City became headquarters for several governmental agencies involved in the Dam's water and power operations. The City was supervised and regulated by the Bureau of Reclamation and all land in and around the City was owned by the Bureau of Land Management. Through the 1940s, the City's development centered on government related activities and additional governmental agencies began operations in the City, including the power operators responsible for distribution of the Dam's electricity.

In 1958, the United States Government passed the Boulder City Act (the Act), which established the City as an independent municipal government. Under the Act, the United States Government turned over the existing town site (approximately 33 square miles) and utility system to City residents. The City was incorporated on January 4, 1960 and the City Charter was adopted. The City Charter prohibits gaming, which makes the City unique as the only place in the State of Nevada (the State) where gaming is illegal. In 1979, City residents approved a referendum and instituted a controlled growth ordinance. This controlled growth ordinance was enacted in response to the rapid growth of the City and to preserve the utility systems. Under this ordinance, the City limits the number of building permits issued each year to control the rate of community growth and as a result, the City realizes approximately 3% community growth per year. In 1995, the City acquired the Eldorado Transfer Area (approximately 167 square miles) southwest of the original City town site. The City intends to preserve this area for an endangered species preservation area and other recreational purposes with the exception of 3,000 acres, which will be used for electric power generation projects. In 1997, the City residents approved a ballot question, which provided that City owned property sales in excess of one acre be approved by City residents and the proceeds be restricted to voter approved capital improvement projects.

The City's present population of 15,863 offers a quiet, small town atmosphere. The City prides itself on its low crime rate and high quality police and fire protection, and recreational facilities, which include a year-round swimming pool and recreation complexes that offer City residents a full range of recreational activities.

The City has a Council-Manager form of government. The entire legislative authority is vested in a five-member City Council (the Council). The Council members are elected to serve four-year terms. The presiding officer of the Council is the Mayor. All powers of the City, including the ability to levy a property tax on both real and personal property located within City boundaries, and the determination of all matters of policy are vested in the Council. The Council appoints the City's Clerk, Attorney and Manager, and Municipal Judge. The City Manager is responsible for carrying out the policies and procedures of the City Council, and for overseeing the day-to-day operations of the City. The City provides a full range of services, including police and fire protection; construction and maintenance of highways, streets and other infrastructure; recreational activities and cultural events; and utility (electric, water and sewer) services.

The City adopts annual budgets for all governmental and proprietary fund types, which serves as the foundation for the City's financial planning and control. Each year, prior to April 15, the City Manager submits a tentative budget for the next fiscal year, commencing on July 1, to the Council. Public hearings are conducted to obtain comments from and address concerns of City residents. The Council adopts the budget on or before June 1. The Nevada

Revised Statutes require budget controls to be exercised at the function level. The City Manager is authorized to transfer budget amounts between functions within a fund. However, the Council's approval is required for all budget augmentations and transfers between funds. In preparing fiscal year 2007 budget, the Council identified several continuing programs to meet citizens' needs including continued improvements to City parks and recreation areas, continuing conformance with the Americans with Disabilities Act, street reconstruction, public transportation, recycling, and attracting new clean industry to provide jobs for City residents. Revenue growth recommendations included new land lease arrangements for a Solargenix solar power plant in the Energy Zone, a new 50 acre Motocross Track facility, and negotiations continue with the Copper Mountain Power plant.

Factors Affecting Financial Condition

Local economy. Tourism plays an important part in the City's economy. The City's proximity to Hoover Dam and the Lake Mead National Recreation Area offering a full range of water related recreational activities attracts visitors from the Southwestern United States and throughout the world.

The July 2007, population estimate for Clark County (the County) is 1,954,319 compared to the State's population of more than 2.6 million. The County is among the fastest growing areas in the United States with an estimated 5,000 new residents moving to the County each month. With a population of 1.95 million, the County is the most populous of Nevada's 17 counties, and its population grew by 4.2% in the last fiscal year. The City's rate of growth is expected to continue at less than 2 percent per year as set out in the City's controlled growth ordinance.

Long-term planning. The City is confronted by the ongoing challenges presented by its uniqueness as the only non-gaming area in the State and its controlled growth ordinance. The City has a wide range of capital improvement projects budgeted in excess of \$2.2 million dollars that include design of a parking and picnic area at Veterans Memorial Park, street resurfacing improvements, vehicle/equipment replacement, building/facilities repairs/maintenance and expansion of the solar powered LED ramp and taxiway edge lighting systems at the Boulder City Municipal Airport. A recently completed project was the construction of a new animal shelter at a cost of \$1.4 million dollars.

Future issues requiring management's attention include the adjustments at the landfill to extend its current life, sewer line collection improvements and the City's cost-sharing participation with other members of the Southern Nevada Water Authority (SNWA) for the construction of a 3rd water intake facility at Lake Mead currently estimated to cost around \$1 billion. This intake is necessary to address water resource issues that have arisen from the long-term drought that has reduced the lake level by over 100 feet during the last several years. The City's expected share of this project is estimated to be between \$18-25 million.

Cash management. The City pursues a conservative cash management program by expediting the receipt of revenues and prudently investing available cash in obligations issued by the United States Government. The City's bank account balances are either insured by the Federal Deposit Insurance Corporation or collateralized by the depository.

Debt management. The necessity to incur debt, in order to finance capital programs, carries with it the obligation to manage the City's debt program effectively and entails careful monitoring of such issuances to ensure that an erosion of the City's credit quality does not result.

Risk management. The City is a participating member of the Nevada Public Agency Insurance Pool (the Pool). The Pool was created through an inter-local cooperative agreement. In addition, the City also carries Airport Liability Insurance Products - Completed Operations insurance and is a member of the Public Agency Compensation Trust (PACT). Additional information on the City's risk management activities can be found in note 4 to the basic financial statements.

Pension and other post retirement benefits. The City's employees are covered by the State's Public Employees' Retirement System (PERS). All public employees who meet certain eligibility requirements participate in PERS, which is a cost sharing, multiple-employer defined benefit retirement plan.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its fiscal 2006 Comprehensive Annual Financial Report (CAFR). This was the 17th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements

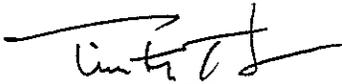
A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the program's requirements and we are submitting it to GFOA to determine its eligibility for award of a certificate.

In addition, the GFOA presented a Distinguished Budget Presentation Award to the City for the fiscal year beginning July 1, 2006. This was the fifth consecutive year that the City received this award. The GFOA awards a Distinguished Budget Presentation Award to government units that publish a budget document, which conforms to program standards as a policy document, operations guide, financial plan and a communications device.

Preparation of this could not have been accomplished without the professional, efficient and dedicated efforts of the entire staff of the Finance Department, the department heads and other employees who contributed to its preparation, and our independent audit firm of Stewart, Archibald and Barney, Certified Public Accountants & Business Advisors. Each of them has our sincerest thanks.

In closing, appreciation is extended to the Mayor, City Council and City Manager for the encouragement, assistance and stewardship they have provided. It is a distinct pleasure to be associated with these individuals who appreciate and respect the principles of financial and budgetary responsibility that prevail in the City of Boulder City.

Respectfully submitted,



Timothy T Inch
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Boulder City
Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**CITY OF BOULDER CITY, NEVADA
PRINCIPAL OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

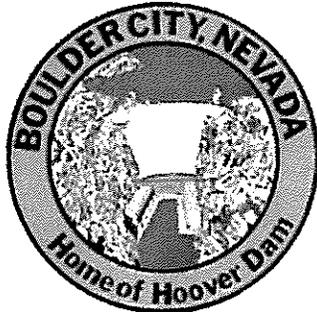
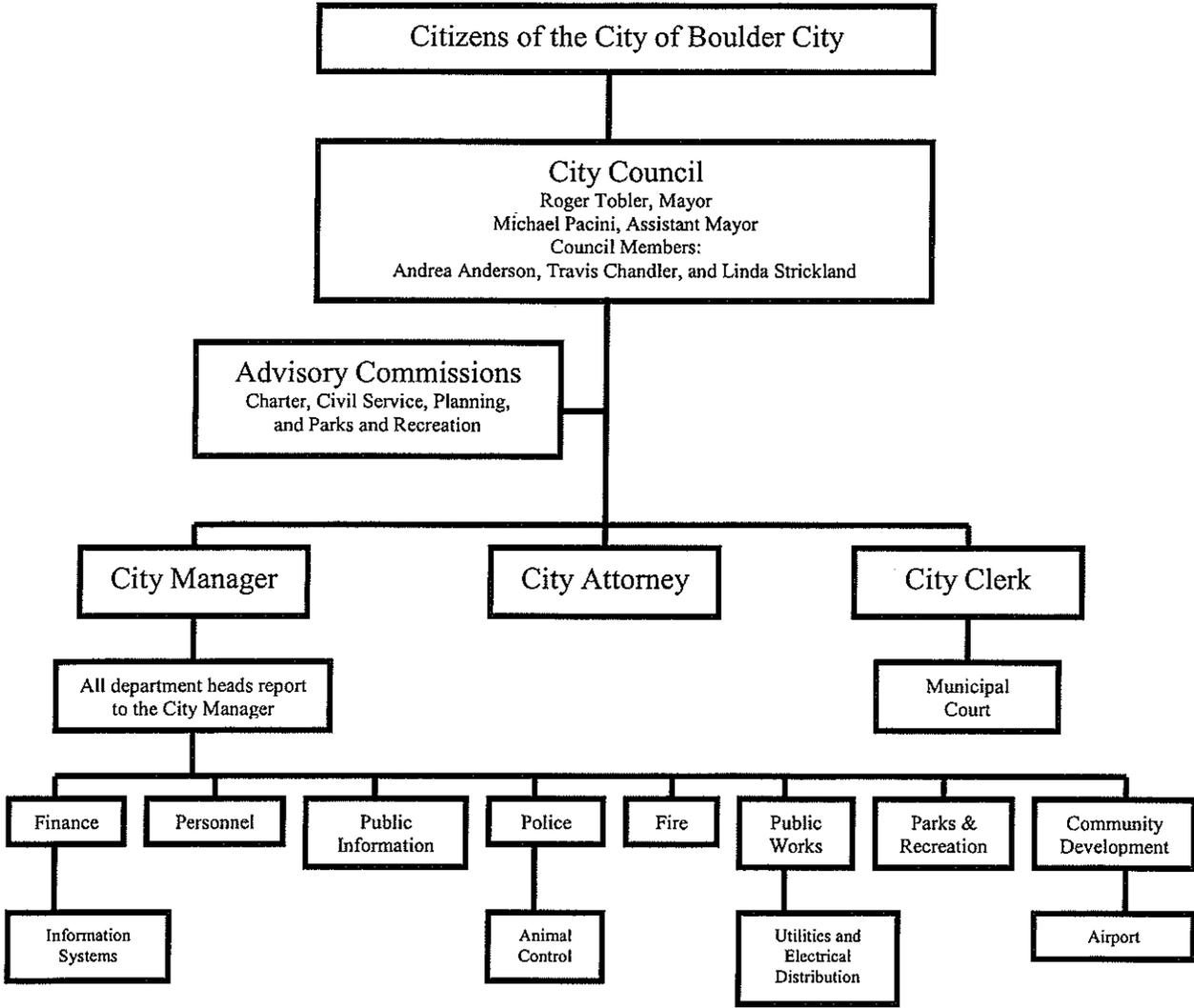
Mayor and City Council

Roger Tobler	Mayor
Michael Pacini	Assistant Mayor
Andrea Anderson	Councilwoman
Travis Chandler	Councilman
Linda Strickland	Councilwoman

City Officials

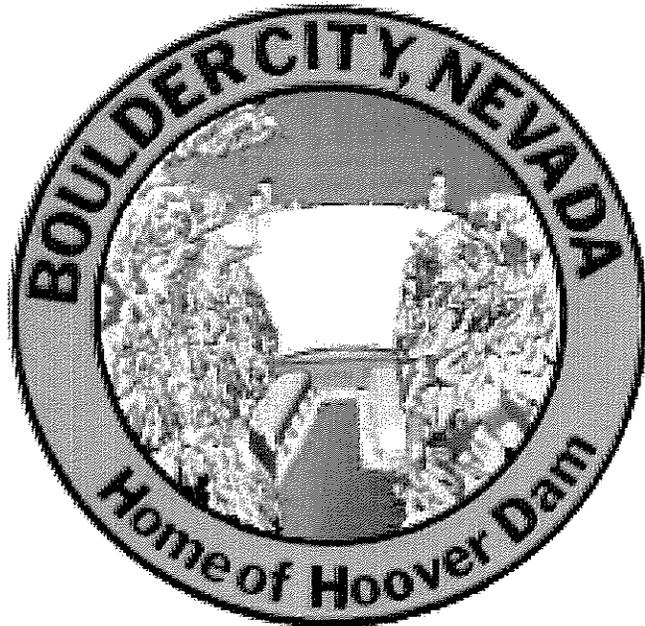
Vicki G. Mayes	City Manager
Pamella A. Malmstrom	City Clerk
David R. Olsen	City Attorney
Timothy T. Inch	Finance Director

**CITY OF BOULDER CITY, NEVADA
 ORGANIZATIONAL CHART
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**



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Financial Section





STEWART
ARCHIBALD
& BARNEY, LLP

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor,
Members of the City Council and
City Manager of the
City of Boulder City, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder City, Nevada, (the City), as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 the 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder City, Nevada, as of June 30, 2007, and the respective changes in financial position, and, where applicable, cash flows 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 4, 2007, on our consideration of the City's internal control over financial reporting and on 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.

Acuity Financial Center
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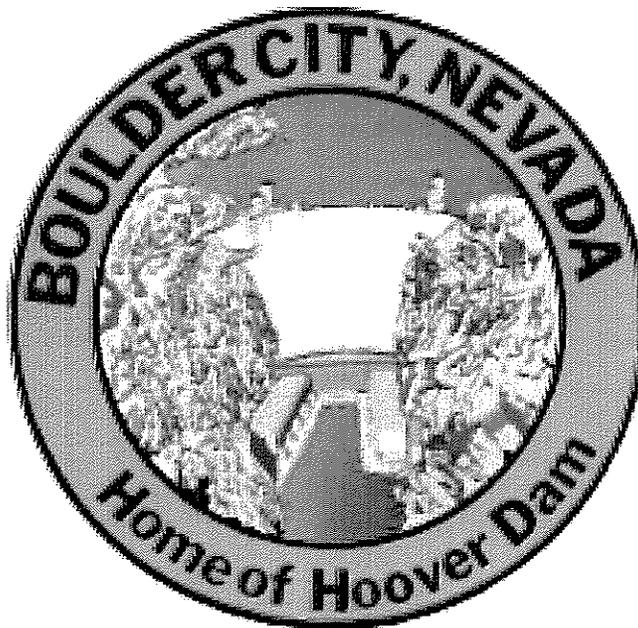
The management's discussion and analysis and budgetary comparison information on pages 3 through 14 and 53 and 65, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedule of business license fees, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 the City. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, schedule of business license fees and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Stewart, Archibald & Barney, LLP

Las Vegas, Nevada
December 4, 2007

Management's Discussion and Analysis



**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

As management of the City of Boulder City (the City), we offer readers of the financial report this narrative overview and analysis of the financial activities of the City as of and for the fiscal year ended June 30, 2007.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$115,159,229. Of this amount, \$9,754,919 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by 8% (\$9,131,844) primarily due to improvements to the new wastewater facility, new animal control shelter, and parks and recreation.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,962,307, an increase of 20% (\$1,847,261) in comparison with the prior year. Approximately 54% of this total amount, \$5,909,105, is available for spending at the City's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$5,056,249, 26% of total general fund expenditures.
- The City's total liabilities increased by .6% (\$337,245) during the current fiscal year, primarily due to normal fluctuation in day to day operations.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of the City'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 City is improving or deteriorating.

The statement of activities presents information showing how the City'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 leave).

Both of the government-wide financial statements distinguish functions of the City, which are principally supported by property 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 City include general government, judicial, public safety, public works, culture and recreation, and community support. The business-type activities of the City include utility, golf course, aviation and cemetery enterprise funds.

The government-wide financial statements can be found on pages 15 - 17 of this report.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

Fund financial statements. A fund is a grouping of related accounts that is used to maintain accounting control over resources that have been segregated for specific activities or objectives. The City, 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 City 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, fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at fiscal year end. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of fund financial statements 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 City's near-term financing decisions. Both the balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 12 governmental funds. Information is presented separately in the balance sheet and in the statement of revenues, expenditures, and changes in fund balances for the general, capital improvements, and capital (special) projects funds, all of which are considered to be major funds. Data from the remaining nine non-major governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided, in the form of combining and individual fund statements and schedules, elsewhere in this report.

The basic governmental fund financial statements can be found on pages 19 - 22 of this report.

Proprietary funds. The City maintains four enterprise funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility, golf course, aviation and cemetery funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility and golf course operations both of which are considered to be major funds of the City. The aviation and cemetery funds are combined in a single non-major funds column with individual fund data provided elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 23 - 27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 29 of this report.

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

The notes to the basic financial statements can be found on pages 31 - 49 of this report.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain other required supplementary information. The City adopts annual appropriated budgets for its general fund and capital improvements fund. Budgetary comparison statements have been provided for these funds to demonstrate the City's compliance with these budgets.

The other required supplementary information can be found on pages 53 - 65 of this report.

The combining and individual fund statements and schedules referred to earlier in connection with the non-major governmental and proprietary funds are presented immediately following the required supplementary information.

The combining and individual fund statements and schedules can be found on pages 69 - 105 of this report.

Government-wide Financial Analysis

As noted above, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$115,159,229, at the close of the most recent fiscal year.

By far, the largest portion (88%) of the City's net assets is its investment in capital assets (land, buildings, improvements other than buildings, machinery, equipment and furniture, utility delivery systems, and infrastructure), less any related debt used to acquire these assets, which are used to provide services to citizens; consequently, these assets are not available for future spending. Nevertheless 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 these liabilities.

	City of Boulder City, Nevada					
	Net Assets					
	Governmental activities		Business-type activities		Totals	
	2007	2006	2007	2006	2007	2006
Assets						
Capital assets	\$65,055,097	\$62,083,541	\$82,273,701	\$79,225,691	\$147,328,798	\$141,309,232
Other assets	14,304,908	13,067,909	7,628,136	6,090,102	21,933,044	19,158,011
	<u>\$79,360,005</u>	<u>\$75,151,450</u>	<u>\$89,901,837</u>	<u>\$85,315,793</u>	<u>\$169,261,842</u>	<u>\$160,467,243</u>
Liabilities						
Long-term liabilities outstanding	\$ 1,971,803	\$ 2,506,283	\$43,431,535	\$47,043,693	\$ 45,403,338	\$ 49,549,976
Other liabilities	3,045,412	1,741,640	5,653,863	3,148,242	8,699,275	4,889,882
	<u>5,017,215</u>	<u>4,247,923</u>	<u>49,085,398</u>	<u>50,191,935</u>	<u>54,102,613</u>	<u>54,439,858</u>
Net assets						
Invested in capital assets, net of related debt	64,926,313	61,889,580	38,529,468	34,655,892	103,455,781	96,545,472
Restricted	667,937	492,700	1,280,592	408,607	1,948,529	901,307
Unrestricted	8,748,540	8,521,247	1,006,379	59,359	9,754,919	8,580,606
	<u>\$74,342,790</u>	<u>\$70,903,527</u>	<u>\$40,816,439</u>	<u>\$35,123,858</u>	<u>\$115,159,229</u>	<u>\$106,027,385</u>

Financial indicators and ratios

The following financial indicators and ratios can be used to assist the reader in assessing the financial strength of the City of Boulder City. When used in conjunction with other financial information contained in this report, the City's financial strength becomes apparent.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

Working Capital – is the difference between current assets and current liabilities. Sources of working capital are income from operating activities, sale of non-current assets or the issuance of long-term debt. Uses of working capital include losses from operating activities, purchase of non-current assets or retirement of long-term debt. The working capital of the City of Boulder City is \$13,772,288, which consists of \$11,259,496 from governmental activities and \$2,512,792, from business-type activities. Working capital increased by \$3,195,556 for the fiscal year ended June 30, 2007.

Current Ratio – is the ratio of total current assets to current liabilities. This ratio is an indicator of the City's ability to meet its short-term obligations, and is expressed as coverage of so many dollars of current assets/current liabilities. The City of Boulder City's current ratio is 3.11 on a city-wide basis, 4.70 for governmental activities and 1.72 for business-type activities. More simply stated the City has \$3.11 of current assets for each \$1.00 of current liabilities on a City-wide basis. The City-wide current ratio increased by \$.68 due to the implementation of cost saving measures and utility bill increases to cover costs.

Acid Test or Quick Ratio – relates total current liabilities to cash, marketable securities and accounts receivable: "quick assets". This is an additional short-term liquidity measure providing an additional comparison with the current ratio. This is also expressed on a coverage basis. The City of Boulder City's quick ratio 3.09 on a city-wide basis, 4.69 for governmental activities and 1.69 for business-type activities. Or, more simply stated the City has \$3.09 of "quick" assets for each \$1.00 of current liabilities on a city-wide basis. The City-wide quick ratio increased by \$.68 during FY 2007.

Days Cash and Investments in Reserve – represents the number of days that normal operations of the City of Boulder City could continue with no revenue collections. The results of this ratio indicate that the City of Boulder City could operate 85 days on a city-wide basis, 142 days for governmental activities and 23 days for business-type activities. Days cash increased by 9 days in FY 2007.

Total Liabilities to Net Assets – this ratio, expressed as a percentage, compares the total obligations (liabilities) of the City of Boulder City to current equity (net assets). It represents the extent to which borrowing has been used to finance short-term operations. Total liabilities to net assets for the City of Boulder City is 47% on a city-wide basis, 7% for governmental activities and 120% for business-type activities. This ratio decreased by 4 percent during FY 2007 due to paying off a portion of existing debt without incurring new debt.

Total Liabilities to Total Assets – this ratio compares the total obligations of the City of Boulder City to total assets. It is an indicator of the level of borrowing that has been used to finance operations of the City on a long-term basis. Total liabilities to total assets for the City of Boulder City is 32% on a city-wide basis, 6% for governmental activities and 55% for business-type activities. This ratio decreased by 2 percent from the previous fiscal year.

Non-current Liabilities to Total Assets – this ratio compares the long-term debt of the City of Boulder City to total assets. It is another indicator of the long-term financial strength of the City. Non-current liabilities to total assets for the City of Boulder City is 28% on a city-wide basis, 3% of governmental activities and 51% for business-type activities. This ratio decreased by 1% from the previous fiscal year.

Days Receivable – represents the number of days on average it took to collect accounts receivable. This number demonstrates the extent to which current operations are impacted by the collection of accounts receivable. This ratio is provided only for the business-type activities of the City of Boulder City, which consists primarily of utility accounts. Days receivable for business-type activities is 55 days for the City of Boulder City. It decreased by 3 days from the previous fiscal year.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

Governmental activities.

The balance of unrestricted net assets (\$8,748,540) may be used to meet the governmental activities' ongoing obligations. At the current and prior fiscal year ends, the governmental activities had positive balances in all categories of net assets. Net assets increased by \$3,439,263. Most of this increase is due to a new animal shelter, completion of work at Bootleg Canyon Park and miscellaneous park improvements.

Business-type activities.

An additional 1% of the business-type activities' net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$1,006,379) may be used to meet the business-type activities' ongoing obligations. At the current and prior fiscal year ends, the business-type activities had positive balances in all categories of net assets. Net assets increased by \$5,692,581 due to improvements to the wastewater treatment facility, airport improvements and an adjustment to golf course depreciation.

City of Boulder City, Nevada						
Changes in Net Assets						
	Governmental activities		Business-type activities		Totals	
	2007	2006	2007	2006	2007	2006
Revenues						
Program revenues						
Charges for services	\$ 4,600,171	\$ 5,141,856	\$22,883,562	\$19,407,960	\$ 27,483,733	\$ 24,549,816
Operating grants and contributions	904,827	236,303	-	-	904,827	236,303
Capital grants and contributions	3,613,833	3,870,697	3,027,880	99,639	6,641,713	3,970,336
General revenues						
Property taxes	3,304,333	2,872,966	-	-	3,304,333	2,872,966
Consolidated taxes	8,819,003	8,634,543	-	-	8,819,003	8,634,543
Other	4,474,174	4,679,757	965,406	883,733	5,439,580	5,563,490
	<u>25,716,341</u>	<u>25,436,122</u>	<u>26,876,848</u>	<u>20,391,332</u>	<u>52,593,189</u>	<u>45,827,454</u>
Expenses						
General government	4,428,713	3,841,233	-	-	4,428,713	3,841,233
Judicial	408,062	393,960	-	-	408,062	393,960
Public safety	9,258,610	7,138,480	-	-	9,258,610	7,138,480
Public works	3,827,770	4,784,449	-	-	3,827,770	4,784,449
Culture and recreation	4,425,713	5,270,092	-	-	4,425,713	5,270,092
Community support	944,422	742,570	-	-	944,422	742,570
Utility	-	-	17,070,177	18,782,189	17,070,177	18,782,189
Golf course	-	-	4,102,942	4,708,260	4,102,942	4,708,260
Other	-	-	362,906	453,929	362,906	453,929
	<u>23,293,290</u>	<u>22,170,784</u>	<u>21,536,025</u>	<u>23,944,378</u>	<u>44,829,315</u>	<u>46,115,162</u>
Changes in net assets before transfers	2,423,051	3,265,338	5,340,823	(3,553,046)	7,763,874	(287,708)
Transfers	<u>1,016,212</u>	<u>762,759</u>	<u>(1,016,212)</u>	<u>(762,759)</u>	-	-
Change in net assets	<u>3,439,263</u>	<u>4,028,097</u>	<u>4,324,611</u>	<u>(4,315,805)</u>	<u>7,763,874</u>	<u>(287,708)</u>
Net assets, beginning of year, as previously reported	70,903,527	66,875,430	35,123,858	39,439,663	106,027,385	106,315,093
Adjustments	-	-	1,367,970	-	1,367,970	-
Net assets, beginning of year, as restated	<u>70,903,527</u>	<u>66,875,430</u>	<u>36,491,828</u>	<u>39,439,663</u>	<u>107,395,355</u>	<u>106,315,093</u>
Net assets, end of year	<u>\$74,342,790</u>	<u>\$70,903,527</u>	<u>\$40,816,439</u>	<u>\$35,123,858</u>	<u>\$115,159,229</u>	<u>\$106,027,385</u>

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

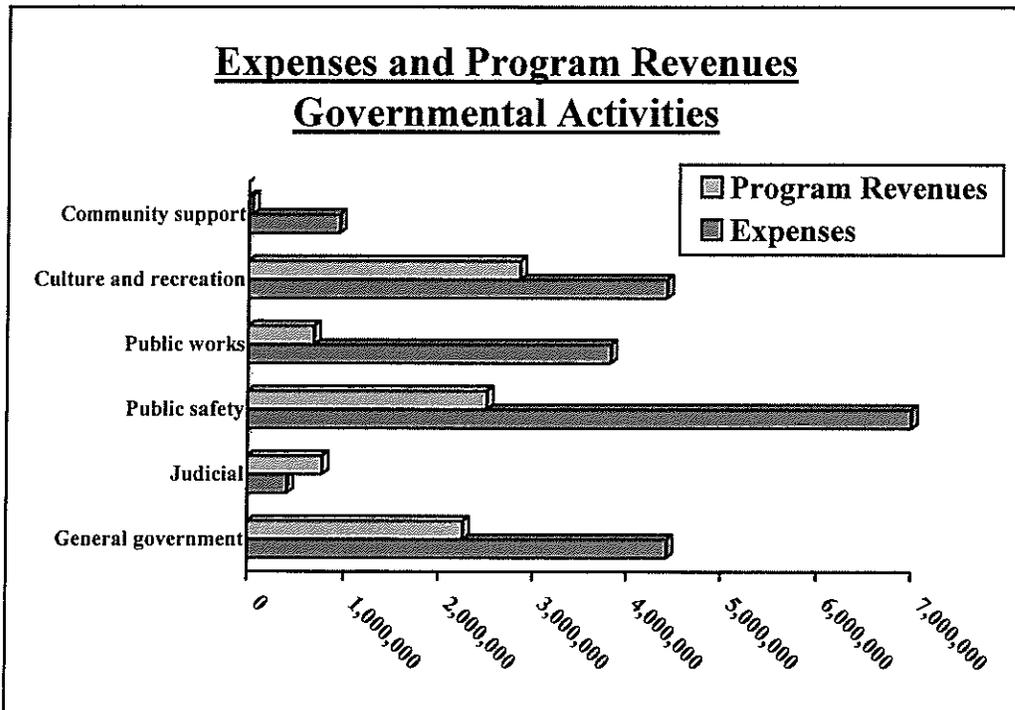
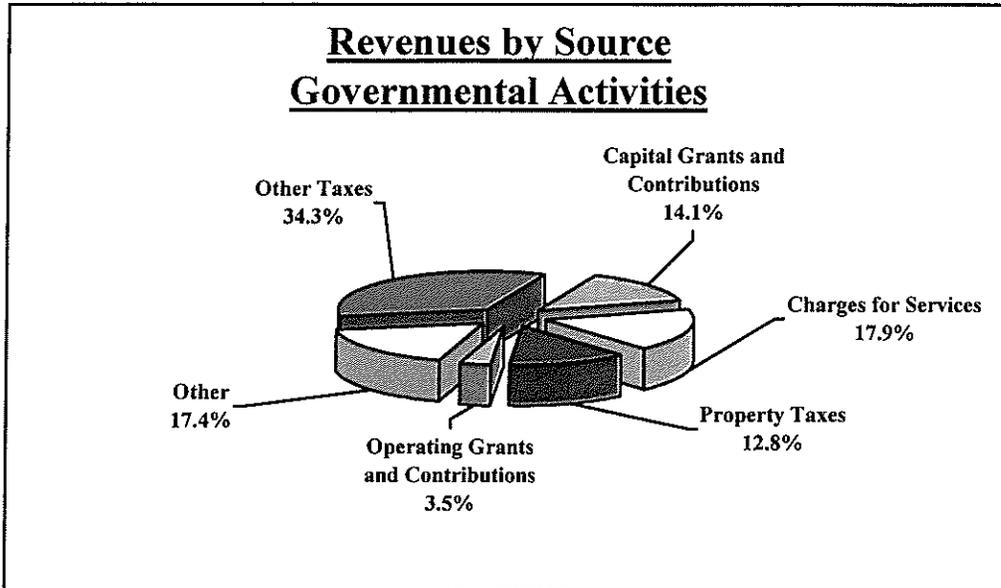
Governmental activities. Governmental activities increased the City's net assets by 5% (\$3,439,263). Key elements of this increase are as follows:

- Charges for services decreased by 11% (\$541,685) during the year. Most of this decrease is due to a change in revenue recognition at the municipal golf course. In the prior year, total revenues were included from the pro shop and food sales. In the current and future years, revenue includes revenue from golf rounds and the net portion from the pro shop and food sales.
- Operating grants and contributions increased by \$668,524 during the year while capital grants and contributions decreased by \$256,864. Most of the change in operating grants is due to normal variations in the types of grants received by the City. The decrease in capital grants is for the work at Bootleg Canyon Park and the completion of the Senior Center renovation.
- Property taxes increased 15% (\$431,367) due primarily to a full year of the new .25 cent sales tax for police officers, while consolidated taxes increased 2% (\$184,460). This increase is due primarily to a state-wide increase in sales tax.
- Expenses increased \$1,122,506. This change can be primarily attributed to increased public safety expenses due to the new officers hired and equipped with the new \$.25 sales tax.
- For the most part, increases in expenses closely paralleled inflation and growth in the demand for City services.

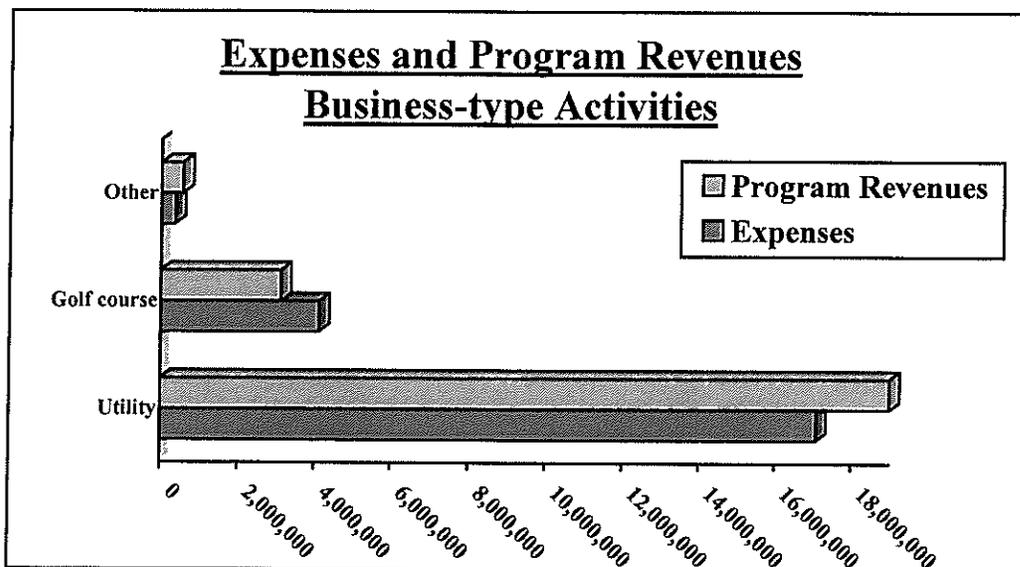
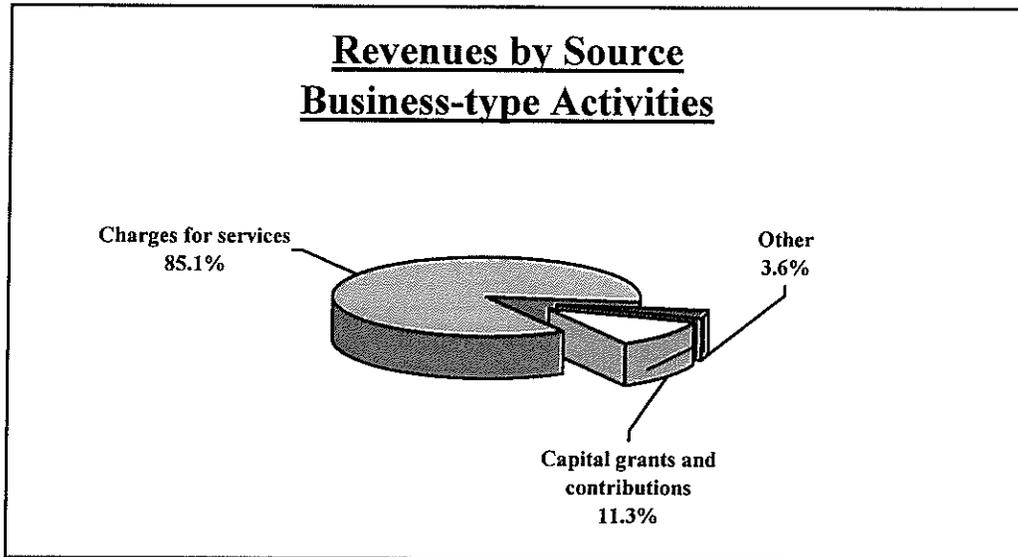
Business-type activities. Business-type activities increased the City's net assets by 16% (\$5,692,581). Key elements on this increase are as follows:

- Charges for services increased by 17% (\$3,475,602) during the year. Most of this increase is due to rate increases for electrical and water usage. Golf course revenue increased 23% (\$580,467) during the year with continued increase in play at Boulder Creek.
- Capital grants and contributions increased by \$2,928,241 during the year. This increase is due to the construction and completion of the Hemenway Wastewater Facility Phase II. There were also improvements to the airport runway apron.
- Other general revenues increased by \$81,673 during the year. All of this increase is due to the increase in the sales tax for water utility infrastructure.
- Utility operating expenses decreased by 9% (\$1,712,012) primarily due to a reduction in interest expense as a result of refinancing the water line debt and the decreased cost of electricity and water.
- Golf course operating expenses decreased by \$605,318, due primarily to an adjustment to the depreciation expense calculation.

CITY OF BOULDER CITY, NEVADA
 MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
 REQUIRED SUPPLEMENTARY INFORMATION



CITY OF BOULDER CITY, NEVADA
 MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
 REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

Financial Analysis of the City's Funds

As noted above, the City uses fund accounting to help ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,962,307 an increase of 20% (\$1,847,261), in comparison with the prior year. Approximately 53% of this total amount (\$5,909,105) constitutes unreserved fund balance, which is available for spending at the City's discretion.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance of the general fund was \$5,056,249. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unreserved fund balance represents 26% of total general fund expenditures.

The fund balance of the City's general fund increased by 11% (\$511,504), during the current fiscal year. The primary reason for the increase was normal fluctuation in day to day operations.

The capital improvement fund has a total fund balance of \$1,048,373 all of which is restricted for the acquisition or construction of future projects. The net decrease in fund balance during the current year in the capital improvement fund was 62% (\$1,778,251), in comparison with the prior year. The primary reason for the decrease was the transfer of funds to the capital (special) projects fund to pay for a voter approved animal shelter.

The capital (special) projects fund has a total fund balance of \$1,494,798. The net increase in fund balance during the current year in the capital (special) projects fund was 206% (2,908,817), in comparison with the prior year. The primary reason for the increase was the timing of various capital project completion dates during the year and reimbursement for work at Bootleg Canyon Park.

The aggregate non-major funds have a combined total fund balance of \$3,362,887 of which \$1,828,942 is restricted for redevelopment and improvement projects with the city, \$13,152 is restricted for the improvement of City owned land and \$667,937 is restricted for the hiring and equipping of additional police officers. The net increase in fund balance during the current year in the aggregate non-major funds was 6% (\$205,191), in comparison with the prior year. The primary reason for this change was normal fluctuation in day-to-day operations and an increase in redevelopment fund projects.

Proprietary funds. The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at June 30, 2007, amounted to \$9,853,334 for the utility fund, a deficit of \$9,607,444 for the golf course fund, and \$760,489 for the aggregate non-major funds.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

General Fund Budgetary Highlights

The final amended budget contained an increase in appropriated expenditures of 0.1% (\$250,000) compared to the original budget. The difference in the appropriated expenditure budget is due to the transfer of amounts from the Capital Improvement Fund for voter approved equipment improvements.

During the year, however, revenues were lower than the final budgetary estimate by 1% (\$130,960), and expenditures were less than the final budgetary estimate by 4% (\$801,182), primarily due to budgeted savings in public works personnel that had not been replaced during the current year. All functions were within appropriation authority. The actual revenues and expenditures resulted in the general fund balance increasing by 11% (\$511,504) over the final budgetary estimate.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets as of June 30, 2007, amounts to \$147,328,798 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery, equipment and furniture, utility delivery systems, and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was 4% (\$6,019,566), net of current year depreciation. Major capital asset events during the current fiscal year included the following:

- The cost of City buildings increased by 14% (\$1,656,530) over the prior fiscal year. The primary reason for the increase was the completion of the animal shelter and ongoing upgrades and improvements to various city buildings.
- Land increased by \$8,864,623 from the previous year due to a reclass from Boulder Creek Golf Club. Costs for earthwork and site preparation were originally included in improvements other than buildings.
- In fiscal year 2007, improvements other than buildings decreased by \$7,016,557 due to the reclass to land of \$8,864,623. This was partially offset by an increase of \$1,848,066 for final improvements at Bootleg Canyon Park and various landscape improvement projects within the City.
- Machinery, equipment and furniture additions were purchased at a cost of \$2,760,922, which consisted mostly of assets placed in service in public safety including the new CBRNE Response Vehicle for the fire department (\$572,000) and the 800 MHZ Radio System at the police department (\$1,600,000).
- City infrastructure, primarily street construction and improvement projects, was undertaken at a cost of \$428,453.
- Additions were made to the City's utility delivery systems in the amount of \$3,966,373 for improvements at the wastewater facility.
- Net depreciation expense for the fiscal year was \$4,640,778.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

Capital assets at year-end were as follows:

	City of Boulder City, Nevada Capital Assets (net of accumulated depreciation)	
	Year Ended June 30,	
	2007	2006
Land	\$ 29,400,513	\$ 20,535,890
Buildings	9,135,818	7,883,355
Improvements other than buildings	18,552,920	25,412,369
Machinery, equipment and furniture	6,092,990	4,037,391
Infrastructure	23,771,787	24,971,316
Utility delivery systems	60,374,770	58,468,911
	<u>\$ 147,328,798</u>	<u>\$ 141,309,232</u>

Additional information on the City's capital assets can be found in notes 1 and 3 to the City's basic financial statements on pages 36 and 40 - 41 of this report.

Long-term debt. At June 30, 2007, the City had total debt outstanding of \$43,873,017, of which \$42,760,000 is secured by specified revenue sources (revenue bonds), \$1,009,477 is secured by specific capital assets, and \$103,540 is backed only by the full faith and credit of the City.

	City of Boulder City, Nevada Outstanding Debt	
	2007	2006
General repayment obligations	\$ 103,540	\$ 33,827,253
Capital lease obligations	1,009,477	1,601,507
Revenue bonds	42,760,000	9,335,000
	<u>\$ 43,873,017</u>	<u>\$ 44,763,760</u>

State statutes limit the amount of general obligation debt the City may issue to 30% of its total assessed valuation. The current debt limitation for the City is \$210,268,705, which is significantly in excess of the City's outstanding general obligation debt.

Additional information on the City's long-term debt can be found in notes 1 and 3 to the City's basic financial statements on pages 37 and 44 - 45 of this report.

Economic Factors and Next Year's Budgets and Rates

- In 2005 the Nevada State Legislature passed a law to provide property tax relief to all citizens. Assembly Bill 489 was signed in law on April 6, 2005 and provides a partial abatement of taxes by applying a 3% cap on the increase in the tax bill for the owner's primary residence (single family house, townhouse, condominium or manufactured home.) Only one property may be selected in the State of Nevada as a primary residence. Some rental dwellings that meet the low-income rent limits may also qualify for a 3% cap on the tax bill. An 8% cap will also apply to vacant land, commercial buildings, business personal property, aircraft, etc. Property taxes revenue is approximately 5% of the overall revenue budget.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

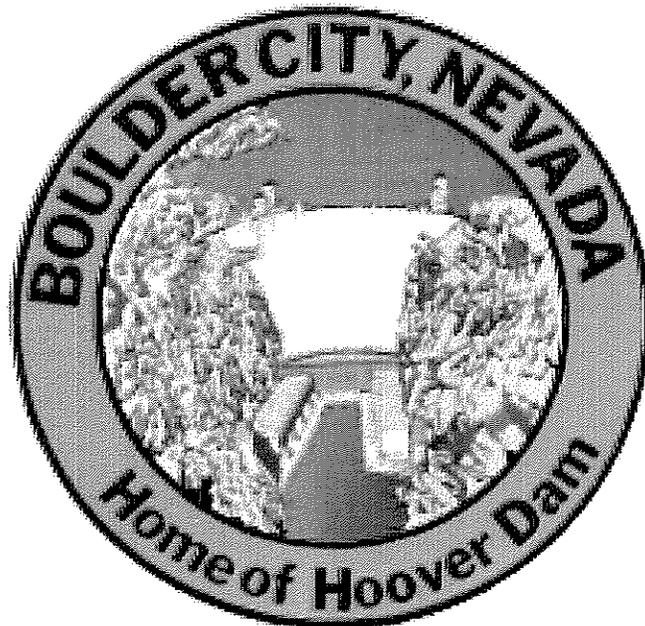
- The City will maintain the property tax rate in the City of Boulder City that is \$.2038 per \$100 in assessed valuation, one of the lowest in the state of Nevada.
- Sales taxes and public safety expenses will increase due to a voter approved sales tax increase to support the hiring of police officers. Fiscal year 2008 reflects a full year's effect of this increase.

All of these factors were considered in preparing the City's budget for the 2008 fiscal year.

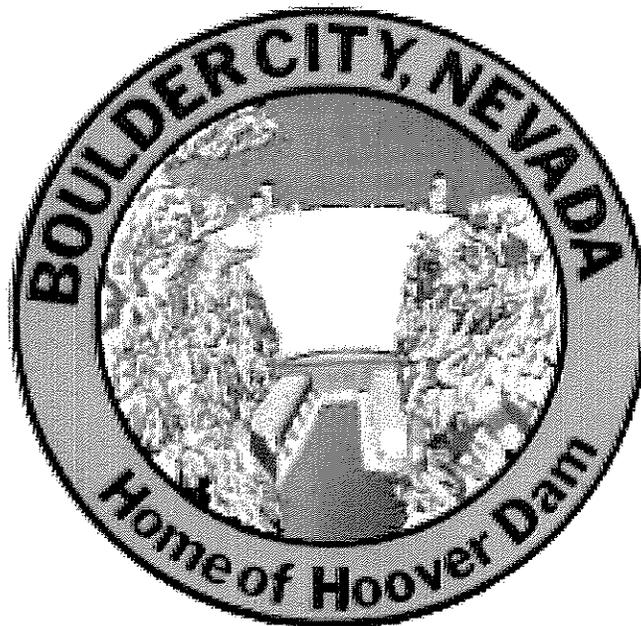
Requests for Information

The accompanying financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department, P.O. Box 61350, Boulder City, Nevada 89006-1350.

Basic Financial Statements



Government-Wide Financial Statements



CITY OF BOULDER CITY, NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2007

ASSETS	Governmental Activities	Business-Type Activities	Total
Cash, cash equivalents and investments	\$ 9,049,802	\$ 1,357,462	\$ 10,407,264
Receivables:			
Interest	55,211	10,610	65,821
Taxes	223,278	-	223,278
Accounts, net of allowances	541,294	3,456,749	3,998,043
Prepaid expenses	19,589	-	19,589
Due from other governments	4,415,734	1,038,184	5,453,918
Inventories	-	122,930	122,930
Restricted cash, cash equivalents and investments	-	1,293,773	1,293,773
Unamortized bond issuance costs	-	348,428	348,428
Capital assets:			
Land	19,929,515	9,470,998	29,400,513
Buildings	9,567,549	3,160,770	12,728,319
Improvements other than buildings	17,101,659	12,101,449	29,203,108
Machinery, equipment and furniture	10,884,123	8,105,314	18,989,437
Infrastructure	59,788,262	-	59,788,262
Utility delivery systems	-	84,720,892	84,720,892
Less accumulated depreciation	(52,216,011)	(35,285,722)	(87,501,733)
Total assets	79,360,005	89,901,837	169,261,842
LIABILITIES			
Accounts payable	1,202,386	1,361,576	2,563,962
Accrued expenses	342,300	71,055	413,355
Due to other governments	17,929	-	17,929
Customer deposits	-	301,450	301,450
Unearned revenue	1,007,749	-	1,007,749
Interest payable	-	681,043	681,043
Landfill closure and post-closure care	-	2,346,635	2,346,635
General long-term debt			
Due within one year	-	24,749	24,749
Due in more than one year	-	78,791	78,791
Bonds payable			
Unamortized deferred amount on bond refunding	-	(469,392)	(469,392)
Unamortized bond premium	-	303,477	303,477
Due within one year	-	130,000	130,000
Due in more than one year	-	42,630,000	42,630,000
Capital lease payable			
Due within one year	68,844	768,857	837,701
Due in more than one year	59,940	111,836	171,776
Compensated absences			
Current portion	406,204	134,413	540,617
Net of current portion	1,911,863	610,908	2,522,771
Total liabilities	5,017,215	49,085,398	54,102,613

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

CITY OF BOULDER CITY, NEVADA
STATEMENT OF NET ASSETS (CONTINUED)
JUNE 30, 2007

NET ASSETS	Governmental Activities	Business-Type Activities	Total
Invested in capital assets, net of related debt	64,926,313	38,529,468	103,455,781
Restricted for:			
Perpetual care	-	144,007	144,007
Landfill closure and post-closure care	-	835,135	835,135
Customer deposits	-	301,450	301,450
Additional police officers	667,937	-	667,937
Unrestricted	8,748,540	1,006,379	9,754,919
Total net assets	\$ 74,342,790	\$ 40,816,439	\$ 115,159,229

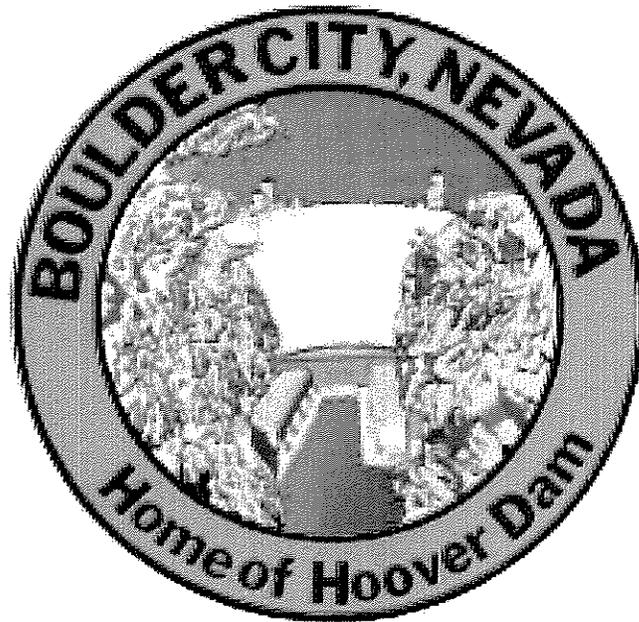
**CITY OF BOULDER CITY, NEVADA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2007**

Functions / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
General government	\$ 4,428,713	\$ 1,353,410	\$ 904,827	\$ -	\$ (2,170,476)	\$ -	\$ (2,170,476)
Judicial	408,062	776,780	-	-	368,718	-	368,718
Public safety	9,258,610	338,180	-	2,167,514	(6,752,916)	-	(6,752,916)
Public works	3,827,770	-	-	685,594	(3,142,176)	-	(3,142,176)
Culture and recreation	4,425,713	2,095,293	-	760,725	(1,569,695)	-	(1,569,695)
Community support	944,422	36,508	-	-	(907,914)	-	(907,914)
Total governmental activities	23,293,290	4,600,171	904,827	3,613,833	(14,174,459)	-	(14,174,459)
BUSINESS-TYPE ACTIVITIES:							
Utility	17,070,177	19,432,531	-	2,815,974	-	5,178,328	5,178,328
Golf course	4,102,942	3,102,583	-	-	-	(1,000,359)	(1,000,359)
Other	362,906	348,448	-	211,906	-	197,448	197,448
Total business-type activities	21,536,025	22,883,562	-	3,027,880	-	4,375,417	4,375,417
Total functions/programs	\$ 44,829,315	\$ 27,483,733	\$ 904,827	\$ 6,641,713	(14,174,459)	4,375,417	(9,799,042)
General Revenues:							
Property taxes					3,304,333	-	3,304,333
Intergovernmental (unrestricted)					8,819,003	-	8,819,003
Consolidated taxes					356,883	885,861	1,242,744
Other					4,117,291	79,545	4,196,836
Miscellaneous					1,016,212	(1,016,212)	-
Transfers					17,613,722	(50,806)	17,562,916
Total general revenues and transfers					3,439,263	4,324,611	7,763,874
Change in net assets					70,903,527	35,123,858	106,027,385
Net assets, beginning of year, as previously reported					-	1,367,970	1,367,970
Prior period adjustments					70,903,527	36,491,828	107,395,355
Net assets, beginning of year, as restated					\$ 74,342,790	\$ 40,816,439	\$ 115,159,229
Net assets, end of year							

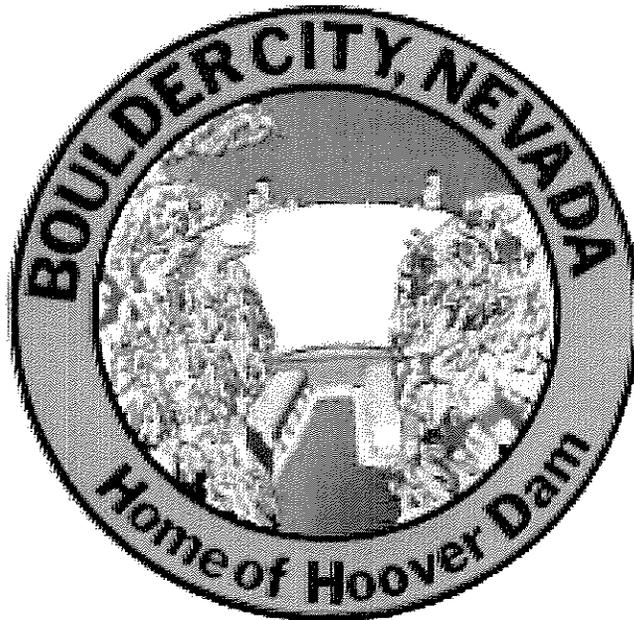
The accompanying notes are an integral part of these financial statements.

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Fund Financial Statements



Governmental Funds



**CITY OF BOULDER CITY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2007**

ASSETS	General Fund	Capital Improvement Fund	Capital (Special) Projects Fund	Non-Major Funds	Total
Cash, cash equivalents and investments	\$ 4,938,339	\$ 730,136	\$ -	\$ 3,381,327	\$ 9,049,802
Receivables					
Interest	26,171	19,015	3,072	6,953	55,211
Taxes	31,530	-	-	191,748	223,278
Accounts, net of allowances	504,265	37,029	-	-	541,294
Prepaid items	19,589	-	-	-	19,589
Due from other governments	1,544,376	-	2,871,358	-	4,415,734
Due from other funds	-	430,235	-	-	430,235
Total assets	\$ 7,064,270	\$ 1,216,415	\$ 2,874,430	\$ 3,580,028	\$ 14,735,143
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 611,397	\$ -	\$ 386,192	\$ 204,797	\$ 1,202,386
Accrued expenditures	327,739	-	2,217	12,344	342,300
Due to other governments	17,929	-	-	-	17,929
Due to other funds	-	-	430,235	-	430,235
Deferred revenue	839,707	168,042	560,988	-	1,568,737
Compensated absences	211,249	-	-	-	211,249
Total liabilities	2,008,021	168,042	1,379,632	217,141	3,772,836
Fund balances:					
Reserved for					
Future projects	-	1,048,373	1,494,798	1,842,094	4,385,265
Additional police officers	-	-	-	667,937	667,937
Unreserved, reported in:					
General fund	5,056,249	-	-	-	5,056,249
Special revenue funds	-	-	-	852,856	852,856
Total fund balances	5,056,249	1,048,373	1,494,798	3,362,887	10,962,307
Total liabilities and fund balances	\$ 7,064,270	\$ 1,216,415	\$ 2,874,430	\$ 3,580,028	\$ 14,735,143

**CITY OF BOULDER CITY, NEVADA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2007**

Fund balances \$ 10,962,307

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

Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds:

Capital assets	117,271,108	
Less accumulated depreciation	<u>(52,216,011)</u>	65,055,097

Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. Therefore they are on the accrual basis used in the government-wide statements:

560,988

Long-term liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds:

Capital leases	(128,784)	
Compensated absences	<u>(2,106,818)</u>	

Total net assets - governmental activities	<u>\$ 74,342,790</u>
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CITY OF BOULDER CITY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	General Fund	Capital Improvement Fund	Capital (Special) Projects Fund	Non-Major Funds	Total
Revenues					
Taxes	\$ 1,461,493	\$ -	\$ 236,382	\$ 1,606,458	\$ 3,304,333
Licenses and permits	1,240,755	-	-	-	1,240,755
Intergovernmental	9,040,189	-	3,981,742	-	13,021,931
Charges for services	2,582,636	-	-	-	2,582,636
Fines and fees	680,447	-	-	96,333	776,780
Miscellaneous	3,271,977	796,749	14,233	34,332	4,117,291
	<u>18,277,497</u>	<u>796,749</u>	<u>4,232,357</u>	<u>1,737,123</u>	<u>25,043,726</u>
Expenditures					
Current:					
General government	3,497,553	-	28,817	910,103	4,436,473
Judicial	378,836	-	-	39,396	418,232
Public safety	7,221,840	-	1,432,266	582,433	9,236,539
Public works	2,931,356	-	1,742,887	-	4,674,243
Culture and recreation	4,246,119	-	256,386	-	4,502,505
Community support	756,501	-	188,184	-	944,685
	<u>19,032,205</u>	<u>-</u>	<u>3,648,540</u>	<u>1,531,932</u>	<u>24,212,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(754,708)</u>	<u>796,749</u>	<u>583,817</u>	<u>205,191</u>	<u>831,049</u>
Other financing sources (uses)					
Transfers in	2,496,000	-	2,325,000	-	4,821,000
Transfers out	<u>(1,229,788)</u>	<u>(2,575,000)</u>	<u>-</u>	<u>-</u>	<u>(3,804,788)</u>
	<u>1,266,212</u>	<u>(2,575,000)</u>	<u>2,325,000</u>	<u>-</u>	<u>1,016,212</u>
Net change in fund balances	511,504	(1,778,251)	2,908,817	205,191	1,847,261
Fund balance , beginning of year	<u>4,544,745</u>	<u>2,826,624</u>	<u>(1,414,019)</u>	<u>3,157,696</u>	<u>9,115,046</u>
Fund balance , end of year	<u>\$ 5,056,249</u>	<u>\$ 1,048,373</u>	<u>\$ 1,494,798</u>	<u>\$ 3,362,887</u>	<u>\$ 10,962,307</u>

CITY OF BOULDER CITY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Net Change in Fund Balances - Governmental Funds **\$ 1,847,261**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is capitalized and depreciated over their estimated useful lives and donated assets are recorded as capital contributions:

Expenditures for capital assets	4,133,183	
Donated assets	2,166,884	
Less current year depreciation	<u>(3,265,141)</u>	
		3,034,926

Gains and losses from the sale or disposition of capital assets are not reported in the funds because they do not provide or use current financial resources, however, they are presented in the statement of activities: (63,370)

Expenses for compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds: 49,538

Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. Therefore they are on the accrual basis used in the government-wide statements:

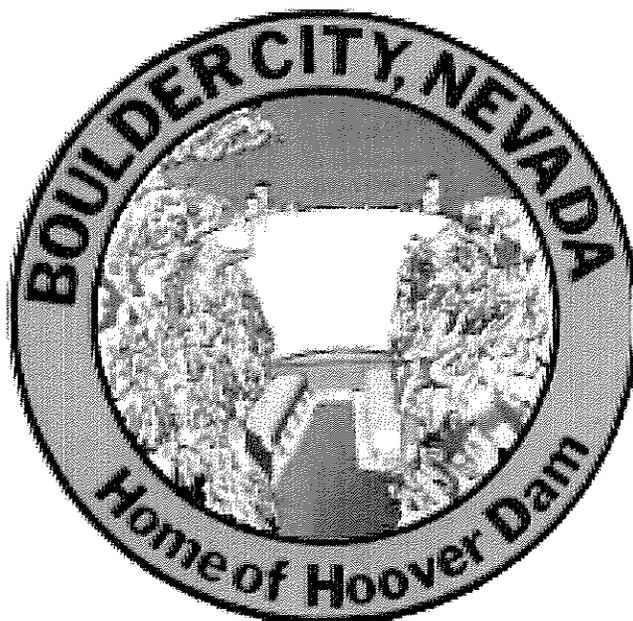
Current year	560,988	
Prior year	<u>(2,055,257)</u>	
		(1,494,269)

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds; however, this does not have an effect on net assets:

Principal retirements	<u>65,177</u>	
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Change in Net Assets - Governmental Activities **\$ 3,439,263**

Proprietary Funds



**CITY OF BOULDER CITY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2007**

ASSETS	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Current assets				
Cash, cash equivalents and investments	\$ 284,817	\$ 439,957	\$ 632,688	\$ 1,357,462
Receivables				
Interest	6,976	-	3,634	10,610
Accounts, net of allowances	3,363,843	92,906	-	3,456,749
Due from other funds	1,906,331	-	-	1,906,331
Due from other governments	726,639	-	311,545	1,038,184
Inventories	18,691	104,239	-	122,930
Total current assets	6,307,297	637,102	947,867	7,892,266
Noncurrent assets				
Advances to other funds	8,700,000	-	-	8,700,000
Restricted investments				
Customer deposits	301,450	13,181	-	314,631
Landfill closure and post-closure care	835,135	-	-	835,135
Perpetual care	-	-	144,007	144,007
Unamortized bond issuance costs	311,680	36,748	-	348,428
Property and equipment				
Land	28,615	8,864,623	577,760	9,470,998
Buildings	173,494	2,717,943	269,333	3,160,770
Improvements other than buildings	98,356	6,422,051	5,581,042	12,101,449
Machinery, equipment and furniture	5,473,564	2,439,106	192,644	8,105,314
Utility delivery systems	84,720,892	-	-	84,720,892
Less accumulated depreciation	(29,481,957)	(3,717,352)	(2,086,413)	(35,285,722)
Total noncurrent assets	71,161,229	16,776,300	4,678,373	92,615,902
Total assets	\$ 77,468,526	\$ 17,413,402	\$ 5,626,240	\$ 100,508,168

**CITY OF BOULDER CITY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS (CONTINUED)
 JUNE 30, 2007**

LIABILITIES AND NET ASSETS	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Current liabilities				
Accounts payable	\$ 1,060,894	\$ 113,304	\$ 187,378	\$ 1,361,576
Accrued expenses	71,055	-	-	71,055
Customer deposit	301,450	-	-	301,450
Due to other funds	-	1,906,331	-	1,906,331
Interest payable	636,811	44,232	-	681,043
Current portion of long-term debt	24,749	-	-	24,749
Current portion of bonds payable	-	130,000	-	130,000
Current portion of capital lease payable	-	768,857	-	768,857
Current portion of compensated absences	134,413	-	-	134,413
Total current liabilities	2,229,372	2,962,724	187,378	5,379,474
Noncurrent liabilities				
Landfill closure and post-closure care	2,346,635	-	-	2,346,635
Advances from other funds	-	8,700,000	-	8,700,000
General long-term debt, net of current portion	78,791	-	-	78,791
Unamortized deferred amount on bond refunding	-	(469,392)	-	(469,392)
Unamortized bond premium	303,477	-	-	303,477
Bonds payable, net of current portion	33,545,000	9,085,000	-	42,630,000
Capital lease payable, net of current portion	-	111,836	-	111,836
Compensated absences	610,908	-	-	610,908
Total noncurrent liabilities	36,884,811	17,427,444	-	54,312,255
Total liabilities	39,114,183	20,390,168	187,378	59,691,729
Net assets				
Invested in capital assets, net of related debt	27,364,424	6,630,678	4,534,366	38,529,468
Restricted for:				
Customer deposits	301,450	-	-	301,450
Landfill closure and post-closure care	835,135	-	-	835,135
Perpetual care	-	-	144,007	144,007
Unrestricted	9,853,334	(9,607,444)	760,489	1,006,379
Total net assets	38,354,343	(2,976,766)	5,438,862	40,816,439
Total liabilities and net assets	\$ 77,468,526	\$ 17,413,402	\$ 5,626,240	\$ 100,508,168

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

**CITY OF BOULDER CITY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Operating revenues	\$ 19,432,531	\$ 3,102,583	\$ 348,448	\$ 22,883,562
Operating expenses				
Salaries and wages	3,028,393	12,397	-	3,040,790
Supplies and services	10,424,802	2,859,682	172,063	13,456,547
Depreciation	2,288,161	814,068	190,843	3,293,072
	15,741,356	3,686,147	362,906	19,790,409
Operating income (loss)	3,691,175	(583,564)	(14,458)	3,093,153
Non-operating revenues (expenses)				
Interest income	59,742	-	24,021	83,763
Interest expense	(1,328,821)	(416,795)	-	(1,745,616)
1/4-cent sales tax (infrastructure)	885,861	-	-	885,861
Loss on disposition of assets	(4,218)	-	-	(4,218)
Grant revenue	2,775,279	-	211,906	2,987,185
	2,387,843	(416,795)	235,927	2,206,975
Income (loss) before contributions and transfers	6,079,018	(1,000,359)	221,469	5,300,128
Contributions and transfers				
Capital contributions	40,695	-	-	40,695
Transfers in	-	1,229,788	-	1,229,788
Transfers out	(2,200,000)	-	(46,000)	(2,246,000)
	(2,159,305)	1,229,788	(46,000)	(975,517)
Net change in net assets	3,919,713	229,429	175,469	4,324,611
Net assets				
Net assets, beginning of year, as previously reported	25,734,630	4,125,835	5,263,393	35,123,858
Prior period adjustments	8,700,000	(7,332,030)	-	1,367,970
Net assets, beginning of year, as restated	34,434,630	(3,206,195)	5,263,393	36,491,828
Net assets, end of year	\$ 38,354,343	\$ (2,976,766)	\$ 5,438,862	\$ 40,816,439

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

**CITY OF BOULDER CITY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Cash flows from operating activities				
Cash received from customers	\$ 18,454,364	\$ 3,096,265	\$ 348,448	\$ 21,899,077
Cash payments to suppliers for goods and services	(10,715,355)	(2,771,296)	(235,512)	(13,722,163)
Cash payments to employees	(3,074,723)	(12,397)	-	(3,087,120)
Net cash provided by operating activities	4,664,286	312,572	112,936	5,089,794
Cash flows from noncapital financing activities				
Transfers in	-	1,229,788	-	1,229,788
Transfers out	(2,200,000)	-	(46,000)	(2,246,000)
Net cash provided by (used in) noncapital financing activities	(2,200,000)	1,229,788	(46,000)	(1,016,212)
Cash flows from capital and related financing activities				
Acquisition of property and equipment	(4,133,389)	(76,590)	(544,059)	(4,754,038)
Principal payments on bonds, loans, and equipment leases	(33,723,712)	(824,878)	-	(34,548,590)
Interest payments on bonds, loans and equipment leases	(2,137,827)	(428,516)	-	(2,566,343)
Proceeds from capital debt	33,854,707	-	-	33,854,707
Proceeds from operating and capital grant contributions from federal government	3,661,140	-	211,906	3,873,046
Net cash used in capital and related financing activities	(2,479,081)	(1,329,984)	(332,153)	(4,141,218)
Cash flows from investing activities				
Investment purchases	(429,401)	-	-	(429,401)
Proceeds from sale or redemption of investments	451,597	-	-	451,597
Interest on investments	58,560	-	23,864	82,424
Net cash provided by investing activities	80,756	-	23,864	104,620
Net increase (decrease) in cash and cash equivalents	65,961	212,376	(241,353)	36,984
Cash and cash equivalents, beginning of year	1,355,441	240,762	1,018,048	2,614,251
Cash and cash equivalents, end of year	\$ 1,421,402	\$ 453,138	\$ 776,695	\$ 2,651,235

**CITY OF BOULDER CITY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (CONTINUED)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 3,691,175	\$ (583,564)	\$ (14,458)	\$ 3,093,153
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	2,288,161	843,119	190,843	3,322,123
Landfill closure and post-closure care	168,155	-	-	168,155
Increase in (assets) and liabilities				
Receivables	(978,167)	355	(211,906)	(1,189,718)
Due from other funds	-	-	-	-
Bond issuance costs	(311,680)	2,110	-	(309,570)
Prepaid expenses	-	-	-	-
Inventories	15,022	(15,444)	-	(422)
Accounts payable	(162,050)	72,669	148,457	59,076
Accrued expenses	106	-	-	106
Customer deposits	(34,825)	(6,673)	-	(41,498)
Deposits payable	34,825	-	-	34,825
Due to other funds	-	-	-	-
Compensated absences	(46,436)	-	-	(46,436)
Net cash provided by operating activities	\$ 4,664,286	\$ 312,572	\$ 112,936	\$ 5,089,794

Supplemental schedule of noncash financing activities:

Utility Fund:

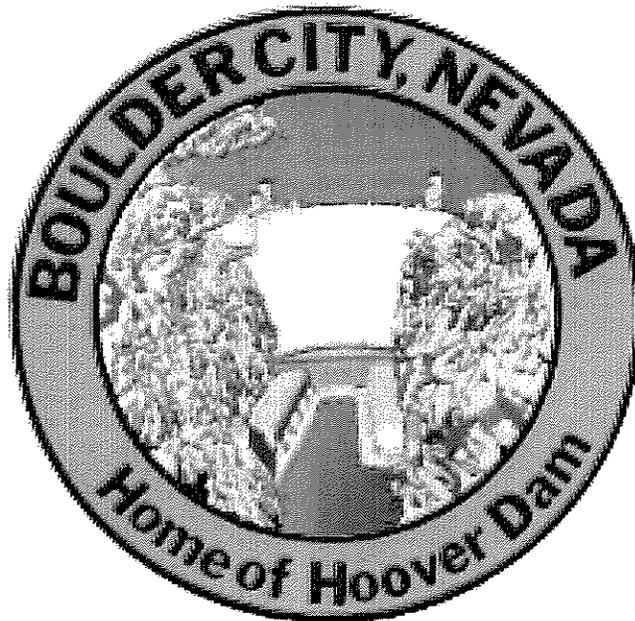
Capital assets received from developers as capital contributions \$ 40,695

Golf Course Fund:

Capital assets acquired through long-term debt \$ 173,129

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Fiduciary Funds

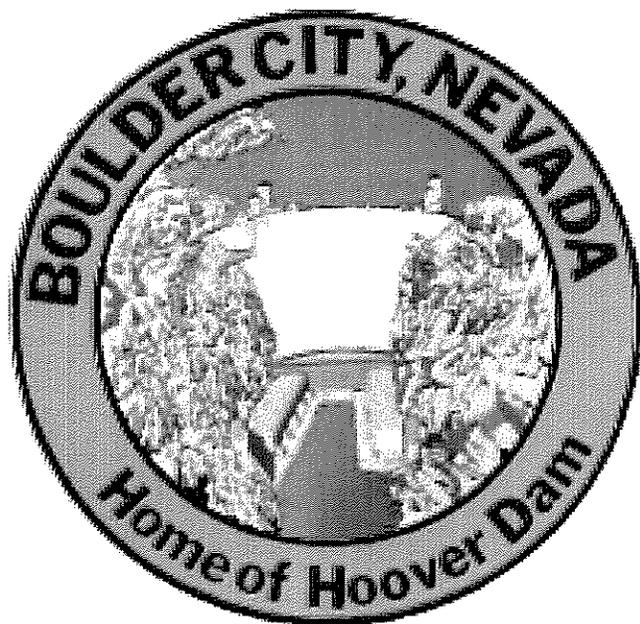


**CITY OF BOULDER CITY, NEVADA
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2007**

ASSETS	Agency Funds
Cash, cash equivalents and investments	\$ 617,640
Due from other governments	78,513
	<u>696,153</u>
LIABILITIES AND NET ASSETS	
Liabilities:	
Deposits	172,831
Due to other governments	135,398
Due to employee union and taxing units	387,924
	<u>696,153</u>
Net assets	<u>-</u>
Liabilities and net assets	<u>\$ 696,153</u>

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Notes to Basic Financial Statements



**CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Financial Model

In 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* which became effective for the City, and was initially adopted, in the year ended June 30, 2003. Certain of the significant changes included the following:

1. For the first time, the basic financial statements include:
 - a. Management's discussion and analysis (MD&A) providing an analysis of the City's overall financial position and results of operations.
 - b. Government-wide financial statements prepared using the economic resources measurement focus and accrual basis accounting for all City activities.
2. A change in the fund financial statements to focus on major funds.
3. Reclassification of expendable trust funds from a fiduciary fund type to a special revenue fund type.

These and other changes are reflected in the basic financial statements and the notes thereto.

Reporting Entity

In 1958, the Federal Government passed the Boulder City Act and established an independent municipal government, the City of Boulder City (the City). Under the Act, the Federal Government turned over the existing townsite, approximately 33 square miles of land, and the utility system to the residents. This led to the incorporation of the City on January 4, 1960. The City Charter, approved by the residents, prohibits gaming, which makes the City the only place in the State of Nevada (the State) where gaming is illegal.

GASB Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 39, *Determining Whether Certain Organizations are Component Units*, defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as 1) the appointment of a voting majority of the component unit's board, 2) the ability of the primary government to impose its will, 3) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government, or 4) the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the component unit and the resources to which the primary government is entitled or has the ability to otherwise access are significant to the primary government. The City has complied with GASB Statements No's. 14 and 39 by examining its position relative to other entities.

Together with the Boulder City Museum, the Boulder City Chamber of Commerce and the Boulder City Arts Council, Inc., the City established a not-for-profit corporation named the Boulder Dam Hotel Association, Inc. (the Association) primarily to own, maintain and operate the historic Boulder Dam Hotel. Pursuant to the Association's articles of incorporation, the City appoints two members to the Association's board of directors; and currently has one council/board member in common with the Association. The City does not have a continuing financial responsibility to the Association; furthermore, the City does not have title or access to the Association's net assets. Accordingly, the Association has not been included in the City's financial statements.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

The City determined that there are no requirements that would cause the basic financial statements of the City to be included in any other entities' financial statements or comprehensive annual financial reports (CAFR). In addition, the City determined that there are no other entities, which are required to be included in the City's CAFR.

Basic Financial Statements

The government-wide financial statements include a statement of net assets and a statement of activities. Consolidated information for the City's nonfiduciary activities is presented in the government-wide financial statements. 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 user fees and charges for support.

Included in the statement of net assets are capital assets and long-term liabilities including general payment obligations, revenue bonds and compensated absences. Net assets are classified as 1) invested in capital assets, net of related debt, 2) restricted net assets, or 3) unrestricted net assets.

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

Separate fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances with schedules presented to reconcile fund balances presented in the governmental fund financial statements to net assets presented in the government-wide financial statements. Proprietary fund financial statements include a statement of net assets, statement of revenues, expenses and changes in net assets, and a statement of cash flows.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utility fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Government-wide Financial Statements (Continued)

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

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

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the current fiscal year end. The primary revenues sources, which have been treated as susceptible to accrual by the City, are property taxes, consolidated taxes, licenses, interest, and charges for services. All other revenue sources are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when the 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.

The City reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in another fund.

Capital Improvement Fund - The capital improvement fund is used to account for the accumulation of resources from the sale of City owned land, which is specifically restricted by City Charter to be expended on voter approved projects.

Capital (Special) Projects Fund - The capital (special) projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

Additionally, the City reports the following governmental fund type:

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary Fund Financial Statements

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges for goods and services and other user fees.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary Fund Financial Statements (Continued)

Operating expenses include the cost of goods and services, administrative expenses, and capital asset depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

The Utility Fund - The utility fund provides electric, water and sewer services to City residents.

The Golf Course Fund - The golf course fund is used to account for the operations of Boulder Creek Golf Course.

The City reports the following non-major proprietary funds:

The Cemetery Fund - The cemetery fund is used to account for cemetery services provided to City residents.

The Aviation Fund - The aviation fund is used to account for the operations of the City's airport.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Assets and Liabilities. The City's fiduciary fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The fiduciary fund is excluded from the government-wide financial statements.

The City reports the following fiduciary fund:

Agency Funds - are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the City holds for others in an agency capacity. The City has 15 agency funds titled as follows: Evidence Fund, Desert Tortoise Reserve Fund, Animal Control Contribution Fund, American Legion Flag Contribution Fund, Payroll Deductions Fund, Police Unclaimed Fund, Room Tax Fund, Cascata Contribution Fund, Police Department Contributions Fund, Recreation Contributions Fund, Fire Department Contributions Fund, Adams Boulevard Memorial Trees Fund, Beautify City Entrance Fund, Safety Committee Donations Fund, and Parent Project Fund.

Assets, Liabilities, and Net Assets or Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds participate in the City's cash management pool (the Pool). The Pool has the general characteristics of a demand deposit account in that the proprietary funds may effectively withdraw amounts from the Pool at any time. Accordingly, amounts invested in the Pool are considered to be cash equivalents.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Assets or Fund Balance (Continued)

Deposits and Investments (Continued)

Allowable City investments include 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; and bankers' acceptances eligible for rediscount with Federal Reserve Banks, not to exceed 180 days maturity and 10% of total investments.

When investing monies, the City is required to comply with the Nevada Revised Statutes (NRS). City monies must be deposited with federally insured banks. The City is authorized to use demand accounts, time accounts and certificates of deposit. The NRS 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 State investments. Permissible State investments are similar to allowable City investments, described above, except that some State investments are for longer terms and include securities issued by municipalities outside of the State.

Investments are stated at fair value as determined by quoted market prices, regardless of the length of time remaining to maturity.

Receivables, Payables, Transfers and Deferred Revenues

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. In addition, certain transactions between funds are the result of lending/borrowing arrangements. The resulting payables and receivables, which are outstanding at year end, are referred to as either due to/from other funds (*i.e.*, current portion of interfund loans) or advances to/from other funds (*i.e.*, the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. Transfers, between funds, are reported as operating transfers.

Property taxes receivable that are not expected to be collected within 60 days of year end are recognized as deferred revenue in the fund financial statements rather than current revenue since the asset is not available to satisfy current obligations. Deferred revenues also arise when the City receives resources before it has a legal claim to them as when property taxes for the following tax year are received before year end. Other receivables are shown net of an allowance for uncollectible amounts.

Upon the certification of tax rates by the State Tax Commission, the County Commission levies the tax rate for the fiscal year beginning with the succeeding July 1. The County Assessor assesses all real and personal property and the County Treasurer bills and collects the City's share of property taxes. Taxes on real property are due on the third Monday in July of each year and may be paid in quarterly installments on or before the third Monday in July and first Mondays 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 15% per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. The County Treasurer remits on a monthly basis current and delinquent property tax collections to the City.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories and Prepaid Items

Proprietary fund inventories are valued at the lower of cost or market, using the first-in, first-out (FIFO) method. Governmental fund inventories are accounted for under the consumption method where the costs are recorded as expenditures when the inventory item is used rather than when purchased.

Restricted Cash

Restricted cash consists of amounts held for the repayment of customer deposits and resources accumulated to pay for landfill closure and post-closure care in the utility fund and golf course fund, and resources accumulated to pay for perpetual care in the cemetery fund.

Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and utility delivery systems, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and, where no historical records exist, at estimated historical cost. Donated capital assets are valued at their estimated fair value on the date received. The City had a capitalization threshold of \$1,000 for the current fiscal year.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Improvements other than buildings	10-40
Machinery, equipment and furniture	3-30
Infrastructure	20-50
Utility delivery systems	10-50

Compensated Absences

It is the City's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from City service if not previously taken. Accrued vacation and sick leave (compensated absences) obligations totaled \$3,063,388 at June 30, 2007, and are reported in the government-wide financial statements. A liability for compensated absences is reported in the fund financial statements only to the extent it is expected to be paid with current expendable resources, for example, as a result of employee resignations and retirements effective within sixty days of year end. Expenditures for compensated absences are recognized by the applicable fund when paid. These amounts are included as a liability in the government-wide and proprietary fund financial statements.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Compensation Plan

In addition to the retirement plan disclosed in Note 4, the City offers its employees a deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits participants to defer a portion of their salary until future years. The City does not match any employee contributions. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

Starting January 1, 2005 an employee welfare benefit plan, the "Boulder City Medical and Dental Expense Reimbursement Plan", was established. The City does not contribute to this plan.

Both of the Plans assets are held in trust outside the control of the City. Since the assets and income of the Plans are not considered assets of the City and are not subject to the claims of the City's general creditors, the Plans are not reported in the government-wide or fund financial statements.

Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and issuance costs are deferred and amortized over the life of the related bonds using the straight-line method.

Net Assets

The government-wide statement of net assets reports \$1,948,529 of restricted net assets, of which \$667,937 is restricted by enabling legislation.

Fund Equity

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

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. Significant estimates include compensated absences, landfill closure and post-closure care, and useful lives of capital assets.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The City adopts annual budgets for all governmental and proprietary fund types, except for the promotional special revenue fund. Within the capital (special) projects and proprietary funds, project-length financial plans are adopted for all capital projects. The budget was amended for certain funds during the year. All budget augmentations made during the year ended June 30, 2007, were as prescribed by law. All budgets are adopted on a basis consistent with applicable accounting principles generally accepted in the United States and used by the City for financial reporting.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

The City uses the following procedures to establish, modify, and control budgetary data:

1. Prior to April 15, the City Manager submits a tentative budget for the next fiscal year, commencing on July 1, to the Council. The budget, as submitted, contains the proposed expenditures and the means of financing them for the upcoming fiscal year.
2. Public hearings are conducted to obtain comments from and address the concerns of City residents.
3. After all changes have been noted and the hearings closed, the Council adopts the budget on or before June 1.
4. Augmentations of the budget are accomplished through formal Council action.
5. The NRS require budget controls to be exercised at the function level. The City Manager is authorized to transfer budget amounts between functions within a fund. However, the Council's approval is required for all transfers between funds.
6. The City cannot expend any money, incur any liability, or enter into any contract, which by its terms involves the expenditure of money in excess of the amount appropriated for a given function, except for bond payments, short-term financing payments, and any other long-term contracts expressly authorized by law.
7. All unencumbered appropriations lapse at the fiscal year end, except for amounts appropriated for specific capital projects or Federal and State grant expenditures.

Excess of Expenditures over Appropriations

For the year ended June 30, 2007, expenditures exceeded appropriations in the land improvement fund by \$71,742, the redevelopment district #1 fund by \$231,111, the utility fund by \$1,722,377, the golf course fund by \$1,006,077, the aviation fund by \$144,926, and the cemetery fund by \$17,188. These over expenditures were funded by available assets in excess of liabilities as represented by fund balance/net assets in the respective funds and by additional revenue not budgeted for.

Deficit Fund Balance

The Golf Course fund has a deficit fund balance of \$(2,976,766). Additional revenues over the next fiscal year will remove the deficit fund balance.

3. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The City's deposits are categorized by the level of custodial credit risk assumed. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At year end, the City's carrying amount of deposits was \$6,803,761, and the bank balance was \$7,222,011. As of June 30, 2007, \$234,284 of the City's bank balance was insured by the Federal Depository Insurance Corporation (FDIC), the remaining \$6,987,727 was uninsured and collateralized with securities held by the pledging financial institution.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

The City's investments are categorized by the level of custodial credit risk assumed. Investment custodial credit risk is defined as the risk that in the event of the failure of a counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Custodial credit risk exposure can be affected by a concentration of deposits or investments in any one investment type or with any one counterparty.

The City's investments are exposed to custodial credit risk if the investments are either:

1. Uninsured and not registered in the name of the City, and are held by the counterparty, or
2. Uninsured and not registered in the name of the City, and are held by the counterparty's trust department or agent, but not in the City's name.

The City's investments were all in U.S. Government obligations which were registered and held by the City or the City's agent in the City's name. As of June 30, 2007, the City's investments were not exposed to custodial credit risk.

Concentration of Credit Risk - This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At June 30, 2007, all of the City's investments are in U.S. Government obligations, which are authorized investments in accordance with NRS 350.659, 355.165, 355.170 and 356.120. There is no limitation on amounts invested in this type of investment.

The carrying amount of investments in U.S. Government obligations was \$5,507,173 and the market value was \$5,497,813.

Combined Cash and Cash Equivalents

Cash on deposit with banking institutions	\$	6,803,761
Cash on hand		7,743
Investments		<u>5,507,173</u>
	\$	<u>12,318,677</u>
Governmental activities	\$	9,049,802
Business-type activities		2,651,235
Fiduciary funds		<u>617,640</u>
	\$	<u>12,318,677</u>

Receivables and Deferred Revenue

Receivables as of year end for the City's individual major funds and aggregate non-major funds are as follows:

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Capital (Special) Projects Fund</u>	<u>Utility Fund</u>	<u>Golf Course Fund</u>	<u>Aggregate Non-Major Funds</u>	<u>Total</u>
Receivables:							
Interest	\$ 26,171	\$ 19,015	\$ 3,072	\$ 6,976	\$ -	\$ 10,587	\$ 65,821
Taxes	31,530	-	-	-	-	191,748	223,278
Accounts	505,305	37,029	-	5,271,013	92,906	-	5,906,253
Due from other governments	1,544,376	-	2,871,358	726,639	-	311,545	5,453,918
Less allowances for doubtful accounts	<u>(1,040)</u>	<u>-</u>	<u>-</u>	<u>(839)</u>	<u>-</u>	<u>-</u>	<u>(1,879)</u>
	<u>\$ 2,106,342</u>	<u>\$ 56,044</u>	<u>\$ 2,874,430</u>	<u>\$ 6,003,789</u>	<u>\$ 92,906</u>	<u>\$ 513,880</u>	<u>\$ 11,647,391</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Receivables and Deferred Revenue (Continued)

The City receives rents for the use of land and buildings by various entities for communications purposes under operating leases that expire at various times through 2036. Fees are based on square footage and the type of operation (continuous vs. intermittent broadcasting).

Minimum rent receivable under non-cancelable operating leases (with remaining terms in excess of one year) as of June 30, 2007, are as follows:

Year ending June 30,	General Fund	Capital Improvement Fund	Aggregate Non-Major Funds	Total
2008	\$ 2,138,822	\$ 534,706	\$ 306,206	\$ 2,979,734
2009	1,959,900	489,975	307,363	2,757,238
2010	2,384,175	596,044	308,344	3,288,563
2011	2,347,731	586,933	311,025	3,245,689
2012	2,299,565	574,891	313,781	3,188,237
2013-2017	11,365,236	2,841,309	1,555,127	15,761,672
2018-2022	11,300,820	2,825,205	1,555,127	15,681,152
2023-2027	10,900,439	2,725,110	1,555,127	15,180,676
2028-2032	10,710,860	2,677,715	1,555,127	14,943,702
2033-2037	10,110,860	2,527,715	1,555,127	14,193,702

Governmental funds report deferred revenue in connection with resources that have been received, but not yet earned. At June 30, 2007, deferred revenue in the governmental funds was as follows:

Rent royalty, and grant revenue	
General fund	\$ 839,707
Capital improvements fund	168,042
Capital (special) projects fund	<u>560,988</u>
	<u>\$ 1,568,737</u>

Capital Assets

Changes in capital assets for the year ended June 30, 2007, were as follows:

	Balance July 1, 2006	Increases	Decreases	Balance June 30, 2007
<u>Governmental activities</u>				
Capital assets not being depreciated:				
Land	\$ 19,929,515	\$ -	\$ -	\$ 19,929,515
Capital assets being depreciated:				
Buildings	7,968,546	1,599,003	-	9,567,549
Improvements other than buildings	15,704,601	1,397,058	-	17,101,659
Machinery, equipment and furniture	8,613,288	2,875,553	(604,718)	10,884,123
Infrastructure	<u>59,359,809</u>	<u>428,453</u>	<u>-</u>	<u>59,788,262</u>
	<u>91,646,244</u>	<u>6,300,067</u>	<u>(604,718)</u>	<u>97,341,593</u>
Less accumulated depreciation for:				
Buildings	(2,668,892)	(292,757)	-	(2,961,649)
Improvements other than buildings	(6,370,623)	(737,073)	-	(7,107,696)
Machinery, equipment and furniture	(6,064,210)	(607,329)	541,348	(6,130,191)
Infrastructure	<u>(34,388,493)</u>	<u>(1,627,982)</u>	<u>-</u>	<u>(36,016,475)</u>
	<u>(49,492,218)</u>	<u>(3,265,141)</u>	<u>541,348</u>	<u>(52,216,011)</u>
	<u>\$ 62,083,541</u>	<u>\$ 3,034,926</u>	<u>\$ (63,370)</u>	<u>\$ 65,055,097</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

	Balance July 1, 2006, as restated*	Increases	Decreases	Balance June 30, 2007
<u>Business-type activities</u>				
Capital assets not being depreciated:				
Land	\$ 9,470,998	\$ -	\$ -	\$ 9,470,998
Capital assets being depreciated:				
Buildings	3,103,243	57,527	-	3,160,770
Improvements other than buildings	11,650,441	451,008	-	12,101,449
Machinery, equipment and furniture	7,615,227	502,422	(12,335)	8,105,314
Utility delivery systems	80,754,519	3,966,373	-	84,720,892
	<u>103,123,430</u>	<u>4,977,330</u>	<u>(12,335)</u>	<u>108,088,425</u>
Less accumulated depreciation for:				
Buildings	(519,542)	(111,310)	-	(630,852)
Improvements other than buildings	(3,068,703)	(473,789)	-	(3,542,492)
Machinery, equipment and furniture	(6,126,914)	(647,460)	8,117	(6,766,257)
Utility delivery systems	(22,285,608)	(2,060,513)	-	(24,346,121)
	<u>(32,000,767)</u>	<u>(3,293,072)</u>	<u>8,117</u>	<u>(35,285,722)</u>
	<u>\$ 80,593,661</u>	<u>\$ 1,684,258</u>	<u>\$ (4,218)</u>	<u>\$ 82,273,701</u>

* Beginning balances were restated as described in note 5.

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

<u>Governmental activities</u>	
General government	\$ 69,141
Judicial	30,765
Public safety	448,359
Public works	1,743,720
Culture and recreation	965,688
Community support	7,468
	<u>\$ 3,265,141</u>
<u>Business-type activities</u>	
Utility	\$ 2,288,161
Golf course	814,068
Other	190,843
	<u>\$ 3,293,072</u>

Interfund Receivables, Payables, and Transfers

Interfund balances as of June 30, 2007, are as follows:

	Receivable	Payable
<u>Governmental funds:</u>		
Capital improvement fund	\$ 430,236	\$ -
Capital (special) projects fund	-	430,236
<u>Business-type funds:</u>		
Utility fund	1,906,331	-
Golf course fund	-	1,906,331
	<u>\$ 2,336,567</u>	<u>\$ 2,336,567</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables, Payables, and Transfers (Continued)

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

Advances from/to other funds as of June 30, 2007, are as follows:

	<u>Receivable</u>	<u>Payable</u>
<u>Business-type funds:</u>		
Utility fund	\$ 8,700,000	\$ -
Golf course fund	-	8,700,000
	<u>\$ 8,700,000</u>	<u>\$ 8,700,000</u>

The Golf course fund borrowed \$8,700,000 from the Utility fund to help construct the Boulder Creek Golf Course. No interest has accrued and the amount is to be repaid to the Utility fund as funds become available to do so.

Transfers In/Out:

<u>Transfers out</u>	<u>Transfers in</u>			
	<u>General fund</u>	<u>Capital (Special) projects fund</u>	<u>Golf course fund</u>	<u>Total</u>
General fund	\$ -	\$ -	\$ 1,229,788	\$ 1,229,788
Capital improvement fund	250,000	2,325,000	-	2,575,000
Utility fund	2,200,000	-	-	2,200,000
Non-major proprietary funds	46,000	-	-	46,000
	<u>\$ 2,496,000</u>	<u>\$ 2,325,000</u>	<u>\$ 1,229,788</u>	<u>\$ 6,050,788</u>

Transfers of unrestricted revenues collected in various funds are used to finance various programs and expenditures accounted for in other funds in accordance with budgetary authorization. There were no significant transfers during the fiscal year that were either non-routine in nature or inconsistent with the activities of the fund making the transfer.

Capital Lease

Governmental activities

In fiscal year 2006, the City entered into three capital lease agreements, as lessee, for financing the acquisition of capital assets for use in municipal golf course operations. For accounting purposes, the assets acquired under these capital leases have been recorded at the present value of the future minimum lease obligation payments as of the lease inception date. The assets acquired through these capital leases are as follows:

Machinery, equipment and furniture	\$ 265,862
Less: accumulated depreciation	<u>(57,739)</u>
	<u>\$ 208,123</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Capital Lease (Continued)

Governmental activities (continued)

Installment payments of \$5,803, \$135 and \$245 including principal and interest are due monthly with the final payments due in April 2009, March 2009, and March 2009, respectively. Future minimum lease obligation payments and net present value of future lease obligation payments as of June 30, 2007, are as follows:

Year ending June 30,	
2008	\$ 74,196
2009	<u>61,450</u>
Total future minimum lease obligation payments	135,646
Less interest	<u>(6,862)</u>
Present value of minimum lease obligations	<u>\$ 128,784</u>

Business-type activities

The City has entered into capital lease agreements, as lessee, for financing the acquisition of capital assets for use in golf course operations. For accounting purposes, the assets acquired under these capital leases have been recorded at the present value of the future minimum lease obligation payments as of the lease inception date. The assets acquired through capital leases are as follows:

Buildings	\$ 342,465
Improvements other than buildings	617,083
Machinery, equipment and furniture	<u>2,193,693</u>
	3,153,241
Less accumulated depreciation	<u>(1,531,703)</u>
	<u>\$ 1,621,538</u>

Annual installment payments of \$752,701, \$22,845, and \$31,093, including principal and interest, are due each fiscal year with the final payment due in March 2008, March 2010, and August 2010, respectively. Future minimum lease obligation payments and net present value of future minimum lease obligation payments as of June 30, 2007, are as follows:

<u>Year ending June 30,</u>	
2008	\$ 806,640
2009	53,938
2010	53,938
2011	<u>5,182</u>
Total future minimum lease obligation payments	919,698
Less interest	<u>(39,005)</u>
Present value of minimum lease obligations	<u>\$ 880,693</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt

The City has entered into long-term debt obligations of which the golf course revenue bonds are not a general obligation of the City. These revenue bonds are payable from net golf course receipts and are additionally secured by a pledge of 15% of the City's consolidated tax revenues. The City has entered into long-term debt obligations of which the utility revenue bonds are not a general obligation of the City. These revenue bonds are payable from net revenues of the City's utility system.

Long-term debt obligations outstanding at June 30, 2007, are as follows:

<u>Business-type activities</u>	<u>Maturity date</u>	<u>Original amount</u>	<u>Interest rate</u>	<u>Balance June 30, 2007</u>
U.S. Bureau of Reclamation	June 2011	\$ 644,721	3%	\$ 103,540
Utility revenue bonds	September 2035	33,545,000	3.50 - 5.00%	33,545,000
Golf course revenue bonds	December 2024	<u>9,335,000</u>	3.85%	<u>9,215,000</u>
		<u>\$ 43,524,721</u>		<u>\$ 42,863,540</u>

In December 2005, the City issued \$9,335,000 Golf Course Revenue Refunding bonds Series 2005 with an interest rate of 3.85 percent. Interest payments are due semi-annually on June 1 and December 1 with principal payments due annually on December 1. The proceeds along with the transfer of the debt service reserve funds were used to advance refund \$9,540,000 of the outstanding Golf Course Revenue bonds Series 2001 with an average interest rate of 4.77 percent. The proceeds of \$10,052,064 (\$9,335,000 from Golf Course Revenue Refunding bonds Series 2005 and \$717,064 from the debt service reserve funds) were used to purchase U.S. government securities. Those securities were deposited into a separate irrevocable trust with an escrow agent to provide future debt service payments on the Golf Course Revenue bonds Series 2001. The outstanding principal of the defeased bonds at June 30, 2007 is \$9,220,000.

As a result, the bond issue listed above is considered defeased and the liability for the bonds has been removed from the long-term obligations of the business-type activities. The reacquisition price exceeded the net carrying amount of the old debt by \$512,064. This amount is being amortized over the new debt's life, which is the same as the life of the refunded debt. The advanced refunding reduced the total debt service over the life of the bond by \$1,329,828 which represents an economic gain of \$1,166,621.

In November 2006, the City issued Utility Revenue Refunding Bonds, Series 2006 in the amount of \$33,545,000. Issuance of the Bonds was to refinance the general note obligation due (5.17% interest rate) to the Southern Nevada Water Authority for the City's portion of the design and construction of a raw water facility delivery system. The bonds are secured by net revenues of the Municipal Utility System. Interest rates range from 3.5% - 5% and repayments are due semi-annually on March 1 and September 1 commencing on September 1, 2007, with principal payments due annually on September 1, commencing on September 1, 2007. The Southern Nevada Water Authority general note obligation was paid in full and has a balance of \$0 at June 30, 2007.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt (continued)

Annual debt service requirements to maturity are as follows:

Business-type Activities	U.S. Bureau of Reclamation		Golf Course Revenue Bonds		Utility Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Years ending June 30,								
2008	24,749	3,106	130,000	352,275	-	1,816,035	154,749	2,171,416
2009	25,492	2,364	135,000	347,174	150,000	1,446,606	310,492	1,796,144
2010	26,257	1,599	135,000	341,976	660,000	1,430,406	821,257	1,773,981
2011	27,042	811	400,000	331,678	685,000	1,403,506	1,112,042	1,735,995
2012	-	-	465,000	315,026	715,000	1,375,506	1,180,000	1,690,532
2013-2017	-	-	2,605,000	1,286,959	4,020,000	6,430,106	6,625,000	7,717,065
2018-2022	-	-	3,155,000	734,484	6,350,000	5,276,950	9,505,000	6,011,434
2023-2027	-	-	2,190,000	128,398	7,930,000	3,695,375	10,120,000	3,823,773
2028-2032	-	-	-	-	9,875,000	1,751,103	9,875,000	1,751,103
2033-2037	-	-	-	-	3,160,000	275,612	3,160,000	275,612
	<u>\$ 103,540</u>	<u>\$ 7,880</u>	<u>\$ 9,215,000</u>	<u>\$ 3,837,970</u>	<u>\$ 33,545,000</u>	<u>\$ 24,901,205</u>	<u>\$ 42,863,540</u>	<u>\$ 28,747,055</u>

Changes in Long-term Liabilities

Long-term debt obligation activity for the year ended June 30, 2007, was as follows:

	Balance July 1, 2006	Increases	Decreases	Balance June 30, 2007	Due within one year
<u>Governmental activities</u>					
Capital lease	\$ 193,961	\$ -	\$ (65,177)	\$ 128,784	\$ 68,844
Compensated absences	2,312,322	219,887	(214,142)	2,318,067	406,204
	<u>\$ 2,506,283</u>	<u>\$ 219,887</u>	<u>\$ (279,319)</u>	<u>\$ 2,446,851</u>	<u>\$ 475,048</u>
<u>Business-type activities</u>					
U.S. Bureau of Reclamation	\$ 127,568	\$ -	\$ (24,028)	\$ 103,540	\$ 24,749
Southern Nevada Water Authority	33,699,685	-	(33,699,685)	-	-
Utility revenue bonds	-	33,545,000	-	33,545,000	-
Golf course revenue bonds	9,335,000	-	(120,000)	9,215,000	130,000
Capital lease	1,407,546	173,129	(699,982)	880,693	768,857
Compensated absences	791,757	53,458	(99,894)	745,321	134,413
	<u>\$ 45,361,556</u>	<u>\$ 33,771,587</u>	<u>\$ (34,643,589)</u>	<u>\$ 44,489,554</u>	<u>\$ 1,058,019</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

3. DETAILED NOTES ON ALL FUNDS (Continued)

Landfill Closure and Post-closure Care

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to landfill current activities, an expense provision and related liability are being recognized based on estimated future closure and post-closure care costs, which will be incurred near or after the date the landfill no longer accepts waste. Recognized landfill closure and post-closure care costs represents the cumulative amount reported to date and has a balance of \$2,346,635 as of June 30, 2007, which is based on 49% usage (capacity) of the landfill. It is estimated that an additional \$2,453,365 will be recognized as closure and post-closure care costs prior to the year (2023) in which the landfill is expected to be closed. In the fiscal year ended June 30, 2007, the City had a study done that would allow for the expansion of the existing cell footprint both vertically and horizontally expanding the capacity by 109% and extending the estimated closing date to the year 2023. The City has applied for a permit for the expansion with the Southern Nevada Health District and anticipates it will be approved. The City has allocated cash and cash equivalents in the amount of \$835,135, which is 36% of the liability recorded at June 30, 2007. These assets are being held in an interest-bearing account and presented on the City's proprietary funds statement of net assets as "restricted investments: Landfill closure and post-closure care".

The estimated total current cost of the landfill closure and post-closure care of \$4,800,000 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2007. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is also required by state and federal laws and regulations to make annual contributions to finance closure and post-closure care. The City plans to make future contributions to this fund and use the working capital of the utility fund to meet this obligation. It is anticipated that future inflation costs will be financed in part from investment earnings. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in post-closure requirements (for example, due to changes in technology or more rigorous environmental regulations) may need to be covered by additional charges to future landfill users, taxpayers or both.

4. OTHER INFORMATION

Risk Management

The City is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these and other risks, the City is a participating member of the Nevada Public Agency Insurance Pool (the Pool). The Pool was created through an inter-local cooperative agreement (the agreement). As a participating member, the City is entitled to all the rights, privileges and protections and subject to all the duties and responsibilities under the agreement and bylaws of the Pool.

Including the City, 45 public agencies are members of the Pool as of June 30, 2007. Pool premiums are based on policy coverage. The City does not have any liability beyond the premium amounts paid and normal policy deductible limits. Settled claims did not exceed insurance coverage for fiscal years ended June 30, 2007, 2006 and 2005.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

4. OTHER INFORMATION (Continued)

The City's coverage for various types of risks is as summarized below.

Property has blanket coverage for all risks of physical loss or damage to all real and personal property. Casualty includes: Comprehensive General Liability for \$10,000,000 for any one event with a \$13,000,000 annual aggregate and \$13,000,000 annual aggregate for products/completed operations; Law Enforcement Liability for \$10,000,000 for any one event with a \$13,000,000 annual aggregate; Wrongful Acts Liability for \$10,000,000 for any one event with a \$10,000,000 annual aggregate; Automobile Liability for \$10,000,000 for any one event; Crime includes: Money and Securities for \$500,000 for each loss and Boiler and Machinery for \$60,000,000 for each accident.

The Pool has a self-insurance retention of property of \$200,000, and crime and casualty of \$500,000 for each and every loss and/or claim and/or event included in the limits shown. The City's maintenance deductible is \$5,000 for each and every loss and/or claim and/or event.

The City also carries Airport Liability Insurance Products - Completed Operations aggregate limit of \$10,000,000; Personal Injury and Advertising Injury aggregate limit of \$10,000,000; Malpractice limit of \$10,000,000 per occurrence and in the aggregate, Fire Damage limit any one fire \$50,000, Medical Expense limit any one person \$1,000, Hanger Keepers any one aircraft \$10,000,000, and Non-owned Aircraft liability limit \$10,000,000. There is no deductible.

The City is a member of the Public Agency Compensation Trust (PACT) for handling workers' compensation. The lines of coverage and limits of liability are statutory. PACT has a self-insurance retention of \$300,000 for each and every loss and/or claim and/or occurrence. There is no maintenance deductible.

The United States is engaged in a war on terrorism likely to continue to have far-reaching effects, including the possible effects of war on the economic activity in the country for an indeterminable period. The long-term impact on the State's economy and the City's operating activities cannot be predicted at this time but may be substantial.

Contingent Liabilities

In the ordinary course of its operations, claims are filed against the City. City management intends to vigorously defend each claim and believes that these claims will not result in any material adverse effect on the City's future basic financial statements.

Joint Venture

The Southern Nevada Water Authority (SNWA) is a political subdivision of the State, which was created by a cooperative agreement between the City, Big Bend Water District, Las Vegas Valley Water District, City of Henderson, City of Las Vegas, City of North Las Vegas, and the Clark County Reclamation District (the Members). SNWA's purpose is to secure additional supplies of water and effectively manage existing water supplies through cooperative action of the Members.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

4. OTHER INFORMATION (Continued)

Joint Venture (continued)

SNWA has the power to periodically assess the Members directly for operating and capital budgets and for the satisfaction of any liabilities imposed against SNWA. The City and other members do not have an expressed claim to the resources of SNWA except that upon termination of the joint venture any water rights or facilities remaining after payment of all obligations shall be returned to the contributing members.

The City is committed through 2033 under a water purchase agreement, to reimburse SNWA for the City's share of debt incurred in connection with construction of the Southern Nevada Water Project, phases I and II. Total outstanding principal on bonds and the federal repayment contract as of June 30, 1999, was \$1,179,966,043, with interest payable at various rates from 3.25% to 10.75%. The City's estimated share of the project cost based on actual water usage for the fiscal year ended June 30, 1999, was \$5,659,364. During the current fiscal year, the City made payments under this agreement of \$2,914,902, which amount is included as a cost of water in the water quality control department of the utility fund. The City has not recorded a liability for this agreement because future obligations are to be met by future user charges.

Audited financial statements of SNWA, for the fiscal year ended June 30, 2007, may be obtained by writing Treasurer, Southern Nevada Water Authority, c/o Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada 89153.

Retirement Plan

The City's employees are covered by the State's Public Employees' Retirement System (PERS). PERS was established on July 1, 1949, by the State 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 PERS, which is a cost sharing multiple-employer defined benefit retirement plan.

The City does not exercise any control over PERS. NRS 286.110 states, "Respective participating public employers are not liable for any obligation of the system."

Benefits, as required by NRS, are determined by the number of years of accredited service at the time of retirement and the participant's highest average compensation in any 36 consecutive months. Benefit payments to which participants in PERS may be entitled include pension, disability, and death benefits.

PERS issues a publicly available financial report that includes financial statements and required supplemental information. This report may be obtained by writing, Public Employees' Retirement System of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

Contribution rates are established by the NRS, which are tied to the increase in taxable sales within the State each year, which provides for yearly increases of up to 1% until such time as the actuarially determined unfunded liability of PERS is reduced to zero. The City is obligated to contribute all amounts due under PERS.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2007

4. OTHER INFORMATION (Continued)

Retirement Plan (Continued)

The City's contribution rates and amounts contributed to PERS for the last three years are as follows:

<u>Years ended June 30,</u>	<u>Contribution rate</u>		<u>Amount</u>
	<u>Regular Members</u>	<u>Police / Fire</u>	
2005	20.25%	28.5%	\$ 2,402,696
2006	19.75%	32.0%	2,553,740
2007	19.75%	32.0%	2,641,538

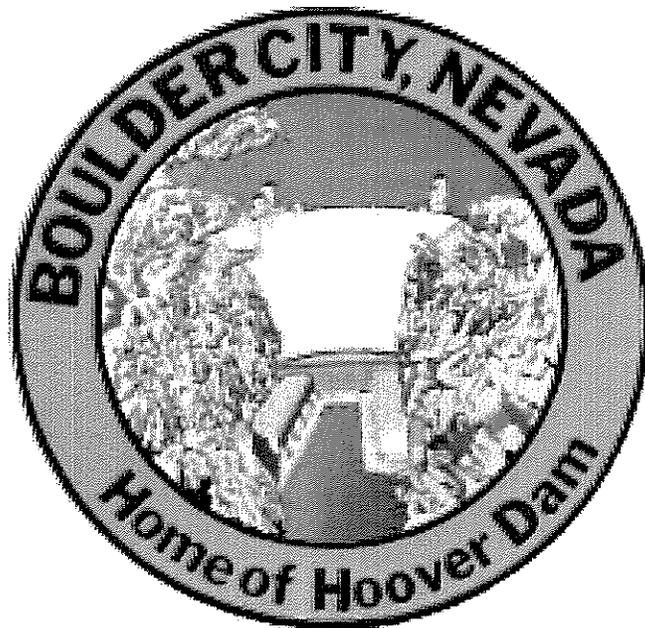
5. PRIOR PERIOD ADJUSTMENTS

Funds received in the Golf Course fund from the Utility fund were recorded as an interfund transfer in a prior period rather than as an advance from other funds. Accordingly, an adjustment of \$8,700,000 was made as of July 1, 2006 to increase advances from other funds and to decrease previously reported net assets in the Golf Course fund. An equal adjustment of \$8,700,000 was made as of July 1, 2006 to increase advances to other funds and to increase previously reported net assets in the Utility fund.

Non-depreciable land in the Golf Course fund were recorded as depreciable capital assets in prior years. Accordingly, an adjustment of \$1,367,970 was made as of July 1, 2006 to decrease accumulated depreciation for the total amount of depreciation previously recorded for the assets and to increase previously reported net assets in the Golf Course fund.

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Other Required Supplementary Information



General Fund

The general fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

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CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues				
Taxes				
Ad Valorem	\$ 1,080,057	\$ 1,080,057	\$ 991,780	\$ (88,277)
Room	415,881	415,881	469,713	53,832
	<u>1,495,938</u>	<u>1,495,938</u>	<u>1,461,493</u>	<u>(34,445)</u>
Licenses and permits				
Business licenses and permits				
Business licenses	260,000	260,000	302,128	42,128
Liquor licenses	40,000	40,000	30,368	(9,632)
Franchise fees				
Gas	420,000	420,000	402,809	(17,191)
Telephone	270,000	270,000	245,662	(24,338)
Cable TV	210,000	210,000	140,422	(69,578)
Non-business licenses and permits				
Building permits	115,000	115,000	79,858	(35,142)
Other licenses	15,000	15,000	5,106	(9,894)
Other permits	54,786	54,786	34,402	(20,384)
	<u>1,384,786</u>	<u>1,384,786</u>	<u>1,240,755</u>	<u>(144,031)</u>
Intergovernmental revenues				
Federal grants				
Department of Transportation	10,000	10,000	-	(10,000)
Federal Emergency Management Agency	30,000	30,000	50,118	20,118
State shared revenues				
Motor vehicle tax	145,000	145,000	138,889	(6,111)
Consolidated tax	9,081,821	9,081,821	8,819,003	(262,818)
Aviation fuel tax	5,664	5,664	32,179	26,515
	<u>9,272,485</u>	<u>9,272,485</u>	<u>9,040,189</u>	<u>(232,296)</u>
Charges for services				
General government				
Building and zoning fees	437,500	437,500	112,655	(324,845)
Public safety				
Ambulance fees	300,000	300,000	327,556	27,556
Fire permits and fees	15,000	15,000	10,624	(4,376)
Culture and recreation				
Golf course	1,339,000	1,339,000	1,446,508	107,508
Swimming pool	145,000	145,000	133,887	(11,113)
Internet sales	210,000	210,000	104,716	(105,284)
Other recreation receipts	400,000	400,000	410,182	10,182
Community support	15,000	15,000	36,508	21,508
	<u>2,861,500</u>	<u>2,861,500</u>	<u>2,582,636</u>	<u>(278,864)</u>

**CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues (Continued)				
Fines and fees				
Court fines	510,464	510,464	680,447	169,983
Miscellaneous				
Interest	51,000	51,000	104,411	53,411
Building rent	-	-	87,040	87,040
Communication site leases	277,440	277,440	285,862	8,422
Eldorado energy project	741,402	741,402	789,341	47,939
Eldorado administration fee	315,562	315,562	150,000	(165,562)
Cascata golf course	636,540	636,540	600,000	(36,540)
Other	861,340	861,340	1,145,456	284,116
Reimbursed expenditures	-	-	109,867	109,867
	2,883,284	2,883,284	3,271,977	388,693
Total revenues	18,408,457	18,408,457	18,277,497	(130,960)
Expenditures				
General government				
Legislative				
City council				
Salaries and wages	58,739	58,739	58,710	29
Employee benefits	16,609	16,609	13,733	2,876
Services and supplies	72,350	72,350	49,106	23,244
Capital outlay	-	-	339	(339)
	147,698	147,698	121,888	25,810
City clerk				
Salaries and wages	197,467	197,467	203,248	(5,781)
Employee benefits	72,116	72,116	72,659	(543)
Services and supplies	61,781	61,781	56,161	5,620
Capital outlay	97,000	97,000	70,325	26,675
	428,364	428,364	402,393	25,971
City attorney				
Salaries and wages	172,580	172,580	177,268	(4,688)
Employee benefits	57,251	57,251	57,571	(320)
Services and supplies	82,525	82,525	41,548	40,977
	312,356	312,356	276,387	35,969

**CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Expenditures (Continued)				
General government (Continued)				
Executive				
City manager				
Salaries and wages	238,563	238,563	246,751	(8,188)
Employee benefits	71,731	71,731	72,350	(619)
Services and supplies	29,300	29,300	27,226	2,074
Capital outlay	4,000	-	-	-
	343,594	339,594	346,327	(6,733)
Personnel				
Salaries and wages	81,288	81,288	81,473	(185)
Employee benefits	27,533	27,533	27,409	124
Services and supplies	42,800	42,800	40,415	2,385
	151,621	151,621	149,297	2,324
Public information office				
Salaries and wages	63,445	63,445	64,688	(1,243)
Employee benefits	23,636	23,636	23,580	56
Services and supplies	23,080	23,080	19,379	3,701
	110,161	110,161	107,647	2,514
Finance				
Salaries and wages	395,417	395,417	368,452	26,965
Employee benefits	135,524	135,524	124,862	10,662
Services and supplies	64,400	64,400	66,011	(1,611)
Capital outlay	-	-	5,683	(5,683)
	595,341	595,341	565,008	30,333
Information systems				
Salaries and wages	206,319	206,319	210,873	(4,554)
Employee benefits	74,400	74,400	73,630	770
Services and supplies	115,000	115,000	93,803	21,197
Capital outlay	74,425	74,425	66,923	7,502
	470,144	470,144	445,229	24,915
Special activities				
Services and supplies	973,610	977,610	1,083,377	(105,767)
	973,610	977,610	1,083,377	(105,767)
Total general government	3,532,889	3,532,889	3,497,553	35,336

**CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Expenditures (Continued)				
Judicial				
Municipal court				
Salaries and wages	223,080	223,080	228,793	(5,713)
Employee benefits	84,692	84,692	81,875	2,817
Services and supplies	106,329	106,329	68,168	38,161
Capital outlay	9,600	9,600	-	9,600
Total judicial	423,701	423,701	378,836	44,865
Public safety				
Police				
Salaries and wages	2,590,435	2,590,435	2,562,368	28,067
Employee benefits	1,224,690	1,224,690	1,206,463	18,227
Services and supplies	600,000	600,000	655,870	(55,870)
Capital outlay	76,435	76,435	84,719	(8,284)
	4,491,560	4,491,560	4,509,420	(17,860)
Animal control				
Salaries and wages	114,837	114,837	99,541	15,296
Employee benefits	44,764	44,764	38,965	5,799
Services and supplies	34,700	34,700	22,450	12,250
Capital outlay	1,400	1,400	-	1,400
	195,701	195,701	160,956	34,745
Fire				
Salaries and wages	1,588,027	1,588,027	1,608,323	(20,296)
Employee benefits	727,391	727,391	740,157	(12,766)
Services and supplies	220,020	220,020	194,808	25,212
Capital outlay	-	-	8,176	(8,176)
	2,535,438	2,535,438	2,551,464	(16,026)
Total public safety	7,222,699	7,222,699	7,221,840	859
Public works				
Highways and streets				
Salaries and wages	463,582	463,582	427,517	36,065
Employee benefits	173,340	173,340	155,022	18,318
Services and supplies	220,624	220,624	205,263	15,361
Capital outlay	11,000	261,000	158,103	102,897
	868,546	1,118,546	945,905	172,641

**CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Expenditures (Continued)				
Public works (Continued)				
Engineering				
Salaries and wages	255,964	255,964	248,468	7,496
Employee benefits	88,115	88,115	103,869	(15,754)
Services and supplies	57,006	57,006	29,136	27,870
Capital outlay	600	600	-	600
	401,685	401,685	381,473	20,212
Administration				
Salaries and wages	171,243	171,243	81,003	90,240
Employee benefits	55,305	55,305	26,939	28,366
Services and supplies	12,800	12,800	12,645	155
Capital outlay	1,000	1,000	-	1,000
	240,348	240,348	120,587	119,761
Landscaping				
Salaries and wages	408,995	408,995	454,861	(45,866)
Employee benefits	161,131	161,131	177,810	(16,679)
Services and supplies	418,266	418,266	393,009	25,257
Capital outlay	54,700	54,700	52,243	2,457
	1,043,092	1,043,092	1,077,923	(34,831)
Building maintenance				
Salaries and wages	183,257	183,257	155,850	27,407
Employee benefits	66,070	66,070	58,602	7,468
Services and supplies	202,500	202,500	184,361	18,139
Capital outlay	-	-	6,655	(6,655)
	451,827	451,827	405,468	46,359
Total public works	3,005,498	3,255,498	2,931,356	324,142
Culture and recreation				
Golf course				
Salaries and wages	773,754	773,754	736,454	37,300
Employee benefits	251,145	251,145	232,436	18,709
Services and supplies	800,954	800,954	887,438	(86,484)
Capital outlay	46,000	46,000	198,047	(152,047)
	1,871,853	1,871,853	2,054,375	(182,522)
Senior citizens				
Salaries and wages	12,747	12,747	13,255	(508)
Employee benefits	3,458	3,458	3,579	(121)
Services and supplies	61,047	61,047	61,047	-
	77,252	77,252	77,881	(629)

**CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Expenditures (Continued)				
Culture and recreation (Continued)				
Swimming Pool				
Salaries and wages	283,324	283,324	287,454	(4,130)
Employee benefits	23,322	23,322	57,966	(34,644)
Services and supplies	124,212	124,212	128,427	(4,215)
Capital outlay	32,621	32,621	26,858	5,763
	463,479	463,479	500,705	(37,226)
Cable TV				
Salaries and wages	64,712	64,712	64,688	24
Employee benefits	23,913	23,913	23,710	203
Services and supplies	31,300	31,300	28,065	3,235
Capital outlay	8,800	8,800	2,043	6,757
	128,725	128,725	118,506	10,219
Other recreation				
Salaries and wages	1,037,295	1,037,295	953,412	83,883
Employee benefits	222,217	222,217	233,766	(11,549)
Services and supplies	579,170	579,170	242,046	337,124
Capital outlay	48,400	48,400	65,428	(17,028)
	1,887,082	1,887,082	1,494,652	392,430
Total culture and recreation	4,428,391	4,428,391	4,246,119	182,272
Community support				
Community development administration				
Salaries and wages	154,104	154,104	156,533	(2,429)
Employee benefits	52,896	52,896	53,669	(773)
Services and supplies	17,586	17,586	13,331	4,255
Capital outlay	1,000	1,000	-	1,000
	225,586	225,586	223,533	2,053
Planning and zoning				
Salaries and wages	81,288	81,288	82,977	(1,689)
Employee benefits	27,533	27,533	27,371	162
Services and supplies	7,158	7,158	7,297	(139)
	115,979	115,979	117,645	(1,666)
Building inspection and code enforcement				
Salaries and wages	245,998	245,998	175,198	70,800
Employee benefits	84,072	84,072	82,763	1,309
Services and supplies	133,474	133,474	138,146	(4,672)
Capital outlay	34,300	34,300	7,691	26,609
	497,844	497,844	403,798	94,046

**CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued)				
Community support (Continued)				
Urban designer/forester				
Salaries and wages	89,741	89,741	3,420	86,321
Employee benefits	29,379	29,379	1,492	27,887
Services and supplies	11,680	11,680	6,613	5,067
	<u>130,800</u>	<u>130,800</u>	<u>11,525</u>	<u>119,275</u>
Total community support	<u>970,209</u>	<u>970,209</u>	<u>756,501</u>	<u>213,708</u>
Total expenditures	<u>19,583,387</u>	<u>19,833,387</u>	<u>19,032,205</u>	<u>801,182</u>
Excess deficiency of revenues under expenditures	<u>(1,174,930)</u>	<u>(1,424,930)</u>	<u>(754,708)</u>	<u>670,222</u>
Other financing sources (uses)				
Contingency	(587,502)	(587,502)	-	587,502
Transfers in	2,246,000	2,496,000	2,496,000	-
Transfers out	<u>(1,229,788)</u>	<u>(1,229,788)</u>	<u>(1,229,788)</u>	<u>-</u>
Total other financing sources (uses)	<u>428,710</u>	<u>678,710</u>	<u>1,266,212</u>	<u>587,502</u>
Net change in fund balance	<u>(746,220)</u>	<u>(746,220)</u>	<u>511,504</u>	<u>1,257,724</u>
Fund balance, beginning of year	<u>3,975,991</u>	<u>4,544,745</u>	<u>4,544,745</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,229,771</u>	<u>\$ 3,798,525</u>	<u>\$ 5,056,249</u>	<u>\$ 1,257,724</u>

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Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The Capital Improvement Fund is used to account for the accumulation of resources from the sale of City owned land, which is specifically restricted by City Charter to be expended on voter approved projects. When designated projects are approved by the voters, resources of this fund are transferred to the Capital (Special) Projects Fund.

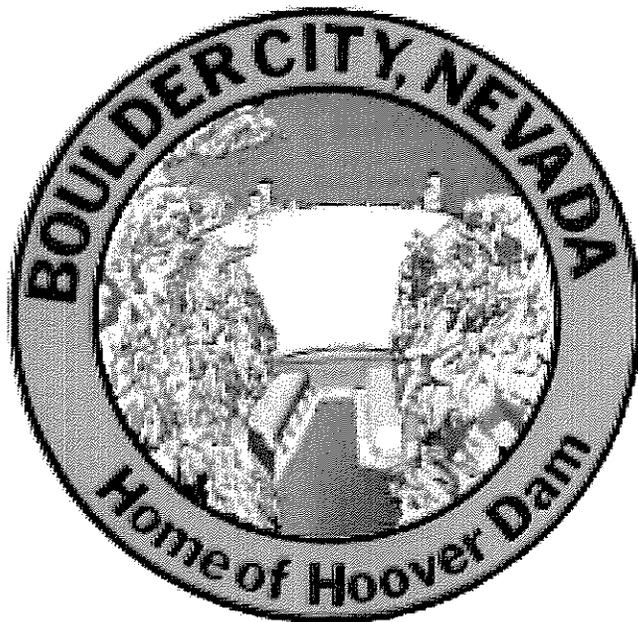
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**CITY OF BOULDER CITY, NEVADA
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues				
Miscellaneous				
Leases	\$ 417,825	\$ 417,825	\$ 446,801	\$ 28,976
Land sales	500,000	500,000	240,000	(260,000)
Interest	40,000	40,000	80,016	40,016
Other	-	-	29,932	29,932
	<u>957,825</u>	<u>957,825</u>	<u>796,749</u>	<u>(161,076)</u>
Expenditures				
Miscellaneous				
Repairs and equipment	750,000	-	-	-
Other financing uses				
Transfers out	(1,825,000)	(2,575,000)	(2,575,000)	-
Net change in fund balance	(1,617,175)	(1,617,175)	(1,778,251)	(161,076)
Fund balance, beginning of year	<u>2,453,830</u>	<u>2,826,624</u>	<u>2,826,624</u>	<u>-</u>
Fund balance, end of year	<u>\$ 836,655</u>	<u>\$ 1,209,449</u>	<u>\$ 1,048,373</u>	<u>\$ (161,076)</u>

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**Note to Other Required
Supplementary Information**



**CITY OF BOULDER CITY, NEVADA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2007**

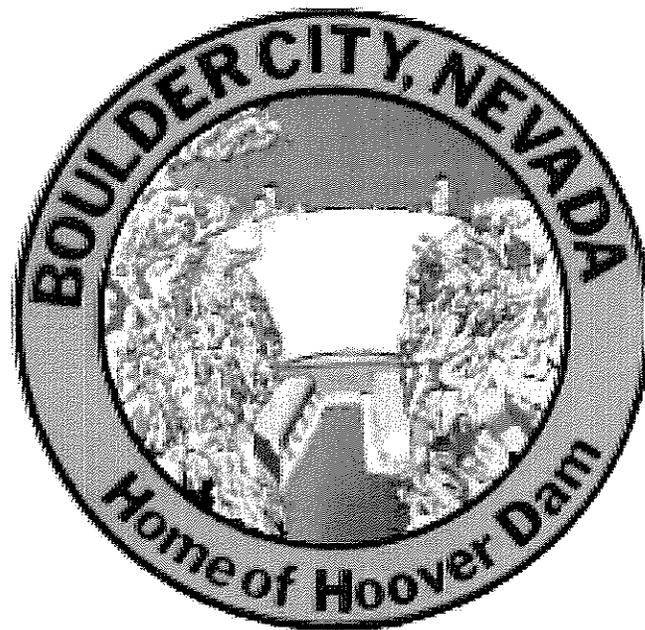
1. Basis of Presentation

The accompanying required supplementary schedules of revenues, expenditures and changes in fund balance present the original adopted budget, the final amended budget, and actual fund data. The original budget was adopted on a basis consistent with the City's financial accounting policies and with accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

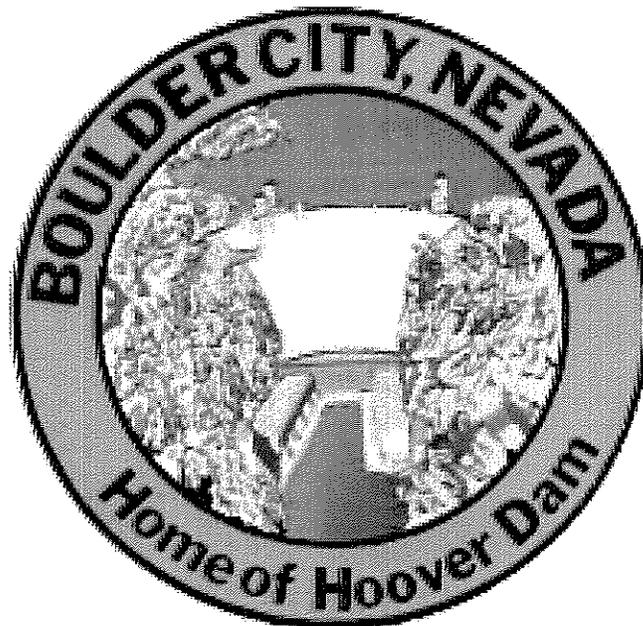
Additional budgetary information can be found in Note 2 to the City's basic financial statements on page 37 of this report.

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Combining and Individual Fund Statements and Schedules



Major Governmental Fund



Capital (Special) Projects Fund

The Capital (Special) Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

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**CITY OF BOULDER CITY, NEVADA
CAPITAL (SPECIAL) PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Room tax	\$ 38,938	\$ 38,938	\$ 38,938	\$ -
County optional motor fuel tax	65,000	65,000	67,014	2,014
Special ad valorem tax	115,000	115,000	130,430	15,430
Other	30,000	30,000	-	(30,000)
	<u>248,938</u>	<u>248,938</u>	<u>236,382</u>	<u>(12,556)</u>
Intergovernmental revenues				
Federal grants				
Community Development Block Grant (CDBG)	-	-	854,709	854,709
Department of Justice	-	-	630	630
Department of Transportation	1,000,000	1,000,000	1,230	(998,770)
State shared revenues				
Motor vehicle fuel tax	140,000	140,000	185,815	45,815
Local government shared revenues				
Regional Transportation Commission	-	-	358,922	358,922
Clark County Flood Control District	2,000,000	2,000,000	325,442	(1,674,558)
Southern Nevada Public Lands Management Account (SNPLMA)	1,151,248	1,151,248	2,254,994	1,103,746
Southern Nevada Water Authority (SNWA)	51,000	51,000	-	(51,000)
Clark County, other	231,754	231,754	-	(231,754)
	<u>4,574,002</u>	<u>4,574,002</u>	<u>3,981,742</u>	<u>(592,260)</u>
Miscellaneous				
Interest	-	-	10,789	10,789
Other	-	-	3,444	3,444
	<u>-</u>	<u>-</u>	<u>14,233</u>	<u>14,233</u>
Total revenues	<u>4,822,940</u>	<u>4,822,940</u>	<u>4,232,357</u>	<u>(590,583)</u>

**CITY OF BOULDER CITY, NEVADA
CAPITAL (SPECIAL) PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

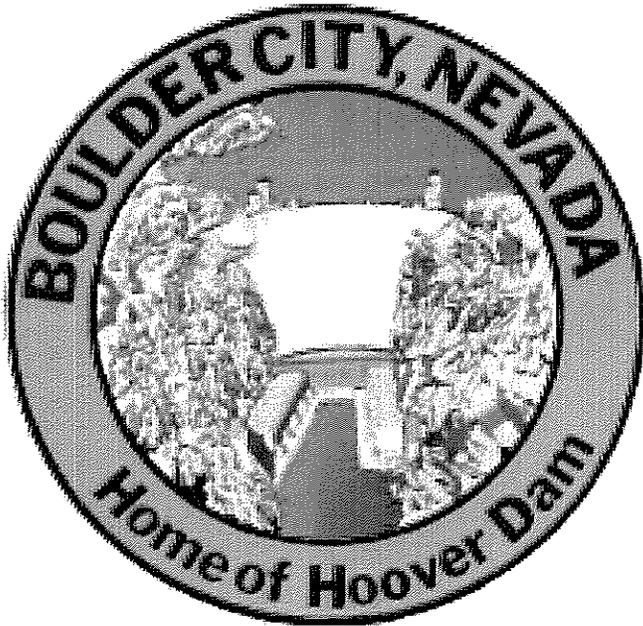
	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Expenditures				
General government				
Capital outlay				
CDBG - Emergency Aid of Boulder City	23,498	23,498	21,325	2,173
CDBG - Lend-a-hand	8,256	8,256	7,492	764
City hall renovation	-	230,000	-	230,000
	31,754	261,754	28,817	232,937
Public safety				
Capital outlay				
Animal shelter	1,500,000	1,500,000	1,261,213	238,787
Police building renovation	580,000	580,000	146,845	433,155
Police equipment	-	-	21,968	(21,968)
800 MHZ Radio system	-	-	280	(280)
Red mountain fire improvement	-	-	1,960	(1,960)
	2,080,000	2,080,000	1,432,266	647,734
Public works				
Capital outlay				
Bootleg Canyon Trailhead	451,248	451,248	1,250,534	(799,286)
City building repairs	-	270,000	56,511	213,489
City traffic congestion - US 93	1,000,000	1,000,000	-	1,000,000
Drainage projects	2,000,000	2,000,000	218,197	1,781,803
Georgia Ave. landscape	160,000	160,000	-	160,000
Industrial court subdivision	225,000	225,000	-	225,000
Landscape improvements	-	-	11,055	(11,055)
Micro-pave/Fog seal program	200,000	200,000	206,590	(6,590)
River Mountain loop trail	700,000	700,000	-	700,000
Veterans Memorial Drive	65,250	65,250	-	65,250
	4,801,498	5,071,498	1,742,887	3,328,611

**CITY OF BOULDER CITY, NEVADA
CAPITAL (SPECIAL) PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued)				
Culture and recreation				
Capital outlay				
ABC park master plan	-	-	156,135	(156,135)
Golf course capital improvements	170,000	170,000	5,742	164,258
Hemenway Park	65,000	65,000	14,078	50,922
Recreation center renovation	6,500	6,500	-	6,500
Senior citizens center renovation	-	-	78,910	(78,910)
Veterans Memorial Park	200,000	200,000	1,521	198,479
	441,500	441,500	256,386	185,114
Community support				
Capital outlay				
CDBG - Senior housing study	-	-	5,743	(5,743)
Boulder Hotel improvements	-	-	182,441	(182,441)
	-	-	188,184	(188,184)
Total expenditures	7,354,752	7,854,752	3,648,540	4,206,212
Excess (deficiency) of revenues over (under) expenditures	(2,531,812)	(3,031,812)	583,817	3,615,629
Other financing sources				
Transfers in	2,405,000	2,905,000	2,325,000	(580,000)
Net change in fund balance	(126,812)	(126,812)	2,908,817	3,035,629
Fund balance , beginning of year	555,710	(1,414,019)	(1,414,019)	-
Fund balance , end of year	\$ 428,898	\$(1,540,831)	\$ 1,494,798	\$ 3,035,629

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Non-Major Governmental Funds



Non-Major Special Revenue Funds

The Urban Forestry Fund was established to account for revenues received from the Southern Nevada Health District for emission reduction credits received from the Eldorado Energy Project. The City plans to plant 15,000 trees with the proceeds.

The Sales and Use Tax Special Revenue Fund was established to account for the City's share of an Act of 2005 relating to taxation; authorizing the Board of County Commissioners of Clark County to increase sales and use tax to employ and equip additional police officers.

The Residential Construction Tax Fund is used to account for revenues from residential construction taxes, which are specifically restricted for the development of park projects.

The Police Forfeiture Fund was established in accordance with Nevada Revised Statutes No. 179.1187 wherein forfeited property may be sold and the proceeds used for any lawful purpose by the police department, except for ordinary expenses.

The Municipal Court Construction Fee Fund was established in accordance with Nevada Revised Statutes No. 176.0611, which authorizes the collection of an administrative assessment in the municipal court for the provision of court facilities.

The Municipal Court Administrative Assessment Fund was established in accordance with Nevada Revised Statutes No. 176.059, which authorizes the collection of an administrative assessment in the municipal court for the training and education of personnel, acquisition of capital assets, management and operational studies, and audits.

The Land Improvement Fund was established as a revolving fund of \$500,000, which is specifically restricted by City Charter to develop and prepare property owned by the City for sale.

The Golf Course Improvement Fund is used for the accumulation of resources from a surcharge on each round of golf played and is specifically restricted to repay the City for financing improvements at the Boulder Creek Golf Course.

The Redevelopment District #1 Fund is used for the accumulation of resources from a portion of local property taxes and was established as a separate legal entity to encourage renovation and development in the core business area of the City.

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**CITY OF BOULDER CITY, NEVADA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
AS OF JUNE 30, 2007**

ASSETS	Special Revenue Funds										Total Non-Major Governmental Funds	
	Urban Forestry Fund	Sales and Use Tax Fund	Residential Construction Tax Fund	Police Forfeiture Fund	Municipal Court Construction Fee Fund	Municipal Court Administrative Assessment Fund	Land Improvement Fund	Golf Course Improvement Fund	Redevelopment District #1 Fund			
Cash, cash equivalents and investments	\$ 138,827	\$ 489,163	\$ 189,594	\$ 4,109	\$ 292,267	\$ 241,123	\$ 20,055	\$ -	\$ 2,006,189	\$ -	\$ 2,013,142	\$ 3,381,327
Interest receivable	-	-	-	-	-	-	-	-	6,953	-	-	6,953
Taxes receivable	-	191,748	-	-	-	-	-	-	-	-	-	191,748
	\$ 138,827	\$ 680,911	\$ 189,594	\$ 4,109	\$ 292,267	\$ 241,123	\$ 20,055	\$ -	\$ 2,013,142	\$ -	\$ 2,013,142	\$ 3,580,028

**LIABILITIES AND FUND
BALANCES**

Liabilities												
Accounts payable	\$ -	\$ 630	\$ -	\$ -	\$ -	\$ 13,064	\$ 6,903	\$ -	\$ 184,200	\$ -	\$ 184,200	\$ 204,797
Accrued expenses	-	12,344	-	-	-	-	-	-	-	-	-	12,344
	-	12,974	-	-	-	13,064	6,903	-	184,200	-	184,200	217,141

Fund balances

Reserved for												
Future projects	-	-	-	-	-	-	13,152	-	1,828,942	-	1,828,942	1,842,094
Additional police officers	-	667,937	-	-	-	-	-	-	-	-	-	667,937
Unreserved, reported in:												
Special revenue funds	138,827	-	189,594	4,109	292,267	228,059	-	-	-	-	-	852,856
	138,827	667,937	189,594	4,109	292,267	228,059	13,152	-	1,828,942	-	1,828,942	3,362,887

Total liabilities and fund balances	\$ 138,827	\$ 680,911	\$ 189,594	\$ 4,109	\$ 292,267	\$ 241,123	\$ 20,055	\$ -	\$ 2,013,142	\$ -	\$ 2,013,142	\$ 3,580,028
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**CITY OF BOULDER CITY, NEVADA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Special Revenue Funds										Total Non-Major Governmental Funds	
	Urban Forestry Fund	Sales and Use Tax Fund	Residential Construction Tax Fund	Police Forfeiture Fund	Municipal Court Construction Fee Fund	Municipal Court Administrative Assessment Fund	Land Improvement Fund	Golf Course Improvement Fund	Redevelopment District #1 Fund			
Revenues												
Taxes	\$ -	\$ 753,615	\$ 21,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 831,843	\$ -	\$ -	\$ 1,606,458
Fines and fees	-	-	-	-	42,074	54,259	-	-	-	-	-	96,333
Miscellaneous	-	-	-	-	-	-	-	-	34,332	-	-	34,332
	-	753,615	21,000	-	42,074	54,259	-	-	866,175	-	-	1,737,123
Expenditures												
General government	-	-	-	-	-	-	-	71,742	838,361	-	-	910,103
Judicial	-	-	-	-	13,741	25,655	-	-	-	-	-	39,396
Public safety	-	578,378	-	4,055	-	-	-	-	-	-	-	582,433
	-	578,378	-	4,055	13,741	25,655	-	71,742	838,361	-	-	1,531,932
Other financing sources												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Net change in fund balance	-	175,237	21,000	(4,055)	28,333	28,604	(71,742)	-	27,814	-	-	205,191
Fund balance,												
beginning of year	138,827	492,700	168,594	8,164	263,934	199,455	84,894	-	1,801,128	-	-	3,157,696
Fund balance, end of year	\$ 138,827	\$ 667,937	\$ 189,594	\$ 4,109	\$ 292,267	\$ 228,059	\$ 13,152	\$ -	\$ 1,828,942	\$ -	\$ -	\$ 3,362,887

**CITY OF BOULDER CITY, NEVADA
 URBAN FORESTRY FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
	\$ -	\$ -	\$ -	\$ -
Expenditures				
	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance , beginning of year	-	138,827	138,827	-
Fund balance , end of year	\$ -	\$ 138,827	\$ 138,827	\$ -

**CITY OF BOULDER CITY, NEVADA
SALES AND USE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 720,000	\$ 720,000	\$ 753,615	\$ 33,615
Expenditures				
Public safety				
Salaries and wages	294,402	294,402	237,193	57,209
Employee benefits	160,717	160,717	122,653	38,064
Services and supplies	44,855	44,855	35,707	9,148
Capital outlay	78,745	78,745	182,825	(104,080)
	578,719	578,719	578,378	341
Net change in fund balance	141,281	141,281	175,237	33,956
Fund balance, beginning of year	279,732	492,700	492,700	-
Fund balance, end of year	\$ 421,013	\$ 633,981	\$ 667,937	\$ 33,956

**CITY OF BOULDER CITY, NEVADA
RESIDENTIAL CONSTRUCTION TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 45,000	\$ 45,000	\$ 21,000	\$ (24,000)
Other financing uses				
Transfers out	(45,000)	(45,000)	-	45,000
Net change in fund balance	-	-	21,000	21,000
Fund balance, beginning of year	4,447	168,594	168,594	-
Fund balance, end of year	\$ 4,447	\$ 168,594	\$ 189,594	\$ 21,000

**CITY OF BOULDER CITY, NEVADA
POLICE FORFEITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Expenditures				
Public safety				
Services and supplies	15,164	15,164	4,055	11,109
Net change in fund balance	(10,164)	(10,164)	(4,055)	6,109
Fund balance , beginning of year	10,164	8,164	8,164	-
Fund balance , end of year	\$ -	\$ (2,000)	\$ 4,109	\$ 6,109

**CITY OF BOULDER CITY, NEVADA
MUNICIPAL COURT CONSTRUCTION FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and fees				
Court fines	\$ 40,000	\$ 40,000	\$ 42,074	\$ 2,074
Expenditures				
Judicial				
Services and supplies	67,400	67,400	-	67,400
Capital outlay	-	-	13,741	(13,741)
	67,400	67,400	13,741	53,659
Net change in fund balance	(27,400)	(27,400)	28,333	55,733
Fund balance, beginning of year	27,400	263,934	263,934	-
Fund balance, end of year	\$ -	\$ 236,534	\$ 292,267	\$ 55,733

**CITY OF BOULDER CITY, NEVADA
MUNICIPAL COURT ADMINISTRATIVE ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and fees				
Court administration assessment	\$ 45,000	\$ 45,000	\$ 54,259	\$ 9,259
Expenditures				
Judicial				
Services and supplies	-	-	10,882	(10,882)
Capital outlay	45,000	45,000	14,773	30,227
	45,000	45,000	25,655	19,345
Net change in fund balance	-	-	28,604	28,604
Fund balance , beginning of year	-	199,455	199,455	-
Fund balance , end of year	\$ -	\$ 199,455	\$ 228,059	\$ 28,604

**CITY OF BOULDER CITY, NEVADA
 LAND IMPROVEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ 225,000	\$ 225,000	\$ -	\$ (225,000)
Expenditures				
General government				
Services and supplies	-	-	71,742	(71,742)
Other financing uses				
Transfers out	(225,000)	(225,000)	-	225,000
Net change in fund balance	-	-	(71,742)	(71,742)
Fund balance , beginning of year	-	84,894	84,894	-
Fund balance , end of year	\$ -	\$ 84,894	\$ 13,152	\$ (71,742)

**CITY OF BOULDER CITY, NEVADA
 GOLF COURSE IMPROVEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

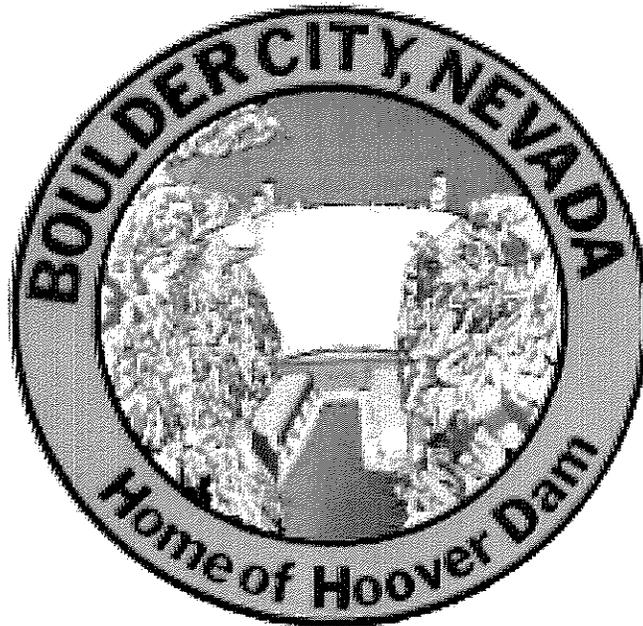
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for services				
Golf course surcharge	\$ 170,000	\$ 170,000	\$ -	\$ (170,000)
Other financing uses				
Transfers out	(170,000)	(170,000)	-	170,000
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

**CITY OF BOULDER CITY, NEVADA
REDEVELOPMENT DISTRICT #1 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 591,614	\$ 591,614	\$ 831,843	\$ 240,229
Miscellaneous				
Interest income	15,000	15,000	29,829	14,829
Other	-	-	4,503	4,503
	<u>606,614</u>	<u>606,614</u>	<u>866,175</u>	<u>259,561</u>
Expenditures				
General government				
Service and supplies	607,250	607,250	838,361	(231,111)
Net change in fund balance	(636)	(636)	27,814	28,450
Fund balance , beginning of year	<u>4,454</u>	<u>1,801,128</u>	<u>1,801,128</u>	<u>-</u>
Fund balance , end of year	<u>\$ 3,818</u>	<u>\$ 1,800,492</u>	<u>\$ 1,828,942</u>	<u>\$ 28,450</u>

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Major Proprietary Funds



Proprietary Funds

Proprietary Funds are used to account for operations that are financed and operating in a manner similar to private business enterprises - where the intent of the City Council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accounting purposes.

The Utility Fund is used to account for the electric, water and sewer services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating, construction, maintenance, financing and related debt services, billing and collection.

The Golf Course Fund is used to account for the Boulder Creek Golf Course. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating, construction, maintenance, financing and related debt services.

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CITY OF BOULDER CITY, NEVADA
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Operating revenues				
Electric	\$ 9,463,817	\$ 9,463,817	\$ 10,506,107	\$ 1,042,290
Water	6,596,159	6,596,159	6,368,144	(228,015)
Sewer	950,000	950,000	1,060,307	110,307
Refuse	770,000	770,000	773,038	3,038
Refuse special charge	-	-	54,845	54,845
Landfill receipts	160,000	160,000	189,580	29,580
Penalties	40,000	40,000	112,389	72,389
Miscellaneous	-	-	14,473	14,473
Hookup fees	440,000	440,000	353,648	(86,352)
Total revenues	18,419,976	18,419,976	19,432,531	1,012,555
Operating expenses				
Utility administration				
Salaries and benefits	77,124	77,124	69,226	7,898
Supplies and services	-	-	4,548	(4,548)
	<u>77,124</u>	<u>77,124</u>	<u>73,774</u>	<u>3,350</u>
Electrical distribution				
Salaries and benefits	7,700,926	7,700,926	1,687,742	6,013,184
Supplies and services	-	-	5,767,251	(5,767,251)
	<u>7,700,926</u>	<u>7,700,926</u>	<u>7,454,993</u>	<u>245,933</u>
Water quality control				
Salaries and benefits	3,836,840	3,836,840	616,808	3,220,032
Supplies and services	-	-	2,940,928	(2,940,928)
	<u>3,836,840</u>	<u>3,836,840</u>	<u>3,557,736</u>	<u>279,104</u>
Water quality control-wastewater				
Salaries and benefits	496,802	496,802	206,038	290,764
Supplies and services	-	-	138,489	(138,489)
	<u>496,802</u>	<u>496,802</u>	<u>344,527</u>	<u>152,275</u>
Refuse collection				
Salaries and benefits	725,000	725,000	-	725,000
Supplies and services	-	-	954,232	(954,232)
	<u>725,000</u>	<u>725,000</u>	<u>954,232</u>	<u>(229,232)</u>
Billing and collection				
Salaries and benefits	636,287	636,287	448,579	187,708
Supplies and services	-	-	102,446	(102,446)
	<u>636,287</u>	<u>636,287</u>	<u>551,025</u>	<u>85,262</u>

CITY OF BOULDER CITY, NEVADA
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND
ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

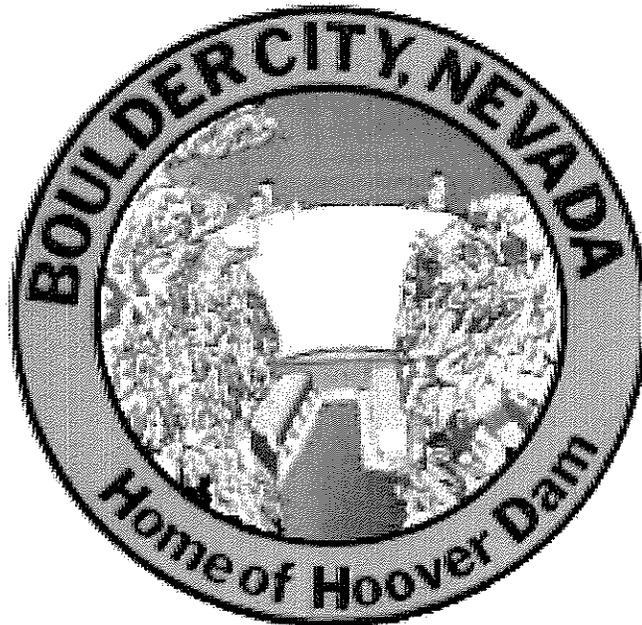
	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Operating expenses (Continued)				
Other				
Supplies and services	546,000	546,000	516,908	29,092
Depreciation	-	-	2,288,161	(2,288,161)
	14,018,979	14,018,979	15,741,356	(1,722,377)
Operating income	4,400,997	4,400,997	3,691,175	(709,822)
Non-operating revenues (expenses)				
Interest income	8,000	8,000	59,742	51,742
Interest expense	(1,746,101)	(1,746,101)	(1,328,821)	417,280
1/4-cent sales tax (infrastructure)	840,000	840,000	885,861	45,861
Loss of disposition of assets	-	-	(4,218)	(4,218)
Capital projects	(400,000)	(400,000)	-	400,000
Grant revenue	-	-	2,775,279	2,775,279
	(1,298,101)	(1,298,101)	2,387,843	3,685,944
Income before contributions and transfers	3,102,896	3,102,896	6,079,018	2,976,122
Capital contributions	-	-	40,695	40,695
Transfers out	(2,200,000)	(2,200,000)	(2,200,000)	-
Net income	902,896	902,896	3,919,713	3,016,817
Net assets				
Net assets , beginning of year, as previously reported	36,618,390	25,734,630	25,734,630	-
Prior period adjustments	-	-	8,700,000	8,700,000
Net assets , beginning of year, as restated	36,618,390	25,734,630	34,434,630	8,700,000
Net assets , end of year	\$ 37,521,286	\$ 26,637,526	\$ 38,354,343	\$ 11,716,817

**CITY OF BOULDER CITY, NEVADA
GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operating revenues				
Golf course receipts	\$ 2,899,000	\$ 2,899,000	\$ 3,102,583	\$ 203,583
Operating expenses				
Salaries and wages	11,685	11,685	12,397	(712)
Supplies and services	2,668,385	2,668,385	2,859,682	(191,297)
Depreciation	-	-	814,068	(814,068)
	<u>2,680,070</u>	<u>2,680,070</u>	<u>3,686,147</u>	<u>(1,006,077)</u>
Operating income (loss)	218,930	218,930	(583,564)	(802,494)
Non-operating revenues (expenses)				
Interest expense	(425,061)	(425,061)	(416,795)	8,266
Capital expenses	(200,000)	(200,000)	-	200,000
	<u>(625,061)</u>	<u>(625,061)</u>	<u>(416,795)</u>	<u>208,266</u>
Loss before transfers	(406,131)	(406,131)	(1,000,359)	(594,228)
Transfers in	1,229,788	1,229,788	1,229,788	-
Net income	<u>823,657</u>	<u>823,657</u>	<u>229,429</u>	<u>(594,228)</u>
Net assets				
Net assets , beginning of year, as previously reported	5,660,784	4,125,835	4,125,835	-
Prior period adjustment	-	-	(7,332,030)	(7,332,030)
Net assets , beginning of year, as restated	<u>5,660,784</u>	<u>4,125,835</u>	<u>(3,206,195)</u>	<u>(7,332,030)</u>
Net assets , end of year	<u>\$ 6,484,441</u>	<u>\$ 4,949,492</u>	<u>\$ (2,976,766)</u>	<u>\$ (7,926,258)</u>

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Non-Major Proprietary Funds



Non-Major Proprietary Funds

The Aviation Fund is used to account for aviation services provided to users of the City's airport. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating, construction and maintenance.

The Cemetery Fund is used to account for cemetery services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating, construction and maintenance.

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**CITY OF BOULDER CITY, NEVADA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2007**

ASSETS	Aviation Fund	Cemetery Fund	Total
Cash, cash equivalents and investments	\$ 274,271	\$ 358,417	\$ 632,688
Interest receivable	1,817	1,817	3,634
Due from other governments	311,545	-	311,545
	587,633	360,234	947,867
Restricted investments, perpetual care	-	144,007	144,007
Property and equipment:			
Land	512,760	65,000	577,760
Buildings	269,333	-	269,333
Improvements other than buildings	5,317,737	263,305	5,581,042
Machinery, equipment and furniture	166,917	25,727	192,644
Less accumulated depreciation	(1,906,168)	(180,245)	(2,086,413)
	4,360,579	173,787	4,534,366
Total assets	\$ 4,948,212	\$ 678,028	\$ 5,626,240
LIABILITIES AND NET ASSETS			
Liabilities			
Accounts payable	\$ 185,557	\$ 1,821	\$ 187,378
Net assets			
Invested in capital assets, net of related debt	4,360,579	173,787	4,534,366
Restricted for perpetual care	-	144,007	144,007
Unrestricted	402,076	358,413	760,489
	4,762,655	676,207	5,438,862
Total liabilities and net assets	\$ 4,948,212	\$ 678,028	\$ 5,626,240

**CITY OF BOULDER CITY, NEVADA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Aviation Fund	Cemetery Fund	Total
Operating revenues	\$ 315,240	\$ 33,208	\$ 348,448
Operating expenses			
Supplies and services	157,145	14,918	172,063
Depreciation	178,573	12,270	190,843
	335,718	27,188	362,906
Operating income (loss)	(20,478)	6,020	(14,458)
Non-operating revenues			
Grant revenue	211,906	-	211,906
Interest	79	23,942	24,021
Income before transfers	191,507	29,962	221,469
Transfers out	-	(46,000)	(46,000)
Net income (loss)	191,507	(16,038)	175,469
Net assets, beginning of year	4,571,148	692,245	5,263,393
Net assets, end of year	\$ 4,762,655	\$ 676,207	\$ 5,438,862

**CITY OF BOULDER CITY, NEVADA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Aviation Fund	Cemetery Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 315,240	\$ 33,208	\$ 348,448
Cash payments to suppliers for goods and services	(221,780)	(13,732)	(235,512)
Net cash provided by operating activities	93,460	19,476	112,936
Cash flows from noncapital financing activities			
Transfers out	-	(46,000)	(46,000)
Cash flows from capital and related financing activities			
Acquisition of fixed assets	(544,059)	-	(544,059)
Proceeds from capital grant contributions from federal government	211,906	-	211,906
Net cash used in capital and related financing activities	(332,153)	-	(332,153)
Cash flows from investing activities			
Interest on investments	-	23,864	23,864
Net cash provided by investing activities	-	23,864	23,864
Net decrease in cash and cash equivalents	(238,693)	(2,660)	(241,353)
Cash and cash equivalents, beginning of year	512,964	505,084	1,018,048
Cash and cash equivalents, end of year	\$ 274,271	\$ 502,424	776,695
Reconciliation of operating income to net cash provided by operating activities			
Operating income (loss)	\$ (20,478)	\$ 6,020	\$ (14,458)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	178,573	12,270	190,843
Changes in operating assets and liabilities			
Increase in due from other governments	(211,906)	-	(211,906)
Increase in accounts payable	147,271	1,186	148,457
Net cash provided by operating activities	\$ 93,460	\$ 19,476	\$ 112,936

CITY OF BOULDER CITY, NEVADA
AVIATION FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Operating revenues				
Rents and royalties	\$ 216,000	\$ 216,000	\$ 315,240	\$ 99,240
Miscellaneous	8,000	8,000	-	(8,000)
	<u>224,000</u>	<u>224,000</u>	<u>315,240</u>	<u>91,240</u>
Operating expenses				
Salaries and wages	7,704	7,704	-	7,704
Supplies and services	183,088	183,088	157,145	25,943
Depreciation	-	-	178,573	(178,573)
	<u>190,792</u>	<u>190,792</u>	<u>335,718</u>	<u>(144,926)</u>
Operating income (loss)	<u>33,208</u>	<u>33,208</u>	<u>(20,478)</u>	<u>(53,686)</u>
Non-operating revenues (expenses)				
Federal Aviation Administration grant	300,000	300,000	211,906	(88,094)
Interest income	-	-	79	79
Capital outlays	(365,000)	(365,000)	-	365,000
	<u>(65,000)</u>	<u>(65,000)</u>	<u>211,985</u>	<u>276,985</u>
Net income	<u>(31,792)</u>	<u>(31,792)</u>	<u>191,507</u>	<u>223,299</u>
Net assets				
Net assets, beginning of year	<u>5,801,078</u>	<u>4,571,148</u>	<u>4,571,148</u>	<u>-</u>
Net assets, end of year	<u>\$ 5,769,286</u>	<u>\$ 4,539,356</u>	<u>\$ 4,762,655</u>	<u>\$ 223,299</u>

**CITY OF BOULDER CITY, NEVADA
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Operating revenues				
Sale of lots	\$ 29,000	\$ 29,000	\$ 11,703	\$ (17,297)
Opening and closing	22,000	22,000	14,950	(7,050)
Miscellaneous	25,000	25,000	6,555	(18,445)
	<u>76,000</u>	<u>76,000</u>	<u>33,208</u>	<u>(42,792)</u>
Operating expenses				
Supplies and services	10,000	10,000	14,918	(4,918)
Depreciation	-	-	12,270	(12,270)
	<u>10,000</u>	<u>10,000</u>	<u>27,188</u>	<u>(17,188)</u>
Operating income	66,000	66,000	6,020	(59,980)
Non-operating revenues				
Interest income	12,000	12,000	23,942	11,942
Income before transfers	78,000	78,000	29,962	(48,038)
Transfers out	(46,000)	(46,000)	(46,000)	-
Net income (loss)	32,000	32,000	(16,038)	(48,038)
Net assets				
Net assets, beginning of year	734,131	692,245	692,245	-
Net assets, end of year	<u>\$ 766,131</u>	<u>\$ 724,245</u>	<u>\$ 676,207</u>	<u>\$ (48,038)</u>

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Fiduciary Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and other funds.

The Evidence Fund is used to account for property confiscated by the police department prior to distribution by the court system.

The Desert Tortoise Reserve Fund is used to account for the collection and distribution of funds for the Clark County Desert Tortoise Reserve.

The Animal Control Contributions Fund is used to account for contributions for use by animal control.

The American Legion Flag Contributions Fund is used to account for contributions to be used by the American Legion for the purchase of flags.

The Payroll Deduction Fund is used to account for the collection and distribution of funds for the City's payroll related liabilities.

The Police Unclaimed Fund was established to account for funds collected by the Police Department and never claimed.

The Room Tax Fund is used to account for the collections and distribution of room taxes received from various hotels within the City.

The Cascata Contribution Fund is used to account for contributions received from Cascata Golf Course, prior to distribution to local not-for-profit organizations.

The Police Department Contributions Fund is used to account for the collection and distribution of police department contributions.

The Recreation Contributions Fund is used to account for the collection and distribution of recreation contributions.

The Fire Department Contributions Fund is used to account for the collection and distribution of fire department contributions.

The Adams Boulevard Memorial Trees Fund is used to account for the collection and distribution of contributions for the Adams Boulevard tree project.

The Beautify City Entrance Fund is used to account for the collection and distribution of contributions for beautifying the City entrance.

The Safety Committee Donations Fund is used to account for the collection and distribution of safety committee donations.

The Parent Project Fund is used to account for the collection and distribution of funds used to conduct parent training program designed specifically for parents of strong-willed or out of control adolescent children in Boulder City.

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CITY OF BOULDER CITY, NEVADA
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Agency Funds			
	July 1, 2006	Increases	Decreases	June 30, 2007
Evidence				
Assets				
Cash, cash equivalents and investments	\$ 27,244	\$ 14,344	\$ (24,947)	\$ 16,641
Liabilities				
Deposits	\$ 27,244	\$ 14,344	\$ (24,947)	\$ 16,641
Desert Tortoise Reserve				
Assets				
Cash, cash equivalents and investments	\$ 9,905	\$ 72,024	\$ (74,533)	\$ 7,396
Due from other governments	2,575	-	(2,575)	-
	\$ 12,480	\$ 72,024	\$ (77,108)	\$ 7,396
Liabilities				
Due to other governments	\$ 12,480	\$ 72,024	\$ (77,108)	\$ 7,396
Animal Control Contributions				
Assets				
Cash, cash equivalents and investments	\$ 1,348	\$ 2,177	\$ -	\$ 3,525
Liabilities				
Deposits	\$ 1,348	\$ 2,177	\$ -	\$ 3,525
American Legion Flag Contributions				
Assets				
Cash, cash equivalents and investments	\$ 898	\$ -	\$ -	\$ 898
Liabilities				
Deposits	\$ 898	\$ -	\$ -	\$ 898
Payroll Deductions				
Assets				
Cash, cash equivalents and investments	\$ 347,647	\$ 289,280	\$ (199,514)	\$ 437,413
Due from other governments	38,174	60,622	(38,174)	60,622
	\$ 385,821	\$ 349,902	\$ (237,688)	\$ 498,035
Liabilities				
Due to other governments	\$ -	\$ 110,111	\$ -	\$ 110,111
Due to employee union and taxing units	385,821	239,791	(237,688)	387,924
	\$ 385,821	\$ 349,902	\$ (237,688)	\$ 498,035
Police Unclaimed				
Assets				
Cash, cash equivalents and investments	\$ 4,872	\$ 19,530	\$ (14,419)	\$ 9,983
Liabilities				
Deposits	\$ 4,872	\$ 19,530	\$ (14,419)	\$ 9,983

**CITY OF BOULDER CITY, NEVADA
 FIDUCIARY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

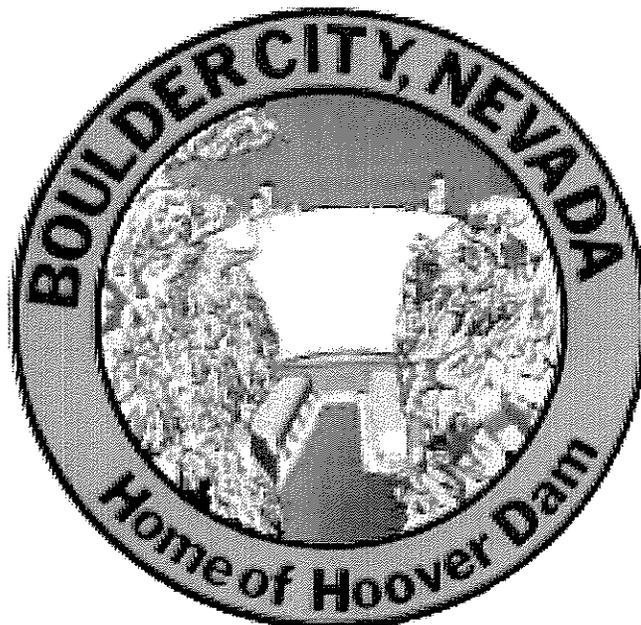
	Agency Funds			
	July 1, 2006	Increases	Decreases	June 30, 2007
Room Tax				
Assets				
Cash, cash equivalents and investments	\$ 3,643	\$ 218,537	\$ (222,180)	\$ -
Due from other governments	-	17,891	-	17,891
	<u>\$ 3,643</u>	<u>\$ 236,428</u>	<u>\$ (222,180)</u>	<u>\$ 17,891</u>
Liabilities				
Due to other governments	\$ 3,643	\$ 236,428	\$ (222,180)	\$ 17,891
Cascata Contribution				
Assets				
Cash, cash equivalents and investments	\$ 6,166	\$ 2,540	\$ -	\$ 8,706
Liabilities				
Deposits	\$ 6,166	\$ 2,540	\$ -	\$ 8,706
Police Department Contributions				
Assets				
Cash, cash equivalents and investments	\$ 5,054	\$ 40,970	\$ (12,557)	\$ 33,467
Liabilities				
Deposits	\$ 5,054	\$ 40,970	\$ (12,557)	\$ 33,467
Recreation Contributions				
Assets				
Cash, cash equivalents and investments	\$ 49,508	\$ 72,214	\$ (49,250)	\$ 72,472
Liabilities				
Deposits	\$ 49,508	\$ 72,214	\$ (49,250)	\$ 72,472
Fire Department Contributions				
Assets				
Cash, cash equivalents and investments	\$ 847	\$ 6,870	\$ (3,061)	\$ 4,656
Liabilities				
Deposits	\$ 847	\$ 6,870	\$ (3,061)	\$ 4,656
Adams Boulevard Memorial Trees				
Assets				
Cash, cash equivalents and investments	\$ 4,335	\$ -	\$ -	\$ 4,335
Liabilities				
Deposits	\$ 4,335	\$ -	\$ -	\$ 4,335
Beautify City Entrance				
Assets				
Cash, cash equivalents and investments	\$ 9,125	\$ 750	\$ (825)	\$ 9,050
Liabilities				
Deposits	\$ 9,125	\$ 750	\$ (825)	\$ 9,050

**CITY OF BOULDER CITY, NEVADA
 FIDUCIARY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	Agency Funds			
	July 1, 2006	Increases	Decreases	June 30, 2007
Safety Committee Donations				
Assets				
Cash, cash equivalents and investments	\$ 4,272	\$ -	\$ -	\$ 4,272
Liabilities				
Deposits	\$ 4,272	\$ -	\$ -	\$ 4,272
Parent Project				
Assets				
Cash, cash equivalents and investments	\$ 4,158	\$ 914	\$ (246)	\$ 4,826
Liabilities				
Deposits	\$ 4,158	\$ 914	\$ (246)	\$ 4,826
Total - All Agency Funds				
Assets				
Cash, cash equivalents and investments	\$ 479,022	\$ 740,150	\$ (601,532)	\$ 617,640
Due from other governments	40,749	78,513	(40,749)	78,513
	\$ 519,771	\$ 818,663	\$ (642,281)	\$ 696,153
Liabilities				
Deposits	\$ 117,827	\$ 160,309	\$ (105,305)	\$ 172,831
Due to other governments	16,123	418,563	(299,288)	135,398
Due to employee union and taxing units	385,821	239,791	(237,688)	387,924
	\$ 519,771	\$ 818,663	\$ (642,281)	\$ 696,153

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Capital Assets - Governmental Funds



CITY OF BOULDER CITY, NEVADA
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY SOURCE
JUNE 30, 2007

Governmental funds capital assets:

Land	\$	19,929,515
Buildings		9,567,549
Improvements other than buildings		17,101,659
Machinery, equipment and furniture		10,884,123
Infrastructure		<u>59,788,262</u>
Total governmental funds capital assets	\$	<u>117,271,108</u>

Investments in governmental funds capital assets by source:

General fund	\$	8,227,766
Special revenue funds		291,267
Capital (special) projects fund		80,599,621
Donations		<u>28,152,454</u>
	\$	<u>117,271,108</u>

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION AND ACTIVITY
JUNE 30, 2007

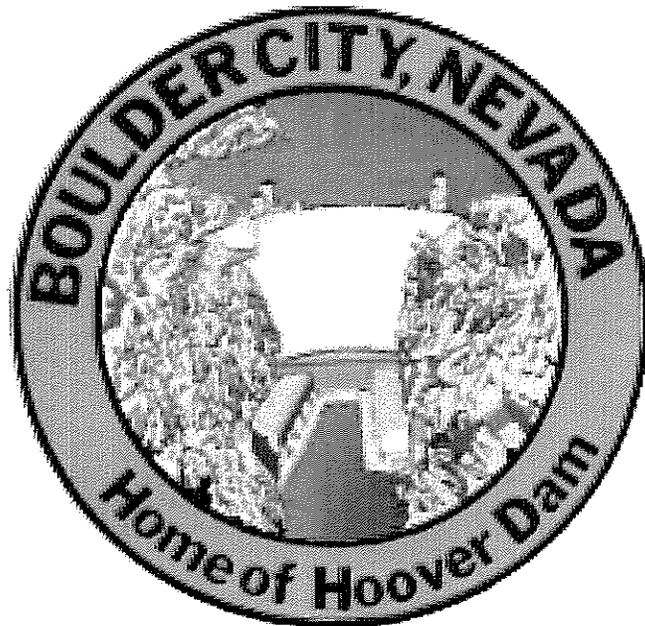
	Land	Buildings	Improvements Other than Buildings	Machinery, Equipment and Furniture	Infrastructure	Total
General Government						
City Council	\$ -	\$ -	\$ -	\$ 47,299	\$ -	\$ 47,299
City Clerk	-	-	-	28,000	-	28,000
City Attorney	-	-	-	8,994	-	8,994
City Manager	-	-	-	15,578	-	15,578
Personnel	-	-	-	6,379	-	6,379
Public information	-	-	-	17,624	-	17,624
Urban Designer/Forester	-	-	-	14,716	-	14,716
Finance	-	-	-	430,888	-	430,888
City Hall	61,300	765,318	39,497	219,432	-	1,085,547
	61,300	765,318	39,497	788,910	-	1,655,025
Judicial						
Municipal court	-	904,130	-	55,555	-	959,685
Public safety						
Police	-	1,092,028	-	3,072,586	-	4,164,614
Animal Control	-	1,413,631	-	64,505	-	1,478,136
Fire	6,520	1,126,789	-	2,906,153	-	4,039,462
	6,520	3,632,448	-	6,043,244	-	9,682,212
Public works						
Highways and streets	-	-	-	1,093,482	59,788,262	60,881,744
Engineering	-	-	-	96,742	-	96,742
Public works administration	-	-	-	34,342	-	34,342
Landscaping	-	-	186,100	459,975	-	646,075
Building maintenance	-	86,000	-	107,296	-	193,296
Garage	-	78,175	-	48,566	-	126,741
	-	164,175	186,100	1,840,403	59,788,262	61,978,940
Culture and recreation						
Golf course	183,000	343,298	2,931,205	979,426	-	4,436,929
Recreation	117,554	2,236,405	12,975,079	429,826	-	15,758,864
Senior citizens	-	1,300,562	-	18,976	-	1,319,538
Swimming pool	-	221,213	955,649	407,101	-	1,583,963
Cable TV	-	-	-	197,766	-	197,766
	300,554	4,101,478	16,861,933	2,033,095	-	23,297,060
Community support						
Community development administration	-	-	-	77,790	-	77,790
Planning	-	-	14,129	1,668	-	15,797
Building inspection and code enforcement	-	-	-	43,458	-	43,458
	-	-	14,129	122,916	-	137,045
Land held for resale	18,283,510	-	-	-	-	18,283,510
Land held for El Dorado Valley	1,277,631	-	-	-	-	1,277,631
Total governmental fund capital assets	\$19,929,515	\$ 9,567,549	\$ 17,101,659	\$ 10,884,123	\$ 59,788,262	\$117,271,108

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY
JUNE 30, 2007

	General Fixed Assets				General Fixed Assets
	July 1, 2006	Increase	Decrease	Transfers	June 30, 2007
General government					
City Council	\$ 47,299	\$ -	\$ -	\$ -	\$ 47,299
City Clerk	25,131	2,869	-	-	28,000
City Attorney	8,994	-	-	-	8,994
City Manager	16,940	-	(1,362)	-	15,578
Personnel	6,379	-	-	-	6,379
Public information	17,624	-	-	-	17,624
Urban Designer/Forester	14,716	-	-	-	14,716
Finance	334,237	99,476	(2,825)	-	430,888
City Hall	1,085,547	-	-	-	1,085,547
	<u>1,556,867</u>	<u>102,345</u>	<u>(4,187)</u>	<u>-</u>	<u>1,655,025</u>
Judicial					
Municipal Court	964,394	20,420	(25,129)	-	959,685
Police safety					
Police	2,322,635	2,005,231	(163,252)	-	4,164,614
Animal Control	216,924	1,261,212	-	-	1,478,136
Fire	3,466,270	588,027	(14,835)	-	4,039,462
	<u>6,005,829</u>	<u>3,854,470</u>	<u>(178,087)</u>	<u>-</u>	<u>9,682,212</u>
Public works					
Highways and street	60,331,696	591,847	(41,799)	-	60,881,744
Engineering	105,931	-	(9,189)	-	96,742
Public works administration	34,342	-	-	-	34,342
Landscaping	599,070	47,005	-	-	646,075
Building maintenance	107,296	86,000	-	-	193,296
Garage	101,498	49,825	(24,582)	-	126,741
	<u>61,279,833</u>	<u>774,677</u>	<u>(75,570)</u>	<u>-</u>	<u>61,978,940</u>
Culture and recreation					
Golf course	4,729,699	5,741	(298,511)	-	4,436,929
Recreation	14,314,971	1,451,268	(7,375)	-	15,758,864
Senior citizens	1,329,913	-	(10,375)	-	1,319,538
Swimming pool	1,554,951	33,096	(4,084)	-	1,583,963
Cable TV	196,646	1,120	-	-	197,766
	<u>22,126,180</u>	<u>1,491,225</u>	<u>(320,345)</u>	<u>-</u>	<u>23,297,060</u>
Community support					
Community development administration	30,503	48,687	(1,400)	-	77,790
Planning	7,554	8,243	-	-	15,797
Building inspection and code enforcement	43,458	-	-	-	43,458
	<u>81,515</u>	<u>56,930</u>	<u>(1,400)</u>	<u>-</u>	<u>137,045</u>
Land held for resale	<u>18,283,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,283,510</u>
Land held for El Dorado Valley	<u>1,277,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,277,631</u>
Total governmental fund capital assets	<u>\$111,575,759</u>	<u>\$ 6,300,067</u>	<u>\$ (604,718)</u>	<u>\$ -</u>	<u>\$117,271,108</u>

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Business License Fees

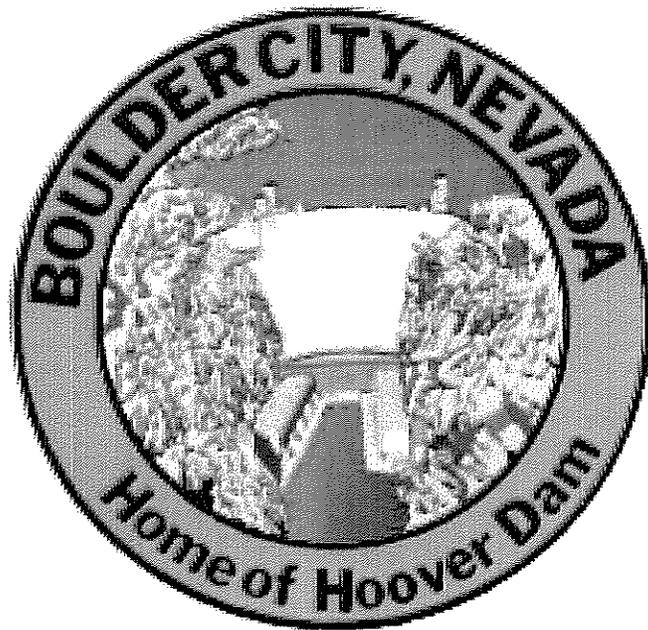


CITY OF BOULDER CITY, NEVADA
SCHEDULE OF BUSINESS LICENSE FEES - SUBJECT TO THE PROVISIONS OF NEVADA
REVISED STATUTES NO. 354.5989
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(UNAUDITED)

Flat fixed fees and fees based on point system		
Business license revenue for the fiscal year		
ended June 30, 2006 (base year)		\$ 250,312
Adjustments to base year		
Percentage increase in population of local government	1.00%	
Percentage increase in the consumer price index for		
the year ending on December 31, next preceding		
the year for which the limit is being calculated	<u>3.20%</u>	
		4.20%
Adjustment to base year at June 30, 2007		<u>10,513</u>
Adjusted base year at June 30, 2007		260,825
Actual business license revenue for the fiscal		
year ended June 30, 2007		<u>302,129</u>
Amount over allowable amount		<u>\$ 41,304</u>

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Statistical Section



**CITY OF BOULDER CITY, NEVADA
 STATISTICAL TABLES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

The Statistical Section presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information in regards to the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Net Assets by Component	115
Changes in Net Assets	116 - 118
Fund Balances, Governmental Funds	119
Changes in Fund Balances, Governmental Funds	120
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant revenue sources.	
Assessed and Estimated Actual Value of Taxable Property	121
Direct and Overlapping Property Tax Rates	122
Principal Property Taxpayers	123
Property Tax Levies and Collections	124
Utility Revenues by Sources	125
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Debt Capacity Information	126
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita	127
Computation of General Obligations Direct and Overlapping Government Debt	128
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Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Demographic Statistics	131
Principal Employers	132
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Full-time Equivalent City Employees by Function/Program	133
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2003, and schedules presenting government-wide information include information beginning in that year.

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**CITY OF BOULDER CITY, NEVADA
NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS (UNAUDITED)***

	2003	2004	2005	2006	2007
Governmental activities					
Invested in capital assets	\$ 58,562,357	\$ 59,196,125	\$ 59,391,263	\$ 61,889,580	\$ 64,926,313
Restricted	4,914,202	6,024,955	-	492,700	667,937
Unrestricted	4,044,596	2,008,079	7,484,167	8,521,247	8,748,540
Total governmental activities	<u>67,521,155</u>	<u>67,229,159</u>	<u>66,875,430</u>	<u>70,903,527</u>	<u>74,342,790</u>
Business-type activities					
Invested in capital assets	29,692,403	39,229,514	36,046,979	34,655,892	38,529,468
Restricted	1,353,984	132,411	1,163,994	408,607	1,280,592
Unrestricted	11,863,586	2,186,686	2,228,690	59,359	1,006,379
Total business-type activities	<u>42,909,973</u>	<u>41,548,611</u>	<u>39,439,663</u>	<u>35,123,858</u>	<u>40,816,439</u>
Primary government					
Invested in capital assets, net of related debt	88,254,760	98,425,639	95,438,242	96,545,472	103,455,781
Restricted	6,268,186	6,157,366	1,163,994	901,307	1,948,529
Unrestricted	15,908,182	4,194,765	9,712,857	8,580,606	9,754,919
Total primary government net assets	<u>\$ 110,431,128</u>	<u>\$ 108,777,770</u>	<u>\$ 106,315,093</u>	<u>\$ 106,027,385</u>	<u>\$ 115,159,229</u>

* Accrual-basis financial information for the City as a whole is available beginning in FY 2003, the year GASB statement 34 was implemented. Ten years of data will be accumulated overtime.

**CITY OF BOULDER CITY, NEVADA
CHANGES IN NET ASSETS*
LAST FIVE FISCAL YEARS (UNAUDITED)****

	2003	2004	2005	2006	2007
Expenses					
Governmental activities:					
General government	\$ 3,314,728	\$ 3,324,657	\$ 4,260,228	\$ 3,841,233	\$ 4,428,713
Judicial	367,397	382,335	358,102	393,959	408,062
Public safety	6,394,584	6,777,765	7,266,125	7,138,480	9,258,610
Public works	4,026,866	3,898,312	4,322,704	4,784,449	3,827,770
Culture and recreation	4,351,206	4,442,063	4,464,246	5,270,092	4,425,713
Community support	670,190	668,367	651,892	742,570	944,422
Long-term debt interest	6,122	-	-	-	-
Total governmental activities expenses	19,131,093	19,493,499	21,323,297	22,170,783	23,293,290
Business-type activities:					
Utility	15,059,253	16,955,298	17,078,879	18,782,189	17,070,177
Golf course	3,701,878	6,067,733	4,674,778	4,708,260	4,102,942
Other	240,286	239,075	324,807	453,929	362,906
Total business-type activities expenses	19,001,417	23,262,106	22,078,464	23,944,378	21,536,025
Total primary government expenses	38,132,510	42,755,605	43,401,761	46,115,161	44,829,315
Program Revenues					
Governmental activities:					
Charges for services:					
General government	1,364,734	1,362,282	1,898,817	1,452,663	1,353,410
Judicial	94,813	94,813	68,277	633,738	776,780
Public safety	243,517	243,517	331,511	329,312	338,180
Public works	59,344	59,344	-	-	-
Culture and recreation	2,186,791	1,992,441	2,032,303	2,712,486	2,095,293
Community support	-	-	16,600	13,657	36,508
Total charges for services	3,949,199	3,752,397	4,347,508	5,141,856	4,600,171

**CITY OF BOULDER CITY, NEVADA
CHANGES IN NET ASSETS* (CONTINUED)
LAST FIVE FISCAL YEARS (UNAUDITED)****

	2003	2004	2005	2006	2007
Operating grants and contributions:					
General government	42,715	37,014	76,776	236,303	904,827
Capital grants and contributions:					
Public safety	5,800	6,000	-	566,000	2,167,514
Public works	3,068,366	3,369,487	1,048,125	1,249,440	685,594
Culture and recreation	-	-	-	2,055,257	760,725
Total capital grants and contributions	3,074,166	3,375,487	1,048,125	3,870,697	3,613,833
Total governmental activities program revenues	7,066,080	7,164,898	5,472,409	9,248,856	9,118,831
Business-type activities:					
Charges for services:					
Utility	14,190,590	17,005,612	15,620,432	16,572,394	19,432,531
Golf course	1,285,123	2,177,811	2,464,779	2,522,116	3,102,583
Other	289,025	351,869	208,694	313,450	348,448
Capital grants and contributions:	15,764,738	19,535,292	18,293,905	19,407,960	22,883,562
Utility	530,275	1,139,437	1,518,113	-	2,815,974
Other	1,050,523	-	65,571	99,639	211,906
Total business-type activities program revenues	17,345,536	20,674,729	19,877,589	19,507,599	25,911,442
Total primary government program revenues	24,411,616	27,839,627	25,349,998	28,756,455	35,030,273
Net (expense)/revenue					
Governmental activities	(12,065,013)	(12,328,601)	(15,850,888)	(12,921,927)	(14,174,459)
Business-type activities	(1,655,881)	(2,587,377)	(2,200,875)	(4,436,779)	4,375,417
Total primary government net expense	(13,720,894)	(14,915,978)	(18,051,763)	(17,358,706)	(9,799,042)

**CITY OF BOULDER CITY, NEVADA
CHANGES IN NET ASSETS* (CONTINUED)
LAST FIVE FISCAL YEARS (UNAUDITED)****

	2003	2004	2005	2006	2007
General Revenues and Other					
Changes in Net Assets					
Governmental activities:					
General revenues:					
Property taxes	2,170,091	2,197,872	2,269,207	2,872,966	3,304,333
Intergovernmental (unrestricted)					
Consolidated taxes	6,804,947	7,818,296	8,301,335	8,634,543	8,819,003
Other	304,220	282,512	277,166	307,062	356,883
Miscellaneous	3,152,857	3,186,097	3,764,871	4,372,695	4,117,291
Transfers	2,560,577	(448,173)	884,580	762,759	1,016,212
Total governmental activities	14,992,692	13,036,604	15,497,159	16,950,025	17,613,722
Business-type activities:					
General revenues:					
Intergovernmental (unrestricted)					
Other	733,553	695,351	754,598	812,575	885,861
Miscellaneous	618,985	82,491	2,569,127	71,158	79,545
Transfers	(2,560,577)	448,173	(884,580)	(762,759)	(1,016,212)
Total business-type activities	(1,208,039)	1,226,015	2,439,145	120,974	(50,806)
Total primary government general revenues and other changes in net assets	13,784,653	14,262,619	17,936,304	17,070,999	17,562,916
Change in Net Assets					
Governmental activities	2,927,679	708,003	(353,729)	4,028,098	3,439,263
Business-type activities	(2,863,920)	(1,361,362)	238,270	(4,315,805)	4,324,611
Total primary government	\$ 63,759	\$ (653,359)	\$ (115,459)	\$ (287,707)	\$ 7,763,874

* Includes General and Special Revenue Funds.

** Accrual-basis financial information for the City as a whole is available beginning in FY 2003, the year GASB statement 34 was implemented. Ten years of data will be accumulated overtime.

**CITY OF BOULDER CITY, NEVADA
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS (UNAUDITED)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	\$ 1,673,451	\$ 1,781,477	\$ 1,855,312	\$ 2,139,211	\$ 2,043,101	\$ 185,088	\$ 185,088	\$ -	\$ -	\$ -
Unreserved	2,007,729	2,540,898	2,468,809	2,732,768	3,361,373	4,508,406	2,421,240	3,605,527	4,544,745	5,056,249
Total governmental activities	<u>3,681,180</u>	<u>4,322,375</u>	<u>4,324,121</u>	<u>4,871,979</u>	<u>5,404,474</u>	<u>4,693,494</u>	<u>2,606,328</u>	<u>3,605,527</u>	<u>4,544,745</u>	<u>5,056,249</u>
All Other Governmental Funds										
Reserved	2,984,014	2,917,175	4,559,409	4,205,863	2,882,108	5,530,241	6,640,994	5,157,703	5,205,346	5,053,202
Unreserved, reported in:										
Capital projects fund	-	-	-	-	-	-	-	-	(1,414,019)	-
Special revenue funds	119,448	1,607,189	1,352,289	1,012,097	972,691	665,127	728,509	702,834	778,974	852,856
Debt service fund	33	74	9,723	18,810	16,282	-	-	-	-	-
Total all other governmental funds	<u>3,103,495</u>	<u>4,524,438</u>	<u>5,921,421</u>	<u>5,236,770</u>	<u>3,871,081</u>	<u>6,195,368</u>	<u>7,369,503</u>	<u>5,860,537</u>	<u>4,570,301</u>	<u>5,906,058</u>

(Prepared using the modified accrual basis of accounting)

**CITY OF BOULDER CITY, NEVADA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Taxes	\$ 985,915	\$ 1,084,797	\$ 1,328,463	\$ 1,443,403	\$ 1,473,397	\$ 2,170,091	\$ 2,197,872	\$ 2,269,207	\$ 2,872,966	\$ 3,304,333
Licenses and permits	490,323	675,191	736,066	862,377	851,168	890,817	984,582	1,297,378	1,328,745	1,240,755
Intergovernmental	9,320,803	11,685,268	8,846,622	8,003,284	9,735,384	10,226,048	11,513,309	9,703,402	10,427,348	13,021,931
Charges for services	2,279,681	2,268,700	2,368,991	2,301,431	2,417,241	2,489,652	2,295,302	2,453,910	3,179,373	2,582,636
Fines and fees	659,185	506,129	476,094	473,884	599,371	568,730	472,513	596,220	633,738	776,780
Land sales	-	-	-	-	-	-	-	-	-	-
Miscellaneous	2,140,452	2,492,073	2,404,038	3,915,016	4,122,229	3,152,857	3,186,097	3,773,493	4,372,695	4,117,291
	<u>15,876,359</u>	<u>18,712,158</u>	<u>16,160,274</u>	<u>16,999,395</u>	<u>19,198,790</u>	<u>19,498,195</u>	<u>20,649,675</u>	<u>20,093,610</u>	<u>22,814,865</u>	<u>25,043,726</u>
Expenditures										
Current:										
General government	1,559,812	1,831,411	2,039,258	2,338,127	2,517,739	3,382,660	3,409,954	4,242,044	3,830,283	4,436,473
Judicial	289,340	285,184	298,301	291,893	320,734	339,402	353,494	364,883	413,005	418,232
Public safety	4,752,679	4,983,081	5,681,617	5,906,763	6,291,443	6,943,703	6,784,610	7,178,848	7,112,750	9,236,539
Public works	1,696,620	1,836,262	2,173,627	2,236,639	2,339,340	8,542,468	5,570,816	4,751,085	6,252,632	4,674,243
Culture and recreation	2,247,018	2,243,202	2,422,859	2,876,863	3,220,126	5,690,412	4,184,675	4,568,577	5,585,607	4,502,505
Community support	422,203	501,165	562,110	560,647	676,422	660,972	684,093	648,382	734,365	944,685
Capital outlay	7,978,892	6,574,176	3,314,249	6,346,322	6,656,770	-	-	-	-	-
Debt service:										
Principal	168,000	87,000	92,000	97,000	102,000	107,000	-	-	-	-
Interest	34,010	27,229	22,436	17,283	11,854	6,122	-	-	-	-
	<u>19,148,574</u>	<u>18,368,710</u>	<u>16,606,457</u>	<u>20,671,537</u>	<u>22,136,428</u>	<u>25,672,739</u>	<u>20,987,642</u>	<u>21,753,819</u>	<u>23,928,642</u>	<u>24,212,677</u>
Other financing sources (uses)										
Transfers in	2,579,237	1,874,945	2,230,182	4,040,474	2,295,270	4,174,804	3,192,369	3,742,873	2,964,549	4,821,000
Transfers out	(1,084,106)	(175,700)	(394,985)	(507,500)	(223,900)	(1,614,227)	(3,640,542)	(2,858,293)	(2,201,790)	(3,804,788)
Sale of capital assets	8,880	19,445	9,715	2,375	33,074	-	-	265,862	762,759	-
	<u>1,504,011</u>	<u>1,718,690</u>	<u>1,844,912</u>	<u>3,535,349</u>	<u>2,104,444</u>	<u>2,560,577</u>	<u>(448,173)</u>	<u>1,150,442</u>	<u>762,759</u>	<u>1,016,212</u>
Net change in fund balances	<u>\$ (1,768,204)</u>	<u>\$ 2,062,138</u>	<u>\$ 1,398,729</u>	<u>\$ (136,793)</u>	<u>\$ (833,194)</u>	<u>\$ (3,613,967)</u>	<u>\$ (786,140)</u>	<u>\$ (509,767)</u>	<u>\$ (351,018)</u>	<u>\$ 1,847,261</u>
Debt service as a percentage of noncapital expenditures	1.81%	0.97%	0.86%	0.80%	0.74%	0.44%	-%	-%	-%	-%

(Prepared using the modified accrual basis of accounting)

**CITY OF BOULDER CITY, NEVADA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed to Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1997-98	\$ 286,116,376	\$ 817,475,360	\$ 16,653,970	\$ 47,582,771	\$ 302,770,346	\$ 865,058,131	35%
1998-99	354,266,706	1,012,190,589	19,235,620	54,958,914	373,502,326	1,067,149,503	35%
1999-00	303,745,390	867,843,971	72,343,760	206,696,457	376,089,150	1,074,540,428	35%
2000-01	320,266,220	915,046,340	74,346,690	212,419,110	394,612,910	1,127,465,450	35%
2001-02	336,699,660	961,999,029	72,096,780	205,990,800	408,796,440	1,167,989,829	35%
2002-03	368,520,000	1,052,914,286	68,701,119	196,288,911	437,221,119	1,249,203,197	35%
2003-04	383,688,695	1,096,253,414	57,429,229	164,083,511	441,117,924	1,260,336,925	35%
2004-05	416,321,738	1,189,490,680	56,267,718	160,764,909	472,589,456	1,350,255,589	35%
2005-06	504,180,211	1,440,514,889	50,517,769	144,336,483	554,697,980	1,584,851,372	35%
2006-07	640,990,159	1,831,400,454	59,905,523	171,158,637	700,895,682	2,002,559,091	35%

Source: Clark County Assessor's Office

**CITY OF BOULDER CITY, NEVADA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS *
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	City of Boulder City	State of Nevada	Clark County School District	Clark County	Special Districts	Total
1997-98	\$ 0.2007	\$ 0.1650	\$ 1.3034	\$ 0.6635	\$ 0.0766	\$ 2.4092
1998-99	0.2012	0.1650	1.3034	0.6503	0.0766	2.3965
1999-00	0.2022	0.1650	1.3034	0.6579	0.0766	2.4051
2000-01	0.2038	0.1500	1.3034	0.6527	0.2531	2.5630
2001-02	0.2038	0.1650	1.3034	0.6527	0.2531	2.5780
2002-03	0.2038	0.1500	1.3034	0.6352	0.1655	2.4579
2003-04	0.2038	0.1650	1.3034	0.6552	0.1655	2.4929
2004-05	0.2038	0.1700	1.3034	0.6502	0.1655	2.4929
2005-06	0.1844	0.1700	1.3034	0.6566	0.1655	2.4799
2006-07	0.2038	0.1700	1.3034	0.6566	0.1555	2.4893

* Per \$100 of assessed value. Constitutional limit is \$3.64 on any one area's combined tax rate.
Source: State of Nevada, Department of Taxation publication, "Ad Valorem Tax Rates for Nevada Local Governments".

**CITY OF BOULDER CITY, NEVADA
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)**

Taxpayer	Type of Business	2006 - 07			1997 - 98		
		Taxable Assessed Value	Rank	Percent of Total Assessed Valuation	Taxable Assessed Value	Rank	Percent of Total Assessed Valuation
El Dorado Energy, LLC	Energy	\$ 36,867,886	1	5.26%	\$ -	-	-%
Harrah's Entertainment (including Casata Golf)	Golf Course	16,139,747	2	2.30%	-	-	-%
Brother Sonny Limited Liability Co.	Real Estate	3,240,938	3	0.46%	-	-	-%
Gingerwood Mobile Home Park, LLC	Real Estate	3,222,816	4	0.46%	-	-	-%
Matthew P. Gardner	Real Estate	2,947,191	5	0.42%	-	-	-%
Claremont Heights Development Corp	Real Estate	2,927,555	6	0.42%	-	-	-%
Francis Carrington	Real Estate	2,862,900	7	0.41%	-	-	-%
Mario & A. Caruso 1999 Family Trust	Hotel/Real Estate	2,861,483	8	0.41%	1,525,240	4	0.50%
Lido & Laila Paglia	Real Estate	2,028,044	9	0.29%	1,541,840	3	0.51%
Canyon Road Self Storage, Inc.	Real Estate	1,995,317	10	0.28%	-	-	-%
N F D Mini Storage, Inc.	Real Estate	-	-	-%	1,081,940	6	0.36%
Arvis C. Forrest, Trustee	Real Estate	-	-	-%	1,076,740	7	0.36%
Lakeview Development	Real Estate	-	-	-%	860,870	10	0.28%
Elmer G. Marshall	Commercial	-	-	-%	970,150	8	0.32%
Community Cable TV	Cable TV	-	-	-%	1,193,060	5	0.40%
Vons Companies, Inc.	Real Estate	-	-	-%	-	-	-%
Quartzite Limited Liability Company	Real Estate	-	-	-%	2,101,250	1	0.69%
P.S. Development LLC	Real Estate	-	-	-%	2,093,450	2	0.69%
Wheeler Development LLC	Real Estate	-	-	-%	934,370	9	0.31%
		\$ 75,093,877		10.71%	\$ 13,378,910		4.42%

Source: Clark County Assessor's Office

**CITY OF BOULDER CITY, NEVADA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections	Collections as Percent of Total Tax Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Total Tax Levy
1997-98	\$ 465,329	\$ 458,865	98.61%	\$ 6,464	\$ 465,329	\$ 465,329	100.00%	-	0.00%
1998-99	529,082	521,369	98.54%	7,713	529,082	529,082	100.00%	-	0.00%
1999-00	785,594	777,016	98.91%	8,578	785,594	785,594	100.00%	-	0.00%
2000-01	893,432	885,622	99.13%	7,810	893,432	893,432	100.00%	-	0.00%
2001-02	1,149,018	1,104,220	96.10%	44,113	1,148,333	1,148,333	99.94%	685	0.06%
2002-03	1,289,511	1,273,035	98.72%	15,160	1,288,195	1,288,195	99.90%	1,316	0.10%
2003-04	1,300,093	1,292,498	99.42%	5,035	1,297,533	1,297,533	99.80%	2,560	0.20%
2004-05	1,376,993	1,365,814	99.19%	10,501	1,376,315	1,376,315	99.95%	618	0.05%
2005-06	1,389,750	1,376,431	99.04%	7,922	1,384,353	1,384,353	99.61%	5,397	0.39%
2006-07	1,576,007	1,551,574	98.45%	*	1,551,574	1,551,574	98.45%	24,433	1.55%

Source: Clark County Comptroller's Office
* Not available at time of printing.

**CITY OF BOULDER CITY, NEVADA
UTILITY REVENUES BY SOURCES
LAST FIVE FISCAL YEARS (UNAUDITED)***

	2003	2004	2005	2006	2007
Revenue Source:					
Electric	\$ 7,660,242	\$ 8,378,479	\$ 7,504,647	\$ 8,386,505	\$ 10,506,107
Water	4,462,225	6,531,862	6,074,670	5,958,224	6,368,144
Sewer	1,007,738	903,565	856,552	909,454	1,060,307
Refuse	690,859	701,634	758,182	797,266	827,883
Landfill receipts	118,240	153,151	151,873	176,439	189,580
Penalties	32,914	112,106	109,455	98,840	112,389
Miscellaneous	40,782	22,600	25,504	17,741	14,473
Hookup fees	177,590	202,215	139,549	227,925	353,648
Hookup fees	\$ 14,190,590	\$ 17,005,612	\$ 15,620,432	\$ 16,572,394	\$ 19,432,531

* The City has elected to show 5 years of data for this schedule.

**CITY OF BOULDER CITY, NEVADA
DEBT CAPACITY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Governmental Activities		Business-type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Capital Leases	Utility and Golf Course Revenue Bonds	General Obligation Notes Payable	Capital Leases			
1997-98	\$ 485,000	\$ 8,070	\$ -	\$ 277,273	\$ -	\$ 770,343	\$ -	\$ -
1998-99	398,000	-	-	257,736	-	655,736	-	-
1999-00	306,000	-	-	237,612	-	543,612	-	-
2000-01	209,000	-	-	216,885	-	425,885	-	-
2001-02	107,000	-	9,950,000	195,536	-	10,252,536	-	-
2002-03	-	-	9,950,000	33,145,154	3,250,325	46,345,479	-	-
2003-04	-	-	9,950,000	32,234,360	2,670,654	44,855,014	-	-
2004-05	-	255,667	9,850,000	34,120,023	2,054,192	46,279,882	-	-
2005-06	-	193,961	9,335,000	33,827,253	1,407,546	44,763,760	-	-
2006-07	-	128,784	42,760,000	103,540	880,693	43,873,017	-	-

* Information not available for the City of Boulder City.

**CITY OF BOULDER CITY, NEVADA
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Population *	Assessed Value **	Gross Bonded Debt	Debt Service Available	Debt Payable by Proprietary Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1997-1998	14,493	\$ 302,770,346	\$ -	\$ -	\$ -	-	0.00%	\$ -
1998-1999	14,730	373,502,326	-	-	-	-	0.00%	-
1999-2000	14,860	376,089,150	-	-	-	-	0.00%	-
2000-2001	15,519	394,612,910	-	-	-	-	0.00%	-
2001-2002	14,760	408,796,440	9,950,000	-	9,950,000	-	0.00%	-
2002-2003	14,842	437,221,119	9,950,000	-	9,950,000	-	0.00%	-
2003-2004	14,934	441,117,924	9,950,000	-	9,950,000	-	0.00%	-
2004-2005	15,058	472,589,456	9,850,000	-	9,850,000	-	0.00%	-
2005-2006	15,203	554,697,980	9,335,000	-	9,335,000	-	0.00%	-
2006-2007	15,478	700,895,682	42,760,000	-	42,760,000	-	0.00%	-

Source: * State of Nevada.
** Clark County Assessor's Office

CITY OF BOULDER CITY, NEVADA
COMPUTATION OF GENERAL OBLIGATIONS DIRECT AND OVERLAPPING
GOVERNMENT DEBT
JUNE 30, 2007
(UNAUDITED)

	Assessed Value *	General Obligation Bonded Debt Outstanding *	Percentage Applicable to the City of Boulder City	Amount Applicable to the City of Boulder City *
City of Boulder City	\$ 679,606	\$ -	100.00%	\$ -
State of Nevada	-	-	-%	-
Clark County	89,520,975	86,830	0.76%	659
Clark County School District	89,520,975	3,129,476	0.76%	23,758
Las Vegas Convention Authority	89,520,975	-	-%	-
Total Direct and Overlapping Debt	\$ 269,242,531	\$ 3,216,306		\$ 24,417

Source: State of Nevada, Department of Taxation, Local Government Finance.
* Amounts expressed in thousands.

**CITY OF BOULDER CITY, NEVADA
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(UNAUDITED)**

Assessed Value \$ 700,895,682

Debt Limit 210,268,705
(30% of assessed value)

Amount of debt applicable to the debt limit -

Legal Debt Margin \$ 210,268,705

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$ 90,831,104	\$ 112,050,698	\$ 112,826,745	\$ 118,383,873	\$ 122,638,932	\$ 131,166,336	\$ 132,335,377	\$ 141,776,837	\$ 166,409,394	\$ 210,268,705
Total net debt applicable to limit	485,000	398,000	306,000	209,000	107,000	-	-	-	-	-
Legal debt margin	\$ 90,346,104	\$ 111,652,698	\$ 112,520,745	\$ 118,174,873	\$ 122,531,932	\$ 131,166,336	\$ 132,335,377	\$ 141,776,837	\$ 166,409,394	\$ 210,268,705
Total net debt applicable to limit as a percentage of debt limit	0.53%	0.36%	0.27%	0.18%	0.09%	-%	-%	-%	-%	-%

Source: Clark County Assessor's Office.

**CITY OF BOULDER CITY, NEVADA
 PROPRIETARY FUNDS - REVENUE BOND COVERAGE*
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Operating Revenue	Direct Operating Expenses	Net Operating Revenue	Accrued Interest	Interest Reserve	Consolidated Taxes (1.5% pledged)	Amount Available for Debt Service	Debt Service Requirements			
								Principal	Interest	Total	Coverage
1997-98	\$10,205,345	\$ 8,129,284	\$ 2,076,061	\$ -	\$ -	\$ -	\$ 2,076,061	\$ -	\$ -	\$ -	N/A
1998-99	10,666,789	8,342,283	2,324,506	-	-	-	2,324,506	-	-	-	N/A
1999-00	11,434,485	9,594,679	1,839,806	-	-	-	1,839,806	-	-	-	N/A
2000-01	12,626,833	11,681,830	945,003	-	-	-	945,003	-	-	-	N/A
2001-02	12,657,423	12,318,264	339,159	63,669	925,405	953,292	2,281,525	-	284,480	284,480	8.02
2002-03	1,285,123	2,408,187	(1,123,064)	86,717	704,594	1,020,742	688,989	-	487,680	487,680	1.41
2003-04	2,177,811	4,106,084	(1,928,273)	86,717	-	1,172,744	(668,812)	-	487,680	487,680	(1.37)
2004-05	2,464,779	2,875,909	(411,130)	78,282	-	1,245,200	912,352	100,000	485,680	585,680	1.56
2005-06	2,522,116	2,761,168	(239,052)	55,953	-	1,295,181	1,112,082	310,000	420,540	730,540	1.52
2006-07	22,535,114	16,296,213	6,238,901	681,043	-	1,322,850	8,242,794	120,000	357,088	477,088	17.28

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

* This schedule contains information from both the Utility and Golf Course proprietary funds. These two funds are the only two funds with pledged revenue debt, the Utility Revenue Bonds (issued FY 2007) and the Golf Course Revenue Bonds (originally issued FY 2002, refunded with new bonds issued in FY 2006).

**CITY OF BOULDER CITY, NEVADA
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Population *	Per Capita Personal Income **	School Enrollment ***	Unemployment Rate ****
1997-98	14,493	-	2,288	4.20%
1998-99	14,730	-	2,334	3.80%
1999-00	14,860	-	2,353	4.00%
2000-01	15,519	-	2,368	5.10%
2001-02	14,760	-	2,196	5.20%
2002-03	14,842	-	2,337	5.60%
2003-04	14,934	-	2,302	4.80%
2004-05	15,058	-	2,247	4.20%
2005-06	15,203	-	2,223	3.90%
2006-07	15,478	-	-	4.20%

- * Source: State of Nevada.
- ** Information not available for the City of Boulder City.
- *** Source: Clark County School District.
- **** Source: State of Nevada, Employment Agency, Clark County data.

Annual Household Income Characteristics *

Income category:	
Under \$15,000	8.0 %
\$15,000-\$24,999	13.0 %
\$25,000-\$34,999	16.0 %
\$35,000-\$49,999	19.0 %
\$50,000-\$74,999	25.0 %
Over \$75,000	19.0 %
	100.0 %
Median income	\$ 44,921

Age Characteristics **

Age category:	
0-19	22.4 %
20-24	3.3 %
25-34	7.4 %
35-54	29.6 %
55-64	13.6 %
Over 65	23.7 %
	100.0 %

* Source: University of Nevada, Las Vegas, Center for Business and Economic Research, Las Vegas Perspective 2003, District 10.

** Source: U.S. Census Bureau, Census 2000.

**CITY OF BOULDER CITY, NEVADA
MAJOR EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

<u>Employer</u>	<u>Product / Service</u>	<u>2006 - 07</u>		<u>1997 - 98</u>	
		<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Bureau of Reclamation	Government	866	1	379	1
City of Boulder City	Government	364	2	147	4
National Park Service	Government	180	3	180	2
Clark County School District	Government, school district	155	4	155	3
Boulder City Hospital	Health care	130	5	130	5
Albertson's, Inc.	Retail, food	92	6	95	6
Vons Companies, Inc.	Retail, food	80	7	80	7
U.S. Department of Energy, Western Area Power Administration	Government	77	8	77	8
Fisher Pen	Manufacturing	75	9	65	9
Boulder Dam Credit Union	Financial, bank	43	10	43	10

* Source: City of Boulder City, Department of Community Development.

**CITY OF BOULDER CITY, NEVADA
 FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS (UNAUDITED)**

Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Governmental activities										
General government	-	-	-	-	-	-	-	-	18	19
Judicial	-	-	-	-	-	-	-	-	3	3
Public safety	-	-	-	-	-	-	-	-	67	69
Public works	-	-	-	-	-	-	-	-	26	25
Culture and recreation	-	-	-	-	-	-	-	-	18	18
Community support	-	-	-	-	-	-	-	-	6	6
Business-type activities										
Water and sewer	-	-	-	-	-	-	-	-	10	10
Electric	-	-	-	-	-	-	-	-	21	21
	-	-	-	-	-	-	-	-	169	171

Source: City of Boulder City Finance Department

(1) Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

**CITY OF BOULDER CITY, NEVADA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)**

Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Governmental activities										
Judicial										
Average charges filed per day	-	-	-	-	-	-	-	-	13	14
Public safety										
Citations	-	-	-	-	-	-	-	-	4,992	4,917
Police calls for service	-	-	-	-	-	-	-	-	25,730	25,530
# of EMS responses	-	-	-	-	-	-	-	-	1,567	1,723
Total fire responses	-	-	-	-	-	-	-	-	631	694
Public works										
Lane miles of street maintenance	-	-	-	-	-	-	-	-	87	87
Acres of turf	-	-	-	-	-	-	-	-	95	92
# of facilities maintained	-	-	-	-	-	-	-	-	71	77
Culture and recreation										
Parks and Recreation class registrations	-	-	-	-	-	-	-	-	323,193	214,429
Community support										
Building inspections	-	-	-	-	-	-	-	-	4,969	5,500
Plans reviewed	-	-	-	-	-	-	-	-	491	500
Business-type activities										
Water										
Acres feet of water distributed	-	-	-	-	-	-	-	-	12,489	13,916
Water meter repairs	-	-	-	-	-	-	-	-	720	800
Water service repairs	-	-	-	-	-	-	-	-	120	150
Electric										
Kilowatt hours purchased	-	-	-	-	-	-	-	-	183,357,000	184,000,000
Average purchased power cost/kwh	-	-	-	-	-	-	-	-	\$0.028	\$0.031
Sewer										
Line cleaned (feet)	-	-	-	-	-	-	-	-	105,000	110,000
Line location (Call before you dig)	-	-	-	-	-	-	-	-	950	1,300
Acres ft. of water treated	-	-	-	-	-	-	-	-	1,400	1,500

Source: City of Boulder City Finance Department

- (1) Indicators are not available for the general government function.
- (2) Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

**CITY OF BOULDER CITY, NEVADA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)**

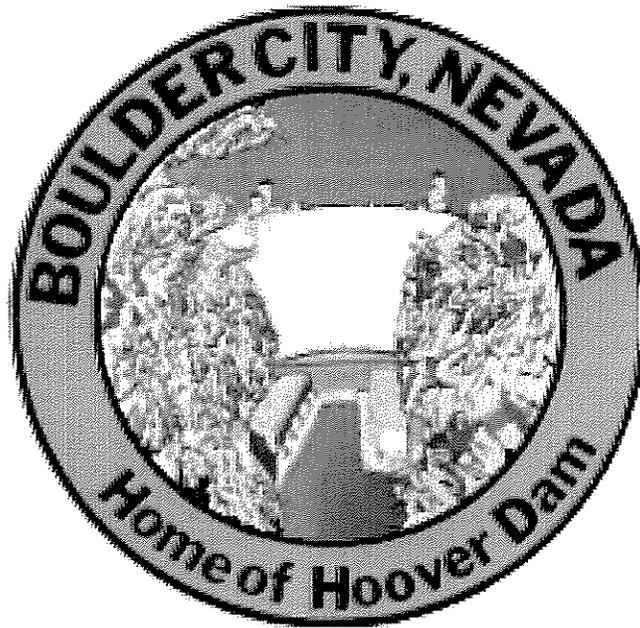
Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Governmental activities										
Public safety										
# of police stations	-	-	-	-	-	-	-	-	1	1
# of fire stations	-	-	-	-	-	-	-	-	1	1
Public works										
Streets (miles)	-	-	-	-	-	-	-	-	87	87
Traffic signals	-	-	-	-	-	-	-	-	3	3
Culture and recreation										
Parks acreage	-	-	-	-	-	-	-	-	111	111
# of parks	-	-	-	-	-	-	-	-	17	17
# of swimming pools	-	-	-	-	-	-	-	-	1	1
# of tennis courts	-	-	-	-	-	-	-	-	6	6
# of recreation centers	-	-	-	-	-	-	-	-	1	1
Business-type activities										
Water										
Water mains (miles)	-	-	-	-	-	-	-	-	121	121
# of treatment plants	-	-	-	-	-	-	-	-	-	-
Electric										
Miles of electrical lines	-	-	-	-	-	-	-	-	148	300
Number of substations	-	-	-	-	-	-	-	-	6	6
Sewer										
Number of sewage treatment plants	-	-	-	-	-	-	-	-	1	1
Number of sewer lift stations	-	-	-	-	-	-	-	-	3	3
Miles of sanitary sewer lines	-	-	-	-	-	-	-	-	69	69

Source: City of Boulder City Finance Department

- (1) Indicators are not available for the general government, judicial, or community support functions.
- (2) Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

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Single Audit and Accompanying Information





STEWART
ARCHIBALD
& BARNEY, LLP

**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 Mayor, Members of the City Council and
City Manager of the
City of Boulder City, Nevada

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder City, Nevada (the City) as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 4, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City'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 certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 City'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 City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs, as items 07-01 through 07-12, to be significant deficiencies in internal control over financial reporting.

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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 City's internal control.

Our consideration of the 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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 07-06 through 07-12 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements 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, including whether the funds established by the City, as listed in Nevada Revised Statutes (NRS) 354.624 Sec. 5 complied with the express purposes required by NRS 354.6241 Sec. 1 (a) through (f). 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 or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that we reported to management of the City in a separate letter dated December 4, 2007.

The City's written response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Honorable Mayor, Members of the City Council, City Manager, others within the entity, 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.

Stewart, Archibald & Barney, LLP

Las Vegas, Nevada
December 4, 2007



STEWART
ARCHIBALD
& BARNEY, LLP

**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**

The Honorable Mayor, Members of the City Council and
City Manager of the
City of Boulder City, Nevada

Compliance

We have audited the compliance of the City of Boulder City, Nevada (the City) 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, 2007. The City'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 City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 City'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 City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City'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 City's internal control over compliance.

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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 a certain deficiency in internal control over compliance that we consider to be a significant deficiency and a material weakness.

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 entity'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 entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 07-06, to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. However, we consider the significant deficiency described above to be a material weakness.

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

This report is intended solely for the information and use of management, the Honorable Mayor, Members of the City Council, City Manager, others within the entity, 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.



Las Vegas, Nevada
December 4, 2007

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Agency/Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Number	Federal Expenditures
U.S. Federal Emergency Management Administration			
Passed through State of Nevada, Division of Emergency Management: Emergency Management Assistance	83.552		\$ 40,150
U.S. Department of Interior - Bureau of Land Management			
Southern Nevada Public Land Management Act (SNPLMA)	15.227*		1,250,534
U.S. Department of Housing & Urban Development			
Passed through Clark County, Nevada, Community Resources Management Division:			
Community Development Block Grants / Emergency Aid of Boulder City	14.218		21,325
Community Development Block Grants / Lend a Hand	14.218		7,492
Community Development Block Grants / Boulder Hotel	14.218		182,441
			211,258
U.S. Department of Transportation: Federal Aviation Administration			
Installation of Automated Weather Observation System (AWOS-III)	20.106*		122,728
APRON Expansion Tie Down	20.106*		89,178
			211,906
U.S. Department of Defense			
Passed through Department of the Army:			
Hemenway Valley Wastewater Facilities and Wastewater Treatment Improvements, Cooperation Agreement No. 02-772A	12.113*		2,775,279
U.S. Department of Homeland Security			
Passed through Clark County, Nevada, Emergency Management and Homeland Security Division:			
Nightvision Binoculars	97.004		21,968
Total Federal Assistance			\$ 4,511,095

*A "major" program.

CITY OF BOULDER CITY, NEVADA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

1. REPORTING ENTITY

The accompanying supplementary schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the City of Boulder City, Nevada (the City). The reporting entity is defined in Note 1 to the basic financial statements. The schedule includes all federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies.

2. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

3. SUBRECIPIENTS

The City provided federal awards to subrecipients as follows. These expenditures have been reported in the Capital (Special) Projects Fund.

Community Development Block Grant - Grant Year 2006 - 2007

Emergency Aid of Boulder City	\$	21,325
Lend A Hand, Inc.		7,492
Boulder Hotel		<u>182,441</u>
Total	\$	<u>211,258</u>

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- Stewart, Archibald & Barney, LLP issued an unqualified opinion on the basic financial statements of the City of Boulder City, Nevada for the year ended June 30, 2007.
- Significant deficiencies and material weaknesses were disclosed during the audit of the financial statements.
- The audit disclosed no instances of noncompliance, which were material to the financial statements of the City of Boulder City.

Federal Awards

- Stewart, Archibald & Barney, LLP issued an unqualified opinion on compliance over major programs of the City of Boulder City, Nevada.
- A significant deficiency in internal control over major federal award programs was disclosed during the audit and is reported in the *Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*. The condition is reported as a material weakness.
- No audit findings relating to the audit of the major federal audit programs are reported in accordance with section 510(a) of OMB Circular A-133.
- The programs tested as major programs include:
 - U.S. Department of Interior - Bureau of Land Management - CFDA #15.227
 - U.S. Department of Defense - Department of the Army - CFDA #12.113
 - U.S. Department of Transportation - Federal Aviation Administration - CFDA #20.106
- The threshold used for distinguishing between Type A and Type B programs was \$300,000.
- Based on a material weakness in internal control finding in the year ended 6/30/06, the City of Boulder City was determined to be a high risk auditee based on the requirements of OMB Circular A-133.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Section II - Findings relating to the financial statements which are required to be reported in accordance with auditing standards generally accepted in the United States.

07-01

Criteria: All invoices should contain documentation of proper approval.

Condition: We noted three out of 25 invoices tested for the Municipal Golf Course and two out of 40 invoices tested for the City's operating account did not contain evidence of proper approval.

Cause: Payments are made on invoices without the documentation of proper approval.

Effect: The potential for misappropriation increases when invoices are paid without documentation of approval.

Recommendation: All invoices should contain documentation of proper approval prior to the invoices being paid.

City Response: During the audit period in question the municipal golf course had a separate bank account and prepared its own disbursement checks through the Crescent accounting system and they were brought to the Finance Director for signature two times a month. Effective July 1, 2007, the separate bank account was closed and the accounting operations at the municipal golf course were integrated into the City's primary financial accounting system. As a result, all disbursements for the municipal golf course are now prepared in the Finance Department which will eliminate this problem in the future.

07-02

Criteria: Sufficient supporting documentation should exist for all disbursements.

Condition: We noted one out of 25 checks tested for the Boulder Creek Golf Course did not have supporting documentation (invoice).

Cause: The vendor file containing the invoice could not be located.

Effect: The potential for misappropriation increases when disbursements do not have supporting documentation.

Recommendation: All disbursements should have sufficient supporting documentation.

City Response: Additional emphasis has now been placed on the necessary supporting documentation on all disbursements from the Boulder Creek Golf Course. Subsequent to the issuance of this audit report, the questioned invoice was located attached to joint disbursement paperwork in the Municipal Golf Course files.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

07-03

Criteria: The individual that posts accounts receivable to the general ledger should not be the individual that receives payments.

Condition: An individual that posts accounts receivables to the general ledger also receives the mail and logs payments received

Cause: The mail is received and a check log is processed by the individual posting accounts receivable to the general ledger.

Effect: The potential for errors and misappropriation increases when proper segregation of duties does not exist.

Recommendation: The mail should be received and the check log prepared by the Utility department and the log should then be forwarded to the individual posting accounts receivable to the general ledger.

City Response: This procedure has now been changed. The utility billing department will now receive all mail and prepare the check log before forwarding to the accounting department for posting to the general ledger.

07-04

Criteria: There should be a review of the adjustments to the Utility customers' accounts by someone independent of the Utility billing function.

Condition: A review of the adjustments made to Utility customers' accounts by someone independent of the Utility billing function was not performed.

Cause: There was not a procedure in place to have someone independent of the Utility billing function review adjustments to Utility customers' accounts for reasonableness.

Effect: The potential for errors and misappropriation increases when proper segregation of duties does not exist.

Recommendation: Adjustments to customers' accounts should be reviewed by someone independent of the Utility billing function and that review should be documented.

City Response: Adjustments to customer's accounts will be reviewed by the Chief Accountant.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

07-05

Criteria: Proper controls should be in place allowing access to the safe of the Municipal Court only by authorized individuals.

Condition: We noted the safe combination is not periodically changed or changed after the resignation or termination of an employee, nor are employees required to enter the safe combination to gain access every time.

Cause: The Municipal Court does not change the safe combination periodically, and the safe is not locked after each time the safe is accessed.

Effect: The potential for misappropriation increases when proper asset safeguards are not implemented.

Recommendation: The Municipal Court should implement a policy to change the safe combination periodically and after any resignation or termination. In addition, the safe should remain locked throughout the day to prevent unauthorized access.

City Response: Municipal Court Judge Miller has instituted a policy requiring the safe combination to be changed on the retirement/termination of authorized employees or more frequently as may be required.

07-06

Criteria: Individuals with access to the general ledger should not be involved in the cash disbursement process.

Condition: An authorized check signer has access to the general ledger and performs wire transfers.

Cause: The Chief Accountant was made a check signer to ensure a representative from the finance department would be able to sign checks in the absence of the Finance Director. Wire transfers performed by the Chief Accountant did not reflect documented approval.

Effect: The potential for errors and misappropriation increases when proper segregation of duties does not exist.

Recommendation: The Chief Accountant should be removed as an authorized signer. Also, wire transfers made by the Chief Accountant should be reviewed and approved by the Finance Director, the review and approval should be documented.

City Response: In order to strengthen the City's system of internal controls, the Chief Accountant has been removed as an authorized signatory on checks and electronic transfers of funds will now be reviewed and approved by the Finance Director prior to disbursement of funds.

It should be noted that this is an "internal control finding" of the auditor based on their assessment of the potential for management not detecting a possible fraud in a timely manner. Additionally, the reconciliation of bank statements and cash balance activity was performed monthly by another individual in the accounting department significantly reducing this possibility.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

07-07

Criteria: Accounts receivable should be consistently tracked and evaluated for uncollectible accounts. Policies and procedures for A/R should be documented according to MAS requirements.

Condition: We noted procedures do not exist and are not documented to assist the Municipal Court in correctly identifying and tracking accounts receivable. In addition, procedures are not established to evaluate accounts receivable for uncollectible accounts.

Cause: The Municipal Court does not identify and track accounts receivable or evaluate the collectibility of the accounts.

Effect: The potential for misappropriation and financial statement misstatements increases when accounts receivable are not tracked or evaluated for collectibility.

Recommendation: The Municipal Court should implement and document policies and procedures in accordance with MAS requirements to identify and track accounts receivable and to evaluate the collectibility of the accounts.

City Response: The Municipal Court is presently replacing the Sunguard/HTE software with NEVSYS software to better manage accounts receivable records. In conjunction with this conversion, the Sunguard/HTE data files will be audited and adjusted as appropriate. This new software system will significantly improve the management of all court records. The conversion is expected to be completed by the last quarter of this fiscal year.

07-08

Criteria: Proper controls should be in place to maintain the integrity of information systems and the accountability of each user of the system.

Condition: We noted access to the A/S 400 system at the Municipal Court is not controlled to allow for a proper audit trail for activity.

Cause: Users of the A/S 400 system at the Municipal Court are not required to enter their unique user ID and password to access the system. Passwords are shared, and each user does not log out of the system when they leave the terminal.

Effect: The potential for misappropriation of assets increases if procedures are not established to maintain the integrity of the audit trail.

Recommendation: The Municipal Court should establish and enforce policies requiring each user maintain and use a unique user ID and password to access the system and log out of the system when not at the terminal.

City Response: Municipal Court Judge Miller has instituted a policy prohibiting the sharing of passwords on computers in use at the court.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

07-09

Criteria: Proper segregation of duties should exist for processing all receipts for the municipal court.

Condition: Individuals responsible for processing mail and drop box receipts for deposits are also responsible for posting payments into the case management system.

Cause: Mail and drop box payments are processed and deposited by the same individual without an adequate independent verification process.

Effect: The potential for errors and misappropriation increases when proper segregation of duties does not exist.

Recommendation: Mail and drop box payments should be recorded on a log that is reviewed by a person independent of the receipt and deposit process. The deposit slips should be reconciled to the receipt log.

City Response: This procedure has been changed. Under the revised procedure one clerk will be responsible for opening all mail/drop box payments and creating a calculator tape. The payments will then be given to another clerk to post in the computer system and print a transaction report. The Court Administrator will review/reconcile and approve the documentation prior to filing.

07-10

Criteria: Access to the cash drawer for the Municipal Court should be tracked by individual to identify who processed each transaction.

Condition: We noted the cash drawer is accessed by all individuals without tracking use and reconciled by an individual receiving the cash.

Cause: Procedures requiring specific access by individual to the cash drawer and an independent cash count have not been implemented.

Effect: The potential for errors and misappropriation increases when proper segregation of duties does not exist.

Recommendation: Specific passwords/codes should be implemented to identify who processes individual transactions and the cash drawer should be reconciled to system reports by someone independent of the cash receipt process.

City Response: The current cash payment system consists of one computer terminal and one cash drawer. Employees receiving payments are required to logon to the terminal before accepting payments. However, the current court software does not provide a specific report identifying the employee processing the payment. The NEVSYS system software will provide for 3 cash registers/drawers that will eliminate this control weakness in the future. The software is scheduled to be installed prior to the completion of this fiscal year.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

07-11

Criteria: Procedures should exist and be documented according to MAS requirements to safeguard cash received applicable to Municipal Court cases not yet created in the management system and should be deposited in a timely manner.

Condition: We noted the cash received for cases not yet assigned a case number or set up in the case management system is placed in the safe with a copy of the receipt and not deposited until the case has been established in the system.

Cause: The system does not allow the posting of deposits without a case number.

Effect: The potential for errors and misappropriation increases when cash is not deposited in a timely manner.

Recommendation: The Court should implement and document procedures to log the information pertaining to the pending cases and to deposit the related cash timely. The log should be included in the reconciliation of the cash received and the cash posted to the case management system.

City Response: Municipal Court Judge Miller has implemented new procedures requiring the establishment of a case number within 48 hours of the receipt of the money. Conversion to the NEVSYS software will further improve this process. This procedure will be closely monitored to ensure compliance.

07-12

Criteria: Access to blank check stock and signature stamp should be limited to an individual independent of the cash disbursement process.

Condition: We noted the blank check stock and signature stamp are kept in the safe that is currently accessible by all staff.

Cause: The safe is accessible by all staff.

Effect: The potential for misappropriation increases when proper asset safeguards are not implemented.

Recommendation: The check stock and signature stamp should be kept in a locked area with access limited to individuals independent of the cash disbursement process. A log should be used for all checks that are issued to ensure that all checks are accounted for sequentially.

City Response: Blank checks and the signature stamp have been removed from the safe and placed in a safe in Judge Miller's office. Judge Miller will issue these items to authorized individuals as required. Additionally, the court is evaluating the transfer of all disbursements to the Finance Department which will eliminate this issue in the future.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Section III - Findings and questioned costs for Federal awards, including audit findings as defined in Circular A-133 Section .510(a).

07-06

Criteria: Individuals with access to the general ledger should not be involved in the cash disbursement process.

Condition: An authorized check signer has access to the general ledger and performs wire transfers.

Cause: The Chief Accountant was made a check signer to ensure a representative from the finance department would be able to sign checks in the absence of the Finance Director. Wire transfers performed by the Chief Accountant did not reflect documented approval.

Effect: The potential for errors and misappropriation increases when proper segregation of duties does not exist.

Recommendation: The Chief Accountant should be removed as an authorized signer. Also, wire transfers made by the Chief Accountant should be reviewed and approved by the Finance Director, the review and approval should be documented.

Grantee Response: In order to strengthen the City's system of internal controls, the Chief Accountant has been removed as an authorized signatory on checks and electronic transfers of funds will now be reviewed and approved by the Finance Director prior to disbursement of funds.

It should be noted that this is an "internal control finding" of the auditor based on their assessment of the potential for management not detecting a possible fraud in a timely manner. Additionally, the reconciliation of bank statements and cash balance activity was performed monthly by another individual in the accounting department significantly reducing this possibility.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

The City of Boulder City (the City) has taken corrective action on findings documented in the Schedule of Findings and Questioned Costs, Section II - findings related to financial reporting, of the City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006.

Finding 06-01 - Accounts payable checks are prepared, entered into the accounting system, and mailed by the same person.

Status - The City has implemented procedures that after checks are signed, they are returned to someone other than the preparer and recorder for mailing.

Finding 06-02 - Cash over and short amounts from golf course registers are accumulated and periodically entered into the accounting system as green fee revenues.

Status - The City has implemented procedures to record cash variances in the point-of-sale and accounting systems on a daily basis.

Finding 06-03 - Journal entries can be performed on the Crescent accounting system at the golf courses by any employee with access to the accounting system.

Status - The City has implemented procedures to restrict access to perform journal entries in the accounting system to allow for proper segregation of duties.

Finding 06-04 - Revenue control procedures in the Parks and Recreation department (pool and weight room) are not adequate to ensure proper control and revenue recording.

Status - The City has implemented procedures to utilize prenumbered carbon copy receipts for transactions that occur at the pool and weight room.

Finding 06-05 - Authorization to open a bank account in fiscal year ending June 30, 2006 was not documented in the City Council minutes.

Status - The City has implemented procedures to ensure that proper approval is documented to open and close bank accounts.

Finding 06-06 - One out of twenty-five time cards tested did not have the appropriate supervisor approval.

Status - The City has reinforced procedures already in place to ensure that the approval of the supervisor on all time cards is documented.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Finding 06-07 - Five out of twenty-five invoices paid from the City's operating account did not contain evidence of proper approval.

Status - The City has implemented procedures to ensure that all Utility deposit refunds and employee reimbursements are approved and the approval is documented.

Finding 06-08 - The book balance per the bank reconciliation did not agree with the amount in the general ledger for the June 2006 Municipal Golf Course bank reconciliation.

Status - The City has implemented procedures to ensure that all book balances on bank reconciliations agree to the general ledger.

The City of Boulder City (the City) has taken corrective action on the finding documented in the Schedule of Findings and Questioned Costs, Section III - findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a), of the City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006.

Finding 06-09 - Federal grant expenditures were not identified and as a result related reimbursement requests were not submitted in a timely manner.

Status - The City has implemented procedures and continues to implement procedures that requires copies of all grants received are sent to the accounting office to ensure proper identification, compliance with grant agreements, and submittal of timely reimbursement requests.

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