



# **Carson City, Nevada**

## ***COMPREHENSIVE ANNUAL FINANCIAL REPORT***

***YEAR ENDED JUNE 30, 2011***



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

**Prepared by: Finance Department**  
**Nick Providenti, Finance Director**

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# CARSON CITY, NEVADA

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## **INTRODUCTORY SECTION**



## **CARSON CITY, NEVADA**

### **CONSOLIDATED MUNICIPALITY AND STATE CAPITAL**

November 30, 2011

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

The comprehensive annual financial report of Carson City for the fiscal year ended June 30, 2011, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that Carson City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants.

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

Kafoury, Armstrong & Co., Certified Public Accountants, have issued an unqualified opinion on Carson City's financial statements for the year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

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

Accounting principles generally accepted in the United States of America (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Carson City's MD&A can be found immediately following the report of the independent auditors.

### **DEPARTMENT OF FINANCE**

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

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

### **THE CITY AND ITS GOVERNING BODY**

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

Carson City has a land area of 147 square miles and an estimated population of 55,152 as of June 30, 2011. The City is empowered to levy a property tax on both real and personal property located within its boundaries. Real and personal taxable property located within the City has an estimated market value of \$4,823,267,242 and an assessed value of \$1,688,143,535.

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

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

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

## **LOCAL ECONOMY**

Carson City is located in the Northwestern part of the State. Nevada's rate of growth in population had been one of the highest in the nation, but with the current economic downturn, this number is expected to remain flat at best for the next several years. Carson City's population decreased .2% when comparing July 1, 2010 to July 1, 2011. During the past year, Carson City experienced a general slow down in the real estate market, not unlike the region, the state and the nation. According to the Assessor's office, the average sales price of a home this year has fallen to around \$215,000. The average price in Carson City hit its peak this decade in 2006 with the average sales price around \$346,000.

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

The assessed valuation of Carson City decreased 7.6 percent in FY 2010/2011, and because of the continued decline in real estate, the values decreased another 10.8 percent in FY 2011/2012. Due to a cap on the growth in property tax for existing property and improvements approved by the 2005 Nevada State Legislature, the real growth in tax revenues is limited. The growth in the tax bill for residential property is limited to 3% annual growth and commercial property can grow by a maximum of 8% per year. Only new construction is outside of this cap for the first year it is on the tax rolls. The difference between the actual tax calculation (assessed valuation (x) tax rate) and the capped tax calculation is termed the "abatement". In the general fund, this abatement amount was approximately \$4.5 million in FY 2011/2012. Because of this large abatement amount, Carson City's property tax revenues should continue to grow by the 3% and 8% caps in the future.

## **LONG-TERM FINANCIAL PLANNING**

During FY 2010/2011, fees charged at the Carson City Landfill were set based upon regional market rates rather than actual costs. The resultant change in rates has produced revenues in excess of expenditures at the Landfill. These excess revenues will be used to help offset overall General Fund ongoing expenditures.

Carson City remains very active in recruiting retail development in order to enhance the sales tax base. Two major automotive retailers have built dealerships in more desirable locations within the City and the Olive Garden has opened a new restaurant. The City has

continued to negotiate with various retailers to fill vacant big box locations and as a result, Kohl's and Big Lots have opened locations in former vacant buildings.

### **RELEVANT FINANCIAL POLICIES**

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

### **MAJOR INITIATIVES**

Improvements to the Wastewater Treatment Plant are being implemented and new federal standards for drinking water have necessitated an agreement with Douglas County establishing a Water Line Intertie Project. The establishment of this Interlocal Agreement will allow Carson City access to water from Douglas County that will forgoe the need to build a Uranium Treatment Plant. Rates and charges for the Sewer and Water Funds are reviewed each January and rates are recommended to the Board of Supervisors to cover all operations and capital costs.

The Carson Freeway, Phase 2 A was completed in September 2009. This extended the Carson Freeway from Highway 50 to Fairview Drive and required the relocation of Carson City utilities. These improvements were funded through their respective enterprise funds. Construction has begun on a portion of Carson Freeway, Phase 2 B (Fairview Drive to Highway 50 at Spooner Summit), although the entire project has not been funded by the State of Nevada. By agreement with the state, Carson City will defer payment of local fuel taxes until the project is completed.

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

- Carson City Knowledge and Discovery Library
- Business and Technology Incubator Center
- A digital media lab
- Central public plaza
- Shared, de-centralized parking which will include commercial / retail spaces.

### **OTHER INFORMATION**

**SINGLE AUDIT.** As a recipient of federal and state awards, Carson City is also responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. As a part of Carson City's single audit, testing of internal control and compliance is performed as it relates to federal programs. The results of the single audit for the fiscal year ended June

30, 2011 provided no instances of non-compliance with the requirements applicable to each of the City's major federal programs or matters involving the internal control over compliance and its operation that were considered to be material weaknesses.

**AWARDS.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carson City for its comprehensive annual financial report for the fiscal year ended June 30, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

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

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

Sincerely,

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

Nickolas Providenti  
Director of Finance



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Carson City  
Nevada

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

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



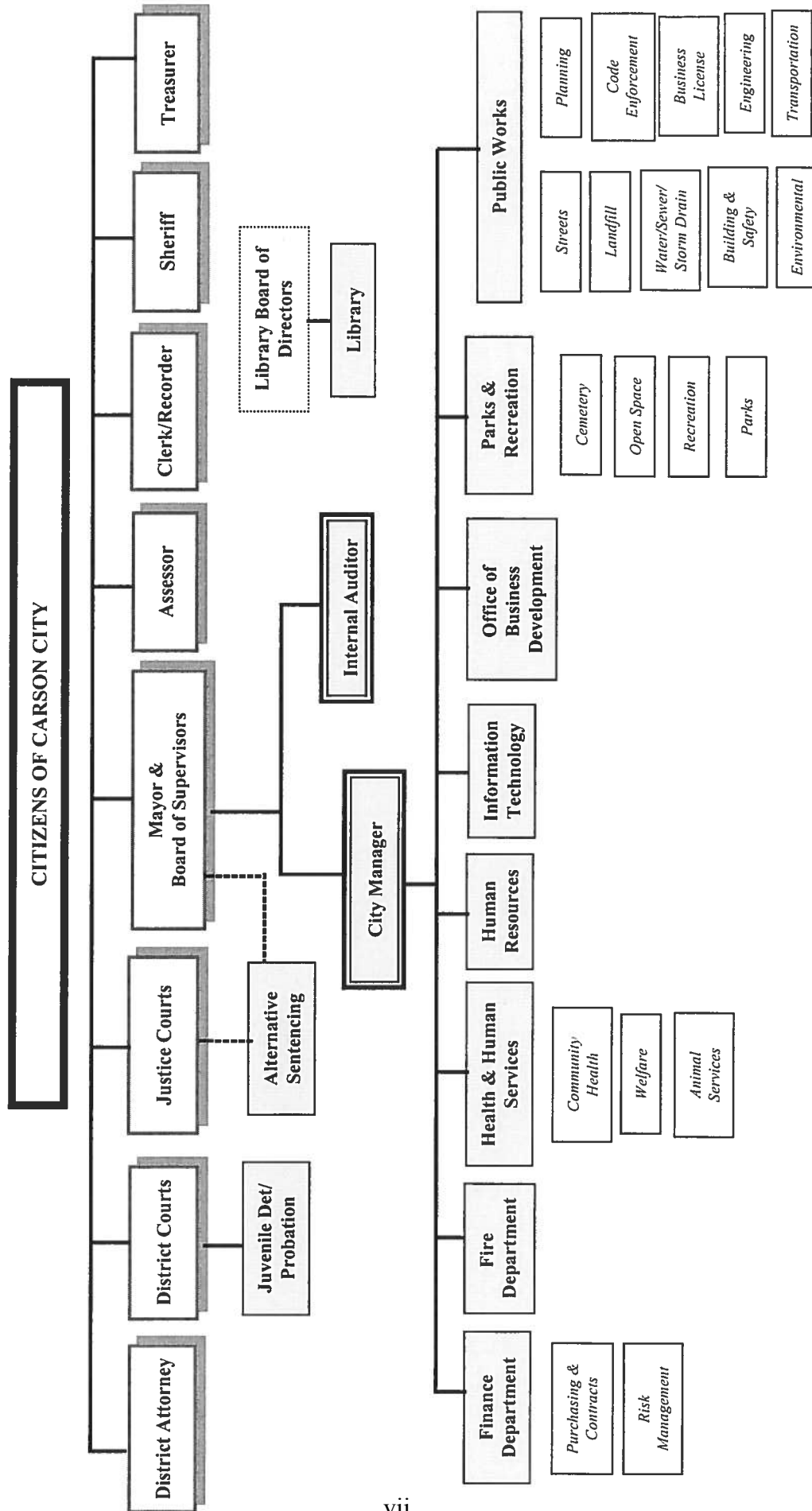
*Linda C. Sandson*

President

*Jeffrey R. Emer*

Executive Director

# Carson City Organizational Chart



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**CARSON CITY**  
**LISTING OF PRINCIPAL OFFICIALS**  
**FY 2011**

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<b>TITLE</b>	<b>NAME</b>
Mayor	Robert L. Crowell
Supervisor, Ward 1	Karen Abowd
Supervisor, Ward 2	Shelly Aldean
Supervisor, Ward 3	John McKenna
Supervisor, Ward 4	Molly Walt
Assessor	Dave Dawley
Treasurer	Al Kramer
District Attorney	Neil Rombardo
District Court I	Judge James T. Russell
District Court II	Judge James E. Wilson, Jr.
Justice of the Peace	Judge Thomas Armstrong
Justice of the Peace	Judge John Tatro
Clerk-Recorder	Alan Glover
Sheriff	Ken Furlong
City Manager	Larry Werner
Finance Director/Risk Manager	Nick Providenti
Information Services Director	John Wilkinson
Planning Director	Lee Plemel
Cooperative Extension Director	JoAnne Skelly
Library Director	Sara Jones
Health & Human Services Director	Marena Works
Juvenile Special Master	Kristin Luis
Chief Juvenile Probation Officer	Jon Simms
Parks and Recreation Director	Roger Moellendorf
Fire Chief	Stacey Giomi
Senior Center Director	Janice McIntosh
Human Resources Manager	Melanie Bruketta
Public Works Director	Andrew Burnham
City Engineer	Jeff Sharp
Transportation Program Manager	Patrick Pittenger
Chief Building Official	Kevin Gattis

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**FINANCIAL SECTION**

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## Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carson City, Nevada, as of and for the year ended June 30, 2011, which collectively comprise Carson City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Carson City, Nevada. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Airport Authority of Carson City, Nevada, or the Carson City Convention and Visitors' Bureau, both of which are discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Carson City Convention and Visitors' Bureau were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carson City, Nevada, as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2011, on our consideration of Carson City, Nevada's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carson City, Nevada's basic financial statements as a whole. The Introductory Section, nonmajor combining and individual fund statements and schedules including budgetary comparisons, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual fund statements and schedules including budgetary comparisons and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Carson City, Nevada's basic financial statements for the year ended June 30, 2010, which are not presented with the accompanying financial statements. In our report dated December 21, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. In our opinion, the 2010 nonmajor combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2010, taken as a whole. The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Kafoury, Armstrong & Co.*

Reno, Nevada  
November 30, 2011



## Carson City, Nevada Management's Discussion and Analysis

As management of Carson City, Nevada (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

### Financial Highlights

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

### Overview of the Financial Statements

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

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

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

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

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

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

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

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

The basic governmental fund financial statements can be found on pages 8-11 of this report.

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

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

The basic proprietary fund financial statements can be found on pages 12-16 of this report.

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

The basic fiduciary fund financial statements can be found on pages 17-18 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-48 of this report.

**Other Information.** The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds, and enterprise funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 53-148 of this report.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$325,864,072 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (99 percent) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### Carson City's Net Assets

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

An additional portion of the City's net assets (5 percent) represents resources that are subject to external restrictions on how they may be used. This leaves a negative balance of \$13,353,240 for *unrestricted net assets*.

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

The City's net assets increased \$51,277,457 during the current fiscal year. The largest factor affecting the increase is the increase in capital assets of \$72.8 million, while total long term liabilities only increased by \$11.2 million, and current assets decreased by approximately \$10.3 million.

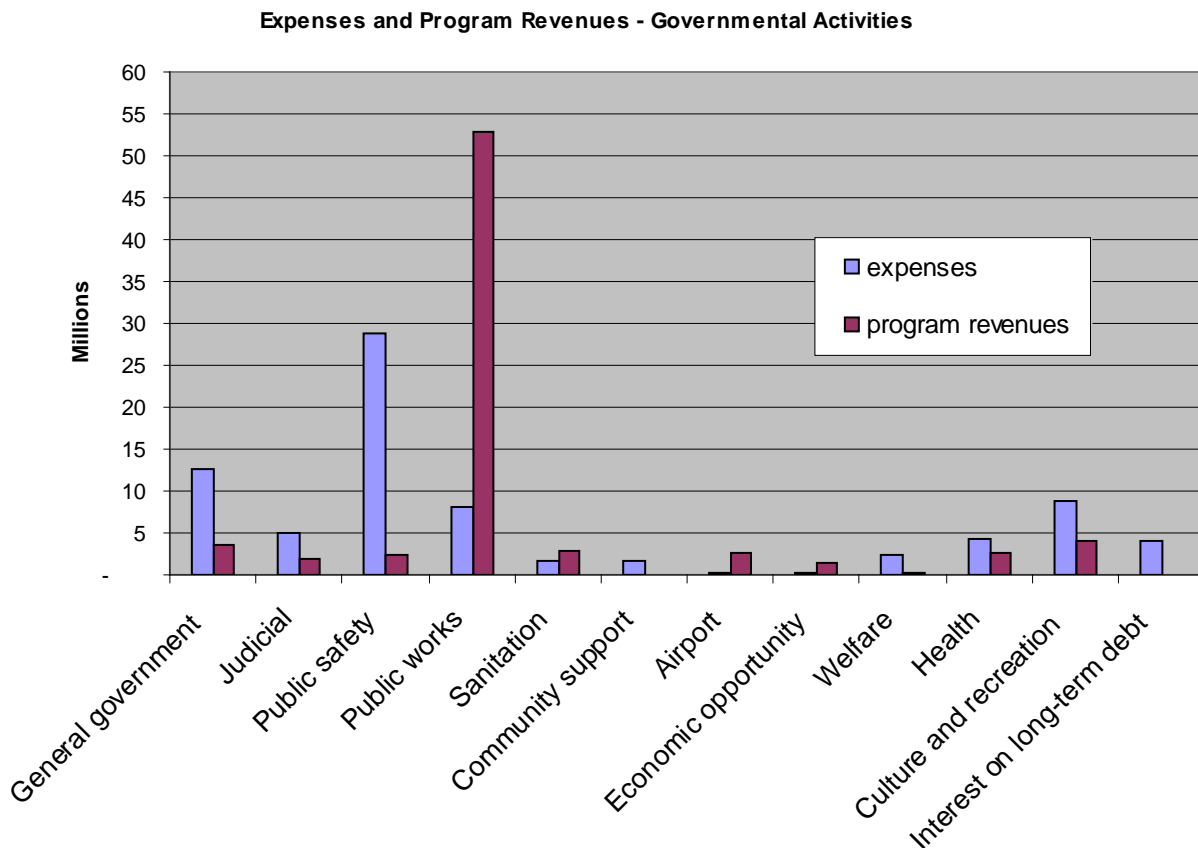
### Carson City's Changes in Net Assets

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

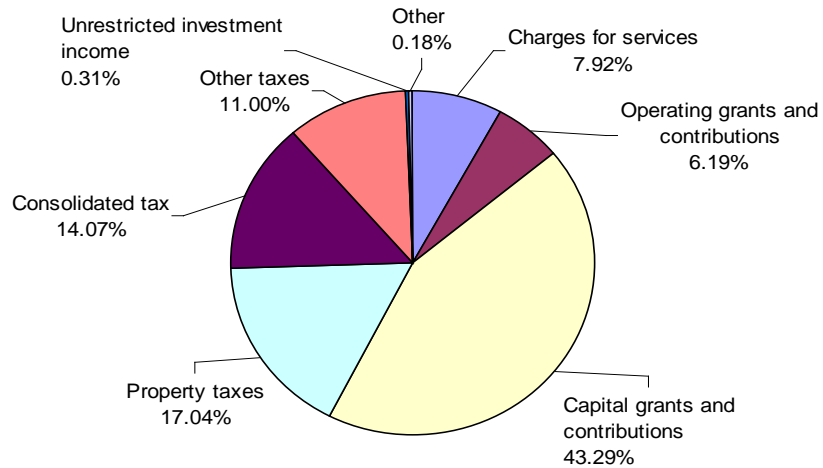
**Governmental activities.** Governmental activities increased the City’s net assets by \$51,838,680. This results in a net change (increase) of \$39,270,014 when compared to the increase of \$12,568,666 in the prior year. Key elements of the change from prior year are as follows:

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

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



### Revenues by Source - Governmental Activities

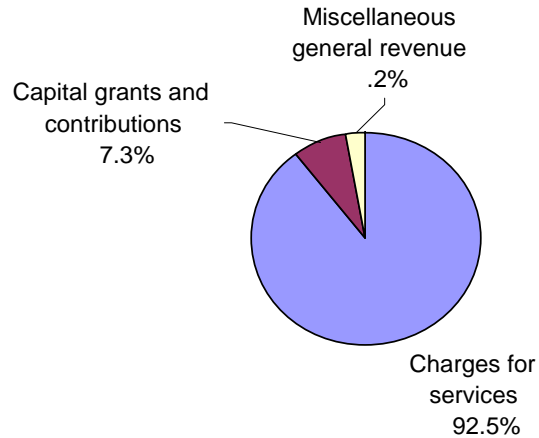


**Business-type activities.** Business-type activities decreased the City's net assets by \$561,223. This results in a net change (increase) of \$3,151,348 when compared to the decrease of \$3,712,571 in the prior year. Key elements of the change from prior year are as follows:

- \$2.3 million (or 24.9 percent) increase in water charges for services was realized due to a 28 percent rate increase effective 7/1/2010.
- \$951,000 increase in capital grants for water projects.
- \$189,000 decrease in unrestricted investment income due to a decrease in the investment portfolio balance and in the fair value of investments.
- \$230,000 increase in bad debt expense reported in the Ambulance fund related to the write off of uncollectible accounts receivable from prior years.

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

### Revenues by Source - Business - type Activities



### Financial Analysis of the Government's Funds

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

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

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

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

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



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

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

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

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

### **General Fund Budgetary**

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

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

Of this increase, \$164,083 was funded from charges for services, \$415,060 was funded from consolidated tax revenues, \$85,854 was funded from refunds and reimbursements, grants and donations, and \$53,504 was funded from transfers in. The remaining \$1,605,523 was to be budgeted from available fund balance.

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

- Actual intergovernmental revenues were \$952,000 more than the final budget due to an increase in consolidated tax revenues.
- Actual licenses and permits were \$662,000 less than the final budget mostly due to a decline in franchise fee revenue.
- Actual ad valorem taxes were \$355,000 less than the final budget.
- Actual expenditures by function were less than the final budget as a result of expenditure reductions in response to the declines in revenue.

### Capital Asset and Debt Administration

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities as of June 30, 2011, amounts to \$459,986,698 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and water rights. The total increase in the City's investment in capital assets for the current fiscal year was 18.8 percent (a 23 percent increase for governmental activities and a 11.6 percent increase for business-type activities).

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

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

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

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

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

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

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

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

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

The City maintained an “AA-“ rating from Standard & Poor’s and during fiscal year 2011 the City’s debt rating changed from an “Aa2” to an “Aa3” rating from Moody’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15 percent of its total assessed valuation. The current debt limitation for the City is \$266,225,881, which is significantly in excess of the City’s outstanding general obligation debt.

Additional information on the City’s long-term debt can be found in Note 3-D on pages 34-42 of this report.

**Economic Factors and Next Year’s Budgets and Rates**

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

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

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

**Requests for Information**

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

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**BASIC FINANCIAL STATEMENTS**

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

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

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

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

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

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

Total General Revenues and Transfers

Change in Net Assets

NET ASSETS, JULY 1

NET ASSETS, JUNE 30



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

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

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

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

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

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

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

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

Net Change in Fund Balances - Governmental Funds (page 10)		\$ (7,400,620)
<p>Amounts reported for governmental activities in the statement of activities (pages 6-7) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures and the proceeds from the sale of assets as other financing sources. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and only the gain or loss is recorded when assets are sold.</p>		
Expenditures for capital assets	\$ 11,231,655	
Contributions of capital assets from business-type activities	38,292	
Donated capital assets	51,668,084	
Sale/disposition of assets	(68,845)	
Less: Current year depreciation	<u>(6,790,561)</u>	
		56,078,625
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.</p>		
Change in deferred revenue		(213,962)
<p>Bond and note proceeds and capital leases provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bonds and note principal and capital leases is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bonds and notes issued and capital lease financing exceeded repayments and costs of issuance.</p>		
Bonds issued	(7,210,000)	
Bond issuance costs	200,691	
Bond premiums	(226,243)	
Accrued interest	(597,196)	
Capital lease payments	31,698	
Interest payments	747,776	
Principal payments	3,924,674	
Payment to escrow agent for refunding	<u>7,244,702</u>	
		4,116,102
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Amortization of loss on bond refunding	(109,945)	
Amortization of issuance costs	(75,044)	
Amortization of bond discounts	(10,042)	
Amortization of bond premiums	40,738	
Change in long-term landfill closure / post closure	(104,378)	
Change in net OPEB asset	80,546	
Change in net OPEB obligation	(1,864,166)	
Change in long-term compensated absences	<u>651,204</u>	
		(1,391,087)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service funds is reported with governmental activities.</p>		
		<u>649,622</u>
Change in Net Assets of Governmental Activities (pages 6-7)		<u>\$ 51,838,680</u>

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

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

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

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

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

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



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

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

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

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

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

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

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

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

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

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

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

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

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

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

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

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Carson City considers all revenues, except grants, available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Grants and similar items are recognized as revenues when eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The government reports the following major governmental fund:

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

The government reports the following major proprietary funds:

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

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

Additionally, the government reports the following fund types:

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

The *Investment Trust Fund* accounts for the external portion of the investment pool administered by the City which includes assets held in trust for the school district.

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

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include salaries and wages, employee benefits, services and supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

**1. Deposits and Investments**

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

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

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

Investments are reported at fair value.

**2. Investment Pool Investment Income**

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

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**3.     Receivables and Payables**

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

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

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

The Ambulance Fund accounts receivable are presented net of the allowance for uncollectible accounts. All uncollectible accounts were written off during fiscal year 2011; therefore, there was no allowance for uncollectible accounts at June 30, 2011.

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

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

**4.     Inventories and Prepaid Items**

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

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

**5.     Restricted Assets**

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



**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**6. Capital Assets**

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

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

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

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

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

**7. Long-Term Obligations**

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

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

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**8. Connection Fees**

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

**9. Equity Classifications**

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

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

In the fund financial statements, governmental fund equity is classified as fund balance.

Fund Balance Classification:

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

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors. These amounts cannot be used for any other purpose unless the Board of Supervisors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.
- Assigned: This classification includes amounts that are constrained by the City’s intended use for a specific purpose but are neither restricted nor committed. The Board of Supervisors has delegated the authority to assign fund balance for specific purposes to the City Manager or the Finance Director. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes the residual fund balance for the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

Spending Order of Fund Balances:

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

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

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

**10. Comparative Data**

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

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. BUDGETARY INFORMATION**

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

On or before mid-February of each year, all agencies of the City must submit requests for appropriations to the Internal Finance Committee comprised of the City Manager, Finance Director, Deputy Finance Director and Treasurer in order that a budget may be prepared. Before April 15th, a tentative budget is submitted to the Board of Supervisors, the Redevelopment Authority, and the State of Nevada. The City then holds a series of public hearings and a final budget must be prepared and adopted no later than June 1st.

The appropriated budget is prepared by fund, function and department. The City's department heads may request transfers of appropriations within the department's budget categories. Transfers of appropriations between department categories or functions within a fund may be made with the City Manager's approval. Transfers of appropriations between funds, from contingency accounts, or increases in budget appropriations require the approval of the Board of Supervisors or Redevelopment Authority. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level for governmental funds and the sum of operating and nonoperating expenses in the proprietary funds. There are no budgetary restrictions in the debt service funds regarding expenditures related to payments of principal and interest on long-term debt. The Board made several supplemental budgetary appropriations throughout the year.

**B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

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

**C. DEFICIT FUND EQUITY**

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

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

At year end, the City's carrying amount of deposits was \$12,316,120 and the bank balance was \$12,300,749. All of the bank balance was covered by FDIC, SIPC, or collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

The carrying amount of deposits for discretely presented component units was \$498,217, and the bank balance was \$570,251. All of the bank balance was covered by federal depository insurance or by collateral held by the component unit's agent in the component unit's name, with the exception of the \$26,010 at the Airport Authority and \$34,847 at the Convention and Visitors Bureau which was uninsured and uncollateralized.

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

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
U.S. Treasuries	\$ 4,563,543	\$ 174,662	\$ 4,388,881	\$ -
U.S. Agencies	7,416,899	227,559	4,893,584	2,295,756
Corporate Bonds	8,423,271	729,093	7,643,498	50,680
Money Market Mutual Fund	1,089,961	1,089,961	-	-
State of Nevada:				
Local Government				
Investment Pool	<u>57,108</u>	<u>57,108</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>\$21,550,782</u></b>	<b><u>\$2,278,383</u></b>	<b><u>\$16,925,963</u></b>	<b><u>\$2,346,436</u></b>

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

The following procedures will be applied:

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

*Credit Risk.* Funds invested with the State of Nevada Treasurer in the Local Government Investment Pool may be invested as permitted by Nevada Revised Statutes. City policy does not further restrict these investments. As of June 30, 2011, the City's investments in U.S Agencies were rated AAA by Standard and Poor's and Aaa by Moody's Investors Service. The City's investment in the State of Nevada Local Government Investment Pool is an unrated external investment pool with an average duration of 69 days. Of the City's investments in corporate bonds, \$3,992,764 was rated AAA, \$1,414,327 was rated AA, \$1,916,538 was rated A, and \$1,099,642 was unrated.

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

At June 30, 2011 the following investments exceeded 5% of the City's total:

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

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

	<u>Fair Value</u>	<u>Investment Maturity Less Than 1 Year</u>
State of Nevada Local Government Investment Pool	<u>\$ 929,877</u>	<u>\$ 929,877</u>

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

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

The State of Nevada Local Government Investment Pool is an external pool administered by the State Treasurer, with oversight by the State of Nevada Board of Finance. Investment in the Local Government Investment Pool is carried at fair value, which is the same as the value of the pool shares.

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

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Summary of investments held in the external investment pool at June 30, 2011:

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

**External Investment Pool financial statements:**

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

Assets:

Investments in securities:

U.S. Treasuries	\$ 4,563,543
U.S. Agencies	7,416,899
Corporate Bonds	8,423,271
Money Market Mutual Fund	1,089,961
State of Nevada Local Government Investment Pool	57,108
Interest receivable	<u>88,120</u>

Total Assets \$21,638,902

Net assets consist of:

Internal participants	\$18,259,156
External participants	<u>3,379,746</u>

Total Net Assets Held in Trust for Pool Participants  
(Participant units outstanding, \$1.00/par) \$21,638,902

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

Additions:

Investment income	\$ 832,033
Realized gains (losses)	366,468
Unrealized gains (losses)	<u>(561,336)</u>
Total Additions	<u>637,165</u>

Deductions:

Capital share transactions	14,053,261
Investment fees	<u>71,679</u>
Total Deductions	<u>14,124,940</u>

Net Decrease (13,487,775)

Net assets:

Beginning of Year	<u>35,126,677</u>
End of Year	<u>\$21,638,902</u>

**CARSON CITY**  
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**B. CAPITAL ASSETS**

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

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

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

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

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

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

**Construction commitments**

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

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



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

Other Commitments:

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

On April 1, 1997, the City entered into an agreement with the State of Nevada, Department of Transportation (Highway Agreement No. R159-97-060) to help construct the Carson City Bypass. The City is funding this obligation through a \$.05 increase in the county motor vehicle fuel tax. The City intends to contribute a total of \$19 million plus interest. As of June 30, 2011 the City has contributed \$14,196,189.

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

- The City shall pay to NDOT an amount of \$15,000,000, with payments beginning upon completion of the funding obligation for Phase I of the freeway as prescribed in Highway Agreement No. R159-97-060 and amended herein,

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estimated to start in 2011 and finish in 2026. For Phase 2, the City shall pay the tax based on a \$.03 levy in the county motor vehicle fuel tax. The amounts received from the additional \$.02 levy will be used to maintain Carson Street and Fairview Drive as described below.

- It is further agreed that the City will assume ownership and maintenance responsibility for Carson Street from approximately Arrowhead Drive in the north to the intersection of the Carson City Freeway at the Spooner Intersection to the south, upon construction completion to the point when vehicles are using Phase 2.
- The City also agrees to construct Fairview Drive to a minimum of four through lanes with turn lanes, from the terminus of Phase 2A at Fairview Drive to US 395/Carson Street, and to be responsible for maintenance of Fairview Drive.
- NDOT agrees to defer payment by the City of the current \$.05 tax as defined in Highway Agreement No. R159-97-060 from the period beginning July 1, 2005 through June 30, 2008, to allow the City to utilize the payments for the Fairview Drive improvements.

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

- City agreed to assume ownership and maintenance responsibility of additional State streets in lieu of remaining payment due for Phase 1 in the amount of \$4.8 million dollars.
- Deferred payment of \$.03 tax to July 1, 2009, to allow construction of Fairview Drive.

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

- City agreed to take additional State streets for maintenance and forego pavement rehabilitation by NDOT of Carson Street in lieu of a portion of the remaining payment due for Phase 2 in the amount of \$7.9 million dollars.
- Deferred \$.03 tax payments for remaining \$7.1 million until completion of phase 2B.

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

**Discretely presented component units**

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

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

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

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

**C. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

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

**Due to/from other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$525,000
	Water fund	300,000
	Nonmajor enterprise fund	<u>45,000</u>
	Total	<u>\$870,000</u>

The above interfund balances at June 30, 2011 are generally short-term loans to cover temporary cash deficits in various funds. They are expected to be repaid in the next fiscal year.

**Due to/from primary government and component units:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary government – General Fund	Component unit – Convention and Visitors' Bureau	\$ 11,086
Component unit – Airport Authority	Primary government – General Fund	147,076
Component unit – Airport Authority	Primary government – Airport Fund	<u>133,864</u>
	Total	<u>\$292,026</u>

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**Interfund transfers:**

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

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

**D. LONG-TERM DEBT**

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

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

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

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

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

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities:		
Energy Retrofit	4.3387%	\$ 240,558
Open Space	3.25%	1,172,400
Fleet Management	1.97%-2.8%	230,000
Redevelopment Refunding note	3.97%	569,600
Business-type activities:		
Stormwater Drainage	1.97-4.81%	795,000
Sewer	1.97-4.81%	1,600,000

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

Governmental activities

The City has pledged 15% of the Consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Energy Retrofit Bonds Series 2001; Public Safety Refunding Bonds Series 2003; Capital Improvement Bonds Series 2005 and Refunding Bonds series 2010. The total principal and interest remaining to be paid on the bonds is \$60,617,248 payable through fiscal year 2033. For the current year, principal and interest paid for the bonds totaled \$3,293,682 and pledged revenues totaled \$2,742,923.

The City has pledged future 1/4 cent voter approved (Quality of Life) sales tax revenues to repay \$12,348,000 in Medium Term Bank Note Series 2004, Park Bonds Series 2005, and Parks Refunding Bonds Series 2010. Proceeds of the bonds provided financing for new parks facilities, to purchase open space and to improve and equip current parks facilities. The bonds are intended to be paid solely from the 1/4 cent tax revenues and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 58% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$14,397,545. For the current year, principal and interest paid for the bonds totaled \$1,041,423 and pledged revenues totaled \$1,807,438.

The City has pledged future 1/8 cent sales tax revenues (NRS 377B), to repay \$15,000,000 in V&T Historical Bonds Series 2005. The bonds are intended to be paid solely from the 1/8 cent tax revenues and are payable through fiscal year 2026. Annual principal and interest payments on the bonds are expected to require 100% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$16,755,746. For the current year, principal and interest paid for the bonds totaled \$1,115,244 and pledged revenues totaled \$904,112.

The City has pledged room tax to repay \$5,665,000 in Park Refunding Bonds Series 1997C; and Room Tax Revenue Supported Bonds, Series 2003. The bonds are intended to be paid solely from room tax and are payable through fiscal year 2023. Annual principal and interest payments on the bonds are expected to require 38% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$4,904,288. For the current year, principal and interest paid for the bonds totaled \$407,268 and pledged revenues totaled \$1,071,476.

The City has pledged motor vehicle fuel tax revenues to repay \$5,785,000 in Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds Series 2003; \$9,055,000 in Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds Series 2008 and \$7,900,000 in Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Improvement Bonds Series 2010. The bonds are secured solely from motor vehicle fuel tax and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 66% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$30,510,400. For the current year, principal and interest paid for the bonds totaled \$1,718,509 and pledged revenues totaled \$2,589,547.

Business-type activities

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

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1995 and 2011. Proceeds from the bonds provided financing for expansion of, and improvements to, the sewer utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2032. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$15,339,267. For the current year, principal and interest paid for the bonds totaled \$1,949,650 and net pledged revenues totaled \$1,911,409.

The City has pledged future water utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay \$69,332,600 in water utility system general obligation revenue bonds issued between fiscal years 1998 and 2011. Proceeds from the bonds provided financing for expansion of, and improvements to, the water utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2040. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$70,332,196. For the current year, principal and interest paid for the bonds totaled \$3,450,273 and net pledged revenues totaled \$3,913,176.

The City has pledged future storm drainage utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay \$6,000,000 in storm drainage utility system general obligation revenue bonds issued between fiscal years 2005 and 2006. Proceeds from the bonds provided financing for expansion of, and improvements to, the storm drainage utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2025. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$6,182,818. For the current year, principal and interest paid for the bonds totaled \$428,213 and net pledged revenues totaled \$1,115,392.

**Capital Leases.** The City has entered into lease agreements as lessee for financing the acquisition of office equipment. The net present value of minimum lease payments at year end was \$67,772.

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Machinery and equipment	\$155,379
Less: Accumulated depreciation	<u>(56,348)</u>
Total	<u>\$ 99,031</u>

**Operating Leases.** On June 4, 2010, the City entered into an agreement to lease office space for the period of three years and twenty-six days with lease payments beginning the month of July 2010. Current year expenses related to the lease are \$109,193. Future minimum payments for this lease are:

<u>Year Ended</u> <u>June 30,</u>	<u>Lease</u> <u>Payments</u>
2012	\$109,193
2013	<u>109,193</u>
Total	<u>\$218,386</u>

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

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

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

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

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

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

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

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

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

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

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

**Conduit Debt.** On March 4, 2002, October 1, 2003, and October 27, 2005, the City issued \$45,185,000, \$95,000,000, and \$15,000,000, respectively, in revenue bonds for Carson-Tahoe Regional Healthcare, a non-profit corporation. The bonds, issued pursuant to NRS Chapter 268, are not obligations of the City, nor shall they ever constitute a debt of the City and therefore have been excluded from the City’s financial statements. The principal balance outstanding at June 30, 2011 was \$122,230,000.

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

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
<b>Governmental Activities:</b>					
<b>Bonds payable:</b>					
<b>General obligation revenue bonds:</b>					
3.50 to 5.0% Parks general obligation revenue bonds series 1998A, due 11/01/18 - \$4,860,000	\$ 2,700,000	\$ -	\$ (2,700,000)	\$ -	\$ -
3.50 to 5.1% Capital Improvement general obligation revenue bonds series 1998B, due 11/01/18 - \$1,000,000	555,000	-	(555,000)	-	-
5.0 to 5.4% Capital Improvement general obligation revenue bonds series 1999A, due 07/01/20 - \$2,505,000	1,565,000	-	(1,565,000)	-	-
4.0 to 5.0% 2001 Redevelopment general obligation revenue bonds, due 06/01/21 - \$2,000,000	1,815,000	-	(1,815,000)	-	-
4.0 to 5.0% 2001 Senior Citizens Center general obligation revenue bonds, due 06/01/18 - \$1,800,000	1,005,000	-	(1,005,000)	-	-
4.32% 2001 Energy Retrofit general obligation revenue bonds, due 05/28/12 - \$1,329,802	509,131	-	(153,404)	355,727	169,326
4.0 to 5.4% Parks refunding general obligation revenue bonds series 1997C, due 02/01/11 - \$1,515,000	195,000	-	(195,000)	-	-
2.9 to 3.5% Public Safety refunding general obligation revenue bonds series 2003, due 05/01/15 - \$4,895,000	4,440,000	-	(835,000)	3,605,000	860,000
2.0 to 4.625% Room Tax general obligation revenue bonds series 2003, due 06/01/23 - \$4,150,000	3,795,000	-	(40,000)	3,755,000	250,000
3.0 to 4.4% Parks general obligation revenue bonds series 2005, due 03/01/25 - \$980,000	795,000	-	(40,000)	755,000	40,000
3.0 to 4.625% Parks general obligation revenue bonds series 2005, due 03/01/30 - \$5,835,000	5,740,000	-	(20,000)	5,720,000	20,000
4.0 to 5.0% Sheriff/Hospital general obligation revenue bonds series 2005A, due 05/01/33 - \$18,000,000	18,000,000	-	-	18,000,000	-
4.0 to 5.0% Capital Projects general obligation revenue bonds series 2005A, due 05/01/30 - \$8,000,000	7,165,000	-	(230,000)	6,935,000	240,000
4.0 to 5.0% Refunding general obligation revenue bonds series 2005A, due 05/01/22 - \$8,040,000	6,345,000	-	(5,000)	6,340,000	5,000
4.0 to 4.50% V&T Historical general obligation revenue bonds series 2005B, due 12/01/25 - \$15,000,000	12,895,000	-	(580,000)	12,315,000	605,000
2.0 to 3.5% Park refunding general obligation revenue bonds series 2010, due 5/01/19 - \$2,505,000	-	2,505,000	-	2,505,000	195,000
2.0 to 4.0% Various Purpose refunding general obligation revenue bonds series 2010, due 6/01/21 - \$4,705,000	-	4,705,000	-	4,705,000	270,000
Subtotal	<u>67,519,131</u>	<u>7,210,000</u>	<u>(9,738,404)</u>	<u>64,990,727</u>	<u>2,654,326</u>



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

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

**Business Type Activities:**

**Bonds payable:**

**General obligation revenue bonds:**

4.4 to 7.5% Water general obligation revenue bonds series 1997C, due 5/01/13 - \$1,820,000	475,000	-	(475,000)	-	-
3.5 to 4.7% Water general obligation revenue bonds series 1998C, due 5/01/14 - \$1,700,000	560,000	-	(560,000)	-	-
4.9 to 5.0% Water general obligation revenue bonds series 1999B, due 11/01/14 - \$1,525,000	640,000	-	(640,000)	-	-

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

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

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

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
2.0 to 4.125% Water refunding general obligation revenue bonds series 2010B, due 11/01/21 - \$7,095,000	\$ -	\$ 7,095,000	\$ (90,000)	\$ 7,005,000	\$ 580,000
3.75% Water general obligation revenue bonds series 2010 E State of Nevada revolving loan due 7/1/2030 - \$21,900,000	-	2,807,090	-	2,807,090	-
2.0-4.5% Sewer refunding general obligation revenue bonds series 2010D, due 11/1/29 - \$2,690,000	-	2,690,000	-	2,690,000	370,000
3.75% Sewer general obligation revenue bonds series 2010F State of Nevada revolving loan due 7/1/2030 - \$2,800,000	-	752,548	-	752,548	-
Subtotal	<u>48,542,143</u>	<u>25,332,585</u>	<u>(11,888,170)</u>	<u>61,986,558</u>	<u>3,613,418</u>
<b>Notes Payable:</b>					
1.97 to 4.81% Drainage general obligation (limited tax) medium-term bond, due 09/01/19 - \$848,000	848,000	-	(53,000)	795,000	82,000
1.97 to 4.81% Sewer general obligation (limited tax) medium-term bond, due 09/01/19 - \$1,600,000	<u>1,600,000</u>	<u>-</u>	<u>-</u>	<u>1,600,000</u>	<u>165,000</u>
Subtotal	<u>2,448,000</u>	<u>-</u>	<u>(53,000)</u>	<u>2,395,000</u>	<u>247,000</u>
<b>Deferred amounts:</b>					
For issuance premiums	374,414	248,545	(63,033)	559,926	-
For issuance discounts	-	(11,469)	570	(10,899)	-
On refunding	<u>(117,697)</u>	<u>(104,054)</u>	<u>111,730</u>	<u>(110,021)</u>	<u>-</u>
Total bonds payable	51,246,860	25,465,607	(11,891,903)	64,820,564	3,860,418
<b>Arbitrage</b>	35,454	-	-	35,454	-
<b>Compensated Absences Payable:</b>	<u>700,055</u>	<u>526,609</u>	<u>(636,757)</u>	<u>589,907</u>	<u>155,637</u>
Business-Type Activity Long-Term Liabilities	<u>51,982,369</u>	<u>25,992,216</u>	<u>(12,528,660)</u>	<u>65,445,925</u>	<u>4,016,055</u>
<b>Total debt</b>	<u>\$ 150,928,957</u>	<u>\$ 36,918,284</u>	<u>\$(27,876,954)</u>	<u>\$ 159,970,287</u>	<u>\$ 8,730,721</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$65,080 of internal service funds compensated absences, \$72,636 of incurred but not reported claims liability, \$230,000 of fleet general obligation notes payable, and \$80,745 of net opeb obligation are included in the above amounts.

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**Discretely presented component units**

Long-term liability activity for the Airport Authority for the year ended June 30, 2011, was as follows:

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

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

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

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

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

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

**CARSON CITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**E. RESTRICTED ASSETS**

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

	<u>General</u>	<u>Commissary</u>	<u>Total</u>
Funds held in trust	<u>\$556,258</u>	<u>\$38,230</u>	<u>\$594,488</u>

**NOTE 4 - OTHER INFORMATION**

**A. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. General liability insurance has a \$1,000,000 maximum coverage per occurrence, \$1,000,000 personal injury, and a \$2,000,000 general aggregate maximum benefit, with a deductible of \$25,000 per occurrence. Beginning July 1, 2010 the City left the Nevada Public Agency Insurance Pool, which is a public entity risk pool currently operating as a common risk management and insurance program for it's members and elected to purchase private property, auto physical damage, excess liability coverage and government crime insurance. For property insurance, the policy limit is \$187,000,000 with a deductible of \$25,000 per occurrence. The earth movement policy limit is \$50,000,000 with a deductible of \$100,000 per location. The flood property policy limit is \$100,000,000 with a deductible of \$100,000 per location. The flood property – high hazard zone policy limit is \$5,000,000 with a \$500,000 per location deductible. Other coverage currently held by the City, including airport liability, boiler and machinery and bonds on public officials, are insured without a deductible. In addition, automobile damage is self-insured by the City.

Beginning July 1, 2010, the City elected to leave the Nevada Public Agency Compensation Trust (PACT) which is a fully insured program for workers compensation and formed its own self-insurance program. The coverage provides for statutory limits for worker's compensation coverage and \$1,000,000 for employer's liability limits with self-insured retentions of \$2,000,000 for police and fire employees and \$750,000 for all other employees. The City's total net assets of the Worker's Compensation Fund were \$3,049,887 at June 30, 2011.

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

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

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

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**B. LANDFILL CLOSURE AND POSTCLOSURE COSTS**

The City operates a Municipal Solid Waste Landfill. The operation of this landfill is regulated by both federal and state governments under Subtitle D (40 CFR Part 258) and NRS 444.556. Recognition of liability for closure and post closure care costs is based on landfill capacity used to date. This liability at June 30, 2011, \$2,975,838, is reported in governmental activities. It is estimated that the landfill will be used for an additional fifty-one years and that at June 30, 2011, approximately 35.75 percent of its capacity had been utilized. The City passes the EPA "financial assurance test" for local governments, and will self-assure payment for its obligations for closure, post closure, and corrective care costs. The estimated total current cost of closure and post closure care, \$8,324,022 has been calculated in 2011 dollars in accordance with current federal and state regulations and will be adjusted each year for changes resulting from inflation, deflation or technology.

**C. CONTINGENT LIABILITIES**

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

**D. OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

- Firefighters who retire under Nevada PERS after July 1, 2002, and sheriff's department employees who retire under Nevada PERS after June 30, 2010, at age 47 or older and with 20 or more years of service receive a percentage of the medical premiums for themselves and their dependents. No subsidy is paid toward the cost of firefighter's dental, vision or life coverage in retirement. The City pays 90% of the premium until age 65, then 50% of the retiree's Medicare supplement medical premium. The City pays 50% of dependent coverage until age 65, then 25% of the dependent's Medicare supplement medical premium.
- All other employees who retire from the City with at least 10 years of service (including firefighters not yet eligible or not qualifying for the benefits above) receive a subsidy of \$6 per month for each year of service toward the cost of their coverage. Retirees may elect to continue coverage for their spouse and other eligible dependents, but do so entirely at their expense.

**CARSON CITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

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

The City serves as a secondary carrier for retirees eligible for Medicare. Expenditures for post-employment healthcare and life insurance are recognized each month when premiums are paid. A summary of the premium rates for the City's Plan, as of July 1, 2010, are shown below:

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

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

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

The City is required to provide a subsidy for their retirees that have elected to join PEBP. The subsidy is paid on the pay-as-you-go basis. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depend on the date of retirement of prior years of PERS service for employees earned while working for the City. For retirees retiring prior to January 1, 1994, the subsidy is \$344.30. For those who retired on or after January 1, 1994, the subsidy depends on years of service and ranges from a minimum of \$86.08 for 5 years of service to a maximum of \$473.41 for 20 or more years of service. These subsidies are then allocated and billed to all applicable former employers of the retiree. The City's portion of the monthly subsidies ranged from \$1.45 to \$590.38 during the 2011 fiscal year.

**Funding Policy and Annual OPEB Cost.** The City is currently funding the annual OPEB cost on a pay as you go basis for both plans.

**CARSON CITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

The City's actuarial valuation for the plans was prepared from employee and retiree data as of June 2011. The number of participants as of June 30, 2011, the effective date of the OPEB valuation, as follows.

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

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal year 2010-2011 and the two preceding years were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
City Plan	6/30/09	\$2,197,916	\$ 400,512	18.22%	\$1,797,404
City Plan	6/30/10	\$2,326,772	\$ 442,315	19.01%	\$3,681,861
City Plan	6/30/11	\$2,606,177	\$ 439,128	16.85%	\$5,848,910
PEBP	6/30/09	\$ 568,124	\$ 677,568	119.26%	\$ (109,444)
PEBP	6/30/10	\$ 564,929	\$ 595,705	105.45%	\$ (140,220)
PEBP	6/30/11	\$ 546,763	\$ 627,309	114.73%	\$ (220,766)
Totals	6/30/09	\$2,766,040	\$1,078,080	38.98%	\$1,687,960
Totals	6/30/10	\$2,891,701	\$1,038,020	35.90%	\$3,541,641
Totals	6/30/11	\$3,152,940	\$1,066,437	33.82%	\$5,628,144

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

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



**CARSON CITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

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

	City Plan	PEBP Plan	Totals
Accrued actuarial liability (a)	\$25,201,161	\$9,426,565	\$34,627,725
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued Liability (a) - (b)	\$25,201,161	\$9,426,565	\$34,627,725
Funded ratio (b) / (a)	0%	0%	0%
Covered payroll (c)	\$31,833,256	N/A	N/A
Unfunded actuarial accrued liability as a percentage of covered payroll $([(a) - (b)] / (c))$	79.17%	N/A	N/A

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

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

	City Plan	PEBP Plan
Actuarial valuation date	6/30/11	6/30/11
Actuarial cost method	Entry age normal cost	Entry age normal cost
Amortization method	Level percentage of pay	Level dollar
Remaining amortization period	30 years, open	28 years, closed
Asset valuation method	N / A	N / A
<u>Actuarial assumptions:</u>		
Investment rate of return	4.0%	4.0%
Projected salary increases	4.0%	4.0%
Healthcare inflation rate * Medical – decreasing 1% each year until ultimate trend rate of 5% is reached.	Medical – 8% *	Medical – 8% *

**E. DEFINED BENEFIT PENSION PLAN**

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

**CARSON CITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

**Funding Policy.** Plan members' benefits are funded under one of two methods. Under the employer pay contribution plan, the City is required to contribute all amounts due under the plan. The rate for those contributions was 21.5% for regular members and 37% for police and fire employee members on all covered payroll. The second funding mechanism for providing benefits to regular employees is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while the City is required to match that contribution. The rate for regular employees under this plan was 11.25%. The contribution requirements of plan members and the City are established by NRS Chapter 286. The funding mechanism may only be amended through legislation. The City's contributions to PERS for the years ended June 30, 2011, 2010, and 2009 were \$9,390,415, \$9,778,202, and \$8,849,179, respectively, equal to the required contributions each year. The contribution rates for the years ended June 30, 2011 and June 30, 2010 were the same as disclosed above. The contribution rates for the year ended June 30, 2009 was 20.5% for regular employees, 33.5% for police and fire employees under the employer paid plan, and 10.50% for regular employees under the employer/employee paid plan.

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

**Schedule of Funding Progress**

	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age Normal Cost (b)</u>	<u>Unfunded AAL (UAAL) (b - a)</u>	<u>Funded Ratio (a / b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ([b - a] / c)</u>
City Plan	6/30/11	\$ -	\$ 25,201,161	\$ 25,201,161	\$ -	\$31,833,256	79.17%
PEBP	6/30/11	<u>-</u>	<u>9,426,565</u>	<u>9,426,565</u>	<u>-</u>	N/A	N/A
Total	6/30/11	<u>\$ -</u>	<u>\$ 34,627,726</u>	<u>\$ 34,627,726</u>	<u>\$ -</u>		
City Plan	6/30/09	\$ -	\$ 20,788,605	\$ 20,788,605	\$ -	\$31,781,336	65.41%
PEBP	6/30/09	<u>-</u>	<u>14,867,523</u>	<u>14,867,523</u>	<u>-</u>	N/A	N/A
Total	6/30/09	<u>\$ -</u>	<u>\$ 35,656,128</u>	<u>\$ 35,656,128</u>	<u>\$ -</u>		

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

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

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

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

See accompanying notes to required supplementary information.

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

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

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

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

## **GENERAL FUND**

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

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**CARSON CITY**  
**GENERAL FUND (BUDGETARY BASIS)**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**  
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	FINAL BUDGET	ACTUAL	VARIANCE	2010
Revenues:				
Taxes:				
Ad valorem	\$ 16,688,681	\$ 16,333,974	\$ (354,707)	\$ 15,033,876
Licenses and permits:				
Business licenses and permits:				
Business licenses	735,000	707,914	(27,086)	743,950
Liquor licenses	140,000	152,714	12,714	154,493
City / county gaming licenses	625,000	696,613	71,613	648,808
Right of way toll	200,000	172,252	(27,748)	150,314
Franchise fees:				
Gas	1,442,000	1,250,276	(191,724)	1,441,625
Electric	2,205,000	1,833,011	(371,989)	2,098,785
Telephone	1,088,000	952,248	(135,752)	1,070,156
Sanitation	390,000	392,595	2,595	390,851
Cable television	366,000	377,315	11,315	380,245
	<u>7,191,000</u>	<u>6,534,938</u>	<u>(656,062)</u>	<u>7,079,227</u>
Nonbusiness licenses and permits:				
Marriage licenses	20,000	15,120	(4,880)	15,813
Animal licenses	7,500	6,173	(1,327)	8,877
Mobile home permits	100	18	(82)	118
	<u>27,600</u>	<u>21,311</u>	<u>(6,289)</u>	<u>24,808</u>
Total Licenses and Permits	<u>7,218,600</u>	<u>6,556,249</u>	<u>(662,351)</u>	<u>7,104,035</u>
Intergovernmental revenues:				
Federal grants:				
Drug Enforcement Administration	-	1,652	1,652	7,974
Bulletproof Vest Program	-	21,575	21,575	-
State Criminal Alien Assistance	-	40,543	40,543	51,736
Federal Lands Lease	-	-	-	19
Federal Child Nutrition	25,000	18,324	(6,676)	16,611
	<u>25,000</u>	<u>82,094</u>	<u>57,094</u>	<u>76,340</u>
Federal payments in lieu of taxes	110,000	114,974	4,974	113,938



**CARSON CITY**  
**GENERAL FUND (BUDGETARY BASIS)**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**  
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	FINAL BUDGET	ACTUAL	VARIANCE	2010
State shared revenues:				
Consolidated tax revenues	\$ 17,418,787	\$ 18,286,154	\$ 867,367	\$ 17,477,368
State gaming licenses	150,000	144,522	(5,478)	150,947
Candidate filing fee	-	-	-	2,100
Court administrative assessments	67,660	57,471	(10,189)	157,799
	<u>17,636,447</u>	<u>18,488,147</u>	<u>851,700</u>	<u>17,788,214</u>
Other local government grants:				
Interlocal cooperative agreements	859,293	858,302	(991)	587,280
Other local government shared revenues:				
Miscellaneous other governments	16,808	55,689	38,881	940
Total Intergovernmental Revenues	<u>18,647,548</u>	<u>19,599,206</u>	<u>951,658</u>	<u>18,566,712</u>
Charges for services:				
General government:				
Treasurer fees	30,000	25,814	(4,186)	28,139
Clerk fees	201,000	176,669	(24,331)	171,066
Recorder fees	238,500	217,536	(20,964)	221,532
Technology fees	30,000	29,823	(177)	28,788
Assessor commissions	216,000	195,573	(20,427)	210,355
Building and zoning fees	80,000	73,063	(6,937)	72,924
Public administrator fees	45,000	66,335	21,335	128,154
Administration fees	4,724,377	4,697,812	(26,565)	4,727,980
Miscellaneous	24,300	12,652	(11,648)	20,746
	<u>5,589,177</u>	<u>5,495,277</u>	<u>(93,900)</u>	<u>5,609,684</u>
Judicial:				
Drug Court	12,000	13,968	1,968	11,662
Court facilities	115,000	106,363	(8,637)	103,500
Justice civil fees	589,500	632,485	42,985	660,921
	<u>716,500</u>	<u>752,816</u>	<u>36,316</u>	<u>776,083</u>

**CARSON CITY**  
**GENERAL FUND (BUDGETARY BASIS)**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
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	FINAL BUDGET	ACTUAL	VARIANCE	2010
Public safety:				
Police:				
Sheriff's fees	\$ 280,000	\$ 350,878	\$ 70,878	\$ 334,388
Fire	11,000	4,574	(6,426)	7,653
Protective services	192,200	117,560	(74,640)	171,737
	<u>483,200</u>	<u>473,012</u>	<u>(10,188)</u>	<u>513,778</u>
Public works:				
Street / engineering charges	-	960	960	-
Sanitation:				
Landfill fees	2,615,000	2,722,262	107,262	2,674,172
Health:				
Vaccine	147,000	148,608	1,608	183,205
Clinic services	95,000	120,692	25,692	94,401
Health inspection fees	60,000	46,606	(13,394)	52,982
	<u>302,000</u>	<u>315,906</u>	<u>13,906</u>	<u>330,588</u>
Culture and recreation	1,338,750	1,116,155	(222,595)	1,208,624
Total Charges for Services	<u>11,044,627</u>	<u>10,876,388</u>	<u>(168,239)</u>	<u>11,112,929</u>
Fines and forfeits:				
Library	20,000	940	(19,060)	11,622
Court	851,000	673,847	(177,153)	676,838
Animal services	39,000	38,283	(717)	41,902
Total Fines and Forfeits	<u>910,000</u>	<u>713,070</u>	<u>(196,930)</u>	<u>730,362</u>
Miscellaneous:				
Investment income	420,000	112,279	(307,721)	406,686
Rents and royalties	94,688	103,816	9,128	105,866
Other	176,000	183,315	7,315	202,031
Gifts and donations	49,213	69,060	19,847	48,336
Refunds and reimbursements	136,406	336,709	200,303	148,257
Penalties and interest - delinquent taxes	125,000	336,171	211,171	306,569
Total Miscellaneous	<u>1,001,307</u>	<u>1,141,350</u>	<u>140,043</u>	<u>1,217,745</u>
Total Revenues	<u>55,510,763</u>	<u>55,220,237</u>	<u>(290,526)</u>	<u>53,765,659</u>
Expenditures:				
General Government:				
Legislative:				
Board of Supervisors:				
Salaries and wages	133,043	128,806	4,237	132,745
Employee benefits	78,267	64,463	13,804	72,482
Services and supplies	20,450	18,137	2,313	19,739
Total Legislative	<u>231,760</u>	<u>211,406</u>	<u>20,354</u>	<u>224,966</u>

**CARSON CITY**  
**GENERAL FUND (BUDGETARY BASIS)**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**  
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	FINAL BUDGET	ACTUAL	VARIANCE	2010
Executive:				
Clerk:				
Salaries and wages	\$ 250,793	\$ 226,611	\$ 24,182	\$ 243,713
Employee benefits	68,393	67,053	1,340	82,065
Services and supplies	19,500	12,277	7,223	18,945
	<u>338,686</u>	<u>305,941</u>	<u>32,745</u>	<u>344,723</u>
Elections:				
Salaries and wages	148,607	134,519	14,088	132,455
Employee benefits	46,125	45,735	390	45,350
Services and supplies	34,075	32,516	1,559	36,352
	<u>228,807</u>	<u>212,770</u>	<u>16,037</u>	<u>214,157</u>
Treasurer:				
Salaries and wages	295,632	286,038	9,594	307,383
Employee benefits	115,374	107,923	7,451	114,716
Services and supplies	52,780	54,522	(1,742)	55,280
	<u>463,786</u>	<u>448,483</u>	<u>15,303</u>	<u>477,379</u>
Recorder:				
Salaries and wages	244,476	245,116	(640)	240,959
Employee benefits	97,722	97,924	(202)	96,416
Services and supplies	95,007	39,635	55,372	16,890
	<u>437,205</u>	<u>382,675</u>	<u>54,530</u>	<u>354,265</u>
Assessor:				
Salaries and wages	384,253	390,479	(6,226)	394,061
Employee benefits	145,117	145,424	(307)	151,180
Services and supplies	35,057	23,598	11,459	27,246
Capital outlay	61,250	-	61,250	-
	<u>625,677</u>	<u>559,501</u>	<u>66,176</u>	<u>572,487</u>
District Attorney:				
Salaries and wages	1,546,246	1,437,708	108,538	1,647,530
Employee benefits	519,205	524,526	(5,321)	548,035
Services and supplies	105,470	66,020	39,450	81,925
	<u>2,170,921</u>	<u>2,028,254</u>	<u>142,667</u>	<u>2,277,490</u>
City Manager:				
Salaries and wages	313,286	311,922	1,364	310,222
Employee benefits	113,270	111,375	1,895	111,721
Services and supplies	109,610	103,077	6,533	112,498
	<u>536,166</u>	<u>526,374</u>	<u>9,792</u>	<u>534,441</u>
Central Services:				
Services and supplies	1,572,658	1,601,587	(28,929)	1,467,808
Total Executive	<u>6,373,906</u>	<u>6,065,585</u>	<u>308,321</u>	<u>6,242,750</u>

**CARSON CITY**  
**GENERAL FUND (BUDGETARY BASIS)**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**  
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	FINAL BUDGET	ACTUAL	VARIANCE	2010
Finance:				
Finance:				
Salaries and wages	\$ 390,818	\$ 391,888	\$ (1,070)	\$ 428,682
Employee benefits	152,778	153,112	(334)	164,828
Services and supplies	82,165	78,847	3,318	72,358
	<u>625,761</u>	<u>623,847</u>	<u>1,914</u>	<u>665,868</u>
Internal Auditor:				
Services and supplies	54,000	8,204	45,796	1,158
Purchasing:				
Salaries and wages	79,104	84,103	(4,999)	75,431
Employee benefits	26,482	33,379	(6,897)	25,377
Services and supplies	8,615	6,903	1,712	5,765
	<u>114,201</u>	<u>124,385</u>	<u>(10,184)</u>	<u>106,573</u>
Personnel:				
Salaries and wages	188,637	182,865	5,772	181,485
Employee benefits	75,053	71,902	3,151	69,624
Services and supplies	53,586	46,574	7,012	38,450
	<u>317,276</u>	<u>301,341</u>	<u>15,935</u>	<u>289,559</u>
Total Finance	<u>1,111,238</u>	<u>1,057,777</u>	<u>53,461</u>	<u>1,063,158</u>
Other:				
Community Development:				
Planning:				
Salaries and wages	276,629	270,497	6,132	280,979
Employee benefits	118,574	115,126	3,448	123,152
Services and supplies	48,030	35,846	12,184	54,413
	<u>443,233</u>	<u>421,469</u>	<u>21,764</u>	<u>458,544</u>
Business License:				
Salaries and wages	85,565	88,464	(2,899)	64,764
Employee benefits	40,363	41,715	(1,352)	28,258
Services and supplies	16,250	15,261	989	11,775
	<u>142,178</u>	<u>145,440</u>	<u>(3,262)</u>	<u>104,797</u>
Code Enforcement:				
Salaries and wages	151,371	153,525	(2,154)	122,519
Employee benefits	55,707	60,695	(4,988)	49,344
Services and supplies	5,630	686	4,944	6,478
	<u>212,708</u>	<u>214,906</u>	<u>(2,198)</u>	<u>178,341</u>
Total Community Development	<u>798,119</u>	<u>781,815</u>	<u>16,304</u>	<u>741,682</u>

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

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

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

**CARSON CITY**  
**GENERAL FUND (BUDGETARY BASIS)**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
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**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**  
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	FINAL BUDGET	ACTUAL	VARIANCE	2010
<b>Operations:</b>				
Salaries and wages	\$ 4,055,759	\$ 4,154,402	\$ (98,643)	\$ 3,939,124
Employee benefits	2,084,914	2,041,951	42,963	2,217,242
Services and supplies	451,233	430,123	21,110	453,928
Capital outlay	-	411	(411)	5,715
	<u>6,591,906</u>	<u>6,626,887</u>	<u>(34,981)</u>	<u>6,616,009</u>
<b>Prevention:</b>				
Salaries and wages	358,560	353,277	5,283	413,806
Employee benefits	120,244	118,069	2,175	145,330
Services and supplies	45,899	39,609	6,290	21,183
	<u>524,703</u>	<u>510,955</u>	<u>13,748</u>	<u>580,319</u>
<b>Warren Engine Co. No. 1:</b>				
Employee benefits	1,879	-	1,879	-
Services and supplies	5,820	4,277	1,543	9,073
	<u>7,699</u>	<u>4,277</u>	<u>3,422</u>	<u>9,073</u>
<b>Emergency Management:</b>				
Salaries and wages	62,800	62,954	(154)	71,832
Employee benefits	66,297	58,838	7,459	65,433
Services and supplies	16,012	14,843	1,169	16,561
	<u>145,109</u>	<u>136,635</u>	<u>8,474</u>	<u>153,826</u>
<b>Training:</b>				
Salaries and wages	278,921	276,734	2,187	251,051
Employee benefits	149,968	148,028	1,940	147,894
Services and supplies	75,320	64,043	11,277	75,284
	<u>504,209</u>	<u>488,805</u>	<u>15,404</u>	<u>474,229</u>
Total Fire	<u>8,075,070</u>	<u>8,048,599</u>	<u>26,471</u>	<u>8,096,788</u>
<b>Corrections:</b>				
<b>Juvenile Probation:</b>				
Salaries and wages	824,616	839,867	(15,251)	933,004
Employee benefits	457,129	407,714	49,415	467,009
Services and supplies	198,487	174,013	24,474	138,263
	<u>1,480,232</u>	<u>1,421,594</u>	<u>58,638</u>	<u>1,538,276</u>
<b>Juvenile Detention:</b>				
Salaries and wages	981,115	940,680	40,435	913,069
Employee benefits	351,378	347,314	4,064	341,539
Services and supplies	116,790	117,260	(470)	115,999
Capital outlay	-	5,474	(5,474)	-
	<u>1,449,283</u>	<u>1,410,728</u>	<u>38,555</u>	<u>1,370,607</u>
Total Corrections	<u>2,929,515</u>	<u>2,832,322</u>	<u>97,193</u>	<u>2,908,883</u>
Total Public Safety	<u>26,268,930</u>	<u>26,010,354</u>	<u>258,576</u>	<u>26,715,505</u>

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

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



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

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

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

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

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

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

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**NONMAJOR GOVERNMENTAL FUNDS**

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**Combining Balance Sheet**

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

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

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

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

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

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## SPECIAL REVENUE FUNDS

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

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### Nonmajor Funds

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

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

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

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

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

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

**911 Surcharge Fund** - This Fund was established in accordance with Nevada Revised Statute 244A.7643 and is used to account for the 911 surcharge monies that may be expended only for the enhancement or improvement of the telephone system for reporting an emergency in Carson City County.

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

## SPECIAL REVENUE FUNDS Continued

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**Capital Acquisition and Development Fund** - This Fund is used to account for sales of City property and the financing and purchasing of large capital items for the benefit of the public at large. These specific revenue sources are not legally restricted to expenditures for particular purposes, but are separated from the Capital Projects Fund for internal accounting purposes and reported as part of the Capital Projects Fund for external reporting purposes.

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

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

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

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

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

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

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

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

**SPECIAL REVENUE FUNDS**  
**Continued**

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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**SPECIAL REVENUE FUNDS  
INTERNALLY REPORTED**

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

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

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

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

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



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

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

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

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

## **DEBT SERVICE FUNDS**

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

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### **Nonmajor Funds**

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

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

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

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

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

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

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

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

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

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

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

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



## CAPITAL PROJECTS FUNDS

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

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### **Nonmajor Funds**

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

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

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

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

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

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

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

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

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

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

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

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

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

## ENTERPRISE FUNDS

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

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### Major Funds

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

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

### Nonmajor Funds

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

## **INTERNAL SERVICE FUNDS**

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

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

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

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

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

**CARSON CITY  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JUNE 30, 2011**

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



## FIDUCIARY FUNDS

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

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

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

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

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

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

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

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

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

**FIDUCIARY FUNDS**  
**Continued**

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

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

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

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

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

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

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

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

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

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

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**STATISTICAL SECTION**

**CITY OF CARSON CITY, NEVADA  
STATISTICAL SECTION  
(UNAUDITED)**

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

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

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



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

	<b>FISCAL YEAR ENDED JUNE 30,</b>								
	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>GOVERNMENTAL ACTIVITIES</b>									
Invested in capital assets, net of related debt	\$ 230,502,492	\$ 172,327,528	\$ 142,099,041	\$ 131,338,112	\$ 120,602,072	\$ 65,849,092	\$ 69,600,063	\$ 63,816,236	\$ 60,351,746
Restricted	16,058,661	20,115,371	18,759,556	23,302,315	29,389,902	24,871,291	16,085,638	14,316,416	15,261,474
Unrestricted	(16,829,470)	(14,549,896)	(4,678,327)	2,417,112	(1,728,608)	(3,390,070)	15,697,202	14,233,204	15,440,977
Total Governmental Activities									
Net Assets	\$ 229,731,683	\$ 177,893,003	\$ 156,180,270	\$ 157,057,539	\$ 148,263,366	\$ 87,330,313	\$ 101,382,903	\$ 92,365,856	\$ 91,054,197
<b>BUSINESS-TYPE ACTIVITIES</b>									
Invested in capital assets, net of related debt	\$ 92,656,159	\$ 90,457,625	\$ 89,403,212	\$ 87,652,903	\$ 84,123,860	\$ 78,129,888	\$ 71,872,037	\$ 70,977,186	\$ 71,395,417
Restricted	-	-	-	-	2,742,096	2,598,135	2,545,363	2,482,872	2,481,867
Unrestricted	3,476,230	6,235,987	11,002,971	14,666,940	16,169,206	16,340,435	17,913,131	16,797,849	16,176,689
Total Business-Type Activities									
Net Assets	\$ 96,132,389	\$ 96,693,612	\$ 100,406,183	\$ 102,319,843	\$ 103,035,162	\$ 97,068,458	\$ 92,330,531	\$ 90,257,907	\$ 90,053,973
<b>PRIMARY GOVERNMENT</b>									
Invested in capital assets, net of related debt	\$ 323,158,651	\$ 262,785,153	\$ 231,502,253	\$ 218,991,015	\$ 204,725,932	\$ 143,978,980	\$ 141,472,100	\$ 134,793,422	\$ 131,747,163
Restricted	16,058,661	20,115,371	18,759,556	23,302,315	32,131,998	27,469,426	18,631,001	16,799,288	17,743,341
Unrestricted	(13,353,240)	(8,313,909)	6,324,644	17,084,052	14,440,598	12,950,365	33,610,333	31,031,053	31,617,666
Total Primary Government									
Net Assets	\$ 325,864,072	\$ 274,586,615	\$ 256,586,453	\$ 259,377,382	\$ 251,298,528	\$ 184,398,771	\$ 193,713,434	\$ 182,623,763	\$ 181,108,170

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

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

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

**FISCAL YEAR ENDED JUNE 30,**

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

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

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

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

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

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

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

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

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

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

	FISCAL YEAR ENDED JUNE 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>GENERAL FUND</b>										
<b>GASB 54 <sup>(a)</sup></b>										
Nonspendable	\$ 234,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	866,931	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	2,962,474	-	-	-	-	-	-	-	-	-
Unassigned	2,830,794	-	-	-	-	-	-	-	-	-
<b>Prior to GASB 54 <sup>(a)</sup></b>										
Reserved	-	1,164,962	877,986	790,253	793,002	867,481	546,825	479,751	532,198	450,765
Unreserved:										
Designated	-	3,294,193	7,979,901	5,143,029	5,385,581	5,079,437	8,959,556	8,846,685	8,712,714	9,368,308
Undesignated	-	2,024,044	2,628,357	8,383,701	5,496,137	4,951,945	2,092,600	2,606,927	16,884	2,971,753
Total General Fund	\$ 6,894,902	\$ 6,483,199	\$ 11,486,244	\$ 14,316,983	\$ 11,674,720	\$ 10,898,863	\$ 11,598,981	\$ 11,933,363	\$ 9,261,796	\$ 12,790,826
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
<b>GASB 54 <sup>(a)</sup></b>										
Nonspendable	\$ 24,582	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	12,212,046	-	-	-	-	-	-	-	-	-
Committed	2,400,000	-	-	-	-	-	-	-	-	-
Assigned	1,926,574	-	-	-	-	-	-	-	-	-
Unassigned	(1,943)	-	-	-	-	-	-	-	-	-
<b>Prior to GASB 54 <sup>(a)</sup></b>										
Reserved	-	20,076	7,742	15,258	12,953	1,287	865	22,400	247	3,798,655
Unreserved:										
Designated in:										
Special Revenue Funds	-	5,205,792	10,977,085	14,476,430	5,195,162	9,914,131	10,300,110	5,738,209	2,169,391	3,007,135
Debt Service Funds	-	1,036,661	1,140,238	1,259,329	1,143,535	992,243	1,633,794	2,354,377	2,667,705	-
Capital Projects Funds	-	51,609	90,054	73,552	100,358	517,218	130,227	70,197	177,126	1,385,905
Undesignated in:										
Special Revenue Funds	-	15,318,046	12,081,931	13,889,408	32,268,590	28,406,279	22,049,919	17,059,026	16,934,032	14,588,849
Debt Service Funds	-	12,384	196,616	24,354	37,444	443,148	13,798	27,006	154,164	-
Capital Projects Funds	-	2,729,014	777,393	3,095,754	7,245,512	14,599,397	2,801,349	2,071,348	3,001,323	1,354,474
Total All Other Governmental Funds	\$ 16,561,259	\$ 24,373,582	\$ 25,271,059	\$ 32,834,085	\$ 46,003,554	\$ 54,873,703	\$ 36,930,062	\$ 27,342,563	\$ 25,103,988	\$ 24,135,018

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

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

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

**FISCAL YEAR ENDED JUNE 30,**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
<b>REVENUES</b>										
Taxes	29,656,665	\$ 28,093,025	\$ 26,721,962	\$ 26,801,548	\$ 26,649,450	\$ 24,247,771	\$ 23,227,887	\$ 21,806,953	\$ 20,705,621	\$ 20,533,691
Special assessments	-	-	-	-	-	-	-	192,708	211,484	234,794
Licenses and permits	6,782,247	7,340,788	7,377,737	7,089,746	6,183,388	6,191,477	5,688,240	5,099,575	4,877,726	4,623,361
Intergovernmental revenues	32,902,457	49,672,531	32,332,386	30,876,567	43,287,158	36,935,960	33,640,817	29,100,114	27,058,432	28,395,840
Charges for services	11,153,091	11,467,700	11,215,117	13,322,748	8,417,219	7,455,522	6,997,392	6,133,344	5,645,508	5,293,332
Fines and forfeits	773,519	802,402	1,046,329	1,023,459	901,404	1,011,142	902,536	845,779	789,494	828,567
Miscellaneous	1,716,374	2,188,920	3,430,504	4,565,944	4,411,395	2,179,034	2,121,663	1,024,528	2,398,752	2,253,205
<b>Total Revenues</b>	<b>82,984,353</b>	<b>99,565,366</b>	<b>82,124,035</b>	<b>83,680,012</b>	<b>89,850,014</b>	<b>78,020,906</b>	<b>72,578,535</b>	<b>64,203,001</b>	<b>61,687,017</b>	<b>62,162,790</b>
<b>EXPENDITURES</b>										
General government	14,231,116	15,005,013	14,680,918	14,514,253	15,037,996	19,586,502	13,998,307	12,828,474	12,949,568	12,308,055
Public safety	27,313,128	28,362,786	26,595,429	25,954,382	25,956,021	24,295,657	25,614,239	20,531,866	20,448,172	18,255,487
Judicial	4,824,457	5,075,739	4,822,651	4,704,943	3,652,245	3,521,459	3,093,465	2,794,389	2,779,499	2,473,197
Public works	7,821,034	19,917,994	20,642,266	17,079,950	11,965,730	12,148,591	10,441,407	10,201,012	10,749,239	9,975,074
Sanitation	1,542,371	1,673,677	1,734,716	3,386,664	-	-	-	-	-	-
Health	3,798,124	3,960,626	3,001,006	2,627,724	2,670,894	1,777,541	1,532,341	1,037,614	1,146,927	934,853
Welfare	2,344,154	2,359,467	2,127,710	2,011,350	2,073,901	2,033,648	1,911,782	1,478,840	1,773,771	1,388,945
Culture and recreation	7,296,030	13,381,380	11,217,627	15,594,191	9,464,358	8,810,148	11,169,367	10,299,483	7,926,518	8,296,395
Community support	1,296,951	3,573,553	2,617,465	570,916	630,602	15,784,475	752,965	5,547,273	1,058,208	1,739,029
Intergovernmental	-	-	-	-	-	-	-	-	-	249,873
Airport	47,506	9,144,072	3,107,641	579,295	10,034,403	38,779	79,038	297,124	247,363	73,352
Economic opportunity	326,957	4,742,049	2,275,376	609,176	565,092	4,598,312	593,042	263,279	312,937	374,336
Capital outlay	11,231,655	8,028	1,084,955	4,084,369	9,039,514	6,510,301	306,392	265,811	180,704	252,124
Debt service:										
Principal	3,924,674	3,604,885	3,549,588	3,038,832	3,056,246	2,725,880	2,576,513	2,396,506	3,501,418	2,364,750
Interest and fiscal charges	4,286,892	3,956,052	3,873,919	3,651,174	3,764,874	2,932,911	1,958,684	1,282,262	1,961,517	1,909,116
<b>Total Expenditures</b>	<b>90,285,049</b>	<b>114,765,321</b>	<b>101,331,267</b>	<b>98,407,219</b>	<b>97,911,876</b>	<b>104,764,204</b>	<b>74,027,542</b>	<b>69,223,933</b>	<b>65,035,841</b>	<b>60,594,586</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<b>(7,300,696)</b>	<b>(15,199,955)</b>	<b>(19,207,232)</b>	<b>(14,727,207)</b>	<b>(8,061,862)</b>	<b>(26,743,298)</b>	<b>(1,449,007)</b>	<b>(5,020,932)</b>	<b>(3,348,824)</b>	<b>1,568,204</b>

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

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

	<b>FISCAL YEAR ENDED JUNE 30,</b>									
	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Capital asset sales	3,535	-	-	-	-	3,620,000	40,613	141,280	42,026	71,166
Capital leases	-	69,433	53,467	11,228	55,770	20,052	85,749	-	-	-
Bonds issued	7,210,000	7,900,000	9,055,000	-	-	41,000,000	6,815,000	9,935,000	-	5,129,802
Notes issued	-	-	-	-	-	-	3,028,000	-	802,500	-
Payment to refunded bond escrow agent	(7,244,702)	-	-	-	-	(9,884,613)	-	-	(4,888,283)	-
Refunding bonds issued	-	-	-	-	-	8,040,000	-	-	4,895,000	-
Refunding notes issued	-	-	-	-	-	1,654,300	-	-	-	-
Premium on refunding bonds issued	226,243	-	-	-	-	278,709	-	-	-	-
Transfers in	8,279,959	15,500,233	11,826,603	12,952,593	7,736,648	10,162,385	9,961,443	4,121,536	11,074,155	5,429,803
Transfers out	(8,574,959)	(14,170,233)	(12,121,603)	(8,763,820)	(7,824,848)	(11,212,920)	(9,162,332)	(4,121,536)	(11,136,634)	(5,839,803)
Premium on bonds issued	-	-	-	-	-	308,908	-	-	-	-
Discount on bonds issued	-	-	-	-	-	-	(66,349)	(145,206)	-	-
Total Other Financing Sources (Uses)	(99,924)	9,299,433	8,813,467	4,200,001	(32,430)	43,986,821	10,702,124	9,931,074	788,764	4,790,968
Net Change in Fund Balances	\$ (7,400,620)	\$ (5,900,522)	\$ (10,393,765)	\$ (10,527,206)	\$ (8,094,292)	\$ 17,243,523	\$ 9,253,117	\$ 4,910,142	\$ (2,560,060)	\$ 6,359,172
Debt service as a percentage of noncapital expenditures	10.39%	8.44%	9.18%	8.74%	9.30%	6.19%	6.98%	5.97%	9.57%	7.08%

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

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

FISCAL YEAR ENDED JUNE 30,	REAL PROPERTY ASSESSED VALUE			PERSONAL PROPERTY ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	TAXABLE ASSESSED VALUE	TOTAL		PERCENTAGE OF TAXABLE VALUE TO ACTUAL VALUE	TOTAL DIRECT TAX RATE (1)	
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL				OTHER	ESTIMATED ACTUAL VALUE			TAXABLE ASSESSED VALUE
2011	\$ 1,296,755,931	\$ 627,675,034	\$ 105,367,926	\$ 34,738,957	\$ 79,406,876	\$ 455,801,189	\$ 1,688,143,535	\$ 4,823,267,242	35.00%	1.7066	
2010	1,434,764,128	660,942,065	104,145,754	25,954,361	83,861,120	482,594,796	1,827,072,632	5,220,207,520	35.00%	1.7070	
2009	1,426,052,054	631,533,390	99,424,981	30,383,765	87,038,009	431,185,202	1,843,246,997	5,266,419,991	35.00%	1.7069	
2008	1,206,800,499	547,565,065	81,726,034	48,675,299	86,113,782	358,490,827	1,612,389,852	4,606,828,149	35.00%	1.5007	
2007	1,083,303,781	451,206,734	73,847,370	48,854,565	83,969,393	307,878,233	1,433,303,610	4,095,153,171	35.00%	1.5075	
2006	849,173,104	377,913,118	70,855,130	43,912,722	90,645,832	228,104,138	1,204,395,768	3,441,130,766	35.00%	1.2220	
2005	787,818,702	353,104,623	66,465,018	49,625,614	85,499,759	216,695,480	1,125,818,236	3,216,623,531	35.00%	1.2220	
2004	746,722,428	332,262,156	79,211,607	55,994,871	69,616,260	214,805,768	1,069,001,554	3,054,290,154	35.00%	1.2085	
2003	724,967,564	325,002,781	70,047,686	68,951,834	65,168,733	198,173,195	1,055,965,403	3,017,044,009	35.00%	1.1809	
2002	686,167,611	309,358,914	70,055,946	63,028,774	62,501,598	193,119,150	997,993,693	2,851,410,551	35.00%	1.1791	

Source: Carson City Assessor

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

(1) Per hundred dollars of assessed valuation.



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

**FISCAL YEAR ENDED JUNE 30,**

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>CARSON CITY DIRECT RATE</b>										
Operating Rate	1.2102	1.2102	1.2102	1.2102	1.2101	0.9634	0.9634	0.9634	0.9234	0.9234
Voter Approved	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Legislative Overrides	0.4464	0.4468	0.4467	0.2405	0.2153	0.1765	0.1765	0.1620	0.1744	0.1711
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0321	0.0321	0.0321	0.0331	0.0331	0.0346
Total Carson City Direct Rate	1.7066	1.7070	1.7069	1.5007	1.5075	1.2220	1.2220	1.2085	1.1809	1.1791
<b>OVERLAPPING RATES</b>										
Carson City School District	1.1800	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200	1.2200
State of Nevada	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1500	0.1500
Eagle Valley Underground Water	0.0010	0.0009	0.0009	0.0011	0.0012	0.0016	0.0016	0.0016	0.0016	0.0016
Carson Valley Ground Water Basin	0.0023	0.0020	0.0010	0.0025	0.0029	0.0027	0.0027	0.0033	0.0034	0.0033
Sub-Conservancy	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Sierra Forest Fire	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Total Overlapping Rates	1.4833	1.5229	1.5219	1.5236	1.5241	1.5243	1.5243	1.5249	1.5050	1.5049
Total Carson City Property Tax Rate	3.1899	3.2299	3.2288	3.0243	3.0316	2.7463	2.7463	2.7334	2.6859	2.6840
<b>REDEVELOPMENT AGENCY OF CARSON CITY</b>	2.8737	2.8895	2.6362	2.8108	2.7913	2.4845	2.5078	2.4891	2.4802	2.5239

Source: Nevada Department of Taxation

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

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

Source: Carson City Assessor

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

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

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

Source: Carson City Treasurer's Office

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

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

**Notes:**

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

**CARSON CITY  
GENERAL OBLIGATION DIRECT  
AND OVERLAPPING DEBT  
FISCAL YEAR ENDED JUNE 30, 2011  
(UNAUDITED)**

NAME OF GOVERNMENT UNIT	<u>GENERAL OBLIGATION DEBT OUTSTANDING</u>	<u>PRESENTLY SELF-SUPPORTING GENERAL OBLIGATION DEBT</u>	<u>PERCENT APPLICABLE (1)</u>	<u>APPLICABLE NET DEBT</u>
Direct:				
City of Carson City:				
Governmental Activity Bonds	\$ 64,990,727	\$ 64,990,727	100.00%	\$ -
Business-Type Activity Bonds	61,986,558	61,986,558	100.00%	-
Total Direct Debt	<u>126,977,285</u>	<u>126,977,285</u>		<u>-</u>
Overlapping:				
Carson City School District	<u>47,547,000</u>	<u>-</u>	100.00%	<u>47,547,000</u>
Total Overlapping Debt	<u>47,547,000</u>	<u>-</u>		<u>47,547,000</u>
Total General Obligation Direct and Overlapping Debt	<u>\$ 174,524,285</u>	<u>\$ 126,977,285</u>		<u>\$ 47,547,000</u>

Source: Carson City Finance Office and Carson City School District

(1) Based on fiscal year 2010-11 assessed valuation in the respective jurisdiction.

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

**Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2011**

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

**FISCAL YEAR ENDED JUNE 30,**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Debt limit	\$266,225,881	\$288,971,603	\$289,552,288	\$249,494,536	\$219,896,382	\$183,981,394	\$172,194,764	\$163,388,242	\$161,241,549	\$152,079,436
Total net debt subject to limitation	<u>126,777,285</u>	<u>115,861,274</u>	<u>123,586,941</u>	<u>129,907,245</u>	<u>135,893,548</u>	<u>132,578,239</u>	<u>103,173,131</u>	<u>83,571,393</u>	<u>68,225,045</u>	<u>69,048,860</u>
Legal Debt Margin	<u>\$ 139,448,596</u>	<u>\$ 173,110,329</u>	<u>\$ 165,965,347</u>	<u>\$ 119,587,291</u>	<u>\$ 84,002,834</u>	<u>\$ 51,403,155</u>	<u>\$ 69,021,633</u>	<u>\$ 79,816,849</u>	<u>\$ 93,016,504</u>	<u>\$ 83,030,576</u>
Total net debt subject to limitation as a percentage of debt limit	<u>47.6%</u>	<u>40.1%</u>	<u>42.7%</u>	<u>52.1%</u>	<u>61.8%</u>	<u>72.1%</u>	<u>59.9%</u>	<u>51.1%</u>	<u>42.3%</u>	<u>45.4%</u>

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

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

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

FISCAL YEAR ENDED JUNE 30,	PLEDGED REVENUE	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE REQUIREMENTS			COVERAGE RATIOS
				PRINCIPAL	INTEREST	TOTAL	
<b><u>HIGHWAY REVENUE(MOTOR VEHICLE FUEL TAX) IMPROVEMENT BONDS (1)</u></b>							
2011	\$ 2,589,547	\$ 2,150,201	\$ 439,346	\$ 643,900	\$ 1,074,609	\$ 1,718,509	0.3
2010	2,754,992	4,072,621	(1,317,629)	461,600	608,961	1,070,561	-1.2
2009	2,370,083	3,020,383	(650,300)	542,400	528,077	1,070,477	-0.6
2008	2,846,668	3,351,447	(504,779)	225,000	199,925	424,925	-1.2
2007	2,919,391	2,022,026	897,365	220,000	205,500	425,500	2.1
2006	2,911,491	1,698,400	1,213,091	215,000	212,000	427,000	2.8
2005	2,882,846	1,076,793	1,806,053	210,000	216,200	426,200	4.2
2004	-	-	-	-	-	-	N/A
2003	-	-	-	-	-	-	N/A
2002	-	-	-	-	-	-	N/A
<b><u>TAX ALLOCATION BOND - REDEVELOPMENT AUTHORITY (2)</u></b>							
2011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2010	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2006	511,325	-	511,325	145,000	120,463	265,463	1.9
2005	544,413	-	544,413	130,000	128,912	258,912	2.1
2004	528,702	-	528,702	115,000	136,330	251,330	2.1
2003	605,520	-	605,520	100,000	142,730	242,730	2.5
2002	624,528	-	624,528	85,000	148,000	233,000	2.7
<b><u>HIGHWAY REVENUE IMPROVEMENT BONDS (3)</u></b>							
2011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2010	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2005	-	-	-	-	-	-	N/A
2004	-	-	-	-	-	-	N/A
2003	2,805,923	1,990,175	815,748	760,000	18,698	778,698	1.0
2002	2,987,769	2,031,393	956,376	225,000	51,288	276,288	3.5
<b><u>GRAVES LANE SPECIAL ASSESSMENT BONDS (4)</u></b>							
2011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2010	-	-	-	-	-	-	N/A
2009	-	-	-	-	-	-	N/A
2008	-	-	-	-	-	-	N/A
2007	-	-	-	-	-	-	N/A
2006	-	-	-	-	-	-	N/A
2005	-	-	-	-	-	-	N/A
2004	192,708	-	192,708	215,000	22,575	237,575	0.8
2003	211,484	-	211,484	215,000	33,540	248,540	0.9
2002	234,794	-	234,794	220,000	44,540	264,540	0.9

**Notes:**

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

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

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

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

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

FISCAL YEAR ENDED JUNE 30,	POPULATION (1)	CITY AREA (SQUARE MILES) (6)	TOTAL PERSONAL INCOME (3)		PER CAPITA PERSONAL INCOME (3)	UNEMPLOYMENT RATE (4)	PUBLIC SCHOOL ENROLLMENT (5)	BUSINESS LICENSES ISSUED (2)	TOTAL CONSTRUCTION PERMITS (6)	TOTAL CONSTRUCTION VALUE (6)
			PERSONAL INCOME	PERSONAL INCOME						
2011	55,152	147.00	\$ 2,254,125,000	\$ 40,871	12.5%	13,346	1,042	939	\$ 42,209,740	
2010	55,274	147.00	2,486,831,346	44,948	13.8%	13,582	934	276	16,955,005	
2009	57,600	147.00	2,408,024,016	43,928	11.5%	13,532	967	242	64,172,562	
2008	57,723	147.00	2,282,920,000	41,717	6.7%	13,493	1,242	295	74,801,157	
2007	57,701	147.00	2,206,735,000	40,135	5.0%	13,790	1,223	425	87,262,258	
2006	57,104	147.00	2,138,263,000	38,481	4.8%	13,638	1,312	385	76,840,787	
2005	56,146	147.00	2,031,906,000	36,499	4.7%	14,524	1,182	426	58,999,793	
2004	55,220	147.00	1,859,588,000	33,815	5.2%	14,667	1,287	491	129,693,867	
2003	54,844	147.00	1,751,205,000	32,211	5.8%	14,906	1,315	600	78,026,678	
2002	54,171	147.00	1,724,799,000	32,298	5.8%	15,480	1,209	612	69,999,803	

NR = Not reported

Sources:

- (1) State of Nevada, Demographer's Office estimated, 1986-2009, and 2011; Final Census information available for 2010.
- (2) City of Carson City, Business License Division
- (3) U.S. Department of Commerce, Bureau of Economic Analysis, 2000-2009, for Carson City Metropolitan Area; Estimated for 2011 as data was unavailable at time of publication.
- (4) State of Nevada, Department of Employment Training & Rehabilitation for Carson City Metropolitan Area
- (5) Includes elementary, junior high, high school, and community college enrollment. Information obtained from the Carson City School District and Western Nevada College - Carson City campus.
- (6) City of Carson City, Building and Safety Department



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

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

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

**Notes:**

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

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

FUNCTION:	FISCAL YEAR ENDED JUNE 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government	104.35	108.10	108.80	123.35	127.05	135.30	134.05	131.55	130.75	128.50
Public Safety	228.25	254.75	256.85	259.45	265.70	261.50	259.50	250.00	249.00	240.00
Judicial	42.50	44.05	45.30	45.00	42.25	35.50	29.75	28.75	26.75	26.75
Public Works	44.90	46.10	53.15	58.25	53.59	54.85	45.05	50.40	49.40	52.90
Sanitation	9.30	10.75	13.35	13.05	10.90	11.70	11.20	7.35	9.35	1.50
Health	30.00	30.00	20.00	23.25	18.75	14.00	12.00	12.00	12.50	12.00
Welfare	4.00	5.00	3.00	2.00	1.00	1.00	1.00	1.00	1.50	1.00
Culture and Recreation	43.88	48.88	48.93	57.82	61.95	59.76	58.01	54.01	54.06	52.44
Community Support	0.00	0.00	0.00	2.00	2.00	2.00	2.00	1.00	1.00	0.00
Utilities	52.80	50.90	48.13	47.50	49.65	48.40	47.75	54.00	48.00	48.20
Hospitals (1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	754.54
Other	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>559.98</b>	<b>598.53</b>	<b>597.51</b>	<b>631.67</b>	<b>633.84</b>	<b>625.01</b>	<b>601.31</b>	<b>591.06</b>	<b>583.31</b>	<b>1,318.83</b>

Source: City of Carson City Finance Department

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

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

FISCAL YEAR ENDED JUNE 30,

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

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

FISCAL YEAR ENDED JUNE 30,

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Culture and Recreation (7)</b>										
Number of participants in recreation sports	7,557	14,393	5,302	7,950	6,350	5,090	5,440	5,240	4,910	4,060
Number of participants in sports tournaments	57,291	58,000	56,410	56,410	42,429	38,687	25,098	22,860	12,549	6,500
Average number of children enrolled in summer programs per day	607	339	265	262	290	370	370	370	390	390
Average number of children enrolled in latch key programs per day	204	202	289	265	275	400	400	370	390	390
<b>Utilities (4)</b>										
<b>Sewer:</b>										
Customer count as of June 30	15,041	15,376	15,414	15,379	15,312	15,227	15,151	15,028	14,752	14,442
Total discharges (in thousands of gallons)	1,787,778	1,741,894	1,825,000	1,869,403	1,878,804	1,833,250	1,868,459	1,864,459	1,800,538	1,793,575
<b>Water:</b>										
Customer count as of June 30	16,798	16,804	16,828	16,790	16,705	16,540	16,427	16,300	16,061	15,754
Total consumption (in thousands of gallons)	3,619,591	3,557,248	4,561,914	4,077,837	4,165,842	3,956,644	3,860,618	4,236,540	3,984,524	4,127,355
<b>Development Services (2)</b>										
Building permits issued	939	276	242	295	425	385	426	491	600	612

Requested from Roger Moellendorf - CC'd several others- August 17th - Bug September 7th if not received - Did get everything for Schd 5.3

NR = Not reported

Sources:

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

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

	FISCAL YEAR ENDED JUNE 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>FUNCTION / PROGRAM:</b>										
<b>General Government</b>										
City owned facilities (1)	82	82	82	82	82	82	84	84	83	82
City owned structures (1)	81	81	81	81	81	81	81	81	81	81
Number of networked computers (5)	580	565	550	650	650	517	NR	NR	NR	NR
<b>Public Safety</b>										
Police: (2)										
Marked police vehicles	40	39	36	37	36	32	32	32	25	25
Fire: (3)										
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire engines	9	9	9	9	9	9	9	9	9	9
<b>Public Works (1)</b>										
Paved streets (miles)	273	257	257	259	259	250	250	250	241	241
<b>Culture and Recreation (4)</b>										
Parks:										
Acreage of parks - developed	780.5	780.5	780.5	780.5	772.5	765.5	765.5	765.5	757.5	754.5
Acreage of parks - undeveloped	436.0	436.0	436.0	436.0	444.0	448.0	448.0	448.0	448.0	448.0
Swimming pools - outdoors	1	1	1	1	1	1	1	1	1	1
Swimming pools - indoors	3	3	3	3	3	3	3	3	3	3
Ball fields - lighted	16	16	16	16	16	16	16	16	16	16
Ball fields - unlighted	19	19	19	19	19	19	19	19	19	19
Tennis courts - lighted	12	12	12	12	12	12	12	12	12	12
Tennis courts - unlighted	4	4	4	4	3	2	2	2	2	2
Basketball courts - unlighted	8	8	8	8	6	4	4	4	4	4
Community Centers	1	1	1	1	1	1	1	1	1	1
Rodeo arenas	1	1	1	1	1	1	1	1	1	1
Sand volleyball courts	4	4	4	4	3	3	3	3	2	2
<b>Utilities (1)</b>										
Sewer lines (miles)	236.0	235.0	216.6	216.6	216.6	213	212	226	226	226
Storm drains (miles)	94.0	93.9	77.0	76.4	76.4	76.4	NR	NR	NR	NR
Water lines (miles)	322	321	297	296	296	235	301	290	240	240

NR = Not reported  
Sources: (1) Carson City Facilities Division  
(2) Carson City Sheriff's Office  
(3) Carson City Fire Department  
(4) Carson City Parks & Recreation  
(5) Carson City Information Technology Department

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**COMPLIANCE SECTION**

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carson City, Nevada as of and for the year ended June 30, 2011, which collectively comprise Carson City, Nevada's basic financial statements, and have issued our report thereon dated November 30, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Airport Authority of Carson City, Nevada and the Carson City Convention and Visitors' Bureau, as described in our report on Carson City, Nevada's basic financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters for the Airport Authority of Carson City that are reported on separately by those auditors. The financial statements of the Carson City Convention and Visitors' Bureau were not audited in accordance with *Government Auditing Standards*.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered Carson City, Nevada's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carson City, Nevada's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Carson City, Nevada's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

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

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

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

*Kafoury, Armstrong & Co.*

Reno, Nevada  
November 30, 2011



**Independent Auditor's Report on Compliance with Requirements  
That Could Have a Direct and Material Effect on Each Major Program and on Internal Control  
over Compliance in Accordance with OMB Circular A-133**

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

**Compliance:**

We have audited Carson City, Nevada's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Carson City, Nevada's major federal programs for the year ended June 30, 2011. Carson City, Nevada's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Carson City, Nevada's management. Our responsibility is to express an opinion on Carson City, Nevada's compliance based on our audit.

Carson City, Nevada's basic financial statements include the operations of the Airport Authority of Carson, a discretely presented component unit, which received \$2,443,777 in federal awards which is not included in Carson City, Nevada's Schedule of Expenditures of Federal Awards for the year ended June 30, 2011. Our audit, as described below, did not include the operations of the Airport Authority of Carson City because the Airport Authority of Carson City engaged other auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Carson City, Nevada's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Carson City, Nevada's compliance with those requirements.

In our opinion, Carson City, Nevada complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

## Internal Control over Compliance:

Management of Carson City, Nevada is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Carson City, Nevada's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Carson City, Nevada's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as Finding 11-1. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Reno, Nevada  
November 30, 2011

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

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>
<u>U.S.Environmental Protection Agency</u>			
Direct programs:			
ARRA Brownfields Assessment and Cleanup Cooperative Agreements	66.818	BF-00T33001-0	\$ 125,862
Congressionally Mandated Projects - Water Infrastructure - Hydraulic Modeling	66.202	XP-98975301-0	14,268
Congressionally Mandated Projects - Water Infrastructure - Marlette Hobart Systems Improvement	66.202	XP-00T41001	91,850
Total Congressionally Mandated Projects			106,118
Surveys - Studies - Investigations and Special Purpose Grants- Water Infrastructure - Water Supply Plan	66.606	XP-96939101-0	2,519
Passed through NV Division of Environmental Protection:			
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS32-1014	1,183,157
Capitalization Grants for Drinking Water State Revolving Funds	66.468	CC-2	3,719,535
ARRA Capitalization Grants for Drinking Water State Revolving Funds	66.468	ARRA CC-1	991,909
Total Capitalization Grants for Drinking Water State Revolving Funds			4,711,444
Total U.S. Environmental Protection Agency			6,129,100
<u>National Foundation on the Arts and the Humanities:</u>			
Passed through Nevada State Library and Archives:			
Grants to States - Silver State Virtual Library and Archives	45.310	LSTA 2010-05	47,250
Grants to States - Statewide Reading Program	45.310	LSTA 2010-20	2,500
Grants to States - Capitol City Business Resource Center	45.310	LSTA 2010-30	99,053
Grants to States - Job Support Resource Project	45.310	LSTA 2009-01	1,603
Grants to States - Early Literacy Success	45.310	LSTA 2009-01	5,000
Grants to States - Service and Automation Project	45.310	LSTA 2009-12	12,430
Grants to States - El Dia de los Ninos	45.310	N/A	3,296
Total Grants to States Program			171,132
<u>U.S. Department of Agriculture:</u>			
Direct programs:			
2010 Cooperative Patrol	10.Unknown	06LE11051360-044	6,215
Soil and Water Conservation - NRCS	10.902	68-9327-10-13/ 68-9327-9-04	248,094
Passed through Nevada Division of Forestry:			
Cooperative Forestry Assistance-Carson City Fuels Reduction	10.664	USDA/SFA/09/01	25,597
Passed through Nevada Department of Health & Human Services:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	7NV700NV1/ 7NV700NV7	187,294
Passed through State Controller:			
Schools and Roads - Grants to States - - Schools and Roads Cluster	10.665	N/A	9,505

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CARSON CITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(PAGE 2 OF 7)**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Child Nutrition Cluster: Passed through Nevada Department of Administration: National School Lunch Program - Food Distribution Program	10.555	N/A	\$ 1,120
Passed through Nevada Department of Education: National School Lunch Program	10.555	R-1390-10	<u>11,777</u>
Total National School Lunch Program			12,897
School Breakfast Program	10.553	R-1390-10	<u>6,547</u>
Total Child Nutrition Cluster			<u>19,444</u>
Total U.S. Department of Agriculture			<u>496,149</u>
<u>U.S. Department of Commerce:</u>			
Passed through Nevada State Library and Archives: ARRA Broadband Technology Opportunities Program (BTOP)	11.557	2010-01	<u>50,779</u>
<u>U.S. Department of Defense:</u>			
Environmental Infrastructure Cluster: Direct programs: Nevada Environmental Infrastructure - Prison Hill Water Tank	12.Unknown	32680	256,810
ARRA Montana, Nevada, New Mexico, Utah, Idaho and Wyoming Environmental Infrastructure (Section 595) - Prison Hill Water Tank	12.121	32680	<u>857,077</u>
Total Environmental Infrastructure Cluster			<u>1,113,887</u>
<u>U.S. Department of Energy:</u>			
Direct programs: ARRA Energy Efficiency and Conservation Block Grant Program	81.128	DE-SC0002243	<u>502,915</u>
Passed through Nevada State Office of Energy: ARRA State Energy Program	81.041	SEPARA032910002	<u>38,000</u>
Total U.S. Department of Energy			<u>540,915</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct programs: Family Planning_Services	93.217	FPHPA096011-02-01	325,969
Family Planning_Services - Program Income	93.217	N/A	<u>120,692</u>
Total Family Planning_Services			<u>446,661</u>
Passed through Nevada Public Health Foundation: Maternal and Child Health Federal Consolidated Programs	93.110	N/A	<u>4,401</u>
Community Services Block Grant Cluster: Passed through Nevada Department of Health and Human Services: ARRA Community Services Block Grant	93.710	N/A	5,714
Community Services Block Grant	93.569	N/A	<u>189,381</u>
Total Community Services Block Grant Cluster			<u>195,095</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CARSON CITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(PAGE 3 OF 7)**

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

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CARSON CITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(PAGE 4 OF 7)**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES
Passed through National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008	#MRC07411	\$ 1,400
Passed through Community Council on Youth: Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	N/A	1,301
Total U.S. Department of Health and Human Services			<u>2,314,479</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Community Development Block Grants /Entitlement Grants Cluster:			
Direct programs:			
ARRA Community Development Block Grant Entitlement Grants (CDBG-R)	14.253	B-09-MY-32-0006	3,043
Community Development Block Grants/ Entitlement Grants	14.218	B-09-MC-32-0006/ B-10-MC-32-0006	<u>419,781</u>
Total Community Development Block Grants / Entitlement Grants Cluster			<u>422,824</u>
Emergency Shelter Grants Program	14.231	N/A	<u>26,156</u>
Passed through Nevada Housing Division: ARRA Homelessness Prevention and Rapid Re-housing Program	14.257	N/A	<u>41,838</u>
Total U.S. Department of Housing and Urban Development			<u>490,818</u>
<u>U.S. Department of the Interior:</u>			
Direct programs:			
National Fire Plan - Wildland Urban Interface Community Fire Assistance - Biological Control and Fuels Reduction	15.228	FAA080090	20,691
National Fire Plan - Wildland Urban Interface Community Fire Assistance - "You Call / We Haul"	15.228	FAA070019	<u>16,817</u>
Total National Fire Plan - Wildland Urban Interface Community Fire Assistance			<u>37,508</u>
BLM Law Enforcement Services	15.Unknown	N/A	<u>4,485</u>
Passed through Nevada Division of State Parks:			
Outdoor Recreation_Acquisition, Development and Planning- Morgan Mill Trailhead	15.916	32-00303	567
Outdoor Recreation_Acquisition, Development and Planning- Urban Fishing Pond	15.916	32-00301	<u>9,130</u>
Total Outdoor Recreation_Acquisition, Development and Planning			<u>9,697</u>
Passed through Nevada Department of Museums, Libraries and Arts - State Historic Preservation Office:			
Historic Preservation Fund Grants-In-Aid - National Register	15.904	32-10-21935(1)	21,000
Historic Preservation Fund Grants-In-Aid - Multiple Preservation Projects	15.904	32-09-21834(4)	<u>1,608</u>
Total Historic Preservation Fund Grants-In-Aid			<u>22,608</u>
Total U.S. Department of the Interior			<u>74,298</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards



**CARSON CITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(PAGE 5 OF 7)**

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

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CARSON CITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(PAGE 6 OF 7)**

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

See accompanying notes to the Schedule of Expenditures of Federal Awards

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

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

See accompanying notes to the Schedule of Expenditures of Federal Awards

**CARSON CITY**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Carson City, Nevada and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2 - SUBRECIPIENTS**

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

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Schools and Roads - Grants to States	10.665	\$ 4,753
Community Development Block Grants	14.218	\$155,434
Job Access Reverse Commute – Transit Services Programs Cluster	20.516	\$ 13,376
Federal Transit – Formula Grants (Urbanized Area Formula Program)	20.507	\$ 26,289
ARRA Federal Transit – Formula Grants (Urbanized Area Formula Program)	20.507	\$ 33,447
Federal Transit – Capital Investment Grants	20.500	\$ 13,095

**NOTE 3 - NON-CASH ASSISTANCE**

The expenditures for the National School Lunch Program - Food Distribution Program (CFDA #10.555) represent the dollar value of food commodities distributed to eligible recipients during the year. The value of commodities is determined by the U.S. Department of Agriculture.

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

**A. Summary of Auditor's Results**

- Kafoury, Armstrong & Co. issued an unqualified opinion on the basic financial statements of Carson City, Nevada for the year ended June 30, 2011.
- No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements.
- The audit disclosed no instances of noncompliance, which were material to the financial statements of Carson City, Nevada.
- A significant deficiency, not identified as a material weakness, in internal control over major federal award programs was disclosed during the audit and is reported in the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with *OMB Circular-A-133*.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major federal award programs of Carson City, Nevada.
- Audit findings relative to major federal award programs for Carson City, Nevada, which are required to be reported under Section .510(a) of the OMB Circular A-133, are reported in the following pages.
- Carson City, Nevada had nine major federal award programs for the year ended June 30, 2011, as follows:
  - Environmental Infrastructure Cluster:  
Nevada Environmental Infrastructure (Section 595) – CFDA 12.Unknown  
ARRA – Montana, Nevada, New Mexico, Utah, Idaho and Wyoming Environmental Infrastructure (Section 595) – CFDA 12.121
  - Justice Assistance Grants Cluster:  
Edward Byrne Memorial Justice Assistance Grant (JAG) Program – CFDA 16.738  
ARRA – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories – CFDA 16.803
  - Highway Planning and Construction Cluster:  
Highway Planning and Construction – CFDA 20.205  
ARRA - Highway Planning and Construction – CFDA 20.205  
Recreational Trails Program – CFDA 20.219
  - Federal Transit Cluster:  
Federal Transit - Capital Investment Grants – CFDA 20.507  
ARRA - Federal Transit - Capital Investment Grants – CFDA 20.507  
Federal Transit - Formula Grants – CFDA 20.500
  - Capitalization Grants for Clean Water State Revolving Funds:  
Capitalization Grants for Clean Water State Revolving Funds – CFDA 66.458  
ARRA - Capitalization Grants for Clean Water State Revolving Funds – CFDA 66.458
  - Capitalization Grants for Drinking Water State Revolving Funds – CFDA 66.468
  - ARRA – Energy Efficiency and Conservation Block Grant – CFDA 81.128
  - Public Health Emergency Preparedness – CFDA 93.069
  - Family Planning Services – CFDA 93.217
- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2011, was \$427,324.
- Carson City, Nevada did not qualify as a low risk auditee for the year ended June 30, 2011 under the criteria set forth in section .530 of OMB Circular A-133.

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

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

There were no findings relating to the financial statement audit.

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

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

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

Finding 11-1:

Public Health Emergency Preparedness, CFDA 93.069:

<i>Grant Award Number:</i>	Affects grant award 5U90TP916964-10 under CFDA 93.069 on the Schedule of Expenditures of Federal Awards.
<i>Criteria and Condition:</i>	The OMB Circular A-133 Compliance Supplement requires that the entity have an internal control process in place designed to provide reasonable assurance that matching requirements are met using only allowable funds or costs which are properly calculated and valued.
<i>Condition and Context:</i>	Although Carson City, Nevada (the "City") had a budget prepared to provide the match using in-kind costs, they did not have controls and procedures in place to ensure that the actual match amounts provided during the grant period were adequate. Additionally, during our audit procedures, documentation was not available to support that budgeted and actual costs were properly calculated and valued. The City subsequently provided documentation to support the required match amounts.
<i>Questioned Costs:</i>	None.
<i>Effect:</i>	The City may not meet the match requirement, which could result in questioned costs.
<i>Cause:</i>	The City did not have adequate internal control procedures in place to track and monitor the amount of in-kind match provided, and to maintain documentation to support that the costs were properly calculated and valued.
<i>Recommendation:</i>	We recommend that the City implement procedures to track and monitor in-kind expenditures that are used to meet the match and maintain documentation to support that the costs were properly calculated and valued.
<i>Management's Response:</i>	See management's response on page 185.



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

November 30, 2011

Dear Grantor Agency:

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

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

Finding 11-1:

Public Health Emergency Preparedness, CFDA 93.069:

Criteria and Condition:

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

Recommendation:

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

Corrective Action:

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

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

Implementation CFDA# 93.069

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

Management Official

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

Sincerely,

*Marena Works*

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



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

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

U.S. Department of Transportation:

Finding 10-3:

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

*Finding Summary:*

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

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

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

*Auditor's Recommendation:*

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

*Current Status:*

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

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

U.S. Department of Health and Human Services:

Finding 10-4:

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

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

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

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

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

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

U.S. Department of Housing and Urban Development:

Finding 10-5:

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

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

As part of our testing over subrecipient monitoring, we tested a sample of

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

two subrecipient awards for communication of required information, and noted that the awards did not include the CFDA number, and no documentation was available to support that the CFDA number was communicated in a different manner.

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

*Current Status:* Corrective action has been taken. Subrecipient awards have been revised to include the Catalog of Federal Domestic Assistance (CFDA) number associated with the federal grant they are receiving from the City as the pass-through entity.

U.S. Department of Transportation:

Finding 10-6:

Federal Transit Cluster:

Federal Transit – Capital Investment Grants, CFDA 20.500

Federal Transit – Formula Grants, CFDA 20.507

ARRA Federal Transit – Formula Grants, CFDA 20.507

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

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

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

*Current Status:* Corrective action has been taken. Subrecipient awards have been revised to include the Catalog of Federal Domestic Assistance (CFDA) number associated with the federal grant they are receiving from the City as the pass-through entity.

U.S. Department of Transportation:

Finding 10-7:

Federal Transit Cluster:

Federal Transit – Formula Grants, CFDA 20.507

ARRA Federal Transit – Formula Grants, CFDA 20.507

Federal Transit – Capital Investment Grants, CFDA 20.500

*Finding Summary:* As noted in Part 3 of the June 2010 *OMB Circular A-133 Compliance Supplement*, there are special tests and provisions which apply to all programs with expenditures of American Recovery and Reinvestment Act (ARRA) funds. Recipients to agree to: (1) separately identify to each subrecipient, and document at the time of the subaward and disbursement of

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

funds, the Federal award number, CFDA number, and the amount of ARRA funds; and (2) require their subrecipients to provide similar identification in their Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC).

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

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

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

U.S. Department of Health and Human Services:

Finding 09-3:

Public Health Emergency Preparedness, CFDA 93.069:

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

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

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

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

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

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

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**Independent Accountant's Report on  
Nevada Revised Statute 354.6241**

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

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

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2011 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conformed to significant statutory and regulatory constraints on their financial administration during the year ended June 30, 2011 (except as previously noted in Note 2B to the financial statements),
- The balance and net assets of the funds are as noted in the financial statements.

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

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

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

*Kafoury, Armstrong & Co.*

Reno, Nevada  
November 30, 2011

## **AUDITOR'S COMMENTS**

### **STATUTE COMPLIANCE**

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

### **PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE**

The City monitored expenditures during the current year in order to prevent over-expenditures; however, refer to Note 2B to the financial statements

### **PRIOR YEAR RECOMMENDATIONS**

See the Summary Schedule of Prior Year Findings on pages 186-190.

### **CURRENT YEAR RECOMMENDATIONS**

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



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

Flat Fixed Fees:	
Business license revenue adjusted base at June 30, 2010	<u>\$ 1,118,946</u>
Adjustment to Base:	
Base	
1. Percentage increase (decrease) in population of the local government	-4.0380%
2. Percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated	<u>2.7213%</u>
	<u>-1.3167%</u>
	<u>(14,733)</u>
Adjusted Base at June 30, 2011	1,104,213
Actual Revenue Fiscal 2010-11	<u>707,914</u>
Amount Over (Under) Allowable Amount	<u><u>\$ (396,299)</u></u>