

CLARK COUNTY, NEVADA
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013
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, 2013

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CLARK COUNTY, NEVADA
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2013

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following:

- The financial statements of University Medical Center of Southern Nevada, which is both a major fund and 5 percent of the assets, 3 percent of net position, and 43 percent of the revenues of the business-type activities;
- The financial statements of Las Vegas Valley Water District, Big Bend Water District, Kyle Canyon Water District, or Regional Transportation Commission of Southern Nevada which are discretely presented component units and which, when combined, represent 97 percent, 130 percent, and 90 percent, respectively, of the assets, net position, and revenues of the discretely presented component units.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above-mentioned funds and entities 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2013, and the respective changes in financial position and, where applicable, cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB trend data and related notes on pages 3 through 13 and 141 through 162 be presented to supplement the basic financial statements. Such information,

although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis and pension and OPEB trend data, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information and related notes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit and the procedures performed as described above, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Prior Year Comparative Information

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the County's basic financial statements as of and for the year ended June 30, 2012, (not presented herein) which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The budgetary comparison information for the general fund and the Las Vegas Metropolitan Police Department Fund related to the 2012 financial statements are presented to supplement the basic financial statements as required by Government Accounting Standards Board. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2012 schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2013 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* in considering Clark County, Nevada's control over financial reporting and compliance.

Kafoury, Armstrong & Co.

Las Vegas, Nevada

December 27, 2013, except for our report on schedule of expenditures of federal awards for which the date is March 31, 2014

Clark County, Nevada

Management's Discussion and Analysis

June 30, 2013

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 auditor's report offers an unmodified opinion that the County's financial statements are presented fairly in all material respects.
- Government-wide net position totaled \$10,547,704,050. Net position of governmental activities totaled \$7,390,765,942 and those of business-type activities totaled \$3,156,938,108.
- The County's total net position decreased by \$25,853,437, resulting from a decrease in net position from governmental activities of \$74,254,404 and an increase in net position from business-type activities of \$48,400,967. Net position from governmental activities decreased mainly due to an increase in other post-employment benefits liability. Net position from business-type activities increased largely due to additional operating revenues and increases in investment income from the Department of Aviation.
- Unrestricted net position was \$1,903,670,453, with \$1,144,645,243 resulting from governmental activities and \$759,025,210 from business-type activities. Unrestricted net position from governmental activities decreased by 6 percent from the prior year, and unrestricted net position from business-type activities increased by 14 percent over the prior year.
- Net capital assets were \$13,311,023,624 of which \$6,472,199,264 were from governmental activities and \$6,838,824,360 were from business-type activities. Major additions for governmental activities during the year included \$74 million toward beltways, roadways, and streets, and \$50 million toward flood control projects. Major additions for business-type activities during the year included \$92 million for Department of Aviation land acquisition and other additions and \$70 million in sewer system additions. Depreciation expense attributable to assets of governmental activities amounted to \$249,414,354 for the year, and \$285,804,165 for business-type activities.
- Bonds and loans payable totaled \$7,340,554,385. The following new debt was issued during the fiscal year:

Governmental activities:

Special Improvement District Bonds

\$8,925,000 in Summerlin #132

\$49,445,000 in Mountain's Edge #142

Business-type activities:

General obligation bonds:

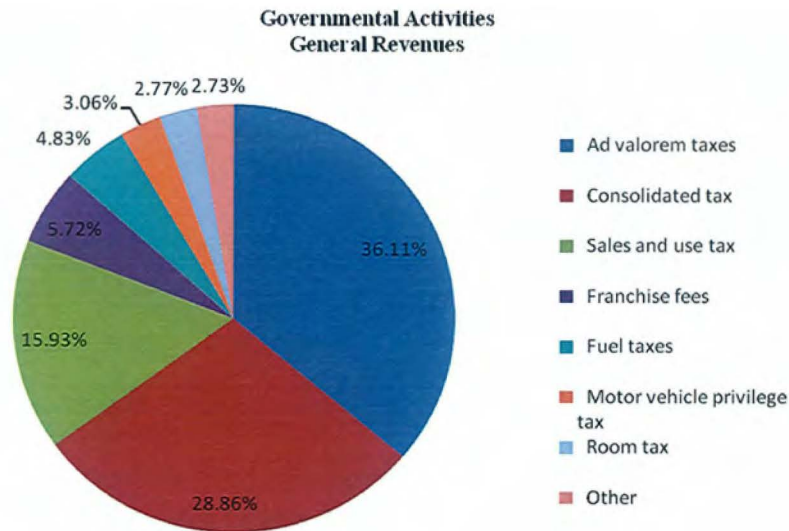
\$4,709,530 in bonds for Water Reclamation District (total authorized, \$30,000,000)

\$32,915,000 in bonds for the Department of Aviation

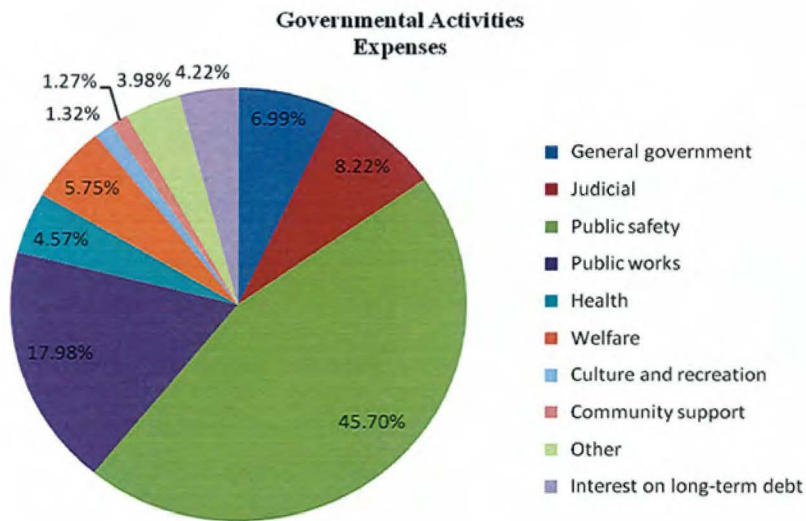
Revenue bonds

\$435,325,000 in bonds for the Department of Aviation

- The County's primary general revenue sources for governmental activities were ad valorem taxes (\$555,039,005) consolidated taxes (\$443,537,151), and sales and use taxes (\$244,899,148). These three revenue sources comprised 23 percent, 18 percent, and 10 percent, respectively, or 51 percent of total governmental activities revenues.



- The County's total expenses were \$3,958,035,416. Governmental activities comprised \$2,513,399,244 of total expenses, the largest functional expenses being public safety (\$1,148,528,900) and public works (\$451,811,328). Business-type activities contributed \$1,444,636,172 to total expenses, the largest components being airport (\$673,074,992) and hospital (\$588,532,924).



- Public works expenses were \$451,811,328 or five (5) percent less than the prior year due to decreases capital grant activity.
- Health expenses were \$114,955,068 or 13% less than the prior year due to non-recurring retroactive payments to the State reimbursing Medicaid and training costs in the prior year.

- Community support expenses were \$31,858,603 or 29% more due to increased grant activity and cooperative extension activity.
- Other expenses decreased \$14,832,143 or 13% due to the accrual of a one-time settlement payment in FY 2012 to the Southern Nevada Health District in the amount of \$13,974,303 for prior year contributions.
- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$195,346,235 or 13 percent of total General Fund expenditures and transfers out.

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

- 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.
- The statement of net position presents information on all of the County's assets, deferred outflows, liabilities, and deferred inflows. The difference between assets and deferred outflows less liabilities and deferred inflows is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.
- The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position 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).
- 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, community support, other, and interest on long-term debt. The business-type activities of the County include operations of its hospital, airports, and sewer utilities, and other operations. Discretely presented component units account for functions of legally separate entities for whom the County is financially accountable or whose governing bodies are not substantially the same as the County. The activities of the discretely presented component units include regional transportation, flood control planning and water districts. 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.
- The government-wide financial statements include not only the governmental and business-type activities of the County itself (known as the primary government), but also those of the legally separate entities for whom the County is financial accountable and whose governing bodies are substantially the same as the County: University Medical Center (UMC), 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 and the Las Vegas Metropolitan Police Department fund, both of which are considered to be major funds. 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. In accordance with Governmental Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* certain special revenue funds have been included in the General Fund for financial reporting purposes as shown in the Major Governmental Funds section. These funds are not included for budgetary comparison purposes described below.
- 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; the budgetary comparison statements for all other governmental funds are included in the fund financial schedules and accompanying supplementary 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, 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
 - + Other post-employment benefits
- 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 UMC, and Clark County Water Reclamation 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 (2) employee benefit funds, one (1) pension fund, and 42 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 as well as a schedule of funding progress for other post-employment benefits. It also includes a schedule of budgetary comparisons for the following major governmental funds:
- ◆ General Fund
 - ◆ Las Vegas Metropolitan Police Department Special Revenue Fund
- The combining statements and individual fund budgetary schedules are presented immediately following the required supplementary information.
- Unaudited statistical information is provided on a ten-year basis for trend and historical analysis.

Government-Wide Financial Analysis

- Net position of the County as of June 30, 2013, and June 30, 2012, are summarized and analyzed below:

Clark County, Nevada Net Position – Primary Government

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Assets						
Current and other assets	\$ 4,347,995,247	\$ 5,165,470,664	\$ 1,949,306,764	\$ 2,037,252,128	\$ 6,297,302,011	\$ 7,202,722,792
Net capital assets	<u>6,472,199,264</u>	<u>6,415,586,617</u>	<u>6,838,824,360</u>	<u>6,860,764,730</u>	<u>13,311,023,624</u>	<u>13,276,351,347</u>
Total assets	<u>10,820,194,511</u>	<u>11,581,057,281</u>	<u>8,788,131,124</u>	<u>8,898,016,858</u>	<u>19,608,325,635</u>	<u>20,479,074,139</u>
Deferred outflows	-	-	75,847,134	173,106,019	75,847,134	173,106,019
Liabilities						
Long-term Liabilities	2,779,005,129	2,886,815,903	5,174,413,421	5,368,469,105	7,953,418,550	8,255,285,008
Other Liabilities	<u>650,423,440</u>	<u>1,229,221,032</u>	<u>532,626,729</u>	<u>594,116,631</u>	<u>1,183,050,169</u>	<u>1,823,337,663</u>
Total liabilities	<u>3,429,428,569</u>	<u>4,116,036,935</u>	<u>5,707,040,150</u>	<u>5,962,585,736</u>	<u>9,136,468,719</u>	<u>10,078,622,671</u>
Deferred Inflows	-	-	-	-	-	-
Net position						
Net investment in capital assets	5,460,649,373	5,327,763,179	2,127,732,499	2,149,123,224	7,588,381,872	7,476,886,403
Restricted	785,471,326	870,122,118	270,180,399	292,883,255	1,055,651,725	1,163,005,373
Unrestricted	<u>1,144,645,243</u>	<u>1,267,135,049</u>	<u>759,025,210</u>	<u>666,530,662</u>	<u>1,903,670,453</u>	<u>1,933,665,711</u>
Total net position	<u>\$ 7,390,765,942</u>	<u>\$ 7,465,020,346</u>	<u>\$ 3,156,938,108</u>	<u>\$ 3,108,537,141</u>	<u>\$10,547,704,050</u>	<u>\$10,573,557,487</u>

- As noted earlier, net position may serve over time as a useful indicator of the County’s financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by \$10,547,704,050 as of June 30, 2013, and by \$10,573,557,487 as of June 30, 2012, a net decrease of \$25,853,437, or less than (1) percent.
- The largest portion of the County’s net position (72 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 (unspent proceeds from long-term debt issues). 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 position (10 percent) represents resources that are subject to external restrictions on how they may be used. Of restricted net position, 29 percent is for construction of capital assets, 31 percent is for repayment of long-term debt, 18 percent is for police protection, and the balance is restricted for the County’s special revenue funds or other purposes.
- The remaining portion of the County’s net position (18 percent) is unrestricted and may be used to meet the County’s ongoing obligations to citizens and creditors.
- At June 30, 2013, the County had positive balances in all three categories of net position, both for the government as a whole, as well as for separate governmental and business-type activities.

Clark County, Nevada Changes in Net Position – Primary Government

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues						
Charges for services	\$ 374,493,341	\$ 351,204,629	\$ 1,350,282,365	\$ 1,163,222,448	\$ 1,724,775,706	\$ 1,514,427,077
Operating grants and contributions	456,994,221	489,127,418	31,052,174	31,137,054	488,046,395	520,264,472
Capital grants and contributions	82,070,382	135,744,804	41,463,040	57,379,436	123,533,422	193,124,240
General revenues						
Ad valorem taxes	555,039,005	596,242,477	-	-	555,039,005	596,242,477
Consolidated tax	443,537,151	421,641,628	-	-	443,537,151	421,641,628
Sales and use tax	244,899,148	231,643,158	14,870,001	14,055,242	259,769,149	245,698,400
Franchise fees	87,849,085	90,438,234	-	-	87,849,085	90,438,234
Fuel taxes	74,212,950	69,849,947	-	-	74,212,950	69,849,947
Motor vehicle privilege tax	47,054,220	45,920,073	-	-	47,054,220	45,920,073
Room tax	42,523,311	41,757,441	-	-	42,523,311	41,757,441
Other	32,662,591	29,968,189	-	-	32,662,591	29,968,189
Gain on sale or disposition of assets	3,606,058	1,107,019	65,409	63,228	3,671,467	1,170,247
Interest income (loss)	5,721,497	20,390,204	47,365,837	(52,311,998)	53,087,334	(31,921,794)
Total revenues	2,450,662,960	2,525,035,221	1,485,098,826	1,213,545,410	3,935,761,786	3,738,580,631
Expenses						
General government	175,800,332	168,284,261	-	-	175,800,332	168,284,261
Judicial	206,641,513	206,462,746	-	-	206,641,513	206,462,746
Public Safety	1,148,528,900	1,148,289,674	-	-	1,148,528,900	1,148,289,674
Public Works	451,811,328	476,903,001	-	-	451,811,328	476,903,001
Health	114,955,068	132,909,411	-	-	114,955,068	132,909,411
Welfare	144,422,299	149,211,271	-	-	144,422,299	149,211,271
Culture and recreation	33,273,415	30,542,396	-	-	33,273,415	30,542,396
Community support	31,858,603	24,608,108	-	-	31,858,603	24,608,108
Other	99,975,955	114,808,098	-	-	99,975,955	114,808,098
Interest on long-term debt	106,131,831	111,005,734	-	-	106,131,831	111,005,734
Hospital	-	-	588,532,924	578,145,268	588,532,924	578,145,268
Airport	-	-	673,074,992	552,924,971	673,074,992	552,924,971
Sewer	-	-	139,384,220	135,662,685	139,384,220	135,662,685
Other	-	-	43,644,036	43,650,248	43,644,036	43,650,248
Total expenses	2,513,399,244	2,563,024,700	1,444,636,172	1,310,383,172	3,958,035,416	3,873,407,872
Increase (decrease) in net position before transfers	(62,736,284)	(37,989,479)	40,462,654	(96,837,762)	(22,273,630)	(134,827,241)
Transfers	(11,518,120)	(9,425,240)	11,518,120	9,425,240	-	-
Increase (decrease) in net position	(74,254,404)	(47,414,719)	51,980,774	(87,412,522)	(22,273,630)	(134,827,241)
Net position - beginning	7,465,020,346	7,512,435,065	3,108,537,141	3,195,949,663	10,573,557,487	10,708,384,728
Prior period adjustment	-	-	(3,579,807)	-	(3,579,807)	-
Net position - beginning, restated	7,465,020,346	7,512,435,065	3,104,957,334	3,195,949,663	10,569,977,680	10,708,384,728
Net position - ending	\$ 7,390,765,942	\$ 7,465,020,346	\$ 3,156,938,108	\$ 3,108,537,141	\$ 10,547,704,050	\$ 10,573,557,487

- 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 decreased by \$62,518,907, or six (6) percent, due to decreases in donated infrastructure and decreases in federal grant activity. Program revenues from business-type activities increased by \$171,058,641, or 13 percent, primarily due to increases in hospital revenue and department of aviation revenue. The Department of Aviation completed a \$2.4 billion airport terminal, Terminal 3, at the beginning of fiscal year 2013, which resulted in an increase in terminal building rental rates,

rental square footage, and fees. The increase in building rates covers the additional costs of operation and capital expenditures of the new terminal building.

- General revenues consisted of taxes and interest not allocable to specific programs. For governmental activities, the largest of these revenues, ad valorem taxes, decreased by \$41,203,472 or seven (7) percent. This decrease reflects the decline of assessed values during the fiscal year. Consolidated tax increased by \$21,895,523, or five (5) percent, and sales and use tax increased in governmental activities by \$13,255,990, or six (6) percent, both due to a continued increase in economic activity during fiscal year 2013. Interest revenue for governmental activities decreased by \$14,668,707 or 72 percent; interest revenue for business-type activities increased by \$99,677,835, or 190 percent. These changes were due to lower rates of investment returns offset by a non-recurring unrealized loss of \$109 million on Department of Aviation derivative investments in fiscal year 2012.
- County governmental activity expenses decreased two (2) percent in fiscal year 2013. Increases in general government of \$7,516,071 or four (4) percent were due to an increase in election, enterprise resource, and information technology expenses. Public works expenses decreased by \$25,091,673, or five (5) percent due to a decrease in capital grant activity. Health expenses decreased \$17,954,343 or 14 percent due to non-recurring retroactive payments to the State reimbursing Medicaid and training costs in fiscal year 2012. Welfare support expenses decreased by \$4,788,972, or three (3) percent, due to reductions in property taxes available to fund this function. Airport functional area expenses increased \$120,150,021, or 22 percent, due to operating costs associated with Terminal 3.

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.
- As of the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$1,934,909,547, a decrease of \$133,543,252, or six (6) percent, from the prior year primarily due to reduced fund balances in capital projects funds. Fund balance components have been classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of fund. Restricted fund balance is \$785,471,326 or 41% of the total. Spending of these resources is constrained by externally imposed (statutory, bond covenant, or grantors) limitations on their use. Restricted fund balances include \$274,584,018 for capital projects and \$193,068,501 for public safety activities and \$160,242,201 for debt service.

Committed and assigned fund balances combined represent 48% of total fund balance with spending constrained either by the Board of County Commissioners (BCC) (for committed) or senior management (for assigned). Committed balances in the special revenue funds are primarily due to transfers or revenues directed by the BCC to those funds to support the programs. Unassigned fund balance represents the General Fund remaining fund balance and is available to support general operations of the fund.

- The General Fund is the main operating fund of the County. Nonspendable fund balance consists of long-term receivables. Restricted fund balance of \$48,596,164 includes restricted cash and unspent proceeds from legislatively mandated ad valorem taxes. Unrestricted fund balance, which includes committed, assigned, and unassigned balances, totaled \$265,820,923 at June 30, 2013. Unrestricted fund balance was 18% of expenditures and other financing uses and includes amounts assigned of \$70,474,688. Unassigned fund balance is \$195,346,235, or 13% of expenditures and other financing uses.
- Key factors in the change in fund balance in the General Fund as reported for budget purposes are as follows:
 - Revenues and transfers-in increased by \$8,808,258, or less than one (1) percent. General fund revenues decreased by \$7,993,790, or one (1) percent. Ad valorem tax revenues decreased by \$20,421,025, or seven (7) percent due to

declines in assessed values during the year. Intergovernmental revenue, the largest component of which is the consolidated tax, increased by \$12,957,255, or four (4) percent, due to the increased economic activity in the local economy. Interest income decreased by \$1,970,338, or 98 percent, due to unrealized gain/loss variation between FY12 and FY13.

Transfers in increased by \$16,802,048, or six (6) percent, primarily due to a one time transfer from the workers compensation fund as a result of actuarially determined excess reserves.

- Expenditures and transfers out decreased by \$12,325,122, or one (1) percent. General fund expenditures increased by \$8,273,152, or one (1) percent primarily due to a one time settlement payment to the Southern Nevada Health District for prior year contributions offset by continued cost containment measures. Transfers out decreased by \$20,598,274, or five (5) percent primarily due to reductions in transfers to capital project, county grant, and debt service funds.

o Other major fund activity is as follows:

- The Las Vegas Metropolitan Police Department operates from current year resources and it typically budgets for a lower fund balance than other governmental units. However, it ended the year with a total unrestricted fund balance of \$40,039,781. Total revenues and transfers in were \$475,237,153, which was an increase of \$4,854,891 or one (1) percent, over the prior year. Expenditures, which are primarily personnel costs, decreased \$4,901,892 or one (1) percent.
- The non-major governmental funds showed a fund balance of \$1,556,409,911, of which \$736,875,162 or 47% was restricted. 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 position of the enterprise funds totaled \$775,487,560, an increase of \$96,264,410, or 14 percent. Total net position for these funds increased \$52,170,829, or two (2) percent 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 expenditures and other financing uses was \$1,177,481,832, unchanged from the original budget. Actual expenditures and other financing uses were \$1,144,762,003, or three (3) percent less than the final budget, primarily due to the County's ongoing cost containment efforts.
- Revenues and other transfers from other financing sources of the general fund exceeded the final budget by \$27,857,533, or two (2) percent due to a one time transfer of excess reserves from the workers compensation fund and an increase in consolidated and sales taxes.

Capital Assets and Debt Administration

Primary Government

- Capital Assets

- o The County’s investment in capital assets, net of accumulated depreciation at June 30, 2013, was \$13,311,023,624, an increase of \$34,672,278, or less than one (1) 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	\$ 74 million	Airport land acquisition and construction	\$ 92 million
Flood control projects	\$ 50 million	Sewer system additions	\$ 70 million

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land and improvements	\$ 1,730,765,379	\$1,666,821,289	\$ 2,455,303,396	\$ 2,443,036,775	\$ 4,186,068,775	\$ 4,109,858,064
Buildings	1,233,938,297	1,198,340,867	3,660,048,866	3,761,230,042	4,893,987,163	4,959,570,909
Machinery and equipment	61,401,675	57,553,095	438,077,684	437,558,724	499,479,359	495,111,819
Infrastructure	3,210,919,807	3,246,058,331	-	-	3,210,919,807	3,246,058,331
Construction in progress	235,174,106	246,813,035	285,394,414	218,939,188	520,568,520	465,752,223
Total	\$ 6,472,199,264	\$ 6,415,586,617	\$ 6,838,824,360	\$ 6,860,764,729	\$ 13,311,023,624	\$ 13,276,351,346

- 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, 2013, the County had total outstanding bonds and loans of \$7,340,554,385, a decrease of \$217,266,641, or three (3) percent, from the prior year. Of this amount, \$1,740,155,985 comprised general obligation debt backed by the full faith and credit of the County, \$632,545,274 of general obligation bonds additionally secured by specified revenue sources, \$4,424,679,087 of revenue bonds secured by pledges of various revenue sources, \$194,791,442 in special assessment debt for which the County is liable in the event of default by the property owners subject to assessment, and \$348,382,597 in capital leases.

Clark County, Nevada Outstanding Debt

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General obligation bonds	\$ 1,740,155,985	\$1,917,446,765	\$ -	\$ -	\$ 1,740,155,985	\$ 1,917,446,765
Revenue backed general obligation bonds	-	-	632,545,274	614,453,617	632,545,274	614,453,617
Revenue bonds	10,000	10,000	4,424,669,087	4,449,297,136	4,424,679,087	4,449,307,136
Special assessment bonds	194,791,442	227,261,233	-	-	194,791,442	227,261,233
Capital leases	348,382,597	349,352,275	-	-	348,382,597	349,352,275
Total	<u>\$ 2,283,340,024</u>	<u>\$ 2,494,070,273</u>	<u>\$ 5,057,214,361</u>	<u>\$ 5,063,750,753</u>	<u>\$ 7,340,554,385</u>	<u>\$ 7,557,821,026</u>

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

Economic Factors

- UMC continues to deal with the impact of uninsured patients. UMC's operating gain was \$2,804,000 for the fiscal year 2013 compared to \$18,852,000 loss in fiscal year 2012. The decreased operating loss was due primarily to recognition and receipt of additional revenue from the State of Nevada Medicaid Upper Payment Limit program (UPL), charge rate increases since 2011, offset by lower volumes and decreases in Medicare and Medicaid reimbursement rates. Continued high levels of care for uninsured and underinsured patients, and a decrease in State Medicaid funding will continue to contribute to sustained operating losses in the future. The County will need to fund these continued losses.
- Despite UMC's financial difficulties, the County has positioned itself to meet the needs of its citizens. The decrease in taxable values has leveled out and the remaining tax base will generate adequate revenues to provide basic services. A cost containment program continues to be in place, enforcing a reasonable pace of salary growth and position savings. The County's general fund unassigned ending fund balance remains healthy. Together, these factors have placed the County in an acceptable financial position to mitigate the current economic uncertainty. However, continued economic uncertainty could ultimately result in a deterioration of the County's financial condition.

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 Jessica L. Colvin, Comptroller, at 500 South Grand Central Parkway, Las Vegas, NV 89155.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Clark County, Nevada
Statement of Net Position
June 30, 2013

	Primary Government			Component Units			
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts
ASSETS							
Cash and investments:							
In custody of the County Treasurer	\$ 2,462,300,762	\$ 300,223,786	\$ 2,762,524,548	\$ 146,698,342	\$ 268,231,202	\$ -	\$ 118,837
In custody of other officials	7,691,546	40,155,026	47,846,572	500	28,728,824	104,719,688	2,495,686
With fiscal agent	56,471,766	-	56,471,766	-	55,877,753	-	-
Investments in custody of other officials	-	500,804,320	500,804,320	-	-	40,972,332	-
Accounts receivable (net of provision for doubtful accounts)	25,684,201	191,739,475	217,423,676	7,956	13,253,595	68,011,993	389,621
Interest receivable	4,134,712	5,538,050	9,672,762	237,313	434,803	286,204	193
Taxes receivable, delinquent	13,770,870	-	13,770,870	-	-	-	10
Penalties receivable on delinquent taxes	8,887,766	-	8,887,766	-	-	-	-
Special assessments receivable	210,376,684	-	210,376,684	-	-	-	-
Internal balances	16,125,368	(16,125,368)	-	-	-	-	-
Due from other governmental units	183,064,439	3,263,717	186,328,156	13,929,287	58,824,419	-	1,724
Inventories	442,817	18,231,014	18,673,831	-	-	18,709,178	-
Prepaid items and other current assets	1,803,253	4,266,369	6,069,622	-	455,817	-	4,509
Deferred charges and other assets	118,621,063	86,670,367	205,291,430	3,100,196	5,350,997	3,830,912	-
Restricted assets:							
Cash and investments:							
In custody of the County Treasurer	-	249,870,208	249,870,208	-	-	-	-
In custody of other officials	-	59,790,965	59,790,965	-	-	12,331,699	-
With fiscal agent	-	501,632,490	501,632,490	-	-	-	-
Investments in custody of other officials	-	-	-	-	-	87,942,372	-
Accounts receivable	-	3,246,345	3,246,345	-	-	418,786,798	-
Bond bank receivable, current	1,865,000	-	1,865,000	-	-	-	-
Bond bank receivable, noncurrent	1,236,755,000	-	1,236,755,000	-	-	1,428,120,000	-
Capital assets not being depreciated	1,645,358,036	1,235,407,351	2,880,765,387	192,962	72,344,958	47,104,542	612,695
Capital assets being depreciated, net of accumulated depreciation	4,826,841,228	5,603,417,009	10,430,258,237	2,300,365	334,935,447	1,727,462,421	40,399,580
Total Assets	10,820,194,511	8,788,131,124	19,608,325,635	166,466,921	838,437,815	3,958,278,139	44,022,855
DEFERRED OUTFLOWS							
Deferred outflows - hedging derivative instruments	-	75,847,134	75,847,134	-	-	9,364,566	-

(Continued)

Clark County, Nevada
Statement of Net Position
June 30, 2013
(Continued)

	Primary Government			Component Units			
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts
LIABILITIES							
Accounts payable	260,843,789	82,362,318	343,206,107	14,190,775	47,631,355	58,606,245	1,098,180
Accrued payroll and other accrued liabilities	148,864,017	57,540,256	206,404,273	47,511	6,798,822	32,585,072	-
Accrued interest	21,315,785	-	21,315,785	3,520,690	18,162,556	-	80,508
Due to other governmental units	67,562,081	-	67,562,081	176,715	-	-	29,510
Unearned revenue and other liabilities	74,508,752	45,738,966	120,247,718	-	-	19,524,149	24,962
Liabilities payable from restricted assets:							
Current maturities of long-term debt	-	-	-	-	-	439,583,000	359,254
Accounts payable	-	9,090,325	9,090,325	-	-	-	-
Customer deposits	-	-	-	-	-	20,196,202	27,911
Accrued expenses	-	133,876,894	133,876,894	-	-	13,649,648	-
Bonds and loans payable, due within one year	-	198,022,970	198,022,970	-	-	-	-
Bonds and loans payable, due within one year	77,329,016	5,995,000	83,324,016	11,730,000	32,080,000	-	-
Bonds and loans payable, due after one year	2,206,011,008	4,853,196,391	7,059,207,399	387,597,343	731,562,825	2,314,598,068	4,680,899
Other non-current liabilities, due after one year	572,994,121	321,217,030	894,211,151	1,576,684	8,914,047	13,872,294	-
Total Liabilities	3,429,428,569	5,707,040,150	9,136,468,719	418,839,718	845,149,605	2,912,614,678	6,301,224
DEFERRED INFLOWS							
Deferred amount from bond refundings	-	-	-	-	-	918,215	-
NET POSITION							
Net investment in capital assets	5,460,649,373	2,127,732,499	7,588,381,872	2,493,327	407,280,405	905,312,138	29,884,862
Restricted for:							
Capital projects	274,584,018	33,989,451	308,573,469	-	136,118,437	106,143	-
Debt service	160,242,201	163,563,788	323,805,989	7,866,698	98,413,553	10,590,857	-
Public safety	193,068,501	-	193,068,501	-	-	-	-
Other purposes	157,576,606	72,627,160	230,203,766	-	-	-	-
Unrestricted	1,144,645,243	759,025,210	1,903,670,453	(262,732,822)	(648,524,185)	138,100,674	7,836,769
Total Net Position	\$ 7,390,765,942	\$ 3,156,938,108	\$ 10,547,704,050	\$ (252,372,797)	\$ (6,711,790)	\$ 1,054,109,812	\$ 37,721,631

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

Clark County, Nevada
Statement of Activities
For the fiscal year ended June 30, 2013

	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	Las Vegas Valley Water District
Governmental activities:										
General government	\$ 175,800,332	\$ 194,889,199	\$ 71,425,444	\$ -	\$ 90,514,311	\$ -	\$ 90,514,311	\$ -	\$ -	\$ -
Judicial	206,641,513	66,101,247	20,080,905	-	(120,459,361)	-	(120,459,361)	-	-	-
Public safety	1,148,528,900	54,649,500	244,733,226	-	(849,146,174)	-	(849,146,174)	-	-	-
Public works	451,811,328	37,369,766	83,915,537	82,070,382	(248,455,643)	-	(248,455,643)	-	-	-
Health	114,955,068	7,775,955	2,008,544	-	(105,170,569)	-	(105,170,569)	-	-	-
Welfare	144,422,299	-	7,524,921	-	(136,897,378)	-	(136,897,378)	-	-	-
Culture and recreation	33,273,415	13,544,401	2,144,223	-	(17,584,791)	-	(17,584,791)	-	-	-
Community support	31,858,603	-	25,161,421	-	(6,697,182)	-	(6,697,182)	-	-	-
Other	99,975,955	163,273	-	-	(99,812,682)	-	(99,812,682)	-	-	-
Interest on long-term debt	106,131,831	-	-	-	(106,131,831)	-	(106,131,831)	-	-	-
Total governmental activities	2,513,399,244	374,493,341	456,994,221	82,070,382	(1,599,841,300)	-	(1,599,841,300)	-	-	-

(Continued)

Clark County, Nevada
Statement of Activities
For the fiscal year ended June 30, 2013
(Continued)

	Program Revenues			Primary Government			Net (Expenses) Revenues and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units				
								Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts	
Business-type activities:												
Hospital	588,532,924	590,789,544	31,000,000	-	-	33,256,620	33,256,620	-	-	-	-	-
Airport	673,074,992	576,504,644	-	10,467,403	-	(86,102,945)	(86,102,945)	-	-	-	-	-
Sewer	139,384,220	147,612,654	-	30,995,637	-	39,224,071	39,224,071	-	-	-	-	-
Other	43,644,036	35,375,523	52,174	-	-	(8,216,339)	(8,216,339)	-	-	-	-	-
Total business-type activities	1,444,636,172	1,350,282,365	31,052,174	41,463,040	-	(21,838,593)	(21,838,593)	-	-	-	-	-
Total primary government	\$ 3,958,035,416	\$ 1,724,775,706	\$ 488,046,395	\$ 123,533,422								
Component units:												
Clark County Regional Flood Control District	\$ 103,555,332	\$ -	\$ 10,000	\$ 3,223,770			\$ (100,321,562)	\$ -	\$ -	\$ -	\$ -	\$ -
Regional Transportation Commission of Southern Nevada	318,454,773	71,702,356	8,513,251	36,980,926			-	(201,258,240)	-	-	-	-
Las Vegas Valley Water District	370,221,122	336,432,153	-	20,191,789			-	-	(13,597,180)	-	-	-
Other	4,950,465	3,670,363	-	612,128			-	-	-	-	(667,974)	-
Total component units	\$ 797,181,692	\$ 411,804,872	\$ 8,523,251	\$ 61,008,613			\$ (100,321,562)	\$ (201,258,240)	\$ (13,597,180)	\$ (667,974)		
General revenues:												
Ad valorem taxes					555,039,005	-	555,039,005	-	-	-	-	-
Consolidated tax					443,537,151	-	443,537,151	-	-	-	-	10,346
Sales and use tax					244,899,148	14,870,001	259,769,149	79,495,264	159,009,217	-	-	45,443
Franchise fees					87,849,085	-	87,849,085	-	-	-	-	-
Fuel taxes					74,212,950	-	74,212,950	-	69,095,901	-	-	-
Motor vehicle privilege tax					47,054,220	-	47,054,220	-	-	-	-	-
Room tax					42,523,311	-	42,523,311	-	-	-	-	-
Other					32,662,591	-	32,662,591	8,992	6,158,578	-	-	50,805
Gain on sale of capital assets					3,606,058	65,409	3,671,467	-	-	-	-	-
Interest income					5,721,497	47,365,837	53,087,334	300,090	1,193,428	491,798	-	11,215
Transfers					(11,518,120)	11,518,120	-	-	-	-	-	-
Total general revenues and transfers					1,525,586,896	73,819,367	1,599,406,263	79,804,346	235,457,124	491,798	117,809	117,809
Change in net position					(74,254,404)	51,980,774	(22,273,630)	(20,517,216)	34,198,884	(13,105,382)	(550,165)	(550,165)
Net position - beginning					7,465,020,346	3,108,537,141	10,573,557,487	(231,855,581)	(40,910,674)	1,067,215,194	38,271,796	38,271,796
Prior period adjustment					-	(3,579,807)	(3,579,807)	-	-	-	-	-
Net position - beginning as restated					7,465,020,346	3,104,957,334	10,569,977,680	(231,855,581)	(40,910,674)	1,067,215,194	38,271,796	38,271,796
Net position - ending					\$ 7,390,765,942	\$ 3,156,938,108	\$ 10,547,704,050	\$ (252,372,797)	\$ (6,711,790)	\$ 1,054,109,812	\$ 37,721,631	\$ 37,721,631

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

FUND FINANCIAL STATEMENTS

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2013

	General Fund	Las Vegas Metropolitan Police Department	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments:				
In custody of the County Treasurer	\$ 370,445,698	\$ 62,950,144	\$ 1,539,293,353	\$ 1,972,689,195
In custody of other officials	2,487,579	243,850	858,117	3,589,546
With fiscal agent	-	-	56,471,766	56,471,766
Accounts receivable	41,848,954	1,352,595	2,733,677	45,935,226
Interest receivable	618,523	102,041	2,618,816	3,339,380
Taxes receivable, delinquent	9,045,857	2,472,393	2,252,620	13,770,870
Penalties receivable on delinquent taxes	8,887,766	-	-	8,887,766
Special assessments receivable	-	-	210,376,684	210,376,684
Due from other funds	1,557,450	852,599	66,890,737	69,300,786
Due from other governmental units	121,504,322	3,327,851	56,270,314	181,102,487
Prepaid items	-	325,366	-	325,366
Total Assets	<u>\$ 556,396,149</u>	<u>\$ 71,626,839</u>	<u>\$ 1,937,766,084</u>	<u>\$ 2,565,789,072</u>

(Continued)

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2013
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 14,860,390	\$ 15,105,314	\$ 73,711,221	\$ 103,676,925
Accrued payroll	10,335,707	8,832,594	3,072,832	22,241,133
Due to other funds	119,081,087	291,027	41,541,193	160,913,307
Due to other governmental units	53,718,714	58,324	13,785,043	67,562,081
Deferred revenue and other liabilities	19,940,396	7,299,799	249,245,884	276,486,079
Total Liabilities	<u>217,936,294</u>	<u>31,587,058</u>	<u>381,356,173</u>	<u>630,879,525</u>
Fund balances:				
Nonspendable	24,042,768	-	3,100,000	27,142,768
Restricted	48,596,164	-	736,875,162	785,471,326
Committed	-	2,361,584	70,206,947	72,568,531
Assigned	70,474,688	37,678,197	746,227,802	854,380,687
Unassigned	195,346,235	-	-	195,346,235
Total Fund Balances	<u>338,459,855</u>	<u>40,039,781</u>	<u>1,556,409,911</u>	<u>1,934,909,547</u>
Total Liabilities and Fund Balances	<u>\$ 556,396,149</u>	<u>\$ 71,626,839</u>	<u>\$ 1,937,766,084</u>	<u>\$ 2,565,789,072</u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2013

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

Fund balances – governmental funds		\$1,934,909,547
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Governmental capital assets	9,207,837,365	
Less accumulated depreciation	<u>(2,735,638,101)</u>	6,472,199,264
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	(1,934,957,427)	
Unamortized bond costs, premiums, and discounts	12,362,534	
Capital leases	(348,382,597)	
Litigation liability	(2,500,000)	
LVMPD OPEB liability, net of Detention portion	(232,938,876)	
Compensated absences	<u>(177,565,951)</u>	(2,683,982,317)
Accrued interest payable		(21,315,785)
Deferred revenue representing amounts that were not available to fund current expenditures and therefore are not reported in governmental funds		229,268,567
Long-term receivables restricted in governmental funds, adjusted to allowance for uncollectibles in statement of net position		(24,042,768)
Long-term receivables not recorded in governmental funds:		
Bond bank receivable from So. Nevada Water Authority	1,238,620,000	
LVMPD OPEB receivable from City of Las Vegas	<u>89,822,940</u>	1,328,442,940
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of the internal service funds is reported with the governmental activities		138,824,144
Internal balances that are receivable from business-type activities		<u>16,462,350</u>
Net position of governmental activities		<u>\$7,390,765,942</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, 2013

	General Fund	Las Vegas Metropolitan Police Department	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 411,125,149	\$ 111,453,834	\$ 95,806,287	\$ 618,385,270
Special assessments	-	-	33,518,728	33,518,728
Licenses and permits	231,471,686	-	21,896,069	253,367,755
Intergovernmental revenue	699,047,628	126,244,489	430,744,729	1,256,036,846
Charges for services	85,297,793	32,106,027	43,355,030	160,758,850
Fines and forfeitures	24,953,878	-	3,241,837	28,195,715
Interest	452,563	181,674	3,199,147	3,833,384
Other	5,963,776	2,343,922	10,434,501	18,742,199
Total revenues	<u>1,458,312,473</u>	<u>272,329,946</u>	<u>642,196,328</u>	<u>2,372,838,747</u>
Expenditures:				
Current:				
General government	116,469,256	-	18,454,615	134,923,871
Judicial	143,071,387	-	54,355,584	197,426,971
Public safety	374,901,710	473,584,003	192,762,070	1,041,247,783
Public works	216,143,109	-	44,616,685	260,759,794
Health	101,000,239	-	13,834,993	114,835,232
Welfare	76,767,785	-	67,087,310	143,855,095
Culture and recreation	9,891,540	-	460,974	10,352,514
Community support	-	-	31,859,222	31,859,222
Other general expenditures	113,253,138	-	-	113,253,138
Capital outlay	730,784	16,029,995	249,058,389	265,819,168
Debt service:				
Principal	-	-	76,220,000	76,220,000
Interest	12,028,806	-	93,731,048	105,759,854
Bond issuance costs	-	-	825,200	825,200
Total expenditures	<u>1,164,257,754</u>	<u>489,613,998</u>	<u>843,266,090</u>	<u>2,497,137,842</u>
Excess (deficiency) of revenues over (under) expenditures	<u>294,054,719</u>	<u>(217,284,052)</u>	<u>(201,069,762)</u>	<u>(124,299,095)</u>

(Continued)

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2013
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):				
Transfers from other funds	37,156,477	202,907,207	205,676,515	445,740,199
Transfers to other funds	(318,709,408)	-	(121,048,911)	(439,758,319)
Refunding bonds issued	-	-	58,370,000	58,370,000
Premium on bonds issued	-	-	1,617,013	1,617,013
Payment to escrow agent	-	-	(75,213,050)	(75,213,050)
Total other financing sources (uses)	<u>(281,552,931)</u>	<u>202,907,207</u>	<u>69,401,567</u>	<u>(9,244,157)</u>
Net changes in fund balances	12,501,788	(14,376,845)	(131,668,195)	(133,543,252)
Fund balance:				
Beginning of year	<u>325,958,067</u>	<u>54,416,626</u>	<u>1,688,078,106</u>	<u>2,068,452,799</u>
End of year	<u>\$ 338,459,855</u>	<u>\$ 40,039,781</u>	<u>\$ 1,556,409,911</u>	<u>\$ 1,934,909,547</u>

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, 2013

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

Net change in fund balances – governmental funds \$ (133,543,252)

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. Also, capital assets financed by capital leases are not shown in governmental funds. The County does not capitalize items costing less than \$5,000.

Capital outlay recorded in governmental funds	\$265,819,168	
Less amounts not capitalized	<u>(43,128,259)</u>	
Capitalized expenditures	222,690,909	
Less current year depreciation	<u>(243,276,724)</u>	(20,585,815)

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	82,070,382	
Gain on sale of capital assets	482,067	
Change in deferred revenue	(25,057,654)	
Bond bank operating contribution	<u>(116,845,000)</u>	(59,350,205)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also capital leases are not shown in governmental funds. This is the net effect of these differences in the treatment of long-term debt and related items.

Bonds and loans issued	(58,370,000)	
Bond issuance and other deferred costs	825,200	
Bond premium	(1,617,013)	
Accrued interest	(371,976)	
Amortized bond costs	2,119,792	
Principal payment	76,220,000	
Payment to escrow agent	75,213,050	
Payment to bond bank entity	<u>115,065,000</u>	209,084,053

(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, 2013

(Continued)

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

Change in long-term compensated absences	\$ (1,724,212)	
Change in LVMPD OPEB liability	(37,418,555)	
Change in litigation liability	<u>14,000,000</u>	(25,142,767)
Long-term LVMPD OPEB receivable due from the City of Las Vegas		14,240,873
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.		(62,727,153)
Increase to internal balances that are receivable from business-type activities.		<u>3,769,862</u>
Change in net position of governmental activities		<u><u>\$(74,254,404)</u></u>

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Proprietary Funds
Statement of Net Position
June 30, 2013

	Business-Type Activities - Enterprise Funds		
	University Medical Center	Water Reclamation District	Department of Aviation
ASSETS			
Unrestricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	\$ 14,776,626	\$ -	\$ 246,630,748
In custody of other officials	22,200	39,648,353	472,450
Investments in custody of other officials	-	500,804,320	-
Accounts receivable	130,427,074	8,531,016	51,895,105
Interest receivable	-	1,033,389	4,441,658
Due from other funds	11,692,208	-	1,597,717
Due from other governmental units	-	-	3,256,406
Inventories	11,066,807	2,227,690	4,824,158
Prepaid items and other current assets	2,068,137	658,845	1,524,387
Total unrestricted current assets	<u>170,053,052</u>	<u>552,903,613</u>	<u>314,642,629</u>
Restricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	45,469,541	22,463,592	181,937,075
With fiscal agent	-	-	175,071,088
Investments in custody of other officials	-	104,119	59,686,846
Investments with fiscal agent	-	-	326,561,402
Accounts receivable	642,252	2,604,093	-
Total restricted current assets	<u>46,111,793</u>	<u>25,171,804</u>	<u>743,256,411</u>
Total current assets	<u>216,164,845</u>	<u>578,075,417</u>	<u>1,057,899,040</u>
Noncurrent assets:			
Deferred charges and other assets	440,920	11,737,255	74,492,192
Capital assets:			
Property and equipment	361,614,608	2,271,148,444	6,626,301,648
Accumulated depreciation	(174,790,951)	(701,960,178)	(1,575,610,434)
Total capital assets, net of accumulated depreciation	<u>186,823,657</u>	<u>1,569,188,266</u>	<u>5,050,691,214</u>
Total noncurrent assets	<u>187,264,577</u>	<u>1,580,925,521</u>	<u>5,125,183,406</u>
Total assets	<u>403,429,422</u>	<u>2,159,000,938</u>	<u>6,183,082,446</u>
DEFERRED OUTFLOWS			
Deferred bond refundings and hedging derivative instruments	-	-	75,847,134

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Position
June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		
	University Medical Center	Water Reclamation District	Department of Aviation
LIABILITIES			
Current liabilities (payable from current assets):			
Current maturities of long-term debt	5,995,000	-	-
Accounts payable	45,808,102	21,749,612	14,271,994
Accrued expenses	37,256,958	993,960	15,202,231
Due to other funds	9,410,252	-	601,279
Deferred revenue	-	-	4,342,179
Deposits and other current liabilities	-	3,063,394	38,000,000
Total current liabilities (payable from current assets)	98,470,312	25,806,966	72,417,683
Current liabilities (payable from restricted assets):			
Current maturities of long-term debt	-	9,397,970	188,625,000
Accounts payable	-	547,209	8,543,116
Accrued expenses	-	11,871,467	122,005,427
Total current liabilities (payable from restricted assets)	-	21,816,646	319,173,543
Total current liabilities	98,470,312	47,623,612	391,591,226
Noncurrent liabilities:			
Long-term debt, less current maturities	64,191,463	473,987,496	4,315,017,432
Deferred revenue and other non-current liabilities	137,874,906	19,372,982	163,678,434
Total noncurrent liabilities	202,066,369	493,360,478	4,478,695,866
Total Liabilities	300,536,681	540,984,090	4,870,287,092
NET POSITION			
Net investment in capital assets	130,647,501	1,071,444,843	893,518,932
Restricted for:			
Capital projects	-	(871,595)	34,861,046
Debt service	-	10,592,125	152,971,663
Other	8,996,379	-	63,630,781
Unrestricted	(36,751,139)	536,851,475	243,660,066
Total Net Position	\$ 102,892,741	\$ 1,618,016,848	\$ 1,388,642,488

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Position
June 30, 2013
(Continued)

	<u>Business-Type Activities- Enterprise Funds</u>		Governmental
	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Activities - Internal Service Funds</u>
ASSETS			
Unrestricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	\$ 38,816,412	\$ 300,223,786	\$ 489,611,567
In custody of other officials	12,023	40,155,026	4,102,000
Investments in custody of other officials	-	500,804,320	-
Accounts receivable	886,280	191,739,475	3,791,743
Interest receivable	63,003	5,538,050	795,333
Due from other funds	250,603	13,540,528	99,446,758
Due from other governmental units	7,311	3,263,717	1,961,952
Inventories	112,359	18,231,014	442,817
Prepaid items and other current assets	15,000	4,266,369	1,477,887
Total unrestricted current assets	<u>40,162,991</u>	<u>1,077,762,285</u>	<u>601,630,057</u>
Restricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	-	249,870,208	-
With fiscal agent	-	175,071,088	-
Investments in custody of other officials	-	59,790,965	-
Investments with fiscal agent	-	326,561,402	-
Accounts receivable	-	3,246,345	-
Total restricted current assets	<u>-</u>	<u>814,540,008</u>	<u>-</u>
Total current assets	<u>40,162,991</u>	<u>1,892,302,293</u>	<u>601,630,057</u>
Noncurrent assets:			
Deferred charges and other assets	-	86,670,367	63,329,719
Capital assets:			
Property and equipment	50,309,876	9,309,374,576	189,725,208
Accumulated depreciation	(18,188,653)	(2,470,550,216)	(30,750,874)
Total capital assets, net of accumulated depreciation	<u>32,121,223</u>	<u>6,838,824,360</u>	<u>158,974,334</u>
Total noncurrent assets	<u>32,121,223</u>	<u>6,925,494,727</u>	<u>222,304,053</u>
Total assets	<u>72,284,214</u>	<u>8,817,797,020</u>	<u>823,934,110</u>
DEFERRED OUTFLOWS			
Deferred outflows - hedging derivative instruments	-	75,847,134	-

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Position
June 30, 2013
(Continued)

	Business-Type Activities- Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
LIABILITIES			
Current liabilities (payable from current assets):			
Current maturities of long-term debt	-	5,995,000	1,299,016
Accounts payable	532,610	82,362,318	157,166,864
Accrued expenses	4,087,107	57,540,256	333,506,308
Due to other funds	3,192,015	13,203,546	8,171,219
Deferred revenue	300,000	4,642,179	-
Deposits and other current liabilities	33,393	41,096,787	7,253
Total current liabilities (payable from current assets)	8,145,125	204,840,086	500,150,660
Current liabilities (payable from restricted assets):			
Current maturities of long-term debt	-	198,022,970	-
Accounts payable	-	9,090,325	-
Accrued expenses	-	133,876,894	-
Total current liabilities (payable from restricted assets)	-	340,990,189	-
Total current liabilities	8,145,125	545,830,275	500,150,660
Noncurrent liabilities:			
Long-term debt, less current maturities	-	4,853,196,391	164,464,098
Deferred revenue and other non-current liabilities	290,708	321,217,030	27,283,988
Total noncurrent liabilities	290,708	5,174,413,421	191,748,086
Total Liabilities	8,435,833	5,720,243,696	691,898,746
NET POSITION			
Net investment in capital assets	32,121,223	2,127,732,499	(6,788,780)
Restricted for:			
Capital projects	-	33,989,451	-
Debt service	-	163,563,788	-
Other	-	72,627,160	-
Unrestricted	31,727,158	775,487,560	138,824,144
Total Net Position	\$ 63,848,381	3,173,400,458	\$ 132,035,364
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		(16,462,350)	
Net assets of business-type of activities		\$ 3,156,938,108	

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

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the fiscal year ended June 30, 2013

	Business-Type Activities - Enterprise Funds		
	University Medical Center	Water Reclamation District	Department of Aviation
Operating revenues:			
Charges for services:			
Sewer services and operations	\$ -	\$ 146,150,334	\$ -
Services to patients	551,540,022	-	-
Landing and other airport fees	-	-	59,448,164
Building and land rental	-	-	340,214,094
Concession fees	-	-	73,043,837
Constable fees	-	-	-
Building fees and permits	-	-	-
Recreation fees	-	-	-
Parking fees	-	-	-
Insurance	-	-	-
Other	36,317,118	-	-
Other operating revenues	-	1,408,400	23,865,334
Total operating revenues	<u>587,857,140</u>	<u>147,558,734</u>	<u>496,571,429</u>
Operating expenses:			
Salaries and benefits	-	32,296,767	118,701,116
General and administrative	163,333,860	-	53,959,180
Other professional services	410,557,176	5,218,462	-
Operating and maintenance	-	25,423,139	64,257,816
Depreciation	11,162,129	76,489,604	196,707,628
Total operating expenses	<u>585,053,165</u>	<u>139,427,972</u>	<u>433,625,740</u>
Operating income (loss)	<u>2,803,975</u>	<u>8,130,762</u>	<u>62,945,689</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the fiscal year ended June 30, 2013
(Continued)

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>University Medical Center</u>	<u>Water Reclamation District</u>	<u>Department of Aviation</u>
Nonoperating revenues (expenses):			
Interest income	282,074	(1,233,481)	48,248,150
Interest expense	(3,572,523)	-	(235,311,031)
Gain (loss) on sale or abandonment of property and equipment	-	-	(607,058)
Sales and use tax	-	14,870,001	-
Contributions from primary government	31,000,000	-	-
Other	2,932,404	53,920	79,933,215
Total nonoperating revenues (expenses)	<u>30,641,955</u>	<u>13,690,440</u>	<u>(107,736,724)</u>
Income (loss) before contributions and transfers	33,445,930	21,821,202	(44,791,035)
Capital contributions	-	30,995,637	10,467,403
Transfers from other funds	-	-	11,268,120
Transfers to other funds	-	-	-
Change in net position	<u>33,445,930</u>	<u>52,816,839</u>	<u>(23,055,512)</u>
Net position:			
Beginning of year	69,446,811	1,568,779,816	1,411,698,000
Prior period adjustment	-	(3,579,807)	-
End of year	<u>\$ 102,892,741</u>	<u>\$ 1,618,016,848</u>	<u>\$ 1,388,642,488</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Operating revenues:			
Charges for services:			
Sewer services and operations	\$ -	\$ 146,150,334	\$ -
Services to patients	-	551,540,022	-
Landing and other airport fees	-	59,448,164	-
Building and land rental	-	340,214,094	-
Concession fees	-	73,043,837	-
Constable fees	2,768,307	2,768,307	-
Building fees and permits	21,471,604	21,471,604	-
Recreation fees	9,446,636	9,446,636	-
Parking fees	793,246	793,246	96,203
Insurance	-	-	163,409,235
Other	-	36,317,118	75,188,503
Other operating revenues	895,730	26,169,464	15,216,423
Total operating revenues	<u>35,375,523</u>	<u>1,267,362,826</u>	<u>253,910,364</u>
Operating expenses:			
Salaries and benefits	29,998,802	180,996,685	95,323,630
General and administrative	-	217,293,040	-
Other professional services	-	415,775,638	-
Operating and maintenance	11,811,874	101,492,829	200,106,894
Depreciation	1,444,804	285,804,165	6,137,630
Total operating expenses	<u>43,255,480</u>	<u>1,201,362,357</u>	<u>301,568,154</u>
Operating income (loss)	<u>(7,879,957)</u>	<u>66,000,469</u>	<u>(47,657,790)</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Nonoperating revenues (expenses):			
Interest income	69,094	47,365,837	1,081,702
Interest expense	(13,341)	(238,896,895)	(11,759,772)
Gain (loss) on sale or abandonment of property and equipment	65,409	(541,649)	542,520
Sales and use tax	-	14,870,001	-
Contributions from primary government	-	31,000,000	-
Other	52,174	82,971,713	12,566,187
Total nonoperating revenues (expenses)	173,336	(63,230,993)	2,430,637
Income (loss) before contributions and transfers	(7,706,621)	2,769,476	(45,227,153)
Capital contributions	-	41,463,040	-
Transfers from other funds	276,168	11,544,288	10,996,322
Transfers to other funds	(26,168)	(26,168)	(28,496,322)
Change in net position	(7,456,621)	55,750,636	(62,727,153)
Net position:			
Beginning of year	71,305,002		194,762,517
End of year	\$ 63,848,381		\$ 132,035,364
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		(3,769,862)	
Change in net position of business-type activities		\$ 51,980,774	

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

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013

	Business-Type Activities - Enterprise Funds		
	University Medical Center	Water Reclamation District	Department of Aviation
Cash flows from operating activities:			
Cash received from customers	\$ 528,421,692	\$ 138,421,300	\$ 481,265,219
Cash paid for employees and for benefits	(324,898,545)	(29,801,571)	(108,151,077)
Cash paid for services and supplies	(232,719,102)	(29,197,743)	(118,166,793)
Other operating receipts	36,819,440	118,965	-
Net cash provided (used) by operating activities	7,623,485	79,540,951	254,947,349
Cash flows from noncapital financing activities:			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Contributions from other governmental units	31,000,000	-	-
Other noncapital financing payments	1,797,762	-	-
Net cash provided (used) by noncapital financing activities	32,797,762	-	-
Cash flows from capital and related financing activities:			
Cash provided by contributed capital	-	19,294,096	-
Bonds and loans issued	-	31,023,475	495,797,208
Federal and state grants	-	475,078	13,443,750
Cash used for bond issue costs	-	-	(2,396,000)
Acquisition, construction, or improvement of capital assets	(23,609,742)	(96,190,965)	(121,454,896)
Contributions received for capital purposes	-	12,367,946	-

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		
	University Medical Center	Water Reclamation District	Department of Aviation
Cash used for debt service:			
Principal	(5,730,000)	(7,470,528)	(105,535,000)
Interest	(3,558,778)	(23,312,885)	(244,282,085)
Payments to bond refunding agent	-	-	(403,690,000)
Proceeds from the sale of capital assets	-	-	508,420
Proceeds from customer assessments	-	-	91,001,352
Sales tax apportionment	-	15,908,557	-
Cash provided by other capital	1,134,643	-	-
Net cash provided (used) by capital and related financing activities	<u>(31,763,877)</u>	<u>(47,905,226)</u>	<u>(276,607,251)</u>
Cash flows from investing activities:			
Purchase of investments	-	(242,081,005)	(570,266,086)
Proceeds from maturities of investments	-	204,419,321	463,739,556
Interest income	20,291	4,047,111	2,607,335
Net cash provided (used) by investing activities	<u>20,291</u>	<u>(33,614,573)</u>	<u>(103,919,195)</u>
Net increase (decrease) in cash and cash equivalents	8,677,661	(1,978,848)	(125,579,097)
Cash and cash equivalents:			
Beginning of year	<u>51,590,706</u>	<u>64,090,793</u>	<u>729,690,458</u>
End of year:			
Unrestricted	14,798,826	39,648,353	247,103,198
Restricted	45,469,541	22,463,592	357,008,163
Total cash and cash equivalents at end of year	<u>\$ 60,268,367</u>	<u>\$ 62,111,945</u>	<u>\$ 604,111,361</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		
	University Medical Center	Water Reclamation District	Department of Aviation
Reconciliation of operating income (loss) to net cash flows from operating activities:			
Operating income (loss)	\$ 2,803,975	\$ 8,130,762	\$ 62,945,689
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	11,162,129	76,489,604	199,527,743
Provision for doubtful accounts	45,687,501	-	-
(Increase) decrease in accounts receivable	(68,805,831)	(9,137,435)	(14,282,721)
Increase in due from other funds	-	-	-
(Increase) decrease in due from other governmental units	-	-	-
(Increase) decrease in inventory	1,579,871	291,731	348,633
(Increase) decrease in prepaid expense	-	71,838	(782,512)
(Increase) decrease in other assets	826,550	-	-
Increase (decrease) in accounts payable	18,651,264	2,728,847	(3,261,335)
Increase in accrued payroll	-	-	10,997,566
Increase in due to other funds	-	-	-
Increase (decrease) in other non-current liabilities	364,750	965,604	-
Increase (decrease) in deferred revenue	-	-	(420,975)
Increase (decrease) in deposits and other current liabilities	(4,646,724)	-	(124,739)
Net cash provided (used) by operating activities	<u>\$ 7,623,485</u>	<u>\$ 79,540,951</u>	<u>\$ 254,947,349</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		
	University	Water	Department of
	Medical Center	Reclamation District	Aviation
Noncash investing, capital and financing activities			
Donated mains and services	\$ -	\$ 11,547,824	\$ -
Property, plant and equipment purchased on account	-	18,604,475	-
Change in fair value of investments	-	(3,245,641)	-
Perpetual avigation easement settlement	-	-	38,000,000

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service
	Other Enterprise Funds	Total Enterprise Funds	Funds
Cash flows from operating activities:			
Cash received from customers	\$ 34,559,865	\$ 1,182,668,076	\$ 211,909,867
Cash paid for employees and for benefits	(30,172,974)	(493,024,167)	(39,624,384)
Cash paid for services and supplies	(11,544,729)	(391,628,367)	(171,629,759)
Other operating receipts	895,730	37,834,135	15,216,423
Net cash provided (used) by operating activities	<u>(6,262,108)</u>	<u>335,849,677</u>	<u>15,872,147</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	276,168	276,168	20,051,878
Transfers to other funds	(26,168)	(26,168)	(39,551,878)
Contributions from other governmental units	52,174	31,052,174	-
Other noncapital financing payments	-	1,797,762	-
Net cash provided (used) by noncapital financing activities	<u>302,174</u>	<u>33,099,936</u>	<u>(19,500,000)</u>
Cash flows from capital and related financing activities:			
Cash provided by contributed capital	-	19,294,096	-
Bonds and loans issued	-	526,820,683	-
Federal and state grants	-	13,918,828	-
Cash used for bond issue costs	-	(2,396,000)	-
Acquisition, construction, or improvement of capital assets	(731,177)	(241,986,780)	(606,672)
Contributions received for capital purposes	-	12,367,946	12,566,187

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Cash used for debt service:			
Principal	-	(118,735,528)	(969,678)
Interest	-	(271,153,748)	(11,596,509)
Payments to bond refunding agent	-	(403,690,000)	-
Proceeds from the sale of capital assets	-	508,420	365,549
Proceeds from customer assessments	-	91,001,352	-
Sales tax apportionment	-	15,908,557	-
Cash provided by other capital	-	1,134,643	-
Net cash provided (used) by capital and related financing activities	<u>(731,177)</u>	<u>(357,007,531)</u>	<u>(241,123)</u>
Cash flows from investing activities:			
Purchase of investments	-	(812,347,091)	-
Proceeds from maturities of investments	-	668,158,877	-
Interest income	(148,192)	6,526,545	(1,406,583)
Net cash provided (used) by investing activities	<u>(148,192)</u>	<u>(137,661,669)</u>	<u>(1,406,583)</u>
Net increase (decrease) in cash and cash equivalents	(6,839,303)	(125,719,587)	(5,275,559)
Cash and cash equivalents:			
Beginning of year	45,667,738	891,039,695	498,989,126
End of year:			
Unrestricted	38,828,435	340,378,812	493,713,567
Restricted	-	424,941,296	-
Total cash and cash equivalents at end of year	<u>\$ 38,828,435</u>	<u>\$ 765,320,108</u>	<u>\$ 493,713,567</u>

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(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)	\$ (7,879,957)	\$ 66,000,469	\$ (47,657,790)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	1,444,804	288,624,280	6,137,630
Provision for doubtful accounts	-	45,687,501	-
(Increase) decrease in accounts receivable	(50,381)	(92,276,368)	(2,145,082)
Increase in due from other funds	(145,415)	(145,415)	(1,788,939)
(Increase) decrease in due from other governmental units	1,409	1,409	(1,201,017)
Decrease in inventory	(16,249)	2,203,986	(83,110)
(Increase) decrease in prepaid expense	-	(710,674)	(132,485)
(Increase) decrease in other assets	-	826,550	(21,382,077)
Increase (decrease) in accounts payable	(118,466)	18,000,310	(2,279,731)
Increase in accrued payroll	(174,172)	10,823,394	55,699,246
Increase in due to other funds	385,611	385,611	3,688,473
Increase (decrease) in other non-current liabilities	-	1,330,354	-
Increase (decrease) in deferred revenue	-	(420,975)	-
Increase (decrease) in deposits and other current liabilities	290,708	(4,480,755)	27,017,029
Net cash provided (used) by operating activities	<u>\$ (6,262,108)</u>	<u>\$ 335,849,677</u>	<u>\$ 15,872,147</u>

(Continued)

Clark County, Nevada
 Proprietary Funds
 Statement of Cash Flows
 For the fiscal year ended June 30, 2013
 (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	\$ -	\$ 11,547,824	\$ -
Property, plant and equipment purchased on account	-	18,604,475	-
Change in fair value of investments	-	(3,245,641)	-
Perpetual avigation easement settlement	-	38,000,000	-

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

Clark County, Nevada
Fiduciary Funds
Statement of Net Position
June 30, 2013

	<u>Employee Benefit and Pension Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and investments:		
In custody of the County Treasurer	\$ 2,445,614	\$ 162,178,454
In custody of other officials	-	47,406,777
With fiscal agent	214,024,441	7,909,991
Accounts receivable	-	377,387
Interest receivable	65,229	263,282
Taxes receivable, delinquent	-	25,144,740
Due from other governmental units	-	671,017,811
Total Assets	<u>216,535,284</u>	<u>914,298,442</u>
LIABILITIES		
Accrued expenses	62,734	-
Amounts held for others	-	914,298,442
Total Liabilities	<u>62,734</u>	<u>914,298,442</u>
NET POSITION		
Restricted for pension benefits and other purposes	<u>\$ 216,472,550</u>	<u>\$ -</u>

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

Clark County, Nevada
 Fiduciary Funds
 Statement of Changes in Net Position
 For the fiscal year ended June 30, 2013

	Employee Benefit and Pension Trust Funds
ADDITIONS	
Contributions:	
Contributions from employer	\$ 29,063,214
Contributions from employees	325,774
Total contributions	29,388,988
Investment earnings:	
Interest	548,335
Net increase in fair value of investments	23,497,557
Total investment earnings	24,045,892
Less investment expense	(132,454)
Net investment earnings	23,913,438
Total additions	53,302,426
DEDUCTIONS	
General and administrative	270,427
Benefit payments	31,254,978
Total deductions	31,525,405
Change in net position	21,777,021
NET POSITION	
Beginning of year	194,695,529
End of year	\$ 216,472,550

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

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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 University Medical Center of Southern Nevada (UMC) and the Clark County Water Reclamation District (Reclamation District).

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 and management of the primary government has operational responsibility for each of the component units, they are blended into the financial statements. The operations of UMC and the Reclamation District are reflected as enterprise funds.

Discretely Presented Component Units

Included as discretely presented component units are the Regional Transportation Commission of Southern Nevada (RTC), the Clark County Regional Flood Control District (Flood Control District), Las Vegas Valley Water District (LVVWD), Big Bend Water District, and Kyle Canyon Water 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 Flood Control District, and exclusion of these units would render the financial statements of the County incomplete. The members of the Board of County Commissioners are also the board members (ex-officio) of the Water Districts, and the exclusion of these units would render the financial statements of the County incomplete.

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

Las Vegas Valley Water District, Big Bend Water District, and Kyle Canyon 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

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

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position 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

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.

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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 non-operating 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 fund 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 non-operating 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 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 and is primarily funded through property taxes, fees for service, grants, an interlocal contract with the Department of Aviation for police services, and contributions from the City of Las Vegas and Clark County.

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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Financial Statements (Continued)

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 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, information technology, 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 Position or Equity

Investments

With the exception of the Water Reclamation District, the County pools the cash of its individual funds for investment purposes. Each fund in the pool records its own interest earnings allocated based on its average daily balances. 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 also adjusts 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

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Receivables and Payables (Continued)

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 inventories of the 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 pay the cost of capital projects and 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 \$5,000 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.

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

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 and proprietary 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 position. 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.

Net Position or Equity

In the government-wide statements and in proprietary fund statements, equity is classified as net position and displayed in three components.

- Net investment in capital assets – Capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets net of unspent financing proceeds.
- Restricted net position – Net position with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In governmental fund financial statements equity is classified as fund balance and is displayed in up to five components based primarily on the extent to which the County is bound to observe constraints imposed on the use of fund resources. These components are as follows:

- Nonspendable fund balances – Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable.
- Restricted fund balances - Similar to restricted net position discussed above, these are amounts with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net Position or Equity (Continued)

laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed fund balances – Amounts with constraints imposed by formal resolution of the Board of County Commissioners (BCC) that specifically state the revenue source and purpose of the commitment. Commitments can only be modified or rescinded through resolutions by the BCC. Commitments can also include resources required to meet contractual obligations approved by the BCC.
- Assigned fund balances – Amounts intended to be used for specific purposes by the Chief Financial Officer as authorized by fiscal directives that do not meet the criteria to be classified as restricted or committed. In the General Fund, the assigned fund balance represents management approved encumbrances that have been re-appropriated in the subsequent year, and amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources.
- Unassigned fund balances – Amounts in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from expenditures exceeding those amounts restricted, committed or assigned for specific purposes.

Based on the County's policy regarding the fund balance classification as noted above, when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it. When expenditures are incurred for purposes for which amounts in any unrestricted fund balance classifications could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

Accounting Changes and Restatements

The County implemented Government Accounting Standards Board (GASB) Statement 61 *The Financial Reporting Entity: Omnibus*, which modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they are part of the primary government (blending versus discretely presenting the component unit). Due to the amended criteria provided by GASB 61, the Las Vegas Valley Water District, Big Bend Water District and Kyle Canyon Water District no longer meet the criteria of blended component units and are now discretely presented. The impact of this change resulted in \$1,105,486,990 decrease in beginning net position of business-type activities. Beginning net position of business-type activities and discretely presented component units have been restated accordingly.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Accounting Changes and Restatements (Continued)

Prior Period Adjustment

In accordance with an Inter-local Cooperative Agreement in 2000 between the Southern Nevada Water Authority (SNWA) and the wastewater agencies (City of Henderson, City of Las Vegas, and the Clark County Water Reclamation District [CCWRD]), SNWA began distributing 38% of the ¼ cent sales tax to the wastewater agencies using a calculation based on influent flows and ERUs. SNWA's original calculation omitted ERUs within the service area of the City of North Las Vegas which were treated by the City of Las Vegas. A reconciliation of the amounts distributed between January 2001 and May 2010 determined that the CCWRD received an overpayment of \$3,579,807.

The SNWA along with the wastewater agencies has agreed to correct the disproportionate allocation by adjusting future month distributions. The CCWRD has agreed to a reduction of \$37,290 per month over the next eight years (96 months) beginning July 1, 2013. A prior period adjustment to correct the disproportionate allocation resulted in a decrease of \$3.6 million to beginning net position for fiscal year ended June 30, 2012.

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.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Net Position

The LVMPD self-funded industrial insurance fund had a fund deficit of \$1,845,440 and the Clark County Detention Center "CCDC" self-funded industrial insurance fund had a deficit of \$1,573,940 at June 30, 2013. Deficit positions are under review by County management and will continue to be addressed during the following fiscal year.

Excess of Expenditures Over Appropriations

The Shooting Complex nonmajor enterprise fund operating and nonoperating expenses exceeded appropriations by \$71,777 for the fiscal year ended June 30, 2013. Deficit positions are under review by County management and will continue to be addressed during the following fiscal year.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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 specifically require collateral for demand deposits, and 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 securities collateralized in the State of Nevada Collateral Pool. Securities used as such collateral must total 102 percent of the deposits with each financial institution. The County monitors the Nevada Collateral Pool to ensure full collateralization.

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 \$132,802,572 and the carrying amount was \$109,737,125. The County utilizes zero balance sweep accounts and there are money market funds and other short-term investments available to cover amounts presented for payment.

The bank balance of deposits held in the custody of other officials was \$204,009,578 consisting of \$118,519,753 for the Water District, \$29,642,751 for the RTC, and \$500 for the Flood Control District. The carrying amount of deposits held in the custody of other officials was \$200,672,440 consisting of \$120,267,073 for the Water District, \$28,728,825 for the RTC, and \$500 for the Flood Control District. The bank balance and the carrying value of deposits with fiscal agent was (\$5,911,305). Negative deposits with fiscal agent were a result of investment proceeds which settled on July 1, 2013.

At June 30, 2013, the fair value of County-wide deposits, investments, and derivative instruments consisted of the following:

Total Cash, Investments, and Derivative Instruments All Entities Combined		<u>Fair Value</u>
Countywide Investments (Exclusive of the Water District)	\$4,654,706,749	
Investments with the Water District	128,194,704	
Derivative Instruments	<u>59,686,846</u>	\$4,842,588,299
Cash		304,498,260
Water District Pension		<u>213,936,822</u>
 Grand total		 <u>\$5,361,023,381</u>

County-wide investments and cash above include investment and cash balances for the RTC, the Flood Control District and Kyle Canyon Water District in the amount of \$352,837,779, \$146,698,842, and \$118,837, 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, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

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 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 County 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.

State statutes authorize the County to invest in the following (quality rating by Moody's Investment Service): 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 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 the obligation is rated "A" or its equivalent; commercial paper having a "P-1" rating or equivalent, not to exceed 270 days maturity and 20 percent of the 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 "P-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, having an "A" rating or equivalent, 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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2013, the fair value of Countywide investments and derivative instruments were categorized by maturity as follows:

Investments with Derivative Instruments – All Entities Combined

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 3</u>	<u>3 to 5</u>	<u>More than 5</u>
<u>Debt Securities</u>					
<u>(Exclusive of Water District)</u>					
U.S. Treasuries	\$ 617,727,236	\$ 207,729,728	\$ 346,633,878	\$ 63,363,630	\$ -
U.S. Agencies	3,080,406,858	1,040,541,048	1,246,135,700	590,277,710	203,452,400
Corporate Obligations	189,957,620	5,097,650	95,863,980	88,995,990	-
Money Market Funds	227,292,929	227,292,929	-	-	-
Commercial Paper	344,448,388	344,448,388	-	-	-
Negotiable Certificates of Deposit	34,297,239	34,297,239	-	-	-
NV Local Government Investment Pool	29,623,125	29,623,125	-	-	-
Collateralized Mortgage Obligations	30,696,728	330,871	5,277,859	1,056,608	24,031,390
Collateralized Investment Agreements*	14,867,770	14,867,770	-	-	-
Asset Backed Securities	85,388,856	-	31,906,136	37,306,030	16,176,690
Derivative Instruments	<u>59,686,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,686,846</u>
Subtotal	<u>4,714,393,595</u>	<u>1,904,228,748</u>	<u>1,725,817,553</u>	<u>780,999,968</u>	<u>303,347,326</u>
<u>Debt Securities With Water District</u>					
U.S. Treasuries	30,051,602	-	-	30,051,602	-
U.S. Agencies	83,834,947	-	83,834,947	-	-
State & Local Government Obligations	4,945,555	-	-	4,945,555	-
Negotiable Certificates of Deposit	<u>9,362,600</u>	<u>9,362,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>128,194,704</u>	<u>9,362,600</u>	<u>83,834,947</u>	<u>34,997,157</u>	<u>-</u>
Total	<u>\$4,842,588,299</u>	<u>\$1,913,591,348</u>	<u>\$1,809,652,500</u>	<u>\$815,997,125</u>	<u>\$ 303,347,326</u>

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

The Local Government Investment Pool is an unrated external pool administered by the State Treasurer with oversight by the State of Nevada Board of Finance. The County deposits monies with the State Treasurer to be pooled with monies of other local governments for investment in the local government pooled investment fund.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2013, 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>
Cash and cash equivalents	\$ 372,888	0.20%
Equity securities	157,744,494	73.70
Fixed income securities	<u>55,819,440</u>	<u>26.10</u>
 Total	 <u>\$213,936,822</u>	 <u>100.00%</u>

<u>Investment</u>	<u>Maturities</u>	<u>Carrying Value</u>
Money Market Fund	Weighted Average 52 days	\$ 372,888
U.S. Equity Securities	N/A	127,785,089
International Equity Securities	N/A	29,959,405
U.S. Fixed Income Securities	Weighted Average 7.40 years	49,991,990
Union Central Life Insurance Co. Contract	Open	1,615,891
New York Life Insurance Co. Contract	Open	<u>4,211,559</u>
Total		<u>\$213,936,822</u>

At June 30, 2013, the fair value of Countywide investments and derivative instruments were categorized by quality rating as follows:

Investments with Derivative Instruments – All Entities Combined
Quality Ratings by Moody's Investors Service

<u>Investment Type</u>	<u>Fair Value</u>	<u>Aaa</u>	<u>Aa</u>	<u>A</u>	<u>Baa</u>	<u>P</u>	<u>Unrated</u>
<u>Debt Securities (Exclusive of Water District)</u>							
U.S. Treasuries	\$ 617,727,236	\$ 617,727,236	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Agencies	3,080,406,858	2,856,733,926	-	-	-	223,672,932	-
Corporate Obligations	189,957,620	5,210,150	63,555,270	121,192,200	-	-	-
Money Market Funds	227,292,929	227,292,929	-	-	-	-	-
Commercial Paper	344,448,388	-	-	-	-	344,448,388	-
Negotiable Certificates of Deposit	34,297,239	-	-	-	-	34,297,239	-
NV Local Government Investment Pool	29,623,125	-	-	-	-	-	29,623,125
Collateralized Mortgage Obligations	30,696,728	30,696,728	-	-	-	-	-
Collateralized Investment Agreements*	14,867,770	-	14,867,770	-	-	-	-

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Investment Type	Fair Value	Aaa	Aa	A	Baa	P	Unrated
Asset Backed Securities	85,388,856	76,910,876	-	-	-	-	8,477,980**
Derivative Instruments	59,686,846	-	614,022	614,030	58,458,794	-	-
Subtotal	<u>4,714,393,595</u>	<u>3,814,571,845</u>	<u>79,037,062</u>	<u>121,806,230</u>	<u>58,458,794</u>	<u>602,418,559</u>	<u>38,101,105</u>
<u>Debt Securities With Water District</u>							
U.S. Treasuries	30,051,602	30,051,602	-	-	-	-	-
U.S. Agencies	83,834,947	83,834,947	-	-	-	-	-
State & Local Government Obligations	4,945,555	-	2,295,359	2,650,196	-	-	-
Negotiable Certificates of Deposit	9,362,600	-	-	-	-	-	9,362,600
Subtotal	<u>128,194,704</u>	<u>113,886,549</u>	<u>2,295,359</u>	<u>2,650,196</u>	<u>-</u>	<u>-</u>	<u>9,362,600</u>
Total	<u>\$4,842,588,299</u>	<u>\$3,928,458,394</u>	<u>\$81,332,421</u>	<u>\$124,456,426</u>	<u>\$58,458,794</u>	<u>\$602,418,559</u>	<u>\$47,463,705</u>

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

** Securities rated AAA by Standard & Poor's

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	AA	<u>06/30/13</u> 89.60%
Contracts	N/A	10.40

The managing institution of the Domestic Bond Fund reports an average quality rating of AA1/AA2 at June 30, 2013, for the underlying securities. The Aaa ratings for the Money Market Fund were by Moody's.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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 affect 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, 2013, 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.

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 the prime rate or the London Interbank Offered Rate (LIBOR), plus or minus a specified number of basis points.

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>
3134G37G9	\$48,552,000	10/11/18	One time	N/A	Fixed
3134G3A91	19,002,200	08/22/19	One time	N/A	Fixed
3134G3MR8	50,109,500	02/13/15	One time	N/A	Fixed
3134G3W71	20,000,200	11/26/14	One time	N/A	Fixed
3134G3XK1	49,110,500	06/27/18	One time	N/A	Fixed
3134G3Z37	9,867,800	12/05/16	One time	N/A	Fixed
3134G4B49	49,652,500	03/27/17	Quarterly	N/A	Fixed
3135G0NA7	49,999,000	07/30/15	One time	N/A	Fixed
3135G0NS8	19,992,000	08/27/15	One time	N/A	Fixed
3135G0QB2	49,890,500	10/22/15	One time	N/A	Fixed
3135G0RZ8	49,650,500	05/26/16	One time	N/A	Fixed
3135G0US0	49,789,500	02/26/16	One time	N/A	Fixed
3136FT5E5	20,071,600	03/28/16	One time	N/A	Fixed
3136FT5E5	50,179,000	03/28/16	One time	N/A	Fixed
3136FTN62	19,947,600	02/13/17	One time	N/A	Fixed
3136FTN62	49,869,000	02/13/17	One time	N/A	Fixed
3136G0J44	19,839,800	10/03/16	One time	N/A	Fixed
3136G0PM7	19,724,600	06/27/18	One time	N/A	Fixed
3136G15Q8	48,306,000	06/26/18	One time	N/A	Fixed
3136G15Q8	19,322,400	06/26/18	One time	N/A	Fixed
3136G1CM9	19,403,600	08/13/18	One time	N/A	Fixed
3136G1GP8	4,860,800	03/27/18	One time	N/A	Fixed
3136G1HS1	48,550,500	03/27/19	One time	N/A	Fixed

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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>
36161YAD6	3,482,430	09/22/20	N/A	N/A	Fixed
14313KAC2	4,967,150	07/17/17	N/A	N/A	Fixed
03064YAB8	4,995,550	06/08/16	N/A	N/A	Fixed
98158VAD7	4,998,600	11/15/17	N/A	N/A	Fixed
36162NAD9	5,777,140	01/22/20	N/A	N/A	Fixed
09657YAC6	5,979,120	04/21/15	N/A	N/A	Fixed
44890KAC0	6,482,450	04/17/17	N/A	N/A	Fixed
89236QAC5	6,898,286	06/15/15	N/A	N/A	Fixed
36162WAD9	6,917,120	03/24/21	N/A	N/A	Fixed
14313MAC8	6,942,810	01/16/18	N/A	N/A	Fixed
36159LCC8	6,949,740	10/20/17	N/A	1 mo Libor + .44	Floater
65476VAC3	6,965,210	04/15/16	N/A	N/A	Fixed
12624HAC7	6,965,280	04/16/18	N/A	N/A	Fixed
43814AAD5	7,067,970	07/18/14	N/A	N/A	Fixed
3133EC4T8	8,004,160	03/26/14	N/A	Prime -3.04	Floater

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 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 were rated by Moody's Investors Service as follows: U.S. Treasury Notes, Aaa; bonds of U.S. Federal agencies, Aaa; discount notes of U.S. Federal agencies, P-1; municipal bonds issued by state and local governments, A or its equivalent or higher; money market funds, Aaa; commercial paper issued by corporations organized and operating in the United States or by depository institutions licensed by the United States or any state and operating in the United States, P-1; negotiable certificates of deposit issued by commercial banks, insured credit unions or savings and loan associations, P-1; collateralized mortgage obligations, Aaa; collateralized investment agreements issued by insurance companies rated Aa or its equivalent or higher, or issued by entities rated A or its equivalent or higher; asset-backed securities, Aaa; corporate notes issued by corporations organized and operating in the United States which have a rating of A or its equivalent or higher. The County's investments in non-negotiable certificates of deposit are FDIC insured and do not exceed \$250,000 per insured institution.

The County is exposed to credit risk in the amount of the hedging derivatives' positive fair values. Since none of the hedging derivatives had a positive fair value as of June 30, 2013, the County was exposed to no credit risk for these derivatives. The counterparty credit ratings for hedging derivative instruments were Baa or higher. The County is exposed to credit risk on interest rate swaps with positive fair values totaling \$59.7 million. The County is not exposed to credit risk on interest rate swaps with negative fair values. Exposure is mitigated through the use of an International Swaps and Derivatives Association credit support annex, which provides collateral to protect the value of the swaps under specific circumstances. The counterparty credit ratings for investment derivative swaps were Baa or higher.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

I. CASH AND INVESTMENTS (Continued)

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 five percent of the Clark County investment pool.

At June 30, 2013, the following investments exceeded five percent of the total cash and investments for all entities combined:

Federal Farm Credit Banks (FFCB)	9.71%
Federal Home Loan Banks (FHLB)	6.96
Federal Home Loan Mortgage Corporation (FHLMC)	27.23
Federal National Mortgage Association (FNMA)	24.08

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 brokers/dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. During the fiscal year, the County's securities lending agent administered the securities lending program and received 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. The collateral for the loans was maintained at 102 percent, and the value of the securities borrowed was determined on a daily basis.

During the fiscal year, 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 required it to indemnify the County for all losses relating to securities lending transactions. The County did 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 was invested in accordance with the investment guidelines stated in NRS 355.170, as well as the County's securities lending guidelines which require that the aggregate reinvestment of the cash collateral may not be mismatched to the aggregate securities loaned by more than fifteen business days.

The County discontinued participation in the securities lending program prior to June 30, 2013. Therefore, the County had no loaned securities balances as of June 30, 2013.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

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. As the County ceased participating in securities lending activities through its custodial bank as of June 30, 2013, no securities were 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 a property tax abatement law that generally caps increases in property taxes received from any owner-occupied residential property to three percent per year, and eight percent per year for all other property.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

3. ACCOUNTS RECEIVABLE

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, 2013:

<u>General Fund</u>	<u>Las Vegas Metropolitan Police</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
\$15,199,713	\$1,996,290	\$1,674,621	\$ 140,616	\$19,011,240

Accounts receivable balances at June 30, 2013, consisted of the following:

	<u>Accounts Receivable</u>	<u>Provisions for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
<u>Primary Government</u>			
Governmental activities:			
General Fund	\$ 43,787,695	\$ (25,981,509)	\$ 17,806,186
Las Vegas Metropolitan Police	1,352,595	-	1,352,595
Other governmental	4,473,635	(1,739,958)	2,733,677
Internal service	<u>9,518,789</u>	<u>(5,727,046)</u>	<u>3,791,743</u>
Total governmental activities	<u>\$ 59,132,714</u>	<u>\$ (33,448,513)</u>	<u>\$ 25,684,201</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 24,042,768</u>		
Business-type activities:			
University Medical Center	\$ 538,173,090	\$ (407,746,016)	\$ 130,427,074
Reclamation District	8,869,953	(338,937)	8,531,016
Department of Aviation	52,296,259	(401,154)	51,895,105
Other proprietary	<u>886,280</u>	<u>-</u>	<u>886,280</u>
Total business-type activities	<u>\$ \$600,225,582</u>	<u>\$ (408,486,107)</u>	<u>\$ 191,739,475</u>
Business-type activities restricted:			
University Medical Center	\$ 642,252	\$ -	\$ 642,252
Reclamation District	<u>2,604,093</u>	<u>-</u>	<u>2,604,093</u>
Total business-type activities restricted	<u>\$ 3,246,345</u>	<u>\$ -</u>	<u>\$ 3,246,345</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>		

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

3. ACCOUNTS RECEIVABLE (Continued)

	<u>Accounts Receivable</u>	<u>Provisions for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
<u>Discretely Presented Component Units</u>			
Regional Transportation Commission of Southern Nevada	13,689,975	(436,380)	13,253,595
Regional Flood Control District	7,956	-	7,956
Las Vegas Valley Water District	70,134,006	(2,122,013)	68,011,993
Las Vegas Valley Water District - restricted	1,846,906,798	-	1,846,906,798
Other Water Districts	411,874	(22,253)	389,621

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 obligations issued by municipalities and authorities are shown as a bond bank receivable on the statement of net position. Balance as of June 30, 2013:

	<u>Primary Government- Government Activities</u>	<u>Discretely Presented Component Unit Las Vegas Valley Water District</u>
Bond bank receivable, current	\$ 1,865,000	\$ -
Bond bank receivable, noncurrent	<u>1,236,755,000</u>	<u>1,428,120,000</u>
Total bond bank receivable	<u>\$1,238,620,000</u>	<u>\$ 1,428,120,000</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS

Primary Government

	<u>Balance</u> <u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$1,404,123,417	\$ 6,061,063	\$ 550	\$1,410,183,930
Construction in progress	<u>246,813,035</u>	<u>191,186,162</u>	<u>202,825,091</u>	<u>235,174,106</u>
Total capital assets not being depreciated	<u>1,650,936,452</u>	<u>197,247,225</u>	<u>202,825,641</u>	<u>1,645,358,036</u>
Capital assets being depreciated:				
Buildings	1,448,246,824	70,161,514	767,652	1,517,640,686
Improvements other than buildings	402,970,773	77,470,077	686,595	479,754,255
Equipment	331,361,940	40,313,124	28,036,527	343,638,537
Infrastructure	<u>5,089,606,432</u>	<u>131,839,419</u>	<u>-</u>	<u>5,221,445,851</u>
Total capital assets being depreciated	<u>7,272,185,969</u>	<u>319,784,134</u>	<u>29,490,774</u>	<u>7,562,479,329</u>
Less accumulated depreciation for:				
Buildings	249,905,957	34,144,485	348,053	283,702,389
Improvements other than buildings	140,272,901	19,557,092	657,187	159,172,806
Equipment	273,808,845	28,734,834	20,306,817	282,236,862
Infrastructure	<u>1,843,548,101</u>	<u>166,977,943</u>	<u>-</u>	<u>2,010,526,044</u>
Total accumulated depreciation	<u>2,507,535,804</u>	<u>249,414,354</u>	<u>21,312,057</u>	<u>2,735,638,101</u>
Total capital assets being depreciated, net	<u>4,764,650,165</u>	<u>70,369,780</u>	<u>8,178,717</u>	<u>4,826,841,228</u>
Government activities capital assets, net	<u>\$6,415,586,617</u>	<u>\$267,617,005</u>	<u>\$211,004,358</u>	<u>\$6,472,199,264</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Primary Government (Continued)

	Balance July 1, 2012 as previously reported	Restatements*	Balance July 1, 2012 as restated	Increases	Decreases	Balance June 30, 2013
Business-type activities:						
Capital assets not being depreciated:						
Land	\$ 924,796,927	(\$13,089,554)	\$ 911,707,373	\$38,439,874	\$134,310	\$ 950,012,937
Construction in progress	<u>269,804,253</u>	<u>(50,865,066)</u>	<u>218,939,187</u>	<u>175,181,954</u>	<u>108,726,727</u>	<u>285,394,414</u>
Total capital assets Not being depreciated	<u>1,194,601,180</u>	<u>(63,954,620)</u>	<u>1,130,646,560</u>	<u>213,621,828</u>	<u>108,861,037</u>	<u>1,235,407,351</u>
Capital assets being depreciated:						
Land improvements	3,568,103,415	(1,238,800,306)	2,329,303,109	55,765,105	301,405	2,384,766,809
Buildings and improvements	5,627,417,549	(817,517,093)	4,809,900,456	44,734,685	6,006,614	4,848,628,527
Equipment	<u>1,512,154,016</u>	<u>(728,306,998)</u>	<u>783,847,018</u>	<u>59,586,900</u>	<u>2,862,029</u>	<u>840,571,889</u>
Total capital assets being depreciated	<u>10,707,674,980</u>	<u>(2,784,624,397)</u>	<u>7,923,050,583</u>	<u>160,086,690</u>	<u>9,170,048</u>	<u>8,073,967,225</u>
Less accumulated depreciation for:						
Land improvements	1,129,842,519	(331,868,812)	797,973,707	81,799,266	296,623	879,476,350
Buildings and improvements	1,354,394,039	(305,723,625)	1,048,670,414	144,992,369	5,083,122	1,188,579,661
Equipment	<u>706,552,045</u>	<u>(360,263,751)</u>	<u>346,288,294</u>	<u>59,012,530</u>	<u>2,806,619</u>	<u>402,494,205</u>
Total Accumulated depreciation	<u>3,190,788,603</u>	<u>(997,856,188)</u>	<u>2,192,932,415</u>	<u>285,804,165</u>	<u>8,186,364</u>	<u>2,470,550,216</u>
Total capital assets being depreciated, net	<u>7,516,886,377</u>	<u>(1,786,768,209)</u>	<u>5,730,118,168</u>	<u>(125,717,475)</u>	<u>983,684</u>	<u>5,603,417,009</u>
Business-type activities capital assets, net	<u>\$8,711,487,557</u>	<u>(\$1,850,722,829)</u>	<u>\$6,860,764,728</u>	<u>\$ 87,904,353</u>	<u>\$109,844,721</u>	<u>\$6,838,824,360</u>

* Restatement is due to the implementation of GASB 61, *The Financial Reporting Entity: Omnibus*. See Note 1

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Primary Government (Continued)

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

Governmental activities:	
General government	\$ 18,239,858
Judicial	6,563,396
Public safety	32,691,981
Public works	169,798,985
Health	133,508
Welfare	472,561
Culture and recreation	20,791,248
Other	<u>722,817</u>
Total depreciation expense – governmental activities	<u>\$249,414,354</u>
Business-type activities:	
Hospital	\$ 11,162,129
Airport	196,707,628
Sewer	76,489,604
Other	<u>1,444,804</u>
Total depreciation expense – business-type activities	<u>\$285,804,165</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.

Construction-in-progress and remaining commitments as of June 30, 2013, were as follows:

	<u>Spent to date</u>	<u>Remaining Commitment</u>
Governmental activities:		
Buildings and improvements	\$ 53,847,953	\$ 193,750,617
Infrastructure:		
Work in progress – RFCD Clark County projects	9,908,048	122,302,311
Work in progress – Public Works	164,932,193	610,256,381
Work in progress – RTC Clark County projects	<u>6,485,912</u>	<u>82,673,652</u>
Total infrastructure	<u>181,326,153</u>	<u>815,232,344</u>
Total governmental activities	<u>\$ 235,174,106</u>	<u>\$1,008,982,961</u>
Business-type activities:		
Hospital	\$ 15,305,270	\$ 2,600,000
Airport	51,893,241	201,403,948
Sewer	218,157,157	92,843,537
Other	<u>38,746</u>	<u>16,008</u>
Total business-type activities	<u>\$ 285,394,414</u>	<u>\$ 296,863,493</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units

Flood Control District

	<u>Balance</u> <u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 139,246	\$ 53,716	\$ -	\$ 192,962
Capital assets being depreciated:				
Building	3,019,694	8,196	-	3,027,890
Equipment	<u>1,656,011</u>	<u>67,099</u>	<u>40,133</u>	<u>1,682,977</u>
Total capital assets being depreciated	<u>\$ 4,675,705</u>	<u>75,295</u>	<u>40,133</u>	<u>4,710,867</u>
Less accumulated depreciation for:				
Building	842,903	63,140	-	906,043
Equipment	<u>1,454,519</u>	<u>90,073</u>	<u>40,133</u>	<u>1,504,459</u>
Total accumulated depreciation	<u>2,297,422</u>	<u>153,213</u>	<u>40,133</u>	<u>2,410,502</u>
Total capital assets being depreciated, net	<u>2,378,283</u>	<u>(77,918)</u>	<u>-</u>	<u>2,300,365</u>
Government activities capital assets, net	<u>\$2,517,529</u>	<u>\$ (24,202)</u>	<u>\$ -</u>	<u>\$2,493,327</u>

Depreciation expense of \$153,213 was charged to the public works function.

RTC

	<u>Balance</u> <u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 2,587,250	\$ 3,435,790	\$ 3,612,994	\$ 2,410,046
Total capital assets not being depreciated	<u>2,587,250</u>	<u>3,435,790</u>	<u>3,612,994</u>	<u>2,410,046</u>
Capital assets being depreciated:				
Buildings	18,522,095	-	6,590	18,515,505
Equipment	<u>3,709,482</u>	<u>3,612,994</u>	<u>358,475</u>	<u>6,964,001</u>
Total capital assets being depreciated	<u>22,231,577</u>	<u>3,612,994</u>	<u>365,065</u>	<u>25,479,506</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Less accumulated depreciation for:				
Buildings	4,892,966	370,088	6,590	5,256,464
Equipment	<u>2,683,259</u>	<u>445,656</u>	<u>358,475</u>	<u>2,770,440</u>
Total accumulated depreciation	<u>7,576,225</u>	<u>815,744</u>	<u>365,065</u>	<u>8,026,904</u>
Total capital assets being depreciated, net	<u>14,655,352</u>	<u>2,797,250</u>	<u>-</u>	<u>17,452,602</u>
Governmental activities capital assets, net	<u>\$ 17,242,602</u>	<u>\$ 6,233,040</u>	<u>\$ 3,612,994</u>	<u>\$ 19,862,648</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 32,038,082	\$ -	\$ -	\$ 32,038,082
Construction Progress	<u>25,182,221</u>	<u>38,773,167</u>	<u>26,058,558</u>	<u>37,896,830</u>
Total capital assets not being depreciated	<u>57,220,303</u>	<u>38,773,167</u>	<u>26,058,558</u>	<u>69,934,912</u>
Capital assets being depreciated:				
Buildings and improvements	181,397,441	3,155,845	-	184,553,286
Equipment	<u>314,512,591</u>	<u>22,902,713</u>	<u>10,650,558</u>	<u>326,764,746</u>
Total capital assets being depreciated	<u>495,910,032</u>	<u>26,058,558</u>	<u>10,650,558</u>	<u>511,318,032</u>
Less accumulated depreciation for:				
Buildings and improvements	33,686,062	5,925,846	-	39,611,908
Equipment	<u>134,920,857</u>	<u>29,952,980</u>	<u>10,650,558</u>	<u>154,223,279</u>
Total accumulated depreciation	<u>168,606,919</u>	<u>35,878,826</u>	<u>10,650,558</u>	<u>193,835,187</u>
Total capital assets being depreciated, net	<u>327,303,113</u>	<u>(9,820,268)</u>	<u>-</u>	<u>317,482,845</u>
Business-type activities capital assets, net	<u>\$384,523,416</u>	<u>\$ 28,952,899</u>	<u>\$ 26,058,558</u>	<u>\$387,417,757</u>

Depreciation expense was charged to the following functions or programs:

Governmental activities:

 Public Works \$ 815,744

Business-type activities:

 Public Transit \$ 35,878,826

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

Construction commitments include major arterial roadway projects with various local entities of approximately \$50,912,143. In addition, the Public Transit fund has outstanding construction commitments of approximately \$10,300,842 for capital projects and vehicles.

Las Vegas Valley Water District

	<u>Balance</u> <u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2013</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 13,089,554	\$ 9,500,610	\$ 6,448	\$ 22,583,716
Construction Progress	<u>50,254,120</u>	<u>46,612,929</u>	<u>72,346,223</u>	<u>24,520,826</u>
Total capital assets not being depreciated	<u>63,343,674</u>	<u>56,113,539</u>	<u>72,352,671</u>	<u>47,104,542</u>
Capital assets being depreciated:				
Buildings and improvements	1,996,010,553	30,732,878	30,905	2,026,712,526
Equipment	<u>725,784,928</u>	<u>40,890,880</u>	<u>16,669,010</u>	<u>750,006,798</u>
Total capital assets being depreciated	<u>2,721,795,481</u>	<u>71,623,758</u>	<u>16,699,915</u>	<u>2,776,719,324</u>
Less accumulated depreciation for:				
Buildings and improvements	615,700,697	55,353,456	30,875	671,023,278
Equipment	<u>359,956,227</u>	<u>28,141,876</u>	<u>9,864,478</u>	<u>378,233,625</u>
Total accumulated depreciation	<u>975,656,924</u>	<u>83,495,332</u>	<u>9,895,353</u>	<u>1,049,256,903</u>
Total capital assets being depreciated, net	<u>1,746,138,557</u>	<u>(11,871,574)</u>	<u>6,804,562</u>	<u>1,727,462,421</u>
Business-type activities capital assets, net	<u>\$1,809,482,231</u>	<u>\$ 44,241,965</u>	<u>\$ 79,157,233</u>	<u>\$1,774,566,963</u>

Depreciation expense was charged to the following functions or programs:

Business-type activities:

 Water \$ 83,495,332

At June 30, 2013, commitments for unperformed work on outstanding contracts totaled \$29,978,700.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

5. INTERFUND TRANSACTIONS

Interfund 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.

Due to/from other funds at June 30, 2013, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 998,585
	Nonmajor Enterprise Funds	281,290
	Internal Service Funds	70,037
	University Medical Center	47,413
	Department of Aviation	160,125
Las Vegas Metropolitan Police Fund	General Fund	16,153
	Nonmajor Governmental Funds	381,798
	Between Las Vegas Metropolitan Police Fund	10,368
	Internal Service Funds	3,126
	Department of Aviation	441,154
Nonmajor Governmental Funds	General Fund	41,672,768
	Las Vegas Metropolitan Police Fund	65
	Between Nonmajor Governmental Funds	25,217,904
Department of Aviation	General Fund	1,597,717
University Medical Center	General Fund	5,582,429
	Nonmajor Governmental Funds	6,109,779
Nonmajor Enterprise Funds	General Fund	149,947
	Nonmajor Governmental Funds	63,534
	Between Nonmajor Enterprise Funds	388
	Internal Service Funds	36,734
Internal Service Funds	General Fund	70,062,073
	Nonmajor Governmental Funds	8,769,592
	Las Vegas Metropolitan Police Fund	280,594
	Nonmajor Enterprise Funds	2,910,338
	Between Internal Service Funds	8,061,321
	University Medical Center	9,362,840
Total due to/from other funds		<u>\$ 182,288,072</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

5. INTERFUND TRANSACTIONS (Continued)

Interfund transfers for the year ended June 30, 2013, consisted of the following:

<u>Fund transferred to:</u>	<u>Fund transferred from:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 15,156,477
	Internal Service Funds	22,000,000
Las Vegas Metropolitan Police Fund	General Fund	187,916,344
	Nonmajor Governmental Funds	14,990,863
Nonmajor Governmental Funds	General Fund	117,274,944
	Between Nonmajor Governmental Funds	88,401,571
Nonmajor Enterprise Funds	General Fund	250,000
	Between Nonmajor Enterprise Funds	26,168
Internal Service Funds	General Fund	2,000,000
	Nonmajor Governmental Funds	2,500,000
	Between Internal Service Funds	6,496,322
Department of Aviation	General Fund	<u>11,268,120</u>
Total interfund transfers		<u>\$ 468,280,809</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, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Primary Government

Bonds payable at June 30, 2013, 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, 2013</u>
1992	Transportation Improvement*	06/01/92	06/01/17	4.90-8.00 %	\$250,000,000	\$ 21,800,000
2004	Government Center*	04/01/04	01/01/14	2.00-5.00	7,910,000	3,120,000
2004	Public Safety*	04/01/04	06/01/17	2.50-5.00	75,610,000	31,835,000
2004	Transportation Improvement*	12/30/04	12/01/19	3.00-5.00	74,895,000	57,840,000
2004	Park and Justice Center*	12/30/04	11/01/17	3.00-5.00	48,935,000	30,940,000
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	54,390,000
2006	Bond Bank**	06/13/06	06/01/30	4.00-4.75	242,880,000	210,210,000
2006	Bond Bank**	11/02/06	11/01/36	2.50-5.00	604,140,000	533,020,000
2007	Public Facilities*	05/24/07	06/01/24	4.00-5.00	22,325,000	21,195,000
2008	Transportation Improvement*	03/13/08	06/01/19	3.460	71,045,000	41,465,000
2008	Bond Bank**	07/02/08	06/01/38	5.00	400,000,000	362,155,000
2009	Public Facilities	03/10/09	11/01/18	3.00-4.00	24,750,000	15,820,000
2009	Public Facilities*	05/14/09	06/01/24	2.00-4.75	24,865,000	7,575,000
2009	Transportation BABs	06/23/09	06/01/29	2.69-7.05	60,000,000	50,820,000
2009	Bond Bank**	11/10/09	06/01/30	5.00	50,000,000	48,220,000
2009	Transportation*	12/08/09	12/01/29	1.00-5.00	124,465,000	119,510,000
2012	Bond Bank**	06/20/12	06/01/32	4.00-5.00	85,015,000	<u>85,015,000</u>
Total General Obligation Bonds						<u>\$1,727,240,000</u>

* Supported by pledged revenues.

** Supported by local government securities using the Bond Bank.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

General Obligation 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 Requirement</u>
2014	\$ 61,215,000	\$ 80,318,610	\$ 141,533,610
2015	60,745,000	77,437,340	138,182,340
2016	90,845,000	74,656,854	165,501,854
2017	106,500,000	70,034,269	176,534,269
2018	79,630,000	64,693,852	144,323,852
2019-2023	371,470,000	268,842,183	640,312,183
2024-2028	407,800,000	176,347,877	584,147,877
2029-2033	340,580,000	82,640,731	423,220,731
2034-2038	<u>208,455,000</u>	<u>23,741,775</u>	<u>232,196,775</u>
	<u>\$ 1,727,240,000</u>	<u>\$ 918,713,491</u>	<u>\$ 2,645,953,491</u>

Revenue 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, 2013</u>
2009	Performing Arts	04/01/09	04/01/59	5.83%	\$10,000	\$10,000

The annual debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ -	\$ 583	\$ 583
2015	-	583	583
2016	-	583	583
2017	-	583	583
2018	-	583	583
2019-2023	-	2,915	2,915
2024-2028	-	2,915	2,915
2029-2033	-	2,915	2,915
2034-2038	-	2,915	2,915
2039-2043	-	2,915	2,915
2044-2048	-	2,915	2,915
2049-2053	-	2,915	2,915

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Revenue Bonds (Continued)

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2054-2058	-	2,915	2,915
2059	10,000	583	10,583
	<u>\$ 10,000</u>	<u>\$ 26,818</u>	<u>\$ 36,818</u>

These bonds are being serviced, principal and interest, by car rental fees.

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, 2013</u>
2001	Summerlin Centre #128B	05/17/01	02/01/21	4.50-6.75	\$ 10,000,000	\$ 3,245,000
2003	Las Vegas Blvd. #97A	06/01/03	03/01/16	2.00-3.70	6,970,000	1,350,000
2003	Durango #117	06/01/03	03/01/14	2.00-3.50	277,000	5,109
2003	Summerlin Gardens #124A	12/23/03	02/01/20	2.25-4.50	4,399,431	1,856,963
2003	Summerlin Gardens #124B	12/23/03	02/01/20	1.50-5.90	1,929,727	863,042
2003	Jones Blvd. #125	06/01/03	03/01/14	2.00-3.50	322,000	30,000
2003	Boulder Highway #126A	06/01/03	03/01/23	2.00-4.30	2,119,000	840,000
2003	Tenaya Way #136	06/01/03	03/01/14	2.00-3.50	300,000	22,609
2003	Buffalo Drive #139	06/01/03	03/01/14	2.00-3.50	527,000	22,283
2003	Summerlin Centre #128A	11/03/03	02/01/21	3.50-6.30	10,000,000	5,520,000
2003	Summerlin South #108A	12/23/03	02/01/17	2.25-4.50	17,335,569	4,988,037
2003	Summerlin South #108B	12/23/03	02/01/17	3.30-5.70	8,375,273	2,591,958
2004	Mountain Vista St. #113	6/29/04	02/01/15	3.50-4.30	322,424	6,672
2004	Silverado Ranch Blvd. #130	6/29/04	02/01/15	3.50-4.30	1,747,504	213,050
2004	Stewart Ave. #133	6/29/04	02/01/15	3.50-4.30	205,850	18,067
2004	Pebble Road #138	6/29/04	02/01/15	3.50-4.30	808,817	142,478
2004	Buffalo Drive #141	6/29/04	02/01/15	3.50-4.30	64,569	5,077
2004	Alta Drive Bridge #143	6/29/04	02/01/14	3.50-4.30	1,807,964	233,913
2004	Durango #144B	6/29/04	02/01/15	3.50-4.30	816,871	150,743
2005	Summerlin Mesa #151	10/12/05	08/01/25	3.15-5.00	25,485,000	18,780,000
2006	Commercial Center #140	05/23/06	02/01/16	4.50	709,000	173,353
2006	Robindale Road #134	05/23/06	02/01/16	4.50	21,000	5,875
2006	Russell Road #127	05/23/06	02/01/16	4.50	1,522,000	275,801
2006	Tenaya Way #145	05/23/06	02/01/16	4.50	125,000	14,971
2006	Southern Highlands #121A	05/31/06	12/01/19	3.75-5.00	30,620,000	15,180,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Special Assessment Bonds (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, 2013</u>
2006	Southern Highlands #121B	05/31/06	12/01/29	3.90-5.30	\$ 13,515,000	\$ 9,655,000
2007	Alexander #146	05/02/07	02/01/17	4.00-4.25	448,000	86,264
2007	Craig Road #148	05/02/07	02/01/17	4.00-4.25	495,000	111,170
2007	Durango #144A	05/02/07	02/01/17	4.00-4.25	397,000	139,078
2007	Fort Apache #131	05/02/07	02/01/17	4.00-4.25	462,000	158,487
2007	Summerlin Centre #128A	05/01/07	02/01/31	3.95-5.05	10,755,000	9,125,000
2007	Summerlin Centre #128A	05/01/07	02/01/21	3.95-5.00	480,000	315,000
2008	Flamingo Underground #112	05/13/08	08/01/37	4.00-5.00	70,000,000	64,310,000
2009	Industrial Road #135	11/10/09	08/01/18	2.00-4.00	431,459	282,506
2009	Durango Drive #144C	11/10/09	08/01/19	2.00-4.00	5,213,541	3,557,494
2012	Summerlin Centre #132	08/01/12	02/01/21	2.00-5.00	8,925,000	7,805,000
2012	Mountain's Edge #142	08/01/12	08/01/23	2.00-5.00	49,445,000	48,470,000
Total Special Assessment Bonds						<u>\$200,550,000</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 Requirement</u>
2014	\$ 14,815,000	\$ 8,984,810	\$ 23,799,810
2015	14,935,000	8,408,785	23,343,785
2016	15,250,000	7,783,593	23,033,593
2017	15,135,000	7,136,260	22,271,260
2018	13,550,000	6,455,525	20,005,525
2019-2023	59,755,000	22,818,790	82,573,790
2024-2028	28,745,000	12,258,407	41,003,407
2029-2033	18,875,000	7,093,901	25,968,901
2034-2038	<u>19,490,000</u>	<u>2,529,500</u>	<u>22,019,500</u>
	<u>\$ 200,550,000</u>	<u>\$ 83,469,571</u>	<u>\$ 284,019,571</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6 . LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Capital Leases

<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2013</u>
Low-Level Offender Detention Facility	08/15/09	08/15/39	7.35%	\$182,619,483	\$182,619,483
LVMPD Headquarters Complex	07/01/11	06/01/41	6.97%	167,400,000	<u>165,763,114</u>
					<u>\$348,382,597</u>

Future minimum lease payments under these capital leases without exercising the purchase options described below are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Accrued Interest</u>	<u>Total Requirement</u>
2014	\$ 1,299,020	\$ 24,148,732	\$ 1,426,619	\$ 26,874,371
2015	1,657,409	24,167,126	1,406,828	27,231,363
2016	2,046,593	24,676,795	858,396	27,581,784
2017	2,469,362	24,648,239	787,709	27,905,310
2018	2,647,175	25,146,208	152,880	27,946,263
2019-2023	16,384,898	122,742,892	23,944	139,151,734
2024-2028	38,769,964	111,087,865	-	149,857,829
2029-2033	81,808,619	88,707,005	-	170,515,624
2034-2038	136,954,784	50,103,275	-	187,058,059
2039-2041	<u>64,344,773</u>	<u>5,325,254</u>	<u>-</u>	<u>69,670,027</u>
	<u>\$ 348,382,597</u>	<u>\$ 500,753,391</u>	<u>\$ 4,656,376</u>	<u>\$ 853,792,364</u>

Low-Level Offender Detention Facility

On September 14, 2007, the County entered in a long-term lease agreement (the “Master Lease”) with PH Metro, LLC for the lease of a detention facility of approximately 1,000 beds contained in approximately 139,000 square feet and an administrative building of approximately 60,000 square feet located on 17 acres at the Northeast corner of Sloan and Las Vegas Boulevard, Las Vegas, Nevada (the “Leased Property”). The Leased Property is for the operation of a low level offender facility and administrative offices. The facility is valued at \$17,600,000 for land and \$165,019,483 for buildings. Accumulated depreciation is \$21,544,210 as of June 30, 2013. The term of the lease commenced on August 10, 2009 and continues for a period of approximately thirty years at a monthly base rent of \$945,660 and is subject to a 6% increase every 24 months. The Master Lease provides for the option to extend the lease term by three separate renewal periods, each of five years in duration. Accrued interest is \$8,100,776, as of June 30, 2013.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Capital Leases (Continued)

Low Level Offender Detention Facility (Continued)

Clark County has the option to purchase the Leased Property beginning on the date that is the earlier of (i) ten years after the recordation of the deed of trust for the Landlord's permanent loan on the Leased Property, and (ii) ten years and three months from the commencement date (the earlier of such dates shall be the "Option Commencement Date"), and expiring on the date that is twelve months after the Option Commencement Date. The purchase price for the Leased Property if purchased shall be based on the appraised fair value. In accordance with State law, the County may terminate the Master Lease at the end of each fiscal year if the County decides not to appropriate funds to pay amounts due under the Master Lease in the ensuing fiscal year.

LVMPD Headquarters Complex

On December 2, 2008, the County entered in a long-term lease agreement (the "Master Lease") with Project Alta II, LLC for the lease of three multi-story office buildings totaling 370,500 square feet located at the Northwest corner of Martin Luther King Boulevard and Alta Drive in Las Vegas, Nevada (the "Leased Property"). The Leased Property is for the operation of the Las Vegas Metropolitan Police Department ("LVMPD") headquarters complex that includes various administrative offices, training and meeting rooms, and investigative bureaus (including specialized evidence processing and storage rooms). The complex is valued at \$5,082,187 for land and \$162,317,813 for buildings. Accumulated depreciation is \$10,821,188 as of June 30, 2013. The term of the lease commenced on July 1, 2011 and continues for a period of approximately thirty years at a monthly base rent of \$1,026,649 and is subject to an annual base rent adjustment. The Master Lease provides for the option to extend the lease term by two separate renewal periods, each of ten years in duration. Clark County has the option to purchase the Leased Property during any of the following 12-month periods: (A) the 12-month period beginning upon the earlier of (i) the third annual anniversary of the commencement date of the last building, or (ii) the first day of the forty-seventh month after the commencement date of the first building (the earlier of the two options herein referred to as the "Option Period Reference Date") or (B) the 12 month periods which commence upon the fifth, tenth, fifteenth, twentieth, and twenty-fifth annual anniversaries of Option Period Reference Date. The price to be paid for the purchase of the Leased Property shall be the greater of (i) \$167,400,000, or (ii) fair market value. In accordance with State law, the County may terminate the Master Lease at the end of each fiscal year if the County decides not to appropriate funds to pay amounts due under the Master Lease in the ensuing fiscal year.

On December 15, 2008, the County entered into an interlocal agreement with the LVMPD for the sublease of the Leased Property. The term of the interlocal agreement continues for the entire term of the Master Lease at a monthly rate equal to all rent and other charges required to be paid by the County pursuant to the Master Lease. In the event that the County acquires title to the Leased Property, the term of the interlocal shall not expire, nor will the Master Lease terminate. The County and LVMPD agree that the interlocal agreement and the Master Lease shall survive to govern and control the County's and LVMPD's rights and obligations with respect to the Leased Property, as if they were "landlord" and "tenant" under the Master Lease.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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.

The following summarizes activity for the year:

	<u>Litigation</u>	<u>Arbitrage</u>
Balance, June 30, 2012	\$2,500,000	\$ -
Additions	-	-
Reductions	<u>-</u>	<u>-</u>
Balance, June 30, 2013	<u>\$2,500,000</u>	<u>\$ -</u>
Due within one year	<u>\$ -</u>	<u>\$ -</u>

Compensated Absences

The following summarizes activity for the year:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Balance, June 30, 2012	\$ 181,740,640	\$ 64,843,562
Restatement*	<u>-</u>	<u>(26,023,564)</u>
Balance, June 30, 2012 as restated	181,740,640	38,819,998
Additions	117,555,394	32,497,167
Reductions	<u>(116,172,239)</u>	<u>(32,993,795)</u>
Balance, June 30, 2013	<u>\$ 183,123,795</u>	<u>\$ 38,323,370</u>
Due within one year	<u>\$ 116,000,000</u>	<u>\$ 33,990,992</u>

* Restatement is due to the implementation of GASB 61, *The Financial Reporting Entity: Omnibus*. See Note 1

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Pledged Revenues

The County has pledged certain revenues for the payment of debt principal and interest. The following revenues were pledged as of June 30, 2013:

Property Tax Supported Bonds

These bonds are supported by general property taxes. The property tax available to pay these bonds is limited to a \$3.64 per \$100 of assessed valuation statutory limit. The following debt issuances are property tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2004A Public Safety	06/01/2017

The total remaining principal and interest payments for property tax supported bonds was \$35,836,750 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$8,918,750, and required debt service totaled \$8,918,750.

Consolidated Tax Supported Bonds

These bonds are secured by a pledge of up to 15 percent of the consolidated taxes allocable to the County. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are consolidated tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2004 Government Center	01/01/2014
2004C Parks and Justice Center	11/01/2017
2005B Parks and Justice Center	11/01/2024
2007A Public Facilities	06/01/2019
2009A Public Facilities	06/01/2019

The total remaining principal and interest payments for consolidated tax supported bonds was \$87,134,406 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$43,272,229 (of the total \$288,481,528 of general fund consolidated tax), and required debt service totaled \$13,523,204.

Beltway Pledged Revenue Bonds

These bonds are secured by the combined pledge of: 1) a one percent supplemental governmental services (motor vehicle privilege) tax; 2) a one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the County but outside of the strip and Laughlin resort corridors (non-resort corridor); and 3) a

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Pledged Revenues (Continued)

Beltway Pledged Revenue Bonds (Continued)

portion of the development tax. The development tax is \$700 per single-family dwelling of residential development, and 75 cents per square foot on commercial, industrial, and other development. Of this, \$500 per single-family dwelling and 50 cents per square foot of commercial, industrial, and other development is pledged. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are Beltway pledged revenue supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1992A Transportation Improvement	06/01/2017
2004A Transportation Improvement	12/01/2019
2006A Transportation Improvement	06/01/2016
2008A Transportation Improvement	06/01/2019
2009A Transportation Improvement	12/01/2029

The total remaining principal and interest payments for Beltway pledged revenue tax supported bonds was \$291,695,969 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$54,382,341; consisting of \$47,054,219 of supplemental governmental services tax; \$1,678,145 of non-resort corridor room tax; and \$5,649,977 of the total \$8,432,802 development tax. Required debt service totaled \$31,198,146. As described below, beltway pledged revenues are also pledged to make up any difference between pledged revenues and annual debt service for Laughlin resort corridor room tax supported bonds. During fiscal 2013, \$495,445 of Beltway Pledged Revenues were required to cover the Laughlin Resort Corridor Debt (Series C), representing the difference between fiscal year debt service and Laughlin Room Tax Collections.

Strip Resort Corridor Room Tax Supported Bonds

These bonds are secured by a pledge of the one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the strip resort corridor. This tax is imposed specifically for the purpose of transportation improvements within the strip resort corridor, or within one mile outside the boundaries of the strip resort corridor. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are strip resort corridor room tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1992B Transportation Improvement	06/01/2017
2004B Transportation Improvement	12/01/2019
2006B Transportation Improvement	06/01/2016

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Pledged Revenues (Continued)

Strip Resort Corridor Room Tax Supported Bonds (Continued)

2009B Transportation Improvement	06/01/2029
2009B3 Transportation Improvement	12/01/2019

The total remaining principal and interest payments for strip resort corridor room tax supported bonds was \$163,357,629 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$37,251,083. Required debt service totaled \$21,204,214.

Laughlin Resort Corridor Room Tax Supported Bonds

These bonds are secured by a pledge of the one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the Laughlin resort corridor. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are Laughlin resort corridor room tax supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
1992C Transportation Improvement	06/01/2017
2008C Transportation Improvement	06/01/2019

The total remaining principal and interest payments for Laughlin resort corridor room tax supported bonds was \$4,484,518 at June 30, 2013. In fiscal year 2013, revenues from the Laughlin room tax amounted to \$519,452 requiring an additional \$495,445 of beltway revenues to provide the annual debt service of \$1,014,897. As described above, beltway pledged revenues are also pledged to make up any difference between pledged revenues and annual debt service.

Court Administrative Assessment Supported Bonds

These bonds are secured by a pledge of the \$10 court administrative assessment for the provision of justice court facilities. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are court administrative assessment supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2007B Public Facilities	06/01/2019
2009B Public Facilities	06/01/2019

The total remaining principal and interest payments for court administrative assessment supported bonds was \$9,221,839 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$1,612,900. Required debt service totaled \$1,432,224.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Pledged Revenues (Continued)

Interlocal Agreement Supported Bonds

These bonds are secured by a pledge through an interlocal agreement with the City of Las Vegas. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are interlocal agreement supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2007C Public Facilities	06/01/2024
2009C Public Facilities	06/01/2024

The total remaining principal and interest payments for interlocal agreement supported bonds was \$21,933,518 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$1,997,090. Required debt service totaled \$1,997,090.

Special Assessment Bonds

Special assessment supported bonds are secured by property assessments within the individual districts. The bonds are identified as special assessment bonds in this note above. The total remaining principal and interest payments for special assessment supported bonds was \$284,019,571 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$32,767,223. Required debt service totaled \$28,566,463.

Bond Bank Bonds

These bonds are secured by securities issued to the County by local governments utilizing the bond bank. These securities pledge system revenues and contain rate covenants to guarantee adequate revenues for bond bank debt service. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are bond bank supported:

<u>Bond Issue</u>	<u>Maturity (Length of Pledge)</u>
2006 Bond Bank (SNWA)	06/01/2030
2006 Bond Bank (SNWA)	11/01/2036
2008 Bond Bank (SNWA)	06/01/2038
2009 Bond Bank (SNWA)	06/01/2030
2012 Bond Bank (SNWA)	06/01/2032

The total remaining principal and interest payments for bond bank supported bonds was \$2,014,726,225 at June 30, 2013. In fiscal year 2013, pledged revenues received totaled \$59,169,602. Required debt service totaled \$59,169,602.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type 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, 2013</u>
2008A	Department of Aviation	02/26/08	07/01/27	variable	\$ 43,105,000	\$ 43,105,000(a)
2013B	Department of Aviation	04/02/13	07/01/33	5.00	32,915,000	32,915,000(a)
2003	University Medical Center	11/1/03	09/01/23	2.25-5.00	37,765,000	8,585,000(b)
2005	University Medical Center	07/28/05	03/01/20	4.00-5.00	48,390,000	38,635,000(b)
2007	University Medical Center	05/22/07	09/01/23	4.19	18,095,000	17,920,000(b)
2009	University Medical Center	03/10/09	11/01/07	3.00-3.50	6,950,000	5,600,000(b)
2007	Water Reclamation District	11/13/07	07/01/37	4.00-4.75	55,000,000	54,900,000(c)
2008	Water Reclamation District	11/20/08	07/01/38	4.00-6.00	115,825,000	115,825,000(c)
2009A	Water Reclamation District	04/01/09	07/01/38	4.00-5.25	135,000,000	135,000,000(c)
2009B	Water Reclamation District	04/01/09	07/01/38	4.00-5.75	125,000,000	125,000,000(c)
2009C	Water Reclamation District	10/16/09	07/01/29	0.00	5,744,780	5,123,724(c)
2011A	Water Reclamation District	03/25/11	01/01/31	3.188	40,000,000	40,000,000(c)
2012	Water Reclamation District	07/13/12	01/01/32	2.356	30,000,000	<u>4,709,530(c)</u>
Total General Obligation Bonds						<u>\$ 627,318,254</u>

- (a) 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, 2013.
- (b) These bonds are being serviced, principal and interest, by the University Medical Center enterprise fund.
- (c) These bonds are being serviced, principal and interest, by the Clark County Water Reclamation District enterprise 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 Requirement</u>
2014	\$ 15,392,970	\$ 30,019,983	\$ 45,412,953
2015	16,861,866	29,940,982	46,802,848
2016	18,337,689	29,210,728	47,548,417
2017	19,916,915	28,383,168	48,300,083
2018	20,808,508	27,490,488	48,298,996
2019-2023	101,850,156	123,113,210	224,963,366
2024-2028	138,301,126	97,374,663	235,675,789
2029-2033	105,854,024	60,798,686	166,652,710
2034-2038	160,075,000	26,732,406	186,807,406
2039-2042	<u>29,920,000</u>	<u>833,688</u>	<u>30,753,688</u>
	<u>\$ 627,318,254</u>	<u>\$ 453,898,002</u>	<u>\$ 1,081,216,256</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Revenue Bonds

	<u>Purpose</u>	<u>Date Issued</u>	<u>Date of Final Maturity</u>	<u>Interest</u>	<u>Original Issue</u>	<u>Balance June 30, 2013</u>
2002APFC	Department of Aviation	10/01/02	07/01/13	4.00-5.25	\$ 34,490,000	\$ 880,000
2004A1	Department of Aviation	09/01/04	07/01/22	5.00-5.50	128,430,000	121,180,000
2004A2	Department of Aviation	09/01/04	07/01/24	5.00-5.125	232,725,000	232,725,000
2005A	Department of Aviation	09/14/05	07/01/36	4.50	69,590,000	69,590,000
2006A	Department of Aviation	09/21/06	07/01/40	4.00-5.00	100,000,000	32,185,000
2007A1	Department of Aviation	05/16/07	07/01/40	4.00-5.00	150,400,000	134,320,000
2007A2	Department of Aviation	05/16/07	07/01/27	5.00	56,225,000	56,225,000
2007A1PFC	Department of Aviation	04/27/07	07/01/40	4.00-5.00	113,510,000	110,980,000
2007A2PFC	Department of Aviation	04/27/07	07/01/26	5.00	105,475,000	105,475,000
2008C1	Department of Aviation	03/19/08	07/01/27	variable	122,900,000	122,900,000
2008C2	Department of Aviation	03/19/08	07/01/40	variable	71,550,000	71,450,000
2008C3	Department of Aviation	03/19/08	07/01/29	variable	71,550,000	71,450,000
2008D1	Department of Aviation	03/19/08	07/01/36	variable	58,920,000	58,920,000
2008D2	Department of Aviation	03/19/08	07/01/40	variable	199,605,000	199,605,000
2008D3	Department of Aviation	03/19/08	07/01/29	variable	\$122,865,000	\$122,865,000
2008E	Department of Aviation	05/28/08	07/01/17	4.00-5.00	61,430,000	27,835,000
2008APFC	Department of Aviation	06/26/08	07/01/18	5.00-5.25	115,845,000	92,300,000
2008A2	Department of Aviation	06/26/08	07/01/22	variable	50,000,000	50,000,000
2008B2	Department of Aviation	06/26/08	07/01/22	variable	50,000,000	50,000,000
2009B	Department of Aviation	09/24/09	07/01/42	6.88	300,000,000	300,000,000
2009C	Department of Aviation	09/24/09	07/01/26	5.00	168,495,000	168,495,000
2010A	Department of Aviation	02/03/10	07/01/42	3.00-5.42	450,000,000	450,000,000
2010B	Department of Aviation	02/03/10	07/01/42	5.00-5.75	350,000,000	350,000,000
2010C	Department of Aviation	02/23/10	07/01/45	6.82	454,280,000	454,280,000
2010D	Department of Aviation	02/23/10	07/01/24	3.00-5.00	132,485,000	132,485,000
2010F1	Department of Aviation	11/04/10	07/01/17	2.00-5.00	104,160,000	76,115,000
2010F2	Department of Aviation	11/04/10	07/01/22	3.00	100,000,000	100,000,000
2011B1	Department of Aviation	8/03/11	07/01/22	Variable	100,000,000	100,000,000
2011B2	Department of Aviation	8/03/11	07/01/22	Variable	100,000,000	100,000,000
2012BPFC	Department of Aviation	07/02/12	07/01/33	5.00	64,360,000	64,360,000
2012A1	Department of Aviation	07/02/12	07/01/13	2.00	180,000,000	180,000,000
2012A2	Department of Aviation	07/02/12	07/01/13	2.00	120,000,000	120,000,000
2013A	Department of Aviation	04/02/13	07/01/29	5.00	70,965,000	70,965,000
Total Revenue Bonds						<u>\$4,397,585,000</u>

These bonds are being serviced, principal and interest, by the Department of Aviation enterprise fund. The variable rate bonds are valued at the rate in effect as of June 30, 2013.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Revenue 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 Requirement</u>
—			
2014	\$ 188,625,000	\$ 152,742,234	\$ 341,367,234
2015	61,130,000	151,561,321	212,691,321
2016	239,025,000	145,126,153	384,151,153
2017	76,835,000	139,825,573	216,660,573
2018	83,615,000	136,710,804	220,325,804
2019-2023	652,930,000	647,515,273	1,300,445,273
2024-2028	736,750,000	539,579,270	1,276,329,270
2029-2033	521,255,000	431,749,257	953,004,257
2034-2038	643,985,000	330,811,947	974,796,947
2039-2043	887,370,000	176,915,174	1,064,285,174
2044-2048	<u>306,065,000</u>	<u>20,743,891</u>	<u>326,808,891</u>
	<u>\$4,397,585,000</u>	<u>\$ 2,873,280,897</u>	<u>\$ 7,270,865,897</u>

Changes in Long-Term Liabilities

Long-term debt activity for the year ended June 30, 2013, was as follows:

	<u>Balance at July 1, 2012 as previously reported</u>	<u>Restatements*</u>	<u>Balance July 1, 2012 as restated</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2013</u>
Government Activities:						
Gen. obligation bonds	\$1,900,855,000	\$ -	\$1,900,855,000	\$ -	\$173,615,000	\$1,727,240,000
Revenue bonds	10,000	-	10,000	-	-	10,000
Special assessment bonds	233,115,000	-	233,115,000	58,370,000	90,935,000	200,550,000
Capital leases	<u>349,352,275</u>	-	<u>349,352,275</u>	-	<u>969,678</u>	<u>348,382,597</u>
Total	<u>\$2,483,332,275</u>	<u>\$ -</u>	<u>\$2,483,332,275</u>	<u>\$ 58,370,000</u>	<u>\$265,519,678</u>	<u>\$2,276,182,597</u>

For governmental activities, the litigation accrual is liquidated by the general fund. Arbitrage, OPEB and compensated absences are liquidated by the individual funds in which they are accrued.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Changes in Long-Term Liabilities (Continued)

	Balance at July 1, 2012 as previously reported	Restatements*	Balance July 1, 2012 as restated	Additions	Reductions	Balance at June 30, 2013
Business-Type Activities:						
Gen. obligation bonds	2,618,520,870	(2,005,178,199)	613,342,671	37,624,530	23,648,947	627,318,254
Revenue bonds	4,436,333,000	(1,848,000)	4,434,485,000	435,325,000	472,225,000	4,397,585,000
Loans	<u>400,000,000</u>	<u>(400,000,000)</u>	-	-	-	-
Total	<u>7,454,853,870</u>	<u>(2,407,026,199)</u>	<u>5,047,827,671</u>	<u>472,949,530</u>	<u>495,873,947</u>	<u>5,024,903,254</u>
Total long-term debt	<u>\$9,938,186,145</u>	<u>\$(2,407,026,199)</u>	<u>\$7,531,159,946</u>	<u>\$531,319,530</u>	<u>\$ 761,393,625</u>	<u>\$7,301,085,851</u>

	<u>Due Within One Year</u>
Government Activities:	
Gen. obligation bonds	\$ 61,215,000
Revenue bonds	-
Special assessment bonds	14,815,000
Loans	-
Capital leases	<u>1,299,016</u>
Total	<u>77,329,016</u>
Business-Type Activities:	
Gen. obligation bonds	15,392,970
Revenue bonds	188,625,000
Loans	<u>-</u>
Total	<u>204,017,970</u>
Total long-term debt	<u>\$281,346,986</u>

Unamortized premium/discount on governmental activity general obligation bonds amounted to \$12,915,985.
Unamortized premium/discount on governmental activity special assessment bonds amounted to \$(5,758,558).
Unamortized premium/discount on business-type activity general obligation bonds amounted to \$5,227,020.
Unamortized premium/discount on business-type activity revenue bonds amounted to \$27,084,087.

* Restatement is due to the implementation of GASB 61, *The Financial Reporting Entity: Omnibus*. See Note 1

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Changes in Long-Term Liabilities (Continued)

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

On August 1, 2012, the County issued \$8,925,000 in Special Improvement District No. 132 (Summerlin South Area Villages 15A and 18) Local Improvement Refunding Bonds, Series 2012 with interest ranging from 2 percent to 5 percent.

The bonds were issued at a premium of \$314,459. The bond proceeds and debt service transfers totaled \$13,731,028. Net proceeds of \$12,619,950 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 services provisions of the refunded bonds. This transaction resulted in the defeasance of the 2001 bond issue and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of \$124,950, 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 \$5,768,708 and an economic gain (difference between the present value of the old and new debt service payments) of \$1,274,300.

On August 1, 2012, the County issued \$49,445,000 in Special Improvement District No. 142 (Mountain's Edge) Local Improvement Refunding Bonds, Series 2012 with interest ranging from 2 percent to 5 percent.

The bonds were issued at a premium of \$1,302,555. The bond proceeds and debt service reserves totaled \$68,335,409. Net proceeds of \$62,593,100 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 the 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 \$2,718,605, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in a future cash flow savings of \$23,136,093 and an economic gain (difference between value of the old and new debt service payments) of \$6,240,671.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6 . LONG-TERM DEBT (Continued)

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, 2013, the following were the remaining balances of the defeased bond issues:

Special Assessment Bonds:	
Series of October 1, 1995	\$ 3,075,000
Series of April 15, 1994	150,000
Series of December 14, 1999	30,575,000
Series of May 17, 2001	11,435,000
Series of December 4, 2003	60,770,000
Clark County Public Safety:	
Series of October 1, 1996	33,070,000
Series of March 1, 2000	3,290,000
Clark County Transportation:	
Series of June 1, 1992 (C)	2,020,000
Series of July 1, 1994 (A)	38,840,000
Series of July 1, 1994 (C)	1,385,000
Series of December 1, 1998(A)	26,880,000
Series of December 1, 1998(B)	17,925,000
Series of February 1, 2000(A)	21,580,000
Series of February 1, 2000(B)	19,185,000
Series of January 15, 1996(A)	30,950,000
Series of January 15, 1996(B)	24,760,000
Series of March 1, 1998(A)	39,120,000
Series of March 1, 1998(C)	3,360,000
Las Vegas Valley Water District:	
General Obligation Bonds:	
Series of April 1, 1994	9,565,000
Series of March 1, 1995	3,220,000
Series of July 1, 1995	6,700,000
Series of July 1, 1996	130,495,000
Clark County Parks and Regional Justice Center:	
Series of 1999	59,910,000
Clark County Bond Bank:	
Series of July 1, 2000	161,225,000
Series of June 1, 2001	197,720,000
Series of November 1, 2002	151,435,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Prior Year Defeasance of Debt (Continued)

Clark County Government Center:	
Series of July 1, 1993	3,345,000
Clark County Public Facilities:	
Series of March 1, 1999(A)	3,500,000
Series of March 1, 1999(B)	8,005,000
Series of March 1, 1999(C)	16,185,000
Airport Improvement Bonds:	
Series of August 1, 1992(A)	121,845,000
Series of August 1, 1992(B)	46,215,000
Series of May 1, 1993	10,155,000
Series of 1999(A)	105,220,000
Series of 2003(A)	42,550,000
Series of 2001(C)	115,560,000
Series of 2003 (B)	37,000,000
Series of 2003 (C)	85,000,000
Series of 2005(B)	50,650,000
Series of 2005(C1, 2, 3)	215,150,000
Series of 2005(D1, 2, 3)	205,375,000
Series of 2005(E1, 2, 3)	58,920,000
Series of 1998(A)	41,135,000
Series of 1998(A) PFC	176,725,000
Hospital Bonds:	
Series of 2000	39,220,000
Series of 2003	17,205,000
Series of 2007	5,585,000
Flood Control Bonds:	
Series of September 15, 1998	61,190,000
Total	\$ 2,554,375,000

Conduit Debt Obligations

The County has issued approximately \$1,735,945,000 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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments

(a) Interest Rate Swaps

The intention of the Department of Aviation's (Department) implementation of a swap portfolio was to convert variable interest rate bonds to synthetically fixed interest rate bonds as a means to lower its borrowing costs when compared to fixed-rate bonds at the time of issuance. T, the Department executed several floating-to-fixed swaps in connection with its issuance of variable rate bonds. The Department also executed forward starting swaps to lock in attractive synthetically fixed rates for future variable rate bonds. Some of the Department's swaps are structured with step-down coupons to reduce the cash outflows of the fixed leg of those swaps in the later years of the swap.

The mark-to-market value, or fair value, for each swap is estimated using the zero-coupon method. Under this method, future cash payments are calculated either based on using the contractually-specified fixed rate or based on using the contractually-specified variable forward rates as implied by the SIFMA (Securities Industry and Financial Markets Association) Municipal Swap Index yield curve (formerly known as the Bond Market Association Municipal Swap Index yield curve, or BMA Municipal Swap Index yield curve), as applicable. Each future cash payment is adjusted by a factor called the swap rate, which is a rate that is set, at the inception of the swap and at the occurrence of certain events, such as a refunding, to such a value as to make the mark-to-market value of the swap equal to zero. (For this reason, the swap rate is sometimes referred to as the "at-the-market" rate of the swap.) Future cash receipts are calculated either based on using the contractually-specified fixed rate or based on using the contractually-specified variable forward rates as implied by the LIBOR (London Interbank Offered Rate) yield curve or the CMS (Constant Maturity Swap rate) yield curve, as applicable. The future cash payment, as modified by the swap rate factor, and the future cash receipt due on the date of each and every future net settlement on the swap is netted, and each netting is then discounted using the discount factor implied by the LIBOR yield curve for a hypothetical zero-coupon rate bond due on the date of the future net settlement. These discounted nettings are then summed to arrive at the mark-to-market value, or fair value, of the swap.

All the swaps entered into by the Department comply with the County's swap policy. Each swap is written pursuant to guidelines and documentation promulgated by the International Swaps and Derivatives Association ("ISDA"), which include standard provisions for termination events such as failure to pay or bankruptcy. The Department retains the right to terminate any swap agreement at market value prior to maturity. The Department has termination risk under the contract, particularly if an additional termination event ("ATE") were to occur. An ATE occurs either if the credit rating of the bonds associated with a particular swap agreement and the rating of the swap insurer fall below a pre-defined credit rating threshold or if the credit rating of the swap counterparty falls below a threshold as defined in the swap agreement.

With regard to credit risk, potential exposure is mitigated through the use of an ISDA credit support annex ("CSA"). Under the terms of master agreements between the Department and the swap counterparties, each swap counterparty is required to post collateral with a third party when the counterparty's credit rating falls below the trigger level defined in each master agreement. This protects the Department from credit risks inherent in the swap agreements. As long as the Department retains insurance, the Department is not required to post any collateral; only the counterparties are required to post collateral. However, as of June 30, 2013, none of the counterparties are required to post collateral.

As summarized in the table below, the Department has 21 outstanding swap transactions as of June 30, 2013, with initial notional amounts totaling \$2,877,470. The outstanding notional total as of June 30, 2013, was \$2,363,152,872, comprising \$1,458,940,000 in floating-to-fixed swaps, \$395,645,774 in fixed-to-fixed swaps, and \$508,567,098 in basis swaps.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

Interest Rate Swap Analysis
as of June 30, 2013

Swap#	Interest Rate Swap Description	Associated Variable Rate Bonds or Amended Swaps	County Pays	County Receives	Effective Date	Maturity Date	Initial Notional Amount	Counterparty	Counterparty Ratings Moody's S&P Fitch	Outstanding Notional June 30, 2013
02	Basis Swap	N/A	SIFMA Swap Index - 0.41%	72.5% of USD LIBOR - 0.410%	8/23/2001	7/1/2036	\$ 185,855,000	Citigroup Financial Products Inc.	Baa2 A- A	\$ 80,542,098
03 *	Floating-to-Fixed	N/A	5.4900% to 7/2010, 3.0000% to maturity	69.0% of USD LIBOR + 0.350%	4/4/2005	7/1/2022	259,900,000	Citigroup Financial Products Inc.	Baa2 A- A	-
04	Basis Swap	N/A	SIFMA Swap Index	68.0% of USD LIBOR + 0.43%	7/1/2003	7/1/2025	200,000,000	Citigroup Financial Products Inc.	Baa2 A- A	128,025,000
05 *	Floating-to-Fixed	N/A	4.9700% to 7/2010, 3.0000% to maturity	62.6% of USD LIBOR + 0.330%	3/19/2008	7/1/2025	60,175,000	Citigroup Financial Products Inc.	Baa2 A- A	-
06	Basis Swap	N/A	SIFMA Swap Index	62.2% of USD LIBOR + 0.300% to 7/2010, 62.2% of USD LIBOR + 1.052% to maturity	9/1/2004	7/1/2025	300,000,000	Citigroup Financial Products Inc.	Baa2 A- A	300,000,000
07A †	Floating-to-Fixed	2008 A-2, 2011 B-2	4.3057% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2008	7/1/2022	150,000,000	JPMorgan Chase Bank, N.A.	Aa3 A+ A+	150,000,000
07B ‡	Floating-to-Fixed	2008 B-2, 2011 B-1	4.3057% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2008	7/1/2022	150,000,000	UBS AG	A2 A A	150,000,000
08A	Floating-to-Fixed	2008C	4.0000% to 7/2015, 3.0000% to maturity	82.0% of USD LIBOR - 0.460% to 7/2009, 82.0% of 10 year CMS - 0.936% to maturity	3/19/2008	7/1/2040	151,200,000	Citigroup Financial Products Inc.	Baa2 A- A	151,200,000
08B	Floating-to-Fixed	2008C	4.0000% to 7/2015, 3.0000% to maturity	82.0% of USD LIBOR - 0.460% to 7/2009, 82.0% of 10 year CMS - 0.936% to maturity	3/19/2008	7/1/2040	31,975,000	JPMorgan Chase Bank, N.A.	Aa3 A+ A+	31,975,000
08C	Floating-to-Fixed	2008C	4.0000% to 7/2015, 3.0000% to maturity	82.0% of USD LIBOR - 0.460% to 7/2009, 82.0% of 10 year CMS - 0.936% to maturity	3/19/2008	7/1/2040	31,975,000	UBS AG	A2 A A	31,975,000
09A	Floating-to-Fixed	2008D-1	5.0000% to 7/2015, 1.2100% to maturity	82.0% of USD LIBOR - 0.560% to 7/2009, 82.0% of 10 year CMS - 1.031% to maturity	3/19/2008	7/1/2036	41,330,000	Citigroup Financial Products Inc.	Baa2 A- A	41,330,000
09B	Floating-to-Fixed	2008D-1	5.0000% to 7/2015, 1.2100% to maturity	82.0% of USD LIBOR - 0.560% to 7/2009, 82.0% of 10 year CMS - 1.031% to maturity	3/19/2008	7/1/2036	8,795,000	JPMorgan Chase Bank, N.A.	Aa3 A+ A+	8,795,000
09C	Floating-to-Fixed	2008D-1	5.0000% to 7/2015, 1.2100% to maturity	82.0% of USD LIBOR - 0.560% to 7/2009, 82.0% of 10 year CMS - 1.031% to maturity	3/19/2008	7/1/2036	8,795,000	UBS AG	A2 A A	8,795,000
10A *	Floating-to-Fixed	N/A	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%	3/19/2008	7/1/2040	139,735,000	Citigroup Financial Products Inc.	Baa2 A- A	-
10B	Floating-to-Fixed	2008 D-2A, 2008 D-2B	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%	3/19/2008	7/1/2040	29,935,000	JPMorgan Chase Bank, N.A.	Aa3 A+ A+	29,935,000
10C	Floating-to-Fixed	2008 D-2A, 2008 D-2B	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%	3/19/2008	7/1/2040	29,935,000	UBS AG	A2 A A	29,935,000
11 *	Floating-to-Fixed	N/A	4.7420% to 7/2010, 1.2120% to maturity	62.0% of USD LIBOR + 0.280%	4/4/2008	7/1/2029	122,865,000	Citigroup Financial Products Inc.	Baa2 A- A	-
12A	Floating-to-Fixed	2008 D-2A, 2008 D-2B, 2008 D-3	5.6260% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2009	7/1/2026	200,000,000	Citigroup Financial Products Inc.	Baa2 A- A	200,000,000
12B †	Floating-to-Fixed	2008C, 2008 D-3, 2010 F-2 PFC, 2012 A-1, 2012 A-2	6.0000% to 7/2017, 1.4550% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2009	7/1/2038	350,000,000	Citigroup Financial Products Inc.	Baa2 A- A	350,000,000
13 *	Floating-to-Fixed	N/A	6.0000% to 7/2017, 1.9130% to maturity	61.9% of USD LIBOR + 0.270%	7/1/2010	7/1/2040	150,000,000	Citigroup Financial Products Inc.	Baa2 A- A	-
14A **	Floating-to-Fixed	2008A G.O.	3.8860%	64.4% of USD LIBOR + 0.280%	7/1/2011	7/1/2030	73,025,000	UBS AG	A2 A A	73,025,000
14B **	Floating-to-Fixed	2008A G.O., 2012 A-1, 2012 A-2	3.8810%	64.4% of USD LIBOR + 0.280%	7/1/2011	7/1/2037	201,975,000	Citigroup Financial Products Inc.	Baa2 A- A	201,975,000
Remaining portions of swaps after April 6, 2010 terminations										
15	Fixed-to-Fixed	swap #03 (amended and restated)	1.0200% until 7/1/2010	1.4700% starting at 7/1/2010	4/6/2010	7/1/2022	-	Citigroup Financial Products Inc.	Baa2 A- A	55,260,774
16	Fixed-to-Fixed	swap #05 (amended and restated)	1.3700% until 7/1/2010	0.6000% starting at 7/1/2010	4/6/2010	7/1/2025	-	Citigroup Financial Products Inc.	Baa2 A- A	50,650,000
17	Fixed-to-Fixed	swap #10A (amended and restated)	0.8730% until 7/1/2015	0.8600% starting at 7/1/2015	4/6/2010	7/1/2040	-	Citigroup Financial Products Inc.	Baa2 A- A	139,735,000
18	Fixed-to-Fixed	swap #13 (amended and restated)	2.4930% until 7/1/2017	1.5940% starting at 7/1/2017	4/6/2010	7/1/2040	-	Citigroup Financial Products Inc.	Baa2 A- A	150,000,000
							\$ 2,877,470,000			\$ 2,363,152,872

Source: The PFM Group

* On April 6, 2010, the Department terminated the "on market" (at-market coupon) portion of its floating-to-fixed swaps #03, #05, #10A, #11, and #13. To fund the terminations, the Department fully terminated the "off-market" (step-coupon) portion of swap #11 and partially terminated \$162.2M of \$229.9M notional of the "off-market" portion of swap #03. The agreements related to swaps #03, #05, #10A, and #13 were amended and restated, and the new terms of the swap agreements are presented in the table above as swaps #15, #16, #17, and #18, respectively.

† On November 4, 2010, the Department refunded the outstanding principal of its Series 2005 A-1 and A-2 PFC bonds with the Series 2010 F-1 and F-2 PFC bonds. Upon refunding, swap #12B was re-associated with the cash flows of the \$100,000,000 of outstanding principal of the Series 2010 F-2 PFC bonds and became an investment instrument. The remaining \$250,000,000 was re-associated with the 2008 C and 2008 D-3 bonds along with the 2010 E-2 notes. The 2010 E-2 notes were subsequently refinanced by the 2012 A-2 notes, which in turn were subsequently refinanced by the 2013 C-2 notes.

‡ On August 3, 2011, the Department refunded the outstanding principal of its Series 2008 A-1 and B-1 bonds with the Series 2011 B-1 and B-2 bonds, respectively. Upon refunding, swap #7B was re-associated with the cash flows of the \$100,000,000 of outstanding principal of the Series 2011 B-1 bonds, and swap #7A was re-associated with the cash flows of the \$100 million of outstanding principal of the Series 2011 B-2 bonds.

** On July 1, 2011, forward swaps 14A and 14B, both with a trade date of April 17, 2007, became effective as scheduled. \$4,480,000 of the entire notional amount of swap 14A, \$73,025,000, was associated with the 2008A general obligation bonds, with the excess notional balance classified as an investment derivative. The entire notional amount of swap 14B, \$201,975,000, was associated both with the principal of the 2008A general obligation bonds remaining after the association of swap 14A and with the 2010 E-2 notes and 2011A notes, which were subsequently refinanced by the 2012 A-1 and 2012 A-2 notes, respectively, which in turn were subsequently refinanced with the 2013 C-1 and 2013 C-2 notes. Although the notes are deemed to mature in perpetuity, the 2008A general obligation bond matures on July 1, 2027, a date in advance of the maturities of swaps 14A and 14B, which occur on July 1, 2030 and July 1, 2037, respectively. Therefore, those portions of swaps 14A and 14B associated with these excess maturities were classified as investment derivatives.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

As indicated in the previous section, the Department entered into various interest rate swap agreements to hedge financial risks associated with the cost of borrowing and the cash flows associated with the Department's variable interest rate debt. In accordance with the provisions of GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, the Department is required to report the fair value of all derivative instruments on the Statements of Net Position. In addition, GASB Statement No. 53 requires that all derivatives be classified into two basic categories: (1) hedging and (2) investment. Hedging derivatives are derivative instruments that significantly reduce an identified financial risk by substantially offsetting changes in the cash flows or fair values of an associated hedgeable item. Hedging derivatives are required to be tested for their effectiveness. Effectiveness of hedging derivatives is first tested using the consistent critical terms method. If critical terms analysis fails because the critical terms of the hedged item and the hedging instrument do not match, a quantitative method is employed, typically regression analysis. On an annual basis and consistent with the fiscal year end, the Department uses an external consulting firm to perform this evaluation. Investment derivatives are either derivative instruments entered into primarily for income or profit purposes or derivative instruments that do not meet the criteria of an effective hedging derivative instrument. Changes in the fair value of hedging derivative instruments are presented as deferred inflows of resources or deferred outflows of resources on the Statements of Net Position, and changes in the fair value of investment derivative instruments are recognized as gains or losses on the Statements of Revenues, Expenses, and Changes in Net Position.

The tables below provide the fair values and the changes in fair value of the Department's interest rate swap agreements for the fiscal years ended June 30, 2013. For the fiscal year ended June 30, 2013, no derivative instruments were reclassified from hedging derivative instruments to investment derivative instruments. The value of all outstanding swap agreements as of June 30, 2013 is \$(56,543,622).

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

Interest Rate Swap Fair Value and Changes in Fair Values
for the fiscal year ended June 30, 2013

Swap#	Description	Outstanding Notional, Classification, and Fair Value as of June 30, 2013			Changes in Fair Value for the Twelve Months Ended June 30, 2013		
		Outstanding Notional	Derivative Instrument Classification	Fair Value	Increase (Decrease) in Deferred Inflows	Increase (Decrease) in Deferred Outflows	Net Change
Hedging derivative instruments							
01	Floating-to-Fixed Interest Rate Swap	\$ -		\$ -	\$ -	\$ (11,216)	\$ 11,216
03 *	Floating-to-Fixed Interest Rate Swap	-		-	-	-	-
05 *	Floating-to-Fixed Interest Rate Swap	-		-	-	-	-
07A ‡	Floating-to-Fixed Interest Rate Swap	150,000,000	Non-current liability	(5,507,973)	-	(5,777,511)	5,777,511
07B ‡	Floating-to-Fixed Interest Rate Swap	150,000,000	Non-current liability	(5,498,686)	-	(5,779,210)	5,779,210
10A *	Floating-to-Fixed Interest Rate Swap	-		-	-	-	-
10B	Floating-to-Fixed Interest Rate Swap	29,935,000	Non-current liability	(742,754)	-	(3,601,785)	3,601,785
10C	Floating-to-Fixed Interest Rate Swap	29,935,000	Non-current liability	(742,731)	-	(3,601,809)	3,601,809
11 *	Floating-to-Fixed Interest Rate Swap	-		-	-	-	-
12A	Floating-to-Fixed Interest Rate Swap	200,000,000	Non-current liability	(7,389,851)	-	(17,661,259)	17,661,259
12B †	Floating-to-Fixed Interest Rate Swap	250,000,000	Non-current liability	(15,456,147)	-	(40,829,734)	40,829,734
13 *	Forward Floating-to-Fixed Interest Rate Swap	-		-	-	-	-
14A **	Floating-to-Fixed Interest Rate Swap	4,480,000	Non-current liability	(768,927)	-	(304,577)	304,577
14B **	Floating-to-Fixed Interest Rate Swap	201,975,000	Non-current liability	(39,740,065)	-	(19,692,784)	19,692,784
Total hedging derivative activities		1,016,325,000		(75,847,134)	-	(97,259,885)	97,259,885
Investment derivative instruments							
02	Basis Rate Swap	80,542,000	Non-current liability	(3,677,457)	\$ 489,627	\$ -	489,627
04	Basis Rate Swap	128,025,000	Non-current asset	933,768	(55,461)	-	(55,461)
06	Basis Rate Swap	300,000,000	Non-current asset	13,798,434	(3,758,200)	-	(3,758,200)
08A	Floating-to-Fixed Interest Rate Swap	151,200,000	Non-current liability	(10,924,851)	18,688,620	-	18,688,620
08B	Floating-to-Fixed Interest Rate Swap	31,975,000	Non-current liability	(2,310,596)	3,951,824	-	3,951,824
08C	Floating-to-Fixed Interest Rate Swap	31,975,000	Non-current liability	(2,310,601)	3,951,836	-	3,951,836
09A	Floating-to-Fixed Interest Rate Swap	41,330,000	Non-current asset	2,886,641	4,898,018	-	4,898,018
09B	Floating-to-Fixed Interest Rate Swap	8,795,000	Non-current asset	614,022	1,042,251	-	1,042,251
09C	Floating-to-Fixed Interest Rate Swap	8,795,000	Non-current asset	614,030	1,042,256	-	1,042,256
12B †	Floating-to-Fixed Interest Rate Swap	100,000,000	Non-current asset	1,007,893	465,303	-	465,303
14A **	Floating-to-Fixed Interest Rate Swap	68,545,000	Non-current liability	(14,271,749)	7,507,419	-	7,507,419
14B **	Floating-to-Fixed Interest Rate Swap	-	Non-current liability	(6,888,080)	7,104,678	-	7,104,678
* Remaining portions of swaps after April 6, 2010 terminations							
15	Fixed-to-Fixed Swap (formerly Swap #03)	55,261,000	Non-current asset	3,685,392	(815,088)	-	(815,088)
16	Fixed-to-Fixed Swap (formerly Swap #05)	50,650,000	Non-current asset	3,025,845	(369,358)	-	(369,358)
17	Fixed-to-Fixed Swap (formerly Swap #10A)	139,735,000	Non-current asset	14,787,567	(266,871)	-	(266,871)
18	Fixed-to-Fixed Swap (formerly Swap #13)	150,000,000	Non-current asset	18,333,254	(101,042)	-	(101,042)
Total investment derivative activities		1,346,828,000		19,303,512	43,775,812	-	43,775,812
Total		\$ 2,363,153,000		\$ (56,543,622)			\$ 141,035,697

* On April 6, 2010, the Department terminated the "on market" (at-market coupon) portion of its floating-to-fixed swaps #03, #05, #10A, #11, and #13. To fund the terminations, the Department fully terminated the "off-market" (step-coupon) portion of swap #11 and partially terminated \$162.2M of \$229.9M notional of the "off-market" portion of swap #03. The agreements related to swaps #03, #05, #10A, and #13 were amended and restated, and the new terms of the swap agreements are presented in the table above as swaps #15, #16, #17, and #18, respectively.

† Hedging component or investment component, as applicable. On November 4, 2010, the Department refunded the outstanding principal of its Series 2005 A-1 and A-2 PFC bonds with the Series 2010 F-1 and F-2 PFC bonds. Upon refunding, swap #12B was re-associated with the cash flows of the \$100,000,000 of outstanding principal of the Series 2010 F-2 PFC bonds and became an instrument. The remaining \$250,000,000 was re-associated with the 2008 C and 2008 D-3 bonds along with the 2010 E-2 notes. The 2010 E-2 notes were subsequently refinanced by the 2012 A-2 notes, which in turn were subsequently refinanced by the 2013 C-2 notes.

‡ On August 3, 2011, the Department refunded the outstanding principal of its Series 2008 A-1 and B-1 bonds with the Series 2011 B-1 and B-2 bonds, respectively. Upon refunding, swap #7B was re-associated with the cash flows of the \$100,000,000 of outstanding principal of the Series 2011 B-1 bonds, and swap #7A was re-associated with the cash flows of the \$100,000,000 of outstanding principal of the Series 2011 B-2 bonds.

** Hedging component or investment component, as applicable. On July 1, 2011, forward swaps 14A and 14B, both with a trade date of April 17, 2007, became effective as scheduled. \$4,480,000 of the entire notional amount of swap 14A, \$73,025,000, was associated with the 2008A general obligation bonds, with the excess notional balance classified as an investment. The entire notional amount of swap 14B, \$201,975,000, was associated both with the principal of the 2008A general obligation bonds remaining after the association of swap 14A and with the 2010 E-2 notes and 2011 A notes, which were subsequently refinanced by the 2012 A-1 and 2012 A-2 notes, respectively, which in turn were subsequently refinanced with the 2013 C-1 and 2013 C-2 notes. Although the notes are deemed to mature in perpetuity, the 2008A general obligation bond matures on July 1, 2027, a date in advance of the maturities of swaps 14A and 14B, which occur on July 1, 2030 and July 1, 2037, respectively. Therefore, those portions of swaps 14A and 14B associated with these excess maturities were classified as investment derivatives.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

On April 6, 2010, the Department terminated the "on-market" (at-market coupon) portion of its floating-to-fixed swaps #3, #5, #10A, #11, and #13, with then-current notional amounts totaling \$693.4 million. To fund the terminations, the Department fully terminated \$122.9 million of the "off-market" (step-coupon) portion of swap #11 and partially terminated \$162.2 million of \$229.9 million of the "off-market" (step-coupon) portion of swap #3. The net termination payment was \$0. As a result of this transaction, the agreements relating to swaps #3, #5, #10A, and #13 were amended and restated, and the remaining "off-market" (step-coupon) portion, with then-current notional totaling \$408.2 million, is presented in the tables above as swaps #15, #16, #17, and #18, respectively.

On November 4, 2010, the Department refunded the outstanding principal of its Series 2005 A -1 and A-2 PFC bonds with the Series 2010 F-1 and F-2 PFC bonds. Prior to the refunding, swap #12B served as a hedge to the cash flows associated with \$100,000,000 in principal of the Series 2005 A-1 PFC bonds. Upon execution of the refunding, swap #12B was re-associated with the cash flows of the \$100,000,000 of outstanding principal of the Series 2010 F-2 PFC bonds, and the fair value of swap #12B was revalued using the forward rates in effect at the time of the refunding. This created an asset, a deferred loss on imputed debt, and an offsetting liability, imputed debt from termination of hedges, in the amount of \$12,388,710, and this deferred loss on imputed debt and corresponding imputed debt from termination of hedges are amortized against each other on a straight-line basis over the remaining life of the swap. In addition, the term life of the cash flows associated with \$100,000,000 in outstanding notional for swap #12B exceeded the term life of the cash flows associated with the outstanding principal of the Series 2010 F-2 PFC bonds; therefore, the portion of the fair value of swap #12B whose term life matched that of the Series 2010 F-2 PFC bonds was classified as a hedging derivative, and the remaining portion of the fair value of swap #12B was classified as an investment derivative. Specifically, \$1,182,879 of swap #12B was reclassified from being a hedging derivative to being an investment derivative.

On July 1, 2011, forward floating-to-fixed swaps #14A and #14B, both with a trade date of April 17, 2007, became effective as scheduled. \$4,480,000 of the entire notional amount of swap #14A, \$73,025,000, was associated with the 2008A general obligation bonds, with the excess notional balance of \$68,545,000 classified as an investment derivative. The entire notional amount of swap #14B, \$201,975,000, was associated both with the principal of the 2008A general obligation bonds remaining after the association of swap #14A and with the 2010 E 2 Note and 2011A Note. Although these two notes are deemed to mature in perpetuity, the 2008A general obligation bonds mature on July 1, 2027, a date in advance of the maturities of swaps #14A and #14B, which occur on July 1, 2030 and July 1, 2037, respectively. Therefore, those portions of swaps #14A and #14B associated with these excess maturities were classified as investment derivatives. On June 19, 2012, the Department paid down the 2011A Note.

On August 3, 2011, the Department refunded the Series 2008 B-1 bonds and the Series 2008 A 1 bonds with the Series 2011 B-2 bonds and the Series 2011 B-1 bonds, respectively. At the time of the refunding, swap #7A, with a notional amount of \$150,000,000, hedged both the 2008 A-2 bonds, with principal of \$50,000,000, and the 2008 B-1 bonds, with principal of \$100,000,000. Also at the time of the refunding, swap #7B, with a notional amount of \$150,000,000, hedged both the 2008 B-2 bonds, with principal of \$50,000,000, and the 2008 A-1 bonds, with principal of \$100 million. Upon refunding, the \$100,000,000 notional component of swap #7A and the \$100,000,000 notional component of swap #7B were re-associated with the 2011 B-2 bonds and the 2011 B-1 bonds, respectively. This re-association resulted in a revaluation of swaps #7A and #7B to adjust the overall swap rates of each swap to the market rate, which created an asset, a deferred loss on imputed debt, and an offsetting liability, imputed debt from termination of hedges, in the amount of \$10,706,687 for swap #7A and in the amount of \$10,706,687 for swap #7B. This deferred loss on imputed debt and corresponding imputed debt are amortized against each other on a straight-line basis over the remaining lives of the swaps.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

On July 1, 2012, the Department refunded the \$200,000,000 2010 E-2 Note by issuing the 2012 A 1 Subordinate Lien Revenue Notes for \$180,000,000, along with a contribution by the Department of \$22,631,319, and obtained \$120,000,000 in new proceeds with the issuance of the Series 2012 A-2 Subordinate Lien Revenue Notes. When this refunding occurred, the notional components of swaps #12B and #14B that were associated with the 2010 E-2 Note and the 2011A Note were re-associated with the 2012 A-1 Note and the 2012 A-2 Note.

(b) Hedging Derivative Instruments

On June 30, 2013, the Department had eight and nine outstanding floating-to-fixed interest rate swap agreements, respectively, considered to be hedging derivative instruments in accordance with the provisions of GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments.

Objective:

As a means of lowering its borrowing costs when compared against fixed-rate bonds at the time of issuance, the Department executed floating-to-fixed interest rate swaps in connection with its issuance of variable rate bonds. The intention of implementing these swaps was to convert the Department's variable interest rates on the bonds to synthetic fixed rates. As of June 30, 2012/2013, the Department had six outstanding hedging swaps that had been structured with step-down coupons to reduce the cash outflows of the fixed leg of those swaps in the later years of the swap.

Forward Starting Swap Agreements:

On January 3, 2006, the Department entered into five swap agreements (swaps #7A, #7B, #12A, #12B, and #13) to hedge future variable rate debt as a means to lower its borrowing costs and to provide favorable synthetically fixed rates for financing the construction of T3 and other related projects. Swap #7A, with a notional amount of \$150,000,000, hedged both the 2008 A-2 bonds, with principal of \$50,000,000, and the 2008 B-1 bonds, with principal of \$100,000,000, while swap #7B, with a notional amount of \$150,000,000, hedged both the 2008 B-2 bonds, with principal of \$50,000,000, and the 2008 A-1 bonds, with principal of \$100,000,000. Swaps #12A and #12B, with notional amounts totaling \$550,000,000, became effective July 1, 2009; and swap #13, with a notional amount totaling \$150,000,000, was scheduled to become effective July 1, 2010. Due to the attractive market rates for fixed rate bonds, together with the favorable provisions of ARRA, the Department chose to refinance its outstanding bond anticipation notes and issue fixed rate bonds to complete financing for the construction of T3. As a result, the planned \$550,000,000 of 2009 Series A and B variable rate bonds was not issued on July 1, 2009. In addition, to better match its outstanding notional of floating-to-fixed interest rate swaps to the cash flows associated with its outstanding variable rate bonds, on April 6, 2010, the Department terminated \$543.3 million in notional amounts of its outstanding floating-to-fixed interest rate swaps (swaps #3, #5, #10A, and #11) and \$150,000,000 in the notional amount of the July 1, 2010, forward starting swap #13. On April 17, 2007, the Department entered into two additional forward starting swaps, swaps #14A and #14B, with notional amounts totaling \$275,000,000, which became effective on July 1, 2011, as scheduled.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

Terms, Notional Amounts, and Fair Values:

The terms, notional amounts, and fair values of the Department's hedging derivatives at June 30, 2013, are included in the table below. The notional amounts of the swap agreements match the principal portions of the associated debt and contain reductions in the notional amounts that are expected to follow the reductions in principal of the associated debt, except as discussed in the section on rollover risk.

Hedging Derivative Instruments - Terms, Notional Amounts, and Fair Values
As of June 30, 2013

Swap#	Interest Rate Swap		Associated Variable Rate Bonds	Effective Date	Outstanding Notional Amount	County Pays	County Receives	Fair Value	Maturity Date
	Description								
07A	Floating-to-Fixed	2008 A-2, 2011 B-2		7/1/2008	\$ 150,000,000	4.3057% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%	\$ (5,507,973)	7/1/2022
07B	Floating-to-Fixed	2008 D-2, 2011 B-1		7/1/2008	150,000,000	4.3057% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%	(5,498,686)	7/1/2022
10B	Floating-to-Fixed	2008 D-2A, 2008 D-2B		3/19/2008	29,935,000	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%	(742,754)	7/1/2040
10C	Floating-to-Fixed	2008 D-2A, 2008 D-2B		7/1/2009	29,935,000	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%	(742,731)	7/1/2040
12A	Floating-to-Fixed	2008 D-2A, 2008 D-2B, 2008 D-3		7/1/2009	200,000,000	5.6260% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%	(7,389,851)	7/1/2026
12B †	Floating-to-Fixed	2008 C, 2008 D-3, 2010 F-2 PFC, 2012 A-1, 2012 A-2		7/1/2011	250,000,000	6.0000% to 7/2017, 1.4550% to maturity	64.7% of USD LIBOR + 0.280%	(15,456,147)	7/1/2038
14A **	Floating-to-Fixed	2008A G.O.		7/1/2011	4,480,000	3.8860%	64.4% of USD LIBOR + 0.280%	(768,927)	7/1/2030
14B **	Floating-to-Fixed	2008 A G.O., 2012 A-1, 2012 A-2		7/1/2011	201,975,000	3.8810%	64.4% of USD LIBOR + 0.280%	(39,740,065)	7/1/2037
					<u>\$ 1,016,325,000</u>			<u>\$ (75,847,134)</u>	

† Hedging component only
** Hedging component only

Due to a decrease in variable rates during FY 2013, none of the Department's hedging derivatives had positive fair values as of June 30, 2013. The fair values are estimated using the methodology discussed above under Subnote (a), "Interest Rate Swaps."

Associated Debt Cash Flows

The net cash flows for the Department's hedging derivative instruments for the year ended June 30, 2013, are provided in the table below.

Swap#	Interest Rate Swap		Associated Variable Rate Bonds	Counterparty Swap Interest			Interest to Bondholders	Net Interest Payments 2013
	Description			(Pay)	Receive	Net		
01	Floating-to-Fixed	1993A		\$ -	\$ -	\$ -	\$ (211,428)	\$ (211,428)
03 *	Floating-to-Fixed	N/A		-	-	-	-	-
05 *	Floating-to-Fixed	N/A		-	-	-	-	-
07A	Floating-to-Fixed	2008 A-2, 2011 B-2		(6,458,550)	663,121	(5,795,429)	(553,543)	(6,348,972)
07B	Floating-to-Fixed	2008 B-2, 2011 B-1		(6,458,550)	664,359	(5,794,191)	(559,326)	(6,353,517)
10A *	Floating-to-Fixed	N/A		-	-	-	-	-
10B	Floating-to-Fixed	2008 D-2A, 2008 D-2B		(1,198,298)	130,594	(1,067,704)	(49,161)	(1,116,865)
10C	Floating-to-Fixed	2008 D-2A, 2008 D-2B		(1,198,298)	130,607	(1,067,691)	(49,161)	(1,116,852)
11 *	Floating-to-Fixed	N/A		-	-	-	-	-
12A	Floating-to-Fixed	2008 D-2A, 2008 D-2B, 2008 D-3		(11,252,000)	885,811	(10,366,189)	(340,163)	(10,706,352)
12B †	Floating-to-Fixed	2008C, 2008 D-3, 2010 F-2 PFC, 2012 A-1, 2012 A-2		(15,000,000)	1,107,263	(13,892,737)	(6,846,637)	(20,739,374)
13 *	Floating-to-Fixed	N/A		-	-	-	-	-
14A **	Floating-to-Fixed	2008A G.O.		(145,075)	16,508	(128,567)	(28,923)	(157,490)
14B **	Floating-to-Fixed	2008A G.O., 2012 A-1, 2012 A-2		(6,880,696)	761,068	(6,119,628)	(1,873,788)	(7,993,416)
				<u>\$ (48,591,467)</u>	<u>\$ 4,359,331</u>	<u>\$ (44,232,136)</u>	<u>\$ (10,512,130)</u>	<u>\$ (54,744,266)</u>

* Terminated on April 6, 2010
† Hedging component only, pro-rated over swap notional
** Hedging component only, pro-rated over swap notional

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

Credit Risk:

The Department is exposed to credit risk in the amount of the hedging derivatives' positive fair values. Since none of the hedging derivatives had a positive fair value as of June 30, 2013, the Department was exposed to no credit risk for these derivatives. Nonetheless, as described earlier, a CSA is in place to provide collateral to protect the value of the swaps under specific circumstances. The counterparty credit ratings for the Department's hedging derivative instruments at June 30, 2013, are included in the table below.

Swap#	Interest Rate Swap		Counterparty Ratings			Credit Risk Exposure
	Description	Counterparty	Moody's	S&P	Fitch	
03 *	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	\$ -
05 *	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
07A	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	A+	-
07B	Floating-to-Fixed	UBS AG	A2	A	A	-
10A *	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
10B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	A+	-
10C	Floating-to-Fixed	UBS AG	A2	A	A	-
11 *	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
12A	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
12B †	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
13 *	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
14A **	Floating-to-Fixed	UBS AG	A2	A	A	-
14B **	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
						<u>\$ -</u>

* Terminated April 6, 2010

† Hedging component only

** Hedging component only

Basis and Interest Rate Risk:

All the hedging derivative swaps are subject to basis risk and interest rate risk should the relationship between the LIBOR rate and the Department's bond rates converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

Tax Policy Risk:

The Department is exposed to tax risk if a permanent mismatch (shortfall) occurs between the floating rate received on the swap and the variable rate paid on the underlying variable rate bonds due to tax law changes such that the federal or state tax exemption of municipal debt is eliminated or its value is reduced.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

Termination Risk:

The Department is exposed to termination risk if either the credit rating of the bonds associated with the swap or the credit rating of the swap counterparty falls below the threshold defined in the swap agreement, i.e. if an ATE occurs. If at the time of the ATE the swap has a negative fair value, the Department would be liable to the counterparty for a payment equal to the swap's fair value. For all swap agreements, except for swaps #06, #08A, and #09A, the Department is required to designate a day between 5 and 30 days to provide written notice following the ATE date. For the exceptions, the designated date is 30 days after the ATE date.

Rollover Risk and Other Risk:

There exists the possibility that the Department may undertake additional refinancing with respect to its swaps to improve its debt structure or cash flow position and that such refinancing may result in hedging swap maturities that do not extend to the maturities of the associated debt, in hedging swaps becoming decoupled from associated debt, in the establishment of imputed debt, or in the creation of losses.

(c) Investment Derivative Instruments

As of June 30, 2013, the Department has 13 outstanding interest rate swaps considered to be investment derivative instruments in accordance with the provisions of GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments. In addition to these 13 swaps, components of swaps #12B, #14A, and #14B are designated as investment derivatives in accordance with the provisions of GASB Statement No. 53.

Terms, Notional Amounts, and Fair Values:

The terms, notional amounts, and fair values of the Department's investment derivatives at June 30, 2013, are included in the table below.

Investment Derivative Instruments - Terms, Notional Amounts, and Fair Values

Swap #	Interest Rate Swap Description	Associated Variable Rate Bonds	Effective Date	Outstanding Notional	County Pays	County Receives	Fair Value	Maturity Date
02	Basis Swap	N/A	8/23/2001	\$ 80,542,000	SIFMA Swap Index - 0.41%	72.5% of USD LIBOR - 0.410%	\$ (3,677,437)	7/1/2036
04	Basis Swap	N/A	7/1/2003	128,025,000	SIFMA Swap Index	68.0% of USD LIBOR + 0.435%	933,768	7/1/2025
06	Basis Swap	N/A	9/1/2004	300,000,000	SIFMA Swap Index	62.2% of USD LIBOR + 0.300% to 7/2010, 62.2% of USD LIBOR + 1.052% to maturity	13,798,434	7/1/2025
08A	Floating-to-Fixed	2008C	3/19/2008	151,200,000	4.0000% to 7/2015, 3.0000% to maturity	82.0% of USD LIBOR - 0.460% to 7/2009, 82.0% of 10 year CMS - 0.936% to maturity	(10,924,851)	7/1/2040
08B	Floating-to-Fixed	2008C	3/19/2008	31,975,000	4.0000% to 7/2015, 3.0000% to maturity	82.0% of USD LIBOR - 0.460% to 7/2009, 82.0% of 10 year CMS - 0.936% to maturity	(2,310,596)	7/1/2040
08C	Floating-to-Fixed	2008C	3/19/2008	31,975,000	4.0000% to 7/2015, 3.0000% to maturity	82.0% of USD LIBOR - 0.460% to 7/2009, 82.0% of 10 year CMS - 0.936% to maturity	(2,310,601)	7/1/2040
09A	Floating-to-Fixed	2008D-1	3/19/2008	41,330,000	5.0000% to 7/2015, 1.2100% to maturity	82.0% of USD LIBOR - 0.560% to 7/2009, 82.0% of 10 year CMS - 1.031% to maturity	2,886,641	7/1/2036
09B	Floating-to-Fixed	2008D-1	3/19/2008	8,795,000	5.0000% to 7/2015, 1.2100% to maturity	82.0% of USD LIBOR - 0.560% to 7/2009, 82.0% of 10 year CMS - 1.031% to maturity	614,022	7/1/2036
09C	Floating-to-Fixed	2008D-1	3/19/2008	8,795,000	5.0000% to 7/2015, 1.2100% to maturity	82.0% of USD LIBOR - 0.560% to 7/2009, 82.0% of 10 year CMS - 1.031% to maturity	614,030	7/1/2036
12B †	Floating-to-Fixed	2008C, 2008 D-3, 2010 F-2 PFC, 2012 A-1, 2012 A-2	7/1/2009	100,000,000	6.0000% to 7/2017, 1.4550% to maturity	64.7% of USD LIBOR + 0.280%	1,007,893	7/1/2038
14A **	Floating-to-Fixed	2008A G.O.	7/1/2011	68,545,000	3.8860%	64.4% of USD LIBOR + 0.280%	(14,271,749)	7/1/2030
14B **	Floating-to-Fixed	2008A G.O., 2012 A-1, 2012 A-2	7/1/2011	-	3.8810%	64.4% of USD LIBOR + 0.280%	(6,888,080)	7/1/2037
Remaining portions of swaps after April 6, 2010 terminations								
15	Fixed-to-Fixed	swap #03 (amended and restated)	4/6/2010	55,261,000	1.0200% until 7/1/2010	1.4700% starting at 7/1/2010	3,685,392	7/1/2022
16	Fixed-to-Fixed	swap #05 (amended and restated)	4/6/2010	50,650,000	1.3700% until 7/1/2010	0.6000% starting at 7/1/2010	3,025,845	7/1/2025
17	Fixed-to-Fixed	swap #10A (amended and restated)	4/6/2010	139,735,000	0.8730% until 7/1/2015	0.8600% starting at 7/1/2015	14,787,567	7/1/2040
18	Fixed-to-Fixed	swap #13 (amended and restated)	4/6/2010	150,000,000	2.4930% until 7/1/2017	1.5940% starting at 7/1/2017	18,333,254	7/1/2040
				<u>\$ 1,346,828,000</u>			<u>\$ 19,303,512</u>	

† Investment component only
** Investment component only

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

Credit Risk:

The Department is exposed to credit risk on the ten interest rate swaps with positive fair values totaling \$59,686,846. The Department is not exposed to credit risk on the remaining interest rate swaps with negative fair values. Should forward interest rates change such that the fair values of those swaps become positive, the Department would then be exposed to credit risk in the amount of those derivatives' fair values. As described earlier, a CSA is in place to provide collateral to protect the value of the swap under specific circumstances. The counterparty credit ratings for the Department's investment derivative swaps at June 30, 2013, are included in the table below.

Swap#	Interest Rate Swap Description	Counterparty	Counterparty Ratings			Credit Risk Exposure
			Moody's	S&P	Fitch	
02	Basis Swap	Citigroup Financial Products Inc.	Baa2	A-	A	\$ -
04	Basis Swap	Citigroup Financial Products Inc.	Baa2	A-	A	933,768
06	Basis Swap	Citigroup Financial Products Inc.	Baa2	A-	A	13,798,434
08A	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
08B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	A+	-
08C	Floating-to-Fixed	UBS AG	A2	A	A	-
09A	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	2,886,641
09B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	A+	614,022
09C	Floating-to-Fixed	UBS AG	A2	A	A	614,030
12B †	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	1,007,893
14A **	Floating-to-Fixed	UBS AG	A2	A	A	-
14B **	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	-
<u>Remaining portions of swaps after April 6, 2010 terminations</u>						
15	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	3,685,392
16	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	3,025,845
17	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	14,787,567
18	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa2	A-	A	18,333,254
						\$ 59,686,846

† Investment component only

** Investment component only

Interest Rate Risk:

Swaps #02, #04, and #06 are subject to interest rate risk should the relationship between the LIBOR rate and the SIFMA rate converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

Swaps #08A, #08B, and #08C and swaps #09A, #09B, and #09C are subject to interest rate risk should the relationship between the 10-year CMS rate (Constant Maturity Swap rate) and the LIBOR rate converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

Interest Rate Risk (Continued):

Swaps #08A, #08B, and #08C and swaps #09A, #09B, and #09C are subject to interest rate risk should the relationship between the 10-year CMS rate (Constant Maturity Swap rate) and the LIBOR rate converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

Swaps #12B, #14A, and #14B are subject to interest rate risk should the relationship between the LIBOR rate and the Department's variable bond rates converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

The investment components of swaps #15 through #18 are not subject to interest rate risk, since there is no variable rate component.

Foreign Currency Risk

None of the Department's interest rate swaps are subject to foreign currency risk.

Projected Maturities and Interest on Variable Rate Bonds, Bond Anticipation Notes, and Swap Payments

Using the rates effective on June 30, 2012/2013, the approximate maturities and interest payments of the Department's variable rate debt and bond anticipation notes plus the net payment projections on the floating-to-fixed interest rate swaps are presented in the following table.

Due for the Fiscal Year Ended June 30,	Variable Rate Bonds		Bond Anticipation Notes		Net Swap Payments	Total
	Principal	Interest	Principal	Interest		
FY2014	\$ 100,000	\$ 1,272,896	\$ 7,405,000	\$ 5,178,563	\$ 62,786,829	\$ 76,743,288
FY2015	100,000	1,272,626	118,310,000	5,540,225	62,786,829	188,009,680
FY2016	3,865,000	1,269,258	174,285,000	2,178,563	60,011,653	241,609,474
FY2017	14,130,000	1,246,953	-	-	57,032,418	72,409,371
FY2018	23,620,000	1,216,879	-	-	37,598,682	62,435,561
FY2019-2023	419,925,000	4,900,420	-	-	91,148,706	515,974,126
FY2024-2028	191,815,000	3,065,547	-	-	89,241,752	284,122,299
FY2029-2033	165,325,000	1,229,793	-	-	69,632,911	236,187,704
FY2034-2038	167,065,000	634,084	-	-	21,098,379	188,797,463
FY2039-2043	104,350,000	78,569	-	-	1,920,006	106,348,575
Total	\$ 1,090,295,000	\$ 16,187,025	\$ 300,000,000	\$ 12,897,351	\$ 553,258,165	\$ 1,972,637,541

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

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, 2013:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
General obligation bonds	\$393,285,000	\$11,730,000	\$381,555,000
Compensated absences	847,455	-	847,455
Other post-employment benefits	719,399	-	719,399
Total liabilities	<u>\$394,851,854</u>	<u>\$11,730,000</u>	<u>\$383,121,854</u>
Bonds payable July 1, 2012			\$404,525,000
Reductions			<u>(11,240,000)</u>
Bonds payable June 30, 2013			<u>\$393,285,000</u>

Unamortized premium on governmental activity general obligation bonds amounted to \$6,042,343.

The following individual issues comprised the bonds payable at June 30, 2013:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2013</u>
Series of 2006	\$200,000,000	3.50-4.75	\$199,500,000
Series of 2008	50,570,000	3.00-5.00	26,960,000
Series of 2009B	150,000,000	2.69-7.25	137,400,000
Series of 2011	29,425,000	5.00	<u>29,425,000</u>
Total general obligation bonds			<u>\$393,285,000</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued):

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ 11,730,000	\$ 21,124,138	\$ 32,854,138
2015	12,260,000	20,546,098	32,806,098
2016	12,820,000	19,929,849	32,749,849
2017	12,810,000	19,288,140	32,098,140
2018	13,405,000	18,623,020	32,028,020
2019-2023	64,145,000	83,351,207	147,496,207
2024-2028	75,810,000	65,432,309	141,242,309
2029-2033	95,520,000	42,113,220	137,633,220
2034-2038	85,990,000	13,859,725	99,849,725
2039	<u>8,795,000</u>	<u>318,819</u>	<u>9,113,819</u>
Total	<u>\$ 393,285,000</u>	<u>\$ 304,586,525</u>	<u>\$ 697,871,525</u>

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2013:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2012	\$ 804,027
Additional amount accrued during the year	389,567
Less amount used during the year	<u>(346,139)</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2013	<u>\$ 847,455</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 Flood Control District operations.

The pledged revenues and debt service coverage for the year ended June 30, 2013, are:

Pledged revenues – sales tax	\$79,495,264
Debt service	32,901,513
Coverage	2.42

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC:

The following is a summary of bonds, loans, and compensated absences payable by the RTC for the year ended June 30, 2013:

Governmental activities:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Revenue bonds	\$740,810,000	\$32,080,000	\$708,730,000
Compensated absences	2,259,528	850,902	1,408,626
Other post-employment benefits	<u>3,451,791</u>	<u>-</u>	<u>3,451,791</u>
Total liabilities	<u>\$746,521,319</u>	<u>\$32,930,902</u>	<u>\$713,590,417</u>

Revenue Bonds

The following is a summary of revenue bond activities for the year ended June 30, 2013:

Bonds Payable July 1, 2012	\$773,655,000
Reductions	(32,845,000)
Additions	<u>-</u>
Total liabilities	<u>\$740,810,000</u>

Unamortized premium/discount and deferred charges on governmental activity revenue bonds amounted to \$22,832,825.

The following individual issues comprised the bonds payable at June 30, 2013:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2013</u>
Highway Improvement Motor Vehicle Fuel Tax Revenue Bonds:			
Series of 2003	\$200,000,000	4.50-6.00%	\$ 9,390,000
Series of 2007	300,000,000	3.00-5.00	250,225,000
Series 2010A	32,595,000	6.10-6.35	32,595,000
Series 2010B	51,180,000	5.00	51,180,000
Series 2011	118,105,000	4.00-5.00	115,905,000
Sales Tax Revenue Bonds:			
Series 2010	69,595,000	3.00-5.00	62,140,000
Series 2010B	94,835,000	3.00-5.00	78,815,000
Series 2010C	140,560,000	5.10-6.15	<u>140,560,000</u>
Total revenue bonds			<u>\$740,810,000</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ 32,080,000	\$ 35,579,301	\$ 67,659,301
2015	33,030,000	34,034,038	67,064,038
2016	34,545,000	32,463,313	67,008,313
2017	36,170,000	30,787,788	66,957,788
2018	37,880,000	29,036,588	66,916,588
2019-2023	217,875,000	115,568,757	333,443,757
2024-2028	230,515,000	59,962,230	290,477,230
2029-2031	<u>118,715,000</u>	<u>8,703,250</u>	<u>127,418,250</u>
Total	<u>\$ 740,810,000</u>	<u>\$ 346,135,265</u>	<u>\$1,086,945,265</u>

Commercial Paper Notes Payable

In February 2008, the RTC established a commercial paper program for the streets and highways improvements projects incorporated in Clark County's Master Transportation Plan. This program is authorized for the issuance of up to \$200 million in tax-exempt commercial paper notes to be paid from pledged motor vehicle fuel tax revenues and additionally secured by an irrevocable letter of credit dated March 5, 2008 (Series 2008A and Series 2008B). In August 2010, the amount authorized for the program was reduced to \$100 million. As of June 30, 2013, the total amount of commercial paper approved for sale was \$100 million, which was divided equally into two separate issues, Series 2008A and Series 2008B with no issued and outstanding balance. The commercial paper notes may have a maturity date from 1 to 270 days after their issuance; however, no note may mature after the earlier of March 4, 2018, or five days prior to the line of credit expiration date, currently March 13, 2013. Interest rates are variable and based on market rates.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2013:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2012	\$ 2,090,093
Reductions during the year	(850,902)
Additions during the year	<u>1,020,337</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2013	<u>\$ 2,259,528</u>

Business-type activities:

	<u>Liability</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Compensated absences	\$ 1,205,759	\$ 580,113	\$ 625,646
Other post-employment benefits	<u>3,427,985</u>	<u>-</u>	<u>3,427,985</u>
	<u>\$ 4,633,744</u>	<u>\$ 580,113</u>	<u>\$ 4,053,631</u>
Long-term portion of accrued sick leave and vacation benefits at July 1, 2012			\$ 1,153,591
Reductions during the year			(580,113)
Additions during the year			<u>632,281</u>
Long-term portion of accrued sick leave and vacation benefits at June 30, 2013			<u>\$ 1,205,759</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

Pledged Revenues

Motor vehicle fuel tax revenue bonds issued for RTC purposes are collateralized by a maximum of nine cents per gallon motor vehicle fuel tax levied by the County, except that portion required to be allocated as direct distributions for those political subdivisions not included in the “Las Vegas Valley Area Major Street and Highway Plan.”

The bonds are additionally collateralized by the County’s share of the three cents per gallon tax levied by the State pursuant to NRS 365.180 and 365.190 and accounted for in other County funds.

The net pledged revenues for the year ended June 30, 2013, were as follows:

Pledged revenues (net of administrative expenditures)	
State motor vehicle fuel tax	\$ 18,588,813
County motor vehicle fuel tax	<u>65,380,516</u>
Direct distributions allocated for certain political subdivisions not included in the Las Vegas Valley Area Major Street and Highway Plan	\$ 83,969,329
	<u>(1,932,027)</u>
Total motor vehicle fuel tax pledged revenues	<u>\$ 82,037,302</u>

Sales and excise tax revenue bonds issued for RTC purposes are collateralized by 1/8 percent sales and excise tax and a 1 cent jet aviation fuel tax in Clark County.

The net pledged revenues for the year ended June 30, 2013, were as follows:

Pledged revenues	
Sales and excise tax	\$ 79,504,608
Jet aviation fuel tax	<u>3,756,040</u>
Total sales and excise tax pledged revenues	<u>\$ 83,260,648</u>

The federal Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the County for the RTC. Under this act, an amount may be required to be rebated to the United States Treasury (called “arbitrage”) for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebutable arbitrage is computed as of each installment computation date, and as of the most recent such date the RTC’s management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

Pledged Revenues (Continued)

Long-term debt obligations are subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios, for which management believes the RTC is in compliance.

Las Vegas Valley Water District:

The following is a summary of bonds and loans payable by the Las Vegas Valley Water District for the year ended June 30, 2013:

	<u>Liability</u>	<u>Due within One Year</u>	<u>Due After One Year</u>
General Obligation Bonds	\$ 2,315,105,000	\$ 39,415,000	\$ 2,275,690,000
Revenue Bonds	1,680,000	168,000	1,512,000
Loans Payable	400,000,000	400,000,000	-
Total liabilities	<u>\$2,716,785,000</u>	<u>\$ 439,583,000</u>	<u>\$ 2,277,202,000</u>

General Obligation Bonds

Bonds Payable July 1, 2012	\$ 1,999,790,000
Reductions	(83,995,000)
Additions	399,310,000
Total liabilities	<u>\$ 2,315,105,000</u>

<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, 2013</u>
2005A	Las Vegas Valley Water Dist.	05/04/05	06/01/27	4.00-5.00	\$ 302,425,000	\$ 222,145,000
2006A	Las Vegas Valley Water Dist.	06/01/06	06/01/36	4.75-5.00	151,555,000	137,165,000
2006B	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	67,905,000
2006C	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	67,905,000
2008A	Las Vegas Valley Water Dist.	02/19/08	12/01/37	5.00	190,760,000	158,395,000
2008B	Las Vegas Valley Water Dist.	02/19/08	06/01/26	3.50-5.00	171,720,000	116,335,000
2009A	Las Vegas Valley Water Dist.	08/05/09	06/01/39	7.10	90,000,000	90,000,000
2009B	Las Vegas Valley Water Dist.	08/05/09	06/01/32	4.00-5.25	10,000,000	10,000,000
2009C	Las Vegas Valley Water Dist.	12/29/09	06/01/39	7.013-7.26	348,115,000	348,115,000
2009D	Las Vegas Valley Water Dist.	12/29/09	06/01/30	4.25-5.25	71,965,000	69,185,000
2010A	Las Vegas Valley Water Dist.	06/15/10	03/01/40	5.60-5.70	75,995,000	75,995,000
2010B	Las Vegas Valley Water Dist.	06/15/10	03/01/38	2.00-4.625	31,075,000	31,075,000
2011A	Las Vegas Valley Water Dist.	05/26/11	06/01/26	4.84	58,110,000	58,110,000
2011B	Las Vegas Valley Water Dist.	10/19/11	06/01/27	4.29	129,650,000	129,650,000
2011C	Las Vegas Valley Water Dist.	10/19/11	06/01/38	4.04	287,815,000	258,995,000

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District (Continued)

Business-type activities:

<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, 2013</u>
2011D	Las Vegas Valley Water Dist.	10/19/11	06/01/27	3.57	\$ 78,680,000	\$ 74,820,000
2012A	Las Vegas Valley Water Dist.	09/05/12	06/01/32	5.00	39,310,000	39,310,000
2012B	Las Vegas Valley Water Dist.	07/31/12	06/01/42	4.78	360,000,000	<u>360,000,000</u>
Total General Obligation Bonds						<u>\$2,315,105,000</u>

Unamortized premium/discount and deferred charges on business activity general obligation bonds amounted to \$28,949,717.

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ 39,415,000	\$ 115,422,517	\$ 154,837,517
2015	47,965,000	113,731,827	161,696,827
2016	72,920,000	111,861,056	184,781,056
2017	73,650,000	108,781,646	182,431,646
2018	76,955,000	105,657,903	182,612,903
2019-2023	443,270,000	473,340,332	916,610,332
2024-2028	469,695,000	363,599,993	833,294,993
2029-2033	365,145,000	271,769,170	636,914,170
2034-2038	502,275,000	158,150,410	660,425,410
2039-2043	<u>223,815,000</u>	<u>20,530,030</u>	<u>244,345,030</u>
Total	<u>\$2,315,105,000</u>	<u>\$1,842,844,884</u>	<u>\$ 4,157,949,884</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District (Continued):

Business-type activities (Continued)

Revenue Bonds

The following is a summary of revenue bond activities for the year ended June 30, 2013:

Bonds Payable July 1, 2012		\$ 1,848,000
Reductions		<u>(168,000)</u>
Total liabilities		<u>\$ 1,680,000</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, 2013</u>
2008	Las Vegas Valley Water District	07/15/18	12/15/22	1.30	2,520,000	<u>\$ 1,680,000</u>

These bonds are being serviced, principal and interest, by the Las Vegas Valley Water District.

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ 168,000	\$ 20,748	\$ 188,748
2015	168,000	18,564	186,564
2016	168,000	16,380	184,380
2017	168,000	14,196	182,196
2018	168,000	12,012	180,012
2019-2023	<u>840,000</u>	<u>27,300</u>	<u>867,300</u>
Total	<u>\$ 1,680,000</u>	<u>\$ 109,200</u>	<u>\$ 1,789,200</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District (Continued)

Business-type activities (Continued)

Changes in Long-Term Liabilities

The Water District has implemented GASB Statements No. 63 and No. 65 to recognize unamortized debt issuance costs, previously classified as noncurrent assets as a component of interest expense. These adjustments resulted in a \$8,446,351 difference in unamortized premium/discount on business-type activity for general obligation bonds.

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, 2013</u>
2004	Commercial Paper	06/02/04	02/28/14	.20%	\$400,000,000	<u>\$400,000,000</u>

This loan is being serviced, principal and interest, by the Las Vegas Valley Water District.

Commercial Paper Notes Activity

<u>Date</u>	<u>Issued</u>	<u>Repayments</u>	<u>Balance</u>
07/01/04	\$140,000,000	\$ -	\$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 Requirement</u>
2013	<u>\$400,000,000</u>	<u>\$100,395</u>	<u>\$400,100,395</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Other Discretely Presented Component Units

Big Bend Water District

Business-type activities (Continued)

The following is a summary of bonds payable by the Big Bend Water District for the year ended June 30, 2013:

	<u>Liability</u>	<u>Due within One Year</u>	<u>Due After One Year</u>
General obligation bonds	\$5,040,153	\$ 359,254	\$4,680,899
Bonds Payable July 1, 2012 Reductions			\$5,388,199 <u>(348,046)</u>
Total liabilities			<u>\$5,040,153</u>

The debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2014	\$ 359,254	\$ 158,169	\$ 517,423
2015	370,823	146,600	517,423
2016	382,765	134,658	517,423
2017	395,091	122,332	517,423
2018	407,814	109,609	517,423
2019-2023	2,244,728	342,387	2,587,115
2024-2025	879,678	32,495	912,173
Total	<u>\$ 5,040,153</u>	<u>\$ 1,046,250</u>	<u>\$ 6,086,403</u>

<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, 2013</u>
2003	Big Bend Water District	06/03/04	01/01/25	3.19 %	\$ 4,000,000	\$ 2,695,075
2004	Big Bend Water District	08/06/04	07/01/24	3.20	6,000,000	2,345,078
						<u>\$ 5,040,153</u>

These bonds are being serviced, principal and interest, by the Big Bend Water District.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

7. FINANCIAL INFORMATION FOR DISCRETELY COMPONENT UNITS – OTHER WATER DISTRICTS

<u>Statement of Net Position</u>	<u>Kyle Canyon Water District</u>	<u>Big Bend Water District</u>	<u>Total</u>
Assets			
Unrestricted current assets			
Cash and cash equivalents			
In custody of the County Treasurer	\$ 118,837	\$ -	\$ 118,837
In custody of other officials	-	2,495,686	2,495,686
Accounts receivable	17,674	371,947	389,621
Interest receivable	193	-	193
Taxes receivable, delinquent	10	-	10
Due from other government units	1,724	-	1,724
Prepaid items and other current assets	-	4,509	4,509
Total unrestricted current assets	<u>138,438</u>	<u>2,872,142</u>	<u>3,010,580</u>
Capital assets:			
Property and equipment	9,937,276	54,998,025	64,935,301
Accumulated depreciation	<u>(3,076,784)</u>	<u>(20,846,242)</u>	<u>(23,923,026)</u>
Total capital assets, net of accumulated depreciation	<u>6,860,492</u>	<u>34,151,783</u>	<u>41,012,275</u>
Total assets	<u>6,998,930</u>	<u>37,023,925</u>	<u>44,022,855</u>
Liabilities			
Current liabilities (payable from current assets)			
Accounts payable	830,312	267,868	1,098,180
Accrued expenses	-	80,508	80,508
Due to other governmental units	-	29,510	29,510
Unearned revenue and other liabilities	<u>24,962</u>	<u>-</u>	<u>24,962</u>
Total current liabilities (payable from current assets)	<u>855,274</u>	<u>377,886</u>	<u>1,233,160</u>
Current liabilities (payable from restricted assets)			
Current maturities of long-term debt	-	359,254	359,254
Customer deposits	<u>-</u>	<u>27,911</u>	<u>27,911</u>
Total current liabilities (payable from restricted assets)	<u>-</u>	<u>387,165</u>	<u>387,165</u>
Total current liabilities	<u>855,274</u>	<u>765,051</u>	<u>1,620,325</u>
Noncurrent liabilities:			
Long-term debt, less current maturities	<u>-</u>	<u>4,680,899</u>	<u>4,680,899</u>
Total liabilities	<u>855,274</u>	<u>5,445,950</u>	<u>6,301,224</u>
Net Position			
Net investment in capital assets	6,860,492	23,024,370	29,884,862
Unrestricted	<u>(716,836)</u>	<u>8,553,605</u>	<u>7,836,769</u>
Total Net Position	<u>\$ 6,143,656</u>	<u>\$ 31,577,975</u>	<u>\$ 37,721,631</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

7. FINANCIAL INFORMATION FOR DISCRETELY COMPONENT UNITS – OTHER WATER DISTRICTS (Continued)

Statement of Activities

	<u>Kyle Canyon Water District</u>	<u>Big Bend Water District</u>	<u>Total</u>
Expenses	\$ (600,412)	\$ (4,350,053)	\$ (4,950,465)
Program Revenues:			
Charges for Services	359,269	3,311,094	3,670,363
Capital Grants and Contributions	<u>-</u>	<u>612,128</u>	<u>612,128</u>
Total	<u>\$ (241,143)</u>	<u>\$ (426,831)</u>	<u>\$ (667,974)</u>
General Revenues:			
Consolidated tax	10,346	-	10,346
Sales and use tax	45,443	-	45,443
Other	50,805	-	50,805
Interest Income	<u>238</u>	<u>10,977</u>	<u>11,215</u>
Total general revenues	<u>106,832</u>	<u>10,977</u>	<u>117,809</u>
Change in net position	<u>(134,311)</u>	<u>(415,854)</u>	<u>(550,165)</u>
Net position:			
Beginning of year	<u>6,277,967</u>	<u>31,993,829</u>	<u>38,271,796</u>
End of year	<u>\$ 6,143,656</u>	<u>\$ 31,577,975</u>	<u>\$ 37,721,631</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

8. NET POSITION AND FUND BALANCES

Primary Government

Net Position - Government-wide Financial Statements:

The government-wide Statement of Net Position utilizes a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net investment in capital assets is less the related debt outstanding that relates to the acquisition, construction, or improvement of capital assets.

Restricted assets are assets that have externally imposed (statutory, bond covenant, contract, or grantor) limitations on their use. Restricted assets are classified either by function, debt service, capital projects, or claims. Assets restricted by function relate to net position of government and enterprise funds whose use is legally limited by outside parties for a specific purpose. The restriction for debt service represents assets legally restricted by statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for capital projects consists of unspent grants, donations, and debt proceeds with third party restriction for use on specific projects or programs. The government-wide statement of net position reports \$1,055,651,725 of restricted net position, all of which is externally imposed.

Unrestricted net position represents financial resources of the County that do not have externally imposed limitations on their use.

Fund Balances - Fund Financial Statements:

Government Funds

Government fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the fund. Fund balance classifications by County function consist of the following:

<u>Fund Balances</u>	<u>General Funds</u>	<u>Las Vegas Metropolitan Police Department</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:				
Long-term receivable and endowment	\$ 24,042,768	\$ -	\$ 3,100,000	\$ 27,142,768
Restricted for:				
General government	36,258,691	-	68,388,516	104,647,207
Judicial	-	-	19,300,709	19,300,709
Public safety	12,337,473	-	180,731,028	193,068,501
Health	-	-	14,397,692	14,397,692
Welfare	-	-	735,884	735,884
Culture and recreation	-	-	9,975,117	9,975,117
Community support	-	-	6,763,184	6,763,184
Non-major special revenue:				
Public works	-	-	1,756,813	1,756,813
Debt service:				
Public works	-	-	160,242,201	160,242,201
Capital projects:				
Public works	-	-	274,584,018	274,584,018
 Total Restricted	 <u>48,596,164</u>	 <u>-</u>	 <u>736,875,162</u>	 <u>785,471,326</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

8. NET POSITION AND FUND BALANCES (Continued)

Government Funds (Continued)

<u>Fund Balances</u>	<u>General Funds</u>	<u>Las Vegas Metropolitan Police Department</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Committed to:				
General government	-	-	10,604,837	10,604,837
Judicial	-	-	592,954	592,954
Public safety	-	2,361,584	-	2,361,584
Community support	-	-	1,067,045	1,067,045
Capital projects:				
Public works	-	-	57,942,111	57,942,111
Total Committed	-	2,361,584	70,206,947	72,568,531
Assigned to:				
General Government	7,284,227	-	27,745,939	35,030,166
Judicial	366,366	-	10,602,699	10,969,065
Public Safety	61,840,858	37,678,197	36,745,282	136,264,337
Public Works	983,237	-	-	983,237
Health	-	-	6,991,717	6,991,717
Welfare	-	-	1,318,789	1,318,789
Culture and Recreation	-	-	1,516,920	1,516,920
Community Support	-	-	2,524,980	2,524,980
Non-Major Special Revenue:				
Public Works	-	-	28,527,351	28,527,351
Debt Service:				
Public Works	-	-	74,569,479	74,569,479
Capital Projects:				
Public Works	-	-	555,684,646	555,684,646
Total Assigned	70,474,688	37,678,197	746,227,802	854,380,687
Unassigned	195,346,235	-	-	195,346,235
Total fund balances	<u>\$ 338,459,855</u>	<u>\$ 40,039,781</u>	<u>\$ 1,556,409,911</u>	<u>\$ 1,934,909,547</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

8. NET POSITION AND FUND BALANCES (Continued)

Discretely Presented Component Units

Flood Control District

Net Position

The government-wide statement of net position reports \$7,866,698 of restricted net position which is restricted by creditors for general obligation debt repayment.

RTC

Net Position

The government-wide statement of net position reports \$234,531,990 of restricted net position, of which \$136,118,437 is restricted by enabling legislation for street and highway projects and other related activities and \$98,413,553 is restricted by creditors for debt repayment.

Las Vegas Valley Water District

The statement of net position reports \$10,697,000 of restricted net position, of which \$106,143 is restricted by enabling legislation for water projects and \$10,590,857 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.

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 \$100,000,000. 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, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

The County has estimated the potential exposure for costs of indemnity (wage replacement) benefits, medical benefits, and other claim related expenses for disability of public safety employees (fire) who develop heart disease, lung disease or hepatitis. The estimated liability is the sum of two components:

- The outstanding costs due to reported claims for which the County is currently paying benefits, and
- The outstanding costs for future claims incurred but not reported (IBNR) by the County (current population of active and retired public safety employees who may meet future eligibility requirements for awards under Nevada Revised Statutes).

The claims liability currently payable for indemnity claims is estimated to be \$13,102,594. Reported as noncurrent is \$27,283,988 for incurred but not reported (IBNR) claims. IBNR is discounted utilizing an interest rate of 5.0%. The anticipated future exposure for potential claims associated with currently active employees based on an actuarial calculation is approximately \$33,911,875 discounted at 5.0%.

Las Vegas Metropolitan Police Department (LVMPD) and Clark County Detention Center (CCDC) Self-Funded Insurance

The County has established separate self-insurance funds for general liabilities of the LVMPD and CCDC. 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 \$20,000,000 – an increase from \$10,000,000 of coverage in the prior year. 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 and CCDC Self-Funded Industrial Insurance

The County has established separate self-insurance funds to pay workers' compensation claims of the LVMPD and CCDC. Self-insurance is in effect up to an individual stop loss amount of \$1,000,000 per occurrence in the first year, \$300,000 in the second year, and \$250,000 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 \$20,000,000. 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, 2013

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, 2012</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, 2013</u>
Self-funded group insurance Clark County workers' compensation	\$ 33,954,582	\$ 81,733,810	\$ 86,829,604	\$ 28,858,788
LVMPD self-funded insurance	28,118,287	37,190,410	8,758,985	56,549,712
LVMPD self-funded industrial insurance	13,337,280	947,646	1,288,604	12,996,322
CCDC self-funded insurance	52,889,284	10,136,861	10,149,612	52,876,533
CCDC self-funded industrial insurance	1,941,979	46,174	46,174	1,941,979
County liability insurance	8,933,183	1,650,297	1,624,115	8,959,365
County liability insurance pool	5,636,154	551,290	511,915	5,675,529
	<u>10,292,955</u>	<u>550,401</u>	<u>367,690</u>	<u>10,475,666</u>
Total self-insurance funds	<u>\$155,103,704</u>	<u>\$132,806,889</u>	<u>\$109,576,699</u>	<u>\$178,333,894</u>

The total current claims liability at June 30, 2013, is included in the accounts payable line item in the government-wide financial statements.

	<u>Liability</u> <u>July 1, 2011</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, 2012</u>
Self-funded group insurance Clark County workers' compensation	\$ 22,864,699	\$ 76,039,157	\$ 64,949,274	\$ 33,954,582
LVMPD self-funded insurance	28,175,422	8,542,520	8,599,655	28,118,287
LVMPD self-funded industrial insurance	12,444,035	5,519,039	4,625,794	13,337,280
CCDC self-funded insurance	54,113,290	9,261,303	10,485,309	52,889,284
CCDC self-funded industrial insurance	-	1,941,979	-	1,941,979
County liability insurance	-	8,933,183	-	8,933,183
County liability insurance pool	5,668,054	544,641	576,541	5,636,154
	<u>10,322,106</u>	<u>346,770</u>	<u>375,921</u>	<u>10,292,955</u>
Total self-insurance funds	<u>\$133,587,606</u>	<u>\$111,128,592</u>	<u>\$89,612,494</u>	<u>\$155,103,704</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES

Encumbrances

The County utilizes encumbrance accounting in its government funds. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which a purchase order, contract, or other commitment is issued. In general, unencumbered appropriations lapse at year end. Open encumbrances at fiscal year end are included in restricted, committed, or assigned fund balance, as appropriate. The following schedule outlines significant encumbrances included in governmental fund balances:

<u>Major Funds</u>	<u>Restricted Fund Balance</u>	<u>Committed Fund Balance</u>	<u>Assigned Fund Balance</u>
General Fund	\$ -	-	\$ 217,305
Las Vegas Metropolitan Police Department	-	\$ 2,064,204	264,935
<u>Nonmajor Funds</u>			
Aggregate nonmajor funds	<u>66,848,421</u>	<u>37,584,911</u>	<u>2,925,682</u>
	<u>\$ 66,848,421</u>	<u>\$ 39,649,115</u>	<u>\$,407,922</u>

LVCVA Bonds

In addition to the County general obligation bonds, the County is contingently liable on the Las Vegas Convention and Visitors Authority (LVCVA) general obligation bonds, Series May 31, 2007, August 19, 2008, January 26, 2010, December 8, 2010, and August 8, 2012, in the amounts of \$27,540,000, \$24,585,000, \$120,085,000, \$167,175,000 and \$24,990,000 respectively. Although the County is contingently liable for the general obligation bonds of the LVCVA, in the event of a default by the LVCVA, 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 2012 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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Primary Government

Operating Lease Commitments

The following is a schedule of future minimum lease payments primarily for office and storage space (with initial or remaining terms in excess of one year) as of June 30, 2013:

Years ending June 30,	
2014	\$ 11,473,393
2015	10,986,608
2016	7,825,376
2017	6,339,310
2018	6,197,790
Thereafter	<u>11,234,558</u>
Total minimum lease payments	<u>\$ 54,057,035</u>

Rental expenditures including nonrecurring items was approximately \$17,101,869 for the year ended June 30, 2013.

The UMC enterprise fund also had future minimum rental commitments as of June 30, 2013, for noncancelable operating leases for property and equipment as follows:

Years ending June 30,	
2014	\$ 5,919,322
2015	3,618,064
2016	2,532,527
2017	2,047,299
2018	<u>1,565,545</u>
Total	<u>\$ 15,682,757</u>

The rental expense of UMC for property and equipment was approximately \$9,189,301 for the year ended June 30, 2013.

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 from terminal building rentals, gate use fees, and landing fees in accordance with the Lease or with the provisions of the applicable County ordinance. The Department of Aviation leases land, building, and terminal space to various tenants and concessionaires under operating leases that expire at various times through 2063. Under the terms of the agreements, concession fees are based principally either on a percentage of the concessionaires' gross sales or a stated minimum annual guarantee, whichever is greater, or on land and building rents that are based on square footage rates. The Department of Aviation received \$173,079,138 and \$105,808,789 in the years ended June 30, 2013, and 2012, respectively, for contingent rental payments in excess of stated annual minimum guarantees.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Rentals and Operating Leases (Continued)

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, 2013:

Years ending June 30,	
2014	\$ 254,784,264
2015	240,403,605
2016	73,634,378
2017	54,705,178
2018	34,919,459
Thereafter	<u>389,173,602</u>
Total minimum rents receivable	<u>\$ 1,047,620,486</u>

Discretely Presented Component Units

RTC

Operating Lease Commitments

The RTC has a land lease for the Bonneville Transit Center. The following summarizes the current operating lease commitments for this lease:

<u>Lessor</u>	<u>Monthly Rental</u>	<u>Date Lease Commenced</u>	<u>Date Lease Terminates</u>
Live Work, LLC	<u>\$120,758</u>	01/05/08	01/04/48
Total	<u>\$120,758</u>		

Rentals and Operating Leases

The following is a schedule of future minimum lease payments for operating leases as of June 30, 2013:

Years ending June 30:	
2014	\$ 1,513,669
2015	1,559,079
2016	1,605,851
2017	1,657,027
2018	1,728,824
Thereafter	<u>91,329,653</u>
Total minimum lease payments	<u>\$ 99,391,103</u>

The total rent expense for fiscal year 2013 was \$1,449,093.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

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.

UMC is involved in litigation and regulatory investigations arising in the ordinary course of business. UMC does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such as period costs when services are rendered.

11. JOINT VENTURES

Southern Nevada Water Authority

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.

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 assets 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. In March 2012, a regional infrastructure charge based upon meter size was approved. In August 2012, a credit to the regional infrastructure charge amounting to 50 percent of the approved charges levied against fire meters was approved. 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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

11. JOINT VENTURES (Continued)

Southern Nevada Water Authority (Continued)

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 2013, the District billed the SNWA \$106 million for expenditures made on behalf of the SNWA. The SNWA in turn billed the District for its share of these and other costs, computed at a flat rate per acre-foot of water delivered (wholesale delivery charge). The District records the wholesale delivery charge as a component of purchased water expense.

Audited financial reports for fiscal year 2013 can be obtained by contacting:

Office of the Treasurer
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

Clean Water Coalition

The Reclamation District, a component unit (see Note 1) has a joint venture with the Clean Water Coalition (CWC). In December 2009, the Systems Conveyance and Operations Program (SCOP) project was suspended until future assessments of the necessity of the SCOP project could be completed. As of February 2010, the Reclamation District's Board of Trustees approved the termination of the CWC's portion of the Reclamation District's SDA (connection) fees, and on January 25, 2011 the CWC Board terminated the collection of the CWC quarterly user fees from the member agencies effective as of October 1, 2010. On October 1, 2010 the Reclamation District reduced their expenses by \$2,740,307 when the three unpaid quarterly invoices from the CWC were reversed. The Reclamation District was not obligated to repay these funds to the CWC or its customers; therefore on July 1, 2011, the Reclamation District reduced its customer's annual sewer service bill which in turn reduced the Reclamation District's sewer service revenue by \$2,748,402.

On May 17, 2011, the Reclamation District's Board of Trustees approved the reduction of the Reclamation District's previously approved sewer service rates to reflect the termination of CWC user fees. The annual sewer service rate effective July 1, 2011 will be reduced by \$6.81 per ERU for a total of \$4,122,808. The annual sewer service rate effective July 1, 2012 will be reduced by \$6.79 per ERU for a total of \$4,110,700.

On August 30, 2011 the CWC Board approved the termination of the SCOP project and the distribution of unspent CWC funds, in the amount of \$62 million, to the member agencies in accordance with their proportionate share of contributions. The CWC's Board has not terminated the CWC as an agency.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

11. JOINT VENTURES (Continued)

Clean Water Coalition (Continued)

As stated above, the Reclamation District had invested in the capacity rights of the CWC joint venture SCOP project. These capacity rights were considered an intangible asset with a definite useful life and with a value in the amount of \$32,800,740. As such, the asset would have been amortized over the useful life of the project once the project was put into service. Since the SCOP project was terminated, the investment amount was reduced by the anticipated refund from the CWC in the amount of \$11,872,888. The investment balance of \$20,927,853 was then expensed as a loss on the intangible asset. As of July 1, 2012 the total refund of \$19,957,912 from CWC which included \$5,220,252 for sewer service credits, \$2,899,910 for system development approval credits and \$11,837,750 for direct rebates was issued directly to the District rate payers as a rebate and/or issued as a credit against rate payers annual sewer service bills.

Separate audited financial statements for the CWC are prepared annually and can be obtained by contacting the Reclamation District's Financial Services Manager.

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, was 23.75 percent for the years ended June 30, 2013 and 2012 and 21.5 percent for the year ended June 30, 2011. The contribution rate for police and fire was 39.75 percent for the years ended June 30, 2013 and 2012 and was 37.0 percent and for the year ended June 30, 2011.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

The County's contributions to the plan for the years ended June 30, 2013, 2012, and 2011 were \$300,541,644, \$302,634,095, and \$291,060,293, respectively, equal to the required contributions for each year.

The RTC's contributions to the plan for the years ended June 30, 2013, 2012, and 2011 were \$4,053,405, \$3,971,166, and \$3,641,281, respectively, equal to the required contributions for each year.

The Flood Control District's contributions to the plan for the years ended June 30, 2013, 2012, and 2011 were \$489,265, \$517,079, and \$482,385, 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.

Discretely Presented Component Unit

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 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, 2013, the contributions for this purpose were \$294,948; for the year ended June 30, 2012, the contributions were \$19,844.

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 while 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 1, 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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

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 fiduciary 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.

At June 30, 2013, and 2012, participants in the Plan consisted of the following:

	<u>2013</u>	<u>2012</u>
Retirees in pay status with unpurchased benefits	311	277
Terminated employees not yet receiving benefits	331	319
Active Employees		
Fully vested	1,283	1,246
Nonvested	<u>53</u>	<u>149</u>
Total active employees	<u>1,336</u>	<u>1,395</u>
Total participants	<u>1,978</u>	<u>1,991</u>

Three-Year Trend Information

Fiscal Year <u>Ended</u>	Annual Pension Cost (APC) <u>Cost (APC)</u>	Percentage Of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
06/30/11	\$ 26,606,950	100%	\$ -
06/30/12	26,721,710	100	-
06/30/13	29,058,894	100	-

B. Supplemental Information

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

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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

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 \$29,058,894 for the year ended June 30, 2013, and \$26,721,710 for the year ended June 30, 2012. The significant actuarial assumptions used to determine the ARC are: (a) rate of return on the investment of present and future assets of 7.25 percent per year compounded annually, (b) individual salary increases of 4.75 percent per year (c) total payroll increases of 3.00 percent, (d) inflation rate of 2.75%.

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

The Plan uses the aggregate actuarial cost method. Because this method does not identify or separately amortize unfunded actuarial accrued liabilities, information about the plan's funded status and funding progress has been prepared using the entry age normal actuarial cost method. The information presented as required supplementary information is intended to serve as a surrogate for the funded status and funding progress of the plan.

D. Identification of Investments

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Investments at contract value:		
Union Central Life Insurance Company	\$ 1,615,891	\$ 1,558,683
New York Life Insurance Company	<u>4,211,559</u>	<u>40,307,638</u>
Total investments at contract value	<u>\$ 5,827,450</u>	<u>\$ 41,866,321</u>
Investments at fair value:		
Alliance Capital Domestic Equity	\$ 127,785,089	\$ 80,209,897
Mellon Bank, Domestic Bond	49,991,990	68,738,900
Nevada State Bank, Money Market Fund	372,888	208,598
International Equity	<u>29,959,405</u>	<u>-</u>
Total investments at fair value	<u>208,109,372</u>	<u>149,157,395</u>
Total investments at fair value	<u>\$ 213,936,822</u>	<u>\$ 191,023,716</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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

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.

G. Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the plan was 51.5% funded. The actuarial accrued liability was \$368.5 million, and the actuarial value of assets was \$189.8 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$178.7 million. The covered payroll (annual payroll of active employees covered by the plan) was \$119.1 million, and the ratio of UAAL to the covered payroll was 150.0%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions for the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities. However, because fiscal year 2008 was a transition year for calculating the plan's funded status and funding progress using the entry age normal actuarial cost method, only three years are available for display. The reference to the schedule of funding progress presented as RSI does not represent or imply incorporation of the schedule into the notes to the basic financial statements.

H. Financial Statements

Las Vegas Valley Water District Pension Plan
Statement of Net Position
June 30, 2013

<u>Assets:</u>	
Cash and Investments:	
With a fiscal agent	\$ 213,936,822
Interest receivable	<u>61,256</u>
Total assets	<u>213,998,078</u>
 <u>Net Position:</u>	
Held in trust for pension benefits and other purposes	<u>\$ 213,998,078</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

Las Vegas Valley Water District Pension Plan
Statement of Changes in Net Position
For the fiscal year ended June 30, 2013

Additions:

Contributions:

Contributions from employer	\$ 29,058,894
Contributions from employees	<u>294,948</u>

Total contributions	<u>29,353,842</u>
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Investment earnings

Interest	541,231
Net increase in fair value of investments	<u>23,497,557</u>

Total investment earnings	24,038,788
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Less investment expenses	<u>(131,615)</u>
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Net investment earnings	<u>23,907,173</u>
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Total additions	<u>53,261,015</u>
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Deductions:

General and administrative	270,427
Benefit payments	<u>30,973,989</u>

Total deductions	<u>31,244,416</u>
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Change in net position	22,016,599
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Net Position:

Beginning of year	<u>191,981,479</u>
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End of year	<u>\$ 213,998,078</u>
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Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

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, 2013, totaled \$232,292,107. The balance payable from the Master Transportation Plan fund to the RTC as of June 30, 2013, was \$43,120,648.

The County is reimbursed by the RFCD for construction and maintenance of flood control projects. At June 30, 2013, the County had open interlocal contracts totaling \$148,475,109. Of those contracts, \$94,839,606 was spent, and there remain outstanding contract balances totaling \$53,635,503. Reimbursements during the fiscal year ended June 30, 2013 totaled \$27,127,104. The balance receivable from the RFCD to the County as of June 30, 2013 was \$2,576,176.

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Information

Clark County and the component units described in Footnote I contribute to five different defined benefit health programs:

1. Clark County retiree health program (County) – the County plan is an agent, multiple-employer defined benefit plan. Retirees may choose between the Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and a health maintenance organization (HMO) plan.
2. Public Employee Benefit Program (PEBP) – an agent, multiple-employer, defined benefit plan;
3. Clark County Firefighters Union Local 1908 Security Fund (Fire Plan) – a single-employer, defined benefit plan;
4. Las Vegas Metro Employee Benefit Trust (Metro Plan) – a single-employer, defined benefit plan; and
5. Las Vegas Police Protection Association Civilian Employees, Sierra Choice/HPN (Metro Civilian Plan) – a single employer, defined benefit plan.

Each plan provides medical, dental, and vision benefits to eligible active and retired employees and beneficiaries. Except for the PEBP, benefit provisions are established and amended through negotiations between the respective unions and the employers. PEBP benefit provisions are established by the Nevada State Legislature.

The Self-Funded Plan is included in the financial reporting entity, as described in the next section. The Public Employee Benefit Plan, Clark County Firefighters Union Local 1908 Security Fund, Las Vegas Metro Employee Benefit Trust and the Las Vegas Police Protective Association Civilian Employees, Sierra Choice/HPN plans issue publicly available financial reports that include financial statements and required supplementary information for those plans. Those reports may be obtained by writing or calling the plans at the following addresses or numbers:

Public Employee Benefits Plan
901 South Stewart Street, Suite 101
Carson City, Nevada 89701
(800) 326-5496

Clark County Firefighters Union Local 1908 Security Fund
6200 W. Charleston Boulevard
Las Vegas, NV 89146
(702) 870-1908

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Information (Continued)

Las Vegas Metropolitan Police Department Employees
Health and Welfare Trust
700 E. Warm Springs Road, Suite 210
Las Vegas, NV 89119
(702) 269-2591

Sierra Choice/HPN
Las Vegas Police Protective Association Civilian Employees
9330 W. Lake Mead, Suite 100
Las Vegas, NV 89134
(702) 382-9121

Participating Employers

In addition to the County and its component units included in this report, the following employers participate in one or more of the OPEB plans and are required to disclose separately their funding policy, annual OPEB cost and contributions made, the funded status and funding progress, and actuarial methods and assumptions used:

Las Vegas Convention and Visitors Authority
Southern Nevada Health District
Henderson District Library
Boulder City Library District

Funding Policy and Annual OPEB Cost

For all plans other than the PEBP, contribution requirements of plan members and the employer are established and may be amended through negotiations between the various unions and the governing bodies of the employers.

Clark County is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who enroll in this plan. In 2013, retirees were eligible for a minimum subsidy of \$118 per month after 5 years of service with a Nevada state or local government entity. The maximum subsidy of \$650 is earned after 20 years of combined service with any eligible entity. The subsidy is set by the State Legislature.

The annual OPEB cost for each program is calculated based on the annual required contribution to the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The County's annual OPEB cost for the current year and the related information for each program are as follows:

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy and Annual OPEB Cost (Continued)

	<u>County(2)</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro (1)</u>	<u>Metro Civilian</u>
Contribution Rates:	Actuarially determined premium sharing determined by union contracts	Set by State Legislature	Contractually Determined	Contractually Determined	Contractually Determined
County Plan members annual required contribution(ARC)	\$ 80,668,853	\$ 6,285,210	\$ 2,845,571	\$ 53,038,804	\$ 2,956,988
Interest on net OPEB obligations	9,721,767	723,450	-	6,933,218	143,592
Adjustments to ARC	<u>(14,055,269)</u>	<u>(1,045,930)</u>	<u>-</u>	<u>(10,802,599)</u>	<u>(215,523)</u>
Annual OPEB cost	\$76,335,351	\$5,962,730	\$2,845,571	\$49,169,423	2,885,057
Contributions made	<u>(8,982,188)</u>	<u>(3,907,889)</u>	<u>(1,617,273)</u>	<u>(3,526,290)</u>	<u>(267,368)</u>
Increase in net OPEB obligation	\$67,353,163	\$2,054,841	\$1,228,298	\$45,643,133	2,617,689
Net OPEB obligation beginning of year (2)	<u>251,163,322</u>	<u>10,107,319</u>	<u>38,512,286</u>	<u>244,527,709</u>	<u>6,720,329</u>
Net OPEB obligation end of year	<u>\$ 318,516,485</u>	<u>\$ 12,162,160</u>	<u>\$ 39,740,584</u>	<u>\$ 290,170,842</u>	<u>\$ 9,338,018</u>

(1) The County is responsible for 100 percent of the net OPEB obligation for the Detention Center employees covered under the Metro and Metro Civilian plans in the amount of \$66,569,984. The remaining net OPEB obligation of \$232,938,876 for the Las Vegas Metropolitan Police Department (LVMPD), is jointly funded by the County and the City of Las Vegas. The City currently funds 38.06 percent of the LVMPD and is liable for \$89,822,940 of the Metro net OPEB obligation. A receivable has been established in the government-wide statement of net position for the City's portion.

(2) County Plan excludes \$9,725,671 of Las Vegas Valley Water District Net OPEB obligation reclassified from a blended to a distinctly presented component unit due to the implementation of GASB 61, *The Financial Reporting Entity: Omnibus*, see Note 1.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy and Annual OPEB Cost (Continued)

The County's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2011, 2012, and 2013 were as follows:

<u>Plan</u>	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percent of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
County	06/30/2011	\$ 79,237,356	10.0%	\$ 189,230,086
County	06/30/2012	78,338,302	8.5	260,888,993
County	06/30/2013	76,335,351	11.8	318,516,485
PEBP	06/30/2011	7,209,234	63.2	6,536,594
PEBP	06/30/2012	7,705,700	53.7	10,107,319
PEBP	06/30/2013	5,962,730	65.5	12,162,160
Fire	06/30/2011	13,866,883	19.9	27,402,576
Fire	06/30/2012	13,866,883	19.9	38,512,286
Fire	06/30/2013	2,845,571	56.8	39,740,584
Metro	06/30/2011	44,726,366	6.9	198,091,946
Metro	06/30/2012	49,962,053	7.1	244,527,709
Metro	06/30/2013	49,169,423	7.2	290,170,842
Metro Civilian	06/30/2011	2,196,668	6.6	4,102,640
Metro Civilian	06/30/2012	2,885,057	9.3	6,720,329
Metro Civilian	06/30/2013	2,885,057	9.3	9,338,018

Funded Status and Funding Progress

The funded status of the plans as of the most recent actuarial valuation date was as follows:

	<u>County</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro</u>	<u>Metro Civilian</u>
Actuarial accrued liability (a)	\$ 732,005,639	\$ 113,031,433	\$ 39,172,059	\$ 447,563,618	\$ 19,304,624
Actuarial value of plan assets (b)	-	-	5,339,668	-	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	732,005,639	113,031,433	33,832,391	447,563,618	19,304,624
Funded ratio (b)/(a)	0%	0%	13.6%	0%	0%
Covered payroll (c)	739,832,130	-	72,824,754	302,392,694	95,492,430
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	98.9%	N/A	46.4%	148.0%	20.2%

* PEBP closed to new County participants as of November 1, 2008; therefore, covered payroll is zero.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funded Status and Funding Progress (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions of the employer are subject to continual revision, and actual results are compared to past expectations. Supplementary information will provide multi-year trend information that will show, in future years, whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

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

	<u>County</u>	<u>PEBP</u>	<u>Fire</u>	<u>Metro</u>	<u>Metro Civilian</u>
Actuarial valuation date	07/01/12	07/01/12	07/01/12	06/30/12	06/30/12
Actuarial cost method	Entry age Normal	Entry age Normal	Entry age Normal	Projected unit credit cost	Projected unit credit cost
Amortization method	Level dollar	Level dollar	Level dollar	Level dollar	Level dollar
Remaining amortization period	30 years, open	30 years, open	30 years, open	30 years, open	30 years, open
Asset valuation method	No assets in trusts	No assets in trusts	Date of valuation	No assets in trusts	No assets in trusts
Actuarial assumptions:					
Investment rate of return	4.0%	4.0%	4.0%	3.5 %	3.5%
Healthcare inflation rate	5 - 8.5% initial 5% ultimate	5 - 8.5% initial 5% ultimate	3 - 9% initial 4% ultimate	4 - 7.25% initial 4.75% ultimate	4 - 7% initial 4.75% ultimate

County Net Position in Internal Service Fund

The County uses the Other Postemployment Benefits Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

County Net Position in Internal Service Fund (Continued)

Reserve fund for their portion of the annual OPEB cost. As of June 30, 2013, the Other Postemployment Benefit Reserve fund had \$216,675,708 in cash and investments, and \$144,656,155 in receivables that the County intends to use for future OPEB costs for the net OPEB obligations of the County, PEBC, Fire and Detention portion of Metro and Metro Civilian plans, which total \$436,989,213 as of June 30, 2013. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Agency Fund

The County established the Other Postemployment Benefits Agency Fund during fiscal year 2011 to comply with governmental accounting standards regarding OPEB assets not held in trust. The beginning balance is equal to the net OPEB obligation (NOO) as of June 30, 2012. Additions consist of the increase to NOO and deletions comprise contributions paid during the fiscal year as well as the reclassification of Las Vegas Valley Water District NOO from a blended to a discretely presented component unit. The ending balance equals the NOO as of June 30, 2013.

Clark County Self-Funded Group Medical and Dental Benefits Plan

Clark County administers the Clark County Self-Funded Group Medical and Dental Benefits Plan, an agent, multiple-employer defined benefit plan (the "Self-Funded Plan"). Participants of the Self-Funded 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, the Henderson Library District, and the Southern Nevada Health District. The Self-Funded 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, 2013, there were 7,674 employee members and 1,612 retired members enrolled in the Self-Funded Plan, with 9,948 additional covered dependents. The Self-Funded Plan provides medical, dental, and vision benefits. The Self-Funded Plan is governed by an interlocal agreement between each of the participant entities, and all Self-Funded Plan benefit changes must be approved by the governing boards of these entities.

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

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.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Retirement Health Account Plan

Effective November 1, 2005, Clark County established a retirement health account plan under the provisions of Internal Revenue Code sections 105 and 106. The purpose of the plan is to provide employees a means to save for the cost of health insurance premiums once they retire. Each participant maintains a separate account within the plan. All contributions come from employees, with the exception that the County provides a 100 percent match up to \$480 annually for a maximum of five years to employees in eligible bargaining units. Retirees are reimbursed from their individual accounts for their out-of-pocket health insurance premium costs as they submit documentation of those costs. As of July 1, 2007, the plan was closed to new participants.

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 \$8,369 per active employee for the year ended June 30, 2012. 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. This combining of loss experience creates an implicit subsidy to the retirees who would otherwise pay higher premiums if their loss experience were rated separately.

Clark County Regional Flood Control District

The Clark County Regional Flood Control District (the “District”) uses the County and PEBP plans, with contribution rates and actuarial assumptions identical to those previously described. The District’s annual OPEB cost for the current year is as follows:

	<u>County</u>	<u>PEBP</u>
Annual required contribution (ARC)	\$ 202,620	\$ 21,676
Interest on net OPEB obligation	25,031	2,678
Adjustment to annual required contribution	<u>(36,189)</u>	<u>(3,871)</u>
Annual OPEB cost	191,462	20,483
Contributions made	<u>(22,166)</u>	<u>(13,064)</u>
Increase in net OPEB obligation	169,296	7,419
Net OPEB obligation/(benefit), beginning of year	<u>550,103</u>	<u>2,411</u>
Net OPEB obligation, end of year	<u>\$ 719,399</u>	<u>\$ 9,830</u>

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Clark County Regional Flood Control District (Continued)

The District's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2011, 2012, and 2013 were as follows:

<u>Plan</u>	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percent of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
County	06/30/2011	160,630	5.7 %	404,732
County	06/30/2012	151,588	4.1	550,103
County	06/30/2013	191,462	11.6	719,399
PEBP	06/30/2011	18,367	91.6	(5,158)
PEBP	06/30/2012	24,166	68.7	2,411
PEBP	06/30/2013	20,483	63.8	9,830

Funded Status and Funding Progress

The funded status of the plans as of the most recent actuarial valuation date, July 1, 2012, was as follows:

	<u>County</u>	<u>PEBP*</u>
Actuarial accrued liability (a)	\$ 2,049,732	\$ 389,812
Actuarial value of plan assets (b)	-	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	2,049,732	389,812
Funded ratio (b)/(a)	0.0%	0.0%
Covered payroll (c)	2,221,676	-
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	92.3%	n/a

* PEBP closed to new District participants as of November 1, 2008; therefore, covered payroll is zero.

District Assets in Internal Service Fund

Clark County utilizes the Other Postemployment Benefit Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2013, the Other Postemployment Benefit Reserve fund had \$580,015 in cash, investments, and receivables held on behalf of the District. The District intends to use these assets for future OPEB funding. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Regional Transportation Commission of Southern Nevada

The Regional Transportation Commission of Southern Nevada (RTC) uses the County and PEBP plans, with contribution rates and actuarial assumptions identical to those previously described. The RTC's annual OPEB cost for the current year is as follows:

	<u>County</u>	<u>PEBP</u>
Annual required contribution (ARC)	\$ 1,659,122	\$ 95,583
Interest on net OPEB obligation	213,041	12,273
Adjustment to annual required contribution	<u>(308,004)</u>	<u>(17,744)</u>
Annual OPEB cost	1,564,159	90,112
Contributions made	<u>(332,615)</u>	<u>(74,719)</u>
Increase in net OPEB obligation	1,231,544	15,393
Net OPEB obligation, beginning of year	<u>5,562,362</u>	<u>70,477</u>
Net OPEB obligation (benefit), end of year	<u>\$ 6,793,906</u>	<u>\$ 85,870</u>

The RTC's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2011, 2012, and 2013 were as follows:

<u>Plan</u>	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percent of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
County	06/30/2011	\$ 1,561,702	2.1	\$ 3,831,901
County	06/30/2012	1,761,450	1.8	5,562,363
County	06/30/2013	1,564,159	21.4	6,793,906
PEBP	06/30/2011	123,212	75.2	82,841
PEBP	06/30/2012	60,806	120.3	70,477
PEBP	06/30/2013	90,112	82.9	85,870

Funded Status and Funding Progress

The funded status of the plans as of the most recent actuarial valuation date, July 1, 2012, was as follows:

	<u>County</u>	<u>PEBP</u>
Actuarial accrued liability (a)	\$ 13,301,785	\$ 1,718,943
Actuarial value of plan assets (b)	-	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	13,301,785	1,718,943
Funded ratio (b)/(a)	0.0%	0.0%
Covered payroll (c)	17,963,919	n/a
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	74.0%	n/a

PEBP closed to new RTC participants as of November 1, 2008; therefore, covered payroll is zero.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Regional Transportation Commission of Southern Nevada (Continued)

RTC Assets in Internal Service Fund

Clark County utilizes the Other Employment Benefit Reserve internal service fund to allocate OPEB costs to each fund based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2013, the Other Postemployment Benefit Reserve fund had \$222,182 in cash, investments, and interest receivable held on behalf of the RTC. The RTC intends to use these assets for future OPEB funding. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Las Vegas Valley Water District

The Las Vegas Valley Water District (LVVWD) uses the County plan with actuarial assumptions identical to those previously described, except for an initial healthcare inflation rate of 5.25 % with an ultimate rate of 4.75%. LVVWD contributes 100% of life insurance and group health insurance premiums for eligible retirees and 85% for their dependents until the retirees become eligible for Medicare. The LVVWD's annual OPEB cost for the current year is as follows:

Annual Required Contribution (ARC)	\$ 3,369,604
Interest on the net OPEB obligation	389,027
Adjustment to annual required contribution	<u>(540,805)</u>
Annual OPEB cost	3,217,826
Contributions made	<u>(987,342)</u>
Increase in net OPEB obligation	2,230,484
Net OPEB obligation, beginning of the year	<u>9,725,671</u>
Net OPEB obligation, end of the year	<u>\$ 11,956,155</u>

The LVVWD's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2011, 2012 and 2013 were as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percent of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2013	\$ 3,217,866	30.7%	\$ 11,956,155
2012	3,211,091	31.2	9,725,671
2011	2,444,477	31.8	7,516,835

Funded Status and Funding Progress

The funded status of the plan as of the most recent actuarial valuation date, July 1, 2012 was as follows:

	<u>LVVWD</u>
Actuarial accrued liability (a)	\$ 23,489,420
Actuarial value of plan assets (b)	<u> -</u>
Unfunded actuarial accrued liability (funding excess) (a) – (b)	23,489,420
Funded ratio (b)/(a)	0.0%
Covered payroll (c)	119,067,304
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	19.7%

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

15. SUBSEQUENT EVENTS

Primary Government

On July 1, 2013, the County issued Series 2013 C-1 Note and 2013 C-2 Note for \$174,285,000 and \$118,310,000, respectively. The 2013 C-1 Note is an AMT Fixed Rate Airport System Junior Subordinate Lien Revenue Note, and the 2013 C-2 Note is a Non-AMT Fixed Rate Airport System Junior Subordinate Lien Revenue Note. The 2013 C-1 and C-2 Note proceeds were used to satisfy the outstanding principal and interest balance of the 2012 A-1 and A-2 Airport System Junior Subordinate Lien Notes. The 2013 C-1 Note matures on July 1, 2015, and bears an annual interest rate of 2.50 percent. The 2013 C-2 Note matures on July 1, 2014, and bears an annual interest rate of 2.00 percent.

The Governmental Accounting Standards Board ("GASB") has issued GASB Statement No. 65, Items Previously Reported as Assets and Liabilities ("Statement"), which becomes effective for accounting periods beginning after December 15, 2012. The Statement is to be applied retroactively. The Statement requires all line items previously classified as either deferred assets or deferred liabilities to be evaluated as either an asset, a liability, a deferred outflow of resources, a deferred inflow of resources, an outflow of resources, or an inflow of resources. As a result, some assets and liabilities will be reclassified as deferred outflows of resources or deferred inflows of resources, and some assets and liabilities will now be treated as outflows of resources or inflows of resources. The reclassifications between assets and deferred outflows of resources and between liabilities and deferred inflows of resources will not have an impact on net position. However, the reclassifications between assets and outflows of resources and between liabilities and inflows of resources will have an impact on net position and, because the Statement applies retroactively, this impact will be retroactive. The most significant impact involves deferred charges for bond issuance costs and for swap issuance costs. Pursuant to the Statement, these costs are now to be recognized in the period in which they are incurred, except for costs related to bond insurance, which are amortized over the term of the insurance policy. The retroactive impact to net position as of June 30, 2013, would have been a restatement of net position by reducing net investment in capital assets by \$33,752,920 and increasing the change in net position by \$856,009.

As of June 30, 2013, the Clark County, Nevada, Passenger Facility Charge Refunding Revenue Bonds Series 2010 F-2 were supported by an irrevocable, direct-pay Letter of Credit ("LOC") agreement with Union Bank. This LOC agreement was scheduled to terminate on November 4, 2013. Effective on August 9, 2013, the Department amended the LOC agreement to extend the terms to August 9, 2016.

On August 20, 2013, the Board authorized the Director of Real Property Management to give notice of exercise of the option to purchase the LVMPD headquarters, appointed an appraiser to appraise the property, and negotiate the contract of sale for final approval by the Board as early as July 1, 2014. The price to be paid for the purchase of the LVMPD headquarters will be the greater of \$167,400,000 or fair market value.

On September 3, 2013 UMC issued \$26,065,000 Series 2013 General Obligation (Limited Tax) Hospital Refunding Bonds, additionally secured with pledged revenues. The bonds bear an interest rate of 3.10%, payable on March 1, 2014 and semiannually thereafter on September 1 and March 1. The proceeds of the bond will be used to refund all of the County's outstanding General Obligation Hospital Bonds, series 2003 and 2007 and pay the costs of the issuance of the Bonds.

The U.S. Office of Management and Budget reported to the U.S. Congress on the sequestration of federal funds for federal fiscal year 2013, as required by section 251A of the Balanced Budget and Emergency Deficit Control Act. As part of the federal sequestration, the subsidy payments for Build America Bonds were reduced.

On September 30, 2013, the Internal Revenue Service, a division of the U.S. Department of the Treasury, announced for federal fiscal year 2014 a sequestration of funds for Build America Bonds, continuing the federal sequestration of funds applicable to federal fiscal year 2013 and reducing the federal subsidy of these bonds by 7.2 percent. The Department has two outstanding senior lien bonds (Series 2009B and Series 2010C) which are receiving this subsidy and which are subject to both federal fiscal years' sequestrations. For FY 2014, the estimated impact to the Series 2009B and Series 2010C bonds will be a reduction in subsidy payments of \$574,392 and \$862,071, respectively.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

15. SUBSEQUENT EVENTS (Continued)

In September 2013, the Board authorized a settlement of \$38,000,000 for the plaintiff in 70 Limited Partnership, Tertia Dvorchak as Special Administratrix of the Estate of Thomas T. Beam, Deceased v. McCarran International Airport and Clark County, Case No. A572739 in the Eighth Judicial District Court of Nevada. This settlement relates to litigation regarding Ordinance 1599 (see Subnote (c), "Litigation and Claims," under Note 11, "Commitments and Contingencies," above). On October 15, 2013, the Board approved the formal settlement agreement. In exchange for the settlement amount, the Department received aerial rights of way to the parcels outlined in the agreement. The settlement amount has been accrued as of June 30, 2013, as an increase in current liabilities under aviation acquisition liability and an increase in capital assets under perpetual aviation easement.

In November 2013 the Legislative Counsel Bureau adopted a regulation relating to governmental financial administration; requiring local governments which employ public safety employees subject to an occupational disease as described in NRS 617.453, 617.455, 617.457 and 617.485 to provide a total discounted estimated actuarial liabilities report of compensation and medical benefits provided to eligible persons. The Las Vegas Metropolitan Police Department is subject to this long-term liability; however, an estimate is not available at this time.

As of June 30, 2013, the Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds Series 2008 D-3 were supported by an irrevocable, direct-pay Letter of Credit ("LOC") agreement with Bank of America. This LOC agreement was scheduled to terminate on March 17, 2014. Effective November 6, 2013, the Department amended the LOC agreement to extend the terms to November 4, 2016.

The County is a defendant in a lawsuit alleging the partial taking of 1.85 acres of land as part of a widening project. On November 15, 2013 the Court found in favor of the plaintiff in the amount of \$1 million in property value for the 25 foot dedication which the Court determine to have been a "take", and \$16 million in severance based upon loss of 99 parking spaces and 9,000 square feet of developable footage, rendering the intended construction project unworkable. The award is subject to pre and post judgment interest that will be compounded. The award is estimated to total \$28.7 million; however, an appeal is anticipated. If the appeal is unsuccessful, the award is anticipated to be paid from unrestricted capital project funds.

On November 19, 2013 the Board authorized the issuance of \$100 million of Clark County, Nevada General Obligation (Limited Tax) Flood Control Bonds, additionally secured by pledge revenues. These bonds are expected to be issued in 2014 and are expected to be used to fund the acquisition, construction, improvement and extension of flood control infrastructure projects, and pay the costs of issuing the Bonds.

On November 19, 2013, the Board approved the termination agreement between Citigroup Financial Products, Inc. and the County to terminate interest rate swap 06, 12B and 16. The Board also approved the amended and restated agreement between the County and Citigroup Financial Products, Inc. for swap 14B. This resulted in a partial termination of swap 14B effectively reducing the outstanding notional amount to \$145,150,000 from \$201,975,000. For the fully terminated swaps, 06, 12B and 16, the closing price, including accrued interest, amounted to \$12,466,000, (\$14,667,000) and \$14,827,000, respectively. For the terminated portion of swap 14B, the closing price, including accrued interest, amounted to (\$12,626,000). The combined cash effect for all four swap termination transactions amounted to \$0.0.

On November 22, 2013 the County sold ±2.76 acres of improved Clark County-owned real property known as the Old Courthouse, located at 200 S. Third Street, Las Vegas, Nevada for \$10,000,000. Approximately \$3.3 million of the proceeds is due to the City of Las Vegas.

On December 3, 2013 the County issued \$75 million Series 2013 General Obligation (Limited Tax) Flood Control Bonds, additionally secured by pledged revenues, with a true interest cost of 4.71%. The 2013 bonds will be used to fund the acquisition, construction, improvement and extension of flood control infrastructure projects, and pay the costs of issuing the Bonds.

As of June 30, 2013, the Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds Series 2008 C-1 were supported by an irrevocable, direct-pay Letter of Credit ("LOC") agreement with JPMorgan Chase Bank, N.A. This LOC agreement was scheduled to terminate on March 17, 2014. Effective December 11, 2013, the Department amended the LOC agreement to extend the terms for an additional four year period from the effective date of the amendment.

Clark County, Nevada
Notes to Financial Statements
Year Ended June 30, 2013

III. DETAILED NOTES – ALL FUNDS (Continued)

15. SUBSEQUENT EVENTS (Continued)

On December 17, 2013, the Board approved a reoffering of the Airport System Subordinate Lien Revenue Bonds Series 2008 D-1 and Series 2008 D-2A the purpose of which is to replace expiring LOC agreements, both of which were provided by Citibank, N.A. The new LOC agreement for the Series 2008 D-1 bonds will be provided by Sumitomo Mitsui Banking Corp., and the new LOC agreement for the Series 2008 D-2A bonds will be provided by Wells Fargo Bank, N.A. These succeeding agreements are both irrevocable and direct-pay, and are scheduled to close on January 29, 2014 with a three year term.

As of June 30, 2013, the Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds Series 2008 D-2B and Series 2011B-2 were both supported by an irrevocable, direct-pay Letter of Credit (“LOC”) agreement with Royal Bank of Canada. The Series 2008 D-2B and Series 2011 B-2 LOC agreements were scheduled to terminate on March 17, 2014 and August 3, 2014, respectively. Effective December 20, 2013, the Department amended both LOC agreements to extend the terms for an additional four year period from the effective date of the amendment.

Flood Control District

In FY 2013, the U.S. Office of Management and Budget reported to the U.S. Congress on the sequestration of federal funds for federal fiscal year 2013, as required by section 251A of the Balanced Budget and Emergency Deficit Control Act. As part of the federal sequestration, the subsidy payments for Build America bonds were reduced. Because the federal fiscal year operates from October 1 through September 30, a portion of the sequestration impacts the Flood Control District in FY 2014. On September 30, 2013, the Internal Revenue Service, a division of the U.S. Department of the Treasury, announced for federal fiscal year 2014 a sequestration of funds for Build America Bonds, reducing the subsidy amount by 7.2 percent. The Flood Control District has one outstanding Build America Bond (Series 2009B), which received this subsidy and is subject to the sequestration. For fiscal year 2014, the impact to the Series 2009B will be an estimated reduction in subsidy payments of \$0.2 million.

Regional Transportation Commission of Southern Nevada

On September 3, 2013, Board of Clark County Commissioners adopted an ordinance to index Fuel Tax which will provide additional fuel tax revenue for roadway projects. The RTC anticipates issuing approximately \$700,000,000 of revenue bonds through Clark County over the next three to five years that will pledge this added revenue for repayment of the bonds. The Fuel Tax indexing was made possible by the passage of AB 413 in the 2013 Session of the Nevada Legislature.

Las Vegas Valley Water District

On September 23, 2013, the Southern Nevada Water Authority (SNWA) Board of Directors approved an increase to water charges to pay for water infrastructure in Southern Nevada. Approved were increases to the SNWA infrastructure charge and commodity charge. Fire line meter charges were frozen at 2013 levels. A typical residential customer with a 5/8 inch or 3/4 inch meter using 10,000 gallons per month would see an increase of \$1.04 on his or her monthly bill starting in January, 2014, eventually increasing by \$4.92 in 2017. For all customers, the commodity charge would increase \$0.04 per 1,000 gallons in 2014, eventually increasing to \$0.18 in 2017. Because part of the increase is usage based, conservative water users would see a smaller increase than those who use large amounts of water. For residential customers with a 5/8 inch or 3/4 inch meter, the infrastructure charge would increase \$0.64. Other meter sizes would increase correspondingly. Before the water rate increases go into effect, they must be approved by the Las Vegas Valley Water District’s (LVVWD) Board of Directors (Board). It is anticipated that the LVVWD Board will consider the SNWA water rate increase at its December 2013 meeting.

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, 2013
(With comparative actual for the fiscal year ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes	\$ 256,337,755	\$ 256,337,755	\$ 257,375,116	\$ 1,037,361	\$ 277,796,141
Licenses and permits	212,250,000	212,250,000	212,148,330	(101,670)	211,956,838
Intergovernmental revenue	285,175,000	285,175,000	293,416,117	8,241,117	280,458,862
Charges for services	78,030,729	78,030,729	74,544,474	(3,486,255)	74,621,408
Fines and forfeitures	24,800,000	24,800,000	24,953,878	153,878	25,602,847
Interest	1,000,000	1,000,000	32,069	(967,931)	2,002,407
Other	4,000,000	4,000,000	5,281,702	1,281,702	3,306,973
Total revenues	<u>861,593,484</u>	<u>861,593,484</u>	<u>867,751,686</u>	<u>6,158,202</u>	<u>875,745,476</u>
Other financing sources:					
Transfers from other funds	<u>283,689,110</u>	<u>283,689,110</u>	<u>305,388,441</u>	<u>21,699,331</u>	<u>288,586,393</u>
Total revenues and other financing sources	<u>1,145,282,594</u>	<u>1,145,282,594</u>	<u>1,173,140,127</u>	<u>27,857,533</u>	<u>1,164,331,869</u>
Expenditures:					
General government	120,639,150	122,391,848	110,785,014	(11,606,834)	112,069,672
Judicial	151,836,822	149,774,830	142,117,507	(7,657,323)	145,197,706
Public safety	208,920,774	209,190,967	198,485,736	(10,705,231)	206,238,005
Public works	11,505,724	11,505,724	10,258,273	(1,247,451)	10,983,376
Health	101,235,820	101,235,820	101,000,239	(235,581)	90,182,762
Welfare	76,859,657	76,859,657	76,767,785	(91,872)	79,543,396
Culture and recreation	10,438,059	10,438,059	9,863,924	(574,135)	10,026,008
Other general expenditures	109,640,760	113,671,595	113,485,175	(186,420)	100,249,576
Total expenditures	<u>791,076,766</u>	<u>795,068,500</u>	<u>762,763,653</u>	<u>(32,304,847)</u>	<u>754,490,501</u>
Other financing uses:					
Transfers to other funds	<u>386,405,066</u>	<u>382,413,332</u>	<u>381,998,350</u>	<u>(414,982)</u>	<u>402,596,624</u>
Total expenditures and other financing uses	<u>1,177,481,832</u>	<u>1,177,481,832</u>	<u>1,144,762,003</u>	<u>(32,719,829)</u>	<u>1,157,087,125</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financial uses	(32,199,238)	(32,199,238)	28,378,124	60,577,362	7,244,744
Fund balance:					
Beginning of year	170,058,722	170,058,722	191,010,879	20,952,157	183,766,135
End of year	<u>\$ 137,859,484</u>	<u>\$ 137,859,484</u>	<u>\$ 219,389,003</u>	<u>\$ 81,529,519</u>	<u>\$ 191,010,879</u>

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, 2013
 (With comparative actual for the fiscal year ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes:					
Ad valorem taxes	\$ 242,337,755	\$ 242,337,755	\$ 242,468,838	\$ 131,083	\$ 262,056,143
Penalties & interest on delinquent taxes	14,000,000	14,000,000	14,906,278	906,278	15,739,998
Total taxes	<u>256,337,755</u>	<u>256,337,755</u>	<u>257,375,116</u>	<u>1,037,361</u>	<u>277,796,141</u>
Licenses and permits:					
Business licenses	28,000,000	28,000,000	30,409,696	2,409,696	28,938,500
Liquor licenses	7,800,000	7,800,000	8,234,018	434,018	7,785,880
County gaming licenses	38,000,000	38,000,000	37,796,112	(203,888)	37,467,989
Franchise fees:					
Utilities	81,300,000	81,300,000	71,774,954	(9,525,046)	65,436,687
Other	39,000,000	39,000,000	16,412,227	(22,587,773)	24,539,869
Other licenses and permits	16,300,000	16,300,000	45,796,401	29,496,401	45,928,891
Marriage licenses	1,850,000	1,850,000	1,724,922	(125,078)	1,859,022
Total licenses and permits	<u>212,250,000</u>	<u>212,250,000</u>	<u>212,148,330</u>	<u>(101,670)</u>	<u>211,956,838</u>
Intergovernmental revenue:					
Federal grants	2,500,000	2,500,000	112,344	(2,387,656)	1,457,305
Federal payments in lieu of taxes	3,150,000	3,150,000	3,122,952	(27,048)	3,203,504
State grants	350,000	350,000	487,250	137,250	487,250
State gaming licenses	150,000	150,000	139,946	(10,054)	145,126
Consolidated tax	278,000,000	278,000,000	288,481,527	10,481,527	274,280,594
Court administrative assessment	900,000	900,000	762,087	(137,913)	795,389
Other	125,000	125,000	310,011	185,011	89,694
Total intergovernmental revenue	<u>285,175,000</u>	<u>285,175,000</u>	<u>293,416,117</u>	<u>8,241,117</u>	<u>280,458,862</u>
Charges for services:					
General government					
Clerk fees	3,000,000	3,000,000	2,120,402	(879,598)	2,673,155
Recorder fees	22,000,000	22,000,000	19,426,814	(2,573,186)	17,377,995
Map fees	25,000	25,000	47,253	22,253	45,869
Assessor commissions	7,500,000	7,500,000	7,618,314	118,314	5,961,593
Building and zoning fees	675,000	675,000	596,035	(78,965)	887,992
Room tax collection commissions	5,200,000	5,200,000	6,398,188	1,198,188	6,315,787
Administrative fees	12,052,024	12,052,024	11,745,324	(306,700)	13,460,747
Other	3,500,000	3,500,000	4,154,314	654,314	3,388,054

(Continued)

Clark County, Nevada
General Fund
Schedule of Revenues and Transfers - Budget and Actual
For the fiscal year ended June 30, 2013
(With comparative actual for the fiscal year ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues (Continued):					
Charges for services (Continued):					
Judicial					
Clerk fees	10,500,000	10,500,000	9,107,767	(1,392,233)	10,125,009
Other	2,250,000	2,250,000	1,925,397	(324,603)	2,277,933
Public safety					
Fire protection services	7,728,705	7,728,705	7,069,605	(659,100)	7,333,160
Other	1,000,000	1,000,000	1,323,924	323,924	1,254,353
Public works					
Engineering	2,500,000	2,500,000	2,895,637	395,637	3,407,161
Health and welfare					
Animal control	100,000	100,000	115,500	15,500	112,520
Culture and recreation					
Other	-	-	-	-	80
Total charges for services	<u>78,030,729</u>	<u>78,030,729</u>	<u>74,544,474</u>	<u>(3,486,255)</u>	<u>74,621,408</u>
Fines and forfeitures:					
Court fines	11,300,000	11,300,000	6,803,764	(4,496,236)	9,521,585
Court forfeits	13,500,000	13,500,000	18,150,114	4,650,114	16,081,262
Total fines and forfeitures	<u>24,800,000</u>	<u>24,800,000</u>	<u>24,953,878</u>	<u>153,878</u>	<u>25,602,847</u>
Interest	1,000,000	1,000,000	32,069	(967,931)	2,002,407
Other	4,000,000	4,000,000	5,281,702	1,281,702	3,306,973
Total revenues	<u>861,593,484</u>	<u>861,593,484</u>	<u>867,751,686</u>	<u>6,158,202</u>	<u>875,745,476</u>
Other financing sources:					
Transfers from other funds	<u>283,689,110</u>	<u>283,689,110</u>	<u>305,388,441</u>	<u>21,699,331</u>	<u>288,586,393</u>
Total revenues and other financing sources	<u>\$ 1,145,282,594</u>	<u>\$ 1,145,282,594</u>	<u>\$ 1,173,140,127</u>	<u>\$ 27,857,533</u>	<u>\$ 1,164,331,869</u>

See notes to Required Supplementary Information

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2013
(With comparative actual for the fiscal year ended June 30, 2012)
2013

	Original Budget	Final Budget	Actual	Variance	2012
Expenditures					
General Government					
Commission/Manager:					
Salaries and wages	\$ 2,797,023	\$ 2,807,023	\$ 2,805,099	\$ (1,924)	\$ 2,852,054
Employee benefits	1,258,400	1,258,400	1,284,798	26,398	1,297,831
Services and supplies	413,540	365,383	243,453	(121,930)	178,097
Total Commission/Manager	<u>4,468,963</u>	<u>4,430,806</u>	<u>4,333,350</u>	<u>(97,456)</u>	<u>4,327,982</u>
Office of Diversity:					
Salaries and wages	398,808	398,808	418,114	19,306	401,359
Employee benefits	184,593	184,593	180,395	(4,198)	183,014
Services and supplies	23,900	26,400	19,225	(7,175)	20,663
Total Office of Diversity	<u>607,301</u>	<u>609,801</u>	<u>617,734</u>	<u>7,933</u>	<u>605,036</u>
Office of Appointed Counsel					
Salaries and wages	177,072	177,072	179,936	2,864	179,780
Employee benefits	58,609	58,609	59,731	1,122	59,646
Services and supplies	10,610,850	10,610,850	10,714,663	103,813	11,239,727
Total Office of Appointed Counsel	<u>10,846,531</u>	<u>10,846,531</u>	<u>10,954,330</u>	<u>107,799</u>	<u>11,479,153</u>
Audit:					
Salaries and wages	673,394	673,394	593,580	(79,814)	590,081
Employee benefits	308,326	308,326	266,684	(41,642)	272,208
Services and supplies	25,150	25,150	23,449	(1,701)	22,302
Total Audit	<u>1,006,870</u>	<u>1,006,870</u>	<u>883,713</u>	<u>(123,157)</u>	<u>884,591</u>
Finance:					
Salaries and wages	3,454,366	3,454,366	3,106,244	(348,122)	3,500,126
Employee benefits	1,680,258	1,680,258	1,406,890	(273,368)	1,596,298
Services and supplies	449,800	2,543,108	102,151	(2,440,957)	235,854
Total Finance	<u>5,584,424</u>	<u>7,677,732</u>	<u>4,615,285</u>	<u>(3,062,447)</u>	<u>5,332,278</u>
Comptroller:					
Salaries and wages	2,470,908	2,470,908	2,368,258	(102,650)	2,413,991
Employee benefits	1,291,591	1,291,591	1,210,324	(81,267)	1,203,433
Services and supplies	150,975	150,975	86,774	(64,201)	123,580
Total Comptroller	<u>3,913,474</u>	<u>3,913,474</u>	<u>3,665,356</u>	<u>(248,118)</u>	<u>3,741,004</u>
Treasurer:					
Salaries and wages	1,672,037	1,672,037	1,498,852	(173,185)	1,648,339
Employee benefits	899,706	899,706	754,824	(144,882)	832,303
Services and supplies	975,440	975,440	845,343	(130,097)	934,850
Total Treasurer	<u>3,547,183</u>	<u>3,547,183</u>	<u>3,099,019</u>	<u>(448,164)</u>	<u>3,415,492</u>

(Continued)

Clark County, Nevada
 General Fund
 Schedule of Expenditures and Transfers - Budget and Actual
 For the fiscal year ended June 30, 2013
 (With comparative actual for the fiscal year ended June 30, 2012)
 (Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
General Government (Continued):					
Elections:					
Salaries and wages	5,029,478	5,029,478	4,277,141	(752,337)	3,138,108
Employee benefits	1,549,390	1,549,390	1,163,048	(386,342)	1,152,488
Services and supplies	4,460,267	4,460,267	2,212,984	(2,247,283)	1,378,953
Total Elections	<u>11,039,135</u>	<u>11,039,135</u>	<u>7,653,173</u>	<u>(3,385,962)</u>	<u>5,669,549</u>
Assessor:					
Salaries and wages	9,251,318	9,251,318	9,030,334	(220,984)	9,286,130
Employee benefits	4,502,920	4,502,920	4,135,425	(367,495)	4,303,412
Services and supplies	1,197,850	1,197,850	856,506	(341,344)	889,845
Total Assessor	<u>14,952,088</u>	<u>14,952,088</u>	<u>14,022,265</u>	<u>(929,823)</u>	<u>14,479,387</u>
Recorder:					
Salaries and wages	2,316,091	2,316,091	2,263,533	(52,558)	2,285,813
Employee benefits	1,358,246	1,358,246	1,278,116	(80,130)	1,263,084
Services and supplies	222,980	222,980	215,307	(7,673)	209,954
Total Recorder	<u>3,897,317</u>	<u>3,897,317</u>	<u>3,756,956</u>	<u>(140,361)</u>	<u>3,758,851</u>
Clerk:					
Salaries and wages	2,079,633	2,079,633	2,009,913	(69,720)	2,029,271
Employee benefits	1,210,526	1,210,526	1,074,829	(135,697)	1,092,562
Services and supplies	167,450	167,450	96,861	(70,589)	87,793
Total Clerk	<u>3,457,609</u>	<u>3,457,609</u>	<u>3,181,603</u>	<u>(276,006)</u>	<u>3,209,626</u>
Administrative Services:					
Salaries and wages	5,924,891	5,968,796	5,688,012	(280,784)	6,185,939
Employee benefits	3,139,392	3,147,997	2,813,289	(334,708)	3,022,441
Services and supplies	3,553,555	3,510,655	3,160,858	(349,797)	3,268,755
Total Administrative Services	<u>12,617,838</u>	<u>12,627,448</u>	<u>11,662,159</u>	<u>(965,289)</u>	<u>12,477,135</u>
Human Resources:					
Salaries and wages	1,856,065	1,646,912	1,538,125	(108,787)	1,916,135
Employee benefits	838,469	754,557	672,890	(81,667)	820,285
Services and supplies	385,031	370,331	292,443	(77,888)	207,283
Total Human Resources	<u>3,079,565</u>	<u>2,771,800</u>	<u>2,503,458</u>	<u>(268,342)</u>	<u>2,943,703</u>
Comprehensive Planning:					
Salaries and wages	4,336,882	4,336,882	4,210,009	(126,873)	4,005,536
Employee benefits	1,970,735	1,970,735	1,862,426	(108,309)	1,820,302
Services and supplies	405,614	405,614	342,762	(62,852)	286,459
Total Comprehensive Planning	<u>6,713,231</u>	<u>6,713,231</u>	<u>6,415,197</u>	<u>(298,034)</u>	<u>6,112,297</u>

(Continued)

Clark County, Nevada
 General Fund
 Schedule of Expenditures and Transfers - Budget and Actual
 For the fiscal year ended June 30, 2013
 (With comparative actual for the fiscal year ended June 30, 2012)
 (Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
General Government (Continued):					
A-95 Clearinghouse Council:					
Salaries and wages	52,379	52,379	53,967	1,588	46,394
Employee benefits	30,080	30,080	34,277	4,197	30,361
Services and supplies	4,637	4,637	627	(4,010)	2,345
Total A-95 Clearinghouse Council	<u>87,096</u>	<u>87,096</u>	<u>88,871</u>	<u>1,775</u>	<u>79,100</u>
Business License:					
Salaries and wages	3,581,095	3,581,095	3,546,030	(35,065)	3,543,153
Employee benefits	1,820,006	1,820,006	1,737,349	(82,657)	1,727,587
Services and supplies	398,306	398,306	330,933	(67,373)	341,482
Total Business License	<u>5,799,407</u>	<u>5,799,407</u>	<u>5,614,312</u>	<u>(185,095)</u>	<u>5,612,222</u>
Real Property Management:					
Salaries and wages	11,883,639	11,883,639	11,729,633	(154,006)	11,707,599
Employee benefits	6,079,124	6,079,124	5,557,069	(522,055)	5,911,638
Services and supplies	11,058,355	11,034,457	10,431,531	(602,926)	10,323,029
Capital outlay	-	17,100	-	(17,100)	-
Total Real Property Management	<u>29,021,118</u>	<u>29,014,320</u>	<u>27,718,233</u>	<u>(1,296,087)</u>	<u>27,942,266</u>
Total General Government	<u>120,639,150</u>	<u>122,391,848</u>	<u>110,785,014</u>	<u>(11,606,834)</u>	<u>112,069,672</u>
Judicial:					
Outlying Constable:					
Salaries and wages	93,402	93,402	92,642	(760)	92,876
Employee benefits	185,318	185,318	188,018	2,700	190,434
Services and supplies	10,300	10,300	5,366	(4,934)	8,252
Total Outlying Constable	<u>289,020</u>	<u>289,020</u>	<u>286,026</u>	<u>(2,994)</u>	<u>291,562</u>
Henderson Constable:					
Salaries and wages	87,506	91,111	93,998	2,887	81,865
Employee benefits	67,849	64,244	65,467	1,223	63,722
Services and supplies	17,500	40,316	37,957	(2,359)	18,724
Total Henderson Constable	<u>172,855</u>	<u>195,671</u>	<u>197,422</u>	<u>1,751</u>	<u>164,311</u>

(Continued)

Clark County, Nevada
 General Fund
 Schedule of Expenditures and Transfers - Budget and Actual
 For the fiscal year ended June 30, 2013
 (With comparative actual for the fiscal year ended June 30, 2012)
 (Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
North Las Vegas Constable:					
Salaries and wages	102,941	102,941	102,528	(413)	102,827
Employee benefits	75,735	75,735	67,427	(8,308)	69,085
Services and supplies	27,300	35,800	34,029	(1,771)	31,716
Total North Las Vegas Constable	<u>205,976</u>	<u>214,476</u>	<u>203,984</u>	<u>(10,492)</u>	<u>203,628</u>
District Attorney:					
Salaries and wages	26,219,202	26,219,202	25,411,056	(808,146)	25,352,065
Employee benefits	11,525,789	11,525,789	10,898,500	(627,289)	10,770,865
Services and supplies	1,273,250	1,273,250	1,103,838	(169,412)	1,176,388
Total District Attorney	<u>39,018,241</u>	<u>39,018,241</u>	<u>37,413,394</u>	<u>(1,604,847)</u>	<u>37,299,318</u>
Witness/Legal Fees:					
Services and supplies	1,792,000	1,792,000	1,401,816	(390,184)	1,417,135
Total Witness/Legal Fees	<u>1,792,000</u>	<u>1,792,000</u>	<u>1,401,816</u>	<u>(390,184)</u>	<u>1,417,135</u>
Family Court:					
Salaries and wages	7,354,693	6,041,102	6,008,636	(32,466)	7,188,620
Employee benefits	3,583,652	2,892,750	2,673,101	(219,649)	3,366,440
Services and supplies	1,402,650	1,336,800	1,244,178	(92,622)	1,302,339
Total Family Court	<u>12,340,995</u>	<u>10,270,652</u>	<u>9,925,915</u>	<u>(344,737)</u>	<u>11,857,399</u>
Civil/Criminal:					
Salaries and wages	12,056,751	11,251,570	10,961,791	(289,779)	12,238,830
Employee benefits	5,974,593	5,545,158	5,032,899	(512,259)	5,625,991
Services and supplies	2,267,486	2,529,155	2,490,826	(38,329)	2,586,944
Total Civil/Criminal	<u>20,298,830</u>	<u>19,325,883</u>	<u>18,485,516</u>	<u>(840,367)</u>	<u>20,451,765</u>
Clerk of the Court:					
Salaries and wages	11,873,777	11,875,855	11,106,874	(768,981)	11,272,625
Employee benefits	6,687,249	6,687,302	6,000,387	(686,915)	6,046,247
Services and supplies	515,778	477,278	369,922	(107,356)	459,288
Total Clerk of the Court	<u>19,076,804</u>	<u>19,040,435</u>	<u>17,477,183</u>	<u>(1,563,252)</u>	<u>17,778,160</u>
Alternative Dispute Resolution					
Salaries and wages	420,616	420,616	414,819	(5,797)	411,848
Employee benefits	224,045	224,045	222,323	(1,722)	211,664
Services and supplies	106,985	98,985	91,611	(7,374)	103,753
Total Alternative Dispute Resolution	<u>751,646</u>	<u>743,646</u>	<u>728,753</u>	<u>(14,893)</u>	<u>727,265</u>

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2013
(With comparative actual for the fiscal year ended June 30, 2012)
(Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Special Public Defender:					
Salaries and wages	2,168,419	2,168,419	2,149,507	(18,912)	2,120,049
Employee benefits	950,157	950,157	927,608	(22,549)	941,103
Services and supplies	422,977	422,977	330,669	(92,308)	246,050
Total Special Public Defender	<u>3,541,553</u>	<u>3,541,553</u>	<u>3,407,784</u>	<u>(133,769)</u>	<u>3,307,202</u>
Court Jury Services:					
Salaries and wages	192,310	192,310	176,760	(15,550)	155,084
Employee benefits	129,526	129,526	100,205	(29,321)	106,142
Services and supplies	1,335,950	1,141,850	1,025,277	(116,573)	978,768
Total Court Jury Services	<u>1,657,786</u>	<u>1,463,686</u>	<u>1,302,242</u>	<u>(161,444)</u>	<u>1,239,994</u>
Grand Jury:					
Services and supplies	211,150	187,650	183,333	(4,317)	193,225
Total Grand Jury	<u>211,150</u>	<u>187,650</u>	<u>183,333</u>	<u>(4,317)</u>	<u>193,225</u>
Las Vegas Justice Court:					
Salaries and wages	11,125,616	11,897,551	11,110,467	(787,084)	10,715,508
Employee benefits	5,671,213	6,099,798	5,593,552	(506,246)	5,261,425
Services and supplies	1,971,130	1,982,561	1,754,401	(228,160)	1,671,496
Total Las Vegas Justice Court	<u>18,767,959</u>	<u>19,979,910</u>	<u>18,458,420</u>	<u>(1,521,490)</u>	<u>17,648,429</u>
Henderson Justice Court:					
Salaries and wages	1,733,742	1,733,742	1,718,776	(14,966)	1,691,881
Employee benefits	862,354	862,354	818,175	(44,179)	812,880
Services and supplies	171,050	171,050	129,913	(41,137)	134,439
Total Henderson Justice Court	<u>2,767,146</u>	<u>2,767,146</u>	<u>2,666,864</u>	<u>(100,282)</u>	<u>2,639,200</u>
North Las Vegas Justice Court:					
Salaries and wages	1,926,697	1,926,697	1,835,327	(91,370)	1,859,046
Employee benefits	957,460	957,460	919,240	(38,220)	918,015
Services and supplies	117,700	117,700	97,351	(20,349)	77,524
Total North Las Vegas Justice Court	<u>3,001,857</u>	<u>3,001,857</u>	<u>2,851,918</u>	<u>(149,939)</u>	<u>2,854,585</u>
Outlying Justice Court:					
Salaries and wages	1,701,085	1,701,085	1,612,709	(88,376)	1,635,083
Employee benefits	775,510	775,510	695,106	(80,404)	732,378
Services and supplies	228,187	228,187	194,474	(33,713)	190,846
Total Outlying Justice Court	<u>2,704,782</u>	<u>2,704,782</u>	<u>2,502,289</u>	<u>(202,493)</u>	<u>2,558,307</u>

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2013
(With comparative actual for the fiscal year ended June 30, 2012)
(Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Public Defender:					
Salaries and wages	15,653,377	15,653,377	15,730,800	77,423	15,461,726
Employee benefits	6,916,581	6,916,581	6,669,044	(247,537)	6,700,693
Services and supplies	1,004,830	1,004,830	864,005	(140,825)	872,415
Total Public Defender	<u>23,574,788</u>	<u>23,574,788</u>	<u>23,263,849</u>	<u>(310,939)</u>	<u>23,034,834</u>
Neighborhood Justice Center:					
Salaries and wages	784,813	784,813	698,919	(85,894)	743,597
Employee benefits	378,121	378,121	308,643	(69,478)	374,343
Services and supplies	500,500	500,500	353,237	(147,263)	413,447
Total Neighborhood Justice Center	<u>1,663,434</u>	<u>1,663,434</u>	<u>1,360,799</u>	<u>(302,635)</u>	<u>1,531,387</u>
Total Judicial	<u>151,836,822</u>	<u>149,774,830</u>	<u>142,117,507</u>	<u>(7,657,323)</u>	<u>145,197,706</u>
Public Safety:					
Office of the Sheriff:					
Salaries and wages	184,059	184,059	187,070	3,011	173,492
Employee benefits	24,787	24,787	23,055	(1,732)	23,438
Services and supplies	1,000	1,000	-	(1,000)	78
Total Office of the Sheriff	<u>209,846</u>	<u>209,846</u>	<u>210,125</u>	<u>279</u>	<u>197,008</u>
Fire Department:					
Salaries and wages	71,685,780	71,855,028	73,568,959	1,713,931	72,007,054
Employee benefits	44,674,578	44,749,885	37,092,359	(7,657,526)	45,504,685
Services and supplies	8,643,417	8,669,555	7,578,647	(1,090,908)	7,789,310
Total Fire Department	<u>125,003,775</u>	<u>125,274,468</u>	<u>118,239,965</u>	<u>(7,034,503)</u>	<u>125,301,049</u>
Volunteer Fire and Ambulance:					
Services and supplies	249,636	249,136	215,124	(34,012)	203,228
Total Volunteer Fire and Ambulance	<u>249,636</u>	<u>249,136</u>	<u>215,124</u>	<u>(34,012)</u>	<u>203,228</u>
Public Guardian:					
Salaries and wages	1,434,107	1,434,107	1,232,282	(201,825)	1,207,636
Employee benefits	743,827	743,827	602,772	(141,055)	611,147
Services and supplies	115,652	115,652	66,591	(49,061)	77,198
Total Public Guardian	<u>2,293,586</u>	<u>2,293,586</u>	<u>1,901,645</u>	<u>(391,941)</u>	<u>1,895,981</u>

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2013
(With comparative actual for the fiscal year ended June 30, 2012)
(Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Public Safety (Continued):					
Public Administrator:					
Salaries and wages	590,438	615,438	633,466	18,028	663,642
Employee benefits	229,750	204,750	216,451	11,701	257,975
Services and supplies	54,479	54,479	35,059	(19,420)	38,151
Total Public Administrator	<u>874,667</u>	<u>874,667</u>	<u>884,976</u>	<u>10,309</u>	<u>959,768</u>
Coroner:					
Salaries and wages	3,045,066	3,045,066	3,028,942	(16,124)	3,047,636
Employee benefits	1,227,867	1,227,867	1,190,580	(37,287)	1,211,782
Services and supplies	1,099,568	1,099,568	1,011,313	(88,255)	869,831
Total Coroner	<u>5,372,501</u>	<u>5,372,501</u>	<u>5,230,835</u>	<u>(141,666)</u>	<u>5,129,249</u>
Juvenile Justice:					
Salaries and wages	24,799,499	24,799,499	24,952,327	152,828	25,088,186
Employee benefits	14,990,545	14,990,545	13,430,112	(1,560,433)	13,697,244
Services and supplies	4,492,407	4,492,407	3,678,798	(813,609)	3,707,745
Total Juvenile Justice	<u>44,282,451</u>	<u>44,282,451</u>	<u>42,061,237</u>	<u>(2,221,214)</u>	<u>42,493,175</u>
Family Services:					
Salaries and wages	18,282,750	18,282,750	18,246,104	(36,646)	17,442,658
Employee benefits	8,900,029	8,900,029	8,127,755	(772,274)	8,098,947
Services and supplies	3,451,533	3,427,572	3,344,753	(82,819)	4,516,942
Capital outlay	-	23,961	23,217	(744)	-
Total Family Services	<u>30,634,312</u>	<u>30,634,312</u>	<u>29,741,829</u>	<u>(892,483)</u>	<u>30,058,547</u>
Total Public Safety	<u>208,920,774</u>	<u>209,190,967</u>	<u>198,485,736</u>	<u>(10,705,231)</u>	<u>206,238,005</u>
Public Works:					
Public Works:					
Salaries and wages	6,799,618	6,799,618	6,197,184	(602,434)	6,828,121
Employee benefits	3,134,015	3,134,015	2,824,854	(309,161)	2,907,116
Services and supplies	1,572,091	1,572,091	1,236,235	(335,856)	1,248,139
Total Public Works	<u>11,505,724</u>	<u>11,505,724</u>	<u>10,258,273</u>	<u>(1,247,451)</u>	<u>10,983,376</u>

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2013
(With comparative actual for the fiscal year ended June 30, 2012)
(Continued)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Health:					
Emergency Room Admittance:					
Services and supplies	98,185,820	98,185,820	98,185,620	(200)	87,335,719
Total Emergency Room Admittance	<u>98,185,820</u>	<u>98,185,820</u>	<u>98,185,620</u>	<u>(200)</u>	<u>87,335,719</u>
Emergency Medical Care:					
Services and supplies	3,050,000	3,050,000	2,814,619	(235,381)	2,847,043
Total Emergency Medical Care	<u>3,050,000</u>	<u>3,050,000</u>	<u>2,814,619</u>	<u>(235,381)</u>	<u>2,847,043</u>
Total Health	<u>101,235,820</u>	<u>101,235,820</u>	<u>101,000,239</u>	<u>(235,581)</u>	<u>90,182,762</u>
Welfare:					
Salaries and wages	7,294,418	7,294,418	6,509,781	(784,637)	6,752,773
Employee benefits	3,857,424	3,857,424	3,240,778	(616,646)	3,316,178
Services and supplies	65,707,815	65,707,815	67,017,226	1,309,411	69,474,445
Total Welfare	<u>76,859,657</u>	<u>76,859,657</u>	<u>76,767,785</u>	<u>(91,872)</u>	<u>79,543,396</u>
Culture and Recreation:					
Salaries and wages	6,378,673	6,378,673	6,224,685	(153,988)	6,349,691
Employee benefits	3,032,517	3,032,517	2,902,970	(129,547)	2,940,229
Services and supplies	1,026,869	1,026,869	736,269	(290,600)	736,088
Total Culture and Recreation	<u>10,438,059</u>	<u>10,438,059</u>	<u>9,863,924</u>	<u>(574,135)</u>	<u>10,026,008</u>
Other General Expenditures:					
Utilities	23,546,727	19,146,727	18,262,914	(883,813)	18,574,977
Building rental	2,212,246	2,278,365	1,823,555	(454,810)	1,913,008
Capital replacement	3,536,400	1,029,400	528,626	(500,774)	1,555,476
Administrative assessments	1,415,000	1,421,798	992,886	(428,912)	932,410
Insurance and official bonds	3,597,162	3,522,162	3,510,394	(11,768)	3,630,310
Miscellaneous refunds and expenditures	13,349,163	9,144,215	8,404,062	(740,153)	16,984,338
Internal service charges	42,713,295	41,970,295	41,968,477	(1,818)	40,745,704
Publications and professional services	3,390,805	2,990,805	2,226,433	(764,372)	2,849,467
Contributions	15,879,962	32,167,828	35,767,828	3,600,000	13,063,886
Total Other General Expenditures	<u>109,640,760</u>	<u>113,671,595</u>	<u>113,485,175</u>	<u>(186,420)</u>	<u>100,249,576</u>
Total expenditures	<u>791,076,766</u>	<u>795,068,500</u>	<u>762,763,653</u>	<u>(32,304,847)</u>	<u>754,490,501</u>
Transfers to other funds	386,405,066	382,413,332	381,998,350	(414,982)	402,596,624
Total expenditures and transfers	<u>\$ 1,177,481,832</u>	<u>\$ 1,177,481,832</u>	<u>\$ 1,144,762,003</u>	<u>\$ (32,719,829)</u>	<u>\$ 1,157,087,125</u>

See notes to Required Supplementary Information

Clark County, Nevada
Reconciliation of General Fund (Budgetary Basis) to the General Fund (Modified Accrual Basis)
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2013

	General Fund Budgetary Basis	Internally Reported Funds	Eliminations	General Fund Modified Accrual Basis
Revenues:				
Taxes	\$ 257,375,116	\$ 153,750,033	\$ -	\$ 411,125,149
Licenses and permits	212,148,330	19,323,356	-	231,471,686
Intergovernmental revenue	293,416,117	405,631,511	-	699,047,628
Charges for services	74,544,474	10,753,319	-	85,297,793
Fines and forfeitures	24,953,878	-	-	24,953,878
Interest	32,069	420,494	-	452,563
Other	5,281,702	682,074	-	5,963,776
Total revenues	<u>867,751,686</u>	<u>590,560,787</u>	<u>-</u>	<u>1,458,312,473</u>
Expenditures:				
Current:				
General government	110,785,015	5,684,241	-	116,469,256
Judicial	142,117,507	953,880	-	143,071,387
Public safety	198,462,518	176,439,192	-	374,901,710
Public works	10,258,273	205,884,836	-	216,143,109
Health	101,000,239	-	-	101,000,239
Welfare	76,767,785	-	-	76,767,785
Culture and recreation	9,863,924	27,616	-	9,891,540
Other general expenditures	113,253,138	-	-	113,253,138
Capital outlay	255,254	475,530	-	730,784
Debt service:				
Interest	-	12,028,806	-	12,028,806
Total expenditures	<u>762,763,653</u>	<u>401,494,101</u>	<u>-</u>	<u>1,164,257,754</u>
Excess of revenues over expenditures	104,988,033	189,066,686	-	294,054,719
Other financing sources (uses):				
Transfers from other funds	305,388,441	185,451,520	453,683,484	37,156,477
Transfers to other funds	<u>(381,998,350)</u>	<u>(390,394,542)</u>	<u>(453,683,484)</u>	<u>(318,709,408)</u>
Total other financing sources (uses)	<u>(76,609,909)</u>	<u>(204,943,022)</u>	<u>-</u>	<u>(281,552,931)</u>
Net changes in fund balances	28,378,124	(15,876,336)	-	12,501,788
Fund balance:				
Beginning of year	191,010,879	134,947,188	-	325,958,067
End of year	<u>\$ 219,389,003</u>	<u>\$ 119,070,852</u>	<u>\$ -</u>	<u>\$ 338,459,855</u>

Clark County, Nevada
Internally Reported Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the fiscal year ended June 30, 2013

	Detention Services	Master Transportation Plan	Court Education Program	Citizen Review Board Administration	Personnel Services	Federal Nuclear Waste Grant
Revenues:						
Taxes	\$ -	\$ 42,523,311	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	8,432,802	-	-	-	-
Intergovernmental revenue	-	257,413,011	236,570	81,688	-	-
Charges for services	5,623,299	-	580,048	-	242,138	-
Interest	66,710	(17,811)	996	199	(26)	745
Other	240,831	-	27	-	-	1,823
Total revenues	<u>5,930,840</u>	<u>308,351,313</u>	<u>817,641</u>	<u>81,887</u>	<u>242,112</u>	<u>2,568</u>
Expenditures:						
Salaries and wages	86,353,130	-	493,074	142,830	160,423	252,453
Employee benefits	39,969,958	-	241,095	50,733	80,459	64,455
Services and supplies	33,139,737	205,609,334	219,711	22,914	1,230	35,155
Capital outlay	437,116	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>159,899,941</u>	<u>205,609,334</u>	<u>953,880</u>	<u>216,477</u>	<u>242,112</u>	<u>352,063</u>
Excess (deficiency) of revenues over (under) expenditures	(153,969,101)	102,741,979	(136,239)	(134,590)	-	(349,495)
Other financing sources (uses):						
Transfers from other funds	156,000,000	-	-	137,355	-	-
Transfers to other funds	-	(102,741,979)	(222,526)	-	-	-
Total other financing sources (uses)	<u>156,000,000</u>	<u>(102,741,979)</u>	<u>(222,526)</u>	<u>137,355</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,030,899	-	(358,765)	2,765	-	(349,495)
Fund balance:						
Beginning of year	<u>33,430,807</u>	<u>-</u>	<u>725,131</u>	<u>25,227</u>	<u>-</u>	<u>957,326</u>
End of year	<u>\$ 35,461,706</u>	<u>\$ -</u>	<u>\$ 366,366</u>	<u>\$ 27,992</u>	<u>\$ -</u>	<u>\$ 607,831</u>

(Continued)

Clark County, Nevada
Internally Reported Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the fiscal year ended June 30, 2013
(Continued)

	Technology Fees	Fire Prevention Bureau	LVMPD Seized Funds	County Licensing Applications	Satellite Detention Center	Special Improvement District Administration
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-
Charges for services	-	3,783,089	-	-	-	519,141
Interest	4,325	1,894	5,309	12,209	26,739	1,643
Other	-	2,408	-	52,798	-	1,806
Total revenues	<u>4,325</u>	<u>3,787,391</u>	<u>5,309</u>	<u>65,007</u>	<u>26,739</u>	<u>522,590</u>
Expenditures:						
Salaries and wages	535,961	6,016,524	-	-	-	243,663
Employee benefits	268,925	2,563,709	-	-	-	130,357
Services and supplies	1,936,488	609,943	678	58,385	7,785,513	27
Capital outlay	38,414	-	-	-	-	-
Interest	-	-	-	-	12,028,806	-
Total expenditures	<u>2,779,788</u>	<u>9,190,176</u>	<u>678</u>	<u>58,385</u>	<u>19,814,319</u>	<u>374,047</u>
Excess (deficiency) of revenues over (under) expenditures	(2,775,463)	(5,402,785)	4,631	6,622	(19,787,580)	148,543
Other financing sources (uses):						
Transfers from other funds	2,157,689	4,000,000	-	-	8,000,000	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>2,157,689</u>	<u>4,000,000</u>	<u>-</u>	<u>-</u>	<u>8,000,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(617,774)	(1,402,785)	4,631	6,622	(11,787,580)	148,543
Fund balance:						
Beginning of year	<u>4,047,094</u>	<u>2,861,274</u>	<u>115,698</u>	<u>1,309,500</u>	<u>36,587,914</u>	<u>834,694</u>
End of year	<u>\$ 3,429,320</u>	<u>\$ 1,458,489</u>	<u>\$ 120,329</u>	<u>\$ 1,316,122</u>	<u>\$ 24,800,334</u>	<u>\$ 983,237</u>

(Continued)

Clark County, Nevada
Internally Reported Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the fiscal year ended June 30, 2013
(Continued)

	<u>In-Transit</u>	<u>Bunkerville Town</u>	<u>Clark County Fire Service District</u>	<u>Enterprise Town</u>	<u>Indian Springs Town</u>	<u>Moapa Town</u>
Revenues:						
Taxes	\$ -	\$ 4,544	\$ 58,454,206	\$ 10,071,834	\$ 2,191	\$ 64,655
Licenses and permits	-	-	-	718,310	11,400	6,090
Intergovernmental revenue	-	560,305	42,061,340	3,233,766	-	-
Charges for services	5,604	-	-	-	-	-
Interest	317,562	-	-	-	-	-
Other	382,381	-	-	-	-	-
Total revenues	<u>705,547</u>	<u>564,849</u>	<u>100,515,546</u>	<u>14,023,910</u>	<u>13,591</u>	<u>70,745</u>
Expenditures:						
Salaries and wages	-	-	-	-	-	19,327
Employee benefits	-	-	-	-	-	493
Services and supplies	1,975,285	-	-	-	-	7,796
Capital outlay	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>1,975,285</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,616</u>
Excess (deficiency) of revenues over (under) expenditures	(1,269,738)	564,849	100,515,546	14,023,910	13,591	43,129
Other financing sources (uses):						
Transfers from other funds	-	-	15,156,476	-	-	-
Transfers to other funds	(2,340,905)	(564,779)	(109,943,480)	(15,141,272)	(16,127)	(58,314)
Total other financing sources (uses)	<u>(2,340,905)</u>	<u>(564,779)</u>	<u>(94,787,004)</u>	<u>(15,141,272)</u>	<u>(16,127)</u>	<u>(58,314)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,610,643)	70	5,728,542	(1,117,362)	(2,536)	(15,185)
Fund balance:						
Beginning of year	<u>8,306,127</u>	<u>99,450</u>	<u>6,608,931</u>	<u>2,379,118</u>	<u>3,615</u>	<u>24,871</u>
End of year	<u>\$ 4,695,484</u>	<u>\$ 99,520</u>	<u>\$ 12,337,473</u>	<u>\$ 1,261,756</u>	<u>\$ 1,079</u>	<u>\$ 9,686</u>

(Continued)

Clark County, Nevada
Internally Reported Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the fiscal year ended June 30, 2013
(Continued)

	Moapa Valley Town	Mt. Charleston Town	Paradise Town	Searchlight Town	Spring Valley Town	Summerlin Town
Revenues:						
Taxes	\$ 29,078	\$ 7,829	\$ 22,967,014	\$ 4,164	\$ 9,279,343	\$ 3,087,337
Licenses and permits	1,650	2,640	7,698,340	23,249	195,970	509,515
Intergovernmental revenue	755,699	-	61,151,988	395,300	17,086,812	138,713
Charges for services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>786,427</u>	<u>10,469</u>	<u>91,817,342</u>	<u>422,713</u>	<u>26,562,125</u>	<u>3,735,565</u>
Expenditures:						
Salaries and wages	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-
Services and supplies	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	786,427	10,469	91,817,342	422,713	26,562,125	3,735,565
Other financing sources (uses):						
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	(927,958)	(9,602)	(93,150,000)	(404,212)	(27,500,000)	(4,000,000)
Total other financing sources (uses)	<u>(927,958)</u>	<u>(9,602)</u>	<u>(93,150,000)</u>	<u>(404,212)</u>	<u>(27,500,000)</u>	<u>(4,000,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(141,531)	867	(1,332,658)	18,501	(937,875)	(264,435)
Fund balance:						
Beginning of year	<u>276,182</u>	<u>821</u>	<u>19,045,522</u>	<u>51,817</u>	<u>6,475,644</u>	<u>1,800,625</u>
End of year	<u>\$ 134,651</u>	<u>\$ 1,688</u>	<u>\$ 17,712,864</u>	<u>\$ 70,318</u>	<u>\$ 5,537,769</u>	<u>\$ 1,536,190</u>

(Continued)

Clark County, Nevada
Internally Reported Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the fiscal year ended June 30, 2013
(Continued)

	Sunrise Manor Town	Whitney Town	Winchester Town	2013	2012
Revenues:					
Taxes	\$ 4,021,781	\$ 946,453	\$ 2,286,293	\$ 153,750,033	\$ 160,019,540
Licenses and permits	1,066,365	59,840	597,185	19,323,356	18,081,040
Intergovernmental revenue	8,407,552	659,422	13,449,345	405,631,511	384,543,301
Charges for services	-	-	-	10,753,319	9,841,074
Interest	-	-	-	420,494	2,273,274
Other	-	-	-	682,074	587,940
Total revenues	<u>13,495,698</u>	<u>1,665,715</u>	<u>16,332,823</u>	<u>590,560,787</u>	<u>575,346,169</u>
Expenditures:					
Salaries and wages	-	-	-	94,217,385	92,520,744
Employee benefits	-	-	-	43,370,184	54,866,184
Services and supplies	-	-	-	251,402,196	244,217,610
Capital outlay	-	-	-	475,530	5,589,613
Interest	-	-	-	12,028,806	11,915,327
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>401,494,101</u>	<u>409,109,478</u>
Excess (deficiency) of revenues over (under) expenditures	13,495,698	1,665,715	16,332,823	189,066,686	166,236,691
Other financing sources (uses):					
Transfers from other funds	-	-	-	185,451,520	177,766,657
Transfers to other funds	(14,000,000)	(1,873,388)	(17,500,000)	(390,394,542)	(381,050,539)
Total other financing sources (uses)	<u>(14,000,000)</u>	<u>(1,873,388)</u>	<u>(17,500,000)</u>	<u>(204,943,022)</u>	<u>(203,283,882)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(504,302)	(207,673)	(1,167,177)	(15,876,336)	(37,047,191)
Fund balance:					
Beginning of year	<u>3,614,406</u>	<u>332,187</u>	<u>5,033,207</u>	<u>134,947,188</u>	<u>171,994,379</u>
End of year	<u>\$ 3,110,104</u>	<u>\$ 124,514</u>	<u>\$ 3,866,030</u>	<u>\$ 119,070,852</u>	<u>\$ 134,947,188</u>

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FUND

To account for the operations of the Las Vegas Metropolitan Police Department. Financing is provided primarily by LVMPD ad valorem taxes, contributions from the City of Las Vegas and transfers from the County general fund. Such contributions may only be used to finance the LVMPD.

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, 2013
(With comparative actual for the fiscal year ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Ad valorem taxes	\$ 110,063,692	\$ 110,063,692	\$ 111,453,834	\$ 1,390,142	\$ 118,948,845
Intergovernmental revenue:					
Federal and state grants	-	19,342,843	10,784,594	(8,558,249)	12,737,377
City of Las Vegas contribution	115,459,895	115,459,895	115,459,895	-	118,011,599
Charges for services:					
Airport security	19,230,918	19,230,918	19,672,072	441,154	18,297,219
Other	9,860,000	9,860,000	12,433,955	2,573,955	11,176,575
Interest	1,100,000	1,100,000	181,674	(918,326)	616,975
Other	1,180,000	1,100,000	2,343,922	1,243,922	1,333,399
Total revenues	<u>256,894,505</u>	<u>276,157,348</u>	<u>272,329,946</u>	<u>(3,827,402)</u>	<u>281,121,989</u>
Other financing sources:					
Transfers from other funds	202,432,235	202,432,235	202,907,207	474,972	189,260,273
Total revenues and other financing sources	<u>459,326,740</u>	<u>478,589,583</u>	<u>475,237,153</u>	<u>(3,352,430)</u>	<u>470,382,262</u>
Expenditures:					
Salaries and wages	303,676,159	297,415,171	287,226,070	(10,189,101)	298,901,381
Employee benefits	134,661,774	132,274,500	125,006,306	(7,268,194)	129,869,042
Services and supplies	58,537,482	74,716,567	61,351,627	(13,364,940)	61,935,906
Capital outlay	5,998,352	17,730,372	16,029,995	(1,700,377)	3,626,256
Principal	-	-	-	-	178,480
Interest	-	-	-	-	4,825
Total expenditures	<u>502,873,767</u>	<u>522,136,610</u>	<u>489,613,998</u>	<u>(32,522,612)</u>	<u>494,515,890</u>
Other financing uses:					
Transfers to other funds	-	-	-	-	-
Total expenditures and other financing uses	<u>502,873,767</u>	<u>522,136,610</u>	<u>489,613,998</u>	<u>(32,522,612)</u>	<u>494,515,890</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(43,547,027)	(43,547,027)	(14,376,845)	29,170,182	(24,133,628)
Fund balance:					
Beginning of year	52,060,520	52,060,520	54,416,626	2,356,106	78,550,254
End of year	<u>\$ 8,513,493</u>	<u>\$ 8,513,493</u>	<u>\$ 40,039,781</u>	<u>\$ 31,526,288</u>	<u>\$ 54,416,626</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>
2008	\$ 23,587,076	100
2009	27,262,106	100
2010	25,753,794	100
2011	26,606,950	100
2012	26,721,710	100
2013	29,058,894	100

Annual required contributions are determined as part of the actuarial valuations at July 1 of each plan year. Prior to fiscal year ended June 30, 2010, the aggregate actuarial cost method was used. Beginning with the fiscal year ended June 30, 2010, the entry age normal cost method was used.

Additional actuarial assumptions as of the latest actuarial valuation:

Investment rate of return	7.25%
Total payroll growth	3.00%

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 Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Entry Age Normal Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
07/01/07	\$119,142,043	\$222,471,907	\$103,329,864	53.60%	\$ 97,880,824	105.6%
07/01/08	127,179,936	250,041,067	122,870,131	50.90	111,054,552	110.6
07/01/09	156,464,229	300,396,876	143,932,647	52.10	122,006,497	118.0
07/01/10	165,504,117	322,902,749	157,398,632	51.30	119,663,339	131.5
07/01/11	181,450,882	347,880,294	166,429,412	52.20	117,220,320	142.0
07/01/12	189,843,458	368,499,550	178,656,092	51.50	119,067,304	150.0

The actuarially determined AAL and UAAL involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The estimates are subject to continual revision.

Prior to July 1, 2009, the Las Vegas Valley Water District Retirement Plan used the Aggregate Actuarial cost method. Because that method did not identify or separately amortize unfunded actuarial accrued liabilities, information about the plan's funded status and funding progress prior to July 1, 2009 was prepared using the Entry Age actuarial cost method. That information was intended to serve as a surrogate for the funded status and funding progress of the plan. The actuarial cost method was changed to the Entry Age method as of July 1, 2009

See notes to Required Supplementary Information

Clark County, Nevada
Other Post-Employment Benefits Required Supplementary Information
Schedule of Funding Progress

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
County Plan	07/01/2008	\$ -	\$447,990,595	\$447,990,595	0.0%	\$766,272,363	58.5%
	07/01/2010	-	693,803,547	693,803,547	0.0	765,110,216	90.7%
	07/01/2012	-	732,005,639	732,005,639	0.0	739,832,130	98.9%
PEBP ⁽¹⁾	07/01/2008	-	111,336,740	111,336,740	0.0	-	n/a
	07/01/2010	-	127,975,674	127,975,674	0.0	-	n/a
	07/01/2012	-	113,031,433	113,031,433	0.0	-	n/a
Fire Plan	07/01/2008	5,552,810	85,378,281	79,825,471	6.5	77,213,379	103.4
	07/01/2010	6,541,552	138,226,725	131,685,173	4.7	74,167,614	177.6
	07/01/2012 ⁽³⁾	5,339,668	39,172,059	33,832,391	13.6	72,824,754	46.4
Metro Plan ⁽²⁾	06/30/2008	-	446,757,386	446,757,386	0.0	415,850,264	107.4
	06/30/2010	-	398,433,914	398,433,914	0.0	349,202,005	114.1
	06/30/2012	-	447,563,618	447,563,618	0.0	302,392,694	148.0
Metro Civilian Plan ⁽²⁾	06/30/2010	-	14,554,697	14,554,697	0.0	71,192,228	20.4
	06/30/2012	-	19,304,624	19,304,624	0.0	95,492,430	20.2

(1) PEBP closed to new County participants as of November 1, 2008; therefore, covered payroll is zero as of July 1, 2008, valuation date.

(2) Calculation based on Projected-unit-credit-cost actuarial cost method

(3) For the 7/1/2012 plan, County contributions are assumed to grow at the same rate as the healthcare inflation rate, vs. no growth assumed in the previous actuarial valuation. Also, per capita cost assumptions have been reduced to reflect actual experience and healthcare cost trend assumptions were reduced in light of current economic conditions and future expected inflation.

See notes to Required Supplementary Information

Clark County, Nevada
Notes to Required Supplementary Information
Year Ended June 30, 2013

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 Commissioners 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, 2012, as originally adopted, were augmented during the year for grants and other County Commission action.

Reconciliation of General Fund (Budget Basis) to the General Fund (Modified Accrual Basis)

This statement reconciles the General Fund as presented for budget purposes to the presentation required under the modified accrual basis of accounting.

Internally Reported Special Revenue Funds

This statement details special revenue funds on a budgetary basis that are included in the general fund under the modified accrual basis of accounting.

COMMENTS OF INDEPENDENT AUDITOR



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, in accordance with the 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, 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 27, 2013.

Our report includes a reference to other auditors who audited the financial statements of University Medical Center of Southern Nevada, Las Vegas Valley Water District, Big Bend Water District, Kyle Canyon Water District, and Regional Transportation Commission of Southern Nevada as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the County 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 that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
December 27, 2013

ACCOMPANYING INFORMATION – EXPENDITURES OF FEDERAL AWARDS



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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

Report on Compliance for Each Major Federal Program

We have audited Clark County, Nevada's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have direct and material effect on each of the County's major federal programs for the year ended June 30, 2013. 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.

The County's basic financial statements include the operations of the University Medical Center of Southern Nevada, Las Vegas Valley Water District, and Regional Transportation Commission of Southern Nevada, which received \$2,093,796, \$3,646,175, and \$45,067,919, respectively, in federal awards which are not included in the schedule during the year ended June 30, 2013. Our audit, described below, did not include the operations of the University Medical Center of Southern Nevada, Las Vegas Valley Water District, and Regional Transportation Commission of Southern Nevada because these entities engaged other auditors to perform an audit in accordance with OMB Circular A-133.

The County's basic financial statements include the operations of the Department of Aviation, which received \$10,467,404 in federal awards which is not included in the schedule during the year ended June 30, 2013. Our audit, described below, did not include the operations of the Department of Aviation because they were audited separately in accordance with OMB Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, 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 2013-001, 2013-002, and 2013-005. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-001, 2013-002, and 2013-005 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-003 and 2013-004 to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
March 31, 2014

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster				
Passed Through Nevada Department of Education:				
School Breakfast Program	10.553	Agreement R-315-11	\$ 154,995	\$ 154,995
Passed Through Nevada Department of Education:				
National School Lunch Program	10.555	Agreement R-315-11	237,625	237,625
Passed Through Nevada Department of Administration, Purchasing Division:				
National School Lunch Program - Commodity	10.555	Permanent Agreement	9,384	<u>9,384</u>
				<u>247,009</u>
Passed Through Nevada Department of Education:				
Special Milk Program For Children	10.556	Agreement #M-102500-13	26,299	26,299
Passed Through Nevada Department of Education:				
Summer Food Service Program for Children	10.559	SFSP-AGREE2011	149,926	49,713
Summer Food Service Program for Children	10.559	SFSP-AGREE2011	107,510	<u>27,171</u>
				<u>76,884</u>
Total Child Nutrition Cluster				<u>505,187</u>
Passed Through Nevada Department of Education:				
Child and Adult Care Food Program	10.558	Cooperative Agreement	77,837	77,837
Forest Service Schools and Roads Cluster				
Passed Through the State of Nevada, Office of the Controller:				
Schools and Roads - Grants to States - Title I	10.665	Public Law 106-393	214,674	214,674
Schools and Roads - Grants to States - Title III	10.665	Public Law 106-393	37,884	<u>37,884</u>
Total Forest Service Schools and Roads Cluster				<u>252,558</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF AGRICULTURE (Continued)				
Direct:				
Spring Mountain Youth Camp Forestry Program	10.Unknown	05-PA-11041705-021	\$ 12,880	<u>\$ 12,880</u>
Total Department of Agriculture				<u>848,462</u>
DEPARTMENT OF COMMERCE				
Economic Development Cluster				
Direct:				
Economic Adjustment Assistance	11.307	07 79 06715	400,000	<u>194,000</u>
Total Economic Development Cluster				<u>194,000</u>
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
Public Safety Interoperable Communications Grant Program	11.555	1155507	449,451	<u>69,321</u>
Total Department of Commerce				<u>263,321</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG-Entitlement Grants Cluster				
Direct Program:				
CDBG Entitlement Grants:				
Neighborhood Stabilization Program 3	14.218	B-11-UN-32-0001	20,253,261	6,165,260
Recaptured NSP Funds	14.218		7,328,451	474,421
Recaptured NSP Funds	14.218		1,077,715	1,074,242
Community Development Block Grant	14.218	B-10-UC-32-0001	8,752,999	3,492,024
Community Development Block Grant	14.218	B-11-UC-32-0001	7,331,162	7,331,162
Community Development Block Grant	14.218	B-12-UC-32-0001	7,476,076	<u>1,523,488</u>
				<u>20,060,597</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)				
Passed Through Nevada Housing Division:				
CDBG Entitlement Grants:				
Neighborhood Stabilization Program 1	14.218	B-08-DN-32-0001	\$ 10,370,986	<u>\$ 522,913</u>
				<u>20,583,510</u>
Direct Program:				
ARRA - Community Development Block Grant Entitlement Grants (CDBG-R)	14.253	B-09-UY-32-0001	2,140,484	<u>537,145</u>
Total CDBG-Entitlement Grants Cluster				<u>21,120,655</u>
Direct Program:				
Emergency Solutions Grant Program	14.231	E-11-UC-32-0001	280,725	99,390
Emergency Solutions Grant Program	14.231	E-11-UC-32-0001	157,908	41,547
Emergency Solutions Grant Program	14.231	E-12-UC-32-0001	502,151	<u>293,766</u>
				<u>434,703</u>
Passed Through Nevada Department of Business and Industry:				
Emergency Solutions Grant Program	14.231	14231-12CLARK	30,000	<u>30,000</u>
				<u>464,703</u>
Direct Program:				
Supportive Housing Program	14.235	NV0061B9T001100	495,000	201,667
Direct Program:				
Shelter Plus Care	14.238	NV01C700001	3,525,720	890,462

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 for the fiscal year ended June 30, 2013
 (Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)				
Direct Program:				
HOME Investment Partnerships Program	14.239	M09-DC320224	\$ 3,680,224	\$ 1,602,008
HOME Investment Partnerships Program	14.239	M10-DC320224	3,670,250	508,489
Recaptured HOME Funds	14.239		173,068	<u>161,619</u>
				<u>2,272,116</u>
Passed Through Nevada Housing Division:				
HOME Investment Partnerships Program	14.239	M08-SG320106	744,259	529,889
HOME Investment Partnerships Program	14.239	M-09-SG-32-0100	733,394	64,733
Recaptured HOME Funds	14.239		726,664	<u>594,347</u>
				<u>1,188,969</u>
				<u>3,461,085</u>
Direct Program:				
ARRA - Homelessness Prevention and Rapid Re-Housing Program - Clark County	14.257	S-09-UY-32-0001	2,595,173	<u>48,750</u>
Total Department of Housing and Urban Development				<u>26,187,322</u>
DEPARTMENT OF INTERIOR				
Pass Through the State of Nevada, Office of the Controller:				
Distribution of Receipts to State and Local Governments	15.227	FLPMA of 1976	180	180

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF INTERIOR (Continued)				
Direct Program:				
Southern Nevada Public Land Management Act - PW	15.235	L05AC13256	\$ 4,161,668	\$ 537,382
Southern Nevada Public Land Management Act - PW	15.235	L05AC13523	13,985,984	885,148
Southern Nevada Public Land Management Act - PW	15.235	L05AC13849	2,654,148	648,678
Southern Nevada Public Land Management Act - PW	15.235	L05AC13851	1,636,032	242,265
Southern Nevada Public Land Management Act - PW	15.235	L05AC14148	3,108,000	1,561,878
Southern Nevada Public Land Management Act - PW	15.235	L05AC14149	727,636	107,001
Southern Nevada Public Land Management Act - PW	15.235	L05AC14425	5,325,805	2,193,605
Southern Nevada Public Land Management Act - PW	15.235	L05AC14676	4,662,000	896,791
Southern Nevada Public Land Management Act - PW	15.235	L07AC13118	15,772,906	641,046
Southern Nevada Public Land Management Act - PW	15.235	L07AC13228	3,520,000	1,260,310
Southern Nevada Public Land Management Act - PW	15.235	L07AC13495	1,563,172	189,698
Southern Nevada Public Land Management Act - PW	15.235	L07AC13496	1,732,687	545,311
Southern Nevada Public Land Management Act - PW	15.235	L07AC13809	5,940,000	2,669,162
Southern Nevada Public Land Management Act - PW	15.235	L07AC14115	1,343,109	519,806
Southern Nevada Public Land Management Act - PW	15.235	L07AC14116	45,985,398	2,567,349
Southern Nevada Public Land Management Act - PW	15.235	L07AC14399	14,080,000	3,238,058
Southern Nevada Public Land Management Act - PW	15.235	L08AC13680	2,200,000	1,385,595
Southern Nevada Public Land Management Act - PW	15.235	L08AC14128	2,475,000	45,372
Southern Nevada Public Land Management Act - PW	15.235	L09AC15505	1,712,700	605,217
Southern Nevada Public Land Management Act - PW	15.235	L09AC15506	563,750	353,742
Southern Nevada Public Land Management Act - PW	15.235	L11AC20009	1,100,000	717,124
Southern Nevada Public Land Management Act - PW	15.235	L11AC20012	922,900	788,985
Southern Nevada Public Land Management Act - PW	15.235	L11AC20153	8,500,000	1,121,265
Southern Nevada Public Land Management Act - DCP	15.235	L07AC14893	744,822	123,472
Southern Nevada Public Land Management Act - DCP	15.235	L08AC13225	1,134,842	111,226
Southern Nevada Public Land Management Act - DCP	15.235	L08AC13507	245,367	33,604
Southern Nevada Public Land Management Act - DCP	15.235	L08AC13805	2,672,120	8,890

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Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF INTERIOR (Continued)				
Southern Nevada Public Land Management Act - DCP	15.235	L12AC20371	\$ 42,000	\$ 5,000
Southern Nevada Public Land Management Act - DCP	15.235	L12AC20372	50,000	36,920
				<u>24,039,900</u>
Total Department of Interior				<u>24,040,080</u>
DEPARTMENT OF JUSTICE				
Direct Program:				
Joint Law Enforcement Operations (JLEO)	16.111	Agreement	2,118	2,118
Joint Law Enforcement Operations (JLEO)	16.111	Agreement	19,000	9,525
Joint Law Enforcement Operations (JLEO)	16.111	Agreement	39,610	36,542
Joint Law Enforcement Operations (JLEO)	16.111	Agreement	25,000	11,648
				<u>59,833</u>
Direct Program:				
Services for Trafficking Victims	16.320	2012-VT-BX-K003	499,808	102,449
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Juvenile Accountability Block Grant	16.523	2012-JB-FX-0007	132,000	132,000
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Juvenile Justice Delinquency Prevention Formula Grant	16.540	2012-JF-FX-0049	161,000	161,000
Direct Program:				
Part E - Developing, Testing and Demonstrating Promising New Programs	16.541	2009-JL-FX-0156	680,671	42,511

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 for the fiscal year ended June 30, 2013
 (Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
Missing Children's Assistance	16.543	2008-MC-CX-K008	\$ 963,928	\$ 43,996
Missing Children's Assistance	16.543	2011-MC-CX-K002	550,755	174,034
				<u>218,030</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Title V - Delinquency Prevention Program	16.548	2011-JP-FX-016	32,960	24,970
Direct Program:				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	2009-DN-BX-K193	499,695	134,298
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	2010-DN-BX-K201	258,054	12,996
				<u>147,294</u>
Passed through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Crime Victim Assistance	16.575	VOCA13-073	411,100	389,779
Crime Victim Assistance	16.575	VOCA13-124	76,872	26,906
				<u>416,685</u>
Direct Program:				
Drug Court Discretionary Grant Program	16.585	2010-DC-BX-0058	172,072	64,424
Drug Court Discretionary Grant Program	16.585	2011-DC-BX-0114	188,613	62,531
				<u>126,955</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Passed through the State of Nevada, Office of the Attorney General:				
Violence Against Women Formula Grants	16.588	2011-STOP-09	\$ 100,000	\$ 45,639
Violence Against Women Formula Grants	16.588	2011-STOP-35	45,737	21,708
Violence Against Women Formula Grants	16.588	2011-STOP-02	29,548	14,801
Violence Against Women Formula Grants	16.588	2012-VAWA-02	34,748	17,922
Violence Against Women Formula Grants	16.588	2012-VAWA-09	131,475	59,857
Violence Against Women Formula Grants	16.588	2012-VAWA-35	49,605	21,338
				<u>181,265</u>
Direct Program:				
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0539	2,713,602	2,409
State Criminal Alien Assistance Program	16.606	2009-AP-BX-0803	2,370,394	578,910
State Criminal Alien Assistance Program	16.606	2010-AP-BX-0348	2,127,110	74,147
				<u>655,466</u>
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Project Safe Neighborhoods	16.609	11-PSN-02	11,000	5,795
Direct Program:				
Public Safety Partnership and Community Policing Grants	16.710	2010CKWX0239	300,000	238,387
Passed through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Enforcing Underage Drinking Laws Program	16.727	Agreement	80,760	74,088
Enforcing Underage Drinking Laws Program	16.727	Agreement	184,500	4,952
				<u>79,040</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
JAG Program Cluster				
Direct Program:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2010-DJ-BX-0933	\$ 1,552,085	\$ 456,054
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DB-BX-0022	400,000	352,379
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2012-DJ-BX-1056	1,024,399	33,501
				<u>841,934</u>
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	10-JAG-07	300,000	12,287
Edward Byrne Memorial Justice Assistance Grant Program	16.738	11-JAG-14	100,000	100,000
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12-JAG-15	74,108	74,108
				<u>186,395</u>
Passed through City of Henderson:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Interlocal Agreement	66,447	40,385
Passed through City of Las Vegas:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Interlocal Agreement	1,356,474	234,680
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Interlocal Agreement	382,696	285,747
				<u>520,427</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Passed through City of North Las Vegas:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Interlocal Agreement	\$ 198,095	<u>\$ 185,530</u>
				<u>1,774,671</u>
Passed through the Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	09-ARRA-06	2,000,000	853,247
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	09-ARRA-56	99,180	<u>99,180</u>
				<u>952,427</u>
Passed through City of Las Vegas:				
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.804	Interlocal Agreement	1,220,939	335,382
ARRA - Edward Byrne Memorial Justice Assistance Grant Program Income ARRA - JAG Funds	16.804	2009-SB-B9-1637	1,394,555	64,706
			63,166	<u>54,853</u>
				<u>454,941</u>
Total JAG Program Cluster				<u>3,182,039</u>
Direct Program:				
DNA Backlog Reduction Program	16.741	2010-DN-BX-K076	872,138	419,282
DNA Backlog Reduction Program	16.741	2011-DN-BX-K439	839,498	400,443
DNA Backlog Reduction Program	16.741	2012-DN-BX-0105	1,009,635	<u>206,768</u>
				<u>1,026,493</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Direct Program: Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2011-CD-BX-0095	\$ 175,000	\$ 48,229
Passed through the Nevada Department of Public Safety, Office of Criminal Justice Assistance: Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	11-FSI-03	49,455	<u>28,341</u>
				<u>76,570</u>
Direct Program: Congressionally Recommended Awards	16.753	2010-DD-BX-0681	1,000,000	595,852
Direct Program: ARRA - Missing Children's Assistance	16.800	2009-SN-B9-K022	562,466	115,197
Direct Program: Postconviction DNA Testing Program	16.820	2010-DN-BX-K028	109,410	56,411
Direct Program: Equitable Sharing Program	16.922	Cooperative Agreement	958,583	958,583
Equitable Sharing Program	16.922	Cooperative Agreement	475	<u>475</u>
				<u>959,058</u>
Direct Program: ATF - Gang Task Force	16.Unknown	Agreement	39,436	21,051
ATF - Gang Task Force	16.Unknown	Agreement	137,618	43,080
ATF - Armor Task Force	16.Unknown	Agreement	9,431	5,926
ATF - Armor Task Force	16.Unknown	Agreement	137,618	3,585

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
DEA - So. NV Gang Task Force	16.Unknown	Agreement	\$ 87,836	\$ 25,642
DEA - So. NV Gang Task Force	16.Unknown	Agreement	103,214	82,946
DEA - Tactical Diversion Task Force	16.Unknown	Agreement	34,175	8,613
DEA - Tactical Diversion Task Force	16.Unknown	Agreement	34,405	24,350
DEA - Marijuana Eradication	16.Unknown	Agreement #2012-99	120,000	109,196
FBI - Criminal Apprehension Team	16.Unknown	Agreement	139,945	1,827
FBI - Criminal Apprehension Team	16.Unknown	Agreement	172,023	114,003
FBI - Eastern European Organized Crime Task Force	16.Unknown	Agreement	55,087	20,313
FBI - Eastern European Organized Crime Task Force	16.Unknown	Agreement	137,618	5,071
FBI - Joint Terrorism Task Force	16.Unknown	Agreement	46,513	19,339
FBI - Joint Terrorism Task Force	16.Unknown	Agreement	68,809	47,411
FBI - Innocence Lost Task Force	16.Unknown	Agreement	40,554	13,413
FBI - Innocence Lost Task Force	16.Unknown	Agreement	86,011	39,352
FBI - Las Vegas Safe Streets Gang Task Force	16.Unknown	Agreement	79,081	13,289
FBI - Las Vegas Safe Streets Gang Task Force	16.Unknown	Agreement	79,809	73,536
US Marshals - NV Fugitive Investigative Strike Team	16.Unknown	Agreement	50,297	36,950
US Marshals - NV Fugitive Investigative Strike Team	16.Unknown	Agreement	139,618	37,178
MPD - Child Exploitation Task Force	16.Unknown	Agreement	86,011	7,864
				<u>753,935</u>
Total Department of Justice				<u>9,357,235</u>
DEPARTMENT OF LABOR				
WIA Cluster				
Passed through the Southern Nevada Workforce Investment Board:				
WIA Youth Activities-Governor's Reserve Fund	17.259	Agreement #012-YOU-GOVRES-SBI-00	74,698	<u>45,266</u>
Total WIA Cluster				<u>45,266</u>
Total Department of Labor				<u>45,266</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction Cluster				
Passed Through Nevada Department of Transportation:				
Highway Planning and Construction	20.205	Agreement PR033-11-015	\$ 35,998,546	\$ 18,921,412
Highway Planning and Construction	20.205	Agreement PR234-10-063	650,000	22,761
Highway Planning and Construction	20.205	Agreement R454-11-816	3,087,500	2,749,364
Highway Planning and Construction	20.205	Agreement P086-12-063	4,325,611	<u>1,620,869</u>
Total Highway Planning and Construction Cluster				<u>23,314,406</u>
Highway Safety Cluster				
Passed Through Nevada Department of Public Safety, Office of Traffic Safety:				
State & Community Highway Safety	20.600	22-AL-4	80,000	19,353
State & Community Highway Safety	20.600	22-CP-8	10,008	533
State & Community Highway Safety	20.600	22-JF-1.11 & 22-JF-1.11DV	289,343	96,174
State & Community Highway Safety	20.600	23-JF-1.10 & 23-401PT-10	242,440	160,792
State & Community Highway Safety	20.600	23-CP-2.5	4,995	<u>3,438</u>
				<u>280,290</u>
Passed Through Nevada Department of Public Safety, Office of Traffic Safety:				
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	23-410AL-7	75,000	<u>48,748</u>
Total Highway Safety Cluster				<u>329,038</u>
Total Department of Transportation				<u>23,643,444</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF THE TREASURY				
Community Development Financial Institutions Cluster				
Direct Program:				
Community Development Financial Institutions Program	21.020	212882252	\$ 9,100	\$ 1,043
Community Development Financial Institutions Program	21.020	212882252	20,000	<u>4,144</u>
Total Community Development Financial Institutions Cluster				<u>5,187</u>
Total Department of the Treasury				<u>5,187</u>
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				
Direct Program:				
Promotion of the Arts - Grants to Organizations and Individuals	45.024	12-5900-7116	10,000	7,925
Passed Through the Nevada Arts Council:				
Promotion of the Arts - Grants to Organizations and Individuals	45.024	PIE 13:6:04	14,211	<u>14,211</u>
				<u>22,136</u>
Passed Through the Nevada Arts Council:				
Promotion of the Arts - Partnership Agreements	45.025	AREx13:1:03	1,200	<u>1,200</u>
Total National Foundation on the Arts and the Humanities:				<u>23,336</u>
ENVIRONMENTAL PROTECTION AGENCY				
Direct Program:				
Air Pollution Control Program Support	66.001	A-97914713-0	807,888	807,888

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
ENVIRONMENTAL PROTECTION AGENCY (Continued)				
Direct Program:				
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM-96948101-9	\$ 153,780	\$ 153,780
Passed through Nevada Division of Environmental Protection:				
State Clean Diesel Grant Program	66.040	DEP-S13-028	125,000	125,000
Direct Program:				
Congressionally Mandated Projects	66.202	XP-00T57501-0	418,623	407,478
Passed through Nevada Division of Environmental Protection:				
Water Quality Management Planning	66.454	Agreement DEP-S 11-007	40,000	10,738
Passed through Nevada Division of Environmental Protection:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	CS32-1018	18,727,943	3,823,406
Capitalization Grants for Clean Water State Revolving Funds	66.458	CW1202	2,075,263	<u>2,075,263</u>
				<u>5,898,669</u>
Passed through Nevada Division of Environmental Protection:				
Non-Point Source Implementation Grants	66.460	Agreement DEP S: 10-032-1	74,027	14,155
Non-Point Source Implementation Grants	66.460	Agreement DEP S: 12-023	52,189	<u>36,947</u>
				<u>51,102</u>
Total Environmental Protection Agency				<u>7,454,655</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF ENERGY				
Direct Program:				
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	DE-EE0000685	\$ 7,353,038	\$ 260,846
Recaptured EECBG Funds	81.128		397,090	<u>160,504</u>
				<u>421,350</u>
Total Department of Energy				<u>421,350</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Aging Cluster				
Passed Through Nevada Department of Health and Human Services, Aging and Disability Services Division:				
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	03-005-13-LX-13	45,329	45,329
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	03-015-21-BX-13	135,975	<u>135,975</u>
Total Aging Cluster				<u>181,304</u>
Passed through Southern Nevada Health District:				
Public Health Emergency Preparedness	93.069	Interlocal Contract	196,000	3,681
Passed through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Enhance Safety of Children Affected by Parental Substance Abuse	93.087	RPG12-13-010	72,613	2,916
Enhance Safety of Children Affected by Parental Substance Abuse	93.087	RPG13-015	13,000	<u>5,035</u>
				<u>7,951</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Direct Program:				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	5H79TI021878-03	\$ 275,219	\$ 13,470
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	1H79TI024168-01	316,950	<u>96,182</u>
				<u>109,652</u>
Direct Program:				
Transitional Living for Homeless Youth	93.550	90CX6947-01-00	199,990	64,441
Direct Program:				
Promoting Safe and Stable Families	93.556	90CW1140/01	286,356	140,683
Promoting Safe and Stable Families	93.556	90CW1140/02	500,000	<u>387,409</u>
				<u>528,092</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Promoting Safe and Stable Families:				
Time-Limited Reunification - Safety Teams	93.556	IVB-2-3145/17-SFY11-13-045	150,000	145,640
Family Preservation	93.556	IVB-2-3145/17-SFY11-13-048	227,500	223,995
Title IV-B Case Worker Visits	93.556	IVB-2-3145/17-SFY11-15-050	70,277	19,027
Title IV-B Case Worker Visits	93.556	IVB2-13-050	80,573	<u>60,891</u>
				<u>449,553</u>
				<u>977,645</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth	93.557	AI-13-011	621,352	16,714

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Welfare and Supportive Services:				
Child Support Enforcement -Hearing Master	93.563	Interlocal Agreement	\$ 1,317,661	\$ 1,110,692
Child Support Enforcement -Hearing Master, Pilot	93.563	Interlocal Agreement	281,686	281,686
Child Support Enforcement	93.563	Interlocal Agreement	16,883,142	16,883,142
Child Support Enforcement, FFY10 Incentive Award	93.563	Interlocal Agreement	1,363,593	773,839
Child Support Enforcment, Incentive Funds (Statewide Employer Service Center Project)	93.563	Interlocal Agreement	531,127	315,455
				<u>19,364,814</u>
Research & Development Cluster Passed through Nevada Department of Health and Human Services, Division of Welfare and Supportive Services:				
Child Support Enforcement Research	93.564	90FD0136/03	70,226	18,462
Total Research & Development Cluster				<u>18,462</u>
Passed through Nevada Department of Health and Human Services, Grants Management Unit:				
Community-Based Child Abuse Prevention Grants	93.590	1117.02	68,755	68,755
Passed through Nevada Department of Health and Human Services, Division of Welfare and Supportive Services:				
Grants to States for Access and Visitation Programs	93.597	1101NVSAVP	74,936	19,882
Grants to States for Access and Visitation Programs	93.597	1201NVSAVP	76,500	55,145
				<u>75,027</u>

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 for the fiscal year ended June 30, 2013
 (Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Adoption Incentive Payments	93.603	AI3229/31-SFY10-13-009	\$ 294,523	\$ 120,913
Adoption Incentive Payments	93.603	AI-2012-009	107,536	73,614
Adoption Incentive Payments	93.603	AI-2012-009	746,151	539,403
				<u>733,930</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	1301NVCWSS	186,015	186,015
Direct Program:				
Adoption Opportunities	93.652	90CO1054/02	307,029	107,319
Adoption Opportunities	93.652	90CO1054/03	389,637	307,176
				<u>414,495</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
ARRA - Foster Care Title IV-E	93.658	1101NV1404	226,214	18,855
Foster Care Title IV-E	93.658	1301NV1401	20,717,718	20,717,718
				<u>20,736,573</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
ARRA - Adoption Assistance Title IV-E	93.659	1101NV1405	197,842	3,894
Adoption Assistance Title IV-E	93.659	1301NV1407	14,703,604	14,703,604
				<u>14,707,498</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Social Services Block Grant:				
Title XX	93.667	2013G992342	\$ 2,062,635	\$ 2,062,635
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Chafee Foster Care Independence Program	93.674	CH3145/32-SFY-11-13-031	808,862	808,862
Passed Through Southern Nevada Health District:				
ARRA-Prevention and Wellness-Communities Putting Prevention to Work Funding Opportunities Announcement	93.724	Interlocal Agreement	19,436	19,436
Direct Program:				
HIV Emergency Relief Project Grants:				
Ryan White Minority AIDS Initiative Program	93.914	2 H89HA06900-07-00	298,458	206,160
Ryan White Part A HIV Emergency Relief Project	93.914	2 H89HA06900-07-00	5,143,861	4,491,257
Ryan White Minority AIDS Initiative Program	93.914	2 H89HA06900-08-00	341,702	146,537
Ryan White Part A HIV Emergency Relief Project	93.914	2 H89HA06900-08-00	4,998,237	465,919
				<u>5,309,873</u>
Passed Through Nevada Community Prevention Coalition, Inc.:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	B1 NVSAPT	46,956	41,600
Total Department of Health and Human Services				<u>65,909,363</u>

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
OFFICE OF THE NATIONAL DRUG CONTROL POLICY				
Direct Program:				
Executive Office of the President:				
High Intensity Drug Trafficking Area Program	95.001	G09NV0001A	\$ 3,128,162	\$ 1,591
High Intensity Drug Trafficking Area Program	95.001	G10NV0001A	3,232,324	15,743
High Intensity Drug Trafficking Area Program	95.001	G11NV0001A	3,327,930	702,918
High Intensity Drug Trafficking Area Program	95.001	G12NV0001A	3,302,660	2,239,546
High Intensity Drug Trafficking Area Program	95.001	G13NV0001A	1,468,800	296,626
Total Office of The National Drug Control Policy				<u>3,256,424</u>
DEPARTMENT OF HOMELAND SECURITY				
Direct Program:				
National Urban Search & Rescue Response System	97.025	EMW-2011-CA-K00066-S01	1,122,078	239,197
National Urban Search & Rescue Response System	97.025	EMW-2012-CA-K00029-S01	1,287,608	866,921
Recaptured Urban Search & Rescue Response System Funds	97.025		29,975	29,975
Recaptured Urban Search & Rescue Response System Funds	97.025		47,984	47,984
				<u>1,184,077</u>
Passed Through State of Nevada Department of Public Safety, Division of Emergency Management:				
Emergency Management Performance Grant	97.042	9704212	419,209	90,052
Direct Program:				
Assistance to Firefighters Grant	97.044	EMW-2009-FO-06188	316,540	58,540

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Program or Award Amount	Total Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY (Continued)				
Homeland Security Grant Program: Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
Homeland Security Grant Program:				
2010 Citizen Corps Program	97.067	97067CL1	\$ 7,028	\$ 3,310
2008 Urban Area Security Initiative	97.067	97067U08	8,525,207	467,577
2008 Urban Area Security Initiative	97.067	97067U08	140,469	140,469
2008 Urban Area Security Initiative	97.067	97067U08	39,532	39,532
2009 Urban Area Security Initiative	97.067	97067U09	7,291,612	780,512
2009 Urban Area Security Initiative	97.067	97067U09	121,842	121,842
2010 Urban Area Security Initiative	97.067	97067U10	1,001,763	547,376
2010 Urban Area Security Initiative	97.067	97067U10	5,689,411	1,599,847
2011 Urban Area Security Initiative	97.067	97067.11-U11	3,275,779	1,413,753
2011 Urban Area Security Initiative	97.067	97067.11-U11	58,345	18,525
2012 Urban Area Security Initiative	97.067	97067.11-U11	185,016	455
2012 Urban Area Security Initiative	97.067	97067.12-U12	56,473	38,132
2012 Urban Area Security Initiative	97.067	97067.12-U12	370,000	43,642
2012 Urban Area Security Initiative	97.067	97067.12-U12	521,000	2,019
2009 State Homeland Security Program	97.067	97067PE8	30,838	30,838
2010 State Homeland Security Program	97.067	97067HL1	450,189	69,587
2011 State Homeland Security Program	97.067	97067.11-HL1	710,355	123,981
2012 State Homeland Security Program	97.067	97067.12-HL12	373,802	29,032
Total Homeland Security Grant Program				<u>5,470,429</u>
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
Buffer Zone Protection Program	97.078	97078B05	1,749,000	743,231

(Continued)

Clark County, Nevada
Schedule of Expenditures of Federal Awards
for the fiscal year ended June 30, 2013
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Total Federal Disbursements/ Expenditures</u>
DEPARTMENT OF HOMELAND SECURITY (Continued)				
Direct Program:				
Homeland Security Biowatch Program	97.091	2006-ST-091-000011-07	\$ 847,632	\$ 847,632
Direct Program:				
2012 Secret Service Agreement	97.Unknown	None	3,570	672
2013 Secret Service Agreement	97.Unknown	None	19,955	13,119
2012 US Customs - ICE	97.Unknown	LV02PR06LV0017	9,397	5,528
2013 US Customs - ICE	97.Unknown	LV02PR06LV0017	45,000	42,791
				<u>62,110</u>
Total Department of Homeland Security				<u>8,456,071</u>
TOTAL FEDERAL DISBURSEMENTS/EXPENDITURES				<u><u>\$ 169,911,516</u></u>

Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Clark County, Nevada
Notes to Schedule of Expenditures of Federal Awards
for the Year Ended June 30, 2013

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 Clark County Department of Aviation, Las Vegas Valley Water District, Big Bend Water District, Kyle Canyon Water District, University Medical Center of Southern Nevada, and Regional Transportation Commission of Southern Nevada, 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 is included in the schedule.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

General fund	\$ 7,235,858
Special revenue funds	109,114,161
Capital projects funds	47,085,993
Enterprise funds	6,367,987
Agency funds	<u>107,517</u>
Total	<u>\$ 169,911,516</u>

4. SUBRECIPIENT EXPENDITURES

Clark County provided Federal funds to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA#</u>	<u>Subrecipient Expenditures</u>
Public Safety Interoperable Communications Grant Program	11.555	\$ 69,321
Community Development Block Grants/Entitlement Grants	14.218	14,467,482
Emergency Solutions Grant Program	14.231	461,960
Supportive Housing Program	14.235	201,666
Shelter Plus Care	14.238	890,462
Home Investment Partnerships Program	14.239	3,268,050
ARRA – Community Development Block Grants/ Entitlement Grants	14.253	150,589
ARRA - Homelessness Prevention and Rapid Re-Housing Program	14.257	48,750
Southern Nevada Public Land Management	15.235	717,124
Missing Children's Assistance	16.543	104,682
Edward Byrne Memorial Justice Assistance Grant Program	16.738	89,031
ARRA – Edward Byrne Memorial Justice Assistance Grant	16.804	114,797
Transitional Living for Homeless Youth	93.550	64,441
HIV Emergency Relief Project Grants	93.914	3,573,577
National Urban Search and Rescue Response System	97.025	261,272
Homeland Security Grant Program	97.067	<u>1,878,634</u>
Total		<u>\$ 26,361,838</u>

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Community Development Block Grants - Entitlement Grants Cluster	14.218/14.253
JAG Program Cluster	16.738/16.803/16.804
DNA Backlog Reduction Program	16.741
Congressionally Recommended Awards	16.753
Highway Planning and Construction Cluster	20.205
Capital Grants for Clean Water State Revolving Funds	66.458
Energy Efficiency and Conservation Block Grant	81.128
Child Support Enforcement	93.563
Foster Care – Title IV-E	93.658
Adoption Assistance – Title IV-E	93.659
HIV Emergency Relief Project Grants	93.914
Homeland Security Grant Program	97.067

Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	No

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no findings.

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
DEPARTMENT OF JUSTICE - DIRECT AND PASSED THROUGH NEVADA
DEPARTMENT OF PUBLIC SAFETY**

		<u>Questioned Costs</u>
2013-001	REPORTING	
	<p>CDBG Entitlement Grants Cluster: Community Development Block Grants (CDBG) – CFDA No. 14.218; B-08-UN-32-0001 (NSP1), B-11-UC-320001 (NSP3), B-10-UC320001 and B-11-UC-320001</p> <p>JAG Program Cluster: Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories – CFDA No. 16.738; 2010-DJ-BX-0933 and 2012-DJ-BX-1056</p>	
<i>Criteria:</i>	<p>OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. Specifically, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”. In addition, the OMB Circular A-133 Compliance Supplement requires that financial reports be complete, accurate and prepared in accordance with the required accounting basis.</p>	
<i>Condition:</i>	<p>Our testing at the Clark County Community Resources Management Division (Division) included testing four separate SF-425 reports submitted during fiscal year 2013 for the CDBG Entitlement Grants Cluster and two separate SF-425 reports submitted during fiscal year 2013 for the JAG Program Cluster.</p> <p>For the CDBG Entitlement Grants Cluster, the SF-425 reports submitted for Grant #B-11-UN-32-0001 (NSP3), Grant #B-08-UN-32-0001 (NSP1) for the quarter ending March 31, 2013 did not have the signature of the authorizing certifying official which resulted in incomplete reports being submitted. In addition, The SF-425 reports submitted for quarters ending December 31, 2012 and March 31, 2013 included incorrect expenditure amounts for Grant #B-10-UC-320001 and Grant #B-11-UC-320001. Specifically, for the quarter ending December 31, 2012, expenditures for Grant #B-10-UC-320001 were overstated by \$186,772 and expenditures for Grant #B-11-UC-320001 were understated by \$211,410. For the quarter ending March 31, 2013, expenditures for Grant #B-10-UC-320001 were overstated by \$186,772 and expenditures for Grant #B-11-UC-320001 were understated by \$186,772.</p> <p>For the JAG Program Cluster, two SF-425 reports submitted for Grant 2010-DJ-BX-0933 (1020.JAG.2011) and 2012-DJ-BX-1056 (1080.JAG.2013) for the quarter ending March 31, 2013 did not have the signature of the authorizing certifying official which could have resulted in incomplete and/or inaccurate reports being submitted.</p>	
<i>Effect:</i>	<p>The Federal expenditures for Grant #B-10-UC-320001 and Grant #B-11-UC-320001 were not reported correctly for the quarters ending December 31,</p>	None

CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013

2012 and March 31, 2013 and incomplete reports were submitted for Grant #B-11-UN-32-0001 (NSP3) and Grant #B-08-UN-32-0001 (NSP1) for the quarter ending March 31, 2013.

Cause: Due to clerical errors, incorrect expenditure amounts were reported and incomplete reports were submitted.

Recommendation: The Clark County Community Resources Management Division should implement policies and procedures over report preparation that includes management oversight and review. Review procedures should include agreeing the expenditure amounts reported for each grant award to supporting accounting records and ensuring signatures of authorizing certifying officials are present on each report.

Views of responsible officials and planned corrective actions: See pages 194 - 195.



Department of Administrative Services

Community Resources Management

500 S Grand Central Pky 5th Fl • Box 551212 • Las Vegas NV 89155-1212
(702) 455-5025 • Fax (702) 455-5038

Sabra Smith Newby, Chief Administrative Officer • Michael J. Pawlak, Manager

March 31, 2014

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

Dear Auditors:

The purpose of this letter is to respond to the findings 2013-001 identified by the County's external auditors, Kafoury, Armstrong & Co., related to their review of the CDBG Entitlement Grants Cluster and the JAG Program Cluster.

2013-1

Condition:

The SF-425 reports submitted for Grant #B-11-UN-32-0001 (NSP3), Grant #B-08-UN-32-0001 (NSP1) for the quarter ending March 31, 2013 did not have the signature of the authorizing certifying official which resulted in incomplete reports being submitted.

The SF-425 reports submitted for quarters ending December 31, 2012 and March 31, 2013 included incorrect expenditure amounts for Grant #B-10-UC-320001 and Grant #B-11-UC-320001. Specifically, for the quarter ending December 31, 2012, expenditures for Grant #B-10-UC-320001 were overstated by \$186,772 and expenditures for Grant #B-11-UC-320001 were understated by \$211,410. For the quarter ending March 31, 2013, expenditures for Grant #B-10-UC-320001 were overstated by \$186,772 and expenditures for Grant #B-11-UC-320001 were understated by \$186,772.

For the JAG Program Cluster, two SF-425 reports submitted for Grant 2010-DJ-BX-0933 (1020.JAG.2011) and 2012-DJ-BX-1056 (1080.JAG.2013) for the quarter ending March 31, 2013 did not have the signature of the authorizing certifying official which could have resulted in incomplete and/or inaccurate reports being submitted.

Corrective Action:

With respect to the incomplete NSP reports, the missing signatures were noticed in our preparation for the 2012 audit. At that time, we noted that the accompanying cover letter to HUD had been signed by the authorizing certifying official. We subsequently sent an email to Mr. Mark Lee at HUD requesting that he review the submitted reports and let us know if they had been signed. We did not receive a response from HUD, however, the authorizing certifying official signed the two reports and filed them for future reference. In order to avoid making this error again, we will implement a new step in the process for CDBG and NSP SF-425 reports

whereby Kristin Cooper, Principal Planner, will draft the submittal cover letter that accompanies the reports. Once she has the signed reports, she will present them to authorizing certifying official together with the cover letter.

Clerical errors accounted for the mistakes reported on the SF-425 for the two CDBG grants, Grant #B-10-UC-320001 and Grant #B-11-UC-320001. Because the reports are based on cumulative expenditures, the errors were carried forward from one quarter to the next. Importantly, there were no un-accounted for fund expenditures. The reports have been corrected and are on file. To reduce the risk of similar reporting errors in the future, we will have a Grant Accountant review the SF-425 reports prior to submission.

Lastly, the error for the JAG reports, has been addressed through a prior corrective action that was implemented beginning with the report submitted for the quarter ending September 2013.

Thank you for the opportunity to respond to the audit finding and identify the corrective action that we have taken.

Sincerely,



Michael J. Pawlak, Manager
Community Resources Management

CC: Sabra Smith Newby
Mark Gamett
Elizabeth Vorce

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF WELFARE AND SUPPORT SERVICES**

			<u>Questioned Costs</u>
2013-002	ALLOWABLE COSTS/COST PRINCIPLES		
	Child Support Enforcement- CFDA No. 93.563; Interlocal agreement with The Eighth Judicial District Court of the State of Nevada		
<i>Criteria:</i>	According to OMB Circular A-87, salaries and benefits are allowable for services rendered during period of performance under Federal awards. Charges for salaries and benefits must be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification.		
<i>Condition:</i>	During the months of March-June 2013, the program charged salaries and benefits to the Pilot program for an employee that was no longer working on the federal program.		
<i>Effect:</i>	The County received reimbursement for costs not allowed under the interlocal agreement or OMB Circular A-87.		\$18,747
<i>Cause:</i>	Controls and procedures over the preparation and review of the monthly reimbursement requests are not adequate to ensure that only allowable costs are included.		
<i>Recommendation:</i>	The County should strengthen its controls and procedures over the preparation and review of the monthly requests for reimbursement to ensure that only allowable costs are included. These procedures should include a reconciliation of payroll costs to the Pilot program cost center in the general ledger system. Additionally, the program should develop procedures to identify individuals no longer working on the program.		
 <i>Views of responsible officials and planned corrective actions:</i>			
The Court has strengthened its controls and procedures over the preparation and review of the monthly requests for reimbursement to ensure that only allowable costs are included. Including the following procedures 1. reconciliation of payroll costs to the program cost center in the general ledger system. 2. identification of individuals no longer working on the program.			

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned
Costs**

2013-003

REPORTING

Adoption Assistance Title IV-E – CFDA No. 93.659; all grant numbers and grant periods reported for these CFDA Nos. on the schedule of expenditures of federal awards.

Criteria: Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements. The March 2013 version of the OMB Circular A-133 requires the auditor to test CB-496, *Title IV-E Programs Quarterly Financial Report*. Additionally, the compliance supplement states:

Key Line Items – The following line items contain critical information:

Part 1, *Expenditures, Estimates and Caseload Data, columns (a) through (d) (Sections B and D (Adoption Assistance Program))*

Condition: Program personnel are not completing Section D, line 46 of the CB-496 accurately. We noted discrepancies for the quarters ending September 30, 2012 and June 30, 2013, but, based on communication with program personnel, believe this applies to all quarters submitted during the year. Line 46, which represents “Number of Children, Any Assistance Payments” was underreported by 686 children and 617 children, respectively. The error rate is in excess of 14%.

Effect: The grantor agencies are relying on inaccurate data.

None

Cause: Program personnel included only title IV-E eligible children on line 46, however the report instructions state that this line should be reported as “the average monthly number of children for whom the IV-E agency made any adoption assistance payments (regardless of the funding source). This includes all children in a subsidized adoptive home (including those title IV-E eligible children reported on Line 45) whether or not title IV-E eligible”.

Recommendation: Program personnel should review the instructions for preparing CB-496 and correct their report preparation procedures to ensure that the data reported on line 46 “Number of Children, Any Assistance Payments” includes the correct information.

Views of responsible officials and planned corrective actions:

Program administration will communicate with pass-through agency (State of Nevada) regarding instructions for preparing data reported on CB-496 line 46 “Number of Children, Any Assistance Payments” and adjust accordingly.

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

**DEPARTMENT OF HOMELAND SECURITY
PASSED THROUGH NEVADA DEPARTMENT OF EMERGENCY MANAGEMENT**

			<u>Questioned Costs</u>
2013-004	REPORTING		
	Homeland Security Grant Program – CFDA No. 97.067; potentially affects all grant awards.		
<i>Criteria:</i>	OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. Specifically, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”. In addition, the OMB Circular A-133 Compliance Supplement requires that financial reports be complete, accurate and prepared in accordance with the required accounting basis.		
<i>Condition:</i>	Our procedures included testing 40 financial reports submitted to the State of Nevada during fiscal year 2013. Four of the reports tested did not include the signature/initials of authorized personnel indicating their review/approval of the report as required by the department’s internal control policies.		
<i>Effect:</i>	Incomplete and/or inaccurate reports could have been submitted to the State of Nevada.		None
<i>Cause:</i>	During the year, the department did not consistently follow its established controls and procedures over the preparation and submittal of financial reports.		
<i>Recommendation:</i>	Office of Emergency Management personnel should review the department’s established controls and procedures over financial reporting to ensure they are being consistently followed.		
<i>Views of responsible officials and planned corrective actions:</i>	See pages 200 - 201.		

**CLARK COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

**DEPARTMENT OF HOMELAND SECURITY
PASSED THROUGH NEVADA DEPARTMENT OF EMERGENCY MANAGEMENT**

**Questioned
Costs**

2013-005 SUBRECIPIENT MONITORING

Homeland Security Grant Program – CFDA No. 97.067; potentially affects all grant awards.

Criteria: The OMB Circular A-133 Compliance Supplement states that Clark County’s responsibilities regarding subrecipients include the following:

Subrecipient Audits – Clark County is required to:

1. Ensure that subrecipients expending \$500,000 or more in Federal awards during the subrecipient’s fiscal year for fiscal years ending after December 31, 2003 as provided in OMB Circular A-133 have met the audit requirements of OMB Circular A-133 and that the required audits are completed within 9 months of the end of the subrecipient’s audit period;
2. Issue a management decision on audit findings within 6 months after receipt of the subrecipient’s audit report;
3. Ensure that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the County shall take appropriate action using sanctions.

Condition: Program personnel did not obtain the subrecipients’ audit reports. Therefore, the subrecipient audit reports were not examined for non-compliance. If applicable, management decisions were not issued to ensure appropriate corrective action.

Effect: Noncompliance at the subrecipient level may occur and not be detected and corrected. None

Cause: The Office of Emergency Management did not have adequate procedures in place to monitor subrecipient audit reports and issue management decisions, when required, to ensure appropriate corrective action.

Recommendation: The Office of Emergency Management should strengthen its policies and procedures over subrecipient monitoring to ensure that all subrecipients are consistently monitored for compliance with the audit requirements of OMB Circular A-133.

Views of responsible officials and planned corrective actions: See pages 200 - 201.

Clark County Local Emergency Planning Committee



March 31, 2014

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

Re: 2013-004 Reporting
2013-005 Subrecipient Monitoring

Dear Sir or Madam:

2013-004 Reporting

Recommendation: Office of Emergency Management personnel should review the department's established controls and procedures over financial reporting to ensure they are being consistently followed


Response: With regard to consistent review and approval of quarterly reports, Office of Emergency Management (OEM) personnel responsible for those reviews and approvals are no longer with the division, so it is not possible to confirm the conditions under which those discrepancies may have occurred. The established procedure within the OEM requires two signatures prior to submittal to the State of Nevada Division of Emergency Management. The established procedure will be reviewed during training of new staff as they are hired, and with existing staff to ensure consistency.

2013-005 Subrecipient Monitoring

Recommendation: The Office of Emergency Management should strengthen its policies and procedures over subrecipient monitoring to ensure that all subrecipients are consistently monitored for compliance with the audit requirements of OMB Circular A-133.

Response: The Office of Emergency Management will strengthen established procedures to confirm receipt and subsequent review of subrecipient audit reports. Although a mechanism is in place to require such audits, it appears that staff who are no longer with OEM did not have a consistent process in place to ensure compliance. Due to their absence, it is not possible to confirm what steps,

if any, were taken to comply with this requirement. The strengthened procedure will be reviewed during training of new staff as they are hired, and existing staff assigned to ensure subrecipient compliance will also be trained.

Signed: 

Signed: 

Title: DEPUTY CHIEF/EM

Title: Sr. Mgmt Analyst

cc: Deputy Chief Kelly Blackmon
Mark Gammett, Finance Department
Elizabeth Vorce, Finance Department

**CLARK COUNTY, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2013**

See pages 203 – 215.



Department of Administrative Services

Purchasing and Contracts

500 S Grand Central Pky 4th Fl • Box 551217 • Las Vegas NV 89155-1217
(702) 455-2897 • Fax (702) 386-4914

Sabra Smith Newby, Chief Administrative Officer
Adleen B. Stidhum, Purchasing Administrator



March 6, 2014

Kafoury, Armstong & Co.
1700 West Sunset Road, Suite 210
Las Vegas, NV 89113

Subject: Section III – Federal Award Findings and Questioned Costs

To Whom It May Concern:

This letter is an updated response to your Finding 2012-I Procurement Suspension and Debarment. Purchasing continues to perform the System for Award Management (SAM) checks in accordance with the corrective action within. Attached to this document is a copy of the revised Grant Policies and Procedures effective June 28, 2013.

Condition: Our tests disclosed that procedures related to suspension and debarment requirements were not being adhered to. In thirteen transactions tested out of a sample population of twenty two transactions, the Purchasing and Contracts Division of Clark County did not verify that the vendor or sub-recipient was not suspended or debarred. In one of these thirteen transactions, personnel from the Real Property Management Department did verify the vendor was not suspended or debarred; however, there was no evidence to support that the verification had been performed.

Criteria: The OMB Circular A-133 Compliance Supplement (dated June 2012) states that “non-federal entities are prohibited from contracting or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. ‘Covered transactions’ include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. 2 CFR section 180.220 of the governmentwide nonprocurement debarment and suspension guidance contains those additional limited circumstances. All nonprocurement transactions (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Effect: Clark County was not in compliance with the verification requirements related to suspension and debarment specified by federal regulations. As part of our audit procedures, we verified that none of the vendors or subrecipients from the thirteen transactions were suspended or debarred and therefore there are no questioned costs associated with this Finding. However, by failing to follow established procedures, contracts with suspended or debarred vendors or subrecipients could be initiated by Clark County and suspended or debarred parties could be paid with federal funds.

Cause: The Purchasing and Contracts Division of Clark County (the Division) implemented formal suspension and debarment control policies and procedures in April 2010 that were revised in April 2011. These policies and procedures require that any county department requesting a procurement that is funded with a federal grant or a federal financial assistance agreement must inform the Division of the federal funding. The Division will then perform a verification to determine if the prospective vendor or subrecipient is suspended or debarred. This procedure was not consistently adhered to during fiscal year 2012 as the Division was not informed that the thirteen transactions previously noted were federally funded and, therefore, no verification procedures were performed. .

Recommendation: The County should strengthen its existing policies and procedures over the process for complying with suspension and debarment requirements to enhance the communication process between the Purchasing and Contracts Division and other departments.

Corrective Action: Clark County Purchasing and Contracts will perform suspension and debarment verification through the federal System for Award Management (SAM) on contracts when the federal funding sources are acknowledged by the County departments or indicated on the purchasing requisition (PR) or purchasing adjustment requisition (PAR). Suspension and debarment verifications will be performed on existing contracts when renewed and or amended with federal expenditures. When the SAM verifications are completed the results will be scanned and e-filed in the contract folder and a copy also attached to the electronic purchase order. If only a purchase order is required with no written contract, a verification check will be performed and attached to the purchase order. In addition, the current Revised April 2011 policies and procedures will be updated to include these corrective actions and continue to be updated as needed.

Sincerely,



Adleen B. Stidhum
Purchasing Administrator

cc: Sabra Smith Newby, Chief Administrative Officer
Jessica Colvin, Comptroller
Elizabeth Vorce, Principal Accountant
Mark Gammett, Manager, Accounting Services

FINANCE – PURCHASING & CONTRACTS
FEDERAL GRANTS OR FINANCIAL ASSISTANCE AGREEMENTS
SUSPENSION AND DEBARMENT VERIFICATION

PAGE: 1 of 2	REVISION DATE: Revision No. 2 6/28/2013	SUPERSEDES Revision: Effective Immediately	PREPARED BY: Adleen B. Stidhum, Acting Purchasing Administrator
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PURPOSE:

To ensure compliance with suspension and debarment of Vendors awarded contracts supported by federal funds via a Federal Grant or Financial Assistance Agreement awards.

DEFINITIONS:

Purchase Requisition (PR)

SAP - Clark County Nevada's Computerized Financial Management System

Chief Financial Officer (CFO)

Budget and Financial Planning Director/Manager

PROCEDURES:

1. All County department(s) requesting a procurement of any kind which is funded through a Federal Grant or a Financial Assistance Agreement must submit a PR and attach a copy of the approved grant or financial assistance agreement, together with any applicable agenda item. A copy of the grant or agreement must be filed in the contract file (hard or e-folder) highlighting the procurement requirements and the flow down clauses reviewed by the Purchasing Analyst or Specialist, when provided by the County departments.

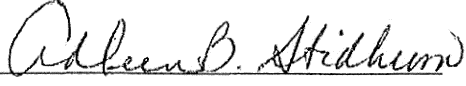
The PR must be fully approved through SAP, or written authorization from the Chief Financial Officer or the Budget Financial Planning Director/Manager; must include the scope of work/specifications, milestones and deliverables.
2. The Purchasing Analyst or Specialist will ensure that the above is attached to the PR, if not attached must follow-up with department to obtain a copy of the grant or agreement.
3. Purchasing Analyst or Specialist *will review the PR Account Assignment to determine if the procurement is tied to a grant. Reference Attachment No. 1.*
4. Purchasing Analyst or Specialist will review the federal grant or financial assistance agreement procurement requirements and compare against the NRS procurement requirements and proceed with the procurement action by using the "higher standard" of the two.
5. Purchasing Analyst or Specialist will ensure compliance with the procurement requirements and flow down clauses such as, but not limited to compliance with the Buy American Act, verification of debarment using the Federal Debarment List www.sam.gov and the Labor Commissioner's Disqualified List http://www.laborcommissioner.com/publicworks_prevalingwage.html for construction projects only.
6. Purchasing Analyst or Specialist will perform a screen print of the (SAM) debarment/suspension verification and e-filed in the appropriate contract folder and also attach a copy to the purchase order. If only a purchase order is required with no written contract, a verification check will be performed and attached to the purchase order.
7. Purchasing Analyst or Specialist *will perform steps under 6 and 7 above each time the contract is renewed, a change order or an amendment is issued for the specific project.*

FINANCE – PURCHASING & CONTRACTS
FEDERAL GRANTS OR FINANCIAL ASSISTANCE AGREEMENTS

PAGE: 2 OF 2	REVISION DATE: Revision No. 2 6/28/2013	SUPERSEDES Revision: Effective Immediately	PREPARED BY: Adleen B. Stidhum, Acting Purchasing Administrator
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REVIEW:

1. Senior Purchasing Analysts will audit the federal grant or agreement portion of the project when contract audits are performed.
2. Senior Purchasing Analyst will immediately notify the Purchasing Manager of any discrepancies in federally funded procurements.

 ADLEEN B. STIDHUM ACTING PURCHASING ADMINISTRATOR	<u>June 28, 2013</u> DATE
---	------------------------------



Change Purchase Req. 10218822

Document Overview On Personal Setting

Purchase requisition 10218822 Source Determination

Header



St.	Item	S	Proc. St.	R	A	Material	Short Text	Quantity	Unit	Val. Price	Total Value	Delivery Date	Des. Vendor	Material Group	Req.
	10	B		4	K		Coronado Drive Sr Apts-ASI	109,018.2	USC	1.00	109,018.38	05/06/2012	502926	ECONOMIC IM	SHC
	20	B		4	K		Coronado Drive Sr Apts-ASI	1,490,98	USC	1.00	1,490,981.02	05/06/2012	502926	ECONOMIC IM	SHC

Item [10] Coronado Drive Sr Apts-ASI

Valuation Account Assignment Source of Supply Status Account Person Release Strategy Texts Delivery Address Customer

AccAssCat	Cost center:	Distribution	Single account assignme	CoCode	Clark County
Unloading Point	Recipient				
GI/Account	67992B				
Business Area	1020				
CO Area	CCNV				
Cost Center	1020212000				
Order	3005640				
WBS Element					
Fund	2011 000	Grant	1020.FEDHOME.2008		
Functional Area	0130000000000000				
Funds Center	1020212000				
Earmarked Funds		Commitment Item	679628		



Department of Administrative Services

Community Resources Management

500 S Grand Central Pky 5th Fl • Box 551212 • Las Vegas NV 89155-1212
(702) 455-5025 • Fax (702) 455-5038

Sabra Smith Newby, Chief Administrative Officer • Michael J. Pawlak, Manager

March 5, 2014

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

Dear Auditors:

The purpose of this letter is to confirm implementation of the Corrective Action Letter dated March 15, 2013, for the finding reported during the 2012 OMB A-133 Single Audit.

2012-2

Condition:

Our tests disclosed that policies and procedures related to subrecipient monitoring were not being adhered to by Clark County Community Resources Management Division personnel. Specifically, those policies and procedures related to ensuring subrecipients meet the audit requirements of OMB Circular A-133.

The Community Development Block Grant (CDBG) had four subrecipients that received \$2,688,885 in funding during fiscal year 2012, approximately 66% of Clark County's CDBG expenditures. Two of the four subrecipients were selected for testing and both subrecipients were subject to the audit requirements of OMB Circular A-133. However, neither of the subrecipient's monitoring documentation included copies of audited financial statements.

The JAG Program Cluster had eight subrecipients that received \$333,926 in funding during fiscal year 2012, approximately 10% of the JAG Program Cluster's total expenditures. Of this population three were selected for testing. Of these three, one subrecipient was subject to the audit requirements of OMB Circular A-133. However, the subrecipient's monitoring documentation did not include copies of the audited financial statements.

Corrective Action:

The Clark County Community Resources Management Division has strengthened its policies and procedures over subrecipient monitoring to ensure that all subrecipients are consistently monitored for compliance with the audit requirements of OMB Circular A-133. In addition to our routine procedure, CRM has added several additional steps to address this finding, to include:

1. Grant Agreements include specific language requiring subrecipients to comply with the audit requirements of OMB Circular A-133 annually during the term of the agreement.
2. Management maintains a list identifying all of the assigned, open grants, identifying the date of the most current audited financial statement on file, the date of review, notes on any required issues and resolutions and the due date for the next audited financial statement. Management periodically reviews the subrecipient monitoring documentation file to ensure that monitoring personnel are obtaining and reviewing the audited financial statements.

3. In cooperation with the Comptroller's Office, Management has assigned a Grant Accountant to provide an additional review of the subrecipient's annual audited financial statements.

2012-4

Condition:

Testing disclosed that, for three out of eight payroll transactions tested, the County did not obtain the required payroll certifications for employees who charged their salaries and wages to the grant.

Corrective Action:

Community Resources Management Division has strengthened its policies and procedures for obtaining the required payroll certifications under OMB A-87 by including this requirement in all MOU's and grant agreements and continues to monitor subgrantees to ensure compliance.

2012-5

Condition:

Testing at the Community Resources Management Division disclosed that, for each quarter of fiscal year 2012, the SF-425 reports for Grant #2010-DJ-BX-0933 were not supported by the County's accounting records and in total the reports overstated expenditures by \$92,417 for the fiscal year ending June 30, 2012. In addition, the reports were signed and authorized by the same individual who prepared them; there were no internal controls in place to ensure the reports were reviewed before they were submitted.

Corrective Action:

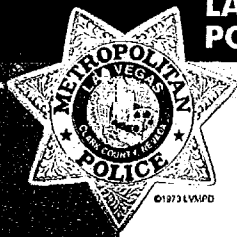
The County Community Resources Management Division has implemented policies and procedures over report preparation that are similar in nature to its other grant programs which require a non-electronic, paper submission of the SF-425. This process includes management oversight and segregation of duties. The new procedure requires that, prior to electronic submission; the FPOC provides a written report to Community Resources Management Division's assigned Budget Analyst (Grant Coordinator) who reconciles this information against the information in the County's financial system (SAP). Once the Budget Analyst concurs with the FPOC, a recommendation is made to Management to authorize electronic submission. Appropriate documentation is maintained in the file evidencing each report's review and approval and copies of the related accounting records that support the amounts included on the report.

Sincerely



Michael J. Pawlak, Manager
Community Resources Management

CC: Sabra Smith Newby
Mark Gamett
Elizabeth Vorce



February 26, 2014

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

This letter is in response to your finding **2012-3 Procurement Suspension and Debarment** regarding **Equitable Sharing Program – CFDA No. 16.922; NV0020100**

Criteria: The OMB Circular A-133 Compliance Supplement (dated June 2012) states that “non-federal entities are prohibited from contracting or making sub awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. ‘Covered transactions’ include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. 2 CFR section 180.220 of the government wide nonprocurement debarment and suspension guidance contains those additional limited circumstances. All nonprocurement transactions (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Condition: Our tests disclosed that procedures related to suspension and debarment requirements at the Las Vegas Metropolitan Police Department did not ensure that evidence of verification was maintained to support compliance with the requirements. Two vendors were tested for compliance with the suspension and debarment requirements and for both vendors there was no evidence included with purchasing documents to support that the vendors had been verified to ensure they were not suspended or debarred.

Effect: There was insufficient documentation to support that the Las Vegas Metropolitan Police Department was in compliance with the verification requirements related to suspension and debarment specified by federal regulations.

Cause: The Las Vegas Metropolitan Police Department implemented formal suspension and debarment control policies and procedures in April 2011. These policies and procedures require that grant purchase requisitions are reviewed and vendors are verified to ensure they are not suspended or debarred. These policies and procedures were revised in February 2012 to require that evidence of the verification be included with purchase requisitions to document compliance with the suspension and debarment requirements. The contracts with the two vendors tested were initiated and processed prior to this revision.

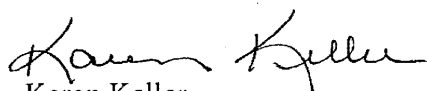


Recommendation: The Las Vegas Metropolitan Police Department should continue to enforce the policies and procedures over the process for complying with suspension and debarment requirements that were revised in February 2012. The Department should consider performing a retrospective review of contracts initiated prior to the revision and updating those files with documentation of compliance with the suspension and debarment requirements.

Response and corrective actions: The Las Vegas Metropolitan Police Department has continued to enforce the established policies and procedures regarding suspension and debarment. We further expanded our policy and procedures in March 2013 to cover equitable sharing purchase requisitions. We have considered the request to perform retrospective reviews prior to policy and procedure revisions however; we have not had sufficient resources to retroactively update previous files with the requested documentation. We are compliant with current policies and procedures and will continue to monitor them to make any modifications as needed.

If you have questions regarding this response, please contact Richard Hoggan at 702-828-8267.

Sincerely,



Karen Keller
Chief Financial Officer
Las Vegas Metropolitan Police Department

cc: Richard Hoggan
Elizabeth Vorce



**Clark County
Water Reclamation
DISTRICT**

March 3, 2014

Kafoury, Armstrong, & CO.
8329 West Sunset Road, Suite 201
Las Vegas, NV 89113

Dear Auditor,

The purpose of this letter is to respond to the auditor's request to update the Clark County Water Reclamation District's (the District) Fiscal Year Ending June 30, 2012 Single Audit Finding 2012-6 corrective action plan.

The corrective action taken, as noted in the District's corrective action response, dated March 15, 2013 to the auditor, is still in place. The District developed a policy/procedure which establishes roles and responsibilities for each party involved with Federally funded contracts to ensure that Federal grant transactions are not made with debarred or suspended consultants and/or contractors and their immediate sub-contractors/consultants.

Sincerely,

Bridgette McNally
Financial Service Manager

cc: Thomas A. Minwegen, General Manager
Elizabeth Vorce, Clark County Comptroller's office
Mark Gamett, Clark County Comptroller's office

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Department of Real Property Management

500 S Grand Central Pky 4th Fl • Box 551825 • Las Vegas NV 89155-1825
(702) 455-4616 • Fax (702) 455-4055

Jerome A. Stueve, Director • Lisa Kremer, Assistant Director

February 26, 2014

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

Dear Auditors:

The purpose of this letter is to provide an updated response to the corrective action taken as outlined in the FY12 Finding 2012-7 related to the review FY 2012 Energy Efficiency and Conservation Block Grant (EECBG) – CFDA No. 81.128, DE-EE0000685.

2012-7

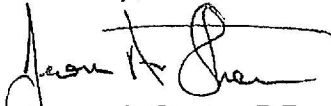
Condition: The SF-425 report initially submitted for the quarter ending September 30, 2011 and the previous quarter included incorrect data for disbursements, expenditure and obligations. Revised and corrected reports for both quarters were submitted in January 2012 after guidance had been provided by the grantor agency.

Response: Because the County had obtained Department of Energy's approval of the June 30, 2011 and September 30, 2011 reports, staff was unaware of reporting incorrect data. Once staff received clarifying guidance from the Department of Energy's newly assigned project manager, the information was revised and future reports were submitted in accordance with the guidance.

Correction Action: The department continued to submit all future SF-425 reports in accordance with the clarifying guidance that was provided by the Department of Energy's project manager. Staff created a separate internal report which included specific instructions to each of the transactions identified in the SF-425 report. This separate report was beneficial to ensure that accurate information was being reported on the SF-425.

Thank you for the opportunity to provide an updated response to the FY12 Finding 2012-7. If you have any questions, please contact Lisa Kremer at (702) 455-2907.

Sincerely,



Jerome A. Stueve, P.E.
Director

cc: Mark Gamette
Elizabeth Vorce
Evelyn Grippaldi

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Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Lisa Ruiz-Lee, Director
Paula Hammack, Assistant Director • Michael Knight, Assistant Director



March 5, 2014

Kafoury, Armstrong & Co
1700 West Sunset Road, Suite 210
Las Vegas, NV 89113

Subject: Title IV-E Foster Care (CFDA No.93.658) and Adoption Assistance Program (CFDA No 93.659) – Audit Findings

The Department of Family Services (DFS) has reviewed the previously submitted audit response dated March 18, 2013 and has implemented the corrective actions outlined below. The over reimbursement has been processed as a prior quarter adjustment.

Finding 2012-8 – The CB-496 Report submitted for the quarter ending March 31, 2012 included incorrect current quarter claim amounts for both programs. The grantor agency was reported inaccurate data for the third quarter of the fiscal year and Clark County received an over-reimbursement of \$161,354. During the report preparation process, certain overhead amounts that should have been subtracted from the calculation of direct costs were instead added. This was a manual error that was detected by Clark County Department of Family Services personnel subsequent to the report's filing.

Corrective Action – The Fiscal unit began implementation of the verification and balancing review only to determine that the current worksheets are too cumbersome to allow for efficient review. DFS contracted with the Public Consulting Group (PCG) to provide software that DFS will use in the quarterly Federal claim process. This software will increase DFS' accuracy and efficiency compared to the current spreadsheet based process. The AlloCAP software program was used for the first time for the July-September 2012 quarter for federal claiming. AlloCAP quarterly claiming uses the SAP downloads minimizing data entry.

Federal program guidelines do not specify a deadline for refunding over-reimbursements; however, the over-reimbursement amount of \$161,354 will be processed as a prior-quarter adjustment on the FY13 (March 3rd quarter) Title IV-E Foster Care and Adoption Assistance Financial Report.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,

Lisa Ruiz-Lee
Director
Department of Family Services

Cc: Mark Gamett

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