

CLARK COUNTY, NEVADA
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007
AND
INDEPENDENT AUDITOR'S REPORTS

CLARK COUNTY, NEVADA

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2007

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CLARK COUNTY, NEVADA

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2007

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

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
and the County Manager
Clark County, 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 Clark County, Nevada, as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, or Department of Aviation, which, when combined, represent 98 percent, 96 percent, and 95 percent, respectively, of the assets, net assets, and revenues of the Enterprise Funds. 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 University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, and Department of Aviation is based solely 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, 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 December 11, 2007, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison information, and pension trend data on pages 3 through 12 and 98 through 113 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to the management's discussion and analysis and pension trend data, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Clark County, Nevada. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
December 11, 2007

Clark County, Nevada

Management's Discussion and Analysis
June 30, 2007

The discussion and analysis of Clark County, Nevada (the County) is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activities, (c) identify changes in the County's financial position (its ability to address subsequent years' challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

We encourage readers to read this information in conjunction with the transmittal letter, financial statements and accompanying notes to gain a more complete picture of the information presented.

Financial Highlights – Primary Government

- The auditors' report offers an unqualified opinion that the County's financial statements are presented fairly in all material respects.
- Government-wide net assets totaled \$10,341,587,174. Net assets of governmental activities totaled \$6,229,422,398 and those of business-type activities totaled \$4,112,164,776.
- The County's total net assets increased by \$937,201,907, resulting from an increase in net assets from governmental activities of \$649,328,170 and an increase in net assets from business-type activities of \$287,873,737. Net assets from governmental activities increased mainly due to cash and investment increases resulting from strong collections of ad valorem and franchise fees, as well as infrastructure additions of roadways and improvements. Net assets from business-type activities increased due to increases in net capital assets of the Las Vegas Valley Water District, Clark County Department of Aviation and Clark County Water Reclamation District.
- Unrestricted net assets were \$1,310,195,661, with \$413,649,214 resulting from governmental activities and \$896,546,447 from business-type activities. Unrestricted net assets from governmental activities decreased by 27 percent from the prior year, and unrestricted net assets from business-type activities increased by 8 percent over the prior year.
- Net capital assets were \$10,236,731,020 of which \$4,834,436,227 were from governmental activities and \$5,402,294,793 were from business type activities. Major additions for governmental activities during the year included \$181 million toward roadways and streets, \$90 million in flood control projects, and \$45 million in beltway construction. Major additions for business-type activities during the year included \$417 million in water system additions, \$799 million for land and construction additions for the Department of Aviation, and \$121 million in sewer system additions. Depreciation expense attributable to assets of governmental activities amounted to \$185,942,762 for the year, and \$210,586,653 for business-type activities.
- Bonds and loans payable totaled \$6,518,140,771. The following new debt was issued during the fiscal year:

Governmental activities:

General obligation bonds:

\$604,140,000 in bond bank refunding bonds

\$22,325,000 in public facilities refunding bonds

Special assessment bonds:

\$7,466,000 in special assessment bonds

\$11,235,000 in special assessment refunding bonds

Business-type activities:

General obligation bonds:

\$18,095,000 in refunding bonds for University Medical Center (UMC)

\$150,000,000 in refunding bonds for Las Vegas Valley Water District

Revenue Bonds:

\$825,610,000 in bonds for the Department of Aviation

- The County's primary revenue sources for governmental activities were ad valorem taxes (\$706,958,778), consolidated taxes (\$510,113,865), bond bank revenue (\$389,820,000) and sales and use tax (\$274,441,898). These four revenue sources comprised 21 percent, 15 percent, 12 percent and 8 percent, respectively, or 56 percent of total governmental activities revenues.
- The County's total expenses were \$4,187,496,632. Governmental activities comprised \$2,595,134,886 of total expenses, the largest functional expenses being public safety (\$917,463,036) and public works (\$832,920,960). Business-type activities contributed \$1,592,373,658 to total expenses, the largest components being hospital (\$563,070,068), water (\$455,593,678) and airport (\$416,383,545).
- Public safety expenses were \$917,463,036, or 10 percent higher than in the prior year. Fiscal year 2007 was the first full year of expenditure for the Las Vegas Metropolitan Police Department Sales Tax Special Revenue Fund, which accounts for the program to hire new police officers funded by a voter-approved one-quarter of a cent sales tax.
- Public works expenses were \$832,920,960, or 88 percent higher than in the prior year, largely because of \$389,820,000 in bond bank proceeds transferred to the Southern Nevada Water Authority and classified as expense.
- At the end of the fiscal year, the unreserved fund balance for the General Fund was \$287,997,260 or 22 percent of total General Fund expenditures and transfers out. This was an increase of \$5,165,542, or 1.8 percent, from the prior year.

Overview of the Financial Statements

- This discussion and analysis is intended to serve as an introduction to the County's basic financial statements which are composed of government-wide financial statements, fund financial statements, and accompanying notes. This report also contains required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

- o The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.
- o The statement of net assets presents information on all of the County'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 County is improving or deteriorating.
- o The statement of activities presents information showing how the County'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 and sick leave).
- o The government-wide financial statements report three types of activities: governmental activities, business-type activities, and discretely presented component units. The government-wide financial statements distinguish functions of the County 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 County include general government, judicial, public safety, public works, health, welfare, culture and recreation, other, and interest on long-term debt. The business-type

activities of the County include operations of its hospital, airports, water and sewer utilities, and other operations. Discretely presented component units account for functions of legally separate entities for whom the County is financially accountable, but whose governing bodies are not substantially the same as the County. The activities of the discretely presented component units include regional transportation and flood control planning. Complete financial statements of the individual component units can be obtained from their respective administrative offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.

- o The government-wide financial statements include not only the business-type activities of the County itself (known as the primary government), but also those of the legally separate component units: UMC, Las Vegas Valley Water District, and the Clark County Water Reclamation District. The Board of County Commissioners acts as the governing board for each of these component units whose activities are blended with those of the primary government because they function as part of the County government. Complete financial statements of the individual component units can be obtained from their respective administrative offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.

Fund Financial Statements

- o A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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 County 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 the County's near-term financial requirements.
- Because the focus of 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 County'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 County maintains 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, the Las Vegas Metropolitan Police Department, and the Master Transportation Plan fund, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules.
- The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement is provided for each of the County's governmental funds to demonstrate compliance with the budget. The budgetary comparison statements for the major governmental funds are presented as required supplementary information in the basic financial statements; the budgetary comparison statements for all other governmental funds are included in the fund financial statements accompanying information.

Proprietary Funds

- The County maintains two distinct 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 County uses enterprise funds to account for its hospital, airport, water, sewer, and other activities.
- ◆ Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The County uses internal service funds to account for the following activities:
 - * Construction management
 - * Fleet maintenance
 - * Investment pool operations
 - * Employee benefits
 - * Central printing and mailing
 - * Information systems development
 - * Self-insurance activities, including:
 - + Liability insurance
 - + Workers' compensation
 - + Group insurance
- Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail. The proprietary fund financial statements provide separate information for the UMC, Clark County Water Reclamation District, and the Las Vegas Valley Water District, each of which is a blended component unit and reported as a major fund within the fund financial statements. In addition, separate information is provided for an additional major fund, the Department of Aviation. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining and individual fund statements and schedules.

Fiduciary Funds

- The County's fiduciary funds consist of two employee benefit funds, one pension fund, and 38 agency funds. The employee benefit funds are the Medical Insurance Premium Retirement Plan and the County Section 125 Plan. The pension fund is the Las Vegas Valley Water District Pension Plan. The agency funds are used to hold monies for other entities or individuals until disposition.

Notes to Financial Statements

- The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

- In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Las Vegas Valley Water District's progress in funding its obligation to provide pension benefits to its employees. It also includes a schedule of budgetary comparisons for the following major governmental funds:
 - ◆ General Fund
 - ◆ Special Revenue Funds:
 - * Las Vegas Metropolitan Police Department
 - * Master Transportation Plan
- The combining statements and individual fund schedules are presented immediately following the required supplementary information.

- Unaudited statistical information is provided on a ten-year basis for trend and historical analysis, except where data is not available due to the initial year of GASB Statement No. 34 presentation.

Government-Wide Financial Analysis

- Net assets of the County as of June 30, 2007, and June 30, 2006, are summarized and analyzed below:

Clark County, Nevada Net Assets – Primary Government

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Assets						
Current and other assets	\$4,573,953,320	\$3,705,866,934	\$4,036,443,489	\$3,354,294,632	\$ 8,610,396,809	\$ 7,060,161,566
Net capital assets	<u>4,834,436,227</u>	<u>4,549,428,848</u>	<u>5,402,294,793</u>	<u>4,883,061,185</u>	<u>10,236,731,020</u>	<u>9,432,490,033</u>
Total assets	<u>9,408,389,547</u>	<u>8,255,295,782</u>	<u>9,438,738,282</u>	<u>8,237,355,817</u>	<u>18,847,127,829</u>	<u>16,492,651,599</u>
Liabilities						
Long-term liabilities	1,984,131,419	1,682,754,003	3,818,085,813	3,252,341,961	5,802,217,232	4,935,095,964
Other liabilities	<u>1,194,835,730</u>	<u>992,447,551</u>	<u>1,508,487,693</u>	<u>1,160,722,817</u>	<u>2,703,323,423</u>	<u>2,153,170,368</u>
Total liabilities	<u>3,178,967,149</u>	<u>2,675,201,554</u>	<u>5,326,573,506</u>	<u>4,413,064,778</u>	<u>8,505,540,655</u>	<u>7,088,266,332</u>
Net assets						
Invested in capital assets, net of related debt	3,934,405,026	3,646,875,703	1,676,012,461	2,211,595,146	5,610,417,487	5,858,470,849
Restricted	1,881,368,158	1,368,088,279	1,539,605,868	782,947,963	3,420,974,026	2,151,036,242
Unrestricted	<u>413,649,214</u>	<u>565,130,246</u>	<u>896,546,447</u>	<u>829,747,930</u>	<u>1,310,195,661</u>	<u>1,394,878,176</u>
Total net assets	<u>\$6,229,422,398</u>	<u>\$5,580,094,228</u>	<u>\$4,112,164,776</u>	<u>\$3,824,291,039</u>	<u>\$10,341,587,174</u>	<u>\$ 9,404,385,267</u>

- As noted earlier, net assets may serve over time as a useful indicator of the County’s financial position. Assets exceeded liabilities by \$10,341,587,174 as of June 30, 2007, and by \$9,404,385,267 as of June 30, 2006, a net increase of \$937,201,907.
- The largest portion of the County’s net assets (54 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.), less any related debt outstanding used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County’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 the debt.
- The County’s restricted net assets (33 percent) represent resources that are subject to external restrictions on how they may be used. Of these restricted net assets, 49 percent is for repayment of long-term debt, 41 percent is for construction of capital assets (unspent proceeds from long-term debt issues) and the balance is restricted for the County’s special revenue funds.
- The remaining portion of the County’s net assets (13 percent) is unrestricted and may be used to meet the County’s ongoing obligations to citizens and creditors.
- At June 30, 2007, the County had positive balances in all three categories of net assets, both for the government as a whole, as well as for separate governmental and business-type activities.

Clark County, Nevada Changes in Net Assets – Primary Government

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program revenues:						
Charges for services	\$ 430,806,846	\$420,505,253	\$1,396,379,893	\$1,384,038,903	\$ 1,827,186,739	\$1,804,544,156
Operating grants and contributions	839,811,992	300,860,967	5,711,070	13,659,756	845,523,062	314,520,723
Capital grants and contributions	121,599,428	306,079,008	291,717,009	398,892,981	413,316,437	704,971,989
General revenues:						
Ad valorem taxes	706,958,778	610,199,304	13,437	13,016	706,972,215	610,212,320
Franchise fees	83,299,640	66,792,977	-	-	83,299,640	66,792,977
Consolidated tax	510,113,865	506,434,832	89,561	81,974	510,203,426	506,516,806
Fuel taxes	77,971,661	76,700,320	-	-	77,971,661	76,700,320
Motor vehicle privilege tax	48,010,194	45,951,198	-	-	48,010,194	45,951,198
Room tax	44,426,388	41,626,529	-	-	44,426,388	41,626,529
Sales and use tax	274,441,898	249,780,835	16,475,970	16,286,165	290,917,868	266,067,000
Development tax	-	-	-	278,372	-	278,372
Interest income	137,693,927	88,719,008	98,788,139	58,442,394	236,482,066	147,161,402
Other	35,251,561	51,333,239	-	1,258,488	35,251,561	52,591,727
Gain (loss) on sale or disposition of assets	<u>5,136,782</u>	<u>2,185,271</u>	<u>-</u>	<u>225,376</u>	<u>5,136,782</u>	<u>2,410,647</u>
Total revenues	<u>3,315,522,960</u>	<u>2,767,168,741</u>	<u>1,809,175,579</u>	<u>1,873,177,425</u>	<u>5,124,698,539</u>	<u>4,640,346,166</u>
Expenses						
General government	234,250,001	228,487,663	-	-	234,250,001	228,487,663
Judicial	168,895,185	149,715,624	-	-	168,895,185	149,715,624
Public safety	917,463,036	830,649,965	-	-	917,463,036	830,649,965
Public works	832,920,960	442,737,383	-	-	832,920,960	442,737,383
Health	55,814,102	53,539,912	-	-	55,814,102	53,539,912
Welfare	154,155,995	124,905,612	-	-	154,155,995	124,905,612
Culture and recreation	42,704,498	35,853,518	-	-	42,704,498	35,853,518
Other	103,518,536	75,730,667	-	-	103,518,536	75,730,667
Interest on long-term debt	85,412,573	81,207,539	-	-	85,412,573	81,207,539
Hospital	-	-	563,070,068	513,914,433	563,070,068	513,914,433
Water	-	-	455,666,217	505,873,873	455,666,217	505,873,873
Airport	-	-	416,371,633	342,206,340	416,371,633	342,206,340
Sewer	-	-	91,559,270	83,972,711	91,559,270	83,972,711
Other	-	-	<u>65,694,558</u>	<u>55,668,058</u>	<u>65,694,558</u>	<u>55,668,058</u>
Total expenses	<u>2,595,134,886</u>	<u>2,022,827,883</u>	<u>1,592,361,746</u>	<u>1,501,635,415</u>	<u>4,187,496,632</u>	<u>3,524,463,298</u>
Increase (decrease) in net assets before transfers	720,388,074	744,340,858	216,813,833	371,542,010	937,201,907	1,115,882,868
Transfers	<u>(71,059,904)</u>	<u>(1,700,000)</u>	<u>71,059,904</u>	<u>1,700,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	649,328,170	742,640,858	287,873,737	373,242,010	937,201,907	1,115,882,868
Net assets – beginning	<u>5,580,094,228</u>	<u>4,208,673,370</u>	<u>3,824,291,039</u>	<u>3,451,049,029</u>	<u>9,404,385,267</u>	<u>8,775,605,267</u>
Restatement	-	<u>628,780,000</u>	-	-	-	<u>628,780,000</u>
Net assets – ending	<u>\$6,229,422,398</u>	<u>\$5,580,094,228</u>	<u>\$4,112,164,776</u>	<u>\$3,824,291,039</u>	<u>\$10,341,587,174</u>	<u>\$9,404,385,267</u>

- Program revenues included charges for services, fines and forfeitures, certain licenses and permits, special assessments, and both operating and capital grants and contributions. Program revenues from governmental activities increased by \$364,773,038, or 36 percent, due to \$389 million revenue recorded to recognize the liability of the Southern Nevada Water Authority for a bond bank debt issuance during 2007. Program revenues from business-type activities decreased by \$102,783,668, or 6 percent, due to decreases in charges for services and capital grants and contributions, the largest item being a non-recurring receipt of \$55 million from the sale of water recharge inventory in 2006 for the Las Vegas Valley Water District.
- General revenues consisted of taxes and interest not allocable to specific programs. For governmental activities, the largest of these revenues, ad valorem taxes, increased by \$96,759,474, or 16 percent. This increase was due to strong residential and commercial property growth and increases in assessed valuation. Franchise fees grew \$16,506,663, or 25 percent, due to increases in customer accounts and franchise revenues. Sales and use tax increased in governmental activities by \$24,661,063, or 10 percent, due to the passage of a one-quarter of a cent sales tax to hire new police officers in 2005. There were nine months of sales tax collected after passage of the tax in fiscal year 2006, and a full twelve

months of collection in fiscal year 2007. Interest revenue for governmental activities increased by \$48,974,919 or 55 percent; interest revenue for business-type activities increased by \$40,345,745, or 69 percent. These increases were due to higher investment balances and rates of investment returns.

- The County had a gain on disposition of assets of \$5,136,782 from governmental activities. This was mainly due to sales of County right-of-way and equipment during the fiscal year.
- The County had double-digit expense growth in several functional areas, again demonstrating the impacts of growth in the region. Increases in the judicial function of 13 percent were due to the reorganization of the Clerk of the Court division from the general government function, as well as increases in staffing in the District Attorney and Special Public Defender offices. Public safety expenses for governmental activities increased \$86,813,071, or 10 percent, mostly due to increased expenditures of the Las Vegas Metropolitan Police Department, including the hiring of new officers as a result of the previously mentioned sales tax. Public works expenses for governmental activities increased by \$390,183,577, or 88 percent, because of the already described \$389 million bond bank issuance. Welfare expenditures for governmental activities increased 29,250,383, or 23 percent, showing the growing demand on the County welfare system. Water functional area expenses decreased \$50,207,656, or 10 percent, because of the decrease in the regional connection fees paid by the Las Vegas Valley Water District to the Southern Nevada Water Authority. Airport functional expenses increased \$74,165,293, or 22 percent, because of two primary events; 1) the completion of the Airport's in-line baggage handling system which is owned and operated by the Airport and maintained by Airport system staff; and 2) unfunded security related mandates from the Transportation Security Administration which require the Airport to physically man all terminal access point doorways into the secured areas of the terminal.

Financial Analysis of the County's Funds

- The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

- The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.
- As of the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$2,089,491,702, an increase of \$280,190,703, or 15 percent, from the prior year. Approximately 82 percent of fund balances (\$1.7 billion) constitute unreserved fund balance. Approximately \$1 billion dollars of the unreserved fund balance is designated for specific projects in special revenue and capital project funds. Of the unreserved fund balance, \$646 million, or 31 percent, is undesignated. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$133 million), 2) to pay debt service (\$215 million), and 3) as reserves for long-term receivables (\$20 million).
- The General Fund is the main operating fund of the County. At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$287,997,260, an increase of \$5,165,542, or 2 percent, from the prior year. The total fund balance was \$309,802,148, an increase of \$1,879,426, or 1 percent, from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers. Unreserved fund balance represented 22 percent of total General Fund expenditures and transfers out for the fiscal year ended June 30, 2007, and 25 percent for the fiscal year ended June 30, 2006. Total fund balance represented 24 percent and 27 percent of that same amount in the fiscal years ended June 30, 2007, and June 30, 2006, respectively.
- Key factors in the change in fund balance in the General Fund are as follows:
 - Revenues and transfers-in increased by \$107,194,152, or 9 percent. General fund revenues increased by \$87,528,987, or 9 percent. Ad valorem tax revenues generated the largest revenue increase of \$40,400,369, or 15

percent, due to a combination of valuation increases and construction activity. Licenses and permits increased by \$24,438,736, or 13 percent, due to increased franchise fees as a result of population growth and customer spending. Almost all revenue sources increased at double digit rates, demonstrating the growth in Clark County. Transfers in increased by \$19,665,165, or 8 percent. The transfers in were primarily ad valorem and consolidated taxes from the unincorporated towns and the Clark County Fire District.

- Expenditures and transfers out increased by \$147,627,810, or 13 percent. General fund expenditures increased \$62,525,263, or 10 percent, which is comparable to the 9 percent increase in revenues due to ongoing cost-containment procedures. Transfers out increased by \$85,102,547, or 17 percent. The transfers out are primarily to the Las Vegas Metropolitan Police Department and the Detention Services special revenue funds. In addition, periodic transfers are made from the general fund to the County Capital Projects Fund at the discretion of the Board of County Commissioners. Transfers between these funds were \$209,808,852 and \$166,084,205 for the fiscal years ended June 30, 2007, and 2006 respectively.

o Other major fund activity is as follows:

- The Las Vegas Metropolitan Police Department operates from current year resources and it budgets for a zero fund balance; however, it ended the year with a total fund balance of \$51,845,288 of which \$20,803,269 was reserved. Total revenues and transfers in were \$487,702,802, which was an increase of 10 percent, or \$45,749,851, over the prior year. This increased amount occurred primarily as a result of a 14 percent increase in ad valorem taxes of \$17,254,446 and a combined 10 percent increase of \$27,168,868 in City of Las Vegas contributions and County transfers. Expenditures, which are primarily personnel costs, increased 5 percent, or \$19,963,812.
- The Master Transportation Plan fund accounts for tax proceeds from a variety of sources used to improve transportation in Clark County. Total revenues decreased \$4,177,689, or one percent, from the prior year due to a decline in development fees as a result of the slowing housing market. The proceeds of these taxes are then moved to the appropriate capital projects, debt service, or enterprise fund to effect the transportation improvements.
- The non-major governmental funds showed an increase in fund balances of \$271,023,139, with total fund balances of \$1,727,844,266, and unreserved fund balances of \$1,403,025,254. All funds have the resources to meet their commitments.

Enterprise Funds

- The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Minor differences arise between the enterprise funds and the business-type activities in the government-wide statements due to the effects of consolidation of internal service fund activities related to the enterprise funds. Unrestricted net assets of the enterprise funds totaled \$896,546,447 an increase of \$66,798,517, or eight percent, and the total growth in net assets for these funds was \$287,873,737, an eight percent increase from the prior year. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

Internal Service Funds

- The County's internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Other factors concerning the finances of the internal service funds have already been addressed in the discussion of the County's governmental activities.

Budgetary Highlights

- The general fund's legal level of budgetary control is the function level. The final amended budget for expenditure appropriation was \$724,049,485, which was unchanged from the original budget. Actual expenditures were \$684,147,030, or six percent less than the final budget, primarily due to the County's cost containment efforts.

- Revenues of the general fund exceeded the final budget by \$116,045,602, or 13 percent. This was created by generally conservative revenue forecasts combined with healthy revenue increases from general county growth.

Capital Assets and Debt Administration

Primary Government

- Capital Assets
 - o The County’s investment in capital assets, net of accumulated depreciation at June 30, 2007, was \$10,236,731,020, an increase of \$804,240,987, or nine percent. Detail by type of activity and asset is summarized in the table below.

Major additions for this fiscal year are as follows:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
Roadways and streets	\$181 million	Water system additions	\$417 million
Flood control projects	\$ 90 million	Airport land acquisition and construction	\$799 million
Beltway land acquisition and construction	\$ 45 million	Sewer system additions	\$121 million

Clark County, Nevada Capital Assets – Primary Government
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land and improvements	\$1,353,843,627	\$1,274,765,760	\$2,413,816,588	\$2,078,802,583	\$ 3,767,660,215	\$3,353,568,343
Buildings	671,463,731	682,658,325	2,043,665,132	1,238,216,726	2,715,128,863	1,920,875,051
Machinery and equipment	103,385,094	96,418,359	521,311,033	472,780,881	624,696,127	569,199,240
Infrastructure	2,439,991,395	2,306,328,352	-	-	2,439,991,395	2,306,328,352
Construction in progress	<u>265,752,380</u>	<u>189,258,052</u>	<u>423,502,040</u>	<u>1,093,260,995</u>	<u>689,254,420</u>	<u>1,282,519,047</u>
Total	<u>\$4,834,436,227</u>	<u>\$4,549,428,848</u>	<u>\$5,402,294,793</u>	<u>\$4,883,061,185</u>	<u>\$10,236,731,020</u>	<u>\$9,432,490,033</u>

- o For additional information on the County’s capital assets see note 4 in the accompanying financial statements.

Long-Term Debt

Primary Government

- At June 30, 2007, the County had total outstanding bonds and loans of \$6,518,140,771, an increase of \$1,242,095,386, or 24 percent, from the prior year. Of this amount, \$1,669,259,704 comprised general obligation debt backed by the full faith and credit of the County, \$1,448,186,686 of general obligation bonds additionally secured by specified revenue sources, \$406,258,707 of loans, primarily in the form of commercial paper, and \$247,998,901 was special assessment debt for which the County is liable in the event of default by the property owners subject to assessment.

Clark County, Nevada Outstanding Debt

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General obligation bonds	\$1,669,208,726	\$1,346,065,882	\$ 50,978	\$ 62,242	\$1,669,259,704	\$1,346,128,124
Revenue backed general obligation bonds	-	-	1,448,186,686	1,338,571,172	1,448,186,686	1,338,571,172
Revenue bonds	-	-	2,746,436,773	1,929,144,000	2,746,436,773	1,929,144,000
Special assessment bonds	247,998,901	254,639,567	-	-	247,998,901	254,639,567
Loans	<u>1,423,574</u>	<u>1,624,931</u>	<u>404,835,133</u>	<u>405,937,591</u>	<u>406,258,707</u>	<u>407,562,522</u>
Total	<u>\$1,918,631,201</u>	<u>\$1,602,330,380</u>	<u>\$4,599,509,570</u>	<u>\$3,673,715,005</u>	<u>\$6,518,140,771</u>	<u>\$5,276,045,385</u>

- o For additional information on the County's debt, see note 6 in the accompanying financial statements.

Economic Factors

- After several years of significant economic growth, Las Vegas showed signs of slowing in 2007. Taxable sales showed small increases and new and existing home sales slowed. The County's unemployment rate at June 30, 2007, was 4.7 percent as compared to 4.3 percent in the prior year.
- Clark County remains an attractive place for people to relocate and find employment. Although population growth slowed in 2007, several significant projects in the County strip resort corridor provide the opportunity for continued growth. The rapid growth in recent years, and the likelihood of growth in the near future, continues to create challenges in keeping up with infrastructure needs. The County has a Master Transportation Plan in place that was approved by the 1991 legislature. During the November 2002 general election, the voters of Clark County approved an additional funding measure, subsequently enacted by the legislature to allow an additional sales tax levy to further improve the County's transportation needs.
- UMC continues to deal with the impact of uninsured patients. UMC's operating loss increased to \$56,286,137 for the fiscal year 2007 from \$34,295,525 in fiscal year 2006 due to continued high levels of care for uninsured and underinsured patients. The County may need to help with the financing of these continued losses.
- Despite UMC's financial difficulties, the County has positioned itself to meet the needs of its citizens. A solid tax base continues to provide adequate revenues to provide basic services. A cost containment program continues to be in place, enforcing a reasonable pace of hiring and position savings. The County's general fund unreserved ending fund balance remains healthy. Together, these factors have placed the County in a sound financial position to mitigate short-term economic uncertainty.

Requests for Information

- This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Edward M. Finger, County Comptroller, at 500 South Grand Central Parkway, Las Vegas, NV 89155.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Clark County, Nevada
Statement of Net Assets
June 30, 2007

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Clark County Flood Control District	Regional Transportation Commission of Southern Nevada	Regional
ASSETS						
Cash and investments:						
In custody of the County Treasurer	\$ 2,167,306,569	\$ 323,381,072	\$ 2,490,687,641	\$ 210,858,883	\$ 303,234,230	
In custody of other officials	5,479,755	43,195,706	48,675,461	495	60,056	
With fiscal agent	79,956,218	-	79,956,218	3,408,458	39,646,666	
Investments in custody of other officials	-	503,516,459	503,516,459	-	-	
Loaned securities	717,621,380	39,939,997	757,561,377	69,960,322	100,396,264	
Accounts receivable (net of provision for doubtful accounts)	46,971,622	289,786,623	336,758,245	6,528	1,246,568	
Interest receivable	23,429,272	12,575,508	36,004,780	2,245,993	3,204,996	
Bond bank receivable	14,050,000	-	14,050,000	-	-	
Commercial paper receivable	-	-	-	-	-	
Taxes receivable, delinquent	8,494,243	554	8,494,797	-	-	
Penalties receivable on delinquent taxes	4,333,704	-	4,333,704	-	-	
Special assessments receivable	243,145,082	-	243,145,082	-	-	
Internal balances	18,379,782	(18,379,782)	-	-	-	
Due from other governmental units	215,031,245	35,846,569	250,877,814	16,734,327	45,401,181	
Inventories	535,350	23,635,797	24,171,147	-	-	
Prepaid items and other current assets	1,800,277	3,010,263	4,810,540	-	-	
Deferred charges and other assets	22,868,821	109,045,287	131,914,108	1,494,349	3,311,624	
Restricted assets:						
Cash and investments:						
In custody of the County Treasurer	-	293,101,736	293,101,736	-	-	
In custody of other officials	-	59,153,012	59,153,012	-	-	
With fiscal agent	-	1,301,296,568	1,301,296,568	-	-	
Loaned securities	-	164,471,431	164,471,431	-	-	
Accounts receivable	-	851,497,867	851,497,867	-	-	
Prepaid items and other current assets	-	1,368,822	1,368,822	-	-	
Bond bank receivable, noncurrent	1,004,550,000	-	1,004,550,000	-	-	
Capital assets not being depreciated	1,480,327,559	1,066,643,630	2,546,971,189	94,242	66,460,611	
Capital assets being depreciated, net of accumulated depreciation	3,354,108,668	4,335,651,163	7,689,759,831	2,805,956	156,834,911	
Total Assets	9,408,389,547	9,438,738,282	18,847,127,829	307,609,553	719,797,107	

(Continued)

Clark County, Nevada
Statement of Net Assets
June 30, 2007

	Primary Government		Component Units	
	Governmental Activities	Business-Type Activities	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada
LIABILITIES				
Accounts payable	\$ 242,617,408	\$ 224,348,505	\$ 5,523,286	\$ 53,491,335
Accrued payroll and other accrued liabilities	60,382,514	83,677,849	107,951	691,625
Accrued interest	14,533,848	-	2,415,974	5,403,467
Due to Clark County	-	-	-	-
Due to other governmental units	51,454,204	-	-	-
Loaned securities	717,621,380	50,623,540	69,960,322	100,396,264
Unearned revenue and other liabilities	28,657,004	77,726,663	-	-
Liabilities payable from restricted assets:				
Accounts payable	-	31,445,083	-	-
Customer deposits	-	4,952,940	-	-
Accrued expenses	-	64,906,867	-	-
Loaned securities	-	153,787,888	-	-
Bonds and loans payable, due within one year	-	804,605,000	-	-
Bonds and loans payable, due within one year	79,569,372	12,413,358	6,615,000	15,870,000
Bonds and loans payable, due after one year	1,839,061,829	3,782,491,212	304,116,194	516,766,278
Other non-current liabilities, due after one year	145,069,590	35,594,601	632,803	2,226,015
Total Liabilities	3,178,967,149	5,326,573,506	389,371,530	694,844,984
NET ASSETS				
Invested in capital assets, net of related debt	\$ 3,934,405,026	\$ 1,676,012,461	\$ 2,900,198	\$ 193,295,522
Restricted for:				
Capital projects	311,055,652	1,105,735,214	109,365,573	85,614,181
Debt service	1,233,360,344	433,870,654	8,169,097	64,771,176
Other purposes	336,952,162	-	108,534,349	10,078,729
Unrestricted	413,649,214	896,546,447	(310,731,194)	(328,807,485)
Total Net Assets	\$ 6,229,422,398	\$ 4,112,164,776	\$ (81,761,977)	\$ 24,952,123

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Statement of Activities
For the year ended June 30, 2007

	Net (Expenses) Revenues and Changes in Net Assets																				
	Program Revenues					Primary Government					Component Units										
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada												
Governmental activities:																					
General government	\$ 234,250,001	\$ 180,986,538	\$ 95,178,661	\$ -	\$ 41,915,198	\$ -	\$ 41,915,198	\$ -	\$ -	\$ 41,915,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Judicial	168,895,185	49,092,160	15,410,128	-	(104,392,897)	-	(104,392,897)	-	-	(104,392,897)	-	-	-	-	-	-	-	-	-	-	-
Public safety	917,463,036	42,162,880	202,440,848	-	(672,859,308)	-	(672,859,308)	-	-	(672,859,308)	-	-	-	-	-	-	-	-	-	-	-
Public works	832,920,960	134,967,816	509,965,553	121,599,428	(66,388,163)	-	(66,388,163)	-	-	(66,388,163)	-	-	-	-	-	-	-	-	-	-	-
Health	55,814,102	9,088,560	4,455,482	-	(42,270,060)	-	(42,270,060)	-	-	(42,270,060)	-	-	-	-	-	-	-	-	-	-	-
Welfare	154,155,995	943,200	8,628,368	-	(144,584,427)	-	(144,584,427)	-	-	(144,584,427)	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	42,704,498	13,071,150	3,732,952	-	(25,900,396)	-	(25,900,396)	-	-	(25,900,396)	-	-	-	-	-	-	-	-	-	-	-
Other	103,518,536	494,542	-	-	(103,023,994)	-	(103,023,994)	-	-	(103,023,994)	-	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	85,412,573	-	-	-	(85,412,573)	-	(85,412,573)	-	-	(85,412,573)	-	-	-	-	-	-	-	-	-	-	-
Total governmental activities	2,595,134,886	430,806,846	839,811,992	121,599,428	(1,202,916,620)	-	(1,202,916,620)	-	-	(1,202,916,620)	-	-	-	-	-	-	-	-	-	-	-

(Continued)

Clark County, Nevada
Statement of Activities
For the year ended June 30, 2007

	Net (Expenses) Revenues and Changes in Net Assets									
	Program Revenues					Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	
Business-type activities:										
Hospital	\$ 563,070,068	\$ 503,010,557	\$ 5,646,853	\$ -	\$ -	\$ (54,412,658)	\$ (54,412,658)	\$ -	\$ -	\$ -
Water	455,666,217	381,924,277	32,843	92,098,145	-	18,389,048	18,389,048	-	-	-
Airport	416,371,633	332,670,667	-	124,722,409	-	41,021,443	41,021,443	-	-	-
Sewer	91,559,270	100,297,566	-	74,896,434	-	83,634,730	83,634,730	-	-	-
Other	65,694,558	78,476,826	31,374	21	-	12,813,663	12,813,663	-	-	-
Total business-type activities	1,592,361,746	1,396,379,893	5,711,070	291,717,009	-	101,446,226	101,446,226	-	-	-
Total primary government	\$ 4,187,496,632	\$ 1,827,186,739	\$ 845,523,062	\$ 413,316,437						
Component units:										
Clark County Regional Flood Control District	\$ 69,770,960	\$ -	\$ -	\$ -				\$ (69,770,960)	\$ -	\$ -
Regional Transportation Commission of Southern Nevada	397,801,263	49,338,434	5,214,467	38,170,241				-	(305,078,121)	-
Total component units	\$ 467,572,223	\$ 49,338,434	\$ 5,214,467	\$ 38,170,241				\$ (69,770,960)	\$ (305,078,121)	\$ (305,078,121)
General revenues:										
Ad valorem taxes					706,958,778	13,437	706,972,215	-	-	-
Franchise fees					83,299,640	-	83,299,640	-	-	-
Consolidated tax					510,113,865	89,561	510,203,426	-	-	-
Fuel taxes					77,971,661	-	77,971,661	-	-	75,832,388
Motor vehicle privilege tax					48,010,194	-	48,010,194	-	-	-
Room tax					44,426,388	-	44,426,388	-	-	-
Sales and use tax					274,441,898	16,475,970	290,917,868	89,484,366	178,716,556	5,000,000
Development tax					137,693,927	-	137,693,927	-	-	-
Interest income					35,251,561	98,788,639	236,482,566	12,438,132	14,875,960	5,300,980
Other					5,136,782	-	5,136,782	1,618,744	-	-
Gain on sale of capital assets					(71,059,904)	-	(71,059,904)	-	-	-
Transfers					1,852,244,790	71,059,904	2,038,672,301	103,541,242	279,725,884	-
Total general revenues and transfers					649,328,170	186,427,511	937,201,907	33,770,282	(25,352,237)	-
Change in net assets					4,951,314,228	287,873,737	8,775,605,267	(115,532,259)	50,304,360	-
Net assets - beginning					628,780,000	3,824,291,039	628,780,000	(115,532,259)	50,304,360	-
Restatement of bond bank receivable					5,580,094,228	3,824,291,039	9,404,385,267	(115,532,259)	50,304,360	-
Net assets - restated					\$ 6,229,422,398	\$ 4,112,164,776	\$ 10,341,587,174	\$ (81,761,977)	\$ 24,952,123	\$ -
Net assets - ending										

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2007

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments:					
In custody of the County Treasurer	\$ 217,623,056	\$ 71,091,440	\$ 454,711	\$ 1,677,451,508	\$ 1,966,620,715
In custody of other officials	1,086,990	237,175	-	53,590	1,377,755
With fiscal agent	-	-	-	79,956,218	79,956,218
Loaned securities	114,831,979	24,914,925	1,809,361	515,610,694	657,166,959
Accounts receivable	49,145,722	3,665,828	15,055	8,182,626	61,009,231
Interest receivable	3,665,833	795,370	57,761	16,980,398	21,499,362
Taxes receivable, delinquent	3,899,318	1,621,272	-	2,973,653	8,494,243
Penalties receivable on delinquent taxes	4,333,704	-	-	-	4,333,704
Special assessments receivable	-	-	-	243,145,082	243,145,082
Due from other funds	-	-	-	35,138,965	35,138,965
Due from other governmental units	69,638,741	3,130,015	46,275,930	95,986,559	215,031,245
Prepaid items	-	542,593	-	-	542,593
Total Assets	\$ 464,225,343	\$ 105,998,618	\$ 48,612,818	\$ 2,675,479,293	\$ 3,294,316,072

(Continued)

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2007
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 19,737,481	\$ 8,557,112	\$ 597,334	\$ 114,101,962	\$ 142,993,889
Accrued payroll	13,429,800	13,394,777	-	7,992,028	34,816,605
Due to other funds	-	-	8,033,588	28,638,966	36,672,554
Due to other governmental units	-	-	38,172,535	13,281,669	51,454,204
Loaned securities	114,831,979	24,914,925	1,809,361	515,610,694	657,166,959
Deferred revenue and other liabilities	6,423,935	7,286,516	-	268,009,708	281,720,159
Total Liabilities	154,423,195	54,153,330	48,612,818	947,635,027	1,204,824,370
Fund Balances:					
Reserved for encumbrances	2,293,093	20,803,269	-	110,058,668	133,155,030
Reserved for long-term receivables	19,511,795	-	-	-	19,511,795
Reserved for debt service	-	-	-	214,760,344	214,760,344
Unreserved:					
Designated for specific projects, reported in:					
Major funds	6,258,425	20,016,739	-	-	26,275,164
Special revenue funds	-	-	-	79,217,910	79,217,910
Capital projects funds	-	-	-	970,963,738	970,963,738
Undesignated, reported in:					
Major funds	281,738,835	11,025,280	-	-	292,764,115
Special revenue funds	-	-	-	344,304,485	344,304,485
Capital projects funds	-	-	-	8,539,121	8,539,121
Total Fund Balances	309,802,148	51,845,288	-	1,727,844,266	2,089,491,702
Total Liabilities and Fund Balances	\$ 464,225,343	\$ 105,998,618	\$ 48,612,818	\$ 2,675,479,293	\$ 3,294,316,072

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Reconciliation of the Balance Sheet
to the Statement of Net Assets
June 30, 2007

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balances – governmental funds		\$ 2,089,491,702
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Governmental capital assets	\$ 6,305,359,443	
Less accumulated depreciation	<u>(1,470,923,216)</u>	4,834,436,227
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore not reported in governmental funds:		
Bonds payable, net of premiums and discounts	(1,917,207,627)	
Unamortized bond costs	22,871,320	
Loans payable	(1,423,574)	
Litigation liability	(2,500,000)	
Compensated absences	<u>(163,569,590)</u>	(2,061,829,471)
Accrued interest payable		(14,533,848)
Deferred revenue representing amounts that were not available to fund current expenditures and therefore are not reported in governmental funds		253,263,155
Long-term receivables reserved in governmental funds, adjusted to allowance for uncollectibles in statement of net assets		(19,511,795)
Bond bank receivable not recorded in governmental funds		1,018,600,000
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 the governmental activities		126,847,085
Internal balances that are receivable from business-type activities		<u>2,659,343</u>
Net assets of governmental activities		<u>\$ 6,229,422,398</u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2007

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 306,803,962	\$ 138,843,485	\$ 44,426,388	\$ 267,699,205	\$ 757,773,040
Special assessments	-	-	-	42,801,887	42,801,887
Licenses and permits	212,649,068	-	34,427,710	39,586,120	286,662,898
Intergovernmental revenue	352,645,765	134,268,903	280,234,100	599,828,307	1,366,977,075
Charges for services	91,872,856	22,059,758	-	33,962,166	147,894,780
Fines and forfeitures	20,767,142	-	-	1,984,802	22,751,944
Interest	21,542,826	3,560,344	7,856,229	97,043,013	130,002,412
Other	11,167,921	1,352,702	-	24,054,040	36,574,663
Total revenues	<u>1,017,449,540</u>	<u>300,085,192</u>	<u>366,944,427</u>	<u>1,106,959,540</u>	<u>2,791,438,699</u>
Expenditures:					
Current:					
General government	116,377,928	-	-	62,161,287	178,539,215
Judicial	122,571,248	-	-	37,065,407	159,636,655
Public safety	182,948,608	444,762,795	-	271,121,518	898,832,921
Public works	14,298,881	-	234,488,034	39,148,704	287,935,619
Health	36,801,893	-	-	18,498,966	55,300,859
Welfare	84,372,002	-	-	69,370,005	153,742,007
Culture and recreation	27,346,167	-	-	1,254,365	28,600,532
Other general expenditures	96,786,248	-	-	6,334,648	103,120,896
Capital outlays	2,644,055	13,836,341	-	378,602,510	395,082,906
Debt service:					
Principal	-	168,459	-	77,126,564	77,295,023
Interest	-	55,581	-	81,515,833	81,571,414
Bond issuance costs and other	-	-	-	7,222,677	7,222,677
Advance refunding escrow	-	-	-	4,292,682	4,292,682
Total expenditures	<u>684,147,030</u>	<u>458,823,176</u>	<u>234,488,034</u>	<u>1,053,715,166</u>	<u>2,431,173,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u>333,302,510</u>	<u>(158,737,984)</u>	<u>132,456,393</u>	<u>53,244,374</u>	<u>360,265,293</u>

(Continued)

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2006
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):					
Transfers from other funds	265,508,753	187,617,610	-	805,665,607	1,258,791,970
Transfers to other funds	(596,931,837)	-	(154,047,881)	(602,222,979)	(1,353,202,697)
Bonds and loans issued	-	-	-	407,466,000	407,466,000
Refunding bonds issued	-	-	-	237,700,000	237,700,000
Premium on bonds issued	-	-	-	385,855	385,855
Discount on bonds issued	-	-	-	(298,304)	(298,304)
Payments to escrow agent	-	-	-	(630,917,414)	(630,917,414)
Total other financing sources (uses)	(331,423,084)	187,617,610	(154,047,881)	217,778,765	(80,074,590)
Net changes in fund balances	1,879,426	28,879,626	(21,591,488)	271,023,139	280,190,703
Fund balance:					
Beginning of year	307,922,722	22,965,662	21,591,488	1,456,821,127	1,809,300,999
End of year	\$ 309,802,148	\$ 51,845,288	\$ -	\$ 1,727,844,266	\$ 2,089,491,702

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
 Reconciliation of Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the year ended June 30, 2007

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – governmental funds \$ 280,190,703

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives. The Regional Transportation Commission and Regional Flood Control District utilize capital projects funds to construct infrastructure, not all of which is retained by the County. Also, the County relinquished infrastructure that was annexed by the cities. The County does not capitalize items costing less than \$3,000.

Capital outlay recorded in governmental funds	\$ 395,082,906	
Less amounts not capitalized	<u>(43,125,050)</u>	
Capitalized expenditures	351,957,856	
Less current year depreciation	<u>(185,942,762)</u>	166,015,094

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

Donated capital assets	121,599,428	
Loss on sale of capital assets	(2,607,143)	
Change in deferred revenue	(184,063)	
Bond bank operating contribution	<u>389,820,000</u>	508,628,222

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bonds issued exceeded repayments:

Bonds and loans issued	(645,166,000)	
Bond issuance and other deferred costs	7,222,677	
Bond premiums and discounts	(87,551)	
Accrued interest	(3,142,985)	
Amortized bond costs	(698,174)	
Principal payment	77,295,023	
Payments to escrow agents	<u>235,210,096</u>	(329,366,914)

(Continued)

Clark County, Nevada
Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2007

(Continued)

Some expenses reported in the statement of net activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Change in long-term compensated absences	\$ (8,527,296)
Long-term receivable is recorded in the governmental funds. The current portion of the provision for doubtful accounts is recognized in the statement of activities.	2,082,143
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of the internal service funds is reported with governmental activities.	29,466,280
Increase to internal balances that are receivable from business-type activities.	<u>839,938</u>
Change in net assets of governmental activities	<u>\$649,328,170</u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2007

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
ASSETS				
Unrestricted current assets:				
Cash and cash equivalents:				
In custody of the County Treasurer	\$ 1,464,422	\$ -	\$ -	\$ 203,779,932
In custody of other officials	12,700	4,801,624	38,282,382	97,550
Investments in custody of other officials	-	429,510,617	74,005,842	-
Loaned securities	-	-	-	-
Accounts receivable	169,509,782	17,033,992	49,314,406	53,715,329
Interest receivable	-	5,430,868	984,418	4,885,198
Taxes receivable, delinquent	-	-	-	-
Due from other funds	-	-	-	1,533,589
Due from other governmental units	-	-	-	35,814,788
Inventories	9,069,183	1,746,826	10,494,317	2,325,471
Prepaid items and other current assets	811,159	343,113	-	1,840,991
Total unrestricted current assets	<u>180,867,246</u>	<u>458,867,040</u>	<u>173,081,365</u>	<u>303,992,848</u>
Restricted current assets:				
Cash and cash equivalents:				
In custody of the County Treasurer	29,494,585	1,428,420	-	259,885,222
With fiscal agent	-	-	-	1,301,296,568
Investments in custody of other officials	-	-	59,153,012	-
Loaned securities	10,204,382	479,161	-	153,028,521
Accounts receivable	2,213,484	-	418,601,052	-
Interest receivable	-	-	-	14,089,480
Due from other governmental units	-	-	-	-
Prepaid items and other current assets	-	-	-	1,368,822
Total restricted current assets	<u>41,912,451</u>	<u>1,907,581</u>	<u>477,754,064</u>	<u>1,729,668,613</u>
Total current assets	<u>222,779,697</u>	<u>460,774,621</u>	<u>650,835,429</u>	<u>2,033,661,461</u>
Noncurrent assets:				
Accounts receivable, restricted	-	-	416,410,000	-
Deferred charges and other assets	467,067	22,205,537	42,665,976	43,706,707
Capital assets:				
Property and equipment	283,417,873	1,267,281,724	2,332,476,260	3,450,804,662
Accumulated depreciation	(122,080,702)	(377,299,958)	(550,998,676)	(940,586,695)
Total capital assets, net of accumulated depreciation	161,337,171	889,981,766	1,781,477,584	2,510,217,967
Total noncurrent assets	161,804,238	912,187,303	2,240,553,560	2,553,924,674
Total assets	<u>384,583,935</u>	<u>1,372,961,924</u>	<u>2,891,388,989</u>	<u>4,587,586,135</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
LIABILITIES				
Current liabilities (payable from current assets):				
Current maturities of long-term debt	\$ 5,253,795	\$ 5,550,000	\$ -	\$ -
Accounts payable	56,076,080	31,442,094	49,589,082	80,072,739
Accrued expenses	35,761,809	5,633,381	25,000,810	10,556,652
Due to other funds	17,254,028	-	-	-
Loaned securities	10,204,382	479,161	-	-
Deferred revenue	-	-	-	53,347,746
Deposits and other current liabilities	3,760,452	3,540,252	16,731,011	-
Total current liabilities (payable from current assets)	128,310,546	46,644,888	91,320,903	143,977,137
Current liabilities (payable from restricted assets):				
Current maturities of long-term debt	-	-	435,120,000	369,485,000
Accounts payable	-	-	10,705,168	20,739,915
Accrued expenses	-	-	7,253,052	57,653,815
Customer deposits	-	-	4,952,940	-
Loaned securities	-	-	-	153,028,521
Total current liabilities (payable from restricted assets)	-	-	458,031,160	600,907,251
Total current liabilities	128,310,546	46,644,888	549,352,063	744,884,388
Noncurrent liabilities:				
Long-term debt, less current maturities	92,146,893	33,765,373	1,194,405,821	2,455,020,221
Deferred revenue and other non-current liabilities	24,344,362	111,600	2,772,710	8,365,929
Total noncurrent liabilities	116,491,255	33,876,973	1,197,178,531	2,463,386,150
Total Liabilities	244,801,801	80,521,861	1,746,530,594	3,208,270,538
NET ASSETS				
Invested in capital assets, net of related debt	79,767,361	851,339,266	1,003,805,257	(309,417,261)
Restricted for:				
Capital projects	3,867,489	-	-	1,101,867,725
Debt service	-	1,907,581	5,166,034	426,797,039
Unrestricted	56,147,284	439,193,216	135,887,104	160,068,094
Total Net Assets	\$ 139,782,134	\$ 1,292,440,063	\$ 1,144,858,395	\$ 1,379,315,597

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2007
(Continued)

	Business-Type - Enterprise Funds		
	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
ASSETS			
Unrestricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	\$ 118,136,718	\$ 323,381,072	\$ 200,685,854
In custody of other officials	1,450	43,195,706	4,102,000
Investments in custody of other officials	-	503,516,459	-
Loaned securities	39,939,997	39,939,997	60,454,421
Accounts receivable	213,114	289,786,623	5,474,186
Interest receivable	1,275,024	12,575,508	1,929,911
Taxes receivable, delinquent	554	554	-
Due from other funds	-	1,533,589	21,754,028
Due from other governmental units	31,781	35,846,569	-
Inventories	-	23,635,797	535,350
Prepaid items and other current assets	15,000	3,010,263	1,257,684
Total unrestricted current assets	<u>159,613,638</u>	<u>1,276,422,137</u>	<u>296,193,434</u>
Restricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	2,293,509	293,101,736	-
With fiscal agent	-	1,301,296,568	-
Investments in custody of other officials	-	59,153,012	-
Loaned securities	759,367	164,471,431	-
Accounts receivable	-	420,814,536	-
Interest receivable	24,242	14,113,722	-
Due from other governmental units	159,609	159,609	-
Prepaid items and other current assets	-	1,368,822	-
Total restricted current assets	<u>3,236,727</u>	<u>2,254,479,436</u>	<u>-</u>
Total current assets	<u>162,850,365</u>	<u>3,530,901,573</u>	<u>296,193,434</u>
Noncurrent assets:			
Accounts receivable, restricted	-	416,410,000	-
Deferred charges and other assets	-	109,045,287	-
Capital assets:			
Property and equipment	86,504,693	7,420,485,212	25,207,673
Accumulated depreciation	(27,224,388)	(2,018,190,419)	(20,696,789)
Total capital assets, net of accumulated depreciation	<u>59,280,305</u>	<u>5,402,294,793</u>	<u>4,510,884</u>
Total noncurrent assets	<u>59,280,305</u>	<u>5,927,750,080</u>	<u>4,510,884</u>
Total assets	<u>222,130,670</u>	<u>9,458,651,653</u>	<u>300,704,318</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2007
(Continued)

	Business-Type - Enterprise Funds			Governmental
	Other Enterprise Funds	Total Enterprise Funds		Activities - Internal Service Funds
LIABILITIES				
Current liabilities (payable from current assets):				
Current maturities of long-term debt	\$ 1,609,563	\$ 12,413,358	\$ -	-
Accounts payable	7,168,510	224,348,505	99,623,519	99,623,519
Accrued expenses	6,725,197	83,677,849	4,565,909	4,565,909
Due to other funds	-	17,254,028	4,500,000	4,500,000
Loaned securities	39,939,997	50,623,540	60,454,421	60,454,421
Deferred revenue	300,529	53,648,275	-	-
Deposits and other current liabilities	46,673	24,078,388	202,500	202,500
Total current liabilities (payable from current assets)	55,790,469	466,043,943	169,346,349	169,346,349
Current liabilities (payable from restricted assets):				
Current maturities of long-term debt	-	804,605,000	-	-
Accounts payable	-	31,445,083	-	-
Accrued expenses	-	64,906,867	-	-
Customer deposits	-	4,952,940	-	-
Loaned securities	759,367	153,787,888	-	-
Total current liabilities (payable from restricted assets)	759,367	1,059,697,778	-	-
Total current liabilities	56,549,836	1,525,741,721	169,346,349	169,346,349
Noncurrent liabilities:				
Long-term debt, less current maturities	7,152,904	3,782,491,212	-	-
Deferred revenue and other non-current liabilities	-	35,594,601	-	-
Total noncurrent liabilities	7,152,904	3,818,085,813	-	-
Total Liabilities	63,702,740	5,343,827,534	169,346,349	169,346,349
NET ASSETS				
Invested in capital assets, net of related debt	50,517,838	1,676,012,461	4,510,884	4,510,884
Restricted for:				
Capital projects	-	1,105,735,214	-	-
Debt service	-	433,870,654	-	-
Unrestricted	107,910,092	899,205,790	126,847,085	126,847,085
Total Net Assets	158,427,930	4,114,824,119	131,357,969	131,357,969
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(2,659,343)	(2,659,343)
Net assets of business-type of activities			4,112,164,776	4,112,164,776

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2007

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Operating revenues:				
Licenses and permits:				
New development fees	\$ -	\$ -	\$ -	\$ -
Charges for services:				
Sewer services and operations	-	98,296,408	-	-
Water services and related water fees	-	-	372,793,529	-
Services to patients	479,697,464	-	-	-
Landing and other airport fees	-	-	-	41,203,276
Building and land rental	-	-	-	129,193,700
Concession fees	-	-	-	158,243,402
Constable fees	-	-	-	-
Building fees and permits	-	-	-	-
Recreation fees	-	-	-	-
Parking fees	-	-	-	-
Insurance	-	-	-	-
Other	22,919,085	-	-	-
Other operating revenues	-	1,429,973	4,666,622	4,030,289
Total operating revenues	<u>502,616,549</u>	<u>99,726,381</u>	<u>377,460,151</u>	<u>332,670,667</u>
Operating expenses:				
Salaries and benefits	-	22,986,076	-	82,253,556
General and administrative	132,782,307	-	-	16,462,132
Other professional services	413,288,840	4,425,025	-	-
Operating and maintenance	-	22,783,874	347,731,672	116,542,200
Depreciation	12,831,539	39,407,516	69,700,030	85,820,821
Total operating expenses	<u>558,902,686</u>	<u>89,602,491</u>	<u>417,431,702</u>	<u>301,078,709</u>
Operating income (loss)	<u>(56,286,137)</u>	<u>10,123,890</u>	<u>(39,971,551)</u>	<u>31,591,958</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Nonoperating revenues (expenses):				
Interest income	\$ 2,345,868	\$ 23,216,190	\$ 12,024,181	\$ 54,323,171
Interest expense	(3,895,463)	(1,945,328)	(33,906,908)	(114,689,989)
Gain (loss) on sale or abandonment of property and equipment	-	-	-	-
Consolidated tax	-	-	-	-
Sales and use tax	-	16,116,023	-	-
Contributions from other governmental units	5,646,853	-	-	-
Other	394,008	571,185	(225,958)	99,665,330
Total nonoperating revenues (expenses)	<u>4,491,266</u>	<u>37,958,070</u>	<u>(22,108,685)</u>	<u>39,298,512</u>
Income (loss) before contributions and transfers	(51,794,871)	48,081,960	(62,080,236)	70,890,470
Capital contributions	-	74,896,434	92,098,145	25,057,079
Transfers from other funds	60,000,000	-	-	9,359,904
Transfers to other funds	-	-	-	-
Change in net assets	<u>8,205,129</u>	<u>122,978,394</u>	<u>30,017,909</u>	<u>105,307,453</u>
Net assets:				
Beginning of year	131,577,005	1,169,461,669	1,114,840,486	1,274,008,144
End of year	<u>\$ 139,782,134</u>	<u>\$ 1,292,440,063</u>	<u>\$ 1,144,858,395</u>	<u>\$ 1,379,315,597</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	Funds	
Operating revenues:				
Licenses and permits:				
New development fees	\$ 240,796	240,796	\$ -	-
Charges for services:				
Sewer services and operations	-	98,296,408	-	-
Water sales and related water fees	4,703,417	377,496,946	-	-
Services to patients	-	479,697,464	-	-
Landing and other airport fees	-	41,203,276	-	-
Building and land rental	-	129,193,700	-	-
Concession fees	-	158,243,402	-	-
Constable fees	2,802,955	2,802,955	-	-
Building fees and permits	65,623,423	65,623,423	-	-
Recreation fees	8,651,276	8,651,276	-	-
Parking fees	516,952	516,952	279,533	-
Insurance	-	-	105,740,078	-
Other	-	22,919,085	43,991,585	-
Other operating revenues	641,528	10,768,412	9,363,332	-
Total operating revenues	<u>83,180,347</u>	<u>1,395,654,095</u>	<u>159,374,528</u>	<u>-</u>
Operating expenses:				
Salaries and benefits	44,327,963	149,567,595	25,603,616	-
General and administrative	-	149,244,439	-	-
Other professional services	-	417,713,865	-	-
Operating and maintenance	20,424,039	507,481,785	134,446,299	-
Depreciation	2,826,747	210,586,653	1,404,362	-
Total operating expenses	<u>67,578,749</u>	<u>1,434,594,337</u>	<u>161,454,277</u>	<u>-</u>
Operating income (loss)	<u>15,601,598</u>	<u>(38,940,242)</u>	<u>(2,079,749)</u>	<u>-</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	Funds
Nonoperating revenues (expenses):			
Interest income	\$ 6,879,229	\$ 98,788,639	\$ 10,909,736
Interest expense	(2,471,062)	(156,908,750)	(3,218,235)
Gain (loss) on sale or abandonment of property and equipment	(18,721)	(18,721)	349,999
Consolidated tax	89,561	89,561	-
Sales and use tax	359,947	16,475,970	-
Contributions from other governmental units	-	5,646,853	-
Other	64,217	100,468,782	7,481
Total nonoperating revenues (expenses)	4,903,171	64,542,334	8,048,981
Income (loss) before contributions and transfers	20,504,769	25,602,092	5,969,232
Capital contributions	21	192,051,679	-
Transfers from other funds	1,700,000	71,059,904	23,350,823
Transfers to other funds	-	-	-
Change in net assets	22,204,790	288,713,675	29,320,055
Net assets:			
Beginning of year	136,223,140		102,037,914
End of year	\$ 158,427,930		\$ 131,357,969
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		(839,938)	
Change in net assets of business-type activities		\$ 287,873,737	

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the year ended June 30, 2007

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Cash flows from operating activities:				
Cash received from customers	\$ 488,434,108	\$ 98,509,519	\$ 371,317,114	\$ 331,769,962
Cash paid for employees and for benefits	(301,237,721)	(22,094,109)	(98,547,209)	(80,037,322)
Cash paid for services and supplies	(263,601,071)	(26,088,905)	(264,920,331)	(153,177,723)
Other operating receipts	22,919,086	-	362,732	-
Net cash provided (used) by operating activities	<u>(53,485,598)</u>	<u>50,326,505</u>	<u>8,212,306</u>	<u>98,554,917</u>
Cash flows from noncapital financing activities:				
Cash provided by property taxes	-	-	-	-
Cash provided by consolidated taxes and sales and use taxes	-	-	-	-
Proceeds from interfund loan	9,000,000	-	-	-
Repayment of interfund loan	(10,000,000)	-	-	-
Federal and state grants	-	-	-	-
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Contributions from other governmental units	65,646,853	-	199,000	-
Other nonoperating revenues (expenses)	-	-	-	-
Net cash provided (used) by non-capital financing activities	<u>64,646,853</u>	<u>-</u>	<u>199,000</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Cash provided by contributed capital	-	59,276,253	20,131,235	854,462,088
Bonds and loans issued	17,163,936	-	149,858,953	27,502,766
Federal and state grants	-	86,436	-	(9,486,113)
Cash used for bond issue costs	-	-	(639,660)	-
Acquisition, construction, or improvement of capital assets	(22,422,870)	(89,356,561)	(214,284,976)	(323,904,319)
	<u>(22,422,870)</u>	<u>(89,356,561)</u>	<u>(214,284,976)</u>	<u>(323,904,319)</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Cash used for debt service:				
Principal	\$ (5,022,459)	\$ (1,735,000)	\$ (19,560,000)	\$ (40,785,000)
Interest	(5,680,882)	(1,911,025)	(37,572,379)	(104,822,205)
Payment of bond proceeds to related party	(17,205,000)	-	-	-
Payments to bond refunding agent	-	-	-	-
Proceeds from the sale of capital assets	-	-	29,024	816,587
Proceeds from customer assessments	-	-	-	113,417,686
Sales tax apportionment	-	16,113,205	-	-
Cash provided by other capital	394,007	-	3,513,706	-
Net cash used by capital and related financing activities	(32,773,268)	(17,526,692)	(98,524,097)	517,201,490
Cash flows from investing activities:				
Transfer to joint venture	-	(8,189,088)	-	-
Purchase of investments	-	(138,576,296)	(22,906,691,342)	-
Proceeds from maturities of investments	-	91,463,102	23,021,993,579	-
Interest income	2,772,777	21,370,768	6,240,622	48,075,687
Net cash provided (used) by investing activities	2,772,777	(33,931,514)	121,542,859	48,075,687
Net increase (decrease) in cash and cash equivalents	(18,839,236)	(1,131,701)	31,430,068	663,832,094
Cash and cash equivalents:				
Beginning of year	49,810,943	7,361,745	6,852,314	1,102,599,563
End of year:				
Unrestricted	1,477,122	4,801,624	38,282,382	203,877,482
Restricted	29,494,585	1,428,420	-	1,562,554,175
Total cash and cash equivalents at end of year	\$ 30,971,707	\$ 6,230,044	\$ 38,282,382	\$ 1,766,431,657

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
	\$ (56,286,137)	\$ 10,123,890	\$ (39,971,551)	\$ 31,591,958
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	12,831,539	39,407,516	69,700,030	85,820,821
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	42,594,073	-	-	-
Depreciation	(33,857,428)	(1,216,903)	(5,377,641)	3,976,793
Provision for doubtful accounts	-	-	-	-
(Increase) decrease in accounts receivable	-	-	-	-
(Increase) decrease in due from other funds	-	-	-	-
(Increase) decrease in due from other governmental units	-	-	-	-
(Increase) decrease in inventory	(384,321)	78,718	-	(408,377)
(Increase) decrease in prepaid expense	-	(165,022)	(1,898,078)	57,199
(Increase) decrease in other assets	(1,859,938)	-	(3,714,476)	-
Increase (decrease) in accounts payable	(15,714,920)	1,527,718	(12,002,812)	(19,821,880)
Increase (decrease) in accrued payroll	-	-	1,161,738	2,216,234
Increase (decrease) in other non-current liabilities	176,434	570,588	-	-
Increase (decrease) in due to other funds	-	-	-	-
Increase (decrease) in deferred revenue	-	-	(30,912)	(4,877,831)
Increase (decrease) in deposits and other current liabilities	-	-	-	-
Net cash provided (used) by operating activities	(984,900)	-	346,008	-
	\$ (53,485,598)	\$ 50,326,505	\$ 8,212,306	\$ 98,554,917

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Noncash investing, capital and financing activities				
Donated mains and services	\$ -	\$ 15,176,213	\$ 71,767,910	-
Property, plant and equipment purchased on account	-	25,953,256	-	-
Contributions from general fund	-	-	-	-
Change in fair value of investments	-	1,942,441	(41,269)	-
Bond issuance costs deducted from bond proceeds	-	-	141,047	-
Refunding bonds issued	-	-	-	-
Bonds refunded	-	-	-	-
Deferred loss on refunded bonds	-	-	-	-
Debt issued on behalf of related party	-	-	-	-
Reduction of debt issued on behalf of related party	-	-	(13,515,000)	-

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds		
Cash flows from operating activities:				
Cash received from customers	\$ 82,861,938	\$ 1,372,892,641		\$ 139,206,228
Cash paid for employees and for benefits	(43,686,348)	(545,602,709)		(24,142,408)
Cash paid for services and supplies	(16,884,680)	(724,672,710)		(117,601,823)
Other operating receipts	641,528	23,923,346		9,363,332
Net cash provided (used) by operating activities	22,932,438	126,540,568		6,825,329
Cash flows from noncapital financing activities:				
Cash provided by property taxes	13,437	13,437		-
Cash provided by consolidated taxes and sales and use taxes	449,508	449,508		-
Proceeds from interfund loan	-	9,000,000		-
Repayment of interfund loan	-	(10,000,000)		-
Federal and state grants	50,543	50,543		-
Transfers from other funds	1,700,000	1,700,000		23,350,823
Transfers to other funds	-	-		-
Contributions from other governmental units	-	65,646,853		-
Other nonoperating revenues (expenses)	-	199,000		7,481
Net cash provided (used) by non- capital financing activities	2,213,488	67,059,341		23,358,304
Cash flows from capital and related financing activities:				
Cash provided by contributed capital	-	79,407,488		-
Bonds and loans issued	-	1,021,484,977		-
Federal and state grants	-	27,589,202		-
Cash used for bond issue costs	-	(10,125,773)		-
Acquisition, construction, or improvement of capital assets	(5,304,890)	(655,273,616)		(1,251,012)

Clark County, Nevada
Proprietary Funds

Statement of Cash Flows

For the fiscal year ended June 30, 2007

(Continued)

	Business-Type Activities -			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	Enterprise Funds	
Cash used for debt service:				
Principal	\$ (1,199,036)	\$ (68,301,495)	\$ -	-
Interest	(648,122)	(150,634,613)	-	-
Payment of bond proceeds to related party	-	-	-	-
Payments to bond refunding agent	-	(17,205,000)	-	-
Proceeds from the sale of capital assets	-	845,611	-	345,372
Proceeds from customer assessments	-	113,417,686	-	-
Sales tax apportionment	-	16,113,205	-	-
Cash provided by other capital	-	3,907,713	-	-
Net cash used by capital and related financing activities	(7,152,048)	361,225,385	(905,640)	
Cash flows from investing activities:				
Transfer to joint venture	-	(8,189,088)	-	-
Purchase of investments	-	(23,045,267,638)	-	-
Proceeds from maturities of investments	-	23,113,456,681	-	-
Interest income	4,563,977	83,023,831	7,091,162	
Net cash provided (used) by investing activities	4,563,977	143,023,786	7,091,162	
Net increase (decrease) in cash and cash equivalents	22,557,855	697,849,080	36,369,155	
Cash and cash equivalents:				
Beginning of year	97,873,822	1,264,498,387	168,418,699	
End of year:				
Unrestricted	118,138,168	366,576,778	204,787,854	
Restricted	2,293,509	1,595,770,689	-	
Total cash and cash equivalents at end of year	\$ 120,431,677	\$ 1,962,347,467	\$ 204,787,854	

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds		
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ 15,601,598	\$ (38,940,242)	\$	(2,079,749)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	2,826,747	\$ 210,586,653		1,404,362
Provision for doubtful accounts	-	42,594,073		-
(Increase) decrease in accounts receivable	327,846	(36,147,333)		(136,319)
(Increase) decrease in due from other funds	-	-		(19,329,028)
(Increase) decrease in due from other governmental units	(841)	(841)		8,460,379
(Increase) decrease in inventory	-	(713,980)		112,739
(Increase) decrease in prepaid expense	-	(2,005,901)		(103,608)
(Increase) decrease in other assets	-	(5,574,414)		-
Increase (decrease) in accounts payable	3,551,275	(42,460,619)		14,760,345
Increase (decrease) in accrued payroll	629,699	4,007,671		1,461,208
Increase (decrease) in other non-current liabilities	-	747,022		-
Increase (decrease) in due to other funds	-	-		2,075,000
Increase (decrease) in deferred revenue	232	(4,908,511)		-
Increase (decrease) in deposits and other current liabilities	(4,118)	(643,010)		200,000
Net cash provided (used) by operating activities	\$ 22,932,438	\$ 126,540,568	\$	6,825,329

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Noncash investing, capital and financing activities			
Donated mains and services	\$ -	86,944,123	\$ -
Property, plant and equipment purchased on account	-	25,953,256	-
Contributions from general fund	-	-	-
Change in fair value of investments	-	1,901,172	-
Bond issuance costs deducted from bond proceeds	-	141,047	-
Refunding bonds issued	-	-	-
Bonds refunded	-	-	-
Deferred loss on refunded bonds	-	-	-
Debt issued on behalf of related party	-	-	-
Reduction of debt issued on behalf of related party	-	(13,515,000)	-

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Fiduciary Funds
Statement of Net Assets
June 30, 2007

	Employee Benefit and Pension Funds	Agency Funds
ASSETS		
Cash and investments:		
In custody of the County Treasurer	\$ 2,991,834	\$ 149,411,916
In custody of other officials	-	50,524,832
With fiscal agent	118,692,231	-
Loaned securities	984,826	48,794,741
Accounts receivable	47,336	3,719
Interest receivable	556,134	1,557,696
Taxes receivable, delinquent	-	17,041,045
Due from other governmental units	-	12,356,578
	123,272,361	279,690,527
LIABILITIES		
Loaned securities	984,826	48,794,741
Amounts held for others	-	230,895,786
	984,826	279,690,527
NET ASSETS		
Held in trust for pension benefits and other purposes	\$ 122,287,535	\$ -

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Fiduciary Funds

Statement of Changes in Net Assets
For the year ended June 30, 2007

	Employee Benefit and Pension Funds
ADDITIONS	
Contributions:	
Contributions from employer	\$ 22,040,681
Contributions from employees	2,000,868
Total contributions	<u>24,041,549</u>
Investment earnings:	
Interest	1,062,010
Net increase in fair value of investments	12,133,635
Total investment earnings	13,195,645
Less investment expense	(109,357)
Net investment earnings	<u>13,086,288</u>
Total additions	<u>37,127,837</u>
DEDUCTIONS	
General and administrative Benefit payments	210,421
	<u>14,495,258</u>
Total deductions	<u>14,705,679</u>
Change in net assets	22,422,158
NET ASSETS	
Beginning of year	99,865,377
End of year	<u>\$ 122,287,535</u>

The accompanying notes are an integral part of
these financial statements.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Clark County, Nevada (the County) is a municipality governed by an elected seven-member board. As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present Clark County, Nevada (the primary government) and its component units.

Blended Component Units

Included as blended component units are the Las Vegas Valley Water District (Water District), University Medical Center of Southern Nevada (UMC), Clark County Water Reclamation District (Reclamation District) and the Clark County Redevelopment Agency (Redevelopment Agency).

Although each of the above-mentioned governmental units operates as a separate entity, the members of the Board of Clark County Commissioners are also the board members (ex-officio) of each entity. Because each of the component units has substantially the same governing body as the primary government, they are blended into the financial statements. The operations of the Water District, UMC, and the Reclamation District are reflected as enterprise funds. The Redevelopment Agency is reflected as a special revenue fund.

Discretely Presented Component Units

Included as discretely presented component units are the Regional Transportation Commission of Southern Nevada (RTC) and the Clark County Regional Flood Control District (Flood Control District). The RTC and the Flood Control District are governed by two members of the Board of County Commissioners, two members of the City of Las Vegas Council; and one member from the city council of every other incorporated city in Clark County. The County is financially accountable for RTC and the Flood Control District, and exclusion of these units would render the financial statements of the County incomplete.

Separately issued financial statements for the component units can be obtained by contacting the component units at the following addresses:

Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

University Medical Center of Southern Nevada
1800 West Charleston Boulevard
Las Vegas, Nevada 89102

Clark County Water Reclamation District
5857 East Flamingo Road
Las Vegas, Nevada 89122

Regional Transportation Commission of Southern Nevada
600 South Grand Central Parkway, Suite 350
Las Vegas, Nevada 89106

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Reporting Entity (Continued)

Regional Flood Control District
600 South Grand Central Parkway, Suite 300
Las Vegas, Nevada 89106

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County 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.

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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, are generally 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 County has elected not to follow subsequent private-sector guidance.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

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. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues, excluding property taxes, to be available if they are collected within 90 days after the end of the current fiscal year. Property taxes are considered available if collected within 60 days after the end of the current fiscal year. 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, interest revenue, and charges for services associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year. Only the portion of special assessments receivable due within the fiscal year is considered to be susceptible to accrual as revenue of the current year. Fines and forfeitures, as well as licenses and permits, are not susceptible to accrual as they are generally not measurable until received in cash.

The proprietary fund and employee benefit and pension fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 County's enterprise funds and internal service funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees of the Reclamation District and Water District funds that are intended to recover the cost of connecting new customers to their system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major governmental funds:

The General Fund is the County'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 Las Vegas Metropolitan Police Department Fund accounts for the operation of a police department serving the citizens of unincorporated Clark County and the City of Las Vegas.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The Master Transportation Fund accounts for revenues and expenditures associated with transportation improvements.

The County reports the following major enterprise funds:

The University Medical Center Fund is a blended component unit of the County. It accounts for the operations of the County's hospital.

The Water Reclamation District Fund is a blended component unit of the County. It accounts for the operations of the County's sewage treatment facilities.

The Water District Fund is a blended component unit of the County. It accounts for the operations of the County's water distribution system.

The Department of Aviation Fund accounts for the operations of McCarran International Airport, North Las Vegas Airport, Henderson Executive Airport, Jean Sport Aviation Airport, Perkins Field in Overton, Nevada, and Searchlight Airport.

Additionally, the County reports the following fund types:

Internal service funds account for printing and mailing, fleet management, employee benefits, property management, enterprise resource planning, investment pool costs and self-insurance services provided to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.

Fiduciary funds include the Medical Insurance Premium Retirement Plan fund, the County Section 125 Plan fund, and the Las Vegas Valley Water District Pension Plan fund. These funds account for resources that are required to be held in trust for the members and beneficiaries of the employee benefit plans or for pension benefit payments to qualified employees.

The agency funds are also included as fiduciary funds and they account for assets held by the County as an agent for other governmental entities. The most significant activity in the agency funds is the collection and transfer of taxes to other local governmental entities, primarily ad valorem and room taxes.

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

Assets, Liabilities, and Net Assets or Equity

Investments

With the exception of the Water Reclamation District and Water District, the County pools the cash of its individual funds for investment purposes. Each fund in the pool records its own interest earnings. At year end, all the investments in the pool are adjusted to fair value, regardless of the length of time remaining to maturity. The proportionate share of each fund's unrealized gain or loss at year end is adjusted against the interest earnings of the individual funds. The Water Reclamation District and Water District also adjust

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Assets or Equity (Continued)

Investments (Continued)

their investments to fair value, but only to the extent that they are maturing longer than a year from year end. (Also see Note III.1.)

Receivables and Payables

Activities 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

The accounts receivable are shown net of any provision for doubtful accounts.

Inventories and Prepaid Items

The Water District enterprise fund inventories are valued at the weighted average moving cost. The inventories of the other proprietary funds are valued at the lower of cost, determined by first-in, first-out method, or market. Inventories consist primarily of materials and supplies.

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

Restricted Assets

Restricted assets consist of cash and cash equivalents, investments and certain receivables that are restricted in their use by bond covenants or other external agreements. They are primarily used to meet debt service obligations.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, bridges, flood control structures, traffic signals, streetlights, 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 government as assets with an initial individual cost of more than \$3,000 and an estimated useful life in excess of 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 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. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress. 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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Assets or Equity (Continued)

Capital Assets (Continued)

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Land improvements	5-75
Infrastructure	25-50
Equipment	5-20

Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in 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 effective interest 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 whereas 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.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Reclassifications

Certain amounts in the prior year statements have been reclassified for comparison purposes to conform to the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Net Assets

Funds that had deficit net assets at June 30, 2007, are as follows:

	Amount of Deficit
Internal Service Funds:	
LVMPD Self-Funded Industrial Insurance	(\$9,819,837)

The County and the City of Las Vegas fund the Las Vegas Metropolitan Police Department (LVMPD) jointly. The Las Vegas Metropolitan Police Department Major Special Revenue fund has adequate fund balance to cover this deficit.

Excess of Expenditures Over Appropriations

Nevada law requires disclosure of fund expenditures in excess of appropriations. For the fiscal year ended June 30, 2007, the following funds exceeded appropriations as a result of adjustments for securities lending expenses by the amounts shown parenthetically: Long-Term County Bonds Debt Service Fund (\$275,667), Revenue Stabilization Debt Service Fund (\$97,717), Special Assessment Bonds Debt Service Fund (\$360,014), Special Assessment Surplus and Deficiency Debt Service Fund (\$37,170), In-transit Special Revenue Fund (\$177,303), and Recreation Activity Fund (\$23,719). Nevada law allows for automatic augmentation for insurance expenses, except in funds with deficit net assets. As a result, the LVMPD Self-Funded Industrial Insurance Internal Service Fund final budget augmentation was a statutory violation. The LVMPD Shared State Forfeitures Special Revenue Fund expenditures and transfers exceeded appropriations by \$93,747.

III. DETAILED NOTES – ALL FUNDS

1. CASH AND INVESTMENTS

Deposits

According to state statutes, County monies must be deposited with federally insured banks, credit unions, or savings and loan associations within the County. The County is authorized to use demand accounts, time accounts, and certificates of deposit. State statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable County investments described below, except that statutes permit a longer term and include securities issued by municipalities within Nevada. The County's deposits are fully covered by federal depository insurance or collateral held by the County's agent in the County's name. The County has written custodial agreements with the various financial institutions' trust banks for demand deposits and certificates of deposits. These custodial agreements pledge securities totaling 102 percent of the deposits with each financial institution. The County has a written agreement with the State Treasurer for monitoring the collateral maintained by the County's depository institutions.

All deposits are subject to credit risk. Credit risk is defined as the risk that another party to a deposit or investment transaction (counterparty) will not fulfill its obligations. At year end, the bank balance of deposits held in custody of the County Treasurer was \$17,713,104 and the carrying amount was (\$18,016,918). The negative carrying amount represents outstanding checks in excess of bank balances. The County utilizes zero balance sweep accounts and there are money market funds available to cover amounts presented for payment.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Deposits (Continued)

The bank balance of deposits held in the custody of other officials was \$57,098,735 and the carrying amount was \$52,782,769. The bank balance and the carrying value of deposits with fiscal agent was \$1,144,319.

At June 30, 2007, the fair value of Countywide deposits, investments, and loaned securities consisted of the following:

Total Cash, Investments and Loaned Securities All Entities Combined (Expressed in Thousands)		
		<u>Fair Value</u>
Investments	\$5,500,689	
Loaned securities	<u>1,142,169</u>	6,642,858
Cash		35,911
Water District Pension		<u>118,617</u>
Grand total		<u>\$6,797,386</u>

Investments

When investing monies, the County is required to be in conformance with state statutes and written policies adopted by the Board of County Commissioners designating allowable investments and the safeguarding of those investments. The County invests monies both by individual fund and through a pooling of monies. The pooled monies, referred to as the investment pool, are theoretically invested on the whole and not as a combination of monies from each fund belonging to the pool. In this manner, the County Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balances of the funds for the month in which the investment matures. Cash and investments in the custody of the Treasurer comprise the investment pool.

Securities purchased by the County are delivered against payments and held in a custodial safekeeping account with the trust department of a bank designated by the County.

As described above, the cash and investments in custody of the County Treasurer are invested as a pool. Entity-wide investment pools are considered to have the general characteristics of demand deposits in that the entity may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Therefore, cash and investments in custody of the County Treasurer for the proprietary funds are considered cash equivalents for the purposes of the statement of cash flows, in addition to cash in custody of other officials and cash with fiscal agent. Cash received as collateral for loaned securities is not considered a cash equivalent for the purpose of the statement of cash flows.

State statutes authorize the County to invest in the following: obligations of the U.S. Treasury and U.S. agencies not to exceed ten years maturity; negotiable notes or short-term negotiable bonds issued by other local governments of the State of Nevada; negotiable certificates of deposit insured by commercial banks, credit

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

unions or savings and loan associations; nonnegotiable certificates of deposit issued by insured commercial banks, credit unions or savings and loan associations, except certificates that are not within limits of insurance provided by the Federal Deposit Insurance Corporation, unless those certificates are collateralized as is required for uninsured deposits; bankers' acceptances eligible for rediscount with federal reserve banks, not to exceed 180 days maturity and 20 percent of total investments; obligations of state and local governments if the interest on the obligation is tax exempt and is rated "A" or its equivalent; commercial paper having an "A-1" rating or equivalent, not to exceed 270 days maturity and 20 percent of total investments; money market mutual funds with "AAA" rating invested only in federal government or agency securities; master notes, bank notes or other short-term commercial paper rated "A-1" or its equivalent, or in repurchase agreements fully collateralized by such securities; notes, bonds, and other unconditional obligations issued by corporations organized and operating in the United States, not to exceed 5 years maturity and 20 percent of the total investments; collateralized mortgage obligations that are rated "AAA" or its equivalent, not to exceed 20 percent of the total investments; asset-backed securities that are rated "AAA" or its equivalent, not to exceed 20 percent of the total investments; repurchase agreements that are collateralized at 102 percent and are executed with a primary dealer, not to exceed 90 days maturity. State Statutes require the County to invest with security dealers who are primary dealers when investing in repurchase agreements. Primary dealers are a group of dealers that submit daily reports of market positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its formal oversight.

At June 30, 2007, the fair value of Countywide investments and securities lending were categorized by maturity as follows:

Investments with Securities Lending – All Entities Combined
(Expressed in Thousands)

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>				
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 3</u>	<u>3 to 5</u>	<u>5 to 10</u>
Debt Securities:					
U.S. Treasuries	\$ 663,000	\$ 306,886	\$ 196,963	\$ 99,248	\$59,903
U.S. Agencies	2,884,044	1,112,359	1,354,771	416,914	-
Corporate Obligations	428,381	37,016	346,689	44,676	-
Money Market Funds	756,301	756,301	-	-	-
Commercial Paper	391,008	391,008	-	-	-
Negotiable CDs	196,867	75,000	121,867	-	-
State Investment Pool	102,035	102,035	-	-	-
Collateralized Investment Agreements*	530,554	530,554	-	-	-
Repurchase Agreements	625,740	625,740	-	-	-
Asset Backed Securities	<u>64,928</u>	<u>34,836</u>	<u>30,092</u>	-	-
Total	<u>\$6,642,858</u>	<u>\$3,971,735</u>	<u>\$2,050,382</u>	<u>\$560,838</u>	<u>\$59,903</u>

* These are fully collateralized guaranteed investment contracts and forward delivery agreements related to bond proceeds.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

The State Investment Pool is an external pool administered by the State Treasurer with oversight by the State of Nevada Board of Finance. Fair value of the County's position in the pool is the same as the value of the pool shares.

At June 30, 2007, the Las Vegas Valley Water District Pension Trust Fund had the following investments (includes contract investments at contract value):

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Percent of Total</u>
Fixed income securities	\$ 70,911,331	59.78%
Equities	<u>47,706,018</u>	<u>40.22</u>
Total	<u>\$118,617,349</u>	<u>100.00%</u>

<u>Investment</u>	<u>Maturities</u>	<u>Carrying Value</u>
Alliance Capital, Domestic Equity Fund	N/A	\$ 47,706,018
Mellon Bank, Domestic Bond Fund	Weighted Average 7.71 years	48,932,769
Nevada State Bank, Money Market Fund	Weighted Average 15 days	49,029
Union Central Life Insurance Co. Contract	Open	1,477,900
N.Y. Life Insurance Co. Contract	Open	3,872,111
N.Y. Life Insurance Co. Contract	09/04/07	4,397,438
N.Y. Life Insurance Co. Contract	09/04/07	4,233,136
N.Y. Life Insurance Co. Contract	10/01/07	<u>7,948,948</u>
Total		<u>\$118,617,349</u>

At June 30, 2007, the fair value of Countywide investments and securities lending were categorized by quality rating as follows:

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Investments with Securities Lending – All Entities Combines
(Expressed in Thousands)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Quality Ratings by Standard & Poor's</u>				
		<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>A-1</u>	<u>Unrated</u>
<u>Debt Securities</u>						
U.S. Treasuries	\$ 663,000	\$ 663,000	\$ -	\$ -	\$ -	\$ -
U.S. Agencies	2,884,044	2,884,044	-	-	-	-
Corporate Obligations	428,381	172,498	129,050	89,816	37,017	-
Money Market Funds	756,301	756,301	-	-	-	-
Commercial Paper	391,008	-	-	-	391,008	-
Negotiable CDs	196,867	-	106,825	15,042	75,000	-
State Investment Pool	102,035	-	-	-	-	102,035
Collateralized Investment						
Agreements*	530,554	-	249,730	159,121	-	121,703
Repurchase Agreements	625,740	-	-	-	-	625,740
Asset Backed Securities	<u>64,928</u>	<u>64,928</u>	-	-	-	-
Total	<u>\$6,642,858</u>	<u>\$4,540,771</u>	<u>\$485,605</u>	<u>\$263,979</u>	<u>\$503,025</u>	<u>\$849,478</u>

* These are fully collateralized guaranteed investment contracts and forward delivery agreements related to bond proceeds.

Las Vegas Valley Water District Pension Trust Fund
Credit Quality with Credit Exposure as a Percentage of Total Fixed Income Investments
(Contracts Not Rated)

Domestic Bond Fund	AA1/AA2	<u>06/30/07</u> 69.00%
Money Market Fund	AAA/Aaa	00.07
Contracts	N/A	30.93

The managing institution of the Domestic Bond Fund reports an overall rating of AA at June 30, 2007, for the underlying securities. The fund is benchmarked off the Lehman Brothers Aggregate Bond Index; therefore, the fund uses Lehman Brothers' rating methodology. The methodology uses the middle rating of Moody's, Standard & Poor's, and Fitch after dropping the highest and lowest available ratings. The AAA/Aaa ratings for the Money Market Fund were by Standard & Poor's and Moody's.

The amounts above include investment balances for the RTC and the Flood Control District of \$443,337,216 and \$284,228,158, respectively, which are discretely presented component units and are not broken out separately as they participate in the investment pool.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely effect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the average weighted duration of its investment pool portfolio to less than 2.5 years. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes.

Interest Rate Sensitivity

At June 30, 2007, the County invested in the following types of securities that have a higher sensitivity to interest rates:

Callable securities are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem or call a security before maturity, one time or generally on coupon dates.

Step-up/step-down securities have fixed rate coupons for a specific time interval that will step-up or step-down a predetermined number of basis points at scheduled coupon or other reset dates. These securities are callable one time or on their coupon dates.

Fixed-to-floating rate notes have fixed rate coupons for a specified period of time then a variable rate coupon for the remaining life of the security. The variable rate is generally based on three month LIBOR plus 150 basis points. In some cases, interest rate caps are reset higher annually. These securities are callable generally on their coupon dates.

Range notes have fixed rate coupons based on three month LIBOR staying within a range for a time period, generally one year. If three month LIBOR is within the predetermined range for a specific time period, the coupon rate is set at a higher rate that steps at periodic intervals. If three month LIBOR is out of the predetermined range, the coupon rate is reset to a floor rate or 1 percent. These securities are also callable on their coupon dates.

Terms Table of Interest Rate Sensitive Securities

<u>CUSIP</u>	<u>Fair Value</u>	<u>Maturity Date</u>	<u>Call Frequency</u>	<u>Index</u>	<u>Coupon</u>
3128X56G8	\$49,934,000	05/14/09	One time	N/A	Fixed
3128X5XA1	49,862,500	01/11/10	One time	N/A	Fixed
3133XJT99	49,968,750	02/05/09	One time	N/A	Fixed
31359M6G3	49,843,750	03/26/10	One time	N/A	Fixed
3128X5K80	49,720,500	03/02/12	One time	N/A	Fixed
3133XHNL2	49,906,250	11/03/09	One time	N/A	Fixed
3136F8MA0	49,625,000	05/10/11	One time	N/A	Fixed
3128X5ZCS	49,739,000	02/02/11	One time	N/A	Fixed
31359M2A0	49,859,375	11/20/09	One time	N/A	Fixed
128X55N4	49,730,500	05/07/12	Quarterly	N/A	Step-up
136F8MY8	49,812,500	05/21/10	One time	N/A	Step-down

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Interest Rate Sensitivity (Continued)

<u>CUSIP</u>	<u>Fair Value</u>	<u>Maturity Date</u>	<u>Call Frequency</u>	<u>Index</u>	<u>Coupon</u>
133X9BE9	24,912,250	11/17/11	Quarterly	3 Mo. LIBOR	Floating
133X8N81	25,000,000	09/30/11	Quarterly	3 Mo. LIBOR	Floating
133X65D4	25,081,500	04/28/09	Semiannually	3 Mo. LIBOR	Floating
136F5JM4	24,617,188	03/23/09	One time	N/A	Step-up

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy applies the prudent-person rule: "In investing the County's monies, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The County's investments in the bonds of U.S. Federal agencies were rated AAA by Standard & Poor's and Fitch Ratings, and Aaa by Moody's Investors Service. The County's investment policy limits investments in corporate bonds to an "A" as rated by a nationally recognized rating service and all corporate bond investments were rated "A" or its equivalent or higher. The County's investments in commercial paper are rated P-1 by Moody's Investors Services, F-1 by Fitch Ratings, and A-1 by Standard & Poor's or higher.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than 5 percent of the Clark County investment pool.

At June 30, 2007, the following investments exceeded 5 percent of the total cash, investments, and loaned securities collateral for all entities combined.

Federal Home Loan Banks (FHLB)	23.78%
Federal Home Loan Mortgage Corporation (FHLMC)	12.36
Federal National Mortgage Association (FNMA)	12.07
Federated Money Market Funds	11.49

Securities Lending

Nevada Revised Statute (NRS) 355.178 authorizes the County to participate in securities lending transactions, where the County's securities are loaned to broker/dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The County's securities lending agent administers the securities lending program and receives cash or other securities equal to at least 102 percent of the fair value of the loaned securities plus accrued interest as collateral for securities of the type on loan at year end. The collateral for the loans is maintained at 102 percent, and the value of the securities borrowed is determined on a daily basis.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Securities Lending (Continued)

At year end, the County had no credit exposure to borrowers because the amount the County held as collateral exceeded the amounts the borrowers owed to the County. The contract with the securities lending agent requires it to indemnify the County for all losses relating to securities lending transactions.

The County does not have the ability to pledge or sell collateral securities without a borrower default. There were no borrower defaults during the period nor were there any prior period losses to recover.

State statutes place no restrictions on the amount of securities that can be loaned. Either the County or the borrower can terminate all open securities loans on demand. Cash collateral is invested in accordance with the investment guidelines stated in NRS 355.170. The County investment policy requires that the maturities of the investments made with cash collateral may not be mismatched with the maturities of the securities loaned by more than three business days. Such amounts are included in loaned securities in investments and liabilities.

The fair value of the securities on loan at June 30, 2007, was \$1,119,073,827. At June 30, 2007, the County had collateral with a fair value totaling \$1,142,168,961, which consisted of U.S. corporate obligations, certificates of deposit, repurchase agreements, and asset-backed securities. The total collateral received was in excess of the fair value of the investments held by brokers/dealers under the securities lending agreement.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the County's securities lending policy, \$1,142,168,961 was held by the counterparty that was acting as the County's agent in securities lending transactions.

GASB 31

GASB Statement No. 31 requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income in the funds reflects this positive or negative market value adjustment.

2. PROPERTY TAXES

Taxes on real property are levied on July 1 of each year and a lien is also placed on the property on July 1. The taxes are due on the third Monday in August, but can be paid in four installments on or before the third Monday in August, first Monday in October, January, and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties, and costs, together with interest at the rate of 10 percent per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer may sell the property to satisfy the tax lien.

The Nevada legislature enacted provisions whereby the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed valuation. The Nevada legislature also passed property tax abatement law that generally caps

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

2. PROPERTY TAXES (Continued)

increases in property taxes received from any residential property to three percent per year, and eight percent per year for non-residential property.

Delinquent taxes receivable not collected within sixty days after year end are recorded as deferred revenue in the governmental funds as they are not available to pay liabilities of the current period. The revenue is fully recognized at the government-wide level. The following delinquent taxes receivable and penalties receivable on delinquent taxes have been deferred as of June 30, 2007:

<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Non-Major Enterprise Funds</u>	<u>Total</u>
\$6,424,183	\$3,572,342	\$169,345	\$529	\$10,166,399

3. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2007, consisted of the following:

	<u>Accounts</u>	<u>Provisions for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
<u>Primary Government</u>			
Governmental activities:			
General	\$ 49,145,722	\$(19,511,795)	\$ 29,633,927
Las Vegas Metropolitan Police	3,665,828	-	3,665,828
Master Transportation Plan	15,055	-	15,055
Other governmental	8,182,626	-	8,182,626
Internal Service	<u>5,474,186</u>	<u>-</u>	<u>5,474,186</u>
Total governmental activities	<u>\$ 66,483,417</u>	<u>\$(19,511,795)</u>	<u>\$ 46,971,622</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 19,511,795</u>		
Business-type activities:			
University Medical Center	\$203,930,778	\$(34,420,996)	\$169,509,782
Reclamation District	17,283,992	(250,000)	17,033,992
Water District	50,014,406	(700,000)	49,314,406
Department of Aviation	54,738,025	(1,022,696)	53,715,329
Other proprietary	<u>213,114</u>	<u>-</u>	<u>213,114</u>
Total business-type activities	<u>\$326,180,315</u>	<u>\$(36,393,692)</u>	<u>\$289,786,623</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

3. ACCOUNTS RECEIVABLE (Continued)

	<u>Accounts</u>	<u>Provisions for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
Business-type activities restricted:			
Water District	\$835,011,052	\$ -	\$835,011,052
University Medical Center	<u>2,213,484</u>	<u>-</u>	<u>2,213,484</u>
 Total business-type activities restricted	 <u>\$837,224,536</u>	 <u>\$ -</u>	 <u>\$837,224,536</u>
 Amounts not scheduled for collection during the subsequent year	 <u>\$416,410,000</u>		

Restricted receivables of the Water District consist of amounts due from the Southern Nevada Water Authority (SNWA) restricted for the repayment of Water District bonds and notes whose proceeds were delivered to the SNWA.

Bond Bank Receivable

Nevada Revised Statute authorizes the County to issue general obligation bonds for the purpose of acquiring obligations issued by municipalities and authorities in Clark County for certain purposes. These general obligation bonds are shown in Note 6. The obligation issued by municipalities and authorities are shown as bond bank receivable on the statement of net assets. The receivable had not been recognized in prior years, and as such are shown as a restatement on the statement of activities.

	<u>Balance July 1, 2006</u>	<u>Restatement</u>	<u>Restated Balance July 1, 2006</u>
Bond bank receivable	\$ -	\$628,780,000	\$628,780,000
		<u>Balance June 30, 2007</u>	
Bond bank receivable, current		\$ 14,050,000	
Bond bank receivable, noncurrent		<u>1,004,550,000</u>	
Total bond bank receivable		<u>\$1,018,600,000</u>	

Discretely Presented Component Units

Regional Transportation Commission of Southern Nevada	\$1,246,568	\$ -	\$1,246,568
Regional Flood Control District	\$ 6,528	\$ -	\$ 6,528

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS

	<u>Balance</u> <u>July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2007</u>
<u>Primary Government</u>				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$1,126,627,518	\$ 87,967,689	\$ 20,028	\$1,214,575,179
Construction in progress	<u>189,258,052</u>	<u>245,570,112</u>	<u>169,075,784</u>	<u>265,752,380</u>
Total capital assets not being depreciated	<u>1,315,885,570</u>	<u>333,537,801</u>	<u>169,095,812</u>	<u>1,480,327,559</u>
Capital assets being depreciated:				
Buildings	797,627,513	9,307,382	1,998,809	804,936,086
Improvements other than buildings	212,446,649	1,347,136	129,268	213,664,517
Equipment	250,004,474	42,926,641	21,979,479	270,951,636
Infrastructure	<u>3,280,035,174</u>	<u>255,475,089</u>	<u>30,618</u>	<u>3,535,479,645</u>
Total capital assets being depreciated	<u>4,540,113,810</u>	<u>309,056,248</u>	<u>24,138,174</u>	<u>4,825,031,884</u>
Less accumulated depreciation for:				
Buildings	114,969,188	18,551,460	48,293	133,472,355
Improvements other than buildings	64,308,407	10,094,124	6,462	74,396,069
Equipment	153,586,115	35,515,750	21,535,323	167,566,542
Infrastructure	<u>973,706,822</u>	<u>121,781,428</u>	<u>-</u>	<u>1,095,488,250</u>
Total accumulated depreciation	<u>1,306,570,532</u>	<u>185,942,762</u>	<u>21,590,078</u>	<u>1,470,923,216</u>
Total capital assets being depreciated, net	<u>3,233,543,278</u>	<u>123,113,486</u>	<u>2,548,096</u>	<u>3,354,108,668</u>
Governmental activities capital assets, net	<u>\$4,549,428,848</u>	<u>\$456,651,287</u>	<u>\$171,643,908</u>	<u>\$4,834,436,227</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 609,257,390	\$ 34,243,994	\$ 359,794	\$ 643,141,590
Construction in progress	<u>1,093,260,995</u>	<u>521,930,556</u>	<u>1,191,689,511</u>	<u>423,502,040</u>
Total capital assets not being depreciated	<u>1,702,518,385</u>	<u>556,174,550</u>	<u>1,192,049,305</u>	<u>1,066,643,630</u>
Capital assets being depreciated:				
Land improvements	\$2,125,793,632	\$ 370,296,947	\$ 2,738,089	\$2,493,352,490
Buildings and improvements	2,029,176,522	889,848,995	786,058	2,918,239,459
Equipment	<u>838,754,635</u>	<u>108,978,953</u>	<u>5,483,955</u>	<u>942,249,633</u>
Total capital assets being depreciated	<u>4,993,724,789</u>	<u>1,369,124,895</u>	<u>9,008,102</u>	<u>6,353,841,582</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

	<u>Balance</u> <u>July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2007</u>
Less accumulated depreciation for:				
Land improvements	656,248,439	66,727,481	298,428	722,677,492
Buildings and improvements	790,959,796	84,125,732	511,201	874,574,327
Equipment	<u>365,973,754</u>	<u>59,733,440</u>	<u>4,768,594</u>	<u>420,938,600</u>
 Total accumulated depreciation	 <u>1,813,181,989</u>	 <u>210,586,653</u>	 <u>5,578,223</u>	 <u>2,018,190,419</u>
 Total capital assets being depreciated, net	 <u>3,180,542,800</u>	 <u>1,158,538,242</u>	 <u>3,429,879</u>	 <u>4,335,651,163</u>
 Business-type activities capital assets, net	 <u>\$4,883,061,185</u>	 <u>\$1,714,712,792</u>	 <u>\$1,195,479,184</u>	 <u>\$5,402,294,793</u>

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

Governmental activities:

General government	\$ 29,194,747
Judicial	7,454,998
Public safety	12,814,137
Public works	125,180,692
Health	520,411
Welfare	478,093
Culture and recreation	9,949,119
Other	<u>350,565</u>
 Total depreciation expense – governmental activities	 <u>\$185,942,762</u>

Business-type activities:

Hospital	\$ 12,831,539
Water	69,700,030
Airport	85,820,821
Sewer	39,407,516
Other	<u>2,826,747</u>
 Total depreciation expense – business-type activities	 <u>\$210,586,653</u>

Construction Commitments

Major projects included in construction-in-progress are the beltway and other major arterial roadways, flood control projects, airport terminal expansion, sewage and water treatment facilities.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Construction-in-progress and remaining commitments as of June 30, 2007, were as follows:

	<u>Spent to date</u>	<u>Remaining Commitment</u>
Governmental activities:		
Buildings and improvements	\$132,795,271	\$300,738,063
Infrastructure:		
Work in progress (flood structures) RFC	6,746,981	14,100,522
Work in progress – Public Works	41,099,176	145,647,510
Work in progress – RTC Clark County projects	<u>85,110,952</u>	<u>64,117,765</u>
Total infrastructure	<u>132,957,109</u>	<u>223,865,797</u>
Total governmental activities	<u>\$265,752,380</u>	<u>\$524,603,860</u>
Business-type activities:		
Hospital	\$ 5,402,552	\$ 14,880,283
Water	71,557,337	73,900,000
Airport	211,180,058	654,200,000
Sewer	<u>135,362,093</u>	<u>227,819,945</u>
Total	<u>\$423,502,040</u>	<u>\$970,800,228</u>

Discretely Presented Component Units

Flood Control District

	<u>Balance July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2007</u>
Capital assets not being depreciated:				
Construction in progress	\$ 126,871	\$ 61,335	\$ 93,964	\$ 94,242
Capital assets being depreciated:				
Buildings	2,994,689	-	-	2,994,689
Equipment	<u>1,474,265</u>	<u>191,964</u>	<u>78,730</u>	<u>1,587,499</u>
Total capital assets being depreciated	<u>4,468,954</u>	<u>191,964</u>	<u>78,730</u>	<u>4,582,188</u>
Less accumulated depreciation for:				
Buildings	467,465	60,836	-	528,301
Equipment	<u>1,184,722</u>	<u>129,257</u>	<u>66,048</u>	<u>1,247,931</u>
Total accumulated depreciation	<u>1,652,187</u>	<u>190,093</u>	<u>66,048</u>	<u>1,776,232</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued)

	<u>Balance July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2007</u>
Total capital assets being depreciated, net	<u>2,816,767</u>	<u>1,871</u>	<u>12,682</u>	<u>2,805,956</u>
Government activities capital assets, net	<u>\$2,943,638</u>	<u>\$63,206</u>	<u>\$106,646</u>	<u>\$2,900,198</u>

Depreciation expense of \$190,093 was charged to the public works function.

RTC

	<u>Balance July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2007</u>
Governmental activities:				
Buildings	\$16,311,510	\$2,210,585	\$ -	\$18,522,095
Equipment	<u>2,557,465</u>	<u>1,100,801</u>	<u>221,163</u>	<u>3,437,103</u>
Total capital assets	<u>18,868,975</u>	<u>3,311,386</u>	<u>221,163</u>	<u>21,959,198</u>
Less accumulated depreciation for:				
Buildings	2,495,641	359,773	-	2,855,414
Equipment	<u>1,020,017</u>	<u>562,759</u>	<u>110,941</u>	<u>1,471,835</u>
Total accumulated depreciation	<u>3,515,658</u>	<u>922,532</u>	<u>110,941</u>	<u>4,327,249</u>
Governmental activities capital assets, net	<u>\$15,353,317</u>	<u>\$2,388,854</u>	<u>\$ 110,222</u>	<u>\$17,631,949</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 31,770,543	\$ 1,871,250	\$ -	\$ 33,650,793
Construction in progress	<u>7,548,924</u>	<u>51,970,108</u>	<u>26,709,213</u>	<u>32,809,819</u>
Total capital assets not being depreciated	<u>39,328,467</u>	<u>53,841,358</u>	<u>26,709,213</u>	<u>66,460,612</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

	<u>Balance</u> <u>July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2007</u>
Capital assets being depreciated:				
Buildings and improvements	63,956,566	1,952,620	-	65,909,186
Equipment	<u>175,068,545</u>	<u>25,417,536</u>	<u>10,912,222</u>	<u>189,573,859</u>
Total capital assets being depreciated	<u>239,025,111</u>	<u>27,370,156</u>	<u>10,912,222</u>	<u>255,483,045</u>
Less accumulated depreciation for:				
Buildings and improvements	16,853,583	2,491,707	-	19,345,290
Equipment	<u>93,071,192</u>	<u>14,228,338</u>	<u>10,364,737</u>	<u>96,934,793</u>
Total accumulated depreciation	<u>109,924,775</u>	<u>16,720,045</u>	<u>10,364,737</u>	<u>116,280,083</u>
Total capital assets being depreciated, net	<u>129,100,336</u>	<u>10,650,111</u>	<u>547,485</u>	<u>139,202,962</u>
Business-type activities capital assets, net	<u>\$168,428,803</u>	<u>\$64,491,469</u>	<u>\$27,256,698</u>	<u>\$205,663,574</u>

Depreciation expense was charged to the following functions or programs:

Governmental activities:	
Public Works	<u>\$ 922,532</u>
Business-type activities:	
Public Transit	<u>\$16,720,045</u>

Construction commitments include major arterial roadway projects with various local entities of approximately \$308,717,000. In addition, the Public Transit fund has outstanding construction commitments of approximately \$32,809,000 for capital projects and vehicles.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

5. INTERFUND TRANSACTIONS

Due to/from other funds at June 30, 2007, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	Between nonmajor governmental funds	\$28,638,966
Nonmajor governmental funds	Master Transportation Plan	6,500,000
Department of Aviation	Master Transportation Plan	1,533,589
Internal service funds	University Medical Center	17,254,028
Internal Service Funds	Between internal service funds	<u>4,500,000</u>
Total due to/from other funds		<u>\$58,426,583</u>

These balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2007, consisted of the following:

<u>Fund transferred to:</u>	<u>Fund transferred from:</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 265,508,753
Las Vegas Metropolitan Police Fund	General Fund	187,617,611
Nonmajor governmental funds	General Fund	405,614,226
	Between nonmajor governmental funds	255,363,404
	Master Transportation Fund	144,687,976
Nonmajor enterprise funds	General Fund	1,700,000
Internal service funds	General Fund	2,000,000
	Nonmajor governmental funds	21,350,823
University Medical Center	Nonmajor governmental funds	60,000,000
Department of Aviation	Master Transportation fund	<u>9,359,904</u>
Total interfund transfers		<u>\$1,353,202,697</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Primary Government

Bonds payable at June 30, 2007, are comprised of the following individual issues:

Governmental Activities:

General Obligation Bonds:

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2007</u>
1992	Transportation Improvement	06/01/92	06/01/17	4.90-8.00 %	\$250,000,000	\$ 47,385,000
1998	Transportation Improvement	03/01/98	06/01/19	4.25-5.125	82,885,000	75,025,000
1998	Transportation Improvement	12/01/98	12/01/19	4.00-5.25	100,000,000	45,515,000
1999	Public Safety	02/01/99	02/01/09	4.00-5.00	20,000,000	4,640,000
1999	Public Facilities	03/01/99	06/01/24	3.25-5.125	71,060,000	33,515,000
1999	Park and Justice Center	11/01/99	11/01/09	5.00-6.00	107,015,000	11,735,000
2000	Transportation Improvement	02/01/00	12/01/11	5.00-6.00	85,000,000	19,475,000
2000	Public Safety	03/01/00	03/01/11	5.00-6.00	18,000,000	5,040,000
2000	Bond Bank	07/01/00	07/01/10	5.50-8.00	200,000,000	16,175,000
2001	Bond Bank	06/01/01	06/01/31	5.00-5.50	250,000,000	65,535,000
2002	Medium Term	02/01/02	02/01/12	4.50-5.00	20,000,000	10,955,000
2002	Street Improvement	02/01/02	10/01/07	3.00-5.00	26,495,000	240,000
2002	Bond Bank	11/01/02	06/01/32	5.00-5.25	200,000,000	91,475,000
2004	Government Center	04/01/04	01/01/14	2.00-5.00	7,910,000	6,070,000
2004	Public Safety	04/01/04	06/01/17	2.50-5.00	75,610,000	69,270,000
2004	Transportation Improvement	12/30/04	12/01/19	3.00-5.00	74,895,000	74,370,000
2004	Park and Justice Center	12/30/04	11/01/17	3.00-5.00	48,935,000	48,540,000
2005	Street Improvement	07/06/05	10/01/10	3.50-5.00	20,475,000	17,320,000
2005	Park and Justice Center	07/06/05	11/01/24	4.125-5.00	32,310,000	32,310,000
2006	Transportation Improvement	03/07/06	06/01/16	5.00	115,585,000	115,585,000
2006	Bond Bank	06/13/06	06/01/30	4.00-4.75	242,880,000	241,275,000
2006	Bond Bank	11/02/06	11/01/36	2.50-5.00	604,140,000	604,140,000
2007	Public Facilities	05/24/07	06/01/24	4.00-5.00	22,325,000	22,325,000
1982	Searchlight	10/15/82	01/01/12	5.00	236,720	<u>67,688</u>

Total General Obligation Bonds \$1,657,982,688

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 65,022,250	\$ 78,947,324	\$ 143,969,574
2009	64,767,862	75,484,150	140,252,012
2010	73,068,505	71,812,488	144,880,993
2011	76,629,181	68,101,616	144,730,797

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Governmental Activities (Continued):

General Obligation Bonds (Continued):

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2012	\$ 76,549,890	\$ 64,403,243	\$ 140,953,133
2013-2017	416,580,000	262,897,087	679,477,087
2018-2022	276,275,000	169,533,028	445,808,028
2023-2027	248,910,000	107,484,685	356,394,685
2028-2032	246,990,000	50,757,494	297,747,494
2033-2037	<u>113,190,000</u>	<u>9,248,125</u>	<u>122,438,125</u>
	<u>\$1,657,982,688</u>	<u>\$958,669,240</u>	<u>\$2,616,651,928</u>

Special Assessment Bonds:

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2007</u>
1995	Hiko Springs/Laughlin #74	12/15/95	12/15/15	4.25-7.63 %	\$ 6,107,000	\$ 3,495,000
1998	Laughlin Wash #71A	09/01/98	04/15/14	4.10-7.20	2,155,000	815,000
1998	Valley View #80	03/01/98	02/01/08	3.65-4.30	2,492,000	200,000
1998	Russell Road #81	09/01/98	12/01/12	3.65-5.00	7,155,000	3,445,000
1998	Spring Mountain #88	03/01/98	02/01/08	3.65-4.30	739,000	30,000
1998	Paradise #100	03/01/98	02/01/08	3.65-4.30	195,000	15,000
1999	Patrick Lane #107	04/01/99	02/01/09	3.40-4.50	399,000	55,000
1999	Desert Inn #104	02/01/99	02/01/09	3.25-4.20	76,000	20,000
1999	Desert Inn #102	04/01/99	02/01/09	3.40-4.50	300,000	75,000
1999	Vegas Manor #110	02/01/99	02/01/09	3.25-4.20	1,754,000	280,000
2000	Russell Road #82	01/01/00	02/01/10	4.25-5.40	432,000	40,000
2000	Spring Mountain #103	01/01/00	02/01/10	4.25-5.40	648,000	220,000
2000	Gowan Road #106	01/01/00	02/01/10	4.25-5.40	147,000	25,000
2000	Valley View #109	04/01/00	02/01/10	5.10-5.25	2,123,000	760,000
2001	Windmill #105	01/01/01	02/01/11	4.25-4.75	1,604,000	495,000
2001	Summerlin Centre #128B	05/17/01	02/01/21	4.50-6.75	10,000,000	5,880,000
2001	Summerlin Centre #132	05/01/01	02/01/21	4.50-6.875	24,000,000	18,815,000
2002	Durango #89	06/15/02	08/01/12	1.50-4.20	150,000	38,007
2002	Tropicana #116	06/15/02	08/01/12	1.50-4.20	118,000	44,233
2002	Maryland Parkway #118	06/15/02	08/01/12	1.50-4.20	421,000	172,007
2002	Craig Road #119A	06/15/02	08/01/12	1.50-4.20	67,000	34,310
2002	Jones Blvd. #120	06/15/02	08/01/12	1.50-4.20	194,000	63,823
2002	Flamingo Rd. #123	06/15/02	08/01/12	1.50-4.20	405,000	147,620
2003	Las Vegas Blvd. #97A	06/01/03	03/01/16	2.00-3.70	6,970,000	4,540,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Special Assessment Bonds (Continued):

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2007
2003	Durango #117	06/01/03	03/01/14	2.00-3.50%	\$ 277,000	\$ 122,307
2003	Summerlin Gardens #124A	12/23/03	02/01/20	2.25-4.50	4,399,431	3,487,749
2003	Summerlin Gardens #124B	12/23/03	02/01/20	1.50-5.90	1,929,727	1,560,369
2003	Jones Blvd. #125	06/01/03	03/01/14	2.00-3.50	322,000	223,548
2003	Boulder Highway #126A	06/01/03	03/01/23	2.00-4.30	2,119,000	1,350,000
2003	Tenaya Way #136	06/01/03	03/01/14	2.00-3.50	300,000	198,275
2003	Buffalo Drive #139	06/01/03	03/01/14	2.00-3.50	527,000	275,870
2003	Summerlin Centre #128A	11/03/03	02/01/21	3.50-6.30	10,000,000	8,890,000
2003	Mountains Edge #142	12/04/03	08/01/23	2.25-6.375	92,360,000	88,785,000
2003	Summerlin South #108A	12/23/03	02/01/17	2.25-4.50	17,335,569	12,997,251
2003	Summerlin South #108B	12/23/03	02/01/17	3.30-5.70	8,375,273	6,419,632
2004	Mountain Vista St. #113	06/29/04	02/01/15	3.50-4.30	322,424	214,251
2004	Silverado Ranch Blvd. #130	06/29/04	02/01/15	3.50-4.30	1,747,504	1,255,114
2004	Stewart Ave. #133	06/29/04	02/01/15	3.50-4.30	205,850	150,517
2004	Pebble Road #138	06/29/04	02/01/15	3.50-4.30	808,817	575,345
2004	Buffalo Drive #141	06/29/04	02/01/15	3.50-4.30	64,569	36,918
2004	Alta Drive Bridge #143	06/29/04	02/01/14	3.50-4.30	1,807,964	1,411,034
2004	Durango #144B	06/29/04	02/01/15	3.50-4.30	816,871	656,821
2005	Summerlin Mesa #151	10/12/05	08/01/25	3.15-5.00	25,485,000	25,020,000
2006	Commercial Center #140	05/23/06	02/01/16	4.50	709,000	627,343
2006	Robindale Road #134	05/23/06	02/01/16	4.50	21,000	18,729
2006	Russell Road #127	05/23/06	02/01/16	4.50	1,522,000	1,332,442
2006	Tenaya Way #145	05/23/06	02/01/16	4.50	125,000	106,485
2006	Southern Highlands #121A	05/31/06	12/01/19	3.75-4.63	30,620,000	29,130,000
2006	Southern Highlands #121B	05/31/06	12/01/29	3.90-5.33	13,515,000	13,145,000
2007	Alexander #146	05/02/07	02/01/17	4.00-4.25	448,000	448,000
2007	Craig Road #148	05/02/07	02/01/17	4.00-4.25	495,000	495,000
2007	Silverado Ranch Blvd. #150	05/02/07	02/01/17	4.00-4.25	5,664,000	5,664,000
2007	Durango #144A	05/02/07	02/01/17	4.00-4.25	397,000	397,000
2007	Fort Apache #131	05/02/07	02/01/17	4.00-4.25	462,000	462,000
2007	Summerlin Centre #128A	05/01/07	02/01/31	3.95-5.05	10,755,000	10,755,000
2007	Summerlin Centre #128A	05/01/07	02/01/21	3.95-5.00	480,000	480,000
Total Special Assessment Bonds						<u>\$256,396,000</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Special Assessment Bonds (Continued):

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 14,321,000	\$ 12,910,230	\$ 27,231,230
2009	14,490,000	12,530,329	27,020,329
2010	14,850,000	11,903,647	26,753,647
2011	15,035,000	11,241,813	26,276,813
2012	15,545,000	10,546,241	26,091,241
2013-2017	81,815,000	40,811,157	122,626,157
2018-2022	67,010,000	19,356,500	86,366,500
2023-2022	28,505,000	3,821,917	32,326,917
2028-2031	<u>4,825,000</u>	<u>525,632</u>	<u>5,350,632</u>
	<u>\$256,396,000</u>	<u>\$123,647,466</u>	<u>\$380,043,466</u>

Loans Payable:

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2007</u>
1996	Moapa Park	01/31/96	06/01/16	5.75%	\$ 800,000	\$ 370,081 (a)
2002	LVMPD Helicopter	06/03/02	05/01/12	5.36	1,817,013	<u>1,053,493 (b)</u>
Total Loans Payable						<u>\$1,423,574</u>

(a) This loan is being serviced, principal and interest, by the Moapa debt service fund.

(b) This loan is being serviced, principal and interest, by the Las Vegas Metropolitan Police special revenue fund.

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 226,122	\$ 67,404	\$ 293,526
2009	239,039	55,302	294,341
2010	251,791	42,551	294,342
2011	265,225	29,116	294,341
2012	259,013	14,962	273,975
2013-2016	<u>182,384</u>	<u>17,356</u>	<u>199,740</u>
	<u>\$1,423,574</u>	<u>\$226,691</u>	<u>\$1,650,265</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Litigation Accrual and Arbitrage Liability

The County is a defendant in various cases (see Note 10). An estimated liability of \$2,500,000 for litigation losses is recorded in the governmental activities column.

When a state or local government earns interest at a higher rate of return on tax-exempt bond issues than it pays on the debt, a liability for the spread is payable to the federal government. This interest spread, known as “rebtable arbitrage,” is due five years after issuing the bonds. Excess earnings of one year may be offset by lesser earnings in subsequent years. As of June 30, 2007, the County has incurred an estimated arbitrage liability of \$5,350,000. This estimated liability consists of \$5,350,000 recorded as a current liability on both the fund financial statements and the governmental activities column.

The following summarizes activity for the year:

	<u>Litigation</u>	<u>Arbitrage</u>	<u>Total</u>
Accrual, July 1, 2006	\$2,500,000	\$5,350,000	\$7,850,000
Deletions	<u>-</u>	<u>-</u>	<u>-</u>
Accrual, June 30, 2007	<u>\$2,500,000</u>	<u>\$5,350,000</u>	<u>\$7,850,000</u>
Due within one year	<u>\$ -</u>	<u>\$5,350,000</u>	<u>\$5,530,000</u>

Compensated Absences

The following is the change in long-term accrued vacation, sick leave, longevity, and severance benefits recorded as a noncurrent liability in the governmental activities column as of June 30, 2007:

Long-Term portion of accrued sick leave and vacation benefits at July 1, 2006	\$155,042,294
Additional amount accrued during the year	70,910,741
Less amount paid during the year	<u>62,383,445</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2007	<u>\$163,569,590</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities:

General Obligation Bonds:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2007
2003	Big Bend Water District	06/03/04	01/01/25	3.190 %	\$ 4,000,000	\$ 3,704,059(a)
2003	Big Bend Water District	11/25/03	11/01/10	3.00-5.00	8,195,000	5,025,000(a)
2004	Big Bend Water District	TBD	TBD	3.20	6,000,000	272,591(a)
2003A	Department of Aviation	05/29/03	07/01/27	variable	42,550,000	42,550,000(b)
2003B	Department of Aviation	05/29/03	07/01/24	4.75-5.00	37,000,000	37,000,000(b)
2000	University Medical Center	03/01/00	03/01/11	5.00-5.75	8,850,000	8,650,000(c)
2003	University Medical Center	11/01/03	09/01/23	2.25-5.00	36,765,000	14,090,000(c)
2004	University Medical Center	05/01/04	09/01/09	2.25-3.50	8,085,000	4,890,000(c)
2005	University Medical Center	07/28/05	03/01/20	4.00-5.00	48,390,000	48,040,000(c)
2007	University Medical Center	05/22/07	09/01/23	4.19	18,095,000	18,095,000(c)
1980	Kyle Canyon Water Dist.	10/30/80	10/30/10	5.00	221,000	50,978(d)
2003	Water Reclamation Dist.	04/01/03	07/01/12	2.70-5.00	47,170,000	37,700,000(e)
1998	Las Vegas Valley Water Dist.	04/09/98	05/15/15	4.50-5.50	52,100,000	45,965,000(f)
1998B	Las Vegas Valley Water Dist.	04/01/98	05/15/26	4.50-6.75	190,255,000	184,290,000(f)
2003A	Las Vegas Valley Water Dist.	01/09/03	06/01/32	4.00-5.25	168,685,000	144,065,000(f)
2003B	Las Vegas Valley Water Dist.	01/01/03	06/01/27	4.00-5.25	250,000,000	225,990,000(f)
2005A	Las Vegas Valley Water Dist.	05/04/05	06/01/27	4.00-5.00	302,425,000	291,310,000(f)
2005B	Las Vegas Valley Water Dist.	05/04/05	06/01/10	3.75-5.00	27,925,000	20,685,000(f)
2006A	Las Vegas Valley Water Dist.	06/01/06	06/01/36	4.75-5.00	151,555,000	151,555,000(f)
2006B	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	75,000,000(f)
2006C	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	75,000,000(f)

Total General Obligation Bonds

\$1,433,927,628

- (a) These bonds are being serviced, principal and interest, by the Big Bend Water District enterprise fund.
- (b) These bonds are being serviced, principal and interest, by the Department of Aviation enterprise fund.
The variable rate bond is valued at the rate in effect as of June 30, 2007.
- (c) These bonds are being serviced, principal and interest, by the University Medical Center enterprise fund.
- (d) These bonds are being serviced, principal and interest, by the Kyle Canyon Water District enterprise fund.
- (e) These bonds are being serviced, principal and interest, by the Clark County Water Reclamation District enterprise fund.
- (f) These bonds are being serviced, principal and interest, by the Las Vegas Valley Water District enterprise fund.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

General Obligation Bonds (Continued):

The annual debt service requirements to maturity are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2008	\$ 46,379,563	\$ 70,513,271	\$ 116,892,834
2009	52,462,552	68,401,153	120,863,705
2010	56,508,322	65,806,272	122,314,594
2011	57,714,289	63,029,504	120,743,793
2012	57,381,082	60,112,953	117,494,035
2013-2017	271,069,070	258,063,146	529,132,216
2018-2022	296,750,215	189,204,220	485,954,435
2023-2027	365,552,535	105,554,590	471,107,125
2028-2032	158,625,000	37,174,950	195,799,950
2033-2036	<u>71,485,000</u>	<u>9,131,463</u>	<u>80,616,463</u>
	<u>\$1,433,927,628</u>	<u>\$926,991,522</u>	<u>\$2,360,919,150</u>

Revenue Bonds:

<u>Series</u>	<u>Purpose</u>	<u>Date</u> <u>Issued</u>	<u>Date of</u> <u>Final</u> <u>Maturity</u>	<u>Interest</u>	<u>Original</u> <u>Issue</u>	<u>Balance</u> <u>June 30, 2007</u>
1992	Department of Aviation	08/01/92	07/01/08	4.95-6.50 %	\$209,000,000	\$ 12,580,000
1993A	Department of Aviation	05/18/93	07/01/12	variable	339,000,000	175,900,000
1998APFC	Department of Aviation	04/01/98	07/01/22	4.10-5.50	214,245,000	209,345,000
1998A	Department of Aviation	04/01/98	07/01/18	3.75-6.00	121,045,000	90,775,000
2001C	Department of Aviation	08/23/01	07/01/29	variable	115,560,000	115,560,000
2002APFC	Department of Aviation	10/01/02	07/01/13	4.00-5.25	34,490,000	24,745,000
2003C	Department of Aviation	05/29/03	07/01/22	5.00-5.375	105,435,000	103,105,000
2004A1	Department of Aviation	09/01/04	07/01/24	5.00-5.50	128,430,000	128,430,000
2004A2	Department of Aviation	09/01/04	07/01/36	5.00-5.125	232,725,000	232,725,000
2005A	Department of Aviation	09/14/05	07/01/40	variable	69,590,000	69,590,000
2005A1	Department of Aviation	04/03/05	07/01/22	variable	130,000,000	130,000,000
2005A2	Department of Aviation	04/03/05	07/01/22	variable	129,900,000	129,900,000
2005B	Department of Aviation	04/03/05	07/01/25	variable	60,175,000	50,850,000
2005C1	Department of Aviation	09/07/05	07/01/40	variable	151,200,000	151,200,000
2005C2	Department of Aviation	09/07/05	07/01/40	variable	31,975,000	31,975,000
2005C3	Department of Aviation	09/07/05	07/01/40	variable	31,975,000	31,975,000
2005D1	Department of Aviation	09/07/05	07/01/40	variable	143,815,000	143,815,000
2005D2	Department of Aviation	09/07/05	07/01/40	variable	30,780,000	30,780,000
2005D3	Department of Aviation	09/07/05	07/01/40	variable	30,780,000	30,780,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Revenue Bond (Continued):

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2007</u>
2005E1	Department of Aviation	09/07/05	07/01/36	variable %	\$ 41,330,000	\$ 41,330,000
2005E2	Department of Aviation	09/07/05	07/01/36	variable	8,795,000	8,795,000
2005E3	Department of Aviation	09/07/05	07/01/36	variable	8,795,000	8,795,000
2006A	Department of Aviation	09/21/06	07/01/40	4.00-5.00	100,000,000	100,000,000
2006B	Department of Aviation	09/21/06	07/01/08	5.00	300,000,000	300,000,000
2007A1	Department of Aviation	05/16/07	07/01/27	5.00	150,400,000	150,400,000
2007A2	Department of Aviation	05/16/07	07/01/40	5.00	56,225,000	56,225,000
2007A1PFC	Department of Aviation	04/27/07	07/01/26	4.00-5.00	113,510,000	113,510,000
2007A2PFC	Department of Aviation	04/27/07	07/01/27	5.00	105,475,000	105,475,000
Total Revenue Bonds						<u>\$2,778,560,000</u>

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 369,485,000	\$ 132,134,499	\$ 501,619,499
2009	66,150,000	128,061,062	194,211,062
2010	71,515,000	116,500,169	188,015,169
2011	77,130,000	106,843,130	183,973,130
2012	92,285,000	96,832,790	189,117,790
2013-2017	378,610,000	409,788,253	788,398,253
2018-2022	375,740,000	302,939,930	678,679,930
2023-2027	448,595,000	216,636,283	665,231,283
2028-2032	346,650,000	123,995,244	470,645,244
2033-2037	310,445,000	74,015,833	384,460,833
2038-2041	241,955,000	18,906,174	260,861,174
	<u>\$2,778,560,000</u>	<u>\$1,726,653,367</u>	<u>\$4,505,213,367</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Loans Payable:

<u>Series</u>	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2007</u>
2004	University Medical Center	06/20/04	05/20/04	4.56%	\$ 8,079,363	\$ 4,835,133(a)
2004	Commercial Paper	06/02/04	03/09/09	3.55	400,000,000	<u>400,000,000(b)</u>
Total loans payable						<u>\$404,835,133</u>

- (a) This loan is being serviced, principal and interest by the University Medical Center enterprise fund.
(b) This loan is being serviced, principal and interest, by the Las Vegas Valley District enterprise fund.

Commercial Paper Notes Activity:

<u>Date</u>	<u>Issued</u>	<u>Repayments</u>	<u>Balance</u>
07/01/04	\$ -	\$ -	\$140,000,000
07/15/04	60,000,000	-	200,000,000
02/02/05	100,000,000	-	300,000,000
10/11/05	100,000,000	-	400,000,000

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$401,153,795	\$2,042,975	\$403,196,770
2009	1,207,521	142,839	1,350,360
2010	1,263,750	86,611	1,350,361
2011	<u>1,210,067</u>	<u>27,764</u>	<u>1,237,831</u>
	<u>\$404,835,133</u>	<u>\$2,300,189</u>	<u>\$407,135,322</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Changes in Long-Term Liabilities:

Long-term liability activity for the year ended June 30, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Gen. obligation bonds	\$1,316,469,355	\$ 626,465,000	\$284,951,667	\$1,657,982,688	\$ 65,022,250
Special assessment bonds with govern- mental commitment	263,517,000	7,466,000	14,587,000	256,396,000	14,321,000
Loans	1,624,931	-	201,357	1,423,574	226,122
Litigation accrual	2,500,000	-	-	2,500,000	-
Arbitrage	5,350,000	-	-	5,350,000	5,350,000
Compensated absences	<u>155,042,294</u>	<u>70,910,741</u>	<u>62,383,445</u>	<u>163,569,590</u>	<u>21,000,000</u>
Total	<u>1,744,503,580</u>	<u>704,841,741</u>	<u>362,123,469</u>	<u>2,087,221,852</u>	<u>105,919,372</u>
Business-Type Activities:					
Gen. obligation bonds	1,322,766,613	198,390,000	87,228,985	1,433,927,628	46,379,563
Revenue bonds	1,993,766,000	825,610,000	40,816,000	2,778,560,000	369,485,000
Loans	405,937,591	-	1,102,458	404,835,133	401,153,795
Compensated absences and other liabilities	<u>40,828,878</u>	<u>5,391,705</u>	<u>-</u>	<u>46,220,583</u>	<u>-</u>
Total	<u>3,763,299,082</u>	<u>1,029,391,705</u>	<u>129,147,443</u>	<u>4,663,543,344</u>	<u>817,018,358</u>
Total long-term debt	<u>\$5,507,802,662</u>	<u>\$1,734,233,446</u>	<u>\$491,270,912</u>	<u>\$6,750,765,196</u>	<u>\$922,937,730</u>

Unamortized premium/discount on governmental activity general obligation bonds amounted to \$11,226,038. Unamortized premium/discount on governmental activity special assessment bonds amounted to \$(8,397,099). Unamortized premium/discount on business-type activity general obligation bonds amounted to \$14,310,036. Unamortized premium/discount on business-type activity revenue bonds amounted to \$(32,123,227). There are a number of limitations and restrictions contained in the various bond indentures. Management believes the County is in compliance with all significant limitations and restrictions.

Current Year Refunded and Defeased Bond Issues

In November 2006, Clark County issued \$604,140,000 in General Obligation (Limited Tax) Bond Bank Refunding Bonds with interest ranging from 2.50 to 5.00 percent to advance refund the outstanding 2001 and 2002 series with interest ranging from 5.00 to 5.50 percent.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Business-Type Activities (Continued):

Current Year Refunded and Defeased Bond Issues (Continued)

The bonds were issued at a discount of \$298,304. The bond proceeds totaled \$603,841,696. Net proceeds of \$212,874,741 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 2001 and 2002 bond issues and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$15,517,304, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of \$13,451,651 and an economic gain (difference between the present values of the old and new debt service payments) of \$9,158,969.

In May 2007, Clark County issued \$2,655,000 in General Obligation (Limited Tax) Public Facilities Refunding Bonds with interest at 4.00 percent to advance refund the outstanding 1999A series with interest ranging from 4.75 to 5.00 percent.

The bonds were issued at a premium of \$17,881. The bond proceeds totaled \$2,672,881. Net proceeds of \$2,588,720 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 1999A bond issue and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$61,184, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of \$124,723 and an economic gain (difference between the present value of the old and new debt service payments) of \$112,662.

In May 2007, Clark County issued \$5,800,000 in General Obligation (Limited Tax) Public Facilities Refunding Bonds with interest ranging from 4.00 to 5.00 percent to advance refund the outstanding 1999B series with interest ranging from 4.75 to 5.00 percent.

The bonds were issued at a premium of \$276,716. The bond proceeds totaled \$6,076,716. Net proceeds of \$5,963,330 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 1999B bond issue and the related liability has been removed from the financial statements of the County.

The refunding resulted in a gain of \$144,292, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of \$406,633 and an economic gain (difference between the present value of the old and new debt service payments) of \$319,508.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Current Year Refunded and Defeased Bond Issues (Continued)

In May 2007, Clark County issued \$13,870,000 in General Obligation (Limited Tax) Public Facilities Refunding Bonds with interest ranging from 4.00 to 4.30 percent to advance refund the outstanding 1999C series with interest ranging from 4.75 to 5.25 percent.

The bonds were issued at a premium of \$35,444. The bond proceeds totaled \$13,905,444. Net proceeds of \$13,553,901 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 1999C bond issue and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$404,082, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of \$815,339 and an economic gain (difference between the present value of the old and new debt service payments of \$591,567.

In May 2007, Clark County issued \$18,095,000 in General Obligation (Limited Tax) Hospital Refunding Bonds with interest at 4.19 percent to advance refund the outstanding 2003 series with interest at 5.00 percent.

The bond proceeds totaled \$18,095,000. Net proceeds of \$18,015,454 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 2003 bond issue and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$890,000, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of \$892,899 and an economic gain (difference between the present value of the old and new debt service payments) of \$688,931.

Prior Year Defeasance of Debt

In prior years, the County defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At June 30, 2007, the following were the remaining balances of the defeased bond issues:

Clark County Street Improvement:

Series of October 1, 1987	\$ 3,920,000
Series of December 1, 1995	17,625,000
Special Assessment Bonds:	
Series of December 1, 1992	3,690,000
Series of October 1, 1995	7,785,000
Series of April 15, 1994	1,050,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Prior Year Defeasance of Debt (Continued)

Clark County Street Improvement (Continued):

Series of December 14, 1999	46,980,000
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Clark County Public Safety:

Series of October 1, 1996	70,815,000
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Series of March 1, 2000	6,240,000
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Clark County Transportation:

Series of June 1, 1992 (C)	4,200,000
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Series of July 1, 1994 (A)	66,155,000
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Series of July 1, 1994 (C)	2,360,000
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Series of December 1, 1998(A)	16,590,000
-------------------------------	------------

Series of December 1, 1998(B)	11,060,000
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Series of February 1, 2000(A)	24,000,000
-------------------------------	------------

Series of February 1, 2000(B)	21,340,000
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Series of January 15, 1996(A)	66,405,000
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Series of January 15, 1996(B)	53,090,000
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Big Bend Water District:

Series of November 1, 1990	5,000,000
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Series of 1993	5,205,000
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Las Vegas Valley Water District:

General Obligation Bonds:

Series of May 1, 1988	1,380,000
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Series of October 1, 1989	2,410,000
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Series of August 1, 1990	6,550,000
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Series of September 1, 1992	17,840,000
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Series of April 1, 1994	29,200,000
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Series of March 1, 1995	9,715,000
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Series of July 1, 1995	12,380,000
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Series of July 1, 1996	149,095,000
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Series of June 1, 1997	
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Clark County Water Reclamation District:

Series of June 1, 1993	34,675,000
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Clark County Parks and Regional Justice Center:

Series of 1999	73,515,000
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Clark County Bond Bank:

Series of July 1, 2000	170,730,000
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Series of June 1, 2001	166,915,000
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Series of November 1, 2002	97,455,000
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Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Prior Year Defeasance of Debt (Continued)

Clark County Government Center: Series of July 1, 1993	19,850,000
Clark County Public Facilities:	
Series of March 1, 1999(A)	2,570,000
Series of March 1, 1999(B)	5,905,000
Series of March 1, 1999(C)	13,395,000
Airport Improvement Bonds:	
Series of August 1, 1992 (A)	147,120,000
Series of August 1, 1992 (B)	70,525,000
Series of May 1, 1993	34,765,000
Series of September 1, 1993	20,410,000
Series of 1999 (A)	105,220,000
Hospital Bonds:	
Series of 2000	47,875,000
Series of 2003	<u>17,205,000</u>
Total	<u>\$1,690,210,000</u>

Conduit Debt Obligations

The County has issued approximately \$1,676,245,000 in economic development revenue bonds since 1990. The bonds have been issued for a number of economic development projects, including: utility projects, healthcare projects, and education projects. The bonds are paid solely from the revenues derived from the respective projects, therefore, these bonds are not liabilities of the County under any condition, and they are not included as a liability of the County.

Discretely Presented Component Units

Flood Control District:

The following is a summary of bonds, loans, and compensated absences payable by the Flood Control District for the year ended June 30, 2007:

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued):

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
General obligation bonds	\$306,485,000	\$6,615,000	\$299,870,000
Compensated absences	632,803	-	632,803
Total liabilities	<u>\$307,117,803</u>	<u>\$6,615,000</u>	<u>\$300,502,803</u>
Bonds payable July 1, 2006			\$320,840,000
Bonds retired			(14,355,000)
Bonds payable June 30, 2007			<u>\$306,485,000</u>

Unamortized premium on governmental activity general obligation bonds amounted to \$4,246,194.

The following individual issues comprised the bonds payable at June 30, 2007. New bond issues are designated by an asterisk (*):

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2007</u>
Series of September 15, 1998	\$150,000,000	4.25-5.25%	\$106,485,000
Series of 2006	200,000,000	3.50-4.75	200,000,000
Total general obligation bonds			<u>\$306,485,000</u>

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 6,615,000	\$ 14,495,843	\$ 21,110,843
2009	7,055,000	14,154,843	21,209,843
2010	7,420,000	13,785,318	21,205,318
2011	7,815,000	13,386,899	21,201,899
2012	8,230,000	12,966,967	21,196,967
2013-2017	47,935,000	58,001,731	105,936,731
2018-2022	47,580,000	46,398,738	93,978,738
2023-2027	49,535,000	35,607,781	85,142,781
2028-2032	62,175,000	22,424,156	84,599,156
2033-2037	62,125,000	6,086,294	68,211,294
Total	<u>\$306,485,000</u>	<u>\$237,308,570</u>	<u>\$543,793,750</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued):

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2007:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2006	\$555,184
Additional amount accrued during the year	<u>77,619</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2007	<u>\$632,803</u>

Pledged Revenues

All bonds issued by the Flood Control District are collateralized by a portion of the one-quarter cent sales tax authorized by NRS 543.600 for district operations.

The pledged revenues and debt service coverage for the year ended June 30, 2007, are:

Pledged revenues – sales tax	\$89,484,366
Debt service	31,215,981
Coverage	2.87

RTC:

The following is a summary of bonds, loans, and compensated absences payable by the RTC for the year ended June 30, 2007:

Governmental activities:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Revenue bonds	\$490,060,000	\$15,870,000	\$474,190,000
Compensated absences	<u>1,369,359</u>	<u>-</u>	<u>1,369,359</u>
Total liabilities	<u>\$491,429,359</u>	<u>\$15,870,000</u>	<u>\$475,559,359</u>

Revenue Bonds

The following is a summary of revenue bond activities for the year ended June 30, 2007:

Bonds payable July 1, 2006	\$205,210,000
Bonds issued	300,000,000
Bonds retired	<u>(15,150,000)</u>
Bonds payable June 30, 2007	<u>\$490,060,000</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Revenue Bonds (Continued)

The following individual issues comprised the bonds payable at June 30, 2007.

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2007</u>
Highway Improvement Motor Vehicle Fuel Tax Revenue Bonds:			
Series of April 15, 1997	\$ 70,000,000	4.50-6.00%	\$ 8,725,000
Series of 2003	200,000,000	4.50-6.00	181,335,000
Series of 2007	300,000,000	5.00	<u>300,000,000</u>
 Total Revenue Bonds			 <u>\$490,060,000</u>

Unamortized premium on governmental activity revenue bonds amounted to \$8,810,305.

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 15,870,000	\$ 16,858,829	\$ 32,728,829
2009	15,875,000	22,151,206	38,026,206
2010	17,355,000	21,320,456	38,675,456
2011	18,185,000	20,431,956	38,616,956
2012	105,485,000	87,106,675	192,591,675
2013-2017	134,630,000	56,800,459	191,430,459
2018-2022	98,025,000	16,323,375	114,348,375
2023-2027	<u>84,635,000</u>	<u>5,388,975</u>	<u>90,023,975</u>
 Total	 <u>\$490,060,000</u>	 <u>\$246,381,931</u>	 <u>\$736,441,931</u>

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2007:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2006	\$1,315,056
Additional amount accrued during the year	<u>54,303</u>
 Long-term portion of accrued sick leave and vacation benefits at June 30, 2007	 <u>\$1,369,359</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Compensated Absences (Continued)

Business-type activities:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Loans	\$30,000,000	\$ -	\$30,000,000
Compensated absences	856,656	-	856,656
	<u>\$30,856,656</u>	<u>\$ -</u>	<u>\$30,856,656</u>

Loans Payable

The following is a summary of loan transactions of the RTC for the year ended June 30, 2007:

Loan payable July 1, 2006	<u>\$30,000,000</u>
Loan payable June 30, 2007	<u>\$30,000,000</u>

The following is the loan payable at June 30, 2007:

<u>Lender</u>	<u>Original Amount</u>	<u>Date of Loan</u>	<u>Date Final Payment Due</u>	<u>Interest Rate</u>	<u>Balance June 30, 2007</u>
Commercial Paper	\$30,000,000	Various	Various	Variable	\$30,000,000

This loan is being serviced, principal and interest, by the RTC. The variable note is valued at the rate in effect as of June 30, 2007.

The debt service requirements are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Total Interest</u>	<u>Requirements</u>
2008	\$30,000,000	\$225,000	\$30,225,000

In December 2004, the RTC established a commercial paper program allowing for the issuance of \$200 million in tax-exempt commercial paper notes (Series 2004A and Series 2004B) for transit projects. This commercial paper is being issued as needed, and as of June 30, 2007, \$30 million has been issued. The loan is being serviced, interest only in the current year, by the Public Transit fund. The commercial paper notes may have a maturity date from 1 to 270 days after their issuance, provided however, that no note may mature after the earlier of November 1, 2034, or five days prior to the line of credit expiration date. The line of credit expiration date is December 8, 2007; however, the line of credit may be extended from time to time. Interest rates are

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Loans Payable (Continued)

fixed as of the date each of the notes is issued. As of June 30, 2007, the interest rate on the issued notes ranged from 3.5 to 3.7 percent.

Additionally, in March 2005, the RTC established a commercial paper program allowing for the issuance of \$300 million in tax-exempt commercial paper notes (Series 2005A and Series 2005B) for the streets and highways improvements projects incorporated in Clark County's Master Transportation Plan. This commercial paper was issued as needed over the last three fiscal years. On June 12, 2007, the 2005 program was refunded through the issuance of a \$300 million bond. The loan is being paid off through budgeted transfers from the Highway Improvement Acquisition fund (4100) and the Highway Improvement Fund (4130).

Compensated Absences

Long-term portion of accrued sick leave and vacation benefits at July 1, 2006	\$849,860
Additional amount accrued during the year	<u>6,796</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2007	<u><u>\$856,656</u></u>

7. SEGMENT INFORMATION FOR NONMAJOR ENTERPRISE FUNDS

The County maintains eleven enterprise funds that provide airport, water, sewer, hospital, parking, public safety, and recreational services. Of the nonmajor enterprise funds, only the Big Bend Water District has outstanding revenue bonds that require disclosure of the summary financial information presented below:

Condensed Statement of Net Assets

Assets:

Current Assets	\$10,776,287
Restricted assets	3,236,727
Capital assets	<u>34,364,402</u>
Total assets	<u><u>48,377,416</u></u>

Liabilities:

Current liabilities	8,952,880
Current liabilities payable from restricted assets	759,367
Noncurrent liabilities	<u>7,113,753</u>
Total liabilities	<u><u>16,826,000</u></u>

Net Assets:

Invested in capital assets, net of related debt	25,652,913
Restricted	-
Unrestricted	<u>5,898,503</u>
Total net assets	<u><u>\$31,551,416</u></u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

7. SEGMENT INFORMATION FOR NONMAJOR ENTERPRISE FUNDS (Continued):

Condensed Statement of Revenues, Expenses, and Changes in Net Assets

Water sales and related water fees	\$ 4,446,738
Depreciation expense	(1,034,713)
Other operating expenses	<u>(2,220,549)</u>
Operating income	1,191,476
Nonoperating revenues (expenses):	
Interest income	755,277
Sales and use tax	359,947
Interest expense	<u>(648,122)</u>
Change in net assets	1,658,578
Beginning net assets	<u>29,892,838</u>
Ending net assets	<u>\$31,551,416</u>

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ 4,774,901
Noncapital financing activities	359,947
Capital and related financing activities	(4,553,234)
Investing activities	<u>720,698</u>
Net increase	1,302,312
Beginning cash and cash equivalents	<u>9,023,937</u>
Ending cash and cash equivalents	<u>\$10,326,249</u>

8. NET ASSETS AND FUND BALANCES

Primary Government

Net Assets:

The government-wide statement of net assets reports \$3,420,974,026 of restricted net assets, of which \$247,045,069 is restricted by enabling legislation.

Net Assets Restricted for Other Purposes:

At June 30, 2007, net assets restricted for other purposes on the government-wide statement of net assets totaled \$336,952,162. These net assets utilize revenue sources that are externally imposed by creditors, grantors, and contributors or are imposed by law through enabling legislation. The primary activities of restriction are public safety for \$159,478,783, habitat conservation for \$55,554,206, roads for \$20,858,140, air quality management for \$18,063,564, and parks for \$17,549,210. The remaining activities totaled \$65,448,259.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

8. NET ASSETS AND FUND BALANCES (Continued):

Primary Government (Continued)

Fund Balances:

Designated for Specific Projects:

Nonmajor governmental funds:

Special revenue	\$ 79,217,910
Capital projects	<u>970,963,738</u>

\$1,050,181,648

Special revenue fund balances are designated principally for park projects of \$20,785,483, road repair and maintenance projects of \$19,544,488, habitat conservation of \$12,750,000, funding for federal and state grants of \$8,136,794, and air quality management of \$6,000,000. Capital projects fund balances are designated largely for various projects within the County Capital Projects fund of \$319,581,959, transportation projects of \$306,625,162, parks projects of \$141,637, 911, public safety of \$67,536,375, and special improvement district street improvement projects of \$65,816,390.

Discretely Presented Component Units

Flood Control District

Net Assets:

The government-wide statement of net assets reports \$226,069,019 of restricted net assets, of which \$217,899,922 is restricted by enabling legislation for flood control activities and \$8,169,097 is restricted by creditors for general obligation debt repayment.

RTC

Net Assets:

The government-wide statement of net assets reports \$160,464,086 of restricted net assets, of which \$95,692,910 is restricted by enabling legislation for street and highway projects and other related activities and \$64,771,176 is restricted by creditors for debt repayment.

9. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Over the past three years, settlements have not exceeded insurance coverage. The County maintains the following types of risk exposures:

Self-Funded Group Insurance and Group Insurance Reserve

The County has established self-insurance funds for insuring medical benefits provided to County employees and covered dependents. An independent claims administrator performs all claims-handling procedures.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Clark County Workers' Compensation

The County has established a fund for self-insurance related to workers' compensation claims. Self-insurance is in effect up to an individual stop loss amount of \$500,000 per occurrence in the first year, \$275,000 in the second year and \$175,000 per year thereafter. Coverage from private insurers is maintained for losses in excess of the claim stop loss amount up to \$10,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Las Vegas Metropolitan Police Department (LVMPD) Self-Funded Insurance

The LVMPD has established a self-insurance fund for general liabilities. Loss amounts of \$25,000 or more require approval of the LVMPD Fiscal Affairs Committee. Self-insurance is in effect for loss amounts up to \$2,000,000 per occurrence, accident, or loss. Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$10,000,000. An independent claims administrator performs claims-handling procedures for traffic claims. All other claims are administered through the LVMPD Risk Management Section. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

LVMPD Self-Funded Industrial Insurance

The LVMPD has established a self-insurance fund to pay workers' compensation claims. Self-insurance is in effect up to an individual stop loss amount of \$500,000 per occurrence in the first year, \$275,000 in the second year, and \$175,000 each year thereafter. Coverage from private insurers is maintained for losses in excess of the claim stop loss amount up to \$10,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance

The County has established a general liability self-insurance fund for losses up to a \$25,000 per occurrence retention limit. Losses in excess of this retention are covered by the County liability insurance pool fund. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance Pool

The County has established a general liability insurance pool for the benefit of County funds. Self-insurance is in effect for loss amounts over the \$25,000 retention up to \$2,000,000 per occurrence, accident, or loss. Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$10,000,000. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

Changes in Liability Amounts:

Changes in the funds' claims liability amounts for the past two years were:

	<u>Liability</u> <u>July 1, 2006</u>	<u>Current-Year</u> <u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claim</u> <u>Payments</u>	<u>Liability</u> <u>June 30, 2007</u>
Self-Funded Group Insurance Clark County Workers' Compensation	\$15,188,703	\$ 54,771,646	\$52,239,619	\$17,720,730
LVMPD Self-Funded Insurance	27,168,653	11,145,745	11,167,760	27,146,638
LVMPD Self-Funded Industrial Insurance	16,428,163	5,687,690	11,692,851	10,423,002
County Liability Insurance	14,525,955	25,802,363	8,783,621	31,544,697
County Liability Insurance Pool	4,596,464	1,002,118	1,052,888	4,545,694
	<u>5,062,053</u>	<u>4,181,989</u>	<u>4,126,545</u>	<u>5,117,497</u>
Total Self-Insurance Funds	<u>\$82,969,991</u>	<u>\$102,591,551</u>	<u>\$89,063,284</u>	<u>\$96,498,258</u>

The total liability at June 30, 2007, is included in the accounts payable line item in the government-wide financial statements.

	<u>Liability</u> <u>July 1, 2005</u>	<u>Current-Year</u> <u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claim</u> <u>Payments</u>	<u>Liability</u> <u>June 30, 2006</u>
Self-Funded Group Insurance Clark County Workers' Compensation	\$12,015,072	\$53,450,331	\$50,276,700	\$15,188,703
LVMPD Self-Funded Insurance	24,125,485	11,744,588	8,701,420	27,168,653
LVMPD Self-Funded Industrial Insurance	16,290,154	5,269,722	5,131,713	16,428,163
County Liability Insurance Pool	14,533,685	9,837,608	9,845,338	14,525,955
County Liability Insurance Pool	4,510,230	1,431,195	1,344,961	4,596,464
	<u>6,406,668</u>	<u>2,780,003</u>	<u>4,124,618</u>	<u>5,062,053</u>
Total Self-Insurance Funds	<u>\$77,881,294</u>	<u>\$84,513,447</u>	<u>\$79,424,750</u>	<u>\$82,969,991</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES

In addition to the County general obligation bonds, the County is contingently liable on the Las Vegas Convention and Visitors Authority (the "Authority") general obligation bonds, Series September 1, 1996, April 1, 1998, May 15, 2003, and May 31, 2007, in the amount of \$1,865,000, \$35,660,000, \$9,410,000, and \$38,200,000 respectively. Although the County is contingently liable for the general obligation bonds of the Authority, in the event of a default by the Authority, it is anticipated that additional ad valorem taxes would be levied to retire the bonds. Therefore, the County's exposure to this contingent liability is remote.

Grant Entitlement

The County is a participant in a number of federal and state-assisted programs. These programs are subject to compliance audits by the grantors. The audits of these programs for fiscal year 2007 and certain earlier years have not yet been completed. Accordingly, the County's compliance with applicable program requirements is not completely established. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time. The County believes it has adequately provided for potential liabilities, if any, which may arise from the grantors' audits.

Medicare and Medicaid Reimbursements

UMC's Medicare and Medicaid cost reports for certain prior years are in various stages of review by third-party intermediaries and have not been settled as a result of certain unresolved reimbursement issues. The County believes it has adequately provided for any potential liabilities that may arise from the intermediaries' audits.

Primary Government

Operating Lease Commitments

The following is a schedule of future minimum lease payments for operating leases (with initial or remaining terms in excess of one year) as of June 30, 2007:

Years ending June 30:	
2008	\$14,813,398
2009	12,848,430
2010	7,935,253
2011	3,913,641
2012	584,954
2013-2017	<u>622,444</u>
Total minimum lease payments	<u>\$40,718,120</u>

The UMC enterprise fund also had future minimum rental commitments as of June 30, 2007, for noncancelable operating leases for property and equipment as follows:

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Operating Lease Commitments (Continued)

Years ending June 30:

2008	\$ 5,270,808
2009	3,018,303
2010	2,685,445
2011	1,953,504
2012	1,876,886
Thereafter	<u>4,141,360</u>
 Total	 <u>\$18,946,307</u>

The rental expense of UMC for property and equipment was approximately \$6,061,918 for the year ended June 30, 2007.

Rentals and Operating Leases

The Department of Aviation derives a substantial portion of its revenues from fees and charges to air carriers and concessionaires. Charges to air carriers are generated principally from terminal building rentals, apron charges and airfield landing fees in accordance with the Scheduled Airline Operating Agreement and Terminal Building Lease that expires on June 30, 2008. The Department of Aviation leases land, building, and terminal space to concessionaires under operating leases that expire at various times through 2025. Under the terms of the agreements, concession fees are based principally on a percentage of the concessionaire's revenues or a stated minimum annual guarantee, whichever is greater; land and building rentals are based on square footage rates. The Department of Aviation received \$107,871,184 in FY 2007 and \$93,762,430 in FY 2006 for contingent rental payments in excess of stated minimum annual guarantees.

The following is a schedule of minimum future rentals receivable on non-cancelable operating leases (with initial or remaining terms in excess of one year) as of June 30, 2007:

Years ending June 30:

2008	\$138,019,378
2009	73,652,446
2010	60,090,132
2011	50,305,409
2012	44,143,381
Thereafter	<u>275,996,097</u>
 Total minimum rents receivable	 <u>\$642,206,843</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Discretely Presented Component Units

RTC:

Operating Lease Commitments

The following summarizes the current operating lease commitments for the RTC:

<u>Lessor</u>	<u>Monthly Rental</u>	<u>Date Lease Commenced</u>	<u>Date Lease Terminates</u>
Ferguson Family Trust	<u>\$35,229</u>	10/01/02	09/30/09

Rentals and Operating Leases

The following is a schedule of future minimum lease payments for operating leases as of June 30, 2007:

Years ending June 30:

2008	\$432,258
2009	445,226
2010	<u>112,123</u>
Total	<u>\$989,607</u>

The total rent expense for fiscal year 2007 was \$1,274,188.

Litigation

There are various outstanding claims against the County for which a probability of loss exists with a cumulative amount of approximately \$2,500,000. An accrual for litigation losses has been provided in the governmental activities column.

Other cases, some of which involve alleged civil rights violations, have been filed against the County. These cases are in the discovery stage and no estimate of the probability or extent of possible losses can be determined at this time.

11. JOINT VENTURE

The Water District, a component unit (see Note 1), has a joint venture with the Southern Nevada Water Authority (“SNWA”).

The SNWA is a political subdivision of the State of Nevada, created on July 25, 1991, by a cooperative agreement between the Water District, the Big Bend Water District, the City of Boulder City, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, and the Reclamation District (the “Members”). SNWA was created to secure additional supplies of water and effectively manage existing supplies of water on a regional basis through the cooperative action of the Members.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

11. JOINT VENTURE (Continued)

The SNWA is governed by a seven-member board of directors composed of one director from each member agency. The Water District is the operating agent for the SNWA; the General Manager of the Water District is the General Manager of the SNWA; and the Director of Finance of the Water District is the Treasurer of the SNWA.

The SNWA has the power to periodically assess the Members directly for operating and capital costs and for the satisfaction of any liabilities imposed against the SNWA. The Water District and other members do not have an expressed claim to the resources of the SNWA except that, upon termination of the joint venture, any water right or facility remaining after payment of all obligations shall be returned to the contributing member. For this reason, the Water District records capital contributions as an operating expense, or as noted below, in some instances as capital projects.

In 1995, the SNWA, approved agreements for the repayment of the cost of an additional expansion of the Southern Nevada Water System (SNWS). The agreements required contributions from purveyor members, including the Water District, benefiting from the expansion. In 1996, the Water District approved the collection of regional connection charges, regional commodity charges, and regional reliability surcharges to fund these contributions. The Water District records these charges as operating revenues and contributions to the SNWA as operating expenses, except for District funded capital projects. On a Water District funded capital project, no regional revenue is collected, but a contribution to SNWA is still required, and it is charged to the capital project instead of operating expenses. The Water District does not act as a collecting agency for the SNWA. If the regional revenue were not collected, the Water District would still have the liability to the SNWA.

The Water District operates the SNWS, a regional system consisting of a water treatment plant and pumping and distribution facilities that supply water to the water purveyors in Southern Nevada for the SNWA.

During fiscal year 2007, the Water District billed SNWA \$36,207,043 for expenditures made by the Water District on behalf of SNWS. For these and other costs of SNWA, including debt service, SNWA billed the Water District for its share based on water delivered at a flat rate per acre-foot (wholesale delivery charge). From July through December 2005, the wholesale delivery charge was recorded primarily as purchased water expense and partly as water recharge inventory. From January through June 2006, the wholesale delivery charge was recorded entirely as purchased water expense.

The contributions for fiscal year 2007 for the SNWS expansion totaled \$96,933,426, and in fiscal year 2006 totaled \$143,715,854. Additionally, the Water District contributed \$1,210,785 in both fiscal year 2007 and 2006 to SNWA to help fund a groundwater management program in the Las Vegas Valley. Total contributions to the SNWA for the fiscal year ended June 30, 2007, were \$98,144,211 and in fiscal year 2006 were \$144,926,639, and were recorded as an SNWA expense on the Water District's financial statements.

Audited financial reports for fiscal year 2007 can be obtained by contacting:

Treasurer, Southern Nevada Water Authority
c/o Las Vegas Valley Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM

Clark County, Nevada employees, with the exception of those of the Water District enterprise fund, are covered by the State of Nevada Public Employees' Retirement System (the "System"). The System was established on July 1, 1948, by the Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements participate in the System, which is a cost sharing multiple-employer defined benefit plan. Clark County, Nevada does not exercise any control over the System. Nevada Revised Statute 286.110 states that: "Respective participating public employers are not liable for any obligation of the System."

Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under the System include pension benefits, disability benefits, and death benefits.

Monthly benefit allowances for regular members and police and firemen are computed at 2.5 percent for service credits earned prior to July 1, 2001, and 2.67 percent for service credit earned July 1, 2001, and thereafter, of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement up to a maximum of 90 percent of the average compensation for employees who entered the System prior to July 1, 1985, and 75 percent for those entering after that date. The System offers several alternatives to the unmodified service retirement allowance which, in general, allows the retired employee to accept a reduced service retirement allowance payable monthly during the employee's life and various optional monthly payments to a named beneficiary after the employee's death. Regular members are eligible for full retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Police and firemen are eligible for full retirement benefits with 5 years of service at age 65, with 10 years of service at age 55, at age 50 with 20 years of service, or at any age with 25 years of service.

Contribution rates are established by NRS 286.410. The statute provides for increases in odd-numbered years to an actuarially determined rate sufficient to amortize the unfunded liability of the system to zero over a 30-year amortization period. The County is obligated to contribute all amounts due under the System. The contribution rate for regular members, based on covered payroll, for the years ended June 30, 2007, and June 30, 2006, was 19.75 percent and for the year ended June 30, 2005, was 20.25 percent. The contribution rate for police and firemen for the years ended June 30, 2007, and June 30, 2006, was 32.00 percent and for the year ended June 30, 2005, was 28.50 percent.

The County's contributions to the plan for the years ended June 30, 2007, 2006, and 2005 were \$229,810,822, \$214,503,913, and \$193,648,869, respectively, equal to the required contributions for each year.

An annual report containing financial statements and required information for the System may be obtained by writing to PERS, 693 W. Nye Lane, Carson City, Nevada 89703-1599, or by calling (775) 687-4200.

Las Vegas Valley Water District Retirement Plan

The Water District enterprise fund has provided for employee retirement by participation in Social Security and adoption of a supplementary defined benefit pension plan covering substantially all employees.

A. Plan Description

The Water District contributes to the Las Vegas Valley Water District Pension Plan (the "Plan"), a single-employer defined benefit pension trust fund established by the Water District to provide pension benefits

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

solely for the employees of the Water District. The Board of Trustees of the Plan, composed of the Water District's board of directors, has the authority to establish and amend the benefit provisions of the Plan and the contribution requirements of the Water District and the employees. Water District employees are not required to contribute to the Plan. Water District employees may, however, under certain conditions, purchase additional years of service for eligibility and increased benefits. For the year ended, June 30, 2007, the contributions for this purpose were \$197,723; for the year ended June 30, 2006, the contributions were \$128,759.

The Plan was amended effective February 15, 2005, to provide the following: (1) Increase the annual service credit of 2 percent to 2.17 percent for years of service after July 1, 2001. (Service credit is the accumulation of pension plan years an employee was in paid status at the Water District.) (2) Change the benefit formula to increase the calculation of highest average pay by approximately 10 percent as currently prescribed in the Nevada Revised Statutes. (3) Add shift differential and standby pay to the total compensation counted toward the pension benefit.

Other than cost of living adjustments, the Plan does not provide ad hoc post-retirement benefit increases nor does it administer post-employment healthcare plans. The Plan does not issue a stand-alone financial report.

All Water District employees are eligible to participate in the Plan after attaining age 20 and completing six months of employment. Subject to a maximum pension benefit, normally 60 percent of average monthly compensation, Water District employees who retire at age 65 are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 percent of their average monthly compensation multiplied by the years of service prior to July 2, 2001, and 2.17 percent of their average monthly compensation multiplied for the years of service after July 1, 2001.

For the purpose of calculating the pension benefit, average monthly compensation means the average of a member's 36 consecutive months of highest compensation, after excluding certain elements, times approximately 110 percent, while participating in the Plan. For participants in the plan as of January 1, 2001, benefits start to vest after three years of service with a 20 percent vested interest; after four years of service, 40 percent; and after five years of service, 100 percent. New participants after January 1, 2001, start to vest at 5 years of service at which time they are vested 100 percent. The Plan also provides for early retirement and pre-retirement death benefits. The Plan is not subject to the Employee Retirement Income Security Act (ERISA) of 1974, but is operated consistent with ERISA requirements.

The Water District contributes amounts actuarially determined necessary to fund the Plan in order to pay benefits when due and to provide an allowance sufficient to finance the administrative costs of the Plan. Contributions cannot revert to or be revocable by the Water District or be used for any purpose other than the exclusive benefit of the participants.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

At June 30, 2007, and 2006, participants in the Plan consisted of the following:

	<u>2007</u>	<u>2006</u>
Retirees in pay status with unpurchased benefits	121	90
Terminated employees not yet receiving benefits	276	267
Active employees		
Fully vested	867	823
Partially vested	-	-
Nonvested	<u>330</u>	<u>464</u>
Total active employees	<u>1,197</u>	<u>1,287</u>
Total participants	<u>1,594</u>	<u>1,644</u>

Three-Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/05	15,137,310	100%	\$ -
06/30/06	18,913,372	100	-
06/30/07	22,040,681	100	-

B. Supplemental Information

The schedule of employer contributions is included in the Required Supplementary Information Section in the Comprehensive Annual Financial Report.

C. Annual Pension Cost and Net Pension Obligation

It is the policy of the Water District to pay Annual Required Contributions (ARC) when due; therefore, annual pension cost and the ARC are the same and aggregated \$22,040,681 for the year ended June 30, 2007, and \$18,913,372 for the year ended June 30, 2006. The significant actuarial assumptions used to determine the ARC are: (a) rate of return on the investment of present and future assets of 8.00 percent per year compounded annually, (b) estimated salary increases of 3.0 percent per year compounded annually, attributable to inflation, (c) additional estimated salary increases of 3.0 percent attributable to seniority/merit, and (d) postretirement benefit increases for cost of living adjustments which are limited to certain maximum rates.

An actuarial valuation has been performed each plan year since February 1987.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

C. Annual Pension Cost and Net Pension Obligation (Continued)

The plan uses the “Aggregate Cost Method” for funding; therefore, no separate unfunded actuarial accrued liability is determined for any plan year and a schedule of funding progress is not required. The value of actuarial assets for computation purposes is the sum of the accrued balances and contractual annuity accounts plus the market value of certain investments held and any accrued but unpaid employer contributions.

D. Identification of Investments

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Investments at contract value:		
Union Central Life Insurance Company	\$ 1,477,900	\$ 1,478,593
New York Life Insurance Company	<u>20,451,633</u>	<u>21,555,937</u>
Total investments at contract value	<u>21,929,533</u>	<u>23,034,530</u>
Investments at fair value:		
Alliance Capital Domestic Equity	47,706,018	39,716,833
Mellon Bank, Domestic Bond	48,932,769	34,806,256
Nevada State Bank, Money Market Fund	<u>49,029</u>	<u>55,762</u>
Total investments at fair value	<u>96,687,816</u>	<u>74,578,851</u>
Total investments	<u>\$118,617,349</u>	<u>\$97,613,381</u>

E. Valuation of Investments

Domestic equity and domestic bond amounts represent units of investments in aggregate indexed accounts. These accounts and the money market account are stated at fair value, measured by the underlying market value as reported by the managing institutions. Insurance contracts are Guaranteed Investment Contracts and pooled accounts, stated at contract value as determined by the insurance companies in accordance with the terms of the contracts, plus an estimated interest accrual for the pooled accounts. Excluded from the plan assets are annuities purchased for retired employees or their beneficiaries from an insurance company rated at least A+ by A.M. Best insurance rating company.

F. Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Employer contributions are recognized and received when due. Participants do not make contributions except under certain conditions to voluntarily purchase additional years of service. Contributions are non-refundable. Benefits, which are purchased insurance company annuities, are recognized and paid when due.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

G. Financial Statements

Las Vegas Valley Water District Pension Plan
Statement of Net Assets
June 30, 2007

Assets:

Cash and investments:	
With fiscal agent	\$118,617,349
Interest receivable	<u>524,694</u>
Total assets	<u>\$119,142,043</u>

Net Assets:

Held in trust for pension benefits and other purposes	<u>\$119,142,043</u>
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Las Vegas Valley Water District Pension Plan
Statement of Changes in Net Assets
For the fiscal year ended June 30, 2007

Additions:

Contributions:	
Contributions from employer	\$ 22,040,681
Contributions from employees	<u>197,723</u>
Total contributions	<u>22,238,404</u>

Investment earnings:

Interest	894,418
Net increase (decrease) in fair value of investments	<u>12,133,635</u>
Total investment earnings	13,028,053
Less investment expense	<u>(60,587)</u>
Net investment earnings	<u>12,967,466</u>
Total additions	<u>35,205,870</u>

Deductions:

General and Administrative	210,421
Benefit payments	<u>13,466,787</u>
Total deductions	<u>13,677,208</u>

Change in net assets	21,528,662
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Net Assets:

Beginning of year	<u>97,613,381</u>
End of year	<u>\$119,142,043</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

13. RELATED PARTY TRANSACTIONS

The County transfers sales, fuel, and various other taxes and fees deposited in the Master Transportation Plan special revenue fund to the RTC, a discretely presented component unit. Transfers during the fiscal year ended June 30, 2007, totaled \$189,691,467. The balance payable from the Master Transportation Plan fund to the RTC as of June 30, 2007, was \$38,172,535.

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Information

Clark County administers the Clark County Self-Funded Group Medical and Dental Benefits Plan (the "Plan"), a cost-sharing multiple-employer defined benefit plan. Participants of the Plan include Clark County, University Medical Center of Southern Nevada, the Las Vegas Valley Water District, the Clark County Water Reclamation District, the Las Vegas Convention and Visitors Authority, the Regional Transportation Commission of Southern Nevada, the Regional Flood Control District, and the Henderson Library District. The Plan provides benefits for all full-time active employees of each participant entity effective the first day of the month following two consecutive months of active employment, as well as for retired employees of the entities. As of June 30, 2007, there were 7,705 employee members and 1,210 retired members enrolled in the Plan, with an additional 9,161 covered dependents. The Plan provides medical, dental, and vision benefits. The Plan is governed by an interlocal agreement between each of the participant entities, and all Plan benefit changes must be approved by the governing boards of these entities.

The Plan is not administered as a qualifying trust or equivalent arrangement. The Plan is included in this CAFR as an internal service fund (the Self-Funded Group Insurance fund), as required by Nevada Revised Statute.

Summary of Significant Accounting Policies

Basis of Accounting: The Plan is accounted for using the accrual basis of accounting. Plan member and employer contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments: Investments are reported at fair value as described in Note 1.

Contributions and Reserves

Premium rates for the Plan are established through the previously mentioned interlocal agreement. Each participant entity, through its employee bargaining and budgeting processes, establishes the employer and employee contribution sharing percentages. All administrative costs other than personnel costs are funded through premium rates. Administrative personnel costs are funded through the County Liability Insurance Internal Service fund, which provides general risk management administration. The County pays approximately 90 percent of premiums for active employee coverage, an average of \$574 per active employee for the year ended June 30, 2007. County retirees pay the entire cost of their premium. Active and retiree loss experience is combined to create a single, blended premium for each level of coverage (member only, member plus spouse, member plus children, or family), as required by state law.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2007

III. DETAILED NOTES – ALL FUNDS (Continued)

15. NEW ACCOUNTING PRONOUNCEMENTS

Effective July 1, 2006, the County adopted GASB Statement No. 43, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*. This statement establishes uniform financial reporting standards for OPEB plans. The required disclosures are provided in Note 14.

The County is completing actuarial and other implementation review efforts in anticipation of implementing GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

16. SUBSEQUENT EVENTS

Primary Government

In October 2007, the Water Reclamation District issued \$55,000,000 in general obligation (limited tax) water reclamation bonds (additionally secured by pledged revenues), Series 2007. The bonds bear interest rates from 4.00 to 4.50 percent, payable on July 1, 2008, and semiannually thereafter on January 1 and July 1. Principal payments commence on July 1, 2012, and continue annually through July 1, 2037. The proceeds of the bonds will be used to construct, reconstruct, improve and extend the water Reclamation District's sanitary sewer system and pay the costs of issuing the 2007 bonds.

In November 2007, the County issued \$7,000,000 in hospital medium term bonds, Series 2007. The bonds bear interest rates at 3.889 percent, payable on May 1, 2008, and semiannually thereafter on November 1 and May 1. Principal payments commence on November 1, 2008, and continue annually through November 1, 2017. The proceeds of the bonds will be used to finance all or a portion of the cost of acquiring and improving hospital equipment.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

**To account for resources traditionally associated
with governments which are not required to be
accounted for in another fund.**

Clark County, Nevada
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2007
(With comparative actual for the fiscal year ended June 30, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes	\$ 298,154,938	\$ 298,154,938	\$ 306,803,962	\$ 8,649,024	\$ 266,403,593
Licenses and permits	161,080,000	161,080,000	212,649,068	51,569,068	188,210,332
Intergovernmental revenue	342,602,000	342,602,000	352,645,765	10,043,765	350,175,590
Charges for services	80,408,000	80,408,000	91,872,856	11,464,856	90,156,159
Fines and forfeitures	10,720,000	10,720,000	20,767,142	10,047,142	14,666,431
Interest	4,300,000	4,300,000	21,542,826	17,242,826	13,677,370
Other	4,139,000	4,139,000	11,167,921	7,028,921	6,631,078
Total revenues	901,403,938	901,403,938	1,017,449,540	116,045,602	929,920,553
Other financing sources:					
Transfers from other funds	263,523,748	266,233,092	265,508,753	(724,339)	245,843,588
Total revenues and other financing sources	1,164,927,686	1,167,637,030	1,282,958,293	115,321,263	1,175,764,141
Expenditures:					
General government	135,101,576	126,315,475	116,465,703	(9,849,772)	122,314,860
Judicial	115,474,303	129,440,005	122,571,248	(6,868,757)	108,939,441
Public safety	180,026,710	190,341,370	182,948,608	(7,392,762)	174,669,074
Public works	15,485,099	15,828,413	14,308,081	(1,520,332)	13,481,338
Health	37,087,120	37,087,220	36,801,893	(285,327)	34,606,571
Welfare	84,711,179	84,485,339	84,392,332	(93,007)	68,273,896
Culture and recreation	27,809,684	28,704,934	27,346,167	(1,358,767)	25,661,598
Other general expenditures	128,353,814	111,846,729	99,312,998	(12,533,731)	73,674,989
Total expenditures	724,049,485	724,049,485	684,147,030	(39,902,455)	621,621,767
Other financing uses:					
Transfers to other funds	491,286,479	596,995,332	596,931,837	(63,495)	511,829,290
Total expenditures and other financing uses	1,215,335,964	1,321,044,817	1,281,078,867	(39,965,950)	1,133,451,057
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(50,408,278)	(153,407,787)	1,879,426	155,287,213	42,313,084
Fund balance:					
Beginning of year	202,141,859	307,922,722	307,922,722	-	265,609,638
End of year	\$ 151,733,581	\$ 154,514,935	\$ 309,802,148	\$ 155,287,213	\$ 307,922,722

See notes to Required Supplementary Information

Clark County, Nevada
General Fund

Schedule of Revenues and Transfers - Budget and Actual
For the fiscal year ended June 30, 2007
(With comparative actual for the fiscal year ended June 30, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes:					
Ad valorem taxes	\$ 291,654,938	\$ 291,654,938	\$ 296,699,502	\$ 5,044,564	\$ 259,327,971
Penalties & interest on delinquent taxes	6,500,000	6,500,000	10,104,460	3,604,460	7,075,622
Total taxes	<u>298,154,938</u>	<u>298,154,938</u>	<u>306,803,962</u>	<u>8,649,024</u>	<u>266,403,593</u>
Licenses and permits:					
Business licenses	27,280,000	27,280,000	30,178,516	2,898,516	28,532,326
Liquor licenses	5,400,000	5,400,000	6,440,825	1,040,825	6,343,103
County gaming licenses	38,000,000	38,000,000	45,815,422	7,815,422	42,664,562
Franchise fees:					
Gas	1,000,000	1,000,000	2,172,426	1,172,426	1,402,328
Electric	28,100,000	28,100,000	52,351,510	24,251,510	41,433,773
Other	20,250,000	20,250,000	28,307,694	8,057,694	23,556,942
Other licenses and permits	38,500,000	38,500,000	45,114,612	6,614,612	41,696,670
Marriage licenses	2,550,000	2,550,000	2,268,063	(281,937)	2,580,628
Total licenses and permits	<u>161,080,000</u>	<u>161,080,000</u>	<u>212,649,068</u>	<u>51,569,068</u>	<u>188,210,332</u>
Intergovernmental revenue:					
Federal grants	1,000,000	1,000,000	9,156,516	8,156,516	4,430,696
Federal payments in lieu of taxes	1,500,000	1,500,000	1,985,713	485,713	2,195,025
State grants	500,000	500,000	340,265	(159,735)	559,888
State gaming licenses	160,000	160,000	158,391	(1,609)	159,535
Court administrative assessment	600,000	600,000	843,451	243,451	694,332
Consolidated tax	338,742,000	338,742,000	340,102,045	1,360,045	341,790,734
Other	100,000	100,000	59,384	(40,616)	345,380
Total intergovernmental revenue	<u>342,602,000</u>	<u>342,602,000</u>	<u>352,645,765</u>	<u>10,043,765</u>	<u>350,175,590</u>
Charges for services:					
General government					
Clerk fees	3,400,000	3,400,000	3,685,621	285,621	3,451,046
Recorder fees	27,450,000	27,450,000	25,186,892	(2,263,108)	29,461,998
Map fees	150,000	150,000	759,365	609,365	214,405
Assessor commissions	10,400,000	10,400,000	11,135,098	735,098	10,798,699
Building and zoning fees	1,635,000	1,635,000	1,359,445	(275,555)	1,620,217
Room tax collection commissions	6,250,000	6,250,000	9,148,948	2,898,948	8,327,281
Administrative fees	13,200,000	13,200,000	15,196,092	1,996,092	12,591,407
Other	1,873,000	1,873,000	5,059,455	3,186,455	4,721,877

(Continued)

Clark County, Nevada
General Fund

Schedule of Revenues and Transfers - Budget and Actual

For the fiscal year ended June 30, 2007

(With comparative actual for the fiscal year ended June 30, 2006)

(Continued)

	2007			2006
	Original Budget	Final Budget	Actual	Actual
Revenues (Continued):				
Charges for services (Continued):				
Judicial				
Clerk fees	7,350,000	7,350,000	7,251,038	7,221,570
Other	950,000	950,000	2,217,403	2,430,100
Public safety				
Fire protection services	6,000,000	6,000,000	7,023,484	6,644,137
Other	550,000	550,000	1,027,964	1,222,844
Public works				
Engineering	1,000,000	1,000,000	2,421,232	1,023,066
Health and welfare				
Animal control	100,000	100,000	103,008	131,698
Culture and recreation				
Other	100,000	100,000	297,811	295,814
Total charges for services	80,408,000	80,408,000	91,872,856	90,156,159
Fines and forfeitures:				
Court fines	4,800,000	4,800,000	6,313,331	5,237,751
Court forfeits	5,920,000	5,920,000	14,453,811	9,428,680
Total fines and forfeitures	10,720,000	10,720,000	20,767,142	14,666,431
Interest	4,300,000	4,300,000	21,542,826	13,677,370
Other	4,139,000	4,139,000	11,167,921	6,631,078
Total revenues	901,403,938	901,403,938	1,017,449,540	929,920,553
Other financing sources:				
Transfers from other funds	263,523,748	266,233,092	265,508,753	245,843,588
Total revenues and other financing sources	\$ 1,164,927,686	\$ 1,167,637,030	\$ 1,282,958,293	\$ 1,175,764,141

See notes to Requires Supplementary Information

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual

For the fiscal year ended June 30, 2007

(With comparative actual for the fiscal year ended June 30, 2006)

(Continued)

	2007		2006
	Original Budget	Final Budget	Actual
			Variance
		Actual	
Expenditures (Continued):			
General Government (Continued):			
Elections:			
Salaries and wages	6,217,510	5,717,510	4,493,344
Employee benefits	1,572,925	1,372,925	934,974
Service and supplies	6,725,585	6,134,585	4,703,179
Capital outlay	-	-	36,865
Total Elections	14,516,020	13,225,020	10,168,362
Assessor:			
Salaries and wages	10,525,236	10,525,236	10,090,467
Employee benefits	3,595,188	3,595,188	3,283,094
Service and supplies	1,316,208	1,316,208	1,192,306
Total Assessor	15,436,632	15,436,632	14,565,867
Recorder:			
Salaries and wages	2,790,139	2,790,139	2,438,896
Employee benefits	1,023,471	1,023,471	848,504
Service and supplies	593,583	554,333	417,872
Total Recorder	4,407,193	4,367,943	3,705,272
Clerk:			
Salaries and wages	13,041,245	7,762,965	8,188,901
Employee benefits	4,835,720	2,734,504	2,743,443
Service and supplies	1,127,202	815,669	674,316
Total Clerk	19,004,167	11,313,138	11,606,660
Administrative Services:			
Salaries and wages	5,070,743	5,070,743	4,919,588
Employee benefits	1,685,804	1,685,804	1,559,646
Service and supplies	3,296,269	3,393,187	2,980,046
Total Administrative Services	10,052,816	10,149,734	9,459,280
Human Resources:			
Salaries and wages	2,295,616	2,295,616	2,556,432
Employee benefits	764,806	764,806	789,748
Service and supplies	745,872	745,872	589,955
Total Human Resources	3,806,294	3,806,294	3,936,135

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2007
(With comparative actual for the fiscal year ended June 30, 2006)
(Continued)

	2007		2006
	Original Budget	Final Budget	Actual
			Variance
		Actual	
Expenditures (Continued):			
General Government (Continued):			
Comprehensive Planning:			
Salaries and wages	5,550,157	5,550,157	5,194,801
Employee benefits	1,879,685	1,879,685	1,656,379
Service and supplies	1,382,715	1,382,715	918,197
Total Comprehensive Planning	8,812,557	8,812,557	7,769,377
A-95 Clearinghouse Council:			
Salaries and wages	31,212	31,212	33,012
Employee benefits	15,425	15,425	15,952
Service and supplies	13,875	13,875	5,749
Total A-95 Clearinghouse Council	60,512	60,512	54,713
Information Technology:			
Salaries and wages	9,504,917	9,504,917	9,250,729
Employee benefits	3,165,767	3,165,767	2,838,879
Service and supplies	1,318,454	1,713,154	1,298,252
Total Information Technology	13,989,138	14,383,838	13,387,860
Business License:			
Salaries and wages	5,003,653	4,872,668	4,488,274
Employee benefits	1,714,631	1,679,099	1,451,827
Service and supplies	585,510	504,086	450,407
Total Business License	7,303,794	7,055,853	6,390,508
Real Property Management:			
Salaries and wages	7,348,053	7,348,053	7,128,386
Employee benefits	2,558,726	2,558,726	2,325,187
Service and supplies	6,478,286	8,839,521	8,385,968
Capital outlay	2,002,000	47,605	50,910
Total Real Property Management	18,387,065	18,793,905	17,890,451
Total General Government	135,101,576	126,315,475	116,465,703

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual

For the fiscal year ended June 30, 2007

(With comparative actual for the fiscal year ended June 30, 2006)

(Continued)

	2007			2006
	Original Budget	Final Budget	Actual	Variance
			Actual	
Expenditures (Continued):				
Judicial:				
Outlying Constable:				
Salaries and wages	112,905	112,905	116,851	3,946
Employee benefits	96,922	96,922	92,025	(4,897)
Service and supplies	23,716	23,716	9,746	(13,970)
Total Outlying Constable	233,543	233,543	218,622	(14,921)
Henderson Constable:				
Salaries and wages	130,156	130,156	161,407	31,251
Employee benefits	51,563	51,563	62,054	10,491
Service and supplies	23,120	43,120	22,820	(20,300)
Total Henderson Constable	204,839	224,839	246,281	21,442
North Las Vegas Constable:				
Salaries and wages	112,576	112,576	90,284	(22,292)
Employee benefits	42,339	42,339	38,077	(4,262)
Service and supplies	16,967	36,967	14,225	(22,742)
Total North Las Vegas Constable	171,882	191,882	142,586	(49,296)
District Attorney:				
Salaries and wages	25,515,007	25,515,007	25,374,560	(140,447)
Employee benefits	8,307,408	8,307,408	7,686,511	(620,897)
Service and supplies	2,115,083	2,098,233	1,873,078	(225,155)
Total District Attorney	35,937,498	35,920,648	34,934,149	(986,499)
Witness/Legal Fees:				
Service and supplies	1,580,000	1,730,000	1,668,549	(61,451)
Total Witness/Legal Fees	1,580,000	1,730,000	1,668,549	(61,451)
Family Court:				
Salaries and wages	6,713,751	6,713,751	6,418,374	(295,377)
Employee benefits	2,243,613	2,243,613	1,994,846	(248,767)
Service and supplies	1,541,104	2,046,154	1,750,423	(295,731)
Total Court Jury Services	10,498,468	11,003,518	10,163,643	(839,875)
Indigent Defense:				
Service and supplies	5,151,800	7,901,800	6,456,447	(1,445,353)
Total Indigent Defense	5,151,800	7,901,800	6,456,447	(1,445,353)

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual

For the fiscal year ended June 30, 2007

(With comparative actual for the fiscal year ended June 30, 2006)

(Continued)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Civil/Criminal:					
Salaries and wages	9,237,066	9,275,369	8,843,358	(432,011)	9,074,631
Employee benefits	3,180,397	3,197,576	2,769,995	(427,581)	2,936,667
Service and supplies	2,967,377	4,038,894	3,497,785	(541,109)	3,149,912
Total Civil/Criminal	15,384,840	16,511,839	15,111,138	(1,400,701)	15,161,210
Clerk of the Court:					
Salaries and wages	-	5,278,280	5,428,784	150,504	-
Employee benefits	-	2,101,216	1,572,569	(528,647)	-
Service and supplies	-	622,849	451,964	(170,885)	-
Total Clerk of the Court	-	8,002,345	7,453,317	(549,028)	-
Special Public Defender:					
Salaries and wages	1,548,854	1,548,854	1,638,975	90,121	1,355,329
Employee benefits	499,605	499,605	506,085	6,480	436,992
Service and supplies	309,818	459,068	350,670	(108,398)	303,195
Total Special Public Defender	2,358,277	2,507,527	2,495,730	(11,797)	2,095,516
Court Jury Services:					
Salaries and wages	278,209	278,209	307,258	29,049	280,934
Employee benefits	95,709	95,709	107,033	11,324	101,280
Service and supplies	1,146,125	1,246,125	1,208,031	(38,094)	1,103,486
Total Court Jury Services	1,520,043	1,620,043	1,622,322	2,279	1,485,700
Grand Jury:					
Service and supplies	149,650	149,650	86,683	(62,967)	124,319
Total Grand Jury	149,650	149,650	86,683	(62,967)	124,319
Las Vegas Justice Court:					
Salaries and wages	9,618,380	9,618,380	9,667,982	49,602	8,833,189
Employee benefits	3,371,777	3,371,777	2,938,362	(433,415)	2,904,641
Service and supplies	2,085,160	2,503,443	2,284,379	(219,064)	2,128,464
Total Las Vegas Justice Court	15,075,317	15,493,600	14,890,723	(602,877)	13,866,294

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual

For the fiscal year ended June 30, 2007

(With comparative actual for the fiscal year ended June 30, 2006)

(Continued)

	2007			2006
	Original Budget	Final Budget	Actual	Variance
			Actual	
Expenditures (Continued):				
Judicial (Continued):				
Henderson Justice Court:				
Salaries and wages	1,167,071	1,167,071	1,195,187	28,116
Employee benefits	423,609	423,609	413,109	(10,500)
Service and supplies	150,510	195,510	171,256	(24,254)
Total Henderson Justice Court	1,741,190	1,786,190	1,779,552	(6,638)
North Las Vegas Justice Court:				
Salaries and wages	1,193,770	1,193,770	1,216,474	22,704
Employee benefits	439,829	439,829	427,257	(12,572)
Service and supplies	258,185	283,185	265,897	(17,288)
Total North Las Vegas Justice Court	1,891,784	1,916,784	1,909,628	(7,156)
Outlying Justice Court:				
Salaries and wages	1,395,624	1,395,624	1,476,098	80,474
Employee benefits	486,088	486,088	432,998	(53,090)
Service and supplies	169,383	230,133	230,026	(107)
Total Outlying Justice Court	2,051,095	2,111,845	2,139,122	27,277
Public Defender:				
Salaries and wages	14,463,861	14,303,701	14,495,342	191,641
Employee benefits	4,637,400	4,637,400	4,426,976	(210,424)
Service and supplies	1,296,419	1,735,629	1,275,511	(460,118)
Total Public Defender	20,397,680	20,676,730	20,197,829	(478,901)
Neighborhood Justice Center:				
Salaries and wages	759,393	759,393	762,267	2,874
Employee benefits	239,681	239,681	227,540	(12,141)
Service and supplies	127,323	458,148	65,120	(393,028)
Total Neighborhood Justice Center	1,126,397	1,457,222	1,054,927	(402,295)
Total Judicial	115,474,303	129,440,005	122,571,248	(6,868,757)

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2007
(With comparative actual for the fiscal year ended June 30, 2006)
(Continued)

	2007			2006
	Original Budget	Final Budget	Actual	Variance
Expenditures (Continued):				
Public Safety:				
Office of the Sheriff:				
Salaries and wages	170,047	170,047	161,440	(8,607)
Employee benefits	41,965	41,965	13,157	(28,808)
Service and supplies	10,000	10,000	3,208	(6,792)
Total Office of the Sheriff	222,012	222,012	177,805	(44,207)
Fire Department:				
Salaries and wages	71,084,728	74,084,728	72,241,884	(1,842,844)
Employee benefits	29,007,146	30,007,146	27,477,236	(2,529,910)
Service and supplies	7,233,742	9,234,492	7,826,454	(1,408,038)
Total Fire Department	107,325,616	113,326,366	107,545,574	(5,780,792)
Volunteer Fire and Ambulance:				
Service and supplies	346,657	346,657	287,902	(58,755)
Total Volunteer Fire and Ambulance	346,657	346,657	287,902	(58,755)
Public Guardian:				
Salaries and wages	1,496,744	1,496,744	1,358,207	(138,537)
Employee benefits	551,526	551,526	471,559	(79,967)
Service and supplies	208,541	247,241	151,094	(96,147)
Total Public Guardian	2,256,811	2,295,511	1,980,860	(314,651)
Public Administrator:				
Salaries and wages	700,680	700,680	808,654	107,974
Employee benefits	198,885	198,885	172,447	(26,438)
Service and supplies	102,528	102,528	96,026	(6,502)
Total Public Administrator	1,002,093	1,002,093	1,077,127	75,034
Coroner:				
Salaries and wages	2,885,071	3,085,071	3,132,602	47,531
Employee benefits	919,060	919,060	905,308	(13,752)
Service and supplies	787,324	1,065,074	788,817	(276,257)
Total Coroner	4,591,455	5,069,205	4,826,727	(242,478)

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual

For the fiscal year ended June 30, 2007

(With comparative actual for the fiscal year ended June 30, 2006)

(Continued)

	2007			2006
	Original Budget	Final Budget	Actual	Variance
Expenditures (Continued):				
Public Safety (Continued):				
Juvenile Justice:				
Salaries and wages	23,753,965	23,753,965	24,197,890	443,925
Employee benefits	9,439,037	9,439,037	8,802,440	(636,597)
Service and supplies	4,694,127	5,349,127	4,828,610	(520,517)
Total Juvenile Justice	37,887,129	38,542,129	37,828,940	(713,189)
Family Services:				
Salaries and wages	17,928,690	18,858,690	19,416,051	557,361
Employee benefits	5,929,948	5,899,948	5,779,648	(120,300)
Service and supplies	2,536,299	4,778,759	4,027,974	(750,785)
Capital outlay	-	-	-	-
Total Family Services	26,394,937	29,537,397	29,223,673	(313,724)
Total Public Safety	180,026,710	190,341,370	182,948,608	(7,392,762)
Public Works:				
Public Works:				
Salaries and wages	9,823,079	9,823,079	9,530,189	(292,890)
Employee benefits	3,407,366	3,407,366	3,004,526	(402,840)
Service and supplies	1,754,654	2,572,968	1,764,166	(808,802)
Capital outlay	500,000	25,000	9,200	(15,800)
Total Public Works	15,485,099	15,828,413	14,308,081	(1,520,332)
Health:				
Emergency Room Admittance:				
Service and supplies	34,037,120	34,037,220	34,390,052	352,832
Total Emergency Room Admittance	34,037,120	34,037,220	34,390,052	352,832
Emergency Medical Care:				
Service and supplies	3,050,000	3,050,000	2,411,841	(638,159)
Total Emergency Medical Care	3,050,000	3,050,000	2,411,841	(638,159)
Total Health	37,087,120	37,087,220	36,801,893	(285,327)

(Continued)

Clark County, Nevada
General Fund

Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2007
(With comparative actual for the fiscal year ended June 30, 2006)
(Continued)

	2007			2006
	Original Budget	Final Budget	Actual	Variance
Expenditures (Continued):				
Welfare:				
Salaries and wages	8,133,113	8,133,113	7,717,151	(415,962)
Employee benefits	2,774,684	2,774,684	2,397,438	(377,246)
Service and supplies	73,303,382	73,303,382	74,257,413	954,031
Capital outlay	500,000	274,160	20,330	(253,830)
Total Welfare	84,711,179	84,485,339	84,392,332	(93,007)
Culture and Recreation:				
Salaries and wages	16,318,233	16,318,233	16,321,671	3,438
Employee benefits	5,822,266	5,822,266	5,316,255	(506,011)
Service and supplies	5,669,185	6,564,435	5,708,241	(856,194)
Total Culture and Recreation	27,809,684	28,704,934	27,346,167	(1,358,767)
Other General Expenditures:				
Utilities	26,663,000	24,858,000	19,377,343	(5,480,657)
Building rental	5,158,904	4,658,904	3,333,293	(1,325,611)
Capital replacement	4,200,000	3,308,800	2,242,940	(1,065,860)
Administrative assessments	621,753	819,753	456,015	(363,738)
Maintenance contracts	13,865,483	12,365,483	11,925,954	(439,529)
Insurance and official bonds	4,035,019	4,035,019	4,653,006	617,987
Miscellaneous refunds and expenditures	29,745,766	18,814,581	13,985,640	(4,828,941)
Internal service charges	17,553,893	16,716,193	17,250,146	533,953
Publications and professional services	4,059,396	3,819,396	3,638,061	(181,335)
Contributions	22,450,600	22,450,600	22,450,600	-
Total Other General Expenditures	128,353,814	111,846,729	99,312,998	(12,533,731)
Total expenditures	724,049,485	724,049,485	684,147,030	(39,902,455)
Transfers to other funds	491,286,479	596,995,332	596,931,837	(63,495)
Total expenditures and transfers	\$ 1,215,335,964	\$ 1,321,044,817	\$ 1,281,078,867	(\$ 39,965,950)

See notes to Required Supplementary Information

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FUND

**To account for the operations of the Las Vegas Metropolitan
Police Department. Financing is provided primarily by
contributions from the City of Las Vegas and transfers
from the County general fund.**

Clark County, Nevada
Las Vegas Metropolitan Police Department
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2007
(With comparative actual for the fiscal year ended June 30, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Ad valorem taxes	\$ 134,459,675	\$ 140,812,024	\$ 138,843,485	\$ (1,968,539)	\$ 121,589,039
Intergovernmental revenue:					
Federal and state grants	-	31,875,232	12,237,734	(19,637,498)	14,285,567
City of Las Vegas contribution	122,031,169	122,031,169	122,031,169	-	111,569,541
Charges for services:					
Airport security	11,817,226	11,817,226	11,938,814	121,588	11,387,576
Other	7,450,000	9,004,411	10,120,944	1,116,533	8,603,553
Interest	1,100,000	2,835,000	3,560,344	725,344	1,937,588
Other	1,350,000	2,252,000	1,352,702	(899,298)	1,669,717
Total revenues	278,208,070	320,627,062	300,085,192	(20,541,870)	271,042,581
Other financing sources:					
Transfers from other funds	187,617,611	187,617,611	187,617,610	(1)	170,910,370
Total revenues and other financing sources	465,825,681	508,244,673	487,702,802	(20,541,871)	441,952,951
Expenditures:					
Salaries and wages	280,846,000	287,846,000	280,150,167	(7,695,833)	262,486,125
Employee benefits	109,415,917	111,415,917	106,513,098	(4,902,819)	97,785,825
Services and supplies	59,800,428	79,800,428	58,099,530	(21,700,898)	58,096,439
Capital outlay	16,413,336	35,663,336	13,836,341	(21,826,995)	20,226,201
Principal	-	-	168,459	168,459	187,955
Interest	-	-	55,581	55,581	76,819
Total expenditures	466,475,681	514,725,681	458,823,176	(55,902,505)	438,859,364
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(650,000)	(6,481,008)	28,879,626	35,360,634	3,093,587
Fund balance:					
Beginning of year	8,009,061	13,840,069	22,965,662	9,125,593	19,872,075
End of year	\$ 7,359,061	\$ 7,359,061	\$ 51,845,288	\$ 44,486,227	\$ 22,965,662

See notes to Required Supplementary Information

MASTER TRANSPORTATION PLAN FUND

To account for proceeds to be used for improved transportation in Clark County. Financing is provided by additional motor vehicle fuel taxes, motor vehicle privilege taxes, aviation fuel taxes, sales taxes, room taxes, and new development fees. Such proceeds may only be used for transportation purposes.

Clark County, Nevada
 Master Transportation Plan
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the fiscal year ended June 30, 2007
 (With comparative actual for the fiscal year ended June 30, 2006)

	2007		2006		
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes:					
Room tax	\$ 41,259,000	\$ 41,259,000	\$ 44,426,388	\$ 3,167,388	\$ 41,626,529
Licenses and permits:					
New development fees	45,927,000	45,927,000	34,427,710	(11,499,290)	50,521,808
Intergovernmental revenue:					
Sales and use tax	178,198,100	178,198,100	178,716,556	518,456	176,637,562
Motor vehicle privilege tax	49,416,000	49,416,000	48,010,194	(1,405,806)	45,951,198
Motor vehicle fuel tax	38,900,000	38,900,000	39,467,494	567,494	38,669,617
Aviation fuel tax	13,500,000	13,500,000	14,039,856	539,856	14,068,275
Juvenile court administrative fee	-	-	-	-	5,155
Interest	800,000	2,970,000	7,856,229	4,886,229	3,641,972
Total revenues	<u>368,000,100</u>	<u>370,170,100</u>	<u>366,944,427</u>	<u>(3,225,673)</u>	<u>371,122,116</u>
Expenditures:					
Services and supplies	239,999,650	234,488,034	234,488,034	-	239,961,164
Other financing uses:					
Transfers to other funds	138,092,334	157,273,550	154,047,881	(3,225,669)	145,702,902
Total expenditures and other financing uses	<u>378,091,984</u>	<u>391,761,584</u>	<u>388,535,915</u>	<u>(3,225,669)</u>	<u>385,664,066</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(10,091,884)	(21,591,484)	(21,591,488)	(4)	(14,541,950)
Fund balance:					
Beginning of year	10,091,884	21,591,484	21,591,488	4	36,133,438
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,591,488</u>

See notes to Required Supplementary Information

Clark County, Nevada
Las Vegas Valley Water District Pension Trust
Defined Benefit Pension Plan Required Supplementary Information
Schedule of Employer Contributions

<u>Year Ended June 30,</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
1998	\$ 3,103,106	100%
1999	3,004,678	100
2000	3,304,517	100
2001	4,125,838	100
2002	9,284,697	100
2003	11,080,679	100
2004	12,923,933	100
2005	15,338,670	100
2006	18,913,372	100
2007	22,040,681	100

Annual required contributions are determined as part of the actuarial valuations at July 1 of each plan year. The aggregate actuarial cost method is used, and therefore no separate unfunded actuarial accrued liability is determined for any plan year.

Additional actuarial assumptions as of the latest actuarial valuation:

Investment rate of return	8.0%
Projected salary increases	6.0%

See notes to Required Supplementary Information

Clark County, Nevada
Notes to Required Supplementary Information
Year Ended June 30, 2007

Budgetary Information

The County uses the following procedures to establish, modify, and control the budgetary data presented in the financial statements:

- a. Prior to April 15, the County Manager submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.
- b. The Nevada State Department of Taxation notifies the County of its acceptance of the budget.
- c. Public hearings are conducted on the third Monday in May.
- d. After all the changes have been noted and hearings closed, the County Commission adopts the budget on or before June 1.
- e. The County Manager is authorized to transfer budgeted amounts within functions or funds, but the County Commission must approve any transfers between funds or increases to a fund's original appropriated level.
- f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal County Commission action.
- g. The General Fund and all special revenue, debt service, and capital project funds have legally adopted annual budgets.
- h. Statutory regulations require budgetary control to be exercised at the function level within the General Fund or at the fund level of all other funds. The County administratively exercises control at the budgeted item level within a department.
- i. All appropriations lapse at the end of the fiscal year. Encumbrances are reappropriated in the ensuing fiscal year.
- j. Budgets are adopted on a basis consistent with the method used to report on governmental funds that are prepared in accordance with the accounting principles generally accepted in the United States of America.
- k. Budgeted expenditure amounts for the year ended June 30, 2007, as originally adopted, were augmented during the year for grants and other County Commission action.

COMMENTS OF INDEPENDENT AUDITORS



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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

We have audited the 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 Clark County, Nevada (the "County") as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 11, 2007. 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. We did not audit the financial statements of University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, or Department of Aviation, which, when combined, represent 98 percent, 96 percent, and 94 percent, respectively, of the assets, net assets, and revenues of the Enterprise Funds. 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 University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, and Department of Aviation is based solely on the reports of the other auditors. As stated in the other auditors' reports, the financial statements of University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, and Department of Aviation were audited in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 the County's 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*.

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

Kafoury, Armstrong & Co.

Las Vegas, Nevada
December 11, 2007

ACCOMPANYING INFORMATION – EXPENDITURES OF FEDERAL AWARDS



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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A133**

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

Compliance

We have audited the compliance of Clark County, Nevada (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The County'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 the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

Clark County, Nevada's financial statements include the operations of the following component units: University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, as well as the Department of Aviation. The federal awards received by these entities are not included in the County's schedule of expenditures of federal awards for the year ended June 30, 2007. Our audit, described below, did not include the operations of University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, or the Department of Aviation because these entities engaged other auditors to perform their audits in accordance with OMB Circular A133.

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

basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 07-1 through 07-5.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance; but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control. We noted certain matters involving the internal control over compliance and its operation that we consider to be significant deficiencies. These are described in the accompanying schedule of findings and questioned costs as items 07-1 through 07-5.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

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

Kafoury, Armstrong & Co.

Las Vegas, Nevada
March 14, 2008

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
OFFICE OF NATIONAL DRUG CONTROL POLICY				
Direct Program:				
Executive Office of the President				
2002 HIDTA #12PNVP501 (1/1/02-12/31/02)	07.501	None	\$ 2,000,000	\$ 20,047
2003 HIDTA #13PNVP501 (1/1/03-12/31/03)	07.501	None	1,400,000	139,735
2004 HIDTA #14PNVP501Z (1/1/04-12/31/04)	07.501	None	1,740,000	227,230
2005 HIDTA #15PNVP501Z (1/1/05-12/31/05)	07.501	None	1,900,000	652,224
2006 HIDTA #16PNVP501Z (1/1/06-12/31/06)	07.501	None	2,500,000	1,282,314
2007 HIDTA #17PNVP501Z (1/1/07-12/31/07)	07.501	None	2,500,000	<u>138,145</u>
Total Office of National Drug Control Policy				<u>2,459,695</u>
DEPARTMENT OF AGRICULTURE				
Passed Through Nevada Department of Education:				
Food Distribution (Commodity)	10.550	Permanent Agreement	15,983	15,983
Child Nutrition Cluster				
Passed Through Nevada Department of Education:				
School Breakfast Program, FY 06-07	10.553	Program 32	45,064	45,064
School Breakfast Program, FY 06-07	10.553	Program 32	162,078	<u>162,078</u>
				<u>207,142</u>
Passed Through Nevada Department of Education:				
National School Lunch Program, FY 06-07	10.555	Program 32	68,590	68,590
National School Lunch Program, FY 06-07	10.555	Program 32	253,701	<u>253,701</u>
				<u>322,291</u>
Passed Through Nevada Department of Education:				
Special Milk Program for Children, FY 06-07	10.556	Coop Agreement	21,474	21,474
Passed Through Nevada Department of Education:				
Summer Food Service Program Administrative, 2006	10.559	None	6,487	6,487
Summer Food Service Program for Children, 2006	10.559	None	76,934	<u>53,555</u>
				<u>60,042</u>
Total Child Nutrition Cluster				<u>610,949</u>
Passed Through Nevada Department of Education:				
Child and Adult Care Food Program	10.558	None	78,339	78,339
Passed Through Nevada Division of Forestry				
FFY05 Volunteer Fire Assistance Program				
Cooperative Forestry Assistance	10.664	Coop Agreement	60,000	19,167

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF AGRICULTURE (Continued)				
Direct Program:				
Agriculture Management Assistance	10.917	06-CA-11046000-044	\$ 498,000	\$ <u>31,885</u>
Total Department of Agriculture				<u>756,323</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG – Entitlement and (HUD-Administered) Small Cities Cluster				
Direct Program:				
Community Development Block Grant, FY 06-07	14.218	B-06-UC-32-0001	8,018,956	2,016,864
Community Development Block Grant, FY 05-06	14.218	B-05-UC-32-0001	8,819,545	<u>7,566,610</u>
Total CDBG – Entitlement and (HUD-Administered) Small Cities Cluster				<u>9,583,474</u>
Direct Program:				
Emergency Shelter Grants Program, FY 06-07	14.231	S-06-UC-32-001	271,429	271,429
Direct Program:				
HOME Investment Partnerships Program, FY 04-05	14.239	M-04-DC-320224	7,182,129	1,082,040
HOME Investment Partnerships Program, FY 03-04	14.239	M-03-DC-320224	6,417,840	1,592,155
Recaptured Home Funds				<u>565,205</u>
				<u>3,239,400</u>
Passed Through Nevada Housing Division:				
HOME Investment Partnerships Program, FY 03-04	14.239	M-03-SG-320106	903,415	383,981
Direct Program:				
Brownfield's Economic Development Initiative	14.246	B-03-SP-NV-0504	894,150	<u>487,249</u>
Total Department of Housing and Urban Development				<u>13,965,533</u>
DEPARTMENT OF INTERIOR				
Passed Through Nevada Department of Wildlife:				
Statewide Hunter Education Program – Clark County Shooting Range	15.626	W-66-E	230,163	<u>60,764</u>
Total Department of Interior				<u>60,764</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE				
Passed Through Nevada Department of Human Resources:				
Juvenile Accountability Incentive Block Grant, (Int. from FY03)	16.523	2003-JB-BX-0004	\$ 21,597	\$ 21,594
Juvenile Accountability Incentive Block Grant, 7/1/06-6/30/07	16.523	2006-JB-FX-0048	253,891	190,171
Juvenile Accountability Incentive Block Grant, 7/1/05-6/30/06	16.523	JBFFY03-08	254,927	<u>66,128</u>
				<u>277,893</u>
Direct Program:				
Office of Juvenile Justice and Delinquency Prevention	16.540	2006-JL-FX-0260	246,807	213,255
Passed Through Nevada Department of Human Resources:				
Juvenile Justice and Delinquency Prevention, FY 06-07	16.540	None (OJJDP 2007)	5,000	5,000
Juvenile Justice and Delinquency Prevention, FY 06-07	16.540	None (OJJDP 2007)	255,000	219,471
Juvenile Justice and Delinquency Prevention, FY 05-06	16.540	None (OJJDP 2006)	290,000	<u>56,853</u>
				<u>281,324</u>
Passed Through the National Childrens Alliance:				
Program Support Grant Sexual - Abuse Investigative Team	16.543	LasVeg-046-PS07	10,000	4,870
Program Support Grant Sexual - Abuse Investigative Team	16.543	LasVeg-046-PS06	10,000	<u>4,099</u>
				<u>8,969</u>
Passed Through Nevada Department of Human Resources:				
Internet Crimes Against Children	16.543	2005-MC-CK-K117 (ICAC)	390,000	109,999
Passed Through Nevada Department of Human Resources:				
Title V Delinquency Prevention Program	16.548	None	50,000	50,000
Passed Through Nevada Division of Child & Family Services:				
Crime Victim Assistance	16.575	VOCA3145/20-SFY07-09-073	519,941	254,011
Crime Victim Assistance	16.575	05-46-VOCA	432,348	141,095
Crime Victim Assistance	16.575	04-27-VOCA	105,864	13,481
Crime Victim Assistance	16.575	04-29-VOCA	71,792	15,356
Crime Victim Assistance	16.575	04-12-VOCA	153,187	6,680
Crime Victim Assistance	16.575	VOCA-3145	150,000	<u>16,939</u>
				<u>447,562</u>
Passed Through Nevada Dept of Public Safety-Office of Criminal Justice Assistance:				
Byrne Formula Grant Program: Project Safe Neighborhoods	16.579	04-PSN-02	21,903	21,903

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
Edward Byrne Memorial State and Local Law Enforcement Assistance				
Discretionary Grants Program:				
BJA – Equipment	16.580	2004-DD-BX-1472	\$ 390,041	\$ 6,050
BJA – Sex Offender Management	16.580	2005-WP-BX-0002	249,976	<u>50,496</u>
				<u>56,546</u>
Passed Through Nevada Department of Public Safety-Office of Criminal Justice Assistance:				
Edward Byrne Memorial State and Local Law Enforcement Assistance				
Discretionary Grants Program:				
Gang Diversification Training	16.580	06-DISC-01	19,158	19,158
Direct Program:				
Single Jurisdiction Enhancement Drug Court Grants	16.585	2004-DC-BX-0070	200,000	58,333
Passed Through the State of Nevada Office of the Attorney General:				
Violence Against Women Formula Grant (FC-VAWA2006)	16.588	2006-STOP-34	50,000	39,280
Violence Against Women Formula Grant (FC-VAWA2005)	16.588	2004-STOP-44	23,619	1,401
Violence Against Women Formula Grant	16.588	2005-STOP-01	48,720	<u>25,697</u>
				<u>66,378</u>
Passed Through the Nevada State Office of Criminal Justice Assistance:				
Community Prosecution and Project Safe Neighborhoods:				
State Safe Neighborhoods	16.609	05-PSN-002	37,400	37,400
State Safe Neighborhoods	16.609	05-PSN-003	37,400	<u>11,251</u>
				<u>48,651</u>
Direct Program:				
Public Safety Partnership and Community Policing Grants:				
Community Oriented Policing (Radio Upgrade)	16.710	2005-CKWX-0210	1,479,965	684,498
Community Oriented Policing (ID Theft)	16.710	2005-CKWX-0258	197,329	<u>162,257</u>
				<u>846,755</u>
Passed Through Nevada State Juvenile Justice Commission:				
Combating Underage Drinking Program (6/1/07-5/31/08)	16.727	None	68,000	1,887
Combating Underage Drinking Program (6/1/06-5/31/07)	16.727	None	41,271	39,635
Combating Underage Drinking Program (6/1/06-5/31/07) Laughlin	16.727	None	1,675	<u>1,675</u>
				<u>43,197</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
Edward Byrne Memorial Assistance Justice Grant (FY06 JAG)	16.738	2006-DJ-BX-0465	\$ 729,448	\$ 207,186
Edward Byrne Memorial Assistance Justice Grant (FY05 JAG)	16.738	2005-JD-BX-0023	1,156,066	<u>309,774</u>
				<u>516,960</u>
Passed Through Nevada Department of Motor Vehicles and Public Safety:				
Byrne Formula Grant Program:				
Narcotics Control Program (Narcotics)	16.738	05-JAG-0011	17,394	12,583
Narcotics Control Program (Meth)	16.738	05-JAG-010	39,602	39,602
Narcotics Control Program (Gangs)	16.738	05-JAG-009	28,498	<u>28,498</u>
				<u>80,683</u>
Direct Program:				
Forensic DNA Capacity Enhancement Program (2004)	16.741	2004-DN-BX-K204	262,534	103,180
Forensic DNA Capacity Enhancement Program (2005)	16.741	2005-DA-BX-K058	340,360	17,078
Forensic DNA Capacity Enhancement Program (2006)	16.741	2005-DN-BX-K185	181,261	<u>7,575</u>
				<u>127,833</u>
Direct Program:				
Paul Coverdell Forensic Sciences Improvement Grant Program (2006)	16.742	2005-DN-BX-0068	95,000	95,000
Passed Through the Nevada State Office of Criminal Justice Assistance:				
Paul Coverdell Forensic Sciences Improvement Grant Program (2006)	16.742	05-FSI-001	74,057	74,057
Direct Program:				
Forensic Casework DNA Backlog Reduction Program (2005)	16.743	2004-DN-BX-K053	396,752	208,162
Forensic Casework DNA Backlog Reduction Program (2005)	16.743	2005-DN-BX-K052	118,000	<u>74,438</u>
				<u>282,600</u>
Passed Through Nevada Department of Public Safety – Office of Criminal Justice Assistance				
Project Safe Neighborhoods and Gang Initiative Grant	16.744	06-PSN/AG-02	76,015	31,678
Project Safe Neighborhoods and Gang Initiative Grant	16.744	06-PSN/AG-03	145,523	<u>69,946</u>
				<u>101,624</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
FBI Safe Streets Task Force	16.999	None	\$ 31,518	\$ 7,819
FBI Safe Streets Task Force	16.999	None	62,291	21,274
DEA – So. NV Gang Task Force	16.999	None	51,060	31,358
DEA – So. NV Gang Task Force	16.999	None	94,436	59,223
DEA – Marijuana Education	16.999	None	10,000	<u>8,393</u>
				<u>128,067</u>
Total Department of Justice				<u>3,956,747</u>
DEPARTMENT OF LABOR				
Direct Program:				
Careers in Construction Program	17.246	AF137440460	138,767	<u>20,458</u>
Total Department of Labor				<u>20,458</u>
DEPARTMENT OF STATE BUREAU OF DIPLOMATIC SECURITY				
Direct Program:				
Foreign Police Training	19.999	S-DSASD-03-GR-001	135,504	<u>17,467</u>
Total Department of State				<u>17,467</u>
DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction Cluster Passed Through Nevada Department of Transportation:				
Highway Planning & Construction	20.205	NV-80-X012, X013,X014	650,378	<u>129,804</u>
Total Highway Planning and Construction Cluster				<u>129,804</u>
Direct Program:				
Railroad Development (Rapid Transit Corridor)	20.314	DTFR53-05-H-00200	160,000	149,754
Federal Transit Cluster Direct Federal Programs:				
Federal Transit Capital Investment Grants	20.500	NV-03-0019-02	6,408,490	2,077,703

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF TRANSPORTATION (Continued)				
Direct Federal Programs:				
Federal Transit – Formula Grant	20.507	NV-90-X033-01	\$ 13,893,602	\$ 19,142
Federal Transit – Formula Grant	20.507	NV-90-X035-01	17,213,379	1,321,494
Federal Transit – Formula Grant	20.507	NV-90-X043-02	37,319,889	17,133,390
Federal Transit – Formula Grant	20.507	NV-90-X051-02	11,086,614	11,086,614
Federal Transit – Formula Grant	20.507	NV-90-X048-01	33,432,410	<u>12,402,890</u>
				<u>41,963,530</u>
Total Federal Transit Cluster				<u>44,041,233</u>
Highway Safety Cluster				
Passed Through Nevada Department of Motor Vehicles:				
State & Community Highway Safety	20.600	27-K8-18-13	61,080	24,509
State & Community Highway Safety	20.600	26-JF-1.08	96,020	74,590
State & Community Highway Safety	20.600	26-JF-1.5	54,960	23,055
State & Community Highway Safety	20.600	27-KB-18-9	54,192	46,824
State & Community Highway Safety	20.600	26-J8-18-7	34,500	<u>4,564</u>
Total Highway Safety Cluster				<u>173,542</u>
Passed Through State Emergency Response Commission				
HMEP Training	20.703	07-HMEP-03-01	15,750	<u>15,750</u>
Total Department of Transportation				<u>44,510,083</u>
NATIONAL FOUNDATION ON THE ARTS & THE HUMANITIES				
Passed Through Nevada Arts Council:				
Partners in Excellence Grant (AIR) Year 1	45.024	PIEII:5:02	17,610	17,610
Partners in Excellence Grant (AIR) Year 2	45.024	PIEII:5:02	17,610	<u>17,600</u>
Total National Foundation on the Arts and the Humanities				<u>35,210</u>
ENVIRONMENTAL PROTECTION AGENCY				
Direct Program:				
Air Pollution Control Program Support	66.001	A-97914707-0	712,104	712,104
Surveys, Studies, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act				
Direct Program:				
PM 2.5 Monitoring Network	66.034	PM-96957601-1	305,688	130,570
Special Appropriation – Biowatch	66.034	2006-ST-091-000011-1	281,836	168,311
Special Appropriation – Biowatch	66.034	X-969602901-0	524,438	<u>126,613</u>
				<u>425,494</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
ENVIRONMENTAL PROTECTION AGENCY (Continued)				
Passed Through the State of Nevada Emergency Response Commission and Nevada Division of Environmental Protection:				
CEPP Training HazMat Explo 10 Conference Explo 06	66.810	06-UWS-03-01	\$ 50,000	<u>\$ 50,000</u>
Total Environmental Protection Agency				<u>1,187,598</u>
DEPARTMENT OF ENERGY				
Direct Program:				
Study and Demo Integration of Emergency Response Planning/Technology	81.065	DE-FG28-04RW1222	2,000,000	127,987
Nuclear Waste Disposal Siting, 10/15/05 - 9/30/06 – Yucca Mountain Project	81.065	PL	1,350,000	518,414
Nuclear Waste Disposal Siting, 10/1/04 – 9/30/05 – Yucca Mountain Project	81.065	PL	1,488,000	750,559
Nuclear Waste Disposal Siting, 10/1/03 – 9/30/04 – Yucca Mountain Project	81.065	PL	1,033,864	<u>1,033,864</u>
				<u>2,430,824</u>
Passed Through Nevada Division of Emergency Management:				
Emergency Preparedness Working Group – FY 07	81.502	8150207	28,261	3,003
Emergency Preparedness Working Group – FY 06	81.502	8150206	50,000	732
Emergency Preparedness Working Group – FY 04	81.502	8150204	100,000	<u>32,898</u>
				<u>36,633</u>
Total Department of Energy				<u>2,467,457</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Aging Cluster				
Passed Through Nevada Division for Aging Services:				
Representative Payee Grant, FY 06-07	93.044	03-015-21-BX-07	140,000	140,000
Senior Citizens Protective Services, FY 06-07	93.044	03-005-20-LX-07	350,000	350,000
Senior Citizens Protective Services, FY 06-07 Supplemental	93.044	0305-81-06	87,500	87,500
Homemaker Home Health Aide, FY 06-07	93.044	003-005-02-BX-07	60,000	<u>60,000</u>
				<u>637,500</u>
Passed Through Nevada Division for Aging Services:				
Martin Luther King Congregate Meal Grant	93.045	0305-0706	7,800	7,798
Martin Luther King Congregate Meal Grant	93.045	03-005-07-IX-07	23,350	<u>1,548</u>
				<u>9,346</u>
Total Aging Cluster				<u>646,846</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Division for Aging Services:				
National Family Caregiver Support Program	93.052	03-066-13-EX-07	\$ 38,957	\$ 38,633
National Family Caregiver Support Program	93.052	0305-61-05	247,176	<u>74,564</u>
				<u>113,197</u>
Passed Through Nevada Department of Human Resources:				
Prevention/Treatment of HIV/AIDS & Substance Abuse-Paths	93.230	7 H79 TII0382-01	122,737	55,957
Prevention/Treatment of HIV/AIDS & Substance Abuse-Paths	93.230	5 H79 TII0382-02	497,159	<u>288,721</u>
				<u>344,678</u>
Passed Through Nevada Department of Human Resources:				
Promoting Safe and Stable Families				
Title IV-B Support to Children Welfare	93.556	None	80,000	80,000
Title IV-B Support to Children Welfare	93.556	None	158,019	158,019
Title IV-B Support to Children Welfare (Family Preservation Home Maker)	93.556	IVB-3145/17-SFY07-031	95,293	43,554
Title IV-B Support to Children Welfare (Diligent Search Project)	93.556	IVB-3145/17-SFY05-07-017	33,235	<u>33,235</u>
				<u>314,808</u>
Passed Through Nevada Department of Human Resources:				
Child Support Enforcement – Hearing Master, FY 06-07	93.563	Coop. Agreement	478,697	478,697
Child Support Enforcement – Hearing Master, FY 06-07	93.563	Coop. Agreement	499,369	499,369
Child Support Enforcement, FY 06-07	93.563	Contr. of Svcs.	14,122,362	<u>14,122,362</u>
				<u>15,100,428</u>
Passed Through Nevada Department of Human Resources:				
Community Service Block Grant	93.569	Agreement	422,268	422,268
CCDF Cluster				
Passed Through Community Action Partnership (EOB):				
Child Care and Development Block Grant	93.575	Coop. Agreement	90,000	67,721
Child Care and Development Block Grant	93.575	Coop. Agreement	90,000	<u>33,213</u>
				<u>100,934</u>
Passed Through the Best Coalition Corporation:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	BCSIG06-40	34,799	34,674
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	BCSIG05-40	30,925	<u>784</u>
				<u>35,458</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through the Nevada Division of Family & Health Services:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Coop. Agreement	\$ 1,404,835	<u>\$ 854,835</u>
Total CCDF Cluster				<u>991,227</u>
Passed Through Nevada Division of Family Health Services:				
Community-Based Family Resource and Support Grants Children's Trust 2007	93.590	Children 2007	73,850	73,422
Passed Through Nevada Department of Human Resources:				
Federal Adoption Incentive Program	93.603	AI3229/31-SFY07-002	494,428	179,846
Passed Through Nevada Department of Human Resources:				
Children's Justice Grants to States	93.643	CJA-3271/10-SFY07-013	2,000	2,000
Passed Through Nevada Department of Human Resources:				
Shelter Maintenance Title IV-E (FY07)	93.658	Foster Care	13,294	13,294
Foster Care Title IV-E (FY07) – Admin.	93.658	Foster Care	3,127,970	3,127,970
Foster Care Title IV-E (FY07) – Admin.	93.658	Foster Care	2,621,602	2,621,602
Foster Care Title IV-E (FY07) – Maint.	93.658	Foster Care	2,909,187	2,909,187
Foster Care Title IV-E (FY07) – Dec. 06 Maint. Adjustment	93.658	Foster Care	1,000	1,000
Shelter Maintenance Title IV-E (Oct. 02 – Dec. 02)	93.658	Foster Care	1,657	<u>1,657</u>
				<u>8,674,710</u>
Passed Through Nevada Department of Human Resources:				
Adoption Assistance Title IV-E (FY07) – Admin.	93.659	Adoption Assistance	380,060	380,060
Adoption Assistance Title IV-E (FY07) – Admin.	93.659	Adoption Assistance	319,087	319,087
Adoption Assistance Title IV-E (FY07) – Adoptions	93.569	Adoption Assistance	4,572,895	4,572,895
Adoption Assistance Title IV-E (FY07) – Adoption Adjustment	93.659	Adoption Assistance	326,352	<u>326,352</u>
				<u>5,598,394</u>
Passed Through Nevada Department of Human Resources:				
Social Services Block Grant: Title XX 2007	93.667	2007G992342	1,314,103	1,314,103
Passed Through Nevada Department of Human Resources:				
Child Abuse and Neglect Grants	93.669	CANS3271/20-SFY07-003	2,000	2,000
Direct Program:				
Caring Communities Demonstration Project (Kinship-07)	93.670	90CA1717/04	500,000	227,657
Caring Communities Demonstration Project (Kinship-06)	93.670	90CA1717/03	500,000	60,860
Caring Communities Demonstration Project (Kinship-05)	93.670	90CA1717/02	500,000	113,312
Caring Communities Demonstration Project (Kinship-04)	93.670	90CA1717/01	499,530	<u>23,682</u>
				<u>425,511</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Human Resources:				
Chafee Independent Living Program	93.674	Chafee-3229/32-SFY07-013	\$ 8,714	\$ 8,714
Chafee Independent Living Program	93.674	CH3229/32-SFY08-10-018	2,376,000	<u>461,787</u>
				<u>470,501</u>
HIV Emergency Relief Project Grants				
Direct Program:				
Ryan White Title I (FY07)	93.914	H89HA06900	3,251,501	347,994
Ryan White Title I (FY06)	93.914	H89HA06900	4,431,082	<u>3,392,089</u>
				<u>3,740,083</u>
Passed Through Nevada Bureau of Alcohol and Drug Abuse:				
Block Grants for Prevention and Treatment of Substance Abuse:				
Parenting Project (BADA 2006)	93.959	07081TX	174,439	174,439
Parenting Project (BADA 2007)	93.959	07041PX	89,000	<u>86,367</u>
				<u>260,806</u>
Total Department of Health and Human Services				<u>38,674,828</u>
SOCIAL SECURITY ADMINISTRATION				
Research and Development Cluster				
Direct Program:				
Clark Co. Outreach and Assistance to Chronically Homeless	96.007	18-H-40031-9-04	159,430	8,954
Clark Co. Outreach and Assistance to Chronically Homeless	96.007	18-H-40031-9-03	110,317	<u>110,317</u>
Total Research and Development Cluster				<u>119,271</u>
Total Social Security Administration				<u>119,271</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

<u>Federal CFDA Number</u>	<u>Grant Year</u>	<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HOMELAND SECURITY					
Homeland Security Grant Program Cluster					
Department of Homeland Security					
State Domestic Preparedness Equipment Support Program					
Passed Through Nevada Division of Emergency Mgmt:					
97.004	2004	Law Enforcement Terrorism Protection Program	97004LL4	\$ 2,845,968	\$ 20,808
97.004	2004	State Homeland Security Program	97004HL4	8,914,226	4,127,954
97.004	2003	Rotunda Thunda Exercise	97004E3	620,000	6,870
97.008	2005	Urban Area Security Initiative	9700805	8,159,854	1,239,728
97.067	2006	State Homeland Security Program	97067HL6	387,437	41,370
97.067	2006	State Homeland Security Program	97067HL6	2,474,436	403,540
97.067	2006	Citizen Corps Program	97067CL6	154,267	44,321
97.067	2006	Urban Area Security Initiative	97067U06	7,362,500	1,240,265
97.067	2006	Law Enforcement Terrorism Protection Program	97067LL06	3,971,000	406,746
97.073	2005	State Homeland Security Program	97073HL5	4,933,440	3,110,971
97.074	2005	Law Enforcement Terrorism Protection Program	97074LL5	2,306,072	<u>301,402</u>
Total Homeland Security Grant Cluster					<u>10,943,975</u>
Passed Through Nevada Division of Emergency Mgmt:					
97.008	2004	Urban Area Security Initiative	9700804	10,468,892	644,777
Passed Through the State Emergency Response Commission:					
97.021	2006	Hazardous Materials Assistance Program	2006-52-5121RB-3087	8,000	8,000
Direct Program:					
97.025	2006	National Urban Search & Rescue Response System	NONE	592,915	263,280
97.025	2005	National Urban Search & Rescue Response System	EMW-2005-CA-0254	961,100	739,358
97.025	2004	National Urban Search & Rescue Response System	EMW-2004-CA-0610	18,000	1,482
97.025	2004	National Urban Search & Rescue Response System	EMW-2004-CA-0442	973,035	<u>118,224</u>
					<u>1,122,344</u>
Passed Through State of Nevada Department of Public Safety Division of Emergency Management:					
97.042	2007	Emergency Management Performance Grant	9704206	328,294	202,592
97.042	2007	Emergency Management Performance Grant	9704207	326,259	<u>97,069</u>
					<u>299,661</u>
Passed Through State of Nevada Department of Public Safety Division of Emergency Management:					
97.078	2005	Buffer Zone Protection Program	97078B05	637,047	320,176

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

<u>Federal CFDA Number</u>	<u>Grant Year</u>	<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HOMELAND SECURITY					
		Direct Program:			
97.999	2005	FBI – Joint Terrorism Task Force	66F-LV-A35763	\$ 53,210	\$ 6,694
97.999	2005	FBI – Joint Terrorism Task Force	66F-LV-A35763	77,863	48,373
97.999	2007	Secret Service Agreement	None	110,000	<u>108,735</u>
					<u>163,802</u>
		Total Department of Homeland Security			<u>13,502,735</u>
		TOTAL FEDERAL DISBURSEMENTS/EXPENDITURES			<u>\$121,734,169</u>

Clark County, Nevada

Notes to Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2007

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of federal financial assistance programs of Clark County, Nevada (the "County"). The County's reporting entity is defined in Note 1 to its basic financial statements. Federal award expenditures for the Department of Aviation, Las Vegas Valley Water District, University Medical Center of Southern Nevada, and Clark County Water Reclamation District, if any, are not included in this schedule. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included in the schedule.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are issued during the year for budgetary control purposes and lapse at fiscal year end.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Expenditures of federal awards reported in the County's basic financial statements are as follows:

General fund	\$ 5,232,916
Special revenue funds	72,080,649
Enterprise funds	<u>44,420,604</u>
Total	<u>\$121,734,169</u>

4. SUBRECIPIENT EXPENDITURES

Clark County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA#</u>	<u>Subrecipient Expenditures</u>
Community Development Block Grant	14.218	\$ 4,070,963
Emergency Shelter Grants Program	14.231	271,429
Home Investment Partnerships Program	14.239	3,500,376
Justice Assistance Grant	16.738	24,923
Ryan White Title I	93.914	2,788,418
Homeland Security Grant Cluster	97.004/97.053/97.073	363,250
Urban Area Security Initiative	97.008	183,482
Hazardous Materials Emergency Preparedness Training	20.703	<u>15,750</u>
		<u>\$11,218,591</u>

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2007

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- Kafoury, Armstrong & Co. issued an unqualified opinion on the basic financial statements of Clark County, Nevada for the year June 30, 2007.
- 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 Clark County, Nevada.

Federal Awards

- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance over major programs of Clark County, Nevada.
- Significant deficiencies relating to the audit of the major federal award programs are reported in Part C of this Schedule.
- No material weaknesses were identified.
- Audit findings relative to the major federal award programs required to be reported in accordance with section 510(a) of OMB Circular A-133 are reported in Part C of this Schedule.
- The programs tested as major programs include:
 - Community Development Block Grant – CFDA # 14.218
 - Federal Transit Cluster:
 - Capital Investment Grants – CFDA # 20.500
 - Formula Grants – CFDA # 20.507
 - Child Support Enforcement – CFDA # 93.563
 - Foster Care – Title IV-E – CFDA # 93.658
 - Adoption Assistance (Title IV-E) – CFDA # 93.659
 - HIV Emergency Relief Project Grants – CFDA # 93.914
 - Urban Areas Security Initiative – CFDA # 97.008
 - Homeland Security Cluster:
 - State Homeland Security Grant Program – CFDA # 16.007
 - State Homeland Security Grant Program, Citizens Corp Program – CFDA # 97.004
 - Emergency Management Performance Grant – CFDA # 97.042
 - Homeland Security Grant Program – CFDA # 97.067
 - State Homeland Security Program – CFDA # 97.073
 - Law Enforcement Terrorism Prevention Program – CFDA # 97.074
- The threshold used for distinguishing between Type A and Type B programs was \$3,000,000.
- Clark County, Nevada was determined to be a low risk auditee.

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2007**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

There were no financial statement audit findings.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2007

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. Department of Homeland Security:

Finding 07-1

Urban Areas Security Initiative, CFDA 97.008 FY 2004

Homeland Security Grant Program Cluster, CFDA 16.007, 97.004, 97.008, 97.042, 97.067, 97.073, and 97.074

Criteria and Condition: The OMB Circular A-133 Compliance Supplement states a pass-through entity shall monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. Part of this monitoring includes compliance with equipment and real property management requirements.

A significant portion of payments to subrecipients is for the purchase of equipment. During our testing over subrecipient monitoring, we noted the County's subrecipient monitoring procedures are not adequate to ensure their compliance with Equipment and Real Property Management requirements under OMB Circular A-133.

Questioned Costs: Undeterminable

Context: The problem is systemic as the procedures in place to monitor subrecipients' compliance with Equipment and Real Property Management requirements under OMB Circular A-133 are not adequate.

Effect: The County is not in compliance with subrecipient monitoring requirements under OMB Circular A-133.

Cause: Adequate procedures were not in place to ensure the County was in compliance with its responsibilities as a pass-through entity under OMB Circular A-133.

Recommendation: We recommend that the County strengthen their procedures to ensure that subrecipient monitoring be performed in accordance with the requirements under OMB Circular A-133.

Management's Response: See management's response beginning on page 136.

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2007

U.S. Department of Homeland Security:

Finding 07-2

Urban Areas Security Initiative, CFDA 97.008 FY 2004

Criteria and Condition: As noted in the OMB Circular A-133 Compliance Supplement, Urban Areas Security Initiative funds must be used consistent with the applicable provisions of the Buy American Act.

The County did not perform procedures to ensure funds were used in accordance with the applicable provisions of the Buy American Act.

Questioned Costs: Undeterminable

Context: The problem is systemic as there were no procedures in place to ensure compliance with the Buy American Act.

Effect: The County is not in compliance with the Urban Areas Security Initiative procurement requirements as noted in the OMB Circular A-133 Compliance Supplement.

Cause: Adequate procedures were not in place to ensure the purchasing process included compliance with the applicable provisions of the Buy American Act.

Recommendation: We recommend that the County incorporate procedure into the purchasing process to ensure compliance with the applicable Buy American Act.

Management's Response: See management's response beginning on page 136.



Clark County Local Emergency Planning Committee

March 10, 2008

Kafoury, Armstrong & Co.
8329 West Sunset Road, Suite 210
Las Vegas, NV 89113

Dear Sir or Madam:

Our office has reviewed the findings from the year ending June 30, 2007 Urban Area Security and Grant Program Cluster audit. Below are the responses to the two audit findings:

In reference to Finding 07-1

Conditions: A significant portion of payments to subrecipients is for the purchase of equipment. During our testing over subrecipient monitoring, we noted the County's subrecipient procedures are not adequate to ensure their compliance with Equipment and Real Property Management requirements under OMB A-133.

Corrective Action: For clarification, Clark County itself is a sub recipient of subject funds. These funds are primarily administered at the State level. The County's sub recipients are reminded to submit equipment inventory sheets through quarterly report reminders. Although this information is requested quarterly as well as required in the signed interlocal agreement, information is often submitted intermittently. Any purchase requests made through our office requires verification of the receipt of goods prior to paying the invoice. Reimbursements are issued to sub recipients only on grant-authorized equipment.

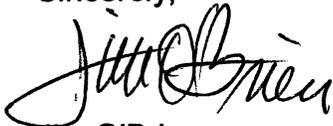
Finding 07-2

Conditions: The County did not perform procedures to ensure funds were used in accordance with the applicable provisions of the Buy American Act.

Corrective Actions: As stated in the *Financial Management Guide* from the U.S. Department of Homeland Security, Preparedness Directorate, Office of Grants and Training, January 2006, "grantees generally are not required to comport with the restriction of the Buy American Act (41 U.S.C. 10a)." Therefore, the Buy American Act is not applicable to the Urban Area Security Initiative program or the Homeland Security Grant Program Cluster stated in the schedule of findings.

Should you have any questions, please feel free to contact our office at (702) 455-5710.

Sincerely,



Jim O'Brien
Emergency Manager

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2007

U.S. Department of Health and Human Services:

Finding 07-3

HIV Emergency Relief Project Grants, CFDA 93.914 FY 2007

Criteria and Condition: The OMB Circular A-133 Compliance Supplement requires that the grantee maintain its level of expenditures for HIV-related services to individuals with HIV disease at a level equal to its level of such expenditures for the preceding year. The grantee's calculated maintenance of effort should be supported by the underlying accounting records and actual costs incurred for such services.

Our review of the client's internal control process indicated insufficiencies over the calculation, monitoring, and reporting of maintenance of effort as required under the grant.

Questioned Costs: Undeterminable

Context: The problem is systemic as there were no procedures in place to calculate and monitor the level of HIV-related services provided on a regular basis during the year and the underlying reports were not reconciled to the actual costs incurred as reported in the accounting system.

Effect: The amounts reported as incurred for maintenance of effort are not supported by the County's accounting system.

Cause: There was no policy to determine the correct costs to include while computing the maintenance of effort during the year. Furthermore, the status of costs incurred was not monitored on an on-going basis to ensure that the required level of maintenance of effort would be achieved. In addition, the reported costs were not reconciled to the underlying financial accounting records.

Recommendation: We recommend that the County seek guidance and establish policy in order to correctly calculate the required maintenance of effort. In addition, all amounts used in calculating the maintenance of effort should be reconciled to the accounting system on a periodic basis and be reviewed for adequacy throughout the year.

Management's Response: See management's response beginning on page 139.



Department of Social Service

Nancy McLane, Director

Sandy Jeantete, Assistant Director • Tim Burch, Assistant Director

1600 Pinto Lane • Las Vegas NV 89106 • (702) 455-4270 • Fax (702) 455-5950



In reference to Finding 07-3

Condition: Our review of the client’s internal control process indicated insufficiencies over the calculation, monitoring, and reporting of maintenance of effort as required under the grant.

Corrective Action: To ensure proper calculation, monitoring and reporting of the maintenance of effort required under the grant, the Clark County Department of Social Service’s Ryan White Part A Program will develop and implement maintenance of effort policy based on guidance from the Health Resources and Services Administration’s (HRSA) Division of Service Systems (DSS) and HIV/AIDS Bureau (HAB).

The process will entail requiring all political subdivisions within the Transitional Grant Area (TGA) to report on non-federal HIV related expenditures over the course of the previous grant year. This report will require a statement of the previous grant year non-federal HIV related expenditures, physical documentation supporting those figures (balance sheets, fiscal reports, etc.), and a written description of the methodology used by the political subdivision in determining the grant year maintenance of effort. These reports will be maintained by the grantee, and the total expenditures and methodologies will be transmitted to the federal funding agency via the annual grant application.

Signed: *Nancy Lynn McLane* Signed: _____
Title: *Director* Title: _____

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2007

U.S. Department of Transportation:

Finding 07-4

Federal Transit Cluster, CFDA 20.500 and 20.507 FY 2007

Criteria and Condition: The OMB Circular A-133 Compliance Supplement requires that reports of Federal awards submitted to the Federal awarding agency or pass-through entity include all activity of the reporting period, be supported by underlying accounting or performance records, and be fairly presented in accordance with program requirements.

Our review of the quarterly financial reports submitted to the Federal Transit Administration during the current fiscal year indicated several instances where expenditures were reported in the incorrect period.

Questioned Costs: Undeterminable

Context: The problem is systemic as there were no procedures in place to verify the completeness or accuracy of the submitted reports.

Effect: The quarterly financial reports submitted to the Federal Transit Administration are not supported by the County's accounting system.

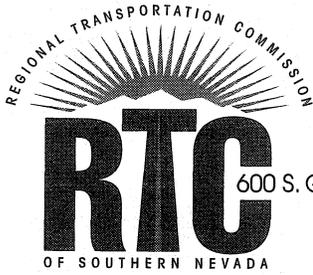
Cause: The quarterly financial reports were not reconciled to the disbursements as indicated in the accounting system.

Recommendation: We recommend that the Regional Transportation Commission of Southern Nevada reconcile grant financial reports to the disbursements recorded in the general ledger prior to their submission. Accordingly, we recommend that the cash outlays, as reported on the quarterly financial status reports, are supported by the accounting system disbursements for that period, as opposed to previous periods.

As of the date of audit issuance, the Regional Transportation Commission of Southern Nevada has appropriately implemented the above recommendations due to change in staff and procedures.

Management's Response:

See management's response beginning on page 141.



600 S. Grand Central Parkway, Suite 350 • Las Vegas, Nevada 89106-4512 • 702-676-1500 • Fax: 702-676-1518

Jacob L. Snow,
General Manager

March 21, 2008

Kafoury, Armstrong & Co.
8329 West Sunset Road, Suite 210
Las Vegas, NV 89113

Attention: Tami Miramontes, CPA

Dear Ms. Miramontes:

Our office has reviewed the findings from the year ending June 30, 2007, Federal Transit Cluster Program audit. Below is the response to the finding.

In reference to Finding 07-4

Condition: Our review of the quarterly financial reports submitted to the Federal Transit Administration during the current fiscal year indicated several instances where expenditures were reported in the incorrect period.

Corrective Action: As stated in the recommendation, RTC implemented the necessary procedures and made necessary changes to the person handling grants. RTC hired Betsy Avila last June 4, 2007, to replace the person handling grants. Ms. Avila ascertains that quarterly financial reports are reconciled to the quarterly disbursements. Ms. Avila is also reviewing the invoices received from vendors to make sure the expense is reflected in the proper period.

Should you have any questions, please feel free to contact our office at (702) 676-1520.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey Share", is written over a horizontal line.

Jeffrey Share
Director of Finance

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2007**

U.S. Department of Health and Human Services:

Finding 07-5

HIV Emergency Relief Project Grants, CFDA 93.914 FY 2007

Criteria and Condition: The Department of Health and Human Services requires that the quarterly Federal Cash Transaction Reports (PSC-272 report) be prepared on the cash basis of accounting.

Our testing indicated that the PSC-272 reports submitted during the year were prepared using an incorrect basis of accounting.

Questioned Costs: Undeterminable

Context: There were no procedures in place to assist in the correct calculation and preparation of the quarterly Federal Cash Transaction Reports on the cash basis of accounting. Furthermore, adequate documentation was not maintained to support the amounts reported.

Effect: The amount of federal cash on hand was inaccurately reported to the Department of Health and Human Services during the year.

Cause: There was no policy in place to assist in the correct preparation of the quarterly Federal Cash Transaction Reports.

Recommendation: The County should establish procedures to identify reporting guidelines to prepare and verify that the quarterly Federal Cash Transaction Reports are prepared on the cash basis of accounting prior to their submittal and that an adequate audit trail is maintained for the amounts as reported.

Management's Response: See management's response beginning on page 143.



Department of Social Service

Nancy McLane, Director

Sandy Jeantete, Assistant Director • Tim Burch, Assistant Director

1600 Pinto Lane • Las Vegas NV 89106 • (702) 455-4270 • Fax (702) 455-5950



In reference to Finding 07-5

Condition: Our testing indicated that the PSC-272 reports submitted during the year were prepared using an incorrect basis of accounting.

Corrective Action: Policies and procedures to properly calculate and prepare the quarterly Federal Cash Transaction Reports (PSC-272) will be developed and documents that support the report will be identified and maintained.

Clark County Social Service will coordinate with the Comptroller's office and the external auditors in developing the procedures to prepare the Federal Cash Transaction reports on a cash basis accounting as required by the Department of Health and Human Services. Guidelines will also be established so that reports are submitted on a timely basis.

Signed: *Nancy Lynn McLane* Signed: _____
Title: 3/19/08 Title: _____

**CLARK COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2007**

See pages 145 through 148.



Clark County Local Emergency Planning Committee

March 18, 2008

Kafoury, Armstrong & Co.
8329 West Sunset Road Suite 210
Las Vegas, NV 89113

Dear Sir or Madam:

The Office of Emergency Management and Homeland Security has reviewed the year ending June 30, 2006 Urban Area Security Grant Program Cluster audit. You will find the three findings along with a corrective action below.

In reference to Finding 06-2

Condition: *A significant portion of payments to subrecipients is for the purchase of equipment. During our testing over subrecipient monitoring, we noted the County's subrecipient monitoring procedures are not adequate to ensure their compliance with Equipment and Real Property Management requirements under OMB Circular A-133.*

Corrective Action: For clarification, Clark County itself is a sub recipient of subject funds. These funds are primarily administered at the State level. The County's sub recipients are reminded to submit equipment inventory sheets through quarterly report reminders. Although this information is requested quarterly as well as required in the signed interlocal agreement, information is often submitted intermittently. Any purchase requests made through our office requires verification of the receipt of goods prior to paying the invoice. Reimbursements are issued to sub recipients only on grant-authorized equipment.

Finding 06-3

Condition: *The County did not perform procedures to ensure funds were used in accordance with the applicable provisions of the Buy American Act.*

Corrective Action: As stated in the *Financial Management Guide* from the U.S. Department of Homeland Security, Preparedness Directorate, Office of Grants and Training, January 2006, "grantees generally are not required to comport with the restriction of the Buy American Act (41 U.S.C. 10a)." Therefore, the Buy American Act is not applicable to the Urban Area Security Initiative program or the Homeland Security Grant Program Cluster stated in the schedule of findings.

Finding 06-4

Condition: *During our testing over subrecipient monitoring, we selected grant agreements entered into during the current fiscal year. We noted that the agreements did not contain the requirement that funds be used in accordance with the applicable provisions of the Buy American Act.*

Corrective Action: As stated in the *Financial Management Guide* from the U.S. Department of Homeland Security, Preparedness Directorate, Office of Grants and Training, January 2006, "grantees generally are not required to comport with the restriction of the Buy American Act (41 U.S.C. 10a)." Therefore, the Buy American Act is not applicable to the Urban Area Security Initiative program or the Homeland Security Grant Program Cluster stated in the schedule of findings.

Should you have any questions, please feel free to contact our office at (702)455-5710.

Sincerely,



Jim O'Brien
Emergency Manager

OFFICE OF THE DISTRICT ATTORNEY



DAVID ROGER
District Attorney

Family Support Division

(702) 671-9200 - TDD (702) 385-7486 (for the hearing impaired)

ADMINISTRATION

301 Clark Avenue, Suite 100, Las Vegas, Nevada 89101
Fax: (702) 366-2400

ROBERT W. TEUTON
Assistant District Attorney

CHRISTOPHER J. LALLI
Assistant District Attorney

MARY-ANNE MILLER
County Counsel

C.A. WATTS
Director

March 17, 2008

Kafoury, Armstrong & Company
8329 W. Sunset Road, Ste. 210
Las Vegas, NV 89113

Dear Sir or Madam:

Update for Finding 06-5

In response to your request for an update on last year's findings, please note the following:

DAFS submitted the work item to the State of Nevada to develop a query to obtain a complete listing of cases opened in NOMADS for use for next audit, including identifying interstate initiating and responding cases. The Division continues to participate with the State of Nevada to strengthen the reporting capabilities of the NOMADS computer system. This corrective action plan has been completed.

Sincerely,

C.A. Watts, Director
D.A. Family Support

CAW:gd



Department of Family Services

701K N Pecos Rd • Las Vegas NV 89101-2411
(702) 455-5444 • Hotline 399-0081

Thomas D. Morton, Director



March 14, 2008

Follow up Response to FY06 finding 06-6

DFS agrees with the recommendation to implement a review process. The claim in question was amended in the July 2007.

Signed: *Thomas D. Morton*

Title: DIRECTOR