# Carson City, Nevada

## *COMPREHENSIVE ANNUAL FINANCIAL REPORT*

## *YEAR ENDED JUNE 30, 2011*

# CARSON CITY, NEVADA
# COMPREHENSIVE ANNUAL FINANCIAL REPORT
***YEAR ENDED JUNE 30, 2011***

**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, 2011

## TABLE OF CONTENTS


| | Page |
|---|---|
| **INTRODUCTORY SECTION** | |
| Letter of Transmittal | i-v |
| GFOA Certificate of Achievement | vi |
| Organization Chart | vii |
| Listing of Principal Officials | viii |
| **FINANCIAL SECTION** | |
| Independent Auditor's Report | 1-2 |
| Management's Discussion and Analysis (required supplementary information) | 3A-3K |
| **Basic Financial Statements**: | |
| **Government-Wide Financial Statements**: | |
| Statement of Net Assets | 4-5 |
| Statement of Activities | 6-7 |
| **Fund Financial Statements**: | |
| Balance Sheet – Governmental Funds | 8 |
| Reconciliation of the Balance Sheet to the Statement of Net Assets – Governmental Funds | 9 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds | 10 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Governmental Funds | 11 |
| Statement of Net Assets – Proprietary Funds | 12-13 |
| Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds | 14 |
| Statement of Cash Flows – Proprietary Funds | 15-16 |
| Statement of Fiduciary Net Assets – Fiduciary Funds | 17 |
| Statement of Changes in Fiduciary Net Assets – Fiduciary Funds | 18 |
| **Notes to Financial Statements** | 19-48 |
| **Required Supplementary Information**: | |
| Other Postemployment Benefits – Schedule of Funding Progress | 49 |
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund (Budgetary Basis) | 50 |
| Reconciliation of the Schedule of Revenues, Expenditures and Changes in Fund Balances – General Fund (Budgetary Basis) to the General Fund (GAAP Basis) | 51 |
| Notes to Required Supplementary Information | 52 |

# CARSON CITY, NEVADA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT
## FOR THE YEAR ENDED JUNE 30, 2011

## TABLE OF CONTENTS (Continued)


| | Page |
|---|---|
| **Combining and Individual Fund Statements and Schedules**: | |
| **Governmental Funds**: | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund (Budgetary Basis) | 53-64 |
| Nonmajor Governmental Funds Combining Balance Sheet | 65 |
| Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 66 |
| Nonmajor Special Revenue Funds Combining Balance Sheet | 67-71 |
| Reconciliation of the Balance Sheet – Capital Projects Special Revenue Fund (Budgetary Basis) to the Capital Projects Special Revenue Fund (GAAP Basis) | 72 |
| Nonmajor Special Revenue Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 73-77 |
| Reconciliation of the Schedule of Revenues, Expenditures and Changes in Fund Balances – Capital Projects Special Revenue Fund (Budgetary Basis) to the Capital Projects Special Revenue Fund (GAAP Basis) | 78 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual: | |
| Senior Citizens Center Fund | 79 |
| Cooperative Extension Fund | 80 |
| Traffic Transportation Fund | 81 |
| Supplemental Indigent Fund | 82 |
| Library Gift Fund | 83 |
| Administrative Assessments Fund | 84 |
| 911 Surcharge Fund | 85 |
| Capital Projects Fund (Budgetary Basis) | 86 |
| Capital Acquisition and Development Fund (Budgetary Basis) | 87-88 |
| Street Maintenance Fund | 89 |
| Redevelopment Administration Fund | 90 |
| Carson City Transit Fund | 91 |
| Commissary Fund | 92 |
| V & T Special Infrastructure Fund | 93 |
| Campo Fund | 94 |
| Airport Fund | 95 |
| Regional Transportation Fund | 96 |
| Quality of Life Fund | 97-98 |
| Grant Fund | 99-100 |
| Internally Reported (Budgetary Basis) Special Revenue Funds Reported as Part of the General Fund for External Reporting Purposes: | |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 101 |
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual: | |
| Landfill Closure/Postclosure Fund | 102 |
| Firefighter Retirement Medical Fund | 103 |

# CARSON CITY, NEVADA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT
## FOR THE YEAR ENDED JUNE 30, 2011

### TABLE OF CONTENTS (Continued)


| | Page |
|---|---|
| Nonmajor Debt Service Funds Combining Balance Sheet | 104 |
| Nonmajor Debt Service Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 105 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual: | |
| Carson City Debt Service Fund | 106-107 |
| Redevelopment Debt Service Fund | 108 |
| Nonmajor Capital Projects Funds Combining Balance Sheet | 109 |
| Nonmajor Capital Projects Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 110 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual: | |
| Capital Facilities Fund | 111 |
| Residential Construction Fund | 112 |
| Redevelopment Revolving Fund | 113 |
| **Proprietary Funds**: | |
| Major Enterprise Funds: | |
| Sewer Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 114 |
| Schedule of Cash Flows – Budget and Actual | 115-116 |
| Water Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 117 |
| Schedule of Cash Flows – Budget and Actual | 118-119 |
| Nonmajor Enterprise Funds: | |
| Combining Statement of Net Assets | 120 |
| Combining Statement of Revenues, Expenses, and Changes in Net Assets | 121 |
| Combining Statement of Cash Flows | 122-123 |
| Ambulance Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 124 |
| Schedule of Cash Flows – Budget and Actual | 125 |
| Stormwater Drainage Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 126 |
| Schedule of Cash Flows – Budget and Actual | 127-128 |
| Cemetery Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 129 |
| Schedule of Cash Flows – Budget and Actual | 130 |
| Building Permits Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 131 |
| Schedule of Cash Flows – Budget and Actual | 132 |
| Internal Service Funds: | |
| Combining Statement of Net Assets | 133 |
| Combining Statement of Revenues, Expenses, and Changes in Net Assets | 134 |
| Combining Statement of Cash Flows | 135-136 |

# CARSON CITY, NEVADA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT
## FOR THE YEAR ENDED JUNE 30, 2011

### TABLE OF CONTENTS (Continued)


| | Page |
|---|---|
| Group Medical Insurance Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 137 |
| Schedule of Cash Flows – Budget and Actual | 138 |
| Workers' Compensation Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 139 |
| Schedule of Cash Flows – Budget and Actual | 140 |
| Insurance Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 141 |
| Schedule of Cash Flows – Budget and Actual | 142 |
| Fleet Management Fund: | |
| Schedule of Revenues, Expenses, and Changes in Net Assets – Budget and Actual | 143 |
| Schedule of Cash Flows – Budget and Actual | 144-145 |
| **Fiduciary Funds:** | |
| Combining Statement of Changes in Assets and Liabilities – All Agency Funds | 146-148 |
| **STATISTICAL SECTION (UNAUDITED)** | |
| Schedule 1.1 – Net Assets by Component | 149 |
| Schedule 1.2 – Changes in Net Assets | 150-152 |
| Schedule 1.3 – Fund Balances, Governmental Funds | 153 |
| Schedule 1.4 – Changes in Fund Balances, Governmental Funds | 154-155 |
| Schedule 2.1 – Assessed and Estimated Actual Value of Taxable Property | 156 |
| Schedule 2.2 – Direct and Overlapping Property Tax Rates | 157 |
| Schedule 2.3 – Ten Largest Assessed Valuations | 158 |
| Schedule 2.4 – Property Tax Levies and Collections | 159 |
| Schedule 3.1 – Ratios of Outstanding Debt by Type | 160 |
| Schedule 3.2 – General Obligation Direct and Overlapping Debt | 161 |
| Schedule 3.3 – Legal Debt Margin Information | 162 |
| Schedule 3.4 – Pledged Revenue Coverage | 163 |
| Schedule 4.1 – Demographic and Economic Statistics | 164 |
| Schedule 4.2 – Principal Employers | 165 |
| Schedule 5.1 – Full-time Equivalent City Government Employees by Function | 166 |
| Schedule 5.2 – Operating Indicators by Function/Program | 167-168 |
| Schedule 5.3 – Capital Assets Statistics by Function/Program | 169 |
| **COMPLIANCE SECTION** | |
| 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* | 170-171 |
| 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* | 172-173 |
| Schedule of Expenditures of Federal Awards | 174-180 |
| Notes to the Schedule of Expenditures of Federal Awards | 181 |
| Schedule of Findings and Questioned Costs | 182-185 |
| Summary Schedule of Prior Year Findings | 186-190 |
| Independent Accountant's Report on Nevada Revised Statute 354.6241 | 191 |

# CARSON CITY, NEVADA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT
## FOR THE YEAR ENDED JUNE 30, 2011

### TABLE OF CONTENTS (Continued)


| | Page |
|---|---|
| Auditor's Comments: | |
| Statute Compliance | 192 |
| Progress on Prior Year Statute Compliance | 192 |
| Prior Year Recommendations | 192 |
| Current Year Recommendations | 192 |
| NRS 354.6115 | 192 |
| Schedule of Fees Imposed Subject to the Provisions of NRS 354.5989 – Limitation of Fees for Business Licenses | 193 |

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# INTRODUCTORY SECTION

# CARSON CITY, NEVADA
## CONSOLIDATED MUNICIPALITY AND STATE CAPITAL


November 30, 2011

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, 2011, 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, 2011. 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 55,152 as of June 30, 2011. The City is empowered to levy a property tax on both real and personal property located within its boundaries. Real and personal taxable property located within the City has an estimated market value of $4,823,267,242 and an assessed value of $1,688,143,535.

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 remain flat at best for the next several years. Carson City's population decreased .2% when comparing July 1, 2010 to July 1, 2011. 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 $215,000. The average price in Carson City hit its peak this decade in 2006 with the average sales price around $346,000.

Carson City's economy has been slow to recover from "the great recession", although we are starting to see the economy level out. While intergovernmental revenues were almost $1 million more than the final budget all the other revenues in the general fund were down by almost $1.4 million. We expect this "bottoming" process to continue into the foreseeable future. Because of the lack of predictability of the local economy, department heads have continued to reduce spending resulting in actual expenditures in the general fund being over $2 million less than the final budget. At the end of the current fiscal year, total fund balance of the general fund exceeded the final budget by $3,623,594. Of this amount, $2.6 million has been included as a budgetary resource in the subsequent year's budget to eliminate a projected excess of expected expenditures over expected revenues.

The assessed valuation of Carson City decreased 7.6 percent in FY 2010/2011, and because of the continued decline in real estate, the values decreased another 10.8 percent in FY 2011/2012. 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 $4.5 million in FY 2011/2012. 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 2010/2011, 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 and the Olive Garden has opened a new restaurant. 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.

## RELEVENT FINANCIAL POLICIES

A minimum unrestricted ending fund balance of not less than 5% (with a goal of 8.3%) of total budgeted expenditures shall be included in the General Fund budget each fiscal year. An inability to meet this requirement must be approved by the Board of Supervisors.

## 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 forgoe 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
- Central public plaza
- Shared, de-centralized parking which will include commercial / retail spaces.

## 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, 2011 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-one 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

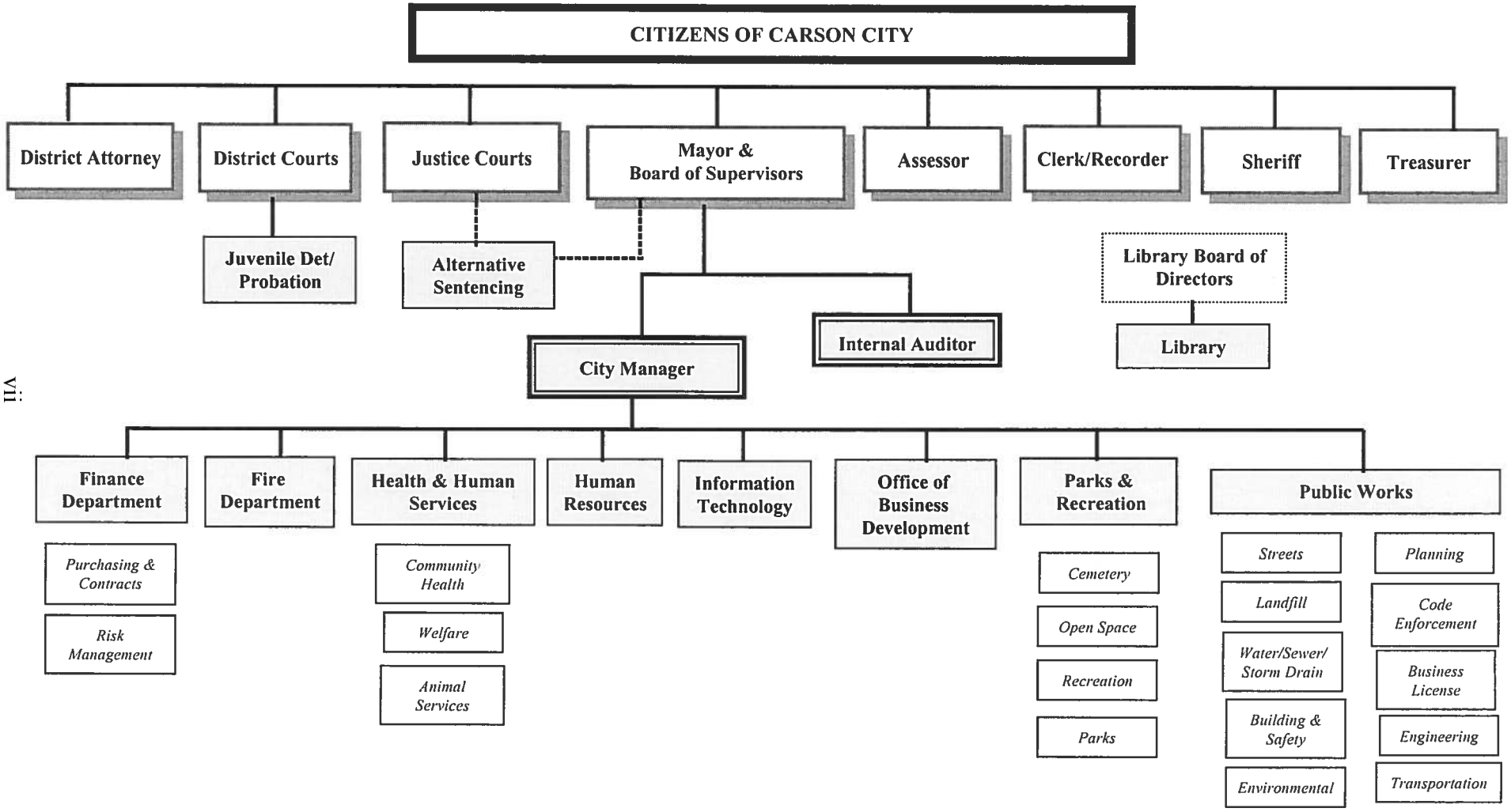
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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 2011

| TITLE | NAME |
|---|---|
| Mayor | Robert L. Crowell |
| Supervisor, Ward 1 | Karen Abowd |
| Supervisor, Ward 2 | Shelly Aldean |
| Supervisor, Ward 3 | John McKenna |
| 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 Thomas Armstrong |
| 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 |
| Cooperative Extension Director | JoAnne Skelly |
| Library Director | Sara Jones |
| Health & Human Services Director | Marena Works |
| Juvenile Special Master | Kristin Luis |
| 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 |
| City Engineer | Jeff Sharp |
| Transportation Program Manager | Patrick Pittenger |
| Chief Building Official | Kevin Gattis |

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# 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, 2011, 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, 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, 2011, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2011, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress, budgetary comparison information, and reconciliation of budgetary basis statements to GAAP basis statements, on Pages 3A through 3K and 49 through 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic

financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carson City, Nevada's basic financial statements as a whole. The Introductory Section, nonmajor combining and individual fund statements and schedules including budgetary comparisons, 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. The combining and individual fund statements and schedules including budgetary comparisons and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Carson City, Nevada's basic financial statements for the year ended June 30, 2010, which are not presented with the accompanying financial statements. In our report dated December 21, 2010, we expressed unqualified opinions on the respective 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. In our opinion, the 2010 nonmajor combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2010, 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
November 30, 2011

**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, 2011. 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-v of this report.

## Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $325,864,072 (*net assets)*.
- The City's total net assets increased by $51,277,457. The largest factor affecting the increase is the increase in capital assets of $72.8 million, while total long term liabilities only increased by $11.2 million, and current assets decreased by approximately $10.3 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $23,456,161, a decrease of $7,400,620 in comparison to the prior year.
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was $5,793,268, or 10.6 percent of total General Fund expenditures.
- The City's total bonded debt increased by $10,272,111 (7.5 percent) during the current fiscal year, primarily due to a new General Obligation Water Bond issued in the amount of $10,100,000.

## 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-four 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 which is considered to be a major funds. Data from the other twenty-three 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 schedule for the General Fund, the major governmental fund, is located in required supplementary information 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 8-11 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, 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 four enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report. Individual fund data for the internal service funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 12-16 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 17-18 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 19-48 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 53-148 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 $325,864,072 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (99 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 | |
|---|---|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Current and other assets | $ 37,274,231 | $ 45,149,122 | $ 6,918,183 | $ 9,364,341 | $ 44,192,414 | $ 54,513,463 |
| Capital assets | 299,636,772 | 243,458,979 | 160,349,926 | 143,740,347 | 459,986,698 | 387,199,326 |
| Total assets | 336,911,003 | 288,608,101 | 167,268,109 | 153,104,688 | 504,179,112 | 441,712,789 |
| Long-term liabilities outstanding | 99,540,631 | 102,072,449 | 66,278,566 | 52,538,369 | 165,819,197 | 154,610,818 |
| Other liabilities | 7,638,689 | 8,642,649 | 4,857,154 | 3,872,707 | 12,495,843 | 12,515,356 |
| Total liabilities | 107,179,320 | 110,715,098 | 71,135,720 | 56,411,076 | 178,315,040 | 167,126,174 |
| Net assets: | | | | | | |
| Invested in capital assets, net of related debt | 230,502,492 | 172,327,528 | 92,656,159 | 90,457,625 | 323,158,651 | 262,785,153 |
| Restricted | 16,058,661 | 20,115,371 | - | - | 16,058,661 | 20,115,371 |
| Unrestricted | (16,829,470) | (14,549,896) | 3,476,230 | 6,235,987 | (13,353,240) | (8,313,909) |
| Total net assets | $229,731,683 | $ 177,893,003 | $ 96,132,389 | $ 96,693,612 | $ 325,864,072 | $ 274,586,615 |

An additional portion of the City's net assets (5 percent) represents resources that are subject to external restrictions on how they may be used. This leaves a negative balance of $13,353,240 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 $51,277,457 during the current fiscal year. The largest factor affecting the increase is the increase in capital assets of $72.8 million, while total long term liabilities only increased by $11.2 million, and current assets decreased by approximately $10.3 million.

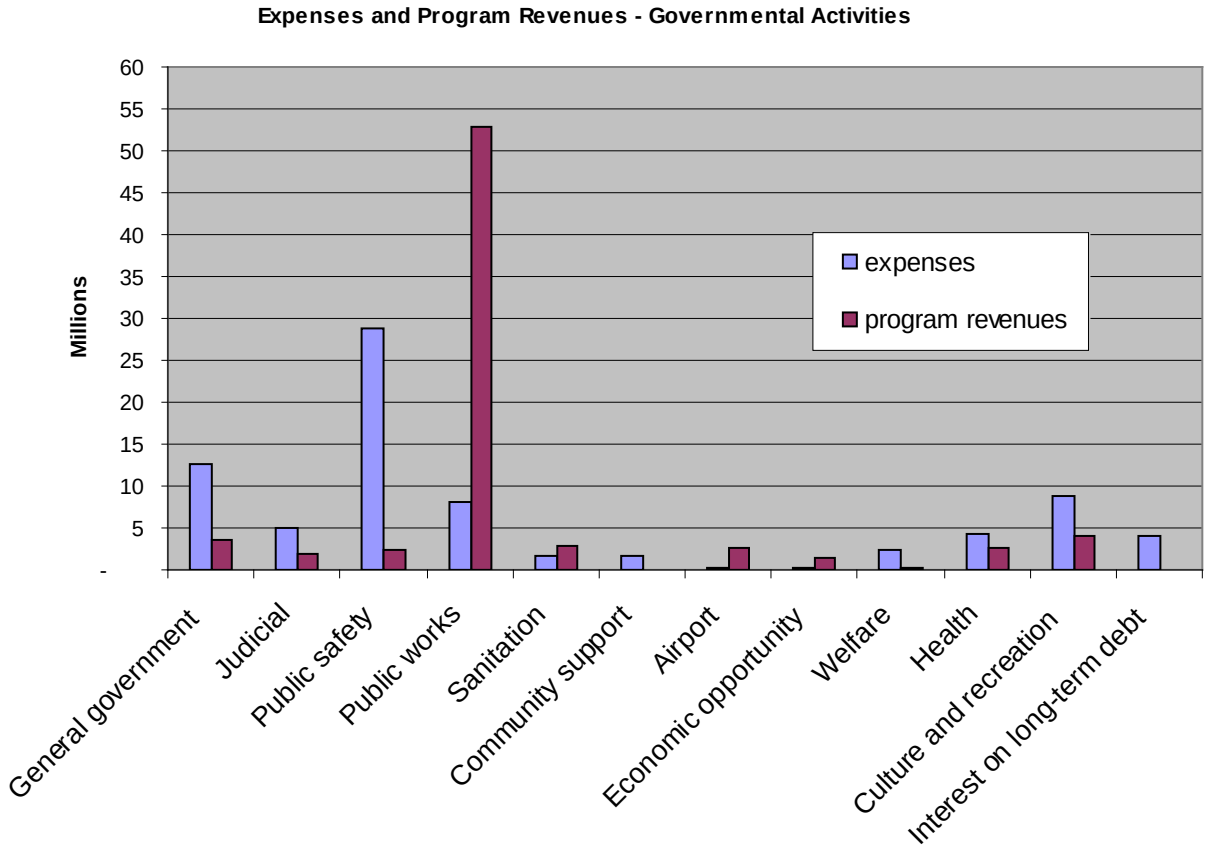
## Carson City's Changes in Net Assets

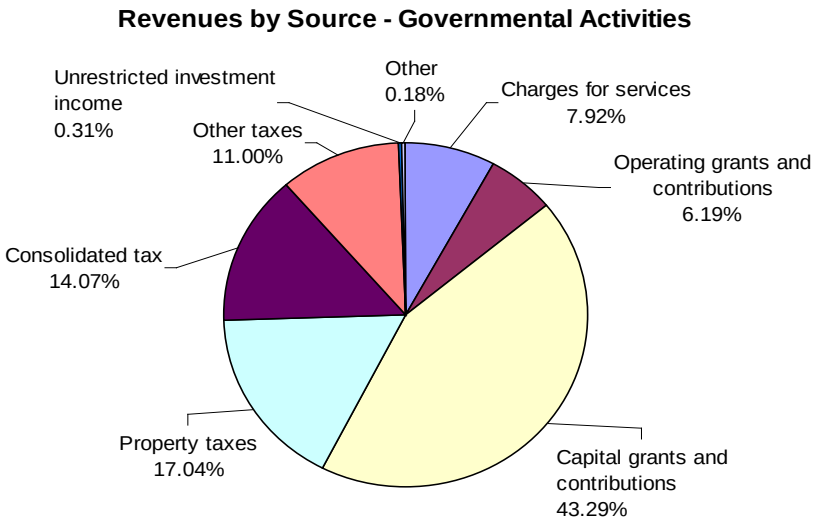
| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 10,295,092 | $10,568,973 | $24,121,633 | $ 20,930,455 | $ 34,416,725 | $ 31,499,428 |
| Operating grants and contributions | 8,040,598 | 13,387,728 | - | 200 | 8,040,598 | 13,387,928 |
| Capital grants and contributions | 56,268,193 | 25,254,636 | 1,906,273 | 890,780 | 58,174,466 | 26,145,416 |
| General revenues: | | | | | | |
| Property taxes | 22,144,119 | 20,555,087 | - | - | 22,144,119 | 20,555,087 |
| Other taxes | 32,587,810 | 32,310,593 | - | - | 32,587,810 | 2,310,593 |
| Other | 644,578 | 1,316,116 | 51,433 | 240,914 | 696,011 | 1,557,030 |
| Total Revenues | 129,980,390 | 103,393,133 | 26,079,339 | 22,062,349 | 156,059,729 | 125,455,482 |
| Expenses: | | | | | | |
| General government | 12,710,114 | 13,128,842 | - | - | 12,710,114 | 13,128,842 |
| Judicial | 4,891,274 | 5,301,887 | - | - | 4,891,274 | 5,301,887 |
| Public safety | 28,842,714 | 30,765,050 | - | - | 28,842,714 | 30,765,050 |
| Public works | 8,188,834 | 9,660,646 | - | - | 8,188,834 | 9,660,646 |
| Sanitation | 1,655,363 | 1,805,049 | - | - | 1,655,363 | 1,805,049 |
| Community support | 1,643,988 | 3,922,076 | - | - | 1,643,988 | 3,922,076 |
| Airport | 149,667 | 257,969 | - | - | 149,667 | 257,969 |
| Economic opportunity | 326,910 | 4,705,495 | - | - | 326,910 | 4,705,495 |
| Welfare | 2,359,998 | 2,373,611 | - | - | 2,359,998 | 2,373,611 |
| Health | 4,349,102 | 4,570,746 | - | - | 4,349,102 | 4,570,746 |
| Culture and recreation | 8,719,947 | 9,686,659 | - | - | 8,719,947 | 9,686,659 |
| Interest and fiscal charges | 4,047,091 | 4,247,956 | - | - | 4,047,091 | 4,247,956 |
| Ambulance | - | - | 4,311,731 | 4,288,925 | 4,311,731 | 4,288,925 |
| Sewer | - | - | 8,486,538 | 8,568,534 | 8,486,538 | 8,568,534 |
| Water | - | - | 12,448,336 | 11,345,020 | 12,448,336 | 11,345,020 |
| Cemetery | - | - | 185,524 | 192,330 | 185,524 | 192,330 |
| Building Permits | - | - | 439,863 | 580,576 | 439,863 | 580,576 |
| Stormwater Drainage | - | - | 1,025,278 | 1,198,016 | 1,025,278 | 1,198,016 |
| Total Expenses | 77,885,002 | 90,425,986 | 26,897,270 | 26,173,401 | 104,782,272 | 116,599,387 |
| Increase (decrease) in net assets before transfers | 52,095,388 | 12,967,147 | (817,931) | (4,11,052) | 51,277,457 | 8,856,095 |
| Transfers | (256,708) | (398,481) | 256,708 | 398,481 | - | - |
| Increase (decrease) in net Assets | 51,838,680 | 12,568,666 | (561,223) | (3,712,571) | 51,277,457 | 8,856,095 |
| Net assets – July 1, as Previously Reported | 177,893,003 | 156,180,270 | 96,693,612 | 100,406,183 | 274,586,615 | 256,586,453 |
| Prior period adjustment error correction | - | 9,144,067 | - | - | - | 9,144,067 |
| Net assets – July 1, as Adjusted | 177,893,003 | 165,324,337 | 96,693,612 | 100,406,183 | 274,586,615 | 265,730,520 |
| Net assets - June 30 | $229,731,683 | $177,893,003 | $96,132,389 | $ 96,693,612 | $ 325,864,072 | $ 274,586,615 |

**Governmental activities.** Governmental activities increased the City's net assets by $51,838,680. This results in a net change (increase) of $39,270,014 when compared to the increase of $12,568,666 in the prior year. Key elements of the change from prior year are as follows:

- $31 million increase in capital grants and contributions consisting mostly of donated capital assets such as land and infrastructure.
- $12.5 million in savings was recognized in the governmental funds across all functions as the City has been reducing expenses as necessary to match decreases in revenues received given the struggling economy. The City offered a voluntary separation plan during the prior fiscal year. Several employees participated in the voluntary separation plan decreasing salaries and benefits during the current year, in addition to a reduction of services and supplies.
- $5.3 million decrease in operating grants during the fiscal year, the largest decrease was $4.3 million in the economic opportunity function related to incentives for business retention.
- $723,566 decrease in unrestricted investment income due to a decrease in the investment portfolio balance and the fair value of investments.
- $1.5 million increase in property taxes from the prior year.

Program revenues for governmental activities provided 95.8 percent of the resources necessary to pay the cost of providing program services, however, it should be noted that $51.6 million of the program revenues relate to donated land and infrastructure from the State of Nevada and developers. The remaining program costs were financed with general revenues. The largest general revenues are consolidated tax of $18,286,154 and property taxes of $22,144,119.



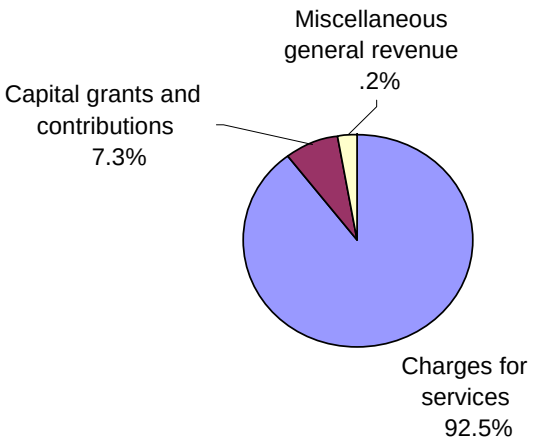



**Business-type activities.** Business-type activities decreased the City's net assets by $561,223. This results in a net change (increase) of $3,151,348 when compared to the decrease of $3,712,571 in the prior year. Key elements of the change from prior year are as follows:

- $2.3 million (or 24.9 percent) increase in water charges for services was realized due to a 28 percent rate increase effective 7/1/2010.
- $951,000 increase in capital grants for water projects.
- $189,000 decrease in unrestricted investment income due to a decrease in the investment portfolio balance and in the fair value of investments.
- $230,000 increase 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 75 percent of total expenses for business-type activities.

**Revenues by Source - Business - type Activities**




## Financial Analysis of the Government's Funds

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

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

At June 30, 2011 the City implemented Governmental Accounting Standards Board (GASB), Statement No. 54, which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $23,456,161, a decrease of $7,400,620 in comparison with the prior year. Of this total amount, $10,117,899 constitutes *committed, assigned or unassigned fund balance,* which is considered *"unrestricted"*. The remainder of fund balance is *nonspendable or restricted*, which is considered "*restricted"* to indicate that it is not available for new spending or restricted by an entity outside of the City. Nonspendable fund balance includes inventory, deposits or prepaid items of $259,285 and restricted fund balance includes external restrictions by the Nevada Revised Statutes (NRS) or grant documents of $13,078,977.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unrestricted fund balance of the General Fund was $5,793,268, while total fund balance reached $6,894,902. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 10.6 percent of total General Fund expenditures, while total fund balance represents 12.6 percent of that same amount.

The fund balance of the City's General Fund decreased by $2,074,385 during the current fiscal year. This results in a net change (increase) of $2,928,660 when compared to the decrease of $5,003,045 in the prior year. Due to the implementation of GASB Statement No. 54, the City eliminated the Landfill Closure/ Post-Closure and the Firefighter Retirement Medical Non-Major Special Revenue Funds as they did not meet the definition of a special revenue fund under the new Statement. As of

July 1, 2010, the budgets and fund balances of these funds were included in General Fund activity to comply with the new Statement. Key elements of the changes due to the Standard as well as from prior year are as follows:

- Property taxes increased by $1.3 million (8.6 percent) over the prior year. Total assessed value decreased by 7.6 percent; however, with no tax rate increases during the current year the abatement decreased by 30.8% allowing the City to realize a 8.6% increase in property tax revenue.
- Intergovernmental revenues increased by $1 million from the prior year. This increase is due to an increase in consolidated tax revenues passed through from the State, which is the result of an increase in taxable sales as our economy slowly recovers.
- $4.3 million decrease in expenditures related to the economic opportunity function, as no incentives were paid for business retention during the current year.
- $2.4 million in savings was realized as the City has been reducing expenses as necessary to match decreases in revenues received given the struggling economy. The City offered a voluntary separation plan during the prior fiscal year. Several employees participated in the voluntary separation plan decreasing salaries and benefits during the current year, in addition to a reduction of services and supplies.
- Approximately $550,000 decline in licenses and permits during the current year is due to the struggling housing and construction industry.
- Transfers in decreased by $5.6 million from the prior year. Transfers in from various funds were necessary in the prior year to offset declining revenues.

***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 $2,275,348 in the Sewer Fund and $512,264, in the Water Fund. The total growth (decline) in net assets for the funds was $(1,419,263) and $631,212, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

**General Fund Budgetary**

Budgeted appropriations increased $3,324,024 between the original budget and the final amended budget. The increase can be briefly summarized as follows:

- Carryover of program costs from the prior year budget amounting to $935,685 allocated to various departments.
- $669,838 in appropriations to cover unanticipated increases in expenditures for various departments.
- $415,060 increase in various department appropriations offset by increases in consolidated tax revenues.
- $303,441 increase in various department appropriations offset by increases in charges for services, intergovernmental revenues, transfers in, and other miscellaneous revenues.

Of this increase, $164,083 was funded from charges for services, $415,060 was funded from consolidated tax revenues, $85,854 was funded from refunds and reimbursements, grants and donations, and $53,504 was funded from transfers in. The remaining $1,605,523 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 $952,000 more than the final budget due to an increase in consolidated tax revenues.
- Actual licenses and permits were $662,000 less than the final budget mostly due to a decline in franchise fee revenue.
- Actual ad valorem taxes were $355,000 less than the final budget.
- Actual expenditures by function were less than the final budget as a result of expenditure reductions in response to 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, 2011, amounts to $459,986,698 (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 18.8 percent (a 23 percent increase for governmental activities and a 11.6 percent increase for business-type activities).

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

- Donated land and infrastructure from the State of Nevada and developers was valued at $51.6 million.
- $10.1 million in water rights were purchased for a project with Douglas County.
- $2.6 million to rehabilitate the runway and taxiways at the Airport.
- $2 million for Roop Street widening project.
- $3.1 million for the purchase of over 400 acres of land, which will be retained as open space from a private owner.
- $2.8 million towards the regional pipeline project expected to be completed in 2012.
- $1.7 million to construct the prison hill water storage tank.

**Carson City's Capital Assets**
(net of depreciation)

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Land | $ 87,137,391 | $ 46,887,163 | $ 3,457,934 | $ 3,247,228 | $ 90,595,325 | $ 50,134,391 |
| CIP - Infrastructure | 5,133,570 | 13,632,437 | - | - | 5,133,570 | 13,632,437 |
| Construction in progress | 1,276,033 | 1,258,693 | 12,332,873 | 9,005,993 | 13,608,906 | 10,264,686 |
| Buildings | 55,422,799 | 56,777,042 | 13,425,515 | 10,814,319 | 68,848,314 | 67,591,361 |
| Improvements other than Buildings | 23,365,440 | 14,421,689 | 109,414,506 | 109,121,244 | 132,779,946 | 123,542,933 |
| Machinery and equipment | 11,458,799 | 12,858,365 | 3,591,162 | 3,532,411 | 15,049,961 | 16,390,776 |
| Infrastructure | 115,842,740 | 97,623,590 | - | - | 115,842,740 | 97,623,590 |
| Water rights | - | - | 18,127,936 | 8,019,152 | 18,127,936 | 8,019,152 |
| Total | $299,636,772 | $243,458,979 | $160,349,926 | $143,740,347 | $459,986,698 | $387,199,326 |

Additional information on the City's capital assets can be found in Note 3-B on pages 29-30 of this report.

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of $147,199,385. Of this amount, $126,977,285 comprises debt backed by the full faith and credit of the government. The remainder of the City's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

**Carson City's Outstanding Debt**
General Obligation, Revenue Bonds and Notes Payable

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| General obligation | | | | | | |
| Bonds | $64,990,727 | $67,519,131 | $61,986,558 | $48,542,143 | $126,977,285 | $116,061,274 |
| Revenue bonds | 20,222,100 | 20,866,000 | - | - | 20,222,100 | 20,866,000 |
| Notes Payable | 2,212,558 | 3,018,928 | 2,395,000 | 2,448,000 | 4,607,558 | 5,466,928 |
| Total | $87,425,385 | $91,404,059 | $64,381,558 | $50,990,143 | $151,806,943 | $142,394,202 |

The City's total bonded debt and notes payable increased by $9,412,741 (6.6 percent) from the prior year. The key factor in this increase was the issuance of general obligation water bonds in the amount of $10,100,000 for the purchase of water rights.

The City maintained an "AA-" rating from Standard & Poor's and during fiscal year 2011 the City's debt rating changed from an "Aa2" to an "Aa3"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 $266,225,881, 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 34-42 of this report.

## Economic Factors and Next Year's Budgets and Rates

- The City's unemployment rate was 12.5% at June 30, 2011, which is an decrease from a rate of 13.3% a year ago. The national and state unemployment rates were 9.2% and 12.4%, respectively, at June 30, 2011.
- The City's assessed value decreased 7.6 percent in fiscal year 2010-11 to 1.688 billion and decreased 10.8 percent in fiscal year 2011-12 to 1.506 billion.
- Sales tax revenue was projected to increase 3% for fiscal year 2011-12, but first quarter numbers are indicating a slight decline when compared with fiscal year 2010-11.

All of these factors were considered in preparing the City's budget for the 2012 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund (under GASB Statement No. 54 is now deemed to be unrestricted) increased from $5,318,237 to $5,793,268. The City has assigned $2,646,864 of this amount for eliminating a 2012 fiscal year budget deficiency.

## Requests for Information

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

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# BASIC FINANCIAL STATEMENTS

**CARSON CITY**
**STATEMENT OF NET ASSETS**
**JUNE 30, 2011**

| | PRIMARY GOVERNMENT | | |
|---|---|---|---|
| | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
| ASSETS | | | |
| Cash and investments | $ 25,248,557 | $ 2,841,658 | $ 28,090,215 |
| Receivables (net of allowances for uncollectibles) | 2,669,937 | 3,410,379 | 6,080,316 |
| Due from other governments | 6,385,723 | 279,686 | 6,665,409 |
| Due from component units | 11,086 | - | 11,086 |
| Due from primary government | - | - | - |
| Internal balances | 620,380 | (620,380) | - |
| Inventories | 94,672 | 250,627 | 345,299 |
| Deposits | 19,099 | - | 19,099 |
| Prepaids | 237,881 | 27,969 | 265,850 |
| Restricted assets: | | | |
| Cash and investments | 594,488 | - | 594,488 |
| Other assets | 1,171,642 | 728,244 | 1,899,886 |
| Net OPEB asset | 220,766 | - | 220,766 |
| Capital assets (net of accumulated depreciation): | | | |
| Land | 87,137,391 | 3,457,934 | 90,595,325 |
| Construction in progress - infrastructure | 5,133,570 | - | 5,133,570 |
| Construction in progress | 1,276,033 | 12,332,873 | 13,608,906 |
| Buildings | 55,422,799 | 13,425,515 | 68,848,314 |
| Improvements other than buildings | 23,365,440 | 109,414,506 | 132,779,946 |
| Machinery and equipment | 11,458,799 | 3,591,162 | 15,049,961 |
| Infrastructure | 115,842,740 | - | 115,842,740 |
| Water rights | - | 18,127,936 | 18,127,936 |
| Total Assets | 336,911,003 | 167,268,109 | 504,179,112 |
| LIABILITIES | | | |
| Accounts payable and accrued expenses | 4,720,316 | 2,951,062 | 7,671,378 |
| Accrued interest payable | 599,234 | 452,567 | 1,051,801 |
| Due to other governments | 554,870 | 1,167,422 | 1,722,292 |
| Due to component units | 280,940 | - | 280,940 |
| Due to primary government | - | - | - |
| Unearned revenue | 112,468 | 278,903 | 391,371 |
| Other liabilities | 776,373 | 7,200 | 783,573 |
| Current liabilities payable from restricted assets | 594,488 | - | 594,488 |
| Noncurrent liabilities: | | | |
| Due within one year | 4,714,666 | 4,016,055 | 8,730,721 |
| Due in more than one year | 89,809,696 | 61,429,870 | 151,239,566 |
| Net OPEB obligation | 5,016,269 | 832,641 | 5,848,910 |
| Total Liabilities | 107,179,320 | 71,135,720 | 178,315,040 |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 230,502,492 | 92,656,159 | 323,158,651 |
| Restricted for: | | | |
| General government | 111,473 | - | 111,473 |
| Public safety | 776,745 | - | 776,745 |
| Judicial | 507,267 | - | 507,267 |
| Public works | 562,319 | - | 562,319 |
| Health | 170,910 | - | 170,910 |
| Welfare | 3,085 | - | 3,085 |
| Culture and recreation | 10,475,740 | - | 10,475,740 |
| Capital projects | 70,727 | - | 70,727 |
| Debt service | - | - | - |
| Redevelopment | 367,994 | - | 367,994 |
| Claims | 3,012,401 | - | 3,012,401 |
| Unrestricted | (16,829,470) | 3,476,230 | (13,353,240) |
| Total Net Assets | $ 229,731,683 | $ 96,132,389 | $ 325,864,072 |

| COMPONENT UNITS | |
|---|---|
| AIRPORT AUTHORITY | CONVENTION AND VISITORS' BUREAU |
| $ 288,271 | $ 1,051,070 |
| 4,056 | 171,327 |
| 27,205 | 26,500 |
| - | - |
| 280,940 | - |
| - | - |
| - | 19,143 |
| - | - |
| 4,854 | 4,174 |
| - | 92,825 |
| 207,653 | 3,390 |
| - | - |
| 146,542 | - |
| - | - |
| 145,846 | - |
| - | 92,989 |
| - | - |
| 107,844 | 20,261 |
| - | - |
| - | - |
| 1,213,211 | 1,481,679 |
| 50,563 | 145,784 |
| - | - |
| - | 9,594 |
| - | - |
| - | 11,086 |
| 10,362 | 53,931 |
| - | 92,825 |
| - | - |
| 21,618 | 1,215 |
| 598,765 | 63,256 |
| - | - |
| 681,308 | 377,691 |
| 400,232 | 112,035 |
| - | 2,044 |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | 203,022 |
| - | - |
| - | 221,077 |
| - | - |
| - | - |
| 131,671 | 565,810 |
| $ 531,903 | $ 1,103,988 |

**CARSON CITY**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED JUNE 30, 2011**

| 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 | $ 12,710,114 | $ 2,857,504 | $ 774,783 | $ - |
| Public safety | 28,842,714 | 1,155,682 | 1,099,014 | 30,000 |
| Judicial | 4,891,274 | 1,670,098 | 200,096 | - |
| Public works | 8,188,834 | 149,922 | 1,532,122 | 51,195,130 |
| Sanitation | 1,655,363 | 2,903,582 | - | - |
| Health | 4,349,102 | 368,863 | 2,291,076 | - |
| Welfare | 2,359,998 | - | 298,359 | - |
| Culture and recreation | 8,719,947 | 1,189,441 | 324,057 | 2,446,684 |
| Community support | 1,643,988 | - | - | - |
| Airport | 149,667 | - | 47,506 | 2,596,379 |
| Economic opportunity | 326,910 | - | 1,473,585 | - |
| Debt Service: | | | | |
| Interest and fiscal charges | 4,047,091 | - | - | - |
| Total Governmental Activities | 77,885,002 | 10,295,092 | 8,040,598 | 56,268,193 |
| Business-Type Activities: | | | | |
| Sewer | 8,486,538 | 6,745,687 | - | 295,466 |
| Water | 12,448,336 | 11,510,051 | - | 1,586,795 |
| Stormwater Drainage | 1,025,278 | 1,669,605 | - | 24,012 |
| Ambulance | 4,311,731 | 3,547,842 | - | - |
| Cemetery | 185,524 | 111,624 | - | - |
| Building Permits | 439,863 | 536,824 | - | - |
| Total Business-Type Activities | 26,897,270 | 24,121,633 | - | 1,906,273 |
| Total Primary Government | $ 104,782,272 | $ 34,416,725 | $ 8,040,598 | $ 58,174,466 |
| Component units: | | | | |
| Airport Authority | $ 3,011,881 | $ 253,308 | $ 2,443,777 | $ - |
| Convention and Visitors' Bureau | 2,049,976 | 466,212 | 156,196 | - |
| Total Component Units | $ 5,061,857 | $ 719,520 | $ 2,599,973 | $ - |

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

NET ASSETS, JUNE 30

| NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS | | | COMPONENT UNITS | |
|---|---|---|---|---|
| GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL | AIRPORT AUTHORITY | CONVENTION AND VISITORS' BUREAU |
| $ (9,077,827) | $ - | $ (9,077,827) | $ - | $ - |
| (26,558,018) | - | (26,558,018) | - | - |
| (3,021,080) | - | (3,021,080) | - | - |
| 44,688,340 | - | 44,688,340 | - | - |
| 1,248,219 | - | 1,248,219 | - | - |
| (1,689,163) | - | (1,689,163) | - | - |
| (2,061,639) | - | (2,061,639) | - | - |
| (4,759,765) | - | (4,759,765) | - | - |
| (1,643,988) | - | (1,643,988) | - | - |
| 2,494,218 | - | 2,494,218 | - | - |
| 1,146,675 | - | 1,146,675 | - | - |
| (4,047,091) | - | (4,047,091) | - | - |
| (3,281,119) | - | (3,281,119) | - | - |
| - | (1,445,385) | (1,445,385) | - | - |
| - | 648,510 | 648,510 | - | - |
| - | 668,339 | 668,339 | - | - |
| - | (763,889) | (763,889) | - | - |
| - | (73,900) | (73,900) | - | - |
| - | 96,961 | 96,961 | - | - |
| - | (869,364) | (869,364) | - | - |
| (3,281,119) | (869,364) | (4,150,483) | - | - |
| - | - | - | (314,796) | - |
| - | - | - | - | (1,427,568) |
| - | - | - | (314,796) | (1,427,568) |
| 22,144,119 | - | 22,144,119 | 153,225 | - |
| 4,518,988 | - | 4,518,988 | - | - |
| 18,286,154 | - | 18,286,154 | - | - |
| 4,977,697 | - | 4,977,697 | - | - |
| 158,283 | - | 158,283 | - | - |
| - | - | - | - | 1,205,647 |
| 4,646,688 | - | 4,646,688 | - | - |
| 408,911 | 51,433 | 460,344 | 2,006 | 2,682 |
| 235,667 | - | 235,667 | - | - |
| (256,708) | 256,708 | - | - | - |
| 55,119,799 | 308,141 | 55,427,940 | 155,231 | 1,208,329 |
| 51,838,680 | (561,223) | 51,277,457 | (159,565) | (219,239) |
| 177,893,003 | 96,693,612 | 274,586,615 | 691,468 | 1,323,227 |
| $ 229,731,683 | $ 96,132,389 | $ 325,864,072 | $ 531,903 | $ 1,103,988 |

**CARSON CITY**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | GENERAL | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|---|---|---|
| ASSETS | | | |
| Cash and investments | $ 4,619,153 | $ 15,680,593 | $ 20,299,746 |
| Receivables (net of allowances for uncollectibles): | | | |
| Taxes, delinquent | 545,245 | 175,142 | 720,387 |
| Accounts receivable | 1,528,662 | 36,671 | 1,565,333 |
| Interest | 88,120 | - | 88,120 |
| Due from other funds | 870,000 | - | 870,000 |
| Due from other governments | 3,394,117 | 2,991,606 | 6,385,723 |
| Due from component units | 11,086 | - | 11,086 |
| Inventories | 2,753 | - | 2,753 |
| Deposits | 10,000 | 9,099 | 19,099 |
| Prepaid items | 221,950 | 15,483 | 237,433 |
| Restricted assets: | | | |
| Cash and investments | 556,258 | 38,230 | 594,488 |
| Total Assets | $ 11,847,344 | $ 18,946,824 | $ 30,794,168 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | $ 864,466 | $ 778,409 | $ 1,642,875 |
| Accrued salaries and benefits | 2,648,085 | 203,089 | 2,851,174 |
| Due to other funds | - | 525,000 | 525,000 |
| Due to other governments | 129,893 | 400,011 | 529,904 |
| Due to component units | 147,076 | 133,864 | 280,940 |
| Other liabilities | 100,911 | - | 100,911 |
| Deferred revenue | 504,753 | 195,494 | 700,247 |
| Unearned revenue | 1,000 | 111,468 | 112,468 |
| Payable from restricted assets | 556,258 | 38,230 | 594,488 |
| Total Liabilities | 4,952,442 | 2,385,565 | 7,338,007 |
| Fund balances: | | | |
| Nonspendable: | | | |
| Inventories | 2,753 | - | 2,753 |
| Deposits | 10,000 | 9,099 | 19,099 |
| Prepaid items | 221,950 | 15,483 | 237,433 |
| Restricted for: | | | |
| Courts | 544,269 | - | 544,269 |
| Technology | 55,490 | - | 55,490 |
| General Government | - | 158,725 | 158,725 |
| Public Safety | - | 619,800 | 619,800 |
| Judicial | - | 18,946 | 18,946 |
| Public works | - | 783,550 | 783,550 |
| Welfare | - | 145 | 145 |
| Health | 143,398 | 25,409 | 168,807 |
| Culture and recreation | 123,774 | 10,214,502 | 10,338,276 |
| Redevelopment | - | 320,242 | 320,242 |
| Capital projects | - | 70,727 | 70,727 |
| Committed to: | | | |
| Redevelopment | - | 2,400,000 | 2,400,000 |
| Assigned to: | | | |
| Technology | 54,153 | - | 54,153 |
| General Government | 5,968 | - | 5,968 |
| Public Safety | 78,481 | - | 78,481 |
| Health | 108,455 | - | 108,455 |
| Culture and recreation | 68,553 | - | 68,553 |
| Capital projects | - | 826,872 | 826,872 |
| Debt service | - | 706,898 | 706,898 |
| Other purposes | - | 392,804 | 392,804 |
| Subsequent year's budget deficit | 2,646,864 | - | 2,646,864 |
| Unassigned | 2,830,794 | (1,943) | 2,828,851 |
| Total Fund Balances | 6,894,902 | 16,561,259 | 23,456,161 |
| Total Liabilities and Fund Balances | $ 11,847,344 | $ 18,946,824 | $ 30,794,168 |

**CARSON CITY, NEVADA**
**RECONCILIATION OF THE BALANCE SHEET**
**TO THE STATEMENT OF NET ASSETS**
**GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | | |
|---|---|---|
| Fund Balances - Governmental Funds (page 8) | | $ 23,456,161 |
| 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 | $ 369,491,906 | |
| Less: Accumulated depreciation | (70,559,023) | |
| | | 298,932,883 |
| Net OPEB asset is not a financial resource and, therefore, is not reported in the governmental funds. | | 220,766 |
| 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 | (64,990,727) | |
| Notes payable | (1,982,558) | |
| Revenue bonds payable | (20,222,100) | |
| Loss on bond refunding | 707,721 | |
| Less: current year amortization | (109,945) | |
| Issuance discount | 148,202 | |
| Less: current year amortization | (10,042) | |
| Issuance premium | (679,014) | |
| Less: current year amortization | 40,738 | |
| Deferred charge for issuance costs | 1,184,020 | |
| Less: current year amortization | (75,044) | |
| Capital leases payable | (67,772) | |
| Landfill closure / post closure costs | (2,975,838) | |
| Net OPEB obligation | (4,935,525) | |
| Compensated absences | (4,015,310) | |
| | | (97,983,194) |
| Interest payable | | (597,196) |
| Deferred revenue represents amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds. | | 700,247 |
| 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. | | 4,726,636 |
| Internal balances are receivable from business-type activities. | | 275,380 |
| Net Assets - Governmental Activities (pages 4-5) | | $ 229,731,683 |

**CARSON CITY**
**STATEMENT OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | GENERAL | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|---|---|---|
| Revenues: | | | |
| Taxes | $ 16,333,974 | $ 13,322,691 | $ 29,656,665 |
| Licenses and permits | 6,556,249 | 225,998 | 6,782,247 |
| Intergovernmental revenues | 19,599,206 | 13,303,251 | 32,902,457 |
| Charges for services | 10,876,388 | 276,703 | 11,153,091 |
| Fines and forfeits | 713,070 | 60,449 | 773,519 |
| Miscellaneous | 1,144,743 | 571,631 | 1,716,374 |
| Total Revenues | 55,223,630 | 27,760,723 | 82,984,353 |
| Expenditures: | | | |
| Current: | | | |
| General government | 12,983,141 | 1,247,975 | 14,231,116 |
| Public safety | 25,970,363 | 1,342,765 | 27,313,128 |
| Judicial | 4,558,275 | 266,182 | 4,824,457 |
| Public works | 1,974,920 | 5,846,114 | 7,821,034 |
| Sanitation | 1,542,371 | - | 1,542,371 |
| Health | 1,550,580 | 2,247,544 | 3,798,124 |
| Welfare | 379,437 | 1,964,717 | 2,344,154 |
| Culture and recreation | 5,244,549 | 2,051,481 | 7,296,030 |
| Community support | 458,202 | 838,749 | 1,296,951 |
| Airport | - | 47,506 | 47,506 |
| Economic opportunity | - | 326,957 | 326,957 |
| Capital outlay | 209,986 | 11,021,669 | 11,231,655 |
| Debt service: | | | |
| Principal retirement | - | 3,924,674 | 3,924,674 |
| Interest and fiscal charges | - | 4,286,892 | 4,286,892 |
| Total Expenditures | 54,871,824 | 35,413,225 | 90,285,049 |
| Excess (Deficiency) of Revenues over Expenditures | 351,806 | (7,652,502) | (7,300,696) |
| Other Financing Sources (Uses): | | | |
| Sale of capital assets | 3,535 | - | 3,535 |
| Refunding bonds issued | - | 7,210,000 | 7,210,000 |
| Premium on refunding bonds | - | 226,243 | 226,243 |
| Payment to refunded bond escrow agent | - | (7,244,702) | (7,244,702) |
| Transfers in | 240,060 | 8,039,899 | 8,279,959 |
| Transfers out | (2,669,786) | (5,905,173) | (8,574,959) |
| Total Other Financing Sources (Uses) | (2,426,191) | 2,326,267 | (99,924) |
| Net Change in Fund Balances | (2,074,385) | (5,326,235) | (7,400,620) |
| Fund Balances, July 1 | 8,969,287 | 21,887,494 | 30,856,781 |
| Fund Balances, June 30 | $ 6,894,902 | $ 16,561,259 | $ 23,456,161 |

**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, 2011**

| | | |
|---|---|---|
| Net Change in Fund Balances - Governmental Funds (page 10) | | $ (7,400,620) |
| 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 | $ 11,231,655 | |
| Contributions of capital assets from business-type activities | 38,292 | |
| Donated capital assets | 51,668,084 | |
| Sale/disposition of assets | (68,845) | |
| Less: Current year depreciation | (6,790,561) | |
| | | 56,078,625 |
| 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 | | (213,962) |
| 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 bonds and note principal and capital leases is an expenditure in the governmental fund, 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 | (7,210,000) | |
| Bond issuance costs | 200,691 | |
| Bond premiums | (226,243) | |
| Accrued interest | (597,196) | |
| Capital lease payments | 31,698 | |
| Interest payments | 747,776 | |
| Principal payments | 3,924,674 | |
| Payment to escrow agent for refunding | 7,244,702 | |
| | | 4,116,102 |
| 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 | (109,945) | |
| Amortization of issuance costs | (75,044) | |
| Amortization of bond discounts | (10,042) | |
| Amortization of bond premiums | 40,738 | |
| Change in long-term landfill closure / post closure | (104,378) | |
| Change in net OPEB asset | 80,546 | |
| Change in net OPEB obligation | (1,864,166) | |
| Change in long-term compensated absences | 651,204 | |
| | | (1,391,087) |
| 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. | | 649,622 |
| Change in Net Assets of Governmental Activities (pages 6-7) | | $ 51,838,680 |

**CARSON CITY**
**STATEMENT OF NET ASSETS**
**PROPRIETARY FUNDS**
**JUNE 30, 2011**
**(PAGE 1 OF 2)**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS |
|---|---|---|---|---|---|
| | SEWER | WATER | OTHER ENTERPRISE FUNDS | TOTAL ENTERPRISE FUNDS | |
| ASSETS | | | | | |
| Current assets (unrestricted): | | | | | |
| Cash and investments | $ 2,215,075 | $ 38,986 | $ 587,597 | $ 2,841,658 | $ 4,948,811 |
| Receivables: | | | | | |
| Accounts and contracts, net | 724,311 | 1,158,356 | 1,527,712 | 3,410,379 | 296,097 |
| Due from other governments | 26,643 | 253,043 | - | 279,686 | - |
| Inventories | - | 229,069 | 21,558 | 250,627 | 91,919 |
| Prepaid items | 2,675 | 24,889 | 405 | 27,969 | 448 |
| Total Current Assets (Unrestricted) | 2,968,704 | 1,704,343 | 2,137,272 | 6,810,319 | 5,337,275 |
| Noncurrent assets: | | | | | |
| Other assets | 169,059 | 458,087 | 101,098 | 728,244 | 62,666 |
| Capital assets: | | | | | |
| Land | 755,204 | 820,500 | 1,882,230 | 3,457,934 | - |
| Buildings | 12,365,865 | 4,565,773 | 354,931 | 17,286,569 | - |
| Improvements other than buildings | 97,068,390 | 78,561,272 | 7,474,492 | 183,104,154 | - |
| Machinery and equipment | 3,945,013 | 3,878,548 | 1,804,077 | 9,627,638 | 791,808 |
| Water rights | - | 18,127,936 | - | 18,127,936 | - |
| Construction in progress | 2,085,009 | 10,056,826 | 191,038 | 12,332,873 | - |
| | 116,219,481 | 116,010,855 | 11,706,768 | 243,937,104 | 791,808 |
| Less: Accumulated depreciation | (49,961,849) | (32,109,617) | (1,515,712) | (83,587,178) | (87,919) |
| Net Capital Assets | 66,257,632 | 83,901,238 | 10,191,056 | 160,349,926 | 703,889 |
| Total Noncurrent Assets | 66,426,691 | 84,359,325 | 10,292,154 | 161,078,170 | 766,555 |
| Total Assets | 69,395,395 | 86,063,668 | 12,429,426 | 167,888,489 | 6,103,830 |

**CARSON CITY**
**STATEMENT OF NET ASSETS**
**PROPRIETARY FUNDS**
**JUNE 30, 2011**
**(PAGE 2 OF 2)**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS |
|---|---|---|---|---|---|
| | SEWER | WATER | OTHER ENTERPRISE FUNDS | TOTAL ENTERPRISE FUNDS | |
| LIABILITIES | | | | | |
| Current liabilities payable from unrestricted assets: | | | | | |
| Accounts payable | $ 832,359 | $ 1,774,027 | $ 71,136 | $ 2,677,522 | $ 186,316 |
| Accrued salaries and benefits | 70,643 | 97,707 | 105,190 | 273,540 | 39,951 |
| Accrued interest | 153,015 | 274,018 | 25,534 | 452,567 | 2,038 |
| Due to other funds | - | 300,000 | 45,000 | 345,000 | - |
| Due to other governments | 2,772 | 1,162,527 | 2,123 | 1,167,422 | 24,966 |
| Unearned revenue | - | - | 278,903 | 278,903 | - |
| Other current liabilities | - | - | - | - | 675,462 |
| Current portion: | | | | | |
| Commitments payable | - | 7,200 | - | 7,200 | - |
| Accrued compensated absences | 36,979 | 32,170 | 86,488 | 155,637 | 21,563 |
| General obligation bonds and notes payable | 1,744,634 | 1,783,784 | 332,000 | 3,860,418 | 152,000 |
| Total Current Liabilities | 2,840,402 | 5,431,433 | 946,374 | 9,218,209 | 1,102,296 |
| Noncurrent liabilities: | | | | | |
| Accrued compensated absences | 116,609 | 145,740 | 171,921 | 434,270 | 43,518 |
| Net OPEB obligation | 153,429 | 179,955 | 499,257 | 832,641 | 80,744 |
| Other liabilities | - | 35,454 | - | 35,454 | 72,636 |
| General obligation bonds and notes payable | 13,017,830 | 42,796,126 | 5,146,190 | 60,960,146 | 78,000 |
| Total Noncurrent Liabilities | 13,287,868 | 43,157,275 | 5,817,368 | 62,262,511 | 274,898 |
| Total Liabilities | 16,128,270 | 48,588,708 | 6,763,742 | 71,480,720 | 1,377,194 |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt | 50,991,777 | 36,962,696 | 4,701,686 | 92,656,159 | 473,889 |
| Unrestricted | 2,275,348 | 512,264 | 963,998 | 3,751,610 | 4,252,747 |
| Total Net Assets | $ 53,267,125 | $ 37,474,960 | $ 5,665,684 | 96,407,769 | $ 4,726,636 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | | (275,380) | |
| Net assets of business - type activities | | | | $ 96,132,389 | |

**CARSON CITY**
**STATEMENT OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | |
|---|---|---|---|---|---|
| | SEWER | WATER | OTHER ENTERPRISE FUNDS | TOTAL ENTERPRISE FUNDS | GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS |
| Operating Revenues: | | | | | |
| Charges for services | $ 6,743,523 | $ 11,318,382 | $ 5,355,849 | $ 23,417,754 | $ 11,349,550 |
| Operating Expenses: | | | | | |
| Salaries and wages | 1,247,128 | 1,545,747 | 1,763,285 | 4,556,160 | 714,974 |
| Employee benefits | 521,132 | 659,533 | 1,093,639 | 2,274,304 | 287,229 |
| Services and supplies | 3,121,230 | 5,370,151 | 2,573,039 | 11,064,420 | 9,793,763 |
| Depreciation | 3,003,662 | 2,493,952 | 323,059 | 5,820,673 | 61,396 |
| Total Operating Expenses | 7,893,152 | 10,069,383 | 5,753,022 | 23,715,557 | 10,857,362 |
| Operating Income (Loss) | (1,149,629) | 1,248,999 | (397,173) | (297,803) | 492,188 |
| Nonoperating Revenues (Expenses): | | | | | |
| Investment income | 32,395 | 6,039 | 12,999 | 51,433 | 56,901 |
| Miscellaneous | 750 | 10 | 510,046 | 510,806 | 62,344 |
| Interest expense | (545,118) | (1,885,273) | (219,597) | (2,649,988) | (7,542) |
| Federal interest subsidy | 1,414 | 191,659 | - | 193,073 | - |
| Gain (loss) on sales of capital assets | (3,074) | (480,455) | - | (483,529) | 16,008 |
| Arbitrage rebate | - | (13,949) | - | (13,949) | - |
| Bond issuance costs | (22,478) | (50,243) | (8,007) | (80,728) | (2,285) |
| Total Nonoperating Revenues (Expenses) | (536,111) | (2,232,212) | 295,441 | (2,472,882) | 125,426 |
| Income (Loss) Before Contributions and Transfers | (1,685,740) | (983,213) | (101,732) | (2,770,685) | 617,614 |
| Capital Contributions: | | | | | |
| Capital assets | - | 166,398 | 24,012 | 190,410 | - |
| Capital grants | 181,155 | 1,359,611 | - | 1,540,766 | 35,204 |
| Developers | 69,016 | 29,070 | - | 98,086 | - |
| Connection fees | 45,295 | 36,709 | - | 82,004 | - |
| Total Capital Contributions | 295,466 | 1,591,788 | 24,012 | 1,911,266 | 35,204 |
| Transfers In | - | 28,989 | 301,352 | 330,341 | - |
| Transfers Out | (28,989) | (6,352) | - | (35,341) | - |
| Change in Net Assets | (1,419,263) | 631,212 | 223,632 | (564,419) | 652,818 |
| Net Assets, July 1 | 54,686,388 | 36,843,748 | 5,442,052 | | 4,073,818 |
| Net Assets, June 30 | $ 53,267,125 | $ 37,474,960 | $ 5,665,684 | | $ 4,726,636 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | | 3,196 | |
| Change in net assets of business - type activities | | | | $ (561,223) | |

**CARSON CITY**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 1 OF 2)**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS |
|---|---|---|---|---|---|
| | SEWER | WATER | OTHER ENTERPRISE FUNDS | TOTAL ENTERPRISE FUNDS | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash received for services | $ 6,672,122 | $ 11,169,459 | $ 5,527,458 | $ 23,369,039 | $ 1,307,207 |
| Cash received from Employee Contributions | - | - | - | - | 1,719,235 |
| Cash received from Employer Contributions | - | - | - | - | 8,312,285 |
| Cash payments for personnel costs | (1,749,763) | (2,106,470) | (2,771,451) | (6,627,684) | (1,011,108) |
| Cash payments for services and supplies | (2,911,775) | (5,410,893) | (2,523,616) | (10,846,284) | (10,005,527) |
| Miscellaneous cash received | 750 | 10 | 510,046 | 510,806 | 62,344 |
| Net Cash Provided (Used) by Operating Activities | 2,011,334 | 3,652,106 | 742,437 | 6,405,877 | 384,436 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Transfer from other funds | - | - | 295,000 | 295,000 | - |
| Net Cash Provided (Used) by Noncapital Financing Activities | - | - | 295,000 | 295,000 | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Proceeds from capital debt | 3,442,548 | 21,890,037 | - | 25,332,585 | - |
| Proceeds from sales of capital assets | - | - | - | - | 16,008 |
| Connection fees | 45,295 | 28,604 | - | 73,899 | - |
| Acquisition of capital assets | (1,929,386) | (19,384,084) | (454,106) | (21,767,576) | (160,564) |
| Principal paid on capital debt | (2,926,670) | (8,721,500) | (293,000) | (11,941,170) | (149,000) |
| Interest paid on capital debt | (552,016) | (1,571,908) | (221,879) | (2,345,803) | (8,620) |
| Bond issuance costs | (122,563) | (227,172) | (250) | (349,985) | - |
| Federal interest subsidy | 1,414 | 191,659 | - | 193,073 | - |
| Subsidy from grant | 181,155 | 1,359,611 | - | 1,540,766 | 35,204 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (1,860,223) | (6,434,753) | (969,235) | (9,264,211) | (266,972) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Investment income | 32,395 | 6,039 | 12,999 | 51,433 | 56,901 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 183,506 | (2,776,608) | 81,201 | (2,511,901) | 174,365 |
| Cash and Cash Equivalents, July 1 | 2,031,569 | 2,815,594 | 506,396 | 5,353,559 | 4,774,446 |
| Cash and Cash Equivalents, June 30 | $ 2,215,075 | $ 38,986 | $ 587,597 | $ 2,841,658 | $ 4,948,811 |

**CARSON CITY**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 2 OF 2)**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS |
|---|---|---|---|---|---|
| | SEWER | WATER | OTHER ENTERPRISE FUNDS | TOTAL ENTERPRISE FUNDS | |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | | |
| Operating income (loss) | $ (1,149,629) | $ 1,248,999 | $ (397,173) | $ (297,803) | $ 492,188 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation and amortization expense | 3,003,662 | 2,493,952 | 323,059 | 5,820,673 | 61,396 |
| Nonoperating revenues | 750 | 10 | 510,046 | 510,806 | 62,344 |
| Changes in assets and liabilities: | | | | | |
| (Increase) decrease in: | | | | | |
| Accounts receivable | (70,800) | (144,273) | 185,562 | (29,511) | (11,873) |
| Due from other governments | 1,079 | 1,619 | - | 2,698 | - |
| Due from other funds | 24,169 | (147,675) | - | (123,506) | - |
| Inventories | - | 3,393 | 4,067 | 7,460 | (1,629) |
| Prepaid items | 16,519 | (17,206) | 90 | (597) | (448) |
| Other assets | - | - | - | - | (60,000) |
| Increase (decrease) in: | | | | | |
| Accounts payable | 168,177 | (77,409) | 6,386 | 97,154 | (311,224) |
| Accrued salaries and benefits | 7,374 | 23,657 | 5,256 | 36,287 | 4,829 |
| Due to other funds | - | 300,000 | 39,267 | 339,267 | - |
| Due to other governments | (489) | (103,464) | (6,683) | (110,636) | (3,253) |
| Unearned revenue | - | - | (7,657) | (7,657) | - |
| Connection deposits | (601) | (4,650) | - | (5,251) | - |
| Accrued compensated absences | (40,781) | 14,442 | (83,809) | (110,148) | (39,976) |
| Net OPEB obligation | 51,904 | 60,711 | 164,026 | 276,641 | 26,242 |
| Other liabilities | - | - | - | - | 165,840 |
| Total Adjustments | 3,160,963 | 2,403,107 | 1,139,610 | 6,703,680 | (107,752) |
| Net Cash Provided (Used) by Operating Activities | $ 2,011,334 | $ 3,652,106 | $ 742,437 | $ 6,405,877 | $ 384,436 |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES: | | | | | |
| Purchase of capital assets on account | $ 610,262 | $ 1,194,235 | $ 11,180 | $ 1,815,677 | $ - |
| Purchase of capital assets due to other governments | - | 904,274 | - | 904,274 | - |
| Retainage payable on construction of capital assets | 45,515 | 252,922 | - | 298,437 | - |
| Contributed capital assets | - | 195,468 | - | 195,468 | - |
| Capital transfers between enterprise funds | (28,989) | 22,637 | 6,352 | - | - |

**CARSON CITY**
**STATEMENT OF FIDUCIARY NET ASSETS**
**FIDUCIARY FUNDS**
**JUNE 30, 2011**

| | INVESTMENT TRUST FUND | AGENCY FUNDS |
|---|---|---|
| ASSETS | | |
| Cash and investments | | |
| Unrestricted | $ 3,379,746 | $ 1,806,506 |
| Cash held by Commission | - | 85,125 |
| Accounts receivable | - | 13,430 |
| Taxes receivable, delinquent | - | 577,563 |
| Due from other governments | - | 95,619 |
| Total Assets | 3,379,746 | 2,578,243 |
| LIABILITIES | | |
| Accounts payable | - | 55,656 |
| Due to other governments | - | 2,511,675 |
| Other liabilities | - | 10,912 |
| Total Liabilities | - | 2,578,243 |
| NET ASSETS | | |
| Held in trust for pool participants | $ 3,379,746 | $ - |

**CARSON CITY**
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**
**FIDUCIARY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | INVESTMENT TRUST FUND |
|---|---|
| ADDITIONS | |
| Investment income | $ 98,926 |
| Capital share transactions: | |
| Shares sold | 6,568,045 |
| Total Additions | 6,666,971 |
| DEDUCTIONS | |
| Capital share transactions: | |
| Shares redeemed | 7,439,356 |
| Change in Net Assets | (772,385) |
| Net Assets, July 1 | 4,152,131 |
| Net Assets, June 30 | $ 3,379,746 |

## 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, 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 fund:

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 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.

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 which includes assets held in trust for the school district.

*Agency funds* are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the City as an agent for various local governments, special districts and individuals. Included are funds for property taxes, sales taxes, shared revenues and other financial resources for schools, special districts, and other state and city agencies.

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 2011; therefore, there was no allowance for uncollectible accounts at June 30, 2011.

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 Proprietary 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, 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 fund equity is classified as fund balance.

Fund Balance Classification:

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors. These amounts cannot be used for any other purpose unless the Board of Supervisors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

- Assigned: This classification includes amounts that are constrained by the City's intended use for a specific purpose but are neither restricted nor committed. The Board of Supervisors has delegated the authority to assign fund balance for specific purposes to the City Manager or the Finance Director. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

- Unassigned: This classification includes the residual fund balance for the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

A minimum unrestricted ending fund balance of not less than 5% (with a goal of 8.3%) of total budgeted expenditures shall be included in the General Fund budget each fiscal year. An inability to meet this requirement must be approved by the Board of Supervisors.

Spending Order of Fund Balances:

Fund balance classifications should depict the nature of the net resources that are reported in the governmental fund. Fund balance in individual governmental funds may be comprised of a single classification or many classifications.

When both restricted and unrestricted funds are available for expenditure, it is the City's policy to expend restricted resources first then unrestricted resources.

Unrestricted fund balance includes the committed, assigned, and unassigned classifications. When any of these amounts are available for expenditure, it is the City's policy to expend committed resources first, followed by assigned resources, then unassigned resources.

**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

Total expenditures exceed those budgeted for the year in the public works function of the Street Maintenance Special Revenue Fund by $86,948, an apparent violation of NRS 354.626.

### C. DEFICIT FUND EQUITY

The Traffic Transportation Special Revenue Fund has a deficit fund balance of $1,943.

## NOTE 3 - DETAILED NOTES ON ALL FUNDS

### A. DEPOSITS AND INVESTMENTS

At year end, the City's carrying amount of deposits was $12,316,120 and the bank balance was $12,300,749. 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 $498,217, and the bank balance was $570,251. 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 the $26,010 at the Airport Authority and $34,847 at the Convention and Visitors Bureau 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 | $ 4,563,543 | $ 174,662 | $ 4,388,881 | $ - |
| U.S. Agencies | 7,416,899 | 227,559 | 4,893,584 | 2,295,756 |
| Corporate Bonds | 8,423,271 | 729,093 | 7,643,498 | 50,680 |
| Money Market Mutual Fund | 1,089,961 | 1,089,961 | - | - |
| State of Nevada: | | | | |
| Local Government Investment Pool | 57,108 | 57,108 | - | - |
| Total | $21,550,782 | $2,278,383 | $16,925,963 | $2,346,436 |

*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, 2011, 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 69 days. Of the City's investments in corporate bonds, $3,992,764 was rated AAA, $1,414,327 was rated AA, $1,916,538 was rated A, and $1,099,642 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, 2011 the following investments exceeded 5% of the City's total:

| | | |
|---|---|---|
| Federal National Mortgage Association | $3,392,186 | 15.74% |
| Federal Home Loan Mortgage Corporation | 2,037,198 | 9.45% |

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

| | Fair Value | Investment Maturity Less Than 1 Year |
|---|---|---|
| State of Nevada Local Government Investment Pool | $ 929,877 | $ 929,877 |

A reconciliation of cash and investments for the primary government follows:

| | |
|---|---|
| Cash on hand | $ 6,984 |
| Carrying amount of deposits | 12,316,120 |
| Carrying amount of investments | 21,550,782 |
| | 33,873,886 |
| Less: Carrying amount of deposits held for component unit | (2,931) |
| | $33,870,955 |
| Cash and investments – governmental activities | $25,248,557 |
| Cash and investments – business-type activities | 2,841,658 |
| Cash and investments – investment trust fund | 3,379,746 |
| Cash and investments – agency funds | 1,806,506 |
| Cash and investments – restricted | 594,488 |
| | $33,870,955 |

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, 2011:

| Investment Type | Fair Value | Principal Amount/ Number of Shares | Interest Rate | Maturity Dates |
|---|---|---|---|---|
| U.S. Treasuries | $ 4,563,543 | $4,330,000 | .375-2.5% | 06/28/2012-09/30/2015 |
| U.S. Agencies | 7,416,899 | 7,093,985 | 1.0-6.397% | 12/01/2011-09/01/2019 |
| Corporate Bonds | 8,423,271 | 8,174,292 | 0.0-6.0% | 08/15/2011-04/16/2018 |
| Money Market Mutual Fund | 1,089,961 | 1,089,961 | .06% | 07/01/2011 |
| State of Nevada Local Government Investment Pool | 57,108 | 57,108 | Variable | 07/01/2011 |
| Total Pooled Investments | $21,550,782 | | | |

**External Investment Pool financial statements:**

**Statement of Net Assets, June 30, 2011**

| | |
|---|---|
| Assets: | |
| Investments in securities: | |
| U.S. Treasuries | $ 4,563,543 |
| U.S. Agencies | 7,416,899 |
| Corporate Bonds | 8,423,271 |
| Money Market Mutual Fund | 1,089,961 |
| State of Nevada Local Government Investment Pool | 57,108 |
| Interest receivable | 88,120 |
| Total Assets | $21,638,902 |
| Net assets consist of: | |
| Internal participants | $18,259,156 |
| External participants | 3,379,746 |
| Total Net Assets Held in Trust for Pool Participants (Participant units outstanding, $1.00/par) | $21,638,902 |

**Statement of Changes in Net Assets, Year Ended June 30, 2011**

| | |
|---|---|
| Additions: | |
| Investment income | $ 832,033 |
| Realized gains (losses) | 366,468 |
| Unrealized gains (losses) | (561,336) |
| Total Additions | 637,165 |
| Deductions: | |
| Capital share transactions | 14,053,261 |
| Investment fees | 71,679 |
| Total Deductions | 14,124,940 |
| Net Decrease | (13,487,775) |
| Net assets: | |
| Beginning of Year | 35,126,677 |
| End of Year | $21,638,902 |

## B. CAPITAL ASSETS

Capital asset activity of the primary government for the year ended June 30, 2011 was as follows:

| | Balance July 1, 2010 | Increases | Decreases | Transfers | Balance June 30, 2011 |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | $ 46,887,163 | $37,926,943 | $ (240) | $ 2,323,525 | $ 87,137,391 |
| Construction in progress – infrastructure | 13,632,437 | 3,020,581 | - | (11,519,448) | 5,133,570 |
| Construction in progress | 1,258,693 | 72,165 | - | (54,825) | 1,276,033 |
| Total Capital Assets not being Depreciated | 61,778,293 | 41,019,689 | (240) | (9,250,748) | 93,546,994 |
| Capital assets, being depreciated: | | | | | |
| Buildings | 72,412,946 | 101,730 | - | - | 72,514,676 |
| Improvements other than buildings | 27,317,430 | 358,204 | (58,094) | 9,377,598 | 36,995,138 |
| Machinery and equipment | 29,004,882 | 828,392 | (518,786) | 103,058 | 29,417,546 |
| Infrastructure | 117,199,587 | 20,752,288 | - | (142,515) | 137,809,360 |
| Total Capital Assets being Depreciated | 245,934,845 | 22,040,614 | (576,880) | 9,338,141 | 276,736,720 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (15,635,904) | (1,455,973) | - | - | (17,091,877) |
| Improvements other than buildings | (12,895,741) | (755,525) | 21,568 | - | (13,629,698) |
| Machinery and equipment | (16,146,517) | (2,249,836) | 486,707 | (49,101) | (17,958,747) |
| Infrastructure | (19,575,997) | (2,390,623) | - | - | (21,966,620) |
| Total Accumulated Depreciation | (64,254,159) | (6,851,957) | 508,275 | (49,101) | (70,646,942) |
| Total Capital Assets being Depreciated, Net | 181,680,686 | 15,188,657 | (68,605) | 9,289,040 | 206,089,778 |
| Governmental Activities Capital Assets, Net | $243,458,979 | $56,208,346 | $ (68,845) | $ 38,292 | $299,636,772 |
| **Business-type activities:** | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | $ 3,247,228 | $ 210,706 | $ - | $ - | $ 3,457,934 |
| Construction in progress | 9,005,993 | 8,433,987 | - | (5,107,107) | 12,332,873 |
| Water rights | 8,019,152 | 10,108,784 | - | - | 18,127,936 |
| Total Capital Assets not being Depreciated | 20,272,373 | 18,753,477 | - | (5,107,107) | 33,918,743 |
| Capital assets, being depreciated: | | | | | |
| Buildings | 14,380,072 | - | - | 2,906,497 | 17,286,569 |
| Improvements other than buildings | 177,947,748 | 3,396,040 | (440,244) | 2,200,610 | 183,104,154 |
| Machinery and equipment | 9,113,732 | 764,332 | (163,033) | (87,393) | 9,627,638 |
| Total Capital Assets being Depreciated | 201,441,552 | 4,160,372 | (603,277) | 5,019,714 | 210,018,361 |

| | Balance July 1, 2010 | Increases | Decreases | Transfers | Balance June 30, 2011 |
|---|---|---|---|---|---|
| **Business-type activities (Continued):** | | | | | |
| Less accumulated depreciation for: | | | | | |
| Buildings | $ (3,565,753) | $ (295,301) | $ - | $ - | $ (3,861,054) |
| Improvements other than buildings | (68,826,504) | (4,863,144) | - | - | (73,689,648) |
| Machinery and equipment | (5,581,321) | (662,227) | 157,971 | 49,101 | (6,036,476) |
| Total Accumulated Depreciation | (77,973,578) | (5,820,672) | 157,971 | 49,101 | (83,587,178) |
| Total Capital Assets being Depreciated, Net | 123,467,974 | (1,660,300) | (445,306) | 5,068,815 | 126,431,183 |
| Business-type activities capital assets, net | $143,740,347 | $17,093,177 | $(445,306) | $ (38,292) | $160,349,926 |

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

| | |
|---|---|
| Governmental activities: | |
| General government | $ 393,722 |
| Judicial | 41,775 |
| Public safety | 1,592,140 |
| Public works | 2,724,744 |
| Airport | 102,161 |
| Health | 537,253 |
| Culture and recreation | 1,398,766 |
| Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets | 61,396 |
| Total Depreciation Expense – Governmental Activities | $6,851,957 |

| | |
|---|---|
| Business-type activities: | |
| Ambulance | $ 53,348 |
| Sewer | 3,003,661 |
| Water | 2,493,952 |
| Cemetery | 16,212 |
| Storm Drainage | 248,146 |
| Building Permits | 5,353 |
| Total Depreciation Expense – Business-Type Activities | $5,820,672 |

## Construction commitments

The City was committed to construction projects in various funds, as of June 30, 2011, as follows:

| Project Name<br>Contract Number<br>Vendor Name | Bid Award | Value of Work Completed as of June 30, 2011 | Remaining Commitment as of June 30, 2011 |
|---|---|---|---|
| Water Fund: | | | |
| Saw Mill Canyon Pipeline<br>#0910-203<br>Black & Veatch Corporation | $ 597,670 | $ 507,136 | $ 90,534 |

| Project Name<br>Contract Number<br>Vendor Name | Bid Award | Value of Work Completed as of June 30, 2011 | Remaining Commitment as of June 30, 2011 |
|---|---|---|---|
| Municipal Well #50 and 24" Water Line Construction<br>#0910-181<br>Campbell Construction Company, Inc. | $ 804,279 | $ 700,296 | $ 103,983 |
| Prison Hill Water Tank #2<br>#1011-051<br>Sierra Nevada Construction | 1,287,136 | 1,066,896 | 220,240 |
| Carson City Water Bonds<br>#1011-103<br>HDR, Inc. | 1,424,450 | 410,432 | 1,014,018 |
| North- South Water Transmission Main<br>#1011-201<br>Contri Construction | 6,808,145 | 379,857 | 6,428,288 |
| Ormsby Booster Station<br>#1011-218<br>Manhard Consulting, Ltd. | 84,798 | 2,409 | 82,389 |
| Sewer Fund: | | | |
| North Lift Pump Station<br>#0910-129<br>Carollo Engineeers | 574,004 | 371,642 | 202,362 |
| North Lift Pump Station<br>#1011-157<br>Q & D Construction | 1,786,499 | 858,737 | 927,762 |
| Regional Transportation Fund: | | | |
| Freeway Landscaping Project<br>#0910-060<br>Winston Associates | 299,978 | 233,731 | 66,247 |
| Total | $13,666,959 | $4,531,136 | $9,135,823 |

Other Commitments:

On January 7, 2010, the City entered into an agreement with Douglas County to facilitate the delivery of Carson City owned water rights from the Town of Minden, through Douglas County, to Carson City. The agreement sets forth the provisions to construct and operate connection of the Douglas and Carson water systems through a project referred to as the "North Douglas County and Carson City Water Line Intertie Project". The City's current estimated share of the project is $10,202,477, which is being funded by a loan from the State of Nevada Drinking Water Revolving Loan Program. As of June 30, 2011 the City has incurred expenditures in the amount of $2,460,893.

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, 2011 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.

As of June 30, 2011, Phase 2B had not yet been completed and, as such, the $.03 tax payments mentioned above remain deferred.

**Discretely presented component units**

Activity for the Airport Authority for the year ended June 30, 2011 was as follows:

| | Balance July 1, 2010 | Increases | Decreases | Balance June 30, 2011 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 146,542 | $ - | $ - | $ 146,542 |
| Construction in progress | 163,751 | 47,500 | (65,405) | 145,846 |
| Total Capital Assets not being Depreciated | 310,293 | 47,500 | (65,405) | 292,388 |
| Capital assets being depreciated: | | | | |
| Machinery and equipment | 551,113 | - | - | 551,113 |
| Less accumulated depreciation for: | | | | |
| Machinery and equipment | (475,960) | 32,714 | (65,405) | (443,269) |
| Total Capital Assets being Depreciated, Net | 75,153 | (32,714) | 65,405 | 107,844 |
| Airport Authority Capital Assets, Net | $ 385,446 | $ 14,786 | $ - | $ 400,232 |

Activity for the Convention and Visitors' Bureau for the year ended June 30, 2011 was as follows:

| | Balance July 1, 2010 | Increases | Decreases | Balance June 30, 2011 |
|---|---|---|---|---|
| Capital assets, being depreciated: | | | | |
| Buildings | $161,388 | $ - | $ - | $ 161,388 |
| Improvement other than buildings | 8,728 | - | - | 8,728 |
| Machinery and equipment | 29,823 | - | - | 29,823 |
| Total Capital Assets being Depreciated | 199,939 | - | - | 199,939 |
| Less accumulated depreciation for: | | | | |
| Buildings | (62,876) | (5,523) | - | (68,399) |
| Improvements other than buildings | (8,728) | - | - | (8,728) |
| Machinery and equipment | (6,608) | (2,954) | - | (9,562) |
| Total Accumulated Depreciation | (78,212) | (8,477) | - | (86,689) |
| Convention and Visitor's Bureau Capital Assets, Net | $121,727 | $ (8,477) | $ - | $ 113,250 |

## C. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2011, is as follows:

**Due to/from other funds:**

| Receivable Fund | Payable Fund | Amount |
|---|---|---|
| General Fund | Nonmajor governmental funds | $525,000 |
| | Water fund | 300,000 |
| | Nonmajor enterprise fund | 45,000 |
| | Total | $870,000 |

The above interfund balances at June 30, 2011 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 | $ 11,086 |
| Component unit – Airport Authority | Primary government – General Fund | 147,076 |
| Component unit – Airport Authority | Primary government – Airport Fund | 133,864 |
| | Total | $292,026 |

**Interfund transfers:**

| | Transfers In: | | | | |
|---|---|---|---|---|---|
| Transfers out: | General Fund | Water Fund | Nonmajor Enterprise Funds | Nonmajor Governmental Funds | Total |
| General Fund | $ - | $ - | $295,000 | $2,374,786 | $2,669,786 |
| Sewer Fund | - | 28,989 | - | - | 28,989 |
| Water Fund | - | - | 6,352 | - | 6,352 |
| Nonmajor Governmental Funds | 240,060 | - | - | 5,665,113 | 5,905,173 |
| Total Transfers | $240,060 | $28,989 | $301,352 | $8,039,899 | $8,610,300 |

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, $7,210,000 in governmental-type general obligation bonds were issued to refund the 1998A Parks Bonds, the 1998B and 1999A Capital Improvement Bonds, the 2001 Senior Citizens Center Bonds and the 2001A Redevelopment Authority Bonds. Business-type general obligation bonds issued during the year include, $8,585,000 issued to refund the 1997, 1998C, 1999B and 2000B Water Bonds, as well as a partial refunding of the 2007 Water Bonds and the 1998D and 2000B Sewer Bonds. In addition, $11,300,000 in general obligation revenue bonds were issued and $5,447,585 in general obligation revenue bonds through the State of Nevada revolving loan program were issued to finance capital improvement projects for the City's public water and sewer systems. Business-type general obligation revenue bonds for capital improvements drawn and payable at June 30, 2011 are $16,747,585. General obligation bonds currently outstanding are as follows:

| Purpose | Interest Rates | Amount |
|---|---|---|
| Governmental activities | 2.0-5.000% | $47,835,727 |
| Governmental activities - refunding | 2.0-5.000% | 17,155,000 |
| Business-type activities | 0.0-6.662% | 50,766,558 |
| Business-type activities - refunding | 2.0-5.000% | 11,220,000 |

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

| Purpose | Interest Rates | Amount |
|---|---|---|
| Regional Transportation | 2.0-5.34% | $20,222,100 |

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

| Purpose | Interest Rates | Amount |
|---|---|---|
| Governmental activities: | | |
| Energy Retrofit | 4.3387% | $ 240,558 |
| Open Space | 3.25% | 1,172,400 |
| Fleet Management | 1.97%-2.8% | 230,000 |
| Redevelopment Refunding note | 3.97% | 569,600 |
| Business-type activities: | | |
| Stormwater Drainage | 1.97-4.81% | 795,000 |
| 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 Energy Retrofit Bonds Series 2001; Public Safety Refunding Bonds Series 2003; Capital Improvement Bonds Series 2005 and Refunding Bonds series 2010. The total principal and interest remaining to be paid on the bonds is $60,617,248 payable through fiscal year 2033. For the current year, principal and interest paid for the bonds totaled $3,293,682 and pledged revenues totaled $2,742,923.

The City has pledged future 1/4 cent voter approved (Quality of Life) sales tax revenues to repay $12,348,000 in Medium Term Bank Note Series 2004, Park Bonds Series 2005, and Parks Refunding Bonds Series 2010. 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 58% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $14,397,545. For the current year, principal and interest paid for the bonds totaled $1,041,423 and pledged revenues totaled $1,807,438.

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 2026. 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 $16,755,746. For the current year, principal and interest paid for the bonds totaled $1,115,244 and pledged revenues totaled $904,112.

The City has pledged room tax 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 are payable through fiscal year 2023. Annual principal and interest payments on the bonds are expected to require 38% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $4,904,288. For the current year, principal and interest paid for the bonds totaled $407,268 and pledged revenues totaled $1,071,476.

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 66% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is $30,510,400. For the current year, principal and interest paid for the bonds totaled $1,718,509 and pledged revenues totaled $2,589,547.

Business-type activities

The City has pledged future sewer utility customer revenues, connection fees and investment earnings, net of specified operating expenses to repay $24,731,302 in sewer utility system general obligation revenue bonds issued between fiscal years 1995 and 2011. Proceeds from the bonds provided financing for expansion of, and improvements to, the sewer utility

1995 and 2011. 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 2032. 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 $15,339,267. For the current year, principal and interest paid for the bonds totaled $1,949,650 and net pledged revenues totaled $1,911,409.

The City has pledged future water utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay $69,332,600 in water utility system general obligation revenue bonds issued between fiscal years 1998 and 2011. 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 2040. 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 $70,332,196. For the current year, principal and interest paid for the bonds totaled $3,450,273 and net pledged revenues totaled $3,913,176.

The City has pledged future storm drainage utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay $6,000,000 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 $6,182,818. For the current year, principal and interest paid for the bonds totaled $428,213 and net pledged revenues totaled $1,115,392.

**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 $67,772.

The assets acquired through capital leases are as follows:

| | Governmental Activities |
|---|---|
| Asset: | |
| Machinery and equipment | $155,379 |
| Less: Accumulated depreciation | (56,348) |
| Total | $ 99,031 |

**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. Current year expenses related to the lease are $109,193. Future minimum payments for this lease are:

| Year Ended June 30, | Lease Payments |
|---|---|
| 2012 | $109,193 |
| 2013 | 109,193 |
| Total | $218,386 |

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

**Advanced Refundings.** During the year ended June 30, 2011 the City had the following advanced refundings:

On July 14, 2010, the City issued $7,095,000 of General Obligation (Limited Tax) Water Refunding Bonds to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $7,156,500 of general obligation bonds. The refunding

was undertaken to refund the following "Carson City, Nevada General Obligation (Limited Tax) Refunding Water Bonds (Additionally Secured by Pledged Revenues)":

| | |
|---|---|
| Refunded Series 2007 maturing on June 1, 2022 | $5,316,500 |
| Series 1997C maturing on May 1, 2013 | 325,000 |
| Series 1998C maturing on November 1, 2013 | 430,000 |
| Series 1999B maturing on November 1, 2014 | 525,000 |
| Refunded Series 2000B maturing on December 1, 2015 | 560,000 |

As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets of the Water Fund. The reacquisition price exceeded the net carrying amount of the old debt by $71,394. This amount is being netted against the new debt and amortized over the remaining life of the old debt, which is less than the life of the refunded debt. The advance refunding resulted in a decrease in total debt service payments over the next twelve years of $458,706 and an economic gain of $337,968. The total amount of the outstanding debt defeased and placed in an irrevocable trust at June 30, 2011 was $7,242,188.

On July 14, 2010, the City issued $1,490,000 of General Obligation (Limited Tax) Sewer Refunding Bonds to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $1,460,000 of general obligation bonds. The refunding was undertaken to refund the following "Carson City, Nevada General Obligation (Limited Tax) Refunding Sewer Bonds (Additionally Secured by Pledged Revenues), Series 2000" maturing on December 1, 2015, and "Sewer General Obligation Revenue Bonds, Series 1998D" maturing on November 1, 2013. As a result, the refunded bonds were considered to be defeased and the liability has been removed from the statement of net assets of the Sewer Fund. The reacquisition price exceeded the net carrying amount of the old debt by $32,659. This amount is being netted against the new debt and amortized over the remaining life of the old debt, which is less than the life of the refunded debt. The advance refunding resulted in a decrease in total debt service payments over the next six years of $81,734 and an economic gain of $79,089. The total amount of the outstanding debt defeased and placed in an irrevocable trust at June 30, 2011 was $1,492,659.

On December 22, 2010, the City issued $2,505,000 of General Obligation (Limited Tax) Park Refunding Bonds to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $2,450,000 of general obligation bonds. The refunding was undertaken to refund the following "Carson City, Nevada General Obligation (Limited Tax) Refunding Park Bonds (Additionally Secured by Pledged Revenues), Series 1998A" maturing on November 1, 2018. As a result, the refunded bond was considered to be defeased and the liability has been removed from the statement of net assets of the Primary Government – Governmental Activities. The reacquisition price exceeded the net carrying amount of the old debt by $25,853. This amount is being netted against the new debt and amortized over the remaining life of the old debt, which is less than the life of the refunded debt. The advance refunding resulted in a decrease in total debt service payments over the next eight years of $156,776 and an economic gain of $149,971. The total amount of the outstanding debt defeased and placed in an irrevocable trust at June 30, 2011 was $2,475,850.

On December 22, 2010, the City issued $4,705,000 of General Obligation (Limited Tax) Various Purpose Refunding Bonds to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $4,665,000 of general obligation bonds. The refunding was undertaken to refund the following "Carson City, Nevada General Obligation (Limited Tax) Various Bonds (Additionally Secured by Pledged Revenues)":

| | |
|---|---|
| Series 1998B maturing on November 1, 2018 | $ 505,000 |
| Series 1999A maturing on July 1, 2020 | 1,445,000 |
| Series 2001A (Senior Center portion) maturing on June 1, 2018 | 900,000 |
| Series 2001A (RDA portion) maturing on June 1, 2021 | 1,815,000 |

As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets of the Primary Government – Governmental Activities. The reacquisition price exceeded the net carrying amount of the old debt by $103,860. This amount is being netted against the new debt and amortized over the remaining life of the old debt, which is less than the life of the refunded debt. The advance refunding resulted in a decrease in total debt service payments over the next ten years of $216,593 and an economic gain of $241,318. The total amount of the outstanding debt defeased and placed in an irrevocable trust at June 30, 2011 was $4,768,852.

**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, 2011 was $122,230,000.

**Changes in long-term liabilities.** Long-term liability activity of the primary government for the year ended June 30, 2011, was as follows:

| | Balance July 1, 2010 | Additions | Reductions | Balance June 30, 2011 | 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 | $ 2,700,000 | $ - | $ (2,700,000) | $ - | $ - |
| 3.50 to 5.1% Capital Improvement general obligation revenue bonds series 1998B, due 11/01/18 - $1,000,000 | 555,000 | - | (555,000) | - | - |
| 5.0 to 5.4% Capital Improvement general obligation revenue bonds series 1999A, due 07/01/20 - $2,505,000 | 1,565,000 | - | (1,565,000) | - | - |
| 4.0 to 5.0% 2001 Redevelopment general obligation revenue bonds, due 06/01/21 - $2,000,000 | 1,815,000 | - | (1,815,000) | - | - |
| 4.0 to 5.0% 2001 Senior Citizens Center general obligation revenue bonds, due 06/01/18 - $1,800,000 | 1,005,000 | - | (1,005,000) | - | - |
| 4.32% 2001 Energy Retrofit general obligation revenue bonds, due 05/28/12 - $1,329,802 | 509,131 | - | (153,404) | 355,727 | 169,326 |
| 4.0 to 5.4% Parks refunding general obligation revenue bonds series 1997C, due 02/01/11 - $1,515,000 | 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 | 4,440,000 | - | (835,000) | 3,605,000 | 860,000 |
| 2.0 to 4.625% Room Tax general obligation revenue bonds series 2003, due 06/01/23 - $4,150,000 | 3,795,000 | - | (40,000) | 3,755,000 | 250,000 |
| 3.0 to 4.4% Parks general obligation revenue bonds series 2005, due 03/01/25 - $980,000 | 795,000 | - | (40,000) | 755,000 | 40,000 |
| 3.0 to 4.625% Parks general obligation revenue bonds series 2005, due 03/01/30 - $5,835,000 | 5,740,000 | - | (20,000) | 5,720,000 | 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 | 7,165,000 | - | (230,000) | 6,935,000 | 240,000 |
| 4.0 to 5.0% Refunding general obligation revenue bonds series 2005A, due 05/01/22 - $8,040,000 | 6,345,000 | - | (5,000) | 6,340,000 | 5,000 |
| 4.0 to 4.50% V&T Historical general obligation revenue bonds series 2005B, due 12/01/25 - $15,000,000 | 12,895,000 | - | (580,000) | 12,315,000 | 605,000 |
| 2.0 to 3.5% Park refunding general obligation revenue bonds series 2010, due 5/01/19 - $2,505,000 | - | 2,505,000 | - | 2,505,000 | 195,000 |
| 2.0 to 4.0% Various Purpose refunding general obligation revenue bonds series 2010, due 6/01/21 - $4,705,000 | - | 4,705,000 | - | 4,705,000 | 270,000 |
| Subtotal | 67,519,131 | 7,210,000 | (9,738,404) | 64,990,727 | 2,654,326 |

**Changes in long-term liabilities.** Long-term liability activity of the primary government for the year ended June 30, 2011, was as follows:

| | Balance July 1, 2010 | Additions | Reductions | Balance June 30, 2011 | Due Within One Year |
|---|---|---|---|---|---|
| **Revenue Bonds:** | | | | | |
| 2.0 to 4.7% 2003 Highway Revenue motor vehicle fuel tax revenue bonds, due 06/01/23 - $5,785,000 | $ 4,450,000 | $ - | $ (245,000) | $ 4,205,000 | $ 255,000 |
| 4.9% 2008 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/27 - $9,055,000 | 8,516,000 | - | (235,200) | 8,280,800 | 245,100 |
| 5.340% 2010 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/29 - $7,900,000 | 7,900,000 | - | (163,700) | 7,736,300 | 241,300 |
| Subtotal | 20,866,000 | - | (643,900) | 20,222,100 | 741,400 |
| **Notes Payable:** | | | | | |
| 4.3387% Energy Retrofit Installment Purchase Financing dated 2/11/03, due 2/11/13 - $802,500 | 335,328 | - | (94,770) | 240,558 | 104,491 |
| 3.25% Parks general obligation (limited tax) medium-term note dated 12/15/04, due 12/15/14 - $3,028,000 | 1,483,700 | - | (311,300) | 1,172,400 | 321,600 |
| 1.97 to 2.8% Fleet general obligation (limited tax) medium-term bond, due 09/01/12 - $452,000 | 379,000 | - | (149,000) | 230,000 | 152,000 |
| 3.97% General obligation (Limited Tax) Redevelopment Authority refunding note series 2006, due 5/1/2013 - $1,654,300 | 820,900 | - | (251,300) | 569,600 | 274,100 |
| Subtotal | 3,018,928 | - | (806,370) | 2,212,558 | 852,191 |
| **Deferred amounts:** | | | | | |
| For issuance premiums | 452,771 | 226,243 | (40,738) | 638,276 | - |
| For issuance discounts | (148,202) | - | 10,042 | (138,160) | - |
| On refunding | (578,019) | (129,702) | 109,945 | (597,776) | - |
| Total Bonds and Notes Payable | 91,130,609 | 7,306,541 | (11,109,425) | 87,327,725 | 4,247,917 |
| **Incurred but not Reported Claims Liability:** | 73,478 | - | (842) | 72,636 | - |
| **Capital Leases:** | 99,470 | - | (31,698) | 67,772 | 23,949 |
| **Landfill Closure/Post closure costs:** | 2,871,460 | 104,378 | - | 2,975,838 | - |
| **Compensated Absences Payable:** | 4,771,571 | 3,515,149 | (4,206,329) | 4,080,391 | 442,800 |
| Governmental Activity Long-Term Liabilities | 98,946,588 | 10,926,068 | (15,348,294) | 94,524,362 | 4,714,666 |
| **Business Type Activities:** | | | | | |
| **Bonds payable:** | | | | | |
| **General obligation revenue bonds:** | | | | | |
| 4.4 to 7.5% Water general obligation revenue bonds series 1997C, due 5/01/13 - $1,820,000 | 475,000 | - | (475,000) | - | - |
| 3.5 to 4.7% Water general obligation revenue bonds series 1998C, due 5/01/14 - $1,700,000 | 560,000 | - | (560,000) | - | - |
| 4.9 to 5.0% Water general obligation revenue bonds series 1999B, due 11/01/14 - $1,525,000 | 640,000 | - | (640,000) | - | - |

**Changes in long-term liabilities.** Long-term liability activity of the primary government for the year ended June 30, 2011, was as follows:

| | Balance July 1, 2010 | Additions | Reductions | Balance June 30, 2011 | Due Within One Year |
|---|---|---|---|---|---|
| 4.875 to 5.2% Water general obligation revenue bonds series 2000B, due 12/01/15 - $1,330,000 | $ 655,000 | $ - | $ (655,000) | $ - | $ - |
| 1.6 to 4.9% Water general obligation revenue bonds series 2002, due 11/01/16 - $3,465,000 | 1,970,000 | - | (240,000) | 1,730,000 | 255,000 |
| 3.0 to 5.0% Water refunding general obligation revenue bonds series 2003, due 11/01/15 - $1,360,000 | 885,000 | - | (135,000) | 750,000 | 135,000 |
| 3.0 to 5.0% Water general obligation revenue bonds series 2003, due 11/01/23 - $6,000,000 | 4,705,000 | - | (250,000) | 4,455,000 | 255,000 |
| 3.5 to 4.2% Water general obligation revenue bonds series 2005A, due 6/01/25 - $9,000,000 | 7,355,000 | - | (360,000) | 6,995,000 | 375,000 |
| 4.0% Sewer general obligation revenue bonds, dated 1994 State of Nevada revolving loan, due 7/01/14 - $2,400,000 | 783,619 | - | (162,273) | 621,346 | 168,828 |
| 3.825% Sewer general obligation revenue bonds, dated 1996 State of Nevada revolving loan, due 07/01/15 - $2,120,000 | 791,433 | - | (131,907) | 659,526 | 137,001 |
| 3.23% Sewer general obligation revenue bonds, dated 1998 State of Nevada revolving loan, due 07/01/18 - $6,096,302 | 3,340,938 | - | (347,490) | 2,993,448 | 358,805 |
| 3.5 to 4.7% Sewer general obligation revenue bonds series 1998D, due 11/01/13 - $1,200,000 | 395,000 | - | (395,000) | - | - |
| 4.875 to 5.2% Sewer general obligation revenue bonds series 2000B, due 12/01/15 - $2,765,000 | 1,360,000 | - | (1,360,000) | - | - |
| 1.6 to 4.9% Sewer general obligation revenue bonds series 2002, due 11/01/16 - $3,215,000 | 1,835,000 | - | (225,000) | 1,610,000 | 235,000 |
| 3.0 to 5.0% Sewer refunding general obligation revenue bonds series 2003, due 11/01/15 - $1,410,000 | 915,000 | - | (140,000) | 775,000 | 140,000 |
| 3.0 to 5.0% Sewer general obligation revenue bonds series 2003, due 11/01/23 - $4,000,000 | 3,140,000 | - | (165,000) | 2,975,000 | 170,000 |
| 3.0 to 4.25% Drainage general obligation revenue bonds series 2005B, due 06/01/25 - $6,000,000 | 4,905,000 | - | (240,000) | 4,665,000 | 250,000 |
| 4.34% Water refunding general obligation revenue bonds series 2007, due 12/01/18 - $2,346,600 | 2,271,600 | - | (2,271,600) | - | - |
| 4.34% Water general obligation revenue bonds series 2007, due 12/01/18 - $7,002,600 | 10,047,500 | - | (3,044,900) | 7,002,600 | - |
| 0% Water general obligation revenue bonds series 2009 State of Nevada revolving loan, due 07/01/29 - $3,400,000 | 1,512,053 | 1,887,947 | - | 3,400,000 | 183,784 |
| 6.662% Water general obligation revenue bonds series 2010A, due 11/01/39 - $10,100,000 | - | 10,100,000 | - | 10,100,000 | - |

**Changes in long-term liabilities.** Long-term liability activity of the primary government for the year ended June 30, 2011, was as follows:

| | Balance July 1, 2010 | Additions | Reductions | Balance June 30, 2011 | Due Within One Year |
|---|---|---|---|---|---|
| 2.0 to 4.125% Water refunding general obligation revenue bonds series 2010B, due 11/01/21 - $7,095,000 | $ - | $ 7,095,000 | $ (90,000) | $ 7,005,000 | $ 580,000 |
| 3.75% Water general obligation revenue bonds series 2010 E State of Nevada revolving loan due 7/1/2030 - $21,900,000 | - | 2,807,090 | - | 2,807,090 | - |
| 2.0-4.5% Sewer refunding general obligation revenue bonds series 2010D, due 11/1/29 - $2,690,000 | - | 2,690,000 | - | 2,690,000 | 370,000 |
| 3.75% Sewer general obligation revenue bonds series 2010F State of Nevada revolving loan due 7/1/2030 - $2,800,000 | - | 752,548 | - | 752,548 | - |
| Subtotal | 48,542,143 | 25,332,585 | (11,888,170) | 61,986,558 | 3,613,418 |
| **Notes Payable:** | | | | | |
| 1.97 to 4.81% Drainage general obligation (limited tax) mediuim-term bond, due 09/01/19 - $848,000 | 848,000 | - | (53,000) | 795,000 | 82,000 |
| 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 | 165,000 |
| Subtotal | 2,448,000 | - | (53,000) | 2,395,000 | 247,000 |
| **Deferred amounts:** | | | | | |
| For issuance premiums | 374,414 | 248,545 | (63,033) | 559,926 | - |
| For issuance discounts | - | (11,469) | 570 | (10,899) | - |
| On refunding | (117,697) | (104,054) | 111,730 | (110,021) | - |
| Total bonds payable | 51,246,860 | 25,465,607 | (11,891,903) | 64,820,564 | 3,860,418 |
| **Arbitrage** | 35,454 | - | - | 35,454 | - |
| **Compensated Absences Payable:** | 700,055 | 526,609 | (636,757) | 589,907 | 155,637 |
| Business-Type Activity Long-Term Liabilities | 51,982,369 | 25,992,216 | (12,528,660) | 65,445,925 | 4,016,055 |
| **Total debt** | $ 150,928,957 | $ 36,918,284 | $(27,876,954) | $ 159,970,287 | $ 8,730,721 |

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, $65,080 of internal service funds compensated absences, $72,636 of incurred but not reported claims liability, $230,000 of fleet general obligation notes payable, and $80,745 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, 2011, was as follows:

| | Balance July 1, 2010 | Additions | Reductions | Balance June 30, 2011 | Due Within One Year |
|---|---|---|---|---|---|
| Capital leases | $ 213,893 | $ - | $ (6,240) | $ 207,653 | $ 6,240 |
| Prepaid Lease Agreement | 422,000 | - | (9,270) | 412,730 | 15,378 |
| | $ 635,893 | $ - | $ (15,510) | $ 620,383 | $ 21,618 |

Long-term liability activity for the Convention and Visitors' Bureau for the year ended June 30, 2011, was as follows:

| | Balance July 1, 2010 | Additions | Reductions | Balance June 30, 2011 | Due Within One Year |
|---|---|---|---|---|---|
| Compensated absences | $ 59,764 | $ 1,092 | $ - | $ 60,856 | $ - |
| Lease obligations | 4,805 | - | (1,190) | 3,615 | 1,215 |
| | $ 64,569 | $ 1,092 | $ (1,190) | $ 64,471 | $ 1,215 |

**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 |
| 2012 | $ 2,654,326 | $ 2,793,306 | $ 741,400 | $ 977,100 | $ 852,191 | $ 67,824 | $ 23,949 | $ 11,065 |
| 2013 | 2,911,401 | 2,700,217 | 776,000 | 942,436 | 841,667 | 36,645 | 18,233 | 7,278 |
| 2014 | 3,155,000 | 2,603,068 | 812,800 | 905,669 | 343,000 | 14,094 | 19,509 | 3,436 |
| 2015 | 3,305,000 | 2,492,773 | 851,700 | 866,765 | 175,700 | 2,855 | 6,081 | 258 |
| 2016 | 3,440,000 | 2,373,385 | 893,000 | 825,537 | - | - | - | - |
| 2017-2021 | 18,925,000 | 9,619,436 | 5,167,000 | 3,425,679 | - | - | - | - |
| 2022-2026 | 16,460,000 | 5,399,254 | 6,606,100 | 1,986,324 | - | - | - | - |
| 2027-2031 | 11,000,000 | 2,233,369 | 4,374,100 | 358,790 | - | - | - | - |
| 2032-2034 | 3,140,000 | 219,456 | - | - | - | - | - | - |
| Total | $64,990,727 | $30,434,265 | $20,222,100 | $ 10,288,300 | $ 2,212,558 | $ 121,419 | $ 67,772 | $ 22,037 |

| | BUSINESS-TYPE ACTIVITIES | | | |
|---|---|---|---|---|
| | General Obligation Revenue Bonds | | Notes Payable | |
| Year Ended June 30 | Principal | Interest | Principal | Interest |
| 2012 | $ 3,613,418 | $ 2,524,325 | $ 247,000 | $ 89,423 |
| 2013 | 3,709,440 | 2,395,077 | 253,000 | 82,332 |
| 2014 | 3,833,721 | 2,259,158 | 262,000 | 74,025 |
| 2015 | 3,798,065 | 2,117,360 | 270,000 | 64,505 |
| 2016 | 3,717,247 | 1,975,756 | 281,000 | 53,828 |
| 2017-2021 | 14,547,452 | 8,161,874 | 1,082,000 | 86,287 |
| 2022-2026 | 14,400,751 | 5,531,952 | - | - |
| 2027-2031 | 4,753,869 | 3,582,310 | - | - |
| 2032-2036 | 4,757,595 | 2,365,221 | - | - |
| 2037-2040 | 4,855,000 | 620,122 | - | - |
| Total | $61,986,558 | $31,533,155 | $ 2,395,000 | $ 450,400 |

### 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 | $556,258 | $38,230 | $594,488 |

## 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. General liability insurance has a $1,000,000 maximum coverage per occurrence, $1,000,000 personal injury, and a $2,000,000 general aggregate maximum benefit, with a deductible of $25,000 per occurrence. Beginning July 1, 2010 the City left the Nevada Public Agency Insurance Pool, which is a public entity risk pool currently operating as a common risk management and insurance program for it's members and elected to purchase private property, auto physical damage, 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.

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's total net assets of the Worker's Compensation Fund were $3,049,887 at June 30, 2011.

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 2011 | Totals 2010 |
|---|---|---|---|---|
| Unpaid claims, beginning of fiscal year | $ 508,780 | $73,478 | $ 582,258 | $ 646,746 |
| Claims and changes in estimates | 974,073 | (842) | 973,231 | 347,381 |
| Claim payments | (807,391) | - | (807,391) | (411,869) |
| Unpaid claims, end of fiscal year | $ 675,462 | $72,636 | $ 48,098 | $ 582,258 |

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, 2011, $2,975,838, 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, 2011, approximately 35.75 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, $8,324,022 has been calculated in 2011 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, and sheriff's department employees who retire under Nevada PERS after June 30, 2010, 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. 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, 2010, are shown below:

| Retirees Without Medicare | HMO | POS (In Area) | PPO (Out of Area) |
|---|---|---|---|
| Retiree | $479.46 | $516.39 | $647.88 |
| Retiree & 1 dependent / both without Medicare | 991.45 | 1,070.81 | 1,322.01 |
| Retiree & 1 dependent / 1 without Medicare | 871.78 | 940.93 | 1,205.38 |
| Retiree & family / both without Medicare | 1,305.36 | 1,410.43 | 1,742.94 |
| Retiree & family / 1 without Medicare | 1,146.68 | 1,238.21 | 1,588.54 |

| Retirees With Medicare | HMO | POS (In Area) | PPO (Out of Area) |
|---|---|---|---|
| Retiree | $368.06 | $395.49 | $536.49 |
| Retiree & 1 dependent / both with Medicare | 752.11 | 811.04 | 1,088.75 |
| Retiree & 1 dependent / 1 with Medicare | 871.78 | 940.93 | 1,205.38 |
| Retiree & family / both with Medicare | 988.52 | 1,066.55 | 1,434.14 |
| Retiree & family / 1 with Medicare | 1,146.68 | 1,238.21 | 1,588.54 |

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 $344.30. For those who retired on or after January 1, 1994, the subsidy depends on years of service and ranges from a minimum of $86.08 for 5 years of service to a maximum of $473.41 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 $1.45 to $590.38 during the 2011 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's actuarial valuation for the plans was prepared from employee and retiree data as of June 2011. The number of participants as of June 30, 2011, the effective date of the OPEB valuation, as follows.

| | City Plan | PEBP Plan |
|---|---|---|
| Active employees | 533 | - |
| Retirees enrolled in City Plan | 106 | |
| Retirees enrolled in PEBP | | 203 |

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 2010-2011 and the two preceding years 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 |
| City Plan | 6/30/11 | $2,606,177 | $ 439,128 | 16.85% | $5,848,910 |
| | | | | | |
| PEBP | 6/30/09 | $ 568,124 | $ 677,568 | 119.26% | $ (109,444) |
| PEBP | 6/30/10 | $ 564,929 | $ 595,705 | 105.45% | $ (140,220) |
| PEBP | 6/30/11 | $ 546,763 | $ 627,309 | 114.73% | $ (220,766) |
| | | | | | |
| 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 |
| Totals | 6/30/11 | $3,152,940 | $1,066,437 | 33.82% | $5,628,144 |

The net OPEB obligation (asset) as of June 30, 2011, was calculated as follows:

| | City Plan | PEBP Plan | Totals |
|---|---|---|---|
| Normal Cost (Current Service Cost) | $1,642,226 | $ - | $1,642,226 |
| Amortization of unfunded actuarial accrued liability | 962,998 | 543,957 | 1,506,955 |
| Total Annual Required Contribution (ARC or Annual OPEB cost) | $2,605,224 | $ 543,957 | $3,149,181 |
| Interest on the beginning net OPEB obligation (asset) | 147,274 | (5,609) | 141,665 |
| ARC adjustment | (146,321) | 8,415 | (137,906) |
| Annual OPEB cost | 2,606,177 | 546,763 | 3,152,940 |
| Contributions made | (439,128) | (627,309) | (1,066,437) |
| Increase (decrease) in net OPEB obligation (asset) | $2,167,049 | $(80,546) | $2,086,503 |
| Net OPEB obligation (asset), beginning of year | 3,681,861 | (140,220) | 3,541,641 |
| Net OPEB obligation (asset), end of year | $5,848,910 | $(220,766) | $5,628,144 |

**Funded Status and Funding Progress.** The funded status of the plans as of the latest actuarial valuation date was as follows:

| | City Plan | PEBP Plan | Totals |
|---|---|---|---|
| Accrued actuarial liability (a) | $25,201,161 | $9,426,565 | $34,627,725 |
| Actuarial value of plan assets (b) | - | - | - |
| Unfunded actuarial accrued Liability (a) - (b) | $25,201,161 | $9,426,565 | $34,627,725 |
| Funded ratio (b) / (a) | 0% | 0% | 0% |
| Covered payroll (c) | $31,833,256 | N/A | N/A |
| Unfunded actuarial accrued liability as a percentage of covered payroll ([(a) – (b)] / (c)) | 79.17% | 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 multiyear trend information 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 | 6/30/11 | 6/30/11 |
| Actuarial cost method | Entry age normal cost | Entry age normal cost |
| Amortization method | Level percentage of pay | Level dollar |
| Remaining amortization period | 30 years, open | 28 years, closed |
| Asset valuation method | N / A | N / A |
| Actuarial assumptions: | | |
| Investment rate of return | 4.0% | 4.0% |
| Projected salary increases | 4.0% | 4.0% |
| Healthcare inflation rate<br>* Medical – decreasing 1% each year until ultimate trend rate of 5% is reached. | Medical – 8% * | Medical – 8% * |

## 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, 2011, 2010, and 2009 were $9,390,415, $9,778,202, and $8,849,179, respectively, equal to the required contributions each year. The contribution rates for the years ended June 30, 2011 and June 30, 2010 were the same as disclosed above. The contribution rates for the year ended June 30, 2009 was 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.

**CARSON CITY**
**REQUIRED SUPPLEMENTARY INFORMATION**
**FOR THE YEAR ENDED JUNE 30, 2011**

**Schedule of Funding Progress**

| | Actuarial Valuation Date | Actuarial Value of 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 | 6/30/11 | $ - | $ 25,201,161 | $ 25,201,161 | $ - | $31,833,256 | 79.17% |
| PEBP | 6/30/11 | - | 9,426,565 | 9,426,565 | - | N/A | N/A |
| Total | 6/30/11 | $ - | $ 34,627,726 | $ 34,627,726 | $ - | | |
| | | | | | | | |
| 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 |
| Total | 6/30/09 | $ - | $ 35,656,128 | $ 35,656,128 | $ - | | |

**CARSON CITY**
**REQUIRED SUPPLEMENTARY INFORMATION**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | BUDGETED AMOUNTS | | | |
|---|---|---|---|---|
| | ORIGINAL | FINAL | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET |
| Revenues: | | | | |
| Taxes | $ 16,688,681 | $ 16,688,681 | $ 16,333,974 | $ (354,707) |
| Licenses and permits | 7,218,600 | 7,218,600 | 6,556,249 | (662,351) |
| Intergovernmental revenues | 18,217,740 | 18,647,548 | 19,599,206 | 951,658 |
| Charges for services | 10,880,544 | 11,044,627 | 10,876,388 | (168,239) |
| Fines and forfeits | 910,000 | 910,000 | 713,070 | (196,930) |
| Miscellaneous | 930,201 | 1,001,307 | 1,141,350 | 140,043 |
| Total Revenues | 54,845,766 | 55,510,763 | 55,220,237 | (290,526) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 13,077,559 | 13,453,579 | 12,983,141 | 470,438 |
| Public safety | 24,749,218 | 26,238,930 | 25,970,363 | 268,567 |
| Judicial | 4,474,050 | 4,894,400 | 4,558,275 | 336,125 |
| Public works | 2,077,539 | 2,096,224 | 1,974,920 | 121,304 |
| Sanitation | 1,595,570 | 1,577,888 | 1,542,371 | 35,517 |
| Health | 1,562,642 | 1,815,883 | 1,550,580 | 265,303 |
| Welfare | 357,892 | 379,437 | 379,437 | - |
| Culture and recreation | 5,094,512 | 5,561,654 | 5,244,549 | 317,105 |
| Community support | 458,238 | 458,238 | 458,202 | 36 |
| Capital Outlay | 72,250 | 367,261 | 209,986 | 157,275 |
| Total Expenditures | 53,519,470 | 56,843,494 | 54,871,824 | 1,971,670 |
| Excess (Deficiency) of Revenues over Expenditures | 1,326,296 | (1,332,731) | 348,413 | 1,681,144 |
| Other Financing Sources (Uses): | | | | |
| Sale of capital assets | - | - | 3,535 | 3,535 |
| Transfers in | 2,061,694 | 2,115,198 | 2,729,541 | 614,343 |
| Transfers out | (2,939,786) | (2,939,786) | (2,669,786) | 270,000 |
| Contingency | (1,000,000) | - | - | - |
| Total Other Financing Sources (Uses) | (1,878,092) | (824,588) | 63,290 | 887,878 |
| Net Change in Fund Balances | (551,796) | (2,157,319) | 411,703 | 2,569,022 |
| Fund Balances, July 1 | 3,294,193 | 4,899,716 | 6,483,199 | 1,583,483 |
| Fund Balances, June 30 | $ 2,742,397 | $ 2,742,397 | $ 6,894,902 | $ 4,152,505 |

**CARSON CITY**
**REQUIRED SUPPLEMENTARY INFORMATION**
**RECONCILIATION OF THE GENERAL FUND (BUDGETARY BASIS) TO THE GENERAL FUND (GAAP BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | GENERAL FUND (BUDGETARY BASIS) | INTERNALLY REPORTED FUNDS | ELIMINATIONS | GENERAL FUND (GAAP BASIS) |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes | $ 16,333,974 | $ - | $ - | $ 16,333,974 |
| Licenses and permits | 6,556,249 | - | - | 6,556,249 |
| Intergovernmental revenues | 19,599,206 | - | - | 19,599,206 |
| Charges for services | 10,876,388 | - | - | 10,876,388 |
| Fines and forfeits | 713,070 | - | - | 713,070 |
| Miscellaneous | 1,141,350 | 3,393 | - | 1,144,743 |
| Total Revenues | 55,220,237 | 3,393 | - | 55,223,630 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 12,983,141 | - | - | 12,983,141 |
| Public safety | 25,970,363 | - | - | 25,970,363 |
| Judicial | 4,558,275 | - | - | 4,558,275 |
| Public works | 1,974,920 | - | - | 1,974,920 |
| Sanitation | 1,542,371 | - | - | 1,542,371 |
| Health | 1,550,580 | - | - | 1,550,580 |
| Welfare | 379,437 | - | - | 379,437 |
| Culture and recreation | 5,244,549 | - | - | 5,244,549 |
| Community support | 458,202 | - | - | 458,202 |
| Capital outlay | 209,986 | - | - | 209,986 |
| Total Expenditures | 54,871,824 | - | - | 54,871,824 |
| Excess (Deficiency) of Revenues over Expenditures | 348,413 | 3,393 | - | 351,806 |
| Other Financing Sources (Uses): | | | | |
| Sale of capital assets | 3,535 | - | - | 3,535 |
| Refunding bonds issued | - | - | - | - |
| Premium on refunding bonds | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | - | - |
| Transfers in | 2,729,541 | - | (2,489,481) | 240,060 |
| Transfers out | (2,669,786) | (2,489,481) | 2,489,481 | (2,669,786) |
| Total Other Financing Sources (Uses) | 63,290 | (2,489,481) | - | (2,426,191) |
| Net Change in Fund Balances | 411,703 | (2,486,088) | - | (2,074,385) |
| Fund Balances, July 1 | 6,483,199 | 2,486,088 | - | 8,969,287 |
| Fund Balances, June 30 | $ 6,894,902 | $ - | $ - | $ 6,894,902 |

See accompanying notes to required supplementary information.

**CARSON CITY**
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**
**JUNE 30, 2011**

The accompanying Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) presents balances combined for external reporting purposes.

Budget to actual comparisons are presented for all funds of the City, except for Fiduciary Funds, as required by Nevada Revised Statutes. Such budget comparisons are required to be presented using the budget as adopted, and approved by the State of Nevada Department of Taxation. However, guidance provided in governmental accounting standards specify that two of these internally reported funds of Carson City, not meeting the definition of special revenue funds, do not qualify to be separately presented for external reporting purposes.

These internally reported funds of Carson City (Landfill Closure / Post Closure and Firefighter Retirement Medical) are combined with the General Fund for external reporting purposes.

# 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 (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ 16,688,681 | $ 16,333,974 | $ (354,707) | $ 15,033,876 |
| Licenses and permits: | | | | |
| Business licenses and permits: | | | | |
| Business licenses | 735,000 | 707,914 | (27,086) | 743,950 |
| Liquor licenses | 140,000 | 152,714 | 12,714 | 154,493 |
| City / county gaming licenses | 625,000 | 696,613 | 71,613 | 648,808 |
| Right of way toll | 200,000 | 172,252 | (27,748) | 150,314 |
| Franchise fees: | | | | |
| Gas | 1,442,000 | 1,250,276 | (191,724) | 1,441,625 |
| Electric | 2,205,000 | 1,833,011 | (371,989) | 2,098,785 |
| Telephone | 1,088,000 | 952,248 | (135,752) | 1,070,156 |
| Sanitation | 390,000 | 392,595 | 2,595 | 390,851 |
| Cable television | 366,000 | 377,315 | 11,315 | 380,245 |
| | 7,191,000 | 6,534,938 | (656,062) | 7,079,227 |
| Nonbusiness licenses and permits: | | | | |
| Marriage licenses | 20,000 | 15,120 | (4,880) | 15,813 |
| Animal licenses | 7,500 | 6,173 | (1,327) | 8,877 |
| Mobile home permits | 100 | 18 | (82) | 118 |
| | 27,600 | 21,311 | (6,289) | 24,808 |
| Total Licenses and Permits | 7,218,600 | 6,556,249 | (662,351) | 7,104,035 |
| Intergovernmental revenues: | | | | |
| Federal grants: | | | | |
| Drug Enforcement Administration | - | 1,652 | 1,652 | 7,974 |
| Bulletproof Vest Program | - | 21,575 | 21,575 | - |
| State Criminal Alien Assistance | - | 40,543 | 40,543 | 51,736 |
| Federal Lands Lease | - | - | - | 19 |
| Federal Child Nutrition | 25,000 | 18,324 | (6,676) | 16,611 |
| | 25,000 | 82,094 | 57,094 | 76,340 |
| Federal payments in lieu of taxes | 110,000 | 114,974 | 4,974 | 113,938 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| State shared revenues: | | | | |
| Consolidated tax revenues | $ 17,418,787 | $ 18,286,154 | $ 867,367 | $ 17,477,368 |
| State gaming licenses | 150,000 | 144,522 | (5,478) | 150,947 |
| Candidate filing fee | - | - | - | 2,100 |
| Court administrative assessments | 67,660 | 57,471 | (10,189) | 157,799 |
| | 17,636,447 | 18,488,147 | 851,700 | 17,788,214 |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | 859,293 | 858,302 | (991) | 587,280 |
| Other local government shared revenues: | | | | |
| Miscellaneous other governments | 16,808 | 55,689 | 38,881 | 940 |
| Total Intergovernmental Revenues | 18,647,548 | 19,599,206 | 951,658 | 18,566,712 |
| Charges for services: | | | | |
| General government: | | | | |
| Treasurer fees | 30,000 | 25,814 | (4,186) | 28,139 |
| Clerk fees | 201,000 | 176,669 | (24,331) | 171,066 |
| Recorder fees | 238,500 | 217,536 | (20,964) | 221,532 |
| Technology fees | 30,000 | 29,823 | (177) | 28,788 |
| Assessor commissions | 216,000 | 195,573 | (20,427) | 210,355 |
| Building and zoning fees | 80,000 | 73,063 | (6,937) | 72,924 |
| Public administrator fees | 45,000 | 66,335 | 21,335 | 128,154 |
| Administration fees | 4,724,377 | 4,697,812 | (26,565) | 4,727,980 |
| Miscellaneous | 24,300 | 12,652 | (11,648) | 20,746 |
| | 5,589,177 | 5,495,277 | (93,900) | 5,609,684 |
| Judicial: | | | | |
| Drug Court | 12,000 | 13,968 | 1,968 | 11,662 |
| Court facilities | 115,000 | 106,363 | (8,637) | 103,500 |
| Justice civil fees | 589,500 | 632,485 | 42,985 | 660,921 |
| | 716,500 | 752,816 | 36,316 | 776,083 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 3 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Public safety: | | | | |
| Police: | | | | |
| Sheriff's fees | $ 280,000 | $ 350,878 | $ 70,878 | $ 334,388 |
| Fire | 11,000 | 4,574 | (6,426) | 7,653 |
| Protective services | 192,200 | 117,560 | (74,640) | 171,737 |
| | 483,200 | 473,012 | (10,188) | 513,778 |
| Public works: | | | | |
| Street / engineering charges | - | 960 | 960 | - |
| Sanitation: | | | | |
| Landfill fees | 2,615,000 | 2,722,262 | 107,262 | 2,674,172 |
| Health: | | | | |
| Vaccine | 147,000 | 148,608 | 1,608 | 183,205 |
| Clinic services | 95,000 | 120,692 | 25,692 | 94,401 |
| Health inspection fees | 60,000 | 46,606 | (13,394) | 52,982 |
| | 302,000 | 315,906 | 13,906 | 330,588 |
| Culture and recreation | 1,338,750 | 1,116,155 | (222,595) | 1,208,624 |
| Total Charges for Services | 11,044,627 | 10,876,388 | (168,239) | 11,112,929 |
| Fines and forfeits: | | | | |
| Library | 20,000 | 940 | (19,060) | 11,622 |
| Court | 851,000 | 673,847 | (177,153) | 676,838 |
| Animal services | 39,000 | 38,283 | (717) | 41,902 |
| Total Fines and Forfeits | 910,000 | 713,070 | (196,930) | 730,362 |
| Miscellaneous: | | | | |
| Investment income | 420,000 | 112,279 | (307,721) | 406,686 |
| Rents and royalties | 94,688 | 103,816 | 9,128 | 105,866 |
| Other | 176,000 | 183,315 | 7,315 | 202,031 |
| Gifts and donations | 49,213 | 69,060 | 19,847 | 48,336 |
| Refunds and reimbursements | 136,406 | 336,709 | 200,303 | 148,257 |
| Penalties and interest - delinquent taxes | 125,000 | 336,171 | 211,171 | 306,569 |
| Total Miscellaneous | 1,001,307 | 1,141,350 | 140,043 | 1,217,745 |
| Total Revenues | 55,510,763 | 55,220,237 | (290,526) | 53,765,659 |
| Expenditures: | | | | |
| General Government: | | | | |
| Legislative: | | | | |
| Board of Supervisors: | | | | |
| Salaries and wages | 133,043 | 128,806 | 4,237 | 132,745 |
| Employee benefits | 78,267 | 64,463 | 13,804 | 72,482 |
| Services and supplies | 20,450 | 18,137 | 2,313 | 19,739 |
| Total Legislative | 231,760 | 211,406 | 20,354 | 224,966 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 4 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Executive: | | | | |
| Clerk: | | | | |
| Salaries and wages | $ 250,793 | $ 226,611 | $ 24,182 | $ 243,713 |
| Employee benefits | 68,393 | 67,053 | 1,340 | 82,065 |
| Services and supplies | 19,500 | 12,277 | 7,223 | 18,945 |
| | 338,686 | 305,941 | 32,745 | 344,723 |
| Elections: | | | | |
| Salaries and wages | 148,607 | 134,519 | 14,088 | 132,455 |
| Employee benefits | 46,125 | 45,735 | 390 | 45,350 |
| Services and supplies | 34,075 | 32,516 | 1,559 | 36,352 |
| | 228,807 | 212,770 | 16,037 | 214,157 |
| Treasurer: | | | | |
| Salaries and wages | 295,632 | 286,038 | 9,594 | 307,383 |
| Employee benefits | 115,374 | 107,923 | 7,451 | 114,716 |
| Services and supplies | 52,780 | 54,522 | (1,742) | 55,280 |
| | 463,786 | 448,483 | 15,303 | 477,379 |
| Recorder: | | | | |
| Salaries and wages | 244,476 | 245,116 | (640) | 240,959 |
| Employee benefits | 97,722 | 97,924 | (202) | 96,416 |
| Services and supplies | 95,007 | 39,635 | 55,372 | 16,890 |
| | 437,205 | 382,675 | 54,530 | 354,265 |
| Assessor: | | | | |
| Salaries and wages | 384,253 | 390,479 | (6,226) | 394,061 |
| Employee benefits | 145,117 | 145,424 | (307) | 151,180 |
| Services and supplies | 35,057 | 23,598 | 11,459 | 27,246 |
| Capital outlay | 61,250 | - | 61,250 | - |
| | 625,677 | 559,501 | 66,176 | 572,487 |
| District Attorney: | | | | |
| Salaries and wages | 1,546,246 | 1,437,708 | 108,538 | 1,647,530 |
| Employee benefits | 519,205 | 524,526 | (5,321) | 548,035 |
| Services and supplies | 105,470 | 66,020 | 39,450 | 81,925 |
| | 2,170,921 | 2,028,254 | 142,667 | 2,277,490 |
| City Manager: | | | | |
| Salaries and wages | 313,286 | 311,922 | 1,364 | 310,222 |
| Employee benefits | 113,270 | 111,375 | 1,895 | 111,721 |
| Services and supplies | 109,610 | 103,077 | 6,533 | 112,498 |
| | 536,166 | 526,374 | 9,792 | 534,441 |
| Central Services: | | | | |
| Services and supplies | 1,572,658 | 1,601,587 | (28,929) | 1,467,808 |
| Total Executive | 6,373,906 | 6,065,585 | 308,321 | 6,242,750 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 5 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Finance: | | | | |
| Finance: | | | | |
| Salaries and wages | $ 390,818 | $ 391,888 | $ (1,070) | $ 428,682 |
| Employee benefits | 152,778 | 153,112 | (334) | 164,828 |
| Services and supplies | 82,165 | 78,847 | 3,318 | 72,358 |
| | 625,761 | 623,847 | 1,914 | 665,868 |
| Internal Auditor: | | | | |
| Services and supplies | 54,000 | 8,204 | 45,796 | 1,158 |
| Purchasing: | | | | |
| Salaries and wages | 79,104 | 84,103 | (4,999) | 75,431 |
| Employee benefits | 26,482 | 33,379 | (6,897) | 25,377 |
| Services and supplies | 8,615 | 6,903 | 1,712 | 5,765 |
| | 114,201 | 124,385 | (10,184) | 106,573 |
| Personnel: | | | | |
| Salaries and wages | 188,637 | 182,865 | 5,772 | 181,485 |
| Employee benefits | 75,053 | 71,902 | 3,151 | 69,624 |
| Services and supplies | 53,586 | 46,574 | 7,012 | 38,450 |
| | 317,276 | 301,341 | 15,935 | 289,559 |
| Total Finance | 1,111,238 | 1,057,777 | 53,461 | 1,063,158 |
| Other: | | | | |
| Community Development: | | | | |
| Planning: | | | | |
| Salaries and wages | 276,629 | 270,497 | 6,132 | 280,979 |
| Employee benefits | 118,574 | 115,126 | 3,448 | 123,152 |
| Services and supplies | 48,030 | 35,846 | 12,184 | 54,413 |
| | 443,233 | 421,469 | 21,764 | 458,544 |
| Business License: | | | | |
| Salaries and wages | 85,565 | 88,464 | (2,899) | 64,764 |
| Employee benefits | 40,363 | 41,715 | (1,352) | 28,258 |
| Services and supplies | 16,250 | 15,261 | 989 | 11,775 |
| | 142,178 | 145,440 | (3,262) | 104,797 |
| Code Enforcement: | | | | |
| Salaries and wages | 151,371 | 153,525 | (2,154) | 122,519 |
| Employee benefits | 55,707 | 60,695 | (4,988) | 49,344 |
| Services and supplies | 5,630 | 686 | 4,944 | 6,478 |
| | 212,708 | 214,906 | (2,198) | 178,341 |
| Total Community Development | 798,119 | 781,815 | 16,304 | 741,682 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 6 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Automation Services: | | | | |
| Salaries and wages | $ 729,279 | $ 712,047 | $ 17,232 | $ 697,779 |
| Employee benefits | 257,156 | 260,337 | (3,181) | 246,141 |
| Services and supplies | 443,868 | 441,145 | 2,723 | 512,657 |
| Capital outlay | - | - | - | 37,319 |
| | 1,430,303 | 1,413,529 | 16,774 | 1,493,896 |
| Geographic Information Systems: | | | | |
| Salaries and wages | 190,156 | 209,419 | (19,263) | 217,180 |
| Employee benefits | 74,828 | 74,711 | 117 | 73,862 |
| Services and supplies | 33,500 | 35,315 | (1,815) | 13,088 |
| | 298,484 | 319,445 | (20,961) | 304,130 |
| Public Defender: | | | | |
| Services and supplies | 1,325,193 | 1,232,364 | 92,829 | 1,296,104 |
| Public Safety Complex / Courthouse: | | | | |
| Services and supplies | 364,725 | 287,837 | 76,888 | 365,992 |
| City Hall: | | | | |
| Services and supplies | 119,760 | 98,276 | 21,484 | 122,259 |
| Northgate: | | | | |
| Services and supplies | 26,000 | 31,585 | (5,585) | - |
| Facilities Maintenance: | | | | |
| Salaries and wages | 714,804 | 716,163 | (1,359) | 820,047 |
| Employee benefits | 270,109 | 270,436 | (327) | 312,865 |
| Services and supplies | 345,469 | 381,117 | (35,648) | 349,213 |
| | 1,330,382 | 1,367,716 | (37,334) | 1,482,125 |
| Records Management: | | | | |
| Salaries and wages | 68,362 | 79,880 | (11,518) | 105,618 |
| Employee benefits | 21,497 | 21,931 | (434) | 23,196 |
| Services and supplies | 15,100 | 13,995 | 1,105 | 42,425 |
| | 104,959 | 115,806 | (10,847) | 171,239 |
| Total Other | 5,797,925 | 5,648,373 | 149,552 | 5,977,427 |
| Total General Government | 13,514,829 | 12,983,141 | 531,688 | 13,508,301 |
| Public Safety: | | | | |
| Sheriff: | | | | |
| Administrative Services: | | | | |
| Salaries and wages | 482,577 | 526,919 | (44,342) | 511,298 |
| Employee benefits | 296,038 | 298,123 | (2,085) | 257,836 |
| Services and supplies | 494,705 | 396,310 | 98,395 | 432,463 |
| Capital outlay | - | - | - | 27,318 |
| | 1,273,320 | 1,221,352 | 51,968 | 1,228,915 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 7 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Investigations: | | | | |
| Salaries and wages | $ 1,116,252 | $ 1,160,209 | $ (43,957) | $ 833,304 |
| Employee benefits | 602,427 | 588,800 | 13,627 | 419,077 |
| Services and supplies | 180,643 | 182,538 | (1,895) | 173,114 |
| | 1,899,322 | 1,931,547 | (32,225) | 1,425,495 |
| Operational Services: | | | | |
| Salaries and wages | 3,403,147 | 3,367,837 | 35,310 | 3,938,830 |
| Employee benefits | 2,049,198 | 2,006,813 | 42,385 | 2,428,093 |
| Services and supplies | 420,615 | 434,505 | (13,890) | 399,485 |
| Capital outlay | - | - | - | 29,470 |
| | 5,872,960 | 5,809,155 | 63,805 | 6,795,878 |
| Detention Facility: | | | | |
| Salaries and wages | 2,101,564 | 2,143,633 | (42,069) | 2,190,920 |
| Employee benefits | 1,226,274 | 1,217,655 | 8,619 | 1,243,748 |
| Services and supplies | 300,225 | 290,217 | 10,008 | 285,958 |
| | 3,628,063 | 3,651,505 | (23,442) | 3,720,626 |
| General Services: | | | | |
| Salaries and wages | 486,649 | 439,602 | 47,047 | 489,724 |
| Employee benefits | 198,765 | 190,109 | 8,656 | 194,887 |
| Services and supplies | 48,392 | 43,788 | 4,604 | 55,515 |
| | 733,806 | 673,499 | 60,307 | 740,126 |
| Dispatch: | | | | |
| Salaries and wages | 1,182,519 | 1,133,328 | 49,191 | 1,120,755 |
| Employee benefits | 416,369 | 402,674 | 13,695 | 407,287 |
| Services and supplies | 174,085 | 214,307 | (40,222) | 201,140 |
| | 1,772,973 | 1,750,309 | 22,664 | 1,729,182 |
| Federal, Tri-Net Grant: | | | | |
| Salaries and wages | 20,892 | 22,514 | (1,622) | 25,123 |
| Employee benefits | 55,299 | 61,527 | (6,228) | 33,396 |
| Services and supplies | 7,710 | 8,025 | (315) | - |
| Capital outlay | - | - | - | 11,093 |
| | 83,901 | 92,066 | (8,165) | 69,612 |
| Total Sheriff | 15,264,345 | 15,129,433 | 134,912 | 15,709,834 |
| Fire: | | | | |
| Administration: | | | | |
| Salaries and wages | 145,353 | 149,887 | (4,534) | 144,162 |
| Employee benefits | 62,081 | 58,896 | 3,185 | 59,980 |
| Services and supplies | 64,010 | 38,151 | 25,859 | 39,959 |
| Capital outlay | 30,000 | 34,106 | (4,106) | 19,231 |
| | 301,444 | 281,040 | 20,404 | 263,332 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 8 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operations: | | | | |
| Salaries and wages | $ 4,055,759 | $ 4,154,402 | $ (98,643) | $ 3,939,124 |
| Employee benefits | 2,084,914 | 2,041,951 | 42,963 | 2,217,242 |
| Services and supplies | 451,233 | 430,123 | 21,110 | 453,928 |
| Capital outlay | - | 411 | (411) | 5,715 |
| | 6,591,906 | 6,626,887 | (34,981) | 6,616,009 |
| Prevention: | | | | |
| Salaries and wages | 358,560 | 353,277 | 5,283 | 413,806 |
| Employee benefits | 120,244 | 118,069 | 2,175 | 145,330 |
| Services and supplies | 45,899 | 39,609 | 6,290 | 21,183 |
| | 524,703 | 510,955 | 13,748 | 580,319 |
| Warren Engine Co. No. 1: | | | | |
| Employee benefits | 1,879 | - | 1,879 | - |
| Services and supplies | 5,820 | 4,277 | 1,543 | 9,073 |
| | 7,699 | 4,277 | 3,422 | 9,073 |
| Emergency Management: | | | | |
| Salaries and wages | 62,800 | 62,954 | (154) | 71,832 |
| Employee benefits | 66,297 | 58,838 | 7,459 | 65,433 |
| Services and supplies | 16,012 | 14,843 | 1,169 | 16,561 |
| | 145,109 | 136,635 | 8,474 | 153,826 |
| Training: | | | | |
| Salaries and wages | 278,921 | 276,734 | 2,187 | 251,051 |
| Employee benefits | 149,968 | 148,028 | 1,940 | 147,894 |
| Services and supplies | 75,320 | 64,043 | 11,277 | 75,284 |
| | 504,209 | 488,805 | 15,404 | 474,229 |
| Total Fire | 8,075,070 | 8,048,599 | 26,471 | 8,096,788 |
| Corrections: | | | | |
| Juvenile Probation: | | | | |
| Salaries and wages | 824,616 | 839,867 | (15,251) | 933,004 |
| Employee benefits | 457,129 | 407,714 | 49,415 | 467,009 |
| Services and supplies | 198,487 | 174,013 | 24,474 | 138,263 |
| | 1,480,232 | 1,421,594 | 58,638 | 1,538,276 |
| Juvenile Detention: | | | | |
| Salaries and wages | 981,115 | 940,680 | 40,435 | 913,069 |
| Employee benefits | 351,378 | 347,314 | 4,064 | 341,539 |
| Services and supplies | 116,790 | 117,260 | (470) | 115,999 |
| Capital outlay | - | 5,474 | (5,474) | - |
| | 1,449,283 | 1,410,728 | 38,555 | 1,370,607 |
| Total Corrections | 2,929,515 | 2,832,322 | 97,193 | 2,908,883 |
| Total Public Safety | 26,268,930 | 26,010,354 | 258,576 | 26,715,505 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 9 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Judicial: | | | | |
| Juvenile Court: | | | | |
| Salaries and wages | $ 249,974 | $ 232,097 | $ 17,877 | $ 237,571 |
| Employee benefits | 75,156 | 75,159 | (3) | 83,318 |
| Services and supplies | 116,937 | 108,174 | 8,763 | 41,984 |
| Total Juvenile Court | 442,067 | 415,430 | 26,637 | 362,873 |
| Justice Court: | | | | |
| Salaries and wages | 1,720,972 | 1,729,687 | (8,715) | 2,022,156 |
| Employee benefits | 704,446 | 704,342 | 104 | 776,266 |
| Services and supplies | 837,749 | 540,137 | 297,612 | 505,772 |
| Capital outlay | - | 3,585 | (3,585) | - |
| Total Justice Court | 3,263,167 | 2,977,751 | 285,416 | 3,304,194 |
| Alternative Sentencing: | | | | |
| Salaries and wages | 734,335 | 730,171 | 4,164 | 760,561 |
| Employee benefits | 342,253 | 343,572 | (1,319) | 336,633 |
| Services and supplies | 112,578 | 94,936 | 17,642 | 147,756 |
| Total Alternative Sentencing | 1,189,166 | 1,168,679 | 20,487 | 1,244,950 |
| Total Judicial | 4,894,400 | 4,561,860 | 332,540 | 4,912,017 |
| Public Works: | | | | |
| Engineering / Public Works: | | | | |
| Public Works: | | | | |
| Salaries and wages | 1,460,983 | 1,373,695 | 87,288 | 1,449,020 |
| Employee benefits | 518,191 | 495,603 | 22,588 | 529,233 |
| Services and supplies | 117,050 | 105,622 | 11,428 | 123,751 |
| Total Public Works | 2,096,224 | 1,974,920 | 121,304 | 2,102,004 |
| Sanitation: | | | | |
| Landfill: | | | | |
| Salaries and wages | 550,968 | 577,889 | (26,921) | 572,629 |
| Employee benefits | 206,320 | 190,618 | 15,702 | 203,710 |
| Services and supplies | 820,600 | 773,864 | 46,736 | 887,413 |
| Capital outlay | 18,500 | 14,239 | 4,261 | 9,925 |
| Total Sanitation | 1,596,388 | 1,556,610 | 39,778 | 1,673,677 |
| Health: | | | | |
| Public Health Administration: | | | | |
| Salaries and wages | 195,146 | 195,490 | (344) | 203,145 |
| Employee benefits | 77,698 | 78,041 | (343) | 76,409 |
| Services and supplies | 247,052 | 199,096 | 47,956 | 216,064 |
| Total Public Health Administration | 519,896 | 472,627 | 47,269 | 495,618 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 10 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Medical: | | | | |
| Salaries and wages | $ 56,461 | $ 52,290 | $ 4,171 | $ 36,728 |
| Employee benefits | 19,349 | 21,241 | (1,892) | 12,641 |
| Services and supplies | 395,424 | 276,930 | 118,494 | 166,462 |
| Total Medical | 471,234 | 350,461 | 120,773 | 215,831 |
| Environmental Health: | | | | |
| Salaries and wages | 192,954 | 182,116 | 10,838 | 192,099 |
| Employee benefits | 69,173 | 64,928 | 4,245 | 68,775 |
| Services and supplies | 17,434 | 11,804 | 5,630 | 91,430 |
| Total Environmental Health | 279,561 | 258,848 | 20,713 | 352,304 |
| Animal Services: | | | | |
| Salaries and wages | 254,636 | 239,387 | 15,249 | 240,166 |
| Employee benefits | 69,622 | 60,538 | 9,084 | 74,275 |
| Services and supplies | 220,934 | 168,719 | 52,215 | 124,371 |
| Capital outlay | 25,000 | - | 25,000 | - |
| Total Animal Services | 570,192 | 468,644 | 101,548 | 438,812 |
| Total Health | 1,840,883 | 1,550,580 | 290,303 | 1,502,565 |
| Welfare: | | | | |
| Salaries and wages | 99,348 | 103,036 | (3,688) | 88,352 |
| Employee benefits | 27,137 | 27,946 | (809) | 26,486 |
| Services and supplies | 252,952 | 248,455 | 4,497 | 267,336 |
| Total Welfare | 379,437 | 379,437 | - | 382,174 |
| Culture and Recreation: | | | | |
| Parks: | | | | |
| Parks and Recreation Administration: | | | | |
| Salaries and wages | 341,182 | 343,126 | (1,944) | 266,943 |
| Employee benefits | 138,138 | 136,931 | 1,207 | 104,173 |
| Services and supplies | 38,072 | 33,829 | 4,243 | 36,821 |
| | 517,392 | 513,886 | 3,506 | 407,937 |
| Park Maintenance: | | | | |
| Salaries and wages | 518,919 | 521,845 | (2,926) | 566,981 |
| Employee benefits | 213,484 | 213,329 | 155 | 228,556 |
| Services and supplies | 465,874 | 402,103 | 63,771 | 737,558 |
| | 1,198,277 | 1,137,277 | 61,000 | 1,533,095 |
| Grants, Gifts, and Donations: | | | | |
| Services and supplies | 247,985 | 190,695 | 57,290 | 184,818 |
| Capital outlay | 102,106 | 11,686 | 90,420 | 17,395 |
| | 350,091 | 202,381 | 147,710 | 202,213 |
| Total Parks | 2,065,760 | 1,853,544 | 212,216 | 2,143,245 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 11 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Participant Recreation: | | | | |
| Community Center: | | | | |
| Salaries and wages | $ 138,582 | $ 138,125 | $ 457 | $ 173,384 |
| Employee benefits | 44,047 | 35,681 | 8,366 | 40,077 |
| Services and supplies | 121,596 | 100,654 | 20,942 | 118,843 |
| | 304,225 | 274,460 | 29,765 | 332,304 |
| Recreation: | | | | |
| Salaries and wages | 388,678 | 325,984 | 62,694 | 414,459 |
| Employee benefits | 69,735 | 64,381 | 5,354 | 96,893 |
| Services and supplies | 154,942 | 72,702 | 82,240 | 65,460 |
| Capital outlay | - | - | - | 12,260 |
| | 613,355 | 463,067 | 150,288 | 589,072 |
| Swimming Pool: | | | | |
| Salaries and wages | 327,325 | 331,732 | (4,407) | 360,164 |
| Employee benefits | 78,392 | 78,631 | (239) | 90,336 |
| Services and supplies | 248,963 | 223,320 | 25,643 | 268,396 |
| | 654,680 | 633,683 | 20,997 | 718,896 |
| Ice Rink: | | | | |
| Salaries and wages | 34,000 | 29,667 | 4,333 | 26,991 |
| Employee benefits | - | 1,509 | (1,509) | 1,583 |
| Services and supplies | 74,730 | 66,091 | 8,639 | 156,425 |
| Capital outlay | 130,405 | 140,485 | (10,080) | - |
| | 239,135 | 237,752 | 1,383 | 184,999 |
| Sports: | | | | |
| Salaries and wages | 163,479 | 178,768 | (15,289) | 159,825 |
| Employee benefits | 35,188 | 37,236 | (2,048) | 36,356 |
| Services and supplies | 165,040 | 193,941 | (28,901) | 194,313 |
| | 363,707 | 409,945 | (46,238) | 390,494 |
| Total Participant Recreation | 2,175,102 | 2,018,907 | 156,195 | 2,215,765 |
| Pony Express Pavilion: | | | | |
| Salaries and wages | 500 | - | 500 | - |
| Employee benefits | 72 | - | 72 | - |
| Services and supplies | 19,515 | 12,506 | 7,009 | 22,000 |
| | 20,087 | 12,506 | 7,581 | 22,000 |
| Library: | | | | |
| Salaries and wages | 832,639 | 817,491 | 15,148 | 866,662 |
| Employee benefits | 317,983 | 323,643 | (5,660) | 341,869 |
| Services and supplies | 382,594 | 370,629 | 11,965 | 377,290 |
| | 1,533,216 | 1,511,763 | 21,453 | 1,585,821 |
| Total Culture and Recreation | 5,794,165 | 5,396,720 | 397,445 | 5,966,831 |

**CARSON CITY**
**GENERAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 12 OF 12)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Community Support: | | | | |
| Support Services: | | | | |
| Services and supplies | $ 458,238 | $ 458,202 | $ 36 | $ 531,683 |
| Economic Opportunity: | | | | |
| Economic Development: | | | | |
| Services and supplies | - | - | - | 4,320,000 |
| Total Expenditures | 56,843,494 | 54,871,824 | 1,971,670 | 61,614,757 |
| Excess (Deficiency) of Revenues over Expenditures | (1,332,731) | 348,413 | 1,681,144 | (7,849,098) |
| Other Financing Sources (Uses): | | | | |
| Capital leases | - | - | - | 69,433 |
| Sale of capital assets | - | 3,535 | 3,535 | - |
| Transfers in (out): | | | | |
| Quality of Life Fund | 46,694 | 69,556 | 22,862 | 102,869 |
| Senior Citizens Fund | 15,000 | 115,000 | 100,000 | 15,000 |
| Capital Facilities Fund | 53,504 | 53,504 | - | 5,000 |
| Landfill Close/Post Closure Costs | 2,000,000 | 2,238,345 | 238,345 | - |
| Capital Acquisition and Development Fund | - | 2,000 | 2,000 | 502,692 |
| Insurance Fund | - | - | - | 500,000 |
| Firefighter Retirement Medical Fund | - | 251,136 | 251,136 | - |
| Fleet Management Fund | - | - | - | 500,000 |
| Group Medical Fund | - | - | - | 750,000 |
| Stabilization Fund | - | - | - | 3,508,634 |
| Carson City Debt Service Fund | (2,374,786) | (2,374,786) | - | (2,367,575) |
| Traffic Transportation Fund | - | - | - | (20,000) |
| Cemetery Fund | (75,000) | (75,000) | - | (75,000) |
| Carson City Transit Fund | (270,000) | - | 270,000 | (300,000) |
| Ambulance Fund | (220,000) | (220,000) | - | (220,000) |
| Building Permits Fund | - | - | - | (125,000) |
| Total Other Financing Sources (Uses) | (824,588) | 63,290 | 887,878 | 2,846,053 |
| Net Change in Fund Balances | (2,157,319) | 411,703 | 2,569,022 | (5,003,045) |
| Fund Balances, July 1 | 4,899,716 | 6,483,199 | 1,583,483 | 11,486,244 |
| Fund Balances, June 30 | $ 2,742,397 | $ 6,894,902 | $ 4,152,505 | $ 6,483,199 |

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# NONMAJOR GOVERNMENTAL FUNDS

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**Combining Balance Sheet**

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

**CARSON CITY**
**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | SPECIAL REVENUE FUNDS | DEBT SERVICE FUNDS | CAPITAL PROJECTS FUNDS | TOTAL NONMAJOR GOVERNMENTAL FUNDS |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments | $ 11,874,908 | $ 998,927 | $ 2,806,758 | $ 15,680,593 |
| Receivables (net of allowances for uncollectibles): | | | | |
| Taxes, delinquent | 94,087 | 81,055 | - | 175,142 |
| Accounts receivable | 36,671 | - | - | 36,671 |
| Due from other governments | 2,991,606 | - | - | 2,991,606 |
| Deposits | 9,099 | - | - | 9,099 |
| Prepaid items | 15,316 | 167 | - | 15,483 |
| Restricted assets: | | | | |
| Cash and investments | 38,230 | - | - | 38,230 |
| Total Assets | $ 15,059,917 | $ 1,080,149 | $ 2,806,758 | $ 18,946,824 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | $ 742,120 | $ - | $ 36,289 | $ 778,409 |
| Accrued salaries and benefits | 201,202 | - | 1,887 | 203,089 |
| Due to other funds | 525,000 | - | - | 525,000 |
| Due to other governments | 400,011 | - | - | 400,011 |
| Due to component units | 133,864 | - | - | 133,864 |
| Deferred revenue | 117,993 | 77,501 | - | 195,494 |
| Unearned revenue | 111,468 | - | - | 111,468 |
| Payable from restricted assets | 38,230 | - | - | 38,230 |
| Total Liabilities | 2,269,888 | 77,501 | 38,176 | 2,385,565 |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Deposits | 9,099 | - | - | 9,099 |
| Prepaid items | 15,316 | 167 | - | 15,483 |
| Restricted for: | | | | |
| General government | 158,725 | - | - | 158,725 |
| Public safety | 619,800 | - | - | 619,800 |
| Judicial | 18,946 | - | - | 18,946 |
| Public works | 783,550 | - | - | 783,550 |
| Welfare | 145 | - | - | 145 |
| Health | 25,409 | - | - | 25,409 |
| Culture and recreation | 9,877,223 | - | 337,279 | 10,214,502 |
| Redevelopment | 9,381 | 295,583 | 15,278 | 320,242 |
| Capital projects | 70,727 | - | - | 70,727 |
| Committed to: | | | | |
| Redevelopment | - | - | 2,400,000 | 2,400,000 |
| Assigned to: | | | | |
| Capital projects | 810,847 | - | 16,025 | 826,872 |
| Debt service | - | 706,898 | - | 706,898 |
| Other purposes | 392,804 | - | - | 392,804 |
| Unassigned | (1,943) | - | - | (1,943) |
| Total Fund Balances | 12,790,029 | 1,002,648 | 2,768,582 | 16,561,259 |
| Total Liabilities and Fund Balances | $ 15,059,917 | $ 1,080,149 | $ 2,806,758 | $ 18,946,824 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | SPECIAL REVENUE FUNDS | DEBT SERVICE FUNDS | CAPITAL PROJECTS FUNDS | TOTAL NONMAJOR GOVERNMENTAL FUNDS |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes | $ 11,973,873 | $ 1,305,527 | $ 43,291 | $ 13,322,691 |
| Licenses and permits | 225,998 | - | - | 225,998 |
| Intergovernmental revenues | 12,895,983 | 407,268 | - | 13,303,251 |
| Charges for services | 276,703 | - | - | 276,703 |
| Fines and forfeits | 60,449 | - | - | 60,449 |
| Miscellaneous | 471,727 | 55,448 | 44,456 | 571,631 |
| Total Revenues | 25,904,733 | 1,768,243 | 87,747 | 27,760,723 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 1,247,975 | - | - | 1,247,975 |
| Public safety | 1,340,534 | - | 2,231 | 1,342,765 |
| Judicial | 266,182 | - | - | 266,182 |
| Public works | 5,846,114 | - | - | 5,846,114 |
| Health | 2,247,544 | - | - | 2,247,544 |
| Welfare | 1,964,717 | - | - | 1,964,717 |
| Culture and recreation | 2,008,795 | - | 42,686 | 2,051,481 |
| Community support | - | - | 838,749 | 838,749 |
| Airport | 47,506 | - | - | 47,506 |
| Economic opportunity | 326,957 | - | - | 326,957 |
| Capital outlay | 11,014,382 | - | 7,287 | 11,021,669 |
| Debt service: | | | | |
| Principal retirement | - | 3,924,674 | - | 3,924,674 |
| Interest and fiscal charges | - | 4,286,892 | - | 4,286,892 |
| Total Expenditures | 26,310,706 | 8,211,566 | 890,953 | 35,413,225 |
| Excess (Deficiency) of Revenues over Expenditures | (405,973) | (6,443,323) | (803,206) | (7,652,502) |
| Other Financing Sources (Uses): | | | | |
| Refunding bonds issued | - | 7,210,000 | - | 7,210,000 |
| Premium on refunding bonds | - | 226,243 | - | 226,243 |
| Payment to refunded bond escrow agent | - | (7,244,702) | - | (7,244,702) |
| Transfers in | 145,426 | 7,049,804 | 844,669 | 8,039,899 |
| Transfers out | (5,007,000) | (844,669) | (53,504) | (5,905,173) |
| Total Other Financing Sources (Uses) | (4,861,574) | 6,396,676 | 791,165 | 2,326,267 |
| Net Change in Fund Balances | (5,267,547) | (46,647) | (12,041) | (5,326,235) |
| Fund Balances, July 1 | 18,057,576 | 1,049,295 | 2,780,623 | 21,887,494 |
| Fund Balances, June 30 | $ 12,790,029 | $ 1,002,648 | $ 2,768,582 | $ 16,561,259 |

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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.

### 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.

**911 Surcharge Fund -** This Fund was established in accordance with Nevada Revised Statute 244A.7643 and is used to account for the 911 surcharge monies that may be expended only 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.

## SPECIAL REVENUE FUNDS
## Continued

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**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. These specific revenue sources are not legally restricted to expenditures for particular purposes, but are separated from the Capital Projects Fund for internal accounting purposes and reported as part of the Capital Projects Fund for external reporting purposes.

**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.

**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.

**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.

**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.

**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.

## SPECIAL REVENUE FUNDS
## Continued

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**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.

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

**CARSON CITY**
**COMBINING BALANCE SHEET**
**NONMAJOR SPECIAL REVENUE FUNDS**
**JUNE 30, 2011**
**(PAGE 1 OF 3)**

| | SENIOR CITIZENS CENTER | COOPERATIVE EXTENSION | TRAFFIC TRANSPORTATION | SUPPLEMENTAL INDIGENT |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments: | | | | |
| Unrestricted | $ 454,320 | $ 256,187 | $ 658 | $ 318,667 |
| Restricted | - | - | - | - |
| Taxes receivable, delinquent | 20,646 | 5,272 | - | 47,519 |
| Accounts receivable | 86 | 229 | - | - |
| Due from other governments | - | 4,286 | - | - |
| Deposits | - | - | - | - |
| Prepaid items | - | - | - | - |
| Total Assets | $ 475,052 | $ 265,974 | $ 658 | $ 366,186 |
| LIABILITIES | | | | |
| Accounts payable | $ 5,878 | $ 2,232 | $ 64 | $ 15,437 |
| Accrued salaries and benefits | 11,371 | 278 | 2,537 | - |
| Due to other funds | - | - | - | - |
| Due to other governments | 12 | 24,801 | - | 310,652 |
| Due to component units | - | - | - | - |
| Deferred revenue | 17,359 | 4,433 | - | 39,952 |
| Unearned revenue | - | - | - | - |
| Payable from restricted assets | - | - | - | - |
| Total Liabilities | 34,620 | 31,744 | 2,601 | 366,041 |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Deposits | - | - | - | - |
| Prepaid items | - | - | - | - |
| Restricted for: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Judicial | - | - | - | - |
| Public works | - | - | - | - |
| Welfare | - | - | - | 145 |
| Health | - | - | - | - |
| Culture and recreation | 440,432 | 234,230 | - | - |
| Redevelopment | - | - | - | - |
| Capital projects | - | - | - | - |
| Assigned to: | | | | |
| Capital projects | - | - | - | - |
| Other purposes | - | - | - | - |
| Unassigned | - | - | (1,943) | - |
| Total Fund Balances | 440,432 | 234,230 | (1,943) | 145 |
| Total Liabilities and Fund Balances | $ 475,052 | $ 265,974 | $ 658 | $ 366,186 |

| LIBRARY GIFT | ADMINISTRATIVE ASSESSMENTS | 911 SURCHARGE | CAPITAL PROJECTS |
|---|---|---|---|
| $ 264,818 | $ 51,886 | $ 461,826 | $ 912,639 |
| - | - | - | - |
| - | - | - | 20,650 |
| - | - | 18,468 | - |
| - | - | - | - |
| - | - | - | - |
| - | 550 | - | - |
| $ 264,818 | $ 52,436 | $ 480,294 | $ 933,289 |
| $ 55,835 | $ 10,940 | $ 19,210 | $ 34,336 |
| - | - | - | - |
| - | - | - | - |
| - | 22,000 | - | 12 |
| - | - | - | - |
| - | - | - | 17,367 |
| - | - | - | - |
| - | - | - | - |
| 55,835 | 32,940 | 19,210 | 51,715 |
| - | - | - | - |
| - | 550 | - | - |
| - | - | - | - |
| - | - | 461,084 | - |
| - | 18,946 | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 208,983 | - | - | - |
| - | - | - | - |
| - | - | - | 70,727 |
| - | - | - | 810,847 |
| - | - | - | - |
| - | - | - | - |
| 208,983 | 19,496 | 461,084 | 881,574 |
| $ 264,818 | $ 52,436 | $ 480,294 | $ 933,289 |

**CARSON CITY**
**COMBINING BALANCE SHEET**
**NONMAJOR SPECIAL REVENUE FUNDS**
**JUNE 30, 2011**
**(PAGE 2 OF 3)**

| | STREET MAINTENANCE | REDEVELOPMENT ADMINISTRATION | CARSON CITY TRANSIT |
|---|---|---|---|
| ASSETS | | | |
| Cash and investments: | | | |
| Unrestricted | $ 5,334 | $ 23,660 | $ 176,190 |
| Restricted | - | - | - |
| Taxes receivable, delinquent | - | - | - |
| Accounts receivable | 40 | - | 1,134 |
| Due from other governments | 572,496 | - | 42,430 |
| Deposits | - | 9,099 | - |
| Prepaid items | - | 9,099 | - |
| Total Assets | $ 577,870 | $ 41,858 | $ 219,754 |
| LIABILITIES | | | |
| Accounts payable | $ 149,810 | $ 5,488 | $ 47,919 |
| Accrued salaries and benefits | 61,330 | 8,791 | - |
| Due to other funds | 250,000 | - | - |
| Due to other governments | 4,498 | - | - |
| Due to component units | - | - | - |
| Deferred revenue | - | - | - |
| Unearned revenue | - | - | - |
| Payable from restricted assets | - | - | - |
| Total Liabilities | 465,638 | 14,279 | 47,919 |
| FUND BALANCES | | | |
| Nonspendable: | | | |
| Deposits | - | 9,099 | - |
| Prepaid items | - | 9,099 | - |
| Restricted for: | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Judicial | - | - | - |
| Public works | 112,232 | - | 171,835 |
| Welfare | - | - | - |
| Health | - | - | - |
| Culture and recreation | - | - | - |
| Redevelopment | - | 9,381 | - |
| Capital projects | - | - | - |
| Assigned to: | | | |
| Capital projects | - | - | - |
| Other purposes | - | - | - |
| Unassigned | - | - | - |
| Total Fund Balances | 112,232 | 27,579 | 171,835 |
| Total Liabilities and Fund Balances | $ 577,870 | $ 41,858 | $ 219,754 |

| COMMISSARY | V & T SPECIAL INFRASTRUCTURE | CAMPO | AIRPORT |
|---|---|---|---|
| $ 167,072 | $ 437 | $ 21,844 | $ - |
| 38,230 | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | 158,288 | 54,820 | 133,864 |
| - | - | - | - |
| - | - | - | - |
| $ 205,302 | $ 158,725 | $ 76,664 | $ 133,864 |
| $ 10,977 | $ - | $ 46,584 | $ - |
| 3,045 | - | - | - |
| - | - | - | - |
| - | - | 14,794 | - |
| - | - | - | 133,864 |
| - | - | - | - |
| - | - | - | - |
| 38,230 | - | - | - |
| 52,252 | - | 61,378 | 133,864 |
| - | - | - | - |
| - | - | - | - |
| - | 158,725 | - | |
| 153,050 | - | - | - |
| - | - | - | - |
| - | - | 15,286 | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 153,050 | 158,725 | 15,286 | - |
| $ 205,302 | $ 158,725 | $ 76,664 | $ 133,864 |

**CARSON CITY**
**COMBINING BALANCE SHEET**
**NONMAJOR SPECIAL REVENUE FUNDS**
**JUNE 30, 2011**
**(PAGE 3 OF 3)**

| | REGIONAL TRANSPORTATION | QUALITY OF LIFE | GRANT | TOTAL |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments: | | | | |
| Unrestricted | $ 41,638 | $ 8,673,251 | $ 44,481 | $ 11,874,908 |
| Restricted | - | - | - | 38,230 |
| Taxes receivable, delinquent | - | - | - | 94,087 |
| Accounts receivable | - | - | 16,714 | 36,671 |
| Due from other governments | 539,219 | 403,580 | 1,082,623 | 2,991,606 |
| Deposits | - | - | - | 9,099 |
| Prepaid items | 624 | - | 5,043 | 15,316 |
| Total Assets | $ 581,481 | $ 9,076,831 | $ 1,148,861 | $ 15,059,917 |
| LIABILITIES | | | | |
| Accounts payable | $ 77,440 | $ 116,590 | $ 143,380 | $ 742,120 |
| Accrued salaries and benefits | 19,220 | 14,092 | 80,538 | 201,202 |
| Due to other funds | - | - | 275,000 | 525,000 |
| Due to other governments | - | 2,673 | 20,569 | 400,011 |
| Due to component units | - | - | - | 133,864 |
| Deferred revenue | - | - | 38,882 | 117,993 |
| Unearned revenue | - | - | 111,468 | 111,468 |
| Payable from restricted assets | - | - | - | 38,230 |
| Total Liabilities | 96,660 | 133,355 | 669,837 | 2,269,888 |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Deposits | - | - | - | 9,099 |
| Prepaid items | 624 | - | 5,043 | 15,316 |
| Restricted for: | | | | |
| General government | - | - | - | 158,725 |
| Public safety | - | - | 5,666 | 619,800 |
| Judicial | - | - | - | 18,946 |
| Public works | 484,197 | - | - | 783,550 |
| Welfare | - | - | - | 145 |
| Health | - | - | 25,409 | 25,409 |
| Culture and recreation | - | 8,943,476 | 50,102 | 9,877,223 |
| Redevelopment | - | - | - | 9,381 |
| Capital projects | - | - | - | 70,727 |
| Assigned to: | | | | |
| Capital projects | - | - | - | 810,847 |
| Other purposes | - | - | 392,804 | 392,804 |
| Unassigned | - | - | - | (1,943) |
| Total Fund Balances | 484,821 | 8,943,476 | 479,024 | 12,790,029 |
| Total Liabilities and Fund Balances | $ 581,481 | $ 9,076,831 | $ 1,148,861 | $ 15,059,917 |

**CARSON CITY**
**RECONCILIATION OF THE CAPITAL PROJECTS FUND (BUDGETARY BASIS)**
**TO THE CAPITAL PROJECTS FUND (GAAP BASIS)**
**BALANCE SHEET**
**JUNE 30, 2011**

| | CAPITAL PROJECTS (BUDGETARY BASIS) | INTERNALLY REPORTED CAPITAL ACQUISITION AND DEVELOPMENT | ELIMINATIONS | CAPITAL PROJECTS (GAAP BASIS) |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments: | | | | |
| Unrestricted | $ 878,303 | $ 34,336 | $ - | $ 912,639 |
| Taxes receivable, delinquent | 20,650 | - | - | 20,650 |
| Total Assets | $ 898,953 | $ 34,336 | $ - | $ 933,289 |
| LIABILITIES | | | | |
| Accounts payable | $ - | $ 34,336 | $ - | $ 34,336 |
| Due to other governments | 12 | - | - | 12 |
| Deferred revenue | 17,367 | - | - | 17,367 |
| Total Liabilities | 17,379 | 34,336 | - | 51,715 |
| FUND BALANCES | | | | |
| Restricted for: | | | | |
| Capital projects | 70,727 | - | - | 70,727 |
| Assigned to: | | | | |
| Capital projects | 810,847 | - | - | 810,847 |
| Total Fund Balances | 881,574 | - | - | 881,574 |
| Total Liabilities and Fund Balances | $ 898,953 | $ 34,336 | $ - | $ 933,289 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**NONMAJOR SPECIAL REVENUE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 1 OF 3)**

| | SENIOR CITIZENS CENTER | COOPERATIVE EXTENSION | TRAFFIC TRANSPORTATION |
|---|---|---|---|
| Revenues: | | | |
| Taxes | $ 726,422 | $ 185,958 | $ - |
| Licenses and permits | - | - | - |
| Intergovernmental revenues | - | - | - |
| Charges for services | - | - | - |
| Fines and forfeits | - | - | 60,449 |
| Miscellaneous | 8,258 | 22,218 | 13,851 |
| Total Revenues | 734,680 | 208,176 | 74,300 |
| Expenditures: | | | |
| Current: | | | |
| General government | - | - | - |
| Public safety | - | - | 76,098 |
| Judicial | - | - | - |
| Public works | - | - | - |
| Welfare | - | - | - |
| Health | - | - | - |
| Culture and recreation | 544,303 | 154,480 | - |
| Airport | - | - | - |
| Economic opportunity | - | - | - |
| Capital outlay | 11,669 | - | - |
| Total Expenditures | 555,972 | 154,480 | 76,098 |
| Excess (Deficiency) of Revenues over Expenditures | 178,708 | 53,696 | (1,798) |
| Other Financing Sources (Uses): | | | |
| Transfers in | - | - | - |
| Transfers out | (282,505) | - | - |
| Total Other Financing Sources (Uses) | (282,505) | - | - |
| Net Change in Fund Balances | (103,797) | 53,696 | (1,798) |
| Fund Balances, July 1 | 544,229 | 180,534 | (145) |
| Fund Balances, June 30 | $ 440,432 | $ 234,230 | $ (1,943) |

| SUPPLEMENTAL INDIGENT | LIBRARY GIFT | ADMINISTRATIVE ASSESSMENTS | 911 SURCHARGE | CAPITAL PROJECTS |
|---|---|---|---|---|
| $ 1,670,740 | $ - | $ - | $ - | $ 726,416 |
| - | - | - | 225,998 | - |
| - | - | 74,721 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 7,795 | 153,048 | - | 5,243 | 13,262 |
| 1,678,535 | 153,048 | 74,721 | 231,241 | 739,678 |
| - | - | - | - | 403,312 |
| - | - | - | 19,210 | 45,830 |
| - | - | 60,309 | - | - |
| - | - | - | - | - |
| 1,678,504 | - | - | - | - |
| - | - | - | - | - |
| - | 97,166 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 82,261 | 10,340 | - | 258,218 |
| 1,678,504 | 179,427 | 70,649 | 19,210 | 707,360 |
| 31 | (26,379) | 4,072 | 212,031 | 32,318 |
| - | - | - | - | - |
| - | - | - | - | (741,898) |
| - | - | - | - | (741,898) |
| 31 | (26,379) | 4,072 | 212,031 | (709,580) |
| 114 | 235,362 | 15,424 | 249,053 | 1,591,154 |
| $ 145 | $ 208,983 | $ 19,496 | $ 461,084 | $ 881,574 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR SPECIAL REVENUE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 2 OF 3)**

| | STREET MAINTENANCE | REDEVELOPMENT ADMINISTRATION | CARSON CITY TRANSIT |
|---|---|---|---|
| Revenues: | | | |
| Taxes | $ 2,151,726 | $ 717,950 | $ - |
| Licenses and permits | - | - | - |
| Intergovernmental revenues | 1,262,042 | 5,379 | 795,174 |
| Charges for services | 50,083 | - | 87,881 |
| Fines and forfeits | - | - | - |
| Miscellaneous | 1,656 | 11,960 | 6,498 |
| Total Revenues | 3,465,507 | 735,289 | 889,553 |
| Expenditures: | | | |
| Current: | | | |
| General government | - | 780,133 | - |
| Public safety | - | - | - |
| Judicial | - | - | - |
| Public works | 3,762,094 | - | 965,441 |
| Welfare | - | - | - |
| Health | - | - | - |
| Culture and recreation | - | - | - |
| Airport | - | - | - |
| Economic opportunity | - | - | - |
| Capital outlay | 988 | - | 201,837 |
| Total Expenditures | 3,763,082 | 780,133 | 1,167,278 |
| Excess (Deficiency) of Revenues over Expenditures | (297,575) | (44,844) | (277,725) |
| Other Financing Sources (Uses): | | | |
| Transfers in | - | - | - |
| Transfers out | (115,000) | - | - |
| Total Other Financing Sources (Uses) | (115,000) | - | - |
| Net Change in Fund Balances | (412,575) | (44,844) | (277,725) |
| Fund Balances, July 1 | 524,807 | 72,423 | 449,560 |
| Fund Balances, June 30 | $ 112,232 | $ 27,579 | $ 171,835 |

| COMMISSARY | V & T SPECIAL INFRASTRUCTURE | CAMPO | AIRPORT | REGIONAL TRANSPORTATION |
|---|---|---|---|---|
| $ - | $ 904,113 | $ - | $ - | $ 3,083,110 |
| - | - | - | - | - |
| - | 250,000 | 551,841 | 2,643,885 | 227,526 |
| 138,739 | - | - | - | - |
| - | - | - | - | - |
| 39,069 | 70 | - | - | 6,209 |
| 177,808 | 1,154,183 | 551,841 | 2,643,885 | 3,316,845 |
| - | - | - | - | - |
| 229,848 | - | - | - | - |
| - | - | - | - | - |
| - | - | 578,746 | - | 539,833 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | 47,506 | - |
| - | - | - | - | - |
| - | - | - | 2,596,379 | 3,310,467 |
| 229,848 | - | 578,746 | 2,643,885 | 3,850,300 |
| (52,040) | 1,154,183 | (26,905) | - | (533,455) |
| - | - | 30,426 | - | 115,000 |
| - | (1,080,007) | - | - | (1,748,935) |
| - | (1,080,007) | 30,426 | - | (1,633,935) |
| (52,040) | 74,176 | 3,521 | - | (2,167,390) |
| 205,090 | 84,549 | 11,765 | - | 2,652,211 |
| $ 153,050 | $ 158,725 | $ 15,286 | $ - | $ 484,821 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR SPECIAL REVENUE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 3 OF 3)**

| | QUALITY OF LIFE | GRANT | TOTAL |
|---|---|---|---|
| Revenues: | | | |
| Taxes | $ 1,807,438 | $ - | $ 11,973,873 |
| Licenses and permits | - | - | 225,998 |
| Intergovernmental revenues | 1,533,698 | 5,551,717 | 12,895,983 |
| Charges for services | - | - | 276,703 |
| Fines and forfeits | - | - | 60,449 |
| Miscellaneous | 123,351 | 59,239 | 471,727 |
| Total Revenues | 3,464,487 | 5,610,956 | 25,904,733 |
| Expenditures: | | | |
| Current: | | | |
| General government | - | 64,530 | 1,247,975 |
| Public safety | - | 969,548 | 1,340,534 |
| Judicial | - | 205,873 | 266,182 |
| Public works | - | - | 5,846,114 |
| Welfare | - | 286,213 | 1,964,717 |
| Health | - | 2,247,544 | 2,247,544 |
| Culture and recreation | 959,859 | 252,987 | 2,008,795 |
| Airport | - | - | 47,506 |
| Economic opportunity | - | 326,957 | 326,957 |
| Capital outlay | 3,697,399 | 844,824 | 11,014,382 |
| Total Expenditures | 4,657,258 | 5,198,476 | 26,310,706 |
| Excess (Deficiency) of Revenues over Expenditures | (1,192,771) | 412,480 | (405,973) |
| Other Financing Sources (Uses): | | | |
| Transfers in | - | - | 145,426 |
| Transfers out | (1,038,655) | - | (5,007,000) |
| Total Other Financing Sources (Uses) | (1,038,655) | - | (4,861,574) |
| Net Change in Fund Balances | (2,231,426) | 412,480 | (5,267,547) |
| Fund Balances, July 1 | 11,174,902 | 66,544 | 18,057,576 |
| Fund Balances, June 30 | $ 8,943,476 | $ 479,024 | $ 12,790,029 |

**CARSON CITY**
**RECONCILIATION OF THE CAPITAL PROJECTS FUND (BUDGETARY BASIS)**
**TO THE CAPITAL PROJECTS FUND (GAAP BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | CAPITAL PROJECTS (BUDGETARY BASIS) | INTERNALLY REPORTED CAPITAL ACQUISITION AND DEVELOPMENT | ELIMINATIONS | CAPITAL PROJECTS (GAAP BASIS) |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes | $ 726,416 | $ - | - | $ 726,416 |
| Miscellaneous | 2,423 | 10,839 | - | 13,262 |
| Total Revenues | 728,839 | 10,839 | - | 739,678 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 8,990 | 394,322 | - | 403,312 |
| Public safety | - | 45,830 | - | 45,830 |
| Capital outlay | - | 258,218 | - | 258,218 |
| Total Expenditures | 8,990 | 698,370 | - | 707,360 |
| Excess (Deficiency) of Revenues over Expenditures | 719,849 | (687,531) | - | 32,318 |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 819,837 | - | (819,837) | - |
| Transfers out | (739,898) | (821,837) | 819,837 | (741,898) |
| Total Other Financing Sources (Uses) | 79,939 | (821,837) | - | (741,898) |
| Net Change in Fund Balances | 799,788 | (1,509,368) | - | (709,580) |
| Fund Balances, July 1 | 81,786 | 1,509,368 | - | 1,591,154 |
| Fund Balances, June 30 | $ 881,574 | $ - | $ - | $ 881,574 |

**CARSON CITY**
**SENIOR CITIZENS CENTER FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ 731,800 | $ 726,422 | $ (5,378) | $ 711,492 |
| Miscellaneous: | | | | |
| Investment income | 5,000 | 8,258 | 3,258 | 22,047 |
| Donations and gifts | - | - | - | 40 |
| | 5,000 | 8,258 | 3,258 | 22,087 |
| Total Revenues | 736,800 | 734,680 | (2,120) | 733,579 |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Participant recreation: | | | | |
| Salaries and wages | 201,721 | 213,093 | (11,372) | 198,318 |
| Employee benefits | 81,795 | 81,559 | 236 | 81,131 |
| Services and supplies | 274,342 | 249,651 | 24,691 | 275,890 |
| Capital outlay | 300,000 | 11,669 | 288,331 | - |
| Total Expenditures | 857,858 | 555,972 | 301,886 | 555,339 |
| Excess (Deficiency) of Revenues over Expenditures | (121,058) | 178,708 | 299,766 | 178,240 |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | (115,000) | (115,000) | - | (15,000) |
| Capital Acquisition & Development Fund | - | - | - | (65,000) |
| Carson City Debt Service Fund | (167,505) | (167,505) | - | (152,970) |
| Total Other Financing Sources (Uses) | (282,505) | (282,505) | - | (232,970) |
| Net Change in Fund Balances | (403,563) | (103,797) | 299,766 | (54,730) |
| Fund Balances, July 1 | 544,229 | 544,229 | - | 598,959 |
| Fund Balances, June 30 | $ 140,666 | $ 440,432 | $ 299,766 | $ 544,229 |

**CARSON CITY**
**COOPERATIVE EXTENSION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ 187,268 | $ 185,958 | $ (1,310) | $ 182,133 |
| Miscellaneous: | | | | |
| Refunds and reimbursements | 11,745 | 22,218 | 10,473 | - |
| Total Revenues | 199,013 | 208,176 | 9,163 | 182,133 |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Cooperative extension: | | | | |
| Salaries and wages | 10,390 | 6,304 | 4,086 | 6,743 |
| Employee benefits | 438 | 287 | 151 | 330 |
| Services and supplies | 267,057 | 147,889 | 119,168 | 147,117 |
| Total Expenditures | 277,885 | 154,480 | 123,405 | 154,190 |
| Excess (Deficiency) of Revenues over Expenditures | (78,872) | 53,696 | 132,568 | 27,943 |
| Fund Balances, July 1 | 180,534 | 180,534 | - | 152,591 |
| Fund Balances, June 30 | $ 101,662 | $ 234,230 | $ 132,568 | $ 180,534 |

**CARSON CITY**
**TRAFFIC TRANSPORTATION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Fines and forfeits: | | | | |
| Fines: | | | | |
| Court | $ 75,000 | $ 60,449 | $ (14,551) | $ 72,040 |
| Miscellaneous: | | | | |
| Investment income | - | 40 | 40 | 32 |
| Rents and royalties | 15,000 | 13,724 | (1,276) | 13,471 |
| Other | - | 87 | 87 | 982 |
| | 15,000 | 13,851 | (1,149) | 14,485 |
| Total Revenues | 90,000 | 74,300 | (15,700) | 86,525 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Sheriff - parking enforcement: | | | | |
| Salaries and wages | 50,092 | 48,631 | 1,461 | 67,094 |
| Employee benefits | 19,747 | 19,699 | 48 | 26,779 |
| Services and supplies | 10,255 | 7,768 | 2,487 | 10,938 |
| Total Expenditures | 80,094 | 76,098 | 3,996 | 104,811 |
| Excess (Deficiency) of Revenues over Expenditures | 9,906 | (1,798) | (11,704) | (18,286) |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | - | - | - | 20,000 |
| Net Change in Fund Balances | 9,906 | (1,798) | (11,704) | 1,714 |
| Fund Balances, July 1 | 2,404 | (145) | (2,549) | (1,859) |
| Fund Balances, June 30 | $ 12,310 | $ (1,943) | $ (14,253) | $ (145) |

**CARSON CITY**
**SUPPLEMENTAL INDIGENT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ 1,681,234 | $ 1,670,740 | $ (10,494) | $ 1,636,419 |
| Miscellaneous: | | | | |
| Investment income | 20,000 | 7,795 | (12,205) | 20,400 |
| Total Revenues | 1,701,234 | 1,678,535 | (22,699) | 1,656,819 |
| Expenditures: | | | | |
| Welfare: | | | | |
| Institutional care: | | | | |
| Services and supplies | 1,701,234 | 1,678,504 | 22,730 | 1,656,705 |
| Excess (Deficiency) of Revenues over Expenditures | - | 31 | 31 | 114 |
| Fund Balances, July 1 | - | 114 | 114 | - |
| Fund Balances, June 30 | $ - | $ 145 | $ 145 | $ 114 |

**CARSON CITY**
**LIBRARY GIFT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Miscellaneous: | | | | |
| Investment income | $ 1,500 | $ 3,337 | $ 1,837 | $ 8,079 |
| Donations and gifts | 88,000 | 149,711 | 61,711 | 55,625 |
| Total Revenues | 89,500 | 153,048 | 63,548 | 63,704 |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Libraries: | | | | |
| Services and supplies | 230,000 | 97,166 | 132,834 | 64,086 |
| Capital outlay | 89,862 | 82,261 | 7,601 | - |
| Total Expenditures | 319,862 | 179,427 | 140,435 | 64,086 |
| Excess (Deficiency) of Revenues over Expenditures | (230,362) | (26,379) | 203,983 | (382) |
| Fund Balances, July 1 | 235,362 | 235,362 | - | 235,744 |
| Fund Balances, June 30 | $ 5,000 | $ 208,983 | $ 203,983 | $ 235,362 |

**CARSON CITY**
**ADMINISTRATIVE ASSESSMENTS FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| State shared revenue: | | | | |
| Administrative assessments | $ 75,000 | $ 74,721 | $ (279) | $ 72,955 |
| Expenditures: | | | | |
| Judicial: | | | | |
| Salaries and wages | - | 470 | (470) | 10,827 |
| Employee benefits | - | 119 | (119) | 4,433 |
| Services and supplies | 85,424 | 59,720 | 25,704 | 46,514 |
| Capital outlay | - | 10,340 | (10,340) | - |
| Total Expenditures | 85,424 | 70,649 | 14,775 | 61,774 |
| Excess (Deficiency) of Revenues over Expenditures | (10,424) | 4,072 | 14,496 | 11,181 |
| Fund Balances, July 1 | 15,424 | 15,424 | - | 4,243 |
| Fund Balances, June 30 | $ 5,000 | $ 19,496 | $ 14,496 | $ 15,424 |

**CARSON CITY**
**911 SURCHARGE FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Licenses and permits: | | | | |
| Franchise fees: | | | | |
| Telephone | $ 250,000 | $ 225,998 | $ (24,002) | $ 236,753 |
| Miscellaneous: | | | | |
| Investment income | 2,000 | 5,243 | 3,243 | 5,794 |
| Total Revenues | 252,000 | 231,241 | (20,759) | 242,547 |
| Expenditures: | | | | |
| Public Safety: | | | | |
| Services and supplies | 40,500 | 19,210 | 21,290 | - |
| Capital outlay | 394,553 | - | 394,553 | 23,356 |
| Total Expenditures | 435,053 | 19,210 | 415,843 | 23,356 |
| Excess (Deficiency) of Revenues over Expenditures | (183,053) | 212,031 | 395,084 | 219,191 |
| Fund Balances, July 1 | 216,915 | 249,053 | 32,138 | 29,862 |
| Fund Balances, June 30 | $ 33,862 | $ 461,084 | $ 427,222 | $ 249,053 |

**CARSON CITY**
**CAPITAL PROJECTS FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ 731,800 | $ 726,416 | $ (5,384) | $ 711,479 |
| Miscellaneous: | | | | |
| Investment income | 5,000 | 2,423 | (2,577) | 5,557 |
| Total Revenues | 736,800 | 728,839 | (7,961) | 717,036 |
| Expenditures: | | | | |
| General government: | | | | |
| Services and supplies | | | | |
| Building improvements | - | 8,990 | (8,990) | - |
| Capital Outlay: | | | | |
| Board designated | 755,280 | - | 755,280 | - |
| Total Expenditures | 755,280 | 8,990 | 746,290 | - |
| Excess (Deficiency) of Revenues over Expenditures | (18,480) | 719,849 | 738,329 | 717,036 |
| Other Financing Sources (Uses): | | | | |
| Tranfers in (out): | | | | |
| Capital Acquisition Fund | 718,956 | 819,837 | 100,881 | - |
| Carson City Debt Service Fund | (744,495) | (739,898) | 4,597 | (740,409) |
| Total Other Financing Sources (Uses) | (25,539) | 79,939 | 105,478 | (740,409) |
| Net Change in Fund Balances | (44,019) | 799,788 | 843,807 | (23,373) |
| Fund Balances, July 1 | 81,786 | 81,786 | - | 105,159 |
| Fund Balances, June 30 | $ 37,767 | $ 881,574 | $ 843,807 | $ 81,786 |

**CARSON CITY**
**CAPITAL ACQUISITION AND DEVELOPMENT FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | $ - | $ - | $ - | $ 2,000 |
| Miscellaneous: | | | | |
| Investment income | 20,000 | 10,839 | (9,161) | 53,538 |
| Total Revenues | 20,000 | 10,839 | (9,161) | 55,538 |
| Expenditures: | | | | |
| General government: | | | | |
| Services and supplies | 355,000 | 394,322 | (39,322) | 202,890 |
| Capital outlay | 169,265 | 129,943 | 39,322 | 247,994 |
| | 524,265 | 524,265 | - | 450,884 |
| Public safety: | | | | |
| Services and supplies | 60,000 | 45,830 | 14,170 | 53,222 |
| Capital outlay | 153,268 | 125,137 | 28,131 | 17,832 |
| | 213,268 | 170,967 | 42,301 | 71,054 |
| Public works: | | | | |
| Services and supplies | - | - | - | 5,438 |
| Culture and recreation: | | | | |
| Services and supplies | - | - | - | 33,087 |
| Capital outlay | 60,879 | 3,138 | 57,741 | 71,971 |
| | 60,879 | 3,138 | 57,741 | 105,058 |
| Total Expenditures | 798,412 | 698,370 | 100,042 | 632,434 |
| Excess (Deficiency) of Revenues over Expenditures | (778,412) | (687,531) | 90,881 | (576,896) |

**CARSON CITY**
**CAPITAL ACQUISITION AND DEVELOPMENT FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| Landfill Clos/Post Clos | $ - | $ - | $ - | $ 500,000 |
| Senior Citizens' Fund | - | - | - | 65,000 |
| Capital Projects Fund | (718,956) | (819,837) | (100,881) | - |
| General Fund | (2,000) | (2,000) | - | (502,692) |
| Total Other Financing Sources (Uses) | (720,956) | (821,837) | (100,881) | 62,308 |
| Net Change in Fund Balances | (1,499,368) | (1,509,368) | (10,000) | (514,588) |
| Fund Balances, July 1 | 1,509,368 | 1,509,368 | - | 2,023,956 |
| Fund Balances, June 30 | $ 10,000 | $ - | $ (10,000) | $ 1,509,368 |

**CARSON CITY**
**STREET MAINTENANCE FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| County option motor vehicle fuel tax | $ 320,327 | $ 344,289 | $ 23,962 | $ 374,449 |
| Sales tax, voter approved | 1,671,735 | 1,807,437 | 135,702 | 1,668,535 |
| | 1,992,062 | 2,151,726 | 159,664 | 2,042,984 |
| Intergovernmental revenues: | | | | |
| Federal grants | 4,753 | 42,753 | 38,000 | 4,842 |
| State shared revenues: | | | | |
| Motor vehicle fuel tax | 1,179,427 | 1,219,289 | 39,862 | 1,264,688 |
| | 1,184,180 | 1,262,042 | 77,862 | 1,269,530 |
| Charges for services | 50,000 | 50,083 | 83 | 25,046 |
| Miscellaneous: | | | | |
| Investment income | 10,000 | (83) | (10,083) | 2,133 |
| Refunds and reimbursements | - | 1,739 | 1,739 | 408 |
| | 10,000 | 1,656 | (8,344) | 2,541 |
| Total Revenues | 3,236,242 | 3,465,507 | 229,265 | 3,340,101 |
| Expenditures: | | | | |
| Public works: | | | | |
| Salaries and wages | 1,303,789 | 1,301,002 | 2,787 | 1,349,638 |
| Employee benefits | 490,943 | 445,657 | 45,286 | 489,588 |
| Services and supplies | 1,881,402 | 2,015,435 | (134,033) | 1,825,959 |
| Capital outlay | - | 988 | (988) | 180,681 |
| Total Expenditures | 3,676,134 | 3,763,082 | (86,948) | 3,845,866 |
| Excess (Deficiency) of Revenues over Expenditures | (439,892) | (297,575) | 142,317 | (505,765) |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| Regional Transportation Fund | 275,000 | - | (275,000) | 670,000 |
| Regional Transportation Fund | (184,915) | (115,000) | 69,915 | - |
| Total Other Financing Sources (Uses) | 90,085 | (115,000) | (205,085) | 670,000 |
| Net Change in Fund Balances | (349,807) | (412,575) | (62,768) | 164,235 |
| Fund Balances, July 1 | 524,807 | 524,807 | - | 360,572 |
| Fund Balances, June 30 | $ 175,000 | $ 112,232 | $ (62,768) | $ 524,807 |

**CARSON CITY**
**REDEVELOPMENT ADMINISTRATION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ - | $ 717,950 | $ 717,950 | $ - |
| Intergovernmental revenues: | | | | |
| Other local government grants | - | 5,379 | 5,379 | - |
| Charges for services: | | | | |
| Ice rink | - | - | - | 10,800 |
| Miscellaneous: | | | | |
| Investment income | 5,500 | 1,068 | (4,432) | 4,828 |
| Other | 13,000 | 10,892 | (2,108) | 87,579 |
| | 18,500 | 11,960 | (6,540) | 92,407 |
| Total Revenues | 18,500 | 735,289 | 716,789 | 103,207 |
| Expenditures: | | | | |
| General government: | | | | |
| Salaries and wages | 313,657 | 270,536 | 43,121 | 296,881 |
| Employee benefits | 117,403 | 96,550 | 20,853 | 110,453 |
| Services and supplies | 488,843 | 413,047 | 75,796 | 602,798 |
| Total Expenditures | 919,903 | 780,133 | 139,770 | 1,010,132 |
| Excess (Deficiency) of Revenues over Expenditures | (901,403) | (44,844) | 856,559 | (906,925) |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| Redevelopment Debt Service Fund | 925,760 | - | (925,760) | 945,053 |
| Net Change in Fund Balances | 24,357 | (44,844) | (69,201) | 38,128 |
| Fund Balances, July 1 | 19,769 | 72,423 | 52,654 | 34,295 |
| Fund Balances, June 30 | $ 44,126 | $ 27,579 | $ (16,547) | $ 72,423 |

**CARSON CITY**
**CARSON CITY TRANSIT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| Federal grants | $ 741,890 | $ 720,949 | $ (20,941) | $ 1,386,521 |
| State grants | 72,000 | 72,625 | 625 | 67,904 |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | - | 1,600 | 1,600 | 5,699 |
| | 813,890 | 795,174 | (18,716) | 1,460,124 |
| Charges for services: | | | | |
| Ticket sales | 85,000 | 87,881 | 2,881 | 81,487 |
| Miscellaneous: | | | | |
| Investment income | 2,000 | 2,231 | 231 | 8,569 |
| Rents and royalties | - | 2,703 | 2,703 | - |
| Refunds and reimbursements | - | 1,564 | 1,564 | 787 |
| | 2,000 | 6,498 | 4,498 | 9,356 |
| Total Revenues | 900,890 | 889,553 | (11,337) | 1,550,967 |
| Expenditures: | | | | |
| Public works: | | | | |
| Transit system: | | | | |
| Services and supplies | 1,009,535 | 965,441 | 44,094 | 929,718 |
| Capital outlay | 224,000 | 201,837 | 22,163 | 769,612 |
| Total Expenditures | 1,233,535 | 1,167,278 | 66,257 | 1,699,330 |
| Excess (Deficiency) of Revenues over Expenditures | (332,645) | (277,725) | 54,920 | (148,363) |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | 270,000 | - | (270,000) | 300,000 |
| Net Change in Fund Balances | (62,645) | (277,725) | (215,080) | 151,637 |
| Fund Balances, July 1 | 365,543 | 449,560 | 84,017 | 297,923 |
| Fund Balances, June 30 | $ 302,898 | $ 171,835 | $ (131,063) | $ 449,560 |

**CARSON CITY**
**COMMISSARY FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Charges for Services: | | | | |
| Public safety: | | | | |
| Commissary sales | $ 105,000 | $ 138,739 | $ 33,739 | $ 129,252 |
| Miscellaneous: | | | | |
| Investment income | 1,500 | 2,049 | 549 | 6,968 |
| Rents and royalties | 40,000 | 35,019 | (4,981) | 46,557 |
| Donations and gifts | - | 1,406 | 1,406 | 3,321 |
| Other | - | 595 | 595 | - |
| | 41,500 | 39,069 | (2,431) | 56,846 |
| Total Revenues | 146,500 | 177,808 | 31,308 | 186,098 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Salaries and wages | 57,278 | 56,124 | 1,154 | 55,264 |
| Employee benefits | 18,308 | 17,686 | 622 | 15,647 |
| Services and supplies | 186,109 | 156,038 | 30,071 | 130,629 |
| Total Expenditures | 261,695 | 229,848 | 31,847 | 201,540 |
| Excess (Deficiency) of Revenues over Expenditures | (115,195) | (52,040) | 63,155 | (15,442) |
| Fund Balances, July 1 | 205,090 | 205,090 | - | 220,532 |
| Fund Balances, June 30 | $ 89,895 | $ 153,050 | $ 63,155 | $ 205,090 |

**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, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Sales tax | $ 828,688 | $ 904,113 | $ 75,425 | $ 833,551 |
| Intergovernmental revenues: | | | | |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | 250,000 | 250,000 | - | 300,000 |
| Miscellaneous: | | | | |
| Investment income | - | 70 | 70 | 548 |
| Total Revenues | 1,078,688 | 1,154,183 | 75,495 | 1,134,099 |
| Expenditures: | | | | |
| General government: | | | | |
| Services and supplies | 1,250 | - | 1,250 | 1,000 |
| Excess (Deficiency) of Revenues over Expenditures | 1,077,438 | 1,154,183 | 76,745 | 1,133,099 |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| Carson City Debt Service Fund | (1,115,244) | (1,080,007) | 35,237 | (1,118,044) |
| Net Change in Fund Balances | (37,806) | 74,176 | 111,982 | 15,055 |
| Fund Balances, July 1 | 78,888 | 84,549 | 5,661 | 69,494 |
| Fund Balances, June 30 | $ 41,082 | $ 158,725 | $ 117,643 | $ 84,549 |

**CARSON CITY**
**CAMPO FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| Federal grants | $ 662,200 | $ 539,522 | $ (122,678) | $ 422,791 |
| State grants | - | 3,710 | 3,710 | 1,911 |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | 8,609 | 8,609 | - | 3,876 |
| Total Revenues | 670,809 | 551,841 | (118,968) | 428,578 |
| Expenditures: | | | | |
| Public works: | | | | |
| Services and supplies | 713,000 | 578,746 | 134,254 | 438,720 |
| Excess (Deficiency) of Revenues over Expenditures | (42,191) | (26,905) | 15,286 | (10,142) |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| Regional Transportation Fund | 30,426 | 30,426 | - | 21,130 |
| Net Change in Fund Balances | (11,765) | 3,521 | 15,286 | 10,988 |
| Fund Balances, July 1 | 11,765 | 11,765 | - | 777 |
| Fund Balances, June 30 | $ - | $ 15,286 | $ 15,286 | $ 11,765 |

**CARSON CITY**
**AIRPORT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| Federal grant, FAA | $ 2,551,472 | $ 2,551,472 | $ - | $ 9,143,126 |
| Other local shared revenues: | | | | |
| CC Airport Authority | 92,413 | 92,413 | - | 946 |
| Total Revenues | 2,643,885 | 2,643,885 | - | 9,144,072 |
| Expenditures: | | | | |
| Airport: | | | | |
| Services and supplies | 47,506 | 47,506 | - | 155,564 |
| Capital outlay | 2,596,379 | 2,596,379 | - | 8,988,508 |
| Total Expenditures | 2,643,885 | 2,643,885 | - | 9,144,072 |
| Excess (Deficiency) of Revenues over Expenditures | - | - | - | - |
| Fund Balances, July 1 | - | - | - | - |
| Fund Balances, June 30 | $ - | $ - | $ - | $ - |

**CARSON CITY**
**REGIONAL TRANSPORTATION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| County option motor vehicle fuel tax | $ 2,868,234 | $ 3,083,110 | $ 214,876 | $ 3,353,185 |
| Intergovernmental revenues: | | | | |
| Federal grants | 2,619,000 | 182,399 | (2,436,601) | 1,826,144 |
| State grants | 500,000 | - | (500,000) | 4,721 |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | - | 45,127 | 45,127 | 21,915 |
| | 3,119,000 | 227,526 | (2,891,474) | 1,852,780 |
| Miscellaneous: | | | | |
| Investment income | 40,000 | 1,217 | (38,783) | 36,413 |
| Rents and royalties | 15,000 | - | (15,000) | - |
| Refunds and reimbursements | - | 4,992 | 4,992 | 52,408 |
| | 55,000 | 6,209 | (48,791) | 88,821 |
| Total Revenues | 6,042,234 | 3,316,845 | (2,725,389) | 5,294,786 |
| Expenditures: | | | | |
| Public works: | | | | |
| Paved streets: | | | | |
| Salaries and wages | 52,563 | - | 52,563 | 242,087 |
| Employee benefits | 94,787 | 84,369 | 10,418 | 79,961 |
| Services and supplies | 427,177 | 455,464 | (28,287) | 2,128,367 |
| Capital outlay | 5,992,989 | 3,310,467 | 2,682,522 | 9,376,221 |
| Total Expenditures | 6,567,516 | 3,850,300 | 2,717,216 | 11,826,636 |
| Excess (Deficiency) of Revenues over Expenditures | (525,282) | (533,455) | (8,173) | (6,531,850) |
| Other Financing Sources (Uses): | | | | |
| Debt issued | - | - | - | 7,900,000 |
| Transfers in (out): | | | | |
| Street Maintenance Fund | - | 115,000 | 115,000 | - |
| Campo Fund | (37,898) | (30,426) | 7,472 | (21,130) |
| Street Maintenance Fund | (275,000) | - | 275,000 | (670,000) |
| Carson City Debt Service Fund | (1,718,509) | (1,718,509) | - | (1,070,561) |
| Total Other Financing Sources (Uses) | (2,031,407) | (1,633,935) | 397,472 | 6,138,309 |
| Net Change in Fund Balances | (2,556,689) | (2,167,390) | 389,299 | (393,541) |
| Fund Balances, July 1 | 2,652,211 | 2,652,211 | - | 3,045,752 |
| Fund Balances, June 30 | $ 95,522 | $ 484,821 | $ 389,299 | $ 2,652,211 |

**CARSON CITY**
**QUALITY OF LIFE FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Sales tax, voter approved | $ 1,662,826 | $ 1,807,438 | $ 144,612 | $ 1,669,985 |
| Intergovernmental revenues: | | | | |
| Federal grants | 1,042,797 | 368,785 | (674,012) | 165,742 |
| State grants | 75,000 | 1,145,000 | 1,070,000 | 6,563,546 |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | 19,913 | 19,913 | - | 87 |
| | 1,137,710 | 1,533,698 | 395,988 | 6,729,375 |
| Miscellaneous: | | | | |
| Investment income | 100,000 | 123,351 | 23,351 | 308,978 |
| Donations and gifts | - | - | - | 50,000 |
| | 100,000 | 123,351 | 23,351 | 358,978 |
| Total Revenues | 2,900,536 | 3,464,487 | 563,951 | 8,758,338 |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Park maintenance: | | | | |
| Salaries and wages | 84,815 | 92,478 | (7,663) | 106,821 |
| Employee benefits | 21,792 | 21,987 | (195) | 20,507 |
| Services and supplies | 314,003 | 215,552 | 98,451 | 280,138 |
| Capital outlay | - | 14,203 | (14,203) | 33,622 |
| | 420,610 | 344,220 | 76,390 | 441,088 |
| Parks capital: | | | | |
| Salaries and wages | 14,827 | 15,534 | (707) | 113,361 |
| Employee benefits | 722 | - | 722 | 32,858 |
| Services and supplies | 62,980 | 48,713 | 14,267 | 83,772 |
| Capital outlay | 6,274,815 | 20,889 | 6,253,926 | 398,596 |
| | 6,353,344 | 85,136 | 6,268,208 | 628,587 |
| Quality of life: | | | | |
| Salaries and wages | 214,297 | 216,542 | (2,245) | 216,504 |
| Employee benefits | 74,140 | 74,320 | (180) | 76,917 |
| Services and supplies | 968,047 | 274,733 | 693,314 | 222,026 |
| Capital outlay | 4,795,238 | 3,662,307 | 1,132,931 | 3,834,143 |
| | 6,051,722 | 4,227,902 | 1,823,820 | 4,349,590 |
| Total Expenditures | 12,825,676 | 4,657,258 | 8,168,418 | 5,419,265 |

**CARSON CITY**
**QUALITY OF LIFE FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Excess (Deficiency) of Revenues over Expenditures | $ (9,925,140) | $ (1,192,771) | $ 8,732,369 | $ 3,339,073 |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | (46,694) | (69,556) | (22,862) | (102,869) |
| Carson City Debt Service Fund | (1,003,065) | (969,099) | 33,966 | (1,004,394) |
| Total Other Financing Sources (Uses) | (1,049,759) | (1,038,655) | 11,104 | (1,107,263) |
| Net Change in Fund Balances | (10,974,899) | (2,231,426) | 8,743,473 | 2,231,810 |
| Fund Balances, July 1 | 11,174,899 | 11,174,902 | 3 | 8,943,092 |
| Fund Balances, June 30 | $ 200,000 | $ 8,943,476 | $ 8,743,476 | $ 11,174,902 |

**CARSON CITY**
**GRANT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| Federal grants | $ 6,015,383 | $ 4,980,066 | $ (1,035,317) | $ 4,697,302 |
| State grants | 791,810 | 513,381 | (278,429) | 295,046 |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | 69,321 | 58,270 | (11,051) | 125,697 |
| | 6,876,514 | 5,551,717 | (1,324,797) | 5,118,045 |
| Miscellaneous: | | | | |
| Donations and gifts | 14,588 | 36,788 | 22,200 | 8,050 |
| Other | 18,501 | 22,451 | 3,950 | 31,104 |
| | 33,089 | 59,239 | 26,150 | 39,154 |
| Total Revenues | 6,909,603 | 5,610,956 | (1,298,647) | 5,157,199 |
| Expenditures: | | | | |
| General government: | | | | |
| Services and supplies | 121,853 | 64,530 | 57,323 | 34,696 |
| | 121,853 | 64,530 | 57,323 | 34,696 |
| Public safety: | | | | |
| Salaries and wages | 102,072 | 98,831 | 3,241 | 82,159 |
| Employee benefits | 44,701 | 46,098 | (1,397) | 32,126 |
| Services and supplies | 1,061,218 | 824,619 | 236,599 | 1,020,225 |
| Capital outlay | 38,831 | 65,995 | (27,164) | 48,055 |
| | 1,246,822 | 1,035,543 | 211,279 | 1,182,565 |
| Judicial: | | | | |
| Salaries and wages | 83,859 | 91,668 | (7,809) | 41,569 |
| Employee benefits | 52,241 | 50,046 | 2,195 | 24,763 |
| Services and supplies | 70,084 | 64,159 | 5,925 | 35,616 |
| | 206,184 | 205,873 | 311 | 101,948 |
| Welfare: | | | | |
| Salaries and wages | 112,396 | 86,032 | 26,364 | 128,970 |
| Employee benefits | 38,924 | 31,979 | 6,945 | 48,407 |
| Services and supplies | 166,555 | 168,202 | (1,647) | 143,211 |
| | 317,875 | 286,213 | 31,662 | 320,588 |
| Health: | | | | |
| Salaries and wages | 1,220,416 | 1,153,228 | 67,188 | 1,203,556 |
| Employee benefits | 323,813 | 298,951 | 24,862 | 320,463 |
| Services and supplies | 694,502 | 795,365 | (100,863) | 928,714 |
| Capital outlay | 15,166 | - | 15,166 | 5,328 |
| | 2,253,897 | 2,247,544 | 6,353 | 2,458,061 |

**CARSON CITY**
**GRANT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Culture and recreation: | | | | |
| Services and supplies | $ 353,507 | $ 252,987 | $ 100,520 | $ 132,311 |
| Capital outlay | 491,208 | 54,185 | 437,023 | 943,280 |
| | 844,715 | 307,172 | 537,543 | 1,075,591 |
| Economic opportunity: | | | | |
| Salaries and wages | - | 5,212 | (5,212) | 14,046 |
| Employee benefits | 3,043 | 126 | 2,917 | 689 |
| Services and supplies | 735,004 | 321,619 | 413,385 | 370,804 |
| Capital outlay | 876,446 | 724,644 | 151,802 | 36,510 |
| | 1,614,493 | 1,051,601 | 562,892 | 422,049 |
| Total Expenditures | 6,605,839 | 5,198,476 | 1,407,363 | 5,595,498 |
| Excess (Deficiency) of Revenues over Expenditures | 303,764 | 412,480 | 108,716 | (438,299) |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | (370,308) | - | 370,308 | - |
| Net Change in Fund Balances | (66,544) | 412,480 | 479,024 | (438,299) |
| Fund Balances, July 1 | 66,544 | 66,544 | - | 504,843 |
| Fund Balances, June 30 | $ - | $ 479,024 | $ 479,024 | $ 66,544 |

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## SPECIAL REVENUE FUNDS
## INTERNALLY REPORTED

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To account for the proceeds of specific revenue sources that are not legally restricted to expenditure for particular purposes but are separated from the General Fund for internal accounting purposes and reported as part of the General Fund for external reporting purposes.

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

**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**
**INTERNALLY REPORTED (BUDGETARY BASIS) FUNDS REPORTED**
**AS PART OF THE GENERAL FUND FOR EXTERNAL REPORTING PURPOSES**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | LANDFILL CLOSURE / POST CLOSURE | FIREFIGHTER RETIREMENT MEDICAL | INTERNALLY REPORTED TOTAL |
|---|---|---|---|
| Revenues: | | | |
| Miscellaneous | $ - | $ 3,393 | $ 3,393 |
| Other Financing Sources (Uses): | | | |
| Transfers out | (2,238,345) | (251,136) | (2,489,481) |
| Net Change in Fund Balances | (2,238,345) | (247,743) | (2,486,088) |
| Fund Balances, July 1 | 2,238,345 | 247,743 | 2,486,088 |
| Fund Balances, June 30 | $ - | $ - | $ - |

**CARSON CITY**
**LANDFILL CLOSURE/POST CLOSURE FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | $ (2,000,000) | $ (2,238,345) | $ (238,345) | $ - |
| Capital Acquisition & Development Fund | - | - | - | (500,000) |
| Total Other Financing Sources (Uses) | (2,000,000) | (2,238,345) | (238,345) | (500,000) |
| Fund Balances, July 1 | 2,238,345 | 2,238,345 | - | 2,738,345 |
| Fund Balances, June 30 | $ 238,345 | $ - | $ (238,345) | $ 2,238,345 |

**CARSON CITY**
**FIREFIGHTER RETIREMENT MEDICAL FUND (BUDGETARY BASIS)**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Charges for services: | | | | |
| Employee contributions | $ 17,069 | $ - | $ (17,069) | $ 15,426 |
| Employer contributions | 97,387 | - | (97,387) | 92,760 |
| | 114,456 | - | (114,456) | 108,186 |
| Miscellaneous: | | | | |
| Investment income | 3,500 | 3,393 | (107) | 7,430 |
| Total Revenues | 117,956 | 3,393 | (114,563) | 115,616 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Services and supplies | 70,000 | - | 70,000 | 61,717 |
| Excess (Deficiency) of Revenues over Expenditures | 47,956 | 3,393 | (44,563) | 53,899 |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | - | (251,136) | (251,136) | - |
| Net Change in Fund Balances | 47,956 | (247,743) | (295,699) | 53,899 |
| Fund Balances, July 1 | 242,610 | 247,743 | 5,133 | 193,844 |
| Fund Balances, June 30 | $ 290,566 | $ - | $ (290,566) | $ 247,743 |

# 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, 2011**

| | CARSON CITY DEBT | REDEVELOPMENT DEBT | TOTAL |
|---|---|---|---|
| ASSETS | | | |
| Cash and investments | $ 706,898 | $ 292,029 | $ 998,927 |
| Taxes receivable, delinquent | - | 81,055 | 81,055 |
| Prepaid items | 167 | - | 167 |
| Total Assets | $ 707,065 | $ 373,084 | $ 1,080,149 |
| LIABILITIES | | | |
| Deferred revenue | $ - | $ 77,501 | $ 77,501 |
| FUND BALANCES | | | |
| Nonspendable: | | | |
| Prepaid items | 167 | - | 167 |
| Restricted for: | | | |
| Redevelopment | - | 295,583 | 295,583 |
| Assigned to: | | | |
| Debt service | 706,898 | - | 706,898 |
| Total Fund Balances | 707,065 | 295,583 | 1,002,648 |
| Total Liabilities and Fund Balances | $ 707,065 | $ 373,084 | $ 1,080,149 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR DEBT SERVICE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | CARSON CITY DEBT | REDEVELOPMENT DEBT | TOTAL |
|---|---|---|---|
| Revenues: | | | |
| Taxes | $ 2 | $ 1,305,525 | $ 1,305,527 |
| Intergovernmental revenues | 407,268 | - | 407,268 |
| Miscellaneous | 47,942 | 7,506 | 55,448 |
| Total Revenues | 455,212 | 1,313,031 | 1,768,243 |
| Expenditures: | | | |
| Debt service: | | | |
| Principal | 3,673,374 | 251,300 | 3,924,674 |
| Interest | 3,979,406 | 105,596 | 4,085,002 |
| Fiscal charges | 148,632 | 53,258 | 201,890 |
| Total Expenditures | 7,801,412 | 410,154 | 8,211,566 |
| Excess (Deficiency) of Revenues over Expenditures | (7,346,200) | 902,877 | (6,443,323) |
| Other Financing Sources (Uses): | | | |
| Refunding bonds issued | 5,360,000 | 1,850,000 | 7,210,000 |
| Premium on refunding bonds | 158,476 | 67,767 | 226,243 |
| Payment to refunded bond escrow agent | (5,386,577) | (1,858,125) | (7,244,702) |
| Transfers in | 7,049,804 | - | 7,049,804 |
| Transfers out | - | (844,669) | (844,669) |
| Total Other Financing Sources (Uses) | 7,181,703 | (785,027) | 6,396,676 |
| Net Change in Fund Balances | (164,497) | 117,850 | (46,647) |
| Fund Balances, July 1 | 871,562 | 177,733 | 1,049,295 |
| Fund Balances, June 30 | $ 707,065 | $ 295,583 | $ 1,002,648 |

**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, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ - | $ 2 | $ 2 | $ 136 |
| Intergovernmental revenues: | | | | |
| Other local government grants: | | | | |
| Interlocal cooperative agreements | 407,268 | 407,268 | - | 408,360 |
| Miscellaneous: | | | | |
| Investment income | 40,000 | 17,941 | (22,059) | 47,765 |
| Rents and royalties | 120,000 | 30,001 | (89,999) | 40,000 |
| | 160,000 | 47,942 | (112,058) | 87,765 |
| Total Revenues | 567,268 | 455,212 | (112,056) | 496,261 |
| Expenditures: | | | | |
| Debt service: | | | | |
| General obligation bonds: | | | | |
| Principal | 2,623,404 | 2,623,404 | - | 2,518,569 |
| Interest | 2,868,190 | 2,846,241 | 21,949 | 3,010,410 |
| | 5,491,594 | 5,469,645 | 21,949 | 5,528,979 |
| Revenue bonds: | | | | |
| Principal | 643,900 | 643,900 | - | 461,600 |
| Interest | 1,074,609 | 1,074,609 | - | 608,961 |
| | 1,718,509 | 1,718,509 | - | 1,070,561 |
| Notes payable: | | | | |
| Principal | 406,070 | 406,070 | - | 387,216 |
| Interest | 58,556 | 58,556 | - | 72,378 |
| | 464,626 | 464,626 | - | 459,594 |
| Fiscal charges | 154,118 | 148,632 | 5,486 | 1,632 |
| Total Expenditures | 7,828,847 | 7,801,412 | 27,435 | 7,060,766 |
| Excess (Deficiency) of Revenues over Expenditures | (7,261,579) | (7,346,200) | (84,621) | (6,564,505) |

**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, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Other Financing Sources (Uses): | | | | |
| Refunding bonds issued | $ 5,360,000 | $ 5,360,000 | $ - | $ - |
| Premium on refunding bonds | 158,476 | 158,476 | - | - |
| Payment to refunded bond escrow agent | (5,386,588) | (5,386,577) | 11 | - |
| Transfers in (out): | | | | |
| General Fund | 2,374,786 | 2,374,786 | - | 2,367,575 |
| Senior Citizens Center Fund | 167,505 | 167,505 | - | 152,970 |
| Regional Transportation Fund | 1,718,509 | 1,718,509 | - | 1,070,561 |
| Capital Projects Fund | 739,898 | 739,898 | - | 740,409 |
| V & T Special Infrastructure Fund | 1,115,244 | 1,080,007 | (35,237) | 1,118,044 |
| Quality of Life Fund | 969,099 | 969,099 | - | 1,004,394 |
| Total Other Financing Sources (Uses) | 7,216,929 | 7,181,703 | (35,226) | 6,453,953 |
| Net Change in Fund Balances | (44,650) | (164,497) | (119,847) | (110,552) |
| Fund Balances, July 1 | 871,562 | 871,562 | - | 982,114 |
| Fund Balances, June 30 | $ 826,912 | $ 707,065 | $ (119,847) | $ 871,562 |

**CARSON CITY**
**REDEVELOPMENT DEBT SERVICE FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Ad valorem | $ 2,016,144 | $ 1,305,525 | $ (710,619) | $ 1,894,985 |
| Miscellaneous | | | | |
| Investment income | 20,000 | 7,506 | (12,494) | 14,134 |
| Total Revenues | 2,036,144 | 1,313,031 | (723,113) | 1,909,119 |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal | 251,300 | 251,300 | - | 237,500 |
| Interest | 119,150 | 105,596 | 13,554 | 128,785 |
| Services and supplies | - | - | - | 133,738 |
| Fiscal charges | 60,142 | 53,258 | 6,884 | 148 |
| Total Expenditures | 430,592 | 410,154 | 20,438 | 500,171 |
| Excess (Deficiency) of Revenues over Expenditures | 1,605,552 | 902,877 | (702,675) | 1,408,948 |
| Other Financing Sources (Uses): | | | | |
| Refunding bonds issued | 1,850,000 | 1,850,000 | - | - |
| Premium on refunding bonds | 67,767 | 67,767 | - | - |
| Payment to refunded bond escrow agent | (1,858,125) | (1,858,125) | - | - |
| Transfers in (out): | | | | |
| Redevelopment Administration Fund | (925,760) | - | 925,760 | (945,053) |
| Redevelopment Revolving Fund | (850,575) | (844,669) | 5,906 | (640,902) |
| Total Other Financing Sources (Uses) | (1,716,693) | (785,027) | 931,666 | (1,585,955) |
| Net Change in Fund Balances | (111,141) | 117,850 | 228,991 | (177,007) |
| Fund Balances, July 1 | 356,941 | 177,733 | (179,208) | 354,740 |
| Fund Balances, June 30 | $ 245,800 | $ 295,583 | $ 49,783 | $ 177,733 |

# CAPITAL PROJECTS FUNDS

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

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## 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, 2011**

| | CAPITAL FACILITIES | RESIDENTIAL CONSTRUCTION | REDEVELOPMENT REVOLVING | TOTAL |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments: | | | | |
| Unrestricted | $ 16,025 | $ 363,292 | $ 2,427,441 | $ 2,806,758 |
| LIABILITIES | | | | |
| Accounts payable | $ - | $ 24,126 | $ 12,163 | $ 36,289 |
| Accrued salaries and benefits | - | 1,887 | - | 1,887 |
| Total Liabilities | - | 26,013 | 12,163 | 38,176 |
| FUND BALANCES | | | | |
| Restricted for: | | | | |
| Culture and recreation | - | 337,279 | - | 337,279 |
| Redevelopment | - | - | 15,278 | 15,278 |
| Committed to: | | | | |
| Redevelopment | - | - | 2,400,000 | 2,400,000 |
| Assigned to: | | | | |
| Capital projects | 16,025 | - | - | 16,025 |
| Total Fund Balances | 16,025 | 337,279 | 2,415,278 | 2,768,582 |
| Total Liabilities and Fund Balances | $ 16,025 | $ 363,292 | $ 2,427,441 | $ 2,806,758 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR CAPITAL PROJECTS FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | CAPITAL FACILITIES | RESIDENTIAL CONSTRUCTION | REDEVELOPMENT REVOLVING | TOTAL |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes | $ - | $ 43,291 | $ - | $ 43,291 |
| Miscellaneous | 547 | 6,235 | 37,674 | 44,456 |
| Total Revenues | 547 | 49,526 | 37,674 | 87,747 |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety | 2,231 | - | - | 2,231 |
| Culture and recreation | - | 42,686 | - | 42,686 |
| Community support | - | - | 838,749 | 838,749 |
| Capital outlay: | | | | |
| Culture and recreation | - | 7,287 | - | 7,287 |
| Total Expenditures | 2,231 | 49,973 | 838,749 | 890,953 |
| Excess (Deficiency) of Revenues over Expenditures | (1,684) | (447) | (801,075) | (803,206) |
| Other Financing Sources (Uses): | | | | |
| Transfers in | - | - | 844,669 | 844,669 |
| Transfers out | (53,504) | - | - | (53,504) |
| Total Other Financing Sources (Uses) | (53,504) | - | 844,669 | 791,165 |
| Net Change in Fund Balances | (55,188) | (447) | 43,594 | (12,041) |
| Fund Balances, July 1 | 71,213 | 337,726 | 2,371,684 | 2,780,623 |
| Fund Balances, June 30 | $ 16,025 | $ 337,279 | $ 2,415,278 | $ 2,768,582 |

**CARSON CITY**
**CAPITAL FACILITIES FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Miscellaneous: | | | | |
| Investment income | $ - | $ 547 | $ 547 | $ 2,277 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Services and supplies | 7,500 | 2,231 | 5,269 | 2,238 |
| Capital outlay | 10,209 | - | 10,209 | - |
| Total Expenditures | 17,709 | 2,231 | 15,478 | 2,238 |
| Excess (Deficiency) of Revenues over Expenditures | (17,709) | (1,684) | 16,025 | 39 |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| General Fund | (53,504) | (53,504) | - | (5,000) |
| Net Change in Fund Balances | (71,213) | (55,188) | 16,025 | (4,961) |
| Fund Balances, July 1 | 71,213 | 71,213 | - | 76,174 |
| Fund Balances, June 30 | $ - | $ 16,025 | $ 16,025 | $ 71,213 |

**CARSON CITY**
**RESIDENTIAL CONSTRUCTION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| Park residential construction tax | $ 20,000 | $ 43,291 | $ 23,291 | $ 22,800 |
| Miscellaneous: | | | | |
| Refunds and reimbursements | 1,400 | 1,403 | 3 | - |
| Investment income | 1,000 | 4,832 | 3,832 | 11,369 |
| | 2,400 | 6,235 | 3,835 | 11,369 |
| Total Revenues | 22,400 | 49,526 | 27,126 | 34,169 |
| Expenditures: | | | | |
| Culture and recreation: | | | | |
| Parks: | | | | |
| Salaries and wages | 26,117 | 26,197 | (80) | 26,112 |
| Employee benefits | 10,342 | 10,481 | (139) | 10,226 |
| Services and supplies | 8,914 | 6,008 | 2,906 | 4,682 |
| | 45,373 | 42,686 | 2,687 | 41,020 |
| Capital outlay: | | | | |
| Theater Lighting Fixtures | 664 | - | 664 | 6,047 |
| BMX Lighting | 29,750 | 1,056 | 28,694 | 750 |
| Urban Fishing Pond | 39,269 | - | 39,269 | - |
| Rec Trails Engineering | 2,885 | - | 2,885 | - |
| Governors Field Expansion | 17,434 | - | 17,434 | - |
| Community Center Theatre Improv | 8,572 | - | 8,572 | - |
| Concr Playground Border | 8,235 | - | 8,235 | - |
| Centennial Park Play Equipment | 9,057 | - | 9,057 | - |
| Carson River Park Phase 1 & 2 | 49,196 | 6,231 | 42,965 | - |
| Ronald D. Wilson | 1,336 | - | 1,336 | - |
| Nv Landmark Soc / Rbts Hse | 76,331 | - | 76,331 | 1,231 |
| Other projects | 67,024 | - | 67,024 | - |
| | 309,753 | 7,287 | 302,466 | 8,028 |
| Total Expenditures | 355,126 | 49,973 | 305,153 | 49,048 |
| Excess (Deficiency) of Revenues over Expenditures | (332,726) | (447) | 332,279 | (14,879) |
| Fund Balances, July 1 | 337,726 | 337,726 | - | 352,605 |
| Fund Balances, June 30 | $ 5,000 | $ 337,279 | $ 332,279 | $ 337,726 |

**CARSON CITY**
**REDEVELOPMENT REVOLVING FUND**
**SCHEDULE OF REVENUES, EXPENDITURES,**
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Revenues: | | | | |
| Intergovernmental revenues: | | | | |
| Other local government grants | $ - | - | $ - | $ 4,320,000 |
| Miscellaneous: | | | | |
| Investment income | 50,000 | 37,674 | (12,326) | 13,603 |
| Refunds and reimbursements | - | - | - | 381 |
| | 50,000 | 37,674 | (12,326) | 13,984 |
| Total Revenues | 50,000 | 37,674 | (12,326) | 4,333,984 |
| Expenditures: | | | | |
| Community support: | | | | |
| Redevelopment: | | | | |
| Services and supplies | 3,242,197 | 838,749 | 2,403,448 | 3,041,870 |
| Excess (Deficiency) of Revenues over Expenditures | (3,192,197) | (801,075) | 2,391,122 | 1,292,114 |
| Other Financing Sources (Uses): | | | | |
| Transfers in (out): | | | | |
| Redevelopment Debt Service Fund | 850,575 | 844,669 | (5,906) | 640,902 |
| Net Change in Fund Balances | (2,341,622) | 43,594 | 2,385,216 | 1,933,016 |
| Fund Balances, July 1 | 2,371,684 | 2,371,684 | - | 438,668 |
| Fund Balances, June 30 | $ 30,062 | $ 2,415,278 | $ 2,385,216 | $ 2,371,684 |

# ENTERPRISE FUNDS

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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.

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## Major Funds

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

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

## Nonmajor Funds

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

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

**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, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services: | | | | |
| User fees and charges | $ 7,300,749 | $ 6,743,523 | $ (557,226) | $ 6,220,277 |
| Operating Expenses: | | | | |
| Salaries and wages | 1,306,932 | 1,247,128 | 59,804 | 1,239,304 |
| Employee benefits | 556,346 | 521,132 | 35,214 | 498,405 |
| Services and supplies | 3,142,438 | 3,121,230 | 21,208 | 3,092,966 |
| Depreciation | 3,250,000 | 3,003,662 | 246,338 | 3,079,635 |
| Total Operating Expenses | 8,255,716 | 7,893,152 | 362,564 | 7,910,310 |
| Operating Income (Loss) | (954,967) | (1,149,629) | (194,662) | (1,690,033) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 100,000 | 32,395 | (67,605) | 80,390 |
| Miscellaneous | 10,000 | 750 | (9,250) | 910 |
| Interest expense | (690,148) | (545,118) | 145,030 | (584,520) |
| Federal interest subsidy | - | 1,414 | 1,414 | - |
| Gain (loss) on sales of capital assets | (10,000) | (3,074) | 6,926 | (22,004) |
| Bond issuance costs | (52,200) | (22,478) | 29,722 | (7,105) |
| Total Nonoperating Revenues (Expenses) | (642,348) | (536,111) | 106,237 | (532,329) |
| Income (Loss) Before Transfers and Contributions | (1,597,315) | (1,685,740) | (88,425) | (2,222,362) |
| Capital Contributions: | | | | |
| Capital grants | - | 181,155 | 181,155 | 181,568 |
| Developers | - | 69,016 | 69,016 | - |
| Connection fees | 25,000 | 45,295 | 20,295 | 60,228 |
| Total Capital Contributions | 25,000 | 295,466 | 270,466 | 241,796 |
| Transfers out | - | (28,989) | (28,989) | - |
| Change in Net Assets | $ (1,572,315) | $ (1,419,263) | $ 153,052 | $ (1,980,566) |
| Net Assets, July 1 | | 54,686,388 | | 56,666,954 |
| Net Assets, June 30 | | $ 53,267,125 | | $ 54,686,388 |

**CARSON CITY**
**SEWER FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 7,300,749 | $ 6,672,122 | $ (628,627) | $ 6,074,787 |
| Cash payments for personnel costs | (1,863,278) | (1,749,763) | 113,515 | (1,647,520) |
| Cash payments for services and supplies | (3,142,438) | (2,911,775) | 230,663 | (3,279,789) |
| Miscellaneous cash received | 10,000 | 750 | (9,250) | 910 |
| Net Cash Provided by Operating Activities | 2,305,033 | 2,011,334 | (293,699) | 1,148,388 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Proceeds from capital debt | 4,000,000 | 3,442,548 | (557,452) | 1,600,000 |
| Connection fees | 25,000 | 45,295 | 20,295 | 60,228 |
| Acquisition of capital assets | (4,404,800) | (1,929,386) | 2,475,414 | (1,459,877) |
| Principal paid on capital debt | (1,621,670) | (2,926,670) | (1,305,000) | (1,399,507) |
| Interest paid on capital debt | (690,148) | (552,016) | 138,132 | (586,489) |
| Bond issuance costs | (52,200) | (122,563) | (70,363) | (29,714) |
| Federal interest subsidy | - | 1,414 | 1,414 | - |
| Subsidy from grant | - | 181,155 | 181,155 | 181,568 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (2,743,818) | (1,860,223) | 883,595 | (1,633,791) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 100,000 | 32,395 | (67,605) | 80,390 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (338,785) | 183,506 | 522,291 | (405,013) |
| Cash and Cash Equivalents, July 1 | 2,031,569 | 2,031,569 | - | 2,436,582 |
| Cash and Cash Equivalents, June 30 | $ 1,692,784 | $ 2,215,075 | $ 522,291 | $ 2,031,569 |

**CARSON CITY**
**SEWER FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | | |
| Operating loss | $ (954,967) | $ (1,149,629) | $ (194,662) | $ (1,690,033) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | | | | |
| Depreciation and amortization expense | 3,250,000 | 3,003,662 | (246,338) | 3,079,635 |
| Nonoperating revenues | 10,000 | 750 | (9,250) | 910 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | (70,800) | (70,800) | (129,898) |
| Due from other governments | - | 1,079 | 1,079 | (12,314) |
| Due from other funds | - | 24,169 | 24,169 | (1,079) |
| Prepaid items | - | 16,519 | 16,519 | (8,810) |
| Increase (decrease) in: | | | | |
| Accounts payable | - | 168,177 | 168,177 | (179,843) |
| Accrued salaries and benefits | - | 7,374 | 7,374 | 11,221 |
| Due to other governments | - | (489) | (489) | 1,830 |
| Connection deposits | - | (601) | (601) | (2,199) |
| Accrued compensated absences | - | (40,781) | (40,781) | 26,633 |
| Net OPEB Obligation | - | 51,904 | 51,904 | 52,335 |
| Total Adjustments | 3,260,000 | 3,160,963 | (99,037) | 2,838,421 |
| Net Cash Provided by Operating Activities | $ 2,305,033 | $ 2,011,334 | $ (293,699) | $ 1,148,388 |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES | | | | |
| Purchase of capital assets on account | | $ 610,262 | | $ 291,851 |
| Retainage payable on construction of capital assets | | 45,515 | | 31,981 |
| Contributed capital assets | | 69,016 | | - |
| Capital transfers between enterprise funds | | (28,989) | | - |

**CARSON CITY**
**WATER FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services: | | | | |
| User fees and charges | $ 12,811,072 | $ 11,146,595 | $ (1,664,477) | $ 9,054,623 |
| Other charges | 238,580 | 171,787 | (66,793) | 158,567 |
| Total Operating Revenues | 13,049,652 | 11,318,382 | (1,731,270) | 9,213,190 |
| Operating Expenses: | | | | |
| Salaries and wages | 1,501,240 | 1,545,747 | (44,507) | 1,513,142 |
| Employee benefits | 612,927 | 659,533 | (46,606) | 596,458 |
| Services and supplies | 5,366,147 | 5,370,151 | (4,004) | 5,489,270 |
| Depreciation and amortization | 2,250,000 | 2,493,952 | (243,952) | 2,444,918 |
| Total Operating Expenses | 9,730,314 | 10,069,383 | (339,069) | 10,043,788 |
| Operating Income (Loss) | 3,319,338 | 1,248,999 | (2,070,339) | (830,598) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 200,000 | 6,039 | (193,961) | 142,446 |
| Miscellaneous | 10,495 | 10 | (10,485) | 43 |
| Interest expense | (2,717,685) | (1,885,273) | 832,412 | (1,326,400) |
| Federal interest subsidy | - | 191,659 | 191,659 | - |
| Gain (loss) on sales of capital assets | (2,166) | (480,455) | (478,289) | (7,557) |
| Arbitrage rebate (payment) | - | (13,949) | (13,949) | 60,409 |
| Bond issuance costs | (54,000) | (50,243) | 3,757 | (1,736) |
| Total Nonoperating Revenues (Expenses) | (2,563,356) | (2,232,212) | 331,144 | (1,132,795) |
| Income (Loss) Before Contributions | 755,982 | (983,213) | (1,739,195) | (1,963,393) |
| Capital Contributions: | | | | |
| Capital assets | - | 166,398 | 166,398 | - |
| Capital grants | 125,000 | 1,359,611 | 1,234,611 | 143,591 |
| Developers | - | 29,070 | 29,070 | 444,709 |
| Connection fees | 25,000 | 36,709 | 11,709 | 47,163 |
| Total Capital Contributions | 150,000 | 1,591,788 | 1,441,788 | 635,463 |
| Transfers in (out) | | | | |
| Transfers in | - | 28,989 | 28,989 | - |
| Transfers out | - | (6,352) | (6,352) | - |
| Total Transfers | - | 22,637 | 22,637 | - |
| Change in Net Assets | $ 905,982 | 631,212 | $ (274,770) | (1,327,930) |
| Net Assets, July 1 | | 36,843,748 | | 38,171,678 |
| Net Assets, June 30 | | $ 37,474,960 | | $ 36,843,748 |

**CARSON CITY**
**WATER FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 13,049,652 | $ 11,169,459 | $ (1,880,193) | $ 9,090,633 |
| Cash payments for personnel costs | (2,114,167) | (2,106,470) | 7,697 | (2,018,974) |
| Cash payments for services and supplies | (5,366,147) | (5,410,893) | (44,746) | (5,252,080) |
| Miscellaneous cash received | 10,495 | 10 | (10,485) | 43 |
| Net Cash Provided by Operating Activities | 5,579,833 | 3,652,106 | (1,927,727) | 1,819,622 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Proceeds from capital debt | 32,000,000 | 21,890,037 | (10,109,963) | 1,512,053 |
| Proceeds from sales of capital assets | 12,834 | - | (12,834) | - |
| Connection fees | 25,000 | 28,604 | 3,604 | 47,163 |
| Acquisition of capital assets | (33,202,400) | (19,384,084) | 13,818,316 | (4,533,031) |
| Principal paid on capital debt | (2,205,000) | (8,721,500) | (6,516,500) | (1,820,000) |
| Interest paid on capital debt | (2,717,685) | (1,557,959) | 1,159,726 | (1,322,072) |
| Bond issuance costs | (54,000) | (227,172) | (173,172) | (50,973) |
| Arbitrage paid | - | (13,949) | (13,949) | - |
| Federal interest subsidy | - | 191,659 | 191,659 | - |
| Subsidy from grant | 125,000 | 1,359,611 | 1,234,611 | 77,784 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (6,016,251) | (6,434,753) | (418,502) | (6,089,076) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 200,000 | 6,039 | (193,961) | 142,446 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (236,418) | (2,776,608) | (2,540,190) | (4,127,008) |
| Cash and Cash Equivalents, July 1 | 2,815,594 | 2,815,594 | - | 6,942,602 |
| Cash and Cash Equivalents, June 30 | $ 2,579,176 | $ 38,986 | $ (2,540,190) | $ 2,815,594 |

**CARSON CITY**
**WATER FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ 3,319,338 | $ 1,248,999 | $ (2,070,339) | $ (830,598) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | |
| Depreciation and amortization expense | 2,250,000 | 2,493,952 | 243,952 | 2,444,918 |
| Nonoperating revenues | 10,495 | 10 | (10,485) | 43 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | (144,273) | (144,273) | (129,006) |
| Due from other governments | - | 1,619 | 1,619 | 8,068 |
| Due from other funds | - | (147,675) | (147,675) | (1,619) |
| Inventories | - | 3,393 | 3,393 | 15,495 |
| Prepaid items | - | (17,206) | (17,206) | 719 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | (77,409) | (77,409) | (26,848) |
| Accrued salaries and benefits | - | 23,657 | 23,657 | 12,124 |
| Due to other funds | - | 300,000 | 300,000 | - |
| Due to other governments | - | (103,464) | (103,464) | 249,124 |
| Connection deposits | - | (4,650) | (4,650) | (1,300) |
| Accrued compensated absences | - | 14,442 | 14,442 | 16,870 |
| Net OPEB Obligation | - | 60,711 | 60,711 | 61,632 |
| Total Adjustments | 2,260,495 | 2,403,107 | 142,612 | 2,650,220 |
| Net Cash Provided by Operating Activities | $ 5,579,833 | $ 3,652,106 | $ (1,927,727) | $ 1,819,622 |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES: | | | | |
| Purchase of capital assets on account | | $ 1,194,235 | | $ 1,657,617 |
| Purchase of capital assets due to other governments | | 904,274 | | - |
| Retainage payable on construction of capital assets | | 252,922 | | 164,712 |
| Contributed capital assets | | 195,468 | | - |
| Capital transfers between enterprise funds | | 22,637 | | - |

**CARSON CITY**
**COMBINING STATEMENT OF NET ASSETS**
**NONMAJOR ENTERPRISE FUNDS**
**JUNE 30, 2011**

| | AMBULANCE | STORMWATER DRAINAGE | CEMETERY | BUILDING PERMITS | TOTAL |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Current assets (unrestricted): | | | | | |
| Cash and investments | $ 3,977 | $ 143,151 | $ 177,354 | $ 263,115 | $ 587,597 |
| Receivables: | | | | | |
| Accounts and contracts, net | 1,418,519 | 109,193 | - | - | 1,527,712 |
| Inventories | - | - | 21,558 | - | 21,558 |
| Prepaid items | 105 | 300 | - | - | 405 |
| Total Current Assets (Unrestricted) | 1,422,601 | 252,644 | 198,912 | 263,115 | 2,137,272 |
| Noncurrent assets: | | | | | |
| Other assets | - | 101,098 | - | - | 101,098 |
| Capital assets: | | | | | |
| Land | - | 1,588,781 | 293,449 | - | 1,882,230 |
| Buildings | - | - | 354,931 | - | 354,931 |
| Improvements other than buildings | - | 7,301,281 | 173,211 | - | 7,474,492 |
| Machinery and equipment | 614,632 | 1,007,904 | 100,902 | 80,639 | 1,804,077 |
| Construction in progress | - | 191,038 | - | - | 191,038 |
| | 614,632 | 10,089,004 | 922,493 | 80,639 | 11,706,768 |
| Less: Accumulated depreciation | (414,421) | (851,127) | (196,237) | (53,927) | (1,515,712) |
| Net Capital Assets | 200,211 | 9,237,877 | 726,256 | 26,712 | 10,191,056 |
| Total Noncurrent Assets | 200,211 | 9,338,975 | 726,256 | 26,712 | 10,292,154 |
| Total Assets | 1,622,812 | 9,591,619 | 925,168 | 289,827 | 12,429,426 |
| LIABILITIES: | | | | | |
| Current liabilities (payable from unrestricted assets): | | | | | |
| Accounts payable | 49,409 | 20,258 | 853 | 616 | 71,136 |
| Accrued salaries and benefits | 81,997 | 6,407 | 5,344 | 11,442 | 105,190 |
| Accrued interest | - | 25,534 | - | - | 25,534 |
| Due to other funds | 45,000 | - | - | - | 45,000 |
| Due to other governments | - | 1,800 | - | 323 | 2,123 |
| Unearned revenue | - | - | 278,903 | - | 278,903 |
| Current portion: | | | | | |
| Accrued compensated absences | 74,037 | 10,521 | 1,930 | - | 86,488 |
| General obligation bonds and notes payable | - | 332,000 | - | - | 332,000 |
| Total Current Liabilities (Payable from Unrestricted Assets) | 250,443 | 396,520 | 287,030 | 12,381 | 946,374 |
| Noncurrent liabilities: | | | | | |
| Accrued compensated absences, net of current portion | 126,590 | 6,829 | 15,678 | 22,824 | 171,921 |
| Net OPEB Obligation | 399,337 | 19,002 | 19,171 | 61,747 | 499,257 |
| General obligation bonds and notes payable | - | 5,146,190 | - | - | 5,146,190 |
| Total Noncurrent Liabilities | 525,927 | 5,172,021 | 34,849 | 84,571 | 5,817,368 |
| Total Liabilities | 776,370 | 5,568,541 | 321,879 | 96,952 | 6,763,742 |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt | 200,211 | 3,748,507 | 726,257 | 26,711 | 4,701,686 |
| Unrestricted | 646,231 | 274,571 | (122,968) | 166,164 | 963,998 |
| Total Net Assets | $ 846,442 | $ 4,023,078 | $ 603,289 | $ 192,875 | $ 5,665,684 |

**CARSON CITY**
**COMBINING STATEMENT OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS**
**NONMAJOR ENTERPRISE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | AMBULANCE | STORMWATER DRAINAGE | CEMETERY | BUILDING PERMITS | TOTAL |
|---|---|---|---|---|---|
| Operating Revenues: | | | | | |
| Charges for services | $ 3,540,342 | $ 1,169,605 | $ 109,078 | $ 536,824 | $ 5,355,849 |
| Operating Expenses: | | | | | |
| Salaries and wages | 1,333,231 | 110,883 | 93,892 | 225,279 | 1,763,285 |
| Employee benefits | 916,010 | 51,867 | 39,796 | 85,966 | 1,093,639 |
| Services and supplies | 2,044,509 | 391,126 | 40,917 | 96,487 | 2,573,039 |
| Depreciation | 53,348 | 248,146 | 16,212 | 5,353 | 323,059 |
| Total Operating Expenses | 4,347,098 | 802,022 | 190,817 | 413,085 | 5,753,022 |
| Operating Income (Loss) | (806,756) | 367,583 | (81,739) | 123,739 | (397,173) |
| Nonoperating Revenues (Expenses): | | | | | |
| Investment income | 826 | 7,670 | 1,925 | 2,578 | 12,999 |
| Miscellaneous | 7,500 | 500,000 | 2,546 | - | 510,046 |
| Interest expense | - | (219,597) | - | - | (219,597) |
| Bond issue costs | - | (8,007) | - | - | (8,007) |
| Total Nonoperating Revenues (Expenses) | 8,326 | 280,066 | 4,471 | 2,578 | 295,441 |
| Income (Loss) Before Capital Contributions and Transfers | (798,430) | 647,649 | (77,268) | 126,317 | (101,732) |
| Capital Contributions | | | | | |
| Capital assets | - | 24,012 | - | - | 24,012 |
| Transfers In | 220,000 | 6,352 | 75,000 | - | 301,352 |
| Change in Net Assets | (578,430) | 678,013 | (2,268) | 126,317 | 223,632 |
| Net Assets, July 1 | 1,424,872 | 3,345,065 | 605,558 | 66,557 | 5,442,052 |
| Net Assets, June 30 | $ 846,442 | $ 4,023,078 | $ 603,290 | $ 192,874 | $ 5,665,684 |

**CARSON CITY**
**COMBINING STATEMENT OF CASH FLOWS**
**NONMAJOR ENTERPRISE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 1 OF 2)**

| | AMBULANCE | STORMWATER DRAINAGE | CEMETERY | BUILDING PERMITS | TOTAL |
|---|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash received for services | $ 3,734,518 | $ 1,160,991 | $ 101,421 | $ 530,528 | $ 5,527,458 |
| Cash payments for personnel costs | (2,158,653) | (164,326) | (133,461) | (315,011) | (2,771,451) |
| Cash payments for services and supplies | (1,984,186) | (404,143) | (38,805) | (96,482) | (2,523,616) |
| Miscellaneous cash received | 7,500 | 500,000 | 2,546 | - | 510,046 |
| Net Cash Provided (Used) by Operating Activities | (400,821) | 1,092,522 | (68,299) | 119,035 | 742,437 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Transfer from other funds | 220,000 | - | 75,000 | - | 295,000 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Acquisition of capital assets | (11,800) | (442,306) | - | - | (454,106) |
| Principal paid on capital debt | - | (293,000) | - | - | (293,000) |
| Interest paid on capital debt | - | (221,879) | - | - | (221,879) |
| Bond issuance costs | - | (250) | - | - | (250) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (11,800) | (957,435) | - | - | (969,235) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Investment income | 826 | 7,670 | 1,925 | 2,578 | 12,999 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (191,795) | 142,757 | 8,626 | 121,613 | 81,201 |
| Cash and Cash Equivalents, July 1 | 195,772 | 394 | 168,728 | 141,502 | 506,396 |
| Cash and Cash Equivalents, June 30 | $ 3,977 | $ 143,151 | $ 177,354 | $ 263,115 | $ 587,597 |

**CARSON CITY**
**COMBINING STATEMENT OF CASH FLOWS**
**NONMAJOR ENTERPRISE FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 2 OF 2)**

| | AMBULANCE | STORMWATER DRAINAGE | CEMETERY | BUILDING PERMITS | TOTAL |
|---|---|---|---|---|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | | |
| Operating income (loss) | $ (806,756) | $ 367,583 | $ (81,739) | $ 123,739 | $ (397,173) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation and amortization expense | 53,348 | 248,146 | 16,212 | 5,353 | 323,059 |
| Nonoperating revenues | 7,500 | 500,000 | 2,546 | - | 510,046 |
| Changes in assets and liabilities: | | | | | |
| (Increase) decrease in: | | | | | |
| Accounts receivable | 194,176 | (8,614) | - | - | 185,562 |
| Inventories | - | - | 4,067 | - | 4,067 |
| Prepaid items | (60) | 150 | - | - | 90 |
| Increase (decrease) in: | | | | | |
| Accounts payable | 15,443 | (7,107) | (1,955) | 5 | 6,386 |
| Accrued salaries and benefits | 6,411 | (2,719) | 407 | 1,157 | 5,256 |
| Due to other funds | 45,000 | (5,733) | - | - | 39,267 |
| Due to other governments | (60) | (327) | - | (6,296) | (6,683) |
| Unearned revenue | - | - | (7,657) | - | (7,657) |
| Accrued compensated absences | (60,372) | (6,300) | (5,266) | (11,871) | (83,809) |
| Net OPEB Obligation | 144,549 | 7,443 | 5,086 | 6,948 | 164,026 |
| Total Adjustments | 405,935 | 724,939 | 13,440 | (4,704) | 1,139,610 |
| Net Cash Provided (Used) by Operating Activities | $ (400,821) | $ 1,092,522 | $ (68,299) | $ 119,035 | $ 742,437 |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES: | | | | | |
| Purchase of capital assets on account | $ - | $ 11,180 | $ - | $ - | $ 11,180 |
| Capital transfers between enterprise funds | - | 6,352 | - | - | 6,352 |

**CARSON CITY**
**AMBULANCE FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services | $ 3,836,810 | $ 3,540,342 | $ (296,468) | $ 3,584,675 |
| Operating Expenses: | | | | |
| Salaries and wages | 1,343,566 | 1,333,231 | 10,335 | 1,427,698 |
| Employee benefits | 976,429 | 916,010 | 60,419 | 954,344 |
| Services and supplies | 1,951,210 | 2,044,509 | (93,299) | 1,780,005 |
| Depreciation | 100,000 | 53,348 | 46,652 | 51,475 |
| Total Operating Expenses | 4,371,205 | 4,347,098 | 24,107 | 4,213,522 |
| Operating Income (Loss) | (534,395) | (806,756) | (272,361) | (628,847) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 1,000 | 826 | (174) | 1,066 |
| Miscellaneous | 101,000 | 7,500 | (93,500) | 225,000 |
| Gain (loss) on disposal of capital assets | - | - | - | (61,708) |
| Total Nonoperating Revenues (Expenses) | 102,000 | 8,326 | (93,674) | 164,358 |
| Income (Loss) Before Contributions and Transfers | (432,395) | (798,430) | (366,035) | (464,489) |
| Transfers in | 220,000 | 220,000 | - | 220,000 |
| Change in Net Assets | $ (212,395) | (578,430) | $ (366,035) | (244,489) |
| Net Assets, July 1 | | 1,424,872 | | 1,669,361 |
| Net Assets, June 30 | | $ 846,442 | | $ 1,424,872 |

**CARSON CITY**
**AMBULANCE FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 3,836,810 | $ 3,734,518 | $ (102,292) | $ 3,435,685 |
| Cash payments for personnel costs | (2,319,995) | (2,158,653) | 161,342 | (2,144,367) |
| Cash payments for services and supplies | (1,951,210) | (1,984,186) | (32,976) | (1,787,339) |
| Miscellaneous cash received | 101,000 | 7,500 | (93,500) | 225,000 |
| Net Cash Provided (Used) by Operating Activities | (333,395) | (400,821) | (67,426) | (271,021) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer from other funds | 220,000 | 220,000 | - | 220,000 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition of capital assets | - | (11,800) | (11,800) | (38,885) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 1,000 | 826 | (174) | 1,066 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (112,395) | (191,795) | (79,400) | (88,840) |
| Cash and Cash Equivalents, July 1 | 195,772 | 195,772 | - | 284,612 |
| Cash and Cash Equivalents, June 30 | $ 83,377 | $ 3,977 | $ (79,400) | $ 195,772 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ (534,395) | $ (806,756) | $ (272,361) | $ (628,847) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation and amortization expense | 100,000 | 53,348 | (46,652) | 51,475 |
| Nonoperating revenues | 101,000 | 7,500 | (93,500) | 225,000 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | 194,176 | 194,176 | (148,990) |
| Prepaid items | - | (60) | (60) | 980 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | 15,443 | 15,443 | (8,345) |
| Accrued salaries and benefits | - | 6,411 | 6,411 | 6,818 |
| Due to other funds | - | 45,000 | 45,000 | - |
| Due to other governments | - | (60) | (60) | 31 |
| Accrued compensated absences | - | (60,372) | (60,372) | 99,316 |
| Net OPEB Obligation | - | 144,549 | 144,549 | 131,541 |
| Total Adjustments | 201,000 | 405,935 | 204,935 | 357,826 |
| Net Cash Provided (Used) by Operating Activities | $ (333,395) | $ (400,821) | $ (67,426) | $ (271,021) |

**CARSON CITY**
**STORMWATER DRAINAGE FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services | | | | |
| User fees and charges | $ 1,177,102 | $ 1,169,605 | $ (7,497) | $ 1,172,879 |
| Operating Expenses: | | | | |
| Salaries and wages | 139,614 | 110,883 | 28,731 | 245,196 |
| Employee benefits | 61,107 | 51,867 | 9,240 | 111,501 |
| Services and supplies | 379,581 | 391,126 | (11,545) | 391,300 |
| Depreciation | 225,000 | 248,146 | (23,146) | 218,499 |
| Total Operating Expenses | 805,302 | 802,022 | 3,280 | 966,496 |
| Operating Income | 371,800 | 367,583 | (4,217) | 206,383 |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 25,000 | 7,670 | (17,330) | 9,737 |
| Miscellaneous income | 500,000 | 500,000 | - | - |
| Interest expense | (219,597) | (219,597) | - | (221,874) |
| Bond issuance costs | (25,500) | (8,007) | 17,493 | (7,903) |
| Total Nonoperating Revenues (Expenses) | 279,903 | 280,066 | 163 | (220,040) |
| Income (Loss) Before Contributions | 651,703 | 647,649 | (4,054) | (13,657) |
| Capital Contributions: | | | | |
| Capital assets | - | 24,012 | 24,012 | - |
| Capital grants | - | - | - | 13,521 |
| Total Capital Contributions | - | 24,012 | 24,012 | 13,521 |
| Transfers in | - | 6,352 | 6,352 | - |
| Change in Net Assets | $ 651,703 | 678,013 | $ 26,310 | (136) |
| Net Assets, July 1 | | 3,345,065 | | 3,345,201 |
| Net Assets, June 30 | | $ 4,023,078 | | $ 3,345,065 |

**CARSON CITY**
**STORMWATER DRAINAGE FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 1,177,102 | $ 1,160,991 | $ (16,111) | $ 1,147,940 |
| Cash payments for personnel costs | (200,721) | (164,326) | 36,395 | (370,350) |
| Cash payments for services and supplies | (379,581) | (404,143) | (24,562) | (395,436) |
| Miscellaneous cash received | - | 500,000 | 500,000 | - |
| Net Cash Provided by Operating Activities | 596,800 | 1,092,522 | 495,722 | 382,154 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Proceeds from capital debt | - | - | - | 848,000 |
| Acquisition of capital assets | (570,000) | (442,306) | 127,694 | (1,268,297) |
| Principal paid on capital debt | (293,000) | (293,000) | - | (235,000) |
| Interest paid on capital debt | (219,597) | (221,879) | (2,282) | (213,085) |
| Bond issuance costs | (25,500) | (250) | 25,250 | (13,217) |
| Subsidy from grant | - | - | - | 13,521 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (1,108,097) | (957,435) | 150,662 | (868,078) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 25,000 | 7,670 | (17,330) | 9,737 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (486,297) | 142,757 | 629,054 | (476,187) |
| Cash and Cash Equivalents, July 1 | 394 | 394 | - | 476,581 |
| Cash and Cash Equivalents, June 30 | $ (485,903) | $ 143,151 | $ 629,054 | $ 394 |

**CARSON CITY**
**STORMWATER DRAINAGE FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | | |
| Operating income | $ 371,800 | $ 367,583 | $ (4,217) | $ 206,383 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| Depreciation and amortization expense | 225,000 | 248,146 | 23,146 | 218,499 |
| Nonoperating revenues | - | 500,000 | 500,000 | - |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | (8,614) | (8,614) | (24,939) |
| Prepaid items | - | 150 | 150 | 170 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | (7,107) | (7,107) | (8,966) |
| Accrued salaries and benefits | - | (2,719) | (2,719) | (4,451) |
| Due to other funds | - | (5,733) | (5,733) | 5,733 |
| Due to other governments | - | (327) | (327) | (1,073) |
| Accrued compensated absences | - | (6,300) | (6,300) | (15,169) |
| Net OPEB Obligation | - | 7,443 | 7,443 | 5,967 |
| Total Adjustments | 225,000 | 724,939 | 499,939 | 175,771 |
| Net Cash Provided by Operating Activities | $ 596,800 | $ 1,092,522 | $ 495,722 | $ 382,154 |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES: | | | | |
| Purchase of capital assets on account | | $ 11,180 | | $ 14,519 |
| Capital transfers between enterprise funds | | 6,352 | | - |

**CARSON CITY**
**CEMETERY FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services | $ 79,535 | $ 109,078 | $ 29,543 | $ 86,375 |
| Operating Expenses: | | | | |
| Salaries and wages | 93,475 | 93,892 | (417) | 95,977 |
| Employee benefits | 41,523 | 39,796 | 1,727 | 41,478 |
| Services and supplies | 40,545 | 40,917 | (372) | 41,616 |
| Depreciation | 30,000 | 16,212 | 13,788 | 16,213 |
| Total Operating Expenses | 205,543 | 190,817 | 14,726 | 195,284 |
| Operating Loss | (126,008) | (81,739) | 44,269 | (108,909) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 4,391 | 1,925 | (2,466) | 5,051 |
| Miscellaneous | 4,522 | 2,546 | (1,976) | 4,986 |
| Gain (loss) on disposal of capital assets | - | - | - | (841) |
| Total Nonoperating Revenues (Expenses) | 8,913 | 4,471 | (4,442) | 9,196 |
| Income (Loss) Before Transfers | (117,095) | (77,268) | 39,827 | (99,713) |
| Transfers in | 75,000 | 75,000 | - | 75,000 |
| Change in Net Assets | $ (42,095) | (2,268) | $ 39,827 | (24,713) |
| Net Assets, July 1 | | 605,558 | | 630,271 |
| Net Assets, June 30 | | $ 603,290 | | $ 605,558 |

**CARSON CITY**
**CEMETERY FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 79,535 | $ 101,421 | $ 21,886 | $ 95,180 |
| Cash payments for personnel costs | (134,998) | (133,461) | 1,537 | (128,199) |
| Cash payments for services and supplies | (40,545) | (38,805) | 1,740 | (44,276) |
| Miscellaneous cash received | 4,522 | 2,546 | (1,976) | 4,986 |
| Net Cash Provided (Used) by Operating Activities | (91,486) | (68,299) | 23,187 | (72,309) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer from other funds | 75,000 | 75,000 | - | 75,000 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 4,391 | 1,925 | (2,466) | 5,051 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (12,095) | 8,626 | 20,721 | 7,742 |
| Cash and Cash Equivalents, July 1 | 168,728 | 168,728 | - | 160,986 |
| Cash and Cash Equivalents, June 30 | $ 156,633 | $ 177,354 | $ 20,721 | $ 168,728 |
| RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating loss | $ (126,008) | $ (81,739) | $ 44,269 | $ (108,909) |
| Adjustments to reconcile operating loss to net cash provided (used) by operating activities: | | | | |
| Depreciation and amortization expense | 30,000 | 16,212 | (13,788) | 16,213 |
| Nonoperating revenues | 4,522 | 2,546 | (1,976) | 4,986 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Inventories | - | 4,067 | 4,067 | (4,437) |
| Prepaid items | - | - | - | 120 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | (1,955) | (1,955) | 1,657 |
| Accrued salaries and benefits | - | 407 | 407 | 1,237 |
| Unearned revenue | - | (7,657) | (7,657) | 8,805 |
| Accrued compensated absences | - | (5,266) | (5,266) | 783 |
| Net OPEB Obligation | - | 5,086 | 5,086 | 7,236 |
| Total Adjustments | 34,522 | 13,440 | (21,082) | 36,600 |
| Net Cash Provided (Used) by Operating Activities | $ (91,486) | $ (68,299) | $ 23,187 | $ (72,309) |

**CARSON CITY**
**BUILDING PERMITS FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services | | | | |
| User fees and charges | $ 446,000 | $ 536,824 | $ 90,824 | $ 422,320 |
| Operating Expenses: | | | | |
| Salaries and wages | 247,209 | 225,279 | 21,930 | 300,720 |
| Employee benefits | 107,481 | 85,966 | 21,515 | 135,990 |
| Services and supplies | 112,340 | 96,487 | 15,853 | 108,781 |
| Depreciation | 20,000 | 5,353 | 14,647 | 5,353 |
| Total Operating Expenses | 487,030 | 413,085 | 73,945 | 550,844 |
| Operating Income (Loss) | (41,030) | 123,739 | 164,769 | (128,524) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 2,000 | 2,578 | 578 | 2,224 |
| Gain (loss) on disposal of capital assets | - | - | - | (20,678) |
| Total Nonoperating Revenues (Expenses) | 2,000 | 2,578 | 578 | (18,454) |
| Income (Loss) Before Transfers | (39,030) | 126,317 | 165,347 | (146,978) |
| Transfers In | - | - | - | 125,000 |
| Change in Net Assets | $ (39,030) | 126,317 | $ 165,347 | (21,978) |
| Net Assets, July 1 | | 66,557 | | 88,535 |
| Net Assets, June 30 | | $ 192,874 | | $ 66,557 |

**CARSON CITY**
**BUILDING PERMITS FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 446,000 | $ 530,528 | $ 84,528 | $ 422,320 |
| Cash payments for personnel costs | (354,690) | (315,011) | 39,679 | (423,163) |
| Cash payments for services and supplies | (112,340) | (96,482) | 15,858 | (102,617) |
| Net Cash Provided (Used) by Operating Activities | (21,030) | 119,035 | 140,065 | (103,460) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer from other funds | - | - | - | 125,000 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 2,000 | 2,578 | 578 | 2,224 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (19,030) | 121,613 | 140,643 | 23,764 |
| Cash and Cash Equivalents, July 1 | 141,502 | 141,502 | - | 117,738 |
| Cash and Cash Equivalents, June 30 | $ 122,472 | $ 263,115 | $ 140,643 | $ 141,502 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ (41,030) | $ 123,739 | $ 164,769 | $ (128,524) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation and amortization expense | 20,000 | 5,353 | (14,647) | 5,353 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Prepaid items | - | - | - | 240 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | 5 | 5 | (695) |
| Accrued salaries and benefits | - | 1,157 | 1,157 | (6,458) |
| Due to other governments | - | (6,296) | (6,296) | 6,619 |
| Accrued compensated absences | - | (11,871) | (11,871) | (8,322) |
| Net OPEB Obligation | - | 6,948 | 6,948 | 28,327 |
| Total Adjustments | 20,000 | (4,704) | (24,704) | 25,064 |
| Net Cash Provided (Used) by Operating Activities | $ (21,030) | $ 119,035 | $ 140,065 | $ (103,460) |

## INTERNAL SERVICE FUNDS

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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.

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**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, 2011**

| | GROUP MEDICAL INSURANCE | WORKERS' COMPENSATION | INSURANCE | FLEET MANAGEMENT | TOTAL |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and investments | $ 307,377 | $ 3,337,446 | $ 471,229 | $ 832,759 | $ 4,948,811 |
| Receivables: | | | | | |
| Accounts and contracts, net | 233,654 | 58,669 | 3,774 | - | 296,097 |
| Inventories | - | - | - | 91,919 | 91,919 |
| Prepaid items | 448 | - | - | - | 448 |
| Total Current Assets | 541,479 | 3,396,115 | 475,003 | 924,678 | 5,337,275 |
| Noncurrent assets: | | | | | |
| Other assets | - | 20,000 | 40,000 | 2,666 | 62,666 |
| Capital assets: | | | | | |
| Machinery and equipment | - | 152,699 | 70,616 | 568,493 | 791,808 |
| Less: Accumulated depreciation | - | (13,159) | (21,211) | (53,549) | (87,919) |
| Net Capital Assets | - | 139,540 | 49,405 | 514,944 | 703,889 |
| Total Noncurrent Assets | - | 159,540 | 89,405 | 517,610 | 766,555 |
| Total Assets | 541,479 | 3,555,655 | 564,408 | 1,442,288 | 6,103,830 |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 51 | 11,014 | 97,528 | 77,723 | 186,316 |
| Accrued salaries and benefits | 9,765 | 6,396 | 5,206 | 18,584 | 39,951 |
| Accrued interest | - | - | - | 2,038 | 2,038 |
| Due to other governments | 1,050 | - | 23,916 | - | 24,966 |
| Other current liabilities | - | 472,921 | 202,541 | - | 675,462 |
| Current portion: | | | | | |
| Accrued compensated absences | 10,672 | 4,294 | 2,790 | 3,807 | 21,563 |
| General obligation bonds and notes payable | - | - | - | 152,000 | 152,000 |
| Total Current Liabilities | 21,538 | 494,625 | 331,981 | 254,152 | 1,102,296 |
| Noncurrent liabilities: | | | | | |
| Accrued compensated absences | 74 | 7,653 | 5,449 | 30,342 | 43,518 |
| Net OPEB obligation | 12,510 | 3,490 | 2,883 | 61,861 | 80,744 |
| Other liabilities | - | - | 72,636 | - | 72,636 |
| General obligation bonds and notes payable | - | - | - | 78,000 | 78,000 |
| Total Noncurrent Liabilities | 12,584 | 11,143 | 80,968 | 170,203 | 274,898 |
| Total Liabilities | 34,122 | 505,768 | 412,949 | 424,355 | 1,377,194 |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt | - | 139,540 | 49,405 | 284,944 | 473,889 |
| Unrestricted | 507,357 | 2,910,347 | 102,054 | 732,989 | 4,252,747 |
| Total Net Assets | $ 507,357 | $ 3,049,887 | $ 151,459 | $ 1,017,933 | $ 4,726,636 |

**CARSON CITY**
**INTERNAL SERVICE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENSES**
**AND CHANGES IN NET ASSETS**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | GROUP MEDICAL INSURANCE | WORKERS' COMPENSATION | INSURANCE | FLEET MANAGEMENT | TOTAL |
|---|---|---|---|---|---|
| Operating Revenues: | | | | | |
| Charges for services | $ 7,301,568 | $ 1,516,050 | $ 1,224,725 | $ 1,307,207 | $ 11,349,550 |
| Operating Expenses: | | | | | |
| Salaries and wages | 181,171 | 95,717 | 78,544 | 359,542 | 714,974 |
| Employee benefits | 68,417 | 40,344 | 34,102 | 144,366 | 287,229 |
| Services and supplies | 7,196,065 | 545,917 | 1,502,913 | 548,868 | 9,793,763 |
| Depreciation | - | 6,579 | 2,368 | 52,449 | 61,396 |
| Total Operating Expenses | 7,445,653 | 688,557 | 1,617,927 | 1,105,225 | 10,857,362 |
| Operating Income (Loss) | (144,085) | 827,493 | (393,202) | 201,982 | 492,188 |
| Nonoperating Revenues (Expenses): | | | | | |
| Investment income | 4,547 | 35,698 | 5,385 | 11,271 | 56,901 |
| Miscellaneous | 736 | 22,856 | 38,752 | - | 62,344 |
| Interest expense | - | - | - | (7,542) | (7,542) |
| Gain (loss) on disposal of capital assets | - | - | - | 16,008 | 16,008 |
| Bond issuance costs | - | - | - | (2,285) | (2,285) |
| Total Nonoperating Revenues (Expenses) | 5,283 | 58,554 | 44,137 | 17,452 | 125,426 |
| Income (Loss) Before Capital Contributions and Transfers | (138,802) | 886,047 | (349,065) | 219,434 | 617,614 |
| Capital Contributions: | | | | | |
| Capital grants | - | - | - | 35,204 | 35,204 |
| Change in Net Assets | (138,802) | 886,047 | (349,065) | 254,638 | 652,818 |
| Net Assets, July 1 | 646,159 | 2,163,840 | 500,524 | 763,295 | 4,073,818 |
| Net Assets, June 30 | $ 507,357 | $ 3,049,887 | $ 151,459 | $ 1,017,933 | $ 4,726,636 |

**CARSON CITY**
**INTERNAL SERVICE FUNDS**
**COMBINING STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 1 OF 2)**

| | GROUP MEDICAL INSURANCE | WORKERS' COMPENSATION | INSURANCE | FLEET MANAGEMENT | TOTAL |
|---|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash received for services | $ - | $ - | $ - | $ 1,307,207 | $ 1,307,207 |
| Cash received from employee contributions | 1,719,235 | - | - | - | 1,719,235 |
| Cash received from employer contributions | 5,567,472 | 1,504,912 | 1,239,901 | - | 8,312,285 |
| Cash payments for personnel costs | (264,942) | (130,367) | (108,170) | (507,629) | (1,011,108) |
| Cash payments for services and supplies | (7,196,944) | (728,556) | (1,469,899) | (610,128) | (10,005,527) |
| Miscellaneous cash received | 736 | 22,856 | 38,752 | - | 62,344 |
| Net Cash Provided (Used) by Operating Activities | (174,443) | 668,845 | (299,416) | 189,450 | 384,436 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Proceeds from sales of assets | - | - | - | 16,008 | 16,008 |
| Acquisition of capital assets | - | (86,908) | (29,651) | (44,005) | (160,564) |
| Principal paid on capital debt | - | - | - | (149,000) | (149,000) |
| Interest paid on capital debt | - | - | - | (8,620) | (8,620) |
| Subsidy from grant | - | - | - | 35,204 | 35,204 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | - | (86,908) | (29,651) | (150,413) | (266,972) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Investment income | 4,547 | 35,698 | 5,385 | 11,271 | 56,901 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (169,896) | 617,635 | (323,682) | 50,308 | 174,365 |
| Cash and Cash Equivalents, July 1 | 477,273 | 2,719,811 | 794,911 | 782,451 | 4,774,446 |
| Cash and Cash Equivalents, June 30 | $ 307,377 | $ 3,337,446 | $ 471,229 | $ 832,759 | $ 4,948,811 |

**CARSON CITY**
**INTERNAL SERVICE FUNDS**
**COMBINING STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 2 OF 2)**

| | GROUP MEDICAL INSURANCE | WORKERS' COMPENSATION | INSURANCE | FLEET MANAGEMENT | TOTAL |
|---|---|---|---|---|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | | |
| Operating income (loss) | $ (144,085) | $ 827,493 | $ (393,202) | $ 201,982 | $ 492,188 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation and amortization expense | - | 6,579 | 2,368 | 52,449 | 61,396 |
| Nonoperating revenues | 736 | 22,856 | 38,752 | - | 62,344 |
| Changes in assets and liabilities: | | | | | |
| (Increase) decrease in: | | | | | |
| Accounts receivable | (15,911) | (11,138) | 15,176 | - | (11,873) |
| Other assets | - | (20,000) | (40,000) | - | (60,000) |
| Inventories | - | - | - | (1,629) | (1,629) |
| Prepaid items | (448) | - | - | - | (448) |
| Increase (decrease) in: | | | | | |
| Accounts payable | (431) | (321,791) | 70,629 | (59,631) | (311,224) |
| Accrued salaries and benefits | (1,334) | 1,278 | 978 | 3,907 | 4,829 |
| Due to other governments | 1,050 | - | (4,303) | - | (3,253) |
| Accrued compensated absences | (19,536) | 926 | 615 | (21,981) | (39,976) |
| Net OPEB obligation | 5,516 | 3,490 | 2,883 | 14,353 | 26,242 |
| Other liabilities | - | 159,152 | 6,688 | - | 165,840 |
| Total Adjustments | (30,358) | (158,648) | 93,786 | (12,532) | (107,752) |
| Net Cash Provided (Used) by Operating Activities | $ (174,443) | $ 668,845 | $ (299,416) | $ 189,450 | $ 384,436 |

**CARSON CITY**
**GROUP MEDICAL INSURANCE FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Employee contributions | $ 1,609,992 | $ 1,719,235 | $ 109,243 | $ 1,553,862 |
| Employer contributions | 6,020,146 | 5,582,333 | (437,813) | 5,720,452 |
| Total Operating Revenues | 7,630,138 | 7,301,568 | (328,570) | 7,274,314 |
| Operating Expenses: | | | | |
| Salaries and wages | 185,481 | 181,171 | 4,310 | 192,971 |
| Employee benefits | 62,548 | 68,417 | (5,869) | 65,276 |
| Services and supplies | 7,411,076 | 7,196,065 | 215,011 | 7,302,204 |
| Total Operating Expenses | 7,659,105 | 7,445,653 | 213,452 | 7,560,451 |
| Operating Income (Loss) | (28,967) | (144,085) | (115,118) | (286,137) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 50,000 | 4,547 | (45,453) | 20,065 |
| Miscellaneous | - | 736 | 736 | 695 |
| Total Nonoperating Revenues (Expenses) | 50,000 | 5,283 | (44,717) | 20,760 |
| Income (Loss) Before Contributions and Transfers | 21,033 | (138,802) | (159,835) | (265,377) |
| Transfers out | - | - | - | (750,000) |
| Change in Net Assets | $ 21,033 | (138,802) | $ (159,835) | (1,015,377) |
| Net Assets, July 1 | | 646,159 | | 1,661,536 |
| Net Assets, June 30 | | $ 507,357 | | $ 646,159 |

**CARSON CITY**
**GROUP MEDICAL INSURANCE FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 1,609,992 | $ 1,719,235 | $ 109,243 | $ 1,553,862 |
| Cash received from other funds | 6,020,146 | 5,567,472 | (452,674) | 5,729,792 |
| Cash payments for personnel costs | (248,029) | (264,942) | (16,913) | (246,387) |
| Cash payments for services and supplies | (7,411,076) | (7,196,944) | 214,132 | (7,299,998) |
| Miscellaneous cash received | - | 736 | 736 | 695 |
| Net Cash Provided (Used) by Operating Activities | (28,967) | (174,443) | (145,476) | (262,036) |
| CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer to other funds | - | - | - | (750,000) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 50,000 | 4,547 | (45,453) | 20,065 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 21,033 | (169,896) | (190,929) | (991,971) |
| Cash and Cash Equivalents, July 1 | 477,273 | 477,273 | - | 1,469,244 |
| Cash and Cash Equivalents, June 30 | $ 498,306 | $ 307,377 | $ (190,929) | $ 477,273 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ (28,967) | $ (144,085) | $ (115,118) | $ (286,137) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Nonoperating revenues | - | 736 | 736 | 695 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | (15,911) | (15,911) | (21,511) |
| Due from other governments | - | - | - | 30,851 |
| Prepaid items | - | (448) | (448) | 3,167 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | (431) | (431) | (961) |
| Accrued salaries and benefits | - | (1,334) | (1,334) | 1,702 |
| Due to other governments | - | 1,050 | 1,050 | - |
| Accrued compensated absences | - | (19,536) | (19,536) | 6,567 |
| Net OPEB obligation | - | 5,516 | 5,516 | 3,591 |
| Total Adjustments | - | (30,358) | (30,358) | 24,101 |
| Net Cash Provided (Used) by Operating Activities | $ (28,967) | $ (174,443) | $ (145,476) | $ (262,036) |

**CARSON CITY**
**WORKERS' COMPENSATION FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services: | | | | |
| Employer contributions | $ 1,653,985 | $ 1,516,050 | $ (137,935) | $ 1,818,156 |
| Operating Expenses: | | | | |
| Salaries and wages | 95,347 | 95,717 | (370) | 75,983 |
| Employee benefits | 38,333 | 40,344 | (2,011) | 25,290 |
| Services and supplies | 1,764,386 | 545,917 | 1,218,469 | 1,536,042 |
| Depreciation | - | 6,579 | (6,579) | 6,579 |
| Total Operating Expenses | 1,898,066 | 688,557 | 1,209,509 | 1,643,894 |
| Operating Income (Loss) | (244,081) | 827,493 | 1,071,574 | 174,262 |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 70,000 | 35,698 | (34,302) | 80,417 |
| Miscellaneous | 100,000 | 22,856 | (77,144) | 52,381 |
| Total Nonoperating Revenues (Expenses) | 170,000 | 58,554 | (111,446) | 132,798 |
| Change in Net Assets | $ (74,081) | 886,047 | $ 960,128 | 307,060 |
| Net Assets, July 1 | | 2,163,840 | | 1,856,780 |
| Net Assets, June 30 | | $ 3,049,887 | | $ 2,163,840 |

**CARSON CITY**
**WORKERS' COMPENSATION FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 1,653,985 | $ 1,504,912 | $ (149,073) | $ 1,842,254 |
| Cash payments for personnel costs | (133,680) | (130,367) | 3,313 | (91,226) |
| Cash payments for services and supplies | (1,764,386) | (728,556) | 1,035,830 | (1,616,203) |
| Miscellaneous cash received | 100,000 | 22,856 | (77,144) | 52,381 |
| Net Cash Provided (Used) by Operating Activities | (144,081) | 668,845 | 812,926 | 187,206 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition of capital assets | - | (86,908) | (86,908) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 70,000 | 35,698 | (34,302) | 80,417 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (74,081) | 617,635 | 691,716 | 267,623 |
| Cash and Cash Equivalents, July 1 | 2,719,811 | 2,719,811 | - | 2,452,188 |
| Cash and Cash Equivalents, June 30 | $ 2,645,730 | $ 3,337,446 | $ 691,716 | $ 2,719,811 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ (244,081) | $ 827,493 | $ 1,071,574 | $ 174,262 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation | - | 6,579 | 6,579 | 6,579 |
| Nonoperating revenues | 100,000 | 22,856 | (77,144) | 52,381 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | (11,138) | (11,138) | 24,098 |
| Prepaid items | - | (20,000) | (20,000) | 240 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | (321,791) | (321,791) | (24,202) |
| Accrued salaries and benefits | - | 1,278 | 1,278 | 1,833 |
| Accrued compensated absences | - | 926 | 926 | 8,214 |
| Other liabilities | | 159,152 | 159,152 | (56,199) |
| NET OPEB obligation | - | 3,490 | 3,490 | - |
| Total Adjustments | 100,000 | (158,648) | (258,648) | 12,944 |
| Net Cash Provided (Used) by Operating Activities | $ (144,081) | $ 668,845 | $ 812,926 | $ 187,206 |

**CARSON CITY**
**INSURANCE FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services: | | | | |
| Administrative fees | $ 1,228,000 | $ 1,224,725 | $ (3,275) | $ 1,087,735 |
| Operating Expenses: | | | | |
| Salaries and wages | 80,250 | 78,544 | 1,706 | 57,608 |
| Employee benefits | 32,332 | 34,102 | (1,770) | 19,974 |
| Services and supplies | 1,555,164 | 1,502,913 | 52,251 | 1,411,270 |
| Depreciation | 5,000 | 2,368 | 2,632 | 1,555 |
| Total Operating Expenses | 1,672,746 | 1,617,927 | 54,819 | 1,490,407 |
| Operating Income (Loss) | (444,746) | (393,202) | 51,544 | (402,672) |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 40,000 | 5,385 | (34,615) | 25,767 |
| Miscellaneous | 20,000 | 38,752 | 18,752 | 21,108 |
| Total Nonoperating Revenues (Expenses) | 60,000 | 44,137 | (15,863) | 46,875 |
| Income (Loss) Before Contributions and Transfers | (384,746) | (349,065) | 35,681 | (355,797) |
| Transfers out | - | - | - | (500,000) |
| Change in Net Assets | $ (384,746) | (349,065) | $ 35,681 | (855,797) |
| Net Assets, July 1 | | 500,524 | | 1,356,321 |
| Net Assets, June 30 | | $ 151,459 | | $ 500,524 |

**CARSON CITY**
**INSURANCE FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 1,228,000 | $ 1,239,901 | $ 11,901 | $ 1,086,036 |
| Cash payments for personnel costs | (112,582) | (108,170) | 4,412 | (70,533) |
| Cash payments for services and supplies | (1,555,164) | (1,469,899) | 85,265 | (815,762) |
| Miscellaneous cash received | 20,000 | 38,752 | 18,752 | 21,108 |
| Net Cash Provided (Used) by Operating Activities | (419,746) | (299,416) | 120,330 | 220,849 |
| CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer to other funds | - | - | - | (500,000) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition of capital assets | - | (29,651) | (29,651) | (8,128) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 40,000 | 5,385 | (34,615) | 25,767 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (379,746) | (323,682) | 56,064 | (261,512) |
| Cash and Cash Equivalents, July 1 | 794,911 | 794,911 | - | 1,056,423 |
| Cash and Cash Equivalents, June 30 | $ 415,165 | $ 471,229 | $ 56,064 | $ 794,911 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ (444,746) | $ (393,202) | $ 51,544 | $ (402,672) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation | 5,000 | 2,368 | (2,632) | 1,555 |
| Nonoperating revenues | 20,000 | 38,752 | 18,752 | 21,108 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Accounts receivable | - | 15,176 | 15,176 | (1,699) |
| Other assets | - | (40,000) | (40,000) | - |
| Prepaid items | - | - | - | 584,625 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | 70,629 | 70,629 | 17,582 |
| Accrued salaries and benefits | - | 978 | 978 | 1,613 |
| Due to other governments | - | (4,303) | (4,303) | 1,590 |
| Accrued compensated absences | - | 615 | 615 | 5,436 |
| Other liabilities | - | 6,688 | 6,688 | (8,289) |
| Net OPEB obligation | - | 2,883 | 2,883 | - |
| Total Adjustments | 25,000 | 93,786 | 68,786 | 623,521 |
| Net Cash Provided (Used) by Operating Activities | $ (419,746) | $ (299,416) | $ 120,330 | $ 220,849 |

**CARSON CITY**
**FLEET MANAGEMENT FUND**
**SCHEDULE OF REVENUES, EXPENSES,**
**AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| Operating Revenues: | | | | |
| Charges for services: | | | | |
| Administrative fees | $ 1,307,207 | $ 1,307,207 | $ - | $ 1,134,738 |
| Operating Expenses: | | | | |
| Salaries and wages | 376,252 | 359,542 | 16,710 | 376,259 |
| Employee benefits | 153,708 | 144,366 | 9,342 | 154,485 |
| Services and supplies | 745,852 | 548,868 | 196,984 | 462,955 |
| Depreciation | 52,500 | 52,449 | 51 | 550 |
| Total Operating Expenses | 1,328,312 | 1,105,225 | 223,087 | 994,249 |
| Operating Income (Loss) | (21,105) | 201,982 | 223,087 | 140,489 |
| Nonoperating Revenues (Expenses): | | | | |
| Investment income | 40,000 | 11,271 | (28,729) | 26,100 |
| Miscellaneous | - | - | - | 5,721 |
| Interest expense | (8,475) | (7,542) | 933 | (8,479) |
| Gain (loss) on disposal of capital assets | 24,093 | 16,008 | (8,085) | 43,426 |
| Bond issuance costs | (100) | (2,285) | (2,185) | (1,962) |
| Total Nonoperating Revenues (Expenses) | 55,518 | 17,452 | (38,066) | 64,806 |
| Income (Loss) Before Contributions and Transfers | 34,413 | 219,434 | 185,021 | 205,295 |
| Capital Contributions: | | | | |
| Capital grants | - | 35,204 | 35,204 | - |
| Transfers out | - | - | - | (500,000) |
| Change in Net Assets | $ 34,413 | 254,638 | $ 220,225 | (294,705) |
| Net Assets, July 1 | | 763,295 | | 1,058,000 |
| Net Assets, June 30 | | $ 1,017,933 | | $ 763,295 |

**CARSON CITY**
**FLEET MANAGEMENT FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 1 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received for services | $ 1,307,207 | $ 1,307,207 | $ - | $ 1,134,738 |
| Cash payments for personnel costs | (529,960) | (507,629) | 22,331 | (522,426) |
| Cash payments for services and supplies | (745,852) | (610,128) | 135,724 | 33,862 |
| Miscellaneous cash received | - | - | - | 5,721 |
| Net Cash Provided (Used) by Operating Activities | 31,395 | 189,450 | 158,055 | 651,895 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer to other funds | - | - | - | (500,000) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Proceeds from capital debt | - | - | - | 452,000 |
| Proceeds from sales of assets | 24,093 | 16,008 | (8,085) | 43,426 |
| Acquisition of capital assets | - | (44,005) | (44,005) | (518,986) |
| Principal paid on capital debt | (149,000) | (149,000) | - | (73,000) |
| Interest paid on capital debt | (8,475) | (8,620) | (145) | (5,421) |
| Bond issuance costs | (100) | - | 100 | (6,855) |
| Subsidy from grant | - | 35,204 | 35,204 | - |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (133,482) | (150,413) | (16,931) | (108,836) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment income | 40,000 | 11,271 | (28,729) | 26,100 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (62,087) | 50,308 | 112,395 | 69,159 |
| Cash and Cash Equivalents, July 1 | 713,292 | 782,451 | 69,159 | 713,292 |
| Cash and Cash Equivalents, June 30 | $ 651,205 | $ 832,759 | $ 181,554 | $ 782,451 |

**CARSON CITY**
**FLEET MANAGEMENT FUND**
**SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**
**(PAGE 2 OF 2)**

| | FINAL BUDGET | ACTUAL | VARIANCE | 2010 |
|---|---|---|---|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | $ (21,105) | $ 201,982 | $ 223,087 | $ 140,489 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation | 52,500 | 52,449 | (51) | 550 |
| Nonoperating revenues | - | - | - | 5,721 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Inventories | - | (1,629) | (1,629) | (2,126) |
| Prepaid items | - | - | - | 442,171 |
| Increase (decrease) in: | | | | |
| Accounts payable | - | (59,631) | (59,631) | 56,772 |
| Accrued salaries and benefits | - | 3,907 | 3,907 | (725) |
| Accrued compensated absences | - | (21,981) | (21,981) | (15,419) |
| Net OPEB obligation | - | 14,353 | 14,353 | 24,462 |
| Total Adjustments | 52,500 | (12,532) | (65,032) | 511,406 |
| Net Cash Provided (Used) by Operating Activities | $ 31,395 | $ 189,450 | $ 158,055 | $ 651,895 |

## FIDUCIARY FUNDS

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

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**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

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**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.

**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 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.

**CARSON CITY**
**COMBINING STATEMENT OF CHANGES IN**
**ASSETS AND LIABILITIES - ALL AGENCY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 1 OF 3)**

| | BALANCE JULY 1, 2010 | ADDITIONS | DELETIONS | BALANCE JUNE 30, 2011 |
|---|---|---|---|---|
| SIERRA FOREST FIRE PROTECTION FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 289,474 | $ 472,394 | $ 461,952 | $ 299,916 |
| Taxes receivable, delinquent | 1,308 | 95 | 192 | 1,211 |
| Due from other governments | 39,517 | 41,593 | 39,517 | 41,593 |
| Total Assets | $ 330,299 | $ 514,082 | $ 501,661 | $ 342,720 |
| Liabilities: | | | | |
| Accounts payable | $ 119 | $ - | $ 119 | $ - |
| Due to other governments | 330,180 | 475,028 | 462,488 | 342,720 |
| Total Liabilities | $ 330,299 | $ 475,028 | $ 462,607 | $ 342,720 |
| EAGLE VALLEY WATER DISTRICT FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 299 | $ 12,290 | $ 12,293 | $ 296 |
| Taxes receivable, delinquent | 274 | 105 | 51 | 328 |
| Total Assets | $ 573 | $ 12,395 | $ 12,344 | $ 624 |
| Liabilities: | | | | |
| Due to other governments | $ 573 | $ 12,783 | $ 12,732 | $ 624 |
| SUB-CONSERVANCY DISTRICT FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 1,696 | $ 788,477 | $ 788,331 | $ 1,842 |
| Taxes receivable, delinquent | 10,146 | 3,985 | 1,748 | 12,383 |
| Due from other governments | 12,211 | 10,872 | 12,211 | 10,872 |
| Total Assets | $ 24,053 | $ 803,334 | $ 802,290 | $ 25,097 |
| Liabilities: | | | | |
| Due to other governments | $ 11,842 | $ 821,659 | $ 819,316 | $ 14,185 |
| Other liabilities | 12,211 | 10,913 | 12,212 | 10,912 |
| Total Liabilities | $ 24,053 | $ 832,572 | $ 831,528 | $ 25,097 |
| FISH AND GAME FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 2,366 | $ 2,221 | $ 3,271 | $ 1,316 |
| Liabilities: | | | | |
| Accounts payable | $ 507 | $ - | $ 507 | $ - |
| Due to other governments | 1,859 | 2,221 | 2,764 | 1,316 |
| Total Liabilities | $ 2,366 | $ 2,221 | $ 3,271 | $ 1,316 |

**CARSON CITY**
**COMBINING STATEMENT OF CHANGES IN**
**ASSETS AND LIABILITIES - ALL AGENCY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 2 OF 3)**

| | BALANCE JULY 1, 2010 | ADDITIONS | DELETIONS | BALANCE JUNE 30, 2011 |
|---|---|---|---|---|
| CONTROLLER TRUST FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 26,738 | $ 32,324 | $ 24,211 | $ 34,851 |
| Liabilities: | | | | |
| Accounts payable | $ - | $ 25 | $ - | $ 25 |
| Due to other governments | 26,738 | 32,324 | 24,236 | 34,826 |
| Total Liabilities | $ 26,738 | $ 32,349 | $ 24,236 | $ 34,851 |
| STATE OF NEVADA FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 367,458 | $ 3,762,650 | $ 3,814,382 | $ 315,726 |
| Taxes receivable, delinquent | 57,835 | 22,801 | 10,009 | 70,627 |
| Total Assets | $ 425,293 | $ 3,785,451 | $ 3,824,391 | $ 386,353 |
| Liabilities: | | | | |
| Accounts payable | $ - | $ 75 | $ - | $ 75 |
| Due to other governments | 425,293 | 4,486,327 | 4,525,342 | 386,278 |
| Total Liabilities | $ 425,293 | $ 4,486,402 | $ 4,525,342 | $ 386,353 |
| NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V & T RAILWAY FUND | | | | |
| Assets: | | | | |
| Cash and investments | | | | |
| Unrestricted | $ 1,430,917 | $ 303,594 | $ 653,354 | $ 1,081,157 |
| Restricted | 50,000 | - | 50,000 | - |
| Cash held by Commission | 5,057 | 80,068 | - | 85,125 |
| Accounts receivable | - | 13,430 | - | 13,430 |
| Due from other governments | 32,984 | 43,154 | 32,984 | 43,154 |
| Prepaid items | 450 | - | 450 | - |
| Total Assets | $ 1,519,408 | $ 440,246 | $ 736,788 | $ 1,222,866 |
| Liabilities: | | | | |
| Accounts payable | $ 73,116 | $ 129,900 | $ 147,460 | $ 55,556 |
| Due to other governments | 1,446,292 | 367,909 | 646,891 | 1,167,310 |
| Total Liabilities | $ 1,519,408 | $ 497,809 | $ 794,351 | $ 1,222,866 |
| FORFEITURE ACCOUNT FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 38,401 | $ 5,733 | $ 6,395 | $ 37,739 |
| Liabilities: | | | | |
| Due to other governments | $ 38,401 | $ 5,733 | $ 6,395 | $ 37,739 |

**CARSON CITY**
**COMBINING STATEMENT OF CHANGES IN**
**ASSETS AND LIABILITIES - ALL AGENCY FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 3 OF 3)**

| | BALANCE JULY 1, 2010 | ADDITIONS | DELETIONS | BALANCE JUNE 30, 2011 |
|---|---|---|---|---|
| CARSON CITY SCHOOL DISTRICT DEBT SERVICE FUND | | | | |
| Assets: | | | | |
| Taxes receivable, delinquent | $ 159,229 | $ 51,324 | $ 27,613 | $ 182,940 |
| Liabilities: | | | | |
| Accounts payable | $ 250 | $ 314 | $ 564 | $ - |
| Due to other governments | 158,979 | 7,542,260 | 7,518,299 | 182,940 |
| Total Liabilities | $ 159,229 | $ 7,542,574 | $ 7,518,863 | $ 182,940 |
| CARSON CITY SCHOOL DISTRICT OPERATING FUND | | | | |
| Assets: | | | | |
| Cash and investments | $ 30,002 | $ 10,896,064 | $ 10,892,403 | $ 33,663 |
| Taxes receivable, delinquent | 254,111 | 100,032 | 44,069 | 310,074 |
| Due from other governments | 6 | - | 6 | - |
| Total Assets | $ 284,119 | $ 10,996,096 | $ 10,936,478 | $ 343,737 |
| Liabilities: | | | | |
| Due to other governments | $ 284,119 | $ 11,111,897 | $ 11,052,279 | $ 343,737 |
| TOTALS - ALL AGENCY FUNDS | | | | |
| Assets: | | | | |
| Cash and investments | | | | |
| Unrestricted | $ 2,187,351 | $ 16,275,747 | $ 16,656,592 | $ 1,806,506 |
| Restricted | 50,000 | - | 50,000 | - |
| Cash held by Commission | 5,057 | 80,068 | - | 85,125 |
| Accounts receivable | - | 13,430 | - | 13,430 |
| Taxes receivable, delinquent | 482,903 | 178,342 | 83,682 | 577,563 |
| Due from other governments | 84,718 | 95,619 | 84,718 | 95,619 |
| Prepaid items | 450 | - | 450 | - |
| Total Assets | $ 2,810,479 | $ 16,643,206 | $ 16,875,442 | $ 2,578,243 |
| Liabilities: | | | | |
| Accounts payable | $ 73,992 | $ 130,314 | $ 148,650 | $ 55,656 |
| Due to other governments | 2,724,276 | 24,858,141 | 25,070,742 | 2,511,675 |
| Other liabilities | 12,211 | 10,913 | 12,212 | 10,912 |
| Total Liabilities | $ 2,810,479 | $ 24,999,368 | $ 25,231,604 | $ 2,578,243 |

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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 NINE FISCAL YEARS**
**(UNAUDITED)**

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** |
| **GOVERNMENTAL ACTIVITIES** | | | | | | | | | |
| Invested in capital assets, net of related debt | $ 230,502,492 | $ 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 | 16,058,661 | 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 | (16,829,470) | (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 | $ 229,731,683 | $ 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 | $ 92,656,159 | $ 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 | 3,476,230 | 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 | $ 96,132,389 | $ 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 | $ 323,158,651 | $ 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 | 16,058,661 | 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 | (13,353,240) | (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 | $ 325,864,072 | $ 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 NINE FISCAL YEARS**
**(UNAUDITED)**

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** |
| **EXPENSES** | | | | | | | | | |
| **Governmental Activities:** | | | | | | | | | |
| General government | $ 12,710,114 | $ 13,128,842 | $ 13,919,789 | $ 13,042,589 | $ 13,329,480 | $ 15,920,465 | $ 11,732,939 | $ 10,368,245 | $ 9,567,850 |
| Public safety | 28,842,714 | 30,765,050 | 28,995,649 | 27,388,924 | 26,333,209 | 25,401,443 | 25,320,788 | 21,632,395 | 20,467,651 |
| Judicial | 4,891,274 | 5,301,887 | 5,065,113 | 4,526,334 | 3,656,007 | 3,505,076 | 3,158,460 | 2,826,724 | 2,792,776 |
| Public works | 8,188,834 | 9,660,646 | 8,200,517 | 10,017,131 | 7,205,824 | 7,205,695 | 7,462,191 | 7,389,511 | 7,575,408 |
| Sanitation | 1,655,363 | 1,805,049 | 1,753,575 | 1,972,849 | - | - | - | - | - |
| Health | 4,349,102 | 4,570,746 | 3,563,272 | 2,781,546 | 2,736,463 | 1,808,078 | 1,320,958 | 1,040,547 | 987,750 |
| Welfare | 2,359,998 | 2,373,611 | 2,143,404 | 2,008,154 | 2,074,309 | 2,038,709 | 1,915,957 | 1,482,239 | 1,776,505 |
| Culture and recreation | 8,719,947 | 9,686,659 | 8,995,601 | 9,056,223 | 8,897,085 | 8,885,644 | 8,184,715 | 7,368,395 | 6,998,621 |
| Community support | 1,643,988 | 3,922,076 | 2,626,657 | 991,673 | 552,307 | 15,427,942 | 1,476,257 | 5,805,226 | 1,206,737 |
| Airport | 149,667 | 257,969 | 51,505 | 124,386 | 348,318 | 85,514 | 126,043 | 270,425 | 59,382 |
| Economic Opportunity | 326,910 | 4,705,495 | 2,255,148 | 560,255 | 485,422 | 4,466,036 | 520,190 | 243,268 | 274,626 |
| Interest on long-term debt | 4,047,091 | 4,247,956 | 3,947,951 | 3,721,332 | 3,844,651 | 3,078,771 | 2,126,197 | 1,486,850 | 1,827,665 |
| Total Governmental Activities Expenses | 77,885,002 | 90,425,986 | 81,518,181 | 76,191,396 | 69,463,075 | 87,823,373 | 63,344,695 | 59,913,825 | 53,534,971 |
| **Business-type Activities:** | | | | | | | | | |
| Landfill | - | - | - | - | 2,057,836 | 1,889,185 | 1,058,363 | 1,534,489 | 1,373,244 |
| Sewer | 8,486,538 | 8,568,534 | 8,827,557 | 8,196,029 | 7,751,960 | 7,592,212 | 7,164,159 | 7,044,425 | 6,533,017 |
| Water | 12,448,336 | 11,345,020 | 10,423,075 | 9,996,906 | 9,143,663 | 8,228,357 | 7,670,393 | 7,385,857 | 6,978,156 |
| Stormwater Drainage | 1,025,278 | 1,198,016 | 1,115,129 | 880,387 | 860,866 | 745,178 | 286,562 | 21,170 | - |
| Ambulance | 4,311,731 | 4,288,925 | 4,657,637 | 3,444,369 | 3,314,417 | 3,159,589 | 2,599,930 | 2,635,082 | 2,439,285 |
| Cemetery | 185,524 | 192,330 | 162,706 | 206,709 | 201,439 | 214,107 | 199,167 | 193,136 | 193,882 |
| Building Permits | 439,863 | 580,576 | 945,159 | 1,581,943 | 1,724,380 | 1,629,333 | 1,476,259 | 1,419,040 | 1,388,170 |
| Total Business-type Activities Expenses | 26,897,270 | 26,173,401 | 26,131,263 | 24,306,343 | 25,054,561 | 23,457,961 | 20,454,833 | 20,233,199 | 18,905,754 |
| Total Primary Government Expenses | $104,782,272 | $116,599,387 | $107,649,444 | $100,497,739 | $ 94,517,636 | $111,281,334 | $ 83,799,528 | $ 80,147,024 | $ 72,440,725 |

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

**CARSON CITY**
**CHANGES IN NET ASSETS (Continued)**
**LAST NINE FISCAL YEARS**
**(UNAUDITED)**

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** |
| **PROGRAM REVENUES** | | | | | | | | | |
| **Governmental Activities:** | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| General government | $ 2,857,504 | $ 2,918,651 | $ 3,351,544 | $ 3,486,025 | $ 2,927,954 | $ 3,248,476 | $ 3,025,997 | $ 2,803,199 | $ 2,541,631 |
| Public safety | 1,155,682 | 1,188,443 | 1,076,716 | 832,339 | 869,747 | 786,504 | 953,268 | 655,685 | 637,379 |
| Judicial | 1,670,098 | 1,856,416 | 1,906,511 | 1,811,532 | 1,532,800 | 1,615,910 | 1,420,357 | 1,273,887 | 1,082,356 |
| Public works | 149,922 | 130,186 | 135,246 | 246,581 | 351,854 | 121,845 | 127,930 | 176,431 | 349,418 |
| Sanitation | 2,903,582 | 2,808,933 | 3,068,057 | 4,902,844 | - | - | - | - | - |
| Health | 368,863 | 391,320 | 388,737 | 323,538 | 196,846 | 148,971 | 99,467 | 110,343 | 111,923 |
| Welfare | - | 2,502 | - | - | - | - | - | - | - |
| Culture and recreation | 1,189,441 | 1,272,141 | 1,279,607 | 1,283,107 | 1,315,279 | 1,323,132 | 1,368,658 | 1,267,487 | 1,275,047 |
| Community support | - | 381 | - | 1,825 | - | 5,038 | - | - | - |
| Economic opportunity | - | - | - | - | - | - | - | 11 | - |
| Operating grants, interest, and contributions | 8,040,598 | 13,387,728 | 6,777,205 | 5,088,124 | 6,129,717 | 8,678,963 | 6,003,596 | 3,351,158 | 2,177,667 |
| Capital grants, interest, and contributions | 56,268,193 | 25,254,636 | 6,622,668 | 2,819,030 | 14,492,662 | 51,789 | 2,211,437 | 568,537 | 4,241,309 |
| Total Governmental Activities Program Revenues | 74,603,883 | 49,211,337 | 24,606,291 | 20,794,945 | 27,816,859 | 15,980,628 | 15,210,710 | 10,206,738 | 12,416,730 |
| **Business-type Activities:** | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| Landfill | - | - | - | - | 3,795,200 | 2,650,501 | 2,101,413 | 1,646,918 | $ 1,608,821 |
| Sewer | 6,745,687 | 6,221,191 | 6,070,923 | 5,078,660 | 5,084,414 | 4,947,911 | 5,038,171 | 5,095,325 | 4,566,757 |
| Water | 11,510,051 | 9,213,231 | 9,366,534 | 9,023,248 | 7,593,208 | 6,533,885 | 5,696,364 | 6,098,002 | 5,809,341 |
| Stormwater Drainage | 1,669,605 | 1,172,877 | 1,070,093 | 1,017,917 | 1,007,484 | 998,097 | 572,820 | 190,219 | - |
| Ambulance | 3,547,842 | 3,809,675 | 3,979,519 | 4,036,969 | 3,373,632 | 3,314,884 | 2,878,935 | 2,597,448 | 2,462,331 |
| Cemetery | 111,624 | 91,161 | 85,437 | 115,220 | 150,912 | 104,211 | 81,897 | 138,800 | 166,010 |
| Building Permits | 536,824 | 422,320 | 800,889 | 1,273,027 | 1,487,738 | 1,344,789 | 1,514,599 | 1,670,751 | 1,388,699 |
| Operating grants, interest, and contributions | - | 200 | 30 | - | - | 12,538 | 31,080 | 44,830 | 25,366 |
| Capital grants, interest, and contributions | 1,906,273 | 890,780 | 2,009,015 | 4,987,392 | 6,462,247 | 7,000,395 | 5,150,750 | 2,934,428 | 2,950,430 |
| Total Business-type Activities Program Revenues | 26,027,906 | 21,821,435 | 23,382,440 | 25,532,433 | 28,954,835 | 26,907,211 | 23,066,029 | 20,416,721 | 18,977,755 |
| Total Primary Government Program Revenues | $100,631,789 | $ 71,032,772 | $ 47,988,731 | $ 46,327,378 | $ 56,771,694 | $ 42,887,839 | $ 38,276,739 | $ 30,623,459 | $ 31,394,485 |
| **NET (EXPENSE) / REVENUE** | | | | | | | | | |
| Governmental activities | $ (3,281,119) | $ (41,214,649) | $ (56,911,890) | $ (55,396,451) | $ (41,646,216) | $ (71,842,745) | $ (48,133,985) | $ (49,707,087) | $ (41,118,241) |
| Business-type activities | (869,364) | (4,351,966) | (2,748,823) | 1,226,090 | 3,900,274 | 3,449,250 | 2,611,196 | 183,522 | 72,001 |
| Total Primary Government Net (Expense) / Revenue | $ (4,150,483) | $ (45,566,615) | $ (59,660,713) | $ (54,170,361) | $ (37,745,942) | $ (68,393,495) | $ (45,522,789) | $ (49,523,565) | $ (41,046,240) |

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

**CARSON CITY**
**CHANGES IN NET ASSETS (Continued)**
**LAST NINE FISCAL YEARS**
**(UNAUDITED)**

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** |
| **GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS** | | | | | | | | | |
| **Governmental Activities:** | | | | | | | | | |
| Taxes: | | | | | | | | | |
| Property taxes | $ 22,144,119 | $ 20,555,087 | $ 19,362,180 | $ 17,542,259 | $ 16,538,908 | $ 14,842,941 | $ 14,399,482 | $ 13,622,347 | $ 13,163,766 |
| Sales taxes | 4,518,988 | 4,172,071 | 4,721,317 | 5,669,448 | 6,097,893 | 5,355,446 | 4,856,154 | 4,517,602 | 4,243,911 |
| Consolidated tax | 18,286,154 | 17,477,368 | 19,969,586 | 23,442,872 | 25,944,779 | 26,808,073 | 25,661,323 | 23,827,916 | 22,273,319 |
| Franchise taxes | 4,977,697 | 5,531,976 | 5,623,238 | 5,371,215 | 4,619,984 | 4,423,774 | 4,081,139 | 3,541,660 | 3,400,865 |
| Other taxes | 158,283 | 136,856 | 194,508 | 3,911,193 | 4,262,092 | 4,273,234 | 4,193,053 | 3,889,322 | 3,520,210 |
| Motor vehicle fuel tax | 4,646,688 | 4,992,322 | 4,182,742 | 1,330,616 | 1,373,902 | 1,361,374 | 1,340,152 | 1,277,083 | 1,140,911 |
| Grants and contributions not restricted to specific programs | - | - | - | 3,312 | 687 | 589 | 576 | 568 | - |
| Unrestricted investment income | 408,911 | 1,132,477 | 2,059,082 | 3,614,317 | 3,530,584 | 1,367,181 | 1,197,060 | 122,925 | 1,685,904 |
| Gain on sale of capital assets | - | - | - | - | - | 1,337,946 | - | - | - |
| Miscellaneous revenue | 235,667 | 183,639 | 218,370 | 305,300 | 246,304 | 189,430 | 191,890 | 257,974 | 200,892 |
| Transfers | (256,708) | (398,481) | (296,402) | 3,000,092 | (746,617) | (2,169,833) | 1,230,203 | (38,651) | (126,817) |
| Total Governmental Activities | 55,119,799 | 53,783,315 | 56,034,621 | 64,190,624 | 61,868,516 | 57,790,155 | 57,151,032 | 51,018,746 | 49,502,961 |
| **Business-type Activities:** | | | | | | | | | |
| Unrestricted investment income | 51,433 | 240,914 | 538,761 | 1,058,683 | 1,319,813 | 476,360 | 691,631 | (18,239) | 955,581 |
| Transfers | 256,708 | 398,481 | 296,402 | (3,000,092) | 746,617 | 2,169,833 | (1,230,203) | 38,651 | 126,817 |
| Total Business-type Activities | 308,141 | 639,395 | 835,163 | (1,941,409) | 2,066,430 | 2,646,193 | (538,572) | 20,412 | 1,082,398 |
| Total Primary Government Activities | 55,427,940 | 54,422,710 | $ 56,869,784 | $ 62,249,215 | $ 63,934,946 | $ 60,436,348 | $ 56,612,460 | $ 51,039,158 | $ 50,585,359 |
| **CHANGE IN NET ASSETS** | | | | | | | | | |
| Governmental activities | $ 51,838,680 | $ 12,568,666 | $ (877,269) | $ 8,794,173 | $ 20,222,300 | $ (14,052,590) | $ 9,017,047 | $ 1,311,659 | $ 8,384,720 |
| Business-type activities | (561,223) | (3,712,571) | (1,913,660) | (715,319) | 5,966,704 | 6,095,443 | 2,072,624 | 203,934 | 1,154,399 |
| Total Primary Government Change in Net Assets | $ 51,277,457 | $ 8,856,095 | $ (2,790,929) | $ 8,078,854 | $ 26,189,004 | $ (7,957,147) | $ 11,089,671 | $ 1,515,593 | $ 9,539,119 |

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

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **GENERAL FUND** | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **GASB 54 [(a)]** | | | | | | | | | | |
| Nonspendable | $ 234,703 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Restricted | 866,931 | - | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | 2,962,474 | - | - | - | - | - | - | - | - | - |
| Unassigned | 2,830,794 | - | - | - | - | - | - | - | - | - |
| **Prior to GASB 54 [(a)]** | | | | | | | | | | |
| Reserved | - | 1,164,962 | 877,986 | 790,253 | 793,002 | 867,481 | 546,825 | 479,751 | 532,198 | 450,765 |
| 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 |
| 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 |
| Total General Fund | $ 6,894,902 | $ 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 |
| **ALL OTHER GOVERNMENTAL FUNDS** | | | | | | | | | | |
| **GASB 54 [(a)]** | | | | | | | | | | |
| Nonspendable | $ 24,582 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Restricted | 12,212,046 | - | - | - | - | - | - | - | - | - |
| Committed | 2,400,000 | - | - | - | - | - | - | - | - | - |
| Assigned | 1,926,574 | - | - | - | - | - | - | - | - | - |
| Unassigned | (1,943) | - | - | - | - | - | - | - | - | - |
| **Prior to GASB 54 [(a)]** | | | | | | | | | | |
| Reserved | - | 20,076 | 7,742 | 15,258 | 12,953 | 1,287 | 865 | 22,400 | 247 | 3,798,655 |
| 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 |
| 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 |
| 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 |
| 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 |
| Total All Other Governmental Funds | $ 16,561,259 | $ 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 |

Note: Fluctuations in the general fund and all other governmental fund balance restricted and unrestricted amounts are explained in the relevant year Management's Discussion and Analysis. This information is presented on the accrual basis of accounting.

[(a)] Prior to 2011 and the implementation of GASB Statement No. 54, fund balances were classified as Reserved or Unreserved. Under GASB Statement No. 54, fund balances are classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

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

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **REVENUES** | | | | | | | | | | |
| Taxes | 29,656,665 | $ 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 |
| Special assessments | - | - | - | - | - | - | - | 192,708 | 211,484 | 234,794 |
| Licenses and permits | 6,782,247 | 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 |
| Intergovernmental revenues | 32,902,457 | 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 |
| Charges for services | 11,153,091 | 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 |
| Fines and forfeits | 773,519 | 802,402 | 1,046,329 | 1,023,459 | 901,404 | 1,011,142 | 902,536 | 845,779 | 789,494 | 828,567 |
| Miscellaneous | 1,716,374 | 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 |
| Total Revenues | 82,984,353 | 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 |
| **EXPENDITURES** | | | | | | | | | | |
| General government | 14,231,116 | 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 |
| Public safety | 27,313,128 | 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 |
| Judicial | 4,824,457 | 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 |
| Public works | 7,821,034 | 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 |
| Sanitation | 1,542,371 | 1,673,677 | 1,734,716 | 3,386,664 | - | - | - | - | - | - |
| Health | 3,798,124 | 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 |
| Welfare | 2,344,154 | 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 |
| Culture and recreation | 7,296,030 | 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 |
| Community support | 1,296,951 | 3,573,553 | 2,617,465 | 570,916 | 630,602 | 15,784,475 | 752,965 | 5,547,273 | 1,058,208 | 1,739,029 |
| Intergovernmental | - | - | - | - | - | - | - | - | - | 249,873 |
| Airport | 47,506 | 9,144,072 | 3,107,641 | 579,295 | 10,034,403 | 38,779 | 79,038 | 297,124 | 247,363 | 73,352 |
| Economic opportunity | 326,957 | 4,742,049 | 2,275,376 | 609,176 | 565,092 | 4,598,312 | 593,042 | 263,279 | 312,937 | 374,336 |
| Capital outlay | 11,231,655 | 8,028 | 1,084,955 | 4,084,369 | 9,039,514 | 6,510,301 | 306,392 | 265,811 | 180,704 | 252,124 |
| Debt service: | | | | | | | | | | |
| Principal | 3,924,674 | 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 |
| Interest and fiscal charges | 4,286,892 | 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 |
| Total Expenditures | 90,285,049 | 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 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (7,300,696) | (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 |

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

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

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | | | |
| Capital asset sales | 3,535 | - | - | - | - | 3,620,000 | 40,613 | 141,280 | 42,026 | 71,166 |
| Capital leases | - | 69,433 | 53,467 | 11,228 | 55,770 | 20,052 | 85,749 | - | - | - |
| Bonds issued | 7,210,000 | 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 | (7,244,702) | - | - | - | - | (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 | 226,243 | - | - | - | - | 278,709 | - | - | - | - |
| Transfers in | 8,279,959 | 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 |
| Transfers out | (8,574,959) | (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) |
| Premium on bonds issued | - | - | - | - | - | 308,908 | - | - | - | - |
| Discount on bonds issued | - | - | - | - | - | | (66,349) | (145,206) | - | - |
| Total Other Financing Sources (Uses) | (99,924) | 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 |
| Net Change in Fund Balances | $ (7,400,620) | $ (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 |
| Debt service as a percentage of noncapital expenditures | 10.39% | 8.44% | 9.18% | 8.74% | 9.30% | 6.19% | 6.98% | 5.97% | 9.57% | 7.08% |

Note: This information is presented on the 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 | | |
| 2011 | $1,296,755,931 | $ 627,675,034 | $ 105,367,926 | $ 34,738,957 | $ 79,406,876 | $ 455,801,189 | $1,688,143,535 | $4,823,267,242 | 35.00% | 1.7066 |
| 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 |

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, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **CARSON CITY DIRECT RATE** | | | | | | | | | | |
| Operating Rate | 1.2102 | 1.2102 | 1.2102 | 1.2102 | 1.2101 | 0.9634 | 0.9634 | 0.9634 | 0.9234 | 0.9234 |
| Voter Approved | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 |
| Legislative Overrides | 0.4464 | 0.4468 | 0.4467 | 0.2405 | 0.2153 | 0.1765 | 0.1765 | 0.1620 | 0.1744 | 0.1711 |
| Debt Service | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0321 | 0.0321 | 0.0321 | 0.0331 | 0.0331 | 0.0346 |
| Total Carson City Direct Rate | 1.7066 | 1.7070 | 1.7069 | 1.5007 | 1.5075 | 1.2220 | 1.2220 | 1.2085 | 1.1809 | 1.1791 |
| **OVERLAPPING RATES** | | | | | | | | | | |
| Carson City School District | 1.1800 | 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 | 0.1700 | 0.1500 | 0.1500 |
| Eagle Valley Underground Water | 0.0010 | 0.0009 | 0.0009 | 0.0011 | 0.0012 | 0.0016 | 0.0016 | 0.0016 | 0.0016 | 0.0016 |
| Carson Valley Ground Water Basin | 0.0023 | 0.0020 | 0.0010 | 0.0025 | 0.0029 | 0.0027 | 0.0027 | 0.0033 | 0.0034 | 0.0033 |
| 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 | 1.4833 | 1.5229 | 1.5219 | 1.5236 | 1.5241 | 1.5243 | 1.5243 | 1.5249 | 1.5050 | 1.5049 |
| Total Carson City Property Tax Rate | 3.1899 | 3.2299 | 3.2288 | 3.0243 | 3.0316 | 2.7463 | 2.7463 | 2.7334 | 2.6859 | 2.6840 |
| **REDEVELOPMENT AGENCY OF CARSON CITY** | 2.8737 | 2.8895 | 2.6362 | 2.8108 | 2.7913 | 2.4845 | 2.5078 | 2.4891 | 2.4802 | 2.5239 |

Source: Nevada Department of Taxation

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

| | 2011 | | | 2002 | | |
|---|---|---|---|---|---|---|
| **TAXPAYER** | **ASSESSED VALUATION** | **RANK** | **PERCENTAGE OF TOTAL ASSESSED VALUATION** | **ASSESSED VALUATION** | **RANK** | **PERCENTAGE OF TOTAL ASSESSED VALUATION** |
| Southwest Gas Corp | $ 17,858,277 | 1 | 1.06% | $ 12,949,157 | 2 | 1.30% |
| Sierra Pacific Power | $ 17,102,529 | 2 | 1.01% | $ 13,754,439 | 1 | 1.38% |
| John Serpa | $ 15,132,288 | 3 | 0.90% | $ 9,405,167 | 3 | 0.94% |
| Dwight Millard | $ 12,924,022 | 4 | 0.77% | $ 7,377,637 | 5 | 0.74% |
| Carson - Tahoe Hospital | $ 11,989,262 | 5 | 0.71% | $ 3,184,433 | 10 | 0.32% |
| C & A Investments | $ 10,507,954 | 6 | 0.62% | $ - | | - |
| Carson Gaming LLC | $ 10,302,535 | 7 | 0.61% | $ 4,513,648 | 8 | 0.45% |
| Cubix/Ormsby | $ 8,768,990 | 8 | 0.52% | $ - | | - |
| Hohl, Michael | $ 8,016,881 | 9 | 0.47% | $ - | | - |
| Hone, Doug & Kathleen | $ 7,128,450 | 10 | 0.42% | $ - | | - |
| Garth Richards | $ - | | - | $ 6,932,248 | 6 | 0.69% |
| Bell of Nevada | $ - | | - | $ 8,631,428 | 4 | 0.86% |
| Russell, Clark/Ormsby, Inc. | $ - | | - | $ 6,632,759 | 7 | 0.66% |
| Wilmington Trust Co. | $ - | | - | $ 3,805,069 | 9 | 0.38% |
| Total, Ten Largest Taxpayers | 119,731,188 | | 7.09% | 77,185,985 | | 7.73% |
| Total, Other Taxpayers | 1,568,412,347 | | 92.91% | 920,807,708 | | 92.27% |
| Total Assessed Valuations | $ 1,688,143,535 | | 100.00% | $ 997,993,693 | | 100.00% |

Source: Carson City Assessor

Note: 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)**

| | | CURRENT YEAR | | | TOTALS TO DATE | |
|---|---|---|---|---|---|---|
| FISCAL YEAR ENDED JUNE 30, | TAXES LEVIED | TAX COLLECTIONS | PERCENT OF TAXES LEVIED | DELINQUENT TAX COLLECTIONS | TAX COLLECTIONS | PERCENT OF TAXES LEVIED |
| 2002 | $ 23,617 | $ 23,407 | 99.11% | $ 210 | $ 23,617 | 100.00% |
| 2003 | 24,975 | 24,726 | 99.00% | 249 | 24,975 | 100.00% |
| 2004 | 25,945 | 25,757 | 99.28% | 188 | 25,945 | 100.00% |
| 2005 | 27,274 | 27,054 | 99.19% | 220 | 27,274 | 100.00% |
| 2006 | 28,436 | 28,213 | 99.22% | 223 | 28,436 | 100.00% |
| 2007 | 30,839 | 30,592 | 99.20% | 247 | 30,839 | 100.00% |
| 2008 | 32,946 | 32,585 | 98.90% | 356 | 32,941 | 99.98% |
| 2009 | 35,529 | 34,860 | 98.12% | 583 | 35,443 | 99.76% |
| 2010 | 37,735 | 37,075 | 98.25% | 407 | 37,482 | 99.33% |
| 2011 | 39,471 | 38,714 | 98.08% | - | 38,714 | 98.08% |

Source: Carson City Treasurer's Office

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

| | GENERAL BONDED DEBT | | | | OTHER GOVERNMENTAL ACTIVITIES DEBT | | | | BUSINESS TYPE ACTIVITIES PROPRIETARY | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FISCAL YEAR ENDED JUNE 30, | GENERAL OBLIGATION BONDS | TOTAL GENERAL BONDED DEBT | PERCENT OF ACTUAL PROPERTY VALUE (1) | PER CAPITA (2) | REVENUE BONDS | GENERAL OBLIGATION NOTES | CAPITAL LEASES | SPECIAL ASSESSMENT BONDS | GENERAL OBLIGATION BONDED DEBT | NOTES | TOTAL PRIMARY GOVERNMENT | PERCENT OF PERSONAL INCOME(2) | PER CAPITA (2) |
| 2011 | $ 64,990,727 | $64,990,727 | 1.35% | $1,178.38 | $20,222,100 | $ 2,212,558 | $ 67,772 | $ - | $ 61,986,558 | $2,395,000 | $ 151,874,715 | 6.74% | $2,753.73 |
| 2010 | 67,519,131 | 67,519,131 | 1.29% | 1,221.54 | 20,866,000 | 3,018,928 | 99,470 | - | 48,542,143 | 2,448,000 | 142,493,672 | 5.73% | 2,577.95 |
| 2009 | 70,042,700 | 70,042,700 | 1.33% | 1,216.02 | 13,427,600 | 3,259,644 | 109,182 | - | 50,484,597 | - | 137,323,723 | 5.70% | 2,384.09 |
| 2008 | 72,462,454 | 72,462,454 | 1.57% | 1,255.35 | 4,915,000 | 3,847,078 | 100,363 | - | 53,797,713 | - | 135,122,608 | 5.92% | 2,340.88 |
| 2007 | 74,574,351 | 74,574,351 | 1.82% | 1,292.43 | 5,140,000 | 4,399,013 | 120,447 | - | 57,120,185 | - | 141,353,996 | 6.41% | 2,449.77 |
| 2006 | 76,884,293 | 76,884,293 | 2.23% | 1,346.39 | 5,360,000 | 4,925,317 | 86,777 | - | 50,968,629 | - | 138,225,016 | 6.46% | 2,420.58 |
| 2005 | 37,953,154 | 37,953,154 | 1.18% | 675.97 | 7,330,000 | 3,598,036 | 82,473 | - | 54,291,941 | - | 103,255,604 | 5.08% | 1,839.06 |
| 2004 | 32,973,990 | 32,973,990 | 1.08% | 597.14 | 7,670,000 | 755,713 | - | 215,000 | 42,171,690 | - | 83,786,393 | 4.51% | 1,517.32 |
| 2003 | 30,843,709 | 30,843,709 | 1.02% | 562.39 | 2,000,000 | 802,500 | - | 430,000 | 34,578,836 | - | 68,655,045 | 3.92% | 1,251.82 |
| 2002 | 31,549,802 | 31,549,802 | 1.11% | 582.41 | 2,860,000 | 650,325 | - | 645,000 | 36,848,733 | - | 72,553,860 | 4.21% | 1,339.35 |

**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, 2011**
**(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 | $ 64,990,727 | $ 64,990,727 | 100.00% | $ - |
| Business-Type Activity Bonds | 61,986,558 | 61,986,558 | 100.00% | - |
| Total Direct Debt | 126,977,285 | 126,977,285 | | - |
| Overlapping: | | | | |
| Carson City School District | 47,547,000 | - | 100.00% | 47,547,000 |
| Total Overlapping Debt | 47,547,000 | - | | 47,547,000 |
| Total General Obligation Direct and Overlapping Debt | $ 174,524,285 | $ 126,977,285 | | $ 47,547,000 |

Source: Carson City Finance Office and Carson City School District

(1) Based on fiscal year 2010-11 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, 2011**

| | | |
|---|---|---|
| Assessed value of taxable property(1) | | $1,774,839,206 |
| Debt limit (15% of assessed value) | | 266,225,881 |
| Debt applicable to limit: | | |
| Governmental activities | $ 64,990,727 | |
| Business-type activities | 61,986,558 | |
| Less: Amount available for repayment of general obligation debt | (200,000) | |
| Total net debt applicable to limitation | | 126,777,285 |
| Legal debt margin | | $ 139,448,596 |

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
| Debt limit | $266,225,881 | $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 |
| Total net debt subject to limitation | 126,777,285 | 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 |
| Legal Debt Margin | $139,448,596 | $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 |
| Total net debt subject to limitation as a percentage of debt limit | 47.6% | 40.1% | 42.7% | 52.1% | 61.8% | 72.1% | 59.9% | 51.1% | 42.3% | 45.4% |

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

(1) Includes Redevelopment Authority amount of $86,695,671.

**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 |
|---|---|---|---|---|---|---|---|
| **HIGHWAY REVENUE(MOTOR VEHICLE FUEL TAX) IMPROVEMENT BONDS (1)** | | | | | | | |
| 2011 | $ 2,589,547 | $ 2,150,201 | $ 439,346 | $ 643,900 | $ 1,074,609 | $ 1,718,509 | 0.3 |
| 2010 | 2,754,992 | 4,072,621 | (1,317,629) | 461,600 | 608,961 | 1,070,561 | -1.2 |
| 2009 | 2,370,083 | 3,020,383 | (650,300) | 542,400 | 528,077 | 1,070,477 | -0.6 |
| 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 |
| **TAX ALLOCATION BOND - REDEVELOPMENT AUTHORITY (2)** | | | | | | | |
| 2011 | $ - | $ - | $ - | $ - | $ - | $ - | N/A |
| 2010 | - | - | - | - | - | - | N/A |
| 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 |
| **HIGHWAY REVENUE IMPROVEMENT BONDS (3)** | | | | | | | |
| 2011 | $ - | $ - | $ - | $ - | $ - | $ - | N/A |
| 2010 | - | - | - | - | - | - | N/A |
| 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 |
| **GRAVES LANE SPECIAL ASSESSMENT BONDS (4)** | | | | | | | |
| 2011 | $ - | $ - | $ - | $ - | $ - | $ - | N/A |
| 2010 | - | - | - | - | - | - | N/A |
| 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 |

**Notes:**

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

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

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

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

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

| FISCAL YEAR ENDED JUNE 30, | POPULATION (1) | CITY AREA (SQUARE MILES) (6) | TOTAL PERSONAL INCOME (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) |
|---|---|---|---|---|---|---|---|---|---|
| 2011 | 55,152 | 147.00 | $ 2,254,125,000 | $ 40,871 | 12.5% | 13,346 | 1,042 | 939 | $ 42,209,740 |
| 2010 | 55,274 | 147.00 | 2,486,831,346 | 44,948 | 13.8% | 13,582 | 934 | 276 | 16,955,005 |
| 2009 | 57,600 | 147.00 | 2,408,024,016 | 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 |

NR = Not reported

Sources:

(1) State of Nevada, Demographer's Office estimated, 1986-2009, and 2011; Final Census information available for 2010.
(2) City of Carson City, Business License Division
(3) U.S. Department of Commerce, Bureau of Economic Analysis, 2000-2009, for Carson City Metropolitan Area; Estimated for 2011 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)**

| | 2011 | | | 2002 | | |
|---|---|---|---|---|---|---|
| **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 | 4.92% | 1000-1499 | 2 | 4.99% |
| Carson Tahoe Hospital | 1000-1499 | 2 | 4.92% | 700-799 | 3 | 2.99% |
| City of Carson City | 700-799 | 3 | 2.95% | 700-799 | 4 | 2.99% |
| State Department of Transportation | 600-699 | 4 | 2.56% | 600-699 | 6 | 2.59% |
| Western Nevada College | 500-599 | 5 | 2.16% | 700-799 | 5 | 2.99% |
| Legislative Counsel Bureau | 500-599 | 6 | 2.16% | | | |
| State Department of Corrections | 300-399 | 7 | 1.38% | | | |
| Chromalloy Nevada | 300-399 | 8 | 1.38% | 400-499 | 8 | 1.79% |
| State Department of Motor Vehicles | 300-399 | 9 | 1.38% | | | |
| Casino Fandango | 300-399 | 10 | 1.38% | | | |
| Pinon Plaza Resort | | | | 200-299 | 10 | 1.00% |
| State of Nevada (2) | | | | 5000-5499 | 1 | 20.94% |
| Carson City Nugget | | | | 500-599 | 7 | 2.19% |
| Harley-Davidson Credit Corp | | | | 300-399 | 9 | 1.39% |
| Total Carson City Area Covered Employment | 25,407 | | | 25,065 | | |

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, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **FUNCTION:** | | | | | | | | | | |
| General Government | 104.35 | 108.10 | 108.80 | 123.35 | 127.05 | 135.30 | 134.05 | 131.55 | 130.75 | 128.50 |
| Public Safety | 228.25 | 254.75 | 256.85 | 259.45 | 265.70 | 261.50 | 259.50 | 250.00 | 249.00 | 240.00 |
| Judicial | 42.50 | 44.05 | 45.30 | 45.00 | 42.25 | 35.50 | 29.75 | 28.75 | 26.75 | 26.75 |
| Public Works | 44.90 | 46.10 | 53.15 | 58.25 | 53.59 | 54.85 | 45.05 | 50.40 | 49.40 | 52.90 |
| Sanitation | 9.30 | 10.75 | 13.35 | 13.05 | 10.90 | 11.70 | 11.20 | 7.35 | 9.35 | 1.50 |
| Health | 30.00 | 30.00 | 20.00 | 23.25 | 18.75 | 14.00 | 12.00 | 12.00 | 12.50 | 12.00 |
| Welfare | 4.00 | 5.00 | 3.00 | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.50 | 1.00 |
| Culture and Recreation | 43.88 | 48.88 | 48.93 | 57.82 | 61.95 | 59.76 | 58.01 | 54.01 | 54.06 | 52.44 |
| Community Support | 0.00 | 0.00 | 0.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 0.00 |
| Utilities | 52.80 | 50.90 | 48.13 | 47.50 | 49.65 | 48.40 | 47.75 | 54.00 | 48.00 | 48.20 |
| Hospitals (1) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 754.54 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 559.98 | 598.53 | 597.51 | 631.67 | 633.84 | 625.01 | 601.31 | 591.06 | 583.31 | 1,318.83 |

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, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **FUNCTION / PROGRAM:** | | | | | | | | | | |
| **General Government** | | | | | | | | | | |
| Business licenses issued **(3)** | 1,042 | 934 | 967 | 1,242 | 1,223 | 1,312 | 1,182 | 1,287 | 1,315 | 1,209 |
| **Judicial: (1)** | | | | | | | | | | |
| Municipal Court Cases Filed: | | | | | | | | | | |
| Criminal Cases: | | | | | | | | | | |
| Felony death penalty | 0 | 0 | 0 | 0 | 1 | 5 | 0 | 0 | 0 | 0 |
| Felony, crimes against persons | 117 | 112 | 231 | 374 | 407 | 581 | 553 | 651 | 688 | 549 |
| Felony, crimes against property | 230 | 196 | 467 | 228 | 227 | 473 | 490 | 444 | 326 | 415 |
| Gross misdemeanor, crimes against persons | 56 | 67 | 43 | 64 | 59 | 102 | 96 | 115 | 88 | 67 |
| Gross misdemeanor, crimes against property | 23 | 15 | 45 | 42 | 21 | 57 | 55 | 42 | 8 | 35 |
| Misdemeanor, non-traffic | 1,473 | 1,726 | 2,228 | 1,492 | 1,309 | 2,040 | 2,011 | 2,569 | 2,117 | 2,201 |
| Traffic and parking violations | 11,869 | 11,012 | 19,944 | 16,460 | 12,516 | 20,885 | 18,190 | 18,188 | 16,605 | 15,624 |
| Civil Cases: | | | | | | | | | | |
| General | 2,249 | 2,926 | 2,474 | 2,514 | 2,513 | 2,254 | 2,197 | 1,913 | 1,587 | 1,775 |
| Small claims | 442 | 472 | 535 | 638 | 686 | 601 | 550 | 638 | 528 | 504 |
| Landlord/tenant (summary eviction) | 1,126 | 954 | 1,165 | 1,473 | 1,466 | 1,235 | 1,173 | 1,274 | 1,293 | 1,290 |
| Request for domestic violence protective orders | 460 | 474 | 496 | 484 | 452 | 361 | 424 | 513 | 622 | 593 |
| Request for protection orders (non-dom. violence) | 293 | 269 | 379 | 346 | 322 | 376 | 506 | 569 | 455 | 342 |
| **Public Safety** | | | | | | | | | | |
| Police: **(5)** | | | | | | | | | | |
| Number of sworn police personnel and officers | 91 | 99 | 99 | 98 | 94 | 95 | 95 | 93 | 93 | 93 |
| Number of physical arrests | 1,925 | 2,621 | 2,797 | 3,265 | 2,872 | 2,742 | 3,189 | 3,516 | 2,829 | 4,461 |
| Number of traffic accidents | 250 | 832 | 973 | 1,035 | 558 | 705 | 693 | 858 | 618 | 962 |
| Fire: **(6)** | | | | | | | | | | |
| Number of firefighters | 58 | 64 | 64 | 64 | 66 | 66 | 66 | 61 | 65 | 66 |
| Number of calls answered | 7,620 | 7,466 | 7,515 | 7,941 | 7,681 | 7,200 | 6,346 | 6,053 | 6,109 | 5,715 |
| Number of fire prevention inspections | 1,170 | 2,529 | 2,029 | 2,090 | 2,061 | 1,681 | 1,784 | 2,185 | 2,256 | 3,020 |
| **Public Works (4)** | | | | | | | | | | |
| Number of street lights | 1,776 | 1,771 | 1,702 | 1,723 | 1,525 | 1,406 | 1,391 | 1,391 | 1,290 | 1,292 |

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

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **Culture and Recreation (7)** | Requested from Roger Moellendorf - CC'd several others- August 17th - Bug September 7th if not received - Did get everything for Schd 5.3 | | | | | | | | | |
| Number of participants in recreation sports | 7,557 | 14,393 | 5,302 | 7,950 | 6,350 | 5,090 | 5,440 | 5,240 | 4,910 | 4,060 |
| Number of participants in sports tournaments | 57,291 | 58,000 | 56,410 | 56,410 | 42,429 | 38,687 | 25,098 | 22,860 | 12,549 | 6,500 |
| Average number of children enrolled in summer programs per day | 607 | 339 | 265 | 262 | 290 | 370 | 370 | 370 | 390 | 390 |
| Average number of children enrolled in latch key programs per day | 204 | 202 | 289 | 265 | 275 | 400 | 400 | 370 | 390 | 390 |
| **Utilities (4)** | | | | | | | | | | |
| Sewer: | | | | | | | | | | |
| Customer count as of June 30 | 15,041 | 15,376 | 15,414 | 15,379 | 15,312 | 15,227 | 15,151 | 15,028 | 14,752 | 14,442 |
| Total discharge (in thousands of gallons) | 1,787,778 | 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 |
| Water: | | | | | | | | | | |
| Customer count as of June 30 | 16,798 | 16,804 | 16,828 | 16,790 | 16,705 | 16,540 | 16,427 | 16,300 | 16,061 | 15,754 |
| Total consumption (in thousands of gallons) | 3,619,591 | 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 |
| **Development Services (2)** | | | | | | | | | | |
| Building permits issued | 939 | 276 | 242 | 295 | 425 | 385 | 426 | 491 | 600 | 612 |

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 Parks & Recreation

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

| | FISCAL YEAR ENDED JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** | **2006** | **2005** | **2004** | **2003** | **2002** |
| **FUNCTION / PROGRAM:** | | | | | | | | | | |
| **General Government** | | | | | | | | | | |
| City owned facilities **(1)** | 82 | 82 | 82 | 82 | 82 | 82 | 84 | 84 | 83 | 82 |
| City owned structures **(1)** | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 81 | 81 |
| Number of networked computers **(5)** | 580 | 565 | 550 | 650 | 650 | 517 | NR | NR | NR | NR |
| **Public Safety** | | | | | | | | | | |
| Police: **(2)** | | | | | | | | | | |
| Marked police vehicles | 40 | 39 | 36 | 37 | 36 | 32 | 32 | 32 | 25 | 25 |
| Fire: **(3)** | | | | | | | | | | |
| Fire stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Fire engines | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| **Public Works (1)** | | | | | | | | | | |
| Paved streets (miles) | 273 | 257 | 257 | 259 | 259 | 250 | 250 | 250 | 241 | 241 |
| **Culture and Recreation (4)** | | | | | | | | | | |
| Parks: | | | | | | | | | | |
| Acreage of parks - developed | 780.5 | 780.5 | 780.5 | 780.5 | 772.5 | 765.5 | 765.5 | 765.5 | 757.5 | 754.5 |
| Acreage of parks - undeveloped | 436.0 | 436.0 | 436.0 | 436.0 | 444.0 | 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 | 4 | 3 | 2 | 2 | 2 | 2 | 2 |
| Basketball courts - unlighted | 8 | 8 | 8 | 8 | 6 | 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 | 4 | 3 | 3 | 3 | 3 | 2 | 2 |
| **Utilities (1)** | | | | | | | | | | |
| Sewer lines (miles) | 236.0 | 235.0 | 216.6 | 216.6 | 216.6 | 213 | 212 | 226 | 226 | 226 |
| Storm drains (miles) | 94.0 | 93.9 | 77.0 | 76.4 | 76.4 | 76.4 | NR | NR | NR | NR |
| Water lines (miles) | 322 | 321 | 297 | 296 | 296 | 235 | 301 | 290 | 240 | 240 |

NR = Not reported

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

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# COMPLIANCE SECTION

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

**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, 2011, which collectively comprise Carson City, Nevada's basic financial statements, and have issued our report thereon dated November 30, 2011. 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 basic 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 opinions 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.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**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
November 30, 2011

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, 2011. 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, a discretely presented component unit, which received $2,443,777 in federal awards which is not included in Carson City, Nevada's Schedule of Expenditures of Federal Awards for the year ended June 30, 2011. 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 an 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. 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, 2011.

**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 a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as Finding 11-1. 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 response to the finding identified in our audit is included in the accompanying Schedule of Findings and Questioned Costs. We did not audit Carson City, Nevada's response and, accordingly, we express no opinion on the response.

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
November 30, 2011

**CARSON CITY**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED JUNE 30, 2011**
**(PAGE 1 OF 7)**

| 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 | $ 125,862 |
| Congressionally Mandated Projects - Water Infrastructure - Hydraulic Modeling | 66.202 | XP-98975301-0 | 14,268 |
| Congressionally Mandated Projects - Water Infrastructure - Marlette Hobart Systems Improvement | 66.202 | XP-00T41001 | 91,850 |
| Total Congressionally Mandated Projects | | | 106,118 |
| Surveys - Studies - Investigations and Special Purpose Grants- Water Infrastructure - Water Supply Plan | 66.606 | XP-96939101-0 | 2,519 |
| Passed through NV Division of Environmental Protection: | | | |
| Capitalization Grants for Clean Water State Revolving Funds | 66.458 | CS32-1014 | 1,183,157 |
| Capitalization Grants for Drinking Water State Revolving Funds | 66.468 | CC-2 | 3,719,535 |
| ARRA Capitalization Grants for Drinking Water State Revolving Funds | 66.468 | ARRA CC-1 | 991,909 |
| Total Capitalization Grants for Drinking Water State Revolving Funds | | | 4,711,444 |
| Total U.S. Environmental Protection Agency | | | 6,129,100 |
| 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 | 47,250 |
| Grants to States - Statewide Reading Program | 45.310 | LSTA 2010-20 | 2,500 |
| Grants to States - Capitol City Business Resource Center | 45.310 | LSTA 2010-30 | 99,053 |
| Grants to States - Job Support Resource Project | 45.310 | LSTA 2009-01 | 1,603 |
| Grants to States - Early Literacy Success | 45.310 | LSTA 2009-01 | 5,000 |
| Grants to States - Service and Automation Project | 45.310 | LSTA 2009-12 | 12,430 |
| Grants to States - El Dia de los Ninos | 45.310 | N/A | 3,296 |
| Total Grants to States Program | | | 171,132 |
| U.S. Department of Agriculture: | | | |
| Direct programs: | | | |
| 2010 Cooperative Patrol | 10.Unknown | 06LE11051360-044 | 6,215 |
| Soil and Water Conservation - NRCS | 10.902 | 68-9327-10-13/ 68-9327-9-04 | 248,094 |
| Passed through Nevada Division of Forestry: | | | |
| Cooperative Forestry Assistance-Carson City Fuels Reduction | 10.664 | USDA/SFA/09/01 | 25,597 |
| Passed through Nevada Department of Health & Human Services: | | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557 | 7NV700NV1/ 7NV700NV7 | 187,294 |
| Passed through State Controller: | | | |
| Schools and Roads - Grants to States - - Schools and Roads Cluster | 10.665 | N/A | 9,505 |

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, 2011**
**(PAGE 2 OF 7)**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD NUMBER | FEDERAL EXPENSES/ EXPENDITURES |
|---|---|---|---|
| Child Nutrition Cluster: | | | |
| Passed through Nevada Department of Administration: | | | |
| National School Lunch Program - Food Distribution Program | 10.555 | N/A | $ 1,120 |
| Passed through Nevada Department of Education: | | | |
| National School Lunch Program | 10.555 | R-1390-10 | 11,777 |
| Total National School Lunch Program | | | 12,897 |
| School Breakfast Program | 10.553 | R-1390-10 | 6,547 |
| Total Child Nutrition Cluster | | | 19,444 |
| Total U.S. Department of Agriculture | | | 496,149 |
| U.S. Department of Commerce: | | | |
| Passed through Nevada State Library and Archives: | | | |
| ARRA Broadband Technology Opportunities Program (BTOP) | 11.557 | 2010-01 | 50,779 |
| U.S. Department of Defense: | | | |
| Environmental Infrastructure Cluster: | | | |
| Direct programs: | | | |
| Nevada Environmental Infrastructure - Prison Hill Water Tank | 12.Unknown | 32680 | 256,810 |
| ARRA Montana, Nevada, New Mexico, Utah, Idaho and Wyoming Environmental Infrastructure (Section 595) - Prison Hill Water Tank | 12.121 | 32680 | 857,077 |
| Total Environmental Infrastructure Cluster | | | 1,113,887 |
| U.S. Department of Energy: | | | |
| Direct programs: | | | |
| ARRA Energy Efficiency and Conservation Block Grant Program | 81.128 | DE-SC0002243 | 502,915 |
| Passed through Nevada State Office of Energy: | | | |
| ARRA State Energy Program | 81.041 | SEPARRA032910002 | 38,000 |
| Total U.S. Department of Energy | | | 540,915 |
| U.S. Department of Health and Human Services: | | | |
| Direct programs: | | | |
| Family Planning_Services | 93.217 | FPHPA096011-02-01 | 325,969 |
| Family Planning_Services - Program Income | 93.217 | N/A | 120,692 |
| Total Family Planning_Services | | | 446,661 |
| Passed through Nevada Public Health Foundation: | | | |
| Maternal and Child Health Federal Consolidated Programs | 93.110 | N/A | 4,401 |
| Community Services Block Grant Cluster: | | | |
| Passed through Nevada Department of Health and Human Services: | | | |
| ARRA Community Services Block Grant | 93.710 | N/A | 5,714 |
| Community Services Block Grant | 93.569 | N/A | 189,381 |
| Total Community Services Block Grant Cluster | | | 195,095 |

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, 2011**
**(PAGE 3 OF 7)**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD NUMBER | FEDERAL EXPENSES/ EXPENDITURES |
|---|---|---|---|
| Adult Viral Hepatitis Prevention and Control | 93.270 | 5U51PS000874-04 | $ 9,486 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | B1 NVSAPT | 50,446 |
| Maternal and Child Health Services Block Grant to the States | 93.994 | B04MC11167 | 27,832 |
| Temporary Assistance for Needy Families (TANF) Cluster | 93.558 | 1B04MC021419-01-03 | 36,018 |
| Child Support Enforcement - Title IV - D | 93.563 | N/A | 14,605 |
| HIV Care Formula Grants - Ryan White Title II | 93.917 | 2X07HA00001-20-00<br>2X07HA00001-21-00 | 50,590 |
| Immunization Grants Cluster | 93.268 | 5H23IP922549-09<br>5H23IP922549-08 | 110,443 |
| Immunization Grants Cluster - Program Income | 93.268 | N/A | 29,730 |
| Total Immunization Grants Cluster | | | 140,173 |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance - Office of Epidemiology | 93.283 | 3U50CI000489-03S4<br>3U50CI000489-03S3 | 22,917 |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance - Adult Viral Hepatitis Prevention | 93.283 | PS08-80102 | 9,312 |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance - Tobacco Prevention and Education | 93.283 | 5U58DP002003-02<br>/5U58DP002003-03 | 90,456 |
| Total Centers for Disease Control and Prevention - Investigations and Technical Assistance | | | 122,685 |
| Public Health Emergency Preparedness - H1N1 Phase 3 | 93.069 | 1H75TP000337-01 | 219,517 |
| Public Health Emergency Preparedness - H1N1 Phase 1-2 | 93.069 | 1H75TP000337-01 | 89,971 |
| Public Health Emergency Preparedness | 93.069 | 5U90TP916964-10<br>3U90TP916964-10W1 | 461,670 |
| Total Public Health Emergency Preparedness | | | 771,158 |
| Emergency System for Advance Registration of Volunteer Health Professionals | 93.089 | ASPR09-09 | 5,272 |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | 93.116 | 5U52PS907855-20<br>5U52PS907855-19 | 14,078 |
| HIV / AIDS Surveillance | 93.944 | 5U62PS001038-03<br>5U62PS001038-04 | 3,881 |
| HIV Prevention Activities_Health Department Based | 93.940 | 2U62/PS923483-06 | 33,193 |
| National Bioterrorism Hospital Preparedness Program | 93.889 | 6U3REP090220-02-01<br>6U3REP090220-02-03 | 293,717 |
| National Bioterrorism Hospital Preparedness Program | 93.889 | 1U3REP090211-01-00 | 81,489 |
| Total National Bioterrorism Hospital Preparedness Program | | | 375,206 |
| Preventive Health Services-Sexually Transmitted Diseases Control Grants-STD Prevention and Control | 93.977 | 1H25PS001382-02<br>5H25PS001382-03 | 10,998 |

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, 2011**
**(PAGE 4 OF 7)**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD NUMBER | FEDERAL EXPENSES/ EXPENDITURES |
|---|---|---|---|
| Passed through National Association of County and City Health Officials: | | | |
| Medical Reserve Corps Small Grant Program | 93.008 | #MRC07411 | $ 1,400 |
| Passed through Community Council on Youth: | | | |
| Substance Abuse and Mental Health Services_Projects of Regional and National Significance | 93.243 | N/A | 1,301 |
| Total U.S. Department of Health and Human Services | | | 2,314,479 |
| U.S. Department of Housing and Urban Development: | | | |
| Community Development Block Grants /Entitlement Grants Cluster: | | | |
| Direct programs: | | | |
| ARRA Community Development Block Grant Entitlement Grants (CDBG-R) | 14.253 | B-09-MY-32-0006 | 3,043 |
| Community Development Block Grants/ Entitlement Grants | 14.218 | B-09-MC-32-0006/ B-10-MC-32-0006 | 419,781 |
| Total Community Development Block Grants / Entitlement Grants Cluster | | | 422,824 |
| Emergency Shelter Grants Program | 14.231 | N/A | 26,156 |
| Passed through Nevada Housing Division: | | | |
| ARRA Homelessness Prevention and Rapid Re-housing Program | 14.257 | N/A | 41,838 |
| Total U.S. Department of Housing and Urban Development | | | 490,818 |
| 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 | 20,691 |
| National Fire Plan - Wildland Urban Interface Community Fire Assistance - "You Call / We Haul" | 15.228 | FAA070019 | 16,817 |
| Total National Fire Plan - Wildland Urban Interface Community Fire Assistance | | | 37,508 |
| BLM Law Enforcement Services | 15.Unknown | N/A | 4,485 |
| Passed through Nevada Division of State Parks: | | | |
| Outdoor Recreation_Acquisition, Development and Planning- Morgan Mill Trailhead | 15.916 | 32-00303 | 567 |
| Outdoor Recreation_Acquisition, Development and Planning- Urban Fishing Pond | 15.916 | 32-00301 | 9,130 |
| Total Outdoor Recreation_Acquisition, Development and Planning | | | 9,697 |
| Passed through Nevada Department of Museums, Libraries and Arts - State Historic Preservation Office: | | | |
| Historic Preservation Fund Grants-In-Aid - National Register | 15.904 | 32-10-21935(1) | 21,000 |
| Historic Preservation Fund Grants-In-Aid - Multiple Preservation Projects | 15.904 | 32-09-21834(4) | 1,608 |
| Total Historic Preservation Fund Grants-In-Aid | | | 22,608 |
| Total U.S. Department of the Interior | | | 74,298 |

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, 2011**
**(PAGE 5 OF 7)**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD NUMBER | FEDERAL EXPENSES/ EXPENDITURES |
|---|---|---|---|
| U.S. Department of Justice: | | | |
| Direct programs: | | | |
| D.E.A. Confiscated Property | 16.Unknown | N/A | $ 1,652 |
| D.E.A. Integrated Drug Enforcement Assistance | 16.Unknown | N/A | 5,021 |
| State Criminal Alien Assistance Program | 16.606 | N/A | 47,698 |
| Bulletproof Vest Partnership Program | 16.607 | N/A | 21,575 |
| Drug Court Discretionary Grant Program | 16.585 | 2009-DC-BX-0118 | 109,296 |
| JAG Program Cluster: | | | |
| Direct programs: | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2007-DJ-BX-1384 | 2,532 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2009-DJ-BX-1183 | 18,848 |
| Edward Byrne Memorial Justice Assistance Grant Program- Cops and Kids Community Policing and Prevention | 16.738 | 2010-DJ-BX-0520 | 2,068 |
| Edward Byrne Memorial Justice Assistance Grant Program- Cops and Kids Community Prevention Program | 16.738 | 2008-DJ-BX-0530 | 1,195 |
| Passed through Nevada Department of Public Safety: | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 06-JAG-29 | 134 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 10-JAG-02 | 14,757 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 10-JAG-03 | 208,876 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 10-JAG-04 | 10,000 |
| Edward Byrne Memorial Justice Assistance Grant Program - Tri-Net | 16.738 | 10-JAG-05 | 160,000 |
| Total Edward Byrne Memorial Justice Assistance Grant Program | | | 418,410 |
| ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to States and Territories | 16.803 | 00-ARRA-16 | 24,110 |
| ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to States and Territories | 16.803 | 09-ARRA-03 | 8,206 |
| ARRA Edward Byrne Memorial Justice Assistance Grant Program- Grants to States and Territories | 16.803 | 09-ARRA-04 | 129,366 |
| Total ARRA Edward Byrne Memorial Justice Assistance Grant Program - Grants to States and Territories | | | 161,682 |
| Total JAG Program Cluster | | | 580,092 |
| Direct programs: | | | |
| Public Safety Partnership and Community Policing Grants | 16.710 | 2008CKWX0045 | 98,243 |
| Passed through Partnership Carson City: | | | |
| Public Safety Partnership and Community Policing Grants | 16.710 | N/A | 2,425 |
| Passed through Nevada Department of Public Safety: | | | |
| Public Safety Partnership and Community Policing Grants | 16.710 | 08-METH-02 | 9,008 |
| Total Public Safety Partnership and Community Policing Grants | | | 109,676 |
| Passed through Nevada Department of Health and Human Services: | | | |
| Juvenile Accountability Block Grants | 16.523 | N/A | 500 |
| Juvenile Justice and Delinquency Prevention _Allocation to States - OJJDP Title II Formula Grant | 16.540 | N/A | 5,400 |
| Passed through Nevada Office of the Attorney General: | | 10-STOP-48 | |
| Violence Against Women Formula Grants | 16.588 | 09-STOP-48 | 18,959 |

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, 2011**
**(PAGE 6 OF 7)**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD NUMBER | FEDERAL EXPENSES/ EXPENDITURES |
|---|---|---|---|
| Passed through Community Council on Youth: | | | |
| Enforcing Underage Drinking Laws Program | 16.727 | N/A | $ 16,482 |
| Total U.S. Department of Justice | | | 916,351 |
| 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-01-02 | 390 |
| Interagency Hazardous Materials Public Sector Training and Planning Grants - HMEP Training | 20.703 | 10-HMEP-01-01 | 32,460 |
| Total Interagency Hazardous Materials Public Sector Training and Planning Grants | | | 32,850 |
| Highway Safety Cluster: | | | |
| Passed through Nevada Department of Public Safety: | | | |
| State and Community Highway Safety - Joining Forces | 20.600 | 21-JF-1.02 | 749 |
| State and Community Highway Safety - Joining Forces | 20.600 | 210-JF-1.02 | 7,102 |
| State and Community Highway Safety - JF Incentive Award | 20.600 | 29-406PT-4.5 | 2,029 |
| Total State and Community Highway Safety | | | 9,880 |
| Alcohol Impaired Driving Countermeasures Incentive Grants I | 20.601 | 210-K8-18-14 | 57,861 |
| Alcohol Impaired Driving Countermeasures Incentive Grants I | 20.601 | 21-JF-1.02 | 2,183 |
| Total Alcohol Impaired Driving Countermeasures Incentive Grants I | | | 60,044 |
| Occupant Protection Incentive Grants | 20.602 | 21-JF-1.02 | 1,045 |
| Safety Belt Performance Grants | 20.609 | 21-JF-1.02 | 9,662 |
| State Traffic Safety Information System Improvement Grants | 20.610 | 21-408TR-10 | 18,353 |
| Total Highway Safety Cluster | | | 98,984 |
| Passed through Nevada Department of Transportation: | | | |
| Job Access Reverse Commute - Transit Services Programs Cluster | 20.516 | PR 384-08-802 | 13,376 |
| Federal Transit Cluster: | | | |
| Direct programs: | | | |
| ARRA Federal Transit - Formula Grants (Urbanized Area Formula Program) | 20.507 | NV-96-X003-01 | 105,553 |
| Federal Transit - Formula Grants (Urbanized Area Formula Program) | 20.507 | NV-90-X058-01 | 340,297 |
| Federal Transit - Formula Grants (Urbanized Area Formula Program) | 20.507 | NV-90-X061-01 | 59,671 |
| Federal Transit - Formula Grants (Urbanized Area Formula Program) | 20.507 | NV-90-X059-01 | 83,314 |
| Federal Transit - Formula Grants (Urbanized Area Formula Program) | 20.507 | NV-90-X064-00 | 19,497 |
| Federal Transit - Formula Grants (Urbanized Area Formula Program) - Program Income | 20.507 | N/A | 90,584 |
| Total Federal Transit - Formula Grants (Urbanized Area Formula Program) | | | 698,916 |

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, 2011**
**(PAGE 7 OF 7)**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD NUMBER | FEDERAL EXPENSES/ EXPENDITURES |
|---|---|---|---|
| Passed through Nevada Department of Transportation: | | | |
| Federal Transit - Capital Investment Grants | 20.500 | PR-451-09-802 | $ 259,367 |
| Total Federal Transit Cluster | | | 958,283 |
| Federal Transit - Metropolitan Planning Grants | 20.505 | PR256-08-802 | 46,706 |
| Highway Planning and Construction Cluster: | | | |
| Highway Planning and Construction - Unified Planning Work Program | 20.205 | PR70003-00-804 | 394,271 |
| Highway Planning and Construction - Federal Enhancement Project | 20.205 | PR333-08-063 | 32,109 |
| Highway Planning and Construction - Federal Enhancement Project | 20.205 | PR124-11-063 | 7,936 |
| Highway Planning and Construction - Moffat Open Space Connection | 20.205 | P201-10-063 | 3,844 |
| Highway Planning and Construction - Safe Routes to School Signage and Striping Project | 20.205 | P255-10-063 | 20,787 |
| ARRA Highway Planning and Construction - Micropaving | 20.205 | PR369-09-063 | 91,354 |
| Total Highway Planning and Construction | | | 550,301 |
| Passed through Nevada Division of State Parks: | | | |
| Recreational Trails Program - Fulstone Wetlands Project | 20.219 | FY 2008-20 | 100,000 |
| Total Highway Planning and Construction Cluster | | | 650,301 |
| Total U.S. Department of Transportation | | | 1,800,500 |
| U.S. Department of Homeland Security: | | | |
| Homeland Security Cluster | | | |
| Passed through Nevada Department of Public Safety: | | | |
| Homeland Security Grant Program - DHS/09 SHSP | 97.067 | 97067HL9 | 16,437 |
| Homeland Security Grant Program - DHS/08 SHSP | 97.067 | 97067HL8 | 5,517 |
| Homeland Security Grant Program - DHS/09 CCP | 97.067 | 97067CL9 | 10,632 |
| Homeland Security Grant Program - DHS/08 CCP | 97.067 | 97067CL8 | 466 |
| Homeland Security Grant Program - DHS/06 SHSP | 97.067 | 97067HL6 | 40,447 |
| Total Homeland Security Cluster | | | 73,499 |
| Passed through Nevada Division of Emergency Management: | | | |
| Emergency Management Performance Grants | 97.042 | 9704210 | 14,263 |
| Emergency Management Performance Grants | 97.042 | 9704211 | 57,994 |
| Total Emergency Management Performance Grants | | | 72,257 |
| Total U.S. Department of Homeland Security | | | 145,756 |
| Total Expenditures of Federal Awards | | | $ 14,244,164 |

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, 2011**

## 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 modified 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 | $ 4,753 |
| Community Development Block Grants | 14.218 | $155,434 |
| Job Access Reverse Commute – Transit Services Programs Cluster | 20.516 | $ 13,376 |
| Federal Transit – Formula Grants (Urbanized Area Formula Program) | 20.507 | $ 26,289 |
| ARRA Federal Transit – Formula Grants (Urbanized Area Formula Program) | 20.507 | $ 33,447 |
| Federal Transit – Capital Investment Grants | 20.500 | $ 13,095 |

## NOTE 3 - NON-CASH ASSISTANCE

The expenditures for the National School Lunch Program - Food Distribution 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, 2011

### *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, 2011.

- No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements.

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

- A significant deficiency, not identified as a material weakness, in internal control over major federal award programs was disclosed during the audit and is 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 nine major federal award programs for the year ended June 30, 2011, as follows:
    - Environmental Infrastructure Cluster:
        Nevada Environmental Infrastructure (Section 595) – CFDA 12.Unknown
        ARRA – Montana, Nevada, New Mexico, Utah, Idaho and Wyoming Environmental Infrastructure (Section 595) – CFDA 12.121
    - Justice Assistance Grants Cluster:
        Edward Byrne Memorial Justice Assistance Grant (JAG) Program – CFDA 16.738
        ARRA – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories – CFDA 16.803
    - Highway Planning and Construction Cluster:
        Highway Planning and Construction – CFDA 20.205
        ARRA - Highway Planning and Construction – CFDA 20.205
        Recreational Trails Program – CFDA 20.219
    - Federal Transit Cluster:
        Federal Transit - Capital Investment Grants – CFDA 20.507
        ARRA - Federal Transit - Capital Investment Grants – CFDA 20.507
        Federal Transit - Formula Grants – CFDA 20.500
    - Capitalization Grants for Clean Water State Revolving Funds:
        Capitalization Grants for Clean Water State Revolving Funds – CFDA 66.458
        ARRA - Capitalization Grants for Clean Water State Revolving Funds – CFDA 66.458
    - Capitalization Grants for Drinking Water State Revolving Funds – CFDA 66.468
    - ARRA – Energy Efficiency and Conservation Block Grant – CFDA 81.128
    - Public Health Emergency Preparedness – CFDA 93.069
    - Family Planning Services – CFDA 93.217

- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2011, was $427,324.

- Carson City, Nevada did not qualify as a low risk auditee for the year ended June 30, 2011 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, 2011**

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

There were no findings relating to the financial statement audit.

# CARSON CITY
# SCHEDULE OF FINDINGS AND QUESTIONED COSTS
# FOR THE YEAR ENDED JUNE 30, 2011

## *C. Findings and Questioned Costs for Federal Awards:*

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

Finding 11-1:

Public Health Emergency Preparedness, CFDA 93.069:

*Grant Award Number*: Affects grant award 5U90TP916964-10 under CFDA 93.069 on the Schedule of Expenditures of Federal Awards.

*Criteria and Condition*: The OMB Circular A-133 Compliance Supplement requires that the entity have an internal control process in place designed to provide reasonable assurance that matching requirements are met using only allowable funds or costs which are properly calculated and valued.

*Condition and Context*: Although Carson City, Nevada (the "City") had a budget prepared to provide the match using in-kind costs, they did not have controls and procedures in place to ensure that the actual match amounts provided during the grant period were adequate. Additionally, during our audit procedures, documentation was not available to support that budgeted and actual costs were properly calculated and valued. The City subsequently provided documentation to support the required match amounts.

*Questioned Costs*: None.

*Effect*: The City may not meet the match requirement, which could result in questioned costs.

*Cause*: The City did not have adequate internal control procedures in place to track and monitor the amount of in-kind match provided, and to maintain documentation to support that the costs were properly calculated and valued

*Recommendation*: We recommend that the City implement procedures to track and monitor in-kind expenditures that are used to meet the match and maintain documentation to support that the costs were properly calculated and valued.

*Management's Response*: See management's response on page 185.

November 30, 2011

Dear Grantor Agency:

The following is a discussion of our corrective action plan in response to the finding noted by Kafoury, Armstrong & Co. in the Schedule of Findings and Questioned Costs for the year ended June 30, 2011.

U.S. Department of Health and Human Services; passed through from the Nevada Department of Health and Human Services:
Finding 11-1:

Public Health Emergency Preparedness, CFDA 93.069:

Criteria and Condition:

The OMB Circular A-133 Compliance Supplement requires that the entity have an internal control process in place designed to provide reasonable assurance that matching requirements are met using only allowable funds or costs which are properly calculated and valued.

Recommendation:

We recommend that the City implement procedures to track and monitor in-kind expenditures that are used to meet the match and maintain documentation to support that the costs were properly calculated and valued.

Corrective Action:

The City will establish internal controls and implement procedures to track and monitor in-kind expenditures that are used to meet match requirements. The appropriate documentation to support that the budgeted and actual costs were properly calculated and valued will be maintained, as outlined in the procedures.

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

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

Management Official

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

Sincerely,

Marena Works

Marena Works, MSN, MPH, APN
Director, Health and Human Services

# CARSON CITY, NEVADA
# SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
# FOR THE YEAR ENDED JUNE 30, 2011

## *Prior Year Findings and Questioned Costs for Federal Awards:*

U.S. Department of Transportation:

Finding 10-3:

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

*Finding Summary:*

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.

*Auditor's Recommendation:*

We recommended 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.

*Current Status:*

Corrective action has been taken. Indirect cost rate proposals are communicated to the granting entity, written approval is obtained and such documentation is maintained for audit purposes.

**CARSON CITY, NEVADA**
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**
**FOR THE YEAR ENDED JUNE 30, 2011**

U.S. 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:

*Finding Summary*: 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.

*Auditor's Recommendation*: We recommended 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.

*Current Status*: Corrective action has been taken. Required certifications are prepared timely and in accordance with the criteria set forth in OMB Circular A-87.

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

*Finding Summary:* 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.

*Auditor's Recommendation:* We recommended that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

*Current Status:* Corrective action has been taken. Subrecipient awards have been revised 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.

U.S. 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

*Finding Summary:* 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.

*Auditor's Recommendation:* We recommended that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

*Current Status:* Corrective action has been taken. Subrecipient awards have been revised 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.

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

*Finding Summary:* 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.

*Auditor's Recommendation:* We recommended that Carson City, Nevada implement procedures to ensure subrecipient awards contain all of the required information.

*Current Status:* Corrective action has been taken. Subrecipient awards and the backup related to the disbursement of American Recovery and Reinvestment Act (ARRA) funds have been revised to contain all of the required information.

U.S. Department of Health and Human Services:

Finding 09-3:

Public Health Emergency Preparedness, CFDA 93.069:

*Finding Summary*: 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.

**CARSON CITY, NEVADA**
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**
**FOR THE YEAR ENDED JUNE 30, 2011**

*Auditor's Recommendation*: We recommended 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 taken. Required certifications are prepared timely and in accordance with the criteria set forth in OMB Circular A-87.

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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 fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2011 (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, 2011 (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
November 30, 2011

## 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 186-190.

### CURRENT YEAR RECOMMENDATIONS

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

**CARSON CITY**
**SCHEDULE OF FEES IMPOSED**
**SUBJECT TO THE PROVISIONS OF NRS 354.5989**
**LIMITATION OF FEES FOR BUSINESS LICENSES**
**FOR THE YEAR ENDED JUNE 30, 2011**

| | |
|---|---|
| Flat Fixed Fees: | |
| Business license revenue adjusted base at June 30, 2010 | $ 1,118,946 |
| Adjustment to Base: | |
| Base | |
| 1. Percentage increase (decrease) in population of the local government | -4.0380% |
| 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 | 2.7213% |
| | -1.3167% |
| | (14,733) |
| Adjusted Base at June 30, 2011 | 1,104,213 |
| Actual Revenue Fiscal 2010-11 | 707,914 |
| Amount Over (Under) Allowable Amount | $ (396,299) |