Carson City, Nevada

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2010

CARSON CITY, NEVADA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2010

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, 2010

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INTRODUCTORY SECTION

CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

December 21, 2010

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, 2010, 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, 2010. 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.

DEPARTMENT OF FINANCE
201 North Carson Street, Suite #3, Carson City, NV 89701 - (775) 887-2133 (775) 887-2107 fax

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 56,506 as of July 1, 2010. 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 $5,220,207,520 and an assessed value of $1,827,072,632.

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.

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.

LOCAL ECONOMY

Carson City is located in the Northwestern part of the State. Nevada's rate of growth in population had been one of the highest in the nation, but with the current economic downturn, this number is expected to moderate to remain flat for the next several years. Carson City has not experienced this same type of growth as the population actually decreased 2% when comparing July 1, 2009 to July 1, 2010. Looking at the past 5 years, Carson City's growth rate has averaged .3% 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 $241,000. 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 $2.9 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 $1,460,779. This is the result of expenditure reductions in response to the reduction in revenues and an increased operating transfer in from the Stabilization Fund. 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. A transfer of $3.5 million from the Stabilization Fund to the General Fund was recorded during FY 2009/2010 in order to maintain public service levels.

The assessed valuation of Carson City decreased slightly in FY 2009/2010, and because of the continued decline in real estate, the values decreased another 7.6 percent in FY 2010/2011. 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 was approximately $8.6 million in FY 2010/2011. Because of this large abatement amount, Carson City's property tax revenues should continue to grow by the 3% and 8% caps in the future.

LONG-TERM FINANCIAL PLANNING

During FY 2009/2010, 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 help offset overall General Fund ongoing expenditures.

Carson City remains very active in recruiting retail development in order to enhance the sales tax base. Two major automotive retailers have built dealerships in more desirable locations within the City. The City has continued to negotiate with various retailers to fill vacant big box locations and as a result, Kohl's and Big Lots have opened locations in former vacant buildings. Carson City is currently in negotiations with Olive Garden and anticipate their opening in the spring of 2011.

RELEVENT 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

Improvements to the Wastewater Treatment Plant are being implemented and new federal standards for drinking water have necessitated an agreement with Douglas County establishing a Water Line Intertie Project. The establishment of this Interlocal Agreement will allow Carson City access to water from Douglas County that will forgo the need to build a Uranium Treatment Plant. 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 was completed in September 2009. This extended the Carson Freeway from Highway 50 to Fairview Drive and required the relocation of Carson City utilities. These improvements were funded through their respective enterprise funds. Construction has begun on a portion of Carson Freeway, Phase 2 B (Fairview Drive to Highway 50 at Spooner Summit), although the entire project has not been funded by the State of Nevada. By agreement with the state, Carson City will defer payment of local fuel taxes until the project is completed.

Carson City is continuing to explore the feasibility of a public / private partnership in the downtown area which could include:

- Carson City Knowledge and Discovery Library
- Business and Technology Incubator Center
- A digital media lab

- Class A office space
- Commercial / retail spaces
- Residential, market based in-town housing
- IMAX theater
- Public transit hub
- Central public plaza
- Shared, de-centralized parking

OTHER 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, 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, 2010 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.

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, 2010. 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 twenty 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,

Nickolas Providenti
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Carson City
Nevada

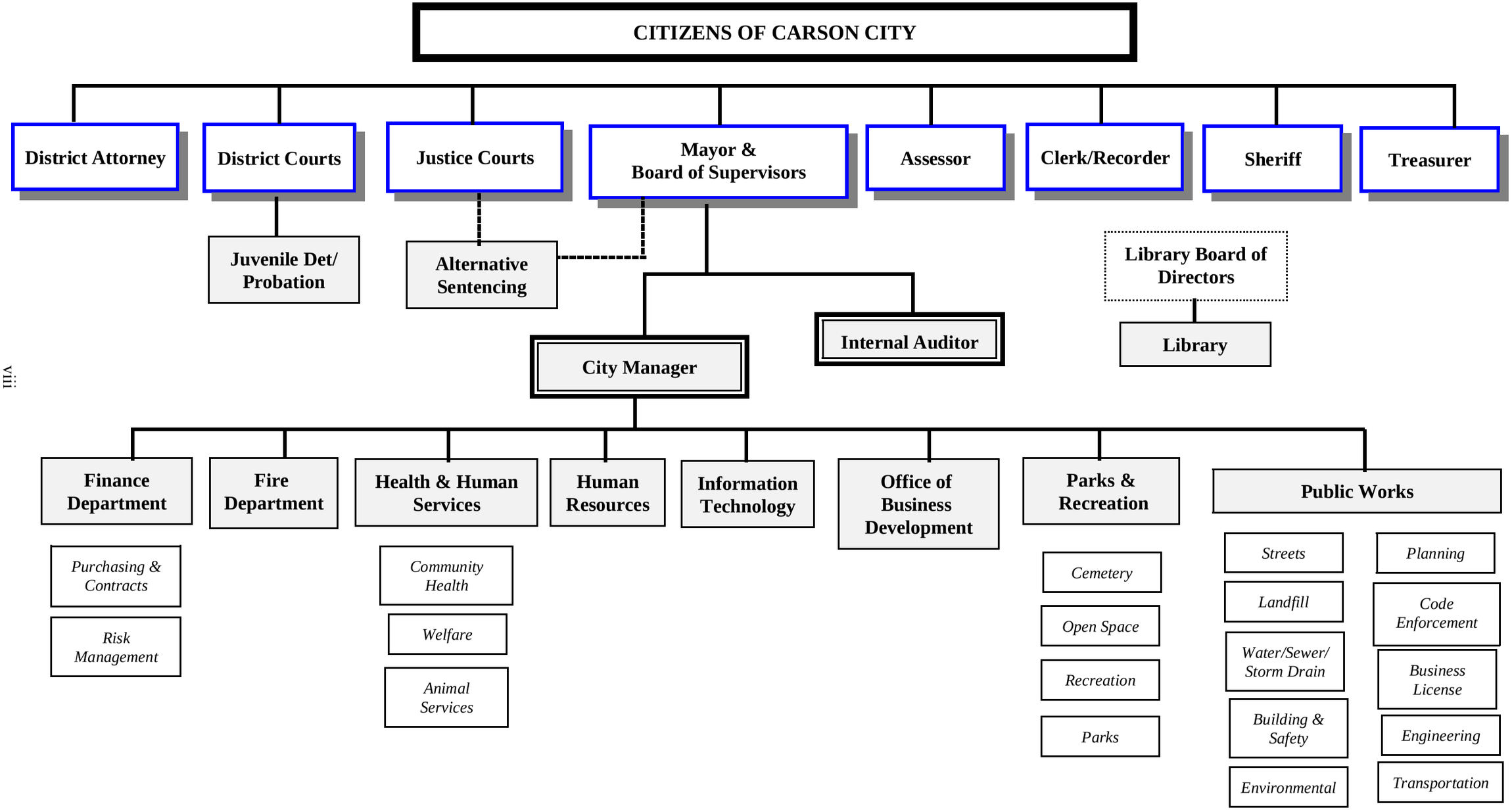
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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

President

Executive Director

Carson City Organizational Chart



CARSON CITY
LISTING OF PRINCIPAL OFFICIALS
FY 2010

TITLE	NAME
Mayor	Robert L. Crowell
Supervisor, Ward 1	Robin Williamson
Supervisor, Ward 2	Shelly Aldean
Supervisor, Ward 3	Pete Livermore
Supervisor, Ward 4	Molly Walt
Assessor	Dave Dawley
Treasurer	Al Kramer
District Attorney	Neil Rombardo
District Court I	Judge James T. Russell
District Court II	Judge James E. Wilson, Jr.
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	John Wilkinson
Planning Director	Lee Plemel
Economic/Redevelopment Director	Joe McCarthy
Cooperative Extension Director	JoAnne Skelly
Library Director	Sara Jones
Health & Human Services Director	Marena Works
Juvenile Special Master	David Nielsen
Chief Juvenile Probation Officer	Jon Simms
Parks and Recreation Director	Roger Moellendorf
Fire Chief	Stacey Giomi
Senior Center Director	Janice McIntosh
Human Resources Manager	Melanie Bruketta
Public Works Director	Andrew Burnham
Public Works Operations Manager	Ken Arnold
City Engineer	Jeff Sharp
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, 2010, 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, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, the Quality of Life Special Revenue Fund and the Regional Transportation 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 December 21, 2010 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 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 3L and the Schedule of Funding Progress on page 60 are not a required part of the basic financial statements but are 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.

Kafoury, Armstrong & Co.

Reno, Nevada
December 21, 2010

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, 2010. 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 $274,586,615 (*net assets)*.
- The City's total net assets increased by $18,000,162. Approximately $9.1 million of this increase is the result of a prior period adjustment to capitalize infrastructure that was donated in prior years. A portion of the remaining $8.9 million increase is attributable to an increase in capital grants and the decline of consolidated tax, sales taxes, fuel taxes and investment income in the governmental activities. Other factors include a decrease in capital grants, assets contributed by developers and connection fees in the business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $30,856,781, a decrease of $5,900,522 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was $5,318,237, or 8.6 percent of total General Fund expenditures.
- The City's total bonded debt increased by $2,972,377 (2.2 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, Quality of Life Fund, and the Regional Transportation Fund each of which are considered to be major funds. Data from the other twenty-five 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, Quality of Life Fund and the Regional Transportation 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 8-16 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, sewer and stormwater drainage operations, each 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 three 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 17-26 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 27-28 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 29-59 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 61-160 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 $274,586,615 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (96 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	
	2010	2009	2010	2009	2010	2009
Current and other assets	$ 45,149,122	$ 52,150,798	$ 9,364,341	$ 14,015,917	$ 54,513,463	$ 66,166,715
Capital assets	243,458,979	207,453,266	143,740,347	140,898,066	387,199,326	348,351,332
Total assets	288,608,101	259,604,064	153,104,688	154,913,983	441,712,789	414,518,047
Long-term liabilities outstanding	102,072,449	95,125,160	52,538,369	51,680,714	154,610,818	146,805,874
Other liabilities	8,642,649	8,298,634	3,872,707	2,827,086	12,515,356	11,125,720
Total liabilities	110,715,098	103,423,794	56,411,076	54,507,800	167,126,174	157,931,594
Net assets:						
Invested in capital assets, net of related debt	172,327,528	142,099,041	90,457,625	89,403,212	262,785,153	231,502,253
Restricted	20,115,371	18,759,556	-	-	20,115,371	18,759,556
Unrestricted	(14,549,896)	(4,678,327)	6,235,987	11,002,971	(8,313,909)	6,324,644
Total net assets	$ 177,893,003	$ 156,180,270	$ 96,693,612	$ 100,406,183	$ 274,586,615	$ 256,586,453

An additional portion of the City's net assets (7 percent) represents resources that are subject to external restrictions on how they may be used. This leaves a negative balance of $8,313,909 for *unrestricted net assets.*

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net assets for the government as a whole, as well as, for its separate governmental activities. Unrestricted net assets are reported as a negative balance. The business-type activities reported positive balances in all categories of net assets. In the prior fiscal year, the City reported positive balances in all categories of net assets for business-type activities and governmental activities reported a negative balance for unrestricted net assets.

The City's net assets increased $18,000,162 during the current fiscal year. Approximately $9.1 million of this increase is the result of a prior period adjustment to capitalize infrastructure that was donated in prior years. A portion of the remaining $8.9 million increase is attributable to an increase in capital grants and the decline of consolidated tax, sales taxes, fuel taxes and investment income in the governmental activities. Other factors include a decrease in capital grants, assets contributed by developers and connection fees in the business-type activities.

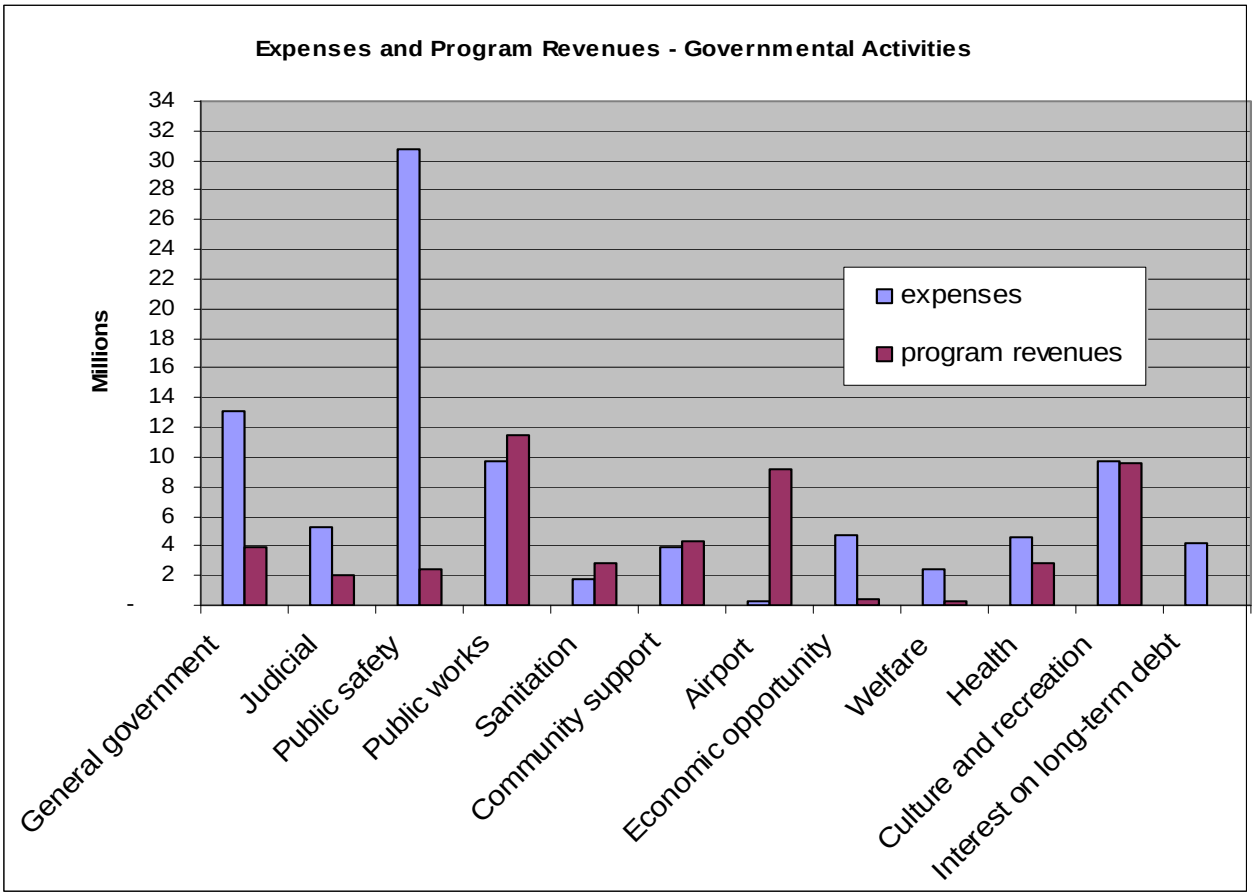
Carson City's Changes in Net Assets

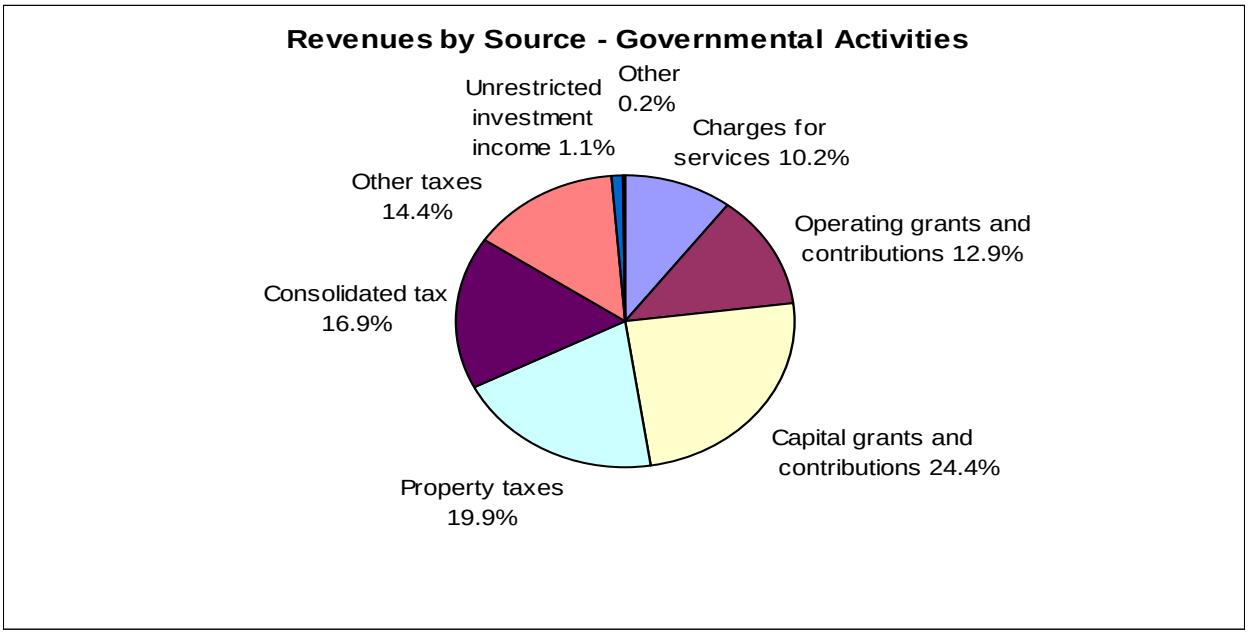
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	$ 10,568,973	$ 11,206,418	$ 20,930,455	$ 21,373,395	$ 31,499,428	$ 32,579,813
Operating grants and contributions	13,387,728	6,777,205	200	30	13,387,928	6,777,235
Capital grants and contributions	25,254,636	6,622,668	890,780	2,009,015	26,145,416	8,631,683
General revenues:						
Property taxes	20,555,087	19,362,180	-	-	20,555,087	19,362,180
Other taxes	32,310,593	34,691,391	-	-	32,310,593	34,691,391
Other	1,316,116	2,277,452	240,914	538,761	1,557,030	2,816,213
Total Revenues	103,393,133	80,937,314	22,062,349	23,921,201	125,455,482	104,858,515
Expenses:						
General government	13,128,842	13,919,789	-	-	13,128,842	13,919,789
Judicial	5,301,887	5,065,113	-	-	5,301,887	5,065,113
Public safety	30,765,050	28,995,649	-	-	30,765,050	28,995,649
Public works	9,660,646	8,200,517	-	-	9,660,646	8,200,517
Sanitation	1,805,049	1,753,575	-	-	1,805,049	1,753,575
Community support	3,922,076	2,626,657	-	-	3,922,076	2,626,657
Airport	257,969	51,505	-	-	257,969	51,505
Economic opportunity	4,705,495	2,255,148	-	-	4,705,495	2,255,148
Welfare	2,373,611	2,143,404	-	-	2,373,611	2,143,404
Health	4,570,746	3,563,272	-	-	4,570,746	3,563,272
Culture and recreation	9,686,659	8,995,601	-	-	9,686,659	8,995,601
Interest and fiscal charges	4,247,956	3,947,951	-	-	4,247,956	3,947,951
Ambulance	-	-	4,288,925	4,657,637	4,288,925	4,657,637
Sewer	-	-	8,568,534	8,827,557	8,568,534	8,827,557
Water	-	-	11,345,020	10,423,075	11,345,020	10,423,075
Cemetery	-	-	192,330	162,706	192,330	162,706
Building Permits	-	-	580,576	945,159	580,576	945,159
Stormwater Drainage	-	-	1,198,016	1,115,129	1,198,016	1 ,115,129
Total Expenses	90,425,986	81,518,181	26,173,401	26,131,263	116,599,387	107,649,444
Increase (decrease) in net assets before transfers	12,967,147	(580,867)	(4,111,052)	(2,210,062)	8,856,095	(2,790,929)
Transfers	(398,481)	(296,402)	398,481	296,402	-	-
Increase (decrease) in net assets	12,568,666	(877,269)	(3,712,571)	(1,913,660)	8,856,095	(2,790,929)
Net assets – July 1, as previously reported	156,180,270	157,057,539	100,406,183	102,319,843	256,586,453	259,377,382
Prior period adjustment - error correction	9,144,067	-	-	-	9,144,067	-
Net assets – July 1, as adjusted	165,324,337	157,057,539	100,406,183	102,319,843	265,730,520	259,377,382
Net assets - June 30	$ 177,893,003	$ 156,180,270	$ 96,693,612	$ 100,406,183	$ 274,586,615	$ 256,586,453

Governmental activities. Governmental activities increased the City's net assets by $12,568,666. This results in a net change (increase) of $13,445,935 when compared to the decrease of $877,269 in the prior year. Key elements of the change from prior year are as follows:

- $5.9 million increase in federal grants for airport development.
- $5.5 million increase in capital contributions of land for public right of way.
- $930,000 decrease in unrestricted investment income due to a decrease in the investment portfolio balance.
- $2.2 million decrease in sales taxes, fuel taxes and consolidated taxes from the prior year.
- $2.3 increase in economic opportunity expenses related to incentives for business retention.
- $6.5 million increase in state grants received for the acquisition of land for open space.
- $1.4 million increase in capital grants for micropaving, ADA sidewalk and other pedestrian improvements.

Program revenues for governmental activities provided 54 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 $17,477,368 and property taxes of $20,555,087.

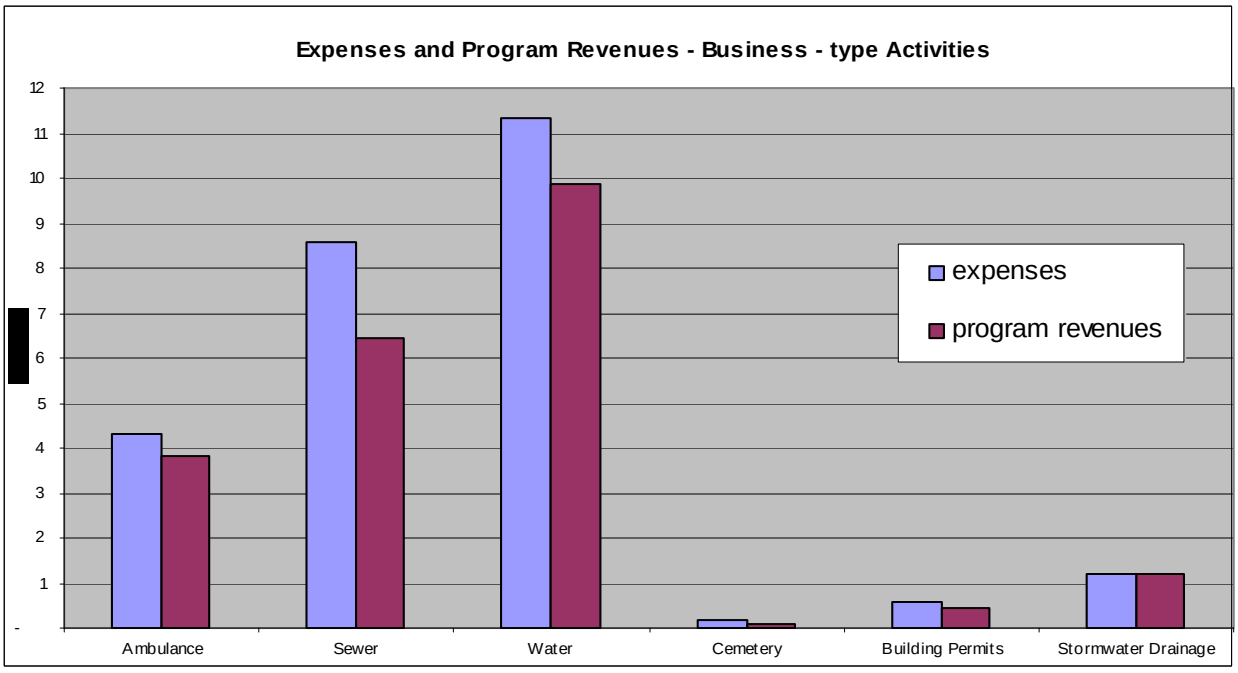


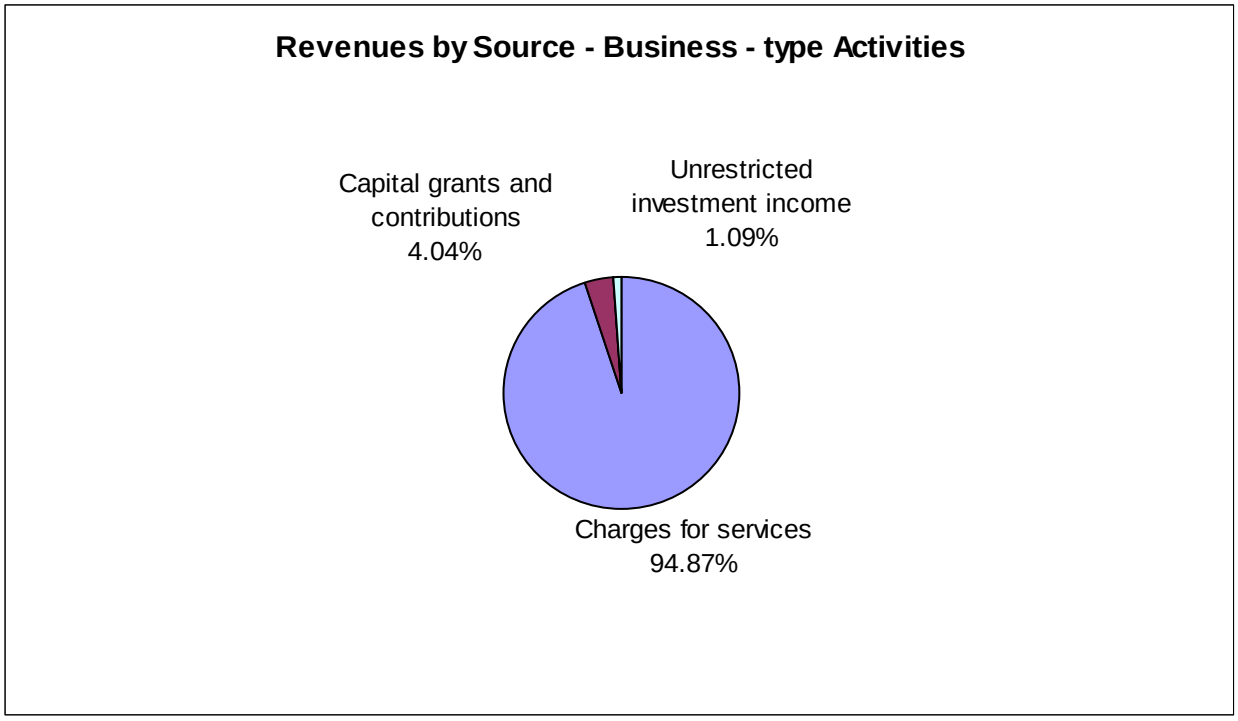


Business-type activities. Business-type activities decreased the City's net assets by $3,712,571. This results in a net change (decrease) of $1,798,911 when compared to the decrease of $1,913,660 in the prior year. Key elements of the change from prior year are as follows:

- $1.1 decrease in capital assets contributed by developers, capital grants and connection fees in the Sewer and Water funds.
- $300,000 decrease in unrestricted investment income due to a decrease in the investment portfolio balance.
- $345,000 increase in depreciation and $535,000 increase in various other expenses in the Water fund from the prior year.
- $650,000 decrease in bad debt expense reported in the Ambulance fund related to the write off of uncollectible accounts receivable from prior years.

Sewer and water expenses represent 76 percent of total expenses for 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 $30,856,781, a decrease of $5,900,522 in comparison with the prior year. Of this total amount, $29,671,743 constitutes *unreserved fund balance*. 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 ($424,557), 2) for judicial programs ($637,694), or 3) for prepaid items and inventory ($122,787).

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 $5,318,237, while total fund balance reached $6,483,199. 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 8.6 percent of total General Fund expenditures, while total fund balance represents 10.5 percent of that same amount.

The fund balance of the City's General Fund decreased by $5,003,045 during the current fiscal year. This results in a net change (decrease) of $2,172,306 when compared to the decrease of $2,830,739 in the prior year. Key elements of the change from prior year are as follows:

- Property taxes increased by $830,000 over the prior year as a result of an increase in property assessed valuation.
- $3.5 million increase in transfers in from the Stabilization Fund as a result of declining revenues.
- $2.3 million increase in expenditures related to incentives for business retention.
- Intergovernmental revenues decreased by $2.2 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.
- Investment income decreased $437,000 from the prior year due to a decrease in the investment portfolio balance.
- $1.8 million increase in expenditures as the result of contract provisions with the various bargaining units.

The Quality of Life Fund has a total fund balance of $11,174,902, all of which is unreserved except for $75. The fund balance increased by $2,231,810 during the current fiscal year. This results in a net change (increase) of $4,628,612 when compared to the decrease of $2,396,802 in the prior year. Key elements of the change from prior year are as follows:

- $2.4 million increase in purchases of property for open space from the prior year.
- $6.5 million increase in state grants received for the acquisition of land for open space.
- $825,000 decrease in capital improvements for fairgrounds from the prior year.
- $219,000 decrease in sales tax revenue due to a decline in taxable sales during the fiscal year.

The Regional Transportation Fund has a total fund balance of $2,652,211, all of which is unreserved except for $502. The fund balance decreased by $393,541 during the current fiscal year. This results in a net change (increase) of $1,392,835 when compared to the decrease of $1,786,376 in the prior year. Key elements of the change from prior year are as follows:

- $1.155 million decrease in bonds issued for street and highway construction.
- $1.4 million increase in federal grants for micropaving, ADA sidewalk and other pedestrian improvements.
- $1.2 million increase in micropaving, street sealing and overlays.
- $2 million decrease in road construction projects.
- $640,000 increase in motor vehicle fuel tax revenue from the prior year.

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 $2,165,633 in the Sewer Fund, $3,152,855, in the Water Fund, and $115,380 in the Stormwater Drainage Fund. The total growth (decline) in net assets for the funds was $(1,980,566), $(1,327,930), and $(136), respectively. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary

Budgeted appropriations increased $3,699,714 between the original budget and the final amended budget. The increase can be briefly summarized as follows:

- $2.4 million increase in appropriations for economic development to fund incentives for business retention and recruitment.
- Carryover of program costs from the prior year budget amounting to $515,090 allocated to various departments.
- $784,624 increase in various department appropriations offset by increases in charges for services, fines and forfeits, intergovernmental revenues, operating transfers in, and other miscellaneous revenues.

Of this increase, $289,714 was funded from charges for services, $389,910 was funded from fines and forfeits, lease revenues, licenses and permits and grants and donations, and $105,000 was funded from operating transfers in. The remaining $2,915,090 was to be budgeted from available fund balance.

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

- Actual intergovernmental revenues were $2.95 million less than the final budget due to a decline in consolidated tax revenues.
- Actual charges for services were $644,000 less than the final budget mostly due to a decline in landfill and recreation program revenues.
- Actual expenditures by function were less than the final budget as a result of expenditure reductions in response to the declines in revenue.
- Actual operating transfers in were $1.8 more than the final budget due to an increase in the transfer in from the Stabilization Fund to offset the declines in revenue.

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, 2010, amounts to $387,199,326 (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 (a 12 percent increase for governmental activities and a 2 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 $2 million.
- Land donated by developers for public right of way was valued at $5.5 million.
- $9 million in airport improvement projects.
- $3.7 million in land purchases for open space.
- A variety of road construction projects are on-going, such as widening and expansion projects, at a cost of approximately $9.4 million.
- Approximately $1.4 million for parks and recreational facilities.
- $442,000 for the purchase of ambulances.
- $754,000 for the purchase of buses for the transit system.
- $760,000 for storm drainage projects.
- $1.2 million for various sewer line replacements and utility relocations.

- $400,000 for various infrastructure projects, such as underground pipes and street reconstruction.
- $4.6 million for various well upgrades, water main/line improvements, and underground infrastructure.
- $1.4 million in the Water Fund for equipment, utility line extensions, water/main/well development and/or replacements.

Carson City's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Land	$ 46,887,163	$ 36,729,345	$ 3,247,228	$ 3,236,804	$ 50,134,391	$ 39,966,149
CIP/infrastructure	13,632,437	7,001,687	-	-	13,632,437	7,001,687
Construction in progress	1,258,693	863,779	9,005,993	5,635,982	10,264,686	6,499,761
Buildings	56,777,042	58,108,000	10,814,319	11,109,620	67,591,361	69,217,620
Improvements other than buildings	14,421,689	14,859,672	109,121,244	109,747,569	123,542,933	124,607,241
Machinery and equipment	12,858,365	12,736,999	3,532,411	3,148,939	16,390,776	15,885,938
Infrastructure	97,623,590	86,297,851	-	-	97,623,590	86,297,851
Water rights	-	-	8,019,152	8,019,152	8,019,152	8,019,152
Total	$ 243,458,979	$ 216,597,333	$ 143,740,347	$ 140,898,066	$ 387,199,326	$ 357,495,399

Additional information on the City's capital assets can be found in note 3-B on pages 39-43 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of $136,927,274. Of this amount, $116,061,274 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	
	2010	2009	2010	2009	2010	2009
General obligation bonds	$ 67,519,131	$ 70,042,700	$ 48,542,143	$ 50,484,597	$ 116,061,274	$ 120,527,297
Revenue bonds	20,866,000	13,427,600	-	-	20,866,000	13,427,600
Total	$ 88,385,131	$ 83,470,300	$ 48,542,143	$ 50,484,597	$ 136,927,274	$ 133,954,897

The City's total bonded debt increased by $2,972,377 (2 percent) from the prior year. The key factor in this increase was the issuance of revenue bonds in the amount of $7,900,000 for street and highway construction.

The City maintained an "AA-" rating from Standard & Poor's and during fiscal year 2010 the City's debt rating changed from an "A1" to an "Aa2"rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15 percent of its total assessed valuation. The current debt limitation for the City is $288,971,603, 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 45-51 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's unemployment rate was 13.3% at June 30, 2010, which is an increase from a rate of 11.5% a year ago. The national and state unemployment rates were 9.5% and 14.2%, respectively, at June 30, 2010.
- The City's assessed value decreased .9 percent in fiscal year 2009-10 to $1.827 billion and decreased 7.6 percent in fiscal year 2010-11 to $1.688 billion.
- Sales tax revenue was projected to remain flat for fiscal year 2010-11 and first quarter numbers are indicating a slight increase over fiscal year 2009-10.

All of these factors were considered in preparing the City's budget for the 2011 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund decreased $5,290,021 to $5,318,237. The City has appropriated $3,294,193 of this amount for spending in the 2011 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.

BASIC FINANCIAL STATEMENTS

CARSON CITY
STATEMENT OF NET ASSETS
JUNE 30, 2010

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and investments	$ 29,781,970	$ 5,353,559	$ 35,135,529
Receivables (net of allowances for uncollectibles)	2,589,131	3,380,868	5,969,999
Due from other governments	10,777,375	156,180	10,933,555
Due from component units	10,882	-	10,882
Due from primary government	-	-	-
Internal balances	281,611	(281,611)	-
Inventories	93,043	258,087	351,130
Deposits	9,099	-	9,099
Prepaids	120,034	27,372	147,406
Restricted assets:			
Cash and investments	357,477	-	357,477
Other assets	988,280	469,886	1,458,166
Net OPEB asset	140,220	-	140,220
Capital assets, not being depreciated:			
Land	46,887,163	3,247,228	50,134,391
Construction in progress - infrastructure	13,632,437	-	13,632,437
Construction in progress	1,258,693	9,005,993	10,264,686
Water rights	-	8,019,152	8,019,152
Capital asset, being depreciated (net of accumulated depreciation)			
Buildings	56,777,042	10,814,319	67,591,361
Improvements other than buildings	14,421,689	109,121,244	123,542,933
Machinery and equipment	12,858,365	3,532,411	16,390,776
Infrastructure	97,623,590	-	97,623,590
Total Assets	288,608,101	153,104,688	441,712,789
LIABILITIES			
Accounts payable and accrued expenses	5,826,511	2,869,437	8,695,948
Accrued interest payable	750,892	327,621	1,078,513
Due to other governments	412,124	373,784	785,908
Due to component units	600,696	-	600,696
Due to primary government	-	-	-
Unearned revenue	115,334	286,560	401,894
Other liabilities	596,734	15,305	612,039
Current liabilities payable from restricted assets	340,358	-	340,358
Noncurrent liabilities:			
Due within one year	4,482,695	3,534,148	8,016,843
Due in more than one year	97,589,754	49,004,221	146,593,975
Total Liabilities	110,715,098	56,411,076	167,126,174
NET ASSETS			
Invested in capital assets, net of related debt	172,327,528	90,457,625	262,785,153
Restricted for:			
General government	120,384	-	120,384
Public safety	565,701	-	565,701
Judicial	474,348	-	474,348
Public works	3,662,395	-	3,662,395
Health	277,456	-	277,456
Welfare	114	-	114
Culture and recreation	12,100,367	-	12,100,367
Capital projects	331,575	-	331,575
Debt service	-	-	-
Claims	2,583,031	-	2,583,031
Unrestricted	(14,549,896)	6,235,987	(8,313,909)
Total Net Assets	$ 177,893,003	$ 96,693,612	$ 274,586,615

See accompanying notes

COMPONENT UNITS	
AIRPORT AUTHORITY	CONVENTION AND VISITORS' BUREAU
$ 512,733	$ 1,274,786
9,521	160,569
128,751	9,500
-	-
590,696	10,000
-	-
-	17,770
-	-
-	-
-	77,567
213,893	5,084
-	-
146,542	-
-	-
163,751	-
-	-
-	98,512
-	1
75,153	23,214
-	-
1,841,040	1,677,003
505,811	161,767
-	-
-	9,563
-	-
-	10,882
7,868	29,428
-	-
-	77,567
15,364	1,166
620,529	63,403
1,149,572	353,776
385,446	116,922
-	829
-	-
-	-
-	-
-	-
-	-
-	251,958
-	-
-	323,715
-	-
306,022	629,803
$ 691,468	$ 1,323,227

See accompanying notes

CARSON CITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental Activities:				
General government	$ 13,128,842	$ 2,918,651	$ 932,613	$ -
Public safety	30,765,050	1,188,443	1,251,547	15,761
Judicial	5,301,887	1,856,416	101,879	-
Public works	9,660,646	130,186	1,936,967	9,436,768
Sanitation	1,805,049	2,808,933	-	-
Health	4,570,746	391,320	2,469,975	-
Welfare	2,373,611	2,502	329,970	-
Culture and recreation	9,686,659	1,272,141	1,467,164	6,813,599
Community support	3,922,076	381	4,320,000	-
Airport	257,969	-	155,564	8,988,508
Economic opportunity	4,705,495	-	422,049	-
Debt Service:				
Interest and fiscal charges	4,247,956	-	-	-
Total Governmental Activities	90,425,986	10,568,973	13,387,728	25,254,636
Business-Type Activities:				
Sewer	8,568,534	6,221,191	-	241,796
Water	11,345,020	9,213,231	-	635,463
Stormwater Drainage	1,198,016	1,172,877	-	13,521
Ambulance	4,288,925	3,809,675	-	-
Cemetery	192,330	91,161	200	-
Building Permits	580,576	422,320	-	-
Total Business-Type Activities	26,173,401	20,930,455	200	890,780
Total Primary Government	$ 116,599,387	$ 31,499,428	$ 13,387,928	$ 26,145,416
Component units:				
Airport Authority	$ 9,307,965	$ 248,123	$ 9,244,626	$ -
Convention and Visitors' Bureau	1,691,788	229,662	207,500	-
Total Component Units	$ 10,999,753	$ 477,785	$ 9,452,126	$ -

General Revenues:
- Property taxes
- Sales taxes
- Consolidated tax
- Franchise taxes
- Other taxes
- Room taxes
- Motor vehicle fuel tax
- Unrestricted investment income
- Miscellaneous revenue

Transfers

Total General Revenues and Transfers

Change in Net Assets

NET ASSETS, JULY 1, as Previously Reported
Prior-period adjustment - error correction

NET ASSETS, JULY 1, as Adjusted

NET ASSETS, JUNE 30

See accompanying notes.

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			COMPONENT UNITS	
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	AIRPORT AUTHORITY	CONVENTION AND VISITORS' BUREAU
$ (9,277,578)	$ -	$ (9,277,578)	$ -	$ -
(28,309,299)	-	(28,309,299)	-	-
(3,343,592)	-	(3,343,592)	-	-
1,843,275	-	1,843,275	-	-
1,003,884	-	1,003,884	-	-
(1,709,451)	-	(1,709,451)	-	-
(2,041,139)	-	(2,041,139)	-	-
(133,755)	-	(133,755)	-	-
398,305	-	398,305	-	-
8,886,103	-	8,886,103	-	-
(4,283,446)	-	(4,283,446)	-	-
(4,247,956)	-	(4,247,956)	-	-
(41,214,649)	-	(41,214,649)	-	-
-	(2,105,547)	(2,105,547)	-	-
-	(1,496,326)	(1,496,326)	-	-
-	(11,618)	(11,618)	-	-
-	(479,250)	(479,250)	-	-
-	(100,969)	(100,969)	-	-
-	(158,256)	(158,256)	-	-
-	(4,351,966)	(4,351,966)	-	-
(41,214,649)	(4,351,966)	(45,566,615)	-	-
-	-	-	184,784	-
-	-	-	-	(1,254,626)
-	-	-	184,784	(1,254,626)
20,555,087	-	20,555,087	138,929	-
4,172,071	-	4,172,071	-	-
17,477,368	-	17,477,368	-	-
5,531,976	-	5,531,976	-	-
136,856	-	136,856	-	-
-	-	-	-	1,159,241
4,992,322	-	4,992,322	-	-
1,132,477	240,914	1,373,391	3,291	6,202
183,639	-	183,639	-	-
(398,481)	398,481	-	-	-
53,783,315	639,395	54,422,710	142,220	1,165,443
12,568,666	(3,712,571)	8,856,095	327,004	(89,183)
156,180,270	100,406,183	256,586,453	364,464	1,412,410
9,144,067	-	9,144,067	-	-
165,324,337	100,406,183	265,730,520	364,464	1,412,410
$ 177,893,003	$ 96,693,612	$ 274,586,615	$ 691,468	$ 1,323,227

See accompanying notes.

CARSON CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	GENERAL	QUALITY OF LIFE
ASSETS		
Cash and investments	$ 4,563,179	$ 8,355,364
Receivables (net of allowances for uncollectibles):		
Taxes, delinquent	416,995	-
Accounts receivable	1,534,660	-
Interest	155,043	-
Due from other funds	658,035	1,000,000
Due from other governments	3,120,326	1,917,405
Due from component units	10,882	-
Inventories	2,753	-
Deposits	-	-
Prepaid items	99,958	75
Restricted assets:		
Cash and investments	331,016	-
Total Assets	$ 10,892,847	$ 11,272,844
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	$ 957,855	$ 77,146
Accrued salaries and benefits	2,472,964	12,608
Due to other funds	-	-
Due to other governments	99,881	8,188
Due to component units	122,785	-
Other liabilities	87,954	-
Deferred revenue	351,312	-
Unearned revenue	3,000	-
Payable from restricted assets	313,897	-
Total Liabilities	4,409,648	97,942
Fund balances:		
Reserved for inventory	2,753	-
Reserved for gifts and donations	424,557	-
Reserved for administrative assessments	59,500	-
Reserved for courts	509,479	-
Reserved for technology	68,715	-
Reserved for prepaid items	99,958	75
Unreserved, reported in:		
General fund:		
Designated for subsequent year's expenditures	3,294,193	-
Undesignated	2,024,044	-
Special revenue funds:		
Designated for subsequent year's expenditures	-	205,525
Undesignated	-	10,969,302
Debt service funds:		
Designated for subsequent year's expenditures	-	-
Undesignated	-	-
Capital projects funds:		
Designated for subsequent year's expenditures	-	-
Undesignated	-	-
Total Fund Balances	6,483,199	11,174,902
Total Liabilities and Fund Balances	$ 10,892,847	$ 11,272,844

See accompanying notes.

REGIONAL TRANSPORTATION	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 1,832,120	$ 10,256,861	$ 25,007,524
-	144,044	561,039
-	54,165	1,588,825
-	-	155,043
35,866	87,473	1,781,374
1,816,658	3,922,986	10,777,375
-	-	10,882
-	-	2,753
-	9,099	9,099
502	19,499	120,034
-	26,461	357,477
$ 3,685,146	$ 14,520,588	$ 40,371,425
$ 1,016,016	$ 579,016	$ 2,630,033
16,869	161,375	2,663,816
-	1,778,339	1,778,339
50	275,786	383,905
-	477,911	600,696
-	-	87,954
-	562,897	914,209
-	112,334	115,334
-	26,461	340,358
1,032,935	3,974,119	9,514,644
-	-	2,753
-	-	424,557
-	-	59,500
-	-	509,479
-	-	68,715
502	19,499	120,034
-	-	3,294,193
-	-	2,024,044
926,222	4,074,045	5,205,792
1,725,487	2,623,257	15,318,046
-	1,036,661	1,036,661
-	12,384	12,384
-	51,609	51,609
-	2,729,014	2,729,014
2,652,211	10,546,469	30,856,781
$ 3,685,146	$ 14,520,588	$ 40,371,425

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, 2010

Fund Balances - Governmental Funds (pages 8-9)		$ 30,856,781
Amounts reported for governmental activities in the statement of net assets (pages 4-5) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	$ 307,081,894	
Less: Accumulated depreciation	(64,227,636)	
		242,854,258
Net OPEB asset is not a financial resource and, therefore, is not reported in the governmental funds.		140,220
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
General obligation revenue bonds payable	(67,519,131)	
Notes payable	(2,639,928)	
Revenue bonds payable	(20,866,000)	
Loss on bond refunding	680,465	
Less: current year amortization	(102,446)	
Issuance discount	158,244	
Less: current year amortization	(10,042)	
Issuance premium	(482,192)	
Less: current year amortization	29,421	
Deferred charge for issuance costs	1,045,825	
Less: current year amortization	(62,496)	
Capital leases payable	(99,470)	
Landfill closure / post closure costs	(2,871,460)	
Net OPEB obligation	(3,071,359)	
Compensated absences	(4,666,514)	
		(100,477,083)
Interest payable		(747,776)
Deferred revenue represents amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.		914,209
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.		4,073,818
Internal balances are receivable from business-type activities.		278,576
Net Assets - Governmental Activities (pages 4-5)		$ 177,893,003

See accompanying notes.

CARSON CITY
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	GENERAL	QUALITY OF LIFE
Revenues:		
Taxes	$ 15,033,876	$ 1,669,985
Licenses and permits	7,104,035	-
Intergovernmental revenues	18,566,712	6,729,375
Charges for services	11,112,929	-
Fines and forfeits	730,362	-
Miscellaneous	1,217,745	358,978
Total Revenues	53,765,659	8,758,338
Expenditures:		
Current:		
General government	13,508,301	-
Public safety	26,715,505	-
Judicial	4,912,017	-
Public works	2,102,004	-
Sanitation	1,673,677	-
Health	1,502,565	-
Welfare	382,174	-
Culture and recreation	5,966,831	5,419,265
Community support	531,683	-
Airport	-	-
Economic opportunity	4,320,000	-
Capital outlay	-	-
Debt service:		
Principal retirement	-	-
Interest and fiscal charges	-	-
Total Expenditures	61,614,757	5,419,265
Excess (Deficiency) of Revenues over Expenditures	(7,849,098)	3,339,073
Other Financing Sources (Uses):		
Debt issued	-	-
Capital leases	69,433	-
Transfers in	5,884,195	-
Transfers out	(3,107,575)	(1,107,263)
Total Other Financing Sources (Uses)	2,846,053	(1,107,263)
Net Change in Fund Balances	(5,003,045)	2,231,810
Fund Balances, July 1	11,486,244	8,943,092
Fund Balances, June 30	$ 6,483,199	$ 11,174,902

See accompanying notes.

REGIONAL TRANSPORTATION	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 3,353,185	$ 8,035,979	$ 28,093,025
-	236,753	7,340,788
1,852,780	22,523,664	49,672,531
-	354,771	11,467,700
-	72,040	802,402
88,821	523,376	2,188,920
5,294,786	31,746,583	99,565,366
-	1,496,712	15,005,013
-	1,647,281	28,362,786
-	163,722	5,075,739
11,826,636	5,989,354	19,917,994
-	-	1,673,677
-	2,458,061	3,960,626
-	1,977,293	2,359,467
-	1,995,284	13,381,380
-	3,041,870	3,573,553
-	9,144,072	9,144,072
-	422,049	4,742,049
-	8,028	8,028
-	3,604,885	3,604,885
-	3,956,052	3,956,052
11,826,636	35,904,663	114,765,321
(6,531,850)	(4,158,080)	(15,199,955)
7,900,000	-	7,900,000
-	-	69,433
-	9,616,038	15,500,233
(1,761,691)	(8,193,704)	(14,170,233)
6,138,309	1,422,334	9,299,433
(393,541)	(2,735,746)	(5,900,522)
3,045,752	13,282,215	36,757,303
$ 2,652,211	$ 10,546,469	$ 30,856,781

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, 2010

Net Change in Fund Balances - Governmental Funds (pages 11-12)		$ (5,900,522)
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	$ 25,158,461	
Contributions of capital assets from business-type activities	21,519	
Donated capital assets	7,753,805	
Sale/disposition of assets	(203,336)	
Less: Current year depreciation	(6,387,233)	
		26,343,216
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		486,488
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.		
Bonds issued	(7,900,000)	
Bond issuance costs	62,605	
Capital lease financing	(69,433)	
Accrued interest	(747,776)	
Capital lease payments	79,145	
Interest payments	561,347	
Principal payments	3,604,885	
		(4,409,227)
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	(102,446)	
Amortization of issuance costs	(62,496)	
Amortization of bond discounts	(10,042)	
Amortization of bond premiums	29,421	
Change in long-term landfill closure / post closure	(102,292)	
Change in net OPEB asset	140,220	
Change in net OPEB obligation	(1,678,810)	
Change in long-term compensated absences	(418,784)	
		(2,205,229)
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.		(1,746,060)
Change in Net Assets of Governmental Activities (pages 6-7)		$ 12,568,666

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, 2010

	BUDGETED AMOUNTS			
	ORIGINAL	FINAL	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Revenues:				
Taxes	$ 15,173,223	$ 15,173,223	$ 15,033,876	$ (139,347)
Licenses and permits	7,139,400	7,143,300	7,104,035	(39,265)
Intergovernmental revenues	21,231,098	21,516,675	18,566,712	(2,949,963)
Charges for services	11,467,231	11,756,945	11,112,929	(644,016)
Fines and forfeits	913,000	924,000	730,362	(193,638)
Miscellaneous	1,210,780	1,230,780	1,217,745	(13,035)
Total Revenues	57,134,732	57,744,923	53,765,659	(3,979,264)
Expenditures:				
Current:				
General government	13,870,958	14,096,751	13,508,301	588,450
Public safety	26,968,357	27,166,188	26,715,505	450,683
Judicial	4,915,107	5,265,521	4,912,017	353,504
Public works	2,141,440	2,141,440	2,102,004	39,436
Sanitation	1,874,300	1,874,300	1,673,677	200,623
Health	1,601,803	1,836,168	1,502,565	333,603
Welfare	382,174	382,174	382,174	-
Culture and recreation	6,192,982	6,690,725	5,966,831	723,894
Community support	462,813	555,313	531,683	23,630
Economic opportunity	1,920,000	4,320,000	4,320,000	-
Total Expenditures	60,329,934	64,328,580	61,614,757	2,713,823
Excess (Deficiency) of Revenues over Expenditures	(3,195,202)	(6,583,657)	(7,849,098)	(1,265,441)
Other Financing Sources (Uses):				
Capital leases	-	69,433	69,433	-
Transfers in	3,933,725	4,038,725	5,884,195	1,845,470
Transfers out	(3,196,004)	(3,107,575)	(3,107,575)	-
Contingency	(500,000)	(289,497)	-	289,497
Total Other Financing Sources (Uses)	237,721	711,086	2,846,053	2,134,967
Net Change in Fund Balances	(2,957,481)	(5,872,571)	(5,003,045)	869,526
Fund Balances, July 1	7,979,901	10,894,991	11,486,244	591,253
Fund Balances, June 30	$ 5,022,420	$ 5,022,420	$ 6,483,199	$ 1,460,779

See accompanying notes.

CARSON CITY
QUALITY OF LIFE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes	$ 1,956,266	$ 1,662,345	$ 1,669,985	$ 7,640
Intergovernmental revenues	-	5,933,259	6,729,375	796,116
Miscellaneous	100,000	150,000	358,978	208,978
Total Revenues	2,056,266	7,745,604	8,758,338	1,012,734
Expenditures:				
Current:				
Culture and recreation	1,098,606	15,401,665	5,419,265	9,982,400
Excess (Deficiency) of Revenues over Expenditures	957,660	(7,656,061)	3,339,073	10,995,134
Other Financing Sources (Uses):				
Transfers out	(1,151,656)	(1,151,656)	(1,107,263)	44,393
Net Change in Fund Balances	(193,996)	(8,807,717)	2,231,810	11,039,527
Fund Balances, July 1	329,371	8,943,092	8,943,092	-
Fund Balances, June 30	$ 135,375	$ 135,375	$ 11,174,902	$ 11,039,527

See accompanying notes.

CARSON CITY
REGIONAL TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes	$ 2,925,099	$ 3,295,099	$ 3,353,185	$ 58,086
Intergovernmental revenues	912,000	3,065,245	1,852,780	(1,212,465)
Miscellaneous	115,000	115,000	88,821	(26,179)
Total Revenues	3,952,099	6,475,344	5,294,786	(1,180,558)
Expenditures:				
Current:				
Public works:	3,914,336	15,019,834	11,826,636	3,193,198
Excess (Deficiency) of Revenues over Expenditures	37,763	(8,544,490)	(6,531,850)	2,012,640
Other Financing Sources (Uses):				
Debt issued	-	7,900,000	7,900,000	-
Transfers out	(1,396,621)	(1,766,621)	(1,761,691)	4,930
Total Other Financing Sources (Uses)	(1,396,621)	6,133,379	6,138,309	4,930
Net Change in Fund Balances	(1,358,858)	(2,411,111)	(393,541)	2,017,570
Fund Balances, July 1	1,993,499	3,045,752	3,045,752	-
Fund Balances, June 30	$ 634,641	$ 634,641	$ 2,652,211	$ 2,017,570

See accompanying notes.

CARSON CITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES		
	SEWER	WATER	STORMWATER DRAINAGE
ASSETS			
Current assets (unrestricted):			
Cash and investments	$ 2,031,569	$ 2,815,594	$ 394
Receivables:			
Accounts and contracts, net	653,511	1,014,083	100,579
Due from other funds	1,079	1,619	-
Due from other governments	50,812	105,368	-
Inventories	-	232,462	-
Prepaid items	19,194	7,683	450
Total Current Assets (Unrestricted)	2,756,165	4,176,809	101,423
Noncurrent assets:			
Other assets	79,873	281,158	108,855
Capital assets:			
Land	757,704	631,306	1,564,769
Buildings	12,208,694	1,816,447	-
Improvements other than buildings	95,852,378	75,110,496	6,811,663
Machinery and equipment	3,856,515	3,481,824	991,021
Water rights	-	8,019,152	-
Construction in progress	1,414,479	7,345,647	245,867
	114,089,770	96,404,872	9,613,320
Less: Accumulated depreciation	(47,126,760)	(29,660,519)	(596,628)
Net Capital Assets	66,963,010	66,744,353	9,016,692
Total Noncurrent Assets	67,042,883	67,025,511	9,125,547
Total Assets	69,799,048	71,202,320	9,226,970

See accompanying notes.

ENTERPRISE FUNDS		
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
$ 506,002	$ 5,353,559	$ 4,774,446
1,612,695	3,380,868	284,224
-	2,698	-
-	156,180	-
25,625	258,087	90,290
45	27,372	-
2,144,367	9,178,764	5,148,960
-	469,886	4,951
293,449	3,247,228	-
354,931	14,380,072	-
173,211	177,947,748	-
784,372	9,113,732	631,244
-	8,019,152	-
-	9,005,993	-
1,605,963	221,713,925	631,244
(589,671)	(77,973,578)	(26,523)
1,016,292	143,740,347	604,721
1,016,292	144,210,233	609,672
3,160,659	153,388,997	5,758,632

See accompanying notes.

CARSON CITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010
(PAGE 2 OF 2)

	BUSINESS-TYPE ACTIVITIES		
	SEWER	WATER	STORMWATER DRAINAGE
LIABILITIES			
Current liabilities payable from unrestricted assets:			
Accounts payable	$ 332,838	$ 2,231,257	$ 30,704
Accrued salaries and benefits	63,269	74,050	9,126
Accrued interest	158,852	142,251	26,518
Due to other funds	-	-	5,733
Due to other governments	3,261	361,717	2,127
Unearned revenue	-	-	-
Other current liabilities	-	-	-
Current portion:			
Commitments payable	-	15,305	-
Accrued compensative absences	22,454	-	2,840
General obligation bonds and notes payable	1,466,670	1,670,000	293,000
Total Current Liabilities (Payable from Unrestricted Assets)	2,047,344	4,494,580	370,048
Noncurrent liabilities:			
Accrued compensated absences	171,915	163,468	20,810
Net OPEB obligation	101,525	119,244	11,559
Other liabilities	-	35,454	-
General obligation bonds and notes payable	12,791,876	29,545,826	5,479,488
Total Noncurrent Liabilities	13,065,316	29,863,992	5,511,857
Total Liabilities	15,112,660	34,358,572	5,881,905
NET ASSETS			
Invested in capital assets, net of related debt	52,520,755	33,690,893	3,229,685
Unrestricted	2,165,633	3,152,855	115,380
Total Net Assets	$ 54,686,388	$ 36,843,748	$ 3,345,065
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			
Net assets of business - type activities			

See accompanying notes.

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
$ 37,385	$ 2,632,184	$ 497,540
90,808	237,253	35,122
-	327,621	3,116
-	5,733	-
6,679	373,784	28,219
286,560	286,560	-
-	-	508,780
-	15,305	-
79,184	104,478	16,556
-	3,429,670	149,000
500,616	7,412,588	1,238,333
239,384	595,577	88,501
323,672	556,000	54,502
-	35,454	73,478
-	47,817,190	230,000
563,056	49,004,221	446,481
1,063,672	56,416,809	1,684,814
1,016,292	90,457,625	225,721
1,080,695	6,514,563	3,848,097
$ 2,096,987	96,972,188	$ 4,073,818
	(278,576)	
	$ 96,693,612	

See accompanying notes.

CARSON CITY
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	BUSINESS-TYPE ACTIVITIES	
	SEWER	WATER
Operating Revenues:		
Charges for services	$ 6,220,277	$ 9,213,190
Operating Expenses:		
Salaries and wages	1,239,304	1,513,142
Employee benefits	498,405	596,458
Services and supplies	3,092,966	5,489,270
Depreciation	3,079,635	2,444,918
Total Operating Expenses	7,910,310	10,043,788
Operating Income (Loss)	(1,690,033)	(830,598)
Nonoperating Revenues (Expenses):		
Investment income	80,390	142,446
Miscellaneous	910	43
Interest expense	(584,520)	(1,326,400)
Gain (loss) on sales of capital assets	(22,004)	(7,557)
Arbitrage rebate	-	60,409
Bond issuance costs	(7,105)	(1,736)
Total Nonoperating Revenues (Expenses)	(532,329)	(1,132,795)
Income (Loss) Before Capital Contributions and Transfers	(2,222,362)	(1,963,393)
Capital Contributions:		
Capital grants	181,568	143,591
Developers	-	444,709
Connection fees	60,228	47,163
Total Capital Contributions	241,796	635,463
Transfers In	-	-
Transfers Out	-	-
Change in Net Assets	(1,980,566)	(1,327,930)
Net Assets, July 1	56,666,954	38,171,678
Net Assets, June 30	$ 54,686,388	$ 36,843,748
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.		
Change in net assets of business - type activities		

See accompanying notes.

ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
STORMWATER DRAINAGE	OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
$ 1,172,879	$ 4,093,370	$ 20,699,716	$ 11,314,943
245,196	1,824,395	4,822,037	702,821
111,501	1,131,812	2,338,176	265,025
391,300	1,930,402	10,903,938	10,712,471
218,499	73,041	5,816,093	8,684
966,496	4,959,650	23,880,244	11,689,001
206,383	(866,280)	(3,180,528)	(374,058)
9,737	8,341	240,914	152,349
-	229,986	230,939	79,905
(221,874)	-	(2,132,794)	(8,479)
-	(83,227)	(112,788)	43,426
-	-	60,409	-
(7,903)	-	(16,744)	(1,962)
(220,040)	155,100	(1,730,064)	265,239
(13,657)	(711,180)	(4,910,592)	(108,819)
13,521	-	338,680	-
-	-	444,709	-
-	-	107,391	-
13,521	-	890,780	-
-	420,000	420,000	-
-	-	-	(1,750,000)
(136)	(291,180)	(3,599,812)	(1,858,819)
3,345,201	2,388,167		5,932,637
$ 3,345,065	$ 2,096,987		$ 4,073,818
		(112,759)	
		$ (3,712,571)	

See accompanying notes.

CARSON CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES		
	SEWER	WATER	STORMWATER DRAINAGE
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for services	$ 6,074,787	$ 9,090,633	$ 1,147,940
Cash payments for personnel costs	(1,647,520)	(2,018,974)	(370,350)
Cash payments for services and supplies	(3,279,789)	(5,252,080)	(395,436)
Miscellaneous cash received	910	43	-
Net Cash Provided (Used) by Operating Activities	1,148,388	1,819,622	382,154
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer to other funds	-	-	-
Transfer from other funds	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital debt	1,600,000	1,512,053	848,000
Proceeds from sales of capital assets	-	-	-
Connection fees	60,228	47,163	-
Acquisition of capital assets	(1,459,877)	(4,533,031)	(1,268,297)
Principal paid on capital debt	(1,399,507)	(1,820,000)	(235,000)
Interest paid on capital debt	(586,489)	(1,322,072)	(213,085)
Bond issuance costs	(29,714)	(50,973)	(13,217)
Subsidy from grant	181,568	77,784	13,521
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,633,791)	(6,089,076)	(868,078)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	80,390	142,446	9,737
Net Increase (Decrease) in Cash and Cash Equivalents	(405,013)	(4,127,008)	(476,187)
Cash and Cash Equivalents, July 1	2,436,582	6,942,602	476,581
Cash and Cash Equivalents, June 30	$ 2,031,569	$ 2,815,594	$ 394

See accompanying notes.

ENTERPRISE FUNDS		
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
$ 3,953,185	$ 20,266,545	$ 11,346,682
(2,695,729)	(6,732,573)	(930,572)
(1,934,232)	(10,861,537)	(9,698,101)
229,986	230,939	79,905
(446,790)	2,903,374	797,914
-	-	(1,750,000)
420,000	420,000	-
420,000	420,000	(1,750,000)
-	3,960,053	452,000
-	-	43,426
-	107,391	-
(38,885)	(7,300,090)	(527,114)
-	(3,454,507)	(73,000)
-	(2,121,646)	(5,421)
-	(93,904)	(6,855)
-	272,873	-
(38,885)	(8,629,830)	(116,964)
8,341	240,914	152,349
(57,334)	(5,065,542)	(916,701)
563,336	10,419,101	5,691,147
$ 506,002	$ 5,353,559	$ 4,774,446

See accompanying notes.

CARSON CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 2 OF 2)

	BUSINESS-TYPE ACTIVITIES		
	SEWER	WATER	STORMWATER DRAINAGE
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	$ (1,690,033)	$ (830,598)	$ 206,383
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization expense	3,079,635	2,444,918	218,499
Nonoperating revenues	910	43	-
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(129,898)	(129,006)	(24,939)
Due from other governments	(12,314)	8,068	-
Due from other funds	(1,079)	(1,619)	-
Inventories	-	15,495	-
Prepaid items	(8,810)	719	170
Increase (decrease) in:			
Accounts payable	(179,843)	(26,848)	(8,966)
Accrued salaries and benefits	11,221	12,124	(4,451)
Due to other funds	-	-	5,733
Due to other governments	1,830	249,124	(1,073)
Unearned revenue	-	-	-
Connection deposits	(2,199)	(1,300)	-
Accrued compensated absences	26,633	16,870	(15,169)
Net OPEB obligation	52,335	61,632	5,967
Other liabilities	-	-	-
Total Adjustments	2,838,421	2,650,220	175,771
Net Cash Provided (Used) by Operating Activities	$ 1,148,388	$ 1,819,622	$ 382,154
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Purchase of capital assets on account	$ 291,851	$ 1,657,617	$ 14,519
Retainage payable on construction of capital assets	31,981	164,712	-

See accompanying notes.

ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
$ (866,280)	$ (3,180,528)	$ (374,058)
73,041	5,816,093	8,684
229,986	230,939	79,905
(148,990)	(432,833)	888
-	(4,246)	30,851
-	(2,698)	-
(4,437)	11,058	(2,126)
1,340	(6,581)	1,030,203
(7,383)	(223,040)	49,191
1,597	20,491	4,423
-	5,733	-
6,650	256,531	1,590
8,805	8,805	-
-	(3,499)	-
91,777	120,111	4,798
167,104	287,038	28,053
-	-	(64,488)
419,490	6,083,902	1,171,972
$ (446,790)	$ 2,903,374	$ 797,914
$ -	$ 1,963,987	$ -
-	196,693	-

See accompanying notes.

CARSON CITY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2010

	INVESTMENT TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and investments		
Unrestricted	$ 4,152,131	$ 2,187,351
Restricted	-	50,000
Cash held by Commission	-	5,057
Taxes receivable, delinquent	-	482,903
Due from other governments	-	84,718
Prepaid items	-	450
Total Assets	4,152,131	2,810,479
LIABILITIES		
Accounts payable	-	73,992
Due to other governments	-	2,724,276
Other liabilities	-	12,211
Total Liabilities	-	2,810,479
NET ASSETS		
Held in trust for pool participants	$ 4,152,131	$ -

See accompanying notes.

CARSON CITY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	INVESTMENT TRUST FUND
ADDITIONS	
Investment income	$ 225,584
Capital share transactions:	
Shares sold	7,130,587
Total Additions	7,356,171
DEDUCTIONS	
Capital share transactions:	
Shares redeemed	7,025,855
Change in Net Assets	330,316
Net Assets, July 1	3,821,815
Net Assets, June 30	$ 4,152,131

See accompanying notes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Carson City(the 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 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, except grants, available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if they are collected within 120 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 and postemployment benefits, 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. Grants and similar items are recognized as revenues when eligibility requirements imposed by the provider 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 G*eneral 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 *Regional Transportation Fund* accounts for the nine cent per gallon county fuel tax imposed in accordance with NRS 373.030. The monies are to be used for the purpose of street and highway construction.

The government reports the following major proprietary funds:

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

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

The *Stormwater Drainage Fund* accounts for the activities of the stormwater management program 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.

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.

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. All uncollectible accounts were written off during fiscal year 2010; therefore, there was no allowance for uncollectible accounts at June 30, 2010.

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.

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.

6. Capital Assets

Capital assets, which include land, water rights, 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:

Assets	Years
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.

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 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 2010-2011 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.

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 with the following possible exceptions:

- Actual expenses exceeded appropriations in the Sewer Enterprise Fund by $132,113. This is an apparent violation of NRS 354.626.
- Actual expenses exceeded appropriations in the Water Enterprise Fund by $548,720. This is an apparent violation of NRS 354.626.

C. SHORTFALL IN RESERVED AND UNRESERVED/DESIGNATED FUND BALANCES

The Traffic Transportation Special Revenue Fund’s fund balance was insufficient to cover the budgeted July 1, 2010 opening fund balance by $2,549. The Redevelopment Debt Service Fund’s fund balance was insufficient to cover the budgeted July 1, 2010 opening fund balance by $179,208.

D. DEFICIT FUND EQUITY

The Traffic Transportation Special Revenue Fund has a deficit fund balance of $145.

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

At year end, the City's carrying amount of deposits was $6,906,988 and the bank balance was $7,091,171. 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 $780,407, and the bank balance was $848,001. 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 $252,398 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.

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

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less Than 1	1-5	6-10
U.S. Treasuries	$ 4,386,196	$ -	$ 4,386,196	$ -
U.S. Agencies	20,331,146	1,268,773	14,991,477	4,070,896
Corporate Bonds	8,892,287	543,613	8,291,623	57,051
Money Market Mutual Fund	1,361,658	1,361,658	-	-
State of Nevada:				
Local Government Investment Pool	410	410	-	-
Total	$ 34,971,697	$ 3,174,454	$ 27,669,296	$ 4,127,947

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.

Credit Risk. Funds invested with the State of Nevada Treasurer in the Local Government Investment Pool may be invested as permitted by Nevada Revised Statutes. City policy does not further restrict these investments. As of June 30, 2010, 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 80 days. Of the City's investments in corporate bonds, $4,876,775 was rated AAA, $1,310,025 was rated AA, $1,868,648 was rated A and $836,839 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, 2010 the following investments exceeded 5% of the City's total:

Federal Home Loan Bank	$6,517,789	18.64%
Federal National Mortgage Association	6,272,230	17.94%
Federal Home Loan Mortgage Corporation	5,345,522	15.29%

Securities Lending. Having been approved by the State Board of Finance, Nevada Revised Statute (NRS) 355.178 authorizes the City to participate in securities lending transactions, where the City's securities are loaned to broker/dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. The City's securities lending agent administers the securities lending program and receives collateral from the borrower in the form of cash or marketable securities equal to at least 102 percent of the fair value of the securities borrowed. The fair values of the securities loaned and the collateral provided by the borrowers are monitored on a daily basis.

Cash collateral is invested in accordance with the investment guidelines stated in NRS 355.170. According to the City's investment policy, every attempt will be made to match the maturity of the lending contract with the maturity of the investment. In no case shall the maturity for the investment contract be longer than the corresponding lending contract. The maturity of the investment shall not be more than 30 days less than the maturity of the lending contract.

At year end, the City had no credit risk exposure to borrowers because there were no outstanding securities lending transactions.

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

	Fair Value	Investment Maturity Less Than 1 Year
State of Nevada Local Government Investment Pool	$1,080,467	$1,080,467

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

Cash on hand	$ 6,734
Carrying amount of deposits	6,906,988
Carrying amount of investments	34,971,697
	41,885,419
Less: Carrying amount of deposits held for component unit	(2,931)
	$41,882,488
Cash and investments – governmental activities	$29,781,970
Cash and investments – business-type activities	5,353,559
Cash and investments – investment trust fund	4,152,131
Cash and investments – agency funds	2,187,351
Cash and investments – restricted	407,477
	$41,882,488

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. Investment in the Local Government Investment Pool is carried at fair value, which is the same as the value of the pool shares.

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.

Summary of investments held in the external investment pool at June 30, 2010:

Investment Type	Fair Value	Principal Amount/ Number of Shares	Interest Rate	Maturity Dates
U.S. Treasuries	$ 4,386,196	$ 4,280,000	.75-2.625%	12/31/2011-04/30/2015
U.S. Agencies	20,331,146	19,648,687	0.0-6.48%	05/01/2011-09/01/2019
Corporate Bonds	8,892,287	8,587,640	0.0-7.202%	08/15/2010-09/25/2018
Money Market Mutual Fund	1,361,658	1,361,658	.03%	07/01/2010
State of Nevada Local Government Investment Pool	410	410 Shares	Variable	7/1/2010
Total Pooled Investments	$34,971,697			

External Investment Pool financial statements:

Statement of Net Assets, June 30, 2010

Assets:	
Investments in securities:	
U.S. Treasuries	$ 4,386,196
U.S. Agencies	20,331,146
Corporate Bonds	8,892,287
Money Market Mutual Fund	1,361,658
State of Nevada Local Government Investment Pool	410
Interest receivable	154,980
Total Assets	$35,126,677
Net assets consist of:	
Internal participants	$30,974,546
External participants	4,152,131
Total Net Assets Held in Trust for Pool Participants (Participant units outstanding, $1.00/par)	$35,126,677

Statement of Changes in Net Assets, Year Ended June 30, 2010

Additions:	
Investment income	$ 1,624,366
Capital share transactions	(22,567,369)
Total Decrease	(20,943,003)
Net assets:	
Beginning of Year	56,069,680
End of Year	$ 35,126,677

B. CAPITAL ASSETS

Capital asset activity of the primary government for the year ended June 30, 2010 was as follows:

	Restated Balance July 1, 2009	Increases	Decreases	Transfers	Balance June 30, 2010
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 36,729,345	$10,157,818	$ -	$ -	$ 46,887,163
Construction in progress – infrastructure	7,001,687	11,476,556	-	(4,845,806)	13,632,437
Construction in progress	863,779	433,654	(8,725)	(30,015)	1,258,693
Total Capital Assets not being Depreciated	44,594,811	22,068,028	(8,725)	(4,875,821)	61,778,293
Capital assets, being depreciated:					
Buildings	72,304,174	136,303	(27,531)	-	72,412,946
Improvements other than buildings	27,003,505	283,910	-	30,015	27,317,430
Machinery and equipment	27,527,824	2,339,186	(912,241)	50,113	29,004,882
Infrastructure	103,741,828	8,611,953	-	4,845,806	117,199,587
Total Capital Assets being Depreciated	230,577,331	11,371,352	(939,772)	4,925,934	245,934,845
Less accumulated depreciation for:					
Buildings	(14,196,174)	(1,453,247)	13,517	-	(15,635,904)
Improvements other than buildings	(12,143,833)	(751,908)	-	-	(12,895,741)
Machinery and equipment	(14,790,825)	(2,058,742)	731,644	(28,594)	(16,146,517)
Infrastructure	(17,443,977)	(2,132,020)	-	-	(19,575,997)
Total Accumulated Depreciation	(58,574,809)	(6,395,917)	745,161	(28,594)	(64,254,159)
Total Capital Assets being Depreciated, Net	172,002,522	4,975,435	(194,611)	4,897,340	181,680,686
Governmental Activities Capital Assets, Net	$216,597,333	$27,043,463	$ (203,336)	$ 21,519	$243,458,979

	Restated Balance July 1, 2009	Increases	Decreases	Transfers	Balance June 30, 2010
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 3,236,804	$ 10,424	$ -	$ -	$ 3,247,228
Construction in progress	5,635,982	5,962,515	-	(2,592,504)	9,005,993
Water rights	8,019,152	-	-	-	8,019,152
Total Capital Assets not being Depreciated	16,891,938	5,972,939	-	(2,592,504)	20,272,373
Capital assets, being depreciated:					
Buildings	14,380,072	-	-	-	14,380,072
Improvements other than buildings	173,691,440	2,385,019	-	1,871,289	177,947,748
Machinery and equipment	8,509,599	413,203	(480,172)	671,102	9,113,732
Total Capital Assets being Depreciated	196,581,111	2,798,222	(480,172)	2,542,391	201,441,552
Less accumulated depreciation for:					
Buildings	(3,270,452)	(295,301)	-	-	(3,565,753)
Improvements other than buildings	(63,943,871)	(4,882,633)	-	-	(68,826,504)
Machinery and equipment	(5,360,660)	(638,158)	388,903	28,594	(5,581,321)
Total Accumulated Depreciation	(72,574,983)	(5,816,092)	388,903	28,594	(77,973,578)
Total Capital Assets being Depreciated, Net	124,006,128	(3,017,870)	(91,269)	2,570,985	123,467,974
Business-type activities capital assets, net	$140,898,066	$ 2,955,069	$ (91,269)	$ (21,519)	$143,740,347

Note: July 1, 2009 governmental activities infrastructure has been restated to reflect a correction of an error (see Note 4H).

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

Governmental activities:	
General government	$ 388,451
Judicial	40,241
Public safety	1,607,175
Public works	2,339,689
Airport	102,405
Health	538,640
Culture and recreation	1,370,632
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	8,684
Total Depreciation Expense – Governmental Activities	$6,395,917
Business-type activities:	
Ambulance	$ 51,475
Sewer	3,079,635
Water	2,444,917
Cemetery	16,213
Storm Drainage	218,499
Building Permits	5,353
Total Depreciation Expense – Business-Type Activities	$5,816,092

Construction commitments

The City was committed to construction projects in various funds, as of June 30, 2010, as follows:

Project Name Contract Number Vendor Name	Bid Award	Value of Work Completed as of June 30, 2010	Remaining Commitment as of June 30, 2010
Water Fund:			
North-South Water Transmission Main #0910-125 El Camino	$ 2,179,987	$1,370,616	$ 809,371
ARRA/Well 41 & Well 24 #0910-217 RDC, Inc.	970,959	557,149	413,810
Production Well 41 #0910-143 Hydro Resources Nevada, Inc.	468,532	376,841	91,691
Management Services for North/South Water Transmission #0910-156 HDR	210,812	106,654	104,158
Municipal Well #50 and 24" Water Line Construction #0910-181 Campbell Construction Company, Inc.	767,548	-	767,548
Robinson Street Transmission Main #0910-201 Manhard Consulting Ltd.	284,750	81,165	203,585
Regional Transmission System #0910-202 Black & Veatch Corporation	357,200	41,986	315,214
Roop Street Widening – Phase II #0910-131 Peavine Construction	988,017	429,569	558,448
Roop Street Widening – Phase II #0910-150 Bowling Mamola Group	167,901	-	167,901
Sewer Fund:			
North Lift Pump Station #0910-129 Carollo Engineeers	319,329	176,198	143,131
Roop Street Widening – Phase II #0910-131 Peavine Construction	727,604	413,333	314,271
Roop Street – Phase II #0910-150 Bowling Mamola	97,356	-	97,356

Project Name Contract Number Vendor Name	Bid Award	Value of Work Completed as of June 30, 2010	Remaining Commitment as of June 30, 2010
Regional Transportation Fund:			
South Carson Street/Eagle Station #0910-092 A & K Earth Movers, Inc.	$ 488,700	$ 412,289	$ 76,411
Snyder Avenue Re-alignment Median #0910-210 A & K Earth Movers, Inc.	209,410	129,247	80,163
Roop Street Widening – Phase II #0910-131 Peavine Construction, Inc.	2,271,141	163,657	2,107,484
Roop Street – Phase II #0910-150 Bowling Mamola Group	357,987	357,987	-
Total	$10,867,233	$4,616,691	$6,250,542

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, 2010 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.

- 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.

In December 2007, the City and the State of Nevada, Department of Transportation (NDOT) added Amendment 2. The amendment provides for the following:

- City agreed to assume ownership and maintenance responsibility of additional State streets in lieu of remaining payment due for Phase 1 in the amount of $4.8 million dollars.

- Deferred payment of $.03 tax to July 1, 2009, to allow construction of Fairview Drive.

In 2009, the City and the State of Nevada, Department of Transportation (NDOT) added Amendment 3. The amendment provides for the following:

- City agreed to take additional State streets for maintenance and forego pavement rehabilitation by NDOT of Carson Street in lieu of a portion of the remaining payment due for Phase 2 in the amount of $7.9 million dollars.

- Deferred $.03 tax payments for remaining $7.1 million until completion of phase 2B.

Discretely presented component units

Activity for the Airport Authority for the year ended June 30, 2010 was as follows:

	Balance July 1, 2009	Increases	Decreases	Balance June 30, 2010
Capital assets not being depreciated:				
Land	$ 146,542	$ -	$ -	$ 146,542
Construction in progress	-	163,751	-	163,751
Total Capital Assets not being Depreciated	146,542	163,751	-	310,293
Capital assets being depreciated:				
Machinery and equipment	551,113	-	-	551,113
Less accumulated depreciation for:				
Machinery and equipment	(473,425)	(2,535)	(475,960)	
Total Capital Assets being Depreciated, Net	77,688	(2,535)	-	75,153
Airport Authority Capital Assets, Net	$ 224,230	$ 161,216	$ -	$ 385,446

Activity for the Convention and Visitors' Bureau for the year ended June 30, 2010 was as follows:

	Balance July 1, 2009	Increases	Decreases	Balance June 30, 2010
Capital assets, being depreciated:				
Buildings	$ 161,388	$ -	$ -	$ 161,388
Improvement other than buildings	8,729	-	-	8,729
Machinery and equipment	108,334	-	-	108,334
Total Capital Assets being Depreciated	278,451	-	-	278,451
Less accumulated depreciation for:				
Buildings	(57,353)	(5,523)	-	(62,876)
Improvements other than buildings	(8,439)	(289)	-	(8,728)
Machinery and equipment	(62,294)	(22,826)	-	(85,120)
Total Accumulated Depreciation	(128,086)	(28,638)	-	(156,724)
Convention and Visitor's Bureau Capital Assets, Net	$ 150,365	$(28,638)	$ -	$ 121,727

C. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2010, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	$ 655,000
	Stormwater Drainage Fund	3,035
		658,035
Quality of Life Fund	Nonmajor governmental funds	1,000,000
Regional Transportation Fund	Nonmajor governmental funds	35,866
Nonmajor governmental fund	Nonmajor governmental fund	87,473
Sewer Fund	Stormwater Drainage Fund	1,079
Water Fund	Stormwater Drainage Fund	1,619
	Total	$1,784,072

The above interfund balances at June 30, 2010 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:

Receivable Fund	Payable Fund	Amount
Primary government – General Fund	Component unit – Convention and Visitors' Bureau	$ 10,882
Component unit – Airport Authority	Primary government – General Fund	122,785
Component unit – Convention and Visitors' Bureau	Primary government – Redevelopment Administration Fund	10,000
Component unit – Airport Authority	Primary government – Airport Fund	467,911
	Total	$611,578

Interfund transfers:

	Transfers In:			
Transfers out:	General Fund	Nonmajor Enterprise Funds	Nonmajor Governmental Funds	Total
General Fund	$ -	$420,000	$2,687,575	$ 3,107,575
Quality of Life Fund	102,869	-	1,004,394	1,107,263
Regional Transportation Fund	-	-	`1,761,691	1,761,691
Nonmajor Governmental Funds	4,031,326	-	4,162,378	8,193,704
Internal Service Funds	1,750,000	-	-	1,750,000
Total Transfers	$5,884,195	$420,000	$9,616,038	$15,920,233

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.

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. During the year, $1,512,053 in general obligation bonds were issued to finance arsenic mitigation for the City's public water system. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	2.0-5.4%	$56,539,131
Governmental activities - refunding	2.9-5.4%	10,980,000
Business-type activities	0.0-7.5%	44,470,543
Business-type activities - refunding	3.0-5.0%	4,071,600

Revenue Bonds. The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. During the year, $7,900,000 in revenue bonds were issued to finance street and highway construction. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Regional Transportation	2.0-5.34%	$20,866,000

Notes Payable. The City issues notes to provide funds for open space, various improvements, and vehicles and to refund Redevelopment debt. During the year, $2,900,000 in notes payable were issued to finance the cost of ambulances, sewer improvements and stormwater drainage improvements. Notes payable outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Governmental activities:		
Energy Retrofit	4.3387%	$ 335,328
Open Space	3.25%	1,483,700
Fleet Management	1.97%-2.8%	379,000
Redevelopment Refunding note	3.97%	820,900
Business-type activities:		
Stormwater Drainage	1.97-4.81%	848,000
Sewer	1.97-4.81%	1,600,000

Pledged Revenues. The City has pledged specific revenues to repay bonds in governmental and business-type activities.

Governmental activities

The City has pledged 15% of the Consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Capital Improvement Bonds Series 1998B; Capital Improvement Bonds Series 1999A; Various Purpose Bonds Series 2001; Energy Retrofit Bonds Series 2001; Medium Term Lease Purchase Series 2003; Public Safety Refunding Bonds Series 2003; Capital Improvement Bonds Series 2005; and Medium Term Redevelopment Funding Series 2006. The total principal and interest remaining to be paid on the bonds is $65,432,341 payable through fiscal year 2033. For the current year, principal and interest paid for the bonds totaled $3,384,151 and pledged revenues totaled $2,621,605.

The City has pledged future ¼ cent voter approved (Quality of Life) sales tax revenues to repay $14,703,000 in Park Bonds Series 1998A; Medium Term Bank Note Series 2004; and Park Bonds Series 2005. Proceeds of the bonds provided financing for new parks facilities, to purchase open space and to improve and equip current parks facilities. The bonds are intended to be paid solely from the ¼ cent tax revenues and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 65% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $15,601,876. For the current year, principal and interest paid for the bonds totaled $1,078,018 and pledged revenues totaled $1,669,985.

The City has pledged future 1/8 cent sales tax revenues (NRS 377B), to repay $15,000,000 in V&T Historical Bonds Series 2005. The bonds are intended to be paid solely from the 1/8 cent tax revenues and are payable through fiscal year 2025. Annual principal and interest payments on the bonds are expected to require 100% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $17,870,993. For the current year, principal and interest paid for the bonds totaled $1,118,044 and pledged revenues totaled $833,551.

The City has pledged room tax and Residential Construction tax revenues to repay $5,665,000 in Park Refunding Bonds Series 1997C; and Room Tax Revenue Supported Bonds, Series 2003. The bonds are intended to be paid solely from room tax and Residential Construction tax revenues and are payable through fiscal year 2023. Annual principal and interest payments on the bonds are expected to require 47% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $5,311,561. For the current year, principal and interest paid for the bonds totaled $408,360 and pledged revenues totaled $864,360.

The City has pledged motor vehicle fuel tax revenues to repay $5,785,000 in Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds Series 2003; $9,055,000 in Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds Series 2008 and $7,900,000 in Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Improvement Bonds Series 2010. The bonds are secured solely from motor vehicle fuel tax and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 39% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $32,228,911. For the current year, principal and interest paid for the bonds totaled $1,070,561 and pledged revenues totaled $2,754,992.

The City has pledged future fleet management fund revenues and investment earnings, net of specified operating expenses to repay $452,000 in fleet management general obligation revenue bonds issued in fiscal year 2010. Proceeds from the bonds provided financing of ambulances. The bonds are intended to be paid solely from fleet management fund net revenues and are payable through fiscal year 2013. Annual principal and interest payments on the bonds are expected to require as much as 45% of the funds net revenues. The total principal and interest remaining to be paid on the bonds is $390,808. For the current year, principal and interest paid for the bonds totaled $78,421 and net pledged revenues totaled $172,860.

Business-type activities

The City has pledged future sewer utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay $24,806,302 in sewer utility system general obligation revenue bonds issued between fiscal years

1995 and 2010. Proceeds from the bonds provided financing for expansion of, and improvements to, the sewer utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2024. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is $16,808,761. For the current year, principal and interest paid for the bonds totaled $1,985,996 and net pledged revenues totaled $1,524,025.

The City has pledged future water utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay $43,951,600 in water utility system general obligation revenue bonds issued between fiscal years 1998 and 2010. Proceeds from the bonds provided financing for expansion of, and improvements to, the water utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is $42,496,231. For the current year, principal and interest paid for the bonds totaled $3,142,072 and net pledged revenues totaled $1,862,645.

The City has pledged future storm drainage utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay $6,848,000 in storm drainage utility system general obligation revenue bonds issued between fiscal years 2005 and 2006. Proceeds from the bonds provided financing for expansion of, and improvements to, the storm drainage utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2025. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is $7,639,921. For the current year, principal and interest paid for the bonds totaled $448,085 and net pledged revenues totaled $426,716.

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 $99,470.

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Machinery and equipment	$201,423
Less: Accumulated depreciation	(61,511)
Total	$139,912

Operating Leases. On June 4, 2010, the City entered into an agreement to lease office space for the period of three years and twenty-six days with lease payments beginning the month of July 2010. Future minimum payments for this lease are:

Year Ended June 20,	Lease Payments
2011	$ 109,193
2012	109,193
2013	109,193
Total	$ 327,579

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, 2010 was $125,130,000.

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010	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 - $4,860,000	$ 2,940,000	$ -	$ (240,000)	$ 2,700,000	$ 250,000
3.50 to 5.1% Capital Improvement general obligation revenue bonds series 1998B, due 11/01/18 - $1,000,000	605,000	-	(50,000)	555,000	50,000
5.0 to 5.4% Capital Improvement general obligation revenue bonds series 1999A, due 07/01/20 - $2,505,000	1,680,000	-	(115,000)	1,565,000	120,000
4.0 to 5.0% 2001 Redevelopment general obligation revenue bonds, due 06/01/21 - $2,000,000	1,820,000	-	(5,000)	1,815,000	-
4.0 to 5.0% 2001 Senior Citizens Center general obligation revenue bonds, due 06/01/18 - $1,800,000	1,105,000	-	(100,000)	1,005,000	105,000
4.32% 2001 Energy Retrofit general obligation revenue bonds, due 05/28/12 - $1,329,802	647,700	-	(138,569)	509,131	153,404
4.0 to 5.4% Parks refunding general obligation revenue bonds series 1997C, due 02/01/11 - $1,515,000	375,000	-	(180,000)	195,000	195,000
2.9 to 3.5% Public Safety refunding general obligation revenue bonds series 2003, due 05/01/15 - $4,895,000	4,670,000	-	(230,000)	4,440,000	835,000
2.0 to 4.625% Room Tax Revenue supported general obligation revenue bonds series 2003, due 06/01/23 - $4,150,000	3,840,000	-	(45,000)	3,795,000	40,000
3.0 to 4.4% Parks general obligation revenue bonds series 2005, due 03/01/25 - $980,000	835,000	-	(40,000)	795,000	40,000
3.0 to 4.625% Parks general obligation revenue bonds series 2005, due 03/01/30 - $5,835,000	5,760,000	-	(20,000)	5,740,000	20,000
4.0 to 5.0% Sheriff/Hospital general obligation revenue bonds series 2005A, due 05/01/33 -$18,000,000	18,000,000	-	-	18,000,000	-
4.0 to 5.0% Capital Projects general obligation revenue bonds series 2005A, due 05/01/30 - $8,000,000	7,385,000	-	(220,000)	7,165,000	230,000
4.0 to 5.0% Refunding general obligation revenue bonds series 2005A, due 05/01/22 - $8,040,000	6,925,000	-	(580,000)	6,345,000	5,000
4.0 to 4.50% V&T Historical general obligation revenue bonds series 2005B, due 12/01/25 - $15,000,000	13,455,000	-	(560,000)	12,895,000	580,000
Subtotal	70,042,700	-	(2,523,569)	67,519,131	2,623,404
Revenue Bonds:					
2.0 to 4.7% 2003 Highway Revenue motor vehicle fuel tax revenue bonds, due 06/01/23 - $5,785,000	4,685,000	-	(235,000)	4,450,000	245,000
4.9% 2008 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/27 - $9,055,000	8,742,600	-	(226,600)	8,516,000	235,200
5.340% 2010 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/29 - $7,900,000	-	7,900,000	-	7,900,000	163,700
Subtotal	13,427,600	7,900,000	(461,600)	20,866,000	643,900

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010	Due Within One Year
Notes Payable:					
4.3387% Energy Retrofit Installment Purchase Financing dated 2/11/03, due 2/11/13 - $802,500	$ 421,044	$ -	$ (85,716)	$ 335,328	$ 94,770
3.25% Parks general obligation (limited tax) medium-term note dated 12/15/04, due 12/15/14 - $3,028,000	1,785,200	-	(301,500)	1,483,700	311,300
1.97 to 2.8% Fleet general obligation (limited tax) medium-term bond, due 09/01/12 - $452,000	-	452,000	(73,000)	379,000	149,000
3.97% general obligation (Limited Tax) Redevelopment Authority refunding note series 2006, due 05/01/13 - $1,654,300	1,053,400	-	(232,500)	820,900	251,300
Subtotal	3,259,644	452,000	(692,716)	3,018,928	806,370
Deferred amounts:					
For issuance premiums	482,192	-	(29,421)	452,771	-
For issuance discounts	(158,244)	-	10,042	(148,202)	-
On refunding	(680,465)	-	102,446	(578,019)	-
Total Bonds and Notes Payable	86,373,427	8,352,000	(3,594,818)	91,130,609	4,073,674
Incurred but not Reported Claims Liability:	106,396	-	(32,918)	73,478	-
Capital Leases:	109,182	69,433	(79,145)	99,470	30,627
Landfill Closure/Post closure costs:	2,769,168	102,292	-	2,871,460	-
Net OPEB Obligation	1,418,998	1,706,863	-	3,125,861	-
Compensated Absences Payable:	4,347,989	4,571,201	(4,147,619)	4,771,571	378,394
Governmental Activity Long-Term Liabilities	95,125,160	14,801,789	(7,854,500)	102,072,449	4,482,695
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 - $1,820,000	620,000	-	(145,000)	475,000	150,000
3.5 to 4.7% Water general obligation revenue bonds series 1998C, due 5/01/14 - $1,700,000	685,000	-	(125,000)	560,000	130,000
4.9 to 5.0% Water general obligation revenue bonds series 1999B, due 11/01/14 - $1,525,000	750,000	-	(110,000)	640,000	115,000
4.875 to 5.2% Water general obligation revenue bonds series 2000B, due 12/01/15 - $1,330,000	745,000	-	(90,000)	655,000	95,000
1.6 to 4.9% Water general obligation revenue bonds series 2002, due 11/01/16 - $3,465,000	2,200,000	-	(230,000)	1,970,000	240,000
3.0 to 5.0% Water refunding general obligation revenue bonds series 2003, due 11/01/09 - $2,005,000	375,000	-	(375,000)	-	-
3.0 to 5.0% Water refunding general obligation revenue bonds series 2003, due 11/01/15 - $1,360,000	1,010,000	-	(125,000)	885,000	135,000
3.0 to 5.0% Water general obligation revenue bonds series 2003, due 11/01/23 - $6,000,000	4,950,000	-	(245,000)	4,705,000	250,000
3.5 to 4.2% Water general obligation revenue bonds series 2005A, due 6/01/25 - $9,000,000	7,705,000	-	(350,000)	7,355,000	360,000

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010	Due Within One Year
4.0% Sewer general obligation revenue bonds, dated 1994 State of Nevada revolving loan, due 07/01/14 - $2,400,000	$ 939,590	$ -	$ (155,971)	$ 783,619	$ 162,273
3.825% Sewer general obligation revenue bonds, dated 1996 State of Nevada revolving loan, due 07/01/15 - $2,120,000	918,436	-	(127,003)	791,433	131,907
3.23% Sewer general obligation revenue bonds, dated 1998 State of Nevada revolving loan, due 07/01/18 - $6,096,302	3,677,471	-	(336,533)	3,340,938	347,490
3.5 to 4.7% Sewer general obligation revenue bonds series 1998D, due 11/01/13 - $1,200,000	485,000	-	(90,000)	395,000	95,000
4.875 to 5.2% Sewer general obligation revenue bonds series 2000B, due 12/01/15 - $2,765,000	1,550,000	-	(190,000)	1,360,000	200,000
1.6 to 4.9% Sewer general obligation revenue bonds series 2002, due 11/01/16 - $3,215,000	2,045,000	-	(210,000)	1,835,000	225,000
3.0 to 5.0% Sewer refunding general obligation revenue bonds series 2003, due 11/01/15 - $1,410,000	1,045,000	-	(130,000)	915,000	140,000
3.0 to 5.0% Sewer general obligation revenue bonds series 2003, due 11/01/23 - $4,000,000	3,300,000	-	(160,000)	3,140,000	165,000
3.0 to 4.25% Drainage general obligation revenue bonds series 2005B, due 06/01/25 - $6,000,000	5,140,000	-	(235,000)	4,905,000	240,000
4.34% Water refunding general obligation revenue bonds series 2007, due 12/01/18 - $2,346,600	2,296,600	-	(25,000)	2,271,600	25,000
4.34% Water general obligation revenue bonds series 2007, due 12/01/18 - $10,000,000	10,047,500	-	-	10,047,500	-
0% Water general obligation revenue bonds series 2009 State of Nevada revolving loan, due 01/01/30 - $3,400,000	-	1,512,053	-	1,512,053	170,000
Subtotal	50,484,597	1,512,053	(3,454,507)	48,542,143	3,376,670
Notes Payable:					
1.97 to 4.81% Drainage general obligation (limited tax) medium-term bond, due 09/01/19 - $848,000	-	848,000	-	848,000	53,000
1.97 to 4.81% Sewer general obligation (limited tax) medium-term bond, due 09/01/19 - $1,600,000	-	1,600,000	-	1,600,000	-
Subtotal	-	2,448,000	-	2,448,000	53,000
Deferred amounts:					
For issuance premiums	420,518	-	(46,104)	374,414	-
On refunding	(169,170)	-	51,473	(117,697)	-
Total Bonds and Notes Payable	50,735,945	3,960,053	(3,449,138)	51,246,860	3,429,670
Arbitrage	95,863	-	(60,409)	35,454	-
Net OPEB Obligation	268,962	287,038	-	556,000	-
Compensated Absences Payable:	579,944	693,503	(573,392)	700,055	104,478
Business-Type Activity Long-Term Liabilities	51,680,714	4,940,594	(4,082,939)	52,538,369	3,534,148
Total debt	$ 146,805,874	$ 19,742,383	$ (11,937,439)	$ 154,610,818	$ 8,016,843

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, $105,057 of internal service funds compensated absences, $73,478 of incurred but not reported claims liability and $54,502 of net opeb obligation are included in the above amounts.

Discretely presented component units

Long-term liability activity for the Airport Authority for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010	Due Within One Year
Capital leases	$ 220,133	$ -	$ (6,240)	$ 213,893	$ 6,240
Prepaid Lease Agreement	431,242	-	(9,242)	422,000	9,124
	$ 651,375	$ -	$ (15,482)	$ 635,893	$ 15,364

Long-term liability activity for the Convention and Visitors' Bureau for the year ended June 30, 2010, was as follows:

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010	Due Within One Year
Compensated absences	$ 84,115	$ -	$ (24,351)	$ 59,764	$ -
Lease obligations	5,971	-	(1,166)	4,805	1,166
	$ 90,086	$ -	$ (25,517)	$ 64,569	$ 1,166

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

	GOVERNMENTAL ACTIVITIES							
	General Obligation Revenue Bonds		Revenue Bonds		Notes Payable		Capital Leases	
Year Ended June 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	$ 2,623,404	$ 2,994,918	$ 643,900	$ 1,074,609	$ 806,370	$ 96,217	$ 30,627	$ 16,022
2012	2,744,326	2,891,788	741,400	977,100	852,192	67,824	25,020	11,094
2013	2,861,401	2,785,057	776,000	942,436	841,666	36,645	18,233	7,278
2014	3,125,000	2,675,441	812,800	905,669	343,000	14,094	19,509	3,436
2015	3,260,000	2,549,732	851,700	866,765	175,700	2,855	6,081	258
2016-2020	18,400,000	10,515,307	4,924,100	3,668,536	-	-	-	-
2021-2025	17,150,000	6,204,231	6,285,000	2,307,586	-	-	-	-
2026-2030	12,750,000	2,802,972	5,831,100	620,210	-	-	-	-
2031-2033	4,605,000	432,437	-	-				
Total	$ 67,519,131	$ 33,851,883	$ 20,866,000	$ 11,362,911	$ 3,018,928	$ 217,635	$ 99,470	$ 38,088

	BUSINESS-TYPE ACTIVITIES			
	General Obligation Revenue Bonds		Notes Payable	
Year Ended June 30	Principal	Interest	Principal	Interest
2011	$ 3,376,670	$ 1,903,908	$ 53,000	$ 93,522
2012	3,494,634	1,775,644	247,000	89,423
2013	3,653,428	1,632,538	253,000	82,332
2014	3,628,082	1,484,114	262,000	74,025
2015	3,595,924	1,338,148	270,000	64,505
2016-2020	14,205,505	4,838,895	1,363,000	140,115
2021-2025	12,815,400	2,244,392	-	-
2026-2030	3,772,500	193,209	-	-
Total	$ 48,542,143	$ 15,410,848	$ 2,448,000	$ 543,922

E. RESTRICTED ASSETS

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

	General	Commissary	Total
Funds held in trust - nonspendable	$331,016	$26,461	$357,477

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:

	Current Portion	Long-Term Portion	Totals 2010	Totals 2009
Unpaid claims, beginning of fiscal year	$ 540,350	$106,396	$ 646,746	$ 651,523
Claims and changes in estimates	380,299	(32,918)	347,381	235,677
Claim payments	(411,869)	-	(411,869)	(240,454)
Unpaid claims, end of fiscal year	$ 508,780	$ 73,478	$ 582,258	$ 646,746

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

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, 2010,

$2,871,460, is reported in governmental activities. It is estimated that the landfill will be used for an additional fifty-one years and that at June 30, 2010, approximately 34.87 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, $8,234,268, has been calculated in 2010 dollars in accordance with current federal and state regulations and will be adjusted each year for changes resulting from inflation, deflation or technology.

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.

D. OTHER POSTEMPLOYMENT BENEFITS

From an accrual accounting perspective, the cost of postemployment healthcare and life insurance benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future when it will be paid. The City recognizes the cost of postemployment healthcare and life insurance in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the City's future cash flows.

Plan Descriptions. The City contributes to a single-employer defined benefit healthcare and life insurance plan, the City's Retiree Subsidy Plan (City's Plan), and an agent multiple-employer defined healthcare plan, State of Nevada Public Employees' Benefits Program (PEBP). Both plans provide medical, dental, vision, accidental death and dismemberment, and life insurance benefits to eligible retired City employees and beneficiaries.

Benefit provisions for the City's Plan are established pursuant to NRS 287.023 and amended through Board resolution and contracts between the City and the various bargaining units. The City explicitly subsidizes the healthcare premiums pursuant to the City's Plan and contracts negotiated with various bargaining units. The City currently contributes toward the cost of coverage as follows:

- Firefighters who retire under Nevada PERS after July 1, 2002 at age 47 or older and with 20 or more years of service receive a percentage of the medical premiums for themselves and their dependents. No subsidy is paid toward the cost of firefighter's dental, vision or life coverage in retirement. In 2005, the City established the Firefighter Retirement Medical Fund to accumulate resources to provide for these subsidies. The City pays 90% of the premium until age 65, then 50% of the retiree's Medicare supplement medical premium. The City pays 50% of dependent coverage until age 65, then 25% of the dependent's Medicare supplement medical premium.

- All other employees who retire from the City with at least 10 years of service (including firefighters not yet eligible or not qualifying for the benefits above) receive a subsidy of $6 per month for each year of service toward the cost of their coverage. Retirees may elect to continue coverage for their spouse and other eligible dependents, but do so entirely at their expense.

Under state law, retiree loss experience is pooled with active loss experience for the purposes of setting rates in the City's Plan. The difference between the true claims cost and the blended premium is an implicit rate subsidy that creates an OPEB obligation for the City.

The City serves as a secondary carrier for retirees eligible for Medicare. Expenditures for post-employment healthcare and life insurance are recognized each month when premiums are paid. A summary of the premium rates for the City's Plan, as of July 1, 2009, are shown below:

Retirees Without Medicare	POS (In Area)	PPO (Out of Area)
Retiree	$469.24	$637.66
Retiree & 1 dependent / both without Medicare	1,002.21	1,332.78
Retiree & 1 dependent / 1 without Medicare	882.53	1,216.14
Retiree & family / both without Medicare	1,311.72	1,749.29
Retiree & family / 1 without Medicare	1,153.30	1,594.89

Retirees With Medicare	POS (In Area)	PPO (Out of Area)
Retiree	$357.84	$526.27
Retiree & 1 dependent / both with Medicare	762.87	1,099.51
Retiree & 1 dependent / 1 with Medicare	882.53	1,216.14
Retiree & family / both with Medicare	994.88	1,440.50
Retiree & family / 1 without Medicare	1,153.30	1,594.89

Benefit provisions for PEBP are established pursuant to NRS 287.023 and are subject to amendment by the State of Nevada each biennium. Pursuant to NRS 287.023 (as amended during the 2007 session of the Nevada Legislature), through November 29, 2008, retirees had the option to participate in the City's Plan for post-employment healthcare and life insurance benefits or to join PEBP offered by the State of Nevada. However, subsequent to November 29, 2008, retirees no longer have the option of joining PEBP, yet still retain the option to participate in the City's Plan. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan.

The City is required to provide a subsidy for their retirees that have elected to join PEBP. The subsidy is paid on the pay-as-you-go basis. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depend on the date of retirement of prior years of PERS service for employees earned while working for the City. For retirees retiring prior to January 1, 1994, the subsidy is $317.30. For those who retired on or after January 1, 1994, the subsidy depends on years of service and ranges from a minimum of $79.33 for 5 years of service to a maximum of $436.29 for 20 or more years of service. These subsidies are then allocated and billed to all applicable former employers of the retiree. The City's portion of the monthly subsidies ranged from $1.35 to $446.58 during the 2010 fiscal year.

Funding Policy and Annual OPEB Cost. The City is currently funding the annual OPEB cost on a pay as you go basis for both plans. The City makes annual transfers to the Firefighter Retirement Medical Fund equal to a 1% salary reduction for Fire Department employees covered under the Collective Bargaining Agreement between the City of Carson City and the Carson City Firefighters' Association Local 2251and $6 per month for each year of service for current Firefighter retirees with a minimum of ten years of service pursuant to City policy. For fiscal year 2009-2010, $75,408 was transferred to the Firefighter Retirement Medical Fund to be used to fund firefighter retiree subsidies. However, as an irrevocable trust fund has not been established this amount does not reduce the City's unfunded actuarial accrued liability.

The City's actuarial valuation for the plans was prepared from employee and retiree data as of May 2009. The number of participants as of June 30, 2009, the effective date of the OPEB valuation, as updated on June 30, 2010, follows.

	City Plan	PEBP Plan
Active employees	580	-
Retirees enrolled in City Plan	95	
Retirees enrolled in PEBP		205

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal year 2009-2010 and the preceding year were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
City Plan	6/30/09	$2,197,916	$ 400,512	18.22%	$1,797,404
City Plan	6/30/10	$2,326,772	$ 442,315	19.01%	$3,681,861
PEBP	6/30/09	$568,124	$677,568	119.26%	$(109,444)
PEBP	6/30/10	$564,929	$595,705	105.45%	$(140,220)
Totals	6/30/09	$2,766,040	$1,078,080	38.98%	$1,687,960
Totals	6/30/10	$2,891,701	$1,038,020	35.90%	$3,541,641

The net OPEB obligation (asset) as of June 30, 2010, was calculated as follows:

	City Plan	PEBP Plan	Totals
Normal Cost (Current Service Cost)	$1,459,673	$ -	$1,459,673
Amortization of unfunded actuarial accrued liability	866,632	564,958	1,431,590
Total Annual Required Contribution (ARC or Annual OPEB cost)	2,326,305	564,958	2,891,263
Interest on the beginning net OPEB obligation (asset)	71,898	(4,378)	67,520
ARC adjustment	(71,431)	4,349	(67,082)
Annual OPEB cost	2,326,772	564,929	2,891,701
Contributions made	(442,315)	(595,705)	(1,038,020)

	City Plan	PEBP Plan	Totals
Increase (decrease) in net OPEB obligation (asset)	$1,884,457	$(30,776)	$1,853,681
Net OPEB obligation (asset), beginning of year	1,797,404	(109,444)	1,687,960
Net OPEB obligation (asset), end of year	$3,681,861	$(140,220)	$3,541,641

Funded Status and Funding Progress. The funded status of the plans as of the latest actuarial valuation date (June 30, 2009), was as follows:

	City Plan	PEBP Plan	Totals
Accrued actuarial liability (a)	$20,788,605	$14,867,523	$35,656,128
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued Liability (a) - (b)	$20,788,605	$14,867,523	$35,656,128
Funded ratio (b) / (a)	0%	0%	0%
Covered payroll (c)	$31,781,336	N/A	N/A
Unfunded actuarial accrued liability as a percentage of covered payroll ([(a) – (b)] / (c))	65.41%	N/A	N/A

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

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

	City Plan	PEBP Plan
Actuarial valuation date	6/30/09	6/30/09
Actuarial cost method	Entry age normal cost	Entry age normal cost
Amortization method	Level percentage of pay	Level percentage of pay
Remaining amortization period	30 years, open	30 years, open
Asset valuation method	N / A	N / A
Actuarial assumptions:		
Investment rate of return	4.0%	4.0%
Projected salary increases		
Healthcare inflation rate	4.0%	4.0%
* Medical – decreasing 1% each year until ultimate trend rate of 5% is reached.	Medical – 10% *	Medical – 10% *
Dental & vision - decreasing .5% each year until ultimate trend rate of 4.5% is reached.	Dental & vision – 6% *	Dental & vision – 6% *
Life insurance – increasing 1% each year.	Life insurance – 1% *	

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 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 21.5% for regular members and 37% 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 11.25%. 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, 2010, 2009, and 2008 were $9,778,202, $8,849,179, and $8,523,859, respectively, equal to the required contributions each year. The contribution rates for the year ended June 30, 2010 were the same as disclosed above. The contribution rates for the years ended June 30, 2009 and June 30, 2008 were 20.5% for regular employees, 33.5% for police and fire employees under the employer paid plan, and 10.50% for regular employees under the employer/employee paid plan.

F. SUBSEQUENT EVENTS

Bond Issues

On July 14, 2010, Carson City issued $10,100,000 of General Obligation (Limited Tax) Water Improvement Bonds (Additionally Secured by Pledged Revenues), Series 2010A (Taxable Direct Pay Build America Bonds) secured by the full faith and credit of the City, subject to Nevada constitutional and statutory limitations on the aggregate amount of property taxes that may be levied by and within the City. The bonds are additionally secured by pledged water system revenues. The proceeds of the bonds will be used for the purpose of acquiring, constructing, improving and equipping water projects and to pay the costs of issuing the Bonds.

On July 14, 2010, Carson City issued $7,095,000 of General Obligation (Limited Tax) Water Improvement and Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2010B (Tax-Exempt) secured by the full faith and credit of the City, subject to Nevada constitutional and statutory limitations on the aggregate amount of property taxes that may be levied by and within the City. The bonds are additionally secured by pledged water system revenues. The proceeds of the bonds will be used for the purpose of acquiring, constructing, improving and equipping water projects, to refund outstanding City water bonds, and to pay the costs of issuing the Bonds.

On July 14, 2010, Carson City issued $2,690,000 of General Obligation (Limited Tax) Sewer Improvement and Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2010D (Tax-Exempt) secured by the full faith and credit of the City, subject to Nevada constitutional and statutory limitations on the

aggregate amount of property taxes that may be levied by and within the City. The bonds are additionally secured by pledged sanitary sewer system revenues. The proceeds of the bonds will be used for the purpose of acquiring, constructing, improving and equipping sewer projects, to refund outstanding City sewer bonds, and to pay the costs of issuing the Bonds.

On October 22, 2010, Carson City issued $21,900,000 of General Obligation (Limited Tax) Water Improvement Bonds (Additionally Secured by Pledged Revenues), Series 2010E (Taxable Direct Pay Build America Bonds) secured by the full faith and credit of the City, subject to Nevada constitutional and statutory limitations on the aggregate amount of property taxes that may be levied by and within the City. The bonds are additionally secured by pledged water system revenues. The proceeds of the bonds will be used for the purpose of acquiring, constructing, improving and equipping water projects and to pay the costs of issuing the Bonds.

On October 22, 2010, Carson City issued $2,800,000 of General Obligation (Limited Tax) Sewer Improvement Bonds (Additionally Secured by Pledged Revenues), Series 2010F (Taxable Direct Pay Build America Bonds) secured by the full faith and credit of the City, subject to Nevada constitutional and statutory limitations on the aggregate amount of property taxes that may be levied by and within the City. The bonds are additionally secured by pledged sanitary sewer system revenues. The proceeds of the bonds will be used for the purpose of acquiring, constructing, improving and equipping sewer projects and to pay the costs of issuing the Bonds.

Risk Management

General Liability. Beginning July 1, 2010, the City elected to leave the Nevada Public Agency Insurance Pool (NPAIP), which is a public entity risk pool currently operating as a common risk management and insurance program for its members and elected to purchase private property, auto physical damage and excess liability coverage and government crime insurance. For property insurance, the policy limit is $187,000,000 with a deductible of $25,000 per occurrence. The earth movement policy limit is $50,000,000 with a deductible of $100,000 per location. The flood property policy limit is $100,000,000 with a deductible of $100,000 per location. The flood property – high hazard zone policy limit is $5,000,000 with a $500,000 per location deductible. 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, automobile damage is self-insured by the City.

Workers' Compensation. Beginning July 1, 2010, the City elected to leave the Nevada Public Agency Compensation Trust (PACT) which is a fully insured program for workers compensation and formed its own self-insurance program. The coverage provides for statutory limits for worker's compensation coverage and $1,000,000 for employer's liability limits with self-insured retentions of $2,000,000 for police and fire employees and $750,000 for all other employees. The City anticipates achieving a contingency reserve amount in the Worker's Compensation Fund of approximately $3,500,000 by the end of FY 2011.

G. TERMINATION BENEFITS

On April 1,2010, the City approved the Voluntary Separation Program (VSP). This program was designed to give employees an incentive to voluntarily choose to leave City employment at the earliest date, while allowing the City to review and consider what essential functions are necessary to the operations of the City and what positions may be eliminated or resources realigned due to vacancies created.

Employees were required to apply for the VSP. If the employee was accepted into the VSP, they would receive $1,000 per full year of full time continuous service with Carson City. As of June 30, 2010, nine employees had terminated under the VSP. The VSP amount for these employees was $120,000 and is reported in governmental activities and in the governmental funds. All voluntary terminations under the VSP are expected to be completed by July 2010 at an additional cost in fiscal year 2011 of $355,000.

H. PRIOR PERIOD ADJUSTMENT – ERROR CORRECTION

A prior period adjustment in the amount of $9,144,067 is reported in governmental activities. Infrastructure donated in prior years was not capitalized in the year of donation. The beginning balance of infrastructure and accumulated depreciation – infrastructure in Note B – Capital Assets, has been restated to include this correction. The following is a summary of the increases to infrastructure and net assets as a result of this prior period adjustment:

	Balance July 1, 2009 (as previously reported)	Increases	Balance July 1, 2009 (as adjusted)
Capital Assets:			
Infrastructure	$ 94,458,663	$ 9,283,165	$103,741,828
Less accumulated depreciation for:			
Infrastructure	(17,304,879)	(139,098)	(17,443,977)
Net balance / change	$77,153,784	$ 9,144,067	$ 86,297,851

CARSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

Other Post-Employment Benefits
Schedule of Funding Progress

	Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age Normal Cost (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
City Plan	6/30/09	$ -	$ 20,788,605	$ 20,788,605	-	$31,781,336	65.41%
PEBP	6/30/09	-	14,867,523	14,867,523	-	N/A	N/A
		$ -	$ 35,656,128	$ 35,656,128	-		

*Multiyear trend information will be provided as it becomes available.

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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, 2010
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ 15,173,223	$ 15,033,876	$ (139,347)	$ 14,203,996
Licenses and permits:				
Business licenses and permits:				
Business licenses	803,400	743,950	(59,450)	775,921
Liquor licenses	135,000	154,493	19,493	197,902
City / county gaming licenses	685,000	648,808	(36,192)	729,818
Right of way toll	156,000	150,314	(5,686)	150,253
Franchise fees:				
Gas	1,375,000	1,441,625	66,625	1,326,861
Electric	2,350,000	2,098,785	(251,215)	2,333,193
Telephone	775,000	1,070,156	295,156	1,003,178
Sanitation	405,000	390,851	(14,149)	401,464
Cable television	430,000	380,245	(49,755)	408,289
	7,114,400	7,079,227	(35,173)	7,326,879
Nonbusiness licenses and permits:				
Marriage licenses	20,000	15,813	(4,187)	16,926
Animal licenses	8,900	8,877	(23)	3,733
Mobile home permits	-	118	118	552
	28,900	24,808	(4,092)	21,211
Total Licenses and Permits	7,143,300	7,104,035	(39,265)	7,348,090
Intergovernmental revenues:				
Federal grants:				
Drug Enforcement Administration	-	7,974	7,974	10,636
Status Offender	-	-	-	840
State Criminal Alien Assistance	-	51,736	51,736	40,871
Federal Lands Lease	-	19	19	-
Federal Child Nutrition	29,000	16,611	(12,389)	20,133
	29,000	76,340	47,340	72,480
Federal payments in lieu of taxes	110,000	113,938	3,938	157,844

CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
State grants	$ -	$ -	$ -	$ 1,600
State shared revenues:				
Consolidated tax revenues	20,617,345	17,477,368	(3,139,977)	19,969,586
State gaming licenses	160,000	150,947	(9,053)	146,458
Candidate filing fee	-	2,100	2,100	-
Court administrative assessments	167,480	157,799	(9,681)	170,161
	20,944,825	17,788,214	(3,156,611)	20,286,205
Other local government grants:				
Interlocal cooperative agreements	415,592	587,280	171,688	175,825
Other local government shared revenues:				
Miscellaneous other governments	17,258	940	(16,318)	32,766
Total Intergovernmental Revenues	21,516,675	18,566,712	(2,949,963)	20,726,720
Charges for services:				
General government:				
Treasurer fees	43,000	28,139	(14,861)	40,539
Clerk fees	201,000	171,066	(29,934)	197,946
Recorder fees	186,500	221,532	35,032	204,163
Technology fees	30,000	28,788	(1,212)	28,242
Assessor commissions	220,000	210,355	(9,645)	230,216
Building and zoning fees	100,000	72,924	(27,076)	84,958
Public administrator fees	45,000	128,154	83,154	56,322
Administration fees	4,698,470	4,727,980	29,510	4,206,214
Miscellaneous	24,300	20,746	(3,554)	30,071
	5,548,270	5,609,684	61,414	5,078,671
Judicial:				
Drug Court	12,000	11,662	(338)	13,710
Court facilities	115,000	103,500	(11,500)	134,028
Justice civil fees	580,000	660,921	80,921	452,531
	707,000	776,083	69,083	600,269

CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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FOR THE YEAR ENDED JUNE 30, 2010
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(PAGE 3 OF 12)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Public safety:				
Police:				
Sheriff's fees	$ 280,000	$ 334,388	$ 54,388	$ 288,780
Fire	12,800	7,653	(5,147)	10,597
Protective services	194,547	171,737	(22,810)	177,054
	487,347	513,778	26,431	476,431
Public works:				
Street / engineering charges	3,000	-	(3,000)	1,683
Sanitation:				
Landfill fees	3,215,000	2,674,172	(540,828)	2,996,529
Health:				
Pet cemetery charges	6,000	-	(6,000)	-
Vaccine	192,000	183,205	(8,795)	160,006
Clinic Services	95,000	94,401	(599)	110,245
Health inspection fees	48,000	52,982	4,982	70,674
	341,000	330,588	(10,412)	340,925
Culture and recreation	1,455,328	1,208,624	(246,704)	1,251,892
Total Charges for Services	11,756,945	11,112,929	(644,016)	10,746,400
Fines and forfeits:				
Library	20,000	11,622	(8,378)	18,623
Court	859,000	676,838	(182,162)	905,497
Animal services	45,000	41,902	(3,098)	43,269
Total Fines and Forfeits	924,000	730,362	(193,638)	967,389
Miscellaneous:				
Investment income	730,000	406,686	(323,314)	844,095
Rents and royalties	174,000	105,866	(68,134)	170,792
Other	76,000	202,031	126,031	148,756
Gifts and donations	59,980	48,336	(11,644)	258,458
Refunds and reimbursements	65,800	148,257	82,457	275,584
Penalties and interest - delinquent taxes	125,000	306,569	181,569	206,290
Total Miscellaneous	1,230,780	1,217,745	(13,035)	1,903,975
Total Revenues	57,744,923	53,765,659	(3,979,264)	55,896,570
Expenditures:				
General Government:				
Legislative:				
Board of Supervisors:				
Salaries and wages	132,957	132,745	212	135,419
Employee benefits	76,756	72,482	4,274	67,436
Services and supplies	37,950	19,739	18,211	28,672
Total Legislative	247,663	224,966	22,697	231,527

CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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FOR THE YEAR ENDED JUNE 30, 2010
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Executive:				
Clerk:				
Salaries and wages	$ 248,878	$ 243,713	$ 5,165	$ 257,375
Employee benefits	91,971	82,065	9,906	76,986
Services and supplies	28,350	18,945	9,405	17,176
	369,199	344,723	24,476	351,537
Elections:				
Salaries and wages	145,861	132,455	13,406	147,808
Employee benefits	47,501	45,350	2,151	45,076
Services and supplies	51,350	36,352	14,998	61,795
	244,712	214,157	30,555	254,679
Treasurer:				
Salaries and wages	298,160	307,383	(9,223)	263,434
Employee benefits	115,481	114,716	765	103,847
Services and supplies	67,580	55,280	12,300	67,418
	481,221	477,379	3,842	434,699
Recorder:				
Salaries and wages	238,817	240,959	(2,142)	231,810
Employee benefits	98,895	96,416	2,479	91,727
Services and supplies	79,755	16,890	62,865	18,353
	417,467	354,265	63,202	341,890
Assessor:				
Salaries and wages	398,926	394,061	4,865	376,314
Employee benefits	155,831	151,180	4,651	143,807
Services and supplies	42,022	27,246	14,776	56,378
Capital outlay	53,750	-	53,750	22,328
	650,529	572,487	78,042	598,827
District Attorney:				
Salaries and wages	1,722,769	1,647,530	75,239	1,579,508
Employee benefits	585,512	548,035	37,477	510,995
Services and supplies	112,400	81,925	30,475	87,662
	2,420,681	2,277,490	143,191	2,178,165
City Manager:				
Salaries and wages	318,050	310,222	7,828	251,458
Employee benefits	101,695	111,721	(10,026)	93,307
Services and supplies	110,610	112,498	(1,888)	108,275
	530,355	534,441	(4,086)	453,040
Central Services:				
Services and supplies	1,491,952	1,467,808	24,144	1,476,207
Total Executive	6,606,116	6,242,750	363,366	6,089,044

CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Finance:				
Finance:				
Salaries and wages	$ 425,681	$ 428,682	$ (3,001)	$ 413,198
Employee benefits	161,453	164,828	(3,375)	144,335
Services and supplies	87,165	72,358	14,807	72,485
	674,299	665,868	8,431	630,018
Internal Auditor:				
Salaries and wages	-	-	-	37,058
Employee benefits	-	-	-	11,655
Services and supplies	60,000	1,158	58,842	13,536
	60,000	1,158	58,842	62,249
Purchasing:				
Salaries and wages	86,878	75,431	11,447	98,575
Employee benefits	35,702	25,377	10,325	29,151
Services and supplies	18,110	5,765	12,345	6,365
	140,690	106,573	34,117	134,091
Personnel:				
Salaries and wages	162,471	181,485	(19,014)	175,630
Employee benefits	67,418	69,624	(2,206)	52,371
Services and supplies	82,470	38,450	44,020	51,890
	312,359	289,559	22,800	279,891
Total Finance	1,187,348	1,063,158	124,190	1,106,249
Other:				
Community Development:				
Planning:				
Salaries and wages	294,551	280,979	13,572	307,157
Employee benefits	121,190	123,152	(1,962)	109,551
Services and supplies	64,225	54,413	9,812	66,405
	479,966	458,544	21,422	483,113
Business License:				
Salaries and wages	73,897	64,764	9,133	50,244
Employee benefits	19,405	28,258	(8,853)	15,361
Services and supplies	16,250	11,775	4,475	18,906
	109,552	104,797	4,755	84,511
Code Enforcement:				
Salaries and wages	107,372	122,519	(15,147)	104,892
Employee benefits	47,615	49,344	(1,729)	43,683
Services and supplies	10,318	6,478	3,840	7,000
	165,305	178,341	(13,036)	155,575
Total Community Development	754,823	741,682	13,141	723,199

CARSON CITY
GENERAL FUND
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Automation Services:				
Salaries and wages	$ 656,427	$ 697,779	$ (41,352)	$ 637,002
Employee benefits	238,681	246,141	(7,460)	215,802
Services and supplies	599,070	512,657	86,413	516,686
Capital outlay	-	37,319	(37,319)	-
	1,494,178	1,493,896	282	1,369,490
Geographic Information Systems:				
Salaries and wages	217,415	217,180	235	211,365
Employee benefits	74,941	73,862	1,079	69,435
Services and supplies	15,500	13,088	2,412	12,712
Capital outlay	-	-	-	3,500
	307,856	304,130	3,726	297,012
Public Defender:				
Services and supplies	1,305,691	1,296,104	9,587	1,107,100
Public Safety Complex / Courthouse:				
Services and supplies	392,175	365,992	26,183	391,456
City Hall:				
Services and supplies	121,260	122,259	(999)	117,392
Facilities Maintenance:				
Salaries and wages	836,288	820,047	16,241	822,420
Employee benefits	328,759	312,865	15,894	300,984
Services and supplies	327,238	349,213	(21,975)	347,674
	1,492,285	1,482,125	10,160	1,471,078
Records Management:				
Salaries and wages	108,189	105,618	2,571	100,503
Employee benefits	23,067	23,196	(129)	21,844
Services and supplies	56,100	42,425	13,675	53,942
	187,356	171,239	16,117	176,289
Total Other	6,055,624	5,977,427	78,197	5,653,016
Total General Government	14,096,751	13,508,301	588,450	13,079,836
Public Safety:				
Sheriff:				
Administrative Services:				
Salaries and wages	468,497	511,298	(42,801)	527,137
Employee benefits	250,466	257,836	(7,370)	237,973
Services and supplies	569,993	432,463	137,530	556,965
Capital outlay	27,318	27,318	-	-
	1,316,274	1,228,915	87,359	1,322,075
Investigations:				
Salaries and wages	897,416	833,304	64,112	-
Employee benefits	444,198	419,077	25,121	-
Services and supplies	165,658	173,114	(7,456)	-
	1,507,272	1,425,495	81,777	-

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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operational Services:				
Salaries and wages	$ 4,003,976	$ 3,938,830	$ 65,146	$ 4,785,588
Employee benefits	2,424,298	2,428,093	(3,795)	2,678,730
Services and supplies	383,257	399,485	(16,228)	551,552
Capital outlay	10,624	29,470	(18,846)	6,222
	6,822,155	6,795,878	26,277	8,022,092
Detention Facility:				
Salaries and wages	2,168,653	2,190,920	(22,267)	2,186,603
Employee benefits	1,250,290	1,243,748	6,542	1,156,565
Services and supplies	306,070	285,958	20,112	312,507
Capital outlay	-	-	-	13,323
	3,725,013	3,720,626	4,387	3,668,998
General Services:				
Salaries and wages	499,009	489,724	9,285	473,003
Employee benefits	202,839	194,887	7,952	178,786
Services and supplies	45,332	55,515	(10,183)	27,301
Capital outlay	-	-	-	23,272
	747,180	740,126	7,054	702,362
Dispatch:				
Salaries and wages	1,163,402	1,120,755	42,647	1,076,385
Employee benefits	406,681	407,287	(606)	365,395
Services and supplies	204,885	201,140	3,745	185,358
Capital outlay	-	-	-	22,231
	1,774,968	1,729,182	45,786	1,649,369
Federal, Tri-Net Grant:				
Salaries and wages	115,907	25,123	90,784	40,800
Employee benefits	63,148	33,396	29,752	34,148
Services and supplies	27,500	-	27,500	14,055
Capital outlay	-	11,093	(11,093)	-
	206,555	69,612	136,943	89,003
Total Sheriff	16,099,417	15,709,834	389,583	15,453,899
Fire:				
Administration:				
Salaries and wages	141,965	144,162	(2,197)	142,407
Employee benefits	57,193	59,980	(2,787)	59,780
Services and supplies	60,872	39,959	20,913	29,391
Capital outlay	19,231	19,231	-	-
	279,261	263,332	15,929	231,578
Operations:				
Salaries and wages	3,939,943	3,939,124	819	3,609,177
Employee benefits	2,252,770	2,217,242	35,528	2,075,541
Services and supplies	432,275	453,928	(21,653)	469,750
Capital outlay	-	5,715	(5,715)	-
	6,624,988	6,616,009	8,979	6,154,468

CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Prevention:				
Salaries and wages	$ 411,690	$ 413,806	$ (2,116)	$ 393,652
Employee benefits	147,921	145,330	2,591	135,882
Services and supplies	26,234	21,183	5,051	20,175
	585,845	580,319	5,526	549,709
Warren Engine Co. No. 1:				
Employee benefits	2,088	-	2,088	(232)
Services and supplies	10,820	9,073	1,747	17,197
	12,908	9,073	3,835	16,965
Emergency Management:				
Salaries and wages	73,465	71,832	1,633	24,630
Employee benefits	64,957	65,433	(476)	39,366
Services and supplies	14,170	16,561	(2,391)	15,597
Capital outlay	-	-	-	94
	152,592	153,826	(1,234)	79,687
Training:				
Salaries and wages	295,090	251,051	44,039	242,354
Employee benefits	147,977	147,894	83	133,198
Services and supplies	71,334	75,284	(3,950)	64,393
	514,401	474,229	40,172	439,945
Total Fire	8,169,995	8,096,788	73,207	7,472,352
Corrections:				
Juvenile Probation:				
Salaries and wages	901,507	933,004	(31,497)	750,377
Employee benefits	448,224	467,009	(18,785)	372,878
Services and supplies	145,988	138,263	7,725	131,906
	1,495,719	1,538,276	(42,557)	1,255,161
Juvenile Detention:				
Salaries and wages	930,797	913,069	17,728	889,894
Employee benefits	343,775	341,539	2,236	329,391
Services and supplies	126,485	115,999	10,486	116,473
	1,401,057	1,370,607	30,450	1,335,758
Total Corrections	2,896,776	2,908,883	(12,107)	2,590,919
Total Public Safety	27,166,188	26,715,505	450,683	25,517,170
Judicial:				
Juvenile Court:				
Salaries and wages	245,317	237,571	7,746	226,881
Employee benefits	83,621	83,318	303	77,907
Services and supplies	85,161	41,984	43,177	58,307
Total Juvenile Court	414,099	362,873	51,226	363,095

CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Justice Court:				
Salaries and wages	$ 2,059,864	$ 2,022,156	$ 37,708	$ 1,925,126
Employee benefits	753,354	776,266	(22,912)	746,449
Services and supplies	802,026	505,772	296,254	544,215
Total Justice Court	3,615,244	3,304,194	311,050	3,215,790
Alternative Sentencing:				
Salaries and wages	752,712	760,561	(7,849)	747,881
Employee benefits	348,721	336,633	12,088	299,077
Services and supplies	134,745	147,756	(13,011)	124,720
Total Alternative Sentencing	1,236,178	1,244,950	(8,772)	1,171,678
Total Judicial	5,265,521	4,912,017	353,504	4,750,563
Public Works:				
Engineering / Public Works:				
Public Works:				
Salaries and wages	1,487,027	1,449,020	38,007	1,645,125
Employee benefits	527,763	529,233	(1,470)	532,912
Services and supplies	126,650	123,751	2,899	95,727
Capital outlay	-	-	-	2,000
Total Public Works	2,141,440	2,102,004	39,436	2,275,764
Sanitation:				
Landfill:				
Salaries and wages	637,056	572,629	64,427	637,919
Employee benefits	229,184	203,710	25,474	246,656
Services and supplies	1,008,060	887,413	120,647	791,899
Capital outlay	-	9,925	(9,925)	58,242
Total Sanitation	1,874,300	1,673,677	200,623	1,734,716
Health:				
Public Health Administration:				
Salaries and wages	205,677	203,145	2,532	201,627
Employee benefits	73,976	76,409	(2,433)	69,594
Services and supplies	217,130	216,064	1,066	222,637
Total Public Health Administration	496,783	495,618	1,165	493,858

CARSON CITY
GENERAL FUND
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Medical:				
Salaries and wages	$ 66,927	$ 36,728	$ 30,199	$ 124,321
Employee benefits	29,504	12,641	16,863	19,481
Services and supplies	419,280	166,462	252,818	264,103
Total Medical	515,711	215,831	299,880	407,905
Environmental Health:				
Salaries and wages	199,278	192,099	7,179	137,483
Employee benefits	70,967	68,775	2,192	44,147
Services and supplies	96,034	91,430	4,604	114,725
Total Environmental Health	366,279	352,304	13,975	296,355
Animal Services:				
Salaries and wages	253,108	240,166	12,942	247,803
Employee benefits	84,250	74,275	9,975	87,017
Services and supplies	120,037	124,371	(4,334)	101,759
Total Animal Services	457,395	438,812	18,583	436,579
Total Health	1,836,168	1,502,565	333,603	1,634,697
Welfare:				
Salaries and wages	86,460	88,352	(1,892)	88,934
Employee benefits	26,669	26,486	183	24,950
Services and supplies	269,045	267,336	1,709	235,862
Total Welfare	382,174	382,174	-	349,746
Culture and Recreation:				
Parks:				
Parks and Recreation Administration:				
Salaries and wages	248,799	266,943	(18,144)	254,192
Employee benefits	102,138	104,173	(2,035)	97,290
Services and supplies	38,667	36,821	1,846	39,006
	389,604	407,937	(18,333)	390,488
Park Maintenance:				
Salaries and wages	570,137	566,981	3,156	590,930
Employee benefits	223,565	228,556	(4,991)	210,435
Services and supplies	826,952	737,558	89,394	771,022
Capital outlay	-	-	-	372
	1,620,654	1,533,095	87,559	1,572,759
Grants, Gifts, and Donations:				
Services and supplies	238,524	184,818	53,706	134,646
Capital outlay	119,524	17,395	102,129	12,209
	358,048	202,213	155,835	146,855
Total Parks	2,368,306	2,143,245	225,061	2,110,102

CARSON CITY
GENERAL FUND
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Participant Recreation:				
Community Center:				
Salaries and wages	$ 199,440	$ 173,384	$ 26,056	$ 191,471
Employee benefits	48,671	40,077	8,594	44,359
Services and supplies	118,260	118,843	(583)	103,236
	366,371	332,304	34,067	339,066
Recreation:				
Salaries and wages	595,326	414,459	180,867	424,970
Employee benefits	124,650	96,893	27,757	84,497
Services and supplies	175,847	65,460	110,387	154,022
Capital outlay	12,260	12,260	-	-
	908,083	589,072	319,011	663,489
Swimming Pool:				
Salaries and wages	446,179	360,164	86,015	365,390
Employee benefits	94,157	90,336	3,821	85,864
Services and supplies	319,664	268,396	51,268	271,126
	860,000	718,896	141,104	722,380
Ice Rink:				
Salaries and wages	26,991	26,991	-	-
Employee benefits	1,583	1,583	-	-
Services and supplies	156,518	156,425	93	-
	185,092	184,999	93	-
Sports:				
Salaries and wages	170,298	159,825	10,473	165,137
Employee benefits	37,372	36,356	1,016	46,946
Services and supplies	183,166	194,313	(11,147)	180,505
	390,836	390,494	342	392,588
Total Participant Recreation	2,710,382	2,215,765	494,617	2,117,523
Pony Express Pavilion:				
Salaries and wages	500	-	500	-
Employee benefits	122	-	122	(8)
Services and supplies	21,160	22,000	(840)	24,262
	21,782	22,000	(218)	24,254
Library:				
Salaries and wages	867,357	866,662	695	805,675
Employee benefits	336,974	341,869	(4,895)	294,597
Services and supplies	385,924	377,290	8,634	386,902
	1,590,255	1,585,821	4,434	1,487,174
Total Culture and Recreation	6,690,725	5,966,831	723,894	5,739,053
Community Support:				
Support Services:				
Services and supplies	555,313	531,683	23,630	345,199

CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Economic Opportunity:				
Economic Development:				
Services and supplies	$ 4,320,000	$ 4,320,000	$ -	$ 2,000,000
Total Expenditures	64,328,580	61,614,757	2,713,823	57,426,744
Excess (Deficiency) of Revenues over Expenditures	(6,583,657)	(7,849,098)	(1,265,441)	(1,530,174)
Other Financing Sources (Uses):				
Capital leases	69,433	69,433	-	53,467
Transfers in (out):				
Quality of Life Fund	147,262	102,869	(44,393)	80,140
Senior Citizens Fund	15,000	15,000	-	15,000
Capital Facilities Fund	5,000	5,000	-	1,150,000
Grant Fund	-	-	-	142,578
Capital Acquisition and Development Fund	502,692	502,692	-	6,750
Insurance Fund	500,000	500,000	-	-
Administrative Assessment Fund	-	-	-	50,000
Fleet Management Fund	500,000	500,000	-	-
Group Medical Fund	750,000	750,000	-	-
Stabilization Fund	1,618,771	3,508,634	1,889,863	-
Carson City Debt Service Fund	(2,367,575)	(2,367,575)	-	(2,203,500)
Traffic Transportation Fund	(20,000)	(20,000)	-	-
Cemetery Fund	(75,000)	(75,000)	-	(75,000)
Carson City Transit Fund	(300,000)	(300,000)	-	(300,000)
Ambulance Fund	(220,000)	(220,000)	-	(100,000)
Building Permits Fund	(125,000)	(125,000)	-	(120,000)
Contingency	(289,497)	-	289,497	-
Total Other Financing Sources (Uses)	711,086	2,846,053	2,134,967	(1,300,565)
Net Change in Fund Balances	(5,872,571)	(5,003,045)	869,526	(2,830,739)
Fund Balances, July 1	10,894,991	11,486,244	591,253	14,316,983
Fund Balances, June 30	$ 5,022,420	$ 6,483,199	$ 1,460,779	$ 11,486,244

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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 Funds

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.

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.

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

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911 Surcharge Fund - This fund was established to account for the 911 surcharge imposed for the enhancement or improvement of the telephone system for reporting an emergency in Carson City County.

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.

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,
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	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Sales tax, voter approved	$ 1,662,345	$ 1,669,985	$ 7,640	$ 1,889,028
Intergovernmental revenues:				
Federal grants	868,039	165,742	(702,297)	661,131
State grants	5,045,220	6,563,546	1,518,326	85,000
Other local government grants:				
Interlocal cooperative agreements	20,000	87	(19,913)	-
	5,933,259	6,729,375	796,116	746,131
Charges for services:	-	-	-	705
Miscellaneous:				
Investment income	100,000	308,978	208,978	364,595
Donations and gifts	50,000	50,000	-	600
	150,000	358,978	208,978	365,195
Total Revenues	7,745,604	8,758,338	1,012,734	3,001,059
Expenditures:				
Culture and recreation:				
Park maintenance:				
Salaries and wages	104,316	106,821	(2,505)	91,141
Employee benefits	21,545	20,507	1,038	19,782
Services and supplies	308,304	280,138	28,166	154,947
Capital outlay	33,622	33,622	-	6,950
	467,787	441,088	26,699	272,820
Parks capital:				
Salaries and wages	110,792	113,361	(2,569)	99,770
Employee benefits	34,756	32,858	1,898	31,046
Services and supplies	109,881	83,772	26,109	46,358
Capital outlay	6,606,032	398,596	6,207,436	1,364,307
	6,861,461	628,587	6,232,874	1,541,481
Quality of life:				
Salaries and wages	220,181	216,504	3,677	200,319
Employee benefits	77,501	76,917	584	68,466
Services and supplies	1,179,329	222,026	957,303	218,968
Capital outlay	6,595,406	3,834,143	2,761,263	2,015,789
	8,072,417	4,349,590	3,722,827	2,503,542
Total Expenditures	15,401,665	5,419,265	9,982,400	4,317,843

CARSON CITY
QUALITY OF LIFE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Excess (Deficiency) of Revenues over Expenditures	$ (7,656,061)	$ 3,339,073	$ 10,995,134	$ (1,316,784)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	(147,262)	(102,869)	44,393	(80,140)
Carson City Debt Service Fund	(1,004,394)	(1,004,394)	-	(999,878)
Total Other Financing Sources (Uses)	(1,151,656)	(1,107,263)	44,393	(1,080,018)
Net Change in Fund Balances	(8,807,717)	2,231,810	11,039,527	(2,396,802)
Fund Balances, July 1	8,943,092	8,943,092	-	11,339,894
Fund Balances, June 30	$ 135,375	$ 11,174,902	$ 11,039,527	$ 8,943,092

CARSON CITY
REGIONAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
County option motor vehicle fuel tax	$ 3,295,099	$ 3,353,185	$ 58,086	$ 2,716,715
Intergovernmental revenues:				
Federal grants	2,833,330	1,826,144	(1,007,186)	342,880
State grants	210,000	4,721	(205,279)	-
Other local government grants:				
Interlocal cooperative agreements	21,915	21,915	-	-
	3,065,245	1,852,780	(1,212,465)	342,880
Miscellaneous:				
Investment income	100,000	36,413	(63,587)	275,777
Rents and royalties	15,000	-	(15,000)	-
Donations and gifts	-	-	-	182,522
Refunds and reimbursements	-	52,408	52,408	-
	115,000	88,821	(26,179)	458,299
Total Revenues	6,475,344	5,294,786	(1,180,558)	3,517,894
Expenditures:				
Public works:				
Paved streets:				
Salaries and wages	244,618	242,087	2,531	383,012
Employee benefits	79,142	79,961	(819)	108,850
Services and supplies	2,508,576	2,128,367	380,209	974,594
Capital outlay	12,187,498	9,376,221	2,811,277	11,412,138
Total Expenditures	15,019,834	11,826,636	3,193,198	12,878,594
Excess (Deficiency) of Revenues over Expenditures	(8,544,490)	(6,531,850)	2,012,640	(9,360,700)
Other Financing Sources (Uses):				
Debt issued	7,900,000	7,900,000	-	9,055,000
Transfers in (out):				
Campo Fund	(26,060)	(21,130)	4,930	(15,691)
Street Maintenance Fund	(670,000)	(670,000)	-	(350,000)
Carson City Debt Service Fund	(1,070,561)	(1,070,561)	-	(1,114,985)
Total Other Financing Sources (Uses)	6,133,379	6,138,309	4,930	7,574,324
Net Change in Fund Balances	(2,411,111)	(393,541)	2,017,570	(1,786,376)
Fund Balances, July 1	3,045,752	3,045,752	-	4,832,128
Fund Balances, June 30	$ 634,641	$ 2,652,211	$ 2,017,570	$ 3,045,752

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, 2010

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and investments	$ 6,423,838	$ 956,310	$ 2,876,713	$ 10,256,861
Receivables (net of allowances for uncollectibles):				
Taxes, delinquent	77,095	66,949	-	144,044
Accounts receivable	52,263	-	1,902	54,165
Due from other funds	-	87,473	-	87,473
Due from other governments	3,922,986	-	-	3,922,986
Deposits	9,099	-	-	9,099
Prepaid items	19,249	250	-	19,499
Restricted assets:				
Cash and investments	26,461	-	-	26,461
Total Assets	$ 10,530,991	$ 1,110,982	$ 2,878,615	$ 14,520,588
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 482,715	$ -	$ 96,301	$ 579,016
Accrued salaries and benefits	159,684	-	1,691	161,375
Due to other funds	1,778,339	-	-	1,778,339
Due to other governments	275,786	-	-	275,786
Due to component units	477,911	-	-	477,911
Deferred revenue	501,210	61,687	-	562,897
Unearned revenue	112,334	-	-	112,334
Payable from restricted assets	26,461	-	-	26,461
Total Liabilities	3,814,440	61,687	97,992	3,974,119
Fund balances:				
Reserved for prepaid items	19,249	250	-	19,499
Unreserved:				
Designated for subsequent year's expenditures	4,074,045	1,036,661	51,609	5,162,315
Undesignated	2,623,257	12,384	2,729,014	5,364,655
Total Fund Balances	6,716,551	1,049,295	2,780,623	10,546,469
Total Liabilities and Fund Balances	$ 10,530,991	$ 1,110,982	$ 2,878,615	$ 14,520,588

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	$ 6,118,058	$ 1,895,121	$ 22,800	$ 8,035,979
Licenses and permits	236,753	-	-	236,753
Intergovernmental revenues	17,795,304	408,360	4,320,000	22,523,664
Charges for services	354,771	-	-	354,771
Fines and forfeits	72,040	-	-	72,040
Miscellaneous	393,847	101,899	27,630	523,376
Total Revenues	24,970,773	2,405,380	4,370,430	31,746,583
Expenditures:				
Current:				
General government	1,496,712	-	-	1,496,712
Public safety	1,645,043	-	2,238	1,647,281
Judicial	163,722	-	-	163,722
Public works	5,989,354	-	-	5,989,354
Health	2,458,061	-	-	2,458,061
Welfare	1,977,293	-	-	1,977,293
Culture and recreation	1,954,264	-	41,020	1,995,284
Community support	-	-	3,041,870	3,041,870
Airport	9,144,072	-	-	9,144,072
Economic opportunity	422,049	-	-	422,049
Capital outlay	-	-	8,028	8,028
Debt service:				
Principal retirement	-	3,604,885	-	3,604,885
Interest and fiscal charges	-	3,956,052	-	3,956,052
Total Expenditures	25,250,570	7,560,937	3,093,156	35,904,663
Excess (Deficiency) of Revenues over Expenditures	(279,797)	(5,155,557)	1,277,274	(4,158,080)
Other Financing Sources (Uses):				
Transfers in	2,521,183	6,453,953	640,902	9,616,038
Transfers out	(6,602,749)	(1,585,955)	(5,000)	(8,193,704)
Total Other Financing Sources (Uses)	(4,081,566)	4,867,998	635,902	1,422,334
Net Change in Fund Balances	(4,361,363)	(287,559)	1,913,176	(2,735,746)
Fund Balances, July 1	11,077,914	1,336,854	867,447	13,282,215
Fund Balances, June 30	$ 6,716,551	$ 1,049,295	$ 2,780,623	$ 10,546,469

CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(PAGE 1 OF 3)

	SENIOR CITIZENS CENTER	COOPERATIVE EXTENSION	TRAFFIC TRANSPORTATION
ASSETS			
Cash and investments:			
Unrestricted	$ 558,568	$ 201,716	$ 3,128
Restricted	-	-	-
Taxes receivable, delinquent	16,924	4,314	-
Accounts receivable	-	315	-
Due from other governments	-	5,269	-
Deposits	-	-	-
Prepaid items	58	132	-
Total Assets	$ 575,550	$ 211,746	$ 3,128
LIABILITIES			
Accounts payable	$ 7,392	$ 2,422	$ 21
Accrued salaries and benefits	9,939	232	3,252
Due to other funds	-	-	-
Due to other governments	-	24,986	-
Due to component units	-	-	-
Deferred revenue	13,990	3,572	-
Unearned revenue	-	-	-
Payable from restricted assets	-	-	-
Total Liabilities	31,321	31,212	3,273
FUND BALANCES			
Reserved for prepaid items	58	132	-
Unreserved:			
Designated for subsequent year's expenditures	523,743	128,872	-
Undesignated	20,428	51,530	(145)
Total Fund Balances	544,229	180,534	(145)
Total Liabilities and Fund Balances	$ 575,550	$ 211,746	$ 3,128

SUPPLEMENTAL INDIGENT	LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	911 SURCHARGE	CAPITAL PROJECTS
$ 189,307	$ 239,470	$ 15,424	$ 229,648	$ 78,853
-	-	-	-	-
38,931	-	-	-	16,926
-	-	-	19,405	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 228,238	$ 239,470	$ 15,424	$ 249,053	$ 95,779
$ 18,717	$ 4,108	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	-
177,229	-	-	-	-
-	-	-	-	-
32,178	-	-	-	13,993
-	-	-	-	-
-	-	-	-	-
228,124	4,108	-	-	13,993
-	-	-	-	-
-	60,136	5,000	31,862	45,462
114	175,226	10,424	217,191	36,324
114	235,362	15,424	249,053	81,786
$ 228,238	$ 239,470	$ 15,424	$ 249,053	$ 95,779

CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(PAGE 2 OF 3)

	LANDFILL CLOSURE / POST CLOSURE	STREET MAINTENANCE	CAPITAL ACQUISITION AND DEVELOPMENT	STABILIZATION
ASSETS				
Cash and investments:				
Unrestricted	$ 2,238,345	$ 139,101	$ 1,540,204	$ -
Restricted	-	-	-	-
Taxes receivable, delinquent	-	-	-	-
Accounts receivable	-	25	1,614	-
Due from other governments	-	574,253	-	-
Deposits	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	$ 2,238,345	$ 713,379	$ 1,541,818	$ -
LIABILITIES				
Accounts payable	$ -	$ 92,503	$ 32,450	$ -
Accrued salaries and benefits	-	63,036	-	-
Due to other funds	-	-	-	-
Due to other governments	-	1,033	-	-
Due to component units	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue	-	32,000	-	-
Payable from restricted assets	-	-	-	-
Total Liabilities	-	188,572	32,450	-
FUND BALANCES				
Reserved for prepaid items	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures	2,238,345	179,579	10,000	-
Undesignated	-	345,228	1,499,368	-
Total Fund Balances	2,238,345	524,807	1,509,368	-
Total Liabilities and Fund Balances	$ 2,238,345	$ 713,379	$ 1,541,818	$ -

REDEVELOPMENT ADMINISTRATION	FIREFIGHTER RETIREMENT MEDICAL	CARSON CITY TRANSIT	COMMISSARY	V & T SPECIAL INFRASTRUCTURE
$ 75,719	$ 247,743	$ 419,246	$ 216,484	$ 28,444
-	-	-	26,461	-
-	-	-	-	-
-	-	-	-	-
-	-	99,435	-	143,578
9,099	-	-	-	-
12,784	-	750	-	-
$ 97,602	$ 247,743	$ 519,431	$ 242,945	$ 172,022
$ 3,552	$ -	$ 63,702	$ 8,837	$ -
11,627	-	-	2,557	-
-	-	-	-	87,473
-	-	6,169	-	-
10,000	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	26,461	-
25,179	-	69,871	37,855	87,473
12,784	-	750	-	-
19,769	242,610	365,543	144,236	78,888
39,870	5,133	83,267	60,854	5,661
72,423	247,743	449,560	205,090	84,549
$ 97,602	$ 247,743	$ 519,431	$ 242,945	$ 172,022

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CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010
(PAGE 3 OF 3)

	CAMPO	AIRPORT	GRANT	TOTAL
ASSETS				
Cash and investments:				
Unrestricted	$ -	$ -	$ 2,438	$ 6,423,838
Restricted	-	-	-	26,461
Taxes receivable, delinquent	-	-	-	77,095
Accounts receivable	-	-	30,904	52,263
Due from other governments	92,216	467,911	2,540,324	3,922,986
Deposits	-	-	-	9,099
Prepaid items	80	-	5,445	19,249
Total Assets	$ 92,296	$ 467,911	$ 2,579,111	$ 10,530,991
LIABILITIES				
Accounts payable	$ 129	$ -	$ 248,882	$ 482,715
Accrued salaries and benefits	-	-	69,041	159,684
Due to other funds	35,866	-	1,655,000	1,778,339
Due to other governments	44,536	-	21,833	275,786
Due to component units	-	467,911	-	477,911
Deferred revenue	-	-	437,477	501,210
Unearned revenue	-	-	80,334	112,334
Payable from restricted assets	-	-	-	26,461
Total Liabilities	80,531	467,911	2,512,567	3,814,440
FUND BALANCES				
Reserved for prepaid items	80	-	5,445	19,249
Unreserved:				
Designated for subsequent year's expenditures	-	-	-	4,074,045
Undesignated	11,685	-	61,099	2,623,257
Total Fund Balances	11,765	-	66,544	6,716,551
Total Liabilities and Fund Balances	$ 92,296	$ 467,911	$ 2,579,111	$ 10,530,991

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 1 OF 3)

	SENIOR CITIZENS CENTER	COOPERATIVE EXTENSION	TRAFFIC TRANSPORTATION
Revenues:			
Taxes	$ 711,492	$ 182,133	$ -
Licenses and permits	-	-	-
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	72,040
Miscellaneous	22,087	-	14,485
Total Revenues	733,579	182,133	86,525
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	104,811
Judicial	-	-	-
Public works	-	-	-
Welfare	-	-	-
Health	-	-	-
Culture and recreation	555,339	154,190	-
Airport	-	-	-
Economic opportunity	-	-	-
Total Expenditures	555,339	154,190	104,811
Excess (Deficiency) of Revenues over Expenditures	178,240	27,943	(18,286)
Other Financing Sources (Uses):			
Transfers in	-	-	20,000
Transfers out	(232,970)	-	-
Total Other Financing Sources (Uses)	(232,970)	-	20,000
Net Change in Fund Balances	(54,730)	27,943	1,714
Fund Balances, July 1	598,959	152,591	(1,859)
Fund Balances, June 30	$ 544,229	$ 180,534	$ (145)

SUPPLEMENTAL INDIGENT	LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	911 SURCHARGE	CAPITAL PROJECTS
$ 1,636,419	$ -	$ -	$ -	$ 711,479
-	-	-	236,753	-
-	-	72,955	-	-
-	-	-	-	-
-	-	-	-	-
20,400	63,704	-	5,794	5,557
1,656,819	63,704	72,955	242,547	717,036
-	-	-	-	-
-	-	-	23,356	-
-	-	61,774	-	-
-	-	-	-	-
1,656,705	-	-	-	-
-	-	-	-	-
-	64,086	-	-	-
-	-	-	-	-
-	-	-	-	-
1,656,705	64,086	61,774	23,356	-
114	(382)	11,181	219,191	717,036
-	-	-	-	-
-	-	-	-	(740,409)
-	-	-	-	(740,409)
114	(382)	11,181	219,191	(23,373)
-	235,744	4,243	29,862	105,159
$ 114	$ 235,362	$ 15,424	$ 249,053	$ 81,786

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 2 OF 3)

	LANDFILL CLOSURE / POST CLOSURE	STREET MAINTENANCE	CAPITAL ACQUISITION AND DEVELOPMENT
Revenues:			
Taxes	$ -	$ 2,042,984	$ -
Licenses and permits	-	-	-
Intergovernmental revenues	-	1,269,530	2,000
Charges for services	-	25,046	-
Fines and forfeits	-	-	-
Miscellaneous	-	2,541	53,538
Total Revenues	-	3,340,101	55,538
Expenditures:			
Current:			
General government	-	-	450,884
Public safety	-	-	71,054
Judicial	-	-	-
Public works	-	3,845,866	5,438
Welfare	-	-	-
Health	-	-	-
Culture and recreation	-	-	105,058
Airport	-	-	-
Economic opportunity	-	-	-
Total Expenditures	-	3,845,866	632,434
Excess (Deficiency) of Revenues over Expenditures	-	(505,765)	(576,896)
Other Financing Sources (Uses):			
Transfers in	-	670,000	565,000
Transfers out	(500,000)	-	(502,692)
Total Other Financing Sources (Uses)	(500,000)	670,000	62,308
Net Change in Fund Balances	(500,000)	164,235	(514,588)
Fund Balances, July 1	2,738,345	360,572	2,023,956
Fund Balances, June 30	$ 2,238,345	$ 524,807	$ 1,509,368

STABILIZATION	REDEVELOPMENT ADMINISTRATION	FIREFIGHTER RETIREMENT MEDICAL	CARSON CITY TRANSIT	COMMISSARY
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	1,460,124	-
-	10,800	108,186	81,487	129,252
-	-	-	-	-
-	92,407	7,430	9,356	56,846
-	103,207	115,616	1,550,967	186,098
-	1,010,132	-	-	-
-	-	61,717	-	201,540
-	-	-	-	-
-	-	-	1,699,330	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,010,132	61,717	1,699,330	201,540
-	(906,925)	53,899	(148,363)	(15,442)
-	945,053	-	300,000	-
(3,508,634)	-	-	-	-
(3,508,634)	945,053	-	300,000	-
(3,508,634)	38,128	53,899	151,637	(15,442)
3,508,634	34,295	193,844	297,923	220,532
$ -	$ 72,423	$ 247,743	$ 449,560	$ 205,090

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 3 OF 3)

	V & T SPECIAL INFRASTRUCTURE	CAMPO
Revenues:		
Taxes	$ 833,551	$ -
Licenses and permits	-	-
Intergovernmental revenues	300,000	428,578
Charges for services	-	-
Fines and forfeits	-	-
Miscellaneous	548	-
Total Revenues	1,134,099	428,578
Expenditures:		
Current:		
General government	1,000	-
Public safety	-	-
Judicial	-	-
Public works	-	438,720
Welfare	-	-
Health	-	-
Culture and recreation	-	-
Airport	-	-
Economic opportunity	-	-
Total Expenditures	1,000	438,720
Excess (Deficiency) of Revenues over Expenditures	1,133,099	(10,142)
Other Financing Sources (Uses):		
Transfers in	-	21,130
Transfers out	(1,118,044)	-
Total Other Financing Sources (Uses)	(1,118,044)	21,130
Net Change in Fund Balances	15,055	10,988
Fund Balances, July 1	69,494	777
Fund Balances, June 30	$ 84,549	$ 11,765

AIRPORT	GRANT	TOTAL
$ -	$ -	$ 6,118,058
-	-	236,753
9,144,072	5,118,045	17,795,304
-	-	354,771
-	-	72,040
-	39,154	393,847
9,144,072	5,157,199	24,970,773
-	34,696	1,496,712
-	1,182,565	1,645,043
-	101,948	163,722
-	-	5,989,354
-	320,588	1,977,293
-	2,458,061	2,458,061
-	1,075,591	1,954,264
9,144,072	-	9,144,072
-	422,049	422,049
9,144,072	5,595,498	25,250,570
-	(438,299)	(279,797)
-	-	2,521,183
-	-	(6,602,749)
-	-	(4,081,566)
-	(438,299)	(4,361,363)
-	504,843	11,077,914
$ -	$ 66,544	$ 6,716,551

CARSON CITY
SENIOR CITIZENS CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ 725,390	$ 711,492	$ (13,898)	$ 686,722
Miscellaneous:				
Investment income	5,000	22,047	17,047	27,236
Donations and gifts	-	40	40	25,000
	5,000	22,087	17,087	52,236
Total Revenues	730,390	733,579	3,189	738,958
Expenditures:				
Culture and recreation:				
Participant recreation:				
Salaries and wages	196,901	198,318	(1,417)	192,492
Employee benefits	80,201	81,131	(930)	75,846
Services and supplies	316,514	275,890	40,624	195,796
Capital outlay	-	-	-	6,487
Total Expenditures	593,616	555,339	38,277	470,621
Excess (Deficiency) of Revenues over Expenditures	136,774	178,240	41,466	268,337
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	(15,000)	(15,000)	-	(15,000)
Capital Acquisition & Development Fund	-	(65,000)	65,000	-
Carson City Debt Service Fund	(152,970)	(152,970)	-	(157,270)
Total Other Financing Sources (Uses)	(167,970)	(232,970)	65,000	(172,270)
Net Change in Fund Balances	(31,196)	(54,730)	(23,534)	96,067
Fund Balances, July 1	571,975	598,959	26,984	502,892
Fund Balances, June 30	$ 540,779	$ 544,229	$ 3,450	$ 598,959

CARSON CITY
COOPERATIVE EXTENSION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ 185,348	$ 182,133	$ (3,215)	$ 175,797
Miscellaneous:				
Refunds and reimbursements	11,000	-	(11,000)	11,278
Total Revenues	196,348	182,133	(14,215)	187,075
Expenditures:				
Culture and recreation:				
Cooperative extension:				
Salaries and wages	10,390	6,743	3,647	5,423
Employee benefits	470	330	140	231
Services and supplies	207,321	147,117	60,204	185,915
Capital Outlay	-	-	-	7,677
Total Expenditures	218,181	154,190	63,991	199,246
Excess (Deficiency) of Revenues over Expenditures	(21,833)	27,943	49,776	(12,171)
Fund Balances, July 1	54,304	152,591	98,287	164,762
Fund Balances, June 30	$ 32,471	$ 180,534	$ 148,063	$ 152,591

CARSON CITY
TRAFFIC TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Fines and forfeits:				
Fines:				
Court	$ 87,000	$ 72,040	$ (14,960)	$ 78,940
Miscellaneous:				
Investment income	500	32	(468)	(4)
Rents and royalties	15,000	13,471	(1,529)	12,848
Other	-	982	982	101
	15,500	14,485	(1,015)	12,945
Total Revenues	102,500	86,525	(15,975)	91,885
Expenditures:				
Public safety:				
Sheriff - parking enforcement:				
Salaries and wages	67,580	67,094	486	63,971
Employee benefits	26,435	26,779	(344)	26,628
Services and supplies	13,080	10,938	2,142	20,520
Total Expenditures	107,095	104,811	2,284	111,119
Excess (Deficiency) of Revenues over Expenditures	(4,595)	(18,286)	(13,691)	(19,234)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	20,000	20,000	-
Net Change in Fund Balances	(4,595)	1,714	6,309	(19,234)
Fund Balances, July 1	6,199	(1,859)	(8,058)	17,375
Fund Balances, June 30	$ 1,604	$ (145)	$ (1,749)	$ (1,859)

CARSON CITY
SUPPLEMENTAL INDIGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ 1,662,989	$ 1,636,419	$ (26,570)	$ 1,579,477
Miscellaneous:				
Investment income	20,000	20,400	400	31,752
Total Revenues	1,682,989	1,656,819	(26,170)	1,611,229
Expenditures:				
Welfare:				
Institutional care:				
Services and supplies	1,802,989	1,656,705	146,284	1,648,230
Excess (Deficiency) of Revenues over Expenditures	(120,000)	114	120,114	(37,001)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	120,000	-	(120,000)	-
Net Change in Fund Balances	-	114	114	(37,001)
Fund Balances, July 1	-	-	-	37,001
Fund Balances, June 30	$ -	$ 114	$ 114	$ -

CARSON CITY
LIBRARY GIFT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Miscellaneous:				
Investment income	$ 1,500	$ 8,079	$ 6,579	$ 8,163
Donations and gifts	5,000	55,625	50,625	140,157
Total Revenues	6,500	63,704	57,204	148,320
Expenditures:				
Culture and recreation:				
Libraries:				
Services and supplies	197,108	64,086	133,022	46,450
Capital outlay	30,000	-	30,000	10,420
Total Expenditures	227,108	64,086	163,022	56,870
Excess (Deficiency) of Revenues over Expenditures	(220,608)	(382)	220,226	91,450
Fund Balances, July 1	235,744	235,744	-	144,294
Fund Balances, June 30	$ 15,136	$ 235,362	$ 220,226	$ 235,744

CARSON CITY
ADMINISTRATIVE ASSESSMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
State shared revenue:				
Administrative assessments	$ 95,000	$ 72,955	$ (22,045)	$ 94,242
Miscellaneous:				
Other	-	-	-	1,060
Total Revenues	95,000	72,955	(22,045)	95,302
Expenditures:				
Judicial:				
Salaries and wages	-	10,827	(10,827)	2,370
Employee benefits	-	4,433	(4,433)	858
Services and supplies	60,000	46,514	13,486	56,642
Capital outlay	35,000	-	35,000	-
Total Expenditures	95,000	61,774	33,226	59,870
Excess (Deficiency) of Revenues over Expenditures	-	11,181	11,181	35,432
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	-	-	(50,000)
Net Change in Fund Balances	-	11,181	11,181	(14,568)
Fund Balances, July 1	5,000	4,243	(757)	18,811
Fund Balances, June 30	$ 5,000	$ 15,424	$ 10,424	$ 4,243

CARSON CITY
911 SURCHARGE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Licenses and permits:				
Franchise fees:				
Telephone	$ 250,000	$ 236,753	$ (13,247)	$ 29,647
Miscellaneous:				
Investment income	-	5,794	5,794	215
Total Revenues	250,000	242,547	(7,453)	29,862
Expenditures:				
Public Safety:				
Services and supplies	40,500	-	40,500	56,642
Capital outlay	209,500	23,356	186,144	-
Total Expenditures	250,000	23,356	226,644	59,870
Excess (Deficiency) of Revenues over Expenditures	-	219,191	219,191	(30,008)
Fund Balances, July 1	-	29,862	29,862	-
Fund Balances, June 30	$ -	$ 249,053	$ 249,053	$ 29,862

CARSON CITY
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ 725,389	$ 711,479	$ (13,910)	$ 686,730
Miscellaneous:				
Investment income	5,000	5,557	557	9,743
Total Revenues	730,389	717,036	(13,353)	696,473
Expenditures:				
General government:				
Capital Outlay:				
Board Designated	41,208	-	41,208	-
Excess (Deficiency) of Revenues over Expenditures	689,181	717,036	27,855	696,473
Other Financing Sources (Uses):				
Tranfers in (out):				
Carson City Debt Service Fund	(740,409)	(740,409)	-	(892,867)
Total Other Financing Sources (Uses)	(740,409)	(740,409)	-	(892,867)
Net Change in Fund Balances	(51,228)	(23,373)	27,855	(196,394)
Fund Balances, July 1	105,159	105,159	-	301,553
Fund Balances, June 30	$ 53,931	$ 81,786	$ 27,855	$ 105,159

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, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	$ 233,429	$ -	$ (233,429)	$ -
Capital Acquisition & Development Fund	-	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	233,429	(500,000)	(733,429)	-
Fund Balances, July 1	2,964,975	2,738,345	(226,630)	2,738,345
Fund Balances, June 30	$ 3,198,404	$ 2,238,345	$ (960,059)	$ 2,738,345

CARSON CITY
STREET MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
County option motor vehicle fuel tax	$ 326,645	$ 374,449	$ 47,804	$ 303,373
Sales tax, voter approved	1,947,019	1,668,535	(278,484)	1,889,080
	2,273,664	2,042,984	(230,680)	2,192,453
Intergovernmental revenues:				
Federal grants	-	4,842	4,842	4,902
State shared revenues:				
Motor vehicle fuel tax	1,211,293	1,264,688	53,395	1,162,654
	1,211,293	1,269,530	58,237	1,167,556
Charges for services	100,000	25,046	(74,954)	40,065
Miscellaneous:				
Investment income	10,000	2,133	(7,867)	(1,214)
Refunds and reimbursements	-	408	408	-
	10,000	2,541	(7,459)	(1,214)
Total Revenues	3,594,957	3,340,101	(254,856)	3,398,860
Expenditures:				
Public works:				
Salaries and wages	1,309,552	1,349,638	(40,086)	1,434,080
Employee benefits	485,340	489,588	(4,248)	482,729
Services and supplies	2,005,346	1,825,959	179,387	1,829,571
Capital outlay	160,000	180,681	(20,681)	377,948
Total Expenditures	3,960,238	3,845,866	114,372	4,124,328
Excess (Deficiency) of Revenues over Expenditures	(365,281)	(505,765)	(140,484)	(725,468)
Other Financing Sources (Uses):				
Transfers in (out):				
Regional Transportation Fund	300,000	670,000	370,000	350,000
Total Other Financing Sources (Uses)	300,000	670,000	370,000	350,000
Net Change in Fund Balances	(65,281)	164,235	229,516	(375,468)
Fund Balances, July 1	265,281	360,572	95,291	736,040
Fund Balances, June 30	$ 200,000	$ 524,807	$ 324,807	$ 360,572

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, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	$ -	$ 2,000	$ 2,000	$ 63,515
Miscellaneous:				
Investment income	37,020	53,538	16,518	81,854
Total Revenues	37,020	55,538	18,518	145,369
Expenditures:				
General government:				
Services and supplies	523,069	202,890	320,179	193,947
Capital outlay	1,289,010	247,994	1,041,016	309,851
	1,812,079	450,884	1,361,195	503,798
Public safety:				
Services and supplies	72,260	53,222	19,038	77,367
Capital outlay	17,832	17,832	-	47,689
	90,092	71,054	19,038	125,056
Public works:				
Services and supplies	45,438	5,438	40,000	-
Culture and recreation:				
Services and supplies	32,882	33,087	(205)	24,998
Capital outlay	132,793	71,971	60,822	29,762
	165,675	105,058	60,617	54,760
Economic opportunity:				
Services and supplies	-	-	-	83,250
Total Expenditures	2,113,284	632,434	1,480,850	766,864
Excess (Deficiency) of Revenues over Expenditures	(2,076,264)	(576,896)	1,499,368	(621,495)

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, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Other Financing Sources (Uses):				
Transfers in (out):				
Capital Facilities Fund	$ -	$ -	$ -	$ 50,000
Landfill Clos/Post Clos	500,000	500,000	-	-
Senior Citizens' Fund	65,000	65,000	-	-
General Fund	(502,692)	(502,692)	-	(6,750)
Total Other Financing Sources (Uses)	62,308	62,308	-	43,250
Net Change in Fund Balances	(2,013,956)	(514,588)	1,499,368	(578,245)
Fund Balances, July 1	2,023,956	2,023,956	-	2,602,201
Fund Balances, June 30	$ 10,000	$ 1,509,368	$ 1,499,368	$ 2,023,956

CARSON CITY
STABILIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	$ (1,618,771)	$ (3,508,634)	$ (1,889,863)	$ -
Total Other Financing Sources (Uses)	(1,618,771)	(3,508,634)	(1,889,863)	-
Fund Balances, July 1	3,508,634	3,508,634	-	3,508,634
Fund Balances, June 30	$ 1,889,863	$ -	$ (1,889,863)	$ 3,508,634

CARSON CITY
REDEVELOPMENT ADMINISTRATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Other local government grants	$ -	$ -	$ -	$ 2,000,000
Charges for services:				
Ice Rink	10,800	10,800	-	106,976
Miscellaneous:				
Investment income	5,500	4,828	(672)	2,988
Other	98,483	87,579	(10,904)	83,105
	103,983	92,407	(11,576)	86,093
Total Revenues	114,783	103,207	(11,576)	2,193,069
Expenditures:				
General government:				
Salaries and wages	303,195	296,881	6,314	283,241
Employee benefits	111,060	110,453	607	90,479
Services and supplies	662,097	602,798	59,299	696,920
Total Expenditures	1,076,352	1,010,132	66,220	1,070,640
Excess (Deficiency) of Revenues over Expenditures	(961,569)	(906,925)	54,644	1,122,429
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Revolving Fund	-	-	-	61,000
Redevelopment Debt Service Fund	945,053	945,053	-	847,000
Redevelopment Revolving Fund	-	-	-	(2,000,000)
Total Other Financing Sources (Uses)	945,053	945,053	-	(1,092,000)
Net Change in Fund Balances	(16,516)	38,128	54,644	30,429
Fund Balances, July 1	34,295	34,295	-	3,866
Fund Balances, June 30	$ 17,779	$ 72,423	$ 54,644	$ 34,295

CARSON CITY
FIREFIGHTER RETIREMENT MEDICAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Charges for services:				
Employee contributions	$ 12,306	$ 15,426	$ 3,120	$ 11,290
Employer contributions	93,976	92,760	(1,216)	87,174
	106,282	108,186	1,904	98,464
Miscellaneous:				
Investment income	3,500	7,430	3,930	6,651
Total Revenues	109,782	115,616	5,834	105,115
Expenditures:				
Public safety:				
Services and supplies	70,000	61,717	8,283	52,517
Excess (Deficiency) of Revenues over Expenditures	39,782	53,899	14,117	52,598
Fund Balances, July 1	193,844	193,844	-	141,246
Fund Balances, June 30	$ 233,626	$ 247,743	$ 14,117	$ 193,844

CARSON CITY
CARSON CITY TRANSIT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Federal grants	$ 1,294,836	$ 1,386,521	$ 91,685	$ 632,366
State grants	72,625	67,904	(4,721)	62,625
Other local government grants:				
Interlocal cooperative agreements	-	5,699	5,699	-
	1,367,461	1,460,124	92,663	694,991
Charges for services:				
Ticket sales	85,000	81,487	(3,513)	92,321
Miscellaneous:				
Investment income	2,000	8,569	6,569	4,047
Refunds and reimbursements	-	787	787	1,177
	2,000	9,356	7,356	5,224
Total Revenues	1,454,461	1,550,967	96,506	792,536
Expenditures:				
Public works:				
Transit system:				
Services and supplies	1,002,871	929,718	73,153	895,075
Capital outlay	775,665	769,612	6,053	197,760
Total Expenditures	1,778,536	1,699,330	79,206	1,092,835
Excess (Deficiency) of Revenues over Expenditures	(324,075)	(148,363)	175,712	(300,299)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	300,000	300,000	-	300,000
Net Change in Fund Balances	(24,075)	151,637	175,712	(299)
Fund Balances, July 1	329,157	297,923	(31,234)	298,222
Fund Balances, June 30	$ 305,082	$ 449,560	$ 144,478	$ 297,923

CARSON CITY
COMMISSARY FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Charges for Services:				
Public safety:				
Commissary sales	$ 105,000	$ 129,252	$ 24,252	$ 130,186
Miscellaneous:				
Investment income	1,500	6,968	5,468	8,837
Rents and royalties	65,000	46,557	(18,443)	57,416
Donations and gifts	-	3,321	3,321	2,995
	66,500	56,846	(9,654)	69,248
Total Revenues	171,500	186,098	14,598	199,434
Expenditures:				
Public safety:				
Salaries and wages	56,307	55,264	1,043	51,977
Employee benefits	17,746	15,647	2,099	14,962
Services and supplies	153,530	130,629	22,901	115,078
Total Expenditures	227,583	201,540	26,043	182,017
Excess (Deficiency) of Revenues over Expenditures	(56,083)	(15,442)	40,641	17,417
Fund Balances, July 1	158,594	220,532	61,938	203,115
Fund Balances, June 30	$ 102,511	$ 205,090	$ 102,579	$ 220,532

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, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Sales tax	$ 974,927	$ 833,551	$ (141,376)	$ 943,209
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	100,000	300,000	200,000	100,000
Miscellaneous:				
Investment income	-	548	548	(370)
Total Revenues	1,074,927	1,134,099	59,172	1,042,839
Expenditures:				
General government:				
Services and supplies	1,250	1,000	250	1,250
Excess (Deficiency) of Revenues over Expenditures	1,073,677	1,133,099	59,422	1,041,589
Other Financing Sources (Uses):				
Transfers in (out):				
Carson City Debt Service Fund	(1,118,044)	(1,118,044)	-	(1,114,944)
Net Change in Fund Balances	(44,367)	15,055	59,422	(73,355)
Fund Balances, July 1	101,582	69,494	(32,088)	142,849
Fund Balances, June 30	$ 57,215	$ 84,549	$ 27,334	$ 69,494

CARSON CITY
CAMPO FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Federal grants	$ 481,524	$ 422,791	$ (58,733)	$ 244,127
State grants	-	1,911	1,911	-
Other local government grants:				
Interlocal cooperative agreements	4,780	3,876	(904)	2,878
Total Revenues	486,304	428,578	(57,726)	247,005
Expenditures:				
Public works:				
Services and supplies	512,364	438,720	73,644	270,745
Excess (Deficiency) of Revenues over Expenditures	(26,060)	(10,142)	15,918	(23,740)
Other Financing Sources (Uses):				
Transfers in (out):				
Regional Transportation Fund	26,060	21,130	(4,930)	15,691
Net Change in Fund Balances	-	10,988	10,988	(8,049)
Fund Balances, July 1	-	777	777	8,826
Fund Balances, June 30	$ -	$ 11,765	$ 11,765	$ 777

CARSON CITY
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Federal grant, FAA	$ 9,774,453	$ 9,143,126	$ (631,327)	$ 2,952,260
State Grant			-	-
Other local shared revenues:				
CC Airport Authority	9,164	946	(8,218)	155,381
Total Revenues	9,783,617	9,144,072	(639,545)	3,107,641
Expenditures:				
Airport:				
Services and supplies	-	155,564	(155,564)	8,280
Capital outlay	9,783,617	8,988,508	795,109	3,099,361
Total Expenditures	9,783,617	9,144,072	639,545	3,107,641
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Fund Balances, July 1	-	-	-	-
Fund Balances, June 30	$ -	$ -	$ -	$ -

CARSON CITY
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Federal grants	$ 7,106,814	$ 4,697,302	$ (2,409,512)	$ 2,364,743
State grants	967,019	295,046	(671,973)	232,158
Other local government grants:				
Interlocal cooperative agreements	157,802	125,697	(32,105)	34,909
	8,231,635	5,118,045	(3,113,590)	2,631,810
Miscellaneous:				
Donations and gifts	44,275	8,050	(36,225)	16,900
Other	39,639	31,104	(8,535)	17,596
	83,914	39,154	(44,760)	34,496
Total Revenues	8,315,549	5,157,199	(3,158,350)	2,666,306
Expenditures:				
General government:				
Services and supplies	51,114	34,696	16,418	24,394
Public safety:				
Salaries and wages	350,000	82,159	267,841	458
Employee benefits	-	32,126	(32,126)	-
Services and supplies	1,407,012	1,020,225	386,787	544,582
Capital outlay	-	48,055	(48,055)	59,263
	1,757,012	1,182,565	574,447	604,303
Judicial:				
Salaries and wages	161,382	41,569	119,813	-
Employee benefits	-	24,763	(24,763)	-
Services and supplies	30,000	35,616	(5,616)	12,218
	191,382	101,948	89,434	12,218
Welfare:				
Salaries and wages	243,732	128,970	114,762	44,571
Employee benefits	32,883	48,407	(15,524)	19,513
Services and supplies	281,731	143,211	138,520	65,650
	558,346	320,588	237,758	129,734
Health:				
Salaries and wages	1,558,609	1,203,556	355,053	510,351
Employee benefits	224,662	320,463	(95,801)	182,337
Services and supplies	759,408	928,714	(169,306)	637,119
Capital outlay	-	5,328	(5,328)	36,502
	2,542,679	2,458,061	84,618	1,366,309
Culture and recreation:				
Services and supplies	131,944	132,311	(367)	81,730
Capital outlay	1,456,603	943,280	513,323	246,863
	1,588,547	1,075,591	512,956	328,593

CARSON CITY
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Economic opportunity:				
Salaries and wages	$ -	$ 14,046	$ (14,046)	$ -
Employee benefits	-	689	(689)	-
Services and supplies	827,445	370,804	456,641	182,276
Capital outlay	933,559	36,510	897,049	9,850
	1,761,004	422,049	1,338,955	192,126
Total Expenditures	8,450,084	5,595,498	2,854,586	2,657,677
Excess (Deficiency) of Revenues over Expenditures	(134,535)	(438,299)	(303,764)	8,629
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	(370,308)	-	370,308	(142,578)
Net Change in Fund Balances	(504,843)	(438,299)	66,544	(133,949)
Fund Balances, July 1	504,843	504,843	-	638,792
Fund Balances, June 30	$ -	$ 66,544	$ 66,544	$ 504,843

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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, 2010

	CARSON CITY DEBT	REDEVELOPMENT DEBT	TOTAL
ASSETS			
Cash and investments	$ 783,839	$ 172,471	$ 956,310
Taxes receivable, delinquent	-	66,949	66,949
Due from other funds	87,473	-	87,473
Prepaid items	250	-	250
Total Assets	$ 871,562	$ 239,420	$ 1,110,982
LIABILITIES			
Deferred revenue	$ -	$ 61,687	$ 61,687
FUND BALANCES			
Reserved for prepaid items	250	-	250
Unreserved:			
Designated for subsequent year's expenditures	858,928	177,733	1,036,661
Undesignated	12,384	-	12,384
Total Fund Balances	871,562	177,733	1,049,295
Total Liabilities and Fund Balances	$ 871,562	$ 239,420	$ 1,110,982

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	CARSON CITY DEBT	REDEVELOPMENT DEBT	TOTAL
Revenues:			
Taxes	$ 136	$ 1,894,985	$ 1,895,121
Intergovernmental revenues	408,360	-	408,360
Miscellaneous	87,765	14,134	101,899
Total Revenues	496,261	1,909,119	2,405,380
Expenditures:			
Debt service:			
Principal	3,367,385	237,500	3,604,885
Interest	3,691,749	128,785	3,820,534
Services and supplies	-	133,738	133,738
Fiscal charges	1,632	148	1,780
Total Expenditures	7,060,766	500,171	7,560,937
Excess (Deficiency) of Revenues over Expenditures	(6,564,505)	1,408,948	(5,155,557)
Other Financing Sources (Uses):			
Transfers in	6,453,953	-	6,453,953
Transfers out	-	(1,585,955)	(1,585,955)
Total Other Financing Sources (Uses)	6,453,953	(1,585,955)	4,867,998
Net Change in Fund Balances	(110,552)	(177,007)	(287,559)
Fund Balances, July 1	982,114	354,740	1,336,854
Fund Balances, June 30	$ 871,562	$ 177,733	$ 1,049,295

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, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ -	$ 136	$ 136	$ 480
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	408,360	408,360	-	408,835
Miscellaneous:				
Investment income	60,000	47,765	(12,235)	76,383
Rents and royalties	200,000	40,000	(160,000)	-
	260,000	87,765	(172,235)	76,383
Total Revenues	668,360	496,261	(172,099)	485,698
Expenditures:				
Debt service:				
General obligation bonds:				
Principal	2,518,569	2,518,569	-	2,409,754
Interest	3,010,410	3,010,410	-	3,110,067
	5,528,979	5,528,979	-	5,519,821
Revenue bonds:				
Principal	461,600	461,600	-	542,400
Interest	608,961	608,961	-	528,077
	1,070,561	1,070,561	-	1,070,477
Notes payable:				
Principal	387,216	387,216	-	369,834
Interest	72,378	72,378	-	85,507
	459,594	459,594	-	455,341
Fiscal charges	6,500	1,632	4,868	1,382
Total Expenditures	7,065,634	7,060,766	4,868	7,047,021
Excess (Deficiency) of Revenues over Expenditures	(6,397,274)	(6,564,505)	(167,231)	(6,561,323)

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, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	$ 2,367,575	$ 2,367,575	$ -	$ 2,203,500
Senior Citizens Center Fund	152,970	152,970	-	157,270
Regional Transportation Fund	1,070,561	1,070,561	-	1,114,985
Capital Projects Fund	740,409	740,409	-	892,867
V & T Special Infrastructure Fund	1,118,044	1,118,044	-	1,114,944
Quality of Life Fund	1,004,394	1,004,394	-	999,878
Total Other Financing Sources (Uses)	6,453,953	6,453,953	-	6,483,444
Net Change in Fund Balances	56,679	(110,552)	(167,231)	(77,879)
Fund Balances, July 1	916,400	982,114	65,714	1,059,993
Fund Balances, June 30	$ 973,079	$ 871,562	$ (101,517)	$ 982,114

CARSON CITY
REDEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Ad valorem	$ 2,068,679	$ 1,894,985	$ (173,694)	$ 1,610,724
Miscellaneous				
Investment income	20,000	14,134	(5,866)	18,562
Total Revenues	2,088,679	1,909,119	(179,560)	1,629,286
Expenditures:				
Debt service:				
Principal	237,500	237,500	-	227,600
Interest	128,785	128,785	-	138,001
Services and supplies	133,738	133,738	-	-
Fiscal charges	500	148	352	10,885
Total Expenditures	500,523	500,171	352	376,486
Excess (Deficiency) of Revenues over Expenditures	1,588,156	1,408,948	(179,208)	1,252,800
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Administration Fund	(945,053)	(945,053)	-	(847,000)
Redevelopment Revolving Fund	(640,902)	(640,902)	-	(275,000)
Total Other Financing Sources (Uses)	(1,585,955)	(1,585,955)	-	(1,122,000)
Net Change in Fund Balances	2,201	(177,007)	(179,208)	130,800
Fund Balances, July 1	354,740	354,740	-	223,940
Fund Balances, June 30	$ 356,941	$ 177,733	$ (179,208)	$ 354,740

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, 2010

	CAPITAL FACILITIES	RESIDENTIAL CONSTRUCTION	REDEVELOPMENT REVOLVING	TOTAL
ASSETS				
Cash and investments:				
Unrestricted	$ 71,221	$ 352,545	$ 2,452,947	$ 2,876,713
Accounts receivable	-	-	1,902	1,902
Total Assets	$ 71,221	$ 352,545	$ 2,454,849	$ 2,878,615
LIABILITIES				
Accounts payable	$ 8	$ 13,128	$ 83,165	$ 96,301
Accrued salaries and benefits	-	1,691	-	1,691
Total Liabilities	8	14,819	83,165	97,992
FUND BALANCES				
Unreserved:				
Designated for subsequent year's expenditures	-	24,122	27,487	51,609
Undesignated	71,213	313,604	2,344,197	2,729,014
Total Fund Balances	71,213	337,726	2,371,684	2,780,623
Total Liabilities and Fund Balances	$ 71,221	$ 352,545	$ 2,454,849	$ 2,878,615

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	CAPITAL FACILITIES	RESIDENTIAL CONSTRUCTION	REDEVELOPMENT REVOLVING	TOTAL
Revenues:				
Taxes	$ -	$ 22,800	$ -	$ 22,800
Intergovernmental revenues	-	-	4,320,000	4,320,000
Miscellaneous	2,277	11,369	13,984	27,630
Total Revenues	2,277	34,169	4,333,984	4,370,430
Expenditures:				
Current:				
Public safety	2,238	-	-	2,238
Culture and recreation	-	41,020	-	41,020
Community support	-	-	3,041,870	3,041,870
Capital outlay:				
Culture and recreation	-	8,028	-	8,028
Total Expenditures	2,238	49,048	3,041,870	3,093,156
Excess (Deficiency) of Revenues over Expenditures	39	(14,879)	1,292,114	1,277,274
Other Financing Sources (Uses):				
Transfers in	-	-	640,902	640,902
Transfers out	(5,000)	-	-	(5,000)
Total Other Financing Sources (Uses)	(5,000)	-	640,902	635,902
Net Change in Fund Balances	(4,961)	(14,879)	1,933,016	1,913,176
Fund Balances, July 1	76,174	352,605	438,668	867,447
Fund Balances, June 30	$ 71,213	$ 337,726	$ 2,371,684	$ 2,780,623

CARSON CITY
CAPITAL FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Miscellaneous:				
Investment income	$ -	$ 2,277	$ 2,277	$ 25,546
Expenditures:				
General government:				
Services and supplies	-	-	-	1,000
Capital outlay	7,931	-	7,931	-
	7,931	-	7,931	1,000
Public safety:				
Employee benefits	-	-	-	4
Services and supplies	63,243	2,238	61,005	3,243
Capital outlay	-	-	-	502,769
	63,243	2,238	61,005	506,016
Total Expenditures	71,174	2,238	68,936	507,016
Excess (Deficiency) of Revenues over Expenditures	(71,174)	39	71,213	(481,470)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	(5,000)	(5,000)	-	(1,150,000)
Capital Acquisition and Development Fund	-	-	-	(50,000)
Total Other Financing Sources (Uses)	(5,000)	(5,000)	-	(1,200,000)
Net Change in Fund Balances	(76,174)	(4,961)	71,213	(1,681,470)
Fund Balances, July 1	76,174	76,174	-	1,757,644
Fund Balances, June 30	$ -	$ 71,213	$ 71,213	$ 76,174

CARSON CITY
RESIDENTIAL CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Taxes:				
Park residential construction tax	$ 5,000	$ 22,800	$ 17,800	$ 36,631
Miscellaneous:				
Investment income	1,000	11,369	10,369	17,649
Total Revenues	6,000	34,169	28,169	54,280
Expenditures:				
Culture and recreation:				
Parks:				
Salaries and wages	25,456	26,112	(656)	25,268
Employee benefits	10,177	10,226	(49)	9,728
Services and supplies	10,751	4,682	6,069	15,645
	46,384	41,020	5,364	50,641
Capital outlay:				
Theater Lighting Fixtures	9,627	6,047	3,580	75,608
BMX Lighting	30,500	750	29,750	9,500
Urban Fishing Pond	39,269	-	39,269	3,000
Rec Trails Engineering	2,885	-	2,885	-
Governors Field Expansion	17,434	-	17,434	7,856
YSA Babe Ruth Fields	-	-	-	6,900
Community Center Theatre Improv	8,937	-	8,937	10,004
Concr Playground Border	8,235	-	8,235	-
Centennial Park Play Equipment	9,057	-	9,057	-
Carson River Park Phase 1 & 2	49,196	-	49,196	6,098
Wungnema House	-	-	-	4,819
Ronald D. Wilson	1,336	-	1,336	31,010
Nv Landmark Soc / Rbts Hse	77,562	1,231	76,331	11,841
Governors Field Landscape	-	-	-	19,314
Other projects	53,262	-	53,262	-
	307,300	8,028	299,272	185,950
Total Expenditures	353,684	49,048	304,636	236,591
Excess (Deficiency) of Revenues over Expenditures	(347,684)	(14,879)	332,805	(182,311)
Fund Balances, July 1	352,605	352,605	-	534,916
Fund Balances, June 30	$ 4,921	$ 337,726	$ 332,805	$ 352,605

CARSON CITY
REDEVELOPMENT REVOLVING FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Revenues:				
Intergovernmental revenues:				
Other local government grants	$ 4,320,000	$ 4,320,000	$ -	$ -
Miscellaneous:				
Investment income	10,000	13,603	3,603	16,424
Refunds and reimbursements	-	381	381	-
	10,000	13,984	3,984	16,424
Total Revenues	4,330,000	4,333,984	3,984	16,424
Expenditures:				
Community support:				
Redevelopment:				
Services and supplies	5,399,570	3,041,870	2,357,700	2,272,266
Capital outlay	-	-	-	396,236
Total Expenditures	5,399,570	3,041,870	2,357,700	2,668,502
Excess (Deficiency) of Revenues over Expenditures	(1,069,570)	1,292,114	2,361,684	(2,652,078)
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	640,902	640,902	-	275,000
Redevelopment Administration Fund	-	-	-	2,000,000
Redevelopment Administration Fund	-	-	-	(61,000)
Total Other Financing Sources (Uses)	640,902	640,902	-	2,214,000
Net Change in Fund Balances	(428,668)	1,933,016	2,361,684	(438,078)
Fund Balances, July 1	438,668	438,668	-	876,746
Fund Balances, June 30	$ 10,000	$ 2,371,684	$ 2,361,684	$ 438,668

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.

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

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.

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

CARSON CITY
SEWER FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services:				
User fees and charges	$ 6,388,591	$ 6,220,277	$ (168,314)	$ 6,068,373
Operating Expenses:				
Salaries and wages	1,255,746	1,239,304	16,442	1,171,870
Employee benefits	513,946	498,405	15,541	445,480
Services and supplies	3,047,021	3,092,966	(45,945)	3,264,443
Depreciation	2,900,000	3,079,635	(179,635)	2,800,840
Total Operating Expenses	7,716,713	7,910,310	(193,597)	7,682,633
Operating Income (Loss)	(1,328,122)	(1,690,033)	(361,911)	(1,614,260)
Nonoperating Revenues (Expenses):				
Investment income	200,000	80,390	(119,610)	107,152
Miscellaneous	10,000	910	(9,090)	2,550
Interest expense	(612,913)	(584,520)	28,393	(586,051)
Gain (loss) on sales of capital assets	(10,000)	(22,004)	(12,004)	(575,277)
Bond issuance costs	(52,200)	(7,105)	45,095	(4,878)
Total Nonoperating Revenues (Expenses)	(465,113)	(532,329)	(67,216)	(1,056,504)
Income (Loss) Before Capital Contributions	(1,793,235)	(2,222,362)	(429,127)	(2,670,764)
Capital Contributions:				
Capital grants	-	181,568	181,568	-
Developers	-	-	-	287,469
Connection fees	250,000	60,228	(189,772)	529,310
Total Capital Contributions	250,000	241,796	(8,204)	816,779
Change in Net Assets	$ (1,543,235)	(1,980,566)	$ (437,331)	(1,853,985)
Net Assets, July 1		56,666,954		58,520,939
Net Assets, June 30		$ 54,686,388		$ 56,666,954

CARSON CITY
SEWER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 6,388,591	$ 6,074,787	$ (313,804)	$ 6,659,236
Cash payments for personnel costs	(1,769,692)	(1,647,520)	122,172	(1,570,202)
Cash payments for services and supplies	(3,047,021)	(3,279,789)	(232,768)	(3,239,288)
Miscellaneous cash received	10,000	910	(9,090)	2,550
Net Cash Provided by Operating Activities	1,581,878	1,148,388	(433,490)	1,852,296
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Prodeeds from capital debt	1,600,000	1,600,000	-	-
Connection fees	250,000	60,228	(189,772)	529,313
Acquisition of capital assets	(1,526,000)	(1,459,877)	66,123	(1,551,038)
Principal paid on capital debt	(1,447,895)	(1,399,507)	48,388	(1,343,116)
Interest paid on capital debt	(612,913)	(586,489)	26,424	(609,197)
Bond issuance costs	(52,200)	(29,714)	22,486	(437)
Subsidy from grant	-	181,568	181,568	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,789,008)	(1,633,791)	155,217	(2,974,475)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	200,000	80,390	(119,610)	107,152
Net Increase (Decrease) in Cash and Cash Equivalents	(7,130)	(405,013)	(397,883)	(1,015,027)
Cash and Cash Equivalents, July 1	2,436,582	2,436,582	-	3,451,609
Cash and Cash Equivalents, June 30	$ 2,429,452	$ 2,031,569	$ (397,883)	$ 2,436,582

CARSON CITY
SEWER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating loss	$ (1,328,122)	$ (1,690,033)	$ (361,911)	$ (1,614,260)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation and amortization expense	2,900,000	3,079,635	179,635	2,800,840
Nonoperating revenues	10,000	910	(9,090)	2,550
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(129,898)	(129,898)	(76,058)
Due from other governments	-	(12,314)	(12,314)	667,222
Due from other funds	-	(1,079)	(1,079)	-
Prepaid items	-	(8,810)	(8,810)	(9,711)
Increase (decrease) in:				
Accounts payable	-	(179,843)	(179,843)	33,435
Accrued salaries and benefits	-	11,221	11,221	7,881
Due to other governments	-	1,830	1,830	1,431
Connection deposits	-	(2,199)	(2,199)	(301)
Accrued compensated absences	-	26,633	26,633	(9,923)
Net OPEB Obligation	-	52,335	52,335	49,190
Total Adjustments	2,910,000	2,838,421	(71,579)	3,466,556
Net Cash Provided by Operating Activities	$ 1,581,878	$ 1,148,388	$ (433,490)	$ 1,852,296
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Purchase of capital assets on account		$ 291,851		$ 90,211
Retainage payable on construction of capital assets		31,981		-

CARSON CITY
WATER FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services:				
User fees and charges	$ 9,821,342	$ 9,054,623	$ (766,719)	$ 9,226,621
Other charges	182,959	158,567	(24,392)	139,407
Total Operating Revenues	10,004,301	9,213,190	(791,111)	9,366,028
Operating Expenses:				
Salaries and wages	1,615,170	1,513,142	102,028	1,375,461
Employee benefits	585,270	596,458	(11,188)	546,539
Services and supplies	4,936,546	5,489,270	(552,724)	5,003,005
Depreciation and amortization	2,150,000	2,444,918	(294,918)	2,100,936
Total Operating Expenses	9,286,986	10,043,788	(756,802)	9,025,941
Operating Income (Loss)	717,315	(830,598)	(1,547,913)	340,087
Nonoperating Revenues (Expenses):				
Investment income	400,000	142,446	(257,554)	389,052
Miscellaneous	10,495	43	(10,452)	506
Interest expense	(1,487,609)	(1,326,400)	161,209	(1,402,614)
Gain (loss) on sales of capital assets	(2,166)	(7,557)	(5,391)	(34,836)
Arbitrage rebate	-	60,409	60,409	1,648
Bond issuance costs	(54,000)	(1,736)	52,264	(24,351)
Total Nonoperating Revenues (Expenses)	(1,133,280)	(1,132,795)	485	(1,070,595)
Income (Loss) Before Capital Contributions	(415,965)	(1,963,393)	(1,547,428)	(730,508)
Capital Contributions:				
Capital assets	-	-	-	35,917
Capital grants	117,324	143,591	26,267	547,647
Developers	-	444,709	444,709	389,649
Connection fees	250,000	47,163	(202,837)	251,180
Total Capital Contributions	367,324	635,463	268,139	1,224,393
Change in Net Assets	$ (48,641)	(1,327,930)	$ (1,279,289)	493,885
Net Assets, July 1		38,171,678		37,677,793
Net Assets, June 30		$ 36,843,748		$ 38,171,678

CARSON CITY
WATER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 10,004,301	$ 9,090,633	$ (913,668)	$ 9,413,162
Cash payments for personnel costs	(2,200,440)	(2,018,974)	181,466	(1,861,107)
Cash payments for services and supplies	(4,936,546)	(5,252,080)	(315,534)	(5,193,100)
Miscellaneous cash received	10,495	43	(10,452)	506
Net Cash Provided by Operating Activities	2,877,810	1,819,622	(1,058,188)	2,359,461
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	3,700,000	1,512,053	(2,187,947)	-
Proceeds from sales of capital assets	12,834	-	(12,834)	-
Connection fees	250,000	47,163	(202,837)	251,178
Acquisition of capital assets	(4,399,517)	(4,533,031)	(133,514)	(5,190,317)
Principal paid on capital debt	(1,931,898)	(1,820,000)	111,898	(1,745,000)
Interest paid on capital debt	(1,487,609)	(1,322,072)	165,537	(1,394,643)
Bond issuance costs	(54,000)	(50,973)	3,027	(1,987)
Subsidy from grant	117,324	77,784	(39,540)	548,884
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,792,866)	(6,089,076)	(2,296,210)	(7,531,885)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	400,000	142,446	(257,554)	389,052
Net Increase (Decrease) in Cash and Cash Equivalents	(515,056)	(4,127,008)	(3,611,952)	(4,783,372)
Cash and Cash Equivalents, July 1	6,942,602	6,942,602	-	11,725,974
Cash and Cash Equivalents, June 30	$ 6,427,546	$ 2,815,594	$ (3,611,952)	$ 6,942,602

CARSON CITY
WATER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income (loss)	$ 717,315	$ (830,598)	$ (1,547,913)	$ 340,087
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization expense	2,150,000	2,444,918	294,918	2,100,936
Nonoperating revenues	10,495	43	(10,452)	506
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(129,006)	(129,006)	51,670
Due from other governments	-	8,068	8,068	(4,536)
Due from other funds	-	(1,619)	(1,619)	-
Inventories	-	15,495	15,495	24,393
Prepaid items	-	719	719	(6,006)
Increase (decrease) in:				
Accounts payable	-	(26,848)	(26,848)	58,655
Accrued salaries and benefits	-	12,124	12,124	11,580
Due to other governments	-	249,124	249,124	(265,637)
Connection deposits	-	(1,300)	(1,300)	(1,500)
Accrued compensated absences	-	16,870	16,870	(8,299)
Net OPEB Obligation	-	61,632	61,632	57,612
Total Adjustments	2,160,495	2,650,220	489,725	2,019,374
Net Cash Provided by Operating Activities	$ 2,877,810	$ 1,819,622	$ (1,058,188)	$ 2,359,461
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		$ 1,657,617		$ 527,746
Retainage payable on construction of capital assets		164,712		114,677
Contributed capital assets		-		35,917

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services				
User fees and charges	$ 1,175,694	$ 1,172,879	$ (2,815)	$ 1,070,093
Operating Expenses:				
Salaries and wages	263,697	245,196	18,501	327,308
Employee benefits	113,032	111,501	1,531	121,797
Services and supplies	403,583	391,300	12,283	309,101
Depreciation	150,000	218,499	(68,499)	150,894
Total Operating Expenses	930,312	966,496	(36,184)	909,100
Operating Income	245,382	206,383	(38,999)	160,993
Nonoperating Revenues (Expenses):				
Investment income	25,000	9,737	(15,263)	33,633
Interest expense	(305,126)	(221,874)	83,252	(202,050)
Gain (loss) on sales of capital assets	-	-	-	(320)
Bond issuance costs	(50,500)	(7,903)	42,597	(6,471)
Total Nonoperating Revenues (Expenses)	(330,626)	(220,040)	110,586	(175,208)
Income (Loss) Before Capital Contributions	(85,244)	(13,657)	71,587	(14,215)
Capital Contributions:				
Capital grants	-	13,521	13,521	-
Developers	-	-	-	3,760
Total Capital Contributions	-	13,521	13,521	3,760
Change in Net Assets	$ (85,244)	(136)	$ 85,108	(10,455)
Net Assets, July 1		3,345,201		3,355,656
Net Assets, June 30		$ 3,345,065		$ 3,345,201

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 1,175,694	$ 1,147,940	$ (27,754)	$ 1,068,975
Cash payments for personnel costs	(376,729)	(370,350)	6,379	(411,543)
Cash payments for services and supplies	(403,583)	(395,436)	8,147	(272,437)
Net Cash Provided by Operating Activities	395,382	382,154	(13,228)	384,995
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	2,197,000	848,000	(1,349,000)	-
Acquisition of capital assets	(2,147,000)	(1,268,297)	878,703	(538,043)
Principal paid on capital debt	(301,443)	(235,000)	66,443	(225,000)
Interest paid on capital debt	(305,126)	(213,085)	92,041	(203,912)
Bond issuance costs	(50,500)	(13,217)	37,283	-
Subsidy from grant	-	13,521	13,521	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(607,069)	(868,078)	(261,009)	(966,955)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	25,000	9,737	(15,263)	33,633
Net Increase (Decrease) in Cash and Cash Equivalents	(186,687)	(476,187)	(289,500)	(548,327)
Cash and Cash Equivalents, July 1	476,581	476,581	-	1,024,908
Cash and Cash Equivalents, June 30	$ 289,894	$ 394	$ (289,500)	$ 476,581

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CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	$ 245,382	$ 206,383	$ (38,999)	$ 160,993
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	150,000	218,499	68,499	150,894
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(24,939)	(24,939)	(1,118)
Prepaid items	-	170	170	(400)
Increase (decrease) in:				
Accounts payable	-	(8,966)	(8,966)	33,864
Accrued salaries and benefits	-	(4,451)	(4,451)	8,316
Due to other funds	-	5,733	5,733	-
Due to other governments	-	(1,073)	(1,073)	3,200
Accrued compensated absences	-	(15,169)	(15,169)	23,654
Net OPEB Obligation	-	5,967	5,967	5,592
Total Adjustments	150,000	175,771	25,771	224,002
Net Cash Provided by Operating Activities	$ 395,382	$ 382,154	$ (13,228)	$ 384,995
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		$ 14,519		$ 408,973

CARSON CITY
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2010

	AMBULANCE	CEMETERY	BUILDING PERMITS
ASSETS			
Current assets (unrestricted):			
Cash and investments	$ 195,772	$ 168,728	$ 141,502
Receivables:			
Accounts and contracts, net	1,612,695	-	-
Inventories	-	25,625	-
Prepaid items	45	-	-
Total Current Assets (Unrestricted)	1,808,512	194,353	141,502
Noncurrent assets:			
Capital assets:			
Land	-	293,449	-
Buildings	-	354,931	-
Improvements other than buildings	-	173,211	-
Machinery and equipment	602,831	100,902	80,639
	602,831	922,493	80,639
Less: Accumulated depreciation	(361,072)	(180,024)	(48,575)
Net Capital Assets	241,759	742,469	32,064
Total Assets	2,050,271	936,822	173,566
LIABILITIES:			
Current liabilities (payable from unrestricted assets):			
Accounts payable	33,966	2,808	611
Accrued salaries and benefits	75,586	4,937	10,285
Due to other governments	60	-	6,619
Unearned revenue	-	286,560	-
Current portion:			
Accrued compensated absences	79,184	-	-
Total Current Liabilities (Payable from Unrestricted Assets)	188,796	294,305	17,515
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	181,815	22,874	34,695
Net OPEB Obligation	254,788	14,085	54,799
Total Noncurrent Liabilities	436,603	36,959	89,494
Total Liabilities	625,399	331,264	107,009
NET ASSETS			
Invested in capital assets, net of related debt	241,759	742,469	32,064
Unrestricted	1,183,113	(136,911)	34,493
Total Net Assets	$ 1,424,872	$ 605,558	$ 66,557

TOTAL
$ 506,002
1,612,695
25,625
45
2,144,367
293,449
354,931
173,211
784,372
1,605,963
(589,671)
1,016,292
3,160,659
37,385
90,808
6,679
286,560
79,184
500,616
239,384
323,672
563,056
1,063,672
1,016,292
1,080,695
$ 2,096,987

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	AMBULANCE	CEMETERY
Operating Revenues:		
Charges for services	$ 3,584,675	$ 86,375
Operating Expenses:		
Salaries and wages	1,427,698	95,977
Employee benefits	954,344	41,478
Services and supplies	1,780,005	41,616
Depreciation	51,475	16,213
Total Operating Expenses	4,213,522	195,284
Operating Income (Loss)	(628,847)	(108,909)
Nonoperating Revenues (Expenses):		
Investment income	1,066	5,051
Miscellaneous	225,000	4,986
Gain (loss) on disposal of capital assets	(61,708)	(841)
Total Nonoperating Revenues (Expenses)	164,358	9,196
Income (Loss) Before Capital Contributions and Transfers	(464,489)	(99,713)
Transfers In	220,000	75,000
Change in Net Assets	(244,489)	(24,713)
Net Assets, July 1	1,669,361	630,271
Net Assets, June 30	$ 1,424,872	$ 605,558

BUILDING PERMITS	TOTAL
$ 422,320	$ 4,093,370
300,720	1,824,395
135,990	1,131,812
108,781	1,930,402
5,353	73,041
550,844	4,959,650
(128,524)	(866,280)
2,224	8,341
-	229,986
(20,678)	(83,227)
(18,454)	155,100
(146,978)	(711,180)
125,000	420,000
(21,978)	(291,180)
88,535	2,388,167
$ 66,557	$ 2,096,987

CARSON CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 1 OF 2)

	AMBULANCE	CEMETERY
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for services	$ 3,435,685	$ 95,180
Cash payments for personnel costs	(2,144,367)	(128,199)
Cash payments for services and supplies	(1,787,339)	(44,276)
Miscellaneous cash received	225,000	4,986
Net Cash Provided (Used) by Operating Activities	(271,021)	(72,309)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer from other funds	220,000	75,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(38,885)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	1,066	5,051
Net Increase (Decrease) in Cash and Cash Equivalents	(88,840)	7,742
Cash and Cash Equivalents, July 1	284,612	160,986
Cash and Cash Equivalents, June 30	$ 195,772	$ 168,728

BUILDING PERMITS	TOTAL
$ 422,320	$ 3,953,185
(423,163)	(2,695,729)
(102,617)	(1,934,232)
-	229,986
(103,460)	(446,790)
125,000	420,000
-	(38,885)
2,224	8,341
23,764	(57,334)
117,738	563,336
$ 141,502	$ 506,002

CARSON CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 2 OF 2)

	AMBULANCE	CEMETERY
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	$ (628,847)	$ (108,909)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization expense	51,475	16,213
Nonoperating revenues	225,000	4,986
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(148,990)	-
Inventories	-	(4,437)
Prepaid items	980	120
Increase (decrease) in:		
Accounts payable	(8,345)	1,657
Accrued salaries and benefits	6,818	1,237
Due to other governments	31	-
Unearned revenue	-	8,805
Accrued compensated absences	99,316	783
Net OPEB Obligation	131,541	7,236
Total Adjustments	357,826	36,600
Net Cash Provided (Used) by Operating Activities	$ (271,021)	$ (72,309)

BUILDING PERMITS	TOTAL
$ (128,524)	$ (866,280)
5,353	73,041
-	229,986
-	(148,990)
-	(4,437)
240	1,340
(695)	(7,383)
(6,458)	1,597
6,619	6,650
-	8,805
(8,322)	91,777
28,327	167,104
25,064	419,490
$ (103,460)	$ (446,790)

CARSON CITY
AMBULANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services	$ 3,920,993	$ 3,584,675	$ (336,318)	$ 3,633,447
Operating Expenses:				
Salaries and wages	1,338,255	1,427,698	(89,443)	1,254,996
Employee benefits	967,950	954,344	13,606	892,851
Services and supplies	1,939,899	1,780,005	159,894	2,413,565
Depreciation	100,000	51,475	48,525	86,621
Total Operating Expenses	4,346,104	4,213,522	132,582	4,648,033
Operating Income (Loss)	(425,111)	(628,847)	(203,736)	(1,014,586)
Nonoperating Revenues (Expenses):				
Investment income	1,000	1,066	66	1,627
Miscellaneous	1,000	225,000	224,000	346,072
Gain (loss) on disposal of capital assets	-	(61,708)	(61,708)	-
Total Nonoperating Revenues (Expenses)	2,000	164,358	162,358	347,699
Income (Loss) Before Transfers	(423,111)	(464,489)	(41,378)	(666,887)
Transfers in	100,000	220,000	120,000	100,000
Change in Net Assets	$ (323,111)	(244,489)	$ 78,622	(566,887)
Net Assets, July 1		1,669,361		2,236,248
Net Assets, June 30		$ 1,424,872		$ 1,669,361

CARSON CITY
AMBULANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 3,920,993	$ 3,435,685	$ (485,308)	$ 4,164,835
Cash payments for personnel costs	(2,306,205)	(2,144,367)	161,838	(1,994,588)
Cash payments for services and supplies	(1,939,899)	(1,787,339)	152,560	(2,481,384)
Miscellaneous cash received	1,000	225,000	224,000	346,072
Net Cash Provided (Used) by Operating Activities	(324,111)	(271,021)	53,090	34,935
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	100,000	220,000	120,000	100,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(38,885)	(38,885)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,000	1,066	66	1,627
Net Increase (Decrease) in Cash and Cash Equivalents	(223,111)	(88,840)	134,271	136,562
Cash and Cash Equivalents, July 1	284,612	284,612	-	148,050
Cash and Cash Equivalents, June 30	$ 61,501	$ 195,772	$ 134,271	$ 284,612
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	$ (425,111)	$ (628,847)	$ (203,736)	$ (1,014,586)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	100,000	51,475	(48,525)	86,621
Provision for uncollectible accounts	-	-	-	(2,691,841)
Nonoperating revenues	1,000	225,000	224,000	346,072
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(148,990)	(148,990)	3,223,147
Due from other governments	-	-	-	82
Prepaid items	-	980	980	134
Increase (decrease) in:				
Accounts payable	-	(8,345)	(8,345)	(67,982)
Accrued salaries and benefits	-	6,818	6,818	6,838
Due to other governments	-	31	31	29
Accrued compensated absences	-	99,316	99,316	23,174
Net OPEB Obligation	-	131,541	131,541	123,247
Total Adjustments	101,000	357,826	256,826	1,049,521
Net Cash Provided (Used) by Operating Activities	$ (324,111)	$ (271,021)	$ 53,090	$ 34,935
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		$ -		$ 24,000

CARSON CITY
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services	$ 111,100	$ 86,375	$ (24,725)	$ 83,677
Operating Expenses:				
Salaries and wages	94,346	95,977	(1,631)	74,867
Employee benefits	41,385	41,478	(93)	31,535
Services and supplies	48,810	41,616	7,194	44,113
Depreciation	30,000	16,213	13,787	16,212
Total Operating Expenses	214,541	195,284	19,257	166,727
Operating Loss	(103,441)	(108,909)	(5,468)	(83,050)
Nonoperating Revenues (Expenses):				
Investment income	3,500	5,051	1,551	4,944
Miscellaneous	1,500	4,986	3,486	1,790
Gain (loss) on disposal of capital assets	-	(841)	(841)	-
Total Nonoperating Revenues (Expenses)	5,000	9,196	4,196	6,734
Income (Loss) Before Transfers	(98,441)	(99,713)	(1,272)	(76,316)
Transfers in	75,000	75,000	-	75,000
Change in Net Assets	$ (23,441)	(24,713)	$ (1,272)	(1,316)
Net Assets, July 1		630,271		631,587
Net Assets, June 30		$ 605,558		$ 630,271

CARSON CITY
CEMETERY FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 111,100	$ 95,180	$ (15,920)	$ 88,977
Cash payments for personnel costs	(135,731)	(128,199)	7,532	(111,666)
Cash payments for services and supplies	(48,810)	(44,276)	4,534	(43,408)
Miscellaneous cash received	1,500	4,986	3,486	1,790
Net Cash Provided (Used) by Operating Activities	(71,941)	(72,309)	(368)	(64,307)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	75,000	75,000	-	75,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	3,500	5,051	1,551	4,944
Net Increase (Decrease) in Cash and Cash Equivalents	6,559	7,742	1,183	15,637
Cash and Cash Equivalents, July 1	160,986	160,986	-	145,349
Cash and Cash Equivalents, June 30	$ 167,545	$ 168,728	$ 1,183	$ 160,986
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating loss	$ (103,441)	$ (108,909)	$ (5,468)	$ (83,050)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation and amortization expense	30,000	16,213	(13,787)	16,212
Nonoperating revenues	1,500	4,986	3,486	1,790
Changes in assets and liabilities:				
(Increase) decrease in:				
Inventories	-	(4,437)	(4,437)	709
Prepaid items	-	120	120	(100)
Increase (decrease) in:				
Accounts payable	-	1,657	1,657	96
Accrued salaries and benefits	-	1,237	1,237	(55)
Unearned revenue	-	8,805	8,805	5,300
Accrued compensated absences	-	783	783	(12,058)
Net OPEB Obligation	-	7,236	7,236	6,849
Total Adjustments	31,500	36,600	5,100	18,743
Net Cash Provided (Used) by Operating Activities	$ (71,941)	$ (72,309)	$ (368)	$ (64,307)

CARSON CITY
BUILDING PERMITS FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services				
User fees and charges	$ 856,000	$ 422,320	$ (433,680)	$ 799,889
Operating Expenses:				
Salaries and wages	390,247	300,720	89,527	492,813
Employee benefits	139,726	135,990	3,736	203,131
Services and supplies	126,680	108,781	17,899	239,474
Depreciation	20,000	5,353	14,647	8,861
Total Operating Expenses	676,653	550,844	125,809	944,279
Operating Income (Loss)	179,347	(128,524)	(307,871)	(144,390)
Nonoperating Revenues (Expenses):				
Investment income	5,000	2,224	(2,776)	2,353
Miscellaneous	-	-	-	1,000
Gain (loss) on disposal of capital assets	-	(20,678)	(20,678)	-
Total Nonoperating Revenues (Expenses)	5,000	(18,454)	(23,454)	3,353
Income (Loss) Before Transfers	184,347	(146,978)	(331,325)	(141,037)
Transfers In	-	125,000	125,000	120,000
Change in Net Assets	$ 184,347	(21,978)	$ (206,325)	(21,037)
Net Assets, July 1		88,535		109,572
Net Assets, June 30		$ 66,557		$ 88,535

CARSON CITY
BUILDING PERMITS FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 856,000	$ 422,320	$ (433,680)	$ 799,889
Cash payments for personnel costs	(529,973)	(423,163)	106,810	(680,412)
Cash payments for services and supplies	(126,680)	(102,617)	24,063	(246,940)
Miscellaneous Cash Received	-	-	-	1,000
Net Cash Provided (Used) by Operating Activities	199,347	(103,460)	(302,807)	(126,463)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	125,000	125,000	120,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	-	(6,620)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	5,000	2,224	(2,776)	2,353
Net Increase (Decrease) in Cash and Cash Equivalents	204,347	23,764	(180,583)	(10,730)
Cash and Cash Equivalents, July 1	117,738	117,738	-	128,468
Cash and Cash Equivalents, June 30	$ 322,085	$ 141,502	$ (180,583)	$ 117,738
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	$ 179,347	$ (128,524)	$ (307,871)	$ (144,390)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	20,000	5,353	(14,647)	8,861
Nonoperating revenues	-	-	-	1,000
Changes in assets and liabilities:				
(Increase) decrease in:				
Prepaid items	-	240	240	(21)
Increase (decrease) in:				
Accounts payable	-	(695)	(695)	(1,184)
Accrued salaries and benefits	-	(6,458)	(6,458)	(3,580)
Due to other governments	-	6,619	6,619	(6,261)
Accrued compensated absences	-	(8,322)	(8,322)	(7,360)
Net OPEB Obligation	-	28,327	28,327	26,472
Total Adjustments	20,000	25,064	5,064	17,927
Net Cash Provided (Used) by Operating Activities	$ 199,347	$ (103,460)	$ (302,807)	$ (126,463)

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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, 2010

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE
ASSETS			
Current assets:			
Cash and investments	$ 477,273	$ 2,719,811	$ 794,911
Receivables:			
Accounts and contracts, net	217,743	47,531	18,950
Inventories	-	-	-
Total Current Assets	695,016	2,767,342	813,861
Noncurrent assets:			
Other assets	-	-	-
Capital assets:			
Machinery and equipment	-	65,790	40,966
Less: Accumulated depreciation	-	(6,579)	(18,844)
Net Capital Assets	-	59,211	22,122
Total Noncurrent Assets	-	59,211	22,122
Total Assets	695,016	2,826,553	835,983
LIABILITIES			
Current liabilities:			
Accounts payable	482	332,805	26,899
Accrued salaries and benefits	11,099	5,118	4,228
Accrued interest	-	-	-
Due to other governments	-	-	28,219
Other current liabilities	-	313,769	195,011
Current portion:			
Accrued compensated absences	-	-	-
General obligation bonds and notes payable	-	-	-
Total Current Liabilities	11,581	651,692	254,357
Noncurrent liabilities:			
Accrued compensated absences	30,282	11,021	7,624
Net OPEB obligation	6,994	-	-
Other liabilities	-	-	73,478
General obligation bonds and notes payable	-	-	-
Total Noncurrent Liabilities	37,276	11,021	81,102
Total Liabilities	48,857	662,713	335,459
NET ASSETS			
Invested in capital assets, net of related debt	-	59,211	22,122
Unrestricted	646,159	2,104,629	478,402
Total Net Assets	$ 646,159	$ 2,163,840	$ 500,524

FLEET MANAGEMENT	TOTAL
$ 782,451	$ 4,774,446
-	284,224
90,290	90,290
872,741	5,148,960
4,951	4,951
524,488	631,244
(1,100)	(26,523)
523,388	604,721
528,339	609,672
1,401,080	5,758,632
137,354	497,540
14,677	35,122
3,116	3,116
-	28,219
-	508,780
16,556	16,556
149,000	149,000
320,703	1,238,333
39,574	88,501
47,508	54,502
-	73,478
230,000	230,000
317,082	446,481
637,785	1,684,814
144,388	225,721
618,907	3,848,097
$ 763,295	$ 4,073,818

CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE
Operating Revenues:			
Charges for services	$ 7,274,314	$ 1,818,156	$ 1,087,735
Operating Expenses:			
Salaries and wages	192,971	75,983	57,608
Employee benefits	65,276	25,290	19,974
Services and supplies	7,302,204	1,536,042	1,411,270
Depreciation	-	6,579	1,555
Total Operating Expenses	7,560,451	1,643,894	1,490,407
Operating Income (Loss)	(286,137)	174,262	(402,672)
Nonoperating Revenues (Expenses):			
Investment income	20,065	80,417	25,767
Miscellaneous	695	52,381	21,108
Interest expense	-	-	-
Gain (loss) on disposal of capital assets	-	-	-
Bond issuance costs	-	-	-
Total Nonoperating Revenues (Expenses)	20,760	132,798	46,875
Income (Loss) Before Transfers	(265,377)	307,060	(355,797)
Transfers Out	(750,000)	-	(500,000)
Change in Net Assets	(1,015,377)	307,060	(855,797)
Net Assets, July 1	1,661,536	1,856,780	1,356,321
Net Assets, June 30	$ 646,159	$ 2,163,840	$ 500,524

FLEET MANAGEMENT	TOTAL
$ 1,134,738	$ 11,314,943
376,259	702,821
154,485	265,025
462,955	10,712,471
550	8,684
994,249	11,689,001
140,489	(374,058)
26,100	152,349
5,721	79,905
(8,479)	(8,479)
43,426	43,426
(1,962)	(1,962)
64,806	265,239
205,295	(108,819)
(500,000)	(1,750,000)
(294,705)	(1,858,819)
1,058,000	5,932,637
$ 763,295	$ 4,073,818

CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for services	$ 7,283,654	$ 1,842,254	$ 1,086,036
Cash payments for personnel costs	(246,387)	(91,226)	(70,533)
Cash payments for services and supplies	(7,299,998)	(1,616,203)	(815,762)
Miscellaneous cash received	695	52,381	21,108
Net Cash Provided (Used) by Operating Activities	(262,036)	187,206	220,849
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer to other funds	(750,000)	-	(500,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital debt	-	-	-
Proceeds from sales of assets	-	-	-
Acquisition of capital assets	-	-	(8,128)
Principal paid on capital debt	-	-	-
Interest paid on capital debt	-	-	-
Bond issuance costs	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(8,128)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	20,065	80,417	25,767
Net Increase (Decrease) in Cash and Cash Equivalents	(991,971)	267,623	(261,512)
Cash and Cash Equivalents, July 1	1,469,244	2,452,188	1,056,423
Cash and Cash Equivalents, June 30	$ 477,273	$ 2,719,811	$ 794,911
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	$ (286,137)	$ 174,262	$ (402,672)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization expense	-	6,579	1,555
Nonoperating revenues	695	52,381	21,108
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(21,511)	24,098	(1,699)
Due from other governments	30,851	-	-
Inventories	-	-	-
Prepaid items	3,167	240	584,625
Increase (decrease) in:			
Accounts payable	(961)	(24,202)	17,582
Accrued salaries and benefits	1,702	1,833	1,613
Due to other governments	-	-	1,590
Accrued compensated absences	6,567	8,214	5,436
Net OPEB obligation	3,591	-	-
Other liabilities	-	(56,199)	(8,289)
Total Adjustments	24,101	12,944	623,521
Net Cash Provided (Used) by Operating Activities	$ (262,036)	$ 187,206	$ 220,849

FLEET MANAGEMENT	TOTAL
$ 1,134,738	$ 11,346,682
(522,426)	(930,572)
33,862	(9,698,101)
5,721	79,905
651,895	797,914
(500,000)	(1,750,000)
452,000	452,000
43,426	43,426
(518,986)	(527,114)
(73,000)	(73,000)
(5,421)	(5,421)
(6,855)	(6,855)
(108,836)	(116,964)
26,100	152,349
69,159	(916,701)
713,292	5,691,147
$ 782,451	$ 4,774,446
$ 140,489	$ (374,058)
550	8,684
5,721	79,905
-	888
-	30,851
(2,126)	(2,126)
442,171	1,030,203
56,772	49,191
(725)	4,423
-	1,590
(15,419)	4,798
24,462	28,053
-	(64,488)
511,406	1,171,972
$ 651,895	$ 797,914

CARSON CITY
GROUP MEDICAL INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Employee contributions	$ 1,573,595	$ 1,553,862	$ (19,733)	$ 1,413,913
Employer contributions	5,688,535	5,720,452	31,917	5,415,634
Total Operating Revenues	7,262,130	7,274,314	12,184	6,829,547
Operating Expenses:				
Salaries and wages	178,456	192,971	(14,515)	151,795
Employee benefits	60,009	65,276	(5,267)	51,580
Services and supplies	7,461,595	7,302,204	159,391	6,792,981
Total Operating Expenses	7,700,060	7,560,451	139,609	6,996,356
Operating Income (Loss)	(437,930)	(286,137)	151,793	(166,809)
Nonoperating Revenues (Expenses):				
Investment income	50,000	20,065	(29,935)	60,351
Miscellaneous	-	695	695	4,193
Total Nonoperating Revenues (Expenses)	50,000	20,760	(29,240)	64,544
Income (Loss) Before Transfers	(387,930)	(265,377)	122,553	(102,265)
Transfers out	(750,000)	(750,000)	-	-
Change in Net Assets	$ (1,137,930)	(1,015,377)	$ 122,553	(102,265)
Net Assets, July 1		1,661,536		1,763,801
Net Assets, June 30		$ 646,159		$ 1,661,536

CARSON CITY
GROUP MEDICAL INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 7,262,130	$ 7,283,654	$ 21,524	$ 6,820,606
Cash payments for personnel costs	(238,465)	(246,387)	(7,922)	(191,866)
Cash payments for services and supplies	(7,461,595)	(7,299,998)	161,597	(6,878,433)
Miscellaneous cash received	-	695	695	4,193
Net Cash Provided (Used) by Operating Activities	(437,930)	(262,036)	175,894	(245,500)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	(750,000)	(750,000)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	50,000	20,065	(29,935)	60,351
Net Increase (Decrease) in Cash and Cash Equivalents	(1,137,930)	(991,971)	145,959	(185,149)
Cash and Cash Equivalents, July 1	1,469,244	1,469,244	-	1,654,393
Cash and Cash Equivalents, June 30	$ 331,314	$ 477,273	$ 145,959	$ 1,469,244
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	$ (437,930)	$ (286,137)	$ 151,793	$ (166,809)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Nonoperating revenues	-	695	695	4,193
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(21,511)	(21,511)	23,120
Due from other governments	-	30,851	30,851	(30,851)
Prepaid items	-	3,167	3,167	(3,127)
Increase (decrease) in:				
Accounts payable	-	(961)	(961)	(54,747)
Unearned revenue	-	-	-	(1,210)
Accrued salaries and benefits	-	1,702	1,702	5,508
Due to other governments	-	-	-	(27,578)
Accrued compensated absences	-	6,567	6,567	2,598
Net OPEB obligation	-	3,591	3,591	3,403
Total Adjustments	-	24,101	24,101	(78,691)
Net Cash Provided (Used) by Operating Activities	$ (437,930)	$ (262,036)	$ 175,894	$ (245,500)

CARSON CITY
WORKERS' COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services:				
Employer contributions	$ 1,618,007	$ 1,818,156	$ 200,149	$ 1,669,909
Operating Expenses:				
Salaries and wages	62,528	75,983	(13,455)	56,074
Employee benefits	25,323	25,290	33	17,121
Services and supplies	1,783,495	1,536,042	247,453	1,660,321
Depreciation	-	6,579	(6,579)	-
Total Operating Expenses	1,871,346	1,643,894	227,452	1,733,516
Operating Income (Loss)	(253,339)	174,262	427,601	(63,607)
Nonoperating Revenues (Expenses):				
Investment income	70,000	80,417	10,417	87,835
Miscellaneous	140,000	52,381	(87,619)	129,385
Total Nonoperating Revenues (Expenses)	210,000	132,798	(77,202)	217,220
Change in Net Assets	$ (43,339)	307,060	$ 350,399	153,613
Net Assets, July 1		1,856,780		1,703,167
Net Assets, June 30		$ 2,163,840		$ 1,856,780

CARSON CITY
WORKERS' COMPENSATION FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 1,618,007	$ 1,842,254	$ 224,247	$ 1,664,792
Cash payments for personnel costs	(87,851)	(91,226)	(3,375)	(67,199)
Cash payments for services and supplies	(1,783,495)	(1,616,203)	167,292	(1,657,471)
Miscellaneous cash received	140,000	52,381	(87,619)	129,385
Net Cash Provided (Used) by Operating Activities	(113,339)	187,206	300,545	69,507
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	-	(65,790)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	70,000	80,417	10,417	87,835
Net Increase (Decrease) in Cash and Cash Equivalents	(43,339)	267,623	310,962	91,552
Cash and Cash Equivalents, July 1	2,452,188	2,452,188	-	2,360,636
Cash and Cash Equivalents, June 30	$ 2,408,849	$ 2,719,811	$ 310,962	$ 2,452,188
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	$ (253,339)	$ 174,262	$ 427,601	$ (63,607)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	6,579	6,579	-
Nonoperating revenues	140,000	52,381	(87,619)	129,385
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	24,098	24,098	(5,117)
Prepaid items	-	240	240	(200)
Increase (decrease) in:				
Accounts payable	-	(24,202)	(24,202)	23,101
Accrued salaries and benefits	-	1,833	1,833	3,189
Accrued compensated absences	-	8,214	8,214	(20,051)
Other liabilities	-	(56,199)	(56,199)	2,807
Total Adjustments	140,000	12,944	(127,056)	133,114
Net Cash Provided (Used) by Operating Activities	$ (113,339)	$ 187,206	$ 300,545	$ 69,507

CARSON CITY
INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services:				
Administrative fees	$ 1,088,000	$ 1,087,735	$ (265)	$ 1,102,828
Operating Expenses:				
Salaries and wages	50,175	57,608	(7,433)	41,304
Employee benefits	21,069	19,974	1,095	13,488
Services and supplies	1,427,225	1,411,270	15,955	917,342
Depreciation	5,000	1,555	3,445	1,569
Total Operating Expenses	1,503,469	1,490,407	13,062	973,703
Operating Income (Loss)	(415,469)	(402,672)	12,797	129,125
Nonoperating Revenues (Expenses):				
Investment income	40,000	25,767	(14,233)	53,247
Miscellaneous	20,000	21,108	1,108	21,335
Total Nonoperating Revenues (Expenses)	60,000	46,875	(13,125)	74,582
Income (Loss) Before Transfers	(355,469)	(355,797)	(328)	203,707
Transfers out	(500,000)	(500,000)	-	-
Change in Net Assets	$ (855,469)	(855,797)	$ (328)	203,707
Net Assets, July 1		1,356,321		1,152,614
Net Assets, June 30		$ 500,524		$ 1,356,321

CARSON CITY
INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 1,088,000	$ 1,086,036	$ (1,964)	$ 1,103,008
Cash payments for personnel costs	(71,244)	(70,533)	711	(49,989)
Cash payments for services and supplies	(1,427,225)	(815,762)	611,463	(888,685)
Miscellaneous cash received	20,000	21,108	1,108	21,335
Net Cash Provided (Used) by Operating Activities	(390,469)	220,849	611,318	185,669
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	(500,000)	(500,000)	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(8,128)	(8,128)	(15,549)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	40,000	25,767	(14,233)	53,247
Net Increase (Decrease) in Cash and Cash Equivalents	(850,469)	(261,512)	588,957	223,367
Cash and Cash Equivalents, July 1	1,056,423	1,056,423	-	833,056
Cash and Cash Equivalents, June 30	$ 205,954	$ 794,911	$ 588,957	$ 1,056,423
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	$ (415,469)	$ (402,672)	$ 12,797	$ 129,125
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	5,000	1,555	(3,445)	1,569
Nonoperating revenues	20,000	21,108	1,108	21,335
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(1,699)	(1,699)	180
Prepaid items	-	584,625	584,625	(9,844)
Increase (decrease) in:				
Accounts payable	-	17,582	17,582	2,348
Accrued salaries and benefits	-	1,613	1,613	2,615
Due to other governments	-	1,590	1,590	20,879
Accrued compensated absences	-	5,436	5,436	2,188
Other liabilities	-	(8,289)	(8,289)	15,274
Total Adjustments	25,000	623,521	598,521	56,544
Net Cash Provided (Used) by Operating Activities	$ (390,469)	$ 220,849	$ 611,318	$ 185,669

CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
Operating Revenues:				
Charges for services:				
Administrative Fees	$ 1,180,000	$ 1,134,738	$ (45,262)	$ 1,147,025
Operating Expenses:				
Salaries and wages	403,494	376,259	27,235	362,220
Employee benefits	154,647	154,485	162	135,482
Services and supplies	669,412	462,955	206,457	471,668
Depreciation	-	550	(550)	550
Total Operating Expenses	1,227,553	994,249	233,304	969,920
Operating Income (Loss)	(47,553)	140,489	188,042	177,105
Nonoperating Revenues (Expenses):				
Investment income	40,000	26,100	(13,900)	38,720
Miscellaneous	-	5,721	5,721	-
Interest expense	(11,500)	(8,479)	3,021	-
Gain (loss) on disposal of capital assets	43,426	43,426	-	22,150
Bond issuance costs	-	(1,962)	(1,962)	-
Total Nonoperating Revenues (Expenses)	71,926	64,806	(7,120)	60,870
Income (Loss) Before Transfers	24,373	205,295	180,922	237,975
Transfers out	(500,000)	(500,000)	-	-
Change in Net Assets	$ (475,627)	(294,705)	$ 180,922	237,975
Net Assets, July 1		1,058,000		820,025
Net Assets, June 30		$ 763,295		$ 1,058,000

CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009)

	FINAL BUDGET	ACTUAL	VARIANCE	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	$ 1,180,000	$ 1,134,738	$ (45,262)	$ 1,147,974
Cash payments for personnel costs	(558,141)	(522,426)	35,715	(523,286)
Cash payments for services and supplies	(669,412)	33,862	703,274	(947,352)
Miscellaneous cash received	-	5,721	5,721	-
Net Cash Provided (Used) by Operating Activities	(47,553)	651,895	699,448	(322,664)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	(500,000)	(500,000)	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	452,000	452,000	-	-
Proceeds from sales of assets	43,426	43,426	-	22,150
Acquisition of capital assets	(524,000)	(518,986)	5,014	-
Principal paid on capital debt	(73,000)	(73,000)	-	-
Interest paid on capital debt	(11,500)	(5,421)	6,079	-
Bond issuance costs	-	(6,855)	(6,855)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(113,074)	(108,836)	4,238	22,150
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	40,000	26,100	(13,900)	38,720
Net Increase (Decrease) in Cash and Cash Equivalents	(620,627)	69,159	689,786	(261,794)
Cash and Cash Equivalents, July 1	713,292	713,292	-	975,086
Cash and Cash Equivalents, June 30	$ 92,665	$ 782,451	$ 689,786	$ 713,292
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	$ (47,553)	$ 140,489	$ 188,042	$ 177,105
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	550	550	550
Nonoperating revenues	-	5,721	5,721	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	-	-	949
Due from other governments	-	-	-	-
Inventories	-	(2,126)	(2,126)	(12,842)
Prepaid items	-	442,171	442,171	(441,888)
Increase (decrease) in:				
Accounts payable	-	56,772	56,772	(20,954)
Accrued salaries and benefits	-	(725)	(725)	(14,861)
Accrued compensated absences	-	(15,419)	(15,419)	(33,769)
Net OPEB obligation	-	24,462	24,462	23,046
Total Adjustments	-	511,406	511,406	(499,769)
Net Cash Provided (Used) by Operating Activities	$ (47,553)	$ 651,895	$ 699,448	$ (322,664)

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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.

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

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 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.

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 1 OF 3)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
SIERRA FOREST FIRE PROTECTION FUND				
Assets:				
Cash and investments	$ 322,381	$ 337,312	$ 370,219	$ 289,474
Taxes receivable, delinquent	1,167	582	441	1,308
Due from other governments	43,337	58,305	62,125	39,517
Total Assets	$ 366,885	$ 396,199	$ 432,785	$ 330,299
Liabilities:				
Accounts payable	$ 96	$ 370,095	$ 370,072	$ 119
Due to other governments	366,789	353,630	390,239	330,180
Total Liabilities	$ 366,885	$ 723,725	$ 760,311	$ 330,299
EAGLE VALLEY WATER DISTRICT FUND				
Assets:				
Cash and investments	$ 242	$ 11,824	$ 11,767	$ 299
Taxes receivable, delinquent	226	91	43	274
Total Assets	$ 468	$ 11,915	$ 11,810	$ 573
Liabilities:				
Accounts payable	$ -	$ 2	$ 2	$ -
Due to other governments	468	12,574	12,469	573
Total Liabilities	$ 468	$ 12,576	$ 12,471	$ 573
SUB-CONSERVANCY DISTRICT FUND				
Assets:				
Cash and investments	$ 1,312	$ 785,575	$ 785,191	$ 1,696
Taxes receivable, delinquent	7,920	3,693	1,467	10,146
Due from other governments	11,427	24,423	23,639	12,211
Total Assets	$ 20,659	$ 813,691	$ 810,297	$ 24,053
Liabilities:				
Accounts payable	$ -	$ 426,654	$ 426,654	$ -
Due to other governments	9,232	809,063	806,453	11,842
Other liabilities	11,427	12,211	11,427	12,211
Total Liabilities	$ 20,659	$ 1,247,928	$ 1,244,534	$ 24,053

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 2 OF 3)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
FISH AND GAME FUND				
Assets:				
Cash and investments	$ 2,063	$ 3,033	$ 2,730	$ 2,366
Liabilities:				
Accounts payable	$ 410	$ 2,827	$ 2,730	$ 507
Due to other governments	1,653	3,033	2,827	1,859
Total Liabilities	$ 2,063	$ 5,860	$ 5,557	$ 2,366
CONTROLLER TRUST FUND				
Assets:				
Cash and investments	$ 43,224	$ 15,914	$ 32,400	$ 26,738
Liabilities:				
Accounts payable	$ -	$ 32,400	$ 32,400	$ -
Due to other governments	43,224	15,914	32,400	26,738
Total Liabilities	$ 43,224	$ 48,314	$ 64,800	$ 26,738
STATE OF NEVADA FUND				
Assets:				
Cash and investments	$ 327,571	$ 3,819,197	$ 3,779,310	$ 367,458
Taxes receivable, delinquent	44,917	21,269	8,351	57,835
Total Assets	$ 372,488	$ 3,840,466	$ 3,787,661	$ 425,293
Liabilities:				
Accounts payable	$ -	$ 738	$ 738	$ -
Due to other governments	372,488	4,567,202	4,514,397	425,293
Total Liabilities	$ 372,488	$ 4,567,940	$ 4,515,135	$ 425,293
NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V & T RAILWAY FUND				
Assets:				
Cash and investments				
Unrestricted	$ 2,502,941	$ 3,656,975	$ 4,728,999	$ 1,430,917
Restricted	50,000	-	-	50,000
Cash held by Commission	5,054	3	-	5,057
Due from other governments	1,178,503	45,456	1,190,975	32,984
Prepaid items	9,524	450	9,524	450
Total Assets	$ 3,746,022	$ 3,702,884	$ 5,929,498	$ 1,519,408
Liabilities:				
Accounts payable	$ 1,156,623	$ 3,416,635	$ 4,500,142	$ 73,116
Due to other governments	2,589,399	4,483,600	5,626,707	1,446,292
Total Liabilities	$ 3,746,022	$ 7,900,235	$ 10,126,849	$ 1,519,408

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 3 OF 3)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
CARSON CITY SCHOOL DISTRICT DEBT SERVICE FUND				
Assets:				
Taxes receivable, delinquent	$ 124,210	$ 58,095	$ 23,076	$ 159,229
Liabilities:				
Accounts payable	$ 250	$ 1,961	$ 1,961	$ 250
Due to other governments	123,960	7,502,159	7,467,140	158,979
Total Liabilities	$ 124,210	$ 7,504,120	$ 7,469,101	$ 159,229
CARSON CITY SCHOOL DISTRICT OPERATING FUND				
Assets:				
Cash and investments	$ 20,311	$ 10,720,547	$ 10,710,856	$ 30,002
Taxes receivable, delinquent	198,217	92,718	36,824	254,111
Due from other governments	-	6		6
Total Assets	$ 218,528	$ 10,813,271	$ 10,747,680	$ 284,119
Liabilities:				
Accounts payable	$ -	$ 1,533	$ 1,533	$ -
Due to other governments	218,528	10,975,321	10,909,730	284,119
Total Liabilities	$ 218,528	$ 10,976,854	$ 10,911,263	$ 284,119
FORFEITURE ACCOUNT FUND				
Assets:				
Cash and investments	$ 56,830	$ 6,273	$ 24,702	$ 38,401
Liabilities:				
Due to other governments	$ 56,830	$ 30,765	$ 49,194	$ 38,401
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and investments				
Unrestricted	$ 3,276,875	$ 19,356,650	$ 20,446,174	$ 2,187,351
Restricted	50,000	-	-	50,000
Cash held by Commission	5,054	3	-	5,057
Taxes receivable, delinquent	376,657	176,448	70,202	482,903
Due from other governments	1,233,267	128,190	1,276,739	84,718
Prepaid items	9,524	450	9,524	450
Total Assets	$ 4,951,377	$ 19,661,741	$ 21,802,639	$ 2,810,479
Liabilities:				
Accounts payable	$ 1,157,379	$ 4,252,845	$ 5,336,232	$ 73,992
Due to other governments	3,782,571	28,753,261	29,811,556	2,724,276
Other liabilities	11,427	12,211	11,427	12,211
Total Liabilities	$ 4,951,377	$ 33,018,317	$ 35,159,215	$ 2,810,479

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STATISTICAL SECTION

CITY OF CARSON CITY, NEVADA
STATISTICAL SECTION
(UNAUDITED)

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.

Section Contents	Schedule #
Financial Trends	**1.1 - 1.4**
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
Revenue Capacity	**2.1 - 2.4**
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	
Debt Capacity	**3.1 - 3.4**
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.	
Demographic and Economic Information	**4.1 - 4.2**
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.	
Operating Information	**5.1 - 5.3**
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.	

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 EIGHT FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,							
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**
GOVERNMENTAL ACTIVITIES								
Invested in capital assets, net of related debt	$ 172,327,528	$ 142,099,041	$ 131,338,112	$ 120,602,072	$ 65,849,092	$ 69,600,063	$ 63,816,236	$ 60,351,746
Restricted	20,115,371	18,759,556	23,302,315	29,389,902	24,871,291	16,085,638	14,316,416	15,261,474
Unrestricted	(14,549,896)	(4,678,327)	2,417,112	(1,728,608)	(3,390,070)	15,697,202	14,233,204	15,440,977
Total Governmental Activities Net Assets	$ 177,893,003	$ 156,180,270	$ 157,057,539	$ 148,263,366	$ 87,330,313	$ 101,382,903	$ 92,365,856	$ 91,054,197
BUSINESS-TYPE ACTIVITIES								
Invested in capital assets, net of related debt	$ 90,457,625	$ 89,403,212	$ 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	6,235,987	11,002,971	14,666,940	16,169,206	16,340,435	17,913,131	16,797,849	16,176,689
Total Business-Type Activities Net Assets	$ 96,693,612	$ 100,406,183	$ 102,319,843	$ 103,035,162	97,068,458	$ 92,330,531	$ 90,257,907	$ 90,053,973
PRIMARY GOVERNMENT								
Invested in capital assets, net of related debt	$ 262,785,153	$ 231,502,253	$ 218,991,015	$ 204,725,932	$ 143,978,980	$ 141,472,100	$ 134,793,422	$ 131,747,163
Restricted	20,115,371	18,759,556	23,302,315	32,131,998	27,469,426	18,631,001	16,799,288	17,743,341
Unrestricted	(8,313,909)	6,324,644	17,084,052	14,440,598	12,950,365	33,610,333	31,031,053	31,617,666
Total Primary Government Net Assets	$ 274,586,615	$ 256,586,453	$ 259,377,382	$ 251,298,528	184,398,771	$ 193,713,434	$ 182,623,763	$ 181,108,170

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.

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

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

	FISCAL YEAR			
	2010	**2009**	**2008**	**2007**
EXPENSES				
Governmental Activities:				
General government	$ 13,128,842	$ 13,919,789	$ 13,042,589	$ 13,329,480
Public safety	30,765,050	28,995,649	27,388,924	26,333,209
Judicial	5,301,887	5,065,113	4,526,334	3,656,007
Public works	9,660,646	8,200,517	10,017,131	7,205,824
Sanitation	1,805,049	1,753,575	1,972,849	-
Health	4,570,746	3,563,272	2,781,546	2,736,463
Welfare	2,373,611	2,143,404	2,008,154	2,074,309
Culture and recreation	9,686,659	8,995,601	9,056,223	8,897,085
Community support	3,922,076	2,626,657	991,673	552,307
Airport	257,969	51,505	124,386	348,318
Economic Opportunity	4,705,495	2,255,148	560,255	485,422
Interest on long-term debt	4,247,956	3,947,951	3,721,332	3,844,651
Total Governmental Activities Expenses	90,425,986	81,518,181	76,191,396	69,463,075
Business-type Activities:				
Landfill	-	-	-	2,057,836
Sewer	8,568,534	8,827,557	8,196,029	7,751,960
Water	11,345,020	10,423,075	9,996,906	9,143,663
Stormwater Drainage	1,198,016	1,115,129	880,387	860,866
Ambulance	4,288,925	4,657,637	3,444,369	3,314,417
Cemetery	192,330	162,706	206,709	201,439
Building Permits	580,576	945,159	1,581,943	1,724,380
Total Business-type Activities Expenses	26,173,401	26,131,263	24,306,343	25,054,561
Total Primary Government Expenses	$ 116,599,387	$ 107,649,444	$ 100,497,739	$ 94,517,636
PROGRAM REVENUES				
Governmental Activities:				
Charges for services:				
General government	$ 2,918,651	$ 3,351,544	$ 3,486,025	$ 2,927,954
Public safety	1,188,443	1,076,716	832,339	869,747
Judicial	1,856,416	1,906,511	1,811,532	1,532,800
Public works	130,186	135,246	246,581	351,854
Sanitation	2,808,933	3,068,057	4,902,844	-
Health	391,320	388,737	323,538	196,846
Welfare	2,502	-	-	-
Culture and recreation	1,272,141	1,279,607	1,283,107	1,315,279
Community support	381	-	1,825	-
Economic opportunity	-	-	-	-
Operating grants, interest, and contributions	13,387,728	6,777,205	5,088,124	6,129,717
Capital grants, interest, and contributions	25,254,636	6,622,668	2,819,030	14,492,662
Total Governmental Activities Program Revenues	49,211,337	24,606,291	20,794,945	27,816,859
Business-type Activities:				
Charges for services:				
Landfill	-	-	-	3,795,200
Sewer	6,221,191	6,070,923	5,078,660	5,084,414
Water	9,213,231	9,366,534	9,023,248	7,593,208
Stormwater Drainage	1,172,877	1,070,093	1,017,917	1,007,484
Ambulance	3,809,675	3,979,519	4,036,969	3,373,632
Cemetery	91,161	85,437	115,220	150,912
Building Permits	422,320	800,889	1,273,027	1,487,738
Operating grants, interest, and contributions	200	30	-	-
Capital grants, interest, and contributions	890,780	2,009,015	4,987,392	6,462,247
Total Business-type Activities Program Revenues	21,821,435	23,382,440	25,532,433	28,954,835
Total Primary Government Program Revenues	$ 71,032,772	$ 47,988,731	$ 46,327,378	$ 56,771,694
NET (EXPENSE) / REVENUE				
Governmental activities	$ (41,214,649)	$ (56,911,890)	$ (55,396,451)	$ (41,646,216)
Business-type activities	(4,351,966)	(2,748,823)	1,226,090	3,900,274
Total Primary Government Net (Expense) / Revenue	$ (45,566,615)	$ (59,660,713)	$ (54,170,361)	$ (37,745,942)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS				
Governmental Activities:				
Taxes:				
Property taxes	$ 20,555,087	$ 19,362,180	$ 17,542,259	$ 16,538,908
Sales taxes	4,172,071	4,721,317	5,669,448	6,097,893
Consolidated tax	17,477,368	19,969,586	23,442,872	25,944,779
Franchise taxes	5,531,976	5,623,238	5,371,215	4,619,984
Other taxes	136,856	194,508	3,911,193	4,262,092
Motor vehicle fuel tax	4,992,322	4,182,742	1,330,616	1,373,902
Grants and contributions not restricted to specific programs	-	-	3,312	687
Unrestricted investment income	1,132,477	2,059,082	3,614,317	3,530,584
Gain on sale of capital assets	-	-	-	-
Miscellaneous revenue	183,639	218,370	305,300	246,304
Transfers	(398,481)	(296,402)	3,000,092	(746,617)
Total Governmental Activities	53,783,315	56,034,621	64,190,624	61,868,516
Business-type Activities:				
Unrestricted investment income	240,914	538,761	1,058,683	1,319,813
Transfers	398,481	296,402	(3,000,092)	746,617
Total Business-type Activities	639,395	835,163	(1,941,409)	2,066,430
Total Primary Government Activities	54,422,710	$ 56,869,784	$ 62,249,215	$ 63,934,946
CHANGE IN NET ASSETS				
Governmental activities	$ 12,568,666	$ (877,269)	$ 8,794,173	$ 20,222,300
Business-type activities	(3,712,571)	(1,913,660)	(715,319)	5,966,704
Total Primary Government Change in Net Assets	$ 8,856,095	$ (2,790,929)	$ 8,078,854	$ 26,189,004

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.

ENDED JUNE 30,

2006	2005	2004	2003
$ 15,920,465	$ 11,732,939	$ 10,368,245	$ 9,567,850
25,401,443	25,320,788	21,632,395	20,467,651
3,505,076	3,158,460	2,826,724	2,792,776
7,205,695	7,462,191	7,389,511	7,575,408
-	-	-	-
1,808,078	1,320,958	1,040,547	987,750
2,038,709	1,915,957	1,482,239	1,776,505
8,885,644	8,184,715	7,368,395	6,998,621
15,427,942	1,476,257	5,805,226	1,206,737
85,514	126,043	270,425	59,382
4,466,036	520,190	243,268	274,626
3,078,771	2,126,197	1,486,850	1,827,665
87,823,373	63,344,695	59,913,825	53,534,971
1,889,185	1,058,363	1,534,489	1,373,244
7,592,212	7,164,159	7,044,425	6,533,017
8,228,357	7,670,393	7,385,857	6,978,156
745,178	286,562	21,170	-
3,159,589	2,599,930	2,635,082	2,439,285
214,107	199,167	193,136	193,882
1,629,333	1,476,259	1,419,040	1,388,170
23,457,961	20,454,833	20,233,199	18,905,754
$ 111,281,334	$ 83,799,528	$ 80,147,024	$ 72,440,725
$ 3,248,476	$ 3,025,997	$ 2,803,199	$ 2,541,631
786,504	953,268	655,685	637,379
1,615,910	1,420,357	1,273,887	1,082,356
121,845	127,930	176,431	349,418
-	-	-	-
148,971	99,467	110,343	111,923
-	-	-	-
1,323,132	1,368,658	1,267,487	1,275,047
5,038	-	-	-
-	-	11	-
8,678,963	6,003,596	3,351,158	2,177,667
51,789	2,211,437	568,537	4,241,309
15,980,628	15,210,710	10,206,738	12,416,730
2,650,501	2,101,413	1,646,918	$ 1,608,821
4,947,911	5,038,171	5,095,325	4,566,757
6,533,885	5,696,364	6,098,002	5,809,341
998,097	572,820	190,219	-
3,314,884	2,878,935	2,597,448	2,462,331
104,211	81,897	138,800	166,010
1,344,789	1,514,599	1,670,751	1,388,699
12,538	31,080	44,830	25,366
7,000,395	5,150,750	2,934,428	2,950,430
26,907,211	23,066,029	20,416,721	18,977,755
$ 42,887,839	$ 38,276,739	$ 30,623,459	$ 31,394,485
$ (71,842,745)	$ (48,133,985)	$ (49,707,087)	$ (41,118,241)
3,449,250	2,611,196	183,522	72,001
$ (68,393,495)	$ (45,522,789)	$ (49,523,565)	$ (41,046,240)
$ 14,842,941	$ 14,399,482	$ 13,622,347	$ 13,163,766
5,355,446	4,856,154	4,517,602	4,243,911
26,808,073	25,661,323	23,827,916	22,273,319
4,423,774	4,081,139	3,541,660	3,400,865
4,273,234	4,193,053	3,889,322	3,520,210
1,361,374	1,340,152	1,277,083	1,140,911
589	576	568	-
1,367,181	1,197,060	122,925	1,685,904
1,337,946	-	-	-
189,430	191,890	257,974	200,892
(2,169,833)	1,230,203	(38,651)	(126,817)
57,790,155	57,151,032	51,018,746	49,502,961
476,360	691,631	(18,239)	955,581
2,169,833	(1,230,203)	38,651	126,817
2,646,193	(538,572)	20,412	1,082,398
$ 60,436,348	$ 56,612,460	$ 51,039,158	$ 50,585,359
$ (14,052,590)	$ 9,017,047	$ 1,311,659	$ 8,384,720
6,095,443	2,072,624	203,934	1,154,399
$ (7,957,147)	$ 11,089,671	$ 1,515,593	$ 9,539,119

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

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

	FISCAL YEAR ENDED JUNE 30,									
GENERAL FUND	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
Reserved	$ 1,164,962	$ 877,986	$ 790,253	$ 793,002	$ 867,481	$ 546,825	$ 479,751	$ 532,198	$ 450,765	$ 525,190
Unreserved:										
Designated	3,294,193	7,979,901	5,143,029	5,385,581	5,079,437	8,959,556	8,846,685	8,712,714	9,368,308	6,385,072
Undesignated	2,024,044	2,628,357	8,383,701	5,496,137	4,951,945	2,092,600	2,606,927	16,884	2,971,753	3,888,468
Total General Fund	$ 6,483,199	$ 11,486,244	$ 14,316,983	$ 11,674,720	$ 10,898,863	$ 11,598,981	$ 11,933,363	$ 9,261,796	$ 12,790,826	$ 10,798,730
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	$ 20,076	$ 7,742	$ 15,258	$ 12,953	$ 1,287	$ 865	$ 22,400	$ 247	$ 3,798,655	$ 3,605,309
Unreserved:										
Designated in:										
Special Revenue Funds	5,205,792	10,977,085	14,476,430	5,195,162	9,914,131	10,300,110	5,738,209	2,169,391	3,007,135	9,846,252
Debt Service Funds	1,036,661	1,140,238	1,259,329	1,143,535	992,243	1,633,794	2,354,377	2,667,705	-	-
Capital Projects Funds	51,609	90,054	73,552	100,358	517,218	130,227	70,197	177,126	1,385,905	671,734
Undesignated in:	-									
Special Revenue Funds	15,318,046	12,081,931	13,889,408	32,268,590	28,406,279	22,049,919	17,059,026	16,934,032	14,588,849	5,026,104
Debt Service Funds	12,384	196,616	24,354	37,444	443,148	13,798	27,006	154,164	-	-
Capital Projects Funds	2,729,014	777,393	3,095,754	7,245,512	14,599,397	2,801,349	2,071,348	3,001,323	1,354,474	1,242,002
Total All Other Governmental Funds	$ 24,373,582	$ 25,271,059	$ 32,834,085	$ 46,003,554	$ 54,873,703	$ 36,930,062	$ 27,342,563	$ 25,103,988	$ 24,135,018	$ 20,391,401

Fluctuations in the general fund and all other governmental fund balance reserved and unreserved amounts are explained in the relevant year Management's 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,									
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
REVENUES										
Taxes	$ 28,093,025	$ 26,721,962	$ 26,801,548	$ 26,649,450	$ 24,247,771	$ 23,227,887	$ 21,806,953	$ 20,705,621	$ 20,533,691	$ 19,696,288
Special assessments	-	-	-	-	-	-	192,708	211,484	234,794	236,113
Licenses and permits	7,340,788	7,377,737	7,089,746	6,183,388	6,191,477	5,688,240	5,099,575	4,877,726	4,623,361	4,692,980
Intergovernmental revenues	49,672,531	32,332,386	30,876,567	43,287,158	36,935,960	33,640,817	29,100,114	27,058,432	28,395,840	27,071,037
Charges for services	11,467,700	11,215,117	13,322,748	8,417,219	7,455,522	6,997,392	6,133,344	5,645,508	5,293,332	4,222,609
Fines and forfeits	802,402	1,046,329	1,023,459	901,404	1,011,142	902,536	845,779	789,494	828,567	902,643
Miscellaneous	2,188,920	3,430,504	4,565,944	4,411,395	2,179,034	2,121,663	1,024,528	2,398,752	2,253,205	3,089,543
Total Revenues	99,565,366	82,124,035	83,680,012	89,850,014	78,020,906	72,578,535	64,203,001	61,687,017	62,162,790	59,911,213
EXPENDITURES										
General government	15,005,013	14,680,918	14,514,253	15,037,996	19,586,502	13,998,307	12,828,474	12,949,568	12,308,055	11,496,429
Public safety	28,362,786	26,595,429	25,954,382	25,956,021	24,295,657	25,614,239	20,531,866	20,448,172	18,255,487	16,975,277
Judicial	5,075,739	4,822,651	4,704,943	3,652,245	3,521,459	3,093,465	2,794,389	2,779,499	2,473,197	2,271,193
Public works	19,917,994	20,642,266	17,079,950	11,965,730	12,148,591	10,441,407	10,201,012	10,749,239	9,975,074	11,093,375
Sanitation	1,673,677	1,734,716	3,386,664	-	-	-	-	-	-	227,215
Health	3,960,626	3,001,006	2,627,724	2,670,894	1,777,541	1,532,341	1,037,614	1,146,927	934,853	880,340
Welfare	2,359,467	2,127,710	2,011,350	2,073,901	2,033,648	1,911,782	1,478,840	1,773,771	1,388,945	1,342,230
Culture and recreation	13,381,380	11,217,627	15,594,191	9,464,358	8,810,148	11,169,367	10,299,483	7,926,518	8,296,395	6,560,870
Community support	3,573,553	2,617,465	570,916	630,602	15,784,475	752,965	5,547,273	1,058,208	1,739,029	1,246,276
Intergovernmental	-	-	-	-	-	-	-	-	249,873	243,687
Airport	9,144,072	3,107,641	579,295	10,034,403	38,779	79,038	297,124	247,363	73,352	444,188
Economic opportunity	4,742,049	2,275,376	609,176	565,092	4,598,312	593,042	263,279	312,937	374,336	48,500
Capital outlay	8,028	1,084,955	4,084,369	9,039,514	6,510,301	306,392	265,811	180,704	252,124	1,282,214
Debt service:	-									
Principal	3,604,885	3,549,588	3,038,832	3,056,246	2,725,880	2,576,513	2,396,506	3,501,418	2,364,750	2,114,792
Interest and fiscal charges	3,956,052	3,873,919	3,651,174	3,764,874	2,932,911	1,958,684	1,282,262	1,961,517	1,909,116	1,851,904
Total Expenditures	114,765,321	101,331,267	98,407,219	97,911,876	104,764,204	74,027,542	69,223,933	65,035,841	60,594,586	58,078,490
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,199,955)	(19,207,232)	(14,727,207)	(8,061,862)	(26,743,298)	(1,449,007)	(5,020,932)	(3,348,824)	1,568,204	1,832,723
OTHER FINANCING SOURCES (USES)										
Capital asset sales	-	-	-	-	3,620,000	40,613	141,280	42,026	71,166	2,314,843
Capital leases	69,433	53,467	11,228	55,770	20,052	85,749	-	-	-	-
Bonds issued	7,900,000	9,055,000	-	-	41,000,000	6,815,000	9,935,000	-	5,129,802	-
Notes issued	-	-	-	-	-	3,028,000	-	802,500	-	-
Payment to refunded bond escrow agent	-	-	-	-	(9,884,613)	-		(4,888,283)	-	-
Refunding bonds issued	-	-	-	-	8,040,000	-	-	4,895,000	-	-
Refunding notes issued	-	-	-	-	1,654,300	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	278,709	-	-	-	-	-
Transfers in	15,500,233	11,826,603	12,952,593	7,736,648	10,162,385	9,961,443	4,121,536	11,074,155	5,429,803	5,522,848
Transfers out	(14,170,233)	(12,121,603)	(8,763,820)	(7,824,848)	(11,212,920)	(9,162,332)	(4,121,536)	(11,136,634)	(5,839,803)	(5,742,848)
Premium on bonds issued	-	-	-	-	308,908	-	-	-	-	-
Discount on bonds issued	-	-	-	-		(66,349)	(145,206)	-	-	-
Total Other Financing Sources (Uses)	9,299,433	8,813,467	4,200,001	(32,430)	43,986,821	10,702,124	9,931,074	788,764	4,790,968	2,094,843
Net Change in Fund Balances	$ (5,900,522)	$ (10,393,765)	$ (10,527,206)	$ (8,094,292)	$ 17,243,523	$ 9,253,117	$ 4,910,142	$ (2,560,060)	$ 6,359,172	$ 3,927,566
Debt service as a percentage of noncapital expenditures	8.16%	9.36%	8.76%	9.30%	6.19%	6.98%	5.97%	9.57%	7.08%	6.98%

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	OTHER			TAXABLE ASSESSED VALUE	ESTIMATED ACTUAL VALUE		
2010	$ 1,434,764,128	$ 660,942,065	$ 104,145,754	$ 25,954,361	$ 83,861,120	$ 482,594,796	$ 1,827,072,632	$ 5,220,207,520	35.00%	1.7070
2009	1,426,052,054	631,533,390	99,424,981	30,383,765	87,038,009	431,185,202	1,843,246,997	5,266,419,991	35.00%	1.7069
2008	1,206,800,499	547,565,065	81,726,034	48,675,299	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	48,854,565	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	43,912,722	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	49,625,614	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	55,994,871	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	68,951,834	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	63,028,774	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	85,471,818	55,041,111	182,457,938	978,805,722	2,796,587,777	35.00%	1.1484

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,									
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
CITY OF CARSON CITY DIRECT RATE										
Operating Rate	1.2102	1.2102	1.2102	1.2101	0.9634	0.9634	0.9634	0.9234	0.9234	0.8922
Voter Approved	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Legislative Overrides	0.4468	0.4467	0.2405	0.2153	0.1765	0.1765	0.1620	0.1744	0.1711	0.1710
Debt Service	0.0000	0.0000	0.0000	0.0321	0.0321	0.0321	0.0331	0.0331	0.0346	0.0352
Total Carson City Direct Rate	1.7070	1.7069	1.5007	1.5075	1.2220	1.2220	1.2085	1.1809	1.1791	1.1484
OVERLAPPING RATES										
Carson City School District	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200
State of Nevada	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1500	0.1500	0.1500
Eagle Valley Underground Water	0.0009	0.0009	0.0011	0.0012	0.0016	0.0016	0.0016	0.0016	0.0016	0.0018
Carson Valley Ground Water Basin	0.0020	0.0010	0.0025	0.0029	0.0027	0.0027	0.0033	0.0034	0.0033	0.0036
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	1.5229	1.5219	1.5236	1.5241	1.5243	1.5243	1.5249	1.5050	1.5049	1.5054
Total Carson City Property Tax Rate	3.2299	3.2288	3.0243	3.0316	2.7463	2.7463	2.7334	2.6859	2.6840	2.6538
REDEVELOPMENT AGENCY OF CARSON CITY	2.8895	2.6362	2.8108	2.7913	2.4845	2.5078	2.4891	2.4802	2.5239	2.5502

Source: Nevada Department of Taxation

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

	2010			2001		
TAXPAYER	**ASSESSED VALUATION**	**RANK**	**PERCENTAGE OF TOTAL ASSESSED VALUATION**	**ASSESSED VALUATION**	**RANK**	**PERCENTAGE OF TOTAL ASSESSED VALUATION**
Southwest Gas Corp	$ 17,070,483	1	0.93%	$ 12,393,176	2	1.27%
John Serpa	16,665,163	2	0.91%	5,720,509	5	0.58%
Sierra Pacific Power	15,764,380	3	0.86%	13,882,282	1	1.42%
Dwight Millard	14,798,390	4	0.81%	7,740,217	4	0.79%
Carson - Tahoe Hospital	14,621,042	5	0.80%	-		0.00%
Carson Gaming LLC	11,365,937	6	0.62%	3,395,012	10	0.35%
Cubix/Ormsby	8,799,855	7	0.48%	-		0.00%
Garth Richards	7,612,528	8	0.42%	5,180,505	6	0.53%
Doug & Kathleen Hone	7,499,426	9	0.41%	-		0.00%
AT&T Nevada	7,226,667	10	0.40%	-		0.00%
C & A Investments	-		0.00%	3,634,312	9	0.37%
Bell of Nevada	-		-	8,560,036	3	0.87%
Russell, Clark/Ormsby, Inc.	-		-	4,438,735	7	0.45%
Wilmington Trust Co.	-		-	3,805,069	8	0.39%
Total, Ten Largest Taxpayers	121,423,871		6.65%	68,749,853		7.02%
Total, Other Taxpayers	1,705,648,761		93.35%	910,055,869		92.98%
Total Assessed Valuations	$ 1,827,072,632		100.00%	$ 978,805,722		100.00%

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 TAX COLLECTIONS	CURRENT YEAR PERCENT OF TAXES LEVIED	DELINQUENT TAX COLLECTIONS	TOTALS TO DATE TAX COLLECTIONS	TOTALS TO DATE PERCENT OF TAXES LEVIED
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%	166.00	30,758	99.74%
2008	32,957	32,585	98.87%	260.00	32,845	99.66%
2009	35,546	34,860	98.07%	302.00	35,162	98.92%
2010	37,826	37,075	98.01%	541.00	37,616	99.44%

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)

	GENERAL BONDED DEBT					OTHER GOVERNMENTAL ACTIVITIES DEBT			BUSINESS TYPE ACTIVITIES				
FISCAL YEAR ENDED JUNE 30,	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	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME(2)	PER CAPITA (2)
2010	$ 67,519,131	$ 3,018,928	$ 70,538,059	1.29%	$ 1,248.33	$ 20,866,000	$ 99,470	$ -	$ 48,542,143	$ 2,448,000	$ 142,493,672	5.73%	$ 2,521.74
2009	70,042,700	3,259,644	73,302,344	1.33%	1,272.61	13,427,600	109,182	-	50,484,597	-	137,323,723	5.70%	2,384.09
2008	72,462,454	3,847,078	76,309,532	1.57%	1,322.00	4,915,000	100,363	-	53,797,713	-	135,122,608	5.92%	2,340.88
2007	74,574,351	4,399,013	78,973,364	1.82%	1,368.67	5,140,000	120,447	-	57,120,185	-	141,353,996	6.41%	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	6.46%	2,420.58
2005	37,953,154	3,598,036	41,551,190	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	-	977,050	25,726,396	-	58,778,521	3.49%	1,107.04

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, 2010
(UNAUDITED)

NAME OF GOVERNMENT UNIT	GENERAL OBLIGATION DEBT OUTSTANDING	PRESENTLY SELF-SUPPORTING GENERAL OBLIGATION DEBT	PERCENT APPLICABLE (1)	APPLICABLE NET DEBT
Direct:				
City of Carson City:				
Governmental Activity Bonds	$ 67,519,131	$ 67,519,131	100.00%	$ -
Business-Type Activity Bonds	48,542,143	48,542,143	100.00%	-
Total Direct Debt	116,061,274	116,061,274		-
Overlapping:				
Carson City School District	38,190,000	-	100.00%	38,190,000
Total Overlapping Debt	38,190,000	-		38,190,000
Total General Obligation Direct and Overlapping Debt	$ 154,251,274	$ 116,061,274		$ 38,190,000

Source: Carson City Finance Office and Carson City School District

(1) Based on fiscal year 2009-10 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, 2010

Assessed value of taxable property(1)		$ 1,926,477,352
Debt limit (15% of assessed value)		288,971,603
Debt applicable to limit:		
Governmental activities	$ 67,519,131	
Business-type activities	48,542,143	
Less: Amount available for repayment of general obligation debt	(200,000)	
Total net debt applicable to limitation		115,861,274
Legal debt margin		$ 173,110,329

	FISCAL YEAR ENDED JUNE 30,									
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
Debt limit	$ 288,971,603	$ 289,552,288	$ 249,494,536	$ 219,896,382	$ 183,981,394	$ 172,194,764	$ 163,388,242	$ 161,241,549	$ 152,079,436	$ 148,736,738
Total net debt subject to limitation	115,861,274	123,586,941	129,907,245	135,893,548	132,578,239	103,173,131	83,571,393	68,225,045	69,048,860	76,162,159
Legal Debt Margin	$ 173,110,329	$ 165,965,347	$ 119,587,291	$ 84,002,834	$ 51,403,155	$ 69,021,633	$ 79,816,849	$ 93,016,504	$ 83,030,576	$ 72,574,579
Total net debt subject to limitation as a percentage of debt limit	40.1%	42.7%	52.1%	61.8%	72.1%	59.9%	51.1%	42.3%	45.4%	51.2%

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

(1) Includes Redevelopment Authority amount of $99,404,720.

CARSON CITY
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	PLEDGED REVENUE	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE REQUIREMENTS PRINCIPAL	INTEREST	TOTAL	COVERAGE RATIOS
REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM NOTE, SERIES 2008 (1)							
2010	$ 2,754,992	$ 4,072,621	$ (1,317,629)	$ 226,600	$ 422,836	$ 649,436	-2.0
2009	2,370,083	3,020,383	(650,300)	312,400	334,977	647,377	-1.0
2008	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2005	-	-	-	-	-	-	N/A
2004	-	-	-	-	-	-	N/A
2003	-	-	-	-	-	-	N/A
2002	-	-	-	-	-	-	N/A
2001	-	-	-	-	-	-	N/A
HIGHWAY REVENUE(MOTOR VEHICLE FUEL TAX) IMPROVEMENT BONDS (2)							
2010	$ 2,754,992	$ 4,072,621	$ (1,317,629)	$ 235,000	$ 186,125	$ 421,125	-3.1
2009	2,370,083	3,020,383	(650,300)	230,000	193,100	423,100	-1.5
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
TAX ALLOCATION BOND - REDEVELOPMENT AUTHORITY (3)							
2010	$ -	$ -	$ -	$ -	$ -	$ -	0.0
2009	-	-	-			-	N/A
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
HIGHWAY REVENUE IMPROVEMENT BONDS (4)							
2010	$ -	$ -	$ -	$ -	$ -	$ -	0.0
2009	-	-	-	-	-	-	N/A
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
GRAVES LANE SPECIAL ASSESSMENT BONDS (5)							
2010	$ -	$ -	$ -	$ -	$ -	$ -	0.0
2009	-	-	-	-	-	-	N/A
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

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 are the same as those for (1).

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

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

(5) 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 (3)	PER CAPITA PERSONAL INCOME (3)	UNEMPLOYMENT RATE (4)	PUBLIC SCHOOL ENROLLMENT (5)	BUSINESS LICENSES ISSUED (2)	TOTAL CONSTRUCTION PERMITS (6)	TOTAL CONSTRUCTION VALUE (6)
2010	56,506	147.00	$ 2,486,831,000	$ 47,034	13.3%	13,582	934	286	$ 19,760,212
2009	57,600	147.00	2,408,024,000	43,928	11.5%	13,532	967	242	64,172,562
2008	57,723	147.00	2,282,920,000	41,717	6.7%	13,493	1,242	295	74,801,157
2007	57,701	147.00	2,206,735,000	40,135	5.0%	13,790	1,223	425	87,262,258
2006	57,104	147.00	2,138,263,000	38,481	4.8%	13,638	1,312	385	76,840,787
2005	56,146	147.00	2,031,906,000	36,499	4.7%	14,524	1,182	426	58,999,793
2004	55,220	147.00	1,859,588,000	33,815	5.2%	14,667	1,287	491	129,693,867
2003	54,844	147.00	1,751,205,000	32,211	5.8%	14,906	1,315	600	78,026,678
2002	54,171	147.00	1,724,799,000	32,298	5.8%	15,480	1,209	612	69,999,803
2001	53,095	147.00	1,683,799,000	32,044	5.1%	12,809	1,246	610	73,703,153

NR = Not reported

Sources:

(1) State of Nevada, Demographer's Office, 1986-2009; Estimated for 2010 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, 2000-2008, for Carson City Metropolitan Area; Estimated for 2010 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 Western 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)

	2010			2001		
EMPLOYER	**EMPLOYEES (1)**	**RANK**	**PERCENTAGE OF TOTAL COUNTY(2) EMPLOYMENT**	**EMPLOYEES (1)**	**RANK**	**PERCENTAGE OF TOTAL COUNTY EMPLOYMENT**
Carson City School District	1000-1499	1	4.34%	1000-1499	2	4.61%
Carson Tahoe Hospital	1000-1499	2	4.34%	700-799	4	2.77%
City of Carson City	700-799	3	2.60%	700-799	3	2.77%
State Department of Transportation	600-699	4	2.25%	600-699	5	2.40%
Western Nevada College	600-699	5	2.25%	500-599	7	2.03%
Legislative Counsel Bureau	500-599	6	1.91%			
State Department of Corrections	300-399	7	1.21%			
Wal-Mart Supercenter	300-399	8	1.21%	200-299	9	0.92%
State Department of Motor Vehicles	300-399	9	1.21%			
Casino Fandango	300-399	10	1.21%			
State of Nevada (2)				5000-5499	1	19.37%
Carson City Nugget				500-599	6	2.03%
Chromalloy Nevada				300-399	8	1.29%
Harley-Davidson Credit Corp				200-299	10	0.92%
Total Carson City Area Covered Employment	28,825			27,107		

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)

	FISCAL YEAR ENDED JUNE 30,									
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
FUNCTION:										
General Government	108.50	108.80	123.35	127.05	135.30	134.05	131.55	130.75	128.50	128.25
Public Safety	254.75	256.85	259.45	265.70	261.50	259.50	250.00	249.00	240.00	237.50
Judicial	44.75	45.30	45.00	42.25	35.50	29.75	28.75	26.75	26.75	28.75
Public Works	46.10	53.15	58.25	53.59	54.85	45.05	50.40	49.40	52.90	41.81
Sanitation	10.75	13.35	13.05	10.90	11.70	11.20	7.35	9.35	1.50	1.50
Health	30.00	20.00	23.25	18.75	14.00	12.00	12.00	12.50	12.00	15.00
Welfare	5.00	3.00	2.00	1.00	1.00	1.00	1.00	1.50	1.00	1.25
Culture and Recreation	48.88	48.93	57.82	61.95	59.76	58.01	54.01	54.06	52.44	54.62
Community Support	0.00	0.00	2.00	2.00	2.00	2.00	1.00	1.00	0.00	0.00
Utilities	50.90	48.13	47.50	49.65	48.40	47.75	54.00	48.00	48.20	58.69
Hospitals (1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	754.54	733.65
Other	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	599.63	597.51	631.67	633.84	625.01	601.31	591.06	583.31	1,318.83	1,302.02

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,									
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
FUNCTION / PROGRAM:										
General Government										
Business licenses issued **(3)**	934	967	1,242	1,223	1,312	1,182	1,287	1,315	1,209	1,246
Judicial: (1)										
Municipal Court Cases Filed:										
Criminal Cases:										
Felony death penalty	0	0	0	1	5	0	0	0	0	0
Felony, crimes against persons	279	231	374	407	581	553	651	688	549	728
Felony, crimes against property	196	467	228	227	473	490	444	326	415	385
Gross misdemeanor, crimes against persons	134	43	64	59	102	96	115	88	67	48
Gross misdemeanor, crimes against property	15	45	42	21	57	55	42	8	35	33
Misdemeanor, non-traffic	1,728	2,228	1,492	1,309	2,040	2,011	2,569	2,117	2,201	2,108
Traffic and parking violations	11,012	19,944	16,460	12,516	20,885	18,190	18,188	16,605	15,624	18,090
Civil Cases:										
General	2,926	2,474	2,514	2,513	2,254	2,197	1,913	1,587	1,775	1,641
Small claims	472	535	638	686	601	550	638	528	504	534
Landlord/tenant (summary eviction)	954	1,165	1,473	1,466	1,235	1,173	1,274	1,293	1,290	1,190
Request for domestic violence protective orders	474	496	484	452	361	424	513	622	593	445
Request for protection orders (non-dom. violence)	269	379	346	322	376	506	569	455	342	240
Public Safety										
Police: **(5)**										
Number of sworn police personnel and officers	99	99	98	94	95	95	93	93	93	93
Number of physical arrests	2,621	2,797	3,265	2,872	2,742	3,189	3,516	2,829	4,461	3,995
Number of traffic accidents	832	973	1,035	558	705	693	858	618	962	522
Fire: **(6)**										
Number of firefighters	64	64	64	66	66	66	61	65	66	58
Number of calls answered	7,466	7,515	7,941	7,681	7,200	6,346	6,053	6,109	5,715	5,280
Number of fire prevention inspections	2,529	2,029	2,090	2,061	1,681	1,784	2,185	2,256	3,020	3,219
Public Works (7)										
Number of street lights	1,771	1,702	1,723	1,525	1,406	1,391	1,391	1,290	1,292	1,292
Culture and Recreation (8)										
Number of participants in recreation sports	14,393	5,302	7,950	6,350	5,090	5,440	5,240	4,910	4,060	NR
Number of participants in sports tournaments	58,000	56,410	56,410	42,429	38,687	25,098	22,860	12,549	6,500	NR
Average number of children enrolled in summer program per day	339	265	262	290	370	370	370	390	390	390
Average number of children enrolled in latch key programs per day	202	289	265	275	400	400	370	390	390	418
Utilities (4)										
Sewer:										
Customer count as of June 30	15,376	15,414	15,379	15,312	15,227	15,151	15,028	14,752	14,442	14,080
Total discharge (in thousands of gallons)	1,741,894	1,825,000	1,869,403	1,878,804	1,833,250	1,868,459	1,864,459	1,800,538	1,793,575	1,819,101
Water:										
Customer count as of June 30	16,804	16,828	16,790	16,705	16,540	16,427	16,300	16,061	15,754	15,394
Total consumption (in thousands of gallons)	3,557,248	4,561,914	4,077,837	4,165,842	3,956,644	3,860,618	4,236,540	3,984,524	4,127,355	4,026,432
Development Services (2)										
Building permits issued	286	242	295	425	385	426	491	600	612	610

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,									
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
FUNCTION / PROGRAM:										
General Government										
City owned facilities (1)	82	82	82	82	82	84	84	83	82	81
City owned structures (1)	81	81	81	81	81	81	81	81	81	81
Number of networked computers **(5)**	565	550	650	650	517	NR	NR	NR	NR	NR
Public Safety										
Police: **(2)**										
Marked police vehicles	39	36	37	36	32	32	32	25	25	25
Fire: **(3)**										
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire engines	6	9	9	9	9	9	9	9	9	9
Public Works (1)										
Paved streets (miles)	257	257	259	259	250	250	250	241	241	241
Culture and Recreation (4)										
Parks:										
Acreage of parks - developed	780.5	780.5	780.5	772.5	765.5	765.5	765.5	757.5	754.5	754.5
Acreage of parks - undeveloped	436.0	436.0	436.0	444.0	448.0	448.0	448.0	448.0	448.0	448.0
Swimming pools - outdoors	1	1	1	1	1	1	1	1	1	1
Swimming pools - indoors	3	3	3	3	3	3	3	3	3	3
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	4	4	3	2	2	2	2	2	2
Basketball courts - lighted	0	0	0	0	0	0	0	0	0	0
Basketball courts - unlighted	8	8	8	6	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	4	4	3	3	3	3	2	2	2
Utilities (1)										
Sewer lines (miles)	235.0	216.6	216.6	216.6	213	212	226	226	226	225
Storm drains (miles)	93.9	77.0	76.4	76.4	76.4	NR	NR	NR	NR	NR
Water lines (miles)	321	297	296	296	235	301	290	240	240	239

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

COMPLIANCE SECTION

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

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable 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, 2010, which collectively comprise Carson City, Nevada's basic financial statements, and have issued our report thereon dated December 21, 2010. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Airport Authority of Carson City, Nevada and the Carson City Convention and Visitors' Bureau, as described in our report on Carson City, Nevada's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters for the Airport Authority of Carson City that are reported on separately by those auditors. The financial statements of the Carson City Convention and Visitors' Bureau were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Carson City, Nevada'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, Nevada's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Carson City, Nevada'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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in items 10-1 and 10-2 in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carson City, Nevada'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, Nevada's responses to the identified findings are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Carson City, Nevada's responses, and accordingly, we express no opinion on them.

This report is intended solely for the information of the Mayor, Board of Supervisors, management, 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
December 21, 2010

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

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on 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 Carson City, Nevada's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Carson City, Nevada's major federal programs for the year ended June 30, 2010. Carson City, Nevada'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, Nevada's management. Our responsibility is to express an opinion on Carson City, Nevada's compliance based on our audit.

Carson City, Nevada's basic financial statements include the operations of the Airport Authority of Carson City, a discretely presented component unit, which received $9,244,692 in federal awards which is not included in the Carson City, Nevada's schedule of expenditures of federal awards for the year ended June 30, 2010. Our audit, as described below, did not include the operations of the Airport Authority of Carson City because the Airport Authority of Carson City engaged other auditors to perform its audit in accordance with OMB Circular A-133.

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, Nevada'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 on Carson City, Nevada's compliance with those requirements.

In our opinion, Carson City, Nevada complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control over Compliance:

Management of Carson City, Nevada 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, Nevada's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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, Nevada's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying Schedule of Findings and Questioned Costs as items 10-3 through 10-7. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report is intended solely for the information and use of the Mayor, Board of Supervisors, 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
December 21, 2010

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 1 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
U.S.Environmental Protection Agency			
Direct programs:			
ARRA Brownfields Assessment and Cleanup Cooperative Agreements	66.818	BF-00T33001-0	$ 20,493
Congressionally Mandated Projects - Water Infrastructure - Hydraulic Modeling	66.202	XP-98975301-0	27,319
Surveys - Studies - Investigations and Special Purpose Grants- Water Infrastructure - Water Supply Plan	66.606	XP-96939101-0	36,571
Passed through NV Division of Environmental Protection:			
Non Point Source Implementation Grants - Urban Fishing Pond	66.460	C9-97908109	88,022
ARRA Capitalization Grants for Drinking Water State Revolving Funds	66.468	ARRA CC-1	2,408,091
Total U.S. Environmental Protection Agency			2,580,496
National Foundation on the Arts and the Humanities:			
Passed through Nevada State Library and Archives:			
Grants to States - Silver State Virtual Library and Archives	45.310	LSTA 2010-05	80
Grants to States - Statewide Reading Program	45.310	LSTA 2009-20-02	1,200
Grants to States - Capitol City Business Resource Center	45.310	LSTA 2010-30	947
Grants to States - Job Support Resource Project	45.310	LSTA 2009-01	3,397
Grants to States - Three Cups of Tea	45.310	LSTA 2009-34	39,200
Grants to States - Service and Automation Project	45.310	LSTA 2009-12	62,571
Grants to States - El Dia de los Ninos	45.310	LSTA 2009-20-17	2,500
Grants to States - ILL Reimbursement	45.310	N/A	2,500
Total Grants to States Program			112,395
U.S. Department of Agriculture:			
Direct programs:			
2009-2010 Cooperative Patrol	10.Unknown	06LE11051360-044	12,715
Soil and Water Conservation - NRCS	10.902	68-9327-8-02/ 68-9327-9-04	124,692
Passed through Nevada Division of Forestry:			
Cooperative Forestry Assistance-Carson City Fuels Reduction	10.664	USDA/SFA/09/01	6,403
Cooperative Forestry Assistance-Waterfall Fire Spring Rehab 2010	10.664	USDA/UF/FFY07/#03	3,000
Total Cooperative Forestry Assistance			9,403
Passed through Nevada Department of Health & Human Services:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	7NV700NV7	161,108
Passed through Nevada State Controller:			
Schools and Roads - Grants to States - - Schools and Roads Cluster	10.665	N/A	9,684

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 2 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Passed through Nevada Department of Administration:			
National School Lunch Program - Food Distribution Program	10.555	N/A	$ 2,440
Passed through Nevada Department of Education:			
National School Lunch Program	10.555	R-1390-09	10,738
Total National School Lunch Program			13,178
School Breakfast Program	10.553	R-1390-09	5,873
Total Child Nutrition Cluster			19,051
Total U.S. Department of Agriculture			336,653
U.S. Department of Energy:			
Direct programs:			
ARRA Energy Efficiency and Conservation Block Grant Program	81.128	DE-SC0002243	35,985
U.S. Department of Health and Human Services:			
Direct programs:			
Family Planning_Services	93.217	FPHPA096011-01-03	342,174
Family Planning_Services - Program Income	93.217	N/A	94,401
Total Family Planning_Services			436,575
Passed through Nevada Department of Health and Human Services:			
ARRA Community Services Block Grant	93.710	N/A	166,119
Community Services Block Grant	93.569	N/A	67,738
Total Community Services Block Grant Cluster			233,857
Block Grants for Prevention and Treatment of Substance Abuse	93.959	08/09 BI NVSAPT	38,739
Maternal and Child Health Services Block Grant to the States	93.994	B04MC11167	50,572
Temporary Assistance for Needy Families (TANF) Cluster	93.558	1B04MC021419-01-03	36,660
Child Support Enforcement - Title IV - D	93.563	N/A	15,664
HIV Care Formula Grants - Ryan White Title II	93.917	2X07HA00001-20-00 X07HA00001-17-03	67,636
Immunization Grants Cluster	93.268	5H23IP922549-08	96,761
Immunization Grants Cluster - Program Income	93.268	N/A	38,609
Total Immunization Grants Cluster			135,370

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 3 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Centers for Disease Control and Prevention - Investigations and Technical Assistance - Office of Epidemiology	93.283	3U50CI000489-03S3	$ 4,634
Centers for Disease Control and Prevention - Investigations and Technical Assistance - Diabetes Prevention and Control	93.283	1U58DP002003-01	4,400
Centers for Disease Control and Prevention - Investigations and Technical Assistance - Adult Viral Hepatitis Prevention	93.283	PS08-80102	7,813
Centers for Disease Control and Prevention - Investigations and Technical Assistance - Tobacco Prevention and Education	93.283	5U58DP002003-02 /1U58DP002003-01	33,318
Total Centers for Disease Control and Prevention - Investigations and Technical Assistance			50,165
Public Health Emergency Preparedness - H1N1 Phase 3	93.069	1H75TP000337-01	298,932
Public Health Emergency Preparedness - H1N1 Phase 1-2	93.069	1H75TP000337-01	328,225
Public Health Emergency Preparedness	93.069	CDC 01-08/01-09	446,326
Total Public Health Emergency Preparedness			1,073,483
Emergency System for Advance Registration of Volunteer Health Professionals	93.089	ASPR09-09	42,415
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5U52PS907855-18	1,837
HIV / AIDS Surveillance	93.944	5U62PS001038-03 5U62PS001038-02	6,101
HIV Prevention Activities_Health Department Based	93.940	3U62/PS923483-05S1 2U62/PS923483-06	20,340
National Bioterrorism Hospital Preparedness Program	93.889	ASPR 01-08/ ASPR 01-09	321,278
National Bioterrorism Hospital Preparedness Program	93.889	H1N122-09	77,378
Total National Bioterrorism Hospital Preparedness Program			398,656
Preventive Health Services-Sexually Transmitted Diseases Control Grants-STD Prevention and Control	93.977	1H25PS001382-02 1H25PS001382-01	7,941
Passed through National Association of County and City Health Officials:			
Medical Reserve Corps Small Grant Program	93.008	#MRC07411	9,896
Passed through Community Council on Youth:			
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	N/A	8,699
Total U.S. Department of Health and Human Services			2,634,606
U.S. Department of Housing and Urban Development:			
Direct programs:			
ARRA Community Development Block Grant Entitlement Grants (CDBG-R)	14.253	B-09-MY-32-0006	115,473
Community Development Block Grants/ Entitlement Grants	14.218	B-07-MC-32-0006/ B-08-MC-32-0006/ B-09-MC-32-0006	830,920
Total Community Development Block Grants / Entitlement Grants Cluster			946,393
Emergency Shelter Grants Program	14.231	N/A	20,101
Passed through Nevada Housing Division:			
ARRA Homelessness Prevention and Rapid Re-housing Program	14.257	N/A	22,497
Total U.S. Department of Housing and Urban Development			988,991

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 4 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
U.S. Department of the Interior:			
Direct programs:			
National Fire Plan - Wildland Urban Interface Community Fire Assistance - Biological Control and Fuels Reduction	15.228	FAA080090	$ 38,050
National Fire Plan - Wildland Urban Interface Community Fire Assistance - "You Call / We Haul"	15.228	FAA070019	20,179
Total National Fire Plan - Wildland Urban Interface Community Fire Assistance			58,229
BLM Law Enforcement Services	15.Unknown	N/A	3,031
Passed through Nevada Division of State Parks:			
Outdoor Recreation_Acquisition, Development and Planning- Morgan Mill Trailhead	15.916	32-00303	77,212
Outdoor Recreation_Acquisition, Development and Planning- Urban Fishing Pond	15.916	32-00301	102,697
Total Outdoor Recreation_Acquisition, Development and Planning			179,909
Passed through Nevada Department of Museums, Libraries and Arts - State Historic Preservation Office:			
Historic Preservation Fund Grants-In-Aid - Multiple Preservation Projects	15.904	32-09-21834(4)	23,392
Total U.S. Department of the Interior			264,561
U.S. Department of Justice:			
Direct programs:			
D.E.A. Confiscated Property	16.Unknown	N/A	7,974
D.E.A. Integrated Drug Enforcement Assistance	16.Unknown	N/A	9,250
State Criminal Alien Assistance Program	16.606	N/A	60,866
ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to Units of Local Government	16.804	2009-SB-B9-2235	123,229
Drug Court Discretionary Grant Program	16.585	2009-DC-BX-0118	65,131
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2007-DJ-BX-1384	7,316
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2006-DJ-BX-1183	7,342
Edward Byrne Memorial Justice Assistance Grant Program- Cops and Kids Community Prevention Program	16.738	2008-DJ-BX-0530	8,113
Passed through Nevada Department of Public Safety:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	06-JAG-29	8,277
Edward Byrne Memorial Justice Assistance Grant Program	16.738	09-JAG-02	63,526
Edward Byrne Memorial Justice Assistance Grant Program - Tri-Net	16.738	09-JAG-03	162,093
Total Edward Byrne Memorial Justice Assistance Grant Program			256,667

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 5 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Direct programs:			
Public Safety Partnership and Community Policing Grants	16.710	2008CKWX0045	$ 91,780
Passed through Partnership Carson City:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	12,010
Passed through Nevada Department of Public Safety:			
Public Safety Partnership and Community Policing Grants	16.710	08-METH-02	85,463
Total Public Safety Partnership and Community Policing Grants			189,253
ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to States and Territories	16.803	00-ARRA-16	5,890
ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to States and Territories	16.803	09-ARRA-03	11,304
ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to States and Territories	16.803	09-ARRA-04	220,634
Total ARRA Edward Byrne Memorial Justice Assistance Grant Program - Grants to States and Territories			237,828
Passed through Nevada Department of Health and Human Services:			
Juvenile Accountability Block Grants	16.523	N/A	12,143
Juvenile Justice and Delinquency Prevention _Allocation to States - FFY 09 OJJDP Title II Formula Grant	16.540	N/A	5,900
Passed through Community Council on Youth:			
Enforcing Underage Drinking Laws Program	16.727	N/A	17,355
Total U.S. Department of Justice			985,596
U.S. Department of Transportation:			
Passed through NV State Emergency Response Commission:			
Interagency Hazardous Materials Public Sector Training and Planning Grants - HMEP Training	20.703	10-HMEP-01-01	44,400
Passed through Nevada Department of Public Safety:			
State and Community Highway Safety - Joining Forces	20.600	29-JF-1.02	7,782
State and Community Highway Safety - Joining Forces	20.600	210-JF-1.02	14,101
State and Community Highway Safety - JF Incentive Award	20.600	29-406PT-4.5	7,534
Total State and Community Highway Safety			29,417
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	210-K8-18-14	15,263
Total Highway Safety Cluster			44,680
Passed through Nevada Department of Transportation:			
Job Access Reverse Commute - Transit Services Programs Cluster	20.516	PR 384-08-802	152,364

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010
(PAGE 6 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Direct programs:			
ARRA Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-96-X003-01	$ 965,261
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X058-01	336,348
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X061-01	22,187
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X059-01	97,730
Passed through Nevada Department of Transportation:			
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	PR 799-05-802	43,250
Federal Transit - Formula Grants (Urbanized Area Formula Program) - Program Income	20.507	N/A	84,600
Total Federal Transit - Formula Grants (Urbanized Area Formula Program)			1,549,376
Federal Transit - Capital Investment Grants	20.500	PR-451-09-802/ PR-155-08-802	53,165
Total Federal Transit Cluster			1,602,541
Federal Transit - Metropolitan Planning Grants	20.505	PR256-08-802	24,916
Highway Planning and Construction - Unified Planning Work Program	20.205	PR70003-00-804	147,766
Highway Planning and Construction - Federal Enhancement Project	20.205	PR333-08-063	629,935
ARRA Highway Planning and Construction - Micropaving	20.205	PR369-09-063	570,230
Total Highway Planning and Construction			1,347,931
Passed through Nevada Division of State Parks:			
Recreational Trails Program - Urban Fishing Pond - Access and Trails	20.219	FY 2009-13	100,000
Total Highway Planning and Construction Cluster			1,447,931
Total U.S. Department of Transportation			3,316,832
U.S. Department of Homeland Security:			
Passed through United Way:			
ARRA - Emergency Food and Shelter Program Cluster	97.114	590400-007	3,827
Passed through Nevada Department of Public Safety:			
Homeland Security Grant Program - DHS/08 SHSP	97.067	97067HL8	15,011
Homeland Security Grant Program - DHS/08 CCP	97.067	97067CL8	1,950
Homeland Security Grant Program - DHS/07 CCP	97.067	97067CL7	2,886
Passed through Washoe County Emergency Management:			
Homeland Security Grant Program - DHS/08 SHSP	97.067	97067HL8	15,761
Total Homeland Security Cluster			35,608
Passed through Nevada Division of Emergency Management:			
Emergency Management Performance Grants	97.042	9704210	58,255
Emergency Management Performance Grants	97.042	9704209	15,565
Total Emergency Management Performance Grants			73,820
Total U.S. Department of Homeland Security			113,255
Total Expenditures of Federal Awards			$ 11,369,370

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

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:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Schools and Roads - Grants to States	10.665	$ 4,842
Community Development Block Grants	14.218	$298,290
Job Access Reverse Commute – Transit Services Programs Cluster	20.516	$152,364
Federal Transit – Formula Grants (Urbanized Area Formula Program)	20.507	$ 43,379
ARRA Federal Transit – Formula Grants (Urbanized Area Formula Program)	20.507	32,367
Federal Transit – Capital Investment Grants	20.500	1,135
Total Federal Transit Cluster		$ 76,881

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.

CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

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, 2010.

- Significant deficiencies, considered to be material weaknesses, were identified during the audit of the financial statements as reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards.*

- The audit disclosed no instances of noncompliance, which were material to the financial statements of Carson City, Nevada.

- Significant deficiencies, not identified as material weaknesses, in internal control over major federal award programs were disclosed during the audit and are reported in the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with *OMB Circular-A-133*.

- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major federal award programs of Carson City, Nevada.

- Audit findings relative to 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 the following pages.

- Carson City, Nevada had seven major federal award programs for the year ended June 30, 2010, as follows:
    - CDBG – Entitlement Grants Cluster – CFDA 14.218 and 14.253
    - Highway Planning and Construction Cluster:
        Highway Planning and Construction – CFDA 20.205
        Recreational Trails Program – CFDA 20.219
    - Federal Transit Cluster:
        Federal Transit - Capital Investment Grants – CFDA 20.507
        Federal Transit - Formula Grants – CFDA 20.507
    - ARRA Capitalization Grants for Drinking Water State Revolving Funds – CFDA 66.468
    - Public Health Emergency Preparedness – CFDA 93.069
    - Family Planning Services – CFDA 93.217
    - National Bioterrorism Hospital Preparedness Program – CFDA 93.889

- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2010, was $341,081.

- Carson City, Nevada qualified as a low risk auditee for the year ended June 30, 2010 under the criteria set forth in section .530 of OMB Circular A-133.

CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

B. Financial Statement Findings:

Significant Deficiency Considered a Material Weakness:

Finding 10-1: Year-End Accrual

Criteria:	Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system of internal control is maintaining accounting records that do not require adjustments as part of the audit process, including adjustments for year-end accruals.
Condition:	During our audit testing, we noted an instance where the financial statements required audit adjustment to accrue insurance expense for the last quarter of FY10 in the Workers' Compensation Internal Service Fund.
Effect:	The financial statements were materially misstated prior to recording of the audit adjustment.
Cause:	Sufficient controls over year-end accruals have not been implemented to ensure that expenses are reflected in the proper reporting period.
Recommendation:	We recommend the Carson City, Nevada's Finance Department staff implement a control to prevent or detect and correct errors in the year-end accrual process.
Management's Response:	The Finance Department will work with the Treasurer's Office to develop more standardized procedures related to the initiation, processing and reporting of wire transfers.

CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Significant Deficiency Considered a Material Weakness:

Finding 10-2: Capital Assets

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. One of the key components of an effective system of internal control is reconciliation of accounts to ensure proper reporting in the financial statements.

Condition: During our audit testing, we noted several instances where donated capital assets were 1) recorded in the current fiscal year but were contributed in the previous year, 2) omitted in current year's capital asset subsidiary ledger and thus not reflected in the capital asset balance in the general ledger, and 3) recorded in duplicate in the subsidiary ledger and thus duplicated in the general ledger. As a result, capital asset contributions were not captured correctly in the general ledger.

Effect: The internally-prepared financial information utilized during the year was not accurate and the financial statements were materially misstated, resulting in a prior period adjustment to correct the error.

Cause: Responsibility for identification and reporting of donated capital assets is shared by the Public Works and Finance departments. Adequate communication between the two departments has not been implemented to ensure capital asset donations are recorded properly and accurately.

Recommendation: We recommend the Carson City, Nevada's Finance Department and Public Works Department staff coordinate no less than quarterly to ensure donated capital asset activity is accurately reflected in the financial statements and supporting ledgers.

Management's Response: The City's Finance Department will review all Board of Supervisors and Regional Transportation Commission agenda reports and meeting minutes to determine what assets have been contributed during the fiscal year. The Finance Department staff will meet quarterly with Public Works Department staff to review these transactions and determine the value of the assets.

CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

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

U.S. Department of Transportation; passed through from the Nevada Department of Transportation:

Finding 10-3:

Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205
Recreational Trails, CFDA 20.219

Grant Award Number: Affects the grant award PR70003-00-804 included under CFDA 20.205 on the Schedule of Expenditures of Federal Awards.

Condition and Criteria: General principles for determining allowable costs found in OMB Circular A-87 Attachment A (G), provide that the cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro rate share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service.

For indirect cost rates in excess of ten percent, the OMB Circular A-87 Attachment E (D)(1)(a) compliance requirements state that all departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation, which includes, among other things, financial data and a certification to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

During payroll testing it was noted that Carson City, Nevada was applying a twenty percent indirect cost rate to direct program payroll expenditures being reimbursed by this grant award. The amount requested during the fiscal year was approximately $15,000, and was included as payroll costs rather than identified separately from actual payroll costs on the reimbursement requests. Documentation was not available to support that a complete indirect cost rate proposal had been prepared.

Questioned Cost: Undetermined.

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

Effect: Unallowable costs may have been charged to the Federal program.

Cause: Procedures were not in place to ensure that indirect cost rates were supported by adequate proposal documentation to ensure costs to the Federal program were allowable.

Recommendation: We recommend that Carson City, Nevada implement procedures to ensure that indirect cost rate proposals are communicated to the granting entity, are adequately documented, and such documentation is maintained for audit purposes.

Management's Response: See management's response on page 197 .

CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

U.S. Department of Health and Human Services; passed through from the Nevada Department of Health and Human Services:

Finding 10-4:

Public Health Emergency Preparedness, CFDA 93.069:
National Bioterrorism Hospital Preparedness, CFDA 93.889:
Family Planning Services, CFDA 93.217:

Grant Award Number: Potentially affects all grant awards under CFDA 93.069, 93.889 and 93.217 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: OMB Circular A-87 states that when 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 employee 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.

Additionally, the Circular states where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which: must reflect an after the fact distribution of the actual activity of each employee, must account for the total activity for which each employee is compensated, *must be prepared monthly* and coincide with one or more pay periods, and must be signed by the employee.

During our testing of charges for salaries and wages for these programs it was noted that, although Carson City, Nevada prepared certifications for some of the employees charged to the programs, these certifications did not always meet the criteria for compliance with OMB Circular A-87. Certifications were not consistently prepared for all covered employees, and some that we tested were not prepared in compliance with the OMB Circular A-87 requirement, as outlined above, for either classification of employee.

Questioned Costs: None.

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

Effect: Unallowable costs could be charged to the Federal program.

Cause: Adequate procedures were not in place to ensure the required certifications were prepared timely and in accordance with the criteria set forth in OMB Circular A-87.

Recommendation: We recommend that Carson City, Nevada implement procedures to ensure that the required certifications are prepared timely and in accordance with the criteria set forth in OMB Circular A-87.

Management's Response: See management's response on page 197.

CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

U.S. Department of Housing and Urban Development:

Finding 10-5:

Community Development Block Grant – Entitlement Grants Cluster:
Community Development Block Grants/Entitlement Grants, CFDA 14.218
ARRA Community Development Block Grant ARRA Entitlement Grants (CDBG-R), CFDA 14.253

Grant Award Number:	Affects the grant award under CFDA 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 communicating certain Federal award information to each subrecipient, including informing each subrecipient of the Catalog of Federal Domestic Assistance (CFDA) title and number. As part of our testing over subrecipient monitoring, we tested a sample of two subrecipient awards for communication of required information, and noted that the awards did not include the CFDA number, and no documentation was available to support that the CFDA number was communicated in a different manner.
Questioned Cost:	None.
Context:	The condition noted above appears to be a systemic problem.
Effect:	Subrecipients may be unaware of specific Federal award information and requirements, which could result in noncompliance at the subrecipient level that is not detected by the Carson City, Nevada.
Cause:	Carson City, Nevada does not have adequate procedures in place to ensure that communication of all the required grant information is made to subrecipients.
Recommendation:	We recommend that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.
Management's Response:	See management's response on page 197.

CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

U.S. Department of Transportation: Direct and passed through from the Nevada Department of Transportation:

Finding 10-6:

Federal Transit Cluster:
Federal Transit – Capital Investment Grants, CFDA 20.500
Federal Transit – Formula Grants, CFDA 20.507
ARRA Federal Transit – Formula Grants, CFDA 20.507

Grant Award Number:	Affects the grant award numbers NV-96-X003-01, NV-90-X058-01, PR 799-05-802 and PR-155-08-802 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 communicating certain Federal award information to each subrecipient, including informing each subrecipient of the Catalog of Federal Domestic Assistance (CFDA) title and number. As part of our testing over subrecipient monitoring, we tested a sample of two subrecipient awards for communication of required information, and noted that the awards did not include the CFDA number, and no documentation was available to support that the CFDA number was communicated in a different manner.
Questioned Cost:	None.
Context:	The condition noted above appears to be a systemic problem.
Effect:	Subrecipients may be unaware of specific Federal award information and requirements, which could result in noncompliance at the subrecipient level that is not detected by Carson City, Nevada.
Cause:	Carson City, Nevada does not have adequate procedures in place to ensure that communication of all the required grant information is made to subrecipients.
Recommendation:	We recommend that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.
Management's Response:	See management's response on page 197.

CARSON CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

U.S. Department of Transportation:

Finding 10-7:

Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
ARRA Federal Transit – Formula Grants, CFDA 20.507
Federal Transit – Capital Investment Grants, CFDA 20.500

Grant Award Number: Affects the grant award number NV-96-X003-01 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: As noted in Part 3 of the June 2010 *OMB Circular A-133 Compliance Supplement*, there are special tests and provisions which apply to all programs with expenditures of American Recovery and Reinvestment Act (ARRA) funds. Recipients to agree to: (1) separately identify to each subrecipient, and document at the time of the subaward and disbursement of funds, the Federal award number, CFDA number, and the amount of ARRA funds; and (2) require their subrecipients to provide similar identification in their Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC).

As part of our testing over subrecipient monitoring, we tested subrecipient awards for communication of the required information, and noted that a subgrant award related to the ARRA funds containing the required information had not been provided to the subrecipient. Additionally, we noted that Carson City, Nevada did not include the Federal award number, CFDA number, and the amount of ARRA funds with the disbursement of funds to the subrecipient.

Questioned Cost: None.

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

Effect: Subrecipients may be unaware of specific Federal award information and requirements, which could result in noncompliance at the subrecipient level.

Cause: Carson City, Nevada does not have adequate procedures in place to ensure that communication of all the required grant information is made to subrecipients.

Recommendation: We recommend that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

Management's Response: See management's response on page 197.

December 21, 2010

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, 2010.

U.S. Department of Transportation; passed through from the Nevada Department of Transportation:

Finding 10-3:

Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205
Recreational Trails, CFDA 20.219

Criteria and Condition:

General principles for determining allowable costs found in OMB Circular A-87 Attachment A (G*),* provide that the cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro rate share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service.

For indirect cost rates in excess of ten percent, the OMB Circular A-87 Attachment E (D)(1)(a) compliance requirements state that all departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation, which includes, among other things, financial data and a certification to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

During payroll testing it was noted that Carson City, Nevada was applying a twenty percent indirect cost rate to direct program payroll expenditures being reimbursed by this grant award. The amount requested during the fiscal year was approximately $15,000, and was included as payroll costs rather than identified separately from actual payroll costs on the reimbursement requests. Documentation was not available to support that a complete indirect cost rate proposal had been prepared.

Recommendation:

We recommend that Carson City, Nevada implement procedures to ensure that indirect cost rate proposals are communicated to the granting entity, are adequately documented, and such documentation is maintained for audit purposes.

201 North Carson Street, Suite #3, Carson City, NV 89701 - (775) 887-2133 (775) 887-2107 fax

Comment:

During fiscal year 2010, the City received verbal approval from the Nevada Department of Transportation to add an indirect cost rate of twenty percent to direct program payroll expenditures being reimbursed by this grant award. As a result of this audit finding, the City received written approval on November 8, 2010 from the Nevada Department of Transportation for using an indirect cost rate of twenty percent effective back to January 1, 2010.

Corrective Action:

In the future, the City will obtain written authorization from the granting entity for indirect cost rates in excess of ten percent. The indirect cost rate proposal and related backup documentation will be maintained for audit purposes. The contact information for the management official responsible for ensuring that corrective action has been taken is as follows:

Patrick Pittenger, AICP, PTP
Transportation Manager
3505 Butti Way, Carson City, NV, 89701
E-mail: ppittenger@carson.org
775-283-7396

U.S. Department of Health and Human Services; passed through from the Nevada Department of Health and Human Services:

Finding 10-4:

Public Health Emergency Preparedness, CFDA 93.069:
National Bioterrorism Hospital Preparedness, CFDA 93.889:
Family Planning Services, CFDA 93.217:

Criteria and Condition:

OMB Circular A-87 states that when 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 employee 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.

Additionally, the Circular states where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which: must reflect an after the fact distribution of the actual activity of each employee, must account for the total activity for which each employee is compensated, *must be prepared monthly* and coincide with one or more pay periods, and must be signed by the employee.

During our testing of charges for salaries and wages for these programs it was noted that, although Carson City, Nevada prepared certifications for some of the employees charged to the programs, these certifications did not always meet the criteria for compliance with OMB Circular A-87. Certifications were not consistently prepared for all covered employees, and some that we tested were not prepared in compliance with the OMB Circular A-87 requirement, as outlined above, for either classification of employee.

Recommendation:

We recommend that Carson City, Nevada implement procedures to ensure that the required certifications are prepared timely and in accordance with the criteria set forth in OMB circular A-87.

Corrective Action:

When an employee's salaries and wages are charged to either a single Federal award or cost objective or multiple activities and cost objectives, the appropriate distribution will be reflected on their bi-weekly timesheet which is signed by the employee and a supervisor. The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that corrective action has been taken is as follows:

Implementation CFDA# 93.069 / 93.889

Angela Barosso
PHP Program Manager
900 East Long Street
Carson City, NV 89706
E-mail: abarosso@carson.org
775-283-7217

Implementation CFDA #93.217

Veronica Galas
Senior Public Health Nurse
900 East Long Street
Carson City, NV 89706
E-mail: vgalas@carson.org
775-283-7620

Management Official

Marena Works
Health Director
900 East Long Street
Carson City, NV 89706
E-mail: mworks@carson.org
775-283-7235

U.S. Department of Housing and Urban Development::

Finding 10-5:

Community Development Block Grant – Entitlement Grants Cluster:
Community Development Block Grants/Entitlement Grants, CFDA 14.218
ARRA Community Development Block Grant ARRA Entitlement Grants (CDBG-R), CFDA 14.253

Criteria and Condition:

As noted in *OMB Circular A-133*, a pass-through entity is responsible for communicating certain Federal award information to each subrecipient, including informing each subrecipient of the Catalog of Federal Domestic Assistance (CFDA) title and number.

As part of our testing over subrecipient monitoring, we tested a sample of two subrecipient awards for communication of required information, and noted that the awards did not include the CFDA number, and no documentation was available to support that the CFDA number was communicated in a different manner.

Recommendation:

We recommend that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

Corrective Action:

The City will revise subrecipient awards to include the Catalog of Federal Domestic Assistance (CFDA) number associated with the federal grant they are receiving from the City as the pass-through entity. The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that corrective action has been taken is as follows:

Implementation

Janice Brod -Mgmt Asst/CDBG Coordinator
108 E. Proctor St., Carson City, NV 89701
E-mail: jbrod@carson.org
(775) 283-7069

Management Official

Lee Plemel
108 E. Proctor St., Carson City, NV 89701
E-mail: lplemel@carson.org
(775) 283-7075

U.S. Department of Transportation: Direct and passed through from the Nevada Department of Transportation:

Finding 10-6:

Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
ARRA Federal Transit – Formula Grants, CFDA 20.507
Federal Transit – Capital Investment Grants, CFDA 20.500

Criteria and Condition:
As noted in *OMB Circular A-133*, a pass-through entity is responsible for communicating certain Federal award information to each subrecipient, including informing each subrecipient of the Catalog of Federal Domestic Assistance (CFDA) title and number.

As part of our testing over subrecipient monitoring, we tested a sample of two subrecipient awards for communication of required information, and noted that the awards did not include the CFDA number, and no documentation was available to support that the CFDA number was communicated in a different manner.

Recommendation:

We recommend that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

Corrective Action:

The City will revise subrecipient awards to include the Catalog of Federal Domestic Assistance (CFDA) number associated with the federal grant they are receiving from the City as the pass-through entity. The contact information for the management official responsible for ensuring that corrective action has been taken is as follows:

Patrick Pittenger, AICP, PTP
Transportation Manager
3505 Butti Way, Carson City, NV, 89701
E-mail: ppittenger@carson.org
775-283-7396

U.S. Department of Transportation**:**

Finding 10-7:

Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
ARRA Federal Transit – Formula Grants, CFDA 20.507
Federal Transit – Capital Investment Grants, CFDA 20.500

Criteria and Condition:

As noted in Part 3 of the June 2010 *OMB Circular A-133 Compliance Supplement*, there are special tests and provisions which apply to all programs with expenditures of American Recovery and Reinvestment Act (ARRA) funds. Recipients to agree to: (1) separately identify to each subrecipient, and document at the time of the subaward and disbursement of funds, the Federal award number, CFDA number, and the amount of ARRA funds; and (2) require their subrecipients to provide similar identification in their Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC).

As part of our testing over subrecipient monitoring, we tested subrecipient awards for communication of the required information, and noted that a subgrant award related to the ARRA funds containing the required information had not been provided to the subrecipient. Additionally, we noted that Carson City, Nevada did not include the Federal award number, CFDA number, and the amount of ARRA funds with the disbursement of funds to the subrecipient.

Recommendation:

We recommend that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

Corrective Action:

The City will revise subrecipient awards of American Recovery and Reinvestment Act (ARRA) funds to include the following:

- The Federal award number, CFDA number, and the amount of ARRA funds awarded.
- Information related to the requirement that subrecipients provide similar identification in their Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC).

In addition, the backup related to the disbursement of funds to subrecipient will include the federal award number, CFDA number, and the amount of ARRA funds.

The contact information for the management official responsible for ensuring that corrective action has been taken is as follows:

Patrick Pittenger, AICP, PTP
Transportation Manager
3505 Butti Way, Carson City, NV, 89701
E-mail: ppittenger@carson.org
775-283-7396

Sincerely,

Nickolas Providenti
Director of Finance

CARSON CITY, NEVADA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 09-2:

Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205:
Recreational Trails Program, CFDA 20.219:

Condition and Criteria: The OMB Circular A-133 Compliance Supplement requires that non-federal entities include in their construction contracts subject to the Davis-Bacon Act a requirement that the contractor or subcontractor comply with the requirements of the Davis-Bacon Act, and the DOL regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). This includes a requirement for the contractor or subcontractor to submit to the non-federal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls).

One construction contract related to this major program was subject to the Davis-Bacon Act provisions and was selected for testing. Our tests included reviewing the contract documents for the Davis-Bacon Act provisions, and reviewing the payroll files maintained at the Carson City Public Works Department. We noted that payroll submission requirements were communicated to the contractor via a "Notice to Proceed" letter from the Carson City Purchasing and Contracts Department, and that notice stated that certified payrolls for both the contractor and subcontractor were to be submitted within seven calendar days after the end of the weekly pay period, as per Davis-Bacon Act requirements. Subsequently, the Carson City Public Works Department communicated separately and verbally to the contractor that it was preferable for certified payrolls to be submitted bi-weekly or monthly. We noted that the payroll submissions for the contracts tested were submitted in batches on a bi-weekly or monthly basis, rather than weekly.

Auditor's Recommendation: We recommend that Carson City enhance procedures to ensure that certified payrolls are received weekly, as required.

Current Status: Corrective action has been taken. The City's Capital Program Manager oversees the required compliance with the Davis-Bacon Act provisions. Certified payrolls are required to be submitted to the City within seven calendar days after the end of the weekly pay period. The City has also contracted with a consultant to ensure that the review of certified payroll submissions is done on a timely basis.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 09-3:

Public Health Emergency Preparedness, CFDA 93.069:

Criteria and Condition: OMB Circular A-87 states that when 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.

Additionally, the Circular states where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which: must reflect an after the fact distribution of the actual activity of each employee, must account for the total activity for which each employee is compensate, *must be prepared monthly* and coincide with one or more pay periods, and must be signed by the employee.

During our testing of salary and wage expenditures for this program it was noted that, although the City prepared certifications for the employees charged to the program, those certifications did not meet the criteria for compliance with OMB Circular A-87. The certifications included both employees who work solely on this award objectives and employees who work on multiple cost objectives. Two certifications were prepared for the period under audit, and were for the six-month period July 1, 2008 to December 31, 2008 and for the seventh month period from January 1, 2009 to July 31, 2009. The certifications were not prepared frequently enough for compliance with the OMB Circular A-87 requirement, as outlined above, for either classification of employee.

Auditor's Recommendation: We recommend that Carson City implement procedures to ensure that the required certifications are prepared timely and in accordance with the criteria set forth in OMB Circular A-87.

Current Status: Corrective action has been partially implemented. When an employee's salaries and wages are charged to either a single Federal award or cost objective or multiple activities and cost objectives, the appropriate distribution will be reflected on their bi-weekly timesheet which is signed by the employee and a supervisor.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 09-4:

Family Planning Services, CFDA 93.217:

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.

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 we noted that program income for the Family Planning Services program was not included on the Schedule of Expenditures of Federal Awards.

CARSON CITY, NEVADA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

Auditor's Recommendation: We recommend the Finance Department and grant program personnel, develop procedures to enhance communication regarding program income related to 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.

Current Status: Corrective action has been implemented. The Finance Department reviews grant award documents for program income requirements and communicates with grant program personnel to ensure that program income is accurately reflected on the Schedule of Expenditures of Federal Awards.

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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, 2010 (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, 2010 (except as previously noted in Note 2B to the financial statements),
- 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
December 21, 2010

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; however, refer to Note 2B to the financial statements

PRIOR YEAR RECOMMENDATIONS

See the Summary Schedule of Prior Year Findings on pages 202-204.

CURRENT YEAR RECOMMENDATIONS

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

NRS 354.6115

The financial statements of the Stabilization Fund are located in this report.

As noted above, compliance with Nevada Revised Statutes is contained in Note 2B to the financial statements.

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, 2010

Flat Fixed Fees:	
Business license revenue adjusted base at June 30, 2009	$ 1,120,213
Adjustment to Base:	
Base	
1. Percentage increase (decrease) in population of the local government	-0.2131%
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	0.1000%
	-0.1131%
	(1,267)
Adjusted Base at June 30, 2010	1,118,946
Actual Revenue Fiscal 2009-10	743,950
Amount Over (Under) Allowable Amount	$ (374,996)