

Carson City, Nevada

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2008

CARSON CITY, NEVADA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2008

Prepared by: Finance Department
Nick Providenti, Finance Director

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CARSON CITY, NEVADA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2008

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INTRODUCTORY SECTION



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

November 26, 2008

Honorable Mayor,
Members of the Board of Supervisors
and the Citizens of Carson City:

The comprehensive annual financial report of Carson City for the fiscal year ended June 30, 2008, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that Carson City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Kafoury, Armstrong & Co., Certified Public Accountants, have issued an unqualified opinion on Carson City's financial statements for the year ended June 30, 2008. The independent auditor's report is located at the front of the financial section of this report.

Carson City is required to undergo an annual single audit in conformity with the provisions of Government Auditing Standards and the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance, the schedule of findings and questioned costs and the summary schedule of prior audit findings are included in the compliance section.

Accounting principles generally accepted in the United States of America (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 the MD&A and should be read in conjunction with it. Carson City's MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity, Carson City, includes all the funds of the primary government (i.e., the Consolidated Municipality of Carson City as legally defined), as well as

all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Redevelopment Authority is reported as special revenue, debt service and capital project funds of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The Carson City Convention and Visitors' Bureau and Airport Authority are reported as discretely presented component units.

THE CITY AND ITS GOVERNING BODY

Carson City is the capital city of the State of Nevada. Carson City was founded as a trading post in 1858 and incorporated February 25, 1875. Carson City is a combined City and County governmental entity formed by the consolidation of the City of Carson City and Ormsby County on July 19, 1969.

Carson City has a land area of 147 square miles and an estimated population of 57,723 as of July 1, 2008. The City is empowered to levy a property tax on both real and personal property located within its boundaries. Real and personal taxable property located within the City has an estimated market value of \$4,606,828,149 and an assessed value of \$1,612,389,852.

The City operates under what is commonly known as a "council-manager" form of government which was established by charter and adopted by the State Legislature. Under this form of government, Carson City is governed by a mayor and four supervisors who are elected at large, on a non-partisan basis, for overlapping four year terms. The Board of Supervisors is a policy-making board, appointing a city manager to oversee daily operations.

Carson City provides a full range of services including police and fire protection; sewer and water services; the construction and maintenance of highways, streets and infrastructure; and culture and recreational activities.

LOCAL ECONOMY

Carson City is located in the Northwestern part of the State. Nevada's rate of growth in population is one of the highest in the country and is expected to continue over the next several years. The Nevada State Demographer reported a .04% increase in Carson City's population between July 1, 2007 and July 1, 2008. Looking at the past 5 years, Carson City's growth rate has averaged 1.1% per year. During the past year, Carson City experienced a general slow down in the real estate market, not unlike the region, the state and the nation. According to the Assessor's office, the average sales price of a home this year has fallen to

around \$324,000. The average price in Carson City hit its peak this decade in 2006 with the average sales price around \$346,000

The real estate slow down as well as the downturn in the auto industry has impacted sales tax revenues in Carson City as well as the region. As a result, actual general fund intergovernmental revenues, a significant portion of which are made up of sales tax revenues, were \$3.1 million less than the final budget. Planned expenditures were reduced during the fiscal year in response to this reduction in revenue. At the end of the current fiscal year, total fund balance of the general fund exceeded the final budget by \$8,453,506. Of this amount, \$6.85 million is unspent incentives for business retention and recruitment that will be carried over to the next fiscal year. The remaining balance of \$1.6 million is evidence that the expenditure reductions effectively offset the reduction in revenues. Continued reductions in sales taxes are anticipated and continued reductions in expenditures are being evaluated. During FY 2002/2003, Carson City established the Stabilization Fund which may be used to offset reductions in tax revenues such as sales tax. In years in which growth in sales taxes was experienced, funds were transferred into the Stabilization Fund in order to build a reserve to buffer normal economic cycles. Continued declines in sales tax revenues could bring about the need to draw from the Stabilization Fund in Fiscal Year 2008/2009 in order to maintain public service levels.

The assessed valuation of Carson City continues to increase. Due to a cap on the growth in property tax for existing property and improvements approved by the 2005 Nevada State Legislature, the real growth in tax revenues is limited. The growth in the tax bill for residential property is limited to 3% annual growth and commercial property can grow by a maximum of 8% per year. Only new construction is outside of this cap for the first year it is on the tax rolls. The difference between the actual tax calculation (assessed valuation (x) tax rate) and the capped tax calculation is termed the "abatement". In the general fund, this abatement amount exceeded \$13 million in FY 2008/2009.

LONG-TERM FINANCIAL PLANNING

During FY 2007/2008, fees charged at the Carson City Landfill were set based upon regional market rates rather than actual costs. The resultant change in rates has produced revenues in excess of expenditures at the Landfill. These excess revenues will be used to fund economic development activities, as well as help offset overall General Fund ongoing expenditures.

Carson City remains very active in recruiting retail development in order to enhance the sales tax base. The City is currently in negotiations with a major automotive retailer to move two of his automotive dealerships to more desirable locations within the City. This follows a development agreement approved in FY 2006/2007 with another local auto dealer that will provide for a new automotive retail store. The City anticipates both of these retailers to have their new dealerships open in the 2nd half of 2009. The City also approved

development agreements in FY 2007/2008 with retailers to fill a vacant big box. These agreements are expected to provide enhancement of the City's sales tax base for the future.

RELEVANT FINANCIAL POLICIES

It is Carson City's policy that "one-shot" revenues not be used for future operations. These funds are reserved for capital expenditure only. Each year, any unreserved, undesignated fund balance in the General Fund is transferred to the Capital Acquisition and Development Fund or the Stabilization Fund.

MAJOR INITIATIVES

Planning is now underway for a new Recreation Center. This facility will be funded through prior and future debt supported by the Quality of Life Initiative which is a ¼% sales tax levy. Partnership agreements with other organizations are being pursued in order to maximize use and share expenses for the facility.

Improvements to the Wastewater Treatment Plant are now being designed and new federal standards for drinking water are necessitating the design and construction of additional water treatment facilities. Rates and charges for the Sewer and Water Funds are reviewed each January and rates are recommended to the Board of Supervisors to cover all operations and capital costs.

The Carson Freeway, Phase 2 A has been funded by the State of Nevada. This extension of the Carson Freeway from Highway 50 to Fairview Drive also requires relocation of Carson City utilities. These improvements have been funded through their respective enterprise funds. The funding for Carson Freeway Phase 2B (Fairview Drive to Highway 50 at Spooner Summit) has yet to be identified by the State of Nevada. By agreement with the State of Nevada, should Phase 2B not be completed by 2010, the allocation of local fuel taxes previously agreed to would cease, making additional funds available for local road projects.

FINANCIAL INFORMATION

SINGLE AUDIT. As a recipient of federal and state awards, Carson City is also responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs.

As a part of Carson City's single audit, described earlier, testing of internal control and compliance is performed as it relates to federal programs. The results of the single audit for the fiscal year ended June 30, 2008 provided no instances of non-compliance with the requirements applicable to each of the City's major federal programs or matters involving the internal control over compliance and its operation that were considered to be material weaknesses.

BUDGETARY CONTROLS. The City maintains several budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body in accordance with Nevada Revised Statutes Chapter 354, the Local Government Budget and Finance Act. Activities of the general fund, special revenue funds, capital projects funds, debt service funds, enterprise funds and internal service funds are included in the annual appropriated budget. The level of budgetary control (that is, the level of which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund for governmental funds and the sum of operating and non-operating expenses in the proprietary funds.

CASH MANAGEMENT. Cash temporarily idle during the year was invested in U.S. Government Securities, corporate bonds and the State of Nevada Local Government Investment Pool. The City follows the pooled cash concept which allows greater investment flexibility and greater investment returns. As of June 30, 2008, the City had total investments of \$74,559,485.

RISK MANAGEMENT. Carson City insures a portion of its risks and self-funds other. Property damage, general liability, law, errors and omissions, and auto are insured subject to a \$100,000 deductible per occurrence and, therefore, claims under \$100,000 are funded by the City. Other coverage currently held by the City includes applicable airport liability, boiler and machinery, and bonds for public officials. In addition, certain automobile damages are self-insured by the City. The Insurance Fund (an internal service fund) is used for the purpose of those self-insured areas discussed above and funding insurance premiums. Reserves are being accumulated to protect against future liability claims against the City as resources are available.

As of July 1, 2003, Carson City elected to become a member of the Public Agency Compensation Trust (PACT) for workers' compensation. The City pays an annual premium and there are no deductibles. The PACT is considered a self-sustaining risk pool that will provide coverage for its members up to \$350,000/\$750,000 per insured event. The Pool obtains independent coverage for insured events in excess of these limits. The City retains liability for claims for the period from July 1, 1992 to June 30, 2003 when the City was self-insured. The Workers' Compensation Fund (an internal service fund) is used to account for the payment of insurance premiums and for funding the liability for the period when the City was self-insured.

OTHER INFORMATION

AWARDS. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carson City for its comprehensive annual financial report for the fiscal year ended June 30, 2007. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Carson City has received a Certificate of Achievement for the last eighteen consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ACKNOWLEDGMENTS. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contribution made in the preparation of this report.

In closing, without the leadership and support of the Carson City Board of Supervisors, the continued strengthening of the City's finances and the continued dedication to financial excellence would not have been possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Nickolas Providenti". The signature is fluid and cursive, with a large initial "N" and "P".

Nickolas Providenti
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Carson City
Nevada

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

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.



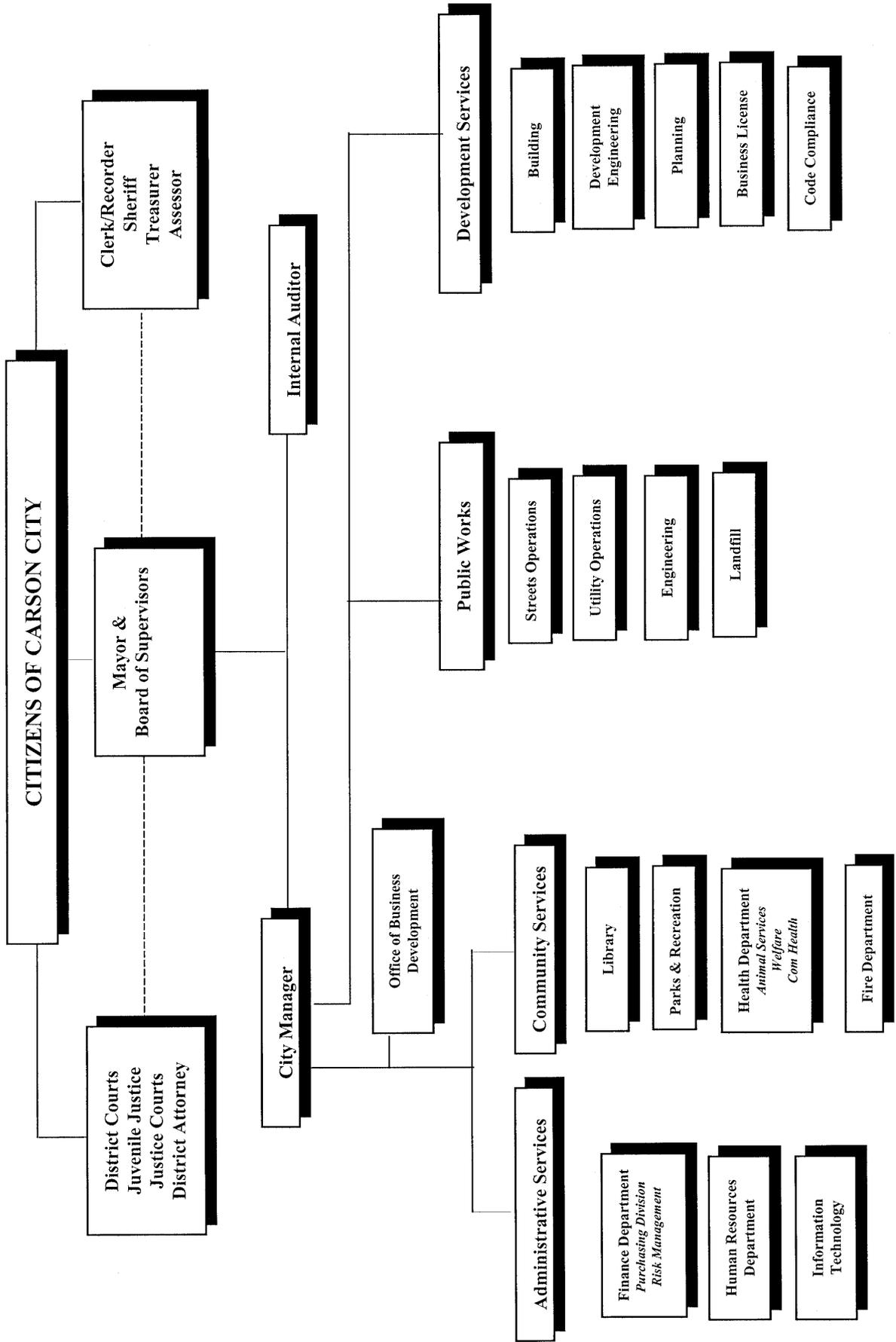
Oliver S. Cox

President

Jeffrey R. Emsw

Executive Director

Carson City Organizational Chart



Updated: 11/12/08

CARSON CITY
LISTING OF PRINCIPAL OFFICIALS
FY 2008

TITLE	NAME
Mayor	Marv Teixeira
Supervisor, Ward 1	Robin Williamson
Supervisor, Ward 2	Shelly Aldean
Supervisor, Ward 3	Pete Livermore
Supervisor, Ward 4	Richard Staub
Assessor	Dave Dawley
Treasurer	Al Kramer
District Attorney	Neil Rombardo
District Court I	Judge James T. Russell
District Court II	Judge William Maddox
Justice of the Peace	Judge Robey Willis
Justice of the Peace	Judge John Tatro
Clerk-Recorder	Alan Glover
Sheriff	Ken Furlong
City Manager	Larry Werner
Finance Director/Risk Manager	Nick Providenti
Information Services Director	Kevin Haggerty
Planning Director	Lee Plemel
Economic/Redevelopment Director	Joe McCarthy
Cooperative Extension Director	JoAnne Skelly
Library Director	Sara Jones
Health Director	Marena Works
Juvenile Special Master	David Nielsen
Chief Juvenile Probation Officer	John Simms
Parks and Recreation Director	Roger Moellendorf
Fire Chief	Stacey Giomi
Internal Auditor	Susan Johnson
Senior Center Director	Janice McIntosh
Human Resources Manager	Jennifer Schultz
Public Works Director	Andrew Burnham
Public Works Operations Manager	Ken Arnold
City Engineer	Jeff Sharp
Development Services Director	Walt Sullivan
Transportation Program Manager	Patrick Pittenger
Chief Building Official	Kevin Gattis

FINANCIAL SECTION

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

Independent Auditor's Report

To the Honorable Mayor and Members of the
Board of Supervisors, Carson City, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carson City, Nevada, as of and for the year ended June 30, 2008, which collectively comprise Carson City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Carson City, Nevada. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Airport Authority of Carson City, Nevada or the Carson City Convention and Visitors' Bureau, both of which are discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based on the reports of the other auditors.

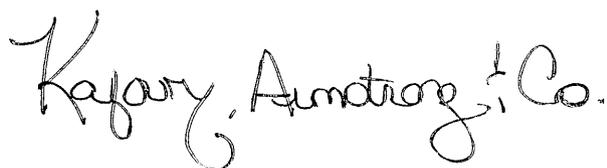
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Carson City Convention and Visitors' Bureau were not audited in accordance with *Government Auditing Standards*. 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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carson City, Nevada, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Quality of Life Special Revenue Fund 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 November 26, 2008 on our consideration of Carson City, Nevada'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.

Management's discussion and analysis on pages 3A through 3K is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, 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 Carson City, Nevada's basic financial statements. The Introductory Section, combining and individual fund 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 Carson City, Nevada. The combining and individual fund 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 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.



Reno, Nevada
November 26, 2008

Carson City, Nevada Management's Discussion and Analysis

As management of Carson City, Nevada (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$259,377,382 (*net assets*). Of this amount, \$17,084,052 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$8,078,854. Approximately, half of this increase is attributable to investment earnings.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$47,151,068, a decrease of \$10,527,206 in comparison with the prior year. \$46,345,557 is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$13,526,730, or 24 percent of total General Fund expenditures.
- The City's total bonded debt decreased by \$5,659,369 (4 percent) during the current fiscal year.

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 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 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 government'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 that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, judicial, public works, sanitation, health, welfare, community support, airport, economic opportunity, and culture and recreation. The business-type activities of the City include water, sewer, ambulance, cemetery, building permits and stormwater drainage.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate airport authority and a legally separate convention and visitors' bureau for which the City is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The Redevelopment Authority, although also legally separate, functions for all practical purposes as a department of the City, therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 4-7 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain 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, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twenty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Quality of Life Fund, both of which are considered to be major funds. Data from the other twenty-six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and for each of its special revenue funds, debt service funds and capital projects funds. A budgetary comparison statement has been provided for each of the City's governmental funds to demonstrate compliance with this budget. The budgetary comparison statements for the General Fund and the Quality of Life Fund, major governmental funds, are located in the basic financial statements and budgetary comparison schedules for the nonmajor governmental funds are provided in the individual funds statements.

The basic governmental fund financial statements can be found on pages 8-15 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, ambulance, cemetery, building permit, and stormwater drainage operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its group medical insurance, workers' compensation, insurance and fleet management. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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 water and sewer operations, both of which are considered to be major funds of the City. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Data from the other four enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report. Individual fund data for the internal service funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 16-25 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 statement 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 statements can be found on pages 26-27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-50 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds, and enterprise funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 51-152 of this report.

Government-wide Financial Analysis

As noted earlier, 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 \$259,377,382 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (84 percent) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Carson City's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$63,275,823	\$77,298,334	\$21,308,581	\$33,392,976	\$ 84,584,404	\$ 110,691,310
Capital assets	191,010,976	172,286,623	138,581,276	132,763,549	329,592,252	305,050,172
Total assets	254,286,799	249,584,957	159,889,857	166,156,525	414,176,656	415,741,482
Long-term liabilities outstanding	87,596,266	87,421,893	54,706,432	60,443,337	142,302,698	147,865,230
Other liabilities	9,632,994	13,899,698	2,863,582	2,678,026	12,496,576	16,577,724
Total liabilities	97,229,260	101,321,591	57,570,014	63,121,363	154,799,274	164,442,954
Net assets:						
Invested in capital assets, net of related debt	131,338,112	120,602,072	87,652,903	84,123,860	218,991,015	204,725,932
Restricted	23,302,315	29,389,902	-	2,742,096	23,302,315	32,131,998
Unrestricted	2,417,112	(1,728,608)	14,666,940	16,169,206	17,084,052	14,440,598
Total net assets	\$157,057,539	\$148,263,366	\$102,319,843	\$103,035,162	\$ 259,377,382	\$ 251,298,528

An additional portion of the City's net assets (9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$17,084,052) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's net assets increased \$8,078,854 during the current fiscal year. The majority of this increase was the result of investment income in the governmental and business-type activities and capital assets contributed by developers and connection fees in the Sewer and Water Funds.

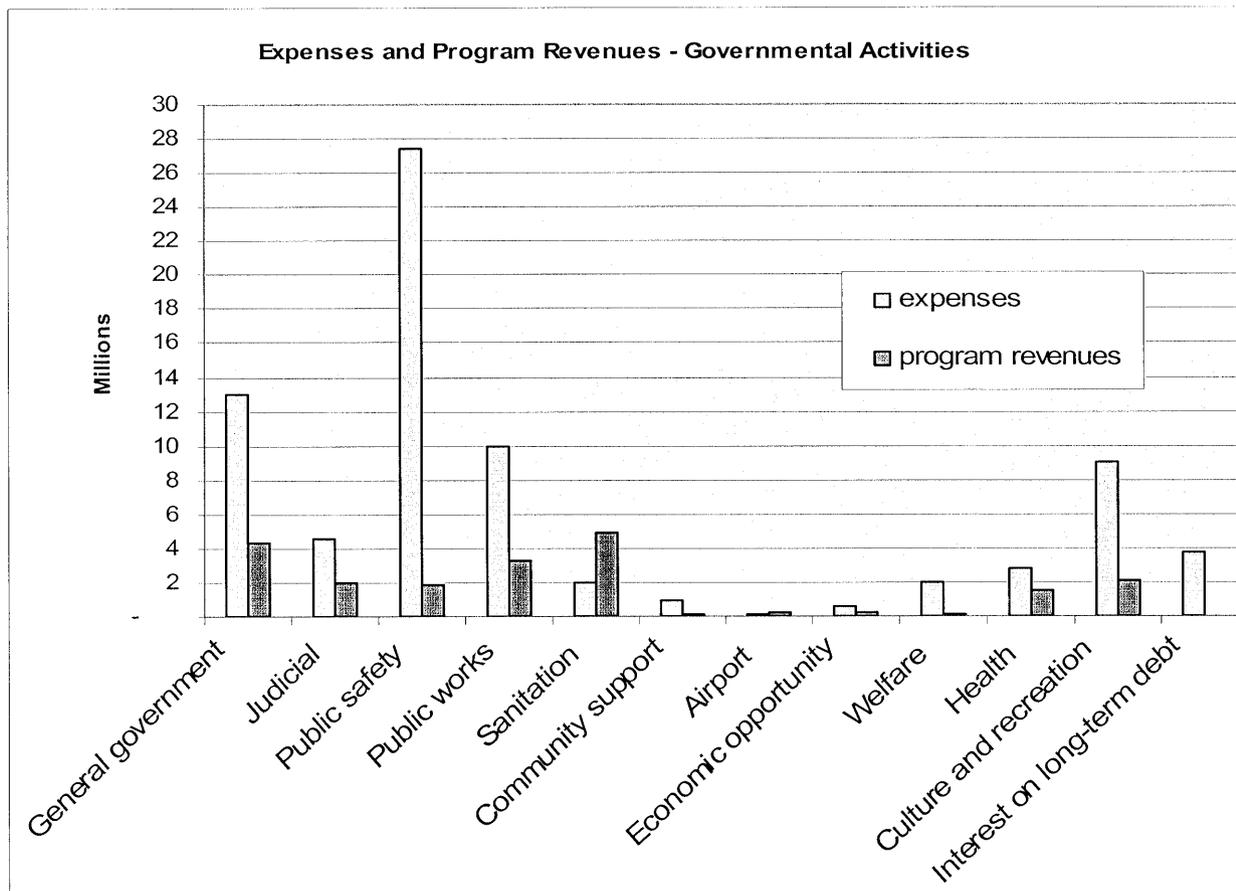
Carson City's Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$12,887,791	\$ 7,194,480	\$20,545,041	\$22,492,588	\$33,432,832	\$29,687,068
Operating grants and Contributions	5,088,124	6,129,717	-	-	5,088,124	6,129,717
Capital grants and contributions	2,819,030	14,492,662	4,987,392	6,462,247	7,806,422	20,954,909
General revenues:						
Property taxes	17,542,259	16,538,908	-	-	17,542,259	16,538,908
Other taxes	39,725,344	42,298,650	-	-	39,725,344	42,298,650
Other	3,922,929	3,777,575	1,058,683	1,319,813	4,981,612	5,097,388
Total Revenues	81,985,477	90,431,992	26,591,116	30,274,648	108,576,593	120,706,640
Expenses:						
General government	13,042,589	13,329,480	-	-	13,042,589	13,329,480
Judicial	4,526,334	3,656,007	-	-	4,526,334	3,656,007
Public safety	27,388,924	26,333,209	-	-	27,388,924	26,333,209
Public works	10,017,131	7,205,824	-	-	10,017,131	7,205,824
Sanitation	1,972,849	-	-	-	1,972,849	-
Community support	991,673	552,307	-	-	991,673	552,307
Airport	124,386	348,318	-	-	124,386	348,318
Economic opportunity	560,255	485,422	-	-	560,255	485,422
Welfare	2,008,154	2,074,309	-	-	2,008,154	2,074,309
Health	2,781,546	2,736,463	-	-	2,781,546	2,736,463
Culture and recreation	9,056,223	8,897,085	-	-	9,056,223	8,897,085
Interest and fiscal charges	3,721,332	3,844,651	-	-	3,721,332	3,844,651
Landfill	-	-	-	2,057,836	-	2,057,836
Ambulance	-	-	3,444,369	3,314,417	3,444,369	3,314,417
Sewer	-	-	8,196,029	7,751,960	8,196,029	7,751,960
Water	-	-	9,996,906	9,143,663	9,996,906	9,143,663
Cemetery	-	-	206,709	201,439	206,709	201,439
Building Permits	-	-	1,581,943	1,724,380	1,581,943	1,724,380
Stormwater Drainage	-	-	880,387	860,866	880,387	860,866
Total Expenses	76,191,396	69,463,075	24,306,343	25,054,561	100,497,739	94,517,636
Increase (decrease) in net assets						
before transfers	5,794,081	20,968,917	2,284,773	5,220,087	8,078,854	26,189,004
Transfers	3,000,092	(746,617)	(3,000,092)	746,617	-	-
Increase (decrease) in net assets	8,794,173	20,222,300	(715,319)	5,966,704	8,078,854	26,189,004
Net assets - July 1, as Previously						
Reported	148,263,366	87,330,313	103,035,162	97,068,458	251,298,528	184,398,771
Cumulative effect of a change in						
accounting principle	-	40,710,753	-	-	-	40,710,753
Net assets - July 1, as Adjusted	148,263,366	128,041,066	103,035,162	97,068,458	251,298,528	225,109,524
Net assets - June 30	<u>\$157,057,539</u>	<u>\$148,263,366</u>	<u>\$102,319,843</u>	<u>\$103,035,162</u>	<u>\$259,377,382</u>	<u>\$251,298,528</u>

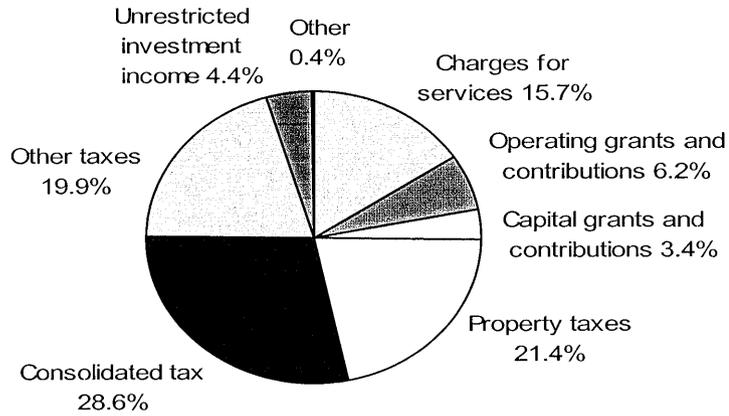
Governmental activities. Governmental activities increased the City's net assets by \$8,794,173, a decrease of \$11,428,127 from the prior year. Key elements of the change from prior year are as follows:

- Capital grants and contributions decreased \$11.7 million from the prior year due to a decrease in contributions of infrastructure from developers and the receipt of \$10 million in federal and local grants for airport development in the prior year.
- \$6.2 million increase due to the transfer of landfill operations from business-type activities to governmental activities during the current year.
- \$2.9 million decrease due to the increase in depreciation expense during the current year mostly related to the retroactive reporting of infrastructure assets in the prior year.
- \$2.9 million decrease in sales taxes and consolidated taxes from the prior year.

Program revenues for governmental activities provided 27 percent of the resources necessary to pay the cost of providing program services. The remaining program costs were financed with general revenues. The largest general revenues are consolidated tax of \$23,442,872 and property taxes of \$17,542,259.



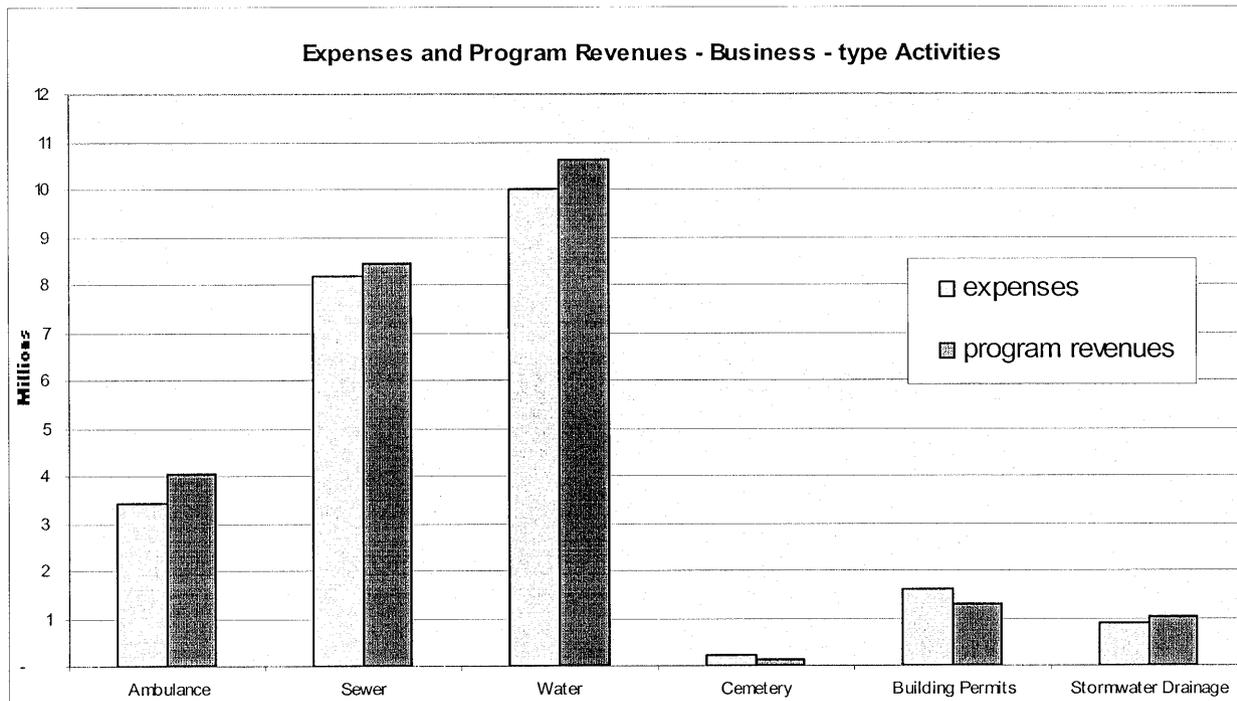
Revenues by Source - Governmental Activities



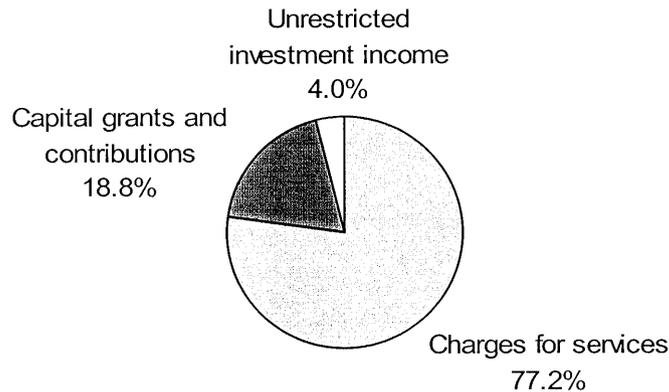
Business-type activities. Business-type activities decreased the City's net assets by \$(715,319), a decrease of \$6,682,023 from the prior year. Key elements of this decrease are as follows:

- Approximately \$5 million is due to the transfer of landfill operations from business-type activities to governmental activities during the current year.
- \$400,000 increase in capital grants for various projects.
- \$1.9 million decrease in capital assets contributed by developers and connection fees in the Sewer and Water funds.

Sewer and water expenses represent 75 percent of total expenses for business-type activities.



Revenues by Source - Business - type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to 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 *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$47,151,068, a decrease of \$10,527,206 in comparison with the prior year. Of this total amount, \$46,345,557 constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) for unspent donations (\$304,745), 2) for judicial programs (\$442,424), or 3) for prepaid items and inventory (\$58,342).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$13,526,730, while total fund balance reached \$14,316,983. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 24 percent of total General Fund expenditures, while total fund balance represents 25 percent of that same amount.

The fund balance of the City's General Fund increased by \$2,642,263 during the current fiscal year, an increase of \$1,866,406 from the prior year. Key elements of the change from prior year are as follows:

- Property taxes increased by \$870,000 over the prior year as a result of an increase in property tax rates and assessed valuation.

- Transfers in increased by \$1.4 million over the prior year. This increase is due to the transfer of landfill operations from the Carson City Sanitary Landfill Fund, an enterprise fund, to the General Fund.
- \$1.5 million increase due to current year landfill operations reflected in the General Fund.
- Intergovernmental revenues decreased by \$2.5 million from the prior year. This decrease is due to a decline in consolidated tax revenues largely as a result of a decline in taxable sales.
- Miscellaneous revenue increased \$500,000 over the prior year due to an increase in the fair value of investments as well as increased investment earnings in the current year.

The Quality of Life Fund has a total fund balance of \$11,339,894, all of which is unreserved except for \$1,000 which is reserved for prepaid items. The fund balance decreased by \$6,448,736 during the current fiscal year, a decrease of \$7,059,329 from the prior year. Key elements of the change from prior year are as follows:

- \$4.5 million increase in purchases of property for open space.
- \$2.3 million increase in capital improvements for parks, fairgrounds and the Community Center Theater.

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

Unrestricted net assets at the end of the year amounted to \$4,085,656 in the Sewer Fund and \$8,370,759 for the Water Fund. The total growth in net assets for the funds was \$431,281 and \$1,429,795, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Budgeted appropriations increased \$11,867,515 between the original budget and the final amended budget. The increase can be briefly summarized as follows:

- \$4.85 million increase in appropriations for economic development to fund incentives for business retention and recruitment in the automotive sector.
- \$5.9 million increase in appropriations to reflect the transfer of landfill operations from the Carson City Sanitary Landfill Fund, an enterprise fund, to the General Fund.
- Carryover of program costs from the prior year budget amounting to \$460,000 allocated to various departments.
- \$658,000 increase in various department appropriations offset by increases in charges for services, intergovernmental revenues, operating transfers in, and donations.

Of this increase, \$5.266 million was funded from charges for services, \$392,000 was funded from intergovernmental revenues, grants and donations, and investment income, and \$900,000 was funded from operating transfers in. The remaining \$5.31 million was to be budgeted from available fund balance.

The only significant differences between the final amended budget and actual amounts are as follows:

- There was \$6.85 million in unspent incentives for business retention and recruitment in the economic opportunity function. This appropriation will be carried over to the next fiscal year.

- Actual intergovernmental revenues were \$3.1 million less than the final budget due to a decline in consolidated tax revenues.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2008, amounts to \$329,592,252 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and water rights. The total increase in the City's investment in capital assets for the current fiscal year was 8 percent (an 11 percent increase for governmental activities and a 4 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- Donated infrastructure (streets, curb and gutter) from developers was valued at \$1.6 million.
- \$3.6 million for the construction of the sheriff administration building.
- \$5.2 million in land purchases for open space.
- Approximately \$2 million for parks and fairgrounds improvements.
- A variety of street construction projects are on-going, such as widening and expansion projects, at a cost of approximately \$5.8 million.
- \$731,000 for storm drainage projects.
- \$6.4 million for sewer and water projects related to the extension of the Carson Freeway.
- Transfer of capital assets of \$1.8 million from the business-type activities to the governmental activities.

Carson City's Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$34,791,052	\$29,208,402	\$3,070,014	\$3,076,948	\$ 37,861,066	\$32,285,350
Construction in progress/infrastructure	8,585,533	2,851,150	-	-	8,585,533	2,851,150
Construction in progress	1,600,271	11,144,673	18,549,949	14,296,881	20,150,220	25,441,554
Buildings	59,198,913	47,264,119	9,692,943	9,563,288	68,891,856	56,827,407
Improvements other than buildings	14,380,956	13,279,985	96,129,324	93,317,291	110,510,280	106,597,276
Machinery and equipment	13,834,993	10,715,540	3,119,894	4,501,881	16,954,887	15,217,421
Infrastructure	58,619,258	57,822,754	-	-	58,619,258	57,822,754
Water rights	-	-	8,019,152	8,007,260	8,019,152	8,007,260
Total	\$191,010,976	\$172,286,623	\$138,581,276	\$132,763,549	\$329,592,252	\$305,050,172

Additional information on the City's capital assets can be found in note 3-B on pages 38-41 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$131,175,167. Of this amount, \$126,260,167 comprises debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

Carson City's Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$72,462,454	\$74,574,351	\$53,797,713	\$57,120,185	\$126,260,167	\$131,694,536
Revenue bonds	4,915,000	5,140,000	-	-	4,915,000	5,140,000
Total	\$77,377,454	\$79,714,351	\$53,797,713	\$57,120,185	\$131,175,167	\$136,834,536

The City's total bonded debt decreased by \$5,659,369 (4 percent) from the prior year. This decrease is the result of no new bond issues during the current fiscal year.

The City maintains an "A+" rating from Standard & Poor's and an "A1" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue up to percent of its total assessed valuation. The current debt limitation for the City is \$289,552,288, 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 note 3-D on pages 43-47 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's unemployment rate was 6.7% at June 30, 2008, which is an increase from a rate of 5% a year ago. The national and state unemployment rates were 5.5% and 6.4%, respectively, at June 30, 2008.
- The City's assessed value grew 12 percent in fiscal 2007-08 to 1.612 billion and 14 percent in fiscal 2008-09 to 1.843 billion.
- Continued reductions in sales tax revenue are anticipated for FY 2008-09.

All of these factors were considered in preparing the City's budget for the 2009 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund increased \$2,645,012 to \$13,526,730. The City has appropriated \$5,143,029 of this amount for spending in the 2009 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Carson City Finance Department, 201 N. Carson Street, Suite 3, Carson City, Nevada 89701.

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BASIC FINANCIAL STATEMENTS

CARSON CITY
STATEMENT OF NET ASSETS
JUNE 30, 2008

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and investments	\$ 49,056,722	\$ 16,276,154	\$ 65,332,876
Receivables (net of allowances for uncollectibles)	3,161,928	3,453,835	6,615,763
Due from other governments	8,093,988	717,403	8,811,391
Due from component units	13,379	-	13,379
Due from primary government	-	-	-
Internal balances	211,952	(211,952)	-
Inventories	78,075	294,247	372,322
Prepays	630,733	4,687	635,420
Restricted assets:			
Cash and investments	1,039,211	348,204	1,387,415
Other assets	989,835	426,003	1,415,838
Capital assets (net of accumulated depreciation):			
Land	34,791,052	3,070,014	37,861,066
Construction in progress - infrastructure	8,585,533	-	8,585,533
Construction in progress	1,600,271	18,549,949	20,150,220
Buildings	59,198,913	9,692,943	68,891,856
Improvements other than buildings	14,380,956	96,129,324	110,510,280
Machinery and equipment	13,834,993	3,119,894	16,954,887
Infrastructure	58,619,258	-	58,619,258
Water rights	-	8,019,152	8,019,152
Total Assets	<u>254,286,799</u>	<u>159,889,857</u>	<u>414,176,656</u>
LIABILITIES			
Accounts payable and accrued expenses	6,389,829	1,489,768	7,879,597
Accrued interest payable	582,350	349,773	932,123
Due to other governments	508,017	388,077	896,094
Due to component units	320,383	-	320,383
Due to primary government	-	-	-
Unearned revenue	147,920	272,455	420,375
Other liabilities	709,960	15,305	725,265
Current liabilities payable from restricted assets	974,535	348,204	1,322,739
Noncurrent liabilities:			
Due within one year	3,583,857	3,411,085	6,994,942
Due in more than one year	84,012,409	51,295,347	135,307,756
Total Liabilities	<u>97,229,260</u>	<u>57,570,014</u>	<u>154,799,274</u>
NET ASSETS			
Invested in capital assets, net of related debt	131,338,112	87,652,903	218,991,015
Restricted for:			
General government	146,117	-	146,117
Public safety	345,108	-	345,108
Judicial	301,544	-	301,544
Public works	6,253,828	-	6,253,828
Health	170,605	-	170,605
Culture and recreation	12,419,150	-	12,419,150
Welfare	37,001	-	37,001
Capital projects	574,750	-	574,750
Debt service	200,000	-	200,000
Claims	2,854,212	-	2,854,212
Unrestricted	2,417,112	14,666,940	17,084,052
Total Net Assets	<u>\$ 157,057,539</u>	<u>\$ 102,319,843</u>	<u>\$ 259,377,382</u>

COMPONENT UNITS	
AIRPORT AUTHORITY	CONVENTION AND VISITORS' BUREAU
\$ 439,518	\$ 1,472,805
12,738	225,659
3,562	35,468
-	-
304,948	15,435
-	-
-	15,296
9,273	330
-	94,829
226,373	-
146,542	-
-	-
-	-
-	93,816
-	872
80,743	38,791
-	-
-	-
<u>1,223,697</u>	<u>1,993,301</u>
52,864	78,011
-	-
-	11,767
-	-
-	13,379
5,454	-
-	-
-	99,990
15,364	-
<u>651,467</u>	<u>75,630</u>
<u>725,149</u>	<u>278,777</u>
227,285	133,479
-	3,127
-	-
-	-
-	-
-	418,319
-	-
-	-
-	424,410
-	-
<u>271,263</u>	<u>735,189</u>
<u>\$ 498,548</u>	<u>\$ 1,714,524</u>

See accompanying notes

CARSON CITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental Activities:				
General government	\$ 13,042,589	\$ 3,486,025	\$ 904,964	\$ -
Judicial	4,526,334	1,811,532	46,423	97,516
Public safety	27,388,924	832,339	986,339	-
Public works	10,017,131	246,581	917,149	2,087,300
Sanitation	1,972,849	4,902,844	6,380	-
Community support	991,673	1,825	165,029	-
Airport	124,386	-	81,069	209,513
Economic opportunity	560,255	-	196,589	-
Welfare	2,008,154	-	128,581	-
Health	2,781,546	323,538	1,218,904	-
Culture and recreation	9,056,223	1,283,107	436,697	424,701
Debt Service:				
Interest and fiscal charges	3,721,332	-	-	-
Total Governmental Activities	76,191,396	12,887,791	5,088,124	2,819,030
Business-Type Activities:				
Ambulance	3,444,369	4,036,969	-	-
Sewer	8,196,029	5,078,660	-	3,368,613
Water	9,996,906	9,023,248	-	1,618,779
Cemetery	206,709	115,220	-	-
Building Permits	1,581,943	1,273,027	-	-
Stormwater Drainage	880,387	1,017,917	-	-
Total Business-Type Activities	24,306,343	20,545,041	-	4,987,392
Total Primary Government	\$ 100,497,739	\$ 33,432,832	\$ 5,088,124	\$ 7,806,422
Component units:				
Airport Authority	\$ 494,571	\$ 256,380	\$ -	\$ 199,037
Convention and Visitors' Bureau	1,488,650	24,111	59,242	-
Total Component Units	\$ 1,983,221	\$ 280,491	\$ 59,242	\$ 199,037

General Revenues:
Property taxes
Sales taxes
Consolidated tax
Franchise taxes
Other taxes
Room taxes
Motor vehicle fuel tax
Grants and contributions not restricted to specific programs
Unrestricted investment income
Miscellaneous revenue
Transfers

Total General Revenues and Transfers

Change in Net Assets

NET ASSETS, JULY 1

NET ASSETS, JUNE 30

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			COMPONENT UNITS	
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	AIRPORT AUTHORITY	CONVENTION AND VISITORS' BUREAU
\$ (8,651,600)	\$ -	\$ (8,651,600)	\$ -	\$ -
(2,570,863)	-	(2,570,863)	-	-
(25,570,246)	-	(25,570,246)	-	-
(6,766,101)	-	(6,766,101)	-	-
2,936,375	-	2,936,375	-	-
(824,819)	-	(824,819)	-	-
166,196	-	166,196	-	-
(363,666)	-	(363,666)	-	-
(1,879,573)	-	(1,879,573)	-	-
(1,239,104)	-	(1,239,104)	-	-
(6,911,718)	-	(6,911,718)	-	-
(3,721,332)	-	(3,721,332)	-	-
(55,396,451)	-	(55,396,451)	-	-
-	592,600	592,600	-	-
-	251,244	251,244	-	-
-	645,121	645,121	-	-
-	(91,489)	(91,489)	-	-
-	(308,916)	(308,916)	-	-
-	137,530	137,530	-	-
-	1,226,090	1,226,090	-	-
(55,396,451)	1,226,090	(54,170,361)	-	-
-	-	-	(39,154)	-
-	-	-	-	(1,405,297)
-	-	-	(39,154)	(1,405,297)
17,542,259	-	17,542,259	109,450	-
5,669,448	-	5,669,448	-	-
23,442,872	-	23,442,872	-	-
5,371,215	-	5,371,215	-	-
119,159	-	119,159	-	-
-	-	-	-	1,440,637
5,122,650	-	5,122,650	-	-
3,312	-	3,312	-	-
3,614,317	1,058,683	4,673,000	19,169	62,661
305,300	-	305,300	-	-
3,000,092	(3,000,092)	-	-	-
64,190,624	(1,941,409)	62,249,215	128,619	1,503,298
8,794,173	(715,319)	8,078,854	89,465	98,001
148,263,366	103,035,162	251,298,528	409,083	1,616,523
\$ 157,057,539	\$ 102,319,843	\$ 259,377,382	\$ 498,548	\$ 1,714,524

See accompanying notes.

**CARSON CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008**

	GENERAL	QUALITY OF LIFE
ASSETS		
Cash and investments	\$ 10,392,650	\$ 11,228,286
Receivables (net of allowances for uncollectibles):		
Taxes, delinquent	175,142	-
Accounts receivable	1,722,183	-
Interest	667,409	-
Due from other funds	-	-
Due from other governments	4,639,432	464,801
Due from component units	13,379	-
Inventories	2,753	-
Prepaid items	40,331	1,000
Restricted assets:		
Cash and investments	1,011,185	-
Total Assets	\$ 18,664,464	\$ 11,694,087
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 867,314	\$ 344,377
Accrued salaries and benefits	1,952,464	9,291
Payable from restricted assets	946,509	-
Due to other funds	-	-
Due to other governments	125,430	525
Due to component units	105,911	-
Other liabilities	132,449	-
Deferred revenue	202,829	-
Unearned revenue	14,575	-
Total Liabilities	4,347,481	354,193
Fund balances:		
Reserved for inventory	2,753	-
Reserved for gifts and donations	304,745	-
Reserved for administrative assessments	99,191	-
Reserved for courts	242,970	-
Reserved for technology	100,263	-
Reserved for prepaid items	40,331	1,000
Unreserved, reported in:		
General fund:		
Designated for subsequent year's expenditures	5,143,029	-
Undesignated	8,383,701	-
Special revenue funds:		
Designated for subsequent year's expenditures	-	617,079
Undesignated	-	10,721,815
Debt service funds:		
Designated for subsequent year's expenditures	-	-
Undesignated	-	-
Capital projects funds:		
Designated for subsequent year's expenditures	-	-
Undesignated	-	-
Total Fund Balances	14,316,983	11,339,894
Total Liabilities and Fund Balances	\$ 18,664,464	\$ 11,694,087

OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 21,612,615	\$ 43,233,551
46,749	221,891
246,201	1,968,384
-	667,409
96,443	96,443
2,989,755	8,093,988
-	13,379
-	2,753
14,258	55,589
28,026	1,039,211
<u>\$ 25,034,047</u>	<u>\$ 55,392,598</u>
\$ 2,594,998	\$ 3,806,689
88,536	2,050,291
28,026	974,535
96,443	96,443
348,734	474,689
214,472	320,383
-	132,449
36,512	239,341
132,135	146,710
<u>3,539,856</u>	<u>8,241,530</u>
-	2,753
-	304,745
-	99,191
-	242,970
-	100,263
14,258	55,589
-	5,143,029
-	8,383,701
13,859,351	14,476,430
3,167,593	13,889,408
1,259,329	1,259,329
24,354	24,354
73,552	73,552
<u>3,095,754</u>	<u>3,095,754</u>
21,494,191	47,151,068
<u>\$ 25,034,047</u>	<u>\$ 55,392,598</u>

See accompanying notes.

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**CARSON CITY, NEVADA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
JUNE 30, 2008**

Fund Balances - Governmental Funds (pages 8-9)		\$ 47,151,068
<p>Amounts reported for governmental activities in the statement of net assets (pages 4-5) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>		
Governmental capital assets	\$ 245,131,383	
Less: Accumulated depreciation	<u>(54,127,478)</u>	
		191,003,905
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
General obligation revenue bonds payable	(72,462,454)	
Notes payable	(3,847,078)	
Revenue bonds payable	(4,915,000)	
Loss on bond refunding	885,359	
Less: current year amortization	(102,448)	
Issuance discount	178,329	
Less: current year amortization	(10,043)	
Issuance premium	(541,034)	
Less: current year amortization	29,421	
Deferred charge for issuance costs	1,048,435	
Less: current year amortization	(58,600)	
Capital leases payable	(100,363)	
Landfill closure / post closure costs	(2,738,345)	
Compensated absences	<u>(3,772,163)</u>	
		(86,405,984)
Interest payable		(582,350)
<p>Deferred revenue represents amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.</p>		
		239,341
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of the internal service funds are reported with governmental activities.</p>		
		5,439,607
<p>Internal balances are receivable from business-type activities.</p>		
		<u>211,952</u>
Net Assets - Governmental Activities (pages 4-5)		<u>\$ 157,057,539</u>

See accompanying notes.

CARSON CITY
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	GENERAL	QUALITY OF LIFE
Revenues:		
Taxes	\$ 13,359,942	\$ 2,266,502
Licenses and permits	7,089,496	-
Intergovernmental revenues	24,032,491	235,697
Charges for services	12,894,369	-
Fines and forfeits	938,827	-
Miscellaneous	2,099,668	789,515
Total Revenues	60,414,793	3,291,714
Expenditures:		
Current:		
General government	12,815,887	-
Public safety	24,399,880	-
Judicial	4,359,077	-
Public works	2,721,453	-
Sanitation	3,386,664	-
Health	1,438,787	-
Welfare	357,864	-
Culture and recreation	6,019,861	8,625,912
Community support	419,499	-
Airport	-	-
Economic opportunity	329,432	-
Capital outlay	-	-
Debt service:		
Principal retirement	-	-
Interest and fiscal charges	-	-
Total Expenditures	56,248,404	8,625,912
Excess (Deficiency) of Revenues over Expenditures	4,166,389	(5,334,198)
Other Financing Sources (Uses):		
Capital leases	11,228	-
Transfers in	1,850,780	-
Transfers out	(3,386,134)	(1,114,538)
Total Other Financing Sources (Uses)	(1,524,126)	(1,114,538)
Net Change in Fund Balances	2,642,263	(6,448,736)
Fund Balances, July 1	11,674,720	17,788,630
Fund Balances, June 30	\$ 14,316,983	\$ 11,339,894

OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 11,175,104	\$ 26,801,548
250	7,089,746
6,608,379	30,876,567
428,379	13,322,748
84,632	1,023,459
1,676,761	4,565,944
<u>19,973,505</u>	<u>83,680,012</u>
1,698,366	14,514,253
1,554,502	25,954,382
345,866	4,704,943
14,358,497	17,079,950
-	3,386,664
1,188,937	2,627,724
1,653,486	2,011,350
948,418	15,594,191
151,417	570,916
579,295	579,295
279,744	609,176
4,084,369	4,084,369
3,038,832	3,038,832
3,651,174	3,651,174
<u>33,532,903</u>	<u>98,407,219</u>
<u>(13,559,398)</u>	<u>(14,727,207)</u>
-	11,228
11,101,813	12,952,593
(4,263,148)	(8,763,820)
<u>6,838,665</u>	<u>4,200,001</u>
(6,720,733)	(10,527,206)
<u>28,214,924</u>	<u>57,678,274</u>
<u>\$ 21,494,191</u>	<u>\$ 47,151,068</u>

See accompanying notes.

**CARSON CITY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008**

Net Change in Fund Balances - Governmental Funds (pages 11-12) \$ (10,527,206)

Amounts reported for governmental activities in the statement of activities (pages 6-7) are different because:

Governmental funds report capital outlays as expenditures and the proceeds from the sale of assets as other financing sources. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and only the gain or loss is recorded when assets are sold.

Expenditures for capital assets	\$ 21,855,917	
Contributions of capital assets from business-type activities	1,800,908	
Donated capital assets	2,047,952	
Contributions of capital assets from internal service funds	18,377	
Sale/disposition of assets	(571,272)	
Less: Current year depreciation	<u>(6,412,925)</u>	18,738,957

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

Change in deferred revenue	(154,962)
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Bond and note proceeds and capital leases provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and note principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bonds and notes issued and capital lease financing exceeded repayments and costs of issuance.

Capital lease financing	(11,228)	
Transfer of long-term liabilities from business-type activities	(2,711,089)	
Accrued interest	(582,350)	
Capital lease payments	31,312	
Interest payments	895,943	
Principal payments	<u>3,038,832</u>	661,420

Some expenses 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.

Amortization of loss on bond refunding	(102,448)	
Amortization of issuance costs	(58,600)	
Amortization of bond discounts	(10,043)	
Amortization of bond premiums	29,421	
Change in long-term landfill closure / post closure	(220,029)	
Change in long-term compensated absences	<u>(210,821)</u>	(572,520)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service funds is reported with governmental activities.

648,484

Change in Net Assets of Governmental Activities (pages 6-7) \$ 8,794,173

See accompanying notes.

**CARSON CITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes	\$ 12,915,000	\$ 12,915,000	\$ 13,359,942	\$ 444,942
Licenses and permits	7,563,200	7,563,200	7,089,496	(473,704)
Intergovernmental revenues	27,105,351	27,148,095	24,032,491	(3,115,604)
Charges for services	8,193,824	13,428,806	12,894,369	(534,437)
Fines and forfeits	858,000	878,000	938,827	60,827
Miscellaneous	888,500	1,237,849	2,099,668	861,819
Total Revenues	<u>57,523,875</u>	<u>63,170,950</u>	<u>60,414,793</u>	<u>(2,756,157)</u>
Expenditures:				
Current:				
General government	13,456,309	13,681,001	12,815,887	865,114
Public safety	25,306,639	25,360,901	24,399,880	961,021
Judicial	4,196,066	4,415,558	4,359,077	56,481
Public works	3,089,941	3,089,941	2,721,453	368,488
Sanitation	-	3,576,822	3,386,664	190,158
Health	1,430,055	1,708,201	1,438,787	269,414
Welfare	357,864	357,864	357,864	-
Culture and recreation	6,526,101	6,714,828	6,019,861	694,967
Community support	347,950	461,498	419,499	41,999
Economic opportunity	341,702	7,191,274	329,432	6,861,842
Total Expenditures	<u>55,052,627</u>	<u>66,557,888</u>	<u>56,248,404</u>	<u>10,309,484</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,471,248</u>	<u>(3,386,938)</u>	<u>4,166,389</u>	<u>7,553,327</u>
Other Financing Sources (Uses):				
Capital leases	-	11,228	11,228	-
Transfers in	198,448	1,914,998	1,850,780	(64,218)
Transfers out	(3,488,277)	(3,850,531)	(3,386,134)	464,397
Contingency	(500,000)	(500,000)	-	500,000
Total Other Financing Sources (Uses)	<u>(3,789,829)</u>	<u>(2,424,305)</u>	<u>(1,524,126)</u>	<u>900,179</u>
Net Change in Fund Balances	<u>(1,318,581)</u>	<u>(5,811,243)</u>	<u>2,642,263</u>	<u>8,453,506</u>
Fund Balances, July 1	<u>5,885,581</u>	<u>11,674,720</u>	<u>11,674,720</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 4,567,000</u>	<u>\$ 5,863,477</u>	<u>\$ 14,316,983</u>	<u>\$ 8,453,506</u>

See accompanying notes.

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**CARSON CITY
QUALITY OF LIFE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes	\$ 2,634,350	\$ 2,634,350	\$ 2,266,502	\$ (367,848)
Intergovernmental revenues	-	403,945	235,697	(168,248)
Miscellaneous	100,000	117,248	789,515	672,267
Total Revenues	<u>2,734,350</u>	<u>3,155,543</u>	<u>3,291,714</u>	<u>136,171</u>
Expenditures:				
Current:				
Culture and recreation	1,370,646	19,251,997	8,625,912	10,626,085
Excess (Deficiency) of Revenues over Expenditures	<u>1,363,704</u>	<u>(16,096,454)</u>	<u>(5,334,198)</u>	<u>10,762,256</u>
Other Financing Sources (Uses):				
Transfers out	<u>(1,188,256)</u>	<u>(1,188,256)</u>	<u>(1,114,538)</u>	<u>73,718</u>
Net Change in Fund Balances	175,448	(17,284,710)	(6,448,736)	10,835,974
Fund Balances, July 1	<u>328,472</u>	<u>17,788,630</u>	<u>17,788,630</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 503,920</u>	<u>\$ 503,920</u>	<u>\$ 11,339,894</u>	<u>\$ 10,835,974</u>

See accompanying notes.

CARSON CITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008
(PAGE 1 OF 2)

BUSINESS-TYPE ACTIVITIES -

	<u>SEWER</u>	<u>WATER</u>
ASSETS		
Current assets (unrestricted):		
Cash and investments	\$ 3,197,183	\$ 11,632,196
Receivables:		
Accounts and contracts, net	447,555	936,747
Due from other governments	672,991	44,330
Inventories	-	272,350
Prepaid items	673	2,396
Total Current Assets (Unrestricted)	<u>4,318,402</u>	<u>12,888,019</u>
Current assets (restricted):		
Cash and investments	<u>254,426</u>	<u>93,778</u>
Total Current Assets	<u>4,572,828</u>	<u>12,981,797</u>
Noncurrent assets:		
Other assets	<u>61,705</u>	<u>254,285</u>
Capital assets:		
Land	757,704	454,092
Buildings	10,530,285	1,816,447
Improvements other than buildings	88,780,057	65,127,168
Machinery and equipment	3,805,804	2,121,961
Water rights	-	8,019,152
Construction in progress	<u>9,008,347</u>	<u>6,790,734</u>
Less: Accumulated depreciation	<u>112,882,197</u> <u>(42,325,764)</u>	<u>84,329,554</u> <u>(25,153,264)</u>
Net Capital Assets	<u>70,556,433</u>	<u>59,176,290</u>
Total Noncurrent Assets	<u>70,618,138</u>	<u>59,430,575</u>
Total Assets	<u>75,190,966</u>	<u>72,412,372</u>

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
\$ 1,446,775	\$ 16,276,154	\$ 5,823,171
2,069,533	3,453,835	304,244
82	717,403	-
21,897	294,247	75,322
1,618	4,687	575,144
<u>3,539,905</u>	<u>20,746,326</u>	<u>6,777,881</u>
-	348,204	-
<u>3,539,905</u>	<u>21,094,530</u>	<u>6,777,881</u>
<u>110,013</u>	<u>426,003</u>	<u>-</u>
1,858,218	3,070,014	-
354,931	12,701,663	-
2,823,983	156,731,208	-
2,016,479	7,944,244	22,791
-	8,019,152	-
2,750,868	18,549,949	-
<u>9,804,479</u>	<u>207,016,230</u>	<u>22,791</u>
<u>(955,926)</u>	<u>(68,434,954)</u>	<u>(15,720)</u>
<u>8,848,553</u>	<u>138,581,276</u>	<u>7,071</u>
<u>8,958,566</u>	<u>139,007,279</u>	<u>7,071</u>
<u>12,498,471</u>	<u>160,101,809</u>	<u>6,784,952</u>

See accompanying notes.

CARSON CITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008
(PAGE 2 OF 2)

BUSINESS-TYPE ACTIVITIES -

	<u>SEWER</u>	<u>WATER</u>
LIABILITIES		
Current liabilities payable from unrestricted assets:		
Accounts payable	\$ 608,641	\$ 542,201
Accrued salaries and benefits	44,167	50,346
Accrued interest	169,138	163,642
Due to other governments	-	381,816
Unearned revenue	-	-
Other current liabilities	-	-
Current portion:		
Commitments payable	-	15,305
General obligation bonds and notes payable	1,343,116	1,745,000
Total Current Liabilities Payable from Unrestricted Assets	2,165,062	2,898,310
Current liabilities payable from restricted assets:		
Construction contracts, retained percent	245,913	78,790
Connection deposits	8,513	14,988
Total Current Liabilities Payable from Restricted Assets	254,426	93,778
Total Current Liabilities	2,419,488	2,992,088
Noncurrent liabilities:		
Accrued compensated absences	177,659	154,897
Other liabilities	-	97,511
General obligation bonds and notes payable	14,072,880	31,490,083
Total Noncurrent Liabilities	14,250,539	31,742,491
Total Liabilities	16,670,027	34,734,579
NET ASSETS		
Invested in capital assets, net of related debt	54,435,283	29,307,034
Unrestricted	4,085,656	8,370,759
Total Net Assets	\$ 58,520,939	\$ 37,677,793

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net assets of business - type activities

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
\$ 153,144	\$ 1,303,986	\$ 498,601
91,269	185,782	34,248
16,993	349,773	-
6,261	388,077	33,328
272,455	272,455	1,210
-	-	577,511
-	15,305	-
225,000	3,313,116	-
765,122	5,828,494	1,144,898
-	324,703	-
-	23,501	-
-	348,204	-
765,122	6,176,698	1,144,898
238,200	570,756	126,435
-	97,511	74,012
5,162,086	50,725,049	-
5,400,286	51,393,316	200,447
6,165,408	57,570,014	1,345,345
3,910,586	87,652,903	7,071
2,422,477	14,878,892	5,432,536
\$ 6,333,063	102,531,795	\$ 5,439,607
	(211,952)	
	\$ 102,319,843	

See accompanying notes.

CARSON CITY
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	BUSINESS-TYPE ACTIVITIES -	
	SEWER	WATER
Operating Revenues:		
Charges for services	\$ 5,074,830	\$ 9,023,177
Operating Expenses:		
Salaries and wages	1,233,760	1,373,165
Employee benefits	404,288	467,487
Services and supplies	3,201,209	4,511,585
Depreciation	2,685,925	2,016,590
Total Operating Expenses	7,525,182	8,368,827
Operating Income (Loss)	(2,450,352)	654,350
Nonoperating Revenues (Expenses):		
Investment income	163,770	796,056
Intergovernmental revenues	2,609,579	161,434
Miscellaneous	3,830	71
Interest expense	(640,813)	(1,483,923)
Gain (loss) on sales of capital assets	(8,889)	(35,606)
Arbitrage rebate	-	(94,989)
Bond issuance costs	(4,878)	(24,943)
Total Nonoperating Revenues (Expenses)	2,122,599	(681,900)
Income (Loss) Before Contributions and Transfers	(327,753)	(27,550)
Capital Contributions:		
Developers	289,731	994,475
Connection fees	469,303	462,870
Total Capital Contributions	759,034	1,457,345
Transfers In	-	-
Transfers Out	-	-
Total Transfers	-	-
Change in Net Assets	431,281	1,429,795
Net Assets, July 1	58,089,658	36,247,998
Net Assets, June 30	\$ 58,520,939	\$ 37,677,793

Adjustment to reflect the consolidation of internal service
fund activities related to enterprise funds.

Change in net assets of business - type activities

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
\$ 6,287,783	\$ 20,385,790	\$ 10,950,921
2,051,464	4,658,389	569,594
1,041,346	1,913,121	185,454
2,499,888	10,212,682	10,041,664
243,370	4,945,885	1,729
5,836,068	21,730,077	10,798,441
451,715	(1,344,287)	152,480
98,857	1,058,683	362,967
-	2,771,013	-
155,350	159,251	169,484
(208,663)	(2,333,399)	-
(77,800)	(122,295)	226,631
-	(94,989)	-
(6,471)	(36,292)	-
(38,727)	1,401,972	759,082
412,988	57,685	911,562
-	1,284,206	-
-	932,173	-
-	2,216,379	-
317,843	317,843	-
(3,291,804)	(3,291,804)	(278,500)
(2,973,961)	(2,973,961)	(278,500)
(2,560,973)	(699,897)	633,062
8,894,036		4,806,545
\$ 6,333,063		\$ 5,439,607
	(15,422)	
	\$ (715,319)	

See accompanying notes.

CARSON CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES -	
	SEWER	WATER
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for services	\$ 5,856,911	\$ 8,859,716
Cash payments for personnel costs	(1,608,940)	(1,818,353)
Cash payments for services and supplies	(3,139,938)	(4,334,856)
Miscellaneous cash received	3,830	71
	1,111,863	2,706,578
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer from other funds	-	-
Transfer to other funds	-	-
	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sales of capital assets	-	-
Connection fees	469,306	462,870
Acquisition of capital assets	(5,708,917)	(4,289,703)
Principal paid on capital debt	(1,287,471)	(1,665,000)
Interest paid on capital debt	(662,941)	(1,440,752)
Bond issuance costs	(437)	(2,737)
Subsidy from grant	2,609,579	939,293
	(4,580,881)	(5,996,029)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	163,770	796,056
	163,770	796,056
Net Increase (Decrease) in Cash and Cash Equivalents	(3,305,248)	(2,493,395)
Cash and Cash Equivalents, July 1	6,756,857	14,219,369
Cash and Cash Equivalents, June 30	\$ 3,451,609	\$ 11,725,974
Represented by:		
Current Assets:		
Cash and investments (unrestricted)	\$ 3,197,183	\$ 11,632,196
Cash and investments (restricted)	254,426	93,778
	\$ 3,451,609	\$ 11,725,974

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
\$ 5,504,209	\$ 20,220,836	\$ 10,986,536
(3,063,420)	(6,490,713)	(741,768)
(2,621,985)	(10,096,779)	(10,176,529)
155,350	159,251	169,484
(25,846)	3,792,595	237,723
317,843	317,843	-
(4,105,681)	(4,105,681)	(278,500)
(3,787,838)	(3,787,838)	(278,500)
-	-	245,008
-	932,176	-
(872,988)	(10,871,608)	(5,502)
(220,000)	(3,172,471)	-
(210,512)	(2,314,205)	-
-	(3,174)	-
-	3,548,872	-
(1,303,500)	(11,880,410)	239,506
98,857	1,058,683	362,967
(5,018,327)	(10,816,970)	561,696
6,465,102	27,441,328	5,261,475
\$ 1,446,775	\$ 16,624,358	\$ 5,823,171
\$ 1,446,775	\$ 16,276,154	\$ 5,823,171
-	348,204	-
\$ 1,446,775	\$ 16,624,358	\$ 5,823,171

See accompanying notes.

**CARSON CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 2 OF 2)**

BUSINESS-TYPE ACTIVITIES -

	<u>SEWER</u>	<u>WATER</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (2,450,352)	\$ 654,350
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization expense	2,685,925	2,016,590
Provision for uncollectible accounts	-	-
Nonoperating revenues	3,830	71
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(86,316)	(161,852)
Due from other governments	869,072	(1,609)
Inventories	-	10,017
Prepaid items	(612)	(1,081)
Increase (decrease) in:		
Accounts payable	62,724	(57,197)
Accrued salaries and benefits	9,951	3,447
Due to other governments	(841)	224,765
Unearned revenue	-	-
Connection deposits	(675)	225
Accrued compensated absences	19,157	18,852
Other liabilities	-	-
Total Adjustments	<u>3,562,215</u>	<u>2,052,228</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,111,863</u>	<u>\$ 2,706,578</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Purchase of capital assets on account	\$ 459,241	\$ 177,268
Purchase of capital assets due to other governments	-	3,586
Retainage payable on construction of capital assets	245,913	78,790
Transfer of net capital assets to governmental activities	-	-
Transfer of long-term liabilities to governmental activities	-	-
Transfer of excess noncash current assets over current liabilities to governmental activities	-	-

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
\$ 451,715	\$ (1,344,287)	\$ 152,480
243,370	4,945,885	1,729
117,138	117,138	-
155,350	159,251	169,484
(899,725)	(1,147,893)	58,072
(82)	867,381	16,188
(425)	9,592	13,437
(1,308)	(3,001)	(39,631)
(119,039)	(113,512)	(174,766)
26,628	40,026	16,312
(1,325)	222,599	33,328
(905)	(905)	663
-	(450)	-
2,762	40,771	(3,032)
-	-	(6,541)
(477,561)	5,136,882	85,243
\$ (25,846)	\$ 3,792,595	\$ 237,723

\$ 33,500	\$ 670,009	\$ -
-	3,586	-
-	324,703	-
1,774,778	1,774,778	-
2,711,089	2,711,089	-
122,434	122,434	-

See accompanying notes.

CARSON CITY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2008

	INVESTMENT TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and investments		
Unrestricted	\$ 3,916,301	\$ 6,317,986
Restricted	-	300,000
Accounts receivable	-	50
Taxes receivable, delinquent	-	220,311
Due from other governments	-	2,397,579
Prepaid items	-	8,852
	3,916,301	9,244,778
LIABILITIES		
Accounts payable	-	1,144,056
Due to other governments	-	8,091,625
Other liabilities	-	9,097
	-	9,244,778
NET ASSETS		
Held in trust for pool participants	\$ 3,916,301	\$ -

See accompanying notes.

CARSON CITY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	INVESTMENT TRUST FUND
ADDITIONS	
Investment income	\$ 376,098
Capital share transactions:	
Shares sold	6,372,611
Total Additions	6,748,709
DEDUCTIONS	
Capital share transactions:	
Shares redeemed	6,471,587
Change in Net Assets	277,122
Net Assets, July 1	3,639,179
Net Assets, June 30	\$ 3,916,301

See accompanying notes.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Carson City is a consolidated municipality governed by an elected mayor and a four-member board, which comprise the Board of Supervisors. The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and, therefore, data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. Each blended and discretely presented component unit has a June 30 year end.

BLENDED COMPONENT UNIT. The Redevelopment Authority is governed by a board comprised of the City's elected Board of Supervisors. The ad valorem tax rates and bond issuance authorizations are approved by the Redevelopment Authority and the Board of Supervisors and the legal liability for the general obligation portion of the Authority's debt remains with the City. The financial statements of the Authority are reported as special revenue, debt service and capital projects funds.

DISCRETELY PRESENTED COMPONENT UNITS. The Carson City Convention and Visitors' Bureau is responsible for the promotion of tourism in Carson City. The members of the Bureau's governing board are appointed by the Board of Supervisors. The Bureau is fiscally dependent upon the City since the Board of Supervisors sets the room tax rates and must approve any general obligation debt issuances. The Convention and Visitors' Bureau is presented as a governmental fund type.

The Carson City Airport Authority is responsible for the operations of the Carson City Airport. The members of the Authority are appointed by the Board of Supervisors. The Authority is fiscally dependent upon the City since the Board of Supervisors is the recognized grantee for any Federal Aviation Administration grants awarded on behalf of the Authority and any property tax levies must be approved by the Board of Supervisors. The Authority is presented as a governmental fund type.

Complete financial statements for each of the discretely presented component units may be obtained at the entity's administrative offices.

Carson City Convention and Visitors' Bureau
1900 South Carson Street
Carson City, Nevada

Carson City Airport Authority
2600 East Graves Lane, Suite 6
Carson City, Nevada

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements – The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Carson City considers all revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, consolidated taxes, franchise fees, motor vehicle fuel taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The government reports the following major governmental funds:

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

The *Quality of Life Fund* accounts for the voter approved one-quarter percent sales tax for the purpose of acquiring open space and the construction and maintenance of park and trail facilities.

The government reports the following major proprietary funds:

The *Sewer Fund* accounts for the activities of the sewer services provided to the residents of Carson City.

The *Water Fund* accounts for the activities of the water services provided to the residents of Carson City.

Additionally, the government reports the following fund types:

Internal service funds account for group medical insurance, workers' compensation, liability and property insurance, and fleet management services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

The *Investment Trust Fund* accounts for the external portion of the investment pool administered by the City.

Agency funds are used to account for assets held by the City in a purely custodial capacity for other organizations or governments.

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

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

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 a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include salaries and wages, employee benefits, services and supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows presented for proprietary funds, cash equivalents are defined as short-term, highly liquid investments, generally with original maturities of three months or less. Since all cash in proprietary funds is pooled with the rest of the City's cash and is available upon demand, all cash and investments in those funds are considered cash equivalents. The City considers cash purchases and sales of the following types of investments as part of its cash management program rather than part of its operating, capital, investing, and financing activities.

Pursuant to NRS 355.170 and 355.167, Carson City may only invest in the following types of securities:

- a) United States bonds and debentures maturing within ten (10) years from the date of purchase.
- b) Certain farm loan bonds.
- c) Bills and notes of the United States Treasury and obligations of an agency or instrumentality of the United States of America or a corporation sponsored by the government maturing within ten (10) years from the date of purchase.
- d) Negotiable and non-negotiable certificates of deposit from commercial banks and insured credit unions or savings and loan associations.
- e) Certain securities issued by local governments of the State of Nevada.
- f) Other securities expressly provided by other Statutes, including repurchase agreements.
- g) State of Nevada Local Government Investment Pool.
- h) Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and money market mutual funds.

Investments are reported at fair value.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

2. Investment Pool Investment Income

Interest income is recorded on the accrual basis in the investment pool. Net realized gains (losses) on investments are the sum of differences between the cost (if purchased during the fiscal year) or the fair value of the investment at the beginning of the year, and the net selling price received for investments that are sold or matured.

The net increase (decrease) in fair value of investments in the investment pool is the difference between the cost (if purchased during the fiscal year) or the fair value of the investments at the beginning of the year, and the fair value of the investments at the end of the year.

3. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Operating appropriations and subsidies are accounted for as transfers in the funds involved.

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

All funds employ the allowance method of recognizing bad debts. Management does not anticipate any material collection losses with respect to its accounts receivable balances in any fund, except the Ambulance Fund; and, therefore, the allowance in those funds is zero.

The Ambulance Fund accounts receivable are presented net of the allowance for uncollectible accounts. The allowance for uncollectible accounts for the year ended June 30, 2008 was \$2,691,841.

Property taxes are levied as of July 1 on property values assessed the previous December. Taxes may be paid in four installments on the third Monday in August and the first Mondays in October, January, and March. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. On the first Monday in June, if the taxes remain unpaid, a Treasurer's Trustee Certificate is issued conveying the property to the Treasurer as Trustee, constituting a lien for back taxes and accumulated delinquency charges. A two year redemption period begins after the certificate placing such property in trust is issued. Redemption may be made by the owner and such persons as described by Statute by paying all back taxes and accumulated penalties, interest, and costs before sale. For property with taxes remaining unpaid at the end of the two year redemption period, Carson City may take a deed to the property and proceed to a tax sale. Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. No provision for uncollectible accounts has been established since management does not anticipate any material collection losses in respect to the remaining balances.

Accounts receivable for the discretely presented component units do not reflect an allowance for uncollectible accounts. The managements of the respective entities do not anticipate any material collection losses with respect to accounts receivable balances.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

4. Inventories and Prepaid Items

The City's policy is to value inventories in Governmental Funds at cost using the average cost method, while Enterprise Fund inventories are valued at cost using the weighted average method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

5. Restricted Assets

Certain assets of Carson City's General Fund and Commissary Special Revenue Fund are classified as restricted assets because their use is restricted as the amounts are held for others.

Amounts for connection deposits and construction contract retentions in the Sewer and Water Enterprise Funds are restricted given contractual requirements.

6. Capital Assets

Capital assets, which include land, construction in progress, buildings, improvements, machinery and equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of at least one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Improvements other than buildings	30-45
Machinery and equipment	5-10
Infrastructure	15-50

7. Long-Term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. For current and advanced refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

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

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The City pays 33-1/3 percent of a portion of the employee's unused sick leave at time of employee termination if provided for in the applicable Employee Association contract. Vacation pay and sick leave payoff are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. Connection Fees

It is the policy of the Board of Supervisors that new users hooking up to the water and sewer systems pay a "pro rata" share of the cost of the existing systems as calculated on the basis of "Equivalent Residential Customers." To this end, a connection fee is charged for new hookups to the water and sewer systems and the amounts are reported as capital contributions.

9. Equity Classifications

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

- Invested in Capital Assets, Net of Related Debt – Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted Net Assets – Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; (2) law through constitutional provisions or enabling legislation.
- Unrestricted Net Assets – All other net assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted."

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent the estimated opening fund balance in the City's 2008-2009 final budget. The undesignated fund balance represents the amount by which the actual ending fund balance exceeded the reservations and designations.

10. Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in financial position and operations for the funds. Also, certain amounts presented in prior year data have been reclassified in order to be consistent with current year's presentation.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

On or before mid-February of each year, all agencies of the City must submit requests for appropriations to the Internal Finance Committee comprised of the City Manager, Finance Director, Deputy Finance Director and Treasurer in order that a budget may be prepared. Before April 15th, a tentative budget is submitted to the Board of Supervisors, the Redevelopment Authority, and the State of Nevada. The City then holds a series of public hearings and a final budget must be prepared and adopted no later than June 1st. The appropriated budget is prepared by fund, function and department. The City's department heads may request transfers of appropriations within the department's budget categories. Transfers of appropriations between department categories or functions within a fund may be made with the City Manager's approval. Transfers of appropriations between funds, from contingency accounts, or increases in budget appropriations require the approval of the Board of Supervisors or Redevelopment Authority. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level for governmental funds and the sum of operating and nonoperating expenses in the proprietary funds. There are no budgetary restrictions in the debt service funds regarding expenditures related to payments of principal and interest on long-term debt. The Board made several supplemental budgetary appropriations throughout the year.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The City conformed to all significant statutory constraints on its financial administration during the fiscal year.

C. SHORTFALL IN RESERVED AND UNRESERVED/DESIGNATED FUND BALANCES

The Traffic Transportation, Redevelopment Administration, and V & T Special Infrastructure Special Revenue Funds' fund balances were insufficient to cover the budgeted July 1, 2008 opening fund balance by \$5,188, \$30,414, and \$42,026, respectively.

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

At year end, the City's carrying amount of deposits was \$2,692,042 and the bank balance was \$4,143,633. All of the bank balance was covered by FDIC, SIPC, or collateralized by the Office of the State Treasurer / Nevada Collateral Pool.

The carrying amount of deposits for discretely presented component units was \$592,775 and the bank balance was \$766,508. All of the bank balance was covered by federal depository insurance or by collateral held by the component unit's agent in the component unit's name, with the exception of \$472,902 which was uninsured and uncollateralized.

The City has a formal investment policy to establish guidelines for the prudent investment of City funds. Funds of the City will be invested in compliance with the provisions of Nevada Revised Statutes, Chapters 355.167 through 355.200, and other applicable statutes. Allowable investments are described in Note 1.D.1.

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At year end, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
U.S. Treasuries	\$33,515,726	\$26,228,030	\$ 5,105,036	\$2,182,660	\$ -
U.S. Agencies	24,622,187	2,037,189	20,164,121	1,524,512	896,365
Corporate Bonds	10,454,961	154,878	6,645,179	101,350	3,553,554
Money Market Mutual Fund	2,864,057	2,864,057	-	-	-
State of Nevada: Local Government Investment Pool	<u>3,102,554</u>	<u>3,102,554</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$74,559,485</u>	<u>\$34,386,708</u>	<u>\$31,914,336</u>	<u>\$3,808,522</u>	<u>\$4,449,919</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy states that portfolio maturities must be structured to avoid the forced sale of securities in any but the most severe circumstances. To this end, portfolio management procedures will provide for the projection of a "minimum liquidity requirement" for the City's operating fund.

The following procedures will be applied:

- **Minimum Liquidity Requirement:** This is defined as the total cash flow needed to pay City obligations for a period of four weeks. All securities to be included in the "minimum liquidity requirement" must mature within 28 days.
- **Intermediate Market Investment:** That portion of City funds remaining after deletion of the "minimum liquidity requirement" may be invested in the intermediate market, defined herein as instruments maturing between zero and ten years.
- **No U.S. bonds, debentures, bills, notes, agency obligations or securities purchased may have a maturity date of more than 10 years from the date of purchase with the exception of investments with the State of Nevada - NVEST.**

Credit Risk. Funds invested with the State of Nevada Treasurer in the Local Government Investment Pool or NVEST portfolios may be invested as permitted by Nevada Revised Statutes. City policy does not further restrict these investments. As of June 30, 2008, the City's investments in U.S Agencies were rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The City's investment in the State of Nevada Local Government Investment Pool is an unrated external investment pool with an average duration of 78 days. Of the City's investments in corporate bonds, \$4,989,396 was rated AAA, \$1,679,835 was rated AA, \$2,622,428 was rated A and \$1,163,302 was unrated.

Concentration of Credit Risk. The City's investment policy states that no more than 20% of the total book value of the portfolio will be invested in a single security type with the exception of U.S. Treasury and government agency securities.

At June 30, 2008 the following investments exceeded 5% of the City's total:

Federal Home Loan Bank	\$12,874,071	17.27%
Federal National Mortgage Association	5,165,780	6.93%
Federal Home Loan Mortgage Corporation	5,098,764	6.84%

**CARSON CITY
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At year end, the component units' investments and maturities were as follows:

	<u>Fair Value</u>	<u>Investment Maturity Less Than 1 Year</u>
State of Nevada Local Government Investment Pool	<u>\$1,410,153</u>	<u>\$1,410,153</u>

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

Cash on hand	\$ 5,989
Carrying amount of deposits	2,692,042
Carrying amount of investments	<u>74,559,485</u>
	77,257,516
Less: Carrying amount of deposits held for component unit	<u>(2,938)</u>
	<u>\$77,254,578</u>
Cash and investments – governmental activities	\$49,056,722
Cash and investments – business-type activities	16,276,154
Cash and investments – investment trust fund	3,916,301
Cash and investments – agency funds	6,317,986
Cash and investments – restricted	<u>1,687,415</u>
	<u>\$77,254,578</u>

The State of Nevada Local Government Investment Pool is an external pool administered by the State Treasurer, with oversight by the State of Nevada Board of Finance.

Carson City administers an external investment pool combining Carson City money with involuntary investments from the Carson City School District. Each participant's share is equal to their original investment plus or minus monthly allocation of interest income and realized and unrealized gains and losses. The fair value of Carson City's investments is determined annually. The determination of realized gains and losses is independent of the determination of the net change in the fair value of investments and realized gains and losses on investments that were held by the governmental entity during a previous accounting period(s) but sold during the current period were used to compute the change in the fair value of investments for the previous year(s) as well as the current year. The participant's share and redemption value are calculated using the same method. The Board of Supervisors has overall responsibility for investment of City funds, including the Investment Trust Fund, in accordance with NRS 355.175. The Carson City Chief Investment Official is the Carson City Treasurer, under authority delegated by the Board of Supervisors. The City has not provided or obtained any legally binding guarantees during the period to support the value of shares. The external investment pool is not registered with the SEC as an investment company.

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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Summary of investments held in the external investment pool at June 30, 2008:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Principal Amount/ Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
U.S. Treasuries	\$33,515,726	\$33,005,000	2.125-13.25%	08/15/2008- 05/31/2013
U.S. Agencies	24,622,187	24,204,336	2.875-6.642%	4/15/2009- 06/15/2024
Corporate Bonds	10,454,961	10,419,458	3.58-9.75%	02/01/2009- 03/12/2044
Money Market Mutual Fund	2,864,057	2,864,057	2.14%	07/01/2008
State of Nevada Local Government Investment Pool	<u>3,102,554</u>	3,102,554 Shares	Variable	7/1/2008
Total Pooled Investments	<u>\$74,559,485</u>			

External Investment Pool financial statements:

Statement of Net Assets, June 30, 2008

Assets:

Investments in securities:	
U.S. Treasuries	\$33,515,726
U.S. Agencies	24,622,187
Corporate Bonds	10,454,961
Money Market Mutual Fund	2,864,057
State of Nevada Local Government Investment Pool	3,102,554
Interest receivable	<u>663,058</u>
Total Assets	<u>\$75,222,543</u>

Net assets consist of:

Internal participants	\$71,306,242
External participants	<u>3,916,301</u>

Total Net Assets Held in Trust for Pool Participants (Participant units outstanding, \$1.00/par)	<u>\$75,222,543</u>
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Statement of Changes in Net Assets, Year Ended June 30, 2008

Additions:	
Investment income	\$ 5,457,651
Capital share transactions	<u>(30,653,782)</u>
Total Decrease	(25,196,131)
Net assets:	
Beginning of Year	<u>100,418,674</u>
End of Year	<u>\$ 75,222,543</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

B. CAPITAL ASSETS

Capital asset activity of the primary government for the year ended June 30, 2008 was as follows:

	Balance July 1, 2007	Increases	Decreases	Transfers	Balance June 30, 2008
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 29,208,402	\$ 5,567,130	\$ -	\$ 15,520	\$ 34,791,052
Construction in progress – infrastructure	2,851,150	6,993,043	(321,535)	(937,125)	8,585,533
Construction in progress	<u>11,144,673</u>	<u>667,484</u>	<u>(27,049)</u>	<u>(10,184,837)</u>	<u>1,600,271</u>
Total Capital Assets not being Depreciated	<u>43,204,225</u>	<u>13,227,657</u>	<u>(348,584)</u>	<u>(11,106,442)</u>	<u>44,976,856</u>
Capital assets, being depreciated:					
Buildings	59,602,001	3,688,515	(115,120)	9,567,161	72,742,557
Improvements other than buildings	24,223,570	1,298,881	-	473,348	25,995,799
Machinery and equipment	22,306,452	3,540,867	(1,036,652)	2,297,652	27,108,319
Infrastructure	<u>70,947,432</u>	<u>2,196,805</u>	<u>-</u>	<u>1,186,406</u>	<u>74,330,643</u>
Total Capital Assets being Depreciated	<u>177,079,455</u>	<u>10,725,068</u>	<u>(1,151,772)</u>	<u>13,524,567</u>	<u>200,177,318</u>
Less accumulated depreciation for:					
Buildings	(12,337,882)	(1,200,779)	6,907	(11,890)	(13,543,644)
Improvements other than buildings	(10,943,585)	(671,258)	-	-	(11,614,843)
Machinery and equipment	(11,590,912)	(1,955,910)	878,823	(605,327)	(13,273,326)
Infrastructure	<u>(13,124,678)</u>	<u>(2,586,707)</u>	<u>-</u>	<u>-</u>	<u>(15,711,385)</u>
Total Accumulated Depreciation	<u>(47,997,057)</u>	<u>(6,414,654)</u>	<u>885,730</u>	<u>(617,217)</u>	<u>(54,143,198)</u>
Total Capital Assets being Depreciated, Net	<u>129,082,398</u>	<u>4,310,414</u>	<u>(266,042)</u>	<u>12,907,350</u>	<u>146,034,120</u>
Governmental Activities Capital Assets, Net	<u>\$172,286,623</u>	<u>\$17,538,071</u>	<u>\$ (614,626)</u>	<u>\$ 1,800,908</u>	<u>\$191,010,976</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 3,076,948	\$ 7,586	\$ -	\$ (14,520)	\$ 3,070,014
Construction in progress	14,296,881	7,938,075	-	(3,685,007)	18,549,949
Water rights	<u>8,007,260</u>	<u>11,892</u>	<u>-</u>	<u>-</u>	<u>8,019,152</u>
Total Capital Assets not being Depreciated	<u>25,381,089</u>	<u>7,957,553</u>	<u>-</u>	<u>(3,699,527)</u>	<u>29,639,115</u>
Capital assets, being depreciated:					
Buildings	12,331,348	448,064	-	(77,749)	12,701,663
Improvements other than buildings	149,751,212	3,512,181	-	3,467,815	156,731,208
Machinery and equipment	<u>9,686,081</u>	<u>742,890</u>	<u>(376,063)</u>	<u>(2,108,664)</u>	<u>7,944,244</u>
Total Capital Assets being Depreciated	<u>171,768,641</u>	<u>4,703,135</u>	<u>(376,063)</u>	<u>1,281,402</u>	<u>177,377,115</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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	Balance <u>July 1, 2007</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Balance <u>June 30, 2008</u>
Less accumulated depreciation for:					
Buildings	\$ (2,768,060)	\$ (252,550)	\$ -	\$ 11,890	\$ (3,008,720)
Improvements other than buildings	(56,433,921)	(4,167,963)	-	-	(60,601,884)
Machinery and equipment	(5,184,200)	(525,372)	279,895	605,327	(4,824,350)
Total Accumulated Depreciation	<u>(64,386,181)</u>	<u>(4,945,885)</u>	<u>279,895</u>	<u>617,217</u>	<u>(68,434,954)</u>
Total Capital Assets being Depreciated, Net	<u>107,382,460</u>	<u>(242,750)</u>	<u>(96,168)</u>	<u>1,898,619</u>	<u>108,942,161</u>
Business-type activities capital assets, net	<u>\$132,763,549</u>	<u>\$ 7,714,803</u>	<u>\$ (96,168)</u>	<u>\$(1,800,908)</u>	<u>\$138,581,276</u>

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

Governmental activities:	
General government	\$ 346,860
Judicial	13,616
Public safety	1,538,383
Public works	2,873,744
Airport	43,316
Health	354,144
Culture and recreation	1,242,862
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>1,729</u>
Total Depreciation Expense – Governmental Activities	<u>\$6,414,654</u>
Business-type activities:	
Ambulance	\$ 87,621
Sewer	2,685,925
Water	2,016,590
Cemetery	21,932
Storm Drainage	124,955
Building Permits	<u>8,862</u>
Total Depreciation Expense – Business-Type Activities	<u>\$4,945,885</u>

Construction commitments

The City was committed to construction projects in various funds, as of June 30, 2008, as follows:

Project Name Contract Number <u>Vendor Name</u>	<u>Bid Award</u>	Value of Work Completed as of <u>June 30, 2008</u>	Remaining Commitment as of <u>June 30, 2008</u>
<u>Water Fund:</u>			
Arsenic Treatment Plant – Eq. #0708-046 Hungerford & Terry	\$ 834,665	\$ 166,933	\$ 667,732

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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Project Name Contract Number Vendor Name	<u>Bid Award</u>	<u>Value of Work Completed as of June 30, 2008</u>	<u>Remaining Commitment as of June 30, 2008</u>
<u>Regional Transportation Fund:</u>			
Fairview Drive Widening #0708-084 Sierra Nevada Construction	\$ 4,304,198	\$ 1,258,344	\$3,045,854
Hot Springs Road Construction #0708-133 A & K	1,101,275	201,360	899,915
<u>Quality of Life Fund:</u>			
Indoor Recreation Center #0708-105 Metcalf Builders	991,764	7,409	984,355
Indoor Recreation Center #0708-134 Valentiner Crane Architects	701,900	119,523	582,377
Fuji Park #2007-065 Horizon	1,894,220	1,747,945	146,275
<u>Capital Facilities Fund:</u>			
Sheriff's Administration Building Various Various	<u>9,323,106</u>	<u>8,353,642</u>	<u>969,464</u>
Total	<u>\$19,151,128</u>	<u>\$11,855,156</u>	<u>\$7,295,972</u>

Other Commitments:

On April 1, 1997, the City entered into an agreement with the State of Nevada, Department of Transportation (Highway Agreement No. R159-97-060) to help construct the Carson City Bypass. The City is funding this obligation through a \$.05 increase in the county motor vehicle fuel tax. The City intends to contribute a total of \$19 million plus interest. As of June 30, 2008 the City has contributed \$14,196,189.

In August 2004, the City and the State of Nevada, Department of Transportation (NDOT) added Amendment 1 to the above Agreement. The amendment provides for the following:

- The City shall pay to NDOT an amount of \$15,000,000, with payments beginning upon completion of the funding obligation for Phase I of the freeway as prescribed in Highway Agreement No. R159-97-060 and amended herein, estimated to start in 2011 and finish in 2026. For Phase 2, the City shall pay the tax based on a \$.03 levy in the county motor vehicle fuel tax. The amounts received from the additional \$.02 levy will be used to maintain Carson Street and Fairview Drive as described below.
- It is further agreed that the City will assume ownership and maintenance responsibility for Carson Street from approximately Arrowhead Drive in the north to the intersection of the Carson City Freeway at the Spooner Intersection to the south, upon construction completion to the point when vehicles are using Phase 2.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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- The City also agrees to construct Fairview Drive to a minimum of four through lanes with turn lanes, from the terminus of Phase 2A at Fairview Drive to US 395/Carson Street, and to be responsible for maintenance of Fairview Drive.
- NDOT agrees to defer payment by the City of the current \$.05 tax as defined in Highway Agreement No. R159-97-060 from the period beginning July 1, 2005 through June 30, 2008, to allow the City to utilize the payments for the Fairview Drive improvements.

Discretely presented component units

Activity for the Airport Authority for the year ended June 30, 2008 was as follows:

	<u>Balance</u> <u>July 1, 2007</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2008</u>
Capital assets not being depreciated:				
Land	\$ 146,542	\$ -	\$ -	\$ 146,542
Capital assets being depreciated:				
Machinery and equipment	531,402	19,711	-	551,113
Less accumulated depreciation for:				
Machinery and equipment	<u>(467,315)</u>	<u>(3,055)</u>	<u>-</u>	<u>(470,370)</u>
Total Capital Assets being Depreciated, Net	<u>64,087</u>	<u>16,656</u>	<u>-</u>	<u>80,743</u>
Airport Authority Capital Assets, Net	<u>\$ 210,629</u>	<u>\$16,656</u>	<u>\$ -</u>	<u>\$ 227,285</u>

Activity for the Convention and Visitors' Bureau for the year ended June 30, 2008 was as follows:

	<u>Balance</u> <u>July 1, 2007</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2008</u>
Capital assets, being depreciated:				
Buildings	\$135,000	\$ 10,647	\$ -	\$145,647
Improvement other than buildings	8,729	-	-	8,729
Machinery and equipment	<u>51,109</u>	<u>34,885</u>	<u>-</u>	<u>85,994</u>
Total Capital Assets being Depreciated	<u>194,838</u>	<u>45,532</u>	<u>-</u>	<u>240,370</u>
Less accumulated depreciation for:				
Buildings	(47,382)	(4,449)	-	(51,831)
Improvements other than buildings	(7,275)	(582)	-	(7,857)
Machinery and equipment	<u>(36,491)</u>	<u>(10,712)</u>	<u>-</u>	<u>(47,203)</u>
Total Accumulated Depreciation	<u>(91,148)</u>	<u>(15,743)</u>	<u>-</u>	<u>(106,891)</u>
Convention and Visitor's Bureau Capital Assets, Net	<u>\$103,690</u>	<u>\$29,789</u>	<u>\$ -</u>	<u>\$133,479</u>

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

C. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2008, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental fund	Nonmajor governmental fund	\$46,907
Nonmajor governmental fund	Nonmajor governmental fund	<u>49,536</u>
	Total	<u>\$96,443</u>

The above interfund balances at June 30, 2008 are generally short-term loans to cover temporary cash deficits in various funds. They are expected to be repaid in the next fiscal year.

Due to/from primary government and component units:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary government – general fund	Component unit – Convention and Visitors’ Bureau	\$ 13,379
Component unit – Airport Authority	Primary government – general fund	105,911
Component unit – Convention and Visitors’ Bureau	Primary government – redevelopment administration fund	15,435
Component unit – Airport Authority	Primary government – airport fund	<u>199,037</u>
	Total	<u>\$333,762</u>

Interfund transfers:

<u>Transfer out:</u>	<u>Transfer In:</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Enterprise Funds</u>	<u>Nonmajor Governmental Funds</u>	
General Fund	\$ -	\$ 75,000	\$ 3,311,134	\$ 3,386,134
Quality of Life Fund	109,730	-	1,004,808	1,114,538
Nonmajor Governmental Funds	31,250	242,843	3,989,055	4,263,148
Internal Service Fund	-	-	278,500	278,500
Nonmajor Enterprise Funds	<u>773,488</u>	<u>-</u>	<u>2,518,316</u>	<u>3,291,804</u>
Total transfers out	914,468	<u>\$317,843</u>	<u>\$11,101,813</u>	12,334,124
Transfer of net capital assets and long-term liabilities from nonmajor enterprise fund to governmental activities	<u>936,312</u>			<u>936,312</u>
Total transfers in	<u>\$1,850,780</u>			<u>\$13,270,436</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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In the fund financial statements, total transfers in of \$13,270,436 are greater than total transfers out of \$12,334,124 because of the treatment of transfers of capital assets and long-term liabilities from business-type activities to governmental activities. Landfill operations were transferred from the Carson City Sanitary Landfill Fund, an enterprise fund, to the General Fund effective July 1, 2007.

D. LONG-TERM DEBT

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. In addition, general obligation bonds have been issued to refund general obligation bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	2.0-5.4%	\$59,537,454
Governmental activities - refunding	2.9-5.4%	12,925,000
Business-type activities	1.6-7.5%	48,436,113
Business-type activities - refunding	3.0-5.0%	5,361,600

Revenue Bonds. The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Regional Transportation	2.0-4.7%	\$4,915,000

Notes Payable. The City issues notes to provide funds for open space and building improvements and to refund Redevelopment debt. Notes payable outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Energy Retrofit	4.3287%	\$ 498,878
Open Space	3.25%	2,077,200
Redevelopment Refunding note	3.97%	1,271,000

Capital Leases. The City has entered into lease agreements as lessee for financing the acquisition of office equipment. The net present value of minimum lease payments at year end was \$100,363.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Machinery and equipment	\$172,799
Less: Accumulated depreciation	<u>(60,266)</u>
Total	<u>\$112,533</u>

Compensated Absences. The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund.

Conduit Debt. On March 4, 2002, October 1, 2003, and October 27, 2005, the City issued \$45,185,000, \$95,000,000, and \$15,000,000, respectively, in revenue bonds for Carson-Tahoe Regional Healthcare, a non-profit corporation. The bonds, issued pursuant to NRS Chapter 268, are not obligations of the City, nor shall they ever constitute a debt of the City and therefore have been excluded from the City's financial statements. The principal balance outstanding at June 30, 2008 was \$130,836,505.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2008, was as follows:

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation revenue bonds:					
3.50 to 5.0% Parks general obligation revenue bonds series 1998A, due 11/01/18	\$ 3,390,000	\$ -	\$ (220,000)	\$ 3,170,000	\$ 230,000
3.50 to 5.1% Capital Improvement general obligation revenue bonds series 1998B, due 11/01/18	695,000	-	(45,000)	650,000	45,000
5.0 to 5.4% Capital Improvement general obligation revenue bonds series 1999A, due 07/01/20	1,895,000	-	(105,000)	1,790,000	110,000
4.0 to 5.0% 2001 Redevelopment general obligation revenue bonds, due 06/01/21	1,850,000	-	(20,000)	1,830,000	10,000
4.0 to 5.0% 2001 Senior Citizens Center general obligation revenue bonds, due 06/01/18	1,300,000	-	(95,000)	1,205,000	100,000
4.32% 2001 Energy Retrofit general obligation revenue bonds, due 05/28/12	884,351	-	(111,897)	772,454	124,754
4.0 to 5.4% Parks refunding general obligation revenue bonds series 1997C, due 02/01/11	715,000	-	(165,000)	550,000	175,000
2.9 to 3.5% Public Safety refunding general obligation revenue bonds series 2003, due 05/01/15	4,895,000	-	-	4,895,000	225,000
2.0 to 4.625% Room Tax Revenue supported general obligation revenue bonds series 2003, due 06/01/23	3,920,000	-	(40,000)	3,880,000	40,000
3.0 to 4.4% Parks general obligation revenue bonds series 2005, due 03/01/25	910,000	-	(35,000)	875,000	40,000
3.0 to 4.625% Parks general obligation revenue bonds series 2005, due 03/01/30	5,795,000	-	(20,000)	5,775,000	15,000
4.0 to 5.0% Sheriff/Hospital general obligation revenue bonds series 2005A, due 05/01/33	18,000,000	-	-	18,000,000	-
4.0 to 5.0% Capital Projects general obligation revenue bonds series 2005A, due 05/01/30	7,805,000	-	(205,000)	7,600,000	215,000
4.0 to 5.0% Refunding general obligation revenue bonds series 2005A, due 05/01/22	8,015,000	-	(535,000)	7,480,000	555,000
4.0 to 4.15% 2001 Landfill general obligation revenue bonds, due 06/01/08	-	150,000	(150,000)	-	-
4.0 to 4.50% V&T Historical general obligation revenue bonds series 2005B, due 12/01/25	14,505,000	-	(515,000)	13,990,000	535,000
Subtotal	<u>74,574,351</u>	<u>150,000</u>	<u>(2,261,897)</u>	<u>72,462,454</u>	<u>2,419,754</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2008, was as follows:

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Revenue Bonds:					
2.0 to 4.7% 2003 Highway Revenue motor vehicle fuel tax revenue bonds, due 06/01/23	\$ 5,140,000	\$ -	\$ (225,000)	\$ 4,915,000	\$ 230,000
Notes Payable:					
4.3287% Energy Retrofit Installment Purchase Financing dated 2/11/03, due 2/11/13	571,513	-	(72,635)	498,878	77,834
3.25% Parks general obligation (limited tax) medium-term note dated 12/15/04, due 12/15/14	2,359,900	-	(282,700)	2,077,200	292,000
3.97% general obligation (Limited Tax) Redevelopment Authority refunding note series 2006, due 05/01/13	1,467,600	-	(196,600)	1,271,000	217,600
Subtotal	4,399,013	-	(551,935)	3,847,078	587,434
Deferred amounts:					
For issuance premiums	541,034	-	(29,421)	511,613	-
For issuance discounts	(178,329)	-	10,043	(168,286)	-
On refunding	(885,359)	-	102,448	(782,911)	-
Total Bonds and Notes Payable	83,590,710	150,000	(2,955,762)	80,784,948	3,237,188
Incurred but not Reported Claims Liability:	62,700	11,312	-	74,012	-
Capital Leases:	120,447	11,228	(31,312)	100,363	36,766
Landfill Closure/Post closure costs:	-	2,738,345	-	2,738,345	-
Compensated Absences Payable:	3,648,036	3,340,502	(3,089,940)	3,898,598	309,903
Governmental Activity Long-Term Liabilities	87,421,893	6,251,387	(6,077,014)	87,596,266	3,583,857
Business Type Activities:					
Bonds payable:					
General obligation revenue bonds:					
4.4 to 7.5% Water general obligation revenue bonds series 1997, due 5/01/13	890,000	-	(130,000)	760,000	140,000
3.5 to 4.7% Water general obligation revenue bonds series 1998C, due 5/01/14	920,000	-	(115,000)	805,000	120,000
4.9 to 5.0% Water general obligation revenue bonds series 1999B, due 11/01/14	955,000	-	(100,000)	855,000	105,000
4.875 to 5.2% Water general obligation revenue bonds series 2000B, due 12/01/15	910,000	-	(80,000)	830,000	85,000
1.6 to 4.9% Water general obligation revenue bonds series 2002, due 11/01/16	2,620,000	-	(205,000)	2,415,000	215,000
3.0 to 5.0% Water refunding general obligation revenue bonds series 2003, due 11/01/09	1,080,000	-	(345,000)	735,000	360,000
3.0 to 5.0% Water refunding general obligation revenue bonds series 2003, due 11/01/15	1,250,000	-	(115,000)	1,135,000	125,000
3.0 to 5.0% Water general obligation revenue bonds series 2003, due 11/01/23	5,405,000	-	(220,000)	5,185,000	235,000

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2008, was as follows:

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
3.5 to 4.2% Water general obligation revenue bonds series 2005A, due 6/01/25	\$ 8,370,000	\$ -	\$ (330,000)	\$ 8,040,000	\$ 335,000
4.0% Sewer general obligation revenue bonds, dated 1994 State of Nevada revolving loan, due 07/01/14	1,233,599	-	(144,094)	1,089,505	149,915
3.825% Sewer general obligation revenue bonds, dated 1996 State of Nevada revolving loan, due 07/01/15	1,158,452	-	(117,735)	1,040,717	122,281
3.23% Sewer general obligation revenue bonds, dated 1998 State of Nevada revolving loan, due 07/01/18	4,319,034	-	(315,643)	4,003,391	325,920
3.5 to 4.7% Sewer general obligation revenue bonds series 1998D, due 11/01/13	650,000	-	(80,000)	570,000	85,000
4.875 to 5.2% Sewer general obligation revenue bonds series 2000B, due 12/01/15	1,900,000	-	(170,000)	1,730,000	180,000
1.6 to 4.9% Sewer general obligation revenue bonds series 2002, due 11/01/16	2,435,000	-	(190,000)	2,245,000	200,000
3.0 to 5.0% Sewer refunding general obligation revenue bonds series 2003, due 11/01/15	1,295,000	-	(125,000)	1,170,000	125,000
3.0 to 5.0% Sewer general obligation revenue bonds series 2003, due 11/01/23	3,600,000	-	(145,000)	3,455,000	155,000
4.0 to 4.15% 2001 Landfill general obligation revenue bonds, due 06/01/08	150,000	-	(150,000)	-	-
3.0 to 4.25% Drainage general obligation revenue bonds series 2005B, due 06/01/25	5,585,000	-	(220,000)	5,365,000	225,000
4.34% Water refunding general obligation revenue bonds series 2007, due 12/01/18	2,346,600	-	(25,000)	2,321,600	25,000
4.34% Water general obligation revenue bonds series 2007, due 12/01/18	10,047,500	-	-	10,047,500	-
Subtotal	57,120,185	-	(3,322,472)	53,797,713	3,313,116
Deferred amounts:					
For issuance premiums	544,942	-	(62,212)	482,730	-
On refunding	(315,386)	-	73,108	(242,278)	-
Total bonds payable	57,349,741	-	(3,311,576)	54,038,165	3,313,116
Arbitrage	2,522	94,989	-	97,511	-
Landfill Closure/Post closure costs:	2,518,316	-	(2,518,316)	-	-
Compensated Absences Payable:	572,758	475,891	(477,893)	570,756	97,969
Business-Type Activity Long-Term Liabilities	60,443,337	570,880	(6,307,785)	54,706,432	3,411,085
Total debt	<u>\$ 147,865,230</u>	<u>\$ 6,822,267</u>	<u>\$ (12,384,799)</u>	<u>\$ 142,302,698</u>	<u>\$ 6,994,942</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$126,435 of internal service funds compensated absences and \$74,012 of incurred but not reported claims liability are included in the above amounts.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Discretely presented component units

Long-term liability activity for the Airport Authority for the year ended June 30, 2008, was as follows:

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Capital leases	\$ 232,613	\$ -	\$ (6,240)	\$ 226,373	\$ 6,240
Prepaid Lease Agreement	449,628	-	(9,170)	440,458	9,124
	<u>\$ 682,241</u>	<u>\$ -</u>	<u>\$ (15,410)</u>	<u>\$ 666,831</u>	<u>\$ 15,364</u>

Long-term liability activity for the Convention and Visitors' Bureau for the year ended June 30, 2008, was as follows:

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Compensated absences	\$ 67,601	\$ 8,029	\$ -	\$ 75,630	\$ -

Payment requirements for debt service. The annual debt service requirements to maturity for all bonds outstanding of the primary government are as follows:

Year Ended June 30	GOVERNMENTAL ACTIVITIES					
	General Obligation Revenue Bonds		Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 2,419,754	\$ 3,199,746	\$ 230,000	\$ 193,100	\$ 587,434	\$ 133,828
2010	2,523,569	3,099,659	235,000	186,125	619,716	111,913
2011	2,623,404	2,994,917	245,000	178,803	657,370	88,676
2012	2,744,326	2,891,786	255,000	170,670	700,192	63,921
2013	2,861,401	2,785,055	260,000	161,655	763,666	36,280
2014-2018	17,045,000	12,030,853	1,470,000	647,830	518,700	16,951
2019-2023	18,730,000	7,921,280	1,805,000	307,134	-	-
2024-2028	13,930,000	3,999,909	415,000	9,753	-	-
2029-2033	9,585,000	1,228,075	-	-	-	-
Total	<u>\$ 72,462,454</u>	<u>\$ 40,151,280</u>	<u>\$ 4,915,000</u>	<u>\$ 1,855,070</u>	<u>\$ 3,847,078</u>	<u>\$ 451,569</u>

Year Ended June 30	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES	
	Capital Leases		General Obligation Revenue Bonds	
	Principal	Interest	Principal	Interest
2009	\$ 36,766	\$ 11,409	\$ 3,313,116	\$ 2,167,110
2010	35,231	6,267	3,454,507	2,030,796
2011	18,313	2,826	3,206,670	1,903,907
2012	10,053	552	3,324,634	1,775,644
2013	-	-	3,483,429	1,632,537
2014-2018	-	-	15,669,544	6,038,384
2019-2023	-	-	12,368,813	3,285,805
2024-2028	-	-	8,977,000	774,566
Total	<u>\$ 100,363</u>	<u>\$ 21,054</u>	<u>\$ 53,797,713</u>	<u>\$ 19,608,749</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

E. RESTRICTED ASSETS

The balances of the City's restricted asset accounts in the enterprise funds are as follows:

	<u>Sewer</u>	<u>Water</u>	<u>Total</u>
Connection deposits	\$ 8,513	\$14,988	\$ 23,501
Construction contracts, retained percent	245,913	78,790	324,703
	<u>\$254,426</u>	<u>\$93,778</u>	<u>\$348,204</u>

The balances of the City's restricted asset accounts in the governmental funds are as follows:

	<u>General</u>	<u>Commissary</u>	<u>Total</u>
Funds held in trust	<u>\$1,011,185</u>	<u>\$28,026</u>	<u>\$1,039,211</u>

NOTE 4 - OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City has joined together with similar public agencies (cities, counties and special districts) throughout the State of Nevada to create a pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (Pool) is a public entity risk pool currently operating as a common risk management and insurance program for its members. The City pays an annual premium and is subject to a \$100,000 deductible per occurrence. The Pool is considered a self-sustaining risk pool that will provide liability coverage for its members up to \$10,000,000 per event and a \$13,000,000 general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sublimits established for earthquake, flood, equipment breakdown, and money and securities. Other coverage currently held by the City, including airport liability, boiler and machinery, and bonds on public officials, are insured without a deductible. In addition, certain automobile damage is self-insured by the City.

The City became a member of the Public Agency Compensation Trust (PACT) for workers' compensation beginning July 1, 2003. The City pays an annual premium and there are no deductibles. The PACT is considered a self-sustaining risk pool that will provide coverage for its members based on established statutory limits. The City retains liability for claims for the period from July 1, 1992 to June 30, 2003 when the City was self-insured.

Liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

The liabilities for claims and judgments are reported in the Workers' Compensation and Insurance Funds. Changes in the balances of claims liabilities during the past two years are as follows:

	<u>Current Portion</u>	<u>Long-Term Portion</u>	<u>Totals</u>	
			<u>2008</u>	<u>2007</u>
Unpaid claims, beginning of fiscal year	\$ 595,364	\$62,700	\$ 658,064	\$ 721,670
Claims and changes in estimates	722,225	11,312	733,537	418,319
Claim payments	(740,078)	-	(740,078)	(481,925)
Unpaid claims, end of fiscal year	<u>\$ 577,511</u>	<u>\$74,012</u>	<u>\$ 651,523</u>	<u>\$ 658,064</u>

Settlements have not exceeded coverages in any of the past three fiscal years.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

B. LANDFILL CLOSURE AND POSTCLOSURE COSTS

The City operates a Municipal Solid Waste Landfill. The operation of this landfill is regulated by both federal and state governments under Subtitle D (40 CFR Part 258) and NRS 444.556. Recognition of liability for closure and post closure care costs is based on landfill capacity used to date. This liability at June 30, 2008, \$2,738,345, is reported in governmental activities. It is estimated that the landfill will be used for an additional fifty years and that at June 30, 2008, approximately 33.17 percent of its capacity had been utilized. The City passes the EPA "financial assurance test" for local governments, and will self-assure payment for its obligations for closure, post closure, and corrective care costs. The estimated total current cost of closure and post closure care, \$8,255,486, has been calculated in 2008 dollars in accordance with current federal and state regulations and will be adjusted each year for the effects of inflation or deflation.

C. CONTINGENT LIABILITIES

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not determinable, it is the opinion of the District Attorney, the City's counsel, that resolution of these matters will not have a material adverse effect on the financial condition of the City.

The City has wells that currently exceed the proposed federal drinking water standard for naturally occurring arsenic concentrations. Depending upon the final outcome of the regulations, the City may incur approximately \$6,700,000 by 2009 to meet the new standard.

D. OTHER POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 4E, the City provides for a portion of postretirement health care benefits, in accordance with Carson City Administration Policy No. 3, to all employees who have been full-time, permanent employees for 10 or more years and have served 5 years immediately prior to retirement with Carson City. They must also be eligible to draw retirement benefits in accordance with the policies set forth under the Retirement Board regulations, be insurable under the eligibility requirements established by the City's insurance carrier, have been covered under a City paid group insurance program other than Industrial Insurance, and have been favorably terminated from City services. The City reimburses a portion of the monthly premium paid to the group insurance company at a rate of \$6 per month for each year of service up to the total cost of the premium. The City accounts for and finances these benefits on a pay-as-you-go basis. Currently, 91 retirees are receiving these benefits. Expenditures of \$146,936 were recognized for the portion paid by the City for postretirement health care for the fiscal year ended June 30, 2008. There are 86 retirees deducting medical insurance premiums from their pension benefits. Such deductions were in the amount of \$460,616 during the fiscal year ended June 30, 2008.

Post employment benefits are also available to City retirees, if the retiree so elects, as established by Nevada Revised Statutes, through the Public Employees' Benefits Program (PEBP) based on date of retirement and years of service. A portion of the cost of coverage under PEBP is paid by the City for those retired employees joining PEBP. As of June 30, 2008, the City paid \$430,138 for 171 retirees participating in PEBP. Premium payments are funded by operating resources as incurred and no provision has been made to permanently fund future liabilities.

E. DEFINED BENEFIT PENSION PLAN

Plan Description. Carson City contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan administered by the Public Employees Retirement

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

System of the State of Nevada. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. The Public Employees Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

Funding Policy. Plan members' benefits are funded under one of two methods. Under the employer pay contribution plan, the City is required to contribute all amounts due under the plan. The rate for those contributions was 20.5% for regular members and 33.5% for police and fire employee members on all covered payroll. The second funding mechanism for providing benefits to regular employees is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while the City is required to match that contribution. The rate for regular employees under this plan was 10.50%. The contribution requirements of plan members and the City are established by NRS Chapter 286. The funding mechanism may only be amended through legislation. The City's contributions to PERS for the years ended June 30, 2008, 2007, and 2006 were \$8,523,859, \$7,951,803, and \$7,895,956, respectively, equal to the required contributions each year. The contribution rates for the year ended June 30, 2008 were the same as disclosed above. The contribution rates for the years ended June 30, 2007 and June 30, 2006 were 19.75% for regular employees, 32% for police and fire employees under the employer paid plan, and 10.50% for regular employees under the employer/employee paid plan.

F. FUND ADDITIONS/DELETIONS

The Waterfall Fire Fund, a special revenue fund, was deleted during fiscal year 2007-2008 due to the completion of projects related to the Waterfall Fire.

The Continuous Quality Improvement Fund, a special revenue fund, was deleted during fiscal year 2007-2008 due to the discontinuation of the program.

The Landfill Closure / Post Closure Fund, a special revenue fund, was created during fiscal year 2007-2008. This fund was established to accumulate resources to pay for future landfill closure and post closure care costs.

The Campo Fund, a special revenue fund, was created during fiscal year 2007-2008. This fund was established to account for revenues received and expenditures incurred related to the administration of Federal Highway Administration and Federal Transit Administration Metropolitan Planning activities.

G. SUBSEQUENT EVENTS

On July 23, 2008, Carson City issued \$9,055,000 of Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds (Series 2008). The Bonds are special obligations of the City payable from Fuel Taxes now consisting of four cents per gallon on all motor vehicle fuel sold, distributed or used in and levied by the City by the Tax Ordinance, and the City's interest in an additional five and thirty-five hundredths cents per gallon on all motor vehicle fuel sold, distributed or used in and levied by the State by NRS 365.180 and 365.190 (the "State Tax Act or the "Tax Act"), and distributed in part to the City by NRS 365.550 and 365.560, but subject to the exempt sales and other exempt transactions provided by law, and subject to the credits and refunds authorized by law and pertaining thereto except those defrayed as Administration Expenses. The proceeds of the Bonds will be used to fund various road improvements and to pay the costs of issuing the Bonds.

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 14)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ 12,915,000	\$ 13,359,942	\$ 444,942	\$ 12,492,864
Licenses and permits:				
Business licenses and permits:				
Business licenses	903,700	784,593	(119,107)	816,837
Liquor licenses	145,000	145,215	215	152,227
City / county gaming licenses	775,000	762,828	(12,172)	565,878
Right of way toll	140,000	138,435	(1,565)	123,017
Franchise fees:				
Gas	1,735,000	1,425,620	(309,380)	1,239,040
Electric	2,211,500	2,162,495	(49,005)	1,605,137
Telephone	850,000	837,404	(12,596)	861,240
Sanitation	405,000	397,122	(7,878)	386,534
Cable television	360,000	410,139	50,139	405,016
	<u>7,525,200</u>	<u>7,063,851</u>	<u>(461,349)</u>	<u>6,154,926</u>
Nonbusiness licenses and permits:				
Marriage licenses	25,000	18,858	(6,142)	19,348
Animal licenses	13,000	6,754	(6,246)	8,970
Mobile home permits	-	33	33	144
	<u>38,000</u>	<u>25,645</u>	<u>(12,355)</u>	<u>28,462</u>
Total Licenses and Permits	<u>7,563,200</u>	<u>7,089,496</u>	<u>(473,704)</u>	<u>6,183,388</u>
Intergovernmental revenues:				
Federal grants:				
Drug Enforcement Administration	-	5,816	5,816	10,792
BIA Housing, Juvenile	-	-	-	480
State Criminal Alien Assistance	-	54,931	54,931	50,543
Bulletproof Vest Partnership Program	-	-	-	10,594
Federal Lands Lease	-	2,718	2,718	92
Federal Child Nutrition	-	27,458	27,458	28,463
US Marshall Housing	-	-	-	13,696
Robert's House	-	-	-	5,660
FEMA Training	-	524	524	-
	<u>-</u>	<u>91,447</u>	<u>91,447</u>	<u>120,320</u>
Federal payments in lieu of taxes	<u>50,000</u>	<u>70,129</u>	<u>20,129</u>	<u>69,805</u>

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 14)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
State grants	\$ -	\$ 15,326	\$ 15,326	\$ 42,960
State shared revenues:				
Consolidated tax revenues	26,678,776	23,442,872	(3,235,904)	25,944,779
State gaming licenses	160,000	153,686	(6,314)	163,674
Candidate filing fee	-	1,680	1,680	-
Court administrative assessments	114,025	91,457	(22,568)	87,271
	<u>26,952,801</u>	<u>23,689,695</u>	<u>(3,263,106)</u>	<u>26,195,724</u>
Other local government grants:				
Interlocal cooperative agreements	144,944	147,701	2,757	164,456
Other local government shared revenues:				
Miscellaneous other governments	350	18,193	17,843	19,714
Total Intergovernmental Revenues	<u>27,148,095</u>	<u>24,032,491</u>	<u>(3,115,604)</u>	<u>26,612,979</u>
Charges for services:				
General government:				
Treasurer fees	43,000	46,920	3,920	40,932
Clerk fees	173,000	198,109	25,109	194,449
Recorder fees	439,000	246,485	(192,515)	327,748
Technology fees	50,000	32,145	(17,855)	38,361
Assessor commissions	217,750	225,976	8,226	226,269
Building and zoning fees	100,000	112,519	12,519	81,313
Public administrator fees	13,000	92,249	79,249	52,657
Administration fees	4,528,720	4,438,716	(90,004)	4,521,120
Miscellaneous	14,300	22,804	8,504	30,781
	<u>5,578,770</u>	<u>5,415,923</u>	<u>(162,847)</u>	<u>5,513,630</u>
Judicial:				
Drug Court	12,000	12,380	380	11,200
Court facilities	115,000	140,875	25,875	118,735
Justice civil fees	395,050	457,335	62,285	418,840
	<u>522,050</u>	<u>610,590</u>	<u>88,540</u>	<u>548,775</u>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Public safety:				
Police:				
Sheriff's fees	\$ 330,000	\$ 299,435	\$ (30,565)	\$ 252,291
Fire	11,000	17,914	6,914	14,470
Protective services	105,000	151,243	46,243	83,399
	<u>446,000</u>	<u>468,592</u>	<u>22,592</u>	<u>350,160</u>
Public works:				
Street / engineering charges	15,000	4,607	(10,393)	1,263
Sanitation:				
Landfill fees	5,134,068	4,849,778	(284,290)	3,795,200
Health:				
Pet cemetery charges	10,000	2,765	(7,235)	5,850
Vaccine	130,732	136,408	5,676	58,057
Clinic Services	90,000	103,048	13,048	50,198
Health inspection fees	70,000	48,855	(21,145)	48,850
	<u>300,732</u>	<u>291,076</u>	<u>(9,656)</u>	<u>162,955</u>
Culture and recreation	1,432,186	1,253,803	(178,383)	1,291,811
Total Charges for Services	<u>13,428,806</u>	<u>12,894,369</u>	<u>(534,437)</u>	<u>11,663,794</u>
Fines and forfeits:				
Library	24,000	22,762	(1,238)	25,125
Court	824,000	891,135	67,135	776,361
Animal services	30,000	24,930	(5,070)	24,414
Total Fines and Forfeits	<u>878,000</u>	<u>938,827</u>	<u>60,827</u>	<u>825,900</u>
Miscellaneous:				
Investment income	725,000	1,438,294	713,294	944,896
Rents and royalties	127,014	137,340	10,326	81,489
Other	116,182	120,177	3,995	75,567
Gifts and donations	95,954	130,192	34,238	250,150
Refunds and reimbursements	48,699	103,103	54,404	35,657
Penalties and interest - delinquent taxes	125,000	170,562	45,562	177,159
Total Miscellaneous	<u>1,237,849</u>	<u>2,099,668</u>	<u>861,819</u>	<u>1,564,918</u>
Total Revenues	<u>63,170,950</u>	<u>60,414,793</u>	<u>(2,756,157)</u>	<u>55,548,643</u>
Expenditures:				
General Government:				
Legislative:				
Board of Supervisors:				
Salaries and wages	136,619	136,655	(36)	134,548
Employee benefits	79,087	68,344	10,743	63,078
Services and supplies	43,450	38,073	5,377	61,619
Total Legislative	<u>259,156</u>	<u>243,072</u>	<u>16,084</u>	<u>259,245</u>

**CARSON CITY
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SCHEDULE OF REVENUES, EXPENDITURES,
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Executive:				
Clerk:				
Salaries and wages	\$ 239,447	\$ 233,924	\$ 5,523	\$ 223,289
Employee benefits	85,063	82,296	2,767	78,452
Services and supplies	29,700	25,885	3,815	22,761
	<u>354,210</u>	<u>342,105</u>	<u>12,105</u>	<u>324,502</u>
Court Clerk:				
Salaries and wages	-	-	-	290,850
Employee benefits	-	-	-	122,745
Services and supplies	-	-	-	13,760
	<u>-</u>	<u>-</u>	<u>-</u>	<u>427,355</u>
Elections:				
Salaries and wages	128,732	111,706	17,026	123,020
Employee benefits	37,901	42,216	(4,315)	40,366
Services and supplies	15,450	6,053	9,397	93,609
	<u>182,083</u>	<u>159,975</u>	<u>22,108</u>	<u>256,995</u>
Treasurer:				
Salaries and wages	254,883	247,038	7,845	293,131
Employee benefits	98,220	99,826	(1,606)	98,245
Services and supplies	72,580	60,452	12,128	81,090
	<u>425,683</u>	<u>407,316</u>	<u>18,367</u>	<u>472,466</u>
Recorder:				
Salaries and wages	226,593	219,824	6,769	203,580
Employee benefits	90,142	86,933	3,209	80,867
Services and supplies	87,711	72,858	14,853	45,571
	<u>404,446</u>	<u>379,615</u>	<u>24,831</u>	<u>330,018</u>
Assessor:				
Salaries and wages	375,725	368,020	7,705	383,326
Employee benefits	142,247	141,665	582	142,500
Services and supplies	40,681	39,792	889	41,285
Capital outlay	83,195	-	83,195	20,050
	<u>641,848</u>	<u>549,477</u>	<u>92,371</u>	<u>587,161</u>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
District Attorney:				
Salaries and wages	\$ 1,421,567	\$ 1,454,212	\$ (32,645)	\$ 1,351,840
Employee benefits	653,447	539,721	113,726	577,480
Services and supplies	134,910	111,024	23,886	94,695
	<u>2,209,924</u>	<u>2,104,957</u>	<u>104,967</u>	<u>2,024,015</u>
City Manager:				
Salaries and wages	286,622	295,979	(9,357)	316,415
Employee benefits	138,818	112,998	25,820	127,323
Services and supplies	139,210	88,553	50,657	111,360
	<u>564,650</u>	<u>497,530</u>	<u>67,120</u>	<u>555,098</u>
Central Services:				
Services and supplies	901,732	898,042	3,690	976,410
Total Executive	<u>5,684,576</u>	<u>5,339,017</u>	<u>345,559</u>	<u>5,954,020</u>
Finance:				
Finance:				
Salaries and wages	500,961	455,795	45,166	471,815
Employee benefits	171,874	174,476	(2,602)	171,812
Services and supplies	78,620	66,737	11,883	65,212
	<u>751,455</u>	<u>697,008</u>	<u>54,447</u>	<u>708,839</u>
Internal Auditor:				
Salaries and wages	45,100	72,822	(27,722)	11,574
Employee benefits	869	25,713	(24,844)	735
Services and supplies	20,500	1,141	19,359	498
	<u>66,469</u>	<u>99,676</u>	<u>(33,207)</u>	<u>12,807</u>
Purchasing:				
Salaries and wages	121,824	114,857	6,967	115,089
Employee benefits	44,693	46,017	(1,324)	46,809
Services and supplies	16,215	6,647	9,568	14,226
	<u>182,732</u>	<u>167,521</u>	<u>15,211</u>	<u>176,124</u>
Personnel:				
Salaries and wages	204,811	233,592	(28,781)	253,466
Employee benefits	74,257	71,103	3,154	88,426
Services and supplies	178,470	191,023	(12,553)	155,279
	<u>457,538</u>	<u>495,718</u>	<u>(38,180)</u>	<u>497,171</u>
Total Finance	<u>1,458,194</u>	<u>1,459,923</u>	<u>(1,729)</u>	<u>1,394,941</u>

**CARSON CITY
GENERAL FUND
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Other:				
Community Development:				
Planning:				
Salaries and wages	\$ 561,852	\$ 477,829	\$ 84,023	\$ 538,282
Employee benefits	205,579	162,297	43,282	192,163
Services and supplies	99,056	82,848	16,208	88,604
Capital outlay	-	-	-	11,214
	<u>866,487</u>	<u>722,974</u>	<u>143,513</u>	<u>830,263</u>
Business License:				
Salaries and wages	51,430	71,358	(19,928)	-
Employee benefits	14,937	30,994	(16,057)	-
Services and supplies	19,250	17,685	1,565	-
	<u>85,617</u>	<u>120,037</u>	<u>(34,420)</u>	<u>-</u>
Code Enforcement:				
Salaries and wages	20,478	20,308	170	-
Employee benefits	8,482	8,307	175	-
Services and supplies	-	80	(80)	-
	<u>28,960</u>	<u>28,695</u>	<u>265</u>	<u>-</u>
Total Community Development	<u>981,064</u>	<u>871,706</u>	<u>109,358</u>	<u>830,263</u>
Automation Services:				
Salaries and wages	686,214	676,355	9,859	678,946
Employee benefits	259,127	242,745	16,382	242,768
Services and supplies	532,265	500,778	31,487	475,319
Capital outlay	8,000	-	8,000	-
	<u>1,485,606</u>	<u>1,419,878</u>	<u>65,728</u>	<u>1,397,033</u>
Geographic Information Systems:				
Salaries and wages	225,652	191,015	34,637	182,517
Employee benefits	66,160	64,323	1,837	63,108
Services and supplies	26,100	24,272	1,828	10,306
	<u>317,912</u>	<u>279,610</u>	<u>38,302</u>	<u>255,931</u>
Public Defender:				
Services and supplies	1,275,673	1,079,139	196,534	914,811
Public Safety Complex / Courthouse:				
Services and supplies	406,675	374,914	31,761	396,583
City Hall:				
Services and supplies	125,740	112,952	12,788	109,694
Capital outlay	11,228	11,228	-	-
	<u>136,968</u>	<u>124,180</u>	<u>12,788</u>	<u>109,694</u>

**CARSON CITY
GENERAL FUND
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Facilities Maintenance:				
Salaries and wages	\$ 800,167	\$ 795,275	\$ 4,892	\$ 748,026
Employee benefits	324,105	305,564	18,541	287,852
Services and supplies	311,861	320,380	(8,519)	371,186
	<u>1,436,133</u>	<u>1,421,219</u>	<u>14,914</u>	<u>1,407,064</u>
Records Management:				
Salaries and wages	117,311	94,282	23,029	95,341
Employee benefits	36,783	20,844	15,939	26,956
Services and supplies	84,950	88,103	(3,153)	70,386
Capital outlay	-	-	-	8,327
	<u>239,044</u>	<u>203,229</u>	<u>35,815</u>	<u>201,010</u>
Total Other	<u>6,279,075</u>	<u>5,773,875</u>	<u>505,200</u>	<u>5,512,389</u>
Total General Government	<u>13,681,001</u>	<u>12,815,887</u>	<u>865,114</u>	<u>13,120,595</u>
Public Safety:				
Sheriff:				
Administrative Services:				
Salaries and wages	504,173	495,124	9,049	637,020
Employee benefits	220,048	205,225	14,823	245,221
Services and supplies	634,880	546,419	88,461	472,903
Capital outlay	-	2,500	(2,500)	19,909
	<u>1,359,101</u>	<u>1,249,268</u>	<u>109,833</u>	<u>1,375,053</u>
Operational Services:				
Salaries and wages	4,351,490	4,244,502	106,988	3,889,688
Employee benefits	2,606,888	2,414,914	191,974	2,269,759
Services and supplies	493,411	627,903	(134,492)	561,123
	<u>7,451,789</u>	<u>7,287,319</u>	<u>164,470</u>	<u>6,720,570</u>
Detention Facility:				
Salaries and wages	2,044,565	2,036,731	7,834	1,957,881
Employee benefits	1,182,050	1,099,300	82,750	1,142,929
Services and supplies	326,400	268,466	57,934	286,104
	<u>3,553,015</u>	<u>3,404,497</u>	<u>148,518</u>	<u>3,386,914</u>
General Services:				
Salaries and wages	527,381	552,020	(24,639)	506,716
Employee benefits	216,475	222,966	(6,491)	225,630
Services and supplies	7,182	16,431	(9,249)	8,355
	<u>751,038</u>	<u>791,417</u>	<u>(40,379)</u>	<u>740,701</u>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Dispatch:				
Salaries and wages	\$ 1,104,643	\$ 1,006,742	\$ 97,901	\$ 1,051,082
Employee benefits	391,130	341,422	49,708	339,472
Services and supplies	212,185	195,132	17,053	226,488
Capital outlay	-	-	-	20,182
	<u>1,707,958</u>	<u>1,543,296</u>	<u>164,662</u>	<u>1,637,224</u>
Federal, Tri-Net Grant:				
Salaries and wages	109,883	68,713	41,170	27,467
Employee benefits	57,884	35,945	21,939	33,141
Services and supplies	21,533	7,085	14,448	16,670
	<u>189,300</u>	<u>111,743</u>	<u>77,557</u>	<u>77,278</u>
Total Sheriff	<u>15,012,201</u>	<u>14,387,540</u>	<u>624,661</u>	<u>13,937,740</u>
Fire:				
Administration:				
Salaries and wages	221,679	180,775	40,904	212,102
Employee benefits	94,719	69,229	25,490	87,739
Services and supplies	28,015	32,083	(4,068)	47,530
	<u>344,413</u>	<u>282,087</u>	<u>62,326</u>	<u>347,371</u>
Operations:				
Salaries and wages	3,344,895	3,084,154	260,741	3,132,118
Employee benefits	1,817,122	1,957,429	(140,307)	1,900,783
Services and supplies	473,285	445,017	28,268	467,517
Capital outlay	-	-	-	2,354
	<u>5,635,302</u>	<u>5,486,600</u>	<u>148,702</u>	<u>5,502,772</u>
Prevention:				
Salaries and wages	369,773	358,596	11,177	324,719
Employee benefits	136,314	133,301	3,013	116,173
Services and supplies	24,272	24,243	29	22,580
	<u>530,359</u>	<u>516,140</u>	<u>14,219</u>	<u>463,472</u>
Warren Engine Co. No. 1:				
Employee benefits	2,900	-	2,900	2
Services and supplies	29,226	14,211	15,015	25,288
	<u>32,126</u>	<u>14,211</u>	<u>17,915</u>	<u>25,290</u>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Emergency Management:				
Salaries and wages	\$ 30,995	\$ 23,314	\$ 7,681	\$ 28,981
Employee benefits	38,788	38,759	29	36,770
Services and supplies	28,757	22,557	6,200	25,386
	<u>98,540</u>	<u>84,630</u>	<u>13,910</u>	<u>91,137</u>
Training:				
Salaries and wages	261,100	258,901	2,199	244,428
Employee benefits	121,106	134,216	(13,110)	127,095
Services and supplies	73,169	57,584	15,585	78,508
Capital outlay	-	1,015	(1,015)	-
	<u>455,375</u>	<u>451,716</u>	<u>3,659</u>	<u>450,031</u>
Total Fire	<u>7,096,115</u>	<u>6,835,384</u>	<u>260,731</u>	<u>6,880,073</u>
Corrections:				
Juvenile Probation:				
Salaries and wages	730,724	741,847	(11,123)	720,492
Employee benefits	403,429	370,825	32,604	368,188
Services and supplies	787,561	795,902	(8,341)	648,405
	<u>1,921,714</u>	<u>1,908,574</u>	<u>13,140</u>	<u>1,737,085</u>
Juvenile Detention:				
Salaries and wages	886,250	849,900	36,350	828,902
Employee benefits	323,636	294,151	29,485	288,933
Services and supplies	120,985	124,331	(3,346)	113,589
	<u>1,330,871</u>	<u>1,268,382</u>	<u>62,489</u>	<u>1,231,424</u>
Total Corrections	<u>3,252,585</u>	<u>3,176,956</u>	<u>75,629</u>	<u>2,968,509</u>
Total Public Safety	<u>25,360,901</u>	<u>24,399,880</u>	<u>961,021</u>	<u>23,786,322</u>
Judicial:				
Criminal - Civil Courts:				
District Court I:				
Salaries and wages	-	-	-	158,118
Employee benefits	-	-	-	65,373
Services and supplies	-	-	-	64,477
	<u>-</u>	<u>-</u>	<u>-</u>	<u>287,968</u>

**CARSON CITY
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(PAGE 10 OF 14)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
District Court II:				
Salaries and wages	\$ -	\$ -	\$ -	\$ 353,620
Employee benefits	-	-	-	118,148
Services and supplies	-	-	-	123,791
Capital outlay	-	-	-	5,705
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	601,264
	<hr/>	<hr/>	<hr/>	<hr/>
Total Criminal - Civil Courts	-	-	-	889,232
	<hr/>	<hr/>	<hr/>	<hr/>
Juvenile Court:				
Salaries and wages	224,561	210,184	14,377	189,026
Employee benefits	70,277	74,588	(4,311)	67,826
Services and supplies	69,507	47,495	22,012	40,244
	<hr/>	<hr/>	<hr/>	<hr/>
Total Juvenile Court	364,345	332,267	32,078	297,096
	<hr/>	<hr/>	<hr/>	<hr/>
Justice Court:				
Salaries and wages	1,770,101	1,761,705	8,396	1,007,741
Employee benefits	724,196	723,021	1,175	419,882
Services and supplies	473,021	483,619	(10,598)	281,913
Capital outlay	5,097	5,097	-	8,327
	<hr/>	<hr/>	<hr/>	<hr/>
Total Justice Court	2,972,415	2,973,442	(1,027)	1,717,863
	<hr/>	<hr/>	<hr/>	<hr/>
Alternative Sentencing:				
Salaries and wages	660,570	649,835	10,735	389,580
Employee benefits	313,728	304,481	9,247	203,149
Services and supplies	104,500	99,052	5,448	50,212
	<hr/>	<hr/>	<hr/>	<hr/>
Total Alternative Sentencing	1,078,798	1,053,368	25,430	642,941
	<hr/>	<hr/>	<hr/>	<hr/>
Total Judicial	4,415,558	4,359,077	56,481	3,547,132
	<hr/>	<hr/>	<hr/>	<hr/>
Public Works:				
Engineering / Public Works:				
Public Works:				
Salaries and wages	1,430,636	1,322,830	107,806	1,351,586
Employee benefits	470,267	466,717	3,550	475,158
Services and supplies	85,885	77,867	8,018	132,062
Capital outlay	-	-	-	15,797
	<hr/>	<hr/>	<hr/>	<hr/>
Total Public Works	1,986,788	1,867,414	119,374	1,974,603
	<hr/>	<hr/>	<hr/>	<hr/>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2007
Development Engineering:				
Salaries and wages	\$ 737,847	\$ 577,314	\$ 160,533	\$ 704,257
Employee benefits	253,611	204,344	49,267	236,630
Services and supplies	111,695	72,381	39,314	116,589
Total Development Engineering	<u>1,103,153</u>	<u>854,039</u>	<u>249,114</u>	<u>1,057,476</u>
Total Public Works	<u>3,089,941</u>	<u>2,721,453</u>	<u>368,488</u>	<u>3,032,079</u>
Sanitation:				
Landfill:				
Salaries and wages	648,770	566,931	81,839	550,440
Employee benefits	249,030	231,337	17,693	209,972
Services and supplies	937,428	943,627	(6,199)	1,134,392
Capital outlay	1,741,594	1,644,769	96,825	540,436
Total Sanitation	<u>3,576,822</u>	<u>3,386,664</u>	<u>190,158</u>	<u>2,435,240</u>
Health:				
Public Health Administration:				
Salaries and wages	506,566	432,501	74,065	515,315
Employee benefits	187,748	159,435	28,313	177,685
Services and supplies	573,299	464,070	109,229	431,311
Capital outlay	-	-	-	5,622
Total Public Health Administration	<u>1,267,613</u>	<u>1,056,006</u>	<u>211,607</u>	<u>1,129,933</u>
Animal Services:				
Salaries and wages	236,655	200,521	36,134	211,660
Employee benefits	94,143	89,440	4,703	76,057
Services and supplies	88,790	72,120	16,670	74,448
Capital outlay	21,000	20,700	300	-
Total Animal Services	<u>440,588</u>	<u>382,781</u>	<u>57,807</u>	<u>362,165</u>
Total Health	<u>1,708,201</u>	<u>1,438,787</u>	<u>269,414</u>	<u>1,492,098</u>
Welfare:				
Salaries and wages	81,928	83,969	(2,041)	72,722
Employee benefits	26,895	24,018	2,877	22,907
Services and supplies	249,041	249,877	(836)	241,225
Total Welfare	<u>357,864</u>	<u>357,864</u>	<u>-</u>	<u>336,854</u>
Culture and Recreation:				
Parks:				
Parks and Recreation Administration:				
Salaries and wages	309,983	308,148	1,835	287,621
Employee benefits	125,345	128,943	(3,598)	117,588
Services and supplies	41,681	38,030	3,651	46,194
Capital outlay	-	2,700	(2,700)	-
Total Parks and Recreation Administration	<u>477,009</u>	<u>477,821</u>	<u>(812)</u>	<u>451,403</u>

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 12 OF 14)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Park Maintenance:				
Salaries and wages	\$ 632,714	\$ 649,995	\$ (17,281)	\$ 697,381
Employee benefits	247,137	235,499	11,638	243,142
Services and supplies	837,594	808,561	29,033	819,025
Capital outlay	-	1,209	(1,209)	3,075
	<u>1,717,445</u>	<u>1,695,264</u>	<u>22,181</u>	<u>1,762,623</u>
Grants, Gifts, and Donations:				
Salaries and wages	-	46,881	(46,881)	-
Services and supplies	176,131	106,626	69,505	100,928
Capital outlay	-	625	(625)	7,680
	<u>176,131</u>	<u>154,132</u>	<u>21,999</u>	<u>108,608</u>
Total Parks	<u>2,370,585</u>	<u>2,327,217</u>	<u>43,368</u>	<u>2,322,634</u>
Participant Recreation:				
Community Center:				
Salaries and wages	188,957	183,128	5,829	166,112
Employee benefits	52,471	44,649	7,822	42,848
Services and supplies	130,374	109,528	20,846	103,871
	<u>371,802</u>	<u>337,305</u>	<u>34,497</u>	<u>312,831</u>
Recreation:				
Salaries and wages	622,512	505,345	117,167	598,225
Employee benefits	141,214	101,158	40,056	137,753
Services and supplies	252,013	175,980	76,033	230,126
	<u>1,015,739</u>	<u>782,483</u>	<u>233,256</u>	<u>966,104</u>
Swimming Pool:				
Salaries and wages	432,197	366,055	66,142	395,237
Employee benefits	94,132	83,906	10,226	101,187
Services and supplies	362,440	288,504	73,936	315,774
	<u>888,769</u>	<u>738,465</u>	<u>150,304</u>	<u>812,198</u>

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 13 OF 14)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Sports:				
Salaries and wages	\$ 159,627	\$ 144,950	\$ 14,677	\$ 128,493
Employee benefits	44,612	40,153	4,459	30,909
Services and supplies	135,617	143,702	(8,085)	148,054
	<u>339,856</u>	<u>328,805</u>	<u>11,051</u>	<u>307,456</u>
Total Participant Recreation	<u>2,616,166</u>	<u>2,187,058</u>	<u>429,108</u>	<u>2,398,589</u>
Pony Express Pavilion:				
Salaries and wages	2,500	3,977	(1,477)	-
Employee benefits	150	-	150	-
Services and supplies	21,160	21,669	(509)	17,016
	<u>23,810</u>	<u>25,646</u>	<u>(1,836)</u>	<u>17,016</u>
Library:				
Salaries and wages	914,139	817,121	97,018	832,718
Employee benefits	397,969	299,952	98,017	325,164
Services and supplies	392,159	362,867	29,292	348,790
	<u>1,704,267</u>	<u>1,479,940</u>	<u>224,327</u>	<u>1,506,672</u>
Total Culture and Recreation	<u>6,714,828</u>	<u>6,019,861</u>	<u>694,967</u>	<u>6,244,911</u>
Community Support:				
Support Services:				
Services and supplies	409,936	374,668	35,268	511,539
Capital outlay	51,562	44,831	6,731	55,257
Total Community Support	<u>461,498</u>	<u>419,499</u>	<u>41,999</u>	<u>566,796</u>
Economic Opportunity:				
Economic Development:				
Salaries and wages	168,921	162,920	6,001	116,393
Employee benefits	61,681	59,232	2,449	53,299
Services and supplies	6,960,672	107,280	6,853,392	66,773
Total Economic Opportunity	<u>7,191,274</u>	<u>329,432</u>	<u>6,861,842</u>	<u>236,465</u>
Total Expenditures	<u>66,557,888</u>	<u>56,248,404</u>	<u>10,309,484</u>	<u>52,363,252</u>

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 14 OF 14)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Excess (Deficiency) of Revenues over Expenditures	\$ (3,386,938)	\$ 4,166,389	\$ 7,553,327	\$ 3,185,391
Other Financing Sources (Uses):				
Capital leases	11,228	11,228	-	55,770
Transfers in (out):				
Quality of Life Fund	183,448	109,730	(73,718)	154,542
Senior Citizens Fund	15,000	15,000	-	15,000
Cooperative Extension Fund	-	-	-	59,177
Grant Fund	-	-	-	225,000
Capital Acquisition and Development Fund	6,750	16,250	9,500	7,500
Carson City Sanitary Landfill Fund	1,709,800	1,709,800	-	-
Supplemental Indigent Fund	-	-	-	(120,000)
Grant Fund	-	(314,857)	(314,857)	(198,029)
Capital Acquisition and Development Fund	(722,735)	-	722,735	(46,000)
Carson City Debt Service Fund	(2,376,248)	(2,376,248)	-	(2,137,494)
Landfill Closure / Post Closure Fund	(156,548)	(220,029)	(63,481)	-
Cemetery Fund	(75,000)	(75,000)	-	(75,000)
Carson City Transit Fund	(350,000)	(350,000)	-	(350,000)
Administrative Assessment Fund	(50,000)	(50,000)	-	-
Ambulance Fund	(120,000)	-	120,000	-
Contingency	(500,000)	-	500,000	-
Total Other Financing Sources (Uses)	(2,424,305)	(1,524,126)	900,179	(2,409,534)
Net Change in Fund Balances	(5,811,243)	2,642,263	8,453,506	775,857
Fund Balances, July 1	11,674,720	11,674,720	-	10,898,863
Fund Balances, June 30	\$ 5,863,477	\$ 14,316,983	\$ 8,453,506	\$ 11,674,720

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SPECIAL REVENUE FUNDS

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

Major Fund

Quality of Life Fund - This Fund is used to account for a voter approved one-quarter percent (0.25%) sales tax for the purpose of acquiring open space and the construction and maintenance of park and trail facilities.

Nonmajor Funds

Senior Citizens Center Fund - This Fund is used to account for the 1984 voter-approved tax override of five cents to provide for the construction, furnishing, equipment, operation, and ongoing maintenance of Senior Citizens facilities in Carson City.

Cooperative Extension Fund - This Fund was established in accordance with Nevada Revised Statute 549.020 and is used to account for the City's share of the Cooperative Extension work which is funded by a one cent to five cent tax rate subject to Board of Supervisor approval.

Traffic Transportation Fund - This Fund was established in accordance with the Carson City Charter Section 2.240 and is used to account for monies received for parking fees and fines and may be expended only for the establishment, repair, and control of parking meters, facilities for parking, and any other appurtenances necessary for traffic control.

Supplemental Indigent Fund - This Fund is used to account for additional indigent expenditures other than General Fund requirements and for the collection and payment to the State of Nevada for the auto accident indigent ad valorem tax levy.

Library Gift Fund - This Fund was established in accordance with Nevada Revised Statute 379.106 and is used to account for all gifts to the Ormsby Public Library.

Administrative Assessments Fund - This Fund was established by NRS 176.059 and is used to account for the City's share of assessments on misdemeanor convictions.

SPECIAL REVENUE FUNDS
Continued

Regional Transportation Fund - This Fund is used to account for the nine cent per gallon County fuel tax imposed in accordance with Nevada Revised Statute 373.030. The monies are to be used for the purpose of street and highway construction.

Capital Projects Fund - This Fund is used to account for the additional ad valorem tax imposed in accordance with Nevada Revised Statute 354.598155 for the purpose of replacing major assets.

Landfill Closure / Post Closure - This fund is used to accumulate resources to pay for future landfill closure and post closure care costs.

Street Maintenance Fund - This Fund is used to account for the one-quarter percent (0.25%) retail sales and use tax for the sole purpose of maintaining and repairing public roads within Carson City; the one cent per gallon motor vehicle fuel tax approved by the voters in 1986 for the purpose of repairing or restoring existing paved roads, streets, and alleys; and the 3.60 and 1.75 cents per gallon motor vehicle fuel taxes collected in accordance with Nevada Revised Statutes 365.180 and 365.190.

Capital Acquisition and Development Fund - This Fund is used to account for sales of City property and the financing and purchasing of large capital items for the benefit of the public at large.

Stabilization Fund - This fund is used to stabilize the operation of the City and mitigate the effects of natural disasters.

Redevelopment Administration Fund - This Fund is used to account for the operations of the Redevelopment Agency, which has been combined with Carson City for financial statement purposes.

Firefighter Retirement Medical Fund - This fund is used to account for revenues raised and expenditures incurred to provide retirement medical benefits to qualified retirees of the Carson City Fire Department.

Carson City Transit Fund - This Fund is used to account for transit grants, fares, donations, and additional City funding to be used for the sole purpose of providing public transportation services within Carson City.

Commissary Fund - This Fund is used to operate a commissary to allow the Sheriff to sell to the prisoners food, beverages, toiletries, and similar items as the Sheriff may approve. The Sheriff must expend the profits from the operation of the commissary only for the welfare and benefit of the prisoners in the jail.

SPECIAL REVENUE FUNDS
Continued

V & T Special Infrastructure Fund – This fund is used to account for the 0.125% sales tax revenue that is pledged for the payment of principal and interest on the bonds known as the V & T Historical Bonds.

2006 Flood Fund - This fund is used to account for revenues received and expenditures incurred for the 2006 New Year's Flood.

Campo Fund - This fund is used to account for revenues received and expenditures incurred related to the administration of Federal Highway Administration and Federal Transit Administration Metropolitan Planning activities.

Airport Fund - This Fund is used to account for Federal Aviation Administration grants awarded to the City.

Grant Fund - This fund is used to account for state and federal grants.

**CARSON CITY
QUALITY OF LIFE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Sales tax, voter approved	\$ 2,634,350	\$ 2,266,502	\$ (367,848)	\$ 2,444,405
Intergovernmental revenues:				
Federal grants	318,945	235,697	(83,248)	152,682
State grants	85,000	-	(85,000)	-
	<u>403,945</u>	<u>235,697</u>	<u>(168,248)</u>	<u>152,682</u>
Miscellaneous:				
Investment income	100,000	772,267	672,267	887,649
Other	17,248	17,248	-	105,453
	<u>117,248</u>	<u>789,515</u>	<u>672,267</u>	<u>993,102</u>
Total Revenues	<u>3,155,543</u>	<u>3,291,714</u>	<u>136,171</u>	<u>3,590,189</u>
Expenditures:				
Culture and recreation:				
Park maintenance:				
Salaries and wages	65,117	66,965	(1,848)	63,107
Employee benefits	13,236	11,105	2,131	13,277
Services and supplies	63,423	128,445	(65,022)	113,814
Capital outlay	180,975	20,923	160,052	9,953
	<u>322,751</u>	<u>227,438</u>	<u>95,313</u>	<u>200,151</u>
Parks capital:				
Salaries and wages	65,828	62,846	2,982	61,084
Employee benefits	23,485	24,986	(1,501)	23,960
Services and supplies	55,724	31,413	24,311	81,130
Capital outlay	10,038,267	2,439,968	7,598,299	153,705
	<u>10,183,304</u>	<u>2,559,213</u>	<u>7,624,091</u>	<u>319,879</u>
Quality of life:				
Salaries and wages	197,409	125,559	71,850	100,917
Employee benefits	39,410	42,417	(3,007)	32,623
Services and supplies	730,140	476,749	253,391	356,480
Capital outlay	7,778,983	5,194,536	2,584,447	810,657
	<u>8,745,942</u>	<u>5,839,261</u>	<u>2,906,681</u>	<u>1,300,677</u>
Total Expenditures	<u>19,251,997</u>	<u>8,625,912</u>	<u>10,626,085</u>	<u>1,820,707</u>

**CARSON CITY
QUALITY OF LIFE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Excess (Deficiency) of Revenues over Expenditures	\$ (16,096,454)	\$ (5,334,198)	\$ 10,762,256	\$ 1,769,482
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	(183,448)	(109,730)	73,718	(154,542)
Carson City Debt Service Fund	(1,004,808)	(1,004,808)	-	(1,004,347)
Total Other Financing Sources (Uses)	(1,188,256)	(1,114,538)	73,718	(1,158,889)
Net Change in Fund Balances	(17,284,710)	(6,448,736)	10,835,974	610,593
Fund Balances, July 1	17,788,630	17,788,630	-	17,178,037
Fund Balances, June 30	\$ 503,920	\$ 11,339,894	\$ 10,835,974	\$ 17,788,630

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NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and investments	\$ 16,186,571	\$ 1,234,274	\$ 4,191,770	\$ 21,612,615
Receivables (net of allowances for uncollectibles):				
Taxes, delinquent	35,074	11,675	-	46,749
Accounts receivable	246,201	-	-	246,201
Due from other funds	49,536	46,907	-	96,443
Due from other governments	2,989,755	-	-	2,989,755
Prepaid items	14,008	250	-	14,258
Restricted assets:				
Cash and investments	28,026	-	-	28,026
Total Assets	<u>\$ 19,549,171</u>	<u>\$ 1,293,106</u>	<u>\$ 4,191,770</u>	<u>\$ 25,034,047</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,573,977	\$ -	\$ 1,021,021	\$ 2,594,998
Accrued salaries and benefits	87,093	-	1,443	88,536
Payable from restricted assets	28,026	-	-	28,026
Due to other funds	96,443	-	-	96,443
Due to other governments	348,734	-	-	348,734
Due to component units	214,472	-	-	214,472
Deferred revenue	27,339	9,173	-	36,512
Unearned revenue	132,135	-	-	132,135
Total Liabilities	<u>2,508,219</u>	<u>9,173</u>	<u>1,022,464</u>	<u>3,539,856</u>
Fund balances:				
Reserved for prepaid items	14,008	250	-	14,258
Unreserved:				
Designated for subsequent year's expenditures	13,859,351	1,259,329	73,552	15,192,232
Undesignated	3,167,593	24,354	3,095,754	6,287,701
Total Fund Balances	<u>17,040,952</u>	<u>1,283,933</u>	<u>3,169,306</u>	<u>21,494,191</u>
Total Liabilities and Fund Balances	<u>\$ 19,549,171</u>	<u>\$ 1,293,106</u>	<u>\$ 4,191,770</u>	<u>\$ 25,034,047</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 10,192,198	\$ 933,909	\$ 48,997	\$ 11,175,104
Licenses and permits	250	-	-	250
Intergovernmental revenues	6,166,497	408,415	33,467	6,608,379
Charges for services	428,379	-	-	428,379
Fines and forfeits	84,632	-	-	84,632
Miscellaneous	1,004,764	308,585	363,412	1,676,761
Total Revenues	<u>17,876,720</u>	<u>1,650,909</u>	<u>445,876</u>	<u>19,973,505</u>
Expenditures:				
Current:				
General government	1,697,221	-	1,145	1,698,366
Public safety	1,322,245	-	232,257	1,554,502
Judicial	345,866	-	-	345,866
Public works	14,358,497	-	-	14,358,497
Health	1,188,937	-	-	1,188,937
Welfare	1,653,486	-	-	1,653,486
Culture and recreation	831,378	-	117,040	948,418
Community support	-	-	151,417	151,417
Airport	579,295	-	-	579,295
Economic opportunity	279,744	-	-	279,744
Capital outlay	-	-	4,084,369	4,084,369
Debt service:				
Principal retirement	-	3,038,832	-	3,038,832
Interest and fiscal charges	-	3,651,174	-	3,651,174
Total Expenditures	<u>22,256,669</u>	<u>6,690,006</u>	<u>4,586,228</u>	<u>33,532,903</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,379,949)</u>	<u>(5,039,097)</u>	<u>(4,140,352)</u>	<u>(13,559,398)</u>
Other Financing Sources (Uses):				
Transfers in	5,210,012	5,716,801	175,000	11,101,813
Transfers out	(3,476,936)	(575,000)	(211,212)	(4,263,148)
Total Other Financing Sources (Uses)	<u>1,733,076</u>	<u>5,141,801</u>	<u>(36,212)</u>	<u>6,838,665</u>
Net Change in Fund Balances	<u>(2,646,873)</u>	<u>102,704</u>	<u>(4,176,564)</u>	<u>(6,720,733)</u>
Fund Balances, July 1	<u>19,687,825</u>	<u>1,181,229</u>	<u>7,345,870</u>	<u>28,214,924</u>
Fund Balances, June 30	<u>\$ 17,040,952</u>	<u>\$ 1,283,933</u>	<u>\$ 3,169,306</u>	<u>\$ 21,494,191</u>

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2008
(PAGE 1 OF 3)**

	<u>SENIOR CITIZENS CENTER</u>	<u>COOPERATIVE EXTENSION</u>	<u>TRAFFIC TRANSPORTATION</u>
ASSETS			
Cash and investments:			
Unrestricted	\$ 516,176	\$ 186,543	\$ 20,284
Restricted	-	-	-
Taxes receivable, delinquent	7,155	1,952	-
Accounts receivable	-	2,074	-
Due from other funds	-	-	-
Due from other governments	-	1,576	-
Prepaid items	300	400	-
	<u>523,631</u>	<u>192,545</u>	<u>20,284</u>
Total Assets	<u>\$ 523,631</u>	<u>\$ 192,545</u>	<u>\$ 20,284</u>
LIABILITIES			
Accounts payable	\$ 7,805	\$ 26,130	\$ 519
Accrued salaries and benefits	6,933	132	2,390
Due to other funds	-	-	-
Due to other governments	-	-	-
Due to component units	-	-	-
Deferred revenue	6,001	1,521	-
Unearned revenue	-	-	-
Payable from restricted assets	-	-	-
	<u>20,739</u>	<u>27,783</u>	<u>2,909</u>
Total Liabilities	<u>20,739</u>	<u>27,783</u>	<u>2,909</u>
FUND BALANCES			
Reserved for prepaid items	300	400	-
Unreserved:			
Designated for subsequent year's expenditures	470,476	53,446	17,375
Undesignated	32,116	110,916	-
	<u>502,892</u>	<u>164,762</u>	<u>17,375</u>
Total Fund Balances	<u>502,892</u>	<u>164,762</u>	<u>17,375</u>
Total Liabilities and Fund Balances	<u>\$ 523,631</u>	<u>\$ 192,545</u>	<u>\$ 20,284</u>

SUPPLEMENTAL INDIGENT	LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	REGIONAL TRANSPORTATION	CAPITAL PROJECTS
\$ 492,672	\$ 146,763	\$ 90,056	\$ 4,728,692	\$ 299,321
-	-	-	-	-
17,728	-	-	-	8,239
-	-	-	206,371	-
-	-	-	49,536	-
17,383	24,772	80,000	579,559	-
-	-	-	-	-
<u>\$ 527,783</u>	<u>\$ 171,535</u>	<u>\$ 170,056</u>	<u>\$ 5,564,158</u>	<u>\$ 307,560</u>
\$ 169,660	\$ 14,843	\$ 151,245	\$ 725,508	\$ 9
-	-	-	6,522	-
-	-	-	-	-
307,303	-	-	-	-
-	-	-	-	-
13,819	-	-	-	5,998
-	12,398	-	-	-
-	-	-	-	-
<u>490,782</u>	<u>27,241</u>	<u>151,245</u>	<u>732,030</u>	<u>6,007</u>
-	-	-	-	-
-	27,199	5,000	3,961,414	272,164
37,001	117,095	13,811	870,714	29,389
<u>37,001</u>	<u>144,294</u>	<u>18,811</u>	<u>4,832,128</u>	<u>301,553</u>
<u>\$ 527,783</u>	<u>\$ 171,535</u>	<u>\$ 170,056</u>	<u>\$ 5,564,158</u>	<u>\$ 307,560</u>

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2008
(PAGE 2 OF 3)**

	LANDFILL CLOSURE / POST CLOSURE	STREET MAINTENANCE	CAPITAL ACQUISITION AND DEVELOPMENT	STABILIZATION
ASSETS				
Cash and investments:				
Unrestricted	\$ 2,738,345	\$ 248,713	\$ 2,610,131	\$ 3,508,634
Restricted	-	-	-	-
Taxes receivable, delinquent	-	-	-	-
Accounts receivable	-	1,097	9,336	-
Due from other funds	-	-	-	-
Due from other governments	-	681,605	1,615	-
Prepaid items	-	-	-	-
	<u>2,738,345</u>	<u>931,415</u>	<u>2,621,082</u>	<u>3,508,634</u>
Total Assets	\$ 2,738,345	\$ 931,415	\$ 2,621,082	\$ 3,508,634
LIABILITIES				
Accounts payable	\$ -	\$ 149,280	\$ 18,881	\$ -
Accrued salaries and benefits	-	45,570	-	-
Due to other funds	-	-	-	-
Due to other governments	-	525	-	-
Due to component units	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue	-	-	-	-
Payable from restricted assets	-	-	-	-
	<u>-</u>	<u>195,375</u>	<u>18,881</u>	<u>-</u>
Total Liabilities	-	195,375	18,881	-
FUND BALANCES				
Reserved for prepaid items	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	2,674,864	518,996	1,660,049	3,507,869
Undesignated	63,481	217,044	942,152	765
	<u>2,738,345</u>	<u>736,040</u>	<u>2,602,201</u>	<u>3,508,634</u>
Total Fund Balances	2,738,345	736,040	2,602,201	3,508,634
Total Liabilities and Fund Balances	\$ 2,738,345	\$ 931,415	\$ 2,621,082	\$ 3,508,634

<u>REDEVELOPMENT ADMINISTRATION</u>	<u>FIREFIGHTER RETIREMENT MEDICAL</u>	<u>CARSON CITY TRANSIT</u>	<u>COMMISSARY</u>	<u>V & T SPECIAL INFRASTRUCTURE</u>
\$ 39,375	\$ 141,246	\$ 213,941	\$ 203,302	\$ -
-	-	-	28,026	-
-	-	-	-	-
18,426	-	-	8,104	-
-	-	-	-	-
-	-	192,181	-	189,756
2,236	-	-	-	-
<u>\$ 60,037</u>	<u>\$ 141,246</u>	<u>\$ 406,122</u>	<u>\$ 239,432</u>	<u>\$ 189,756</u>
\$ 37,888	\$ -	\$ 67,488	\$ 6,267	\$ -
2,848	-	-	2,024	-
-	-	-	-	46,907
-	-	40,412	-	-
15,435	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	28,026	-
<u>56,171</u>	<u>-</u>	<u>107,900</u>	<u>36,317</u>	<u>46,907</u>
2,236	-	-	-	-
1,630	121,774	292,406	131,840	142,849
-	19,472	5,816	71,275	-
<u>3,866</u>	<u>141,246</u>	<u>298,222</u>	<u>203,115</u>	<u>142,849</u>
<u>\$ 60,037</u>	<u>\$ 141,246</u>	<u>\$ 406,122</u>	<u>\$ 239,432</u>	<u>\$ 189,756</u>

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CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2008
(PAGE 3 OF 3)

	<u>CAMPO</u>	<u>AIRPORT</u>	<u>GRANT</u>	<u>TOTAL</u>
ASSETS				
Cash and investments:				
Unrestricted	\$ -	\$ 2,377	\$ -	\$ 16,186,571
Restricted	-	-	-	28,026
Taxes receivable, delinquent	-	-	-	35,074
Accounts receivable	233	-	560	246,201
Due from other funds	-	-	-	49,536
Due from other governments	62,810	199,037	959,461	2,989,755
Prepaid items	-	-	11,072	14,008
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 63,043</u>	<u>\$ 201,414</u>	<u>\$ 971,093</u>	<u>\$ 19,549,171</u>
LIABILITIES				
Accounts payable	\$ 4,681	\$ -	\$ 193,773	\$ 1,573,977
Accrued salaries and benefits	-	-	20,674	87,093
Due to other funds	49,536	-	-	96,443
Due to other governments	-	-	494	348,734
Due to component units	-	199,037	-	214,472
Deferred revenue	-	-	-	27,339
Unearned revenue	-	2,377	117,360	132,135
Payable from restricted assets	-	-	-	28,026
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>54,217</u>	<u>201,414</u>	<u>332,301</u>	<u>2,508,219</u>
FUND BALANCES				
Reserved for prepaid items	-	-	11,072	14,008
Unreserved:				
Designated for subsequent year's expenditures	-	-	-	13,859,351
Undesignated	8,826	-	627,720	3,167,593
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>8,826</u>	<u>-</u>	<u>638,792</u>	<u>17,040,952</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 63,043</u>	<u>\$ 201,414</u>	<u>\$ 971,093</u>	<u>\$ 19,549,171</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 1 OF 3)

	SENIOR CITIZENS CENTER	COOPERATIVE EXTENSION	TRAFFIC TRANSPORTATION
Revenues:			
Taxes	\$ 657,319	\$ 168,420	\$ -
Licenses and permits	-	-	250
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	84,632
Miscellaneous	34,267	11,184	15,467
Total Revenues	<u>691,586</u>	<u>179,604</u>	<u>100,349</u>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	131,140
Judicial	-	-	-
Public works	-	-	-
Welfare	-	-	-
Health	-	-	-
Culture and recreation	437,899	150,490	-
Airport	-	-	-
Economic opportunity	-	-	-
Total Expenditures	<u>437,899</u>	<u>150,490</u>	<u>131,140</u>
Excess (Deficiency) of Revenues over Expenditures	<u>253,687</u>	<u>29,114</u>	<u>(30,791)</u>
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(171,213)	-	-
Total Other Financing Sources (Uses)	<u>(171,213)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	82,474	29,114	(30,791)
Fund Balances, July 1	<u>420,418</u>	<u>135,648</u>	<u>48,166</u>
Fund Balances, June 30	<u>\$ 502,892</u>	<u>\$ 164,762</u>	<u>\$ 17,375</u>

SUPPLEMENTAL INDIGENT	LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	REGIONAL TRANSPORTATION	CAPITAL PROJECTS
\$ 1,513,069	\$ -	\$ -	\$ 3,411,116	\$ 658,410
-	-	-	-	-
-	58,784	179,623	-	-
-	-	-	-	-
-	-	-	-	-
48,762	37,755	-	523,921	36,771
<u>1,561,831</u>	<u>96,539</u>	<u>179,623</u>	<u>3,935,037</u>	<u>695,181</u>
-	-	-	-	-
-	-	-	-	-
-	-	272,230	-	-
-	-	-	6,520,652	-
1,524,830	-	-	-	-
-	-	-	-	-
-	69,613	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,524,830</u>	<u>69,613</u>	<u>272,230</u>	<u>6,520,652</u>	<u>-</u>
37,001	26,926	(92,607)	(2,585,615)	695,181
-	-	50,000	-	-
-	-	-	(449,303)	(1,041,791)
-	-	50,000	(449,303)	(1,041,791)
37,001	26,926	(42,607)	(3,034,918)	(346,610)
-	117,368	61,418	7,867,046	648,163
<u>\$ 37,001</u>	<u>\$ 144,294</u>	<u>\$ 18,811</u>	<u>\$ 4,832,128</u>	<u>\$ 301,553</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 2 OF 3)

	LANDFILL CLOSURE / POST CLOSURE	STREET MAINTENANCE	CAPITAL ACQUISITION AND DEVELOPMENT
Revenues:			
Taxes	\$ -	\$ 2,652,341	\$ -
Licenses and permits	-	-	-
Intergovernmental revenues	-	1,330,616	67,479
Charges for services	-	136,894	-
Fines and forfeits	-	-	-
Miscellaneous	-	18,093	149,802
Total Revenues	<u>-</u>	<u>4,137,944</u>	<u>217,281</u>
Expenditures:			
Current:			
General government	-	-	976,927
Public safety	-	-	61,705
Judicial	-	-	-
Public works	-	6,159,861	10,000
Welfare	-	-	-
Health	-	-	-
Culture and recreation	-	-	99,168
Airport	-	-	-
Economic opportunity	-	-	83,250
Total Expenditures	<u>-</u>	<u>6,159,861</u>	<u>1,231,050</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(2,021,917)</u>	<u>(1,013,769)</u>
Other Financing Sources (Uses):			
Transfers in	2,738,345	-	758,766
Transfers out	-	-	(125,019)
Total Other Financing Sources (Uses)	<u>2,738,345</u>	<u>-</u>	<u>633,747</u>
Net Change in Fund Balances	<u>2,738,345</u>	<u>(2,021,917)</u>	<u>(380,022)</u>
Fund Balances, July 1	<u>-</u>	<u>2,757,957</u>	<u>2,982,223</u>
Fund Balances, June 30	<u>\$ 2,738,345</u>	<u>\$ 736,040</u>	<u>\$ 2,602,201</u>

<u>STABILIZATION</u>	<u>REDEVELOPMENT ADMINISTRATION</u>	<u>FIREFIGHTER RETIREMENT MEDICAL</u>	<u>CARSON CITY TRANSIT</u>	<u>COMMISSARY</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	833,938	-
-	-	95,143	91,408	104,934
-	-	-	-	-
-	17,056	6,271	13,865	81,659
-	17,056	101,414	939,211	186,593
-	432,296	-	-	-
-	-	57,557	-	162,058
-	-	-	-	-
-	-	-	1,307,860	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	432,296	57,557	1,307,860	162,058
-	(415,240)	43,857	(368,649)	24,535
573,666	400,000	-	350,000	-
-	-	-	-	-
573,666	400,000	-	350,000	-
573,666	(15,240)	43,857	(18,649)	24,535
2,934,968	19,106	97,389	316,871	178,580
<u>\$ 3,508,634</u>	<u>\$ 3,866</u>	<u>\$ 141,246</u>	<u>\$ 298,222</u>	<u>\$ 203,115</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 3 OF 3)

	V & T SPECIAL INFRASTRUCTURE	2006 FLOOD	CAMPO
Revenues:			
Taxes	\$ 1,131,523	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenues	-	120,527	188,141
Charges for services	-	-	-
Fines and forfeits	-	-	-
Miscellaneous	4,194	-	-
Total Revenues	<u>1,135,717</u>	<u>120,527</u>	<u>188,141</u>
Expenditures:			
Current:			
General government	1,146	-	-
Public safety	-	-	-
Judicial	-	-	-
Public works	-	156,431	203,693
Welfare	-	-	-
Health	-	-	-
Culture and recreation	-	-	-
Airport	-	-	-
Economic opportunity	-	-	-
Total Expenditures	<u>1,146</u>	<u>156,431</u>	<u>203,693</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,134,571</u>	<u>(35,904)</u>	<u>(15,552)</u>
Other Financing Sources (Uses):			
Transfers in	-	-	24,378
Transfers out	(1,115,944)	(573,666)	-
Total Other Financing Sources (Uses)	<u>(1,115,944)</u>	<u>(573,666)</u>	<u>24,378</u>
Net Change in Fund Balances	18,627	(609,570)	8,826
Fund Balances, July 1	<u>124,222</u>	<u>609,570</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 142,849</u>	<u>\$ -</u>	<u>\$ 8,826</u>

AIRPORT	GRANT	TOTAL
\$ -	\$ -	\$ 10,192,198
-	-	250
579,295	2,808,094	6,166,497
-	-	428,379
-	-	84,632
-	5,697	1,004,764
<u>579,295</u>	<u>2,813,791</u>	<u>17,876,720</u>
-	286,852	1,697,221
-	909,785	1,322,245
-	73,636	345,866
-	-	14,358,497
-	128,656	1,653,486
-	1,188,937	1,188,937
-	74,208	831,378
579,295	-	579,295
-	196,494	279,744
<u>579,295</u>	<u>2,858,568</u>	<u>22,256,669</u>
-	(44,777)	(4,379,949)
-	314,857	5,210,012
-	-	(3,476,936)
-	314,857	1,733,076
-	270,080	(2,646,873)
-	368,712	19,687,825
<u>\$ -</u>	<u>\$ 638,792</u>	<u>\$ 17,040,952</u>

CARSON CITY
SENIOR CITIZENS CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ 652,716	\$ 657,319	\$ 4,603	\$ 623,554
Miscellaneous:				
Investment income	23,550	34,267	10,717	25,657
Gifts and donations	-	-	-	80
	23,550	34,267	10,717	25,737
Total Revenues	676,266	691,586	15,320	649,291
Expenditures:				
Culture and recreation:				
Participant recreation:				
Salaries and wages	189,115	183,632	5,483	165,112
Employee benefits	69,437	73,718	(4,281)	66,419
Services and supplies	199,194	180,549	18,645	184,333
Total Expenditures	457,746	437,899	19,847	415,864
Excess (Deficiency) of Revenues over Expenditures	218,520	253,687	35,167	233,427
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	(15,000)	(15,000)	-	(15,000)
Carson City Debt Service Fund	(156,213)	(156,213)	-	(154,813)
Total Other Financing Sources (Uses)	(171,213)	(171,213)	-	(169,813)
Net Change in Fund Balances	47,307	82,474	35,167	63,614
Fund Balances, July 1	420,418	420,418	-	356,804
Fund Balances, June 30	\$ 467,725	\$ 502,892	\$ 35,167	\$ 420,418

**CARSON CITY
COOPERATIVE EXTENSION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ 165,000	\$ 168,420	\$ 3,420	\$ 159,629
Miscellaneous:				
Refunds and reimbursements	11,184	11,184	-	10,700
Total Revenues	<u>176,184</u>	<u>179,604</u>	<u>3,420</u>	<u>170,329</u>
Expenditures:				
Culture and recreation:				
Cooperative extension:				
Salaries and wages	9,612	2,544	7,068	17,848
Employee benefits	548	187	361	2,912
Services and supplies	228,308	147,759	80,549	135,595
Capital Outlay	20,000	-	20,000	-
Total Expenditures	<u>258,468</u>	<u>150,490</u>	<u>107,978</u>	<u>156,355</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(82,284)</u>	<u>29,114</u>	<u>111,398</u>	<u>13,974</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	-	-	(59,177)
Net Change in Fund Balances	<u>(82,284)</u>	<u>29,114</u>	<u>111,398</u>	<u>(45,203)</u>
Fund Balances, July 1	<u>135,648</u>	<u>135,648</u>	<u>-</u>	<u>180,851</u>
Fund Balances, June 30	<u>\$ 53,364</u>	<u>\$ 164,762</u>	<u>\$ 111,398</u>	<u>\$ 135,648</u>

**CARSON CITY
TRAFFIC TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Licenses and permits:				
Handicap Permits	\$ -	\$ 250	\$ 250	\$ -
Fines and forfeits:				
Fines:				
Court	85,000	84,632	(368)	75,504
Miscellaneous:				
Investment income	3,000	1,780	(1,220)	2,687
Rents and royalties	15,000	13,646	(1,354)	14,183
Other	-	41	41	18
	<u>18,000</u>	<u>15,467</u>	<u>(2,533)</u>	<u>16,888</u>
Total Revenues	<u>103,000</u>	<u>100,349</u>	<u>(2,651)</u>	<u>92,392</u>
Expenditures:				
Public safety:				
Sheriff - parking enforcement:				
Salaries and wages	65,176	62,459	2,717	57,479
Employee benefits	24,559	27,863	(3,304)	25,215
Services and supplies	56,757	40,818	15,939	35,615
Capital outlay	-	-	-	20,725
Total Expenditures	<u>146,492</u>	<u>131,140</u>	<u>15,352</u>	<u>139,034</u>
Excess (Deficiency) of Revenues over Expenditures	(43,492)	(30,791)	12,701	(46,642)
Fund Balances, July 1	<u>48,166</u>	<u>48,166</u>	<u>-</u>	<u>94,808</u>
Fund Balances, June 30	<u>\$ 4,674</u>	<u>\$ 17,375</u>	<u>\$ 12,701</u>	<u>\$ 48,166</u>

**CARSON CITY
SUPPLEMENTAL INDIGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ 1,501,212	\$ 1,513,069	\$ 11,857	\$ 1,434,159
Miscellaneous:				
Investment income	29,741	48,762	19,021	28,509
Total Revenues	<u>1,530,953</u>	<u>1,561,831</u>	<u>30,878</u>	<u>1,462,668</u>
Expenditures:				
Welfare:				
Institutional care:				
Services and supplies	<u>1,650,953</u>	<u>1,524,830</u>	<u>126,123</u>	<u>1,582,668</u>
Excess (Deficiency) of Revenues over Expenditures	(120,000)	37,001	157,001	(120,000)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	<u>120,000</u>	<u>-</u>	<u>(120,000)</u>	<u>120,000</u>
Net Change in Fund Balances	-	37,001	37,001	-
Fund Balances, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 37,001</u>	<u>\$ 37,001</u>	<u>\$ -</u>

**CARSON CITY
LIBRARY GIFT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 62,068	\$ 36,640	\$ (25,428)	\$ 3,432
State grants	22,550	22,144	(406)	20,833
	<u>84,618</u>	<u>58,784</u>	<u>(25,834)</u>	<u>24,265</u>
Miscellaneous:				
Donations and gifts	3,000	29,261	26,261	15,374
Investment income	1,500	8,494	6,994	5,875
Other	6,548	-	(6,548)	-
	<u>11,048</u>	<u>37,755</u>	<u>26,707</u>	<u>21,249</u>
Total Revenues	<u>95,666</u>	<u>96,539</u>	<u>873</u>	<u>45,514</u>
Expenditures:				
Culture and recreation:				
Libraries:				
Services and supplies	171,166	69,613	101,553	29,699
Capital outlay	25,000	-	25,000	-
Total Expenditures	<u>196,166</u>	<u>69,613</u>	<u>126,553</u>	<u>29,699</u>
Excess (Deficiency) of Revenues over Expenditures	(100,500)	26,926	127,426	15,815
Fund Balances, July 1	<u>117,368</u>	<u>117,368</u>	<u>-</u>	<u>101,553</u>
Fund Balances, June 30	<u>\$ 16,868</u>	<u>\$ 144,294</u>	<u>\$ 127,426</u>	<u>\$ 117,368</u>

CARSON CITY
ADMINISTRATIVE ASSESSMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
State grants	\$ 80,000	\$ 80,000	\$ -	\$ -
State shared revenue:				
Administrative assessments	97,000	99,623	2,623	83,818
Total Revenues	<u>177,000</u>	<u>179,623</u>	<u>2,623</u>	<u>83,818</u>
Expenditures:				
Judicial:				
Services and supplies	65,000	45,347	19,653	36,963
Capital outlay	218,418	226,883	(8,465)	41,547
Total Expenditures	<u>283,418</u>	<u>272,230</u>	<u>11,188</u>	<u>78,510</u>
Excess (Deficiency) of Revenues over Expenditures	(106,418)	(92,607)	13,811	5,308
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	50,000	50,000	-	-
Net Change in Fund Balances	(56,418)	(42,607)	13,811	5,308
Fund Balances, July 1	<u>61,418</u>	<u>61,418</u>	<u>-</u>	<u>56,110</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 18,811</u>	<u>\$ 13,811</u>	<u>\$ 61,418</u>

**CARSON CITY
REGIONAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
County option motor vehicle fuel tax	\$ 3,646,915	\$ 3,411,116	\$ (235,799)	\$ 3,477,350
Intergovernmental revenues:				
Federal grants	-	-	-	319,126
Miscellaneous:				
Investment income	50,000	315,050	265,050	375,610
Rents and royalties	15,000	2,500	(12,500)	15,000
Donations and gifts	-	206,371	206,371	10,049
	65,000	523,921	458,921	400,659
Total Revenues	3,711,915	3,935,037	223,122	4,197,135
Expenditures:				
Public works:				
Paved streets:				
Salaries and wages	23,347	66,643	(43,296)	2,448
Employee benefits	10,431	17,782	(7,351)	843
Services and supplies	730,873	595,000	135,873	781,215
Capital outlay	10,156,263	5,841,227	4,315,036	1,715,854
Total Expenditures	10,920,914	6,520,652	4,400,262	2,500,360
Excess (Deficiency) of Revenues over Expenditures	(7,208,999)	(2,585,615)	4,623,384	1,696,775
Other Financing Sources (Uses):				
Transfers in (out):				
Campo Fund	(23,702)	(24,378)	(676)	-
Carson City Debt Service Fund	(424,925)	(424,925)	-	(425,500)
Total Other Financing Sources (Uses)	(448,627)	(449,303)	(676)	(425,500)
Net Change in Fund Balances	(7,657,626)	(3,034,918)	4,622,708	1,271,275
Fund Balances, July 1	7,867,046	7,867,046	-	6,595,771
Fund Balances, June 30	\$ 209,420	\$ 4,832,128	\$ 4,622,708	\$ 7,867,046

**CARSON CITY
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ 650,792	\$ 658,410	\$ 7,618	\$ 623,559
Miscellaneous:				
Investment income	15,000	36,771	21,771	40,923
Total Revenues	<u>665,792</u>	<u>695,181</u>	<u>29,389</u>	<u>664,482</u>
Expenditures:				
General government:				
Services and supplies:				
Professional services	-	-	-	11,784
Capital outlay:				
Vehicle Replacement Program	-	-	-	51,933
Building improvements	-	-	-	302
	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,235</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,019</u>
Excess (Deficiency) of Revenues over Expenditures	<u>665,792</u>	<u>695,181</u>	<u>29,389</u>	<u>600,463</u>
Other Financing Sources (Uses):				
Tranfers in (out):				
Capital Acquisition and Development Fund	(480,266)	(480,266)	-	(210,000)
Carson City Debt Service Fund	(561,525)	(561,525)	-	(559,325)
Total Other Financing Sources (Uses)	<u>(1,041,791)</u>	<u>(1,041,791)</u>	<u>-</u>	<u>(769,325)</u>
Net Change in Fund Balances	<u>(375,999)</u>	<u>(346,610)</u>	<u>29,389</u>	<u>(168,862)</u>
Fund Balances, July 1	<u>648,163</u>	<u>648,163</u>	<u>-</u>	<u>817,025</u>
Fund Balances, June 30	<u>\$ 272,164</u>	<u>\$ 301,553</u>	<u>\$ 29,389</u>	<u>\$ 648,163</u>

**CARSON CITY
 LANDFILL CLOSURE / POST CLOSURE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008**

	FINAL BUDGET	ACTUAL	VARIANCE
Other Financing Sources (Uses):			
Transfers in (out):			
General Fund	\$ 156,548	\$ 220,029	\$ 63,481
Carson City Sanitary Landfill Fund	2,518,316	2,518,316	-
Total Other Financing Sources (Uses)	2,674,864	2,738,345	63,481
Fund Balances, July 1	-	-	-
Fund Balances, June 30	\$ 2,674,864	\$ 2,738,345	\$ 63,481

CARSON CITY
STREET MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
County option motor vehicle fuel tax	\$ 407,291	\$ 380,918	\$ (26,373)	\$ 422,924
Sales tax, voter approved	2,634,350	2,271,423	(362,927)	2,445,170
	<u>3,041,641</u>	<u>2,652,341</u>	<u>(389,300)</u>	<u>2,868,094</u>
Intergovernmental revenues:				
State shared revenues:				
Motor vehicle fuel tax	1,430,319	1,330,616	(99,703)	1,373,902
Other local government grants:				
Interlocal cooperative agreements	-	-	-	200
	<u>1,430,319</u>	<u>1,330,616</u>	<u>(99,703)</u>	<u>1,374,102</u>
Charges for services:	<u>105,000</u>	<u>136,894</u>	<u>31,894</u>	<u>237,063</u>
Miscellaneous:				
Investment income	75,000	16,858	(58,142)	99,864
Refunds and reimbursements	-	1,235	1,235	6,668
	<u>75,000</u>	<u>18,093</u>	<u>(56,907)</u>	<u>106,532</u>
Total Revenues	<u>4,651,960</u>	<u>4,137,944</u>	<u>(514,016)</u>	<u>4,585,791</u>
Expenditures:				
Public works:				
Salaries and wages	1,535,882	1,445,022	90,860	1,176,712
Employee benefits	514,897	468,628	46,269	394,793
Services and supplies	4,038,181	3,410,711	627,470	2,535,823
Capital outlay	503,000	835,500	(332,500)	729,884
Total Expenditures	<u>6,591,960</u>	<u>6,159,861</u>	<u>432,099</u>	<u>4,837,212</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,940,000)</u>	<u>(2,021,917)</u>	<u>(81,917)</u>	<u>(251,421)</u>
Other Financing Sources (Uses):				
Contingency	<u>(60,000)</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Net Change in Fund Balances	<u>(2,000,000)</u>	<u>(2,021,917)</u>	<u>(21,917)</u>	<u>(251,421)</u>
Fund Balances, July 1	<u>2,100,000</u>	<u>2,757,957</u>	<u>657,957</u>	<u>3,009,378</u>
Fund Balances, June 30	<u>\$ 100,000</u>	<u>\$ 736,040</u>	<u>\$ 636,040</u>	<u>\$ 2,757,957</u>

CARSON CITY
CAPITAL ACQUISITION AND DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ -	\$ -	\$ -	\$ 297,435
Other local government grants:				
Interlocal cooperative agreements	67,479	67,479	-	-
	<u>67,479</u>	<u>67,479</u>	<u>-</u>	<u>297,435</u>
Charges for services:				
Paramedic Training Program	-	-	-	37,241
Miscellaneous:				
Investment income	115,330	149,802	34,472	171,896
Total Revenues	<u>182,809</u>	<u>217,281</u>	<u>34,472</u>	<u>506,572</u>
Expenditures:				
General government:				
Employee benefits	-	158	(158)	-
Services and supplies	120,518	149,817	(29,299)	281,357
Capital outlay	2,190,175	826,952	1,363,223	797,159
	<u>2,310,693</u>	<u>976,927</u>	<u>1,333,766</u>	<u>1,078,516</u>
Public safety:				
Services and supplies	153,800	55,745	98,055	485,564
Capital outlay	58,200	5,960	52,240	717,057
	<u>212,000</u>	<u>61,705</u>	<u>150,295</u>	<u>1,202,621</u>
Public works:				
Services and supplies	50,000	10,000	40,000	-
Health:				
Services and supplies	-	-	-	23,675
Capital outlay	-	-	-	16,380
	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,055</u>
Culture and recreation:				
Salaries and wages	-	-	-	1,371
Employee benefits	-	-	-	319
Services and supplies	3,500	10,352	(6,852)	19,532
Capital outlay	193,222	88,816	104,406	679,421
	<u>196,722</u>	<u>99,168</u>	<u>97,554</u>	<u>700,643</u>
Economic opportunity:				
Services and supplies	85,050	83,250	1,800	94,500
Total Expenditures	<u>2,854,465</u>	<u>1,231,050</u>	<u>1,623,415</u>	<u>3,116,335</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,671,656)</u>	<u>(1,013,769)</u>	<u>1,657,887</u>	<u>(2,609,763)</u>

CARSON CITY
CAPITAL ACQUISITION AND DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	\$ 722,735	\$ -	\$ (722,735)	\$ 46,000
Continuous Quality Improvement Fund	-	-	-	145,211
Capital Projects Fund	480,266	480,266	-	210,000
Fleet Maintenance Fund	278,500	278,500	-	-
General Fund	(16,250)	(16,250)	-	(7,500)
Cemetery Fund	-	-	-	(13,200)
Ambulance Fund	(31,631)	(31,631)	-	-
Carson City Debt Service Fund	(77,138)	(77,138)	-	(79,011)
Total Other Financing Sources (Uses)	<u>1,356,482</u>	<u>633,747</u>	<u>(722,735)</u>	<u>301,500</u>
Net Change in Fund Balances	(1,315,174)	(380,022)	935,152	(2,308,263)
Fund Balances, July 1	<u>2,982,223</u>	<u>2,982,223</u>	-	<u>5,290,486</u>
Fund Balances, June 30	<u>\$ 1,667,049</u>	<u>\$ 2,602,201</u>	<u>\$ 935,152</u>	<u>\$ 2,982,223</u>

**CARSON CITY
STABILIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Other Financing Sources (Uses):				
Transfers in (out):				
2006 Flood Fund	\$ 572,901	\$ 573,666	\$ 765	\$ -
Total Other Financing Sources (Uses)	572,901	573,666	765	-
Fund Balances, July 1	2,934,968	2,934,968	-	2,934,968
Fund Balances, June 30	<u>\$ 3,507,869</u>	<u>\$ 3,508,634</u>	<u>\$ 765</u>	<u>\$ 2,934,968</u>

**CARSON CITY
REDEVELOPMENT ADMINISTRATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Other local government grants	\$ 2,000,000	\$ -	\$ (2,000,000)	\$ -
Miscellaneous:				
Investment income	3,000	2,676	(324)	1,364
Other	24,380	14,380	(10,000)	15,623
	<u>27,380</u>	<u>17,056</u>	<u>(10,324)</u>	<u>16,987</u>
Total Revenues	<u>2,027,380</u>	<u>17,056</u>	<u>(2,010,324)</u>	<u>16,987</u>
Expenditures:				
General government:				
Salaries and wages	30,849	31,952	(1,103)	29,028
Employee benefits	16,593	15,099	1,494	13,811
Services and supplies	2,367,000	385,245	1,981,755	312,731
Total Expenditures	<u>2,414,442</u>	<u>432,296</u>	<u>1,982,146</u>	<u>355,570</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(387,062)</u>	<u>(415,240)</u>	<u>(28,178)</u>	<u>(338,583)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	400,000	400,000	-	220,000
Net Change in Fund Balances	12,938	(15,240)	(28,178)	(118,583)
Fund Balances, July 1	<u>19,106</u>	<u>19,106</u>	<u>-</u>	<u>137,689</u>
Fund Balances, June 30	<u>\$ 32,044</u>	<u>\$ 3,866</u>	<u>\$ (28,178)</u>	<u>\$ 19,106</u>

CARSON CITY
FIREFIGHTER RETIREMENT MEDICAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Charges for services:				
Employee contributions	\$ 13,018	\$ 11,789	\$ (1,229)	\$ 9,179
Employer contributions	81,366	83,354	1,988	77,556
	<u>94,384</u>	<u>95,143</u>	<u>759</u>	<u>86,735</u>
Miscellaneous:				
Investment income	2,000	6,271	4,271	3,020
	<u>96,384</u>	<u>101,414</u>	<u>5,030</u>	<u>89,755</u>
Total Revenues				
Expenditures:				
Public safety:				
Services and supplies	71,999	57,557	14,442	46,487
Excess (Deficiency) of Revenues over Expenditures	<u>24,385</u>	<u>43,857</u>	<u>19,472</u>	<u>43,268</u>
Fund Balances, July 1	<u>97,389</u>	<u>97,389</u>	-	<u>54,121</u>
Fund Balances, June 30	<u>\$ 121,774</u>	<u>\$ 141,246</u>	<u>\$ 19,472</u>	<u>\$ 97,389</u>

**CARSON CITY
CARSON CITY TRANSIT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 833,938	\$ 833,938	\$ -	\$ 953,097
Other local government grants	-	-	-	14,551
	<u>833,938</u>	<u>833,938</u>	<u>-</u>	<u>967,648</u>
Charges for services:				
Ticket sales	72,000	91,408	19,408	79,044
Miscellaneous:				
Investment income	1,000	13,865	12,865	4,123
Total Revenues	<u>906,938</u>	<u>939,211</u>	<u>32,273</u>	<u>1,050,815</u>
Expenditures:				
Public works:				
Transit system:				
Services and supplies	1,067,207	1,043,618	23,589	1,229,845
Capital outlay	264,242	264,242	-	-
Total Expenditures	<u>1,331,449</u>	<u>1,307,860</u>	<u>23,589</u>	<u>1,229,845</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(424,511)</u>	<u>(368,649)</u>	<u>55,862</u>	<u>(179,030)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	350,000	350,000	-	350,000
Net Change in Fund Balances	<u>(74,511)</u>	<u>(18,649)</u>	<u>55,862</u>	<u>170,970</u>
Fund Balances, July 1	<u>316,871</u>	<u>316,871</u>	<u>-</u>	<u>145,901</u>
Fund Balances, June 30	<u>\$ 242,360</u>	<u>\$ 298,222</u>	<u>\$ 55,862</u>	<u>\$ 316,871</u>

**CARSON CITY
COMMISSARY FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Charges for Services:				
Public safety:				
Commissary sales	\$ 110,000	\$ 104,934	\$ (5,066)	\$ 108,542
Miscellaneous:				
Investment income	1,500	11,879	10,379	8,482
Rents and royalties	78,000	65,453	(12,547)	80,055
Gifts and donations	3,000	4,327	1,327	4,759
	<u>82,500</u>	<u>81,659</u>	<u>(841)</u>	<u>93,296</u>
Total Revenues	<u>192,500</u>	<u>186,593</u>	<u>(5,907)</u>	<u>201,838</u>
Expenditures:				
Public safety:				
Salaries and wages	56,216	54,366	1,850	50,608
Employee benefits	21,445	17,434	4,011	16,116
Services and supplies	147,525	90,258	57,267	94,408
Total Expenditures	<u>225,186</u>	<u>162,058</u>	<u>63,128</u>	<u>161,132</u>
Excess (Deficiency) of Revenues over Expenditures	(32,686)	24,535	57,221	40,706
Fund Balances, July 1	<u>128,905</u>	<u>178,580</u>	<u>49,675</u>	<u>137,874</u>
Fund Balances, June 30	<u>\$ 96,219</u>	<u>\$ 203,115</u>	<u>\$ 106,896</u>	<u>\$ 178,580</u>

CARSON CITY
V & T SPECIAL INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Sales tax	\$ 1,317,175	\$ 1,131,523	\$ (185,652)	\$ 1,208,318
Miscellaneous:				
Investment income	10,000	4,194	(5,806)	9,314
Total Revenues	1,327,175	1,135,717	(191,458)	1,217,632
Expenditures:				
General government:				
Services and supplies	1,500	1,146	354	1,508
Excess (Deficiency) of Revenues over Expenditures	1,325,675	1,134,571	(191,104)	1,216,124
Other Financing Sources (Uses):				
Transfers in (out):				
Carson City Debt Service Fund	(1,115,944)	(1,115,944)	-	(1,116,144)
Net Change in Fund Balances	209,731	18,627	(191,104)	99,980
Fund Balances, July 1	189,840	124,222	(65,618)	24,242
Fund Balances, June 30	\$ 399,571	\$ 142,849	\$ (256,722)	\$ 124,222

**CARSON CITY
2006 FLOOD FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 120,527	\$ 120,527	\$ -	\$ 316,103
Other local government grants:				
Interlocal cooperative agreements	-	-	-	125,000
Total Revenues	<u>120,527</u>	<u>120,527</u>	<u>-</u>	<u>441,103</u>
Expenditures:				
Public works:				
Services and supplies	<u>157,196</u>	<u>156,431</u>	<u>765</u>	<u>366,234</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(36,669)</u>	<u>(35,904)</u>	<u>765</u>	<u>74,869</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Stabilization Fund	<u>(572,901)</u>	<u>(573,666)</u>	<u>(765)</u>	<u>-</u>
Net Change in Fund Balances	<u>(609,570)</u>	<u>(609,570)</u>	<u>-</u>	<u>74,869</u>
Fund Balances, July 1	<u>609,570</u>	<u>609,570</u>	<u>-</u>	<u>534,701</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,570</u>

**CARSON CITY
CAMPO FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Revenues:			
Intergovernmental revenues:			
Federal grants	\$ 275,150	\$ 183,669	\$ (91,481)
Other local government grants:			
Interlocal cooperative agreements	<u>4,348</u>	<u>4,472</u>	<u>124</u>
Total Revenues	<u>279,498</u>	<u>188,141</u>	<u>(91,357)</u>
Expenditures:			
Public works:			
Services and supplies	<u>303,200</u>	<u>203,693</u>	<u>99,507</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(23,702)</u>	<u>(15,552)</u>	<u>8,150</u>
Other Financing Sources (Uses):			
Transfers in (out):			
Regional Transportation Fund	<u>23,702</u>	<u>24,378</u>	<u>676</u>
Net Change in Fund Balances	-	8,826	8,826
Fund Balances, July 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 8,826</u>	<u>\$ 8,826</u>

**CARSON CITY
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Federal grant, FAA	\$ 502,830	\$ 502,830	\$ -	\$ 9,529,024
State Grant	50,000	50,000	-	-
Other local shared revenues:				
CC Airport Authority	26,465	26,465	-	505,379
Total Revenues	<u>579,295</u>	<u>579,295</u>	<u>-</u>	<u>10,034,403</u>
Expenditures:				
Airport:				
Services and supplies	369,783	369,783	-	12,870
Capital outlay	209,512	209,512	-	10,021,533
Total Expenditures	<u>579,295</u>	<u>579,295</u>	<u>-</u>	<u>10,034,403</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Fund Balances, July 1	-	-	-	-
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CARSON CITY
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 3,548,799	\$ 2,507,621	\$ (1,041,178)	\$ 2,326,722
State grants	944,150	175,521	(768,629)	196,508
Other local government grants:				
Interlocal cooperative agreements	188,030	124,952	(63,078)	17,670
	<u>4,680,979</u>	<u>2,808,094</u>	<u>(1,872,885)</u>	<u>2,540,900</u>
Miscellaneous:				
Other	4,000	5,697	1,697	41,703
Total Revenues	<u>4,684,979</u>	<u>2,813,791</u>	<u>(1,871,188)</u>	<u>2,582,603</u>
Expenditures:				
General government:				
Services and supplies	735,539	286,852	448,687	400,232
Capital outlay	-	-	-	12,079
	<u>735,539</u>	<u>286,852</u>	<u>448,687</u>	<u>412,311</u>
Public safety:				
Salaries and wages	-	7,611	(7,611)	2,527
Employee benefits	-	41	(41)	106
Services and supplies	1,068,968	885,108	183,860	452,106
Capital outlay	-	17,025	(17,025)	163,885
	<u>1,068,968</u>	<u>909,785</u>	<u>159,183</u>	<u>618,624</u>
Judicial:				
Services and supplies	56,120	56,120	-	26,603
Capital outlay	17,516	17,516	-	-
	<u>73,636</u>	<u>73,636</u>	<u>-</u>	<u>26,603</u>
Welfare:				
Salaries and wages	-	31,046	(31,046)	29,465
Employee benefits	-	13,519	(13,519)	15,075
Services and supplies	149,000	84,091	64,909	109,839
	<u>149,000</u>	<u>128,656</u>	<u>20,344</u>	<u>154,379</u>
Health:				
Salaries and wages	594,918	403,403	191,515	298,034
Employee benefits	-	167,780	(167,780)	119,854
Services and supplies	581,280	472,315	108,965	685,306
Capital outlay	147,000	145,439	1,561	5,200
	<u>1,323,198</u>	<u>1,188,937</u>	<u>134,261</u>	<u>1,108,394</u>
Culture and recreation:				
Services and supplies	40,606	28,486	12,120	-
Capital outlay	1,009,210	45,722	963,488	58,026
	<u>1,049,816</u>	<u>74,208</u>	<u>975,608</u>	<u>58,026</u>

**CARSON CITY
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Economic opportunity:				
Services and supplies	\$ 455,505	\$ 143,510	\$ 311,995	\$ 154,327
Capital outlay	-	52,984	(52,984)	79,800
	<u>455,505</u>	<u>196,494</u>	<u>259,011</u>	<u>234,127</u>
Total Expenditures	<u>4,855,662</u>	<u>2,858,568</u>	<u>1,997,094</u>	<u>2,612,464</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(170,683)</u>	<u>(44,777)</u>	<u>125,906</u>	<u>(29,861)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	314,857	314,857	198,029
General Fund	<u>(198,029)</u>	<u>-</u>	<u>198,029</u>	<u>(225,000)</u>
Total Other Financing Sources (Uses)	<u>(198,029)</u>	<u>314,857</u>	<u>512,886</u>	<u>(26,971)</u>
Net Change in Fund Balances	<u>(368,712)</u>	<u>270,080</u>	<u>638,792</u>	<u>(56,832)</u>
Fund Balances, July 1	<u>368,712</u>	<u>368,712</u>	<u>-</u>	<u>425,544</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 638,792</u>	<u>\$ 638,792</u>	<u>\$ 368,712</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and payment of long-term obligation principal and interest from governmental resources.

Nonmajor Funds

Carson City Debt Service Fund - This Fund is used to accumulate monies for payment of general obligation bonds, notes, and capital lease obligations of the City that are not required to be accounted for in the Proprietary Funds.

Redevelopment Debt Service Fund - This Fund is used to accumulate monies for the payment of bonds and notes of the Redevelopment Agency.

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2008**

	CARSON CITY DEBT	REDEVELOPMENT DEBT	TOTAL
ASSETS			
Cash and investments	\$ 1,012,567	\$ 221,707	\$ 1,234,274
Taxes receivable, delinquent	806	10,869	11,675
Due from other funds	46,907	-	46,907
Prepaid items	250	-	250
Total Assets	\$ 1,060,530	\$ 232,576	\$ 1,293,106
LIABILITIES			
Deferred revenue	\$ 537	\$ 8,636	\$ 9,173
FUND BALANCES			
Reserved for prepaid items	250	-	250
Unreserved:			
Designated for subsequent year's expenditures	1,042,231	217,098	1,259,329
Undesignated	17,512	6,842	24,354
Total Fund Balances	1,059,993	223,940	1,283,933
Total Liabilities and Fund Balances	\$ 1,060,530	\$ 232,576	\$ 1,293,106

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>CARSON CITY DEBT</u>	<u>REDEVELOPMENT DEBT</u>	<u>TOTAL</u>
Revenues:			
Taxes	\$ 1,803	\$ 932,106	\$ 933,909
Intergovernmental revenues	408,415	-	408,415
Miscellaneous	287,020	21,565	308,585
Total Revenues	<u>697,238</u>	<u>953,671</u>	<u>1,650,909</u>
Expenditures:			
Debt service:			
Principal	2,822,232	216,600	3,038,832
Interest	3,501,655	146,842	3,648,497
Fiscal charges	2,527	150	2,677
Total Expenditures	<u>6,326,414</u>	<u>363,592</u>	<u>6,690,006</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(5,629,176)</u>	<u>590,079</u>	<u>(5,039,097)</u>
Other Financing Sources (Uses):			
Transfers in	5,716,801	-	5,716,801
Transfers out	-	(575,000)	(575,000)
Total Other Financing Sources (Uses)	<u>5,716,801</u>	<u>(575,000)</u>	<u>5,141,801</u>
Net Change in Fund Balances	87,625	15,079	102,704
Fund Balances, July 1	<u>972,368</u>	<u>208,861</u>	<u>1,181,229</u>
Fund Balances, June 30	<u>\$ 1,059,993</u>	<u>\$ 223,940</u>	<u>\$ 1,283,933</u>

CARSON CITY
CARSON CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ -	\$ 1,803	\$ 1,803	\$ 400,319
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	408,415	408,415	-	407,220
Miscellaneous:				
Investment income	75,000	86,968	11,968	79,525
Rents and royalties	200,000	200,000	-	200,000
Refunds and reimbursements	-	52	52	-
	<u>275,000</u>	<u>287,020</u>	<u>12,020</u>	<u>279,525</u>
Total Revenues	<u>683,415</u>	<u>697,238</u>	<u>13,823</u>	<u>1,087,064</u>
Expenditures:				
Debt service:				
General obligation bonds:				
Principal	2,241,897	2,241,897	-	2,279,942
Interest	3,203,624	3,203,633	(9)	3,297,426
	<u>5,445,521</u>	<u>5,445,530</u>	<u>(9)</u>	<u>5,577,368</u>
Revenue bonds:				
Principal	225,000	225,000	-	220,000
Interest	199,925	199,925	-	205,500
	<u>424,925</u>	<u>424,925</u>	<u>-</u>	<u>425,500</u>
Notes payable:				
Principal	355,335	355,335	-	339,604
Interest	98,072	98,097	(25)	110,055
	<u>453,407</u>	<u>453,432</u>	<u>(25)</u>	<u>449,659</u>
Fiscal charges	6,500	2,527	3,973	4,105
Total Expenditures	<u>6,330,353</u>	<u>6,326,414</u>	<u>3,939</u>	<u>6,456,632</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(5,646,938)</u>	<u>(5,629,176)</u>	<u>17,762</u>	<u>(5,369,568)</u>

CARSON CITY
CARSON CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	\$ 2,376,248	\$ 2,376,248	\$ -	\$ 2,137,494
Senior Citizens Center Fund	156,213	156,213	-	154,813
Capital Acquisition and Development Fund	77,138	77,138	-	79,011
Regional Transportation Fund	424,925	424,925	-	425,500
Capital Projects Fund	561,525	561,525	-	559,325
V & T Special Infrastructure Fund	1,115,944	1,115,944	-	1,116,144
Quality of Life Fund	1,004,808	1,004,808	-	1,004,347
Capital Facilities Fund	-	-	-	(369,555)
Total Other Financing Sources (Uses)	5,716,801	5,716,801	-	5,107,079
Net Change in Fund Balances	69,863	87,625	17,762	(262,489)
Fund Balances, July 1	934,674	972,368	37,694	1,234,857
Fund Balances, June 30	<u>\$ 1,004,537</u>	<u>\$ 1,059,993</u>	<u>\$ 55,456</u>	<u>\$ 972,368</u>

CARSON CITY
REDEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Ad valorem	\$ 927,179	\$ 932,106	\$ 4,927	\$ 625,251
Miscellaneous				
Investment income	20,000	21,565	1,565	7,397
Total Revenues	<u>947,179</u>	<u>953,671</u>	<u>6,492</u>	<u>632,648</u>
Expenditures:				
Debt service:				
Principal	216,600	216,600	-	216,700
Interest	146,842	146,842	-	147,639
Fiscal charges	500	150	350	149
Total Expenditures	<u>363,942</u>	<u>363,592</u>	<u>350</u>	<u>364,488</u>
Excess (Deficiency) of Revenues over Expenditures	<u>583,237</u>	<u>590,079</u>	<u>6,842</u>	<u>268,160</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Administration Fund	(400,000)	(400,000)	-	(220,000)
Redevelopment Revolving Fund	(175,000)	(175,000)	-	(40,000)
Total Other Financing Sources (Uses)	<u>(575,000)</u>	<u>(575,000)</u>	<u>-</u>	<u>(260,000)</u>
Net Change in Fund Balances	8,237	15,079	6,842	8,160
Fund Balances, July 1	<u>208,861</u>	<u>208,861</u>	<u>-</u>	<u>200,701</u>
Fund Balances, June 30	<u>\$ 217,098</u>	<u>\$ 223,940</u>	<u>\$ 6,842</u>	<u>\$ 208,861</u>

CAPITAL PROJECTS FUNDS

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

Nonmajor Funds

Capital Facilities Fund - This Fund is used to account for acquisition, construction, or renovation of City facilities.

Residential Construction Fund - This Fund is used to account for the one percent tax on the valuation of each building permit issued or \$1,000 per residential dwelling unit, whichever is less, to be used for the purpose of providing neighborhood parks and park facilities in accordance with Nevada Revised Statute 278.4983.

Redevelopment Revolving Fund - This Fund is used to account for construction projects of the Redevelopment Agency.

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2008**

	CAPITAL FACILITIES	RESIDENTIAL CONSTRUCTION	REDEVELOPMENT REVOLVING	TOTAL
ASSETS				
Cash and investments: Unrestricted	\$ 2,672,222	\$ 612,963	\$ 906,585	\$ 4,191,770
LIABILITIES				
Accounts payable	\$ 914,516	\$ 76,897	\$ 29,608	\$ 1,021,021
Accrued salaries and benefits	62	1,150	231	1,443
Total Liabilities	914,578	78,047	29,839	1,022,464
FUND BALANCES				
Unreserved:				
Designated for subsequent year's expenditures	-	23,552	50,000	73,552
Undesignated	1,757,644	511,364	826,746	3,095,754
Total Fund Balances	1,757,644	534,916	876,746	3,169,306
Total Liabilities and Fund Balances	\$ 2,672,222	\$ 612,963	\$ 906,585	\$ 4,191,770

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	CAPITAL FACILITIES	RESIDENTIAL CONSTRUCTION	REDEVELOPMENT REVOLVING	TOTAL
Revenues:				
Taxes	\$ -	\$ 48,997	\$ -	\$ 48,997
Intergovernmental revenues	-	-	33,467	33,467
Miscellaneous	179,419	42,051	141,942	363,412
Total Revenues	179,419	91,048	175,409	445,876
Expenditures:				
Current:				
General government	1,145	-	-	1,145
Public safety	232,257	-	-	232,257
Culture and recreation	-	117,040	-	117,040
Community support	-	-	151,417	151,417
Capital outlay:				
Public safety	3,625,043	-	-	3,625,043
Culture and recreation	-	220,621	-	220,621
Community support	-	-	238,705	238,705
Total Expenditures	3,858,445	337,661	390,122	4,586,228
Excess (Deficiency) of Revenues over Expenditures	(3,679,026)	(246,613)	(214,713)	(4,140,352)
Other Financing Sources (Uses):				
Transfers in	-	-	175,000	175,000
Transfers out	(211,212)	-	-	(211,212)
Total Other Financing Sources (Uses)	(211,212)	-	175,000	(36,212)
Net Change in Fund Balances	(3,890,238)	(246,613)	(39,713)	(4,176,564)
Fund Balances, July 1	5,647,882	781,529	916,459	7,345,870
Fund Balances, June 30	\$ 1,757,644	\$ 534,916	\$ 876,746	\$ 3,169,306

**CARSON CITY
CAPITAL FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Miscellaneous:				
Investment income	\$ -	\$ 179,419	\$ 179,419	\$ 486,720
Expenditures:				
General government:				
Services and supplies	-	1,145	(1,145)	5,477
Capital outlay	677,256	-	677,256	-
	677,256	1,145	676,111	5,477
Public safety:				
Employee benefits	-	59	(59)	-
Services and supplies	75,000	232,198	(157,198)	1,801
Capital outlay	4,684,414	3,625,043	1,059,371	8,330,151
	4,759,414	3,857,300	902,114	8,331,952
Public works:				
Capital outlay	-	-	-	38,788
Health:				
Services and supplies	-	-	-	30,347
Capital outlay	-	-	-	449,912
	-	-	-	480,259
Total Expenditures	5,436,670	3,858,445	1,578,225	8,856,476
Excess (Deficiency) of Revenues over Expenditures	(5,436,670)	(3,679,026)	1,757,644	(8,369,756)
Other Financing Sources (Uses):				
Transfers in (out):				
Building Permits Fund	-	-	-	100,000
Carson City Debt Service Fund	-	-	-	369,555
Building Permits Fund	(211,212)	(211,212)	-	-
Total Other Financing Sources (Uses)	(211,212)	(211,212)	-	469,555
Net Change in Fund Balances	(5,647,882)	(3,890,238)	1,757,644	(7,900,201)
Fund Balances, July 1	5,647,882	5,647,882	-	13,548,083
Fund Balances, June 30	\$ -	\$ 1,757,644	\$ 1,757,644	\$ 5,647,882

**CARSON CITY
RESIDENTIAL CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Taxes:				
Park residential construction tax	\$ 125,000	\$ 48,997	\$ (76,003)	\$ 291,948
Miscellaneous:				
Investment income	15,000	42,051	27,051	41,754
Total Revenues	<u>140,000</u>	<u>91,048</u>	<u>(48,952)</u>	<u>333,702</u>
Expenditures:				
Culture and recreation:				
Parks:				
Salaries and wages	24,017	24,215	(198)	22,355
Employee benefits	8,409	9,958	(1,549)	8,824
Services and supplies	24,154	82,867	(58,713)	6,518
	<u>56,580</u>	<u>117,040</u>	<u>(60,460)</u>	<u>37,697</u>
Capital outlay:				
Theater Lighting Fixtures	135,000	49,765	85,235	-
BMX Lighting	40,000	-	40,000	-
Urban Fishing Pond	72,544	24,140	48,404	14,739
Concrete Playground Border	12,500	-	12,500	-
Governors Field Expansion	25,290	-	25,290	-
YSA Babe Ruth Fields	6,900	-	6,900	-
Community Center Theatre Improv	23,100	-	23,100	-
Aquatic Facility Equipment	13,500	13,446	54	-
Recreational Trails Engineering	2,885	-	2,885	-
Centennial Park Play Equipment	11,038	-	11,038	-
Edmonds Sports Complex	3,908	880	3,028	-
Hidden Meadows	5,000	-	5,000	-
Silver Oaks	-	3,207	(3,207)	119,943
Carson River Park Phase 1 & 2	78,193	22,899	55,294	-
CC Radio Club	9,000	-	9,000	-
Ronald D. Wilson	191,508	94,564	96,944	47,684
Nv Landmark Soc / Rbts Hse	92,123	11,720	80,403	-
Governors Field Landscape	19,000	-	19,000	-
Other projects	96,028	-	96,028	6,820
	<u>837,517</u>	<u>220,621</u>	<u>616,896</u>	<u>189,186</u>
Total Expenditures	<u>894,097</u>	<u>337,661</u>	<u>556,436</u>	<u>226,883</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(754,097)</u>	<u>(246,613)</u>	<u>507,484</u>	<u>106,819</u>
Other Financing Sources (Uses):				
Contingency	(5,600)	-	5,600	-
Net Change in Fund Balances	(759,697)	(246,613)	513,084	106,819
Fund Balances, July 1	<u>781,529</u>	<u>781,529</u>	<u>-</u>	<u>674,710</u>
Fund Balances, June 30	<u>\$ 21,832</u>	<u>\$ 534,916</u>	<u>\$ 513,084</u>	<u>\$ 781,529</u>

CARSON CITY
REDEVELOPMENT REVOLVING FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Revenues:				
Intergovernmental revenues:				
State grants	\$ 33,467	\$ 33,467	\$ -	\$ 31,477
Miscellaneous:				
Investment income	40,000	60,117	20,117	46,443
Gifts and donations	80,000	80,000	-	-
Refunds and reimbursements	-	1,825	1,825	-
	<u>120,000</u>	<u>141,942</u>	<u>21,942</u>	<u>46,443</u>
Total Revenues	<u>153,467</u>	<u>175,409</u>	<u>21,942</u>	<u>77,920</u>
Expenditures:				
Community support:				
Redevelopment:				
Salaries and wages	6,185	6,192	(7)	5,721
Employee benefits	4,139	2,281	1,858	2,145
Services and supplies	145,800	142,944	2,856	55,940
Capital outlay	1,038,802	238,705	800,097	31,477
Total Expenditures	<u>1,194,926</u>	<u>390,122</u>	<u>804,804</u>	<u>95,283</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,041,459)</u>	<u>(214,713)</u>	<u>826,746</u>	<u>(17,363)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	175,000	175,000	-	40,000
Net Change in Fund Balances	<u>(866,459)</u>	<u>(39,713)</u>	<u>826,746</u>	<u>22,637</u>
Fund Balances, July 1	<u>916,459</u>	<u>916,459</u>	<u>-</u>	<u>893,822</u>
Fund Balances, June 30	<u>\$ 50,000</u>	<u>\$ 876,746</u>	<u>\$ 826,746</u>	<u>\$ 916,459</u>

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the government's board is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's board has decided that periodic determination of net income is appropriate for accountability purposes.

Major Funds

Sewer Fund - This Fund is used to account for the revenues and expenses of sewer services provided to the residents of Carson City.

Water Fund - This Fund is used to account for the revenues and expenses of water services provided to the residents of Carson City.

Nonmajor Funds

Ambulance Fund - This Fund is used to account for the operations of the ambulance service provided by the Carson City Fire Department.

Cemetery Fund - This Fund is used to account for the costs of providing interment services and perpetual care of the City's cemetery.

Carson City Sanitary Landfill Fund - This Fund is used to account for the revenues and expenses of the Carson City Sanitary Landfill.

Building Permits Fund - This Fund is used to account for the revenues and expenses of the Building Permit Program.

Stormwater Drainage Fund – This Fund is used to account for the revenues and expenses of the stormwater management program.

**CARSON CITY
SEWER FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 5,456,114	\$ 5,074,830	\$ (381,284)	\$ 5,065,655
Operating Expenses:				
Salaries and wages	1,260,248	1,233,760	26,488	1,134,658
Employee benefits	430,750	404,288	26,462	395,648
Services and supplies	3,409,116	3,201,209	207,907	2,927,216
Depreciation	2,750,000	2,685,925	64,075	2,499,322
Total Operating Expenses	7,850,114	7,525,182	324,932	6,956,844
Operating Income (Loss)	(2,394,000)	(2,450,352)	(56,352)	(1,891,189)
Nonoperating Revenues (Expenses):				
Investment income	347,065	163,770	(183,295)	434,373
Grant revenue	725,000	2,609,579	1,884,579	1,541,965
Miscellaneous	50,100	3,830	(46,270)	18,759
Interest expense	(640,631)	(640,813)	(182)	(692,270)
Gain (loss) on sales of capital assets	(10,000)	(8,889)	1,111	(139,220)
Bond issuance costs	(52,200)	(4,878)	47,322	(4,878)
Total Nonoperating Revenues (Expenses)	419,334	2,122,599	1,703,265	1,158,729
Income (Loss) Before Contributions	(1,974,666)	(327,753)	1,646,913	(732,460)
Capital Contributions:				
Connection fees	1,733,100	469,303	(1,263,797)	1,545,814
Developers	-	289,731	289,731	583,092
Total Capital Contributions	1,733,100	759,034	(974,066)	2,128,906
Change in Net Assets	\$ (241,566)	431,281	\$ 672,847	1,396,446
Net Assets, July 1		58,089,658		56,693,212
Net Assets, June 30		\$ 58,520,939		\$ 58,089,658

**CARSON CITY
SEWER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 5,456,114	\$ 5,856,911	\$ 400,797	\$ 5,863,692
Cash payments for personnel costs	(1,690,998)	(1,608,940)	82,058	(1,536,517)
Cash payments for services and supplies	(3,409,116)	(3,139,938)	269,178	(2,973,084)
Miscellaneous cash received	50,100	3,830	(46,270)	18,759
	<u>406,100</u>	<u>1,111,863</u>	<u>705,763</u>	<u>1,372,850</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Subsidy from grant	<u>725,000</u>	<u>-</u>	<u>(725,000)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	7,840,000	-	(7,840,000)	-
Connection fees	1,733,100	469,306	(1,263,794)	1,545,817
Acquisition of capital assets	(9,306,000)	(5,708,917)	3,597,083	(4,378,167)
Principal paid on capital debt	(1,287,471)	(1,287,471)	-	(1,232,544)
Interest paid on capital debt	(640,631)	(662,941)	(22,310)	(713,902)
Bond issuance costs	(52,200)	(437)	51,763	(437)
Subsidy from grant	<u>-</u>	<u>2,609,579</u>	<u>2,609,579</u>	<u>1,541,965</u>
	<u>(1,713,202)</u>	<u>(4,580,881)</u>	<u>(2,867,679)</u>	<u>(3,237,268)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>347,065</u>	<u>163,770</u>	<u>(183,295)</u>	<u>434,373</u>
	<u>(235,037)</u>	<u>(3,305,248)</u>	<u>(3,070,211)</u>	<u>(1,430,045)</u>
Cash and Cash Equivalents, July 1	<u>260,592</u>	<u>6,756,857</u>	<u>6,496,265</u>	<u>8,186,902</u>
Cash and Cash Equivalents, June 30	<u>\$ 25,555</u>	<u>\$ 3,451,609</u>	<u>\$ 3,426,054</u>	<u>\$ 6,756,857</u>
Represented by:				
Current Assets:				
Cash and investments (unrestricted)		\$ 3,197,183		\$ 3,903,201
Cash and investments (restricted)		254,426		111,560
Noncurrent assets:				
Cash and investments (restricted)		<u>-</u>		<u>2,742,096</u>
		<u>\$ 3,451,609</u>		<u>\$ 6,756,857</u>

**CARSON CITY
SEWER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating loss	\$ (2,394,000)	\$ (2,450,352)	\$ (56,352)	\$ (1,891,189)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation and amortization expense	2,750,000	2,685,925	(64,075)	2,499,322
Nonoperating revenues	50,100	3,830	(46,270)	18,759
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(86,316)	(86,316)	(51,713)
Due from other governments	-	869,072	869,072	850,575
Prepaid items	-	(612)	(612)	11,515
Increase (decrease) in:				
Accounts payable	-	62,724	62,724	(33,843)
Accrued salaries and benefits	-	9,951	9,951	(4,300)
Due to other governments	-	(841)	(841)	(23,540)
Connection deposits	-	(675)	(675)	(825)
Accrued compensated absences	-	19,157	19,157	(1,911)
Total Adjustments	2,800,100	3,562,215	762,115	3,264,039
Net Cash Provided (Used) by Operating Activities	<u>\$ 406,100</u>	<u>\$ 1,111,863</u>	<u>\$ 705,763</u>	<u>\$ 1,372,850</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Purchase of capital assets on account		\$ 459,241		\$ 134,013
Retainage payable on construction of capital assets		245,913		102,372

**CARSON CITY
WATER FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 8,753,618	\$ 8,831,533	\$ 77,915	\$ 7,371,032
Other charges	278,169	191,644	(86,525)	208,520
Total Operating Revenues	<u>9,031,787</u>	<u>9,023,177</u>	<u>(8,610)</u>	<u>7,579,552</u>
Operating Expenses:				
Salaries and wages	1,489,608	1,373,165	116,443	1,290,879
Employee benefits	544,212	467,487	76,725	475,318
Services and supplies	4,902,897	4,511,585	391,312	4,291,395
Depreciation and amortization	2,000,000	2,016,590	(16,590)	1,871,094
Total Operating Expenses	<u>8,936,717</u>	<u>8,368,827</u>	<u>567,890</u>	<u>7,928,686</u>
Operating Income (Loss)	<u>95,070</u>	<u>654,350</u>	<u>559,280</u>	<u>(349,134)</u>
Nonoperating Revenues (Expenses):				
Investment income	240,000	796,056	556,056	506,216
Grant revenue	580,000	161,434	(418,566)	788,036
Miscellaneous	9,932	71	(9,861)	13,656
Interest expense	(1,539,263)	(1,483,923)	55,340	(1,105,130)
Gain (loss) on sales of capital assets	(2,166)	(35,606)	(33,440)	(118,967)
Arbitrage rebate	-	(94,989)	(94,989)	(2,522)
Bond issuance costs	(4,000)	(24,943)	(20,943)	(19,129)
Total Nonoperating Revenues (Expenses)	<u>(715,497)</u>	<u>(681,900)</u>	<u>33,597</u>	<u>62,160</u>
Income (Loss) Before Contributions	<u>(620,427)</u>	<u>(27,550)</u>	<u>592,877</u>	<u>(286,974)</u>
Capital Contributions:				
Capital assets	-	-	-	11,750
Developers	-	994,475	994,475	851,107
Connection fees	1,362,900	462,870	(900,030)	1,140,483
Total Capital Contributions	<u>1,362,900</u>	<u>1,457,345</u>	<u>94,445</u>	<u>2,003,340</u>
Change in Net Assets	<u>\$ 742,473</u>	<u>1,429,795</u>	<u>\$ 687,322</u>	<u>1,716,366</u>
Net Assets, July 1		<u>36,247,998</u>		<u>34,531,632</u>
Net Assets, June 30		<u>\$ 37,677,793</u>		<u>\$ 36,247,998</u>

**CARSON CITY
WATER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 9,031,787	\$ 8,859,716	\$ (172,071)	\$ 7,432,643
Cash payments for personnel costs	(2,033,820)	(1,818,353)	215,467	(1,789,883)
Cash payments for services and supplies	(4,902,897)	(4,334,856)	568,041	(4,146,005)
Miscellaneous cash received	-	71	71	13,656
	<u>2,095,070</u>	<u>2,706,578</u>	<u>611,508</u>	<u>1,510,411</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Subsidy from grant	580,000	-	(580,000)	-
Miscellaneous	9,932	-	(9,932)	-
	<u>589,932</u>	<u>-</u>	<u>(589,932)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	-	-	-	12,394,100
Proceeds from sales of capital assets	12,834	-	(12,834)	-
Connection fees	1,362,900	462,870	(900,030)	1,140,489
Acquisition of capital assets	(10,328,000)	(4,289,703)	6,038,297	(2,796,035)
Principal paid on capital debt	(2,452,426)	(1,665,000)	787,426	(4,723,850)
Interest paid on capital debt	(1,539,263)	(1,440,752)	98,511	(1,155,847)
Bond issuance costs	(4,000)	(2,737)	1,263	(56,323)
Subsidy from grant	-	939,293	939,293	590,169
	<u>(12,947,955)</u>	<u>(5,996,029)</u>	<u>6,951,926</u>	<u>5,392,703</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	240,000	796,056	556,056	506,216
	<u>240,000</u>	<u>796,056</u>	<u>556,056</u>	<u>506,216</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(10,022,953)	(2,493,395)	7,529,558	7,409,330
Cash and Cash Equivalents, July 1	12,801,623	14,219,369	1,417,746	6,810,039
Cash and Cash Equivalents, June 30	<u>\$ 2,778,670</u>	<u>\$ 11,725,974</u>	<u>\$ 8,947,304</u>	<u>\$ 14,219,369</u>
Represented by:				
Current Assets:				
Cash and investments (unrestricted)		\$ 11,632,196		\$ 14,157,759
Cash and investments (restricted)		93,778		61,610
		<u>\$ 11,725,974</u>		<u>\$ 14,219,369</u>

**CARSON CITY
WATER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 95,070	\$ 654,350	\$ 559,280	\$ (349,134)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization expense	2,000,000	2,016,590	16,590	1,871,094
Nonoperating revenues	-	71	71	13,656
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(161,852)	(161,852)	(163,100)
Due from other governments	-	(1,609)	(1,609)	16,191
Inventories	-	10,017	10,017	32,342
Prepaid items	-	(1,081)	(1,081)	60
Increase (decrease) in:				
Accounts payable	-	(57,197)	(57,197)	50,677
Accrued salaries and benefits	-	3,447	3,447	(741)
Due to other governments	-	224,765	224,765	62,286
Connection deposits	-	225	225	25
Accrued compensated absences	-	18,852	18,852	(22,945)
Total Adjustments	2,000,000	2,052,228	52,228	1,859,545
Net Cash Provided by Operating Activities	\$ 2,095,070	\$ 2,706,578	\$ 611,508	\$ 1,510,411
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 177,268		\$ 101,995
Purchase of capital assets due to other governments		3,586		-
Retainage payable on construction of capital assets		78,790		46,847
Contributed capital assets		-		11,750

CARSON CITY
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2008

	<u>AMBULANCE</u>	<u>CEMETERY</u>	<u>BUILDING PERMITS</u>
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 148,050	\$ 145,349	\$ 128,468
Receivables:			
Accounts and contracts, net	1,995,011	-	-
Due from other governments	82	-	-
Inventories	-	21,897	-
Prepaid items	1,159	20	219
Total Current Assets (Unrestricted)	<u>2,144,302</u>	<u>167,266</u>	<u>128,687</u>
Noncurrent assets:			
Other Assets	-	-	-
Capital assets:			
Land	-	293,449	-
Buildings	-	354,931	-
Improvements other than buildings	-	173,211	-
Machinery and equipment	880,778	148,863	115,726
Construction in progress	-	-	-
	<u>880,778</u>	<u>970,454</u>	<u>115,726</u>
Less: Accumulated depreciation	<u>(478,100)</u>	<u>(194,719)</u>	<u>(55,390)</u>
Net Capital Assets	<u>402,678</u>	<u>775,735</u>	<u>60,336</u>
Total Noncurrent Assets	<u>402,678</u>	<u>775,735</u>	<u>60,336</u>
Total Assets	<u>2,546,980</u>	<u>943,001</u>	<u>189,023</u>
LIABILITIES:			
Current liabilities (payable from unrestricted assets):			
Accounts payable	110,293	1,055	2,490
Accrued salaries and benefits	61,930	3,755	20,323
Accrued interest	-	-	-
Due to other governments	-	-	6,261
Unearned revenue	-	272,455	-
Current portion:			
General obligation bonds and notes payable	-	-	-
Total Current Liabilities (Payable from Unrestricted Assets)	<u>172,223</u>	<u>277,265</u>	<u>29,074</u>
Noncurrent liabilities:			
Accrued compensated absences	138,509	34,149	50,377
General obligation bonds and notes payable	-	-	-
Total Noncurrent Liabilities	<u>138,509</u>	<u>34,149</u>	<u>50,377</u>
Total Liabilities	<u>310,732</u>	<u>311,414</u>	<u>79,451</u>
NET ASSETS			
Invested in capital assets, net of related debt	402,678	775,735	60,336
Unrestricted	1,833,570	(144,148)	49,236
Total Net Assets	<u>\$ 2,236,248</u>	<u>\$ 631,587</u>	<u>\$ 109,572</u>

STORMWATER DRAINAGE	TOTAL
\$ 1,024,908	\$ 1,446,775
74,522	2,069,533
-	82
-	21,897
220	1,618
<u>1,099,650</u>	<u>3,539,905</u>
<u>110,013</u>	<u>110,013</u>
1,564,769	1,858,218
-	354,931
2,650,772	2,823,983
871,112	2,016,479
2,750,868	2,750,868
<u>7,837,521</u>	<u>9,804,479</u>
<u>(227,717)</u>	<u>(955,926)</u>
<u>7,609,804</u>	<u>8,848,553</u>
<u>7,719,817</u>	<u>8,958,566</u>
<u>8,819,467</u>	<u>12,498,471</u>
39,306	153,144
5,261	91,269
16,993	16,993
-	6,261
-	272,455
<u>225,000</u>	<u>225,000</u>
<u>286,560</u>	<u>765,122</u>
15,165	238,200
5,162,086	5,162,086
<u>5,177,251</u>	<u>5,400,286</u>
<u>5,463,811</u>	<u>6,165,408</u>
2,671,837	3,910,586
683,819	2,422,477
<u>\$ 3,355,656</u>	<u>\$ 6,333,063</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>AMBULANCE</u>	<u>CEMETERY</u>	<u>CARSON CITY SANITARY LANDFILL</u>
Operating Revenues:			
Charges for services	\$ 3,886,289	\$ 110,550	\$ -
Operating Expenses:			
Salaries and wages	1,162,817	106,725	-
Employee benefits	725,423	37,466	-
Services and supplies	1,475,267	43,537	-
Depreciation	87,621	21,932	-
Total Operating Expenses	<u>3,451,128</u>	<u>209,660</u>	<u>-</u>
Operating Income (Loss)	<u>435,161</u>	<u>(99,110)</u>	<u>-</u>
Nonoperating Revenues (Expenses):			
Investment income	4,658	9,366	-
Miscellaneous	150,680	4,670	-
Interest expense	-	-	-
Gain (loss) on disposal of capital assets	-	-	-
Bond issuance costs	-	-	-
Total Nonoperating Revenues (Expenses)	<u>155,338</u>	<u>14,036</u>	<u>-</u>
Income (Loss) Before Capital Contributions and Transfers	<u>590,499</u>	<u>(85,074)</u>	<u>-</u>
Transfers In	31,631	75,000	-
Transfers Out	<u>-</u>	<u>-</u>	<u>(3,291,804)</u>
Change in Net Assets	622,130	(10,074)	(3,291,804)
Net Assets, July 1	<u>1,614,118</u>	<u>641,661</u>	<u>3,291,804</u>
Net Assets, June 30	<u>\$ 2,236,248</u>	<u>\$ 631,587</u>	<u>\$ -</u>

<u>BUILDING PERMITS</u>	<u>STORMWATER DRAINAGE</u>	<u>TOTAL</u>
<u>\$ 1,273,027</u>	<u>\$ 1,017,917</u>	<u>\$ 6,287,783</u>
649,814	132,108	2,051,464
228,590	49,867	1,041,346
627,306	353,778	2,499,888
<u>8,862</u>	<u>124,955</u>	<u>243,370</u>
<u>1,514,572</u>	<u>660,708</u>	<u>5,836,068</u>
<u>(241,545)</u>	<u>357,209</u>	<u>451,715</u>
7,852	76,981	98,857
-	-	155,350
-	(208,663)	(208,663)
(67,800)	(10,000)	(77,800)
<u>-</u>	<u>(6,471)</u>	<u>(6,471)</u>
<u>(59,948)</u>	<u>(148,153)</u>	<u>(38,727)</u>
<u>(301,493)</u>	<u>209,056</u>	<u>412,988</u>
211,212	-	317,843
<u>-</u>	<u>-</u>	<u>(3,291,804)</u>
(90,281)	209,056	(2,560,973)
<u>199,853</u>	<u>3,146,600</u>	<u>8,894,036</u>
<u>\$ 109,572</u>	<u>\$ 3,355,656</u>	<u>\$ 6,333,063</u>

**CARSON CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 1 OF 2)**

	<u>AMBULANCE</u>	<u>CEMETERY</u>	<u>CARSON CITY SANITARY LANDFILL</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for services	\$ 3,115,220	\$ 109,645	\$ -
Cash payments for personnel costs	(1,832,104)	(141,331)	-
Cash payments for services and supplies	(1,428,991)	(44,338)	-
Miscellaneous cash received	150,680	4,670	-
	<u>4,805</u>	<u>(71,354)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from other funds	31,631	75,000	-
Transfer to other funds	<u>-</u>	<u>-</u>	<u>(4,105,681)</u>
	<u>31,631</u>	<u>75,000</u>	<u>(4,105,681)</u>
Net Cash Provided (Used) by Noncapital Financing Activities			
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	-
Principal paid on capital debt	-	-	-
Interest paid on capital debt	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Used by Capital and Related Financing Activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	<u>4,658</u>	<u>9,366</u>	<u>-</u>
	<u>41,094</u>	<u>13,012</u>	<u>(4,105,681)</u>
Net Increase (Decrease) in Cash and Cash Equivalents			
Cash and Cash Equivalents, July 1	<u>106,956</u>	<u>132,337</u>	<u>4,105,681</u>
Cash and Cash Equivalents, June 30	<u>\$ 148,050</u>	<u>\$ 145,349</u>	<u>\$ -</u>

<u>BUILDING PERMITS</u>	<u>STORMWATER DRAINAGE</u>	<u>TOTAL</u>
\$ 1,273,027	\$ 1,006,317	\$ 5,504,209
(898,068)	(191,917)	(3,063,420)
(633,066)	(515,590)	(2,621,985)
-	-	155,350
<u>(258,107)</u>	<u>298,810</u>	<u>(25,846)</u>
211,212	-	317,843
-	-	(4,105,681)
<u>211,212</u>	<u>-</u>	<u>(3,787,838)</u>
-	(872,988)	(872,988)
-	(220,000)	(220,000)
-	(210,512)	(210,512)
<u>-</u>	<u>(1,303,500)</u>	<u>(1,303,500)</u>
<u>7,852</u>	<u>76,981</u>	<u>98,857</u>
(39,043)	(927,709)	(5,018,327)
<u>167,511</u>	<u>1,952,617</u>	<u>6,465,102</u>
<u>\$ 128,468</u>	<u>\$ 1,024,908</u>	<u>\$ 1,446,775</u>

**CARSON CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 2 OF 2)**

	AMBULANCE	CEMETERY	CARSON CITY SANITARY LANDFILL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 435,161	\$ (99,110)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization expense	87,621	21,932	-
Provision for uncollectible accounts	117,138	-	-
Nonoperating revenues	150,680	4,670	-
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(888,125)	-	-
Due from other governments	(82)	-	-
Inventories	-	(425)	-
Prepaid items	(1,159)	(20)	-
Increase (decrease) in:			
Accounts payable	48,175	(356)	-
Accrued salaries and benefits	25,404	664	-
Due to other governments	(740)	-	-
Unearned revenue	-	(905)	-
Accrued compensated absences	30,732	2,196	-
Total Adjustments	(430,356)	27,756	-
Net Cash Provided (Used) by Operating Activities	\$ 4,805	\$ (71,354)	\$ -
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Purchase of capital assets on account	\$ -	\$ -	\$ -
Transfer of net capital assets to governmental activities	-	-	1,774,778
Transfer of long-term liabilities to governmental activities	-	-	2,711,089
Transfer of excess noncash current assets over current liabilities to governmental activities	-	-	122,434

<u>BUILDING PERMITS</u>	<u>STORMWATER DRAINAGE</u>	<u>TOTAL</u>
<u>\$ (241,545)</u>	<u>\$ 357,209</u>	<u>\$ 451,715</u>
8,862	124,955	243,370
-	-	117,138
-	-	155,350
-	(11,600)	(899,725)
-	-	(82)
-	-	(425)
(219)	90	(1,308)
(8,106)	(158,752)	(119,039)
1,651	(1,091)	26,628
2,565	(3,150)	(1,325)
-	-	(905)
<u>(21,315)</u>	<u>(8,851)</u>	<u>2,762</u>
<u>(16,562)</u>	<u>(58,399)</u>	<u>(477,561)</u>
<u>\$ (258,107)</u>	<u>\$ 298,810</u>	<u>\$ (25,846)</u>

\$ -	\$ 33,500	\$ 33,500
-	-	1,774,778
-	-	2,711,089
-	-	122,434

**CARSON CITY
AMBULANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services	\$ 4,004,423	\$ 3,886,289	\$ (118,134)	\$ 3,309,492
Operating Expenses:				
Salaries and wages	1,156,415	1,162,817	(6,402)	997,490
Employee benefits	624,189	725,423	(101,234)	617,745
Services and supplies	1,855,869	1,475,267	380,602	1,632,899
Depreciation	100,000	87,621	12,379	87,621
Total Operating Expenses	<u>3,736,473</u>	<u>3,451,128</u>	<u>285,345</u>	<u>3,335,755</u>
Operating Income (Loss)	<u>267,950</u>	<u>435,161</u>	<u>167,211</u>	<u>(26,263)</u>
Nonoperating Revenues (Expenses):				
Investment income	10,000	4,658	(5,342)	6,700
Miscellaneous	1,000	150,680	149,680	64,140
Gain (loss) on disposal of capital assets	<u>(2,000)</u>	<u>-</u>	<u>2,000</u>	<u>(310)</u>
Total Nonoperating Revenues (Expenses)	<u>9,000</u>	<u>155,338</u>	<u>146,338</u>	<u>70,530</u>
Income (Loss) Before Contributions and Transfers	276,950	590,499	313,549	44,267
Transfers in	<u>31,387</u>	<u>31,631</u>	<u>244</u>	<u>-</u>
Change in Net Assets	<u>\$ 308,337</u>	<u>622,130</u>	<u>\$ 313,793</u>	<u>44,267</u>
Net Assets, July 1		<u>1,614,118</u>		<u>1,569,851</u>
Net Assets, June 30		<u>\$ 2,236,248</u>		<u>\$ 1,614,118</u>

**CARSON CITY
AMBULANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 4,004,423	\$ 3,115,220	\$ (889,203)	\$ 3,280,047
Cash payments for personnel costs	(1,780,604)	(1,832,104)	(51,500)	(1,629,195)
Cash payments for services and supplies	(1,855,869)	(1,428,991)	426,878	(1,758,963)
Miscellaneous cash received	1,000	150,680	149,680	64,141
Net Cash Provided (Used) by Operating Activities	<u>368,950</u>	<u>4,805</u>	<u>(364,145)</u>	<u>(43,970)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	<u>31,387</u>	<u>31,631</u>	<u>244</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>10,000</u>	<u>4,658</u>	<u>(5,342)</u>	<u>6,700</u>
Net Increase (Decrease) in Cash and Cash Equivalents	385,337	41,094	(344,243)	(37,270)
Cash and Cash Equivalents, July 1	<u>218,294</u>	<u>106,956</u>	<u>(111,338)</u>	<u>144,226</u>
Cash and Cash Equivalents, June 30	<u>\$ 603,631</u>	<u>\$ 148,050</u>	<u>\$ (455,581)</u>	<u>\$ 106,956</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ 267,950</u>	<u>\$ 435,161</u>	<u>\$ 167,211</u>	<u>\$ (26,263)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	100,000	87,621	(12,379)	87,621
Provision for uncollectible accounts	-	117,138	117,138	658,328
Nonoperating revenues	1,000	150,680	149,680	64,141
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(888,125)	(888,125)	(687,773)
Due from other governments	-	(82)	(82)	-
Prepaid items	-	(1,159)	(1,159)	105
Increase (decrease) in:				
Accounts payable	-	48,175	48,175	23,091
Accrued salaries and benefits	-	25,404	25,404	(2,741)
Due to other governments	-	(740)	(740)	740
Due to other funds	-	-	-	(150,000)
Accrued compensated absences	-	30,732	30,732	(11,219)
Total Adjustments	<u>101,000</u>	<u>(430,356)</u>	<u>(531,356)</u>	<u>(17,707)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 368,950</u>	<u>\$ 4,805</u>	<u>\$ (364,145)</u>	<u>\$ (43,970)</u>

**CARSON CITY
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services	\$ 137,655	\$ 110,550	\$ (27,105)	\$ 145,102
Operating Expenses:				
Salaries and wages	98,264	106,725	(8,461)	100,674
Employee benefits	41,376	37,466	3,910	35,600
Services and supplies	46,935	43,537	3,398	48,797
Depreciation	30,000	21,932	8,068	21,932
Total Operating Expenses	216,575	209,660	6,915	207,003
Operating Loss	(78,920)	(99,110)	(20,190)	(61,901)
Nonoperating Revenues (Expenses):				
Investment income	2,500	9,366	6,866	6,573
Miscellaneous	3,500	4,670	1,170	5,810
Gain (loss) on disposal of capital assets	-	-	-	(4,200)
Total Nonoperating Revenues (Expenses)	6,000	14,036	8,036	8,183
Income (Loss) Before Contributions and Transfers	(72,920)	(85,074)	(12,154)	(53,718)
Transfers in	75,000	75,000	-	88,200
Change in Net Assets	<u>\$ 2,080</u>	(10,074)	<u>\$ (12,154)</u>	34,482
Net Assets, July 1		641,661		607,179
Net Assets, June 30		<u>\$ 631,587</u>		<u>\$ 641,661</u>

**CARSON CITY
CEMETERY FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 137,655	\$ 109,645	\$ (28,010)	\$ 163,112
Cash payments for personnel costs	(139,640)	(141,331)	(1,691)	(131,983)
Cash payments for services and supplies	(46,935)	(44,338)	2,597	(63,325)
Miscellaneous cash received	3,500	4,670	1,170	5,810
	<u>(45,420)</u>	<u>(71,354)</u>	<u>(25,934)</u>	<u>(26,386)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	75,000	75,000	-	88,200
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	2,500	9,366	6,866	6,573
	<u>32,080</u>	<u>13,012</u>	<u>(19,068)</u>	<u>68,387</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
Cash and Cash Equivalents, July 1	91,681	132,337	40,656	63,950
Cash and Cash Equivalents, June 30	<u>\$ 123,761</u>	<u>\$ 145,349</u>	<u>\$ 21,588</u>	<u>\$ 132,337</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating loss	\$ (78,920)	\$ (99,110)	\$ (20,190)	\$ (61,901)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation and amortization expense	30,000	21,932	(8,068)	21,932
Nonoperating revenues	3,500	4,670	1,170	5,810
Changes in assets and liabilities:				
(Increase) decrease in:				
Inventories	-	(425)	(425)	(14,756)
Prepaid items	-	(20)	(20)	319
Increase (decrease) in:				
Accounts payable	-	(356)	(356)	(91)
Accrued salaries and benefits	-	664	664	188
Unearned revenue	-	(905)	(905)	18,010
Accrued compensated absences	-	2,196	2,196	4,103
	<u>33,500</u>	<u>27,756</u>	<u>(5,744)</u>	<u>35,515</u>
Total Adjustments				
Net Cash Provided (Used) by Operating Activities	<u>\$ (45,420)</u>	<u>\$ (71,354)</u>	<u>\$ (25,934)</u>	<u>\$ (26,386)</u>

CARSON CITY
CARSON CITY SANITARY LANDFILL FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services				
User fees and charges	\$ 3,934,068	\$ -	\$ (3,934,068)	\$ 3,795,200
Operating Expenses:				
Salaries and wages	648,770	-	648,770	550,440
Employee benefits	249,030	-	249,030	209,972
Services and supplies	1,356,516	-	1,356,516	1,134,392
Depreciation	250,000	-	250,000	168,563
Total Operating Expenses	2,504,316	-	2,504,316	2,063,367
Operating Income	1,429,752	-	(1,429,752)	1,731,833
Nonoperating Revenues (Expenses):				
Investment income	125,000	-	(125,000)	207,423
Interest expense	(5,706)	-	5,706	(11,358)
Total Nonoperating Revenues (Expenses)	119,294	-	(119,294)	196,065
Income (Loss) Before Contributions and Transfers	1,549,046	-	(1,549,046)	1,927,898
Transfers out	(3,291,804)	(3,291,804)	-	-
Change in Net Assets	<u>\$ (1,742,758)</u>	(3,291,804)	<u>\$ (1,549,046)</u>	1,927,898
Net Assets, July 1		3,291,804		1,363,906
Net Assets, June 30		<u>\$ -</u>		<u>\$ 3,291,804</u>

CARSON CITY
CARSON CITY SANITARY LANDFILL FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 3,934,068	\$ -	\$ (3,934,068)	\$ 3,581,726
Cash payments for personnel costs	(897,800)	-	897,800	(753,412)
Cash payments for services and supplies	(1,199,968)	-	1,199,968	(1,050,885)
Net Cash Provided by Operating Activities	<u>1,836,300</u>	<u>-</u>	<u>(1,836,300)</u>	<u>1,777,429</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	<u>-</u>	<u>(4,105,681)</u>	<u>(4,105,681)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(895,000)	-	895,000	(540,436)
Principal paid on capital debt	(150,000)	-	150,000	(140,000)
Interest paid on capital debt	(5,706)	-	5,706	(11,825)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,050,706)</u>	<u>-</u>	<u>1,050,706</u>	<u>(692,261)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>125,000</u>	<u>-</u>	<u>(125,000)</u>	<u>207,423</u>
Net Increase (Decrease) in Cash and Cash Equivalents	910,594	(4,105,681)	(5,016,275)	1,292,591
Cash and Cash Equivalents, July 1	<u>3,512,924</u>	<u>4,105,681</u>	<u>592,757</u>	<u>2,813,090</u>
Cash and Cash Equivalents, June 30	<u>\$ 4,423,518</u>	<u>\$ -</u>	<u>\$ (4,423,518)</u>	<u>\$ 4,105,681</u>

CARSON CITY
CARSON CITY SANITARY LANDFILL FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$ 1,429,752	\$ -	\$ (1,429,752)	\$ 1,731,833
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	250,000	-	(250,000)	168,563
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	-	-	(213,474)
Prepaid items	-	-	-	(15,884)
Increase (decrease) in:				
Accounts payable	-	-	-	(48,259)
Accrued salaries and benefits	-	-	-	3,953
Due to other governments	-	-	-	(9,123)
Accrued compensated absences	-	-	-	3,047
Closure / post closure care costs	156,548	-	(156,548)	156,773
Total Adjustments	406,548	-	(406,548)	45,596
Net Cash Provided by Operating Activities	<u>\$ 1,836,300</u>	<u>\$ -</u>	<u>\$ (1,836,300)</u>	<u>\$ 1,777,429</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Transfer of net capital assets to governmental activities		\$ 1,774,778		\$ -
Transfer of long-term liabilities to governmental activities		2,711,089		-
Transfer of excess noncash current assets over current liabilities to governmmetal activities		122,434		-

**CARSON CITY
BUILDING PERMITS FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services				
User fees and charges	\$ 1,735,000	\$ 1,273,027	\$ (461,973)	\$ 1,487,738
Operating Expenses:				
Salaries and wages	674,176	649,814	24,362	656,794
Employee benefits	247,622	228,590	19,032	233,640
Services and supplies	837,463	627,306	210,157	824,691
Depreciation	30,000	8,862	21,138	19,817
Total Operating Expenses	1,789,261	1,514,572	274,689	1,734,942
Operating Income (Loss)	(54,261)	(241,545)	(187,284)	(247,204)
Nonoperating Revenues (Expenses):				
Investment income	25,000	7,852	(17,148)	18,168
Gain (loss) on disposal of capital assets	-	(67,800)	(67,800)	-
Total Nonoperating Revenues (Expenses)	25,000	(59,948)	(84,948)	18,168
Income (Loss) Before Transfers	(29,261)	(301,493)	(272,232)	(229,036)
Transfers In	-	211,212	211,212	-
Transfers Out	-	-	-	(100,000)
Change in Net Assets	<u>\$ (29,261)</u>	<u>(90,281)</u>	<u>\$ (61,020)</u>	<u>(329,036)</u>
Net Assets, July 1		199,853		528,889
Net Assets, June 30		<u>\$ 109,572</u>		<u>\$ 199,853</u>

**CARSON CITY
BUILDING PERMITS FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,735,000	\$ 1,273,027	\$ (461,973)	\$ 1,492,438
Cash payments for personnel costs	(921,798)	(898,068)	23,730	(901,138)
Cash payments for services and supplies	(837,463)	(633,066)	204,397	(812,448)
Net Cash Provided (Used) by Operating Activities	(24,261)	(258,107)	(233,846)	(221,148)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	211,212	211,212	-
Transfer to other funds	-	-	-	(100,000)
Net Cash Provided (Used) by Noncapital Financing Activities	-	211,212	211,212	(100,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(55,000)	-	55,000	(1,667)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	25,000	7,852	(17,148)	18,167
Net Increase (Decrease) in Cash and Cash Equivalents	(54,261)	(39,043)	15,218	(304,648)
Cash and Cash Equivalents, July 1	96,297	167,511	71,214	472,159
Cash and Cash Equivalents, June 30	\$ 42,036	\$ 128,468	\$ 86,432	\$ 167,511
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (54,261)	\$ (241,545)	\$ (187,284)	\$ (247,204)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	30,000	8,862	(21,138)	19,817
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	-	-	4,700
Prepaid items	-	(219)	(219)	-
Increase (decrease) in:				
Accounts payable	-	(8,106)	(8,106)	8,547
Accrued salaries and benefits	-	1,651	1,651	(5,368)
Due to other governments	-	2,565	2,565	3,696
Accrued compensated absences	-	(21,315)	(21,315)	(5,336)
Total Adjustments	30,000	(16,562)	(46,562)	26,056
Net Cash Provided (Used) by Operating Activities	\$ (24,261)	\$ (258,107)	\$ (233,846)	\$ (221,148)

**CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services				
User fees and charges	\$ 1,016,144	\$ 1,017,917	\$ 1,773	\$ 1,007,484
Operating Expenses:				
Salaries and wages	194,397	132,108	62,289	261,268
Employee benefits	78,504	49,867	28,637	101,215
Services and supplies	325,958	353,778	(27,820)	219,927
Depreciation	150,000	124,955	25,045	67,297
Total Operating Expenses	748,859	660,708	88,151	649,707
Operating Income	267,285	357,209	89,924	357,777
Nonoperating Revenues (Expenses):				
Investment income	25,000	76,981	51,981	140,360
Interest expense	(208,663)	(208,663)	-	(214,988)
Gain (loss) on sales of capital assets	-	(10,000)	(10,000)	5,000
Bond issuance costs	(500)	(6,471)	(5,971)	(6,950)
Total Nonoperating Revenues (Expenses)	(184,163)	(148,153)	36,010	(76,578)
Income (Loss) Before Contributions and Transfers	83,122	209,056	125,934	281,199
Capital Contributions:				
Capital assets	-	-	-	644,537
Transfers In	-	-	-	100,000
Change in Net Assets	\$ 83,122	209,056	\$ 125,934	1,025,736
Net Assets, July 1		3,146,600		2,120,864
Net Assets, June 30		\$ 3,355,656		\$ 3,146,600

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,016,144	\$ 1,006,317	\$ (9,827)	\$ 996,753
Cash payments for personnel costs	(272,901)	(191,917)	80,984	(363,986)
Cash payments for services and supplies	(325,958)	(515,590)	(189,632)	(28,073)
Net Cash Provided by Operating Activities	417,285	298,810	(118,475)	604,694
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	-	-	100,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(1,377,382)	(872,988)	504,394	(3,277,915)
Principal paid on capital debt	(220,000)	(220,000)	-	(210,000)
Interest paid on capital debt	(208,663)	(210,512)	(1,849)	(216,811)
Bond issuance costs	(500)	-	500	(479)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,806,545)	(1,303,500)	503,045	(3,705,205)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	25,000	76,981	51,981	140,360
Net Increase (Decrease) in Cash and Cash Equivalents	(1,364,260)	(927,709)	436,551	(2,860,151)
Cash and Cash Equivalents, July 1	1,952,617	1,952,617	-	4,812,768
Cash and Cash Equivalents, June 30	\$ 588,357	\$ 1,024,908	\$ 436,551	\$ 1,952,617

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$ 267,285	\$ 357,209	\$ 89,924	\$ 357,777
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	150,000	124,955	(25,045)	67,297
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(11,600)	(11,600)	(10,731)
Prepaid items	-	90	90	119
Increase (decrease) in:				
Accrued salaries and benefits	-	(1,091)	(1,091)	1,273
Accounts payable	-	(158,752)	(158,752)	188,585
Due to other governments	-	(3,150)	(3,150)	3,150
Accrued compensated absences	-	(8,851)	(8,851)	(2,776)
Total Adjustments	150,000	(58,399)	(208,399)	246,917
Net Cash Provided by Operating Activities	<u>\$ 417,285</u>	<u>\$ 298,810</u>	<u>\$ (118,475)</u>	<u>\$ 604,694</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 33,500		\$ 108,190
Contributed capital assets		-		644,537

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency of a government to other departments or agencies on a cost reimbursement basis. Accounting for Internal Service Funds as a proprietary fund type is designed to accumulate the total cost (including depreciation) of providing a particular service. Costs for services are reimbursed by the departments or agencies to which the services are provided.

Group Medical Insurance Fund - This Fund is used to account for monies collected from City departments and employees to be expended for claims for medical services provided to employees and their dependents.

Workers' Compensation Fund - This Fund is used to account for monies collected for the insurance program from City departments to be expended for payment of claims, as required by law, to employees injured by accident while at work.

Insurance Fund - This Fund is used to account for monies collected from City departments for liability and property insurance.

Fleet Management Fund – This fund is used to account for monies collected from City departments for fleet maintenance operations.

**CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2008**

	<u>GROUP MEDICAL INSURANCE</u>	<u>WORKERS' COMPENSATION</u>	<u>INSURANCE</u>
ASSETS			
Current assets:			
Cash and investments	\$ 1,654,393	\$ 2,360,636	\$ 833,056
Receivables:			
Accounts and contracts	219,352	66,512	17,431
Prepaid items	40	40	574,781
Inventories	-	-	-
Total Current Assets	<u>1,873,785</u>	<u>2,427,188</u>	<u>1,425,268</u>
Noncurrent assets:			
Capital assets:			
Machinery and equipment	-	-	17,289
Less: Accumulated depreciation	-	-	(15,720)
Net Capital Assets	<u>-</u>	<u>-</u>	<u>1,569</u>
Total Assets	<u>1,873,785</u>	<u>2,427,188</u>	<u>1,426,837</u>
LIABILITIES			
Current liabilities:			
Accounts payable	56,190	333,906	6,969
Accrued salaries and benefits	3,889	96	-
Due to other governments	27,578	-	5,750
Unearned revenue	1,210	-	-
Other liabilities	-	390,019	187,492
Total Current Liabilities	<u>88,867</u>	<u>724,021</u>	<u>200,211</u>
Noncurrent liabilities:			
Accrued compensated absences	21,117	-	-
Other liabilities	-	-	74,012
Total Noncurrent Liabilities	<u>21,117</u>	<u>-</u>	<u>74,012</u>
Total Liabilities	<u>109,984</u>	<u>724,021</u>	<u>274,223</u>
NET ASSETS			
Invested in capital assets	-	-	1,569
Unrestricted	1,763,801	1,703,167	1,151,045
Total Net Assets	<u>\$ 1,763,801</u>	<u>\$ 1,703,167</u>	<u>\$ 1,152,614</u>

<u>FLEET MANAGEMENT</u>	<u>TOTAL</u>
\$ 975,086	\$ 5,823,171
949	304,244
283	575,144
<u>75,322</u>	<u>75,322</u>
<u>1,051,640</u>	<u>6,777,881</u>
5,502	22,791
<u>-</u>	<u>(15,720)</u>
<u>5,502</u>	<u>7,071</u>
<u>1,057,142</u>	<u>6,784,952</u>
101,536	498,601
30,263	34,248
-	33,328
-	1,210
<u>-</u>	<u>577,511</u>
<u>131,799</u>	<u>1,144,898</u>
105,318	126,435
<u>-</u>	<u>74,012</u>
<u>105,318</u>	<u>200,447</u>
<u>237,117</u>	<u>1,345,345</u>
5,502	7,071
<u>814,523</u>	<u>5,432,536</u>
<u>\$ 820,025</u>	<u>\$ 5,439,607</u>

**CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>GROUP MEDICAL INSURANCE</u>	<u>WORKERS' COMPENSATION</u>	<u>INSURANCE</u>
Operating Revenues:			
Charges for services	\$ 7,016,472	\$ 1,588,753	\$ 1,120,248
Operating Expenses:			
Salaries and wages	80,508	22,799	11,549
Employee benefits	27,570	12,697	4,165
Services and supplies	6,605,249	1,523,465	1,355,517
Depreciation	-	-	1,729
Total Operating Expenses	<u>6,713,327</u>	<u>1,558,961</u>	<u>1,372,960</u>
Operating Income (Loss)	<u>303,145</u>	<u>29,792</u>	<u>(252,712)</u>
Nonoperating Revenues (Expenses):			
Investment income	89,877	130,150	76,514
Miscellaneous	8,389	155,050	5,935
Gain (loss) on disposal of capital assets	-	-	(18,377)
Total Nonoperating Revenues (Expenses)	<u>98,266</u>	<u>285,200</u>	<u>64,072</u>
Income (Loss) Before Contributions and Transfers	401,411	314,992	(188,640)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	401,411	314,992	(188,640)
Net Assets, July 1	<u>1,362,390</u>	<u>1,388,175</u>	<u>1,341,254</u>
Net Assets, June 30	<u>\$ 1,763,801</u>	<u>\$ 1,703,167</u>	<u>\$ 1,152,614</u>

<u>FLEET MANAGEMENT</u>	<u>TOTAL</u>
<u>\$ 1,225,448</u>	<u>\$ 10,950,921</u>
454,738	569,594
141,022	185,454
557,433	10,041,664
-	1,729
<u>1,153,193</u>	<u>10,798,441</u>
<u>72,255</u>	<u>152,480</u>
66,426	362,967
110	169,484
<u>245,008</u>	<u>226,631</u>
<u>311,544</u>	<u>759,082</u>
383,799	911,562
<u>(278,500)</u>	<u>(278,500)</u>
105,299	633,062
<u>714,726</u>	<u>4,806,545</u>
<u>\$ 820,025</u>	<u>\$ 5,439,607</u>

**CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for services	\$ 7,092,432	\$ 1,572,617	\$ 1,080,800
Cash payments for personnel costs	(105,399)	(54,850)	(15,714)
Cash payments for services and supplies	(6,521,678)	(1,736,600)	(1,392,139)
Miscellaneous cash received	8,389	155,050	5,935
Net Cash Provided (Used) by Operating Activities	473,744	(63,783)	(321,118)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer to other funds	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sales of assets	-	-	-
Acquisition of capital assets	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	89,877	130,150	76,514
Net Increase (Decrease) in Cash and Cash Equivalents	563,621	66,367	(244,604)
Cash and Cash Equivalents, July 1	1,090,772	2,294,269	1,077,660
Cash and Cash Equivalents, June 30	\$ 1,654,393	\$ 2,360,636	\$ 833,056
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 303,145	\$ 29,792	\$ (252,712)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization expense	-	-	1,729
Nonoperating revenues	8,389	155,050	5,935
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	75,297	(16,096)	(180)
Due from other governments	-	-	-
Inventories	-	-	-
Prepaid items	(40)	(40)	(39,268)
Increase (decrease) in:			
Accounts payable	56,033	(174,340)	(74,626)
Accrued salaries and benefits	1,676	(2,670)	-
Other liabilities	-	(38,795)	32,254
Due to other governments	27,578	-	5,750
Unearned revenue	663	-	-
Accrued compensated absences	1,003	(16,684)	-
Total Adjustments	170,599	(93,575)	(68,406)
Net Cash Provided (Used) by Operating Activities	\$ 473,744	\$ (63,783)	\$ (321,118)

FLEET MANAGEMENT	TOTAL
\$ 1,240,687	\$ 10,986,536
(565,805)	(741,768)
(526,112)	(10,176,529)
<u>110</u>	<u>169,484</u>
<u>148,880</u>	<u>237,723</u>
<u>(278,500)</u>	<u>(278,500)</u>
245,008	245,008
(5,502)	(5,502)
<u>239,506</u>	<u>239,506</u>
<u>66,426</u>	<u>362,967</u>
176,312	561,696
798,774	5,261,475
<u>975,086</u>	<u>5,823,171</u>
<u>\$ 72,255</u>	<u>\$ 152,480</u>
-	1,729
110	169,484
(949)	58,072
16,188	16,188
13,437	13,437
(283)	(39,631)
18,167	(174,766)
17,306	16,312
-	(6,541)
-	33,328
-	663
<u>12,649</u>	<u>(3,032)</u>
<u>76,625</u>	<u>85,243</u>
<u>\$ 148,880</u>	<u>\$ 237,723</u>

**CARSON CITY
GROUP MEDICAL INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Employee contributions	\$ 1,630,892	\$ 1,497,268	\$ (133,624)	\$ 1,576,034
Employer contributions	5,423,730	5,519,204	95,474	5,402,621
Total Operating Revenues	<u>7,054,622</u>	<u>7,016,472</u>	<u>(38,150)</u>	<u>6,978,655</u>
Operating Expenses:				
Salaries and wages	107,518	80,508	27,010	71,043
Employee benefits	44,143	27,570	16,573	25,550
Services and supplies	6,940,552	6,605,249	335,303	6,710,442
Total Operating Expenses	<u>7,092,213</u>	<u>6,713,327</u>	<u>378,886</u>	<u>6,807,035</u>
Operating Income (Loss)	<u>(37,591)</u>	<u>303,145</u>	<u>340,736</u>	<u>171,620</u>
Nonoperating Revenues (Expenses):				
Investment income	40,000	89,877	49,877	57,727
Miscellaneous	-	8,389	8,389	-
Total Nonoperating Revenues (Expenses)	<u>40,000</u>	<u>98,266</u>	<u>58,266</u>	<u>57,727</u>
Change in Net Assets	<u>\$ 2,409</u>	<u>401,411</u>	<u>\$ 399,002</u>	<u>229,347</u>
Net Assets, July 1		<u>1,362,390</u>		<u>1,133,043</u>
Net Assets, June 30		<u>\$ 1,763,801</u>		<u>\$ 1,362,390</u>

CARSON CITY
GROUP MEDICAL INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 7,054,622	\$ 7,092,432	\$ 37,810	\$ 6,925,977
Cash payments for personnel costs	(151,661)	(105,399)	46,262	(91,907)
Cash payments for services and supplies	(6,940,552)	(6,521,678)	418,874	(7,128,824)
Miscellaneous cash received	-	8,389	8,389	-
Net Cash Provided (Used) by Operating Activities	<u>(37,591)</u>	<u>473,744</u>	<u>511,335</u>	<u>(294,754)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>40,000</u>	<u>89,877</u>	<u>49,877</u>	<u>57,727</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,409	563,621	561,212	(237,027)
Cash and Cash Equivalents, July 1	<u>1,368,956</u>	<u>1,090,772</u>	<u>(278,184)</u>	<u>1,327,799</u>
Cash and Cash Equivalents, June 30	<u>\$ 1,371,365</u>	<u>\$ 1,654,393</u>	<u>\$ 283,028</u>	<u>\$ 1,090,772</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income	<u>\$ (37,591)</u>	<u>\$ 303,145</u>	<u>\$ 340,736</u>	<u>\$ 171,620</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Nonoperating revenues	-	8,389	8,389	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	75,297	75,297	(93,433)
Due from other governments	-	-	-	40,755
Prepaid items	-	(40)	(40)	-
Increase (decrease) in:				
Accounts payable	-	56,033	56,033	(418,382)
Unearned revenue	-	663	663	-
Accrued salaries and benefits	-	1,676	1,676	286
Due to other governments	-	27,578	27,578	-
Accrued compensated absences	-	1,003	1,003	4,400
Total Adjustments	<u>-</u>	<u>170,599</u>	<u>170,599</u>	<u>(466,374)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (37,591)</u>	<u>\$ 473,744</u>	<u>\$ 511,335</u>	<u>\$ (294,754)</u>

**CARSON CITY
 WORKERS' COMPENSATION FUND
 SCHEDULE OF REVENUES, EXPENSES,
 AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services:				
Employer contributions	\$ 2,162,312	\$ 1,588,753	\$ (573,559)	\$ 2,111,338
Operating Expenses:				
Salaries and wages	52,890	22,799	30,091	120,102
Employee benefits	21,621	12,697	8,924	41,147
Services and supplies	1,964,394	1,523,465	440,929	1,963,841
Total Operating Expenses	2,038,905	1,558,961	479,944	2,125,090
Operating Income (Loss)	123,407	29,792	(93,615)	(13,752)
Nonoperating Revenues (Expenses):				
Investment income	80,000	130,150	50,150	103,993
Miscellaneous	10,000	155,050	145,050	15,169
Total Nonoperating Revenues (Expenses)	90,000	285,200	195,200	119,162
Change in Net Assets	\$ 213,407	314,992	\$ 101,585	105,410
Net Assets, July 1		1,388,175		1,282,765
Net Assets, June 30		\$ 1,703,167		\$ 1,388,175

**CARSON CITY
WORKERS' COMPENSATION FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 2,162,312	\$ 1,572,617	\$ (589,695)	\$ 2,064,252
Cash payments for personnel costs	(74,511)	(54,850)	19,661	(166,184)
Cash payments for services and supplies	(1,964,394)	(1,736,600)	227,794	(1,850,194)
Miscellaneous cash received	10,000	155,050	145,050	15,169
	<u>133,407</u>	<u>(63,783)</u>	<u>(197,190)</u>	<u>63,043</u>
Net Cash Provided (Used) by Operating Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	80,000	130,150	50,150	103,993
	<u>80,000</u>	<u>130,150</u>	<u>50,150</u>	<u>103,993</u>
Net Increase (Decrease) in Cash and Cash Equivalents	213,407	66,367	(147,040)	167,036
Cash and Cash Equivalents, July 1	1,985,409	2,294,269	308,860	2,127,233
Cash and Cash Equivalents, June 30	<u>\$ 2,198,816</u>	<u>\$ 2,360,636</u>	<u>\$ 161,820</u>	<u>\$ 2,294,269</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 123,407	\$ 29,792	\$ (93,615)	\$ (13,752)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Nonoperating revenues	10,000	155,050	145,050	15,169
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(16,096)	(16,096)	(47,086)
Prepaid items	-	(40)	(40)	-
Increase (decrease) in:				
Accounts payable	-	(174,340)	(174,340)	174,704
Accrued salaries and benefits	-	(2,670)	(2,670)	(2,928)
Other liabilities	-	(38,795)	(38,795)	(61,057)
Accrued compensated absences	-	(16,684)	(16,684)	(2,007)
Total Adjustments	<u>10,000</u>	<u>(93,575)</u>	<u>(103,575)</u>	<u>76,795</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 133,407</u>	<u>\$ (63,783)</u>	<u>\$ (197,190)</u>	<u>\$ 63,043</u>

**CARSON CITY
INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services:				
Administrative fees	\$ 1,130,225	\$ 1,120,248	\$ (9,977)	\$ 1,439,582
Operating Expenses:				
Salaries and wages	65,541	11,549	53,992	-
Employee benefits	24,541	4,165	20,376	-
Services and supplies	1,432,796	1,355,517	77,279	1,202,199
Depreciation	5,000	1,729	3,271	3,771
Total Operating Expenses	<u>1,527,878</u>	<u>1,372,960</u>	<u>154,918</u>	<u>1,205,970</u>
Operating Income (Loss)	<u>(397,653)</u>	<u>(252,712)</u>	<u>144,941</u>	<u>233,612</u>
Nonoperating Revenues (Expenses):				
Investment income	30,000	76,514	46,514	60,802
Miscellaneous	7,500	5,935	(1,565)	37,359
Gain (loss) on disposal of capital assets	-	(18,377)	(18,377)	-
Total Nonoperating Revenues (Expenses)	<u>37,500</u>	<u>64,072</u>	<u>26,572</u>	<u>98,161</u>
Change in Net Assets	<u>\$ (360,153)</u>	<u>(188,640)</u>	<u>\$ 171,513</u>	<u>331,773</u>
Net Assets, July 1		<u>1,341,254</u>		<u>1,009,481</u>
Net Assets, June 30		<u>\$ 1,152,614</u>		<u>\$ 1,341,254</u>

**CARSON CITY
INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,130,225	\$ 1,080,800	\$ (49,425)	\$ 921,540
Cash payments for personnel costs	(90,082)	(15,714)	74,368	-
Cash payments for services and supplies	(1,432,796)	(1,392,139)	40,657	(1,199,744)
Miscellaneous cash received	7,500	5,935	(1,565)	37,359
Net Cash Provided (Used) by Operating Activities	<u>(385,153)</u>	<u>(321,118)</u>	<u>64,035</u>	<u>(240,845)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	30,000	76,514	46,514	60,802
Net Increase (Decrease) in Cash and Cash Equivalents	(355,153)	(244,604)	110,549	(180,043)
Cash and Cash Equivalents, July 1	1,077,660	1,077,660	-	1,257,703
Cash and Cash Equivalents, June 30	<u>\$ 722,507</u>	<u>\$ 833,056</u>	<u>\$ 110,549</u>	<u>\$ 1,077,660</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (397,653)</u>	<u>\$ (252,712)</u>	<u>\$ 144,941</u>	<u>\$ 233,612</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	5,000	1,729	(3,271)	3,771
Nonoperating revenues	7,500	5,935	(1,565)	37,359
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(180)	(180)	-
Prepaid items	-	(39,268)	(39,268)	(518,042)
Increase (decrease) in:				
Accounts payable	-	(74,626)	(74,626)	5,005
Other liabilities	-	32,254	32,254	(2,550)
Due to other governments	-	5,750	5,750	-
Total Adjustments	<u>12,500</u>	<u>(68,406)</u>	<u>(80,906)</u>	<u>(474,457)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (385,153)</u>	<u>\$ (321,118)</u>	<u>\$ 64,035</u>	<u>\$ (240,845)</u>

**CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS (DEFICIT) - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	FINAL BUDGET	ACTUAL	VARIANCE	2007
Operating Revenues:				
Charges for services:				
Administrative Fees	\$ 1,225,448	\$ 1,225,448	\$ -	\$ 1,229,965
Operating Expenses:				
Salaries and wages	433,664	454,738	(21,074)	420,360
Employee benefits	145,948	141,022	4,926	130,560
Services and supplies	636,637	557,433	79,204	497,466
Total Operating Expenses	<u>1,216,249</u>	<u>1,153,193</u>	<u>63,056</u>	<u>1,048,386</u>
Operating Income (Loss)	<u>9,199</u>	<u>72,255</u>	<u>63,056</u>	<u>181,579</u>
Nonoperating Revenues (Expenses):				
Investment income	25,000	66,426	41,426	36,352
Miscellaneous	-	110	110	-
Gain (loss) on disposal of capital assets	-	245,008	245,008	154,107
Total Nonoperating Revenues (Expenses)	<u>25,000</u>	<u>311,544</u>	<u>286,544</u>	<u>190,459</u>
Income (Loss) Before Contributions and Transfers	34,199	383,799	349,600	372,038
Transfers out	<u>-</u>	<u>(278,500)</u>	<u>(278,500)</u>	<u>-</u>
Change in Net Assets	<u>\$ 34,199</u>	<u>105,299</u>	<u>\$ 71,100</u>	<u>372,038</u>
Net Assets, July 1		<u>714,726</u>		<u>342,688</u>
Net Assets, June 30		<u>\$ 820,025</u>		<u>\$ 714,726</u>

CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)

	FINAL BUDGET	ACTUAL	VARIANCE	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,225,448	\$ 1,240,687	\$ 15,239	\$ 1,256,941
Cash payments for personnel costs	(579,612)	(565,805)	13,807	(544,931)
Cash payments for services and supplies	(636,637)	(526,112)	110,525	(515,750)
Miscellaneous cash received	-	110	110	-
	<u>9,199</u>	<u>148,880</u>	<u>139,681</u>	<u>196,260</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	-	(278,500)	(278,500)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sales of assets	-	245,008	245,008	154,107
Acquisition of capital assets	-	(5,502)	(5,502)	-
	<u>-</u>	<u>239,506</u>	<u>239,506</u>	<u>154,107</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	25,000	66,426	41,426	36,352
	<u>34,199</u>	<u>176,312</u>	<u>142,113</u>	<u>386,719</u>
Net Increase (Decrease) in Cash and Cash Equivalents	34,199	176,312	142,113	386,719
Cash and Cash Equivalents, July 1	550,696	798,774	248,078	412,055
Cash and Cash Equivalents, June 30	<u>\$ 584,895</u>	<u>\$ 975,086</u>	<u>\$ 390,191</u>	<u>\$ 798,774</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 9,199	\$ 72,255	\$ 63,056	\$ 181,579
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Nonoperating revenues	-	110	110	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(949)	(949)	875
Due from other governments	-	16,188	16,188	26,101
Inventories	-	13,437	13,437	(32,250)
Prepaid items	-	(283)	(283)	-
Increase (decrease) in:				
Accounts payable	-	18,167	18,167	13,966
Accrued salaries and benefits	-	17,306	17,306	1,455
Accrued compensated absences	-	12,649	12,649	4,534
	<u>-</u>	<u>76,625</u>	<u>76,625</u>	<u>14,681</u>
Total Adjustments	-	76,625	76,625	14,681
Net Cash Provided (Used) by Operating Activities	<u>\$ 9,199</u>	<u>\$ 148,880</u>	<u>\$ 139,681</u>	<u>\$ 196,260</u>

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FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the government in a trustee or agency capacity.

Investment Trust Fund - This Fund is used to account for the external investment pool administered by Carson City. The pool has one involuntary participant, the Carson City School District Debt Service Fund. These statements can be found in the City's basic financial statements.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency Funds are merely clearing accounts and have no fund equity. The following information is presented to describe each of the City's Agency Funds:

Sierra Forest Fire Protection Fund - This Fund is used to accumulate ad valorem and supplemental City/County relief tax monies and provide payment of debts and just claims against the District.

Eagle Valley Water District Fund - This Fund is used to account for the collection and payment of ad valorem taxes on behalf of the District.

Conservancy District Fund - This Fund is used to account for the collection and payment of ad valorem taxes on behalf of the District.

Sub-Conservancy District Fund - This Fund is used to account for the collection and payment of ad valorem taxes on behalf of the District.

Fish and Game Fund - This Fund is used to account for monies withdrawn from the wildlife account within the State General Fund and transferred to the City for disposition by the City's Advisory Board to manage wildlife.

Controller Trust Fund - This Fund is used to account for unclaimed payroll warrants and accounts payable warrants during the required statutory period, which have been returned to the City until claimed or remitted to the State of Nevada Unclaimed Property Division.

State of Nevada Fund - This Fund is used to account for the collection and payment of the State of Nevada's share of ad valorem taxes, District and Justice Court fees, marriage fees, or fees otherwise mandated by statute, and collected by the City.

FIDUCIARY FUNDS
Continued

Carson City School District Debt Service Fund - This Fund is used to account for ad valorem taxes and interest earned thereon, specifically apportioned and appropriated for the retirement of long-term general obligation principal and interest of the School District.

Carson City School District Operating Fund - This Fund is used to account for the collection of and remittance to the school district of ad valorem taxes.

Forfeiture Account Fund - This Fund is used to account for currency that is seized by the Sheriff's Office and will remain in the Fund until the court determines if the currency is subject to forfeiture.

Nevada Commission for the Reconstruction of the V & T Railway Fund - This Fund is used to account for the collection and distribution of gifts, grants, and donations to reconstruct the Virginia and Truckee Railroad between Virginia City and Carson City.

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 1 OF 4)

	BALANCE JULY 1, 2007	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2008
SIERRA FOREST FIRE PROTECTION FUND				
Assets:				
Cash and investments	\$ 407,549	\$ 460,751	\$ 484,335	\$ 383,965
Taxes receivable, delinquent	112	698	1	809
Due from other governments	61,519	51,424	61,519	51,424
Total Assets	\$ 469,180	\$ 512,873	\$ 545,855	\$ 436,198
Liabilities:				
Accounts payable	\$ 85	\$ 484,335	\$ 484,336	\$ 84
Due to other governments	469,095	451,466	484,447	436,114
Total Liabilities	\$ 469,180	\$ 935,801	\$ 968,783	\$ 436,198
EAGLE VALLEY WATER DISTRICT FUND				
Assets:				
Cash and investments	\$ 378	\$ 48,796	\$ 48,766	\$ 408
Taxes receivable, delinquent	134	84	65	153
Total Assets	\$ 512	\$ 48,880	\$ 48,831	\$ 561
Liabilities:				
Accounts payable	\$ -	\$ 8	\$ 8	\$ -
Due to other governments	512	14,876	14,827	561
Total Liabilities	\$ 512	\$ 14,884	\$ 14,835	\$ 561
CONSERVANCY DISTRICT FUND				
Assets:				
Cash and investments	\$ 344	\$ 4,409	\$ 4,425	\$ 328
Due from other governments	787	-	787	-
Total Assets	\$ 1,131	\$ 4,409	\$ 5,212	\$ 328
Liabilities:				
Accounts payable	\$ -	\$ 4,753	\$ 4,753	\$ -
Due to other governments	1,131	3,950	4,753	328
Total Liabilities	\$ 1,131	\$ 8,703	\$ 9,506	\$ 328

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 2 OF 4)

	BALANCE JULY 1, 2007	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2008
SUB-CONSERVANCY DISTRICT FUND				
Assets:				
Cash and investments	\$ 4,397	\$ 733,104	\$ 735,692	\$ 1,809
Taxes receivable, delinquent	3,467	2,750	1,607	4,610
Due from other governments	-	9,097	-	9,097
Total Assets	\$ 7,864	\$ 744,951	\$ 737,299	\$ 15,516
Liabilities:				
Accounts payable	\$ 6	\$ 399,160	\$ 399,161	\$ 5
Due to other governments	178	753,880	747,644	6,414
Other liabilities	7,680	9,228	7,811	9,097
Total Liabilities	\$ 7,864	\$ 1,162,268	\$ 1,154,616	\$ 15,516
FISH AND GAME FUND				
Assets:				
Cash and investments	\$ 3,400	\$ 2,088	\$ 3,417	\$ 2,071
Liabilities:				
Accounts payable	\$ 536	\$ 2,038	\$ 2,230	\$ 344
Due to other governments	2,864	2,088	3,225	1,727
Total Liabilities	\$ 3,400	\$ 4,126	\$ 5,455	\$ 2,071
CONTROLLER TRUST FUND				
Assets:				
Cash and investments	\$ 32,923	\$ 2,464	\$ 13,632	\$ 21,755
Liabilities:				
Accounts payable	\$ 116	\$ 13,516	\$ 13,632	\$ -
Due to other governments	32,807	2,465	13,517	21,755
Total Liabilities	\$ 32,923	\$ 15,981	\$ 27,149	\$ 21,755
STATE OF NEVADA FUND				
Assets:				
Cash and investments	\$ 536,381	\$ 3,787,797	\$ 4,009,036	\$ 315,142
Accounts receivable	60	50	60	50
Taxes receivable, delinquent	19,686	15,675	9,117	26,244
Total Assets	\$ 556,127	\$ 3,803,522	\$ 4,018,213	\$ 341,436
Liabilities:				
Accounts payable	\$ 33	\$ 1,789	\$ 1,791	\$ 31
Due to other governments	556,094	4,656,428	4,871,117	341,405
Total Liabilities	\$ 556,127	\$ 4,658,217	\$ 4,872,908	\$ 341,436

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 3 OF 4)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
CARSON CITY SCHOOL DISTRICT				
DEBT SERVICE FUND				
Assets:				
Taxes receivable, delinquent	\$ 54,428	\$ 43,392	\$ 25,209	\$ 72,611
Liabilities:				
Accounts payable	\$ 91	\$ 3,369	\$ 3,130	\$ 330
Due to other governments	54,337	6,796,112	6,778,168	72,281
Total Liabilities	<u>\$ 54,428</u>	<u>\$ 6,799,481</u>	<u>\$ 6,781,298</u>	<u>\$ 72,611</u>
CARSON CITY SCHOOL DISTRICT				
OPERATING FUND				
Assets:				
Cash and investments	\$ 97,499	\$ 9,883,554	\$ 9,948,249	\$ 32,804
Taxes receivable, delinquent	86,864	69,250	40,230	115,884
Due from other governments	-	906	-	906
Total Assets	<u>\$ 184,363</u>	<u>\$ 9,953,710</u>	<u>\$ 9,988,479</u>	<u>\$ 149,594</u>
Liabilities:				
Accounts payable	\$ 146	\$ 589	\$ 607	\$ 128
Due to other governments	184,217	10,090,417	10,125,168	149,466
Total Liabilities	<u>\$ 184,363</u>	<u>\$ 10,091,006</u>	<u>\$ 10,125,775</u>	<u>\$ 149,594</u>
FORFEITURE ACCOUNT FUND				
Assets:				
Cash and investments	\$ 24,872	\$ 24,799	\$ 1,814	\$ 47,857
Liabilities:				
Due to other governments	\$ 24,872	\$ 26,615	\$ 3,630	\$ 47,857
NEVADA COMMISSION FOR THE				
RECONSTRUCTION OF THE V & T				
RAILWAY FUND				
Assets:				
Cash and investments				
Unrestricted	\$ 12,348,891	\$ 3,312,453	\$ 10,149,497	\$ 5,511,847
Restricted	-	300,000	-	300,000
Due from other governments	215,349	2,338,806	218,003	2,336,152
Prepaid items	250	8,852	250	8,852
Total Assets	<u>\$ 12,564,490</u>	<u>\$ 5,960,111</u>	<u>\$ 10,367,750</u>	<u>\$ 8,156,851</u>
Liabilities:				
Accounts payable	\$ 580,244	\$ 9,884,573	\$ 9,321,683	\$ 1,143,134
Due to other governments	11,984,246	5,431,290	10,401,819	7,013,717
Total Liabilities	<u>\$ 12,564,490</u>	<u>\$ 15,315,863</u>	<u>\$ 19,723,502</u>	<u>\$ 8,156,851</u>

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 4 OF 4)

	<u>BALANCE</u> <u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and investments				
Unrestricted	\$ 13,456,634	\$ 18,260,215	\$ 25,398,863	\$ 6,317,986
Restricted	-	300,000	-	300,000
Accounts receivable	60	50	60	50
Taxes receivable, delinquent	164,691	131,849	76,229	220,311
Due from other governments	277,655	2,400,233	280,309	2,397,579
Prepaid items	250	8,852	250	8,852
	<u>\$ 13,899,290</u>	<u>\$ 21,101,199</u>	<u>\$ 25,755,711</u>	<u>\$ 9,244,778</u>
Total Assets				
Liabilities:				
Accounts payable	\$ 581,257	\$ 10,794,130	\$ 10,231,331	\$ 1,144,056
Due to other governments	13,310,353	28,229,587	33,448,315	8,091,625
Other liabilities	7,680	9,228	7,811	9,097
	<u>\$ 13,899,290</u>	<u>\$ 39,032,945</u>	<u>\$ 43,687,457</u>	<u>\$ 9,244,778</u>
Total Liabilities				

STATISTICAL SECTION

**CITY OF CARSON CITY, NEVADA
STATISTICAL SECTION**

This part of the City of Carson City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Section Contents</u>	<u>Schedule #</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</i>	1.1 - 1.4
Revenue Capacity <i>These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.</i>	2.1 - 2.4
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt, and its ability to issue additional future debt.</i>	3.1 - 3.4
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.</i>	4.1 - 4.2
Operating Information <i>These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.</i>	5.1 - 5.3

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2003, and schedules presenting government-wide information include information beginning in that year.*

CARSON CITY
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,					
	2008	2007	2006	2005	2004	2003
GOVERNMENTAL ACTIVITIES						
Invested in capital assets, net of related debt	\$ 131,338,112	\$ 120,602,072	\$ 65,849,092	\$ 69,600,063	\$ 63,816,236	\$ 60,351,746
Restricted	23,302,315	29,389,902	24,871,291	16,085,638	14,316,416	15,261,474
Unrestricted	2,417,112	(1,728,608)	(3,390,070)	15,697,202	14,233,204	15,440,977
Total Governmental Activities Net Assets	<u>\$ 157,057,539</u>	<u>\$ 148,263,366</u>	<u>\$ 87,330,313</u>	<u>\$ 101,382,903</u>	<u>\$ 92,365,856</u>	<u>\$ 91,054,197</u>
BUSINESS-TYPE ACTIVITIES						
Invested in capital assets, net of related debt	\$ 87,652,903	\$ 84,123,860	\$ 78,129,888	\$ 71,872,037	\$ 70,977,186	\$ 71,395,417
Restricted	-	2,742,096	2,598,135	2,545,363	2,482,872	2,481,867
Unrestricted	14,666,940	16,169,206	16,340,435	17,913,131	16,797,849	16,176,689
Total Business-Type Activities Net Assets	<u>\$ 102,319,843</u>	<u>\$ 103,035,162</u>	<u>97,068,458</u>	<u>\$ 92,330,531</u>	<u>\$ 90,257,907</u>	<u>\$ 90,053,973</u>
PRIMARY GOVERNMENT						
Invested in capital assets, net of related debt	\$ 218,991,015	\$ 204,725,932	\$ 143,978,980	\$ 141,472,100	\$134,793,422	\$ 131,747,163
Restricted	23,302,315	32,131,998	27,469,426	18,631,001	16,799,288	17,743,341
Unrestricted	17,084,052	14,440,598	12,950,365	33,610,333	31,031,053	31,617,666
Total Business-Type Activities Net Assets	<u>\$ 259,377,382</u>	<u>\$ 251,298,528</u>	<u>184,398,771</u>	<u>\$ 193,713,434</u>	<u>\$182,623,763</u>	<u>\$ 181,108,170</u>

Note: Accrual-basis financial information for the city government as a whole is available back to 2003 only; the year GASB Statement 34 was implemented.

CARSON CITY
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,					
	2008	2007	2006	2005	2004	2003
EXPENSES						
Governmental Activities:						
General government	\$ 13,042,589	\$ 13,329,480	\$ 15,920,465	\$ 11,732,939	\$ 10,368,245	\$ 9,567,850
Judicial	4,526,334	3,656,007	3,505,076	3,158,460	2,826,724	2,792,776
Public safety	27,388,924	26,333,209	25,401,443	25,320,788	21,632,395	20,467,651
Public works	10,017,131	7,205,824	7,205,695	7,462,191	7,389,511	7,575,408
Sanitation	1,972,849	-	-	-	-	-
Community support	991,673	552,307	15,427,942	1,476,257	5,805,226	1,206,737
Airport	124,386	348,318	85,514	126,043	270,425	59,382
Economic Opportunity	560,255	485,422	4,466,036	520,190	243,268	274,626
Welfare	2,008,154	2,074,309	2,038,709	1,915,957	1,482,239	1,776,505
Health	2,781,546	2,736,463	1,808,078	1,320,958	1,040,547	987,750
Culture and recreation	9,056,223	8,897,085	8,885,644	8,184,715	7,368,395	6,998,621
Interest on long-term debt	3,721,332	3,844,651	3,078,771	2,126,197	1,486,850	1,827,665
Total Governmental Activities Expenses	<u>76,191,396</u>	<u>69,463,075</u>	<u>87,823,373</u>	<u>63,344,695</u>	<u>59,913,825</u>	<u>53,534,971</u>
Business-type Activities:						
Landfill	-	2,057,836	1,889,185	1,058,363	1,534,489	1,373,244
Ambulance	3,444,369	3,314,417	3,159,589	2,599,930	2,635,082	2,439,285
Sewer	8,196,029	7,751,960	7,592,212	7,164,159	7,044,425	6,533,017
Water	9,996,906	9,143,663	8,228,357	7,670,393	7,385,857	6,978,156
Cemetery	206,709	201,439	214,107	199,167	193,136	193,882
Building Permits	1,581,943	1,724,380	1,629,333	1,476,259	1,419,040	1,388,170
Stormwater Drainage	880,387	860,866	745,178	286,562	21,170	-
Total Business-type Activities Expenses	<u>24,306,343</u>	<u>25,054,561</u>	<u>23,457,961</u>	<u>20,454,833</u>	<u>20,233,199</u>	<u>18,905,754</u>
Total Primary Government Expenses	<u>\$ 100,497,739</u>	<u>\$ 94,517,636</u>	<u>\$ 111,281,334</u>	<u>\$ 83,799,528</u>	<u>\$ 80,147,024</u>	<u>\$ 72,440,725</u>
PROGRAM REVENUES						
Governmental Activities:						
Charges for services	\$ 12,887,791	\$ 7,194,480	\$ 7,249,876	\$ 6,995,677	\$ 6,287,043	\$ 5,997,754
Operating grants, interest, and contributions	5,088,124	6,129,717	8,678,963	6,003,596	3,351,158	2,177,667
Capital grants, interest, and contributions	2,819,030	14,492,662	51,789	2,211,437	568,537	4,241,309
Total Governmental Activities Program Revenues	<u>20,794,945</u>	<u>27,816,859</u>	<u>15,980,628</u>	<u>15,210,710</u>	<u>10,206,738</u>	<u>12,416,730</u>
Business-type Activities:						
Charges for services	20,545,041	22,492,588	19,894,278	17,884,199	17,437,463	16,001,959
Operating grants, interest, and contributions	-	-	12,538	31,080	44,830	25,366
Capital grants, interest, and contributions	4,987,392	6,462,247	7,000,395	5,150,250	2,934,428	2,950,430
Total Business-type Activities Program Revenues	<u>25,532,433</u>	<u>28,954,835</u>	<u>26,907,211</u>	<u>23,066,029</u>	<u>20,416,721</u>	<u>18,977,755</u>
Total Primary Government Program Revenues	<u>\$ 46,327,378</u>	<u>\$ 56,771,694</u>	<u>\$ 42,887,839</u>	<u>\$ 38,276,739</u>	<u>\$ 30,623,459</u>	<u>\$ 31,394,485</u>
NET (EXPENSE) / REVENUE						
Governmental activities	\$ (55,396,451)	\$ (41,646,216)	\$ (71,842,745)	\$ (48,133,985)	\$ (49,707,087)	\$ (41,118,241)
Business-type activities	1,226,090	3,900,274	3,449,250	2,611,196	183,522	72,001
Total Primary Government Net (Expense) / Revenue	<u>\$ (54,170,361)</u>	<u>\$ (37,745,942)</u>	<u>\$ (68,393,495)</u>	<u>\$ (45,522,789)</u>	<u>\$ (49,523,565)</u>	<u>\$ (41,046,240)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS						
Governmental Activities:						
Taxes:						
Property taxes	\$ 17,542,259	\$ 16,538,908	\$ 14,842,941	\$ 14,399,482	\$ 13,622,347	\$ 13,163,766
Sales taxes	5,669,448	6,097,893	5,355,446	4,856,154	4,517,602	4,243,911
Consolidated tax	23,442,872	25,944,779	26,808,073	25,661,323	23,827,916	22,273,319
Franchise taxes	5,371,215	4,619,984	4,423,774	4,081,139	3,541,660	3,400,865
Other taxes	3,911,193	4,262,092	4,273,234	4,193,053	3,889,322	3,520,210
Motor vehicle fuel tax	1,330,616	1,373,902	1,361,374	1,340,152	1,277,083	1,140,911
Grants and contributions not restricted to specific programs	3,312	687	589	576	568	-
Unrestricted investment income	3,614,317	3,530,584	1,367,181	1,197,060	122,925	1,685,904
Gain on sale of capital assets	-	-	1,337,946	-	-	-
Miscellaneous revenue	305,300	246,304	189,430	191,890	257,974	200,892
Transfers	3,000,092	(746,617)	(2,169,833)	1,230,203	(38,651)	(126,817)
Total Governmental Activities	<u>64,190,624</u>	<u>61,868,516</u>	<u>57,790,155</u>	<u>57,151,032</u>	<u>51,018,746</u>	<u>49,502,961</u>
Business-type Activities:						
Unrestricted investment income	1,058,683	1,319,813	476,360	691,631	(18,239)	955,581
Transfers	(3,000,092)	746,617	2,169,833	(1,230,203)	38,651	126,817
Total Business-type Activities	<u>(1,941,409)</u>	<u>2,066,430</u>	<u>2,646,193</u>	<u>(538,572)</u>	<u>20,412</u>	<u>1,082,398</u>
Total Primary Government Activities	<u>\$ 62,249,215</u>	<u>\$ 63,934,946</u>	<u>\$ 60,436,348</u>	<u>\$ 56,612,460</u>	<u>\$ 51,039,158</u>	<u>\$ 50,585,359</u>
CHANGE IN NET ASSETS						
Governmental activities	\$ 8,794,173	\$ 20,222,300	\$ (14,052,590)	\$ 9,017,047	\$ 1,311,659	\$ 8,384,720
Business-type activities	(715,319)	5,966,704	6,095,443	2,072,624	203,934	1,154,399
Total Primary Government Change in Net Assets	<u>\$ 8,078,854</u>	<u>\$ 26,189,004</u>	<u>\$ (7,957,147)</u>	<u>\$ 11,089,671</u>	<u>\$ 1,515,593</u>	<u>\$ 9,539,119</u>

Note: Accrual-basis financial information for the city government as a whole is available back to 2003 only; the year GASB Statement 34 was implemented

CARSON CITY
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

GENERAL FUND	FISCAL YEAR ENDED JUNE 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Reserved	\$ 790,253	\$ 793,002	\$ 867,481	\$ 546,825	\$ 479,751	\$ 552,198	\$ 450,765	\$ 525,190	\$ 687,116	\$ 738,795
Undesignated	\$ 5,143,029	\$ 5,385,581	\$ 5,079,437	\$ 8,959,556	\$ 8,846,685	\$ 8,712,714	\$ 9,568,308	\$ 6,385,072	\$ 5,662,704	\$ 3,995,707
Designated	\$ 8,383,701	\$ 5,496,137	\$ 4,951,945	\$ 2,092,600	\$ 2,606,927	\$ 16,884	\$ 2,971,753	\$ 3,888,468	\$ 2,097,212	\$ 2,153,587
Total General Fund	\$ 14,316,983	\$ 11,674,720	\$ 10,898,863	\$ 11,598,981	\$ 11,933,363	\$ 9,261,796	\$ 12,790,826	\$ 10,798,730	\$ 8,447,032	\$ 6,888,089
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ 15,258	\$ 12,953	\$ 1,287	\$ 865	\$ 22,400	\$ 247	\$ 3,798,655	\$ 3,605,309	\$ 3,603,193	\$ 1,367,114
Undesignated	\$ 14,476,430	\$ 5,195,162	\$ 9,914,131	\$ 10,300,110	\$ 5,738,209	\$ 2,169,391	\$ 3,007,135	\$ 9,846,252	\$ 4,907,047	\$ 9,543,618
Designated in:	\$ 1,259,329	\$ 1,143,535	\$ 992,243	\$ 1,633,794	\$ 2,354,377	\$ 2,667,705	\$ -	\$ -	\$ -	\$ -
Special Revenue Funds	\$ 73,552	\$ 100,358	\$ 517,218	\$ 130,227	\$ 70,197	\$ 177,126	\$ 1,385,905	\$ 671,734	\$ 2,388,796	\$ 2,092,557
Debt Service Funds	\$ 13,889,408	\$ 32,268,590	\$ 28,406,279	\$ 22,049,919	\$ 17,059,026	\$ 16,934,032	\$ 14,588,849	\$ 5,026,104	\$ 6,516,774	\$ 7,291,964
Capital Projects Funds	\$ 24,354	\$ 37,444	\$ 443,148	\$ 13,798	\$ 27,006	\$ 154,164	\$ -	\$ -	\$ -	\$ -
Undesignated in:	\$ 3,095,754	\$ 7,245,512	\$ 14,599,397	\$ 2,801,349	\$ 2,071,348	\$ 3,001,323	\$ 1,354,474	\$ 1,242,002	\$ 1,172,546	\$ 2,049,830
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total All Other Governmental Funds	\$ 32,834,085	\$ 46,003,554	\$ 54,873,703	\$ 36,950,062	\$ 27,342,563	\$ 25,103,988	\$ 24,133,018	\$ 20,391,401	\$ 18,588,556	\$ 22,345,033

Fluctuations in the general fund and all other governmental fund balance reserved and unreserved amounts are explained in the Management Discussion and Analysis.

Note: This information is presented on the modified accrual basis of accounting.

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

	FISCAL YEAR ENDED JUNE 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
REVENUES										
Taxes	\$ 26,801,548	\$ 26,649,450	\$ 24,247,771	\$ 23,227,887	\$ 21,806,953	\$ 20,705,621	\$ 20,533,691	\$ 19,696,288	\$ 18,333,861	\$ 16,894,089
Special assessments	7,089,746	6,183,388	6,191,477	5,688,240	5,099,575	4,877,726	4,623,361	4,692,980	4,647,303	4,424,227
Licenses and permits	30,876,567	43,287,158	36,935,960	33,640,817	29,100,114	27,058,432	28,395,840	27,071,037	22,988,425	22,726,466
Intergovernmental revenues	13,322,748	8,417,219	7,455,522	6,997,392	6,133,344	5,645,508	5,293,332	4,222,609	4,316,626	3,728,263
Charges for services	1,023,459	901,404	1,011,142	902,536	845,779	789,494	828,567	902,643	714,707	740,536
Fines and forfeits	4,565,944	4,411,395	2,179,034	2,121,663	1,024,528	2,398,752	2,253,205	3,089,543	2,715,620	2,104,519
Miscellaneous	83,680,012	89,850,014	78,020,906	72,578,535	64,203,001	61,687,017	62,162,790	59,911,213	53,999,633	50,919,366
Total Revenues										
	14,514,253	15,037,996	19,586,502	13,998,307	12,828,474	12,949,568	12,308,055	11,496,429	9,937,028	9,765,936
EXPENDITURES										
General government	25,954,382	25,956,021	24,295,657	25,614,239	20,531,866	20,448,172	18,255,487	16,975,277	15,900,862	14,436,720
Public safety	4,704,943	3,652,245	3,521,459	3,093,465	2,794,389	2,779,499	2,473,197	2,271,193	1,913,447	2,049,685
Judicial	17,079,950	11,965,730	12,148,591	10,441,407	10,201,012	10,749,239	9,975,074	11,093,375	12,659,669	9,590,386
Public works	2,627,724	2,670,894	1,777,541	1,532,341	1,037,614	1,146,927	934,853	880,340	922,370	914,648
Health	3,386,664	2,073,901	2,033,648	1,911,782	1,478,840	1,773,771	1,388,945	227,215	210,071	153,056
Sanitation	2,011,350	9,464,338	8,810,148	11,169,867	10,299,483	7,926,518	8,296,395	6,560,870	1,283,167	1,097,915
Welfare	15,594,191	630,602	15,784,475	752,965	5,547,273	1,058,208	1,739,029	1,246,276	8,306,920	7,487,441
Culture and recreation	579,295	10,034,403	38,779	79,038	297,124	247,363	73,352	444,188	1,139,448	1,016,234
Community support	609,176	565,092	4,598,312	593,042	263,279	312,937	374,336	48,500	35,523	81,833
Intergovernmental	4,084,369	9,039,514	6,510,301	306,592	265,811	180,704	252,124	1,282,214	1,852,210	6,995,388
Airport	3,038,832	3,056,246	2,725,880	2,576,513	2,396,506	3,501,418	2,364,750	2,114,792	2,188,923	1,620,614
Economic opportunity	3,651,174	3,764,874	2,932,911	1,958,684	1,282,262	1,961,517	1,909,116	1,851,904	1,828,378	1,747,309
Capital outlay	98,407,219	97,911,876	104,764,204	74,027,542	69,223,933	65,035,841	60,594,586	58,078,490	58,756,806	57,218,413
Debt service:										
Principal	(14,727,207)	(8,061,862)	(26,743,298)	(1,449,007)	(5,020,932)	(3,348,824)	1,568,204	1,832,723	(4,757,173)	(6,299,047)
Interest and fiscal charges										
Total Expenditures										
	11,228	55,770	3,620,000	40,613	141,280	42,026	71,166	2,314,843	176,539	933,950
OTHER FINANCING SOURCES (USES)										
Capital asset sales										
Capital leases										
Bonds issued			41,000,000	6,815,000	9,935,000	802,500	5,129,802	-	2,505,000	5,860,000
Notes issued			(9,884,613)	3,028,000	-	(4,888,283)	-	-	-	(3,229,796)
Payment to refunded bond escrow agent			8,040,000	-	-	4,895,000	-	-	-	3,270,000
Refunding bonds issued			1,654,300	-	-	-	-	-	-	-
Refunding notes issued			278,709	-	-	-	-	-	-	-
Premium on refunding bonds issued			7,736,648	9,961,443	4,121,536	11,074,155	5,429,803	5,522,848	5,984,832	3,976,046
Transfers in			(8,763,820)	(7,824,848)	(4,121,536)	(11,136,634)	(5,839,803)	(5,742,848)	(6,334,832)	(4,190,446)
Transfers out			308,908	(66,349)	(145,206)	-	-	-	-	-
Premium on bonds issued										
Discount on bonds issued										
Total Other Financing Sources (Uses)										
	4,200,001	(32,430)	43,986,821	10,702,124	9,931,074	788,764	4,790,968	2,094,843	2,331,539	6,619,754
Net Change in Fund Balances										
	\$ (10,527,206)	\$ (8,094,292)	\$ 17,243,523	\$ 9,253,117	\$ 4,910,142	\$ (2,560,060)	\$ 6,359,172	\$ 3,927,566	\$ (2,425,634)	\$ 320,707
Debt service as a percentage of noncapital expenditures										
	8.76%	9.30%	6.19%	6.98%	5.97%	9.57%	7.08%	6.98%	7.24%	6.71%

Note: This information is presented on the modified accrual basis of accounting.

CARSON CITY
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	REAL PROPERTY ASSESSED VALUE			PERSONAL PROPERTY ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	TOTAL		PERCENTAGE OF TAXABLE VALUE TO ACTUAL VALUE	TOTAL DIRECT TAX RATE (1)
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL			TAXABLE ASSESSED VALUE	ESTIMATED ACTUAL VALUE		
2008	\$ 1,206,800,499	\$ 547,565,065	\$ 81,726,034	\$ 86,113,782	\$ 358,490,827	\$ 1,612,389,852	\$ 4,606,828,149	35.00%	1.5007
2007	1,083,303,781	451,206,734	73,847,370	83,969,393	307,878,233	1,433,303,610	4,095,153,171	35.00%	1.5075
2006	849,173,104	377,913,118	70,855,130	90,645,832	228,104,138	1,204,395,768	3,441,130,766	35.00%	1.2220
2005	787,818,702	353,104,623	66,465,018	85,499,759	216,695,480	1,125,818,236	3,216,623,531	35.00%	1.2220
2004	746,722,428	332,262,156	79,211,607	69,616,260	214,805,768	1,069,001,554	3,054,290,154	35.00%	1.2085
2003	724,967,564	325,002,781	70,047,686	65,168,733	198,173,195	1,055,965,403	3,017,044,009	35.00%	1.1809
2002	686,167,611	309,358,914	70,055,946	62,501,598	193,119,150	997,993,693	2,851,410,551	35.00%	1.1791
2001	666,155,934	287,996,135	66,598,662	55,041,111	182,457,938	978,805,722	2,796,587,777	35.00%	1.1484
2000	637,277,061	269,855,961	63,344,186	51,300,331	177,116,204	926,511,698	2,647,176,280	35.00%	1.1097
1999	605,449,267	246,765,018	60,808,788	54,256,056	166,625,864	883,733,920	2,524,954,057	35.00%	1.0426

Source: Carson City Assessor

Pursuant to NRS 361.227, real property is valued at taxable value, determined by calculating the full cash value (market value) of land and estimated replacement cost of improvements less appropriate depreciation. Taxable assessed value is 35% of estimated actual value. Real property is reappraised at least every five years. Property not reappraised is revalued annually using various approved methods.

(1) Per hundred dollars of assessed valuation.

CARSON CITY
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(TAX RATE PER \$100 ASSESSED VALUATION)
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
CITY OF CARSON CITY DIRECT RATE										
Operating Rate	1.2102	1.2101	0.9634	0.9634	0.9634	0.9234	0.9234	0.8922	0.8499	0.8008
Vote Approved	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Legislative Overrides	0.2405	0.2153	0.1765	0.1765	0.1620	0.1744	0.1711	0.1710	0.1710	0.1513
Debt Service	0.0000	0.0321	0.0321	0.0321	0.0331	0.0331	0.0346	0.0352	0.0388	0.0405
Total Carson City Direct Rate	1.5007	1.5075	1.2220	1.2220	1.2085	1.1809	1.1791	1.1484	1.1097	1.0426
OVERLAPPING RATES										
Carson City School District	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2700
State of Nevada	0.1700	0.1700	0.1700	0.1700	0.1700	0.1500	0.1500	0.1500	0.1500	0.1500
Eagle Valley Underground Water	0.0011	0.0012	0.0016	0.0016	0.0016	0.0016	0.0016	0.0018	0.0019	0.0024
Carson Valley Ground Water Basin	0.0025	0.0029	0.0027	0.0027	0.0033	0.0034	0.0033	0.0034	0.0038	0.0059
Sub-Conservancy	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Sierra Forest Fire	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Total Overlapping Rates	1.5236	1.5241	1.5243	1.5243	1.5249	1.5050	1.5049	1.5054	1.5057	1.5583
Total Carson City Property Tax Rate	3.0243	3.0316	2.7463	2.7463	2.7334	2.6859	2.6840	2.6538	2.6154	2.6009
REDEVELOPMENT AGENCY OF CARSON CITY	2.8108	2.7913	2.4845	2.5078	2.4891	2.4802	2.5239	2.5502	2.5116	2.4950

Source: Nevada Department of Taxation

**CARSON CITY
TEN LARGEST ASSESSED VALUATIONS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

<u>TAXPAYER</u>	<u>2008</u>			<u>1999</u>		
	<u>ASSESSED VALUATION</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>	<u>ASSESSED VALUATION</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Dwight Millard	\$ 13,391,942	1	0.83%	\$ 6,903,685	4	0.78%
Southwest Gas Corp	13,092,369	2	0.81%	13,270,657	1	1.50%
John Serpa	12,781,158	3	0.79%	4,007,609	7	0.45%
Sierra Pacific Power	12,009,811	4	0.74%	10,649,134	2	1.21%
Carson - Tahoe Hospital	11,854,006	5	0.74%	-	-	-
C & A Investment	9,326,656	6	0.58%	-	-	-
Garth Richards	7,481,869	7	0.46%	3,806,222	9	0.43%
Cubix/Ormsby	7,446,611	8	0.46%	-	-	-
AT&T Nevada	7,276,476	9	0.45%	9,749,495	3	1.10%
Carson Gaming LLC	6,546,402	10	0.41%	-	-	-
Clark Russell	-	-	-	5,324,371	5	0.60%
Carson Nugget	-	-	-	4,805,858	6	0.54%
K-Mart	-	-	-	3,805,069	8	0.43%
Roger Shaheen	-	-	-	2,782,173	10	0.31%
Total, Ten Largest Taxpayers	101,207,300		6.28%	65,104,273		7.37%
Total, Other Taxpayers	1,511,182,552		93.72%	818,629,647		92.63%
Total Assessed Valuations	<u>\$ 1,612,389,852</u>		<u>100.00%</u>	<u>\$ 883,733,920</u>		<u>100.00%</u>

Source: Carson City Assessor

This list represents the ten largest property assessments based on property-owning taxpayers in the City. It is possible that an owner of several parcels may have an aggregate assessed value that is larger than those listed above.

CARSON CITY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNT EXPRESSED IN THOUSANDS)
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED	CURRENT YEAR		DELINQUENT TAX COLLECTIONS	TOTALS TO DATE	
		TAX COLLECTIONS	PERCENT OF TAXES LEVIED		TAX COLLECTIONS	PERCENT OF TAXES LEVIED
1999	\$ 20,013	\$ 19,810	98.99%	\$ 290.00	\$ 20,100	100.43%
2000	21,287	21,024	98.76%	218.00	21,242	99.79%
2001	22,597	22,406	99.15%	217.00	22,623	100.12%
2002	23,617	23,407	99.11%	244.00	23,651	100.14%
2003	24,975	24,726	99.00%	208.00	24,934	99.84%
2004	25,945	25,757	99.28%	234.00	25,991	100.18%
2005	27,274	27,054	99.19%	193.00	27,247	99.90%
2006	28,436	28,213	99.22%	135.00	28,348	99.69%
2007	30,839	30,592	99.20%	84.00	30,676	99.47%
2008	35,546	35,174	98.95%	71.00	35,245	99.15%

Source: Carson City Treasurer's Office

Note: Outstanding Delinquent Taxes were those taxes of the current year tax levy that were delinquent as of the end of June of each year. This figure does not reflect other tax years that were still delinquent in the fiscal year being reported.

CARSON CITY
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT					OTHER GOVERNMENTAL ACTIVITIES DEBT					BUSINESS TYPE ACTIVITIES					TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME(2)	PER CAPITA(2)
	GENERAL OBLIGATION BONDS	GENERAL OBLIGATION NOTES	TOTAL GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL PROPERTY VALUE (1)	PER CAPITA (2)	REVENUE BONDS	CAPITAL LEASES	SPECIAL ASSESSMENT BONDS	PROPRIETARY BONDS	PROPRIETARY NOTES	PROPRIETARY BONDS	PROPRIETARY NOTES	PROPRIETARY BONDS	PROPRIETARY NOTES				
2008	\$ 72,462,454	\$ 3,847,078	\$ 76,309,532	1.57%	\$ 1,322.00	\$ 4,915,000	\$ 112,533	\$ -	\$ 53,797,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,134,778	5.57%	\$ 2,341.09	
2007	74,574,351	4,399,013	78,973,364	1.82%	1,568.67	5,140,000	120,447	-	57,120,185	-	-	-	-	-	141,353,996	6.18%	2,449.77	
2006	76,884,293	4,925,317	81,809,610	2.23%	1,432.64	5,360,000	86,777	-	50,968,629	-	-	-	-	-	138,225,016	6.38%	2,420.58	
2005	37,953,154	3,398,036	41,351,190	1.18%	740.06	7,330,000	82,473	-	54,291,941	-	-	-	-	-	103,255,604	5.08%	1,839.06	
2004	32,973,990	755,713	33,729,703	1.08%	610.82	7,670,000	-	215,000	42,171,690	-	-	-	-	-	83,786,393	4.51%	1,517.32	
2003	30,843,709	802,500	31,646,209	1.02%	577.02	2,000,000	-	430,000	34,578,836	-	-	-	-	-	68,655,045	3.92%	1,251.82	
2002	31,549,802	650,325	32,200,127	1.11%	594.42	2,860,000	-	645,000	36,848,733	-	-	-	-	-	72,553,860	4.21%	1,339.35	
2001	28,045,000	860,075	28,905,075	1.00%	544.40	3,170,000	-	977,030	25,726,396	-	-	-	-	-	58,778,521	3.49%	1,107.04	
2000	29,495,000	1,059,867	30,554,867	1.11%	580.67	3,415,000	-	1,085,000	24,875,908	-	-	-	-	-	59,930,775	3.91%	1,138.94	
1999	25,865,000	1,250,190	27,115,190	1.02%	522.23	3,640,000	-	1,305,000	29,127,821	-	92,460	-	-	-	61,280,471	4.19%	1,180.24	

Notes:

- (1) See Schedule 2.1 for estimated actual property value.
- (2) See Schedule 4.1 for population and personal income data.

**CARSON CITY
GENERAL OBLIGATION DIRECT
AND OVERLAPPING DEBT
FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)**

NAME OF GOVERNMENT UNIT	<u>GENERAL OBLIGATION DEBT OUTSTANDING</u>	<u>PRESENTLY SELF-SUPPORTING GENERAL OBLIGATION DEBT</u>	<u>PERCENT APPLICABLE (1)</u>	<u>APPLICABLE NET DEBT</u>
Direct:				
City of Carson City:				
Governmental Activity Bonds	\$ 72,462,454	\$ 72,462,454	100.00%	\$ -
Business-Type Activity Bonds	53,797,713	53,797,713	100.00%	-
Total Direct Debt	<u>126,260,167</u>	<u>126,260,167</u>		<u>-</u>
Overlapping:				
Carson City School District	<u>48,204,000</u>	<u>-</u>	100.00%	<u>48,204,000</u>
Total Overlapping Debt	<u>48,204,000</u>	<u>-</u>		<u>48,204,000</u>
Total General Obligation Direct and Overlapping Debt	<u>\$ 174,464,167</u>	<u>\$ 126,260,167</u>		<u>\$ 48,204,000</u>

Source: Carson City Finance Office and Carson City School District

(1) Based on fiscal year 2007-08 assessed valuation in the respective jurisdiction.

CARSON CITY
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2008

Assessed value of taxable property(1)	\$ 1,930,348,587
Debt limit (15% of assessed value)	<u>289,552,288</u>
Debt applicable to limit:	
Governmental activities	\$ 76,309,532
Business-type activities	53,797,713
Less: Amount available for repayment of general obligation debt	<u>(200,000)</u>
Total net debt applicable to limitation	129,907,245
Legal debt margin	<u>\$ 159,645,043</u>

	FISCAL YEAR ENDED JUNE 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Debt limit	\$ 289,552,288	\$ 219,896,382	\$ 183,981,394	\$ 172,194,764	\$ 163,388,242	\$ 161,241,549	\$ 152,079,436	\$ 148,736,738	\$ 140,657,114	\$ 134,112,930
Total net debt subject to limitation	<u>129,907,245</u>	<u>135,893,548</u>	<u>132,578,239</u>	<u>103,173,131</u>	<u>83,571,393</u>	<u>68,225,045</u>	<u>69,048,860</u>	<u>76,162,159</u>	<u>77,498,877</u>	<u>76,221,595</u>
Legal Debt Margin	<u>\$ 159,645,043</u>	<u>\$ 84,002,834</u>	<u>\$ 51,403,155</u>	<u>\$ 69,021,633</u>	<u>\$ 79,816,849</u>	<u>\$ 93,016,504</u>	<u>\$ 83,030,576</u>	<u>\$ 72,574,579</u>	<u>\$ 63,158,237</u>	<u>\$ 57,891,335</u>
Total net debt subject to limitation as a percentage of debt limit	<u>44.9%</u>	<u>61.8%</u>	<u>72.1%</u>	<u>59.9%</u>	<u>51.1%</u>	<u>42.3%</u>	<u>45.4%</u>	<u>51.2%</u>	<u>55.1%</u>	<u>56.8%</u>

Note: The legal debt limit is set forth in NRS 266.600.

(1) Includes Redevelopment Authority amount of \$87,101,590.

**CARSON CITY
PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	PLEGGED REVENUE	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE REQUIREMENTS			COVERAGE RATIOS
				PRINCIPAL	INTEREST	TOTAL	
HIGHWAY REVENUE(MOTOR VEHICLE FUEL TAX) IMPROVEMENT BONDS (1)							
2008	\$ 2,846,668	\$ 3,351,447	\$ (504,779)	\$ 225,000	\$ 199,925	\$ 424,925	-1.2
2007	2,919,391	2,022,026	897,365	220,000	205,500	425,500	2.1
2006	2,911,491	1,698,400	1,213,091	215,000	212,000	427,000	2.8
2005	2,882,846	1,076,793	1,806,053	210,000	216,200	426,200	4.2
2004	-	-	-	-	-	-	N/A
2003	-	-	-	-	-	-	N/A
2002	-	-	-	-	-	-	N/A
2001	-	-	-	-	-	-	N/A
2000	-	-	-	-	-	-	N/A
1999	-	-	-	-	-	-	N/A
TAX ALLOCATION BOND - REDEVELOPMENT AUTHORITY (2)							
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2007	-	-	-	-	-	-	N/A
2006	511,325	-	511,325	145,000	120,463	265,463	1.9
2005	544,413	-	544,413	130,000	128,912	258,912	2.1
2004	528,702	-	528,702	115,000	136,330	251,330	2.1
2003	605,520	-	605,520	100,000	142,730	242,730	2.5
2002	624,528	-	624,528	85,000	148,000	233,000	2.7
2001	592,329	-	592,329	35,000	150,100	185,100	3.2
2000	286,801	-	286,801	25,000	151,537	176,537	1.6
1999	253,890	-	253,890	10,000	152,087	162,087	1.6
HIGHWAY REVENUE IMPROVEMENT BONDS (3)							
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2007	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2005	-	-	-	-	-	-	N/A
2004	-	-	-	-	-	-	N/A
2003	2,805,923	1,990,175	815,748	760,000	18,698	778,698	1.0
2002	2,987,769	2,031,393	956,376	225,000	51,288	276,288	3.5
2001	3,064,787	2,048,783	1,016,004	210,000	63,580	273,580	3.7
2000	3,065,386	1,899,611	1,165,775	200,000	75,060	275,060	4.2
1999	3,154,032	2,060,282	1,093,750	185,000	85,748	270,748	4.0
GRAVES LANE SPECIAL ASSESSMENT BONDS (4)							
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2007	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2005	-	-	-	-	-	-	N/A
2004	192,708	-	192,708	215,000	22,575	237,575	0.8
2003	211,484	-	211,484	215,000	33,540	248,540	0.9
2002	234,794	-	234,794	220,000	44,540	264,540	0.9
2001	236,113	-	236,113	220,000	55,320	275,320	0.9
2000	283,091	-	283,091	220,000	65,880	285,880	1.0
1999	301,265	-	301,265	220,000	76,220	296,220	1.0

Notes:

(1) Pledged revenues include a tax currently levied at the rate of four cents per gallon by the City, and the City's interest in taxes equal in the aggregate to 5.35 cents per gallon, levied by the State of Nevada on certain motor vehicle fuel sold in the City and the State. Operating expenses include amounts in the Regional Transportation Fund, less NDOT bypass portion and expenses in the Streets Maintenance Fund, less County Option Sales Taxes and the County Option 1 cent fuel tax.

(2) Pledged revenues include the property taxes levied in the Redevelopment District.

(3) Pledged revenues include the County Option Fuel tax collected in the Regional Transportation Fund. Expenditures include operating expenditures, less capital outlay.

(4) Pledged revenues for Special Assessment Bonds includes assessments, prepaid assessments, assessment interest, and prepaid assessment interest.

**CARSON CITY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30.	POPULATION (1)	CITY AREA (SQUARE MILES) (6)	TOTAL PERSONAL INCOME (2)	PER CAPITA PERSONAL INCOME (3)	UNEMPLOYMENT RATE (4)	PUBLIC SCHOOL ENROLLMENT (5)	BUSINESS LICENSES ISSUED (2)	TOTAL CONSTRUCTION PERMITS (6)	TOTAL CONSTRUCTION VALUE (6)
2008	57,723	147.00	\$ 2,425,790,825	\$ 43,925	6.7%	13,493	1,242	295	\$ 74,801,157
2007	57,701	147.00	2,286,325,000	41,478	5.0%	13,790	1,223	425	87,262,258
2006	57,104	147.00	2,167,780,000	38,938	4.8%	13,638	1,312	385	76,840,787
2005	56,146	147.00	2,031,906,000	36,441	4.7%	14,524	1,182	426	58,999,793
2004	55,220	147.00	1,859,588,000	33,653	5.2%	14,667	1,287	491	129,693,867
2003	54,844	147.00	1,751,205,000	32,089	5.8%	14,906	1,315	600	78,026,678
2002	54,171	147.00	1,724,799,000	32,260	5.8%	15,480	1,209	612	69,999,803
2001	53,095	147.00	1,683,799,000	32,041	5.1%	12,809	1,246	610	73,703,153
2000	52,620	147.00	1,532,852,000	29,505	3.7%	12,457	1,508	618	72,169,862
1999	51,922	147.00	1,462,230,000	28,748	3.9%	12,514	1,339	639	60,448,147

NR = Not reported

Sources:

- (1) State of Nevada, Demographer's Office, 1999-2007; Estimated for 2008 as data was unavailable at time of publication
- (2) City of Carson City, Business License Division
- (3) U.S. Department of Commerce, Bureau of Economic Analysis, 1999-2007, for Carson City Metropolitan Area. Estimated for 2008 as data was unavailable at time of publication.
- (4) State of Nevada, Department of Employment Training & Rehabilitation for Carson City Metropolitan Area
- (5) Includes elementary, junior high, high school, and community college enrollment. Information obtained from the Carson City School District and Wester Nevada College - Carson City campus.
- (6) City of Carson City, Building and Safety Department

**CARSON CITY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

<u>EMPLOYER</u>	<u>2008</u>			<u>1999</u>		
	<u>EMPLOYEES (1)</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY(2)</u>	<u>EMPLOYEES (1)</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>
Carson Tahoe Hospital	1000-1499	1	3.49%	700-799	3	2.46%
Carson City School District	1000-1499	2	3.24%	900-999	2	3.16%
City of Carson City	700-799	3	2.42%	700-799	4	2.37%
State Department of Transportation	600-699	4	2.12%			
Carson City Nugget	400-499	5	1.54%	500-599	6	1.76%
Casino Fandango	400-499	6	1.46%			
Western Nevada Community College	400-499	7	1.43%	300-399	7	1.25%
Chromalloy Nevada	400-499	8	1.36%	300-399	9	1.20%
State Department of Motor Vehicles	300-399	9	1.22%			
Wal-Mart Supercenter	300-399	10	1.13%	200-299	10	0.98%
Nevada Dept of Transportation				600-699	5	2.03%
State of Nevada (2)				4500-4999	1	15.40%
State Industrial Insurance System				300-399	8	1.21%
Total Carson City Area Covered Employment	29,871			24,700		

Source: Each of the two years reflect respective June information as compiled by the Nevada Department of Employment, Training, and Rehabilitation, Division of Labor Marketing.

Notes:

- (1) Nevada Revised Statutes Chapter 612 stipulate that actual employment for individual employers may not be published.
(2) The State of Nevada changed it's reporting requirements in 2005 - each division now reports information separately.

CARSON CITY
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

FUNCTION:	FISCAL YEAR ENDED JUNE 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Government	123.35	127.05	135.30	134.05	131.55	130.75	128.50	128.25	127.25	129.60
Public Safety	259.45	265.70	261.50	259.50	250.00	249.00	240.00	237.50	232.00	225.50
Judicial	45.00	42.25	35.50	29.75	28.75	26.75	26.75	28.75	27.50	26.50
Public Works	58.25	53.59	54.85	45.05	50.40	49.40	52.90	41.81	42.75	39.50
Sanitation	13.05	10.90	11.70	11.20	7.35	9.35	1.50	1.50	1.50	1.50
Health	23.25	18.75	14.00	12.00	12.00	12.50	12.00	15.00	15.00	15.50
Welfare	2.00	1.00	1.00	1.00	1.00	1.50	1.00	1.25	1.25	1.50
Culture and Recreation	57.82	61.95	59.76	58.01	54.01	54.06	52.44	54.62	55.00	61.65
Community Support	2.00	2.00	2.00	2.00	1.00	1.00	0.00	0.00	0.00	0.00
Utilities	47.50	49.65	48.40	47.75	54.00	48.00	48.20	58.69	58.15	62.75
Hospitals (1)	0.00	0.00	0.00	0.00	0.00	0.00	754.54	733.65	702.15	668.58
Other	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.25	1.00
Total	631.67	633.84	625.01	601.31	591.06	583.31	1,318.83	1,302.02	1,264.80	1,233.58

Source: City of Carson City Finance Department

(1) The hospital was transferred from a City owned facility to a private, non-profit corporation on March 1, 2002.

**CARSON CITY
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30.									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
FUNCTION / PROGRAM:										
General Government										
Business licenses issued (3)	1,242	1,223	1,312	1,182	1,287	1,315	1,209	1,246	1,508	1,339
Judicial: (1)										
Municipal Court Cases Filed:										
Criminal Cases:										
Felony death penalty	0	1	5	0	0	0	0	0	0	NR
Felony, crimes against persons	374	407	581	553	651	688	549	728	241	NR
Felony, crimes against property	228	227	473	490	444	326	415	385	933	NR
Gross misdemeanor, crimes against persons	64	59	102	96	115	88	67	48	71	NR
Gross misdemeanor, crimes against property	42	21	57	55	42	8	35	33	38	NR
Misdemeanor, non-traffic	1,492	1,309	2,040	2,011	2,569	2,117	2,201	2,108	2,287	NR
Traffic and parking violations	16,460	12,516	20,885	18,190	18,188	16,605	15,624	18,090	15,252	NR
Civil Cases:										
General	2,514	2,513	2,254	2,197	1,913	1,587	1,775	1,641	1,616	NR
Small claims	638	686	601	550	638	528	504	534	504	NR
Landlord/tenant (summary eviction)	1,473	1,466	1,235	1,173	1,274	1,293	1,290	1,190	1,144	NR
Request for domestic violence protective orders	484	452	361	424	513	622	593	445	502	NR
Request for protection orders (non-dom. violence)	346	322	376	506	569	455	342	240	245	NR
Public Safety										
Police: (5)										
Number of sworn police personnel and officers	98	94	95	95	93	93	93	93	89	87
Number of physical arrests	3,265	2,872	2,742	3,189	3,516	2,829	4,461	3,995	4,015	4,430
Number of traffic accidents	1,035	538	705	693	858	618	962	522	769	823
Fire: (6)										
Number of firefighters	64	66	66	66	61	65	66	58	56	58
Number of calls answered	7,941	7,681	7,200	6,346	6,053	6,109	5,715	5,280	4,848	4,972
Number of fire prevention inspections	2,090	2,061	1,681	1,784	2,185	2,256	3,020	3,219	2,517	1,374
Public Works (7)										
Number of street lights	1,723	1,525	1,406	1,391	1,391	1,290	1,292	1,292	1,172	1,160
Culture and Recreation (8)										
Number of participants in recreation sports	7,950	6,350	5,090	5,440	5,240	4,910	4,060	NR	NR	NR
Number of participants in sports tournaments	56,410	42,429	38,687	25,098	22,860	12,549	6,500	NR	NR	NR
Average number of children enrolled in summer program per day	262	290	370	370	370	390	390	390	390	380
Average number of children enrolled in latch key programs per day	265	275	400	400	370	390	390	418	355	347
Utilities (4)										
Sewer:										
Customer count as of June 30	15,379	15,312	15,227	15,151	15,028	14,752	14,442	14,080	13,850	13,370
Total discharge (in thousands of gallons)	1,869,403	1,878,804	1,833,250	1,868,459	1,864,459	1,800,538	1,793,575	1,819,101	1,772,451	1,686,758
Water:										
Customer count as of June 30	16,790	16,705	16,540	16,427	16,300	16,061	15,754	15,394	15,199	14,683
Total consumption (in thousands of gallons)	4,077,837	4,165,842	3,956,644	3,860,618	4,236,540	3,984,524	4,127,355	4,026,432	4,008,090	3,453,892
Development Services (2)										
Building permits issued	295	425	385	426	491	600	612	610	618	639

NR = Not reported

Sources:

- (1) Carson City Municipal Court
- (2) Carson City Community Development Department
- (3) Carson City Treasurer's Office
- (4) Carson City Public Works
- (5) Carson City Sheriff's Office
- (6) Carson City Fire Department
- (7) Carson City Public Works
- (8) Carson City Parks & Recreation

CARSON CITY
CAPITAL ASSETS STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
FUNCTION / PROGRAM:										
General Government										
City owned facilities (1)	82	82	82	84	84	83	82	81	80	79
City owned structures (1)	81	81	81	81	81	81	81	81	81	81
Number of networked computers (5)	650	650	517	NR						
Public Safety										
Police: (2)										
Marked police vehicles	37	36	32	32	32	25	25	25	25	23
Fire: (3)										
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire engines	9	9	9	9	9	9	9	9	8	9
Public Works (1)										
Paved streets (miles)	259	259	250	250	250	241	241	241	236	235
Culture and Recreation (4)										
Parks:										
Acreage of parks - developed	780.5	772.5	765.5	765.5	765.5	757.5	754.5	754.5	754.5	754.5
Acreage of parks - undeveloped	436.0	444.0	448.0	448.0	448.0	448.0	448.0	448.0	448.0	448.0
Swimming pools - outdoors	1	1	1	1	1	1	1	1	1	0
Swimming pools - indoors	3	3	3	3	3	3	3	3	2	1
Ball fields - lighted	16	16	16	16	16	16	16	16	16	16
Ball fields - unlighted	19	19	19	19	19	19	19	19	19	19
Tennis courts - lighted	12	12	12	12	12	12	12	12	12	12
Tennis courts - unlighted	4	3	2	2	2	2	2	2	2	2
Basketball courts - lighted	0	0	0	0	0	0	0	0	0	0
Basketball courts - unlighted	8	6	4	4	4	4	4	4	4	4
Community Centers	1	1	1	1	1	1	1	1	1	1
Rodeo arenas	1	1	1	1	1	1	1	1	1	1
Sand volleyball courts	4	3	3	3	3	2	2	2	2	1
Utilities (1)										
Sewer lines (miles)	216.6	216.6	213	212	226	226	226	225	219	217
Storm drains (miles)	76.4	76.4	76.4	NR						
Water lines (miles)	296	296	235	301	290	240	240	239	238	220

NR = Not reported

Sources:

- (1) Carson City Facilities Division
- (2) Carson City Sheriff's Office
- (3) Carson City Fire Department
- (4) Carson City Parks & Recreation
- (5) Carson City Information Technology Department

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COMPLIANCE SECTION

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

**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 and Members of the
Board of Supervisors, Carson City, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carson City, Nevada as of and for the year ended June 30, 2008, which collectively comprise Carson City's basic financial statements, and have issued our report thereon dated November 26, 2008. 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 Carson City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carson City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Carson 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 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 entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in Findings 08-1 and 08-2 in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of 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, we do not believe that the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carson City's basic 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. 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*.

Carson 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 Carson City's response, and accordingly, we express no opinion on it.

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

Kafoury, Armstrong & Co.

Reno, Nevada
November 26, 2008



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

**Independent Auditor's Report on Compliance with Requirements Applicable to Each
Major Program and on Internal Control over Compliance in
Accordance with OMB Circular A-133**

To the Honorable Mayor and Members of the
Board of Supervisors, Carson City, Nevada

Compliance

We have audited the compliance of Carson City, Nevada 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, 2008. Carson 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 Carson City's management. Our responsibility is to express an opinion on Carson 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 Carson 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 Carson City's compliance with those requirements.

In our opinion, Carson City, Nevada 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, 2008.

Internal Control Over Compliance

The management of Carson 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 Carson 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 Carson City's internal control over compliance.

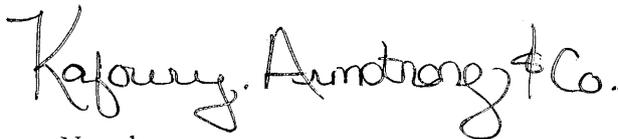
Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below,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

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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 08-2 and 08-3 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We do not consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

Carson City's responses to the findings identified in our audit are described in the accompany Schedule of Findings and Questioned Costs. We did not audit Carson City's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information of the Mayor, Board of Supervisors, and management 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.



Reno, Nevada
November 26, 2008

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 1 OF 5)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>
<u>National Foundation on the Arts and the Humanities:</u>			
Passed through Nevada State Library and Archives:			
Grants to States - Statewide Reading Program	45 310	LSTA 2008-20-02	\$ 386
Grants to States - Assessment for Future Planning	45 310	LSTA 2007-03	<u>36,254</u>
Total Grants to States Program			<u>36,640</u>
<u>U.S. Department of Agriculture:</u>			
Direct programs:			
2007/2008 Cooperative Patrol	10 N/A	N/A	<u>9,885</u>
Wildlife Habitat Incentive Program	10 914	N/A	<u>75,193</u>
Soil and Water Conservation	10 902	N/A	<u>160,504</u>
Passed through Nevada Division of Forestry:			
Cooperative Forestry Assistance-Carson City Fuels Reduction	10 664	USDA/SFA/05/10	5,159
Cooperative Forestry Assistance-Carson City Fuels Reduction	10 664	USDA/SFA/06/24	<u>12,572</u>
Total Cooperative Forestry Assistance			<u>17,731</u>
Passed through Nevada Department of Health and Human Services:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10 557	3214	<u>109,248</u>
Passed through State Controller:			
Schools and Roads - Grants to States	10 665	N/A	<u>1,187</u>
Passed through Nevada Department of Administration:			
National School Lunch Program - Food Donation	10 555	N/A	1,896
Passed through Nevada Department of Education:			
School Breakfast Program	10 553	N/A	10,032
National School Lunch Program	10 555	N/A	<u>17,426</u>
Total Child Nutrition Cluster			<u>29,354</u>
Total U.S. Department of Agriculture			<u>403,102</u>
<u>U.S. Department of Health and Human Services:</u>			
Passed through Nevada Department of Health and Human Services:			
Community Services Block Grant	93 569	N/A	<u>87,001</u>
Family Planning Services	93 217	3224	<u>77,711</u>
Temporary Assistance for Needy Families	93 558	3224	<u>34,372</u>
Block Grants for Prevention and Treatment of Substance Abuse	93 959	3224	<u>22,417</u>
Maternal and Child Health Services Block Grant to the States	93 994	3224	<u>14,944</u>
Child Support Enforcement - Title IV - D	93 563	N/A	<u>252,117</u>
HIV Care Formula Grants - Ryan White Title II	93 917	N/A	<u>56,937</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 2 OF 5)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>
Immunization Grants	93.268	3213	\$ 194,916
Immunization Grants - Program Income	93.268	N/A	<u>48,854</u>
Total Immunization Grants			<u>243,770</u>
Passed through NACCHO:			
Medical Reserve Corps Small Grant Program	93 008	#MRC07411	<u>4,113</u>
Passed through Nevada Department of Health and Human Services:			
Centers for Disease Control and Prevention - Investigations and Technical Assistance - Public Health Preparedness and Terrorism Response	93 283	CDC 06-07/06-06	136,817
Centers for Disease Control and Prevention - Investigations and Technical Assistance - Pandemic Flu	93 283	CDC 18-06	<u>91,468</u>
Total Centers for Disease Control and Prevention - Investigations and Technical Assistance			<u>228,285</u>
Public Health Emergency Preparedness	93.069	CDC 09-07	243,594
Public Health Emergency Preparedness	93.069	CDC 11-07	<u>39,099</u>
Total Public Health Emergency Preparedness			<u>282,693</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	3220	<u>2,221</u>
HIV Prevention Activities_Health Department Based	93.940	3215	<u>9,213</u>
National Bioterrorism Hospital Preparedness Program	93 889	08-06B/ASPR 08-07	<u>128,955</u>
Preventive Health Services-Sexually Transmitted Diseases Control Grants-Communicable Disease Program	93.977	N/A	<u>1,433</u>
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	N/A	<u>323</u>
Total U.S. Department of Health and Human Services			<u>1,446,505</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Direct programs:			
Community Development Block Grants/ Entitlement Grants	14 218	N/A	<u>203,612</u>
Emergency Shelter Grants Program	14.231	N/A	<u>4,067</u>
Total U.S. Department of Housing and Urban Development			<u>207,679</u>
<u>U.S. Department of the Interior:</u>			
Direct programs:			
National Fire Plan - Wildland Urban Interface Community Fire Assistance	15 228	N/A	<u>14,112</u>
BLM Law Enforcement Services	15 N/A	N/A	<u>1,305</u>
Passed through Nevada Department of Museums, Libraries and Arts - State Historic Preservation Office:			
Historic Preservation Fund Grants-In-Aid - Historic Church Structures	15 904	N/A	<u>44,432</u>
Total U.S. Department of the Interior			<u>59,849</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 3 OF 5)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>
<u>U.S. Department of Justice:</u>			
Direct programs:			
D.E.A. Confiscated Property	16 Unknown	N/A	\$ 5,816
D.E.A. Integrated Drug Enforcement Assistance	16 Unknown	N/A	2,685
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	6,138
Edward Byrne Memorial Justice Assistance Grant Program- Crisis Negotiation Team Special Equipment	16.738	N/A	10,039
Edward Byrne Memorial Justice Assistance Grant Program- National Night Out/DARE	16.738	N/A	13,135
Total Edward Byrne Memorial Justice Assistance Grant Program			29,312
State Criminal Alien Assistance Program	16.606	N/A	64,625
Passed through Nevada Department of Human Resources:			
Enforcing Underage Drinking Laws Program	16.727	N/A	13,037
Passed through Nevada Office of the Attorney General:			
Violence Against Women Formula Grants - Alternative Sentencing Officer	16.588	2006-STOP-01	8,297
Passed through Nevada Department of Public Safety:			
Edward Byrne Memorial Justice Assistance Grant Program - Tri-Net	16.738	07-JAG-03	115,854
Edward Byrne Memorial Justice Assistance Grant Program - Gang Outreach	16.738	07-JAG-04	23,793
Edward Byrne Memorial Justice Assistance Grant Program - Gang Suppression	16.738	07-JAG-01	60,828
Edward Byrne Memorial Justice Assistance Grant Program - Special Response Tools	16.738	07-JAG-02	19,750
Edward Byrne Memorial Justice Assistance Grant Program - Special Response Tools	16.738	04-NC-043	32
Total Edward Byrne Memorial Justice Assistance Grant Program			220,257
Juvenile Justice and Delinquency Prevention - Allocation to States - Status Offender	16.540	N/A	4,830
Total U.S. Department of Justice			348,859
<u>U.S. Department of Transportation:</u>			
Direct Programs:			
Airport Improvement Program - 3-32-0004-14	20.106	N/A	303,793

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008
(PAGE 4 OF 5)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>
Passed through Emergency Response Commission: Interagency Hazardous Materials Public Sector Training and Planning Grants - HMEP Planning & Training	20 703	08-HMEP-01-01	\$ 7,868
Passed through Nevada Department of Public Safety: State and Community Highway Safety - Joining Forces	20 600	27-JF-1.01	4,011
State and Community Highway Safety - Joining Forces	20.600	28-JF-1 02	12,647
Total State and Community Highway Safety			<u>16,658</u>
Passed through Nevada Department of Transportation Federal Transit - Formula Grants (Urbanized Area Formula Program)	20 507	NV-90-0050 & -X052 NV-16-0032	797,309
Federal Transit - Formula Grants (Urbanized Area Formula Program) - Program Income	20 507	N/A	91,407
Federal Transit - Capital Investment Grants	20 500	NV-03-0036	41,242
Total Federal Transit Cluster DOT			<u>929,958</u>
Federal Transit - Metropolitan Planning Grants	20 505	NV-80-X014	29,046
Highway Planning and Construction - Unified Planning Work Program	20.205	PR70003-00-804	150,010
Total U.S. Department of Transportation			<u>1,437,333</u>
<u>U.S. Department of Homeland Security:</u>			
Direct Programs: Assistance to Firefighters Grant - FY 06/ Fire Prevention and Safety Program	97.044	N/A	260,221
Passed through Nevada Department of Public Safety: State Domestic Preparedness Equipment Support Program - DHS/05 - State Homeland Security Grant Program	97.004	97004HSS	28,192
Homeland Security Cluster: State Homeland Security Program- DHS/05	97.073	97073HL5	22,683
Homeland Security Grant Program - DHS/07 SHSP	97.067	97067HE7	251
Passed through the City of Las Vegas: Homeland Security Grant Program - DHS/06.02 SHSP	97.067	SHSP-06.02	10,500
Citizen Corps- DHS/06.02 - CCP	97.053	CCP-06.02	10,000
Total Homeland Security Cluster			<u>43,434</u>
Passed through Nevada Division of Emergency Management: Emergency Management Performance Grants	97.042	9704208	52,174
Emergency Management Performance Grants	97.042	9704207	6,429
Total Emergency Management Performance Grants			<u>58,603</u>

CARSON CITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008
 (PAGE 5 OF 5)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Passed through Nevada Division of Emergency Management: Disaster Grants-Public Assistance - 2006 Flood	97 036	FEMA-NV-DR 1629	\$ 120,528
Total U.S. Department of Homeland Security			<u>510,978</u>
Total Expenditures of Federal Awards			<u>\$ 4,450,945</u>

CARSON CITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Carson City, Nevada 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUBRECIPIENTS

Of the federal expenditures presented in the schedule, Carson City, Nevada provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Schools and Roads - Grants to States	10.665	\$ <u>594</u>
Community Development Block Grants	14.218	\$ <u>66,479</u>
Federal Transit – Formula Grants (Urbanized Area Formula Program)	20.507	\$116,720
Federal Transit – Capital Investment Grants	20.500	<u>2,903</u>
Total Federal Transit Cluster DOT		<u>\$119,623</u>

NOTE 3 - NON-CASH ASSISTANCE

The expenditures for the Food Donation program (CFDA #10.555) represent the dollar value of food commodities distributed to eligible recipients during the year. The value of commodities is determined by the U.S. Department of Agriculture.

The expenditures for the Immunization Grants program (CFDA # 93.268) include the value of vaccines received in lieu of cash in the amount of \$104,041.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

A. Summary of Auditor's Results

- Kafoury, Armstrong & Co. issued an unqualified opinion on the basic financial statements of Carson City, Nevada for the year ended June 30, 2008.
- Two significant deficiencies were identified during the audit of the financial statements as reported in the 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*. The deficiencies were not considered material weaknesses.
- The audit disclosed no instances of noncompliance, which were material to the financial statements of Carson City, Nevada.
- Two significant deficiencies in internal control over major federal award programs disclosed during the audit are reported in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular-A-133. The deficiencies were not considered material weaknesses.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major Federal programs of Carson City, Nevada.
- Audit findings relative to the major federal award programs for Carson City, Nevada, which are required to be reported under Section .510(a) of the OMB Circular A-133, are reported in Part C of this Schedule.
- Carson City, Nevada had two major programs for the year ended June 30, 2008, as follows:
 - U.S. Department of Transportation:
 - Airport Improvement Program – CFDA 20.106
 - Federal Transit Cluster – CFDA 20.500 and 20.507
- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2008, was \$300,000.
- Carson City, Nevada qualified as a low risk auditee for the year ended June 30, 2008 under the criteria set forth in section .530 of OMB Circular A-133.

**CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

B. Findings Relating to the Financial Statement Audit Reported in Accordance with Generally Accepted Governmental Auditing Standards (GAGAS):

Significant Deficiencies:

Finding 08-1:

Segregation of Duties of Landfill Cash Receipt Functions:

Criteria: Internal controls over cash receipts should provide adequate segregation of duties between initiation, recording and handling of cash receipts.

Condition: Responsibility for the preparation of invoices, cash collections and adjustments to receivable balances for Carson City's landfill activities resides with one individual.

Effect: This could provide an opportunity to misappropriate funds and conceal such activity.

Cause: Controls are not in place to segregate the duties of initiation and recording of landfill transactions from the handling of landfill cash receipts.

Recommendation: We recommend the City implement additional controls to segregate the duties of initiation and recording of landfill transactions from the handling of landfill cash receipts.

Management's Response: The responsibility for collection and posting of landfill cash receipts will be transferred from the Public Works Department to the Treasurer's Office. The Public Works Department will continue to prepare and mail out the monthly billing statements, record accounts receivable and make adjustments to accounts receivable as necessary. This will provide adequate segregation of duties between initiation, recording and handling of cash receipts.

Finding 08-2:

Reporting of Federal Expenditures:

Finding: See Part C, Finding 08-2 – Major Federal Award Programs Audit on page 186.

Management's Response: See management's response on page 189.

**CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

C. Findings and Questioned Costs for Major Federal Award Programs:

U.S. DEPARTMENT OF TRANSPORTATION:

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 08-2:

Federal Transit Cluster, CFDA 20.500 and 20.507:
Airport Improvement Program, CFDA 20.106:
Public Health Emergency Preparedness, CFDA 93.069
Immunization Grants, CFDA 93.268:

Grant Award Number: Potentially affects all grant awards under CFDA 20.500, 20.507, 20.106, 93.069 and 93.268 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: OMB Circular A-133 requires the City to prepare a Schedule of Expenditures of Federal Awards (Schedule) showing total Federal expenditures for the year and to maintain internal control over Federal programs that provides reasonable assurance that the City is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. That Schedule should include the name of the Federal agency or pass-through entity and the identifying number assigned by the entity.

Carson City has assigned the responsibility for accumulating the information to prepare the Schedule to the Finance Department. The Finance Department compiles this information based on award information provided from the personnel who administer the various programs. During our testing and reconciliation of the Schedule, several errors were identified. These included omitting program income for the Immunization program (CFDA 93.268) and the Federal Transit Cluster (CFDA 20.500 and 20.507), as well as including the value of vaccines received under the Immunization Program. Also, expenditures amounting to \$282,693 relating to the Public Health Emergency Preparedness program (CFDA 93.069) were incorrectly reported as expenditures for the Centers for Disease Control and Prevention - Investigations and Technical Assistance program (CFDA 93.283).

During our major program testing we noted that the award documents for the Federal Transit Cluster and the Airport Improvement Program (CFDA 20.106) included identifying numbers assigned by granting agency, and those identifying numbers were not included on the Schedule.

Questioned Costs: None.

Context: The condition noted above appears to be a systemic problem.

Effect: The inability to provide complete and accurate information about Federal expenditures and awards may be an indicator that the City is not managing the funds in accordance with the grant agreements.

Cause: The Finance Department and grant program personnel do not have adequate communication regarding the Federal awards to ensure that Federal expenditures are reported completely and accurately on the Schedule of Expenditures of Federal Awards.

Recommendation: We recommend the Finance Department and grant program personnel, develop procedures to enhance communication regarding Federal awards and the related expenditures to ensure that Federal expenditures are completely and accurately reported to comply with the requirements of OMB Circular A-133.

Management's Response: See management's response on pages 189.

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 08-3:

Federal Transit Cluster, CFDA 20.500 and 20.507:

Grant Award Number: Affects all grant awards under CFDA No. 20.507 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: As noted in OMB Circular A-133, a pass-through entity is responsible for monitoring the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes, and for ensuring an audit is completed within nine months of the end of a subrecipient's audit period, when required.

There was no documentation available to confirm that subrecipient monitoring activities had been performed, or that the most recent audit report was received and reviewed for the subrecipient.

Questioned Costs: None

Context: The condition noted above appears to be a systemic problem.

Effect: Noncompliance at the subrecipient level may occur and not be detected by the City.

Cause: The City did not have procedures established for subrecipient monitoring activities or to request and review the audit reports.

Recommendation:

We recommend the City develop subrecipient monitoring policies for the Federal Transit Cluster program, which include receiving and reviewing the audit reports.

Management's Response:

See management's response on page 189.



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

November 26, 2008

Dear Grantor Agencies:

The following is a discussion of our corrective action plan in response to the findings noted by Kafoury, Armstrong & Co. in the Schedule of Findings and Questioned Costs for the year ended June 30, 2008.

U.S. Department of Transportation:

U.S. Department of Health and Human Services:

Finding 08-2:

Federal Transit Cluster, CFDA 20.500 and 20.507
Public Health Emergency Preparedness, CFDA 93.069
Immunization Grants, CFDA 93.268

Corrective Action:

In response to this finding, the City will implement the following procedures:

- Departments that administer federal awards will be required to provide the Finance Department with all grant award documents.
- The grant award documents will be reviewed by the Finance Department to ensure that the appropriate information is reported on the Schedule of Expenditures of Federal Awards.
- The Finance Department will review OMB Circular A-133 annually to ensure the proper recording of information on the Schedule of Expenditures of Federal Awards.

U.S. Department of Transportation:

Finding 08-3:

Federal Transit Cluster, CFDA 20.500 and 20.507

Corrective Action:

To ensure that sub-recipient monitoring activities are being performed, the City will develop a sub-recipient monitoring checklist that includes requesting and reviewing the sub-recipient's most recent audit report.

These corrective actions will be implemented immediately to improve the City's internal control over compliance with requirements applicable to federal programs and compliance with the types of compliance requirements applicable to its federal programs.

Sincerely,

Nickolas Providenti
Director of Finance

**CARSON CITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

Findings Relating to the Financial Statement Audit Reported in Accordance with Generally Accepted Governmental Auditing Standards (GAGAS): Significant Deficiency

Significant Deficiency:

Finding 07-1:

Payroll System Access Controls:

Criteria and Condition: System access controls should be in place to provide safeguards over assets and reduce the risk of misstatements in financial reporting.

Access to certain modules in the payroll software was not restricted to the designated personnel responsible for the related function of the software application.

Effect: Unauthorized transactions could occur in the Carson City's payroll system and not be detected.

Cause: Inadequate design of information technology application controls to prevent or detect unauthorized transactions in Carson City's payroll system.

Recommendation: Management should examine its access controls over critical software applications and restrict other than read-only access to those personnel responsible for the related function of the software application.

Current Status: Corrective action has been taken. The ability to make changes in the payroll system has been restricted to only those personnel that are responsible for the related function of the software application. Any others requiring information from these applications were given read-only access.

**CARSON CITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

U.S. Department of Housing and Urban Development:

Finding 07-2:

Community Development Block Grant, CFDA 14.218:

Grant Award Number: Potentially affects all grant awards under CFDA No. 14.218 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: As noted in OMB Circular A-133, a pass-through entity is responsible for ensuring an audit is completed within nine months of the end of a subrecipient's audit period, when required; issuing a management decision on audit findings within six months after receipt of a subrecipient's audit report; and ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings.

There was no documentation available to confirm that the most recent audit report was received and reviewed for one of the three subrecipients tested, and the audit report could not be located in the office.

Recommendation: We recommend the City maintain adequate support of monitoring efforts and that this support be retained for review.

Current Status: Corrective action has been taken. Copies of sub-recipients' audit reports are retained to support the City's monitoring efforts.

**CARSON CITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

U.S. Department of Health and Human Services:

Finding 07-3:

Immunization Grants, CFDA 93.268:

Grant Award Number: Potentially affects all grant awards under CFDA No. 93.268 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: The OMB Circular A-133 Compliance Supplement allows grantees providing direct immunization services to generate program income from fees or donations. However, fees charged under VFC may not exceed the maximum reimbursement schedule established by the Centers for Medicare and Medicaid Services.

There was no documentation to verify that program income was properly determined or calculated and only collected from allowable sources. In addition, there was no documentation available to confirm that all program income was properly recorded in the accounting records.

Recommendation: We recommend the City establish procedures to ensure that all available program income is identified and recorded separately in the accounting records.

Current Status: Partially corrected. Procedures were established that enable the City to identify and separately account for Immunization Program revenue. Additional internal control procedures will be implemented to ensure the completeness and accuracy of the program revenue.

**CARSON CITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

U.S. Department of Health and Human Services:

Finding 07-4:

Immunization Grants, CFDA 93.268:

Grant Award Number: Potentially affects all grant awards under CFDA No. 93.268 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: The OMB Circular A-87 compliance requirements state that where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

During our testing of salary costs, it was noted that the City had a certification for the one employee charged to the program. The certification letter was signed July 13, 2007 for the period June 30, 2005 to June 30, 2007. The City did not have another certification for the employee.

Recommendation: We recommend that Carson City implement procedures to ensure amounts charged to Federal programs are supported by the required certifications.

Current Status: Corrective action has been taken. Payroll charged to Federal programs is supported by the required certifications.

**CARSON CITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

U.S. Department of Health and Human Services:

Finding 07-5:

Immunization Grants, CFDA 93.268:

Grant Award Number: Potentially affects all grant awards under CFDA No. 93.268 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: The OMB Circular A-133 Compliance Supplement requires entities to properly record the receipt, transfer and storage of vaccines. In addition, entities must safeguard vaccines from loss due to theft, expiration, or improper storage temperature.

The City's controls over receipt, storage, expiration and temperature were adequate. The City performs an inventory of vaccines on the 25th of each month. However, the City could not provide documentation of their monthly inventory reconciliation reports.

Recommendation: We recommend that Carson City implement procedures to ensure monthly reconciliations of vaccinations on hand are performed and documented, including usage, transfers and waste.

Current Status: Corrective action has been taken. Each month the City compares the physical inventory count to the inventory reports. This comparison is documented and any variances are noted and investigated.

**CARSON CITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

U.S. Department of Transportation:

Finding 07-6:

Airport Improvement Grants, CFDA 20.106:

Grant Award Number: Potentially affects all grant awards under CFDA No. 20.106 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: Government-wide requirements for real property acquisition and relocation assistance are contained in the Department of Transportation's single government-wide rule at 49 CFR part 24, Uniform Relocation Assistance and Real Property Acquisition regulations for Federal and Federally-Assisted Programs. 49 CFR Subpart B – Real Property Acquisition, Section 24.104 Review of Appraisals, requires that a qualified review appraiser examine all appraisals to assure they meet applicable appraisal requirements. The review appraiser's certification will identify the appraisal reports reviewed.

There was no review appraisal performed on the Hutchinson Valuation, Inc. appraisal of the industrial park lots purchase.

Recommendation: We recommend that Carson City implement procedures to ensure review appraisals are performed on appraisals for purchases with Federal funds.

Current Status: Corrective action has been taken. During fiscal year 2007-2008, there were no acquisitions of real property with Federal funds. Upon notification that a department has received a Federal grant that involves the acquisition of real property, the Finance department will inform the department of the necessary compliance requirements.



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

Independent Accountant's Report on
Nevada Revised Statute 354.6241

To the Honorable Mayor and Members of the
Board of Supervisors, Carson City, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2008 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conformed to significant statutory and regulatory constraints on their financial administration during the year ended June 30, 2008,
- The balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of Carson City, Nevada.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management referred to above is not fairly stated in all material respects.

Kafoury, Armstrong & Co.

Reno, Nevada
November 26, 2008

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AUDITOR'S COMMENTS

STATUTE COMPLIANCE

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2B to the financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The City monitored expenditures during the current year in order to prevent over-expenditures.

PRIOR YEAR RECOMMENDATIONS

See the Summary Schedule of Prior Year Findings on pages 190-195.

CURRENT YEAR RECOMMENDATIONS

Our recommendations for the current year are included in the Schedule of Findings and Questioned Costs.

CARSON CITY
SCHEDULE OF FEES IMPOSED
SUBJECT TO THE PROVISIONS OF NRS 354.5989
LIMITATION OF FEES FOR BUSINESS LICENSES
FOR THE YEAR ENDED JUNE 30, 2008

Flat Fixed Fees:	
Business license revenue adjusted base at June 30, 2007	<u>\$ 1,038,866</u>
Adjustment to Base:	
Base	
1. Percentage increase in population of the local government	1.0455%
2. 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>2.5000%</u>
	<u>3.5455%</u>
	<u>36,833</u>
Adjusted Base at June 30, 2008	1,075,699
Actual Revenue Fiscal 2007-08	<u>784,593</u>
Amount Over (Under) Allowable Amount	<u><u>\$ (291,106)</u></u>