



# Comprehensive Annual Financial Report

for the Fiscal Year Ended June 30, 2004

**On the cover:**

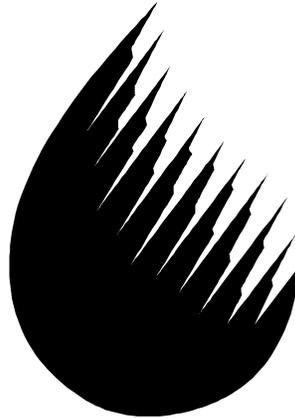
**Portale Residence, 2004 SNWA Landscape Award winner**

In response to ongoing drought conditions, Southern Nevadans responded by reducing water use in 2003. A key component in conservation efforts was the Southern Nevada Water Authority's Water Smart Landscapes program, which offers customers financial incentives to replace grass with water-efficient landscaping. Residents and businesses converted more than 24.8 million square feet of turf through the program in fiscal year 2003-2004—about eight times the square footage of the prior fiscal year. Since the program's inception in 1999, our community has converted more than 35 million square feet of turf, which will save nearly 2 billion gallons of water annually.

# *Southern Nevada Water Authority*

## **Comprehensive Annual Financial Report**

**Fiscal Year End June 30, 2004**



### **SOUTHERN NEVADA WATER AUTHORITY**

Amanda M. Cyphers, Chair, Henderson Councilman  
Rory Reid, Vice Chair, County Commissioner (representing Big Bend Water District)  
Andrea Anderson, Boulder City Councilman  
Shari Buck, North Las Vegas Councilman  
Oscar Goodman, Las Vegas Mayor  
Lynette Boggs McDonald, County Commissioner (representing Clark County Water Reclamation District)  
Myrna Williams, County Commissioner (representing Las Vegas Valley Water District)

Patricia Mulroy  
General Manager

Cary M. Casey  
Treasurer

Prepared by the Finance Department  
Matthew W. Thorley, SNWA Controller  
1001 South Valley View Blvd., Las Vegas, Nevada 89153  
702-258-3939 [www.snwa.com](http://www.snwa.com)





SOUTHERN NEVADA  
WATER AUTHORITY

# Southern Nevada Water Authority

Comprehensive Annual Financial Report  
For The Fiscal Year Ended June 30, 2004

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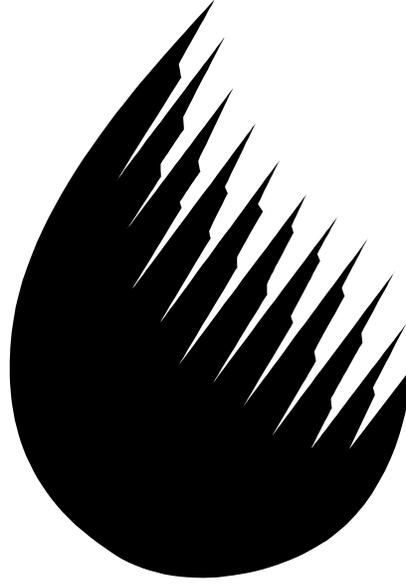
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SOUTHERN NEVADA  
WATER AUTHORITY

# **Introductory Section**



Southern Nevada  
Water Authority

December 9, 2004

BOARD OF DIRECTORS  
SOUTHERN NEVADA WATER AUTHORITY  
1001 South Valley View Boulevard  
Las Vegas, Nevada 89153

**ADMINISTRATIVE OFFICE**

1001 S. Valley View Blvd.  
Las Vegas, NV 89153

Main 702/258-3939  
Fax 702/258-3268

**BOARD OF DIRECTORS**

**Amanda M. Cyphers, Chair**  
Henderson Councilman

**Rory Reid, Vice-Chair**  
County Commissioner

**Andrea Anderson**  
Boulder City Councilman

**Shari Buck**  
North Las Vegas Councilman

**Oscar Goodman**  
Las Vegas Mayor

**Lynette Boggs McDonald**  
County Commissioner

**Myrna Williams**  
County Commissioner

**Patricia Mulroy**  
General Manager

We are pleased to present the Southern Nevada Water Authority's (SNWA) Comprehensive Annual Financial Report for the fiscal year ended June 30, 2004.

This report was prepared by SNWA staff in accordance with current accounting and financial reporting principles promulgated by the Governmental Accounting Standards Board (GASB). The presentation of data is designed to conform to guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). SNWA is solely responsible for the accuracy of the data presented and the completeness and fairness of presentation, including all disclosures. We believe the data to be accurate in all material respects and reported in a manner designed to fairly set forth the financial position and results of SNWA's financial activity and operations.

The independent audit of the financial statements of SNWA was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent audit to report not only on the fair presentation of the financial statements, but also on the government's internal controls and legal requirements involving administration of federal awards. These reports are available in the Single Audit Compliance section of this report.

**FORMAT OF REPORT**

The comprehensive annual financial report is presented in five principal sections: introductory, financial, statistical, SEC disclosure compliance schedules and single audit compliance section. (1) Introductory Section: The most important component of the introductory section is this transmittal letter. It includes a discussion of the reporting entity and its services and the factors affecting SNWA's financial condition. Some of the discussion may be subjective and predictive in nature, in contrast to the relatively objective information reported in other sections. Generally Accepted Accounting Principles (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 connection with it. SNWA's MD&A can be found immediately following the report of the independent auditor. The introductory section also includes the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association of the United States and Canada (GFOA), and an organizational chart with principal officials identified. (2) Financial Section: The financial section is the heart of the report. It contains the independent auditors' report, Management's Discussion and Analysis, the basic financial statements, notes, and any required supplementary information. (3) Statistical Section: The statistical section

displays selected financial and other information. (4) SEC Disclosure Compliance Schedules: This section contains selected schedules we are required to maintain and update by the Securities and Exchange Commission (SEC) in connection with debt we have issued. (5) Single Audit Compliance Section: This section contains the independent auditors' report on compliance and internal controls over financial reporting. It also contains the independent auditors' report on compliance and internal control over major federal awards programs.

### **THE REPORTING ENTITY AND ITS SERVICES**

SNWA is a political subdivision of the State of Nevada, created in 1991 by a cooperative agreement of its member agencies. SNWA was created to secure additional supplies of water for Southern Nevada and to effectively manage existing water supplies. SNWA is governed by a seven-member Board of Directors (the "Board") composed of one director from each member agency. Because its operations are autonomous from its member agencies and the State of Nevada, SNWA's financial statements are not included in the financial statements of any other entity.

The Las Vegas Valley Water District (LVVWD) serves under contract as Operating Agent for SNWA. In that capacity, LVVWD previously paid substantially all operating and capital expenses on behalf of SNWA, and then SNWA would reimburse LVVWD. As payments for the SNWA Capital Improvement Plan grew to current levels, SNWA began paying construction contracts directly. SNWA also directly pays most of the cost of the power required to operate the Southern Nevada Water System.

### **ACCOUNTING SYSTEM**

The SNWA accounting system is structured on the fund basis of accounting. In governmental accounting, a fund is a self-contained accounting entity with its own set of assets, liabilities, revenues, expenditures or expenses and fund balance or other equity accounts. SNWA uses only one fund to depict its financial operations, a Proprietary Enterprise Fund. The Enterprise Fund is used to account for SNWA operations in a manner similar to a private business enterprise. It is the intent of SNWA to establish water rates and other charges at levels sufficient to provide for payment of general operations and maintenance expenses as well as capital improvements and required annual debt service. Revenues are recognized when earned and expenses (including depreciation) are recognized when incurred.

### **BUDGETARY CONTROLS**

As required by State statutes, SNWA's budget is approved by its Board of Directors following a public hearing, and a copy is submitted to the Nevada Department of Taxation. Budgetary controls are established at the levels of total estimated operating and non-operating expenses. SNWA is a self-supporting operation of a commercial nature, which also receives a portion of the 1/4-cent sales tax known as the Clark County Tax for Infrastructure. Revenues and expenditures will vary, depending on the timing and level of demand for services.

The budget effectively controls expenditures at various levels. Most disbursements are made through the issuance of purchase orders or in connection with approved contracts. The Support Services Department administers purchasing of new furniture, vehicles, and communication equipment. The Information Systems Department administers computer equipment purchases. Financial Services prepares monthly and quarterly budget variance reports by division. Division managers are accountable for over/under expenditures. The Human Resources Department controls new positions. All of the departments referred to above are LVVWD departments that provide support for SNWA.

### **INTERNAL CONTROLS**

We believe SNWA's internal accounting controls adequately safeguard SNWA assets and provide reasonable assurance of proper recording of financial transactions. In developing and evaluating SNWA's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable assurance regarding safeguarding assets against loss from unauthorized use or disposition and also to prevent fraudulent financial reporting. The controls enhance the reliability of financial records for preparing financial statements and maintaining accountability of SNWA assets. Reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control, and the evaluation of costs and benefits requires estimates and judgments by management. SNWA is committed to continually improve and strengthen financial procedures.

### **DEBT ADMINISTRATION**

As of June 30, 2004, SNWA has \$1.8 billion in outstanding general obligation debt. See note 12 for a discussion of SNWA's outstanding debt. SNWA is required to set rates and charges at levels sufficient to cover all operating costs and debt service. All applicable bond covenants, such as sinking funds and insurance coverage, have been met or exceeded.

SNWA has four options to sell debt. First, SNWA can ask LVVWD to sell debt on its behalf. LVVWD bonds are rated "A1" by Moody's Investors Service and "AA" by Standard and Poors. This rating puts LVVWD's bonds in the High Investment Grade.

The second option is for SNWA to sell its bond to the State Bond Bank, which then sells State of Nevada general obligation bonds. This option was made available by the 1997 Nevada Legislature. State of Nevada bonds are rated "Aa" by Moody's Investor Services and "AA" by Standard and Poors. This rating means the State's bonds are considered High Investment Grade.

The third option, which was made available by the 1999 Nevada Legislature, is the Clark County Bond Bank. SNWA sells its bonds to the Clark County Bond Bank, which then sells Clark County general obligation bonds. Clark County bonds are rated "Aa2" by Moody's Investor Services and "AA" by Standard and Poors. Depending on conditions at the time, SNWA generally intends to use LVVWD to sell short-term (commercial paper) and variable rate debt, and the State of Nevada or Clark County to sell long-term fixed-rate debt.

Finally, SNWA could issue debt in its own name. SNWA has been assigned an Issuer Credit Rating of "AA-" by Standard & Poors. This is the rating Standard & Poors would assign to SNWA's senior debt, if it existed. However, SNWA cannot make a general obligation (property tax) pledge so interest rates would be higher. Also, SNWA's credit rating is slightly below the rating of LVVWD, the State of Nevada, or Clark County, which would result in slightly higher interest rates. As a result, it is expected that SNWA will continue to use the options listed above to issue debt.

### **CASH MANAGEMENT**

During the fiscal year, available operating, debt service, and capital improvement funds were invested in obligations of the U.S. government, obligations of government-sponsored agencies, certificates of deposit, money market accounts, and corporate commercial paper in accordance with the Investment Policy. Government and agency obligations are purchased through recognized and regulated brokers dealing in government securities. All investments are held by a bank's trust department in SNWA's name or are insured or collateralized with securities held by a third party in SNWA's name. For the fiscal year ended June 30, 2004, SNWA earned an average yield on its entire investment portfolio of 2.57%, computed on an amortized cost basis.

### **RISK MANAGEMENT**

SNWA employs a multifaceted approach to risk management, which includes transfer, elimination, avoidance, reduction, and/or assumption of risk of loss. SNWA purchases insurance from the commercial insurance market on real and personal property, including earthquake and flood, with common policy restrictions, covering direct physical loss of, or damage to, buildings, fixtures, equipment, boilers, machinery, and supplies. The blanket limit of liability under the property insurance program is \$500 million with a deductible of \$50,000 for all losses except earthquake and flood which have a deductible of \$500,000, and underground communications, water transmission and distribution lines, which have a \$100,000 deductible. This program also provides terrorism insurance for all locations with a blanket limit of \$250 million. SNWA self-insures the first \$1 million for automobile and general liability exposure and purchases excess liability insurance in the amount of \$25 million. It also purchases employee fidelity insurance in the amount of \$1 million.

In contracts, SNWA obtains indemnification and hold harmless agreements, and requires that contractors name SNWA as an additional insured under the indemnitor's insurance coverage of usually \$1 million to \$10 million for commercial general and automobile liability insurance. SNWA provides builders risk insurance for all construction projects with a blanket limit of \$30 million per contract, or higher as needed, with a \$50,000 deductible per claim, except earthquake and flood where the deductible is \$500,000 per claim.

The amount of settlements has not exceeded insurance coverage for each of the past five fiscal years.

### **INDEPENDENT AUDIT**

Bond covenants and state statutes require an annual audit of the financial statements of SNWA. This year the audit was performed by Deloitte & Touche LLP, independent auditors. Their report, which contains an unqualified opinion, is included in the financial section.

### **SEC REQUIREMENT**

On November 10, 1994, the Securities and Exchange Commission amended the Securities Exchange Act of 1934, Rule 15c2-12, regarding continuing disclosure by issuers of municipal securities for the benefit of holders of such securities. The amendments require, along with other requirements, that certain annual financial information be provided to various information repositories for bond issues sold on or after July 3, 1995. The annual financial information must include an update of the same financial statements, except for forecasts, that were included in the final official statement issued at the time of the bond sale. The required annual financial information for SNWA is presented in the SEC Disclosure Compliance Section of this report. SNWA forwards copies of its CAFR to appropriate information repositories.

### **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to SNWA for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. This is the eighth consecutive year SNWA has received this award.

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

The Certificate of Achievement is valid for a period of one year only. GFOA rules allow a recipient to include the image of the certificate in the subsequent year's financial report. We believe this report continues to conform to the Certificate of Achievement Program requirements, and we will submit it to the GFOA after approval of the Board.

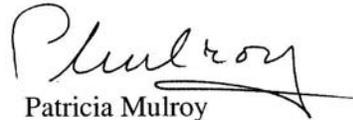
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The reader is invited to review management's discussion and analysis that begins on page 9 for a narrative overview and analysis of the financial statements for the fiscal year ended June 30, 2004.

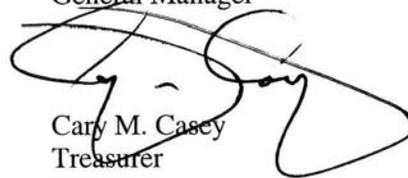
**ACKNOWLEDGEMENTS**

We would like to express our appreciation to all members of SNWA's administrative staff and the independent public accounting firm of Deloitte & Touche LLP. We would also like to recognize the SNWA Accounting staff for their efforts in preparing this report, especially Matt Thorley, SNWA Controller, and Cheryl Styck, Senior Accountant. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the financial affairs of SNWA.

Sincerely,

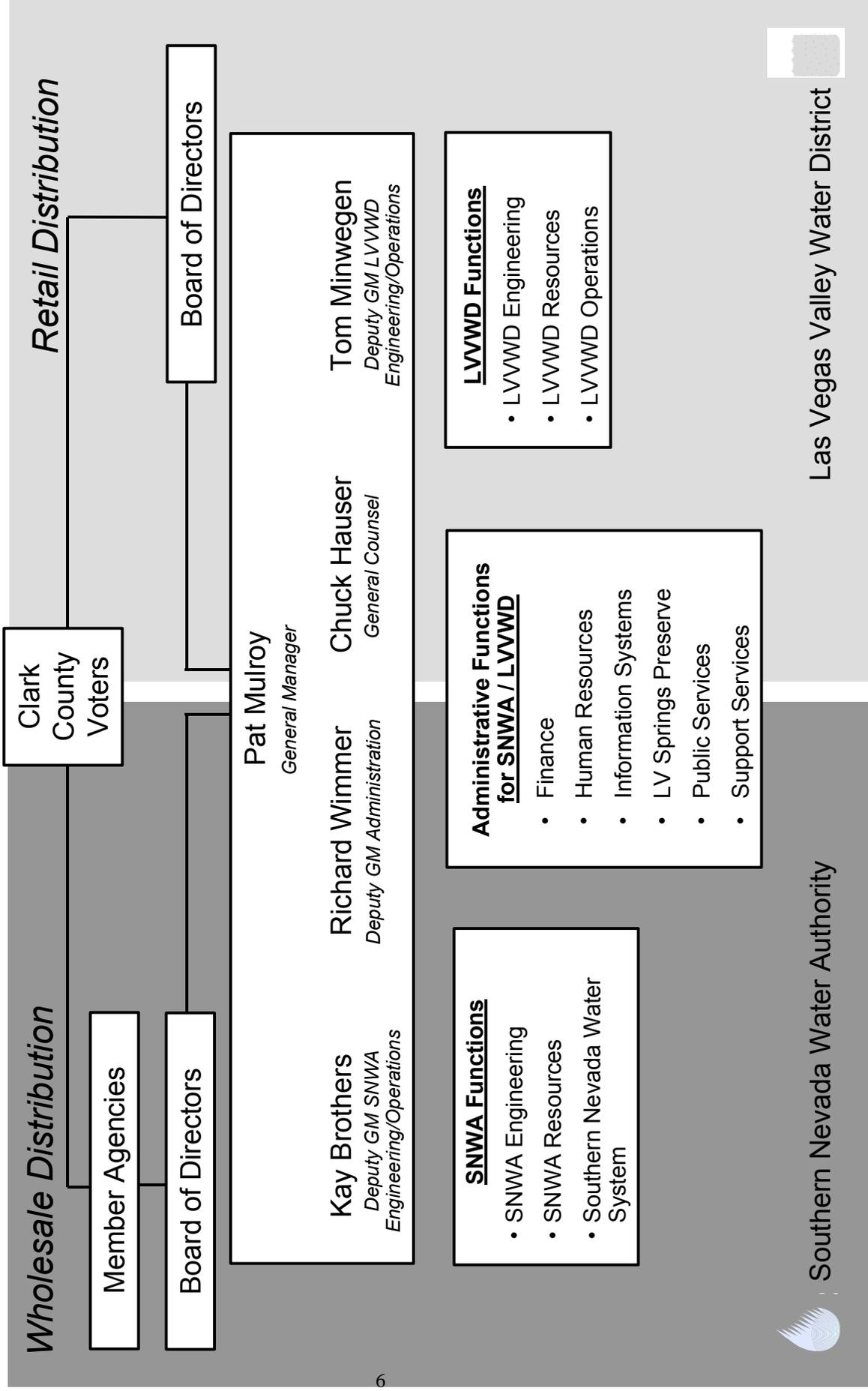


Patricia Mulroy  
General Manager



Cary M. Casey  
Treasurer

# Organizational Chart



Southern Nevada Water Authority

Las Vegas Valley Water District

# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Southern Nevada Water Authority

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

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.

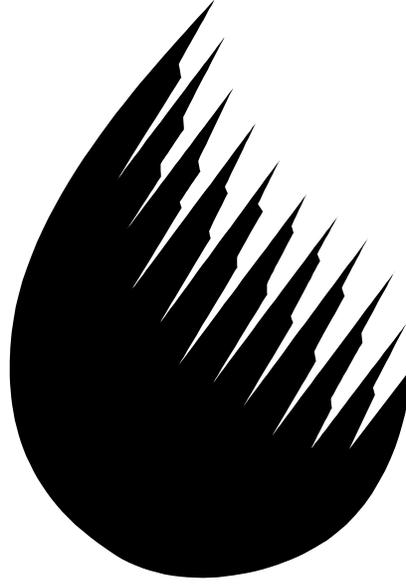


*Nancy L. Zielke*

President

*Jeffrey R. Emer*

Executive Director



SOUTHERN NEVADA  
WATER AUTHORITY

# **Financial Section**

## INDEPENDENT AUDITORS' REPORT

The Honorable Board of Directors  
Southern Nevada Water Authority:

We have audited the accompanying basic financial statements of the Southern Nevada Water Authority (the "Authority"), as of and for the years ended June 30, 2004 and 2003, listed in the foregoing table of contents. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 9 through 16 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of Authority's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit such information and we do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Authority's basic financial statements. The introductory section, statistical section, and SEC disclosure compliance schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory section, statistical section, and SEC disclosure compliance schedules 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Deloitte & Touche LLP*

November 24, 2004

# SOUTHERN NEVADA WATER AUTHORITY

## Management's Discussion and Analysis

June 30, 2004

As management of the Southern Nevada Water Authority (SNWA), we offer readers of SNWA's financial statements this narrative overview and analysis of the financial statements for the fiscal year ended June 30, 2004. 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 1-5 of this report, and in our basic financial statements which begin on page 17.

### **Financial Highlights for 2004**

- Total assets increased \$184 million over the prior year, to a total of over \$2.7 billion.
- Total assets exceed total liabilities at the close of the fiscal year by \$848 million (fund equity). Additions to fund equity for the fiscal year, attributed solely to net income, were \$119 million.
- During the fiscal year, balance sheet resources were generated from a reduction of current assets (\$87 million) primarily from liquidation of investments, debt issuance (\$140 million), and net income (\$119 million). Balance sheet resources were used during the fiscal year for net additions to fixed assets (\$271 million), debt retirement (\$31 million), and payment of accounts payable (\$45 million).
- In March 2004, SNWA began a \$400 million tax-exempt commercial paper program (TECP) through LVVWD. As of the fiscal year end, LVVWD had issued \$140 million of these TECP notes. \$93 million were used in May 2004, to purchase a 25% interest in the Silverhawk power generating plant in Apex, Nevada. The remainder has been added to the construction fund.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the SNWA's basic financial statements. SNWA's basic financial statements are comprised of two components: 1) proprietary fund financial statements, and 2) notes to those financial statements. This comprehensive annual financial report also contains other supplementary and statistical information in addition to the basic financial statements themselves.

**Proprietary fund financial statements.** SNWA's operations are accounted for as a single proprietary fund using the full accrual basis of accounting. In this regard, SNWA operations are accounted for in a manner similar to a private business enterprise. Within this one proprietary fund, SNWA segregates revenues and expenses for various purposes such as operations, debt service and capital improvements, but that segregation does not create separate funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 21 - 47 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary and statistical information. Supplementary and statistical information can be found on pages 48 - of this report.

**Financial analysis.** One indication of the financial health of SNWA is fund equity, which is the difference between assets and liabilities. Changes in fund equity over time may serve as a useful indicator of financial health.

# SOUTHERN NEVADA WATER AUTHORITY

## Management's Discussion and Analysis

June 30, 2004

The following balance sheets present fund equity of SNWA for the fiscal years ended June 30, 2004, 2003, and 2002.

### Proprietary Enterprise Fund Equity

June 30, 2004 and 2003

	<u>2004</u>	<u>Change</u>	<u>2003</u>	<u>Change</u>	<u>2002</u>
Current Assets	\$ 372,333,486	<i>(86,738,099)</i>	459,071,585	<i>111,067,994</i>	348,003,591
Utility Plant, net of Depreciation	2,234,568,955	<i>257,036,506</i>	1,977,532,449	<i>162,666,580</i>	1,814,865,869
Water Rights and Options	134,866,248	<i>14,050,329</i>	120,815,919	<i>66,517,723</i>	54,298,196
Total Assets	<u>2,741,768,689</u>	<u>184,348,736</u>	<u>2,557,419,953</u>	<u>340,252,297</u>	<u>2,217,167,656</u>
Current Liabilities	60,719,052	<i>(44,041,579)</i>	104,760,631	<i>36,846,709</i>	67,913,922
Current Portion of Long-Term Debt	176,364,007	<i>145,710,344</i>	30,653,663	<i>(238,505,703)</i>	269,159,366
Long Term Debt	1,637,131,513	<i>(37,804,007)</i>	1,674,935,520	<i>422,371,337</i>	1,252,564,183
Deferred Liabilities	19,699,536	<i>1,405,156</i>	18,294,380	<i>17,030,377</i>	1,264,003
Total Liabilities	<u>1,893,914,108</u>	<u>65,269,914</u>	<u>1,828,644,194</u>	<u>237,742,720</u>	<u>1,590,901,474</u>
Invested in Capital Assets	536,240,147	<i>71,457,993</i>	464,782,154	<i>118,605,641</i>	346,176,513
Restricted	16,083,037	<i>(115,305,147)</i>	131,388,184	<i>76,301,228</i>	55,086,956
Unrestricted	295,531,397	<i>162,925,976</i>	132,605,421	<i>(92,397,292)</i>	225,002,713
Total Fund Equity	<u>\$ 847,854,581</u>	<u>119,078,822</u>	<u>728,775,759</u>	<u>102,509,577</u>	<u>626,266,182</u>

Fund equity in 2004 is up \$119 million over 2003, which is mostly a result of significant capital contributions, primarily the regional connection charge, during the fiscal year. Fund equity in 2003 is up \$103 million over 2002, which again is primarily the result of significant capital contributions in excess of debt service requirements.

Total assets in 2004 increased approximately \$184 million, which is the net of an increase of \$271 million in utility plant and water rights, less liquidation of \$87 million of investments, as shown in the balance sheet. See note 7 of the financial statements for further discussion of capital assets.

Total assets in 2003 increased approximately \$340 million which reflects; 1) investment of debt proceeds remaining from the November 2002, \$200 million bonds, issued through the Clark County Bond Bank, 2) the ongoing increase in utility plant related to our capital improvements plan, and 3) increases in Water & Power Rights and Options, primarily the \$53 million we paid for our share of Nevada's hydropower rights.

The \$146 million increase in the current portion of long-term debt in 2004 primarily reflects the fact that SNWA issued \$140 million of tax-exempt commercial paper notes through LVVWD in March 2004. See note 12 of the financial statements for further discussion of SNWA's outstanding debt.

The \$239 million decrease in the current portion of long-term debt in 2003 primarily reflects the fact that the tax-exempt commercial paper program that LVVWD issued for SNWA in January 1998 was taken out in January 2003 by long-term debt. The \$422 million increase in long-term debt in 2003 primarily reflects the \$250 million issued in January 2003, to retire all tax-exempt commercial paper notes and the \$200 million new money issue in November 2002.

The following income statements present changes in fund equity for the fiscal years ended June 30, 2004, 2003, and 2002.

**SOUTHERN NEVADA WATER AUTHORITY**  
Management's Discussion and Analysis  
June 30, 2004

**Proprietary Enterprise Fund Changes in Fund Equity**  
Fiscal Years ended June 30, 2004 and 2003

	<u>2004</u>	<i>Variance</i>	<u>2003</u>	<i>Variance</i>	<u>2002</u>
Operating Revenues					
Wholesale Delivery Charges	\$ 97,162,446	9,388,059	87,774,387	1,498,160	86,276,227
Other Revenues	3,472,899	105,525	3,367,374	180,194	3,187,180
Total Operating Revenues	<u>100,635,345</u>	<u>9,493,584</u>	<u>91,141,761</u>	<u>1,678,354</u>	<u>89,463,407</u>
Operating Expenses					
Personnel & Related	26,536,039	2,753,350	23,782,689	2,754,805	21,027,884
Electric Power	55,632,005	(5,230,778)	60,862,783	11,746,604	49,116,179
Other Expenses	42,265,915	15,893,086	26,372,829	5,886,911	20,485,918
Depreciation Expense	38,380,146	9,825,306	28,554,840	2,101,949	26,452,891
Total Operating Expenses	<u>162,814,105</u>	<u>23,240,964</u>	<u>139,573,141</u>	<u>22,490,269</u>	<u>117,082,872</u>
Non Operating Income (Expense)					
Investment Income	408,524	(7,195,269)	7,603,793	(5,608,276)	13,212,069
Interest Expense	(61,335,059)	(16,880,261)	(44,454,798)	(4,318,348)	(40,136,450)
Other Revenue and Expense	(865,785)	282,277	(1,148,062)	739,159	(1,887,221)
Total Non Operating Income (Expense)	<u>(61,792,320)</u>	<u>(23,793,253)</u>	<u>(37,999,067)</u>	<u>(9,187,465)</u>	<u>(28,811,602)</u>
Loss Before Capital Contributions	<u>(123,971,080)</u>		<u>(86,430,447)</u>		<u>(56,431,067)</u>
Capital Contributions	243,049,902	54,109,878	188,940,024	41,432,015	147,508,009
Increase in Fund Equity for the Year	<u>119,078,822</u>	<u>16,569,245</u>	<u>102,509,577</u>	<u>11,432,635</u>	<u>91,076,942</u>
Fund Equity Beginning of Year	728,775,759		626,266,182		535,189,240
Fund Equity End of Year	<u>\$ 847,854,581</u>		<u>728,775,759</u>		<u>626,266,182</u>

The \$9.4 million (10.7%) increase in Wholesale Delivery Charge revenues in 2004 reflects the fact that water deliveries increased 3.8% over the prior year, as well as the fact that there was a 7.5% increase in the Wholesale Delivery Charge, from \$200/acre-foot in FY 2003, to \$215/acre-foot in FY 2004. Effective July 1, 2004, the Wholesale Delivery Charge was increased from \$215/acre-foot to \$243/acre-foot.

The 1.5 million (1.7%) increase in Wholesale Delivery Charge revenues in 2003 reflects the very small increase in water deliveries for the year. The Wholesale Delivery Charge remained at \$200/acre-foot for the fiscal year.

The following chart shows water deliveries by the Southern Nevada Water System (SNWS) over the past ten years.

# SOUTHERN NEVADA WATER AUTHORITY

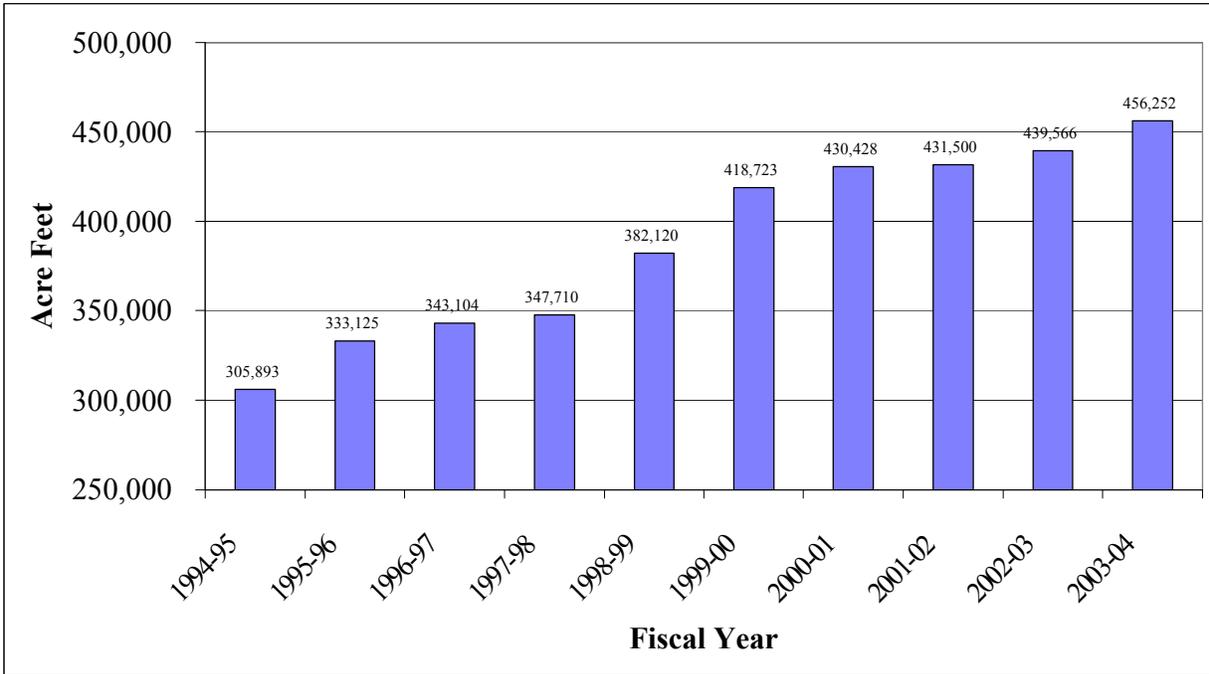
## Management's Discussion and Analysis

June 30, 2004

### Southern Nevada Water System

Wholesale Water Deliveries Last 10 Fiscal Years (Unaudited)

Fiscal Year	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
<b>Deliveries (in acre-feet)</b>										
Boulder City	7,078	8,046	7,970	7,520	8,207	9,719	10,251	11,519	10,990	8,304
Boulder City - Raw Water									2,078	3,635
Henderson	28,310	34,617	34,985	38,537	46,472	52,344	56,598	62,970	66,507	62,716
Las Vegas Valley Water District	234,950	253,915	261,433	269,827	289,545	316,547	323,184	315,467	314,447	334,580
Nellis Air Force Base	2,913	3,265	3,041	2,584	2,333	2,382	1,596	2,226	2,465	1,837
North Las Vegas	32,642	33,282	35,675	29,242	35,563	37,731	38,799	39,318	43,079	45,180
<b>Total Water Deliveries</b>	<b>305,893</b>	<b>333,125</b>	<b>343,104</b>	<b>347,710</b>	<b>382,120</b>	<b>418,723</b>	<b>430,428</b>	<b>431,500</b>	<b>439,566</b>	<b>456,252</b>



As can be seen from this chart, water deliveries over the past five years have increased at an average of only 2% a year, which is less than half the rate of population increase over that same time. The fact that we are using less water per person reflects the public's response to drought restrictions and retail price increases.

The increase in Other Operating Expense in 2004 and 2003 is related primarily to Water Smart turf rebates. These turf rebates are \$1/square foot of turf removed, which we account for as an operating expense in Other Expenses. However, Regional Connection Charge revenues, which are accounted as contributed capital, fund these rebates instead of the Wholesale Delivery Charge. See note 15 for a summary of Capital Contributions.

The 12-13% increase in Personnel & Related expenses in 2004 and 2003 is due to normal cost of living allowance and merit increases, as well as new hires, primarily in the Conservation Division, to operate the Water Smart turf rebate program.

The 9% decrease in Electric Power costs in 2004, despite the nearly 4% increase in water deliveries, reflects the fact that some of the high priced contracts in our portfolio are beginning to expire, and the fact that market conditions were more favorable than the prior year. It is expected that power unit costs will now continue to decline slowly as the high priced contracts in our portfolio expire, and the Silverhawk plant begins to perform as projected. See note 11 for a discussion of SNWA's open forward power contracts as of June 30, 2004.

In 2003, electric power costs increased \$11.7 million (23.9%) over the prior fiscal year. This large increase was not unexpected, which is evidenced by the fact that this was only \$1.7 million (2.8%) over budget.

## **SOUTHERN NEVADA WATER AUTHORITY**

### Management's Discussion and Analysis

June 30, 2004

The increases in depreciation expense in 2004 and 2003 are simply a function of increases in Property, Plant & Equipment, as shown on the balance sheets above.

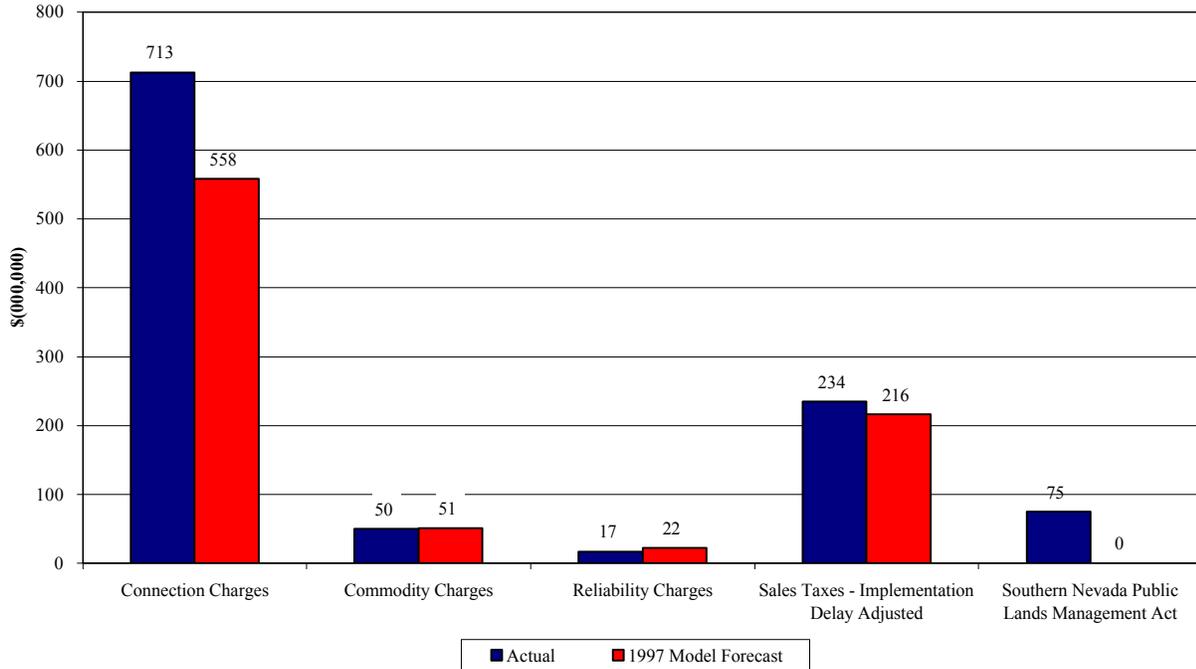
Non-operating expenses are up dramatically in 2004 due to an increase in interest expense. While interest expense is indeed up over the prior year, it is not up as dramatically as this would indicate. In accordance with FASB Statement No. 62, SNWA capitalizes interest costs of restricted tax-exempt borrowings until the assets acquired by those borrowings are ready for their intended use. However, SNWA experienced a \$232 million decrease in construction work in progress in 2004 over the prior year, which means that the amount of interest capitalized to the balance sheet was reduced. That in turn results in an increase in the amount of interest expense on the income statement in the current year. The increase in non-operating expense in 2003 was more a function of declining investment yields and normal progression through debt amortization schedules.

Capital contributions are revenues SNWA receives to fund its \$2.1 billion Capital Improvement Plan (CIP) and other capital projects. In order of the amount of revenue they generate, those revenues include: (1) the Regional Connection Charge, (2) sales tax, (3) the Southern Nevada Public Lands Management Act, (4) the Regional Commodity Charge, (5) the Regional Reliability Charge, and (6) various other small charges. Capital contributions in 2004 are up \$54 million over 2003, due primarily to increases of \$36 million in Regional Connection Charges, \$13 million from the Southern Nevada Public Lands Management Act and \$6 million in sales tax. See note 15 for a summary of Capital Contribution revenues. Capital contributions in 2003 are up \$41 million over 2002, due primarily to increases of \$24 million in Regional Connection Charges and \$14 million from the Southern Nevada Public Lands Management Act.

A forecast of the revenues required to fund the CIP was done in 1997, and actual results are beginning to come in significantly ahead of forecast, as illustrated by the following, which compares actual receipts to date with the forecast.

**SOUTHERN NEVADA WATER AUTHORITY**  
 Management's Discussion and Analysis  
 June 30, 2004

**Southern Nevada Water Authority**  
**New Expansion Revenues**  
 Cumulative Through June 2004  
 Actual vs 1997 Model Forecast



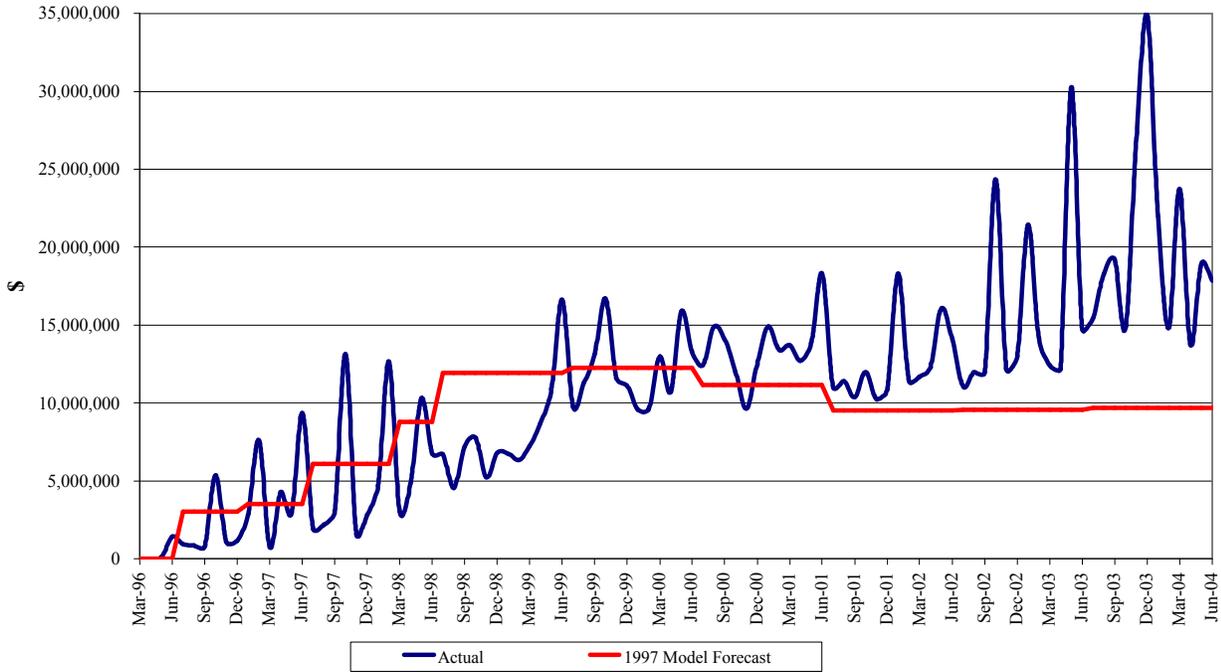
As can be seen, the increase in actual revenues over forecast has been primarily in the Regional Connection Charge and the Southern Nevada Public Lands Management Act. In addition, there has been significant volatility in these revenues as illustrated by the following, which shows monthly receipts of all New Expansion revenues compared to forecast.

# SOUTHERN NEVADA WATER AUTHORITY

Management's Discussion and Analysis

June 30, 2004

## Southern Nevada Water Authority New Expansion Revenues Actual vs 1997 Model Forecast



In spite of this volatility it is clear the New Expansion revenues continue to exceed forecast.

### Economic Factors and Next Year's Goals

SNWA's financial outlook continues to remain strong. Population growth in the Las Vegas area, while slightly lower than during the 1990s, is still exceptionally strong by national standards. As a result, demand for the potable water SNWA produces is projected to remain consistent. SNWA continues to maintain its high investment grade credit rating of "AA-" by Standard & Poors. Construction of the \$2.1 billion Capital Improvements Plan is on schedule and within budget. The New Expansion revenues designated to fund the CIP and other capital plans are coming in at or above forecast.

Currently, our major concern is the multi-year drought in the Colorado River basin. Water level in Lake Mead has declined over 90 feet since 2000. Although this is still above SNWA's two intakes, it means that the intakes are drawing water closer to the surface, which creates water quality challenges. Another challenge is SNWA may not be able to withdraw much water from the Colorado River in excess of its 300,000 acre-feet net consumptive allocation. In the near term, SNWA had been counting on Interim Surplus Guidelines established by the U.S. Bureau of Reclamation to be able to withdraw water in excess of its 300,000 acre-feet allocation. Because of the drought there have been and are projected to be few surpluses on the river. Hence there will be less interim surplus on the Colorado River. In response to these changing conditions SNWA has taken steps to accelerate development of in-state water resources. Development of these in-state resources has not had much financial impact on SNWA yet, but the financial impact will become more evident over the next fiscal year.

# **SOUTHERN NEVADA WATER AUTHORITY**

Management's Discussion and Analysis

June 30, 2004

## **Requests for Information**

This financial report is designed to provide a general overview of the Southern Nevada Water Authority's finances for anyone with an interest. Questions concerning any of the information provided in this report or requests for addition financial information should be addressed to the Office of the Director of Finance, 1001 South Valley View Blvd., Southern Nevada Water Authority, Las Vegas, Nevada, 89153.

# Basic Financial Statements

**Southern Nevada Water Authority**  
**Proprietary Enterprise Fund**  
**Balance Sheets**  
**June 30, 2004 and 2003**

<b>Assets</b>	<b>2004</b>	<b>2003</b>
Current Assets - Restricted		
Investments	\$ 3,398,315	120,698,911
Other Receivables	12,684,722	10,689,273
Total Current Assets - Restricted	<u>16,083,037</u>	<u>131,388,184</u>
Current Assets - Unrestricted		
Cash	5,854,805	14,058,482
Investments	319,220,370	288,703,218
Due From Member Agencies	28,326,171	21,133,169
Prepaid Expenses	419,371	460,528
Other Receivables	2,429,732	3,328,004
Total Current Assets - Unrestricted	<u>356,250,449</u>	<u>327,683,401</u>
Capital Assets		
Property, Plant, Equipment and Land	2,097,260,237	1,569,453,430
Less Accumulated Depreciation	(362,701,406)	(324,386,385)
Net Property and Equipment	<u>1,734,558,831</u>	<u>1,245,067,045</u>
Water & Power Rights and Options	134,866,248	120,815,919
Construction in Progress	500,010,124	732,465,404
Total Capital Assets	<u>2,369,435,203</u>	<u>2,098,348,368</u>
Total Assets	<u>\$ 2,741,768,689</u>	<u>2,557,419,953</u>
<b>Liabilities &amp; Fund Equity</b>		
Current Liabilities		
Accounts Payable	\$ 47,325,454	91,970,389
Accrued Interest Payable	13,393,598	12,790,242
Current Portion of Notes Payable	879,007	848,663
Current Portion of Bonds Payable	35,485,000	29,805,000
Commercial Paper Notes Payable	140,000,000	
Total Current Liabilities	<u>237,083,059</u>	<u>135,414,294</u>
Long Term Liabilities		
Notes Payable	18,676,513	19,555,520
Bonds Payable	1,618,455,000	1,655,380,000
Deferred Amount on Refunding	20,574,950	19,525,561
Unamortized Bond Costs	(875,414)	(1,231,181)
Total Long Term Liabilities	<u>1,656,831,049</u>	<u>1,693,229,900</u>
Total Liabilities	<u>1,893,914,108</u>	<u>1,828,644,194</u>
Commitments and Contingencies		
Fund Equity		
Invested in Capital Assets, Net of Related Debt	536,240,147	464,782,154
Restricted	16,083,037	131,388,184
Unrestricted	295,531,397	132,605,421
Total Fund Equity	<u>847,854,581</u>	<u>728,775,759</u>
Total Liabilities & Fund Equity	<u>\$ 2,741,768,689</u>	<u>2,557,419,953</u>

The accompanying notes are an integral part of these financial statements

**Southern Nevada Water Authority**  
**Proprietary Enterprise Fund**  
**Statements of Revenues, Expenses and Changes in Fund Equity**  
**For the Fiscal Years ended June 30, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
Operating Revenues		
Wholesale Delivery Charges	\$ 97,162,446	87,774,387
Groundwater Program Revenue	2,114,246	2,037,737
Purveyor Administration Costs Billings	321,253	363,637
Las Vegas Wash Revenues	1,037,400	966,000
Total Operating Revenues	<u>100,635,345</u>	<u>91,141,761</u>
Operating Expenses		
Personnel & Related	26,536,039	23,782,689
Electric Power	55,632,005	60,862,783
Legal & Professional	6,809,712	7,027,995
Other	35,456,203	19,344,834
Depreciation	38,380,146	28,554,840
Total Operating Expenses	<u>162,814,105</u>	<u>139,573,141</u>
Operating Loss	<u>(62,178,760)</u>	<u>(48,431,380)</u>
Non Operating Revenues and (Expenses)		
Investment Income	408,524	7,603,793
Interest Expense	(61,335,059)	(44,454,798)
Amortization of Refunding Costs	(21,056)	(151,046)
Amortization of Bond Issue Costs	(847,092)	(999,820)
Gain/(Loss) on Sale of Assets	2,363	2,804
Total Non-Operating Revenues (Expenses)	<u>(61,792,320)</u>	<u>(37,999,067)</u>
Loss Before Capital Contributions	(123,971,080)	(86,430,447)
Capital Contributions	243,049,902	188,940,024
Net Income	<u>119,078,822</u>	<u>102,509,577</u>
Fund Equity - Beginning of Year	728,775,759	626,266,182
Fund Equity - End of Year	<u>\$ 847,854,581</u>	<u>728,775,759</u>

The accompanying notes are an integral part of these financial statements

**Southern Nevada Water Authority**  
**Proprietary Enterprise Fund**  
**Statements of Cash Flows**  
**For the Fiscal Years ended June 30, 2004 and 2003**

	<b>2004</b>	<b>2003</b>
Cash Flows from Operating Activities:		
General & Administrative/Resources charges	\$ 333,008	385,062
Groundwater Management fees	1,209,556	(1,483,916)
Wholesale Delivery Charges	96,685,979	90,438,337
Cash Payments to Suppliers of Goods and Services	(103,129,213)	(108,151,310)
Net Cash used in Operating Activities	(4,900,670)	(18,811,827)
Cash Flows from Capital and related Financing Activities:		
Purchase or Construction of Capital Assets	(331,279,965)	(188,237,410)
Proceeds of Bond Sales	140,000,000	216,896,495
Principal paid on Debt	(31,065,329)	(16,134,366)
Interest paid on Debt	(88,887,339)	(80,251,231)
Capital Contributions	218,527,571	188,610,695
Net Cash (used in)/provided by Capital and related Financing Activities	(92,705,062)	120,884,183
Cash Flows from Investing Activities:		
Purchases of Investment Securities	(8,618,918,404)	(22,258,113,587)
Proceeds from maturities of Investment Securities	8,701,181,122	22,154,985,875
Investment Earnings	7,139,337	8,266,960
Net Cash provided by/(used in) Investing Activities	89,402,055	(94,860,752)
Net Increase/(Decrease) in Cash and Cash Equivalents:	(8,203,677)	7,211,604
Cash, beginning of year	14,058,482	6,846,878
Cash, end of year	\$ 5,854,805	14,058,482
Supplemental Disclosure of Non-Cash Transactions		
Changes in Fair Value of Investments	\$ (8,348,150)	558,139
Reconciliation of Operating Loss to net Cash provided by Operating Activities:		
Operating Loss	\$ (62,178,760)	(48,431,380)
Depreciation	38,380,146	28,554,840
Operating Expenses paid by Contributed Capital	19,304,071	
Changes in Assets and Liabilities		
(Increase)/Decrease in Due from Member Agencies	(7,193,001)	1,691,547
(Increase)/Decrease in Prepaid Expenses	41,156	(124,054)
Increase in Other Receivables	(1,097,177)	(1,451,409)
Increase in Accounts Payable	7,842,895	948,629
Net Cash used in Operating Activities	\$ (4,900,670)	(18,811,827)

The accompanying notes are an integral part of these financial statements

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Reporting Entity**

The Southern Nevada Water Authority (SNWA) is a political subdivision of the State of Nevada created on July 25, 1991, pursuant to Nevada Revised Statutes (NRS) Chapter 277.080 to 277.180, inclusive, by a cooperative agreement among the Big Bend Water District, City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, the Clark County Water Reclamation District, and Las Vegas Valley Water District (LVVWD). The Cooperative Agreement was amended on November 17, 1994, and January 1, 1996.

SNWA was created to secure additional supplies of water for Southern Nevada and to effectively manage existing supplies of water through the cooperative action of its member agencies. Because SNWA is governed equally by a seven-member Board of Directors composed of one director from each member agency, and SNWA operations are autonomous from its member agencies and the state of Nevada, its financial statements are not included in the financial statements of any other entity.

The SNWA Board of Directors appoints a General Manager. In January 1993, LVVWD's General Manager was also appointed General Manager of SNWA, and the LVVWD was named Operating Agent for SNWA. In October 1993, LVVWD began paying essentially all operating expenses on behalf of SNWA. SNWA reimburses LVVWD for those expenses, including the cost of LVVWD employees allocated to SNWA. SNWA has no employees of its own.

The Board of Directors of SNWA has the power to periodically assess the member agencies directly for operating and capital budgets and for the satisfaction of any liabilities imposed against SNWA. In 1991, each member made an initial contribution to SNWA for operating and administrative expenses in the amount of \$15,000. Assessments for additional funds needed by SNWA, in accordance with approved operating and capital budgets, have been apportioned to member agencies on the basis of water deliveries to those agencies. Funding received by SNWA from its member agencies for operations is recorded as operating revenue, while funding received for capital purchases is recorded as contributed capital. Member agencies that are not potable water purveyors, that is, the City of Las Vegas and the Clark County Water Reclamation District, each contributed \$35,000 to SNWA operations during the fiscal year ended June 30, 2004.

#### **Transfer Act**

Pursuant to the Transfer Act, Assembly Bill No. 542, approved June 28, 1995, by the Nevada Legislature, the assets of the Southern Nevada Water System (SNWS), as well as responsibility for operations of the system, were transferred from the Colorado River Commission (CRC) to SNWA effective January 1, 1996. Along with transfer of the assets, the CRC transferred all books and records in its possession relating to the project and its facilities. In addition to the assets, all liabilities of the CRC related to the SNWS were transferred to SNWA (see note 12).

#### **Fund Accounting**

The accompanying financial statements are reported on the basis of fund accounting. A fund is a fiscal and accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

### **Enterprise Fund**

SNWA operations have been accounted for as a single Enterprise Fund. Enterprise Fund operations are presented using the full accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when revenues are received or expenses are paid. In this regard, SNWA operations are accounted for in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing goods and services to customers on a continuing basis are financed or recovered primarily through user charges, and its financial measurement focus is on determination of net income, financial position, and cash flows. SNWA is guided by the pronouncements of the Governmental Accounting Standards Board (GASB). As an enterprise fund, and as permitted under GASB Statement No. 20, SNWA also applies the requirements of the Financial Accounting Standard Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, and only for those that do not conflict with or contradict GASB pronouncements.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of some estimates by management. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Actual results could differ slightly from those estimates.

### **Cash and Investments**

Cash includes cash on hand and cash on deposit with financial institutions including time deposits. Investments include obligations of the U.S. government and obligations of government-sponsored agencies, as well as investment grade corporate commercial paper. Investments are stated at par, adjusted for amortization of premiums or discounts. Also, investments with a life greater than one year when purchased, have been adjusted to fair value as required by GASB Statement No. 31 (see note 3).

On the Statement of Cash Flows, under Cash Flows from Investing Activities, it is evident that the number of investing transactions in fiscal year 2004, was dramatically less than fiscal year 2003, meaning that the average duration of investments in fiscal year 2004, was longer than in fiscal year 2003. To a large extent, this was because many of the investments in our portfolio had call provisions, and as interest rates declined in fiscal year 2003, those investments were called, which resulted in more investment transactions. In fiscal year 2004, interest rates began to increase slightly and our investments were not being called as often, which resulted to fewer transactions.

### **Utility Plant**

Property and equipment are carried at historical cost, or, if donated, at engineering estimates of fair market value at the time donated. Expenditures for improvements and betterments (including labor and overhead) are capitalized. Generally speaking, SNWA capitalizes the cost of assets with a cost greater than \$5,000 and a useful life greater than three years, except software costs, which are generally expensed, regardless of cost or useful life.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

Depreciation is computed using the straight-line method over the estimated service lives of the respective assets. Following are major utility plant categories and their estimated service lives.

Intakes, Tunnels, and Supply Mains	75 years
Reservoirs and Structures	50 years
Treatment, Laboratory, and Power Operated Equipment	15 years
Transportation and Office Equipment	5 to 10 years

### **Revenues**

Operating revenues include the Wholesale Delivery Charge, which for the year ended June 30, 2004, was \$215 per acre-foot of treated Colorado River water delivered to the purveyor members of SNWA. The Wholesale Delivery Charge is designed to fund operation and maintenance of the Southern Nevada Water System, as well as SNWA administration. SNWA also charged \$162 per acre-foot for raw Colorado River water delivered to Boulder City for use on golf courses. Groundwater program revenues consist of an annual fee of \$30 per acre-foot of permitted groundwater rights or \$30 per domestic well. Las Vegas Wash revenues consist of contributions from other local governments towards operating costs of the Las Vegas Wash Coordination Committee.

The only non-operating revenue is investment income.

### **Expenses**

Operating expenses include the costs of personnel, power, and other costs associated with operation and maintenance of the Southern Nevada Water System, as well as SNWA Administration. Non-operating expenses include interest expense as well as amortization of debt refunding and issuance costs.

### **Capital Contributions**

Capital contributions include various revenues SNWA receives which are restricted to use for various capital improvement programs. See note 15 for a summary of capital contributions.

### **New Accounting Pronouncements**

Effective July 1, 2003, SNWA adopted GASB Statement No. 40, "Deposit and Investment Risks Disclosures", an amendment of GASB Statement No. 3. Statement No. 40 is effective for fiscal periods beginning after June 15, 2004, but earlier application is encouraged. Statement No. 40 addresses disclosure of common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Adoption of Statement No. 40 does not affect SNWA's financial position, results of operations, or cash flows.

Effective July 1, 2003, SNWA adopted GASB Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries." Statement No. 42, effective for fiscal periods beginning after December 15, 2004, earlier application is encouraged, establishes accounting and financial reporting standards for impairment of capital assets and also establishes accounting requirements for insurance recoveries. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. Adoption of Statement No. 42 did not materially affect SNWA's financial position, results of operations, or cash flows.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

### NOTE 2. CASH

Cash includes a demand deposit account and a certificate of deposit at U.S. Bank. The certificate of deposit is included in cash because it is non-negotiable. SNWA has entered into an agreement with U.S. Bank whereby any balance in the demand deposit account at the close of each business day is “swept” into an interest earning investment account overnight. As of June 30, 2004 and 2003, the balances in these accounts were as follows:

<b>June 30, 2004</b>	Total	Unrestricted	Restricted
U.S. Bank Demand Deposit Account	\$ 5,854,805	5,854,805	
Total Cash and Equivalents	\$ 5,854,805	5,854,805	0
<b>June 30, 2003</b>	Total	Unrestricted	Restricted
U.S. Bank Demand Deposit Account	\$ 13,158,482	13,158,482	
U.S. Bank Certificate of Deposit	900,000	900,000	
Total Cash and Equivalents	\$ 14,058,482	14,058,482	0

In accordance with NRS 356.020, U.S. Bank pledges securities held by the Federal Home Loan Bank of Des Moines, Iowa, in the name of SNWA as partial collateral for SNWA monies on deposit. As of June 30, 2004 and 2003, the market value of those assigned securities was \$8,078,564 and \$3,903,585, respectively.

### NOTE 3. INVESTMENTS

Funds not immediately required for payment of operating or capital expenditures are invested by SNWA in U.S. Government and agency securities and other money market instruments. Nothing in the Cooperative Agreement that created SNWA or the Facilities and Operations Agreement that governs SNWA’s relationship with its purveyor members dictates permitted investments. Also, there is no applicable Nevada law. However, SNWA chooses to comply with Nevada Revised Statutes (NRS) 355.170, which governs permitted investments for counties, cities, and school districts in Nevada. NRS 355.170 limits investments to obligations of the federal government and its agencies, commercial bank certificates of deposit, obligations of state and local governments rated “A” or above, bankers’ acceptances, repurchase agreements, and money market mutual funds.

As required by GASB Statement No. 31, an adjustment to fair value has been made for securities with a life greater than one year at the time they were purchased. Fair value was determined by quoted market prices at June 30, 2004 and 2003 provided by Bank of New York Western Trust Company where SNWA has an investment custody account. Bank of New York Western Trust Company acts as agent for SNWA. No adjustment was made for securities with a life less than one year at the time they were purchased. For 2004, this adjustment resulted in a reduction in interest income of \$8,348,150. For 2003, this adjustment resulted in an increase in interest income of \$558,139.

The following schedules detail the securities SNWA was holding for investment at June 30, 2004 and 2003. The first dollar amount shown for each security is the par value, which SNWA will receive at maturity. Then the par value is adjusted for any unamortized discount or premium, and a fair value adjustment if the investment had a maturity greater than one year at the time it was purchased. The resulting book value is what is presented as the book value of investments on the balance sheet. The last column is the fair value derived from market research by Bank of New York Western Trust Company, which is presented for informational purposes only.

**SOUTHERN NEVADA WATER AUTHORITY**  
Notes to Financial Statements

**Investments at June 30, 2004**

Security	CUSIP	S&P Credit Rating	Purchase Date	Maturity Date	Days to Maturity	Par Value	Unamortized (Discount)/ Premium	Fair Value Adjustment	Book Value	Fair Value
UBSFIN	90262CG19	P1	6/30/2004	7/1/2004	1	\$ 4,000,000	0		4,000,000	3,999,489
LOCFUN	53974TG19	P1	6/30/2004	7/1/2004	1	1,000,000	0		1,000,000	999,864
FHLBDN	313384YV5	P1	6/30/2004	7/1/2004	1	11,000,000	0		11,000,000	10,999,618
CVXFUN	1667X0G77	P1	6/30/2004	7/7/2004	7	1,500,000	(295)		1,499,705	1,499,562
WPSRES	92930TG69	P1	6/28/2004	7/6/2004	8	2,000,000	(347)		1,999,653	1,999,273
LOCFUN	53974TG76	P1	6/29/2004	7/7/2004	8	3,000,000	(675)		2,999,325	2,998,855
LLMTIV	54278TG77	P1	6/28/2004	7/7/2004	9	1,252,000	(263)		1,251,737	1,251,485
WPSRES	97684GG72	P1	6/28/2004	7/7/2004	9	2,500,000	(542)		2,499,458	2,498,996
UBSFIN	90262CGE1	P1	6/29/2004	7/14/2004	15	3,000,000	(1,376)		2,998,624	2,998,191
FNMA	313588ZK4	P1	6/29/2004	7/15/2004	16	5,000,000	(2,411)		4,997,589	4,997,156
KAISER	48310TGF1	P1	6/25/2004	7/15/2004	20	958,000	(488)		957,512	957,222
SYDCAP	87123LGF3	P1	6/25/2004	7/15/2004	20	802,000	(402)		801,598	801,373
WSYCOV	9605P2GU3	P1	6/25/2004	7/28/2004	33	700,000	(735)		699,265	699,129
FHLB	3133MABT5	AAA	02/10/03	11/15/04	644	300,000	5,075	269	305,344	305,344
FHLB	31339Y5X6	AAA	06/26/03	12/26/06	1,279	5,000,000	(561)	(129,127)	4,870,312	4,870,312
FHLB	31339YE65	AAA	07/23/03	01/23/07	1,280	7,955,000	(7,353)	(198,980)	7,748,667	7,748,667
FHCB	31331Q2V8	AAA	06/26/03	03/26/07	1,369	7,000,000	0	(190,313)	6,809,687	6,809,687
FHLB	31339Y5Y4	AAA	07/23/03	04/23/08	1,736	15,700,000	(21,584)	(424,885)	15,253,531	15,253,531
FHLMC	3128X1JD0	AAA	06/30/03	06/11/08	1,808	10,000,000	(4,970)	(302,630)	9,692,400	9,692,400
FNMA	3136F3D37	AAA	07/09/03	07/07/08	1,825	20,000,000	81,263	(550,013)	19,531,250	19,531,250
FNMA	3136F5RR4	AAA	04/29/04	04/29/09	1,826	3,250,000	(157)	(37,421)	3,212,422	3,212,422
FHLB	31339YJR4	AAA	07/14/03	07/14/08	1,827	25,000,000	0	(671,875)	24,328,125	24,328,125
FHLB	31339XM84	AAA	06/24/03	06/24/08	1,827	6,750,000	(1,365)	(161,057)	6,587,578	6,587,578
FHLB	31339XZ64	AAA	07/15/03	10/15/08	1,919	5,000,000	(7,744)	(187,569)	4,804,687	4,804,687
FHLB	3133MYZG5	AAA	07/11/03	12/12/08	1,981	5,000,000	(10,551)	(106,636)	4,882,813	4,882,813
FHLB	31339XL93	AAA	07/18/03	12/26/08	1,988	5,000,000	(36,608)	(113,392)	4,850,000	4,850,000
FHLB	31339XEG5	AAA	07/01/03	12/18/08	1,997	30,000,000	(16,028)	(874,597)	29,109,375	29,109,375
FHLB	31339XVV3	AAA	07/01/03	12/24/08	2,003	11,000,000	(2,333)	(437,667)	10,560,000	10,560,000
FHLB	3133X3X32	AAA	02/27/04	08/27/09	2,008	3,000,000	(1,769)	(22,606)	2,975,625	2,975,625
FNMA	3136F45H3	AAA	02/20/04	08/20/09	2,008	5,000,000	(2,939)	(39,249)	4,957,812	4,957,812
FNMA	3136F5DE8	AAA	02/27/04	08/27/09	2,008	4,000,000	(3,774)	(51,226)	3,945,000	3,945,000
FHLB	3133XSZY7	AAA	04/30/04	10/30/09	2,009	5,000,000	(3,038)	(54,774)	4,942,188	4,942,188
FHLMC	3128X3GU1	AAA	06/03/04	12/03/09	2,009	5,000,000	(3,086)	21,486	5,018,400	5,018,400
FNMA	3136F5TM3	AAA	04/27/04	10/27/09	2,009	2,000,000	(3,642)	2,392	1,998,750	1,998,750
FHLB	31339X5Y6	AAA	06/11/03	12/11/08	2,010	7,000,000	(2,876)	(228,999)	6,768,125	6,768,125
FHLB	31339XFK5	AAA	06/18/03	12/18/08	2,010	7,000,000	(3,362)	(217,575)	6,779,063	6,779,063
FHLB	31339XJD7	AAA	06/24/03	12/24/08	2,010	8,000,000	(3,314)	(221,686)	7,775,000	7,775,000
FHLB	31339XTN4	AAA	07/10/03	01/09/09	2,010	8,000,000	(10,438)	(264,562)	7,725,000	7,725,000
FHLB	31339YDU3	AAA	07/23/03	01/22/09	2,010	24,750,000	(17,840)	(956,691)	23,775,469	23,775,469
FNMA	3136F5GF2	AAA	03/14/04	09/15/09	2,011	7,000,000	(1,189)	(105,998)	6,892,813	6,892,813
FHLB	31339Y2V3	AAA	07/08/03	01/08/09	2,011	6,100,000	(22,254)	(242,715)	5,835,031	5,835,031
FHLB	31339YJW3	AAA	07/28/03	01/28/09	2,011	10,000,000	(5,280)	(250,970)	9,743,750	9,743,750
FHLB	31339YNM0	AAA	07/30/03	01/30/09	2,011	5,775,000	(3,054)	(130,493)	5,641,453	5,641,453
FNMA	3136F5KK6	AAA	03/23/04	03/23/10	2,191	6,000,000	(3,543)	(153,957)	5,842,500	5,842,500
FNMA	3136F5PK1	AAA	04/06/04	04/06/10	2,191	4,000,000	(2,412)	(76,338)	3,921,250	3,921,250
FHLMC	3128X1MZ7	AAA	06/30/03	06/30/09	2,192	20,000,000	(200,905)	(968,296)	18,830,799	18,830,799
Totals at June 30, 2004						\$ 331,292,000	(325,165)	(8,348,150)	322,618,685	322,614,432

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Notes to Financial Statements

**Investments at June 30, 2003**

Security	CUSIP	S&P Credit Rating	Purchase Date	Maturity Date	Days to Maturity	Par Value	Unamortized (Discount)/ Premium	Fair Value Adjustment	Book Value	Fair Value
UBSFIN	90262DU11	P1	6/30/2003	7/1/2003	1	\$ 12,000,000	(437)		11,999,563	11,997,723
LOCFUN	53974UU10	P1	6/30/2003	7/1/2003	1	12,000,000	(450)		11,999,550	11,997,896
CARGLO	14177UU17	P1	6/30/2003	7/1/2003	1	12,000,000	(420)		11,999,580	11,999,020
AUTOBN	0527M1U11	P1	6/30/2003	7/1/2003	1	12,000,000	(443)		11,999,557	11,998,963
WOVLEA	9815AJU10	P1	6/30/2003	7/1/2003	1	8,200,000	(301)		8,199,699	8,199,293
FHADN	313384HP7	P1	6/30/2003	7/1/2003	1	200,000,000	(4,444)		199,995,556	199,995,556
FHLB	313389A32	AAA	11/8/2002	11/5/2003	362	5,000,000	3,315		5,003,315	5,000,200
FHLB	3133MJUS7	AAA	2/10/2003	11/15/2004	644	2,700,000	62,821	16,491	2,779,312	2,779,313
FHLB	3133MKEC7	AAA	2/10/2003	11/15/2004	644	2,000,000	66,850	11,900	2,078,750	2,078,750
FHLB	3133MABT5	AAA	2/10/2003	11/15/2004	644	300,000	18,618	1,819	320,437	320,438
FNMA	3136F3QU3	AAA	5/19/2003	5/19/2006	1,096	5,000,000		26,563	5,026,563	5,026,563
FHLB	31339Y5X6	AAA	6/26/2003	12/26/2006	1,279	5,000,000	(779)	(784)	4,998,437	4,998,438
FCFB	31331Q2V8	AAA	6/26/2003	3/26/2007	1,369	7,000,000			7,000,000	7,000,000
FHLB	3133MYQC4	AAA	5/29/2003	2/28/2007	1,371	5,000,000		28,125	5,028,125	5,028,125
FHLB	3133MUAUV7	AAA	12/12/2002	12/12/2007	1,826	5,000,000	(8,348)	64,598	5,056,250	5,056,250
FHLMC	3128X0TS8	AAA	1/24/2003	1/9/2008	1,811	12,835,000	51,285	(43,969)	12,842,316	12,842,316
FHLB	3133MXUE7	AAA	4/24/2003	4/28/2008	1,831	3,000,000	(3,613)	6,425	3,002,812	3,002,813
FHLB	3133MYPQ4	AAA	5/30/2003	5/28/2008	1,825	4,360,000	10,543	28,969	4,399,512	4,399,513
FHLMC	3128X1CF2	AAA	5/28/2003	5/28/2008	1,827	5,000,000	36,823	37,777	5,074,600	5,074,600
FHLMC	3128X1JD0	AAA	6/30/2003	6/11/2008	1,808	10,000,000	(6,250)	113,250	10,107,000	10,107,000
FHLB	31339XM84	AAA	6/24/2003	6/24/2008	1,827	6,750,000	(1,682)	10,119	6,758,437	6,758,438
FHLB	3133MXQT9	AAA	4/17/2003	10/17/2008	2,010	5,250,000		4,922	5,254,922	5,254,922
FHLB	31339X5Y6	AAA	6/11/2003	12/11/2008	2,010	7,000,000	(3,467)	7,842	7,004,375	7,004,375
FHLB	31339XEG5	AAA	6/18/2003	12/18/2008	2,010	10,000,000	(9,491)	18,866	10,009,375	10,009,375
FHLB	31339XFK5	AAA	6/18/2003	12/18/2008	2,010	7,000,000	(4,050)	10,612	7,006,562	7,006,563
FHLB	31339XJD7	AAA	6/24/2003	12/24/2008	2,010	8,000,000	(3,988)	13,988	8,010,000	8,010,000
FNMA	31359MET6	AAA	6/27/2003	5/14/2009	2,148	15,777,000	707,398	(36,875)	16,447,523	16,447,523
FHLMC	3128X1MZ7	AAA	6/30/2003	6/30/2009	2,192	20,000,000	(237,499)	237,500	20,000,001	20,000,000
Totals at June 30, 2003						\$ 408,172,000	671,991	558,138	409,402,129	409,393,966

For the fiscal years ended June 30, 2004 and 2003, the weighted average yield on the entire investment portfolio was 2.57% and 3.02%, respectively, computed on the amortized cost basis.

SNWA's investment policy limits Enterprise Fund investments and risks to those permitted under the laws of the State of Nevada. Investments and risks authorized by Nevada Revised Statutes relevant to SNWA investments are as follows.

- 1) Obligations of United States agencies or instrumentalities or a corporation sponsored by the government, not to exceed ten years maturity after the date of purchase. Credit quality ratings and percent of total investments allowed not specified.
- 2) Commercial paper issued by a corporation organized and operating in the United States that (1) is purchased from a registered broker-dealer, (2) at the time of purchase has a remaining term to maturity of no more than 270 days, and (3) is rated by a nationally recognized rating service as "A-1", "P-1" or its equivalent, or better, except that these investments may not, in aggregate value, exceed 20 percent of the total portfolio as determined on the date of purchase, and if the rating of the obligation is reduced to a level that does not meet these requirements, it must be sold as soon as possible.

The following shows the distribution and credit quality of investments at June 30, 2004 and 2003, between U.S. government agencies and corporate commercial paper.

Credit Quality Exposure	Rated	2004	2003
U.S. Government Agencies	AAA	89%	86%
Corporate Commercial Paper	P-1	11%	14%

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Notes to Financial Statements

**NOTE 4. DUE FROM MEMBER AGENCIES**

SNWA bills its member agencies for: (1) reimbursement of General and Administrative and Resources expenses, and (2) Wholesale Delivery Charges for water delivered to purveyor members. In addition to these billings, purveyors collect Regional Connection Charges, Regional Commodity Charges and a Regional Reliability Surcharge, and remit them to SNWA monthly. Management believes all accounts are collectible and there has been no reserve made for bad debts. At June 30, 2004 and 2003, SNWA had the following amounts due from its member agencies.

<b>Due From Member Agencies June 30, 2004</b>						
	Total	General & Admin /Resources Charges	Wholesale Delivery Charges	Regional Connection Charge	Regional Commodity Charge	Regional Reliability Surcharge
Big Bend Water District	\$ 19,171	19,171				
City of Boulder City	284,797		284,797			
City of Henderson	7,884,589		2,885,021	4,717,182	212,119	70,267
Las Vegas Valley Water District	13,942,881		6,222,114	6,885,558	564,690	270,519
City of North Las Vegas	6,153,796		2,075,729	3,971,548	70,388	36,131
City of Las Vegas	2,917	2,917				
Clark County	0					
Clark County Water Reclamation District	5,833	5,833				
Nellis Air Force Base	32,187		32,187			
<b>Total</b>	<b>\$ 28,326,171</b>	<b>27,921</b>	<b>11,499,848</b>	<b>15,574,288</b>	<b>847,197</b>	<b>376,917</b>

<b>Due From Member Agencies June 30, 2003</b>						
	Total	General & Admin /Resources Charges	Wholesale Delivery Charges	Regional Connection Charge	Regional Commodity Charge	Regional Reliability Surcharge
Big Bend Water District	\$ 22,588	22,588				
City of Boulder City	297,628		297,628			
City of Henderson	3,464,943		2,721,093	634,324	76,440	33,086
Las Vegas Valley Water District	14,784,846		5,911,054	8,099,506	558,606	215,680
City of North Las Vegas	2,514,866		966,800	1,435,052	71,280	41,734
City of Las Vegas	2,916	2,916				
Clark County	0					
Clark County Water Reclamation District	2,916	2,916				
Nellis Air Force Base	42,466		42,466			
<b>Total</b>	<b>\$ 21,133,169</b>	<b>28,420</b>	<b>9,939,041</b>	<b>10,168,882</b>	<b>706,326</b>	<b>290,500</b>

**NOTE 5. OTHER RECEIVABLES**

Other Receivables are amounts due from entities that are not members of SNWA. Management believes all amounts are collectible and there has been no reserve made for bad debts. The following amounts were due as of June 30, 2004 and 2003:

<b>Other Receivables</b>	<b>2004</b>	<b>2003</b>
Southern California Edison	\$ 1,515	679
State of Nevada - Dept. of Taxation	12,684,722	10,689,273
Accrued Investment Earnings	2,290,717	75,250
Power Trading Accounts Receivable	137,500	3,252,075
<b>Total</b>	<b>\$ 15,114,454</b>	<b>14,017,277</b>

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

### NOTE 6. CURRENT ASSETS BY FUNCTION

Current assets are restricted to use for the following specific programs or functions: 1) Southern Nevada Water System operations (including "Old" debt service) and administration, 2) new expansion (CIP) debt service, 3) CIP construction contracts, and 4) the Groundwater Program.

Current assets committed to operations have decreased approximately \$20 million from the prior year because the Wholesale Delivery Charge of \$215/acre-foot was not sufficient to fund operations. As a result, the Wholesale Delivery Charge was increased to \$243 effective July 1, 2004 (see note 17).

Current assets committed to New Expansion Debt Service are up about \$23 million, which reflects the fact that Regional Connection Charge, Sales Tax, and other New Expansion revenues continue to be greater than debt service requirements.

Current assets committed to the Capital Improvement Plan are zero this year, versus approximately \$91 million last year, which reflects the fact that as of June 30, 2004, all debt and sales tax proceeds had been expended, and current CIP expenditures were being funded on a pay-as-you-go basis by New Expansion revenues.

Current assets committed to the Groundwater Program are up approximately \$1 million, which reflects the fact that program was not able to purchase recharged water as anticipated.

The following schedule aggregates current assets at June 30, 2004 and 2003 by function.

June 30, 2004						
<u>Current Assets by Function</u>	<u>Total</u>	<u>Cash</u>	<u>Investments</u>	<u>Due From Member Agencies</u>	<u>Prepaid Expenses</u>	<u>Other Receivables</u>
Operations (including "Old" debt service)	\$ (6,259,771)		(18,345,925)	11,527,768	419,371	139,015
New Expansion (CIP) Debt Service	375,271,753	5,854,805	337,643,106	16,798,403		14,975,439
Capital Improvement Plan	0					
Ground Water Program	3,321,504		3,321,504			
<b>Total Current Assets</b>	<b>\$ 372,333,486</b>	<b>5,854,805</b>	<b>322,618,685</b>	<b>28,326,171</b>	<b>419,371</b>	<b>15,114,454</b>

June 30, 2003						
<u>Current Assets by Function</u>	<u>Total</u>	<u>Cash</u>	<u>Investments</u>	<u>Due From Member Agencies</u>	<u>Prepaid Expenses</u>	<u>Other Receivables</u>
Operations (including "Old" debt service)	\$ 14,137,420	900,000	(457,840)	9,967,462	460,528	3,267,270
New Expansion (CIP) Debt Service	352,050,320	13,158,482	316,976,124	11,165,707		10,750,007
Capital Improvement Plan	90,664,245		90,664,245			
Ground Water Program	2,219,600		2,219,600			
<b>Total Current Assets</b>	<b>\$ 459,071,585</b>	<b>14,058,482</b>	<b>409,402,129</b>	<b>21,133,169</b>	<b>460,528</b>	<b>14,017,277</b>

**SOUTHERN NEVADA WATER AUTHORITY**  
Notes to Financial Statements

**NOTE 7. CAPITAL ASSETS**

Following is a summary of changes in major categories of capital assets for the years ended June 30, 2004 and 2003:

Capital Asset Category	Balance at June 30, 2003	Additions	Retirements/ Transfers	Balance at June 30, 2004
Land	\$ 17,331,416	65,998		17,397,414
Property, Plant, and Equipment	1,552,122,014	527,806,269	(65,460)	2,079,862,823
Accumulated Depreciation	<u>(324,386,385)</u>	<u>(38,380,146)</u>	65,125	<u>(362,701,406)</u>
Net Property, Plant, and Equipment	1,227,735,629	489,426,123	(335)	1,717,161,417
Water & Power Rights and Options	120,815,919	14,050,329		134,866,248
Construction Work in Progress	732,465,404	199,252,917	(431,708,197)	500,010,124
	<u>\$ 2,098,348,368</u>	<u>702,795,367</u>	<u>(431,708,532)</u>	<u>2,369,435,203</u>

Capital Asset Category	Balance at June 30, 2002	Additions	Retirements/ Transfers	Balance at June 30, 2003
Land	\$ 17,293,094	38,322		17,331,416
Property, Plant, and Equipment	1,336,551,153	215,736,463	(165,602)	1,552,122,014
Accumulated Depreciation	<u>(295,990,550)</u>	<u>(28,554,841)</u>	159,006	<u>(324,386,385)</u>
Net Property, Plant, and Equipment	1,040,560,603	187,181,622	(6,596)	1,227,735,629
Water & Power Rights and Options	54,298,196	66,517,723		120,815,919
Construction Work in Progress	757,012,172	188,320,692	(212,867,460)	732,465,404
	<u>\$ 1,869,164,065</u>	<u>442,058,359</u>	<u>(212,874,056)</u>	<u>2,098,348,368</u>

Generally, SNWA capitalizes the cost of assets with a cost greater than \$5,000 and a useful life greater than three years, except software costs, which are always expensed, regardless of cost or useful life.

**NOTE 8. WATER & POWER RIGHTS AND OPTIONS**

**Arizona Water Bank**

In 1993, the SNWA Board of Directors approved a cooperative agreement among its members for funding and participation in the Arizona Underground Storage Demonstration Project (Project). The Project was originally an agreement between the Central Arizona Water Conservation District (CAWCD) and the Metropolitan Water District of Southern California to store water from the Colorado River in underground aquifers in Arizona. SNWA agreed to participate in this project and pay CAWCD to store Colorado River water in Arizona. In the event of either a flood release or an anticipatory release of Colorado River water, water stored under this Project would then become the property of the states of California and Nevada, to be evenly divided between them. In 1996 and 1997, the Secretary of Interior declared a surplus and 50,000 acre-feet of water stored in Arizona was assigned to an account for SNWA. Under the Project, SNWA spent \$3,484,305 for the right to 50,000 acre-feet of credits available for future use. This expenditure was funded by SNWA's member agencies and has been recorded as contributed capital.

## **SOUTHERN NEVADA WATER AUTHORITY**

### Notes to Financial Statements

In June 2001, SNWA and the Colorado River Commission of Nevada (CRC) entered into an agreement for Interstate Water Banking (Banking Agreement) with the Arizona Water Banking Authority (AWBA). The banking agreement, and two related agreements executed in December 2002, gives SNWA the opportunity to store up to 1.2 million acre-feet of Colorado River water in underground aquifers in Arizona, and recover that water as needed in the future. In June 2002, SNWA and CRC entered into an agreement with AWBA to allow SNWA to store water in Arizona during 2002 while remaining agreements were being completed. Under the June 2002 agreement, SNWA has spent \$8,770,761 for the storage of 66,595 acre-feet of Colorado River water in Arizona. After accounting for conveyance losses and a storage adjustment required under Arizona law, the volume of storage credits acquired by SNWA from AWBA since 2002, and available for future use, is 61,098 acre-feet.

#### **Virgin River Water Rights**

During fiscal year 1993, the SNWA Board of Directors agreed to accept assignment of Nevada's Virgin River water rights from LVVWD, subject to SNWA reimbursing LVVWD for all costs incurred related to the acquisition of those water rights. The balance at June 30, 2004 of \$6,842,529 represents original acquisition costs and subsequent research and development costs. These costs have been reimbursed by member agencies and recorded as contributed capital.

#### **Muddy River Water Rights**

On August 12, 1996, the SNWA Board of Directors authorized the General Manager to request proposals for acquisition of up to 5,600 acre feet of Muddy River water rights. After consultation with and approval by the Muddy Valley Irrigation Company, requests for proposals (RFPs) were sent to holders of stock in the Muddy Valley Irrigation Company. Staff recommended that proposals with a purchase price under \$3,000 per acre-foot be accepted. SNWA has generally purchased options on Muddy River water rights by paying 10% of the purchase price the first year, and paying 1% a year for the remaining four years during which time SNWA may exercise the options by paying the remaining balance. In December 2000, SNWA exercised all options possible and obtained the permanent water rights associated with those options. An additional purchase of shares, representing 188 acre-feet, was authorized by the Board in June and July 2001. In February 2002 and March 2004, the Board authorized the acquisition of another 3,300 acre-feet and 600 acre-feet, respectively, of Muddy River water rights, bringing the total authorized to 9,500 acre-feet. SNWA is still obligated to make debt service payments on a small amount of notes payable for Muddy River water rights that could not be prepaid. To date, SNWA has obtained a total of 7,040 acre-feet at a cost of \$20,593,671. There are several ways that SNWA might get this water to the Las Vegas Valley, but decisions on how to get this water to the valley have not been made.

#### **Coyote Springs Water Rights**

In February 1997, the SNWA Board of Directors authorized the General Manager to initiate negotiations for the purchase of ground water rights and a well in the Coyote Springs Valley about 60 miles northeast of Las Vegas. The well was subsequently videotaped and pump tested and determined to be in excellent condition and one of the highest producing wells ever drilled in Southern Nevada. In April 1998, the SNWA Board of Directors approved the purchase of 7,500 acre-feet of ground water rights and the well with associated real property and easements for \$25 million. Terms of the purchase were \$5,200,000 at close of escrow with nine annual installments of \$2,200,000 and interest paid monthly. SNWA water rights would become vested with each annual payment according to a vesting schedule. In December 2000, SNWA entered into an agreement with Coyote Springs Investment, LLC to prepay the remaining balance of the \$25 million contract and obtain the remaining unvested water rights. As an inducement, SNWA received a discount of \$755,200 (net of escrow fees) off the outstanding balance. In March 2002, SNWA purchased another 1,100 acre-feet of water rights from Coyote Springs Investment, LLC for \$3,300,000 with an option to purchase an additional 400 acre-feet. In

## **SOUTHERN NEVADA WATER AUTHORITY**

### Notes to Financial Statements

November 2002, SNWA purchased the additional 400 acre-feet for \$1,200,000. As a result, the total amount paid for 9,000 acre-feet of Coyote Springs water rights and associated real estate, as well as subsequent costs to perfect these water rights, is \$30,882,089. SNWA has several options to get this water to the Las Vegas Valley.

#### **Southern Nevada Groundwater Banked**

As directed by the Nevada Legislature in 1997, SNWA manages the groundwater resources in the Las Vegas Valley through the Groundwater Management Program (GMP). One of the functions of the GMP is to purchase permanent artificial recharge to the aquifer. The Las Vegas Valley Water District (LVVWD) uses artificial recharge of treated Colorado River water to the aquifer to bank water for itself and other water purveyors in the Las Vegas Valley. This water is banked meaning that it may be withdrawn in the future. The GMP, on the other hand, has purchased some of the water LVVWD has recharged to be stored permanently in the aquifer. In March 2003, SNWA paid LVVWD \$1,158,430 for 4,929 acre-feet of recharged water that will be permanently stored in the aquifer.

#### **Hydropower Rights**

The Colorado River Commission of Nevada (CRC) was created in 1935 for the purpose of securing and distributing Nevada's right to Colorado River water and hydroelectric power. CRC delivers Nevada's allocation of Colorado River hydroelectric power to various municipal and non-municipal customers in Southern Nevada. One of those customers in the BMI complex in Henderson is Pioneer Americas, LLC, which manufactures chlorine and caustic soda used in various chemical processes.

In addition to hydropower, CRC also purchased supplemental energy for Pioneer in the wholesale energy market. As a result of regional market volatility in 2000 and 2001, the price of Pioneer's portfolio of supplemental energy was higher than market, and higher than Pioneer could afford to pay. Pioneer approached CRC about the possibility of selling its entire portfolio of energy contracts, including hydropower. In January 2003, CRC offered the Pioneer portfolio to SNWA. SNWA wanted the hydropower, but was not interested in the supplemental energy portfolio. SNWA agreed to purchase Pioneer's hydropower contract from CRC for \$53 million. CRC would retain the Pioneer supplemental energy portfolio and use the \$53 million to settle those contracts.

There are five contracts associated with this hydropower. Two relate to power generated at Hoover Dam, two relate to power generated at Parker-Davis Dam, and one relates to transmission. The Hoover contracts expire in 2017 and the Parker-Davis contracts expire in 2008. It is expected that these contracts will always be renewed for twenty-year terms as they have in the past. As a result, this hydropower is considered an essentially perpetual resource.

The cost of this hydroelectric energy has been, and is projected to be, very stable at about \$10/MWH. Adding amortization of debt for the \$53 million results in a net cost of about \$35/MWH over the next thirty years which is a favorable price today, and competitive over time compared to other energy options SNWA is considering. It also provides diversification for SNWA's portfolio of energy resources.

#### **In-State Water Projects**

In October 1989, the Las Vegas Valley Water District (LVVWD) filed water rights applications to appropriate water from multiple hydrographic basins located in Eastern Nevada. At present, most of those applications remain active and ready for action by the Nevada State Engineer. On December 18, 2003, the SNWA Board agreed to accept assignment of those applications from LVVWD for a payment of \$9,881,000, which represented LVVWD's costs to date of developing and perfecting those water rights. The value of \$10,134,463

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

at June 30, 2004, represents that initial payment to LVVWD, plus additional costs that have been incurred since then.

The following shows the water & power rights and options balance for the fiscal years ended June 30, 2004 and 2003:

<b><u>Water &amp; Power Rights and Options</u></b>	<b><u>June 30, 2004</u></b>	<b><u>June 30, 2003</u></b>
Arizona Water Bank	\$ 12,255,066	11,855,495
Virgin River Water Rights Development	6,842,529	6,386,288
Muddy River Water Rights	20,593,671	19,669,906
Coyote Springs Water Rights	30,882,089	28,745,800
Southern Nevada Groundwater Banked	1,158,430	1,158,430
Hydropower Rights	53,000,000	53,000,000
In-State Water Projects	10,134,463	
Total Water & Power Rights and Options	<u>\$ 134,866,248</u>	<u>120,815,919</u>

### NOTE 9. CONSTRUCTION IN PROGRESS

SNWA maintains three capital construction programs: (1) the Capital Improvements Plan (CIP) or those capital projects that collectively expand capacity of the Southern Nevada Water System (SNWS) from 400 million gallons per day (MGD) in 1996 to 900 MGD by 2014, (2) the Major Construction and Capital Plan (MCCP) which includes capital projects not associated with the CIP, and (3) the Las Vegas Wash Capital Improvements Plan (LVWCIP), which are capital projects associated with improving water quality in the Las Vegas Wash, the natural channel that drains the Las Vegas Valley into Lake Mead.

#### **Capital Improvements Plan**

The CIP is the \$2.1 billion project that was started in 1994 to expand the capacity of the SNWS from 400 MGD to 900 MGD by 2014. The CIP will give Nevada the capacity and reliability to access its entire 300,000 acre-foot allocation of the Colorado River, plus any banked, transferred, or purchased water that may be delivered to Nevada via the Colorado River.

It is the express intent of the CIP to build improvements on a phased or “as needed” basis. All costs associated with the CIP are capitalized. Direct costs include land costs, costs of construction and engineering contracts and interest. Indirect costs include such things as administration, planning and design, public information, program management, construction management, and environmental mitigation.

Land costs, which include the costs of easements and other rights-of-way, as well as actual fee purchases of property, are coded to Construction Work In Progress (CWIP), but are immediately closed out to Property, Plant & Equipment (PP&E) and added to the Property Ledger. Land Costs are listed separately from the costs of other assets on the Property Ledger and are not depreciated.

Direct costs of construction of a SNWA CIP project are recorded to CWIP. Ancillary costs directly related to construction projects are also capitalized to CWIP. Based on a cost estimating criteria study performed for the SNWS Treatment and Transmission Facility, such ancillary costs are allocated to specific projects based on 30% of the direct cost of the project. When a project is finished, an agenda item is brought before the Board of Directors to accept the project as complete. With Board of Director acceptance, associated CWIP costs are reclassified to PP&E.

# **SOUTHERN NEVADA WATER AUTHORITY**

## Notes to Financial Statements

### **Major Construction and Capital Plan**

In 2002, SNWA produced the MCCP to address the need for capital projects not directly related to the goal of expanding the SNWS to 900 MGD. Unlike the CIP, which has a finite life, the MCCP is intended to have an unlimited life. The MCCP defines and authorizes projects that are necessary to maintain facilities in a sound and functional condition, maintain or improve water quality, develop water resources, reduce operating costs, address environmental and safety issues, provide support facilities (including power), and meet other objectives defined by SNWA.

The MCCP currently authorizes projects totaling approximately \$693 million. Either the Wholesale Delivery Charge or New Expansion Revenues are designated as the funding source for each MCCP project. Of the \$693 million currently authorized by the MCCP, \$401 million (58%) will be funded by the Wholesale Delivery Charge and \$292 million (42%) will be funded by New Expansion Revenues.

### **Las Vegas Wash Capital Improvements Plan**

The Las Vegas Wash is the primary urban runoff, wastewater and floodwater outlet from the Las Vegas Valley into Lake Mead and the Colorado River. The Wash is considered a critical component in the many environmental and water resource issues facing Southern Nevada today. The Las Vegas Wash CIP presents a summary of planned capital expense activities necessary to support long-term enhancement and management of the Wash.

Las Vegas Wash CIP projects total approximately \$99 million. Of that amount, about \$81 million (82%) is for gradient control structures. The remainder is for bank protection facilities, revegetation activities, design studies and miscellaneous programs. It is projected that these projects will be funded by 4% of the gross sales tax SNWA receives that has been designated for the Wash, as well as grants and by actual contract work provided by various federal agencies.

### **Interest Capitalization Policy**

In accordance with FASB Statement No. 62, SNWA has capitalized the interest cost of restricted tax-exempt borrowings, less interest earned on temporary investment of the proceeds of those borrowings, from the date of borrowing until the assets acquired with those borrowings are ready for their intended use. SNWA capitalized \$28,155,789 and \$36,541,837 of interest expense, which was offset by \$909,571 and \$1,258,196 of interest income, in the fiscal years ended June 30, 2004 and 2003, respectively.

To avoid the carrying costs of bond proceeds that will not be used for some time to fund capital projects, SNWA generally sizes bond issues to fund about one year of capital project expenditures. As a result, the construction fund is almost always over-committed regardless of the size of the fund balance. SNWA also intends to use sales tax proceeds to fund capital projects construction payments on a pay-as-you-go basis. As of June 30, 2004, SNWA had no proceeds remaining from the sale of debt or sales tax revenue.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

### NOTE 10. ACCOUNTS PAYABLE

LVVWD serves as Operating Agent for SNWA. In that capacity, LVVWD previously paid substantially all operating and capital expenses on behalf of SNWA and then SNWA would reimburse LVVWD. As payments for the SNWA Capital Improvement Plan grew to current levels, SNWA began paying construction contracts directly and took over responsibility for paying construction contracts retention. SNWA also pays the cost of most of the power required to operate the Southern Nevada Water System. Accounts payable balances by category for the fiscal years ending June 30, 2004 and 2003 are as follows.

<b><u>June 30, 2004</u></b>			
<b><u>Accounts Payable</u></b>	<b>Total</b>	<b>Payable to LVVWD</b>	<b>Payable to Other Vendors</b>
Administration Expenses	\$ 23,232,833	3,229,578	20,003,255
Treatment Plant Expenses	2,936,239	2,936,239	0
Construction Contracts & Administration	14,672,297	1,457,069	13,215,228
Construction Contracts Retention	6,484,085		6,484,085
<b>Total Accounts Payable</b>	<b>\$ <u>47,325,454</u></b>	<b><u>7,622,886</u></b>	<b><u>39,702,568</u></b>

<b><u>June 30, 2003</u></b>			
<b><u>Accounts Payable</u></b>	<b>Total</b>	<b>Payable to LVVWD</b>	<b>Payable to Other Vendors</b>
Administration Expenses	\$ 62,798,378	2,190,991	60,607,387
Treatment Plant Expenses	2,809,988	2,809,988	0
Construction Contracts & Administration	21,315,284	1,979,370	19,335,914
Construction Contracts Retention	5,046,739		5,046,739
<b>Total Accounts Payable</b>	<b>\$ <u>91,970,389</u></b>	<b><u>6,980,349</u></b>	<b><u>84,990,040</u></b>

### NOTE 11. COMMITMENTS AND CONTINGENCIES

#### **Construction Contracts**

In connection with its three capital improvements plans, SNWA makes commitments to pay contractors working on those projects. However, SNWA only pays those contractors for the work they have completed. As of June 30, 2004, SNWA had construction contract payment commitments totaling approximately \$198 million. This is the amount SNWA will be obligated to pay if all contractors perform per their contracts. SNWA could substantially reduce the amount of this commitment by notifying contractors to suspend further work and paying for work completed to that point.

#### **Operating Leases**

After adding approximately 48,000 square feet in April 2003, SNWA now has a non-cancelable operating lease for a total of approximately 81,066 square feet of office space in the Greystone Complex located at 1850 East Flamingo Road. This office space accommodates SNWA Engineering, Las Vegas Wash Coordination Committee, and SNWA Resources, as well as the staff of consultants involved in planning and design of the CIP and other capital projects. For the years ended June 30, 2004 and 2003, expenditures in connection with this lease totaled \$1,386,391 and \$1,003,545, respectively.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

In May 2004, SNWA agreed to lease from the Moapa Valley Water District (MVWD) 2.27 acres of land in the Moapa Valley on which is located a fenced yard, approximately 1,200 square feet of office space and approximately 3,200 square feet of adjoining shop space. The initial term of the lease is five years and annual lease payments are \$30,000 a year. This facility is being used to pursue additional water sources in the Moapa Valley where SNWA has substantial water rights.

In July 2004, SNWA agreed to sublease this property leased from the MVWD to the Muddy Valley Irrigation Company for a term of five years and annual lease payments will be \$2,400, which will offset SNWA's lease payment obligation to MVWD. As a result, SNWA's net cost of the MVWD lease will be \$27,600.

The remaining amounts projected to be paid or received under the terms of these lease contracts by fiscal year is estimated as follows:

<u>Year</u>	<u>Greystone</u>	<u>Net MVWD</u>	<u>Total</u>
2005 \$	1,609,944	27,600	1,637,544
2006	1,650,575	27,600	1,678,175
2007	1,696,767	27,600	1,724,367
2008	145,354	27,600	172,954
2009		27,600	27,600
Total \$	<u>5,102,640</u>	<u>138,000</u>	<u>5,240,640</u>

### **Forward Power Contracts**

The Government Accounting Standards Board (GASB) issued Technical Bulletin No. 2003-1 (the "Bulletin") effective for fiscal years ended after June 15, 2003. The Bulletin clarifies guidance on derivative disclosures pending the results of GASB's project on reporting and measurement of derivatives. The Bulletin applies to derivatives that are not reported at fair value on the statement of net assets. It also provides disclosure requirements for those derivatives. The Bulletin adopts the definition of a derivative contained in the Financial Accounting Standards Board (FASB) Statement No. 133 (as amended).

As of June 30, 2004, SNWA was a party to 23 forward purchase or sales contracts extending through December 31, 2011, and ranging in size from 10 to 100 megawatts. These contracts, along with the Silverhawk power plant that came online in May 2004 are projected to provide sufficient energy for SNWA's needs through 2006.

The following table lists major terms of those contracts:

# SOUTHERN NEVADA WATER AUTHORITY

Notes to Financial Statements

## Energy Forward Purchase and Sales Contracts

As of June 30, 2004

Counter Party	Original Contract Amount	Flow Dates		
		Begin	End	
American Electric Power	\$ 44,923,120	1-Jan-07	31-Dec-11	25 MW
Arizona Public Service Co.	708,400	1-Jul-04	30-Sep-04	25 MW
Arizona Public Service Co.	279,760	1-Jul-04	31-Jul-04	10 MW
BP Energy Company	910,315	1-Jul-04	31-Jul-04	5,000 MMBtu/Day
BP Energy Company	942,400	1-Jul-04	31-Jul-04	5,000 MMBtu/Day
Chevron Texaco	938,525	1-Jul-04	31-Jul-04	5,000 MMBtu/Day
Duke Energy Trading	17,257,500	1-Jul-04	31-Dec-06	25 MW
El Paso Merchant Energy	31,260,225	1-Jul-04	31-Dec-06	25 MW
Nevada Power Company	441,644	1-Jul-04	15-Sep-04	100 MW
Nevada Power Company	(7,292,400)	1-Jul-04	15-Sep-04	100 MW
Pioneer	(657,800)	1-Jul-04	31-Jul-04	25 MW
Pioneer	748,650	1-Jul-04	30-Sep-04	25 MW
Powerex	2,233,000	1-Jul-04	30-Sep-04	25 MW
PPL Energy Plus	42,502,938	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	42,365,831	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	27,476,093	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	(21,476,000)	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	(17,487,600)	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	(31,534,438)	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	(Call Option)	1-Jul-04	31-Dec-06	25 MW
Sempra Energy Trading Corp.	(Call Option)	1-Jul-04	31-Dec-06	25 MW
Strategic Energy	(3,946,160)	1-Jul-04	31-Dec-05	10 MW
Western Area Power Administration <sup>1</sup>	\$ 39,076,835	1-Jul-04	30-Jun-14	20 MW

<sup>1</sup> Consists of five contracts with the Western Area Power Authority which collectively comprise the Authority's Colorado River hydropower rights. The amount of energy the Authority will receive under these contracts and the cost are a function of the amount of water released from dams, which is unknown in advance. The contracts do, however, specify the means for determining the amount of energy the Authority will receive and how the cost will be determined. Historical data have been used to project the amount of energy the Authority will receive, and the cost, into the future.

The fair value of these contracts at June 30, 2004, is (\$18,439,415), as follows:

Forward Power Purchase Contracts	\$ <u>(21,029,149)</u>
Forward Power Sales Contracts	8,195,211
Forward Power Sales Option Contracts	<u>(5,605,477)</u>
Total Fair Value	\$ <u>(18,439,415)</u>

SNWA neither paid nor was paid anything at the inception of these contracts, and only pays or receives payment for these contracts in the month after the month in which the power or gas is delivered.

Because Las Vegas is uphill from its major water supply, reliable electrical service is absolutely essential to SNWA's ability to deliver water. Essentially, SNWA has just two options to obtain the power needed to deliver water: 1) obtain that power from the local regulated investor-owned utility (the Utility) under tariff rates approved by the Nevada Public Utilities Commission (NPUC), or 2) purchase energy from the wholesale power market. Primarily because of reliability concerns, SNWA chose the second option for the majority of its power. Price was not the major consideration in the decision, although SNWA also intended to pay no more for power than it would otherwise have to pay for that power from the Utility.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

SNWA is not exposed to credit risk for this portfolio because of the fair value as of June 30, 2004. However, should the implied forward prices increase and the fair value of this portfolio become positive, SNWA could be exposed to credit risk on this portfolio. SNWA has established the Risk Oversight Committee (ROC) to manage this and other risks associated with this portfolio. The ROC continually reviews the credit status of counter parties to these contracts and recommends changes in purchasing practices as necessary to minimize risk.

### **Silverhawk Power Plant**

SNWA has partnered with Gen West, a wholly owned subsidiary of Pinnacle West Capital Corp. of Phoenix, Arizona, to build and operate the 580 megawatt Silverhawk electric power generating plant in the Apex industrial area 20 miles northeast of Las Vegas. SNWA has paid 25% of the construction costs and is obligated to pay 25% of the operating costs of Silverhawk, and is therefore entitled to 25% of the output.

### **Intermountain Power Project Unit #3**

SNWA is participating in a feasibility study for a third 900 MW, coal-fired unit at the Intermountain Power Project (IPP) near Delta, Utah. Because of its participation in the feasibility study, SNWA will have the right to participate in the construction and operation of IPP Unit #3 if it is determined feasible. SNWA would receive 100 megawatts, or 11% of the output of the unit, and pay 11% of the operating and capital costs.

Through June 30, 2004, SNWA has spent \$425,885 on this feasibility study. If the project is determined to be feasible, and if SNWA elects to participate, SNWA's share of the capital costs would be about \$239 million. The plant would come online in 2009 and would produce energy at a projected average cost of about \$45/MWH over its projected life of 35 years. If IPP #3 is determined to be feasible and SNWA elects not to participate, SNWA could transfer its interest in this project to another party who would be obliged to reimburse SNWA for these costs.

### **Title XVI Funds**

SNWA has received a total of \$9.3 million from the federal government through the U.S. Bureau of Reclamation as partial reimbursement of the costs incurred by its member agencies to build reclaimed water facilities in the Las Vegas Valley. These reclaimed water facilities reduce the demand on potable water facilities by providing treated wastewater for irrigation use by golf courses. This money will be distributed among SNWA member agencies upon execution of an inter-local agreement to distribute these funds. See note 17, Subsequent Events, for updated information on distribution of these grant proceeds.

### **Litigation**

SNWA is the defendant in various items of litigation. It is management's opinion, based upon advice from legal counsel, that the risk of financial losses to SNWA from such items of litigation will not have a material adverse effect on SNWA's financial position, results of operations, or liquidity.

## **NOTE 12. OUTSTANDING DEBT**

Pursuant to the Transfer Act, SNWA assumed responsibility for all CRC debt associated with the SNWS as of January 1, 1996. That debt was composed of general obligation bonds of the State of Nevada and two repayment contracts for facilities constructed by the federal government. In addition to the CRC debt, LVVWD has sold bonds for SNWA, secured by a promise to repay. In 1997, SNWA received authorization to sell its bonds directly to the State Bond Bank. In 1999 SNWA received authorization to sell its bonds through a newly

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

authorized County Bond Bank. Because the state and county bond banks have not dealt in Commercial Paper or Adjustable Rate Bonds, which SNWA intends to issue, it is anticipated that SNWA will continue to use LVVWD to sell those kinds of debt instruments and use the state and county bond banks to sell long-term fixed-rate bonds.

### **Debt Covenants**

Management believes that SNWA has complied with all legal requirements, limitations, and restrictions of debt covenants. SNWA is required to set charges for its purveyor members at levels sufficient to cover all operations and maintenance expense (except depreciation), all debt service requirements, and any amounts required to be deposited in reserve accounts. Other requirements of long-term debt covenants include adequate insurance coverage for liability, property, and LVVWD employees, and an annual audit of SNWA's records by an independent certified public accountant.

### **Defeasance of Debt**

CRC, LVVWD, and SNWA have issued bonds to advance refund portions of previous debt issues. The funds to advance refund the debt have been placed in escrow accounts. The assets in those escrow accounts, as well as the liabilities for those in-substance defeased debt issues, have been removed from these financial statements. Further, in accordance with GASB Statement No. 23, any accounting gain or loss resulting from these transactions has been deferred and is being amortized over the life of the related debt (see note 13). As of June 30, 2004, the defeased amounts of these bonds were as follows:

<u>Refunding Bonds</u>	<u>Defeased Bonds</u>	<u>Defeased Amt. at June 30, 2004</u>
CRC 1993	CRC 1978D	\$ 8,550,000
	CRC 1990	3,340,000
CRC 1994	CRC 1968	5,580,000
	CRC 1978A	9,125,000
CRC 1995	CRC 1994	105,995,000
CRC 1997B	CRC 1992	5,125,000
LVVWD 0498	LVVWD 0395	9,715,000
	LVVWD 0795	12,380,000
	LVVWD 0796	149,095,000
CRC 2003C	CRC 1993	23,125,000
Total Amount Defeased		<u>\$ 332,030,000</u>

The following is a summary of each of the outstanding debt issues as of June 30, 2004.

### **CRC 1992 Bonds**

These general obligation bonds in the original amount of \$9,815,000 were sold October 14, 1992. Proceeds were designated to defray the cost of acquiring, improving, and equipping additional and existing laboratory, maintenance, operations and administrative facilities at the Alfred Merrit Smith Water Treatment Facility. Originally these bonds matured annually on July 1 through 2012. Because \$5,125,000 of the CRC 1997B bonds was used to defease the later maturities of this bond issue, the final bond will mature on July 1, 2004. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 6.04%.

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### Notes to Financial Statements

#### **CRC 1993 Bonds**

These general obligation bonds in the original amount of \$46,805,000 were sold on November 3, 1993. The proceeds of the bond sale, along with other monies provided by the CRC at closing, were used to fully refund \$36,220,000 the 1978B Series Bonds, \$8,550,000 of the Series 1978D Bonds and \$3,340,000 of the Series 1990 Bonds. These bonds mature annually on July 1 through 2011. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 4.63%. The outstanding balance of these bonds was completely defeased by the CRC 2003C refunding bonds in September 2003.

#### **CRC 1994 Bonds**

These general obligation bonds in the original amount of \$170,380,000 were sold on November 21, 1994. Proceeds of \$14,179,540 were used to purchase U.S. Government securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1968 Series and 1978A Series Bonds (which had outstanding principal balances of \$5,580,000 and \$9,125,000, respectively). The remaining proceeds were placed in capital acquisition accounts to provide for construction of additions to SNWS facilities, including the new parallel tunnel through the River Mountains. These bonds mature annually on July 1 through 2027. \$105,995,000 of the CRC 1995 Bonds was used to refund these bonds maturing 2007 through 2024. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 6.43%.

#### **LVVWD 0395 Bonds**

These general obligation bonds in the original amount of \$20,000,000 were sold by LVVWD on March 2, 1995. These funds were used to pay for general construction related to the Capital Improvement Plan. Originally these bonds matured annually on March 1 through 2015. Because \$9,715,000 of the LVVWD 0498 bond issue was used to defease the later maturities of this bond issue, the final bond will mature on March 1, 2008. Interest on these bonds is payable semiannually on March 1 and September 1. The interest rate is 5.88%.

#### **LVVWD 0795 Bonds**

These general obligation bonds in the original amount of \$30,000,000 were sold by LVVWD on July 18, 1995. These funds were used to pay for general construction related to the Capital Improvement Plan. Originally these bonds matured annually on July 1 through 2015. Because \$12,380,000 of the LVVWD 0498 bond issue was used to defease the later maturities of this issue, the final bond will mature on July 1, 2009. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 5.59%.

#### **CRC 1995 Bonds**

These general obligation bonds in the original amount of \$118,590,000 were sold by CRC on December 28, 1995. Proceeds of this bond sale were used to refund \$105,995,000 of the CRC 1994 Bonds maturing July 1, 2007 through 2024. Interest payments only were due on these bonds until July 1, 1999. After that date these bonds mature annually on July 1, 1999 through 2025. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 5.40%.

#### **LVVWD 0796 Bonds**

These general obligation bonds in the original amount of \$180,000,000 were sold by LVVWD on July 25, 1996. These funds are being used to pay for general construction related to the Capital Improvement Plan. Originally these bonds matured annually on May 15, 2000 through 2026. Because \$149,095,000 of the LVVWD 0498

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### Notes to Financial Statements

bonds were used to defease the later maturities of this issue. The final bond will mature on May 15, 2010. Interest on these bonds is payable semiannually on November 15 and May 15. The interest rate is 6.04%.

#### **CRC 1997A Bonds**

These bonds, general obligations of the State of Nevada in the original amount of \$49,270,000, were sold by the CRC on September 15, 1997. SNWA has contracted with CRC to construct and operate the power facilities associated with the SNWA CIP. These funds were used to construct Phase I of the CRC Power Delivery Project. Title to these facilities will remain with CRC. However, SNWA has an exclusive right to use these facilities in perpetuity, and an obligation to make debt service payments as they come due. Therefore, the assets and liabilities associated with these facilities are carried on the books of SNWA as well as the CRC. These bonds mature annually on September 15 and interest is payable semiannually on March 15 and September 15. The interest rate is 5.34%.

#### **CRC 1997B Bonds**

These general obligation bonds in the original amount of \$5,545,000 were sold by CRC on September 24 1997. The funds were used to advance refund certain maturities of the CRC 1992 Bonds. These bonds mature annually on July 1, 1998 through 2012. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 5.07%.

#### **LVVWD Commercial Paper**

On January 14, 1998 LVVWD began a \$250,000,000 Tax-exempt Commercial Paper (TECP) program for SNWA. Commercial Paper is short-term (less than 270 days) debt. Because short-term debt typically carries a much lower interest rate than long-term debt, the Commercial Paper program allowed SNWA to finance a significant portion of the Capital Improvement Plan at very favorable rates. The Commercial Paper program was facilitated by a Letter of Credit and Reimbursement Agreement between LVVWD and Westdeutsche Landesbank Girozentrale, New York Branch, as agent. The Letter of Credit expired on January 14, 2003. On January 9, 2003, LVVWD issued \$250,000,000 in long-term general obligation bonds to completely retire this \$250,000,000 in tax-exempt commercial paper notes.

On March 10, 2004, LVVWD began a new TECP program for SNWA which authorizes the issuance of up to \$400 million in TECP notes. It is projected that ultimately \$200 million of that amount will be used to fund the SNWA CIP, \$100 million will be used to fund the purchase of the 25% interest in the Silverhawk power plant, and \$100 million will be used as needed to purchase water resources. This TECP program is facilitated by a Letter of Credit between LVVWD and BNP Paribas and Lloyds TSB Bank PLC. The Letter of Credit expires on March 9, 2009. As of June 30, 2004, there were \$140 million of outstanding TECP notes bearing an average interest rate of 1.06%, composed of 14 tranches ranging in size from \$.8 million to \$29 million, and ranging in maturity from 30 to 132 days.

#### **LVVWD 0498 Bonds**

These general obligation bonds in the original amount of \$190,255,000 were sold by LVVWD on April 9, 1998. These funds were used to advance refund \$9,715,000 of the LVVWD 0395 Bonds, \$12,380,000 of the LVVWD 0795 Bonds, and \$149,095,000 of the LVVWD 0796 Bonds. These bonds mature annually on May 15 beginning in 2000. Interest is due semiannually on May 15 and November 15. Although the advance refunding resulted in the recognition of an accounting loss of \$15 million for the year ended June 30, 1998 (see note 13), the results of the refunding are that SNWA will experience a cash flow savings of \$6.6 million over the life of the bonds, and an economic gain (the difference between the present values of the old and new debt service payments) of \$6.1 million. The interest rate is 5.13%.

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

### **SNWA 0798 Bonds**

These general obligation bonds in the original amount of \$300,000,000 were sold by SNWA through the State Bond Bank on July 9, 1998. This marked the first time SNWA had used the authorization granted by the 1997 Legislature to sell bonds directly to the State Bond Bank. This was a “new money” bond issue and the \$296,236,936 it generated was added to the construction fund to fund the Capital Improvement Plan. These bonds mature annually on May 15 from 2001 to 2028. Interest is payable semiannually on May 15 and November 15. The interest rate is 5.17%.

### **CRC 1999A Bonds**

These bonds, general obligations of the state of Nevada in the original amount of \$25,730,000, were sold by the CRC on October 1, 1999. SNWA has contracted with CRC to construct and operate the power facilities associated with the SNWA CIP. These funds were used to construct Phase II of the CRC Power Delivery Project. Title to these facilities will remain with CRC; however, SNWA has an exclusive right to use these facilities in perpetuity, and an obligation to make debt service payments as they come due. Therefore, the assets and liabilities associated with these facilities are carried on the books of SNWA as well as the CRC. These bonds mature annually on September 15 and interest is payable semiannually on March 15 and September 15. The interest rate is 5.73%.

### **State of Nevada SRF Loan #1**

State law provides for the creation of an Account for the Revolving Fund to finance the construction of state public water system projects authorized by the federal Safe Drinking Water Act. This federally financed program requires that funds made available to each state must be committed and used each year; otherwise future financing opportunities under the program are lost to the state. The SNWA CIP project to build ozone facilities to disinfect water at the Alfred Merritt Smith Water Treatment Facility was a project which qualified under the statutory and regulatory requirements, and was the only such project within the state that qualified for that year’s funding. Therefore, SNWA made application for a loan from the state for the \$12,269,695 in available funding to keep the money within the state. The interest rate on the loan is fixed at 3.61% and the term is 20 years. Constant semiannual payments of principal and interest are due on August 1 and February 1.

### **SNWA 0700 Bonds**

These general obligation bonds in the original amount of \$200,000,000 were sold by SNWA through the Clark County Bond Bank on July 11, 2000. SNWA was the first local government to use the Clark County Bond Bank authorized by the 1999 Legislature to issue bonds. This was a “new money” bond issue and the \$197,661,802 in cash it generated was added to the construction fund to fund the Capital Improvement Plan. These bonds mature annually on July 1 from 2003 to 2030. Interest is payable semiannually on July 1 and January 1. The interest rate is 5.65%.

### **SNWA 0601 Bonds**

These general obligation bonds in the original amount of \$250,000,000 were sold by SNWA through the Clark County Bond Bank on June 13, 2001. This was the second time SNWA used the Clark County Bond Bank authorized by the 1999 Legislature to issue bonds. This bond issue generated cash of \$247,419,711. Of that amount, \$116,259,653 was used on July 3, 2001 to prepay the two federal repayment contracts related to the Robert E. Griffith Project title transfer. The remainder was “new money” added to the construction fund to fund the Capital Improvement Plan. These bonds mature annually on June 1 from 2004 to 2031. Interest is payable semiannually on June 1 and December 1. The interest rate is 5.31%.

## **SOUTHERN NEVADA WATER AUTHORITY**

### Notes to Financial Statements

#### **State of Nevada SRF Loan #2**

On June 29, 2001, SNWA received a second loan from the State Revolving Fund in the amount of \$10,000,000. SNWA applied for this loan in order for the state to preserve federal Safe Drinking Water Act funds that would otherwise be lost to the public water systems in the state. The interest rate on the loan is fixed at 3.46%, and the term is 20 years. Constant semiannual payments of principal and interest are due on August 1 and February 1.

#### **SNWA 1102 Bonds**

These general obligation bonds in the original amount of \$200,000,000 were sold by SNWA through the Clark County Bond Bank on November 19, 2002. These bonds sold at a premium and generated gross cash of \$206,999,361. This premium, net of issuance costs has been capitalized and is being amortized over the life of the bonds (see note 14). This entire issue was "new money" and the proceeds were added to the construction fund to fund the Capital Improvement Plan. These bonds mature annually on June 1 from 2005 to 2032. Interest is payable semiannually on June 1 and December 1. The effective interest rate is 4.78%.

#### **LVVWD 0103 Bonds**

The letter of credit that facilitated the tax-exempt commercial paper program that LVVWD started for SNWA back in 1998 expired on January 14, 2003. On January 9, 2003, LVVWD issued \$250,000,000 in long-term general obligation bonds to completely retire the \$250,000,000 in tax-exempt commercial paper notes. These bonds sold at a premium and generated gross cash of \$262,386,103. This premium, net of issuance costs has been capitalized and is being amortized over the life of the bonds (see note 14). These bonds mature annually on June 1 from 2004 to 2027. Interest is payable semiannually on June 1 and December 1. The effective interest rate is 4.66%.

#### **CRC 2003C Bonds**

These State of Nevada general obligation bonds in the original amount of \$21,515,000 were sold by the CRC on September 17, 2003. The funds were used to advance refund certain maturities of the CRC 1993 Bonds. These bonds mature annually on July 1, 2004 through 2011. Interest on these bonds is payable semiannually on January 1 and July 1. The effective interest rate is 2.67%

Changes in long-term debt for the years ending June 30, 2004 and 2003 are summarized below.

**SOUTHERN NEVADA WATER AUTHORITY**  
Notes to Financial Statements

<b>Changes in Outstanding Debt, June 30, 2004</b>							
Debt Issue	Beginning Balance 7-1-03	Additions	Retirements	Ending Balance 6-30-04	Current Portion	Long-Term Portion	Accrued Interest at 6-30-04
SRF Loan #1	\$ 10,939,754		475,995	10,463,759	493,333	9,970,426	157,392
SRF Loan #2	<u>9,464,429</u>		<u>372,668</u>	<u>9,091,761</u>	<u>385,674</u>	<u>8,706,087</u>	<u>131,073</u>
Subtotal Notes Payable	20,404,183	0	848,663	19,555,520	879,007	18,676,513	288,465
CRC 1992	490,000		490,000	0		0	
CRC 1993	23,125,000		23,125,000	0		0	
CRC 1994	43,460,000		3,810,000	39,650,000	4,035,000	35,615,000	
LVVWD 0395	4,830,000		860,000	3,970,000	910,000	3,060,000	74,343
LVVWD 0795	9,000,000		1,320,000	7,680,000	1,385,000	6,295,000	
CRC 1995	115,820,000		635,000	115,185,000	665,000	114,520,000	
LVVWD 0796	27,150,000		2,095,000	25,055,000	2,635,000	22,420,000	189,976
CRC 1997A	46,705,000		935,000	45,770,000	975,000	44,795,000	709,067
CRC 1997B	5,290,000		35,000	5,255,000	555,000	4,700,000	
LVVWD 0498	187,465,000		775,000	186,690,000	810,000	185,880,000	1,166,152
SNWA 0798	296,370,000		2,515,000	293,855,000	3,250,000	290,605,000	1,872,689
CRC 1999A	25,480,000		200,000	25,280,000	250,000	25,030,000	418,023
SNWA 0700	200,000,000		3,025,000	196,975,000	3,185,000	193,790,000	5,505,888
SNWA 0601	250,000,000		3,980,000	246,020,000	4,265,000	241,755,000	1,078,382
SNWA 1102	200,000,000			200,000,000	3,545,000	196,455,000	843,774
LVVWD 0103	250,000,000		5,640,000	244,360,000	5,865,000	238,495,000	1,034,266
CRC 2003C	0	21,515,000	3,320,000	18,195,000	3,155,000	15,040,000	
Subtotal Bonds Payable	<u>1,685,185,000</u>	<u>21,515,000</u>	<u>52,760,000</u>	<u>1,653,940,000</u>	<u>35,485,000</u>	<u>1,618,455,000</u>	<u>12,892,560</u>
Total Long Term Debt	<u>1,705,589,183</u>	<u>21,515,000</u>	<u>53,608,663</u>	<u>1,673,495,520</u>	<u>36,364,007</u>	<u>1,637,131,513</u>	<u>13,181,025</u>
LVVWD Comm Paper	0	140,000,000	0	140,000,000	140,000,000	0	212,573
Total Debt	<u>\$ 1,705,589,183</u>	<u>161,515,000</u>	<u>53,608,663</u>	<u>1,813,495,520</u>	<u>176,364,007</u>	<u>1,637,131,513</u>	<u>13,393,598</u>

<b>Changes in Outstanding Debt, June 30, 2003</b>							
Debt Issue	Beginning Balance 7-1-02	Additions	Retirements	Ending Balance 6-30-03	Current Portion	Long-Term Portion	Accrued Interest at 6-30-03
SRF Loan #1	\$ 11,399,020		459,266	10,939,754	475,995	10,463,759	164,552
SRF Loan #2	<u>9,824,529</u>		<u>360,100</u>	<u>9,464,429</u>	<u>372,668</u>	<u>9,091,761</u>	<u>136,446</u>
Subtotal Notes Payable	21,223,549	0	819,366	20,404,183	848,663	19,555,520	300,998
CRC 1992	950,000		460,000	490,000	490,000	0	
CRC 1993	26,465,000		3,340,000	23,125,000	3,490,000	19,635,000	
CRC 1994	47,055,000		3,595,000	43,460,000	3,810,000	39,650,000	
LVVWD 0395	5,640,000		810,000	4,830,000	860,000	3,970,000	89,823
LVVWD 0795	10,255,000		1,255,000	9,000,000	1,320,000	7,680,000	
CRC 1995	116,430,000		610,000	115,820,000	635,000	115,185,000	
LVVWD 0796	28,745,000		1,595,000	27,150,000	2,095,000	25,055,000	208,308
CRC 1997A	47,600,000		895,000	46,705,000	935,000	45,770,000	721,203
CRC 1997B	5,325,000		35,000	5,290,000	35,000	5,255,000	
LVVWD 0498	188,210,000		745,000	187,465,000	775,000	186,690,000	1,170,511
SNWA 0798	298,195,000		1,825,000	296,370,000	2,515,000	293,855,000	1,258,939
CRC 1999A	25,630,000		150,000	25,480,000	200,000	25,280,000	420,940
SNWA 0700	200,000,000			200,000,000	3,025,000	196,975,000	5,626,887
SNWA 0601	250,000,000			250,000,000	3,980,000	246,020,000	1,095,795
SNWA 1102		200,000,000		200,000,000		200,000,000	843,774
LVVWD 0103		250,000,000		250,000,000	5,640,000	244,360,000	1,053,066
Subtotal Bonds Payable	<u>1,250,500,000</u>	<u>450,000,000</u>	<u>15,315,000</u>	<u>1,685,185,000</u>	<u>29,805,000</u>	<u>1,655,380,000</u>	<u>12,489,244</u>
Total Long Term Debt	<u>1,271,723,549</u>	<u>450,000,000</u>	<u>16,134,366</u>	<u>1,705,589,183</u>	<u>30,653,663</u>	<u>1,674,935,520</u>	<u>12,790,242</u>
LVVWD Comm Paper	250,000,000		250,000,000	0		0	
Total Debt	<u>\$ 1,521,723,549</u>	<u>450,000,000</u>	<u>266,134,366</u>	<u>1,705,589,183</u>	<u>30,653,663</u>	<u>1,674,935,520</u>	<u>12,790,242</u>

SNWA total debt service requirements (including interest) to maturity are as follows:

# SOUTHERN NEVADA WATER AUTHORITY

## Notes to Financial Statements

Fiscal Years			
Ending			
June 30	Principal <sup>1</sup>	Interest	Total
2005	\$ 176,364,007	88,576,610	264,940,618
2006	39,375,437	84,845,385	124,220,822
2007	42,592,991	82,804,865	125,397,856
2008	45,961,710	80,483,681	126,445,391
2009	47,976,635	78,036,599	126,013,234
2010-2014	261,042,374	351,373,805	612,416,179
2015-2019	321,823,164	276,669,700	598,492,864
2020-2024	401,074,203	185,657,070	586,731,272
2025-2029	380,760,000	75,820,108	456,580,108
2030-2034	96,525,000	8,436,434	104,961,434
Totals	\$ <u>1,813,495,520</u>	<u>1,312,704,257</u>	<u>3,126,199,777</u>

<sup>1</sup> Because commercial paper notes have a maturity of less than 270 days, they are presented as all maturing in the current year. In reality, as they mature the interest will be paid and the principal rolled into new commercial paper notes.

### NOTE 13. DEFERRED AMOUNT ON REFUNDING

GASB pronouncements require that increases or decreases in the amount of debt outstanding as a result of advance refunding of bond issues be capitalized and amortized over the life of the refunding bond issue. The decision to refund bonds was made because there was an economic gain from refunding even though there may have been an increase in the amount of debt outstanding. Economic gain was determined by comparing the present value cash flow of the existing bond issue with that of the refunding bond issue. Typically, the economic gain resulted from lower interest rates of the refunding bonds.

Typically advance refunding a bond issue results in an increase in the amount of debt outstanding as indicated by the brackets on the numbers in the table below. However, when SNWA prepaid the two federal repayment contracts to obtain title to a portion of the Southern Nevada Water System (SNWS) on July 3, 2001, it received a \$46 million discount from the amount due resulting in a substantial decrease in the amount of debt outstanding. As a result, the deferred amount on refunding is a credit balance of approximately \$20.6 million. These balances are being amortized over the life of their associated debt.

Deferred amounts on refunding as of June 30, 2004 and 2003 are as follows:

Deferred Amount on Refunding	June 30, 2004	June 30, 2003
CRC 1993 Bonds	\$	(794,463)
CRC 2003C Bonds	212,216	
CRC Nov 1994 Bonds	(305,697)	(382,121)
CRC Dec 1995 Bonds	(12,729,908)	(13,366,404)
LVVWD Apr 1998 Bonds	(9,789,273)	(10,679,207)
CRC Sep 1997 Bonds	(40,913)	(81,826)
SNWA June 2001 Bonds	43,228,525	44,829,582
Total	\$ <u>20,574,950</u>	<u>19,525,561</u>

## SOUTHERN NEVADA WATER AUTHORITY

### Notes to Financial Statements

#### NOTE 14. UNAMORTIZED BOND COSTS

Rather than being expensed in the year of issue, discounts/premiums and costs associated with issuing bonds are capitalized and amortized over the lives of the respective bonds. Amortization schedules are maintained for each bond issue and monthly journal entries are made to expense these costs. The November 2002 and January 2003 bonds were sold at a premium and are therefore presented here as positive balances. The unamortized balances at June 30, 2004 and 2003 are as follows:

<b>Unamortized Bond Costs</b>	<b>June 30, 2004</b>	<b>June 30, 2003</b>
CRC 1992 Bonds	\$	(10,879)
CRC 1993 Bonds		(109,521)
CRC Nov 1994 Bonds	(1,755,810)	(1,864,312)
LVVWD Mar 1995 Bonds	(52,509)	(66,862)
LVVWD Jul 1995 Bonds	(96,903)	(116,325)
CRC Dec 1995 Bonds	(1,889,352)	(2,042,601)
LVVWD Jul 1996 Bonds	(437,426)	(511,511)
CRC Sep 1997 Bonds	(79,602)	(83,048)
LVVWD Apr 1998 Bonds	(3,809,074)	(3,983,231)
SNWA July 1998 Bonds	(3,168,758)	(3,302,051)
SNWA July 2000 Bonds	(2,314,044)	(2,402,766)
SNWA June 2001 Bonds	(2,608,165)	(2,705,265)
SNWA Nov 2002 Bonds	4,999,759	5,178,689
SNWA Jan 2003 Bonds	10,336,470	10,788,502
Total	\$ <u>(875,414)</u>	<u>(1,231,181)</u>

#### NOTE 15. CAPITAL CONTRIBUTIONS

Revenues received to fund New Expansion are reported on the income statement as capital contributions. The following sets forth the amounts of capital contributions received for the fiscal years ending June 30, 2004, and 2003:

<b>Capital Contributions</b>	<b>2004</b>	<b>2003</b>
Regional Connection Charge	\$ 154,146,853	118,537,370
Sales Tax	42,835,002	36,899,502
Regional Commodity Charge	7,103,451	7,278,334
So. Nevada Public Lands Management Act	34,465,520	21,731,600
Raw Water Facilities Charge	1,386,755	1,542,875
Regional Reliability Charge	3,035,748	2,873,770
Purveyor Member Debt Service Billings	76,573	76,573
Total Capital Contributions	\$ <u>243,049,902</u>	<u>188,940,024</u>

## SOUTHERN NEVADA WATER AUTHORITY

### Notes to Financial Statements

#### NOTE 16. RISK MANAGEMENT

The SNWA is exposed to a variety of risks that may result in losses. These risks include possible loss related to torts; theft of, damage to, or destruction of assets; business interruption, errors and omissions; product liability suits; and natural disasters. SNWA manages and finances these risks through a combination of purchasing commercial insurance and self-assumption of risk. The self-assumption of risk by SNWA is in the form of deductibles of \$50,000 for damage to SNWA property, and errors and omission claims of \$150,000 per incident. Also, SNWA self-insures its fleet of vehicles for material damage claims. In addition, on May 1, 2003 SNWA implemented a self-insurance program for its automobile and general liability exposure. SNWA assumes the first \$1 million for any one claim and purchases \$25 million of excess liability insurance. SNWA has not established a separate fund or account to finance or record its retained risks for this coverage.

The Las Vegas Valley Water District (LVVWD), which serves as operating agent for SNWA, provides all employees for SNWA and also provides workers' compensation insurance for its employees as required by Nevada law. On January 1, 2003, LVVWD implemented a self-insured workers' compensation program. Under this program, LVVWD assumes the first \$350,000 per claim and purchases excess workers' compensation insurance with statutory limits for any claims which exceed the deductible. SNWA has no employees of its own.

For the fiscal year ended June 30, 2004, SNWA has had no significant reductions in insurance coverage from the prior fiscal year. Also, the amount of settlements has not exceeded insurance coverage for each of the past four fiscal years.

GASB Statement No. 10 requires that for retained risks, a liability for claims be reported if information available prior to issuance of the financial statement indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. In addition, there are also situations in which incidents occur before the balance sheet date, but claims are not reported or asserted when the financial statements are prepared. As of June 30, 2004, SNWA has no significant retained risks and therefore has no accrued liability for retained risks.

#### NOTE 17. SUBSEQUENT EVENTS

##### **Natural Gas Project Development Agreement**

On July 15, 2004, the Board of Directors approved participation in a Natural Gas Project Development Agreement with various California cities (including the City of Los Angeles) and the Southern California Public Power Authority (SCPPA) to evaluate the feasibility of acquiring natural gas reserves for the Silverhawk power plant. SNWA's only commitment at this point is for \$30,000 as its share of costs for the contemplated study. Any further commitments will be brought to the Board for approval.

##### **\$60 Million Increase in TECP Notes Outstanding**

On July 15, 2004, SNWA requested LVVWD to issue another \$60 million in TECP notes, bringing the total outstanding to \$200 million. Proceeds from the sale of these notes were used to fund ongoing projects in SNWA's various capital plans.

##### **Increase in the Wholesale Delivery Charge**

Effective July 1, 2004, the Wholesale Delivery Charge was increased from \$215/acre-foot to \$243/acre-foot. The Raw Water Wholesale Delivery Charge was increased from \$162/acre-foot to \$163/acre-foot.

# **SOUTHERN NEVADA WATER AUTHORITY**

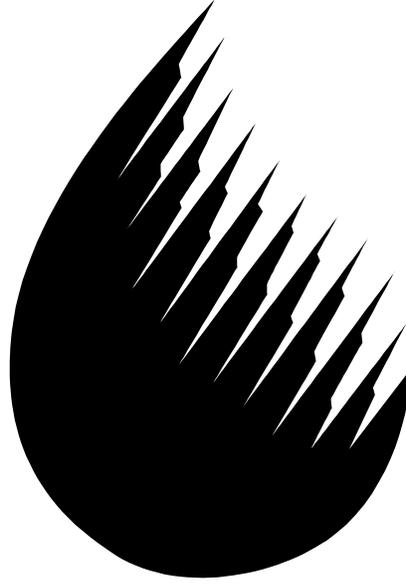
## Notes to Financial Statements

### **Integrated Water Planning Advisory Committee**

In August 2004, the SNWA Integrated Water Planning Advisory Committee began meeting. The purpose of this committee is to develop recommendations for the Board concerning integration of in-state water resources into the water planning and management activities of Southern Nevada. The committee is composed of 29 individuals representing various stakeholder groups with an interest in SNWA's in-state water projects, including Nye, Lincoln, and White Pine counties. It is projected that this committee will complete its work sometime in late 2005.

### **Title XVI Grant Funds Distribution**

On September 20, 2004, SNWA received another Title XVI grant payment of \$2,680,000, bringing the total received to date to \$12,087,000. In November 2004, all parties to an inter-local agreement to distribute these grant proceeds executed the agreement. On November 12, 2004, grant proceeds of \$12,087,000 were distributed to three SNWA members per the inter-local agreement. This grant is partial reimbursement of costs to construct reclaimed water facilities, which reduce demand on potable water facilities by providing treated waste water for irrigation use by golf courses.



SOUTHERN NEVADA  
WATER AUTHORITY

**Statistical  
Section  
(Unaudited)**

**Southern Nevada Water Authority  
Enterprise Fund (Unaudited)  
Operating Revenue, Expense, and Debt Service Coverage**

	Fiscal Year Ended											
	30-Jun-04	30-Jun-03	30-Jun-02	30-Jun-01	30-Jun-00	30-Jun-99	30-Jun-98	30-Jun-97	30-Jun-96	30-Jun-95		
<b>Operating Revenues</b>												
Wholesale Delivery Charges	\$ 97,162,446	87,774,387	86,276,227	67,593,430	65,919,217	59,945,946	54,461,114	53,715,112	24,977,863			
Groundwater Program Fees	2,114,246	2,037,737	2,050,476	1,506,831	1,915,383	486,591	494,661					
Purveyor Admin Costs Billing	321,253	363,637	383,704	279,511	288,031	460,994	466,778	5,910,877	2,690,044	1,673,200		
Las Vegas Wash Revenues	1,037,400	966,000	753,000									
Total Operating Revenues	100,635,345	91,141,761	89,463,407	69,379,772	68,122,631	60,893,531	55,422,553	59,625,989	27,667,907	1,673,200		
<b>Operating Expenses</b>												
Personnel & Related	(26,536,039)	(23,782,689)	(21,027,884)	(16,410,991)	(13,195,952)	(11,146,805)	(10,627,421)	(10,427,696)	(5,002,876)	(685,966)		
Electric Power	(55,632,005)	(60,862,783)	(49,116,179)	(21,791,314)	(23,597,680)	(21,658,403)	(16,456,292)	(18,706,847)	(7,195,547)			
Legal & Professional	(6,809,712)	(7,027,995)	(4,977,918)	(5,232,378)	(3,713,535)	(2,684,284)	(2,195,467)	(1,453,755)	(821,014)			
Other	(35,456,203)	(19,344,834)	(15,508,000)	(10,384,241)	(8,978,364)	(7,249,000)	(5,330,931)	(4,911,574)	(3,333,020)	(987,234)		
Depreciation	(38,380,146)	(28,554,840)	(26,452,890)	(21,487,976)	(17,048,735)	(14,502,827)	(13,198,059)	(11,795,229)	(5,425,259)	(4,706)		
Total Operating Expenses	(162,814,105)	(139,573,141)	(117,082,871)	(75,306,900)	(66,534,266)	(57,241,319)	(47,808,170)	(47,295,101)	(21,777,716)	(1,677,906)		
Operating (Loss)/Income	(62,178,760)	(48,431,380)	(27,619,464)	(5,927,128)	1,588,365	3,652,212	7,614,383	12,330,888	5,890,191	(4,706)		
<b>Non Operating Revenues</b>												
Investment Earnings (including interest reclassified to Const Work-In-Progress)	9,613,713	8,861,989	15,169,429	17,694,243	13,455,710	24,342,303	7,195,610	11,460,699	4,421,687	153,593		
Debt Service Billings	76,573	76,573	76,573	76,573	76,573	77,308	77,308	4,878,988	7,195,732			
Regional Connection Charge	154,146,853	118,537,370	95,126,439	97,882,873	77,711,824	72,933,580	60,814,680	34,690,680	1,539,440			
Regional Water Charges	10,139,199	10,152,104	10,242,954	9,728,536	9,385,257	8,284,443	6,060,344	3,187,099				
So Nevada Public Lands Mgmt Act	34,465,520	21,731,600	7,742,511	4,209,667	6,527,850	1,107,451						
Raw Water Facilities Charge	1,386,755	1,542,875										
Clark County Sales Tax	42,835,002	36,899,502	34,319,533	48,265,477	49,775,960	12,031,574						
Total Non Operating Revenue	252,663,615	197,802,013	162,677,439	177,857,369	156,933,174	118,776,659	74,147,942	54,217,466	13,156,859	153,593		
Add back Depreciation	38,380,146	28,554,840	26,452,890	21,487,976	17,048,735	14,502,827	13,198,059	11,795,229	5,425,259	4,706		
Net available for debt service	291,043,761	226,356,853	189,130,329	199,345,345	173,981,909	133,279,486	87,346,001	66,012,695	18,582,118	158,299		
Annual Debt Service	\$ 119,698,296	99,111,181	86,424,835	83,828,142	69,112,125	63,729,585	41,126,342	30,256,381	14,142,829	0		
<b>Debt Service Coverage Ratio</b>	2.43	2.28	2.19	2.38	2.52	2.09	2.12	2.18	1.31	N/A		
<b>Annual Debt Service</b>												
CRC 1971 Fed Contract	\$			2,633,644	2,633,644	2,633,644	2,633,644	2,633,644	1,316,822			
CRC 1983 Fed Contract				6,301,590	6,301,590	6,301,590	6,301,590	6,301,590	3,150,795			
CRC 1978D Bonds									157,733			
CRC 1990 Bonds				401,250	401,250	400,400	397,935	397,935	198,006			
CRC 1992 Bonds	518,420	514,640	518,840	515,835	516,375	515,125	517,405	829,214	412,438			
CRC 1993 Bonds	6,261,335	4,566,380	4,553,550	4,536,440	4,122,640	4,109,440	4,092,410	3,743,472	1,845,201			
CRC 1994 Bonds		6,254,845	6,253,645	6,248,685	6,251,435	6,252,765	6,250,765	4,308,880	4,639,591			
LVVWD 0395 Bonds	1,129,470	1,123,210	1,124,020	1,122,710	1,124,197	1,123,517	1,697,277	1,697,028	1,696,713			
LVVWD 0795 Bonds	1,790,398	1,788,148	1,793,148	1,795,398	1,800,148	1,802,398	2,157,898	2,516,397	725,530			
CRC 1995 Bonds	6,644,670	6,647,120	6,646,120	6,648,870	6,645,120	6,645,120	6,145,120	6,145,120				
LVVWD 0796 Bonds	3,761,461	3,373,111	2,992,562	2,617,261	2,244,311	1,929,311	6,731,829	1,346,366				
CRC 1997A Bonds	3,386,891	3,387,161	3,384,796	3,383,340	3,383,340	2,258,654						
CRC 1997B Bonds	293,871	295,411	296,916	298,404	294,649	295,879	296,600					
LVVWD 1998 Comm Paper (int. only)				9,727,017	9,097,287	8,286,923	3,904,304					
LVVWD 0498 Bonds	10,139,088	10,142,613	10,144,788	10,145,613	10,141,088	10,445,696						
SNWA 0798 Bonds	17,023,263	17,023,513	16,447,288	15,889,738	15,279,737	12,987,777						
CRC 1999A Bonds	1,638,221	1,596,596	1,370,412	545,427								
State SRF Loan #1	866,663	866,663	866,663	914,647								
SNWA 0700 Bonds	14,196,775	14,278,775	11,253,775	10,503,523								
SNWA 0601 Bonds	17,129,535	13,149,535										
State SRF Loan #2	696,941	696,941	350,393									
SNWA 1102 Bonds	10,125,288	5,906,418										
LVVWD 0103 Bonds	18,276,788	5,265,328										
CRC 2003C Bonds	4,857,827											
LVVWD 2004 Comm Paper (int. only)	362,391											
Total Annual Debt Service	\$ 119,698,296	99,111,181	86,424,835	83,828,142	69,112,125	63,729,585	41,126,342	30,256,381	14,142,829	0		

For purposes of determining debt service coverage, this presentation is a modification of the Income Statement that excludes Capitalized Interest and presents Contributed Capital as Non Operating Revenues.

SOUTHERN NEVADA WATER AUTHORITY  
 DEMOGRAPHIC STATISTICS (UNAUDITED)  
 CLARK COUNTY, NEVADA  
 LAST TEN YEARS

Year	Population <sup>(1)</sup>	Per Capita Income <sup>(2)</sup>	Medium Household Income <sup>(3)</sup>	School Enrollment <sup>(5)</sup>	Total Labor Force Thousands <sup>(6)</sup>	Unemployment Rate <sup>(6)</sup>
2003	1,620,748	n/a	\$41,007	255,328	907.0	5.3%
2002	1,549,657	\$ 29,396	43,395	244,684	890.4	5.7%
2001	1,485,855	29,152	n/a	231,125	868.9	5.4%
2000	1,375,765	29,601	39,448	217,139	828.3	4.1%
1999	1,327,145	28,570	36,682	203,777	782.8	4.4%
1998	1,261,150	27,743	35,351	190,822	697.6	4.2%
1997	1,193,388	26,195	35,011	179,106	665.3	4.1%
1996	1,119,052	25,450	35,787	166,788	631.2	5.5%
1995	1,055,435	25,388	34,315	156,348	597.1	5.5%
1994	990,564	23,079	36,177	145,327	572.4	6.4%

(1) 2003 is subject to revision.

(2) Source: 2000 figure from the U.S. Bureau of the Census; 1994-1999 and 2001-2003 figures from the Nevada State Demographer.

(3) Source: U.S. Bureau of Economic Analysis.

(4) Due to a change in methodologies, beginning in 2002, the EBI is for the current period. For years beginning in 2001 and prior, the EBI was for the previous year, therefore, the 2001 EBI is not available Source: Sales & Marketing Management, Survey of Buying Power, 2003.

(5) Source: Clark County School District.

(6) Source: State of Nevada - Department of Employment, Training & Rehabilitation.

SOUTHERN NEVADA WATER AUTHORITY  
 TEN LARGEST PROPERTY-OWNING TAXPAYERS (UNAUDITED)  
 CLARK COUNTY, NEVADA <sup>(1)</sup>  
 Fiscal Year 2003-2004

<u>Taxpayer</u>	<u>Taxable Value</u>	<u>Assessed Value</u>
1. MGM Mirage	\$ 1,454,573,759	\$ 4,155,925,026
2. Mandalay Resort Group	944,533,263	2,698,666,466
3. Caesars Entertainment, Inc.	832,007,688	2,377,164,823
4. Nevada Power Company	694,359,883	1,983,885,380
5. F. S. Rouse LLC	486,889,805	1,391,113,729
6. Venetian Hotel & Casino	425,805,794	1,216,587,983
7. Station Casinos	320,166,459	914,761,311
8. Harrahs Entertainment Inc.	289,793,058	827,980,166
9. Coast Resorts Incorporated	238,753,638	682,153,251
10. Pulte Homes	183,582,836	524,522,389

(1) Includes the five incorporated cities  
 Source: Clark County Assessor's office

SOUTHERN NEVADA WATER AUTHORITY  
ENTERPRISE FUND  
OUTSTANDING DIRECT AND OVERLAPPING GENERAL OBLIGATION INDEBTEDNESS (UNAUDITED)  
as of June 30, 2004

	Assessed Valuation June 30, 2004	Total General Obligation Indebtedness	Presently		Applicable Net Overlapping Indebtedness <sup>(1)</sup>
			Self-Supporting General Obligation Indebtedness	Percent Applicable	
Las Vegas Valley Water District	\$ 44,308,336,135 <sup>(2)</sup>	\$ 1,419,670,000 <sup>(3)</sup>	\$ 1,419,670,000	100.0%	\$ 0
State of Nevada	62,958,855,390 <sup>(4)</sup>	2,540,566,245	1,557,865,000	70.4%	691,592,260
Clark County	44,679,769,201 <sup>(5)</sup>	2,071,220,000	1,921,835,000	99.2%	148,143,129
Clark County School District	44,679,769,201	2,854,099,191	706,490,000	99.2%	2,129,755,628
Henderson	6,803,230,110 <sup>(6)</sup>	292,831,670	216,176,670	100.0%	76,655,000
Las Vegas	11,479,811,435 <sup>(7)</sup>	304,339,052	223,370,000	100.0%	80,969,052
North Las Vegas	2,734,445,463 <sup>(8)</sup>	105,854,000	84,684,000	100.0%	21,170,000
Las Vegas-Clark County Library District	36,692,061,694	47,600,000	0	100.0%	47,600,000
<b>TOTAL</b>					<b>\$ 3,195,885,069</b>

- (1) Net overlapping general obligation indebtedness equals total general obligation indebtedness less presently self-supporting general obligation indebtedness times percent applicable.
- (2) Because the Las Vegas Valley Water District has never levied an ad valorem property tax, neither the State nor the County Assessor maintains an official assessed valuation for the District. The District's boundaries encompass all of the County, excluding the property within the Virgin Valley Water District. Accordingly, the District has calculated its assessed valuation by deducting the assessed valuation of the Virgin Valley Water District from the County's assessed valuation.
- (3) The Las Vegas Valley Water District has no legal debt limit per se. The Las Vegas Valley Water District's debt margin is a function of balancing capital outlay needs and market acceptance for its debt at competitive interest rates.
- (4) Excludes Statewide Redevelopment Agency assessed valuation in the amount of \$883,032,368.
- (5) Excludes \$539,338,873 for the Las Vegas, North Las Vegas, Henderson and Mesquite and Boulder City Redevelopment Agencies.
- (6) Excludes \$82,014,248 for the Henderson Redevelopment Agency.
- (7) Excludes \$328,272,308 for the Las Vegas Redevelopment Agency.
- (8) Excludes \$51,881,976 for the North Las Vegas Redevelopment Agency.

**SOUTHERN NEVADA WATER AUTHORITY**  
**Schedule of Insurance as of June 30, 2004**

<u>Type of Coverage and Name of Company</u>	<u>Policy Number</u>	<u>Expiration Date</u>	<u>Details of Coverage</u>
Real and Personal Property - Factory Mutual Insurance Company	UB171	5/1/2005	All Risks of Physical Loss or Damage including Earthquake & Flood subject to policy exclusions covering direct physical loss of or damage to Company Buildings, Fixtures, Boilers & Machinery, Equipment, Inventory, Supplies and Business Personal Property-Policy Limit of Liability \$500,000,000; Flood coverage limited to \$25,000,000 aggregate during any one policy year; Earthquake limited to \$50,000,000 aggregate during any one policy year Blanket Real and Personal Property of the Colorado River Commission included in the above described limits; Miscellaneous Unnamed Locations \$10,000,000; Underground Communications & Water Transmission Distribution Lines \$10,000,000; Mobile Equipment \$1,000,000; Transportation \$10,000,000; Policy includes physical damage coverage to fleet while parked at the Maintenance Facility located on Valley View Boulevard; New buildngs and additions under construction at insured loc. \$30,000,000 Extra Expense \$10,000,000; Terrorism \$250,000,000 in the aggregate during any policy year; DEDUCTIBLES -\$50,000 Policy deductible combined all coverage except , \$500,000 Earthquake, \$500,000 Flood \$100,000 Underground Communication & Water Transmission and Distribution Lines, Service Interruption Waiting Period - 12 Hours Malicious Introduction of a Machine Code or Instructions - 2 Day subject to a minimum deductible of \$50,000 combined all coverage; Data, Programs or Software - 48 Hour Waiting Period
Commercial General and Auto Liability Umbrella/Excess - National Union Fire Insurance Company of Pittsburgh PA	BE2988099	5/1/2005	Excess Liability coverage for the Southern Nevada Water Authority, its Officials & Employees. \$25,000,000 Each Occurrence, \$25,000,000 General Aggregate, \$25,000,000 Product-Completed Operations Aggregate, \$1,000,000 Self-Insured Retention; Excess coverage for General Liability, Automobile Liability, Employee Benefits Liability and Terrorism
Employee Fidelity - Hartford Fire Insurance Company	53BPEAE5831	Until Cancelled	Employee Dishonesty \$1,000,000 Per loss; \$25,000 Deductible other than Pension Plan; Theft, Disappearance, Destruction of Money, Securities and Other Property \$100,000 Inside and Outside of premises subject to \$5,000 DED Computer and Fund Transfer Fraud \$1,000,000 subject to \$25,000 DED
Public Officials and Employees Liability - Lexington Insurance Company	1323437	5/1/2005	\$10,000,000 Each Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts including Defense Costs, Charges and Expenses, \$10,000,000 Aggregate, \$100,000 Deductible each Wrongful Act or series of continuous, repeated or interrelated Wrongful Acts
Excess Public Officials Liability Westchester Surplus Lines Ins. Co.	XEOG21923564001	5/1/2005	\$10,000,000 Aggregate of all Loss excess or primary policy written by Lexington Insurance Company
Employment Practices Liability - National Union Fire Ins. Co. of Pittsburgh, PA	4110538	5/1/2005	\$10,000,000 Aggregate for all Loss combined (Including Defense Costs) Retention - \$None for Judgements, Settlements & Defense Costs (Non-Indemnifiable Loss); \$150,000 for Judgements, Settlements and Defense Costs (Company and Indemnifiable Loss); Continuity Dates: May 1, 1997
Builders Risk - Hartford Fire Insurance Company	72MSJZ7117	Until Cancelled	All construction projects conducted for and by the Southern Nevada Water Authority - Limit of Insurance: Contract Value as reported to the insurance company for Structures, \$30,000,000 Maximum Limit; All Contracts with a value over \$30,000,000 are specifically endorsed onto the policy. Materials In Transit \$250,000, Materials In Temporary Storage \$250,000; Deductibles - 1% deductible on contracts valued under \$1,000,000 - \$10,000 deductible on contracts greater than \$1,000,000 Contracts with a value over \$30,000,000 and endorsed onto the policy may be subject to a deductible not shown above. Limit of Liability for Flood \$25,000,000 and Earthquake 25,000,000 subject to a deductible of \$200,000 for Flood and \$100,000 for Earthquake; Contracts over \$30,000,000 and endorsed onto the policy may have separate Flood and Earthquake limits and deductibles

**SOUTHERN NEVADA WATER AUTHORITY**  
**Schedule of Insurance as of June 30, 2004**

<u>Type of Coverage and Name of Company</u>	<u>Policy Number</u>	<u>Expiration Date</u>	<u>Details of Coverage</u>
Specific Excess Workers Compensation and Employers Liability - Safety National Casualty Corporation	SP8124NV	5/1/2005	Maximum Limit of Indemnity per occurrence - Statutory, Employers' Liability Maximum Limit of Indemnity per occurrence \$1,000,000; Self-Insured Retention per occurrence \$350,000
Boat Hull and Protection & Indemnity Hartford Fire Insurance Company	72OMGM5701	5/1/2005	Insuring 1999 32' Duckworth Water Quality Sampling Work Boat - Hull Limit \$139,257 described perils subject to \$3,000 deductible; Protection & Indemnity limit \$1,000,000 subject to a \$500 deductible each occurrence
Miscellaneous Property - Hartford Fire Insurance Company	72MSUS4279	5/1/2005	All Risk coverage on (6) TTS Chlorine Tank Trailers valued at \$123,675 each subject to a deductible of \$2,500 per occurrence; Replacement Cost Endorsement applies
Non-Owned Aircraft Liability - XL Specialty Insurance Company	PXLN3801018	8/1/2004	Legal Liability for the Southern Nevada Water Authority its officials and employees, \$5,000,000 Single Limit Bodily Injury & Property Damage including Passenger Liability Each Occurrence; \$5,000 Each Person, \$200,000 Each Occurrence Medical Expense including Crew
Contractors Pollution Liability - Gulf Underwriters Insurance Company	GU2826500	10/22/2005	Legal Liability for the Southern Nevada Water Authority its officials and employees resulting in a pollution condition from Memorandum of Agreement between SNWA and the National Park Service - \$5,000,000 each pollution condition, \$5,000,000 general aggregate subject to a deductible of \$10,000 each pollution condition

**Southern Nevada Water Authority**  
**Debt History (unaudited)**

as of June 30, 2004

Issued By	Debt Name	Issue Date	Funds Used For	Original Amount \$	Refunded Amount \$	Refund Source	Principal Paid \$	Balance @ 6/30/2004 (\$)
CRC	1967 Debenture #1	Sept 1967	Interim Water Acquisition Planning & Design	10,000	10,000	1968 Bonds		
CRC	1967 Debenture #2	Oct 1967	Interim Water Acquisition Planning & Design	25,000	25,000	1968 Bonds		
CRC	1967 Debenture #3	Nov 1967	Interim Water Acquisition Planning & Design	365,000	365,000	1968 Bonds		
CRC	1968 Bonds	Jun 1968	First stage of the state facilities AMS Treatment Plant	8,900,000	5,580,000	1994 Bonds	3,320,000	
CRC	Federal Repayment Contract # 1	Mar 1973	First stage of the federal facilities - transmission facilities	51,558,293	39,636,913	SNWA 0601 Bonds	11,921,380	
CRC	1978 A Bonds	Jan 1979	Second stage of the state facilities - design & equipment purchase	13,000,000	9,125,000	1994 Bonds	3,875,000	
CRC	1978 B Bonds	Feb 1979	Second state of the state facilities - construction	47,000,000	36,220,000	1993 Bonds	10,780,000	
CRC	1982 Debenture	Jul 1982	New computer system for the second stage state facilities	3,000,000	3,000,000	1978 C Bonds		
CRC	Federal Repayment Contract # 2	Mar 1983	Second stage of the federal facilities - transmission facilities	131,480,402	122,617,366	SNWA 0601 Bonds	8,863,036	
CRC	1978 C Bonds	Jul 1984	Refund the 1982 debenture	3,000,000	2,595,000	1990 Bonds	405,000	
CRC	1978 D Bonds	Aug 1986	Relocate the Las Vegas Lateral under the Las Vegas Wash	11,000,000	8,550,000	1993 Bonds	2,450,000	
CRC	1990 Bonds	Aug 1990	Refund the 1978 C Bonds and start the Communications Project	6,550,000	3,340,000	1993 Bonds	3,210,000	
CRC	1992 Bonds	Nov 1992	Lab equipment improvements Maintenance & operations facilities	9,815,000	5,125,000	CRC 1997B Bonds	4,690,000	
CRC	1993 Bonds	Nov 1993	Refund the 1978 B, 1978 D, and 1990 Bonds	46,805,000	23,125,000	CRC 2003C Bonds	23,680,000	
CRC	1994 Bonds	Nov 1994	Refund the 1968 and 1978 A bonds and begin construction on the SNWA CIP	170,380,000	105,995,000	CRC 1995 Bonds	24,735,000	39,650,000
LVVWD	SNWA Mar 1995 Bonds	Mar 1995	SNWA CIP Construction Fund	20,000,000	9,715,000	LVVWD 0498 Bonds	6,315,000	3,970,000
LVVWD	SNWA Jul 1995 Bonds	Jul 1995	SNWA CIP Construction Fund	30,000,000	12,380,000	LVVWD 0498 Bonds	9,940,000	7,680,000
CRC	1995 Bonds	Dec 1995	Partially refund the CRC 1994 Bonds	118,590,000			3,405,000	115,185,000
LVVWD	SNWA Jul 1996 Bonds	Jul 1996	SNWA CIP Construction Fund	180,000,000	149,095,000	LVVWD 0498 Bonds	5,850,000	25,055,000

**Southern Nevada Water Authority**  
**Debt History (unaudited)**  
as of June 30, 2004

Issued By	Debt Name	Issue Date	Funds Used For	Original Amount \$	Refunded Amount \$	Refund Source	Principal Paid \$	Balance @ 6/30/2004 (\$)
CRC	1997A Bonds	Sep 1997	Phase I of the Power Delivery Project	49,270,000			3,500,000	45,770,000
CRC	1997B Bonds	Sep 1997	Partially refund the CRC 1992 Bonds	5,545,000			290,000	5,255,000
LVVWD	SNWA Commercial Paper	Jan 1998	SNWA CIP Construction Fund	250,000,000	250,000,000	LVVWD 0103 Bonds		
LVVWD	SNWA Apr 1998 Bonds	Apr 1998	Partially refund the LVVWD 0395, 0795, and 0796 Bonds	190,255,000			3,565,000	186,690,000
SNWA	SNWA 0798 Bonds State Bond Bank	Jul 1998	SNWA CIP Construction Fund	300,000,000			6,145,000	293,855,000
CRC	1999A Bonds	Sep 1999	Phase II of the Power Delivery Project	25,730,000			450,000	25,280,000
SNWA	State Drinking Water Revolving Fund Loan #1	Dec 1999	SNWA CIP Construction Fund	12,269,695			1,805,936	10,463,759
SNWA	SNWA 0700 Bonds Clark Co Bond Bank	Jul 2000	SNWA CIP Construction Fund	200,000,000			3,025,000	196,975,000
SNWA	SNWA 0601 Bonds Clark Co Bond Bank	Jun 2001	SNWA CIP Construction Fund. Prepay Federal Repayment Contracts.	250,000,000			3,980,000	246,020,000
SNWA	State Drinking Water Revolving Fund Loan #2	Jun 2001	SNWA CIP Construction Fund	10,000,000			908,239	9,091,761
SNWA	SNWA 1102 Bonds Clark Co Bond Bank	Nov 2002	SNWA CIP Construction Fund.	200,000,000				200,000,000
LVVWD	SNWA Commercial Paper Pay Off	Jan 2003	Refund Jan 1998 LVVWD Commercial Paper Program	250,000,000			5,640,000	244,360,000
CRC	2003C Bonds	Sep 2003	Partially Refund CRC 1993 Bonds	21,515,000			3,320,000	18,195,000
LVVWD	SNWA Commercial Paper	Mar 2004	SNWA CIP Construction Fund and Silverhawk Prurchase	140,000,000				140,000,000
<b>Totals</b>				<b>2,756,063,390</b>	<b>786,499,279</b>		<b>156,068,591</b>	<b>1,813,495,520</b>

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**CRC 1994 Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
1995	7/1/1995	520,000.00	N/A	6,972,586.67	7,492,586.67	520,000.00	6,972,586.67	7,492,586.67	170,380,000.00
	12/28/1995	105,995,000.00	Refunded by CRC	1995 Bonds	105,995,000.00				169,860,000.00
	1/1/1996	0.00	5.595%	1,786,595.00	1,786,595.00				63,865,000.00
1996	7/1/1996	730,000.00	5.595%	1,786,595.00	2,516,595.00	106,725,000.00	3,573,190.00	110,298,190.00	63,865,000.00
	1/1/1997	0.00	5.605%	1,769,440.00	1,769,440.00				63,135,000.00
1997	7/1/1997	770,000.00	5.605%	1,769,440.00	2,539,440.00	770,000.00	3,538,880.00	4,308,880.00	62,365,000.00
	1/1/1998	0.00	5.613%	1,750,382.50	1,750,382.50				62,365,000.00
1998	7/1/1998	2,750,000.00	5.613%	1,750,382.50	4,500,382.50	2,750,000.00	3,500,765.00	6,250,765.00	59,615,000.00
	1/1/1999	0.00	5.632%	1,678,882.50	1,678,882.50				59,615,000.00
1999	7/1/1999	2,895,000.00	5.632%	1,678,882.50	4,573,882.50	2,895,000.00	3,357,765.00	6,252,765.00	56,720,000.00
	1/1/2000	0.00	5.644%	1,600,717.50	1,600,717.50				56,720,000.00
2000	7/1/2000	3,050,000.00	5.644%	1,600,717.50	4,650,717.50	3,050,000.00	3,201,435.00	6,251,435.00	53,670,000.00
	1/1/2001	0.00	5.652%	1,516,842.50	1,516,842.50				53,670,000.00
2001	7/1/2001	3,215,000.00	5.652%	1,516,842.50	4,731,842.50	3,215,000.00	3,033,685.00	6,248,685.00	50,455,000.00
	1/1/2002	0.00	5.656%	1,426,822.50	1,426,822.50				50,455,000.00
2002	7/1/2002	3,400,000.00	5.656%	1,426,822.50	4,826,822.50	3,400,000.00	2,853,645.00	6,253,645.00	47,055,000.00
	1/1/2003	0.00	5.653%	1,329,922.50	1,329,922.50				47,055,000.00
2003	7/1/2003	3,595,000.00	5.653%	1,329,922.50	4,924,922.50	3,595,000.00	2,659,845.00	6,254,845.00	43,460,000.00
	1/1/2004	0.00	5.640%	1,225,667.50	1,225,667.50				43,460,000.00
2004	7/1/2004	3,810,000.00	5.640%	1,225,667.50	5,035,667.50	3,810,000.00	2,451,335.00	6,261,335.00	39,650,000.00
	1/1/2005	0.00	5.615%	1,113,272.50	1,113,272.50				39,650,000.00
2005	7/1/2005	4,035,000.00	5.615%	1,113,272.50	5,148,272.50	4,035,000.00	2,226,545.00	6,261,545.00	35,615,000.00
	1/1/2006	0.00	5.572%	992,222.50	992,222.50				35,615,000.00
2006	7/1/2006	4,270,000.00	5.572%	992,222.50	5,262,222.50	4,270,000.00	1,984,445.00	6,254,445.00	31,345,000.00
	1/1/2007	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2007	7/1/2007	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2008	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2008	7/1/2008	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2009	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2009	7/1/2009	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2010	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2010	7/1/2010	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2011	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2011	7/1/2011	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2012	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2012	7/1/2012	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2013	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2013	7/1/2013	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2014	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2014	7/1/2014	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2015	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2015	7/1/2015	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2016	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2016	7/1/2016	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2017	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2017	7/1/2017	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2018	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2018	7/1/2018	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2019	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2019	7/1/2019	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2020	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2020	7/1/2020	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2021	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2021	7/1/2021	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2022	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2022	7/1/2022	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2023	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2023	7/1/2023	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2024	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2024	7/1/2024	0.00	5.500%	861,987.50	861,987.50	0.00	1,723,975.00	1,723,975.00	31,345,000.00
	1/1/2025	0.00	5.500%	861,987.50	861,987.50				31,345,000.00
2025	7/1/2025	9,895,000.00	5.500%	861,987.50	10,756,987.50	9,895,000.00	1,723,975.00	11,618,975.00	21,450,000.00
	1/1/2026	0.00	5.500%	589,875.00	589,875.00				21,450,000.00
2026	7/1/2026	10,440,000.00	5.500%	589,875.00	11,029,875.00	10,440,000.00	1,179,750.00	11,619,750.00	11,010,000.00
	1/1/2027	0.00	5.500%	302,775.00	302,775.00				11,010,000.00
2027	7/1/2027	11,010,000.00	5.500%	302,775.00	11,312,775.00	11,010,000.00	605,550.00	11,615,550.00	0.00
Totals		170,380,000.00		73,894,946.67	244,274,946.67	170,380,000.00	73,894,946.67	244,274,946.67	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**LVVWD 0395 SNWA Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
	9/1/1995	0.00	5.518%	551,759.56	551,759.56				20,000,000.00
1996	3/1/1996	570,000.00	5.750%	574,953.75	1,144,953.75	570,000.00	1,126,713.31	1,696,713.31	20,000,000.00
	9/1/1996	0.00	5.672%	551,013.75	551,013.75				19,430,000.00
1997	3/1/1997	595,000.00	5.672%	551,013.75	1,146,013.75	595,000.00	1,102,027.50	1,697,027.50	18,835,000.00
	9/1/1997	0.00	5.693%	536,138.75	536,138.75				18,835,000.00
	3/1/1998	625,000.00	5.693%	536,138.75	1,161,138.75				18,210,000.00
1998	4/9/1998	9,715,000.00	Refunded by LVVWD 0498 Bonds		9,715,000.00	10,340,000.00	1,072,277.50	11,412,277.50	8,495,000.00
	9/1/1998	0.00	2.545%	231,758.75	231,758.75				8,495,000.00
1999	3/1/1999	660,000.00	5.456%	231,758.75	891,758.75	660,000.00	463,517.50	1,123,517.50	7,835,000.00
	9/1/1999	0.00	5.478%	214,598.75	214,598.75				7,835,000.00
2000	3/1/2000	695,000.00	5.478%	214,598.75	909,598.75	695,000.00	429,197.50	1,124,197.50	7,140,000.00
	9/1/2000	0.00	5.500%	196,355.00	196,355.00				7,140,000.00
2001	3/1/2001	730,000.00	5.500%	196,355.00	926,355.00	730,000.00	392,710.00	1,122,710.00	6,410,000.00
	9/1/2001	0.00	5.523%	177,010.00	177,010.00				6,410,000.00
2002	3/1/2002	770,000.00	5.523%	177,010.00	947,010.00	770,000.00	354,020.00	1,124,020.00	5,640,000.00
	9/1/2002	0.00	5.553%	156,605.00	156,605.00				5,640,000.00
2003	3/1/2003	810,000.00	5.553%	156,605.00	966,605.00	810,000.00	313,210.00	1,123,210.00	4,830,000.00
	9/1/2003	0.00	5.579%	134,735.00	134,735.00				4,830,000.00
2004	3/1/2004	860,000.00	5.579%	134,735.00	994,735.00	860,000.00	269,470.00	1,129,470.00	3,970,000.00
	9/1/2004	0.00	5.618%	111,515.00	111,515.00				3,970,000.00
2005	3/1/2005	910,000.00	5.618%	111,515.00	1,021,515.00	910,000.00	223,030.00	1,133,030.00	3,060,000.00
	9/1/2005	0.00	5.653%	86,490.00	86,490.00				3,060,000.00
2006	3/1/2006	960,000.00	5.653%	86,490.00	1,046,490.00	960,000.00	172,980.00	1,132,980.00	2,100,000.00
	9/1/2006	0.00	5.677%	59,610.00	59,610.00				2,100,000.00
2007	3/1/2007	1,020,000.00	5.677%	59,610.00	1,079,610.00	1,020,000.00	119,220.00	1,139,220.00	1,080,000.00
	9/1/2007	0.00	5.750%	31,050.00	31,050.00				1,080,000.00
2008	3/1/2008	1,080,000.00	5.750%	31,050.00	1,111,050.00	1,080,000.00	62,100.00	1,142,100.00	0.00
	9/1/2008	0.00	0.000%	0.00	0.00				0.00
2009	3/1/2009	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	9/1/2009	0.00	0.000%	0.00	0.00				0.00
2010	3/1/2010	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	9/1/2010	0.00	0.000%	0.00	0.00				0.00
2011	3/1/2011	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	9/1/2011	0.00	0.000%	0.00	0.00				0.00
2012	3/1/2012	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	9/1/2012	0.00	0.000%	0.00	0.00				0.00
2013	3/1/2013	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	9/1/2013	0.00	0.000%	0.00	0.00				0.00
2014	3/1/2014	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	9/1/2014	0.00	0.000%	0.00	0.00				0.00
2015	3/1/2015	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
Totals		20,000,000.00		6,100,473.31	26,100,473.31	20,000,000.00	6,100,473.31	26,100,473.31	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**LVVWD 0795 SNWA Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
	1/1/1996	0.00		725,530.00	725,530.00				30,000,000.00
1996	7/1/1996	920,000.00	5.341%	801,198.75	1,721,198.75	920,000.00	1,526,728.75	2,446,728.75	30,000,000.00
	1/1/1997	0.00	5.352%	778,198.75	778,198.75				29,080,000.00
1997	7/1/1997	960,000.00	5.352%	778,198.75	1,738,198.75	960,000.00	1,556,397.50	2,516,397.50	29,080,000.00
	1/1/1998	0.00	5.364%	754,198.75	754,198.75				28,120,000.00
	4/9/1998	12,380,000.00	Refunded by LVVWD 0498 Bonds		12,380,000.00				28,120,000.00
1998	7/1/1998	1,000,000.00	2.871%	403,698.75	1,403,698.75	13,380,000.00	1,157,897.50	14,537,897.50	15,740,000.00
	1/1/1999	0.00	5.138%	378,698.75	378,698.75				14,740,000.00
1999	7/1/1999	1,045,000.00	5.138%	378,698.75	1,423,698.75	1,045,000.00	757,397.50	1,802,397.50	14,740,000.00
	1/1/2000	0.00	5.149%	352,573.75	352,573.75				13,695,000.00
2000	7/1/2000	1,095,000.00	5.149%	352,573.75	1,447,573.75	1,095,000.00	705,147.50	1,800,147.50	13,695,000.00
	1/1/2001	0.00	5.162%	325,198.75	325,198.75				12,600,000.00
2001	7/1/2001	1,145,000.00	5.162%	325,198.75	1,470,198.75	1,145,000.00	650,397.50	1,795,397.50	12,600,000.00
	1/1/2002	0.00	5.178%	296,573.75	296,573.75				11,455,000.00
2002	7/1/2002	1,200,000.00	5.178%	296,573.75	1,496,573.75	1,200,000.00	593,147.50	1,793,147.50	11,455,000.00
	1/1/2003	0.00	5.199%	266,573.75	266,573.75				10,255,000.00
2003	7/1/2003	1,255,000.00	5.199%	266,573.75	1,521,573.75	1,255,000.00	533,147.50	1,788,147.50	10,255,000.00
	1/1/2004	0.00	5.227%	235,198.75	235,198.75				9,000,000.00
2004	7/1/2004	1,320,000.00	5.227%	235,198.75	1,555,198.75	1,320,000.00	470,397.50	1,790,397.50	9,000,000.00
	1/1/2005	0.00	5.248%	201,538.75	201,538.75				7,680,000.00
2005	7/1/2005	1,385,000.00	5.248%	201,538.75	1,586,538.75	1,385,000.00	403,077.50	1,788,077.50	7,680,000.00
	1/1/2006	0.00	5.281%	166,221.25	166,221.25				6,295,000.00
2006	7/1/2006	1,455,000.00	5.281%	166,221.25	1,621,221.25	1,455,000.00	332,442.50	1,787,442.50	6,295,000.00
	1/1/2007	0.00	5.335%	129,118.75	129,118.75				4,840,000.00
2007	7/1/2007	1,530,000.00	5.335%	129,118.75	1,659,118.75	1,530,000.00	258,237.50	1,788,237.50	4,840,000.00
	1/1/2008	0.00	5.375%	88,956.25	88,956.25				3,310,000.00
2008	7/1/2008	1,610,000.00	5.375%	88,956.25	1,698,956.25	1,610,000.00	177,912.50	1,787,912.50	3,310,000.00
	1/1/2009	0.00	5.375%	45,687.50	45,687.50				1,700,000.00
2009	7/1/2009	1,700,000.00	5.375%	45,687.50	1,745,687.50	1,700,000.00	91,375.00	1,791,375.00	1,700,000.00
	1/1/2010	0.00	0.000%	0.00	0.00				0.00
2010	7/1/2010	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	1/1/2011	0.00	0.000%	0.00	0.00				0.00
2011	7/1/2011	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	1/1/2012	0.00	0.000%	0.00	0.00				0.00
2012	7/1/2012	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	1/1/2013	0.00	0.000%	0.00	0.00				0.00
2013	7/1/2013	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	1/1/2014	0.00	0.000%	0.00	0.00				0.00
2014	7/1/2014	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
	1/1/2015	0.00	0.000%	0.00	0.00				0.00
2015	7/1/2015	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00
<b>Totals</b>		<b>30,000,000.00</b>		<b>9,213,703.75</b>	<b>39,213,703.75</b>	<b>30,000,000.00</b>	<b>9,213,703.75</b>	<b>39,213,703.75</b>	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**CRC 1995 Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
1996	7/1/1996	0.00	6.045%	3,584,653.37	3,584,653.37	0.00	3,584,653.37	3,584,653.37	118,590,000.00
	1/1/1997	0.00	5.182%	3,072,560.00	3,072,560.00				118,590,000.00
1997	7/1/1997	0.00	5.182%	3,072,560.00	3,072,560.00	0.00	6,145,120.00	6,145,120.00	118,590,000.00
	1/1/1998	0.00	5.182%	3,072,560.00	3,072,560.00				118,590,000.00
1998	7/1/1998	0.00	5.182%	3,072,560.00	3,072,560.00	0.00	6,145,120.00	6,145,120.00	118,590,000.00
	1/1/1999	0.00	5.182%	3,072,560.00	3,072,560.00				118,590,000.00
1999	7/1/1999	500,000.00	5.182%	3,072,560.00	3,572,560.00	500,000.00	6,145,120.00	6,645,120.00	118,090,000.00
	1/1/2000	0.00	5.183%	3,060,060.00	3,060,060.00				118,090,000.00
2000	7/1/2000	525,000.00	5.183%	3,060,060.00	3,585,060.00	525,000.00	6,120,120.00	6,645,120.00	117,565,000.00
	1/1/2001	0.00	5.183%	3,046,935.00	3,046,935.00				117,565,000.00
2001	7/1/2001	555,000.00	5.183%	3,046,935.00	3,601,935.00	555,000.00	6,093,870.00	6,648,870.00	117,010,000.00
	1/1/2002	0.00	5.184%	3,033,060.00	3,033,060.00				117,010,000.00
2002	7/1/2002	580,000.00	5.184%	3,033,060.00	3,613,060.00	580,000.00	6,066,120.00	6,646,120.00	116,430,000.00
	1/1/2003	0.00	5.185%	3,018,560.00	3,018,560.00				116,430,000.00
2003	7/1/2003	610,000.00	5.185%	3,018,560.00	3,628,560.00	610,000.00	6,037,120.00	6,647,120.00	115,820,000.00
	1/1/2004	0.00	5.189%	3,004,835.00	3,004,835.00				115,820,000.00
2004	7/1/2004	635,000.00	5.189%	3,004,835.00	3,639,835.00	635,000.00	6,009,670.00	6,644,670.00	115,185,000.00
	1/1/2005	0.00	5.192%	2,990,230.00	2,990,230.00				115,185,000.00
2005	7/1/2005	665,000.00	5.192%	2,990,230.00	3,655,230.00	665,000.00	5,980,460.00	6,645,460.00	114,520,000.00
	1/1/2006	0.00	5.195%	2,974,602.50	2,974,602.50				114,520,000.00
2006	7/1/2006	700,000.00	5.195%	2,974,602.50	3,674,602.50	700,000.00	5,949,205.00	6,649,205.00	113,820,000.00
	1/1/2007	0.00	5.197%	2,957,802.50	2,957,802.50				113,820,000.00
2007	7/1/2007	5,270,000.00	5.197%	2,957,802.50	8,227,802.50	5,270,000.00	5,915,605.00	11,185,605.00	108,550,000.00
	1/1/2008	0.00	5.207%	2,826,052.50	2,826,052.50				108,550,000.00
2008	7/1/2008	5,530,000.00	5.207%	2,826,052.50	8,356,052.50	5,530,000.00	5,652,105.00	11,182,105.00	103,020,000.00
	1/1/2009	0.00	5.218%	2,687,802.50	2,687,802.50				103,020,000.00
2009	7/1/2009	4,300,000.00	5.218%	2,687,802.50	6,987,802.50	4,300,000.00	5,375,605.00	9,675,605.00	98,720,000.00
	1/1/2010	0.00	5.228%	2,580,302.50	2,580,302.50				98,720,000.00
2010	7/1/2010	4,515,000.00	5.228%	2,580,302.50	7,095,302.50	4,515,000.00	5,160,605.00	9,675,605.00	94,205,000.00
	1/1/2011	0.00	5.234%	2,465,170.00	2,465,170.00				94,205,000.00
2011	7/1/2011	4,745,000.00	5.234%	2,465,170.00	7,210,170.00	4,745,000.00	4,930,340.00	9,675,340.00	89,460,000.00
	1/1/2012	0.00	5.241%	2,344,172.50	2,344,172.50				89,460,000.00
2012	7/1/2012	4,990,000.00	5.241%	2,344,172.50	7,334,172.50	4,990,000.00	4,688,345.00	9,678,345.00	84,470,000.00
	1/1/2013	0.00	5.249%	2,216,927.50	2,216,927.50				84,470,000.00
2013	7/1/2013	5,240,000.00	5.249%	2,216,927.50	7,456,927.50	5,240,000.00	4,433,855.00	9,673,855.00	79,230,000.00
	1/1/2014	0.00	5.257%	2,082,652.50	2,082,652.50				79,230,000.00
2014	7/1/2014	5,515,000.00	5.257%	2,082,652.50	7,597,652.50	5,515,000.00	4,165,305.00	9,680,305.00	73,715,000.00
	1/1/2015	0.00	5.265%	1,940,641.25	1,940,641.25				73,715,000.00
2015	7/1/2015	5,795,000.00	5.265%	1,940,641.25	7,735,641.25	5,795,000.00	3,881,282.50	9,676,282.50	67,920,000.00
	1/1/2016	0.00	5.275%	1,791,420.00	1,791,420.00				67,920,000.00
2016	7/1/2016	6,095,000.00	5.275%	1,791,420.00	7,886,420.00	6,095,000.00	3,582,840.00	9,677,840.00	61,825,000.00
	1/1/2017	0.00	5.278%	1,631,426.25	1,631,426.25				61,825,000.00
2017	7/1/2017	6,415,000.00	5.278%	1,631,426.25	8,046,426.25	6,415,000.00	3,262,852.50	9,677,852.50	55,410,000.00
	1/1/2018	0.00	5.281%	1,463,032.50	1,463,032.50				55,410,000.00
2018	7/1/2018	6,750,000.00	5.281%	1,463,032.50	8,213,032.50	6,750,000.00	2,926,065.00	9,676,065.00	48,660,000.00
	1/1/2019	0.00	5.285%	1,285,845.00	1,285,845.00				48,660,000.00
2019	7/1/2019	7,105,000.00	5.285%	1,285,845.00	8,390,845.00	7,105,000.00	2,571,690.00	9,676,690.00	41,555,000.00
	1/1/2020	0.00	5.291%	1,099,338.75	1,099,338.75				41,555,000.00
2020	7/1/2020	7,475,000.00	5.291%	1,099,338.75	8,574,338.75	7,475,000.00	2,198,677.50	9,673,677.50	34,080,000.00
	1/1/2021	0.00	5.300%	903,120.00	903,120.00				34,080,000.00
2021	7/1/2021	7,870,000.00	5.300%	903,120.00	8,773,120.00	7,870,000.00	1,806,240.00	9,676,240.00	26,210,000.00
	1/1/2022	0.00	5.300%	694,565.00	694,565.00				26,210,000.00
2022	7/1/2022	8,290,000.00	5.300%	694,565.00	8,984,565.00	8,290,000.00	1,389,130.00	9,679,130.00	17,920,000.00
	1/1/2023	0.00	5.300%	474,880.00	474,880.00				17,920,000.00
2023	7/1/2023	8,730,000.00	5.300%	474,880.00	9,204,880.00	8,730,000.00	949,760.00	9,679,760.00	9,190,000.00
	1/1/2024	0.00	5.300%	243,535.00	243,535.00				9,190,000.00
2024	7/1/2024	9,190,000.00	5.300%	243,535.00	9,433,535.00	9,190,000.00	487,070.00	9,677,070.00	0.00
Totals		118,590,000.00		127,653,950.87	246,243,950.87	118,590,000.00	127,653,950.87	246,243,950.87	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**LVVWD 0796 SNWA Bonds (State Bond Bank)**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Capitalized Interest	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
							Principal	Interest	Total	
	7/25/1996									180,000,000.00
	11/15/1996	0.00		3,291,116.00	(3,291,116.00)	0.00				180,000,000.00
1997	5/15/1997	0.00	5.984%	5,385,463.00	(4,039,097.00)	1,346,366.00	0.00	1,346,366.00	1,346,366.00	180,000,000.00
	11/15/1997	0.00	5.984%	5,385,463.00	(2,692,731.00)	2,692,732.00				180,000,000.00
	4/9/1998	149,095,000.00	Refunded by LVVWD 0498 Bonds			149,095,000.00				30,905,000.00
1998	5/15/1998	0.00	5.984%	5,385,463.00	(1,346,366.00)	4,039,097.00	149,095,000.00	6,731,829.00	155,826,829.00	30,905,000.00
	11/15/1998	0.00	6.243%	964,655.62	0.00	964,655.62				30,905,000.00
1999	5/15/1999	0.00	6.243%	964,655.62	0.00	964,655.62	0.00	1,929,311.24	1,929,311.24	30,905,000.00
	11/15/1999	0.00	6.243%	964,655.62	0.00	964,655.62				30,905,000.00
2000	5/15/2000	315,000.00	6.243%	964,655.62	0.00	1,279,655.62	315,000.00	1,929,311.24	2,244,311.24	30,590,000.00
	11/15/2000	0.00	6.235%	953,630.62	0.00	953,630.62				30,590,000.00
2001	5/15/2001	710,000.00	6.235%	953,630.62	0.00	1,663,630.62	710,000.00	1,907,261.24	2,617,261.24	29,880,000.00
	11/15/2001	0.00	6.217%	928,780.62	0.00	928,780.62				29,880,000.00
2002	5/15/2002	1,135,000.00	6.217%	928,780.62	0.00	2,063,780.62	1,135,000.00	1,857,561.24	2,992,561.24	28,745,000.00
	11/15/2002	0.00	6.186%	889,055.62	0.00	889,055.62				28,745,000.00
2003	5/15/2003	1,595,000.00	6.186%	889,055.62	0.00	2,484,055.62	1,595,000.00	1,778,111.24	3,373,111.24	27,150,000.00
	11/15/2003	0.00	6.138%	833,230.62	0.00	833,230.62				27,150,000.00
2004	5/15/2004	2,095,000.00	6.138%	833,230.62	0.00	2,928,230.62	2,095,000.00	1,666,461.24	3,761,461.24	25,055,000.00
	11/15/2004	0.00	6.066%	759,905.62	0.00	759,905.62				25,055,000.00
2005	5/15/2005	2,635,000.00	6.066%	759,905.62	0.00	3,394,905.62	2,635,000.00	1,519,811.24	4,154,811.24	22,420,000.00
	11/15/2005	0.00	5.956%	667,680.62	0.00	667,680.62				22,420,000.00
2006	5/15/2006	3,215,000.00	5.956%	667,680.62	0.00	3,882,680.62	3,215,000.00	1,335,361.24	4,550,361.24	19,205,000.00
	11/15/2006	0.00	5.886%	565,202.50	0.00	565,202.50				19,205,000.00
2007	5/15/2007	3,850,000.00	5.886%	565,202.50	0.00	4,415,202.50	3,850,000.00	1,130,405.00	4,980,405.00	15,355,000.00
	11/15/2007	0.00	5.607%	430,452.50	0.00	430,452.50				15,355,000.00
2008	5/15/2008	4,530,000.00	5.607%	430,452.50	0.00	4,960,452.50	4,530,000.00	860,905.00	5,390,905.00	10,825,000.00
	11/15/2008	0.00	5.651%	305,877.50	0.00	305,877.50				10,825,000.00
2009	5/15/2009	5,270,000.00	5.651%	305,877.50	0.00	5,575,877.50	5,270,000.00	611,755.00	5,881,755.00	5,555,000.00
	11/15/2009	0.00	5.700%	158,317.50	0.00	158,317.50				5,555,000.00
2010	5/15/2010	5,555,000.00	5.700%	158,317.50	0.00	5,713,317.50	5,555,000.00	316,635.00	5,871,635.00	0.00
	11/15/2010	0.00	0.000%	0.00	0.00	0.00				0.00
2011	5/15/2011	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2011	0.00	0.000%	0.00	0.00	0.00				0.00
2012	5/15/2012	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2012	0.00	0.000%	0.00	0.00	0.00				0.00
2013	5/15/2013	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2013	0.00	0.000%	0.00	0.00	0.00				0.00
2014	5/15/2014	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2014	0.00	0.000%	0.00	0.00	0.00				0.00
2015	5/15/2015	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2015	0.00	0.000%	0.00	0.00	0.00				0.00
2016	5/15/2016	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2016	0.00	0.000%	0.00	0.00	0.00				0.00
2017	5/15/2017	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2017	0.00	0.000%	0.00	0.00	0.00				0.00
2018	5/15/2018	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2018	0.00	0.000%	0.00	0.00	0.00				0.00
2019	5/15/2019	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2019	0.00	0.000%	0.00	0.00	0.00				0.00
2020	5/15/2020	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2020	0.00	0.000%	0.00	0.00	0.00				0.00
2021	5/15/2021	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2021	0.00	0.000%	0.00	0.00	0.00				0.00
2022	5/15/2022	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2022	0.00	0.000%	0.00	0.00	0.00				0.00
2023	5/15/2023	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2023	0.00	0.000%	0.00	0.00	0.00				0.00
2024	5/15/2024	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2024	0.00	0.000%	0.00	0.00	0.00				0.00
2025	5/15/2025	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	11/15/2025	0.00	0.000%	0.00	0.00	0.00				0.00
2026	5/15/2026	0.00	0.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Totals</b>		<b>180,000,000.00</b>		<b>36,290,394.92</b>	<b>(11,369,310.00)</b>	<b>204,921,084.92</b>			<b>204,921,084.92</b>	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**CRC 1997A Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Capitalized Interest	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
							Principal	Interest	Total	
1998	3/15/1998		5.254%	1,294,357.50	(1,294,357.50)	0.00	0.00	0.00	0.00	49,270,000.00
	9/15/1998		5.254%	1,294,357.50	(970,768.13)	323,589.38				49,270,000.00
1999	3/15/1999		5.254%	1,294,357.50	(647,178.75)	647,178.75	0.00	970,768.13	970,768.13	49,270,000.00
	9/15/1999		5.254%	1,294,357.50	(330,061.16)	964,296.34				49,270,000.00
2000	3/15/2000		5.254%	1,294,357.50		1,294,357.50	0.00	2,258,653.84	2,258,653.84	49,270,000.00
	9/15/2000	815,000.00	5.254%	1,294,357.50		2,109,357.50				48,455,000.00
2001	3/15/2001	0.00	5.258%	1,273,982.50		1,273,982.50	815,000.00	2,568,340.00	3,383,340.00	48,455,000.00
	9/15/2001	855,000.00	5.258%	1,273,982.50		2,128,982.50				47,600,000.00
2002	3/15/2002	0.00	5.277%	1,255,813.75		1,255,813.75	855,000.00	2,529,796.25	3,384,796.25	47,600,000.00
	9/15/2002	895,000.00	5.277%	1,255,813.75		2,150,813.75				46,705,000.00
2003	3/15/2003	0.00	5.294%	1,236,347.50		1,236,347.50	895,000.00	2,492,161.25	3,387,161.25	46,705,000.00
	9/15/2003	935,000.00	5.294%	1,236,347.50		2,171,347.50				45,770,000.00
2004	3/15/2004	0.00	5.312%	1,215,543.75		1,215,543.75	935,000.00	2,451,891.25	3,386,891.25	45,770,000.00
	9/15/2004	975,000.00	5.312%	1,215,543.75		2,190,543.75				44,795,000.00
2005	3/15/2005	0.00	5.307%	1,188,731.25		1,188,731.25	975,000.00	2,404,275.00	3,379,275.00	44,795,000.00
	9/15/2005	1,030,000.00	5.307%	1,188,731.25		2,218,731.25				43,765,000.00
2006	3/15/2006	0.00	5.315%	1,162,981.25		1,162,981.25	1,030,000.00	2,351,712.50	3,381,712.50	43,765,000.00
	9/15/2006	1,080,000.00	5.315%	1,162,981.25		2,242,981.25				42,685,000.00
2007	3/15/2007	0.00	5.323%	1,135,981.25		1,135,981.25	1,080,000.00	2,298,962.50	3,378,962.50	42,685,000.00
	9/15/2007	1,135,000.00	5.323%	1,135,981.25		2,270,981.25				41,550,000.00
2008	3/15/2008	0.00	5.277%	1,096,256.25		1,096,256.25	1,135,000.00	2,232,237.50	3,367,237.50	41,550,000.00
	9/15/2008	1,215,000.00	5.277%	1,096,256.25		2,311,256.25				40,335,000.00
2009	3/15/2009	0.00	5.225%	1,053,731.25		1,053,731.25	1,215,000.00	2,149,987.50	3,364,987.50	40,335,000.00
	9/15/2009	1,300,000.00	5.225%	1,053,731.25		2,353,731.25				39,035,000.00
2010	3/15/2010	0.00	5.232%	1,021,231.25		1,021,231.25	1,300,000.00	2,074,962.50	3,374,962.50	39,035,000.00
	9/15/2010	1,360,000.00	5.232%	1,021,231.25		2,381,231.25				37,675,000.00
2011	3/15/2011	0.00	5.241%	987,231.25		987,231.25	1,360,000.00	2,008,462.50	3,368,462.50	37,675,000.00
	9/15/2011	1,430,000.00	5.241%	987,231.25		2,417,231.25				36,245,000.00
2012	3/15/2012	0.00	5.250%	951,481.25		951,481.25	1,430,000.00	1,938,712.50	3,368,712.50	36,245,000.00
	9/15/2012	1,500,000.00	5.250%	951,481.25		2,451,481.25				34,745,000.00
2013	3/15/2013	0.00	5.256%	913,043.75		913,043.75	1,500,000.00	1,864,525.00	3,364,525.00	34,745,000.00
	9/15/2013	1,580,000.00	5.256%	913,043.75		2,493,043.75				33,165,000.00
2014	3/15/2014	0.00	5.258%	871,963.75		871,963.75	1,580,000.00	1,785,007.50	3,365,007.50	33,165,000.00
	9/15/2014	1,660,000.00	5.258%	871,963.75		2,531,963.75				31,505,000.00
2015	3/15/2015	0.00	5.259%	828,388.75		828,388.75	1,660,000.00	1,700,352.50	3,360,352.50	31,505,000.00
	9/15/2015	1,750,000.00	5.259%	828,388.75		2,578,388.75				29,755,000.00
2016	3/15/2016	0.00	5.256%	782,013.75		782,013.75	1,750,000.00	1,610,402.50	3,360,402.50	29,755,000.00
	9/15/2016	1,840,000.00	5.256%	782,013.75		2,622,013.75				27,915,000.00
2017	3/15/2017	0.00	5.253%	733,253.75		733,253.75	1,840,000.00	1,515,267.50	3,355,267.50	27,915,000.00
	9/15/2017	1,940,000.00	5.253%	733,253.75		2,673,253.75				25,975,000.00
2018	3/15/2018	0.00	5.250%	681,843.75		681,843.75	1,940,000.00	1,415,097.50	3,355,097.50	25,975,000.00
	9/15/2018	2,040,000.00	5.250%	681,843.75		2,721,843.75				23,935,000.00
2019	3/15/2019	0.00	5.250%	628,293.75		628,293.75	2,040,000.00	1,310,137.50	3,350,137.50	23,935,000.00
	9/15/2019	2,150,000.00	5.250%	628,293.75		2,778,293.75				21,785,000.00
2020	3/15/2020	0.00	5.250%	571,856.25		571,856.25	2,150,000.00	1,200,150.00	3,350,150.00	21,785,000.00
	9/15/2020	2,260,000.00	5.250%	571,856.25		2,831,856.25				19,525,000.00
2021	3/15/2021	0.00	5.250%	512,531.25		512,531.25	2,260,000.00	1,084,387.50	3,344,387.50	19,525,000.00
	9/15/2021	2,380,000.00	5.250%	512,531.25		2,892,531.25				17,145,000.00
2022	3/15/2022	0.00	5.250%	450,056.25		450,056.25	2,380,000.00	962,587.50	3,342,587.50	17,145,000.00
	9/15/2022	2,505,000.00	5.250%	450,056.25		2,955,056.25				14,640,000.00
2023	3/15/2023	0.00	5.250%	384,300.00		384,300.00	2,505,000.00	834,356.25	3,339,356.25	14,640,000.00
	9/15/2023	2,635,000.00	5.250%	384,300.00		3,019,300.00				12,005,000.00
2024	3/15/2024	0.00	5.250%	315,131.25		315,131.25	2,635,000.00	699,431.25	3,334,431.25	12,005,000.00
	9/15/2024	2,775,000.00	5.250%	315,131.25		3,090,131.25				9,230,000.00
2025	3/15/2025	0.00	5.250%	242,287.50		242,287.50	2,775,000.00	557,418.75	3,332,418.75	9,230,000.00
	9/15/2025	2,920,000.00	5.250%	242,287.50		3,162,287.50				6,310,000.00
2026	3/15/2026	0.00	5.250%	165,637.50		165,637.50	2,920,000.00	407,925.00	3,327,925.00	6,310,000.00
	9/15/2026	3,075,000.00	5.250%	165,637.50		3,240,637.50				3,235,000.00
2027	3/15/2027	0.00	5.250%	84,918.75		84,918.75	3,075,000.00	250,556.25	3,325,556.25	3,235,000.00
2028	9/15/2027	3,235,000.00	5.250%	84,918.75		3,319,918.75	3,235,000.00	84,918.75	3,319,918.75	0.00
Totals		49,270,000.00		51,255,810.00	(3,242,365.54)	97,283,444.46	49,270,000.00	48,013,444.46	97,283,444.46	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**CRC 1997B Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
	9/25/1997	0.00		(7,485.52)	(7,485.52)				5,545,000.00
	1/1/1998	0.00		79,346.52	79,346.52				5,545,000.00
1998	7/1/1998	90,000.00	4.860%	134,739.38	224,739.38	90,000.00	206,600.38	296,600.38	5,455,000.00
	1/1/1999	0.00	4.874%	132,939.38	132,939.38				5,455,000.00
1999	7/1/1999	30,000.00	4.874%	132,939.38	162,939.38	30,000.00	265,878.76	295,878.76	5,425,000.00
	1/1/2000	0.00	4.878%	132,324.38	132,324.38				5,425,000.00
2000	7/1/2000	30,000.00	4.878%	132,324.38	162,324.38	30,000.00	264,648.76	294,648.76	5,395,000.00
	1/1/2001	0.00	4.882%	131,701.88	131,701.88				5,395,000.00
2001	7/1/2001	35,000.00	4.882%	131,701.88	166,701.88	35,000.00	263,403.76	298,403.76	5,360,000.00
	1/1/2002	0.00	4.886%	130,958.13	130,958.13				5,360,000.00
2002	7/1/2002	35,000.00	4.886%	130,958.13	165,958.13	35,000.00	261,916.26	296,916.26	5,325,000.00
	1/1/2003	0.00	4.890%	130,205.63	130,205.63				5,325,000.00
2003	7/1/2003	35,000.00	4.890%	130,205.63	165,205.63	35,000.00	260,411.26	295,411.26	5,290,000.00
	1/1/2004	0.00	4.894%	129,435.63	129,435.63				5,290,000.00
2004	7/1/2004	35,000.00	4.894%	129,435.63	164,435.63	35,000.00	258,871.26	293,871.26	5,255,000.00
	1/1/2005	0.00	4.896%	128,648.13	128,648.13				5,255,000.00
2005	7/1/2005	555,000.00	4.896%	128,648.13	683,648.13	555,000.00	257,296.26	812,296.26	4,700,000.00
	1/1/2006	0.00	4.928%	115,813.75	115,813.75				4,700,000.00
2006	7/1/2006	580,000.00	4.928%	115,813.75	695,813.75	580,000.00	231,627.50	811,627.50	4,120,000.00
	1/1/2007	0.00	4.971%	102,401.25	102,401.25				4,120,000.00
2007	7/1/2007	605,000.00	4.971%	102,401.25	707,401.25	605,000.00	204,802.50	809,802.50	3,515,000.00
	1/1/2008	0.00	5.018%	88,183.75	88,183.75				3,515,000.00
2008	7/1/2008	635,000.00	5.018%	88,183.75	723,183.75	635,000.00	176,367.50	811,367.50	2,880,000.00
	1/1/2009	0.00	5.066%	72,943.75	72,943.75				2,880,000.00
2009	7/1/2009	670,000.00	5.066%	72,943.75	742,943.75	670,000.00	145,887.50	815,887.50	2,210,000.00
	1/1/2010	0.00	5.085%	56,193.75	56,193.75				2,210,000.00
2010	7/1/2010	700,000.00	5.085%	56,193.75	756,193.75	700,000.00	112,387.50	812,387.50	1,510,000.00
	1/1/2011	0.00	5.125%	38,693.75	38,693.75				1,510,000.00
2011	7/1/2011	735,000.00	5.125%	38,693.75	773,693.75	735,000.00	77,387.50	812,387.50	775,000.00
	1/1/2012	0.00	5.125%	19,859.38	19,859.38				775,000.00
2012	7/1/2012	775,000.00	5.125%	19,859.38	794,859.38	775,000.00	39,718.76	814,718.76	0.00
<b>Totals</b>		<b>5,545,000.00</b>		<b>3,027,205.46</b>	<b>8,572,205.46</b>			<b>8,572,205.46</b>	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**LVVWD 0498 Refunding Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
									190,255,000.00
1999	11/15/1998	0.00	5.989%	5,697,652.50	5,697,652.50				190,255,000.00
	5/15/1999	0.00	4.991%	4,748,043.75	4,748,043.75	0.00	10,445,696.25	10,445,696.25	190,255,000.00
2000	11/15/1999	0.00	4.991%	4,748,043.75	4,748,043.75				190,255,000.00
	5/15/2000	645,000.00	4.991%	4,748,043.75	5,393,043.75	645,000.00	9,496,087.50	10,141,087.50	189,610,000.00
2001	11/15/2000	0.00	4.990%	4,730,306.25	4,730,306.25				189,610,000.00
	5/15/2001	685,000.00	4.990%	4,730,306.25	5,415,306.25	685,000.00	9,460,612.50	10,145,612.50	188,925,000.00
2002	11/15/2001	0.00	4.991%	4,714,893.75	4,714,893.75				188,925,000.00
	5/15/2002	715,000.00	4.991%	4,714,893.75	5,429,893.75	715,000.00	9,429,787.50	10,144,787.50	188,210,000.00
2003	11/15/2002	0.00	4.993%	4,698,806.25	4,698,806.25				188,210,000.00
	5/15/2003	745,000.00	4.993%	4,698,806.25	5,443,806.25	745,000.00	9,397,612.50	10,142,612.50	187,465,000.00
2004	11/15/2003	0.00	4.995%	4,682,043.75	4,682,043.75				187,465,000.00
	5/15/2004	775,000.00	4.995%	4,682,043.75	5,457,043.75	775,000.00	9,364,087.50	10,139,087.50	186,690,000.00
2005	11/15/2004	0.00	4.997%	4,664,606.25	4,664,606.25				186,690,000.00
	5/15/2005	810,000.00	4.997%	4,664,606.25	5,474,606.25	810,000.00	9,329,212.50	10,139,212.50	185,880,000.00
2006	11/15/2005	0.00	4.999%	4,646,381.25	4,646,381.25				185,880,000.00
	5/15/2006	775,000.00	4.999%	4,646,381.25	5,421,381.25	775,000.00	9,292,762.50	10,067,762.50	185,105,000.00
2007	11/15/2006	0.00	4.992%	4,620,225.00	4,620,225.00				185,105,000.00
	5/15/2007	815,000.00	4.992%	4,620,225.00	5,435,225.00	815,000.00	9,240,450.00	10,055,450.00	184,290,000.00
2008	11/15/2007	0.00	4.984%	4,592,718.75	4,592,718.75				184,290,000.00
	5/15/2008	870,000.00	4.984%	4,592,718.75	5,462,718.75	870,000.00	9,185,437.50	10,055,437.50	183,420,000.00
2009	11/15/2008	0.00	4.976%	4,563,356.25	4,563,356.25				183,420,000.00
	5/15/2009	1,995,000.00	4.976%	4,563,356.25	6,558,356.25	1,995,000.00	9,126,712.50	11,121,712.50	181,425,000.00
2010	11/15/2009	0.00	4.973%	4,510,987.50	4,510,987.50				181,425,000.00
	5/15/2010	2,105,000.00	4.973%	4,510,987.50	6,615,987.50	2,105,000.00	9,021,975.00	11,126,975.00	179,320,000.00
2011	11/15/2010	0.00	4.970%	4,455,731.25	4,455,731.25				179,320,000.00
	5/15/2011	9,670,000.00	4.970%	4,455,731.25	14,125,731.25	9,670,000.00	8,911,462.50	18,581,462.50	169,650,000.00
2012	11/15/2011	0.00	4.954%	4,201,893.75	4,201,893.75				169,650,000.00
	5/15/2012	10,165,000.00	4.954%	4,201,893.75	14,366,893.75	10,165,000.00	8,403,787.50	18,568,787.50	159,485,000.00
2013	11/15/2012	0.00	4.935%	3,935,062.50	3,935,062.50				159,485,000.00
	5/15/2013	10,700,000.00	4.935%	3,935,062.50	14,635,062.50	10,700,000.00	7,870,125.00	18,570,125.00	148,785,000.00
2014	11/15/2013	0.00	4.912%	3,654,187.50	3,654,187.50				148,785,000.00
	5/15/2014	11,620,000.00	4.912%	3,654,187.50	15,274,187.50	11,620,000.00	7,308,375.00	18,928,375.00	137,165,000.00
2015	11/15/2014	0.00	4.905%	3,363,687.50	3,363,687.50				137,165,000.00
	5/15/2015	12,200,000.00	4.905%	3,363,687.50	15,563,687.50	12,200,000.00	6,727,375.00	18,927,375.00	124,965,000.00
2016	11/15/2015	0.00	4.895%	3,058,687.50	3,058,687.50				124,965,000.00
	5/15/2016	11,040,000.00	4.895%	3,058,687.50	14,098,687.50	11,040,000.00	6,117,375.00	17,157,375.00	113,925,000.00
2017	11/15/2016	0.00	4.885%	2,782,687.50	2,782,687.50				113,925,000.00
	5/15/2017	9,045,000.00	4.885%	2,782,687.50	11,827,687.50	9,045,000.00	5,565,375.00	14,610,375.00	104,880,000.00
2018	11/15/2017	0.00	4.875%	2,556,562.50	2,556,562.50				104,880,000.00
	5/15/2018	9,490,000.00	4.875%	2,556,562.50	12,046,562.50	9,490,000.00	5,113,125.00	14,603,125.00	95,390,000.00
2019	11/15/2018	0.00	4.863%	2,319,312.50	2,319,312.50				95,390,000.00
	5/15/2019	9,970,000.00	4.863%	2,319,312.50	12,289,312.50	9,970,000.00	4,638,625.00	14,608,625.00	85,420,000.00
2020	11/15/2019	0.00	4.847%	2,070,062.50	2,070,062.50				85,420,000.00
	5/15/2020	10,480,000.00	4.847%	2,070,062.50	12,550,062.50	10,480,000.00	4,140,125.00	14,620,125.00	74,940,000.00
2021	11/15/2020	0.00	4.825%	1,808,062.50	1,808,062.50				74,940,000.00
	5/15/2021	11,015,000.00	4.825%	1,808,062.50	12,823,062.50	11,015,000.00	3,616,125.00	14,631,125.00	63,925,000.00
2022	11/15/2021	0.00	4.795%	1,532,687.50	1,532,687.50				63,925,000.00
	5/15/2022	11,575,000.00	4.795%	1,532,687.50	13,107,687.50	11,575,000.00	3,065,375.00	14,640,375.00	52,350,000.00
2023	11/15/2022	0.00	4.750%	1,243,312.50	1,243,312.50				52,350,000.00
	5/15/2023	12,165,000.00	4.750%	1,243,312.50	13,408,312.50	12,165,000.00	2,486,625.00	14,651,625.00	40,185,000.00
2024	11/15/2023	0.00	4.750%	954,393.75	954,393.75				40,185,000.00
	5/15/2024	12,755,000.00	4.750%	954,393.75	13,709,393.75	12,755,000.00	1,908,787.50	14,663,787.50	27,430,000.00
2025	11/15/2024	0.00	4.750%	651,462.50	651,462.50				27,430,000.00
	5/15/2025	13,375,000.00	4.750%	651,462.50	14,026,462.50	13,375,000.00	1,302,925.00	14,677,925.00	14,055,000.00
2026	11/15/2025	0.00	4.750%	333,806.25	333,806.25				14,055,000.00
	5/15/2026	14,055,000.00	4.750%	333,806.25	14,388,806.25	14,055,000.00	667,612.50	14,722,612.50	0.00
Totals		190,255,000.00		190,633,633.75	380,888,633.75			380,888,633.75	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**SNWA 0798 Bonds (State Bond Bank)**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
	11/15/1998	0.00	3.565%	5,347,908.14	5,347,908.14				300,000,000.00
1999	5/15/1999	0.00	5.093%	7,639,868.76	7,639,868.76	0.00	12,987,776.90	12,987,776.90	300,000,000.00
	11/15/1999	0.00	5.093%	7,639,868.76	7,639,868.76				300,000,000.00
2000	5/15/2000	0.00	5.093%	7,639,868.76	7,639,868.76	0.00	15,279,737.52	15,279,737.52	300,000,000.00
	11/15/2000	0.00	5.093%	7,639,868.76	7,639,868.76				300,000,000.00
2001	5/15/2001	610,000.00	5.093%	7,639,868.76	8,249,868.76	610,000.00	15,279,737.52	15,889,737.52	299,390,000.00
	11/15/2001	0.00	5.094%	7,626,143.76	7,626,143.76				299,390,000.00
2002	5/15/2002	1,195,000.00	5.094%	7,626,143.76	8,821,143.76	1,195,000.00	15,252,287.52	16,447,287.52	298,195,000.00
	11/15/2002	0.00	5.097%	7,599,256.26	7,599,256.26				298,195,000.00
2003	5/15/2003	1,825,000.00	5.097%	7,599,256.26	9,424,256.26	1,825,000.00	15,198,512.52	17,023,512.52	296,370,000.00
	11/15/2003	0.00	5.097%	7,553,631.26	7,553,631.26				296,370,000.00
2004	5/15/2004	2,515,000.00	5.097%	7,553,631.26	10,068,631.26	2,515,000.00	15,107,262.52	17,622,262.52	293,855,000.00
	11/15/2004	0.00	5.098%	7,490,756.26	7,490,756.26				293,855,000.00
2005	5/15/2005	3,250,000.00	5.098%	7,490,756.26	10,740,756.26	3,250,000.00	14,981,512.52	18,231,512.52	290,605,000.00
	11/15/2005	0.00	5.099%	7,409,506.26	7,409,506.26				290,605,000.00
2006	5/15/2006	4,060,000.00	5.099%	7,409,506.26	11,469,506.26	4,060,000.00	14,819,012.52	18,879,012.52	286,545,000.00
	11/15/2006	0.00	5.101%	7,308,006.26	7,308,006.26				286,545,000.00
2007	5/15/2007	4,920,000.00	5.101%	7,308,006.26	12,228,006.26	4,920,000.00	14,616,012.52	19,536,012.52	281,625,000.00
	11/15/2007	0.00	5.094%	7,172,706.26	7,172,706.26				281,625,000.00
2008	5/15/2008	5,875,000.00	5.094%	7,172,706.26	13,047,706.26	5,875,000.00	14,345,412.52	20,220,412.52	275,750,000.00
	11/15/2008	0.00	5.090%	7,018,487.51	7,018,487.51				275,750,000.00
2009	5/15/2009	6,890,000.00	5.090%	7,018,487.51	13,908,487.51	6,890,000.00	14,036,975.02	20,926,975.02	268,860,000.00
	11/15/2009	0.00	5.086%	6,837,625.01	6,837,625.01				268,860,000.00
2010	5/15/2010	7,985,000.00	5.086%	6,837,625.01	14,822,625.01	7,985,000.00	13,675,250.02	21,660,250.02	260,875,000.00
	11/15/2010	0.00	5.081%	6,628,018.76	6,628,018.76				260,875,000.00
2011	5/15/2011	9,160,000.00	5.081%	6,628,018.76	15,788,018.76	9,160,000.00	13,256,037.52	22,416,037.52	251,715,000.00
	11/15/2011	0.00	5.075%	6,387,568.76	6,387,568.76				251,715,000.00
2012	5/15/2012	9,640,000.00	5.075%	6,387,568.76	16,027,568.76	9,640,000.00	12,775,137.52	22,415,137.52	242,075,000.00
	11/15/2012	0.00	5.068%	6,134,518.76	6,134,518.76				242,075,000.00
2013	5/15/2013	10,150,000.00	5.068%	6,134,518.76	16,284,518.76	10,150,000.00	12,269,037.52	22,419,037.52	231,925,000.00
	11/15/2013	0.00	5.060%	5,868,081.26	5,868,081.26				231,925,000.00
2014	5/15/2014	10,680,000.00	5.060%	5,868,081.26	16,548,081.26	10,680,000.00	11,736,162.52	22,416,162.52	221,245,000.00
	11/15/2014	0.00	5.063%	5,601,081.26	5,601,081.26				221,245,000.00
2015	5/15/2015	11,215,000.00	5.063%	5,601,081.26	16,816,081.26	11,215,000.00	11,202,162.52	22,417,162.52	210,030,000.00
	11/15/2015	0.00	5.067%	5,320,706.26	5,320,706.26				210,030,000.00
2016	5/15/2016	11,775,000.00	5.067%	5,320,706.26	17,095,706.26	11,775,000.00	10,641,412.52	22,416,412.52	198,255,000.00
	11/15/2016	0.00	5.056%	5,011,612.51	5,011,612.51				198,255,000.00
2017	5/15/2017	12,395,000.00	5.056%	5,011,612.51	17,406,612.51	12,395,000.00	10,023,225.02	22,418,225.02	185,860,000.00
	11/15/2017	0.00	5.059%	4,701,737.51	4,701,737.51				185,860,000.00
2018	5/15/2018	13,015,000.00	5.059%	4,701,737.51	17,716,737.51	13,015,000.00	9,403,475.02	22,418,475.02	172,845,000.00
	11/15/2018	0.00	5.064%	4,376,362.51	4,376,362.51				172,845,000.00
2019	5/15/2019	13,665,000.00	5.064%	4,376,362.51	18,041,362.51	13,665,000.00	8,752,725.02	22,417,725.02	159,180,000.00
	11/15/2019	0.00	5.069%	4,034,737.51	4,034,737.51				159,180,000.00
2020	5/15/2020	14,345,000.00	5.069%	4,034,737.51	18,379,737.51	14,345,000.00	8,069,475.02	22,414,475.02	144,835,000.00
	11/15/2020	0.00	5.039%	3,649,215.63	3,649,215.63				144,835,000.00
2021	5/15/2021	15,115,000.00	5.039%	3,649,215.63	18,764,215.63	15,115,000.00	7,298,431.26	22,413,431.26	129,720,000.00
	11/15/2021	0.00	5.000%	3,243,000.00	3,243,000.00				129,720,000.00
2022	5/15/2022	15,935,000.00	5.000%	3,243,000.00	19,178,000.00	15,935,000.00	6,486,000.00	22,421,000.00	113,785,000.00
	11/15/2022	0.00	5.000%	2,844,625.00	2,844,625.00				113,785,000.00
2023	5/15/2023	16,730,000.00	5.000%	2,844,625.00	19,574,625.00	16,730,000.00	5,689,250.00	22,419,250.00	97,055,000.00
	11/15/2023	0.00	5.000%	2,426,375.00	2,426,375.00				97,055,000.00
2024	5/15/2024	17,565,000.00	5.000%	2,426,375.00	19,991,375.00	17,565,000.00	4,852,750.00	22,417,500.00	79,490,000.00
	11/15/2024	0.00	5.000%	1,987,250.00	1,987,250.00				79,490,000.00
2025	5/15/2025	18,440,000.00	5.000%	1,987,250.00	20,427,250.00	18,440,000.00	3,974,500.00	22,414,500.00	61,050,000.00
	11/15/2025	0.00	5.000%	1,526,250.00	1,526,250.00				61,050,000.00
2026	5/15/2026	19,365,000.00	5.000%	1,526,250.00	20,891,250.00	19,365,000.00	3,052,500.00	22,417,500.00	41,685,000.00
	11/15/2026	0.00	5.000%	1,042,125.00	1,042,125.00				41,685,000.00
2027	5/15/2027	20,335,000.00	5.000%	1,042,125.00	21,377,125.00	20,335,000.00	2,084,250.00	22,419,250.00	21,350,000.00
	11/15/2027	0.00	5.000%	533,750.00	533,750.00				21,350,000.00
2028	5/15/2028	21,350,000.00	5.000%	533,750.00	21,883,750.00	21,350,000.00	1,067,500.00	22,417,500.00	0.00
Totals		300,000,000.00		318,213,521.08	618,213,521.08	300,000,000.00	318,213,521.08	618,213,521.08	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**CRC 1999A Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Capitalized Interest	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
							Principal	Interest	Total	
2000	3/15/2000	0.00	5.150%	662,592.46	(662,592.46)	0.00	0.00	0.00	0.00	25,730,000.00
	9/15/2000	0.00	5.653%	727,235.63	(545,426.72)	181,808.91				25,730,000.00
2001	3/15/2001	0.00	5.653%	727,235.63	(363,617.82)	363,617.82	0.00	545,426.72	545,426.72	25,730,000.00
	9/15/2001	100,000.00	5.653%	727,235.63	(181,808.91)	645,426.72				25,630,000.00
2002	3/15/2002	0.00	5.657%	724,985.63		724,985.63	100,000.00	1,270,412.35	1,370,412.35	25,630,000.00
	9/15/2002	150,000.00	5.657%	724,985.63		874,985.63				25,480,000.00
2003	3/15/2003	0.00	5.664%	721,610.63		721,610.63	150,000.00	1,446,596.26	1,596,596.26	25,480,000.00
	9/15/2003	200,000.00	5.664%	721,610.63		921,610.63				25,280,000.00
2004	3/15/2004	0.00	5.669%	716,610.63		716,610.63	200,000.00	1,438,221.26	1,638,221.26	25,280,000.00
	9/15/2004	250,000.00	5.669%	716,610.63		966,610.63				25,030,000.00
2005	3/15/2005	0.00	5.676%	710,360.63		710,360.63	250,000.00	1,426,971.26	1,676,971.26	25,030,000.00
	9/15/2005	390,000.00	5.676%	710,360.63		1,100,360.63				24,640,000.00
2006	3/15/2006	0.00	5.683%	700,123.13		700,123.13	390,000.00	1,410,483.76	1,800,483.76	24,640,000.00
	9/15/2006	540,000.00	5.683%	700,123.13		1,240,123.13				24,100,000.00
2007	3/15/2007	0.00	5.665%	682,573.13		682,573.13	540,000.00	1,382,696.26	1,922,696.26	24,100,000.00
	9/15/2007	570,000.00	5.665%	682,573.13		1,252,573.13				23,530,000.00
2008	3/15/2008	0.00	5.644%	664,048.13		664,048.13	570,000.00	1,346,621.26	1,916,621.26	23,530,000.00
	9/15/2008	600,000.00	5.644%	664,048.13		1,264,048.13				22,930,000.00
2009	3/15/2009	0.00	5.622%	644,548.13		644,548.13	600,000.00	1,308,596.26	1,908,596.26	22,930,000.00
	9/15/2009	635,000.00	5.622%	644,548.13		1,279,548.13				22,295,000.00
2010	3/15/2010	0.00	5.597%	623,910.63		623,910.63	635,000.00	1,268,458.76	1,903,458.76	22,295,000.00
	9/15/2010	670,000.00	5.597%	623,910.63		1,293,910.63				21,625,000.00
2011	3/15/2011	0.00	5.569%	602,135.63		602,135.63	670,000.00	1,226,046.26	1,896,046.26	21,625,000.00
	9/15/2011	700,000.00	5.569%	602,135.63		1,302,135.63				20,925,000.00
2012	3/15/2012	0.00	5.580%	583,760.63		583,760.63	700,000.00	1,185,896.26	1,885,896.26	20,925,000.00
	9/15/2012	750,000.00	5.580%	583,760.63		1,333,760.63				20,175,000.00
2013	3/15/2013	0.00	5.590%	563,885.63		563,885.63	750,000.00	1,147,646.26	1,897,646.26	20,175,000.00
	9/15/2013	780,000.00	5.590%	563,885.63		1,343,885.63				19,395,000.00
2014	3/15/2014	0.00	5.598%	542,825.63		542,825.63	780,000.00	1,106,711.26	1,886,711.26	19,395,000.00
	9/15/2014	830,000.00	5.598%	542,825.63		1,372,825.63				18,565,000.00
2015	3/15/2015	0.00	5.606%	520,415.63		520,415.63	830,000.00	1,063,241.26	1,893,241.26	18,565,000.00
	9/15/2015	870,000.00	5.606%	520,415.63		1,390,415.63				17,695,000.00
2016	3/15/2016	0.00	5.612%	496,490.63		496,490.63	870,000.00	1,016,906.26	1,886,906.26	17,695,000.00
	9/15/2016	920,000.00	5.612%	496,490.63		1,416,490.63				16,775,000.00
2017	3/15/2017	0.00	5.618%	471,190.63		471,190.63	920,000.00	967,681.26	1,887,681.26	16,775,000.00
	9/15/2017	970,000.00	5.618%	471,190.63		1,441,190.63				15,805,000.00
2018	3/15/2018	0.00	5.625%	444,515.63		444,515.63	970,000.00	915,706.26	1,885,706.26	15,805,000.00
	9/15/2018	1,020,000.00	5.625%	444,515.63		1,464,515.63				14,785,000.00
2019	3/15/2019	0.00	5.625%	415,828.13		415,828.13	1,020,000.00	860,343.76	1,880,343.76	14,785,000.00
	9/15/2019	1,080,000.00	5.625%	415,828.13		1,495,828.13				13,705,000.00
2020	3/15/2020	0.00	5.625%	385,453.13		385,453.13	1,080,000.00	801,281.26	1,881,281.26	13,705,000.00
	9/15/2020	1,140,000.00	5.625%	385,453.13		1,525,453.13				12,565,000.00
2021	3/15/2021	0.00	5.625%	353,390.63		353,390.63	1,140,000.00	738,843.76	1,878,843.76	12,565,000.00
	9/15/2021	1,200,000.00	5.625%	353,390.63		1,553,390.63				11,365,000.00
2022	3/15/2022	0.00	5.625%	319,640.63		319,640.63	1,200,000.00	673,031.26	1,873,031.26	11,365,000.00
	9/15/2022	1,270,000.00	5.625%	319,640.63		1,589,640.63				10,095,000.00
2023	3/15/2023	0.00	5.625%	283,921.88		283,921.88	1,270,000.00	603,562.51	1,873,562.51	10,095,000.00
	9/15/2023	1,340,000.00	5.625%	283,921.88		1,623,921.88				8,755,000.00
2024	3/15/2024	0.00	5.625%	246,234.38		246,234.38	1,340,000.00	530,156.26	1,870,156.26	8,755,000.00
	9/15/2024	1,410,000.00	5.625%	246,234.38		1,656,234.38				7,345,000.00
2025	3/15/2025	0.00	5.625%	206,578.13		206,578.13	1,410,000.00	452,812.51	1,862,812.51	7,345,000.00
	9/15/2025	1,490,000.00	5.625%	206,578.13		1,696,578.13				5,855,000.00
2026	3/15/2026	0.00	5.625%	164,671.88		164,671.88	1,490,000.00	371,250.01	1,861,250.01	5,855,000.00
	9/15/2026	1,570,000.00	5.625%	164,671.88		1,734,671.88				4,285,000.00
2027	3/15/2027	0.00	5.625%	120,515.63		120,515.63	1,570,000.00	285,187.51	1,855,187.51	4,285,000.00
	9/15/2027	1,660,000.00	5.625%	120,515.63		1,780,515.63				2,625,000.00
2028	3/15/2028	0.00	5.625%	73,828.13		73,828.13	1,660,000.00	194,343.76	1,854,343.76	2,625,000.00
	9/15/2028	1,750,000.00	5.625%	73,828.13		1,823,828.13				875,000.00
2029	3/15/2029	0.00	5.625%	24,609.38		24,609.38	1,750,000.00	98,437.51	1,848,437.51	875,000.00
2030	9/15/2029	875,000.00	5.625%	24,609.38		899,609.38	875,000.00	24,609.38	899,609.38	0.00
Totals		25,730,000.00		28,861,624.63	(1,753,445.91)	52,838,178.73	25,730,000.00	27,108,178.73	52,838,178.73	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**State Revolving Fund (SRF) Loan 1**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
									12,269,695.00
	8/1/2000	211,863.31	4.392%	269,452.71	481,316.02				12,057,831.69
2001	2/1/2001	215,687.41	3.610%	217,643.88	433,331.29	427,550.72	487,096.59	914,647.31	11,842,144.28
	8/1/2001	219,580.57	3.610%	213,750.72	433,331.29				11,622,563.71
2002	2/1/2002	223,543.99	3.610%	209,787.30	433,331.29	443,124.56	423,538.02	866,662.58	11,399,019.72
	8/1/2002	227,578.99	3.610%	205,752.30	433,331.29				11,171,440.73
2003	2/1/2003	231,686.77	3.610%	201,644.52	433,331.29	459,265.76	407,396.82	866,662.58	10,939,753.96
	8/1/2003	235,868.71	3.610%	197,462.58	433,331.29				10,703,885.25
2004	2/1/2004	240,126.19	3.610%	193,205.10	433,331.29	475,994.90	390,667.68	866,662.58	10,463,759.06
	8/1/2004	244,460.41	3.610%	188,870.88	433,331.29				10,219,298.65
2005	2/1/2005	248,872.93	3.610%	184,458.36	433,331.29	493,333.34	373,329.24	866,662.58	9,970,425.72
	8/1/2005	253,365.13	3.610%	179,966.16	433,331.29				9,717,060.59
2006	2/1/2006	257,938.33	3.610%	175,392.96	433,331.29	511,303.46	355,359.12	866,662.58	9,459,122.26
	8/1/2006	262,594.15	3.610%	170,737.14	433,331.29				9,196,528.11
2007	2/1/2007	267,333.97	3.610%	165,997.32	433,331.29	529,928.12	336,734.46	866,662.58	8,929,194.14
	8/1/2007	272,159.35	3.610%	161,171.94	433,331.29				8,657,034.79
2008	2/1/2008	277,071.79	3.610%	156,259.50	433,331.29	549,231.14	317,431.44	866,662.58	8,379,963.00
	8/1/2008	282,072.97	3.610%	151,258.32	433,331.29				8,097,890.03
2009	2/1/2009	287,164.39	3.610%	146,166.90	433,331.29	569,237.36	297,425.22	866,662.58	7,810,725.64
	8/1/2009	292,347.67	3.610%	140,983.62	433,331.29				7,518,377.97
2010	2/1/2010	297,624.55	3.610%	135,706.74	433,331.29	589,972.22	276,690.36	866,662.58	7,220,753.42
	8/1/2010	302,996.71	3.610%	130,334.58	433,331.29				6,917,756.71
2011	2/1/2011	308,465.77	3.610%	124,865.52	433,331.29	611,462.48	255,200.10	866,662.58	6,609,290.94
	8/1/2011	314,033.59	3.610%	119,297.70	433,331.29				6,295,257.35
2012	2/1/2012	319,701.91	3.610%	113,629.38	433,331.29	633,735.50	232,927.08	866,662.58	5,975,555.44
	8/1/2012	325,472.53	3.610%	107,858.76	433,331.29				5,650,082.91
2013	2/1/2013	331,347.31	3.610%	101,983.98	433,331.29	656,819.84	209,842.74	866,662.58	5,318,735.60
	8/1/2013	337,328.10	3.610%	96,003.18	433,331.28				4,981,407.50
2014	2/1/2014	343,416.90	3.610%	89,914.38	433,331.28	680,745.00	185,917.56	866,662.56	4,637,990.60
	8/1/2014	349,615.56	3.610%	83,715.72	433,331.28				4,288,375.04
2015	2/1/2015	355,926.12	3.610%	77,405.16	433,331.28	705,541.68	161,120.88	866,662.56	3,932,448.92
	8/1/2015	362,350.56	3.610%	70,980.72	433,331.28				3,570,098.36
2016	2/1/2016	368,890.98	3.610%	64,440.30	433,331.28	731,241.54	135,421.02	866,662.56	3,201,207.38
	8/1/2016	375,549.49	3.610%	57,781.80	433,331.29				2,825,657.89
2017	2/1/2017	382,328.17	3.610%	51,003.12	433,331.29	757,877.66	108,784.92	866,662.58	2,443,329.72
	8/1/2017	389,229.18	3.610%	44,102.10	433,331.28				2,054,100.54
2018	2/1/2018	396,254.77	3.610%	37,076.52	433,331.29	785,483.95	81,178.62	866,662.57	1,657,845.77
	8/1/2018	403,407.19	3.610%	29,924.10	433,331.29				1,254,438.58
2019	2/1/2019	410,688.66	3.610%	22,642.62	433,331.28	814,095.85	52,566.72	866,662.57	843,749.92
	8/1/2019	418,101.60	3.610%	15,229.68	433,331.28				425,648.32
2020	2/1/2020	425,648.32	3.610%	7,682.94	433,331.26	843,749.92	22,912.62	866,662.54	(0.00)
Totals		12,269,695.00		5,111,541.21	17,381,236.21	12,269,695.00	5,111,541.21	17,381,236.21	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**SNWA 0700 Bonds (Clark Co. Bond Bank)**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
									200,000,000.00
2001	1/1/2001	0.00	4.877%	4,876,635.83	4,876,635.83				200,000,000.00
	7/1/2001	0.00	5.627%	5,626,887.50	5,626,887.50	0.00	10,503,523.33	10,503,523.33	200,000,000.00
2002	1/1/2002	0.00	5.627%	5,626,887.50	5,626,887.50				200,000,000.00
	7/1/2002	0.00	5.627%	5,626,887.50	5,626,887.50	0.00	11,253,775.00	11,253,775.00	200,000,000.00
2003	1/1/2003	0.00	5.627%	5,626,887.50	5,626,887.50				200,000,000.00
	7/1/2003	3,025,000.00	5.627%	5,626,887.50	8,651,887.50	3,025,000.00	11,253,775.00	14,278,775.00	196,975,000.00
2004	1/1/2004	0.00	5.590%	5,505,887.50	5,505,887.50				196,975,000.00
	7/1/2004	3,185,000.00	5.590%	5,505,887.50	8,690,887.50	3,185,000.00	11,011,775.00	14,196,775.00	193,790,000.00
2005	1/1/2005	0.00	5.551%	5,378,487.50	5,378,487.50				193,790,000.00
	7/1/2005	3,355,000.00	5.551%	5,378,487.50	8,733,487.50	3,355,000.00	10,756,975.00	14,111,975.00	190,435,000.00
2006	1/1/2006	0.00	5.552%	5,286,225.00	5,286,225.00				190,435,000.00
	7/1/2006	3,530,000.00	5.552%	5,286,225.00	8,816,225.00	3,530,000.00	10,572,450.00	14,102,450.00	186,905,000.00
2007	1/1/2007	0.00	5.543%	5,180,325.00	5,180,325.00				186,905,000.00
	7/1/2007	3,725,000.00	5.543%	5,180,325.00	8,905,325.00	3,725,000.00	10,360,650.00	14,085,650.00	183,180,000.00
2008	1/1/2008	0.00	5.534%	5,068,575.00	5,068,575.00				183,180,000.00
	7/1/2008	3,930,000.00	5.534%	5,068,575.00	8,998,575.00	3,930,000.00	10,137,150.00	14,067,150.00	179,250,000.00
2009	1/1/2009	0.00	5.524%	4,950,675.00	4,950,675.00				179,250,000.00
	7/1/2009	4,145,000.00	5.524%	4,950,675.00	9,095,675.00	4,145,000.00	9,901,350.00	14,046,350.00	175,105,000.00
2010	1/1/2010	0.00	5.512%	4,826,325.00	4,826,325.00				175,105,000.00
	7/1/2010	4,375,000.00	5.512%	4,826,325.00	9,201,325.00	4,375,000.00	9,652,650.00	14,027,650.00	170,730,000.00
2011	1/1/2011	0.00	5.500%	4,695,075.00	4,695,075.00				170,730,000.00
	7/1/2011	4,620,000.00	5.500%	4,695,075.00	9,315,075.00	4,620,000.00	9,390,150.00	14,010,150.00	166,110,000.00
2012	1/1/2012	0.00	5.500%	4,568,025.00	4,568,025.00				166,110,000.00
	7/1/2012	4,885,000.00	5.500%	4,568,025.00	9,453,025.00	4,885,000.00	9,136,050.00	14,021,050.00	161,225,000.00
2013	1/1/2013	0.00	5.500%	4,433,687.50	4,433,687.50				161,225,000.00
	7/1/2013	5,160,000.00	5.500%	4,433,687.50	9,593,687.50	5,160,000.00	8,867,375.00	14,027,375.00	156,065,000.00
2014	1/1/2014	0.00	5.500%	4,291,787.50	4,291,787.50				156,065,000.00
	7/1/2014	5,460,000.00	5.500%	4,291,787.50	9,751,787.50	5,460,000.00	8,583,575.00	14,043,575.00	150,605,000.00
2015	1/1/2015	0.00	5.500%	4,141,637.50	4,141,637.50				150,605,000.00
	7/1/2015	5,780,000.00	5.500%	4,141,637.50	9,921,637.50	5,780,000.00	8,283,275.00	14,063,275.00	144,825,000.00
2016	1/1/2016	0.00	5.500%	3,982,687.50	3,982,687.50				144,825,000.00
	7/1/2016	6,120,000.00	5.500%	3,982,687.50	10,102,687.50	6,120,000.00	7,965,375.00	14,085,375.00	138,705,000.00
2017	1/1/2017	0.00	5.500%	3,814,387.50	3,814,387.50				138,705,000.00
	7/1/2017	6,490,000.00	5.500%	3,814,387.50	10,304,387.50	6,490,000.00	7,628,775.00	14,118,775.00	132,215,000.00
2018	1/1/2018	0.00	5.500%	3,635,912.50	3,635,912.50				132,215,000.00
	7/1/2018	6,885,000.00	5.500%	3,635,912.50	10,520,912.50	6,885,000.00	7,271,825.00	14,156,825.00	125,330,000.00
2019	1/1/2019	0.00	5.500%	3,446,575.00	3,446,575.00				125,330,000.00
	7/1/2019	7,310,000.00	5.500%	3,446,575.00	10,756,575.00	7,310,000.00	6,893,150.00	14,203,150.00	118,020,000.00
2020	1/1/2020	0.00	5.500%	3,245,550.00	3,245,550.00				118,020,000.00
	7/1/2020	7,765,000.00	5.500%	3,245,550.00	11,010,550.00	7,765,000.00	6,491,100.00	14,256,100.00	110,255,000.00
2021	1/1/2021	0.00	5.500%	3,032,012.50	3,032,012.50				110,255,000.00
	7/1/2021	8,245,000.00	5.500%	3,032,012.50	11,277,012.50	8,245,000.00	6,064,025.00	14,309,025.00	102,010,000.00
2022	1/1/2022	0.00	5.500%	2,805,275.00	2,805,275.00				102,010,000.00
	7/1/2022	8,760,000.00	5.500%	2,805,275.00	11,565,275.00	8,760,000.00	5,610,550.00	14,370,550.00	93,250,000.00
2023	1/1/2023	0.00	5.500%	2,564,375.00	2,564,375.00				93,250,000.00
	7/1/2023	9,310,000.00	5.500%	2,564,375.00	11,874,375.00	9,310,000.00	5,128,750.00	14,438,750.00	83,940,000.00
2024	1/1/2024	0.00	5.500%	2,308,350.00	2,308,350.00				83,940,000.00
	7/1/2024	9,895,000.00	5.500%	2,308,350.00	12,203,350.00	9,895,000.00	4,616,700.00	14,511,700.00	74,045,000.00
2025	1/1/2025	0.00	5.500%	2,036,237.50	2,036,237.50				74,045,000.00
	7/1/2025	10,520,000.00	5.500%	2,036,237.50	12,556,237.50	10,520,000.00	4,072,475.00	14,592,475.00	63,525,000.00
2026	1/1/2026	0.00	5.500%	1,746,937.50	1,746,937.50				63,525,000.00
	7/1/2026	11,185,000.00	5.500%	1,746,937.50	12,931,937.50	11,185,000.00	3,493,875.00	14,678,875.00	52,340,000.00
2027	1/1/2027	0.00	5.500%	1,439,350.00	1,439,350.00				52,340,000.00
	7/1/2027	11,895,000.00	5.500%	1,439,350.00	13,334,350.00	11,895,000.00	2,878,700.00	14,773,700.00	40,445,000.00
2028	1/1/2028	0.00	5.500%	1,112,237.50	1,112,237.50				40,445,000.00
	7/1/2028	12,655,000.00	5.500%	1,112,237.50	13,767,237.50	12,655,000.00	2,224,475.00	14,879,475.00	27,790,000.00
2029	1/1/2029	0.00	5.500%	764,225.00	764,225.00				27,790,000.00
	7/1/2029	13,465,000.00	5.500%	764,225.00	14,229,225.00	13,465,000.00	1,528,450.00	14,993,450.00	14,325,000.00
2030	1/1/2030	0.00	5.500%	393,937.50	393,937.50				14,325,000.00
	7/1/2030	14,325,000.00	5.500%	393,937.50	14,718,937.50	14,325,000.00	787,875.00	15,112,875.00	0.00
Totals		200,000,000.00		222,320,598.33	422,320,598.33	200,000,000.00	222,320,598.33	422,320,598.33	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**SNWA 0601 Bonds (Clark Co. Bond Bank)**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
									250,000,000.00
2002	12/1/2001	0.00	5.260%	6,574,767.50	6,574,767.50				250,000,000.00
	6/1/2002	0.00	5.260%	6,574,767.50	6,574,767.50	0.00	13,149,535.00	13,149,535.00	250,000,000.00
2003	12/1/2002	0.00	5.260%	6,574,767.50	6,574,767.50				250,000,000.00
	6/1/2003	0.00	5.260%	6,574,767.50	6,574,767.50	0.00	13,149,535.00	13,149,535.00	250,000,000.00
2004	12/1/2003	0.00	5.260%	6,574,767.50	6,574,767.50				250,000,000.00
	6/1/2004	3,980,000.00	5.260%	6,574,767.50	10,554,767.50	3,980,000.00	13,149,535.00	17,129,535.00	246,020,000.00
2005	12/1/2004	0.00	5.260%	6,470,292.50	6,470,292.50				246,020,000.00
	6/1/2005	4,265,000.00	5.260%	6,470,292.50	10,735,292.50	4,265,000.00	12,940,585.00	17,205,585.00	241,755,000.00
2006	12/1/2005	0.00	5.260%	6,358,336.25	6,358,336.25				241,755,000.00
	6/1/2006	4,530,000.00	5.260%	6,358,336.25	10,888,336.25	4,530,000.00	12,716,672.50	17,246,672.50	237,225,000.00
2007	12/1/2006	0.00	5.260%	6,239,423.75	6,239,423.75				237,225,000.00
	6/1/2007	4,775,000.00	5.260%	6,239,423.75	11,014,423.75	4,775,000.00	12,478,847.50	17,253,847.50	232,450,000.00
2008	12/1/2007	0.00	5.255%	6,108,111.25	6,108,111.25				232,450,000.00
	6/1/2008	5,040,000.00	5.255%	6,108,111.25	11,148,111.25	5,040,000.00	12,216,222.50	17,256,222.50	227,410,000.00
2009	12/1/2008	0.00	5.250%	5,969,511.25	5,969,511.25				227,410,000.00
	6/1/2009	5,315,000.00	5.250%	5,969,511.25	11,284,511.25	5,315,000.00	11,939,022.50	17,254,022.50	222,095,000.00
2010	12/1/2009	0.00	5.244%	5,823,348.75	5,823,348.75				222,095,000.00
	6/1/2010	5,610,000.00	5.244%	5,823,348.75	11,433,348.75	5,610,000.00	11,646,697.50	17,256,697.50	216,485,000.00
2011	12/1/2010	0.00	5.237%	5,669,073.75	5,669,073.75				216,485,000.00
	6/1/2011	5,930,000.00	5.237%	5,669,073.75	11,599,073.75	5,930,000.00	11,338,147.50	17,268,147.50	210,555,000.00
2012	12/1/2011	0.00	5.230%	5,505,998.75	5,505,998.75				210,555,000.00
	6/1/2012	6,255,000.00	5.230%	5,505,998.75	11,760,998.75	6,255,000.00	11,011,997.50	17,266,997.50	204,300,000.00
2013	12/1/2012	0.00	5.222%	5,333,986.25	5,333,986.25				204,300,000.00
	6/1/2013	6,580,000.00	5.222%	5,333,986.25	11,913,986.25	6,580,000.00	10,667,972.50	17,247,972.50	197,720,000.00
2014	12/1/2013	0.00	5.212%	5,153,036.25	5,153,036.25				197,720,000.00
	6/1/2014	6,960,000.00	5.212%	5,153,036.25	12,113,036.25	6,960,000.00	10,306,072.50	17,266,072.50	190,760,000.00
2015	12/1/2014	0.00	5.202%	4,961,636.25	4,961,636.25				190,760,000.00
	6/1/2015	7,350,000.00	5.202%	4,961,636.25	12,311,636.25	7,350,000.00	9,923,272.50	17,273,272.50	183,410,000.00
2016	12/1/2015	0.00	5.190%	4,759,511.25	4,759,511.25				183,410,000.00
	6/1/2016	7,760,000.00	5.190%	4,759,511.25	12,519,511.25	7,760,000.00	9,519,022.50	17,279,022.50	175,650,000.00
2017	12/1/2016	0.00	5.176%	4,546,111.25	4,546,111.25				175,650,000.00
	6/1/2017	8,195,000.00	5.176%	4,546,111.25	12,741,111.25	8,195,000.00	9,092,222.50	17,287,222.50	167,455,000.00
2018	12/1/2017	0.00	5.160%	4,320,748.75	4,320,748.75				167,455,000.00
	6/1/2018	8,645,000.00	5.160%	4,320,748.75	12,965,748.75	8,645,000.00	8,641,497.50	17,286,497.50	158,810,000.00
2019	12/1/2018	0.00	5.142%	4,083,011.25	4,083,011.25				158,810,000.00
	6/1/2019	9,115,000.00	5.142%	4,083,011.25	13,198,011.25	9,115,000.00	8,166,022.50	17,281,022.50	149,695,000.00
2020	12/1/2019	0.00	5.132%	3,841,463.75	3,841,463.75				149,695,000.00
	6/1/2020	9,555,000.00	5.132%	3,841,463.75	13,396,463.75	9,555,000.00	7,682,927.50	17,237,927.50	140,140,000.00
2021	12/1/2020	0.00	5.121%	3,588,256.25	3,588,256.25				140,140,000.00
	6/1/2021	10,020,000.00	5.121%	3,588,256.25	13,608,256.25	10,020,000.00	7,176,512.50	17,196,512.50	130,120,000.00
2022	12/1/2021	0.00	5.111%	3,325,231.25	3,325,231.25				130,120,000.00
	6/1/2022	10,505,000.00	5.111%	3,325,231.25	13,830,231.25	10,505,000.00	6,650,462.50	17,155,462.50	119,615,000.00
2023	12/1/2022	0.00	5.099%	3,049,475.00	3,049,475.00				119,615,000.00
	6/1/2023	11,010,000.00	5.099%	3,049,475.00	14,059,475.00	11,010,000.00	6,098,950.00	17,108,950.00	108,605,000.00
2024	12/1/2023	0.00	5.083%	2,760,462.50	2,760,462.50				108,605,000.00
	6/1/2024	11,535,000.00	5.083%	2,760,462.50	14,295,462.50	11,535,000.00	5,520,925.00	17,055,925.00	97,070,000.00
2025	12/1/2024	0.00	5.064%	2,457,668.75	2,457,668.75				97,070,000.00
	6/1/2025	12,080,000.00	5.064%	2,457,668.75	14,537,668.75	12,080,000.00	4,915,337.50	16,995,337.50	84,990,000.00
2026	12/1/2025	0.00	5.037%	2,140,568.75	2,140,568.75				84,990,000.00
	6/1/2026	12,655,000.00	5.037%	2,140,568.75	14,795,568.75	12,655,000.00	4,281,137.50	16,936,137.50	72,335,000.00
2027	12/1/2026	0.00	5.000%	1,808,375.00	1,808,375.00				72,335,000.00
	6/1/2027	13,250,000.00	5.000%	1,808,375.00	15,058,375.00	13,250,000.00	3,616,750.00	16,866,750.00	59,085,000.00
2028	12/1/2027	0.00	5.000%	1,477,125.00	1,477,125.00				59,085,000.00
	6/1/2028	13,835,000.00	5.000%	1,477,125.00	15,312,125.00	13,835,000.00	2,954,250.00	16,789,250.00	45,250,000.00
2029	12/1/2028	0.00	5.000%	1,131,250.00	1,131,250.00				45,250,000.00
	6/1/2029	14,445,000.00	5.000%	1,131,250.00	15,576,250.00	14,445,000.00	2,262,500.00	16,707,500.00	30,805,000.00
2030	12/1/2029	0.00	5.000%	770,125.00	770,125.00				30,805,000.00
	6/1/2030	15,075,000.00	5.000%	770,125.00	15,845,125.00	15,075,000.00	1,540,250.00	16,615,250.00	15,730,000.00
2031	12/1/2030	0.00	5.000%	393,250.00	393,250.00				15,730,000.00
	6/1/2031	15,730,000.00	5.000%	393,250.00	16,123,250.00	15,730,000.00	786,500.00	16,516,500.00	0.00
Totals		250,000,000.00		255,539,382.50	505,539,382.50	250,000,000.00	255,539,382.50	505,539,382.50	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule (Unaudited)**  
**State Revolving Fund (SRF) Loan 2**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
									10,000,000.00
2002	2/1/2002	175,470.60	3.498%	174,922.22	350,392.82	175,470.60	174,922.22	350,392.82	9,824,529.40
	8/1/2002	178,506.24	3.460%	169,964.36	348,470.60				9,646,023.16
2003	2/1/2003	181,594.40	3.460%	166,876.20	348,470.60	360,100.64	336,840.56	696,941.20	9,464,428.75
	8/1/2003	184,735.98	3.460%	163,734.62	348,470.60				9,279,692.77
2004	2/1/2004	187,931.92	3.460%	160,538.68	348,470.60	372,667.90	324,273.30	696,941.20	9,091,760.85
	8/1/2004	191,183.14	3.460%	157,287.46	348,470.60				8,900,577.71
2005	2/1/2005	194,490.61	3.460%	153,979.99	348,470.60	385,673.75	311,267.46	696,941.20	8,706,087.11
	8/1/2005	197,855.29	3.460%	150,615.31	348,470.60				8,508,231.81
2006	2/1/2006	201,278.19	3.460%	147,192.41	348,470.60	399,133.49	297,807.72	696,941.20	8,306,953.62
	8/1/2006	204,760.30	3.460%	143,710.30	348,470.60				8,102,193.32
2007	2/1/2007	208,302.66	3.460%	140,167.94	348,470.60	413,062.96	283,878.24	696,941.20	7,893,890.66
	8/1/2007	211,906.29	3.460%	136,564.31	348,470.60				7,681,984.37
2008	2/1/2008	215,572.27	3.460%	132,898.33	348,470.60	427,478.57	269,462.64	696,941.20	7,466,412.09
	8/1/2008	219,301.67	3.460%	129,168.93	348,470.60				7,247,110.42
2009	2/1/2009	223,095.59	3.460%	125,375.01	348,470.60	442,397.26	254,543.94	696,941.20	7,024,014.83
	8/1/2009	226,955.15	3.460%	121,515.46	348,470.60				6,797,059.68
2010	2/1/2010	230,881.47	3.460%	117,589.13	348,470.60	457,836.61	239,104.59	696,941.20	6,566,178.22
	8/1/2010	234,875.72	3.460%	113,594.88	348,470.60				6,331,302.50
2011	2/1/2011	238,939.07	3.460%	109,531.53	348,470.60	473,814.79	223,126.42	696,941.20	6,092,363.43
	8/1/2011	243,072.71	3.460%	105,397.89	348,470.60				5,849,290.71
2012	2/1/2012	247,277.87	3.460%	101,192.73	348,470.60	490,350.59	206,590.62	696,941.20	5,602,012.84
	8/1/2012	251,555.78	3.460%	96,914.82	348,470.60				5,350,457.06
2013	2/1/2013	255,907.69	3.460%	92,562.91	348,470.60	507,463.47	189,477.73	696,941.20	5,094,549.37
	8/1/2013	260,334.90	3.460%	88,135.70	348,470.60				4,834,214.47
2014	2/1/2014	264,838.69	3.460%	83,631.91	348,470.60	525,173.59	171,767.61	696,941.20	4,569,375.78
	8/1/2014	269,420.40	3.460%	79,050.20	348,470.60				4,299,955.38
2015	2/1/2015	274,081.37	3.460%	74,389.23	348,470.60	543,501.77	153,439.43	696,941.20	4,025,874.00
	8/1/2015	278,822.98	3.460%	69,647.62	348,470.60				3,747,051.02
2016	2/1/2016	283,646.62	3.460%	64,823.98	348,470.60	562,469.60	134,471.60	696,941.20	3,463,404.40
	8/1/2016	288,553.71	3.460%	59,916.90	348,470.60				3,174,850.70
2017	2/1/2017	293,545.68	3.460%	54,924.92	348,470.60	582,099.39	114,841.81	696,941.20	2,881,305.01
	8/1/2017	298,624.03	3.460%	49,846.58	348,470.60				2,582,680.99
2018	2/1/2018	303,790.22	3.460%	44,680.38	348,470.60	602,414.25	94,526.96	696,941.20	2,278,890.77
	8/1/2018	309,045.79	3.460%	39,424.81	348,470.60				1,969,844.98
2019	2/1/2019	314,392.28	3.460%	34,078.32	348,470.60	623,438.08	73,503.13	696,941.20	1,655,452.69
	8/1/2019	319,831.27	3.460%	28,639.33	348,470.60				1,335,621.42
2020	2/1/2020	325,364.35	3.460%	23,106.25	348,470.60	645,195.62	51,745.58	696,941.20	1,010,257.07
	8/1/2020	330,993.15	3.460%	17,477.45	348,470.60				679,263.92
2021	2/1/2021	336,719.34	3.460%	11,751.27	348,470.60	667,712.49	29,228.71	696,941.20	342,544.58
	8/1/2021	342,544.58	3.460%	5,926.02	348,470.60	342,544.58	5,926.02	348,470.60	0.00
Totals		10,000,000.00		3,940,746.29	13,940,746.29	10,000,000.00	3,940,746.29	13,940,746.29	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule**  
**SNWA 1102 Bonds (Clark Co. Bond Bank)**

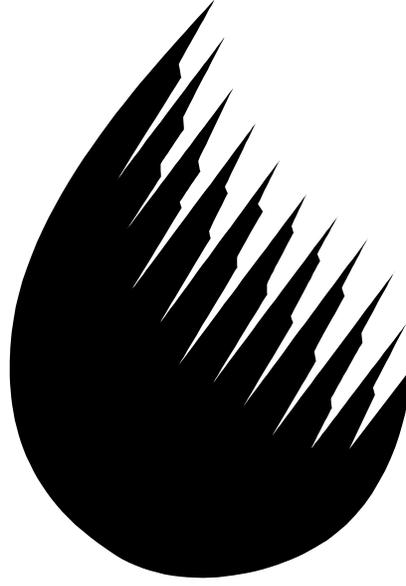
Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
									200,000,000.00
2003	6/1/2003	0.00	5.906%	5,906,417.71	5,906,417.71	0.00	5,906,417.71	5,906,417.71	200,000,000.00
	12/1/2003	0.00	5.063%	5,062,643.75	5,062,643.75				200,000,000.00
2004	6/1/2004	0.00	5.063%	5,062,643.75	5,062,643.75	0.00	10,125,287.50	10,125,287.50	200,000,000.00
	12/1/2004	0.00	5.063%	5,062,643.75	5,062,643.75				200,000,000.00
2005	6/1/2005	3,545,000.00	5.063%	5,062,643.75	8,607,643.75	3,545,000.00	10,125,287.50	13,670,287.50	196,455,000.00
	12/1/2005	0.00	5.064%	4,974,018.75	4,974,018.75				196,455,000.00
2006	6/1/2006	3,690,000.00	5.064%	4,974,018.75	8,664,018.75	3,690,000.00	9,948,037.50	13,638,037.50	192,765,000.00
	12/1/2006	0.00	5.065%	4,881,768.75	4,881,768.75				192,765,000.00
2007	6/1/2007	3,835,000.00	5.065%	4,881,768.75	8,716,768.75	3,835,000.00	9,763,537.50	13,598,537.50	188,930,000.00
	12/1/2007	0.00	5.066%	4,785,893.75	4,785,893.75				188,930,000.00
2008	6/1/2008	3,990,000.00	5.066%	4,785,893.75	8,775,893.75	3,990,000.00	9,571,787.50	13,561,787.50	184,940,000.00
	12/1/2008	0.00	5.068%	4,686,143.75	4,686,143.75				184,940,000.00
2009	6/1/2009	4,150,000.00	5.068%	4,686,143.75	8,836,143.75	4,150,000.00	9,372,287.50	13,522,287.50	180,790,000.00
	12/1/2009	0.00	5.069%	4,582,393.75	4,582,393.75				180,790,000.00
2010	6/1/2010	4,315,000.00	5.069%	4,582,393.75	8,897,393.75	4,315,000.00	9,164,787.50	13,479,787.50	176,475,000.00
	12/1/2010	0.00	5.071%	4,474,518.75	4,474,518.75				176,475,000.00
2011	6/1/2011	4,530,000.00	5.071%	4,474,518.75	9,004,518.75	4,530,000.00	8,949,037.50	13,479,037.50	171,945,000.00
	12/1/2011	0.00	5.073%	4,361,268.75	4,361,268.75				171,945,000.00
2012	6/1/2012	4,760,000.00	5.073%	4,361,268.75	9,121,268.75	4,760,000.00	8,722,537.50	13,482,537.50	167,185,000.00
	12/1/2012	0.00	5.075%	4,242,268.75	4,242,268.75				167,185,000.00
2013	6/1/2013	4,995,000.00	5.075%	4,242,268.75	9,237,268.75	4,995,000.00	8,484,537.50	13,479,537.50	162,190,000.00
	12/1/2013	0.00	5.077%	4,117,393.75	4,117,393.75				162,190,000.00
2014	6/1/2014	5,245,000.00	5.077%	4,117,393.75	9,362,393.75	5,245,000.00	8,234,787.50	13,479,787.50	156,945,000.00
	12/1/2014	0.00	5.071%	3,979,712.50	3,979,712.50				156,945,000.00
2015	6/1/2015	5,510,000.00	5.071%	3,979,712.50	9,489,712.50	5,510,000.00	7,959,425.00	13,469,425.00	151,435,000.00
	12/1/2015	0.00	5.065%	3,835,075.00	3,835,075.00				151,435,000.00
2016	6/1/2016	5,785,000.00	5.065%	3,835,075.00	9,620,075.00	5,785,000.00	7,670,150.00	13,455,150.00	145,650,000.00
	12/1/2016	0.00	5.058%	3,683,218.75	3,683,218.75				145,650,000.00
2017	6/1/2017	6,075,000.00	5.058%	3,683,218.75	9,758,218.75	6,075,000.00	7,366,437.50	13,441,437.50	139,575,000.00
	12/1/2017	0.00	5.049%	3,523,750.00	3,523,750.00				139,575,000.00
2018	6/1/2018	6,375,000.00	5.049%	3,523,750.00	9,898,750.00	6,375,000.00	7,047,500.00	13,422,500.00	133,200,000.00
	12/1/2018	0.00	5.040%	3,356,406.25	3,356,406.25				133,200,000.00
2019	6/1/2019	6,695,000.00	5.040%	3,356,406.25	10,051,406.25	6,695,000.00	6,712,812.50	13,407,812.50	126,505,000.00
	12/1/2019	0.00	5.029%	3,180,662.50	3,180,662.50				126,505,000.00
2020	6/1/2020	7,030,000.00	5.029%	3,180,662.50	10,210,662.50	7,030,000.00	6,361,325.00	13,391,325.00	119,475,000.00
	12/1/2020	0.00	5.015%	2,996,125.00	2,996,125.00				119,475,000.00
2021	6/1/2021	7,400,000.00	5.015%	2,996,125.00	10,396,125.00	7,400,000.00	5,992,250.00	13,392,250.00	112,075,000.00
	12/1/2021	0.00	5.000%	2,801,875.00	2,801,875.00				112,075,000.00
2022	6/1/2022	7,785,000.00	5.000%	2,801,875.00	10,586,875.00	7,785,000.00	5,603,750.00	13,388,750.00	104,290,000.00
	12/1/2022	0.00	5.000%	2,607,250.00	2,607,250.00				104,290,000.00
2023	6/1/2023	8,195,000.00	5.000%	2,607,250.00	10,802,250.00	8,195,000.00	5,214,500.00	13,409,500.00	96,095,000.00
	12/1/2023	0.00	5.000%	2,402,375.00	2,402,375.00				96,095,000.00
2024	6/1/2024	8,625,000.00	5.000%	2,402,375.00	11,027,375.00	8,625,000.00	4,804,750.00	13,429,750.00	87,470,000.00
	12/1/2024	0.00	5.000%	2,186,750.00	2,186,750.00				87,470,000.00
2025	6/1/2025	9,080,000.00	5.000%	2,186,750.00	11,266,750.00	9,080,000.00	4,373,500.00	13,453,500.00	78,390,000.00
	12/1/2025	0.00	5.000%	1,959,750.00	1,959,750.00				78,390,000.00
2026	6/1/2026	9,555,000.00	5.000%	1,959,750.00	11,514,750.00	9,555,000.00	3,919,500.00	13,474,500.00	68,835,000.00
	12/1/2026	0.00	5.000%	1,720,875.00	1,720,875.00				68,835,000.00
2027	6/1/2027	10,055,000.00	5.000%	1,720,875.00	11,775,875.00	10,055,000.00	3,441,750.00	13,496,750.00	58,780,000.00
	12/1/2027	0.00	5.000%	1,469,500.00	1,469,500.00				58,780,000.00
2028	6/1/2028	10,585,000.00	5.000%	1,469,500.00	12,054,500.00	10,585,000.00	2,939,000.00	13,524,000.00	48,195,000.00
	12/1/2028	0.00	5.000%	1,204,875.00	1,204,875.00				48,195,000.00
2029	6/1/2029	11,140,000.00	5.000%	1,204,875.00	12,344,875.00	11,140,000.00	2,409,750.00	13,549,750.00	37,055,000.00
	12/1/2029	0.00	5.000%	926,375.00	926,375.00				37,055,000.00
2030	6/1/2030	11,725,000.00	5.000%	926,375.00	12,651,375.00	11,725,000.00	1,852,750.00	13,577,750.00	25,330,000.00
	12/1/2030	0.00	5.000%	633,250.00	633,250.00				25,330,000.00
2031	6/1/2031	12,340,000.00	5.000%	633,250.00	12,973,250.00	12,340,000.00	1,266,500.00	13,606,500.00	12,990,000.00
	12/1/2031	0.00	5.000%	324,750.00	324,750.00				12,990,000.00
2032	6/1/2032	12,990,000.00	5.000%	324,750.00	13,314,750.00	12,990,000.00	649,500.00	13,639,500.00	0.00
Totals		200,000,000.00		193,953,480.21	393,953,480.21	200,000,000.00	193,953,480.21	393,953,480.21	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule**  
**LVVWD 0103 SNWA Refunding Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
2003	6/1/2003	0.00	4.212%	5,265,328.13	5,265,328.13	0.00	5,265,328.13	5,265,328.13	250,000,000.00
	12/1/2003	0.00	5.055%	6,318,393.75	6,318,393.75				250,000,000.00
2004	6/1/2004	5,640,000.00	5.055%	6,318,393.75	11,958,393.75	5,640,000.00	12,636,787.50	18,276,787.50	244,360,000.00
	12/1/2004	0.00	5.079%	6,205,593.75	6,205,593.75				244,360,000.00
2005	6/1/2005	5,865,000.00	5.079%	6,205,593.75	12,070,593.75	5,865,000.00	12,411,187.50	18,276,187.50	238,495,000.00
	12/1/2005	0.00	5.093%	6,073,631.25	6,073,631.25				238,495,000.00
2006	6/1/2006	6,130,000.00	5.093%	6,073,631.25	12,203,631.25	6,130,000.00	12,147,262.50	18,277,262.50	232,365,000.00
	12/1/2006	0.00	5.122%	5,951,031.25	5,951,031.25				232,365,000.00
2007	6/1/2007	6,375,000.00	5.122%	5,951,031.25	12,326,031.25	6,375,000.00	11,902,062.50	18,277,062.50	225,990,000.00
	12/1/2007	0.00	5.126%	5,791,656.25	5,791,656.25				225,990,000.00
2008	6/1/2008	6,695,000.00	5.126%	5,791,656.25	12,486,656.25	6,695,000.00	11,583,312.50	18,278,312.50	219,295,000.00
	12/1/2008	0.00	5.129%	5,624,281.25	5,624,281.25				219,295,000.00
2009	6/1/2009	7,030,000.00	5.129%	5,624,281.25	12,654,281.25	7,030,000.00	11,248,562.50	18,278,562.50	212,265,000.00
	12/1/2009	0.00	5.125%	5,439,743.75	5,439,743.75				212,265,000.00
2010	6/1/2010	7,400,000.00	5.125%	5,439,743.75	12,839,743.75	7,400,000.00	10,879,487.50	18,279,487.50	204,865,000.00
	12/1/2010	0.00	5.121%	5,245,493.75	5,245,493.75				204,865,000.00
2011	6/1/2011	7,790,000.00	5.121%	5,245,493.75	13,035,493.75	7,790,000.00	10,490,987.50	18,280,987.50	197,075,000.00
	12/1/2011	0.00	5.116%	5,041,006.25	5,041,006.25				197,075,000.00
2012	6/1/2012	8,195,000.00	5.116%	5,041,006.25	13,236,006.25	8,195,000.00	10,082,012.50	18,277,012.50	188,880,000.00
	12/1/2012	0.00	5.110%	4,825,887.50	4,825,887.50				188,880,000.00
2013	6/1/2013	8,625,000.00	5.110%	4,825,887.50	13,450,887.50	8,625,000.00	9,651,775.00	18,276,775.00	180,255,000.00
	12/1/2013	0.00	5.103%	4,599,481.25	4,599,481.25				180,255,000.00
2014	6/1/2014	9,080,000.00	5.103%	4,599,481.25	13,679,481.25	9,080,000.00	9,198,962.50	18,278,962.50	171,175,000.00
	12/1/2014	0.00	5.096%	4,361,131.25	4,361,131.25				171,175,000.00
2015	6/1/2015	9,555,000.00	5.096%	4,361,131.25	13,916,131.25	9,555,000.00	8,722,262.50	18,277,262.50	161,620,000.00
	12/1/2015	0.00	5.086%	4,110,312.50	4,110,312.50				161,620,000.00
2016	6/1/2016	10,060,000.00	5.086%	4,110,312.50	14,170,312.50	10,060,000.00	8,220,625.00	18,280,625.00	151,560,000.00
	12/1/2016	0.00	5.076%	3,846,237.50	3,846,237.50				151,560,000.00
2017	6/1/2017	10,585,000.00	5.076%	3,846,237.50	14,431,237.50	10,585,000.00	7,692,475.00	18,277,475.00	140,975,000.00
	12/1/2017	0.00	5.062%	3,568,381.25	3,568,381.25				140,975,000.00
2018	6/1/2018	11,140,000.00	5.062%	3,568,381.25	14,708,381.25	11,140,000.00	7,136,762.50	18,276,762.50	129,835,000.00
	12/1/2018	0.00	5.046%	3,275,956.25	3,275,956.25				129,835,000.00
2019	6/1/2019	11,725,000.00	5.046%	3,275,956.25	15,000,956.25	11,725,000.00	6,551,912.50	18,276,912.50	118,110,000.00
	12/1/2019	0.00	5.026%	2,968,175.00	2,968,175.00				118,110,000.00
2020	6/1/2020	12,340,000.00	5.026%	2,968,175.00	15,308,175.00	12,340,000.00	5,936,350.00	18,276,350.00	105,770,000.00
	12/1/2020	0.00	5.000%	2,644,250.00	2,644,250.00				105,770,000.00
2021	6/1/2021	12,990,000.00	5.000%	2,644,250.00	15,634,250.00	12,990,000.00	5,288,500.00	18,278,500.00	92,780,000.00
	12/1/2021	0.00	5.000%	2,319,500.00	2,319,500.00				92,780,000.00
2022	6/1/2022	13,640,000.00	5.000%	2,319,500.00	15,959,500.00	13,640,000.00	4,639,000.00	18,279,000.00	79,140,000.00
	12/1/2022	0.00	5.000%	1,978,500.00	1,978,500.00				79,140,000.00
2023	6/1/2023	14,320,000.00	5.000%	1,978,500.00	16,298,500.00	14,320,000.00	3,957,000.00	18,277,000.00	64,820,000.00
	12/1/2023	0.00	5.000%	1,620,500.00	1,620,500.00				64,820,000.00
2024	6/1/2024	15,040,000.00	5.000%	1,620,500.00	16,660,500.00	15,040,000.00	3,241,000.00	18,281,000.00	49,780,000.00
	12/1/2024	0.00	5.000%	1,244,500.00	1,244,500.00				49,780,000.00
2025	6/1/2025	15,790,000.00	5.000%	1,244,500.00	17,034,500.00	15,790,000.00	2,489,000.00	18,279,000.00	33,990,000.00
	12/1/2025	0.00	5.000%	849,750.00	849,750.00				33,990,000.00
2026	6/1/2026	16,580,000.00	5.000%	849,750.00	17,429,750.00	16,580,000.00	1,699,500.00	18,279,500.00	17,410,000.00
	12/1/2026	0.00	5.000%	435,250.00	435,250.00				17,410,000.00
2027	6/1/2027	17,410,000.00	5.000%	435,250.00	17,845,250.00	17,410,000.00	870,500.00	18,280,500.00	0.00
Totals		250,000,000.00		193,942,615.63	443,942,615.63	250,000,000.00	193,942,615.63	443,942,615.63	

**Southern Nevada Water Authority**  
**Debt Amortization Schedule**  
**CRC 2003C Refunding Bonds**

Fiscal Year	Payment Due Date	Principal Payment	Effective Rate	Interest Payment	Total Semi Annual Payment	Fiscal Year Debt Service			Ending Balance
						Principal	Interest	Total	
	9/17/2003	0.00							21,515,000.00
	1/1/2004	0.00		327,995.83	327,995.83				21,515,000.00
2004	7/1/2004	3,320,000.00		491,993.75	3,811,993.75	3,320,000.00	819,989.58	4,139,989.58	18,195,000.00
	1/1/2005	0.00		450,493.75	450,493.75				18,195,000.00
2005	7/1/2005	3,155,000.00		450,493.75	3,605,493.75	3,155,000.00	900,987.50	4,055,987.50	15,040,000.00
	1/1/2006	0.00		371,618.75	371,618.75				15,040,000.00
2006	7/1/2006	3,325,000.00		371,618.75	3,696,618.75	3,325,000.00	743,237.50	4,068,237.50	11,715,000.00
	1/1/2007	0.00		288,493.75	288,493.75				11,715,000.00
2007	7/1/2007	3,505,000.00		288,493.75	3,793,493.75	3,505,000.00	576,987.50	4,081,987.50	8,210,000.00
	1/1/2008	0.00		200,868.75	200,868.75				8,210,000.00
2008	7/1/2008	3,700,000.00		200,868.75	3,900,868.75	3,700,000.00	401,737.50	4,101,737.50	4,510,000.00
	1/1/2009	0.00		108,368.75	108,368.75				4,510,000.00
2009	7/1/2009	3,900,000.00		108,368.75	4,008,368.75	3,900,000.00	216,737.50	4,116,737.50	610,000.00
	1/1/2010	0.00		10,868.75	10,868.75				610,000.00
2010	7/1/2010	455,000.00		10,868.75	465,868.75	455,000.00	21,737.50	476,737.50	155,000.00
	1/1/2011	0.00		2,906.25	2,906.25				155,000.00
2011	7/1/2011	155,000.00		2,906.25	157,906.25	155,000.00	5,812.50	160,812.50	0.00
Totals		21,515,000.00		3,687,227.08	25,202,227.08	21,515,000.00	3,687,227.08	25,202,227.08	



SOUTHERN NEVADA  
WATER AUTHORITY

**SEC Disclosure  
Compliance  
Schedules (unaudited)**

**SOUTHERN NEVADA WATER AUTHORITY**  
**OUTSTANDING DEBT OBLIGATIONS (UNAUDITED)**

As of June 30, 2004

	Date	Original Amount	Principal Outstanding
<b>SUPERIOR OBLIGATIONS</b>			
CRC Bonds, Series 1994	11/01/94	170,380,000	39,650,000
CRC Refunding Bonds, Series 1995	12/28/95	118,590,000	115,185,000
CRC Refunding Bonds, Series September 15, 1997B	09/24/97	5,545,000	5,255,000
CRC Refunding Bonds, Series 2003C	09/17/03	21,515,000	18,195,000
<b>TOTAL SUPERIOR OBLIGATIONS</b>			<b>178,285,000</b>
<b>PARITY OBLIGATIONS</b>			
LVVWD Bonds, Series March 1, 1995	03/02/95	20,000,000	3,970,000
LVVWD Bonds, Series July 1, 1995	07/18/95	30,000,000	7,680,000
LVVWD Bonds, Series July 1, 1996	07/25/96	180,000,000	25,055,000
CRC Bonds, Series 1997A	09/15/97	49,270,000	45,770,000
LVVWD Refunding Bonds, Series April 1, 1998	04/09/98	190,255,000	186,690,000
CRC Bonds, Series 1999A	10/01/99	25,730,000	25,280,000
SNWA Water Revenue Bond, Series 2000 (the 2000 SNWA Bond)	07/01/00	200,000,000	196,975,000
SNWA Water Revenue Bond, Series 2001 (the 2001 SNWA Bond)	06/01/01	250,000,000	246,020,000
SNWA Water Revenue Bond, Series 2002 (the 2002 SNWA Bond)	11/19/02	200,000,000	200,000,000
LVVWD Refunding Bonds, Series 2003B	01/09/03	250,000,000	244,360,000
LVVWD Tax-Exempt Commercial Paper Program	03/10/04	140,000,000	140,000,000
<b>TOTAL PARITY OBLIGATIONS</b>			<b>1,321,800,000</b>
<b>SUBORDINATE OBLIGATIONS</b>			
SNWA Bonds, Series July 1, 1998 (State Bond Bank)	07/09/98	300,000,000	293,855,000
State of Nevada Safe Drinking Water Loan #1	09/01/99	12,269,695	10,463,759
State of Nevada Safe Drinking Water Loan #2	06/29/01	10,000,000	9,091,761
<b>TOTAL SUBORDINATE OBLIGATIONS</b>			<b>313,410,520</b>
<b>TOTAL OUTSTANDING OBLIGATIONS</b>			<b>1,813,495,520</b>

SOUTHERN NEVADA WATER AUTHORITY DEBT SERVICE REQUIREMENTS (UNAUDITED)  
As of July 1, 2004

Year	Ending 30-Jun	Outstanding SNWA Superior Obligations Debt Service	Outstanding SNWA Parity Obligations Debt Service	Outstanding SNWA Subordinate Obligations Debt Service	SNWA - Clark County Bond Bank Debt Service <sup>1/</sup>			Grand Total
					Principal	Interest	Total	
2005	\$	17,775,290	182,297,565	19,795,116	10,995,000	34,077,647	45,072,647	264,940,618
2006		17,783,515	40,998,006	20,442,616	11,575,000	33,421,686	44,996,686	124,220,822
2007		17,801,372	41,542,033	21,099,616	12,140,000	32,814,835	44,954,835	125,397,856
2008		17,819,187	41,938,527	21,784,016	12,755,000	32,148,661	44,903,661	126,445,391
2009		16,332,207	42,346,988	22,490,579	13,395,000	31,448,460	44,843,460	126,013,234
2010		12,688,707	40,556,519	23,223,854	14,070,000	30,712,836	44,782,836	121,251,916
2011		12,372,516	42,126,958	23,979,641	14,835,000	29,939,835	44,774,835	123,253,950
2012		12,217,039	42,100,408	23,978,741	15,635,000	29,124,686	44,759,686	123,055,874
2013		11,397,830	42,109,071	23,982,641	16,460,000	28,288,560	44,748,560	122,238,102
2014		11,404,280	42,459,056	23,979,766	17,365,000	27,408,236	44,773,236	122,616,338
2015		11,400,258	42,458,232	23,980,766	18,320,000	26,466,273	44,786,273	122,625,529
2016		11,401,816	40,685,309	23,980,016	19,325,000	25,472,448	44,797,448	120,864,589
2017		11,401,828	38,130,799	23,981,829	20,390,000	24,424,035	44,814,035	118,328,490
2018		11,400,040	38,120,692	23,982,079	21,510,000	23,317,773	44,827,773	118,330,583
2019		11,400,666	38,116,019	23,981,329	22,695,000	22,150,660	44,845,660	118,343,674
2020		11,397,654	38,127,906	23,978,079	23,895,000	20,937,403	44,832,403	118,336,042
2021		11,400,214	38,132,856	23,110,372	25,185,000	19,659,863	44,844,863	117,488,305
2022		11,403,104	38,134,994	22,769,471	26,535,000	18,318,238	44,853,238	117,160,806
2023		11,403,734	38,141,544	22,419,250	27,965,000	16,924,000	44,889,000	116,853,528
2024		11,401,042	38,149,375	22,417,750	29,470,000	15,454,425	44,924,425	116,892,592
2025		11,618,974	38,152,156	22,414,500	31,055,000	13,905,538	44,960,538	117,146,168
2026		11,619,748	38,191,288	22,417,500	32,730,000	12,273,113	45,003,113	117,231,648
2027		11,615,548	23,461,244	22,419,250	34,490,000	10,552,375	45,042,375	102,538,417
2028			5,174,263	22,417,500	36,315,000	8,771,950	45,086,950	72,678,713
2029			1,848,438		38,240,000	6,896,725	45,136,725	46,985,163
2030			899,609		40,265,000	4,921,450	45,186,450	46,086,059
2031					42,395,000	2,840,875	45,235,875	45,235,875
2032					12,990,000	649,500	13,639,500	13,639,500
<b>Totals</b>	<b>\$</b>	<b>296,456,569</b>	<b>1,054,399,853</b>	<b>549,026,279</b>	<b>642,995,000</b>	<b>583,322,077</b>	<b>1,226,317,077</b>	<b>\$ 3,126,199,777</b>

<sup>1/</sup> SNWA bonds issued through the Clark County Bond Bank include the Series July, 2000 (\$200 million), the Series June, 2001 (\$250 million), and the Series November, 2002 (\$200 million).

**SOUTHERN NEVADA WATER AUTHORITY STATEMENT OF OPERATING REVENUES, EXPENSES AND  
CHANGES IN FUND EQUITY (UNAUDITED)**

Fiscal Year Ending June 30	2000 (Actual)	2001 <sup>1/</sup> (Actual)	2002 <sup>1/</sup> (Actual)	2003 <sup>1/</sup> (Actual)	2004 <sup>1/</sup> (Actual)	2005 <sup>1/</sup> (Budget)
<b>Operating Revenues</b>						
Wholesale Delivery Charge	\$ 65,919,217	67,593,430	86,276,227	87,774,387	97,162,446	109,350,000
Groundwater Program Revenues	1,915,383	1,506,831	2,050,476	2,037,737	2,114,246	2,000,000
Las Vegas Wash Revenues	0	0	753,000	966,000	1,037,400	966,000
Purveyor Admin Cost Billings	288,031	279,511	381,704	363,637	321,253	
Other Revenues	0	0	2,000	0		613,021
<b>Total Operating Revenues</b>	<b>68,122,631</b>	<b>69,379,772</b>	<b>89,463,407</b>	<b>91,141,761</b>	<b>100,635,345</b>	<b>112,929,021</b>
<b>Operating Expenses</b>						
Personnel & Related	13,195,952	16,410,991	21,027,884	23,782,689	26,536,039	28,916,227
Electric Power	23,597,680	21,791,314	49,116,179	60,862,783	55,632,005	51,241,394
Legal & Professional	3,713,535	5,232,378	4,977,918	7,027,995	6,809,712	6,000,000
Other	8,978,364	10,384,241	15,508,000	19,344,834	35,456,203	24,157,975
Depreciation	17,048,735	21,487,976	26,452,891	28,554,840	38,380,146	35,000,000
<b>Total Operating Expenses</b>	<b>66,534,266</b>	<b>75,306,900</b>	<b>117,082,872</b>	<b>139,573,141</b>	<b>162,814,105</b>	<b>145,315,596</b>
<b>Operating Income/(Loss)</b>	<b>1,588,365</b>	<b>(5,927,128)</b>	<b>(27,619,465)</b>	<b>(48,431,380)</b>	<b>(62,178,760)</b>	<b>(32,386,575)</b>
<b>Non-operating Revenues/(Expense)</b>						
Investment Income	7,606,016	13,210,215	13,212,069	7,603,793	408,524	7,627,611
Regional Connection Charge <sup>2/</sup>	77,711,824	0	0	0	0	0
Regional Commodity Charge <sup>2/</sup>	6,781,677	0	0	0	0	0
Regional Reliability Charge <sup>2/</sup>	2,603,580	0	0	0	0	0
Sales Tax Revenues	49,775,960	0	0	0	0	0
So. NV Public Lands Mgmt. Act.	6,527,850	0	0	0	0	0
Purveyor Debt Service Billings	76,573	0	0	0	0	0
Interest Expense	(29,596,098)	(38,381,314)	(40,136,450)	(44,454,798)	(61,335,059)	(60,000,000)
Amortization of Refunding Costs	(1,752,102)	(1,752,102)	(151,046)	(151,046)	(21,056)	(150,000)
Amortization of Bond Issue Costs	(1,370,509)	(1,569,464)	(1,775,391)	(999,820)	(847,092)	(1,700,000)
Gain/(Loss) on Sale of Assets		6,158	39,216	2,804	2,363	
<b>Total Non-operating Revenues/(Expense)</b>	<b>118,364,771</b>	<b>(28,486,507)</b>	<b>(28,811,602)</b>	<b>(37,999,067)</b>	<b>(61,792,320)</b>	<b>(54,222,389)</b>
Net Income/(Loss) Before Adjustments	119,953,136	(34,413,635)	(56,431,067)	(86,430,447)	(123,971,080)	(86,608,964)
Add Capital Contributions <sup>2/</sup>	0	160,163,126	147,508,009	188,940,024	243,049,902	192,628,869
Add Depreciation of Assets Acquired by Contribution	3,153,801	0	0	0	0	0
<b>Net Income</b>	<b>123,106,937</b>	<b>125,749,491</b>	<b>91,076,942</b>	<b>102,509,577</b>	<b>119,078,822</b>	<b>106,019,905</b>
<b>Retained Earnings - Beginning of Year</b>	<b>(9,915,073)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Retained Earnings - End of Year</b>	<b>113,191,864</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Fund Equity - Beginning of Year <sup>3/</sup></b>	<b>n/a</b>	<b>409,439,749</b>	<b>535,189,240</b>	<b>626,266,182</b>	<b>728,775,759</b>	<b>847,854,581</b>
<b>Fund Equity - End of Year <sup>3/</sup></b>	<b>\$ n/a</b>	<b>535,189,240</b>	<b>626,266,182</b>	<b>728,775,759</b>	<b>847,854,581</b>	<b>953,874,486</b>

<sup>1/</sup> Reflects the implementation of GASB 34.

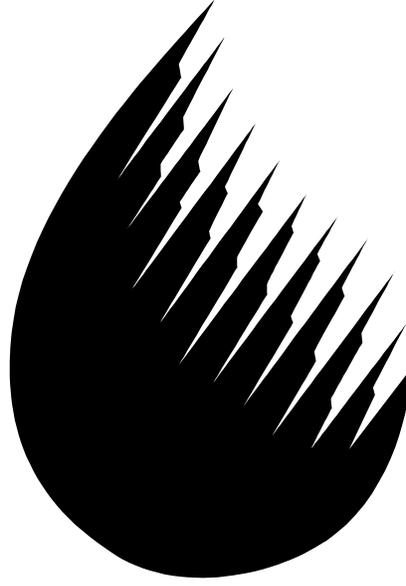
<sup>2/</sup> Due to changes in reporting requirements, these changes were not reported as revenues until fiscal year 1999. In accordance with GASB 34, they are reported as capital contributions in fiscal years 2001 through 2004.

<sup>3/</sup> In accordance with GASB 34, the SNWA began presenting total Fund Equity rather than presenting Retaining Earnings. Fund Equity includes the value of all assets attributable to the proprietary fund, not just those acquired during the year presented.

SOURCE: Derived from the SNWA's audited financial statements for the years ended June 30, 2000 through 2004, and the SNWA's 2005 final budget.

ANNUAL TREATED WATER DELIVERED BY  
THE SOUTHERN NEVADA WATER SYSTEM  
(Acre Feet)

Fiscal Year Ended June 30	Boulder City	Henderson	Las Vegas Valley Water District	Nellis Air Force Base	North Las Vegas	Total Deliveries
1993	6,776	22,809	220,546	2,825	22,831	275,787
1994	7,279	27,224	244,687	3,191	27,697	310,078
1995	7,078	28,310	234,950	2,913	32,642	305,893
1996	8,046	34,617	253,915	3,265	33,282	333,125
1997	7,970	34,985	261,433	3,042	35,675	343,105
1998	7,520	38,537	269,827	2,584	29,242	347,710
1999	8,207	46,472	289,545	2,333	35,563	382,120
2000	9,719	52,344	316,547	2,382	37,731	418,723
2001	10,251	56,598	323,184	1,596	38,799	430,428
2002	11,519	62,970	315,467	2,226	39,318	431,500
2003	13,068	66,507	314,447	2,465	43,079	439,566
2004	11,939	62,716	334,580	1,837	45,180	456,252



SOUTHERN NEVADA  
WATER AUTHORITY

**Single Audit  
Compliance  
Section**

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED UPON THE AUDIT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Board of Directors  
Southern Nevada Water Authority

We have audited the basic financial statements of the Southern Nevada Water Authority (the "Authority") as of and for the years ended June 30, 2004 and 2003, and have issued our report thereon dated November 24, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies, and state funding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

November 24, 2004

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Honorable Board of Directors  
Southern Nevada Water Authority

### Compliance

We have audited the compliance of the Southern Nevada Water Authority (the "Authority") with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement* that are applicable to the major federal programs for the year ended June 30, 2004. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America: the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority'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 the Authority's compliance with those requirements.

In our opinion, based on our audit the Authority complied, in all material respects, with the requirements referred to above that are applicable to the major federal programs for the year ended June 30, 2004. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

### Internal Control over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Expenditures of Federal Awards**

We have audited the basic financial statements of the Authority as of and for the years ended June 30, 2004 and 2003, and have issued our report thereon dated November 24, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by OMB A-133 and is not a required part of the basic financial statements. This schedule is the responsibility of the management of the Authority. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, when considered in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies, and state funding agencies and is not intended to be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

November 24, 2004

**SOUTHERN NEVADA WATER AUTHORITY**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2004**

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Pass- Through Grantor's Number	Expenditures
<i>U.S. Department of Interior:</i>			
Water Reclamation and Reuse Program –			
Southern Nevada Water Recycling Project	15.504	N/A	\$ 263,000
Razorback Study	15.504	N/A	100,000
Water Smart Calendar	15.504	N/A	40,000
Bioassessment	15.504	N/A	77,747
Plant Purchase	15.504	N/A	10,500
Bat Survey	15.504	N/A	13,460
Botanical Inventory	15.504	N/A	5,527
Construction Water Use Study	15.504	N/A	30,481
Water Desalination Research and Development Program – Las Vegas Area Shallow Aquifer	15.506	N/A	<u>96,985</u>
Subtotal U. S. Department of Interior			637,700
<i>U. S. Department of Defense – Toxicological Impact of Perchlorate on Fish</i>	12.431	N/A	2,761
<i>Environmental Protection Agency – Wetland Program Grants</i>	66.461	N/A	<u>199,999</u>
Total Expenditures of Federal Awards			<u>\$ 840,460</u>

**SOUTHERN NEVADA WATER AUTHORITY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For The Year Ended June 30, 2004**

**1. Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of federal financial assistance programs of the Southern Nevada Water Authority (the "Authority"). The Authority's reporting entity is defined in Note 1 to its basic financial statements. 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*.

**2. Basis of Accounting**

The Schedule of Federal Expenditures of Federal Awards is not prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are issued during the year for budgetary control purposes and lapse at fiscal year end.

**3. Water Reclamation and Reuse Program**

During fiscal year 2002, the Southern Nevada Water Authority (the "Authority"), on behalf of its member agencies, entered into a cooperative agreement (the "agreement") with the Bureau of Reclamation (the "Bureau") to complete the Southern Nevada Water Recycling Project. This agreement allows the Bureau to reimburse up to 25 percent of allowable costs incurred or \$20 million, whichever is less. During fiscal year 2002, the SNWA submitted a total of \$63,866,669 in allowable costs which were incurred through September 30, 2001 to be eligible to receive \$15,966,667 (25 percent of those costs). These costs were incurred by the Las Vegas Valley Water District (the "LVVWD") and the City of Las Vegas (the "City") in conjunction with the Northwest Recycled Water Distribution System and the Northwest Water Resource Center (collectively the "Water Recycling Project"), respectively. As member agencies of the Authority, the LVVWD and the City acted as subcontractors of the Authority in the performance of the Water Recycling Project. However, LVVWD and the City will retain title of the constructed assets.

During fiscal year 2003, the LVVWD incurred costs totaling \$1,261,907. The Authority submitted these costs for a reimbursement estimated at \$315,402 or 25% of the incurred costs, during fiscal year 2004. During fiscal year 2004, the LVVWD incurred costs totaling \$263,000. The Authority will submit these costs for a reimbursement estimated at \$66,750 or 25% of the incurred costs, during fiscal year 2005. The City did not incur costs during fiscal year 2003 or 2004.

The Authority received a reimbursement of approximately \$6.7 million during fiscal year 2003, a reimbursement of approximately \$2.7 million during fiscal year 2004 and a reimbursement of approximately \$2.7 million during fiscal year 2005. These funds were disbursed to the member agencies during fiscal year 2005. The Authority is not guaranteed to receive the remaining \$4.2 million it is eligible to receive under fiscal years 2002, 2003, 2004 and planned 2005 drawdown requests; as such reimbursements are contingent upon Congress releasing the funding for distribution. Accordingly, a receivable was not recorded in the Authority's 2004 or 2003 basic financial statements related to the outstanding amounts.

**SOUTHERN NEVADA WATER AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004**

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**Part I - Summary of Auditors' Results**

1. The independent auditors' report on the basic financial statements expressed an unqualified opinion.
2. No reportable conditions in internal control over financial reporting were identified.
3. No instance of noncompliance with laws, regulations, or the provisions of contract and grant agreements was disclosed by our audit.
4. No reportable conditions in internal control over compliance with requirements applicable to major federal awards programs were identified.
5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.
6. The audit disclosed no findings required to be reported by OMB Circular A-133.
7. The Authority's major program was:

<b>Name of Federal Program of Cluster</b>	<b>CFDA Number</b>
Water Reclamation and Reuse Program – Southern Nevada Water Recycling Project	15.504

8. A threshold of \$300,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.
9. The Authority qualified as a low-risk auditee as that term is defined in OMB Circular A-133.

**Part II - Financial Statement Findings Section**

No matters are reportable.

**Part III - Federal Award Findings and Questioned Cost Section**

No new findings in the current year.

## SOUTHERN NEVADA WATER AUTHORITY

### CURRENT STATUS OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED JUNE 30, 2004

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#### **Bureau of Reclamation, Department of Interior— Water Reclamation and Reuse Program CFDA #15.504**

##### **03-01 Indirect Cost Allocations**

**Condition:** The LVVWD charges indirect costs to the Water Reclamation and Reuse Program, but does not have a certified cost allocation plan or indirect cost rate approved by the Federal Government.

**Criteria:** Per authoritative text of A-87 *Cost Principles for State, Local and Indian Tribal Governments* (Attachment C --*State/Local-Wide Central Service Cost Allocation Plans* and Attachment E—*State and Local Indirect Cost Rate Proposal*), proposals to establish a cost allocation plan or an indirect cost rate must be certified by a governmental unit using the *Certificate of Cost Allocation Plan* or *Certificate of Indirect Costs* as set forth in Attachments C and E of Circular A-87. The certificate must be signed on behalf of the governmental unit by an individual at a level no lower than chief financial officer of the governmental unit that submits the proposal or component covered by the proposal.

No cost allocation plan or indirect cost rate shall be approved by the Federal Government unless the plan or rate proposal has been certified. Where it is necessary to establish a cost allocation plan or an indirect cost rate and the governmental unit has not submitted a certified proposal for establishing such a plan or rate in accordance with the requirements, the Federal Government may either disallow all indirect costs or unilaterally establish such a plan or rate.

**Effect:** The Federal Government may either disallow all indirect costs or unilaterally establish a cost allocation plan or indirect cost rate.

**Recommendation:** Indirect costs should be charged to the Water Reclamation and Reuse Program in accordance with the requirements of Circular A-87.

**Management's Correcting Action Plan:** Although we do not have a certified cost allocation plan, these costs have not yet been submitted to the grantor agency for reimbursement. When they are submitted, we will review the applicable requirements of Circular A-87 to insure compliance.