

Financial Section

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

Independent Auditor's Report

The Honorable Mayor,
Members of the City Council and
City Manager
City of Henderson, Nevada

We have audited the accompanying general purpose financial statements of the City of Henderson, Nevada, as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Henderson, Nevada's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Henderson, Nevada as of June 30, 2000 and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2000 on our consideration of the City of Henderson, Nevada's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Henderson, Nevada, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Henderson, Nevada. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by the 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 general purpose financial statements of the City of Henderson, Nevada. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The statistical section has been furnished to us and was not subjected to the auditing procedures applied in the audit of the general purpose financial statements. Accordingly, we do not express an opinion on the statistical section.

Kafoury, Armstrong & Co.

Reno, Nevada
October 26, 2000

**General Purpose
Financial Statements**

CITY OF HENDERSON, NEVADA

ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET
 JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

ASSETS AND OTHER DEBITS	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	2000	1999
ASSETS:											
Cash and investments	\$ 16,896,925	\$ 14,097,416	\$ 31,282,155	\$ 164,853,760	\$ 217,999,522	\$ 19,342,266	\$ 8,058,553	\$ -	\$ -	\$ 472,530,597	\$ 461,891,605
Receivables:											
Accounts	3,128,427	-	-	595,136	7,842,260	185,824	-	-	-	11,751,647	10,168,621
Special assessments	-	-	152,314,452	-	-	-	-	-	-	152,314,452	161,216,893
Interest	206,628	192,375	207,690	136,153	4,314,767	292,970	36,448	-	-	5,387,031	3,114,259
Property tax - delinquent	277,167	-	239,935	-	-	-	-	-	-	517,102	355,854
Notes	-	-	-	-	-	3,696	-	-	-	3,696	7,042
Due from other funds	832,448	-	-	-	-	-	-	-	-	832,448	1,581,985
Due from employees	444,484	-	-	-	-	-	-	-	-	444,484	-
Due from other governments	10,058,743	656,674	100,004	1,278,377	-	102,298	-	-	-	12,196,096	11,649,084
Land held for resale	-	5,781,852	-	-	-	-	-	-	-	5,781,852	5,151,318
Inventory-bulk fuel	-	-	-	-	-	15,336	-	-	-	15,336	15,336
Deposits	-	-	-	-	-	3,847	-	-	-	3,847	3,530
Restricted assets:											
Cash and investments	-	-	-	-	8,116,429	-	-	-	-	8,116,429	8,290,821
Banked water	-	-	-	-	5,152,186	-	-	-	-	5,152,186	4,428,344
Property, plant and equipment (net, where applicable, of accumulated depreciation)	-	-	-	-	345,904,981	12,111,102	-	221,873,491	-	579,889,574	500,228,057
Notes receivable (net of current portion)	-	-	-	558,113	10,000,000	-	-	-	-	10,558,113	10,003,696
Advances to other funds	-	-	-	-	10,520,000	230,566	-	-	-	10,750,566	10,801,659
OTHER DEBITS:											
Amount available in Debt Service Fund	-	-	-	-	-	-	-	-	31,552,395	31,552,395	32,873,062
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	340,282,985	340,282,985	302,681,816
TOTAL ASSETS AND OTHER DEBITS	\$ 31,844,822	\$ 20,728,317	\$ 184,144,236	\$ 167,421,539	\$ 609,850,145	\$ 32,287,905	\$ 8,095,001	\$ 221,873,491	\$ 371,835,380	\$ 1,648,080,836	\$ 1,524,462,982

(Continued)

CITY OF HENDERSON, NEVADA

ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET (Continued)
JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

LIABILITIES, EQUITY, AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	2000	1999
LIABILITIES:											
Accounts payable and accrued wages	\$ 5,024,216	\$ 350,906	\$ 6,769	\$ 1,645,773	\$ 4,650,644	\$ 579,599	\$ -	\$ -	\$ -	\$ 12,257,907	\$ 13,417,180
Compensated absences payable	362,512	-	-	-	2,822,934	1,157,096	-	-	11,608,773	15,951,315	13,456,112
Claims and judgments payable	-	-	-	-	-	2,000,078	-	-	-	2,000,078	981,097
Construction contracts	18,063	-	-	3,135,874	602,565	-	-	-	-	3,756,502	3,678,454
Capital lease obligations - current	-	-	-	-	-	155,884	-	-	-	155,884	74,456
Matured bonds principal and interest	-	-	30,684	-	-	-	-	-	-	30,684	575
Deposits	1,525,705	5,725	-	350,713	-	-	-	-	-	1,882,143	1,765,194
Payable from restricted assets:											
Customer deposits	-	-	-	-	183,631	-	-	-	-	183,631	165,673
Construction deposits	-	-	-	-	203,204	-	-	-	-	203,204	228,934
Accrued bond interest	-	-	-	-	2,879,896	-	-	-	-	2,879,896	1,895,167
Current portion of bonds	-	-	-	-	8,313,007	-	-	-	-	8,313,007	7,941,885
Due to other governments	666,596	-	-	-	-	-	-	-	-	666,596	759,329
Due to other funds	-	-	-	832,448	-	-	-	-	-	832,448	1,581,985
Due to developers	-	-	-	-	-	-	5,730,426	-	-	5,730,426	4,206,619
Due to employees	-	-	-	-	-	-	38,706	-	-	38,706	32,027
Due to others	-	-	-	-	-	-	123,070	-	-	123,070	48,797
Advances from other funds	-	-	-	10,750,566	-	-	-	-	-	10,750,566	10,801,659
Provisional credits	-	-	-	-	378,837	-	-	-	-	378,837	412,354
General obligation bonds payable, net	-	-	-	-	177,265,668	-	-	-	180,105,000	357,370,668	322,792,592
Arbitrage rebate tax	-	-	-	519,092	-	-	-	-	-	519,092	281,257
Capital lease obligations	-	-	-	-	-	535,980	-	-	1,647,598	2,183,578	1,832,078
Special assessment bonds payable, with governmental commitment	-	-	-	-	-	-	-	-	156,255,000	156,255,000	163,820,000
Deferred revenues	300,712	-	152,314,453	567,273	-	-	-	-	-	153,182,438	161,589,976
Deferred revenues - property taxes	277,167	-	239,935	-	-	-	-	-	-	517,102	355,854
Notes payable	-	-	-	-	-	-	-	-	10,219,009	10,219,009	10,180,840
Landfill postclosure costs	-	-	-	-	-	-	-	-	12,000,000	12,000,000	12,000,000
Total liabilities	<u>8,174,971</u>	<u>356,631</u>	<u>152,591,841</u>	<u>17,801,739</u>	<u>197,300,386</u>	<u>4,428,637</u>	<u>5,892,202</u>	<u>-</u>	<u>371,835,380</u>	<u>758,381,787</u>	<u>734,300,094</u>
EQUITY AND OTHER CREDITS:											
Contributed capital	-	-	-	-	415,136,905	13,914,135	-	-	-	429,051,040	387,684,464
Investment in general fixed assets	-	-	-	-	-	-	-	221,873,491	-	221,873,491	175,778,712
Retained earnings:											
Unreserved	-	-	-	-	(2,587,146)	7,999,343	-	-	-	5,412,197	6,599,758
Reserved for future claims	-	-	-	-	-	5,945,790	-	-	-	5,945,790	6,671,550
Fund Balances:											
Reserved for encumbrances	2,837,634	-	-	-	-	-	-	-	-	2,837,634	2,435,332
Reserved for pool participants	-	-	-	-	-	-	699,502	-	-	699,502	4,294,136
Reserved for repairs	-	752,642	-	-	-	-	-	-	-	752,642	481,283
Reserved for debt service	-	-	31,552,395	-	-	-	-	-	-	31,552,395	32,873,062
Reserved for sinking fund	-	-	-	-	-	-	1,503,297	-	-	1,503,297	1,259,952
Reserved for land held for resale	-	5,781,852	-	-	-	-	-	-	-	5,781,852	5,151,318
Unreserved - undesignated	20,832,217	13,837,192	-	149,619,800	-	-	-	-	-	184,289,209	166,933,321
Total equity and other credits	<u>23,669,851</u>	<u>20,371,686</u>	<u>31,552,395</u>	<u>149,619,800</u>	<u>412,549,759</u>	<u>27,859,268</u>	<u>2,202,799</u>	<u>221,873,491</u>	<u>-</u>	<u>889,699,049</u>	<u>790,162,888</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 31,844,822</u>	<u>\$ 20,728,317</u>	<u>\$ 184,144,236</u>	<u>\$ 167,421,539</u>	<u>\$ 609,850,145</u>	<u>\$ 32,287,905</u>	<u>\$ 8,095,001</u>	<u>\$ 221,873,491</u>	<u>\$ 371,835,380</u>	<u>\$ 1,648,080,836</u>	<u>\$ 1,524,462,982</u>

See notes to financial statements.

CITY OF HENDERSON, NEVADA

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)**

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	2000	1999
REVENUES:							
Property taxes	\$ 14,696,838	\$ 1,609,164	\$ 12,660,391	\$ 409,668	\$ -	\$ 29,376,061	\$ 25,888,189
Franchise fees	12,195,108	-	-	-	-	12,195,108	9,939,571
Licenses and permits	6,811,159	-	-	-	-	6,811,159	8,418,719
Intergovernmental	54,225,567	1,638,178	-	5,056,622	-	60,920,367	56,349,204
Charges for services	12,602,220	-	-	-	-	12,602,220	11,341,958
Fines and forfeits	1,635,996	314,242	-	-	-	1,950,238	1,654,378
Developer contributions	-	-	-	711,875	99,892	811,767	2,286,677
Impact fees	-	-	-	2,231,063	-	2,231,063	2,215,356
Special assessments	-	-	8,897,444	-	-	8,897,444	8,941,709
Miscellaneous	2,189,608	646,650	11,942,175	8,937,597	63,453	23,779,483	21,649,408
Total revenues	<u>104,356,496</u>	<u>4,208,234</u>	<u>33,500,010</u>	<u>17,346,825</u>	<u>163,345</u>	<u>159,574,910</u>	<u>148,685,169</u>
EXPENDITURES:							
Current:							
General government	28,133,602	616,108	-	-	-	28,749,710	25,561,057
Judicial	2,377,881	-	-	-	-	2,377,881	2,168,199
Public safety	52,462,142	-	-	-	-	52,462,142	46,241,144
Highways and streets	5,093,490	-	-	-	-	5,093,490	5,726,957
Culture and recreation	16,324,343	-	-	-	-	16,324,343	13,332,298
Capital outlay	-	1,335,369	-	64,288,701	-	65,624,070	55,197,154
Debt service:							
Principal retirement	-	10,991	15,225,000	-	-	15,235,991	33,290,000
Interest and fiscal charges	-	9,009	18,576,075	-	-	18,585,084	17,624,316
Administrative and other costs	-	-	333,039	-	-	333,039	248,669
Total expenditures	<u>104,391,458</u>	<u>1,971,477</u>	<u>34,134,114</u>	<u>64,288,701</u>	<u>-</u>	<u>204,785,750</u>	<u>199,389,794</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(34,962)</u>	<u>2,236,757</u>	<u>(634,104)</u>	<u>(46,941,876)</u>	<u>163,345</u>	<u>(45,210,840)</u>	<u>(50,704,625)</u>

(Continued)

CITY OF HENDERSON, NEVADA

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)**

	Governmental Fund Types				Fiduciary	Totals	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	(Memorandum only)	
						2000	1999
OTHER FINANCING SOURCES (USES):							
Land sales	\$ -	\$ -	\$ -	\$ 307,459	\$ -	\$ 307,459	\$ 291,696
Proceeds of refunding bonds	-	-	-	-	-	-	39,107,176
Proceeds from issuance of debt	-	230,000	-	49,556,443	-	49,786,443	73,479,872
Proceeds from capital leases	387,871	-	-	-	-	387,871	712,691
Sale of fixed assets	1,995	-	-	-	-	1,995	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(48,868,062)
Operating transfers in	4,689,896	2,650,000	5,236,834	28,392,062	80,000	41,048,792	41,691,942
Operating transfers out	(7,972,581)	(162,265)	(5,923,397)	(14,680,716)	-	(28,738,959)	(34,924,559)
Total other financing sources (uses)	(2,892,819)	2,717,735	(686,563)	63,575,248	80,000	62,793,601	71,490,756
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(2,927,781)	4,954,492	(1,320,667)	16,633,372	243,345	17,582,761	20,786,131
FUND BALANCES, BEGINNING OF YEAR	26,597,632	15,417,194	32,873,062	132,986,428	1,259,952	209,134,268	188,348,137
FUND BALANCES, END OF YEAR	\$ 23,669,851	\$ 20,371,686	\$ 31,552,395	\$ 149,619,800	\$ 1,503,297	\$ 226,717,029	\$ 209,134,268

See notes to financial statements.

CITY OF HENDERSON, NEVADA

GENERAL, SPECIAL REVENUE, DEBT SERVICE AND CAPITAL PROJECTS FUND TYPES

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2000**

	General Fund			Special Revenue Funds		
	Budget (GAAP Basis)	Actual	Variance	Budget (GAAP Basis)	Actual	Variance
REVENUES:						
Property taxes	\$ 14,543,077	\$ 14,696,838	\$ 153,761	\$ 1,861,837	\$ 1,609,164	\$ (252,673)
Franchise fees	10,693,702	12,195,108	1,501,406	-	-	-
Licenses and permits	6,457,855	6,811,159	353,304	-	-	-
Intergovernmental	53,510,983	54,225,567	714,584	1,529,411	1,638,178	108,767
Charges for services	11,273,407	12,602,220	1,328,813	-	-	-
Fines and forfeits	1,590,000	1,635,996	45,996	328,000	314,242	(13,758)
Miscellaneous	3,027,092	2,189,608	(837,484)	594,015	646,650	52,635
Total revenues	<u>101,096,116</u>	<u>104,356,496</u>	<u>3,260,380</u>	<u>4,313,263</u>	<u>4,208,234</u>	<u>(105,029)</u>
EXPENDITURES:						
Current:						
General government	33,585,820	28,133,602	5,452,218	891,398	616,108	275,290
Judicial	2,442,187	2,377,881	64,306	-	-	-
Public safety	53,861,911	52,462,142	1,399,769	-	-	-
Highways and streets	6,636,015	5,093,490	1,542,525	-	-	-
Culture and recreation	17,879,867	16,324,343	1,555,524	-	-	-
Capital outlay	-	-	-	3,025,965	1,335,369	1,690,596
Debt service:						
Principal retirement	-	-	-	-	10,991	(10,991)
Interest	-	-	-	630,000	9,009	620,991
Total expenditures	<u>114,405,800</u>	<u>104,391,458</u>	<u>10,014,342</u>	<u>4,547,363</u>	<u>1,971,477</u>	<u>2,575,886</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(13,309,684)</u>	<u>(34,962)</u>	<u>13,274,722</u>	<u>(234,100)</u>	<u>2,236,757</u>	<u>2,470,857</u>
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of debt	-	-	-	230,000	230,000	-
Proceeds from capital leases	-	387,871	387,871	-	-	-
Sale of fixed assets	500	1,995	1,495	-	-	-
Operating transfers in	4,679,998	4,689,896	9,898	2,650,000	2,650,000	-
Operating transfers out	(7,972,581)	(7,972,581)	-	(93,000)	(162,265)	(69,265)
Total other financing sources (uses)	<u>(3,292,083)</u>	<u>(2,892,819)</u>	<u>399,264</u>	<u>2,787,000</u>	<u>2,717,735</u>	<u>(69,265)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(16,601,767)</u>	<u>(2,927,781)</u>	<u>13,673,986</u>	<u>2,552,900</u>	<u>4,954,492</u>	<u>2,401,592</u>
FUND BALANCES, BEGINNING OF YEAR	<u>26,597,632</u>	<u>26,597,632</u>	<u>-</u>	<u>15,417,194</u>	<u>15,417,194</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 9,995,865</u>	<u>\$ 23,669,851</u>	<u>\$ 13,673,986</u>	<u>\$ 17,970,094</u>	<u>\$ 20,371,686</u>	<u>\$ 2,401,592</u>

(Continued)

CITY OF HENDERSON, NEVADA

GENERAL, SPECIAL REVENUE, DEBT SERVICE AND CAPITAL PROJECTS FUND TYPES

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000**

	Debt Service Funds			Capital Projects Funds		
	Budget (GAAP Basis)	Actual	Variance	Budget (GAAP Basis)	Actual	Variance
REVENUES:						
Property taxes	\$ 12,795,578	\$ 12,660,391	\$ (135,187)	\$ 405,000	\$ 409,668	\$ 4,668
Intergovernmental	-	-	-	18,897,786	5,056,622	(13,841,164)
Developer contributions	-	-	-	461,249	711,875	250,626
Impact fees	-	-	-	2,082,000	2,231,063	149,063
Special assessments	9,052,086	8,897,444	(154,642)	-	-	-
Miscellaneous	10,801,415	11,942,175	1,140,760	7,769,900	8,937,597	1,167,697
Total revenues	<u>32,649,079</u>	<u>33,500,010</u>	<u>850,931</u>	<u>29,615,935</u>	<u>17,346,825</u>	<u>(12,269,110)</u>
EXPENDITURES:						
Capital outlay	-	-	-	155,493,531	64,288,701	91,204,830
Debt service:						
Principal retirement	15,375,840	15,225,000	150,840	-	-	-
Interest and fiscal charges	18,497,264	18,576,075	(78,811)	-	-	-
Administrative and other costs	573,500	333,039	240,461	-	-	-
Total expenditures	<u>34,446,604</u>	<u>34,134,114</u>	<u>312,490</u>	<u>155,493,531</u>	<u>64,288,701</u>	<u>91,204,830</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,797,525)</u>	<u>(634,104)</u>	<u>1,163,421</u>	<u>(125,877,596)</u>	<u>(46,941,876)</u>	<u>78,935,720</u>
OTHER FINANCING SOURCES (USES):						
Land sales	-	-	-	12,000,000	307,459	(11,692,541)
Proceeds from issuance of debt	-	-	-	49,500,000	49,556,443	56,443
Operating transfers in	5,236,834	5,236,834	-	23,299,457	28,392,062	5,092,605
Operating transfers out	(5,567,608)	(5,923,397)	(355,789)	(14,363,100)	(14,680,716)	(317,616)
Total other financing sources (uses)	<u>(330,774)</u>	<u>(686,563)</u>	<u>(355,789)</u>	<u>70,436,357</u>	<u>63,575,248</u>	<u>(6,861,109)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(2,128,299)</u>	<u>(1,320,667)</u>	<u>807,632</u>	<u>(55,441,239)</u>	<u>16,633,372</u>	<u>72,074,611</u>
FUND BALANCES, BEGINNING OF YEAR	<u>32,873,062</u>	<u>32,873,062</u>	<u>-</u>	<u>132,986,428</u>	<u>132,986,428</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 30,744,763</u>	<u>\$ 31,552,395</u>	<u>\$ 807,632</u>	<u>\$ 77,545,189</u>	<u>\$ 149,619,800</u>	<u>\$ 72,074,611</u>

See notes to financial statements.

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CITY OF HENDERSON, NEVADA

ALL PROPRIETARY FUND TYPES

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT) FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Enterprise	Internal Service	Totals (Memorandum only)	
			2000	1999
OPERATING REVENUES:				
Utility fees	\$ 47,744,374	\$ -	\$ 47,744,374	\$ 41,816,337
Connection fees	877,479	-	877,479	1,565,316
Developer contributions	-	-	-	146,238
Late charges	592,384	-	592,384	563,706
Rental fees	266,441	-	266,441	244,863
Licenses - gaming	432,587	-	432,587	435,796
Room tax	552,837	-	552,837	353,330
Licenses and permits	2,866,685	-	2,866,685	-
Charges for services	2,247,649	14,842,121	17,089,770	14,877,361
Miscellaneous	408,501	-	408,501	345,763
Total operating revenues	<u>55,988,937</u>	<u>14,842,121</u>	<u>70,831,058</u>	<u>60,348,710</u>
OPERATING EXPENSES:				
Salaries, wages and benefits	15,897,536	5,527,996	21,425,532	16,896,604
Water purchases	10,085,766	-	10,085,766	10,125,305
Services and supplies	14,709,090	3,693,742	18,402,832	17,104,755
Claims	-	4,341,893	4,341,893	2,870,504
Legal fees	-	129,029	129,029	116,314
Depreciation	9,074,649	3,122,541	12,197,190	11,107,150
Total operating expenses	<u>49,767,041</u>	<u>16,815,201</u>	<u>66,582,242</u>	<u>58,220,632</u>
OPERATING INCOME (LOSS)	<u>6,221,896</u>	<u>(1,973,080)</u>	<u>4,248,816</u>	<u>2,128,078</u>
NONOPERATING REVENUES (EXPENSES):				
Interest revenue	13,330,725	1,026,872	14,357,597	10,421,567
Interest expense	(9,409,808)	(38,591)	(9,448,399)	(7,746,360)
Miscellaneous	33,540	798,624	832,164	839,455
Gain (loss) on the disposition of assets	(1,551)	91,209	89,658	68,670
Total nonoperating revenues	<u>3,952,906</u>	<u>1,878,114</u>	<u>5,831,020</u>	<u>3,583,332</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	<u>10,174,802</u>	<u>(94,966)</u>	<u>10,079,836</u>	<u>5,711,410</u>
OPERATING TRANSFERS:				
Operating transfers out	<u>(12,225,009)</u>	<u>(84,824)</u>	<u>(12,309,833)</u>	<u>(6,767,383)</u>
NET LOSS	<u>(2,050,207)</u>	<u>(179,790)</u>	<u>(2,229,997)</u>	<u>(1,055,973)</u>
CURRENT YEAR'S DEPRECIATION OF FEDERAL GRANTS TRANSFERRED TO CONTRIBUTED CAPITAL	316,676	-	316,676	336,955
RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR	<u>(853,615)</u>	<u>14,124,923</u>	<u>13,271,308</u>	<u>13,990,326</u>
RETAINED EARNINGS (DEFICIT), END OF YEAR	<u>\$ (2,587,146)</u>	<u>\$ 13,945,133</u>	<u>\$ 11,357,987</u>	<u>\$ 13,271,308</u>

See notes to financial statements.

CITY OF HENDERSON, NEVADA

ALL PROPRIETARY FUND TYPES

COMBINED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

		Internal	Totals	
	Enterprise	Service	(Memorandum only)	
			2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers and users	\$ 55,377,199	\$ 2,034,045	\$ 57,411,244	\$ 48,422,129
Cash received from quasi-external operating transactions	-	12,929,129	12,929,129	12,328,486
Cash from other sources	33,540	691,403	724,943	839,455
Cash payments to suppliers for goods and services	(30,233,470)	(8,817,964)	(39,051,434)	(31,672,222)
Cash payments to employees for services	(11,431,565)	(4,760,372)	(16,191,937)	(11,913,309)
Net cash provided by operating activities	<u>13,745,704</u>	<u>2,076,241</u>	<u>15,821,945</u>	<u>18,004,539</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating transfers out	(12,225,009)	(84,824)	(12,309,833)	(6,767,383)
Advances to other funds	-	51,093	51,093	(10,520,000)
Net cash used for noncapital financing activities	<u>(12,225,009)</u>	<u>(33,731)</u>	<u>(12,258,740)</u>	<u>(17,287,383)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of banked water	(723,842)	-	(723,842)	(874,416)
Acquisition and construction of fixed assets	(25,287,557)	(1,403,309)	(26,690,866)	(20,587,852)
Principal payments on bonds and lease obligations	(7,941,885)	(113,718)	(8,055,603)	(4,956,401)
Interest paid on bonds and leases	(7,868,412)	(18,652)	(7,887,064)	(6,695,191)
Decrease in provisional credits	(2,151)	-	(2,151)	(4,320)
Proceeds from sale of fixed assets	-	333,319	333,319	443,776
Capital contributions	21,140,004	-	21,140,004	25,904,839
Proceeds from issuance of debt	-	-	-	96,096,800
Net cash provided by (used for) capital and related financing activities	<u>(20,683,843)</u>	<u>(1,202,360)</u>	<u>(21,886,203)</u>	<u>89,327,235</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Loans made to others	-	-	-	(4,000,000)
Interest on investments	11,159,832	973,734	12,133,566	10,234,828
Net cash provided by investing activities	<u>11,159,832</u>	<u>973,734</u>	<u>12,133,566</u>	<u>6,234,828</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,003,316)	1,813,884	(6,189,432)	96,279,219
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>234,119,267</u>	<u>17,528,382</u>	<u>251,647,649</u>	<u>155,368,430</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 226,115,951</u>	<u>\$ 19,342,266</u>	<u>\$ 245,458,217</u>	<u>\$ 251,647,649</u>

(Continued)

CITY OF HENDERSON, NEVADA

ALL PROPRIETARY FUND TYPES

**COMBINED STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)**

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Totals (Memorandum only)</u>	
			<u>2000</u>	<u>1999</u>
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 6,221,896	\$ (1,973,080)	\$ 4,248,816	\$ 2,128,078
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	9,074,649	3,122,541	12,197,190	11,107,150
Miscellaneous revenues	33,540	798,624	832,164	839,455
(Increase) decrease in accounts receivable	(611,838)	(35,651)	(647,489)	(802,284)
(Increase) decrease in notes receivable	-	7,042	7,042	9,672
Decrease in advances to other funds	-	-	-	62,264
(Increase) in deposits	-	(317)	(317)	-
Decrease in due from other funds	-	-	-	1,162,301
(Increase) decrease in due from other governments	-	2,004	2,004	(30,092)
Increase in deposits payable	100	-	100	-
Increase (decrease) in accounts payable and accrued wages	(2,337,122)	(570,125)	(2,907,247)	3,378,277
Increase in compensated absences payable	1,372,351	(293,778)	1,078,573	508,419
Increase (decrease) in claims and judgments payable	-	1,018,981	1,018,981	(113,862)
Increase in amounts payable from restricted accounts	(7,872)	-	(7,872)	84,091
Increase in due to other funds	-	-	-	(328,930)
Total adjustments	<u>7,523,808</u>	<u>4,049,321</u>	<u>11,573,129</u>	<u>15,876,461</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 13,745,704</u>	<u>\$ 2,076,241</u>	<u>\$ 15,821,945</u>	<u>\$ 18,004,539</u>

NONCASH TRANSACTIONS AFFECTING FINANCIAL POSITION:

The Water Fund received contributions of fixed assets totaling \$8,602,311 and \$15,115,544 for the years ended June 30, 2000 and 1999, respectively.

The Sewer Fund received contributions of fixed assets totaling \$8,993,987 and \$11,314,291 for the years ended June 30, 2000 and 1999, respectively.

The Engineering Fund received contributions of fixed assets from other funds totaling \$35,659 for the year ended June 30, 1999.

The Engineering Fund acquired fixed assets in the amount of \$36,093 through capital leases for the year ended June 30, 2000.

The City Shop Fund received contributions of fixed assets from other funds totaling \$2,651,653 and \$2,051,305 for the years ended June 30, 2000 and 1999, respectively.

The City Shop Fund acquired fixed assets in the amount of \$459,852 and \$344,178 through capital leases for the year ended June 30, 2000 and 1999, respectively.

See notes to financial statements

CITY OF HENDERSON, NEVADA

**INVESTMENT TRUST FUND
COMBINED STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED JUNE 30, 2000
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 1999)**

	<u>2000</u>	<u>1999</u>
Net increase (decrease) in net assets resulting from operations:		
Investment income	\$ 215,814	\$ 236,377
Net increase (decrease) in fair value of investments	25,590	(60,677)
Capital share transactions	<u>(3,836,038)</u>	<u>1,016,175</u>
Total increase (decrease)	(3,594,634)	1,191,875
Net assets, beginning of year	<u>4,294,136</u>	<u>3,102,261</u>
Net assets, end of year	<u><u>\$ 699,502</u></u>	<u><u>\$ 4,294,136</u></u>

See notes to financial statements.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2000

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The City of Henderson, Nevada (the "City") was originally incorporated in 1953. It is governed by an elected mayor and four council members. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As required by GAAP, these financial statements present all the fund types and account groups of the City and its component unit. Blended component units, although legally separate entities, are in substance, part of the City's operations and, therefore, data from these units are combined with data of the primary government.

In evaluating how to define the financial reporting entity, management considered all potential component units using standards prescribed under GASB Statement No. 14 "The Financial Reporting Entity". Component units would include any legally separate organizations for which the City Council is financially accountable. Financial accountability would result where the City Council appoints a voting majority of the organization's governing body and (1) is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. Financial accountability may also result where an organization is fiscally dependent on the City. Based on these criteria, no component units or other reportable organizations other than the Henderson Redevelopment Agency were identified.

The Henderson Redevelopment Agency ("Agency") is a blended component unit and is governed by a five member board composed of the four City Council members and the Mayor. The Agency was set up in fiscal year 1996 as a separate and distinct legal entity to provide a diversified and strengthened economy in the central area of the City. For financial reporting purposes, the Agency is reported as if it were part of the City's operations, as a special revenue fund, since it operates within an established area in the City and its sole purpose is to plan and finance revitalization projects in the City's central area. Financial statements of the Agency can be obtained from the City of Henderson Finance Department, 240 Water Street, Henderson, Nevada 89015.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the City are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. Account groups are a reporting device used to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The following fund types and account groups are used by the City:

Governmental Funds - are used to account for the City's general government activities. Governmental Fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgements which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Governmental Funds (continued)

The major revenues susceptible to accrual are property taxes, special assessments, sales taxes, consolidated tax revenue (cigarette taxes, motor vehicle privilege taxes, liquor taxes), gaming taxes, gasoline taxes and interest revenue. Licenses and permits, franchise fees, charges for services and fines and forfeits are not susceptible to accrual because generally they are not measurable until received in cash.

Property tax revenue is recognized in the fiscal year in which the taxes become due to the extent they are collected during the fiscal year or soon enough thereafter that they can be used to finance current period expenditures (no later than 60 days after year-end).

The City reports deferred revenue on its combined, combining and individual fund balance sheets. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Governmental Funds include the following fund types:

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

The **special revenue funds** account for revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trusts or major capital projects).

The **debt service funds** account for the servicing of general long-term debt not being financed by proprietary funds.

The **capital projects funds** account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary funds.

Proprietary Funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. In accordance with GASB Statement No. 20 "Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities That Use Proprietary Fund Accounting", the City applies all applicable FASB pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB pronouncements issued after November 30, 1989.

Proprietary Funds include the following fund types:

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City Council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. The trust fund accounts for assets held by the City under the terms of a formal trust agreement.

The **expendable trust fund** is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable trust funds account for assets where both the principal and interest may be spent.

The **investment trust fund** is accounted for in essentially the same manner as proprietary fund types, using the full accrual basis of accounting. This fund is used to account for assets of governmental external investment pools.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the City holds for others in an agency capacity.

Account Groups. The **General Fixed Assets Account Group** is used to account for fixed assets not accounted for in proprietary or trust funds. The **General Long-Term Debt Account Group** is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

C. Assets, Liabilities and Equity

1. Cash and Investments

The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balances in the pooled cash accounts are available to meet current operating requirements.

Cash and cash equivalents include currency on hand, demand deposits with banks and other highly liquid investments with original maturities of three months or less, from the date of acquisition, which are readily convertible to cash.

State statutes authorize the City to invest in obligations of the U.S. Treasury, certain farm loan bonds, certain securities issued by Nevada local governments, repurchase agreements, bankers acceptances, commercial paper, negotiable certificates of deposit and money market mutual funds. All investments are stated at fair value.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivable / payable" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Liabilities and Equity (continued)

3. Property Taxes

The Clark County Assessor assesses all real and personal property by December 31 of each year. The County Treasurer bills and collects the City's share of property taxes. The County Treasurer remits, on a monthly basis, current and delinquent property tax collections to the City.

The Nevada Department of Taxation provides the maximum allowable tax rates for operating purposes to local governments for inclusion in their budgets. Each local government that receives property taxes must file a budget on or before June 1st, which provides for the allowable tax rate for the next fiscal year. The Nevada Tax Commission must certify all tax rates on June 25th, the levy date, and property is liened on July 1st. Taxes on real property are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August, and the first Mondays 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 15 percent per year from the date the taxes were due, if four or more installments were delinquent, until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien and assessments by local governments for improvements to the property.

4. Restricted Assets

Bond covenants of the City's Water and Sewer Enterprise Funds require portions of the debt proceeds, as well as other resources, to be set aside for various purposes. These amounts are reported as restricted assets.

5. Property, Plant, & Equipment

Property, plant and equipment purchased in all funds, except for the Proprietary Funds, are recorded as expenditures at the time of purchase and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at historical cost. Donated assets are recorded at their estimated fair market value on the date donated. Public domain (infrastructure) general fixed assets, consisting of improvements such as bridges, curbs and gutters, streets and sidewalks are not capitalized in the General Fixed Assets Account Group. No depreciation has been provided on the general fixed assets. Construction period interest is not capitalized in the General Fixed Asset Account Group and is shown as interest costs in the Debt Service Fund.

Property, plant and equipment of the Proprietary Funds are recorded at cost including capitalized interest incurred during the construction phase on debt financed projects. Assets contributed from the General Fixed Assets Account Group or from other Proprietary Funds are recorded at their net book value but not to exceed their estimated fair market value on the date of contribution. Assets donated from individuals or other sources are also recorded at their estimated fair market value on the date donated. Depreciation is computed using the straight-line method for all assets over the estimated useful lives of the assets, which are:

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Liabilities and Equity (continued)

5. Property, Plant & Equipment (continued)

<u>Assets</u>	<u>Life</u>
Buildings	20 to 50 years
Improvements other than buildings	5 to 15 years
Machinery	5 to 10 years
Vehicles	3 to 10 years

6. Banked Water

During 1994, the City entered into a Cooperative Agreement ("Edison Contract") to recharge underground storage aquifers among Southern Nevada Municipal Water Purveyors, (the "Purveyors"). The Purveyors desire to create an arrangement intended to allow each Purveyor, if it so chooses, to have stored for its account in the Las Vegas Valley groundwater basin by July 1, 2006 approximately the total quantity of water that the Purveyor will be obligated to make available to Southern California Edison Company from July 2, 2006 through July 1, 2026 pursuant to the Edison Contract. The City believes this program will provide an economical source of future supply for customers. The City believes the inventory method of accounting for recharged water will match the water cost with future revenues related thereto.

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vested or accumulated vacation leave and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Debt Account Group. No expenditure is reported for these amounts. Vested or accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

8. Provisional Credits (Enterprise Fund)

The City has entered into refunding agreements whereby developers construct water and sewage transmission lines from their property to existing City lines at the expense of the developers. The developers are to be reimbursed by the City from the collection of connection fees or user charges. These agreements are principally for the term of ten years with all liability canceled either by reimbursement to the developers from subsequent connection fee assessments in the related areas or upon expiration of the term of the agreements.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Liabilities and Equity (continued)

9. Long-Term Debt

The City records long-term debt of governmental funds in the General Long-Term Debt Account Group. Other governmental fund obligations not expected to be financed with current available financial resources are also recorded in the General Long-Term Debt Account Group. Long-term debt and other obligations financed by proprietary funds are recorded as liabilities in the appropriate funds.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received are reported as debt service expenditures. For proprietary fund types, bond premiums and discounts as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges.

10. Fund Equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. The proprietary funds' contributed capital represents equity acquired through capital grants and capital contributions from developers, customers, or other funds.

11. Memorandum Only-Total Columns

Total columns on the general purpose financial statements are captioned as "memorandum only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations, or cash flows in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

12. Comparative Data and Reclassifications

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of the changes in the City's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are legally adopted for all funds except the Investment Trust and Agency Funds and use a basis of accounting consistent with generally accepted accounting principles. Encumbrance accounting is employed as an extension of formal budget integration in the governmental fund types. Encumbrances are commitments to unperformed (executory) contracts for goods and services such as open purchase orders. They are not expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed. While all appropriations lapse at fiscal year end, outstanding encumbrances (reported as a reservation of fund balance) are customarily reauthorized in the subsequent year.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

Prior to April 15, the Finance Director submits a tentative budget for the ensuing fiscal year to the City Council, the Nevada State Department of Taxation and the Citizens via public hearings. The Nevada Department of Taxation notifies the City Council of whether or not the budget is in compliance with the law and appropriate regulations. Public hearings, at which all changes made to the tentative budget are indicated, are conducted on the third Tuesday in May. The City Council adopts the budget prior to June 1 and submits it to the Department of Taxation for final approval. The revenue classifications and expenditure functions shown in the financial statements are those prescribed by the Nevada Department of Taxation.

All revisions to the adopted budget are made a matter of public record by actions of the City Council. Per Nevada law, the City Manager is authorized to transfer budgeted amounts within functions (General Fund) or funds if the City Council is notified at the next regular meeting and the action is noted in the official minutes. Revisions which affect the total fund appropriations or transfers between funds are accomplished through formal City Council approval. Various supplemental appropriations were approved for the year to reflect necessary changes in spending and the corresponding additional resources available. The most significant change occurred in the Capital Projects Funds (\$215,097,106). Nevada Law requires budgetary control to be exercised at the function level or, with respect to proprietary funds, the total of operating and non-operating expenses.

B. Excess of Expenditures/Expenses Over Appropriations

Total expenditures/expenses exceeded those budgeted for the year in the following funds:

Development Services Enterprise Fund	\$ 961,001
Workmen's Compensation Self Insurance	
Internal Service Fund	\$ 474,233
Health Insurance Internal Service Fund	\$1,092,301

The above are potential violations of Nevada Revised Statutes (NRS) 354.626 as further described in Nevada Administrative Code (NAC) 354.480

C. Deficit Fund Balances/Retained Earnings

As of June 30, 2000, the following funds had deficit fund balances/retained earnings:

Capital Projects Funds:	
Land Sales	\$11,107,420
HUD Proceeds Fund	\$ 37,117
Flood Control Fund	\$ 79,647
RTC County Funded	\$ 147,544

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

C. Deficit Fund Balances/Retained Earnings (continued)

Enterprise Funds:	
Sewer Fund	\$4,725,328
Internal Service Funds:	
Revolving Fund	\$12,037

III. CASH AND INVESTMENTS

A. Deposits

State statutes govern the City's deposit policies. City monies must be deposited in insured banks and savings and loan associations. The City is authorized to use demand accounts, time accounts and certificates of deposit.

State statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible state investments. Permissible state investments include obligations of the U.S. Treasury, certain farm loan bonds, certain securities issued by Nevada local governments, repurchase agreements, bankers acceptances, commercial paper, negotiable certificates of deposit, and money market mutual funds. Allowable City investments are similar except that some state investments are longer term and include securities issued by municipalities outside of Nevada.

The City's agent, in the City's name, holds securities used as collateral to secure deposits. The depository bank submits monthly reports to the City indicating the type, the amount and the market value of the pledged securities. The City does not, however, have written custodial agreements with the trust bank for demand deposits.

The City invests monies both by individual fund and through pooling of monies. The pooling of monies, referred to as the external investment pool, is theoretically invested on the whole and not as a combination of monies from each fund belonging to the pool. In this manner, the City's Finance Director is able to invest the monies at a higher interest rate for a longer period of time. Interest revenue is apportioned monthly to each fund in the pool based on the average cash balance of the fund for the month.

At year-end, the carrying amount of the City's deposits was \$6,939,913 and the bank balance was \$11,065,945. Of the bank balance, \$500,000 was covered by Federal Depository Insurance, \$8,891,087 was covered by collateral held by the City's agent in the City's name, while \$1,674,858 was uncollateralized. Cash on hand at June 30, 2000 was \$9,659.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

III. CASH AND INVESTMENTS (continued)

B. Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies having maturity dates that do not extend more than ten years from the date of purchase, the state treasurer's investment pool, negotiable notes or short-term negotiable bonds issued by other local governments of the State of Nevada, banker's acceptances not exceeding 180 days maturity and eligible by law for rediscount with the Federal Reserve Banks and commercial paper issued by a corporation organized and operating in the U.S. that is purchased from a registered broker-dealer, with a remaining term of less than 270 days rated "A-1", "P-1" or better (purchases of banker's acceptances or commercial paper may not exceed 20 percent of the money available for local government investment). The City's investments are categorized as either (1) insured or registered or securities held by the City or its agent in the City's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name or, (3) uninsured and unregistered for which the securities are held by the counterparty's trust department but not in the City's name as follows:

	Categories			Fair Value
	1	2	3	
U.S. Government Securities	\$292,387,127	\$ -	\$ -	\$292,387,127
Money Market Fund				178,265,011
Investment in Local Government Pooled Investment Fund				3,045,316
Total investments				\$473,697,454

The Local Government Pooled Investment Fund is an external investment pool administered by the Treasurer of the State of Nevada, with oversight provided by the Board of Finance. The fair value of the City's position in the pool is the same as the value of pool shares.

C. External Investment Pool

The City administers an external investment pool combining a portion of City of Henderson's money with voluntary investments from Henderson District Public Libraries. The City Council has overall responsibility for investment of City funds including the external investment pool in accordance with NRS 355.175. The City of Henderson chief investment official is the City's Finance Director under authority delegated by the City Council. The Finance Director may delegate investment responsibilities to finance department staff members. Monthly, Wells Fargo Bank, Charles Schwab Institutional, and the State of Nevada Local Government Pooled Investment Fund each determine the fair value of the pool's investments held by them. Each participant's share is equal to their original investment plus or minus monthly allocation of interest income, and realized and unrealized gains and losses. The City has not provided nor obtained any legally binding guarantees to support the value of shares.

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

III. CASH AND INVESTMENTS (continued)

C. External Investment Pool (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Principal Amount/ Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
U.S. Government Securities	\$215,710,991	\$215,710,991	4.8% - 8.48%	July 1, 1999 – January 22, 2009
Money Market Fund	429,561	429,561	Variable	July 1, 2000
Local Government Pooled Investment Fund	<u>3,045,316</u>	3,045,316	Variable	July 1, 2000
Total Pooled Investments	<u>\$219,185,868</u>			

**External Investment Pool Condensed Financial Statements
Statement of Net Assets
June 30, 2000**

ASSETS:

Investments in securities:	
U.S. Government Agencies	\$215,710,991
Money Market Fund	429,561
Local Government Pooled Investment Fund	3,045,316
Interest receivable	<u>3,491,342</u>
 Total assets	 <u>\$222,677,210</u>

NET ASSETS HELD IN TRUST FOR POOL PARTICIPANTS:

Net assets consist of:	
Internal participant shares	\$221,977,708
External participant shares	<u>699,502</u>
 Total participant shares outstanding (\$1.00 par)	 <u>\$222,677,210</u>

Price per share (\$222,677,210/222,677,210) \$ 1.00

**Statement of Changes in Net Assets
For the Year Ended June 30, 2000**

Net decrease in net assets resulting from operations:	
Investment income	\$ 14,091,554
Net decrease in fair value of investments	(2,816,917)
Capital share transactions	<u>(15,221,408)</u>
Total decrease	(3,946,771)
Net assets, beginning of year	<u>226,623,981</u>
Net assets, end of year	<u>\$222,677,210</u>

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

IV. INTERFUND BALANCES

The composition of interfund balances as of June 30, 2000 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Land Sales - Capital Projects Fund	\$227,630
General Fund	HUD Proceeds - Capital Projects Fund	97,566
General Fund	Flood Control - Capital Projects Fund	4,905
General Fund	RTC/County Funded - Capital Projects Fund	<u>502,347</u>
		<u>\$832,448</u>

Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer Fund - Enterprise Fund	Land Sales Fund - Capital Projects Fund	\$10,520,000
Revolving Fund - Internal Service Fund	Special Assessment Districts - Capital Projects Fund	<u>230,566</u>
		<u>\$10,750,566</u>

V. PROPERTY, PLANT AND EQUIPMENT

Changes in the General Fixed Assets during the year ended June 30, 2000, were as follows:

	<u>Balance July 1, 1999</u>	<u>Additions and Transfers in</u>	<u>Deletions and Transfers out</u>	<u>Completed Construction</u>	<u>Balance June 30, 2000</u>
Land	\$ 44,701,770	\$ 9,315,584	\$ 401,824	\$ 401,824	\$ 54,017,354
Buildings	51,741,075	170,451	-	12,996,863	64,908,389
Improvements other than buildings	27,694,720	599,053	63,841	735,382	28,965,314
Machinery and equipment	15,137,499	7,515,280	293,394	-	22,359,385
Construction in progress	36,503,648	29,253,470	-	(14,134,069)	51,623,049
Total	<u>\$ 175,778,712</u>	<u>\$ 46,853,838</u>	<u>\$ 759,059</u>	<u>\$ -</u>	<u>\$ 221,873,491</u>

The following is a summary of proprietary fund type fixed assets for the City at June 30, 2000:

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total</u>
Land	\$ 4,258,550	\$ -	\$ 4,258,550
Buildings	13,701,030	753,377	14,454,407
Improvements other than buildings	366,618,731	398,078	367,016,809
Machinery and equipment	7,475,811	24,503,461	31,979,272
Construction in progress	28,124,595	-	28,124,595
Total	<u>420,178,717</u>	<u>25,654,916</u>	<u>445,833,633</u>
Less accumulated depreciation	(74,273,736)	(13,543,814)	(87,817,550)
Net property, plant and equipment	<u>\$ 345,904,981</u>	<u>\$ 12,111,102</u>	<u>\$ 358,016,083</u>

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

VI. LEASES

A. Capital Lease Obligations

The assets acquired through capital leases are as follows:

Asset	General Fixed Assets	Internal Service Funds
Machinery and equipment	\$ 870,853	\$ 2,371,995
Less accumulated depreciation	-	1,033,631
Total	\$ 870,853	\$ 1,338,364

The future minimum lease payments for the capital leases and the present value of net minimum lease payments at June 30, 2000, are summarized in the following table:

Year Ending June 30	General Long-Term Debt Account Group	Internal Service Funds
2001	\$ 436,252	\$ 192,769
2002	411,857	192,770
2003	404,617	185,934
2004	364,526	119,253
2005	208,311	98,654
Thereafter	112,665	-
Total minimum lease payments	1,938,228	789,380
Less amount representing interest	(290,630)	(97,516)
Present value of net minimum lease payments	\$ 1,647,598	\$ 691,864

VII. LONG-TERM DEBT

A. Prior Year Defeasance of Debt

In prior years, the City defeased certain general obligation 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 liability for the defeased bonds are not included in the City's financial statements. At June 30, 2000, \$26,245,000 outstanding general obligation bonds are considered defeased.

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

VII. Long-Term Debt (continued):

B. Changes to Long-Term Debt:

The following schedule summarizes the changes in long-term debt:

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
General Long-Term Debt Account Group:				
General Obligation Bonds Payable:				
\$1,025,000 1989 Flood Control refunding bonds due in annual installments through February 1, 2005; interest varies between 6.5% and 6.8%	\$ 640,000	\$ -	\$ (90,000)	\$ 550,000
\$4,215,000 1989 Various Purpose refunding bonds due in annual installments through October 1, 2000; interest varies between 6.20% and 6.90%	845,000	-	(410,000)	435,000
\$1,310,000 1991 Public Building serial bonds due April 1, 2002; interest varies between 5.55% and 6.8%	85,000	-	-	85,000
\$14,690,000 1991 Public Building serial bonds due in annual installments through April 1, 2004; interest varies between 6.0% and 7.7%	3,925,000	-	(700,000)	3,225,000
\$10,750,000 1992 Refunding and Building serial bonds due in annual installments through November 1, 2006; interest varies between 4.375% and 5.5%	7,185,000	-	(810,000)	6,375,000
\$29,795,000 1993 Refunding and Park serial bonds due in annual installments through May 1, 2013; interest varies between 4.75% and 5.6%	22,445,000	-	(1,785,000)	20,660,000
\$10,250,000 1994 Building serial bonds due in annual installments through March 1, 2004; interest varies between 3.8% and 5.0%	7,165,000	-	(1,195,000)	5,970,000
\$14,550,000 1997 Building serial bonds due in annual installments through June 1, 2012; interest varies between 4.75% and 6.5%	14,435,000	-	(440,000)	13,995,000
\$10,530,000 1997 Refunding serial bonds due in annual installments through April 1, 2001; interest varies between 4.5% and 5.5%	10,365,000	-	(75,000)	10,290,000

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

VII. Long-Term Debt (continued):

B. Changes to Long-Term Debt (continued):

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
General Long-Term Debt Account Group (continued):				
General Obligation Bonds Payable (continued):				
\$40,000,000 Parks and Recreation Bonds Series 1997A due in annual installments through June 1, 2017; interest varies between 4.875% and 6.25%	\$ 38,270,000	\$ -	\$ (1,250,000)	\$ 37,020,000
\$18,500,000 Building Bonds Series 1997B due in annual installments through June 1, 2007; interest varies between 4.0% and 5.5%	18,165,000	-	(460,000)	17,705,000
\$14,660,000 Parks and Recreation Bonds Series 1998B due in annual installments through June 1, 2016; interest varies between 4.50% and 6.0%	14,240,000	-	(445,000)	13,795,000
\$50,000,000 2000 Various Purpose Bonds due in annual installments through April 1, 2011; interest varies between 5.00% and 6.00%	-	50,000,000	-	50,000,000
Special Assessment Bonds Payable:				
\$7,000,000 1991 Improvement District T-2 bonds due in annual installments through August 1, 2011; interest at 9.50%	5,725,000	-	(240,000)	5,485,000
\$4,932,000 1992 Improvement District No. 818 bonds due in annual installments through April 1, 2002; interest varies between 6.0% and 7.0%	825,000	-	(370,000)	455,000
\$1,795,000 1993 Improvement District T-5 bonds due in annual installments through March 1, 2013; interest at 8.50%	1,510,000	-	(65,000)	1,445,000
\$14,840,000 1993 Improvement District T-6 bonds due in annual installments through November 1, 2013; interest varies between 4.5% and 7.25%	10,270,000	-	(595,000)	9,675,000
\$46,000,000 1994 Improvement District T-1 bonds due in annual installments through August 1, 2013; interest at 8.50%	22,870,000	-	(900,000)	21,970,000
\$30,000,000 1996 Improvement District T-10 bonds due in annual installments through August 1, 2015; interest varies between 4.25% and 7.5%	28,785,000	-	(1,190,000)	27,595,000

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

VII. Long-Term Debt (continued):

B. Changes to Long-Term Debt (continued):

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Special Assessment Bonds Payable (continued):				
\$50,000,000 1998 Improvement District T-12 Series A bonds due in annual installments through August 1, 2018; interest at 7.375%	\$ 49,995,000	\$ -	\$ (405,000)	\$ 49,590,000
\$18,760,000 1999 Improvement District T-4(C) Series A bonds due in annual installments through November 1, 2018; interest varies between 5.5% and 5.9%	18,760,000	-	(55,000)	18,705,000
\$19,540,000 1999 Improvement District T-4(R) Series A bonds due in annual installments through November 1, 2012; interest varies between 3.6% and 4.7%	19,540,000	-	(3,065,000)	16,475,000
\$5,540,000 1999 Improvement District T-4(R) Series B bonds due in annual installments through November 1, 2012; interest varies between 3.75% and 5.8%	5,540,000	-	(680,000)	4,860,000
Capital Lease Obligations:				
Capital lease payable to Emergency One in annual installments of \$112,046 including principal and interest through May 2005	530,955	-	(73,870)	457,085
Capital lease payable to Advanta Public Finance in monthly installments of \$507 including principal and interest through June 2000	5,667	-	(5,667)	-
Capital lease payable to Xerox Corporation in monthly installments of \$2,217 including principal and interest through May 2001	55,657	-	(23,861)	31,796
Capital lease payable to Xerox Corporation in monthly installments of \$905 including principal and interest through October 2002	27,956	-	(8,235)	19,721
Capital lease payable to the CIT Group in semi-annual installments of \$29,954 principal and interest through February 2005	280,641	-	(44,948)	235,693
Capital Lease payable to Xerox Corporation in monthly installments of \$2,152 including principal and interest through July 2003	96,884	-	(20,512)	76,372
Capital lease payable to Xerox Corporation in monthly installments of \$1,281 including principal and interest through July 2003	53,779	-	(12,211)	41,568

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

VII. Long-Term Debt (continued):

B. Changes to Long-Term Debt (continued):

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Capital Lease Obligations (continued):				
Capital lease payable to GTE Leasing Acceptance Corporation in annual installments of \$121,539 including principal and interest through April 2004	\$ 545,358	\$ -	\$ (119,110)	\$ 426,248
Capital lease payable to LaSalle Bank in semi-annual installments of \$33,155 including principal and interest through August 2006	-	388,693	(29,578)	359,115
Notes Payable:				
\$6,000,000 1998 Henderson Redevelopment Agency note payable; due June 1, 2002; interest rate at 6.5%	6,000,000	-	-	6,000,000
\$4,000,000 1999 Henderson Redevelopment Agency note payable; due May 1, 2003; interest rate at 6.0%	4,000,000	-	-	4,000,000
Norwest Bank note payable; due July 31, 1999; interest rate at 6.0%	180,840	-	(180,840)	-
\$230,000 2000 Henderson Redevelopment Agency note payable in monthly payments of \$2,500 including principal and interest through November 2009	-	230,000	(10,991)	219,009
Compensated Absences Payable	10,192,141	1,416,632	-	11,608,773
Landfill Postclosure Costs	12,000,000	-	-	12,000,000
	<u>335,554,878</u>	<u>52,035,325</u>	<u>(15,754,823)</u>	<u>371,835,380</u>
Enterprise Fund:				
Bonds Payable:				
\$7,221,110 1991 Sewer serial bonds due in semi-annual installments through July 1, 2011; interest at 4.0%	5,754,658	-	(362,919)	5,391,739
\$12,300,000 1992 Sewer serial bonds due in semi-annual installments through January 1, 2012; interest at 4.0%	9,626,021	-	(549,970)	9,076,051
\$26,410,000 1993 Water serial bonds due in annual installments through December 1, 2004; interest varies between 4.25% and 6.375%	4,880,000	-	(765,000)	4,115,000
\$987,525 1993 Water serial bonds due every five years in installments through December 1, 2012; interest varies between 4.85% and 6.50% (interest is due at time principal is paid)	887,248	55,370	-	942,618

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

VII. Long-Term Debt (continued):

B. Changes to Long-Term Debt (continued):

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Enterprise Fund (continued):				
Bonds Payable (continued):				
\$5,398,000 1993 Water Refunding bonds due in annual installments through June 1 2009; interest varies between 3.90% and 5.375%	\$ 4,060,000	\$ -	\$ (488,000)	\$ 3,572,000
\$8,097,000 1993 Sewer Refunding bonds due in annual installments through June 1, 2009; interest varies between 3.90% and 5.375%	6,090,000	-	(732,000)	5,358,000
\$12,410,431 1994 Sewer Revolving Fund Loan due in semi-annual installments through July 2014; interest rate at 4%	10,341,315	-	(492,915)	9,848,400
\$26,255,000 1994 Water Bonds due in annual installments through December 1, 2008; interest varies between 5.5% and 8.5%	11,715,000	-	(870,000)	10,845,000
\$5,645,000 1994 Sewer Bonds due in annual installments through December 1, 2008; interest varies between 5.5% and 8.5%	2,525,000	-	(190,000)	2,335,000
\$9,504,950 1995 Sewer Bonds due in semi-annual installments through July 1, 2015; interest rate at 3.825%	8,346,426	-	(371,080)	7,975,346
\$31,875,000 1997 Water Refunding bonds due in annual installments through September 1, 2017; interest varies between 3.7% and 6.5%	31,250,000	-	(100,000)	31,150,000
\$2,750,000 1997 Sewer Refunding bonds due in annual installments through September 1, 2014; interest varies between 3.7% and 6.5%	2,695,000	-	(10,000)	2,685,000
\$95,000,000 1998 Water and Sewer bonds Series A due in annual installments through September 1, 2018; interest varies between 4.0% to 5.5%	95,000,000	-	(3,010,000)	91,990,000
Unamortized refunding loss	(201,191)	-	495,712	294,521
	<u>192,969,477</u>	<u>55,370</u>	<u>(7,446,172)</u>	<u>185,578,675</u>

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

VII. Long-Term Debt (continued):

B. Changes to Long-Term Debt (continued):

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Internal Service Funds:				
Capital Lease Obligations:				
Capital lease payable to Xerox Corporation in monthly payments of \$1,126 including principal and interest through May 1, 2000	\$ 10,785	\$ -	\$ (10,785)	\$ -
Capital lease payable to Caterpillar Financial Services in quarterly payments of \$10,023 including principal and interest through August 2003	149,426	-	(31,835)	117,591
Capital lease payable to Caterpillar Financial Services in quarterly payments of \$10,023 including principal and interest through August 2003	149,426	-	(31,835)	117,591
Capital lease payable to Xerox Corporation in monthly payments of \$1,354 including principal and interest through December 2002	-	36,093	(5,397)	30,696
Capital lease payable to Elgin Sweeper Company in annual payments of \$98,909 including principal and interest through October 2004	-	425,986	-	425,986
	<u>309,637</u>	<u>462,079</u>	<u>(79,852)</u>	<u>691,864</u>
	528,833,992	52,552,774	(23,280,847)	558,105,919
Less current portion:				
Proprietary Funds:				
Bonds Payable	7,941,885	371,122	-	8,313,007
Capital Lease Payable	74,456	81,428	-	155,884
Total long-term debt	<u>\$ 520,817,651</u>	<u>\$ 52,100,224</u>	<u>\$ (23,280,847)</u>	<u>\$ 549,637,028</u>

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

VII. Long-Term Debt (continued)

C. Payment requirements for debt service

The annual requirements to pay principal and interest on all bonds, capital lease obligations, and notes payable outstanding are as follows:

Year Ending June 30	General Obligation Bonds	General Obligation Revenue Bonds	Capital Leases	Special Assessment Bonds	Notes Payable	Total
2001	\$ 18,043,602	\$ 17,262,310	\$ 629,021	\$ 16,330,170	\$ 54,738	\$ 52,319,841
2002	19,911,606	17,248,986	604,627	16,117,319	51,654	53,934,192
2003	19,917,397	16,921,181	590,551	15,923,088	48,570	53,400,787
2004	20,464,250	16,925,059	483,779	15,907,539	45,487	53,826,114
2005	19,399,077	16,950,468	306,965	15,897,066	42,403	52,595,979
Thereafter	168,115,085	188,798,030	112,665	185,718,561	20,045	542,764,386
Total	<u>\$ 265,851,017</u>	<u>\$ 274,106,034</u>	<u>\$ 2,727,608</u>	<u>\$ 265,893,743</u>	<u>\$ 262,897</u>	<u>\$ 808,841,299</u>

D. Special Assessment Bonds

Principal and interest are payable from the assessments levied in each district. With the exception of the Single Developer or "T" district series of local improvement bonds, the City is obligated to honor any deficiencies to the extent that lien foreclosures are insufficient to cover debt requirements. With the T-2, T-4c, T-4r, T-5, T-6, T-1, T-10, and T-12 districts, the City's commitment for the local improvement bonds is limited only to the initiation of foreclosure proceedings. District T-2 is also obligated to the extent that it has legally available surplus funds which it shall apply to the purchase of property in the assessment district that is not sold as a result of foreclosure proceedings.

VIII. RETIREMENT PLAN

The City is a public employer participating in the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing multiple-employer defined benefit plan administered by PERS. All full-time employees are covered under the system. In addition, those part-time employees working at least twenty hours per week are covered. The City has no liability for unfunded obligations of the system as provided by Nevada Revised Statute (NRS) 286.110.

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 Plan include pension benefits, disability benefits and death benefits.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

VIII. RETIREMENT PLAN (continued)

Monthly benefit allowances for regular members are computed at 2.5% of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement with a ceiling of 75% of the average compensation. PERS 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 his/her life and various optional monthly payments to a named beneficiary after his/her death. Regular members are eligible for retirement at age 65 with 5 years of service, age 60 with 10 years of service or any age with 30 years of service. Police and firemen are eligible for retirement at age 65 with 5 years of accredited police and fire service, age 55 with 10 years of accredited police and fire service, age 50 with 20 years of accredited police and fire service or at any age with 30 years of accredited police and fire service. A member who retired on or after July 1, 1977 or is an active member whose effective date of membership is before July 1, 1985 and who has 36 years of service is entitled to a benefit of up to 90% of his/her average compensation. When members are eligible for the earlier retirement due to the increased service years, the ceiling limitation on monthly benefit allowances increases from the normal 75% to a maximum of 90% of average compensation. Regular members and members of the Police and Firemen Fund become fully vested as to benefits upon completion of 5 years of service.

Member contribution rates are established by NRS 286.450, which requires adjustments on each odd numbered year based on the actuarially determined contribution rate indicated in the biennial actuarial valuation. The City is enrolled in the employer pay contribution plan of PERS and is, therefore, required to contribute all amounts due under the Plan.

The City's contribution rates and amounts contributed for the last three years are as follows:

<u>Fiscal year</u>	<u>Contribution Rate</u>		<u>Total Contribution</u>
	<u>Regular Members</u>	<u>Police/ Fire</u>	
1999/00	18.75%	28.5%	\$14,430,745
1998/99	18.75%	28.5%	\$12,214,786
1997/98	18.75%	28.5%	\$10,513,142

PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

CITY OF HENDERSON, NEVADA

**NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000**

IX. MISCELLANEOUS INCOME

Miscellaneous income for all governmental fund types is \$23,716,030.

The most significant portion of that total consists of interest income from investments of \$20,614,171, which was allocated as follows:

General Fund	\$	<u>681,809</u>
Special Revenue Funds:		
Redevelopment Agency		250,593
Gas Tax		99,104
Forfeited Assets		3,380
Financial Stabilization		192,258
Extraordinary Repairs Capital Improvements		<u>21,359</u>
Total special revenue funds		<u>566,694</u>
Debt Service Funds:		
General Obligation Debt		596,131
Special Assessment Districts		<u>11,164,992</u>
Total debt service funds		<u>11,761,123</u>
Capital Projects Funds:		
Special Recreation		61,712
Bond Proceeds		2,746,885
Park Development		370,601
Special Assessment Districts		2,428,488
Flood Control		146
Municipal Facilities		<u>1,996,713</u>
Total capital projects funds		<u>7,604,545</u>
Total	\$	<u><u>20,614,171</u></u>

Special Assessment Districts - Debt Service Funds miscellaneous income includes \$9,529,154 interest on assessments receivable.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

X. CONTRIBUTED CAPITAL

During the year, contributed capital increased by the following amounts:

	Convention Center Fund	Water Fund	Sewer Fund	Development Services Fund	Total
Contributed capital, July 1, 1999	\$ 4,305,318	\$179,240,916	\$ 192,854,369	\$ -	\$376,400,603
Additions/Reductions:					
Developers – tap fees	-	7,730,192	7,769,405	-	15,499,597
System development	-	9,670,412	11,469,594	-	21,140,006
Contributions from other funds	-	845,304	1,536,707	-	2,382,011
Expired refunding agreements	-	26,812	4,543	-	31,355
Depreciation on fixed assets acquired by grants	-	-	(316,667)	-	(316,667)
Net additions (deletions)	-	18,272,720	20,463,582	-	38,736,302
Contributed capital, June 30, 2000	<u>\$ 4,305,318</u>	<u>\$197,513,636</u>	<u>\$ 213,317,951</u>	<u>\$ -</u>	<u>\$415,136,905</u>

	Internal Service Funds				Total
	Engineering Fund	City Shop Fund	Revolving Fund	Self Insurance Fund	
Contributed capital, July 1, 1999	\$377,929	\$ 8,913,361	\$1,537,667	\$454,904	\$11,283,861
Contributions from other funds	-	2,651,653	-	-	2,651,653
Transfer to other funds	-	(21,379)	-	-	(21,379)
Contributed capital, June 30, 2000	<u>\$377,929</u>	<u>\$11,543,635</u>	<u>\$1,537,667</u>	<u>\$454,904</u>	<u>\$13,914,135</u>

XI. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains four Enterprise Funds which provide water and sewer service, operate a convention center, and provide services related to the processing of building permits. Segment information for the year ended June 30, 2000 as follows:

	Convention Center Fund	Water Fund	Sewer Fund	Development Services Fund	Total
Operating revenues	\$ 1,251,865	\$ 33,135,290	\$ 16,487,448	\$ 5,114,334	\$ 55,988,937
Depreciation and amortization	\$ 155,866	\$ 4,621,125	\$ 4,297,503	\$ 155	\$ 9,074,649
Operating income	\$ 220,738	\$ 4,512,617	\$ 1,415,538	\$ 73,003	\$ 6,221,896
Nonoperating revenues (expenses), net	47,659	678,977	3,228,857	(2,587)	3,952,906
Operating transfer out	-	(4,479,522)	(7,745,487)	-	(12,225,009)
Net income (loss)	<u>\$ 268,397</u>	<u>\$ 712,072</u>	<u>\$ (3,101,092)</u>	<u>\$ 70,416</u>	<u>\$ (2,050,207)</u>
Property, plant and equipment:					
Additions	\$ 107,072	\$ 19,971,136	\$ 21,380,958	\$ -	\$ 41,459,166
Deletions	\$ -	\$ 29,900	\$ 11,708	\$ -	\$ 41,608
Total assets	<u>\$ 4,651,709</u>	<u>\$292,785,099</u>	<u>\$311,125,444</u>	<u>\$ 1,287,893</u>	<u>\$ 609,850,145</u>
Working capital	\$ 1,241,680	\$107,829,590	\$112,958,678	\$ 50,458	\$ 222,080,406
Bonds payable	\$ -	\$ 87,100,372	\$ 98,478,303	\$ -	\$ 185,578,675
Current capital contributions (net)	\$ -	\$ 18,272,720	\$ 20,463,582	\$ -	\$ 38,736,302
Total fund equity	<u>\$ 4,525,515</u>	<u>\$199,361,205</u>	<u>\$208,592,623</u>	<u>\$ 70,416</u>	<u>\$ 412,549,759</u>

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

XII. RISK MANAGEMENT

State and local governments are subject to many types of claims such as workmen's compensation, contractual actions, personal injuries and property damage.

GASB Statement No. 10 requires that a liability for claims be reported if information available prior to issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. In addition, there are also situations in which incidents occur before the balance sheet date but claims are not reported or asserted when the financial statements are prepared. The "incurred but not reported" claims have been estimated based upon the City's past experience adjusted for current trends. The claims are included in the appropriate liability accounts.

The City maintains three self-insurance internal service funds for the following types of risk exposures:

Liability Insurance - The City maintains \$10,000,000 in excess Commercial General Liability insurance with a \$1,000,000 self-insured retention ("SIR") along with various other property and liability coverage including a \$147.2 million blanket property insurance policy on all buildings and furnishings with a \$10,000 deductible. The self-insurance fund was established to cover all claims that fall under the deductibles and the \$1,000,000 SIR. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

Workmen's Compensation - The City withdrew from the State Industrial Insurance System for workmen's compensation claims and established the Workmen's Compensation Self Insurance Fund on April 1, 1993. The City maintains a commercial stop-loss policy for claims in excess of \$325,000 per participant up to a maximum of \$1,000,000 for each occurrence. For incidents occurring prior to April 1, 1993 liability is maintained by the State Industrial Insurance System. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

Group Health Insurance - The City became self-insured for employee medical coverage on July 1, 1992. The Health Insurance Self Insurance Fund provides group life, disability and travel accident insurance policies; also provided are medical plan and Health Maintenance Organization benefits. The City provides coverage of up to \$35,000 per participant for health insurance claims. For those claims in excess of \$35,000, the City has purchased commercial insurance covering up to \$1,000,000 per participant's lifetime. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

XII. RISK MANAGEMENT (continued)

Changes in the funds' claims liability amounts for the years ended June 30, 2000 and 1999 were:

	Liability Balance Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claim Payments	Liability Balance at End of Fiscal Year
Fiscal Year 1999/00:				
Liability	\$ 497,855	\$ 402,425	\$ 402,423	\$ 497,857
Workmen's Compensation	62,626	1,009,174	567,941	503,859
Health Insurance	420,616	2,930,294	2,352,548	998,362
	<u>\$ 981,097</u>	<u>\$4,341,893</u>	<u>\$3,322,912</u>	<u>\$2,000,078</u>
Fiscal Year 1998/99:				
Liability	\$ 918,204	\$ 208,563	\$ 628,912	\$ 497,855
Workmen's Compensation	-	403,716	341,090	62,626
Health Insurance	176,755	2,174,363	1,930,502	420,616
	<u>\$1,094,959</u>	<u>\$2,786,642</u>	<u>\$2,900,504</u>	<u>\$ 981,097</u>

XIII. COMMITMENTS AND CONTINGENCIES

A. Construction in Progress

Construction in progress in the total amount of \$79,747,644 at June 30, 2000 is reflected in the General Fixed Assets Account Group and Proprietary Funds. Management estimates it will require an additional outlay of approximately \$93,500,000 to complete these projects.

B. Litigation

There are several lawsuits and unresolved disputes involving the City or its employees in which the City is represented by the City Attorney. However, in the opinion of the City Attorney these actions will not, in the aggregate, have a material adverse effect upon the operations or financial position of the City.

C. Lake Las Vegas

The City and the developers of Lake Las Vegas have established a sinking fund for the accumulation of \$30,000,000 to be used for stormwater treatment and/or conveyance in the event that the Federal Environmental Protection Agency (EPA) and the Nevada Division of Environmental Protection determine that more stringent stormwater treatment standards are required solely as a result of the creation of Lake Las Vegas.

The sinking fund will be maintained for a period of thirty years commencing in 1989 after which the City will be allowed to utilize the fund proceeds, if any, for any appropriate municipal purpose. Developer contributions with accumulated interest are expected to constitute \$4,500,000 of the total. The City intends to make contributions from property tax revenue that will be generated from increased assessed valuation resulting from the development. The developer estimates assessed valuation at complete build-out to be \$1,215,655,000 (35% of actual value).

CITY OF HENDERSON, NEVADA

NOTES TO FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2000

D. Landfill Closure

The City leased land from the Bureau of Land Management (BLM) for operation of a solid waste municipal landfill from November 1965 until November 1975. The City maintained the lease with the BLM through 1996. In March of 1997, the City entered into an agreement with the Nevada Division of Environmental Protection and the Clark County Health District whereby the City will investigate environmental conditions associated with the landfill, implement necessary remedial measures (e.g., installation of a final cover system and surface water run-on/run-off controls), and maintain the constructed remedial measures. The City has recorded an estimated contingent liability of \$12,000,000 in the General Long-Term Debt Account Group to reflect costs, which the City estimates that it may incur under the above-referenced agreement.

XIV. SUBSEQUENT EVENTS

Subsequent to year end, the City issued \$5,500,000 in bonds through the State of Nevada Revolving Loan Fund. As of October 20, 2000, \$325,843 has been drawn down by the City.

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

General Fund

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 16,896,925	\$ 20,085,447
Accounts receivable	3,128,427	2,782,833
Accrued interest receivable	206,628	225,992
Property taxes receivable - delinquent	277,167	189,314
Due from other funds	832,448	1,581,985
Due from employees	444,484	-
Due from other governments	10,058,743	9,369,659
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 31,844,822</u>	<u>\$ 34,235,230</u>

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable and accrued wages	\$ 5,024,216	\$ 4,494,473
Compensated absences payable	362,512	362,512
Construction contracts	18,063	106,066
Deposits	1,525,705	1,485,716
Due to other governments	666,596	759,329
Deferred revenues - other	300,712	240,188
Deferred revenues - property taxes	277,167	189,314
Total liabilities	<hr/> 8,174,971	<hr/> 7,637,598

FUND BALANCES:

Reserved for encumbrances	2,837,634	2,435,332
Unreserved - undesignated	20,832,217	24,162,300
Total fund balances	<hr/> 23,669,851	<hr/> 26,597,632

TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 31,844,822</u>	<u>\$ 34,235,230</u>
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CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ 14,543,077	\$ 14,696,838	\$ 153,761	\$ 12,561,613	\$ 13,249,364	\$ 687,751
Franchise fees	10,693,702	12,195,108	1,501,406	9,178,797	9,939,571	760,774
Licenses and permits	6,457,855	6,811,159	353,304	8,502,875	8,418,719	(84,156)
Intergovernmental	53,510,983	54,225,567	714,584	49,141,096	49,858,599	717,503
Charges for services	11,273,407	12,602,220	1,328,813	10,761,768	11,341,958	580,190
Fines and forfeits	1,590,000	1,635,996	45,996	1,446,974	1,369,274	(77,700)
Miscellaneous interest	850,000	681,809	(168,191)	475,000	820,333	345,333
Miscellaneous	2,177,092	1,507,799	(669,293)	950,000	1,890,514	940,514
Total revenues	101,096,116	104,356,496	3,260,380	93,018,123	96,888,332	3,870,209
EXPENDITURES:						
General government	33,585,820	28,133,602	5,452,218	29,241,275	25,200,565	4,040,710
Judicial	2,442,187	2,377,881	64,306	2,196,280	2,168,199	28,081
Public safety	53,861,911	52,462,142	1,399,769	47,191,262	46,241,144	950,118
Highways and streets	6,636,015	5,093,490	1,542,525	6,622,551	5,726,957	895,594
Culture and recreation	17,879,867	16,324,343	1,555,524	14,332,138	13,332,298	999,840
Total expenditures	114,405,800	104,391,458	10,014,342	99,583,506	92,669,163	6,914,343
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,309,684)	(34,962)	13,274,722	(6,565,383)	4,219,169	10,784,552
OTHER FINANCING SOURCES (USES):						
Proceeds from capital leases	-	387,871	387,871	-	167,332	167,332
Sale of fixed assets	500	1,995	1,495	500	-	(500)
Operating transfers in	4,679,998	4,689,896	9,898	3,981,493	3,981,493	-
Operating transfers out	(7,972,581)	(7,972,581)	-	(6,777,590)	(5,256,016)	1,521,574
Total other financing sources (uses)	(3,292,083)	(2,892,819)	399,264	(2,795,597)	(1,107,191)	1,688,406
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(16,601,767)	(2,927,781)	13,673,986	(9,360,980)	3,111,978	12,472,958
FUND BALANCES, BEGINNING OF YEAR	26,597,632	26,597,632	-	23,485,654	23,485,654	-
FUND BALANCES, END OF YEAR	\$ 9,995,865	\$ 23,669,851	\$ 13,673,986	\$ 14,124,674	\$ 26,597,632	\$ 12,472,958

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
GENERAL GOVERNMENT:						
Mayor and Council:						
Salaries and wages	\$ 234,576	\$ 232,465	\$ 2,111	\$ 171,060	\$ 164,260	\$ 6,800
Employee benefits	74,688	85,781	(11,093)	58,907	60,035	(1,128)
Services and supplies	359,944	310,448	49,496	298,300	214,442	83,858
Capital outlay	45,000	30,709	14,291	7,834	7,033	801
Total Mayor and Council	714,208	659,403	54,805	536,101	445,770	90,331
City Manager:						
Salaries and wages	1,068,530	1,038,728	29,802	784,990	774,435	10,555
Employee benefits	306,500	307,886	(1,386)	241,350	238,584	2,766
Services and supplies	1,007,830	597,196	410,634	451,270	454,145	(2,875)
Capital outlay	22,470	22,764	(294)	84,898	74,577	10,321
Total City Manager	2,405,330	1,966,574	438,756	1,562,508	1,541,741	20,767
Finance:						
Salaries and wages	1,861,320	1,851,301	10,019	1,576,000	1,564,749	11,251
Employee benefits	602,390	593,782	8,608	506,440	503,569	2,871
Services and supplies	2,544,901	2,445,230	99,671	1,919,738	2,186,421	(266,683)
Capital outlay	65,644	49,908	15,736	339,414	238,988	100,426
Total Finance	5,074,255	4,940,221	134,034	4,341,592	4,493,727	(152,135)
Information Technology						
Salaries and wages	1,696,140	1,661,491	34,649	1,495,030	1,470,768	24,262
Employee benefits	524,930	503,995	20,935	456,910	451,531	5,379
Services and supplies	2,193,890	1,864,902	328,988	1,570,707	1,511,579	59,128
Capital outlay	4,591,166	1,951,778	2,639,388	5,058,392	2,230,233	2,828,159
Total Information Technology	9,006,126	5,982,166	3,023,960	8,581,039	5,664,111	2,916,928
City Clerk:						
Salaries and wages	708,300	698,150	10,150	565,890	560,219	5,671
Employee benefits	198,820	215,582	(16,762)	170,480	170,789	(309)
Services and supplies	773,145	438,687	334,458	663,351	504,942	158,409
Capital outlay	106,106	47,028	59,078	314,007	292,023	21,984
Total City Clerk	1,786,371	1,399,447	386,924	1,713,728	1,527,973	185,755

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued) FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
GENERAL GOVERNMENT:						
Human Resources:						
Salaries and wages	\$ 1,001,261	\$ 939,749	\$ 61,512	\$ 974,040	\$ 968,802	\$ 5,238
Employee benefits	272,480	262,286	10,194	265,560	258,835	6,725
Services and supplies	533,966	428,462	105,504	471,267	337,890	133,377
Capital outlay	108,061	7,544	100,517	66,992	3,729	63,263
Total Human Resources	1,915,768	1,638,041	277,727	1,777,859	1,569,256	208,603
City Attorney:						
Salaries and wages	1,606,988	1,575,042	31,946	1,178,260	1,158,848	19,412
Employee benefits	481,574	476,149	5,425	355,790	352,241	3,549
Services and supplies	672,854	690,966	(18,112)	426,187	399,762	26,425
Capital outlay	84,091	82,102	1,989	63,485	36,092	27,393
Total City Attorney	2,845,507	2,824,259	21,248	2,023,722	1,946,943	76,779
Community Development:						
Salaries and wages	1,920,558	1,821,062	99,496	1,727,600	1,723,150	4,450
Employee benefits	601,280	560,874	40,406	526,820	526,253	567
Services and supplies	743,852	572,552	171,300	563,610	373,856	189,754
Capital outlay	161,812	106,867	54,945	88,092	95,746	(7,654)
Total Community Development	3,427,502	3,061,355	366,147	2,906,122	2,719,005	187,117
Building Maintenance:						
Salaries and wages	1,371,765	1,348,378	23,387	1,287,610	1,265,458	22,152
Employee benefits	426,690	408,745	17,945	413,300	410,390	2,910
Services and supplies	2,012,420	1,824,753	187,667	1,742,048	1,772,757	(30,709)
Capital outlay	470,959	281,420	189,539	726,559	465,926	260,633
Total Building Maintenance	4,281,834	3,863,296	418,538	4,169,517	3,914,531	254,986
Economic Development:						
Salaries and wages	213,470	212,146	1,324	132,420	137,654	(5,234)
Employee benefits	69,840	66,066	3,774	43,070	43,902	(832)
Services and supplies	174,289	169,076	5,213	110,093	92,489	17,604
Capital outlay	800	800	-	9,500	8,684	816
Total Economic Development	458,399	448,088	10,311	295,083	282,729	12,354

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued) FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
GENERAL GOVERNMENT:						
Miscellaneous:						
Salaries and wages	\$ 1,600,000	\$ 1,284,043	\$ 315,957	\$ 1,212,083	\$ 1,066,599	\$ 145,484
Employee benefits	70,520	65,876	4,644	28,911	25,703	3,208
Services and supplies	-	833	(833)	21,427	1,697	19,730
Capital outlay	-	-	-	71,583	780	70,803
Total Miscellaneous	1,670,520	1,350,752	319,768	1,334,004	1,094,779	239,225
Total General Government	33,585,820	28,133,602	5,452,218	29,241,275	25,200,565	4,040,710
JUDICIAL:						
Municipal Court:						
Salaries and wages	1,574,500	1,540,523	33,977	1,435,690	1,420,686	15,004
Employee benefits	480,000	483,064	(3,064)	463,200	460,987	2,213
Services and supplies	306,287	282,717	23,570	290,090	280,977	9,113
Capital outlay	81,400	71,577	9,823	7,300	5,549	1,751
Total Judicial	2,442,187	2,377,881	64,306	2,196,280	2,168,199	28,081
PUBLIC SAFETY:						
Fire:						
Salaries and wages	11,244,180	10,933,733	310,447	9,427,570	9,295,084	132,486
Employee benefits	4,022,790	3,986,942	35,848	3,420,690	3,403,239	17,451
Services and supplies	2,261,627	2,211,491	50,136	1,835,873	1,917,666	(81,793)
Capital outlay	725,948	687,674	38,274	497,062	259,429	237,633
Total Fire	18,254,545	17,819,840	434,705	15,181,195	14,875,418	305,777
Police:						
Salaries and wages	18,786,286	19,005,502	(219,216)	16,585,420	16,804,258	(218,838)
Employee benefits	6,584,600	6,649,462	(64,862)	5,798,590	5,806,627	(8,037)
Services and supplies	4,862,222	4,586,612	275,610	4,094,456	3,793,982	300,474
Capital outlay	1,369,796	1,074,622	295,174	897,554	438,958	458,596
Total Police	31,602,904	31,316,198	286,706	27,376,020	26,843,825	532,195

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued) FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
PUBLIC SAFETY:						
Building Inspection:						
Salaries and wages	\$ 2,652,676	\$ 2,242,455	\$ 410,221	\$ 2,855,490	\$ 2,804,444	\$ 51,046
Employee benefits	780,530	624,768	155,762	782,100	829,466	(47,366)
Services and supplies	549,030	448,656	100,374	449,923	420,787	29,136
Capital outlay	22,226	10,225	12,001	546,534	467,204	79,330
Total Building Inspection	4,004,462	3,326,104	678,358	4,634,047	4,521,901	112,146
Total Public Safety	53,861,911	52,462,142	1,399,769	47,191,262	46,241,144	950,118
HIGHWAYS AND STREETS:						
Paved Streets:						
Salaries and wages	994,280	943,882	50,398	865,500	852,296	13,204
Employee benefits	304,490	305,354	(864)	266,090	265,621	469
Services and supplies	1,148,960	1,047,713	101,247	968,458	914,198	54,260
Capital outlay	930,743	1,291	929,452	392,808	279,159	113,649
Total Paved Streets	3,378,473	2,298,240	1,080,233	2,492,856	2,311,274	181,582
Street Lighting:						
Salaries and wages	673,590	651,510	22,080	612,260	600,672	11,588
Employee benefits	190,130	200,059	(9,929)	190,770	189,707	1,063
Services and supplies	1,294,773	1,306,478	(11,705)	1,398,092	1,218,889	179,203
Capital outlay	339,139	134,081	205,058	436,264	195,424	240,840
Total Street Lighting	2,497,632	2,292,128	205,504	2,637,386	2,204,692	432,694
Floods:						
Salaries and wages	113,400	101,229	12,171	153,350	151,036	2,314
Employee benefits	39,980	32,227	7,753	48,560	48,365	195
Services and supplies	153,548	94,380	59,168	165,650	88,815	76,835
Capital outlay	164,752	1,541	163,211	883,329	688,003	195,326
Total Floods	471,680	229,377	242,303	1,250,889	976,219	274,670

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued) FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
HIGHWAYS AND STREETS:						
Public Works General Service:						
Salaries and wages	\$ 180,170	\$ 177,288	\$ 2,882	\$ 164,920	\$ 162,631	\$ 2,289
Employee benefits	59,170	55,779	3,391	52,470	51,991	479
Services and supplies	33,690	27,644	6,046	24,030	20,150	3,880
Capital outlay	15,200	13,034	2,166	-	-	-
Total Public Works General Service	288,230	273,745	14,485	241,420	234,772	6,648
Total Highways and Streets	6,636,015	5,093,490	1,542,525	6,622,551	5,726,957	895,594
CULTURE AND RECREATION:						
Parks Maintenance:						
Salaries and wages	2,955,590	2,907,662	47,928	2,483,950	2,454,904	29,046
Employee benefits	971,430	950,124	21,306	821,760	820,452	1,308
Services and supplies	2,775,036	1,980,076	794,960	2,284,063	1,716,663	567,400
Capital outlay	1,100,003	651,363	448,640	552,645	260,379	292,266
Total Parks Maintenance	7,802,059	6,489,225	1,312,834	6,142,418	5,252,398	890,020
Recreation:						
Salaries and wages	4,629,245	4,489,910	139,335	3,891,890	3,903,135	(11,245)
Employee benefits	757,680	751,893	5,787	629,590	631,371	(1,781)
Services and supplies	2,895,812	2,904,481	(8,669)	2,435,824	2,276,249	159,575
Capital outlay	551	551	-	8,686	11,096	(2,410)
Total Recreation	8,283,288	8,146,835	136,453	6,965,990	6,821,851	144,139
Swimming Pools:						
Salaries and wages	839,005	843,960	(4,955)	694,200	778,287	(84,087)
Employee benefits	115,890	86,999	28,891	69,140	77,558	(8,418)
Services and supplies	261,175	236,033	25,142	239,475	206,998	32,477
Capital outlay	-	-	-	15,000	-	15,000
Total Swimming Pools	1,216,070	1,166,992	49,078	1,017,815	1,062,843	(45,028)

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued)
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
CULTURE AND RECREATION:						
Senior Citizens Activities:						
Salaries and wages	\$ 216,055	\$ 187,540	\$ 28,515	\$ 125,300	\$ 126,389	\$ (1,089)
Employee benefits	27,710	25,503	2,207	20,690	20,873	(183)
Services and supplies	255,477	246,090	9,387	59,925	47,944	11,981
Capital outlay	79,208	62,158	17,050	-	-	-
Total Senior Citizens Activities	<u>578,450</u>	<u>521,291</u>	<u>57,159</u>	<u>205,915</u>	<u>195,206</u>	<u>10,709</u>
Total Culture and Recreation	<u>17,879,867</u>	<u>16,324,343</u>	<u>1,555,524</u>	<u>14,332,138</u>	<u>13,332,298</u>	<u>999,840</u>
TOTAL EXPENDITURES	<u>\$ 114,405,800</u>	<u>\$ 104,391,458</u>	<u>\$ 10,014,342</u>	<u>\$ 99,583,506</u>	<u>\$ 92,669,163</u>	<u>\$ 6,914,343</u>

CITY OF HENDERSON, NEVADA

GENERAL FUND

COMPARATIVE STATEMENTS OF OPERATING TRANSFERS OUT - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING:						
Engineering Service Fund	\$ -	\$ -	\$ -	\$ 1,880,353	\$ -	\$ 1,880,353
Stabilization Fund	2,400,000	2,400,000	-	-	-	-
Building Fund	<u>5,572,581</u>	<u>5,572,581</u>	<u>-</u>	<u>4,897,237</u>	<u>5,256,016</u>	<u>(358,779)</u>
TOTAL TRANSFERS TO OTHER FUNDS	<u>\$ 7,972,581</u>	<u>\$ 7,972,581</u>	<u>\$ -</u>	<u>\$ 6,777,590</u>	<u>\$ 5,256,016</u>	<u>\$ 1,521,574</u>

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Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

City of Henderson Redevelopment Agency - to account for the financial activity of the Agency which derives its revenue from tax increment financing and bond proceeds that will be utilized to rehabilitate and develop the defined redevelopment area.

Gas Tax Special Revenue - to account for optional excise tax on motor vehicle fuel and other revenues restricted for repairing or restoring existing unpaved and paved roads; streets; and alleys.

Forfeited Assets Special Revenue - to account for the resources and revenues of a fund that is restricted by State law to certain law enforcement activities.

Municipal Court Administrative Fee Special Revenue - to account for court assessments which are to be used to improve operations of the court.

Financial Stabilization Special Revenue - to account for resources to stabilize governmental operations in the event of a shortfall in General Fund revenue.

Graffiti Reward and Abatement Special Revenue - to account for graffiti-related court assessments which are to be used to pay rewards for information resulting in the conviction of graffiti ordinance violators.

Extraordinary Repairs Capital Improvements Special Revenue - to account for an allocation of bond proceeds sold for each capital project restricted by State law to be used in the extraordinary maintenance, repair, or improvement of the capital project.

Special Revenue Funds

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CITY OF HENDERSON, NEVADA

SPECIAL REVENUE FUNDS

**COMBINING BALANCE SHEETS
JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)**

ASSETS

	Redevelopment Agency Special Revenue	Gas Tax Special Revenue	Forfeited Assets Special Revenue	Municipal Court Administrative Fee Special Revenue	Financial Stabilization Special Revenue	Graffiti Reward and Abatement Special Revenue	Extraordinary Repairs Capital Improvement Special Revenue	Totals	
								2000	1999
Cash and investments	\$ 5,631,341	\$ 1,945,161	\$ 79,339	\$ 574,541	\$ 5,121,457	\$ 2,263	\$ 743,314	\$ 14,097,416	\$ 9,968,703
Accrued interest receivable	80,179	29,177	939	-	72,752	-	9,328	192,375	57,642
Due from other governments	34,146	622,528	-	-	-	-	-	656,674	493,203
Land held for resale	5,781,852	-	-	-	-	-	-	5,781,852	5,151,318
TOTAL ASSETS	\$ 11,527,518	\$ 2,596,866	\$ 80,278	\$ 574,541	\$ 5,194,209	\$ 2,263	\$ 752,642	\$ 20,728,317	\$ 15,710,266

LIABILITIES AND FUND BALANCES

LIABILITIES:									
Accounts payable	\$ 118,496	\$ 227,805	\$ 231	\$ 4,374	\$ -	\$ -	\$ -	\$ 350,916	\$ 277,572
Deposits	5,725	-	-	-	-	-	-	5,725	5,500
TOTAL LIABILITIES	124,221	227,805	231	4,374	-	-	-	356,641	283,072
FUND BALANCES									
Reserved for repairs	-	-	-	-	-	-	752,642	752,642	411,283
Reserved for land held for resale	5,781,852	-	-	-	-	-	-	5,781,852	5,151,318
Unreserved - undesignated	5,621,445	2,369,061	80,047	570,167	5,194,209	2,263	-	13,857,192	9,764,593
Total fund balances	11,403,297	2,369,061	80,047	570,167	5,194,209	2,263	752,642	20,370,686	15,447,194
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,527,518	\$ 2,596,866	\$ 80,278	\$ 574,541	\$ 5,194,209	\$ 2,263	\$ 752,642	\$ 20,728,317	\$ 15,710,266

CITY OF HENDERSON, NEVADA

SPECIAL REVENUE FUNDS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Redevelopment Agency Special Revenue	Gas Tax Special Revenue	Forfeited Assets Special Revenue	Municipal Court Administrative Fee Special Revenue	Financial Stabilization Special Revenue	Graffiti Reward and Abatement Special Revenue	Extraordinary Repairs Capital Improvement Special Revenue	Totals	
								2000	1999
REVENUES									
Property taxes	\$ 1,609,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,609,164	\$ 1,092,807
Intergovernmental	-	1,638,178	-	-	-	-	-	1,638,178	1,443,472
Fines and forfeits	-	-	76,663	237,579	-	-	-	314,242	285,104
Miscellaneous interest	250,593	99,104	3,380	-	192,258	-	21,359	566,694	212,882
Miscellaneous	35,083	44,873	-	-	-	-	-	79,956	81,553
Total revenues	<u>1,894,840</u>	<u>1,782,155</u>	<u>80,043</u>	<u>237,579</u>	<u>192,258</u>	<u>-</u>	<u>21,359</u>	<u>4,218,234</u>	<u>3,115,818</u>
EXPENDITURES									
General government	593,225	-	14,565	8,318	-	-	-	616,108	360,492
Construction contracts	-	1,185,180	-	-	-	-	-	1,185,180	648,591
Equipment	-	-	49,892	29,314	-	-	-	79,206	768,250
Engineering and other	-	70,983	-	-	-	-	-	70,983	25,076
Debt service:									
Principal retirement	10,991	-	-	-	-	-	-	10,991	-
Interest	9,009	-	-	-	-	-	-	9,009	-
Total expenditures	<u>613,225</u>	<u>1,256,163</u>	<u>64,457</u>	<u>37,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,917,477</u>	<u>1,712,459</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,281,615</u>	<u>525,992</u>	<u>15,586</u>	<u>199,947</u>	<u>192,258</u>	<u>-</u>	<u>21,359</u>	<u>2,236,737</u>	<u>1,403,459</u>
OTHER FINANCING SOURCES (USES):									
Proceeds from issuance of debt	230,000	-	-	-	-	-	-	230,000	4,000,000
Operating transfers in	-	-	-	-	2,400,000	-	250,000	2,650,000	73,300
Operating transfers out	-	(132,367)	-	(29,898)	-	-	-	(162,265)	(57,612)
Total other financing sources (uses)	<u>230,000</u>	<u>(132,367)</u>	<u>-</u>	<u>(29,898)</u>	<u>2,400,000</u>	<u>-</u>	<u>250,000</u>	<u>2,717,735</u>	<u>4,015,688</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>1,511,615</u>	<u>393,625</u>	<u>15,586</u>	<u>170,049</u>	<u>2,592,258</u>	<u>-</u>	<u>271,359</u>	<u>4,954,472</u>	<u>5,429,197</u>
FUND BALANCES, BEGINNING OF YEAR	<u>9,891,682</u>	<u>1,975,436</u>	<u>64,461</u>	<u>400,118</u>	<u>2,601,951</u>	<u>2,263</u>	<u>481,283</u>	<u>15,417,194</u>	<u>9,888,197</u>
FUND BALANCES, END OF YEAR	<u>\$ 11,403,297</u>	<u>\$ 2,369,061</u>	<u>\$ 80,047</u>	<u>\$ 570,167</u>	<u>\$ 5,194,209</u>	<u>\$ 2,263</u>	<u>\$ 752,642</u>	<u>\$ 20,371,666</u>	<u>\$ 13,903,194</u>

CITY OF HENDERSON, NEVADA
REDEVELOPMENT AGENCY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 5,631,341	\$ 4,634,955
Accrued interest receivable	80,179	20,897
Due from other governments	34,146	97,720
Land held for resale	5,781,852	5,151,318
Total assets	\$ 11,527,518	\$ 9,904,890

LIABILITIES AND FUND BALANCES

LIABILITIES:		
Accounts payable	\$ 118,496	\$ 7,708
Deposits	5,725	5,500
	124,221	13,208
FUND BALANCES:		
Reserved for land held for resale	5,781,852	5,151,318
Unreserved - undesignated	5,621,445	4,740,364
	11,403,297	9,891,682
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,527,518	\$ 9,904,890

CITY OF HENDERSON, NEVADA

REDEVELOPMENT AGENCY SPECIAL REVENUE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Property taxes	\$ 1,861,837	\$ 1,609,164	\$ (252,673)	\$ 935,000	\$ 1,092,807	\$ 157,807
Miscellaneous interest	-	250,593	250,593	43,000	27,670	(15,330)
Miscellaneous	233,500	35,083	(198,417)	-	44,768	44,768
Total revenues	<u>2,095,337</u>	<u>1,894,840</u>	<u>(200,497)</u>	<u>978,000</u>	<u>1,165,245</u>	<u>187,245</u>
EXPENDITURES:						
General government	801,876	593,225	208,651	594,500	337,516	256,984
Equipment	62,874	-	62,874	802,815	701,926	100,889
Debt service:						
Principal retirement	-	10,991	(10,991)	-	-	-
Interest	630,000	9,009	620,991	430,000	-	430,000
Total expenditures	<u>1,494,750</u>	<u>613,225</u>	<u>881,525</u>	<u>1,827,315</u>	<u>1,039,442</u>	<u>787,873</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	600,587	1,281,615	681,028	(849,315)	125,803	975,118
OTHER FINANCING SOURCES:						
Proceeds from issuance of debt	230,000	230,000	-	4,000,000	4,000,000	-
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES	830,587	1,511,615	681,028	3,150,685	4,125,803	975,118
FUND BALANCES, BEGINNING OF YEAR	<u>9,891,682</u>	<u>9,891,682</u>	<u>-</u>	<u>5,765,879</u>	<u>5,765,879</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 10,722,269</u>	<u>\$ 11,403,297</u>	<u>\$ 681,028</u>	<u>\$ 8,916,564</u>	<u>\$ 9,891,682</u>	<u>\$ 975,118</u>

CITY OF HENDERSON, NEVADA

GAS TAX SPECIAL REVENUE FUND

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 1,945,161	\$ 1,809,752
Accrued interest receivable	29,177	24,616
Due from other governments	<u>622,528</u>	<u>395,483</u>
TOTAL ASSETS	<u><u>\$ 2,596,866</u></u>	<u><u>\$ 2,229,851</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES:		
Accounts payable	\$ 227,805	\$ 254,415
FUND BALANCES:		
Unreserved - undesignated	<u>2,369,061</u>	<u>1,975,436</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 2,596,866</u></u>	<u><u>\$ 2,229,851</u></u>

CITY OF HENDERSON, NEVADA

GAS TAX SPECIAL REVENUE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Intergovernmental	\$ 1,529,411	\$ 1,638,178	\$ 108,767	\$ 1,479,733	\$ 1,443,472	\$ (36,261)
Miscellaneous interest	73,000	99,104	26,104	80,000	57,612	(22,388)
Miscellaneous	70,885	44,873	(26,012)	5,800	36,785	30,985
Total revenues	<u>1,673,296</u>	<u>1,782,155</u>	<u>108,859</u>	<u>1,565,533</u>	<u>1,537,869</u>	<u>(27,664)</u>
EXPENDITURES:						
Construction contracts	2,734,613	1,185,180	1,549,433	2,119,619	548,591	1,571,028
Engineering and other	118,000	70,983	47,017	121,200	25,076	96,124
Total expenditures	<u>2,852,613</u>	<u>1,256,163</u>	<u>1,596,450</u>	<u>2,240,819</u>	<u>573,667</u>	<u>1,667,152</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,179,317)	525,992	1,705,309	(675,286)	964,202	1,639,488
OTHER FINANCING USES:						
Operating transfers out	(73,000)	(132,367)	(59,367)	(80,000)	(57,612)	22,388
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(1,252,317)	393,625	1,645,942	(755,286)	906,590	1,661,876
FUND BALANCES, BEGINNING OF YEAR	<u>1,975,436</u>	<u>1,975,436</u>	<u>-</u>	<u>1,068,846</u>	<u>1,068,846</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 723,119</u>	<u>\$ 2,369,061</u>	<u>\$ 1,645,942</u>	<u>\$ 313,560</u>	<u>\$ 1,975,436</u>	<u>\$ 1,661,876</u>

CITY OF HENDERSON, NEVADA
FORFEITED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 79,339	\$ 75,151
Accrued interest receivable	939	917
Total assets	\$ 80,278	\$ 76,068

LIABILITIES AND FUND BALANCES

LIABILITIES:		
Accounts payable	\$ 231	\$ 11,607
FUND BALANCES:		
Unreserved - undesignated	80,047	64,461
TOTAL LIABILITIES AND FUND BALANCES	\$ 80,278	\$ 76,068

CITY OF HENDERSON, NEVADA

FORFEITED ASSETS SPECIAL REVENUE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Fines and forfeits	\$ 96,000	\$ 76,663	\$ (19,337)	\$ 98,000	\$ 79,199	\$ (18,801)
Miscellaneous interest	630	3,380	2,750	2,000	1,515	(485)
Total revenues	<u>96,630</u>	<u>80,043</u>	<u>(16,587)</u>	<u>100,000</u>	<u>80,714</u>	<u>(19,286)</u>
EXPENDITURES:						
General government	13,982	14,565	(583)	12,722	14,696	(1,974)
Equipment	<u>86,018</u>	<u>49,892</u>	<u>36,126</u>	<u>87,278</u>	<u>35,437</u>	<u>51,841</u>
Total expenditures	<u>100,000</u>	<u>64,457</u>	<u>35,543</u>	<u>100,000</u>	<u>50,133</u>	<u>49,867</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,370)	15,586	18,956	-	30,581	30,581
FUND BALANCES, BEGINNING OF YEAR	<u>64,461</u>	<u>64,461</u>	<u>-</u>	<u>33,880</u>	<u>33,880</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 61,091</u>	<u>\$ 80,047</u>	<u>\$ 18,956</u>	<u>\$ 33,880</u>	<u>\$ 64,461</u>	<u>\$ 30,581</u>

CITY OF HENDERSON, NEVADA

**MUNICIPAL COURT ADMINISTRATIVE FEE
SPECIAL REVENUE FUND**

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 574,541	\$ 403,960

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable	\$ 4,374	\$ 3,842
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FUND BALANCES:

Unreserved - undesignated	<u>570,167</u>	<u>400,118</u>
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TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 574,541</u>	<u>\$ 403,960</u>
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CITY OF HENDERSON, NEVADA

MUNICIPAL COURT ADMINISTRATIVE FEE
SPECIAL REVENUE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Fines and forfeits	\$ 232,000	\$ 237,579	\$ 5,579	\$ 211,000	\$ 205,880	\$ (5,120)
EXPENDITURES:						
General government	75,540	8,318	67,222	-	8,280	(8,280)
Equipment	24,460	29,314	(4,854)	50,000	30,887	19,113
Total expenditures	100,000	37,632	62,368	50,000	39,167	10,833
EXCESS OF REVENUES OVER EXPENDITURES	132,000	199,947	67,947	161,000	166,713	5,713
OTHER FINANCING USES:						
Operating transfers out	(20,000)	(29,898)	(9,898)	-	-	-
Total other financing uses	(20,000)	(29,898)	(9,898)	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	112,000	170,049	58,049	161,000	166,713	5,713
FUND BALANCES, BEGINNING OF YEAR	400,118	400,118	-	233,405	233,405	-
FUND BALANCES, END OF YEAR	\$ 512,118	\$ 570,167	\$ 58,049	\$ 394,405	\$ 400,118	\$ 5,713

CITY OF HENDERSON, NEVADA
FINANCIAL STABILIZATION SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 5,121,457	\$ 2,567,671
Accrued interest receivable	72,752	34,280
Total assets	\$ 5,194,209	\$ 2,601,951

FUND BALANCES

FUND BALANCES:		
Unreserved - undesignated	\$ 5,194,209	\$ 2,601,951

CITY OF HENDERSON, NEVADA

FINANCIAL STABILIZATION SPECIAL REVENUE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>			<u>1999</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Miscellaneous interest	\$ 190,000	\$ 192,258	\$ 2,258	\$ 155,000	\$ 102,889	\$ (52,111)
OTHER FINANCING SOURCES:						
Operating transfers in	2,400,000	2,400,000	-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,590,000	2,592,258	2,258	155,000	102,889	(52,111)
FUND BALANCES, BEGINNING OF YEAR	2,601,951	2,601,951	-	2,499,062	2,499,062	-
FUND BALANCES, END OF YEAR	<u>\$ 5,191,951</u>	<u>\$ 5,194,209</u>	<u>\$ 2,258</u>	<u>\$ 2,654,062</u>	<u>\$ 2,601,951</u>	<u>\$ (52,111)</u>

CITY OF HENDERSON, NEVADA

**GRAFFITI REWARD AND ABATEMENT
SPECIAL REVENUE FUND**

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 2,263	\$ 2,263

FUND BALANCES

FUND BALANCES:		
Unreserved - undesignated	\$ 2,263	\$ 2,263

CITY OF HENDERSON, NEVADA

GRAFFITI REWARD AND ABATEMENT
SPECIAL REVENUE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Fines and forfeits	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ 25
TOTAL REVENUES	-	-	-	-	25	25
FUND BALANCES, BEGINNING OF YEAR	<u>2,263</u>	<u>2,263</u>	<u>-</u>	<u>2,238</u>	<u>2,238</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,263</u>	<u>\$ 2,263</u>	<u>\$ -</u>	<u>\$ 2,238</u>	<u>\$ 2,263</u>	<u>\$ 25</u>

CITY OF HENDERSON, NEVADA

EXTRAORDINARY REPAIRS CAPITAL IMPROVEMENTS SPECIAL REVENUE FUND

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 743,314	\$ 474,951
Accrued interest receivable	9,328	6,332
Total assets	<u>\$ 752,642</u>	<u>\$ 481,283</u>

FUND BALANCES

FUND BALANCES:		
Reserved for repairs	<u>\$ 752,642</u>	<u>\$ 481,283</u>

CITY OF HENDERSON, NEVADA

EXTRAORDINARY REPAIRS CAPITAL IMPROVEMENTS SPECIAL REVENUE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Miscellaneous interest	\$ 26,000	\$ 21,359	\$ (4,641)	\$ 26,000	\$ 23,196	\$ (2,804)
OTHER FINANCING SOURCES:						
Operating transfers in	250,000	250,000	-	-	73,300	73,300
TOTAL REVENUES AND OTHER FINANCING SOURCES	276,000	271,359	(4,641)	26,000	96,496	70,496
FUND BALANCES, BEGINNING OF YEAR	481,283	481,283	-	384,787	384,787	-
FUND BALANCES, END OF YEAR	<u>\$ 757,283</u>	<u>\$ 752,642</u>	<u>\$ (4,641)</u>	<u>\$ 410,787</u>	<u>\$ 481,283</u>	<u>\$ 70,496</u>

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Debt service funds are used to account for the accumulation of resources and the payment of principal and interest on general obligation bonded indebtedness; and, the payment of special assessment bond principal and interest from special assessment levies.

General Obligation Debt - To account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

Special Assessment Debt - To account for the accumulation of resources and payment of special assessment debt principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Debt Service Funds

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CITY OF HENDERSON, NEVADA

DEBT SERVICE FUNDS

COMBINING BALANCE SHEETS

JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

ASSETS

	General Obligation Debt	Special Assessment District Debt	Totals	
			2000	1999
Cash and investments	\$ 4,891,795	\$ 26,390,360	\$ 31,282,155	\$ 32,540,454
Special assessments receivable:				
Delinquent	-	179,811	179,811	138,585
Deferred	-	152,134,641	152,134,641	161,078,308
Total special assessments receivable	-	152,314,452	152,314,452	161,216,893
Accrued interest receivable	159,080	48,610	207,690	180,749
Property taxes receivable - delinquent	239,935	-	239,935	166,540
Due from other governments	100,004	-	100,004	152,434
TOTAL ASSETS	\$ 5,390,814	\$ 178,753,422	\$ 184,144,236	\$ 194,257,070

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable	\$ -	\$ 6,769	\$ 6,769	\$ -
Matured bonds and bond interest payable	30,109	575	30,684	575
Deferred revenues	-	152,314,453	152,314,453	161,216,893
Deferred revenues - property taxes	239,935	-	239,935	166,540
Total liabilities	270,044	152,321,797	152,591,841	161,384,008

FUND BALANCES:

Reserved for debt service	5,120,770	26,431,625	31,552,395	32,873,062
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**TOTAL LIABILITIES AND
FUND BALANCES**

	\$ 5,390,814	\$ 178,753,422	\$ 184,144,236	\$ 194,257,070
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CITY OF HENDERSON, NEVADA

DEBT SERVICE FUNDS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	General Obligation Debt	Special Assessment District Debt	Totals	
			2000	1999
REVENUES:				
Property taxes	\$ 12,660,391	\$ -	\$ 12,660,391	\$ 11,176,101
Special assessments	-	8,897,444	8,897,444	8,941,709
Miscellaneous interest	596,131	11,164,992	11,761,123	11,642,551
Miscellaneous	-	181,052	181,052	160,252
Total revenues	<u>13,256,522</u>	<u>20,243,488</u>	<u>33,500,010</u>	<u>31,920,613</u>
EXPENDITURES:				
Debt service:				
Principal retirement	7,660,000	7,565,000	15,225,000	33,290,000
Interest and fiscal charges	7,134,425	11,441,650	18,576,075	17,624,316
Administrative and other costs	-	333,039	333,039	248,669
Total expenditures	<u>14,794,425</u>	<u>19,339,689</u>	<u>34,134,114</u>	<u>51,162,985</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>(1,537,903)</u>	<u>903,799</u>	<u>(634,104)</u>	<u>(19,242,372)</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from refunding of debt	-	-	-	39,107,176
Proceeds from issuance of debt	-	-	-	28,485,397
Payment to refunded bond escrow agent	-	-	-	(48,868,062)
Operating transfers in	5,236,834	-	5,236,834	10,881,488
Operating transfers out	(5,340,147)	(583,250)	(5,923,397)	(10,633,625)
Total other financing sources (uses)	<u>(103,313)</u>	<u>(583,250)</u>	<u>(686,563)</u>	<u>18,972,374</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>(1,641,216)</u>	<u>320,549</u>	<u>(1,320,667)</u>	<u>(269,998)</u>
FUND BALANCES, BEGINNING OF YEAR				
	<u>6,761,986</u>	<u>26,111,076</u>	<u>32,873,062</u>	<u>33,143,060</u>
FUND BALANCES, END OF YEAR				
	<u>\$ 5,120,770</u>	<u>\$ 26,431,625</u>	<u>\$ 31,552,395</u>	<u>\$ 32,873,062</u>

CITY OF HENDERSON, NEVADA
GENERAL OBLIGATION DEBT SERVICE FUND

COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 4,891,795	\$ 6,467,061
Accrued interest receivable	159,080	142,491
Property taxes receivable - delinquent	239,935	166,540
Due from other governments	100,004	152,434
	<u>5,390,814</u>	<u>6,928,526</u>
TOTAL ASSETS	\$ 5,390,814	\$ 6,928,526

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accrued interest payable	\$ 30,109	\$ -
Deferred revenues - property taxes	239,935	166,540
Total liabilities	<u>270,044</u>	<u>166,540</u>

FUND BALANCES:

Reserved for debt service	<u>5,120,770</u>	<u>6,761,986</u>
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TOTAL LIABILITIES AND FUND BALANCES	\$ 5,390,814	\$ 6,928,526
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CITY OF HENDERSON, NEVADA

GENERAL OBLIGATION DEBT SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ 12,795,578	\$ 12,660,391	\$ (135,187)	\$ 10,932,518	\$ 11,176,101	\$ 243,583
Miscellaneous interest	500,000	596,131	96,131	600,000	574,985	(25,015)
Miscellaneous	-	-	-	-	400	400
Total revenues	<u>13,295,578</u>	<u>13,256,522</u>	<u>(39,056)</u>	<u>11,532,518</u>	<u>11,751,486</u>	<u>218,968</u>
EXPENDITURES:						
Debt Service:						
Principal retirement	7,840,840	7,660,000	180,840	6,466,850	6,700,000	(233,150)
Interest and fiscal charges	<u>7,145,779</u>	<u>7,134,425</u>	<u>11,354</u>	<u>6,771,421</u>	<u>7,296,720</u>	<u>(525,299)</u>
Total expenditures	<u>14,986,619</u>	<u>14,794,425</u>	<u>192,194</u>	<u>13,238,271</u>	<u>13,996,720</u>	<u>(758,449)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,691,041)</u>	<u>(1,537,903)</u>	<u>153,138</u>	<u>(1,705,753)</u>	<u>(2,245,234)</u>	<u>(539,481)</u>
OTHER FINANCING SOURCES (USES):						
Operating transfers in	5,236,834	5,236,834	-	4,672,686	4,672,686	-
Operating transfers out	<u>(5,159,998)</u>	<u>(5,340,147)</u>	<u>(180,149)</u>	<u>(4,581,493)</u>	<u>(4,556,478)</u>	<u>25,015</u>
Total other financing sources (uses)	<u>76,836</u>	<u>(103,313)</u>	<u>(180,149)</u>	<u>91,193</u>	<u>116,208</u>	<u>25,015</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES UNDER EXPENDITURES AND OTHER FINANCING USES	<u>(1,614,205)</u>	<u>(1,641,216)</u>	<u>(27,011)</u>	<u>(1,614,560)</u>	<u>(2,129,026)</u>	<u>(514,466)</u>
FUND BALANCES, BEGINNING OF YEAR	<u>6,761,986</u>	<u>6,761,986</u>	<u>-</u>	<u>8,891,012</u>	<u>8,891,012</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 5,147,781</u>	<u>\$ 5,120,770</u>	<u>\$ (27,011)</u>	<u>\$ 7,276,452</u>	<u>\$ 6,761,986</u>	<u>\$ (514,466)</u>

CITY OF HENDERSON, NEVADA
SPECIAL ASSESSMENT DISTRICTS DEBT SERVICE FUND

COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 26,390,360	\$ 26,073,393
Special assessments receivable:		
Delinquent	179,811	138,585
Deferred	152,134,641	161,078,308
Total special assessments receivable	<u>152,314,452</u>	<u>161,216,893</u>
Accrued interest receivable	<u>48,610</u>	<u>38,258</u>
TOTAL ASSETS	<u><u>\$ 178,753,422</u></u>	<u><u>\$ 187,328,544</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES:		
Accounts payable	\$ 6,769	\$ -
Matured bonds and bond interest payable	575	575
Deferred revenues	152,314,453	161,216,893
Total liabilities	<u>152,321,797</u>	<u>161,217,468</u>
FUND BALANCES:		
Reserved for debt service	<u>26,431,625</u>	<u>26,111,076</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 178,753,422</u></u>	<u><u>\$ 187,328,544</u></u>

CITY OF HENDERSON, NEVADA

SPECIAL ASSESSMENT DISTRICTS DEBT SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Special assessments	\$ 9,052,086	\$ 8,897,444	\$ (154,642)	\$ 5,527,829	\$ 8,941,709	\$ 3,413,880
Miscellaneous interest	10,301,415	11,164,992	863,577	11,437,658	11,067,566	(370,092)
Miscellaneous	-	181,052	181,052	246,700	159,852	(86,848)
Total revenues	<u>19,353,501</u>	<u>20,243,488</u>	<u>889,987</u>	<u>17,212,187</u>	<u>20,169,127</u>	<u>2,956,940</u>
EXPENDITURES:						
Debt Service:						
Principal retirement	7,535,000	7,565,000	(30,000)	24,830,000	26,590,000	(1,760,000)
Interest and fiscal charges	11,351,485	11,441,650	(90,165)	10,979,954	10,327,596	652,358
Administrative and other costs	573,500	333,039	240,461	300,700	248,669	52,031
Total expenditures	<u>19,459,985</u>	<u>19,339,689</u>	<u>120,296</u>	<u>36,110,654</u>	<u>37,166,265</u>	<u>(1,055,611)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(106,484)</u>	<u>903,799</u>	<u>1,010,283</u>	<u>(18,898,467)</u>	<u>(16,997,138)</u>	<u>1,901,329</u>
OTHER FINANCING SOURCES (USES):						
Proceeds from refunding of debt	-	-	-	39,107,176	39,107,176	-
Proceeds from issuance of debt	-	-	-	25,427,783	28,485,397	3,057,614
Payment to refunded bond escrow agent	-	-	-	(48,868,062)	(48,868,062)	-
Operating transfers in	-	-	-	6,208,000	6,208,802	802
Operating transfers out	(407,610)	(583,250)	(175,640)	(5,904,000)	(6,077,147)	(173,147)
Total other financing sources (uses)	<u>(407,610)</u>	<u>(583,250)</u>	<u>(175,640)</u>	<u>15,970,897</u>	<u>18,856,166</u>	<u>2,885,269</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(514,094)</u>	<u>320,549</u>	<u>834,643</u>	<u>(2,927,570)</u>	<u>1,859,028</u>	<u>4,786,598</u>
FUND BALANCES, BEGINNING OF YEAR	<u>26,111,076</u>	<u>26,111,076</u>	<u>-</u>	<u>24,252,048</u>	<u>24,252,048</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 25,596,982</u>	<u>\$ 26,431,625</u>	<u>\$ 834,643</u>	<u>\$ 21,324,478</u>	<u>\$ 26,111,076</u>	<u>\$ 4,786,598</u>

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Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Land Sales - to account for the purchase and sale of City owned property. The City has traditionally used proceeds from these sales for miscellaneous capital projects.

Special Recreation - to account for costs of recreational equipment and other recreational purposes. Funds for these purposes are provided by revenues received from the Las Vegas Convention and Visitors Authority.

Bond Proceeds - to account for costs of improving and bettering streets within the City; flood control; improving and equipping artificial lights, lighting equipment, and traffic control equipment; and acquisition, development, improvement and expansion of public parks, playgrounds and recreation facilities within the City. Financing is provided by the sale of general obligation bonds.

HUD Proceeds - to account for costs of providing loans and grants given for the purpose of housing rehabilitation and the construction of capital improvements, such as streets and street lighting. Primary funding is provided by Federal grants.

Park Development - to account for fees that are collected upon application for building permits. The revenues produced by these fees are to be used for the acquisition, development, improvement and expansion of public parks, playground and recreational facilities within the City.

Special Assessment Districts - to account for the cost of public improvements such as street lighting, streets, curbs, gutters, water and sewer benefiting certain property owners. Funding is provided by the issuance of special assessment district bonds.

Capital Project Funds

Flood Control - to account for flood control projects that receive their primary funding from the Clark County Flood Control District.

RTC/County - to account for costs of improving streets within the City that are funded by the Regional Transportation Commission and Clark County Grants.

Municipal Facilities Acquisition & Construction Fund - to account for costs associated with the acquisition, construction and improvement of public building facilities.

Special Ad Valorem Transportation Fund - to account for revenue received from a special ad valorem tax that must be recorded in a capital project fund and dedicated to capital projects designed to alleviate critical transportation needs within Clark County.

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CITY OF HENDERSON, NEVADA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

ASSETS

	Land Sales	Special Recreation	Bond Proceeds	HUD Proceeds	Park Development	Special Assessment Districts	Flood Control	RTC/ County Funded	Municipal Facilities Acquisition and Construction	Special Ad Valorem Transportation	Totals	
											2000	1999
Cash and investments	\$ -	\$ 1,523,387	\$ 40,775,459	\$ -	\$ 5,814,472	\$ 34,640,489	\$ -	\$ -	\$ 82,099,953	\$ -	\$ 164,853,760	\$ 146,171,173
Accounts receivable	3,373	-	-	-	-	24,773	-	-	566,990	-	595,136	5,193
Accrued interest receivable	28	22,762	-	-	93,653	19,705	5	-	-	-	136,153	161,652
Due from other governments	-	504,300	-	129,131	-	-	-	644,946	-	-	1,278,377	1,529,486
Notes receivable	558,113	-	-	-	-	-	-	-	-	-	558,113	-
TOTAL ASSETS	\$ 561,514	\$ 2,050,449	\$ 40,775,459	\$ 129,131	\$ 5,908,125	\$ 34,684,967	\$ 5	\$ 644,946	\$ 82,666,943	\$ -	\$ 167,421,539	\$ 147,867,504

LIABILITIES AND FUND BALANCES (DEFICITS)

LIABILITIES:												
Accounts payable and accrued wages	\$ 12,478	\$ 157,969	\$ 214,118	\$ 59,522	\$ 99,531	\$ -	\$ 34,747	\$ 117,385	\$ 950,023	\$ -	\$ 1,645,773	\$ 527,584
Construction contracts	-	-	2,415,941	-	112,980	-	40,000	172,758	394,195	-	3,135,874	1,281,718
Deposits	350,713	-	-	-	-	-	-	-	-	-	350,713	273,978
Due to other funds	227,630	-	-	97,566	-	-	4,905	502,347	-	-	832,448	1,581,985
Advances from other funds	10,520,000	-	-	-	-	230,566	-	-	-	-	10,750,566	10,801,659
Arbitrage rebate tax	-	-	189,699	-	-	-	-	-	329,393	-	519,092	281,257
Deferred revenues	558,113	-	-	9,160	-	-	-	-	-	-	567,273	132,895
Total liabilities	11,668,934	157,969	2,819,758	166,248	212,511	230,566	79,652	792,490	1,673,611	-	17,801,739	14,881,076
FUND BALANCES (DEFICITS):												
Unreserved - undesignated	(11,107,420)	1,892,480	37,955,701	(37,117)	5,695,614	34,454,401	(79,647)	(147,544)	80,993,332	-	149,619,800	132,986,428
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 561,514	\$ 2,050,449	\$ 40,775,459	\$ 129,131	\$ 5,908,125	\$ 34,684,967	\$ 5	\$ 644,946	\$ 82,666,943	\$ -	\$ 167,421,539	\$ 147,867,504

CITY OF HENDERSON, NEVADA

CAPITAL PROJECTS FUNDS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
FOR THE YEAR JUNE 30, 2000
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Land Sales	Special Recreation	Bond Proceeds	HUD Proceeds	Park Development	Special Assessment Districts	Flood Control	RTC/ County Funded	Municipal Facilities Acquisition and Construction	Special Ad Valorem Transportation	Totals	
											2000	1999
REVENUES:												
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 409,668	\$ 409,668	\$ 369,917
Intergovernmental	-	1,613,470	-	1,577,206	-	-	-	1,865,946	-	-	5,056,622	5,047,133
Developer contributions	-	-	-	-	-	207,161	-	504,714	-	-	711,875	2,185,194
Impact fees	-	-	-	-	2,231,063	-	-	-	-	-	2,231,063	2,215,356
Miscellaneous interest	-	61,712	2,746,885	-	370,601	2,428,488	146	-	1,996,713	-	7,604,545	6,576,748
Miscellaneous	273,697	2,500	10,205	-	-	-	4,840	-	1,041,810	-	1,333,052	219,912
Total revenues	273,697	1,677,682	2,757,090	1,577,206	2,601,664	2,635,649	4,986	2,370,660	3,038,523	409,668	17,346,825	16,614,260
EXPENDITURES -												
CAPITAL OUTLAY:												
Construction contracts	66,892	248,767	17,916,246	564,528	1,502,885	13,983,820	34,747	2,524,925	12,031,721	-	48,874,531	25,932,887
Equipment	8,840	280,117	-	33,500	-	-	-	-	4,015,152	-	4,337,609	1,329,740
Land	28,112	-	-	-	-	-	18,386	-	103,056	-	149,554	17,724,527
Engineering and other	151,849	191,781	1,894,679	898,692	1,898,930	384,533	-	124,772	4,972,103	-	10,517,339	8,498,166
Intergovernmental	-	-	-	-	-	-	-	-	-	409,668	409,668	369,917
Total expenditures	255,693	720,665	19,810,925	1,496,720	3,401,815	14,368,353	53,133	2,649,697	21,122,032	409,668	64,288,701	53,855,237
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18,004	957,017	(17,053,835)	80,486	(800,151)	(11,732,704)	(48,147)	(279,037)	(18,083,509)	-	(46,941,876)	(37,240,977)
OTHER FINANCING SOURCES (USES):												
Land sales	307,459	-	-	-	-	-	-	-	-	-	307,459	291,696
Proceeds from issuance of debt	-	-	-	-	-	-	-	-	49,556,443	-	49,556,443	40,994,475
Proceeds from capital lease	-	-	-	-	-	-	-	-	-	-	-	545,359
Operating transfers in	-	-	2,763,266	-	-	583,250	-	-	25,045,546	-	28,392,062	26,685,661
Operating transfers out	-	(87,732)	(6,146,884)	-	(366,000)	-	-	-	(8,080,100)	-	(14,680,716)	(18,977,306)
Total other financing sources (uses)	307,459	(87,732)	(3,383,618)	-	(366,000)	583,250	-	-	66,521,889	-	63,575,248	49,539,885
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	325,463	869,285	(20,437,453)	80,486	(1,166,151)	(11,149,454)	(48,147)	(279,037)	48,438,380	-	16,633,372	12,298,908
FUND BALANCES (DEFICITS), BEGINNING OF YEAR												
	(11,432,883)	1,023,195	58,393,154	(117,603)	6,861,765	45,603,855	(31,500)	131,493	32,554,952	-	132,986,428	120,687,520
FUND BALANCES (DEFICITS), END OF YEAR												
	<u>\$ (11,107,420)</u>	<u>\$ 1,892,480</u>	<u>\$ 37,955,701</u>	<u>\$ (37,117)</u>	<u>\$ 5,695,614</u>	<u>\$ 34,454,401</u>	<u>\$ (79,647)</u>	<u>\$ (147,544)</u>	<u>\$ 80,993,332</u>	<u>\$ -</u>	<u>\$ 149,619,800</u>	<u>\$ 132,986,428</u>

CITY OF HENDERSON, NEVADA

LAND SALES CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Accounts receivable	\$ 3,373	\$ -
Accrued interest receivable	28	4,352
Notes receivable	558,113	-
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 561,514</u>	<u>\$ 4,352</u>

LIABILITIES AND FUND BALANCES (DEFICIT)

LIABILITIES:

Accounts payable	\$ 12,478	\$ 33,751
Deposits	350,713	273,978
Due to other funds	227,630	609,506
Advances from other funds	10,520,000	10,520,000
Deferred revenue	558,113	-
Total liabilities	<u>11,668,934</u>	<u>11,437,235</u>

FUND DEFICITS:

Unreserved - undesignated	<u>(11,107,420)</u>	<u>(11,432,883)</u>
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TOTAL LIABILITIES AND FUND DEFICITS	<u>\$ 561,514</u>	<u>\$ 4,352</u>
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CITY OF HENDERSON, NEVADA

LAND SALES CAPITAL PROJECTS FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND DEFICITS - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Miscellaneous interest	\$ -	\$ -	\$ -	\$ 150,000	\$ 45,367	\$ (104,633)
Miscellaneous	277,050	273,697	(3,353)	160,000	160,573	573
Total revenues	<u>277,050</u>	<u>273,697</u>	<u>(3,353)</u>	<u>310,000</u>	<u>205,940</u>	<u>(104,060)</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	-	66,892	(66,892)	938,776	770,976	167,800
Equipment	275,790	8,840	266,950	924,988	733,476	191,512
Land	-	28,112	(28,112)	14,058,310	14,172,242	(113,932)
Engineering and other	435,104	151,849	283,255	578,398	405,861	172,537
Total expenditures	<u>710,894</u>	<u>255,693</u>	<u>455,201</u>	<u>16,500,472</u>	<u>16,082,555</u>	<u>417,917</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(433,844)</u>	<u>18,004</u>	<u>451,848</u>	<u>(16,190,472)</u>	<u>(15,876,615)</u>	<u>313,857</u>
OTHER FINANCING SOURCES (USES):						
Land sales	12,000,000	307,459	(11,692,541)	1,400,000	291,696	(1,108,304)
Proceeds from issuance of debt	-	-	-	10,520,000	-	(10,520,000)
Proceeds from capital lease	-	-	-	545,359	545,359	-
Operating transfers out	-	-	-	(35,000)	(35,000)	-
Total other financing sources	<u>12,000,000</u>	<u>307,459</u>	<u>(11,692,541)</u>	<u>12,430,359</u>	<u>802,055</u>	<u>(11,628,304)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	<u>11,566,156</u>	<u>325,463</u>	<u>(11,240,693)</u>	<u>(3,760,113)</u>	<u>(15,074,560)</u>	<u>(11,314,447)</u>
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>(11,432,883)</u>	<u>(11,432,883)</u>	<u>-</u>	<u>3,641,677</u>	<u>3,641,677</u>	<u>-</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 133,273</u>	<u>\$ (11,107,420)</u>	<u>\$ (11,240,693)</u>	<u>\$ (118,436)</u>	<u>\$ (11,432,883)</u>	<u>\$ (11,314,447)</u>

CITY OF HENDERSON, NEVADA
SPECIAL RECREATION CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 1,523,387	\$ 676,731
Accrued interest receivable	22,762	15,465
Due from other governments	<u>504,300</u>	<u>346,821</u>
TOTAL ASSETS	<u>\$ 2,050,449</u>	<u>\$ 1,039,017</u>

LIABILITIES AND FUND BALANCES

LIABILITIES:		
Accounts payable	\$ 157,969	\$ 15,822
FUND BALANCES:		
Unreserved - undesignated	<u>1,892,480</u>	<u>1,023,195</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,050,449</u>	<u>\$ 1,039,017</u>

CITY OF HENDERSON, NEVADA

SPECIAL RECREATION CAPITAL PROJECTS FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICITS) - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Intergovernmental	\$ 1,350,000	\$ 1,613,470	\$ 263,470	\$ 1,200,000	\$ 1,277,404	\$ 77,404
Miscellaneous interest	50,000	61,712	11,712	47,000	35,286	(11,714)
Miscellaneous	-	2,500	2,500	-	-	-
Total revenues	<u>1,400,000</u>	<u>1,677,682</u>	<u>277,682</u>	<u>1,247,000</u>	<u>1,312,690</u>	<u>65,690</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	-	248,767	(248,767)	1,628,280	140,050	1,488,230
Equipment	2,106,234	280,117	1,826,117	-	276,615	(276,615)
Engineering and other	236,596	191,781	44,815	98,000	82,327	15,673
Total expenditures	<u>2,342,830</u>	<u>720,665</u>	<u>1,622,165</u>	<u>1,726,280</u>	<u>498,992</u>	<u>1,227,288</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(942,830)	957,017	1,899,847	(479,280)	813,698	1,292,978
OTHER FINANCING USES:						
Operating transfers out	<u>(50,000)</u>	<u>(87,732)</u>	<u>(37,732)</u>	<u>(647,000)</u>	<u>(600,000)</u>	<u>47,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(992,830)	869,285	1,862,115	(1,126,280)	213,698	1,339,978
FUND BALANCES, BEGINNING OF YEAR	<u>1,023,195</u>	<u>1,023,195</u>	<u>-</u>	<u>809,497</u>	<u>809,497</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 30,365</u>	<u>\$ 1,892,480</u>	<u>\$ 1,862,115</u>	<u>\$ (316,783)</u>	<u>\$ 1,023,195</u>	<u>\$ 1,339,978</u>

CITY OF HENDERSON, NEVADA
BOND PROCEEDS CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 40,775,459	\$ 59,523,293

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable	\$ 214,118	\$ 32,974
Construction contracts	2,415,941	993,829
Arbitrage rebate tax	189,699	103,336
Total liabilities	2,819,758	1,130,139

FUND BALANCES:

Unreserved - undesignated	37,955,701	58,393,154
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TOTAL LIABILITIES AND FUND BALANCES	\$ 40,775,459	\$ 59,523,293
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CITY OF HENDERSON, NEVADA

BOND PROCEEDS CAPITAL PROJECTS FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Miscellaneous interest	\$ 2,467,000	\$ 2,746,885	\$ 279,885	\$ 2,259,000	\$ 2,641,763	\$ 382,763
Miscellaneous	-	10,205	10,205	-	8,750	8,750
Total revenues	<u>2,467,000</u>	<u>2,757,090</u>	<u>290,090</u>	<u>2,259,000</u>	<u>2,650,513</u>	<u>391,513</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	37,606,924	17,916,246	19,690,678	17,548,515	3,691,754	13,856,761
Equipment	-	-	-	-	8,684	(8,684)
Engineering and other	3,718,462	1,894,679	1,823,783	3,633,832	925,287	2,708,545
Total expenditures	<u>41,325,386</u>	<u>19,810,925</u>	<u>21,514,461</u>	<u>21,182,347</u>	<u>4,625,725</u>	<u>16,556,622</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(38,858,386)</u>	<u>(17,053,835)</u>	<u>21,804,551</u>	<u>(18,923,347)</u>	<u>(1,975,212)</u>	<u>16,948,135</u>
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of debt	-	-	-	-	14,747,047	14,747,047
Operating transfers in	2,763,266	2,763,266	-	2,310,755	5,310,755	3,000,000
Operating transfers out	<u>(5,867,000)</u>	<u>(6,146,884)</u>	<u>(279,884)</u>	<u>(2,259,000)</u>	<u>(5,715,063)</u>	<u>(3,456,063)</u>
Total other financing sources (uses)	<u>(3,103,734)</u>	<u>(3,383,618)</u>	<u>(279,884)</u>	<u>51,755</u>	<u>14,342,739</u>	<u>14,290,984</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(41,962,120)</u>	<u>(20,437,453)</u>	<u>21,524,667</u>	<u>(18,871,592)</u>	<u>12,367,527</u>	<u>31,239,119</u>
FUND BALANCES, BEGINNING OF YEAR	<u>58,393,154</u>	<u>58,393,154</u>	<u>-</u>	<u>46,025,627</u>	<u>46,025,627</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 16,431,034</u>	<u>\$ 37,955,701</u>	<u>\$ 21,524,667</u>	<u>\$ 27,154,035</u>	<u>\$ 58,393,154</u>	<u>\$ 31,239,119</u>

CITY OF HENDERSON, NEVADA

HUD PROCEEDS CAPITAL PROJECTS FUND

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ -	\$ 44,505
Due from other governments	<u>129,131</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 129,131</u></u>	<u><u>\$ 44,505</u></u>

LIABILITIES AND FUND DEFICITS

LIABILITIES:

Accounts payable and accrued wages	\$ 59,522	\$ 29,213
Due to other funds	97,566	-
Deferred revenues	<u>9,160</u>	<u>132,895</u>
Total liabilities	<u>166,248</u>	<u>162,108</u>

FUND DEFICITS:

Unreserved - undesignated	<u>(37,117)</u>	<u>(117,603)</u>
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TOTAL LIABILITIES AND FUND DEFICITS	<u><u>\$ 129,131</u></u>	<u><u>\$ 44,505</u></u>
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CITY OF HENDERSON, NEVADA

HUD PROCEEDS CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICITS - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Intergovernmental	\$ 3,703,190	\$ 1,577,206	\$ (2,125,984)	\$ 2,860,235	\$ 820,586	\$ (2,039,649)
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	1,174,126	564,528	609,598	1,049,181	130,864	918,317
Equipment	-	33,500	(33,500)	-	53,367	(53,367)
Engineering and other	2,411,461	898,692	1,512,769	1,811,054	659,514	1,151,540
Total expenditures	<u>3,585,587</u>	<u>1,496,720</u>	<u>2,088,867</u>	<u>2,860,235</u>	<u>843,745</u>	<u>2,016,490</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	117,603	80,486	(37,117)	-	(23,159)	(23,159)
FUND DEFICITS, BEGINNING OF YEAR	<u>(117,603)</u>	<u>(117,603)</u>	<u>-</u>	<u>(94,444)</u>	<u>(94,444)</u>	<u>-</u>
FUND DEFICITS, END OF YEAR	<u>\$ -</u>	<u>\$ (37,117)</u>	<u>\$ (37,117)</u>	<u>\$ (94,444)</u>	<u>\$ (117,603)</u>	<u>\$ (23,159)</u>

CITY OF HENDERSON, NEVADA
PARK DEVELOPMENT CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 5,814,472	\$ 6,844,353
Accrued interest receivable	93,653	106,995
	<u>5,908,125</u>	<u>6,951,348</u>
TOTAL ASSETS	<u>\$ 5,908,125</u>	<u>\$ 6,951,348</u>

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable	\$ 99,531	\$ 15,651
Construction contracts	112,980	73,932
Total liabilities	<u>212,511</u>	<u>89,583</u>

FUND BALANCES:

Unreserved - undesignated	<u>5,695,614</u>	<u>6,861,765</u>
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TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,908,125</u>	<u>\$ 6,951,348</u>
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CITY OF HENDERSON, NEVADA

PARK DEVELOPMENT CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Impact fees	\$ 2,082,000	\$ 2,231,063	\$ 149,063	\$ 1,795,400	\$ 2,215,356	\$ 419,956
Miscellaneous interest	418,700	370,601	(48,099)	434,000	344,683	(89,317)
Total revenues	<u>2,500,700</u>	<u>2,601,664</u>	<u>100,964</u>	<u>2,229,400</u>	<u>2,560,039</u>	<u>330,639</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	1,475,515	1,502,885	(27,370)	3,500,637	1,077,341	2,423,296
Engineering and other	3,434,482	1,898,930	1,535,552	456,107	119,189	336,918
Total expenditures	<u>4,909,997</u>	<u>3,401,815</u>	<u>1,508,182</u>	<u>3,956,744</u>	<u>1,196,530</u>	<u>2,760,214</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,409,297)	(800,151)	1,609,146	(1,727,344)	1,363,509	3,090,853
OTHER FINANCING USES:						
Operating transfers out	<u>(366,000)</u>	<u>(366,000)</u>	<u>-</u>	<u>(1,675,755)</u>	<u>(1,675,755)</u>	<u>-</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES	(2,775,297)	(1,166,151)	1,609,146	(3,403,099)	(312,246)	3,090,853
FUND BALANCES, BEGINNING OF YEAR	<u>6,861,765</u>	<u>6,861,765</u>	<u>-</u>	<u>7,174,011</u>	<u>7,174,011</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 4,086,468</u>	<u>\$ 5,695,614</u>	<u>\$ 1,609,146</u>	<u>\$ 3,770,912</u>	<u>\$ 6,861,765</u>	<u>\$ 3,090,853</u>

CITY OF HENDERSON, NEVADA

SPECIAL ASSESSMENT DISTRICTS CAPITAL PROJECTS FUND

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 34,640,489	\$ 45,846,493
Accounts receivable	24,773	5,193
Accrued interest receivable	19,705	34,803
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 34,684,967</u>	<u>\$ 45,886,489</u>

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable	\$ -	\$ 975
Advances from other funds	230,566	281,659
Total liabilities	<hr/> 230,566	<hr/> 282,634

FUND BALANCES:

Unreserved - undesignated	<hr/> 34,454,401	<hr/> 45,603,855
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TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 34,684,967</u>	<u>\$ 45,886,489</u>
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CITY OF HENDERSON, NEVADA

SPECIAL ASSESSMENT DISTRICTS CAPITAL PROJECTS FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Developer contributions	\$ 182,388	\$ 207,161	\$ 24,773	\$ 205,000	\$ 212,147	\$ 7,147
Miscellaneous interest	2,432,150	2,428,488	(3,662)	2,016,000	2,274,915	258,915
Total revenues	<u>2,614,538</u>	<u>2,635,649</u>	<u>21,111</u>	<u>2,221,000</u>	<u>2,487,062</u>	<u>266,062</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	16,507,985	13,983,820	2,524,165	20,346,430	14,253,411	6,093,019
Engineering and other	449,776	384,533	65,243	3,525,455	3,564,607	(39,152)
Total expenditures	<u>16,957,761</u>	<u>14,368,353</u>	<u>2,589,408</u>	<u>23,871,885</u>	<u>17,818,018</u>	<u>6,053,867</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(14,343,223)</u>	<u>(11,732,704)</u>	<u>2,610,519</u>	<u>(21,650,885)</u>	<u>(15,330,956)</u>	<u>6,319,929</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from issuance of debt	-	-	-	26,247,428	26,247,428	-
Operating transfers in	407,610	583,250	175,640	5,904,000	6,077,147	173,147
Operating transfers out	-	-	-	(6,208,000)	(6,208,802)	(802)
Total other financing sources (uses)	<u>407,610</u>	<u>583,250</u>	<u>175,640</u>	<u>(304,000)</u>	<u>26,115,773</u>	<u>172,345</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(13,935,613)</u>	<u>(11,149,454)</u>	<u>2,786,159</u>	<u>(21,954,885)</u>	<u>10,784,817</u>	<u>32,739,702</u>
FUND BALANCES, BEGINNING OF YEAR	<u>45,603,855</u>	<u>45,603,855</u>	<u>-</u>	<u>34,819,038</u>	<u>34,819,038</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 31,668,242</u>	<u>\$ 34,454,401</u>	<u>\$ 2,786,159</u>	<u>\$ 12,864,153</u>	<u>\$ 45,603,855</u>	<u>\$ 32,739,702</u>

CITY OF HENDERSON, NEVADA
FLOOD CONTROL CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Interest receivable	\$ 5	\$ 37
Due from other governments	-	37,772
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 5</u>	<u>\$ 37,809</u>

LIABILITIES AND FUND DEFICITS

LIABILITIES:		
Accounts payable	\$ 34,747	\$ -
Construction contracts	40,000	40,000
Due to other funds	4,905	29,309
Total liabilities	<hr/> 79,652	<hr/> 69,309
 FUND DEFICITS:		
Unreserved - undesignated	<hr/> (79,647)	<hr/> (31,500)
TOTAL LIABILITIES AND FUND DEFICITS	<u>\$ 5</u>	<u>\$ 37,809</u>

CITY OF HENDERSON, NEVADA

FLOOD CONTROL CAPITAL PROJECTS FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE (DEFICITS)- BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Intergovernmental	\$ 97,019	\$ -	\$ (97,019)	\$ 5,580,270	\$ 233,980	\$ (5,346,290)
Miscellaneous interest	-	146	146	-	150	150
Miscellaneous	-	4,840	4,840	-	-	-
Total revenues	<u>97,019</u>	<u>4,986</u>	<u>(92,033)</u>	<u>5,580,270</u>	<u>234,130</u>	<u>(5,346,140)</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	65,386	34,747	30,639	5,668,785	33,704	5,635,081
Land	-	18,386	(18,386)	-	53,054	(53,054)
Total expenditures	<u>65,386</u>	<u>53,133</u>	<u>12,253</u>	<u>5,668,785</u>	<u>86,758</u>	<u>5,582,027</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	31,633	(48,147)	(79,780)	(88,515)	147,372	235,887
FUND DEFICITS, BEGINNING OF YEAR	<u>(31,500)</u>	<u>(31,500)</u>	<u>-</u>	<u>(178,872)</u>	<u>(178,872)</u>	<u>-</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 133</u>	<u>\$ (79,647)</u>	<u>\$ (79,780)</u>	<u>\$ (267,387)</u>	<u>\$ (31,500)</u>	<u>\$ 235,887</u>

CITY OF HENDERSON, NEVADA
RTC/COUNTY FUNDED CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Due from other governments	\$ 644,946	\$ 1,144,893

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable and accrued wages	\$ 117,385	\$ 38,496
Construction contracts	172,758	31,734
Due to other funds	502,347	943,170
Total liabilities	792,490	1,013,400

FUND BALANCES (DEFICIT):

Unreserved - undesignated	(147,544)	131,493
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TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 644,946	\$ 1,144,893
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CITY OF HENDERSON, NEVADA

RTC/COUNTY FUNDED CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Intergovernmental	\$ 13,747,577	\$ 1,865,946	\$ (11,881,631)	\$ 10,254,905	\$ 2,715,163	\$ (7,539,742)
Developer contributions	278,861	504,714	225,853	-	1,973,047	1,973,047
Total revenues	<u>14,026,438</u>	<u>2,370,660</u>	<u>(11,655,778)</u>	<u>10,254,905</u>	<u>4,688,210</u>	<u>(5,566,695)</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	10,450,444	2,524,925	7,925,519	10,535,685	4,514,181	6,021,504
Engineering and other	465,027	124,772	340,255	606,454	418,515	187,939
Total expenditures	<u>10,915,471</u>	<u>2,649,697</u>	<u>8,265,774</u>	<u>11,142,139</u>	<u>4,932,696</u>	<u>6,209,443</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,110,967	(279,037)	(3,390,004)	(887,234)	(244,486)	642,748
OTHER FINANCING SOURCES						
Operating transfers in	-	-	-	-	63,943	63,943
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	3,110,967	(279,037)	(3,390,004)	(887,234)	(180,543)	706,691
FUND BALANCES, BEGINNING OF YEAR	<u>131,493</u>	<u>131,493</u>	<u>-</u>	<u>312,036</u>	<u>312,036</u>	<u>-</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 3,242,460</u>	<u>\$ (147,544)</u>	<u>\$ (3,390,004)</u>	<u>\$ (575,198)</u>	<u>\$ 131,493</u>	<u>\$ 706,691</u>

CITY OF HENDERSON, NEVADA

**MUNICIPAL FACILITIES ACQUISITION AND
CONSTRUCTION CAPITAL PROJECTS FUND**

**COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999**

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 82,099,953	\$ 33,235,798
Accounts receivable	566,990	-
	<hr/>	<hr/>
TOTAL ASSETS	<u><u>\$ 82,666,943</u></u>	<u><u>\$ 33,235,798</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable	\$ 950,023	\$ 360,702
Construction contracts	394,195	142,223
Arbitrage rebate tax	329,393	177,921
	<hr/>	<hr/>
Total liabilities	1,673,611	680,846

FUND BALANCES:

Unreserved - undesignated	<hr/> 80,993,332	<hr/> 32,554,952
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TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 82,666,943</u></u>	<u><u>\$ 33,235,798</u></u>
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CITY OF HENDERSON, NEVADA

MUNICIPAL FACILITIES ACQUISITION AND CONSTRUCTION CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Miscellaneous interest	\$ 1,100,000	\$ 1,996,713	\$ 896,713	\$ 1,200,000	\$ 1,234,584	\$ 34,584
Miscellaneous	1,025,000	1,041,810	16,810	50,199	50,589	390
Total revenues	<u>2,125,000</u>	<u>3,038,523</u>	<u>913,523</u>	<u>1,250,199</u>	<u>1,285,173</u>	<u>34,974</u>
EXPENDITURES - CAPITAL OUTLAY:						
Construction contracts	64,975,569	12,031,721	52,943,848	4,079,804	1,320,606	2,759,198
Equipment	-	4,015,152	(4,015,152)	1,863,799	257,598	1,606,201
Land	-	103,056	(103,056)	3,873,999	3,499,231	374,768
Engineering and other	9,299,650	4,972,103	4,327,547	7,971,265	2,322,866	5,648,399
Total expenditures	<u>74,275,219</u>	<u>21,122,032</u>	<u>53,153,187</u>	<u>17,788,867</u>	<u>7,400,301</u>	<u>10,388,566</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(72,150,219)</u>	<u>(18,083,509)</u>	<u>54,066,710</u>	<u>(16,538,668)</u>	<u>(6,115,128)</u>	<u>10,423,540</u>
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of debt	49,500,000	49,556,443	56,443	-	-	-
Operating transfers in	20,128,581	25,045,546	4,916,965	18,660,034	15,233,816	(3,426,218)
Operating transfers out	(8,080,100)	(8,080,100)	-	(4,742,686)	(4,742,686)	-
Total other financing sources	<u>61,548,481</u>	<u>66,521,889</u>	<u>4,973,408</u>	<u>13,917,348</u>	<u>10,491,130</u>	<u>(3,426,218)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	<u>(10,601,738)</u>	<u>48,438,380</u>	<u>59,040,118</u>	<u>(2,621,320)</u>	<u>4,376,002</u>	<u>6,997,322</u>
FUND BALANCES, BEGINNING OF YEAR	<u>32,554,952</u>	<u>32,554,952</u>	<u>-</u>	<u>28,178,950</u>	<u>28,178,950</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 21,953,214</u>	<u>\$ 80,993,332</u>	<u>\$ 59,040,118</u>	<u>\$ 25,557,630</u>	<u>\$ 32,554,952</u>	<u>\$ 6,997,322</u>

CITY OF HENDERSON, NEVADA

SPECIAL AD VALOREM TRANSPORTATION CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Property taxes	\$ 405,000	\$ 409,668	\$ 4,668	\$ 375,000	\$ 369,917	\$ (5,083)
Total revenues	<u>405,000</u>	<u>409,668</u>	<u>4,668</u>	<u>375,000</u>	<u>369,917</u>	<u>(5,083)</u>
EXPENDITURES - CAPITAL OUTLAY:						
Intergovernmental	<u>405,000</u>	<u>409,668</u>	<u>(4,668)</u>	<u>375,000</u>	<u>369,917</u>	<u>5,083</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Convention Center Enterprise Fund - to account for costs of operating the City's Convention Center. Resources for operating the Center are derived from user fees, a room tax imposed by the City and the allocation of a portion of gaming license revenues to this fund.

Water Fund - to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operating, maintenance, financing and related debt service; and, billing and collection.

Sewer Fund - to account for the provision of sanitary sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service; and, billing and collection.

Development Services Fund to account for the activities and transactions related to the building permit processing function. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, permit processing, issuance, monitoring, building inspection, plan checking, certain development reviews and related administrative expenses.

Enterprise Funds

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CITY OF HENDERSON, NEVADA

ENTERPRISE FUNDS

COMBINING BALANCE SHEETS
 JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

	ASSETS				Totals	
	Convention Center	Water	Sewer	Development Services	2000	1999
CURRENT ASSETS:						
Cash and investments	\$ 1,350,201	\$ 106,146,531	\$ 109,449,389	\$ 1,053,401	\$ 217,999,522	\$ 225,828,446
Accounts receivable	-	5,237,621	2,404,376	200,263	7,842,260	7,230,422
Accrued interest receivable	17,673	1,041,853	3,240,970	14,271	4,314,767	2,146,461
Total current assets	<u>1,367,874</u>	<u>112,426,005</u>	<u>115,094,735</u>	<u>1,267,935</u>	<u>230,156,549</u>	<u>235,205,329</u>
RESTRICTED ASSETS, CASH AND INVESTMENTS:						
Customer deposits	-	178,542	100	-	178,642	165,673
Construction deposits	-	203,204	-	-	203,204	228,934
Water and sewer bond debt service	-	3,434,146	4,300,437	-	7,734,583	7,896,214
Total restricted assets	<u>-</u>	<u>3,815,892</u>	<u>4,300,537</u>	<u>-</u>	<u>8,116,429</u>	<u>8,290,821</u>
BANKED WATER	<u>-</u>	<u>5,152,186</u>	<u>-</u>	<u>-</u>	<u>5,152,186</u>	<u>4,428,344</u>
PROPERTY, PLANT AND EQUIPMENT:						
Land	-	949,624	3,308,926	-	4,258,550	4,258,550
Buildings	2,909,387	3,355,357	7,436,286	-	13,701,030	12,920,521
Improvements other than buildings	1,356,439	186,945,979	178,316,313	-	366,618,731	343,458,468
Machinery and equipment	315,502	3,284,848	3,855,348	20,113	7,475,811	4,141,561
Construction in progress	-	13,941,326	14,183,269	-	28,124,595	13,961,946
Total property, plant and equipment	<u>4,581,328</u>	<u>208,477,134</u>	<u>207,100,142</u>	<u>20,113</u>	<u>420,178,717</u>	<u>378,741,046</u>
Less accumulated depreciation	<u>(1,297,493)</u>	<u>(37,086,118)</u>	<u>(35,889,970)</u>	<u>(155)</u>	<u>(74,273,736)</u>	<u>(65,237,926)</u>
Net property, plant and equipment	<u>3,283,835</u>	<u>171,391,016</u>	<u>171,210,172</u>	<u>19,958</u>	<u>345,904,981</u>	<u>313,503,120</u>
OTHER ASSETS:						
Note receivable	-	-	10,000,000	-	10,000,000	10,000,000
Advances to other funds	-	-	10,520,000	-	10,520,000	10,520,000
Total other assets	<u>-</u>	<u>-</u>	<u>20,520,000</u>	<u>-</u>	<u>20,520,000</u>	<u>20,520,000</u>
TOTAL ASSETS	<u>\$ 4,651,709</u>	<u>\$ 292,785,099</u>	<u>\$ 311,125,444</u>	<u>\$ 1,287,893</u>	<u>\$ 609,850,145</u>	<u>\$ 581,947,614</u>

(Continued)

CITY OF HENDERSON, NEVADA

ENTERPRISE FUNDS

**COMBINING BALANCE SHEETS (Continued)
JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)**

LIABILITIES AND FUND EQUITY

	Convention	Water	Sewer	Development	Totals	
	Center			Services	2000	1999
CURRENT LIABILITIES (payable from current assets):						
Accounts payable and accrued wages	\$ 72,185	\$ 3,160,692	\$ 1,262,348	\$ 155,419	\$ 4,650,644	\$ 6,987,766
Compensated absences payable	54,009	1,013,174	693,693	1,062,058	2,822,934	1,450,585
Construction contracts	-	422,549	180,016	-	602,565	2,290,670
Total current liabilities (payable from current assets)	<u>126,194</u>	<u>4,596,415</u>	<u>2,136,057</u>	<u>1,217,477</u>	<u>8,076,143</u>	<u>10,729,021</u>
CURRENT LIABILITIES (payable from restricted assets):						
Customer deposits	-	183,531	100	-	183,631	165,673
Construction deposits	-	203,204	-	-	203,204	228,934
Accrued bond interest	-	1,247,148	1,632,748	-	2,879,896	1,895,167
Current portion of bonds	-	3,609,000	4,704,007	-	8,313,007	7,941,885
Total current liabilities (payable from restricted assets)	<u>-</u>	<u>5,242,883</u>	<u>6,336,855</u>	<u>-</u>	<u>11,579,738</u>	<u>10,231,659</u>
LONG-TERM LIABILITIES:						
Provisional credits	-	93,224	285,613	-	378,837	412,354
General obligation bonds (net of current portion)	-	83,491,372	93,774,296	-	177,265,668	185,027,592
Total long-term liabilities	<u>-</u>	<u>83,584,596</u>	<u>94,059,909</u>	<u>-</u>	<u>177,644,505</u>	<u>185,439,946</u>
Total liabilities	<u>126,194</u>	<u>93,423,894</u>	<u>102,532,821</u>	<u>1,217,477</u>	<u>197,300,386</u>	<u>206,400,626</u>
FUND EQUITY:						
Contributed capital:						
Federal government	-	-	8,980,286	-	8,980,286	9,296,953
Other contributed capital	4,305,318	197,513,636	204,337,665	-	406,156,619	367,103,650
Total contributed capital	<u>4,305,318</u>	<u>197,513,636</u>	<u>213,317,951</u>	<u>-</u>	<u>415,136,905</u>	<u>376,400,603</u>
Retained earnings (deficits):						
Unreserved	220,197	1,847,569	(4,725,328)	70,416	(2,587,146)	(853,615)
Total fund equity	<u>4,525,515</u>	<u>199,361,205</u>	<u>208,592,623</u>	<u>70,416</u>	<u>412,549,759</u>	<u>375,546,988</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 4,651,709</u>	<u>\$ 292,785,099</u>	<u>\$ 311,125,444</u>	<u>\$ 1,287,893</u>	<u>\$ 609,850,145</u>	<u>\$ 581,947,614</u>

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CITY OF HENDERSON, NEVADA

ENTERPRISE FUNDS

COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICITS)
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Convention	Water	Sewer	Development	Totals	
	Center			Services	2000	1999
OPERATING REVENUES:						
Utility fees	\$ -	\$ 31,557,580	\$ 16,186,794	\$ -	\$ 47,744,374	\$ 41,816,337
Connection fees	-	790,094	87,385	-	877,479	1,565,316
Developer contributions	-	-	-	-	-	146,238
Late charges	-	392,677	199,707	-	592,384	563,706
Rental fees	266,441	-	-	-	266,441	244,863
Licenses - gaming	432,587	-	-	-	432,587	435,796
Room tax	552,837	-	-	-	552,837	353,330
Licenses and permits	-	-	-	2,866,685	2,866,685	-
Charges for services	-	-	-	2,247,649	2,247,649	-
Miscellaneous	-	394,939	13,562	-	408,501	345,763
Total operating revenues	<u>1,251,865</u>	<u>33,135,290</u>	<u>16,487,448</u>	<u>5,114,334</u>	<u>55,988,937</u>	<u>45,471,349</u>
OPERATING EXPENSES:						
Salaries and wages	446,419	5,240,451	3,361,762	3,595,352	12,643,984	7,968,973
Employee benefits	130,484	1,495,086	971,848	656,134	3,253,552	2,287,906
Water purchases	-	10,085,766	-	-	10,085,766	10,125,305
Services and supplies	298,358	7,180,245	6,440,797	789,690	14,709,090	13,868,254
Depreciation	155,866	4,621,125	4,297,503	155	9,074,649	8,329,121
Total operating expenses	<u>1,031,127</u>	<u>28,622,673</u>	<u>15,071,910</u>	<u>5,041,331</u>	<u>49,767,041</u>	<u>42,579,559</u>
OPERATING INCOME	<u>220,738</u>	<u>4,512,617</u>	<u>1,415,538</u>	<u>73,003</u>	<u>6,221,896</u>	<u>2,891,790</u>
NONOPERATING REVENUES (EXPENSES):						
Interest revenue	47,638	5,513,967	7,769,120	-	13,330,725	9,508,931
Interest expense	-	(4,853,826)	(4,553,395)	(2,587)	(9,409,808)	(7,713,018)
Miscellaneous	21	18,836	14,683	-	33,540	20,304
Loss on the disposition of assets	-	-	(1,551)	-	(1,551)	-
Total nonoperating revenues	<u>47,659</u>	<u>678,977</u>	<u>3,228,857</u>	<u>(2,587)</u>	<u>3,952,906</u>	<u>1,816,217</u>
INCOME BEFORE OPERATING TRANSFERS	<u>268,397</u>	<u>5,191,594</u>	<u>4,644,395</u>	<u>70,416</u>	<u>10,174,802</u>	<u>4,708,007</u>
OPERATING TRANSFERS:						
Operating transfers out	<u>-</u>	<u>(4,479,522)</u>	<u>(7,745,487)</u>	<u>-</u>	<u>(12,225,009)</u>	<u>(6,480,006)</u>
NET INCOME (LOSS)	<u>268,397</u>	<u>712,072</u>	<u>(3,101,092)</u>	<u>70,416</u>	<u>(2,050,207)</u>	<u>(1,771,999)</u>
CURRENT YEAR'S DEPRECIATION OF FEDERAL GRANTS TRANSFERRED TO CONTRIBUTED CAPITAL	-	-	316,676	-	316,676	336,955
RETAINED EARNINGS (DEFICITS), BEGINNING OF YEAR	<u>(48,200)</u>	<u>1,135,497</u>	<u>(1,940,912)</u>	<u>-</u>	<u>(853,615)</u>	<u>581,429</u>
RETAINED EARNINGS (DEFICITS) END OF YEAR	<u>\$ 220,197</u>	<u>\$ 1,847,569</u>	<u>\$ (4,725,328)</u>	<u>\$ 70,416</u>	<u>\$ (2,587,146)</u>	<u>\$ (853,615)</u>

CITY OF HENDERSON, NEVADA

ENTERPRISE FUNDS

COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Convention	Water	Sewer	Development	Totals	
	Center			Services	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash received from customers	\$ 1,252,977	\$ 32,662,401	\$ 16,547,750	\$ 4,914,071	\$ 55,377,199	\$ 44,777,825
Cash from other sources	21	18,836	14,683	-	33,540	20,304
Cash payments to suppliers for goods and services	(405,023)	(21,127,925)	(7,305,203)	(1,395,319)	(30,233,470)	(23,370,627)
Cash payments to employees for services	(446,385)	(5,192,840)	(3,363,960)	(2,428,380)	(11,431,565)	(7,606,879)
Net cash provided by operating activities	<u>401,590</u>	<u>6,360,472</u>	<u>5,893,270</u>	<u>1,090,372</u>	<u>13,745,704</u>	<u>13,820,623</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Operating transfers out	-	(4,479,522)	(7,745,487)	-	(12,225,009)	(6,480,006)
Advances to other funds	-	-	-	-	-	(10,520,000)
Net cash used in noncapital financing activities	<u>-</u>	<u>(4,479,522)</u>	<u>(7,745,487)</u>	<u>-</u>	<u>(12,225,009)</u>	<u>(17,000,006)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition of banked water	-	(723,842)	-	-	(723,842)	(874,416)
Acquisition and construction of fixed assets	(107,074)	(12,221,380)	(12,938,990)	(20,113)	(25,287,557)	(17,792,748)
Principal payments on bonds	-	(3,427,000)	(4,514,885)	-	(7,941,885)	(4,678,495)
Interest paid on bonds	-	(3,852,338)	(4,016,074)	-	(7,868,412)	(6,661,849)
Decrease in provisional credits	-	-	(2,151)	-	(2,151)	(4,320)
Proceeds from sale of fixed assets	-	-	-	-	-	-
Capital contributions	-	9,670,409	11,469,595	-	21,140,004	25,904,839
Proceeds from issuance of debt	-	-	-	-	-	96,096,800
Net cash provided by (used for) capital and related financing activities	<u>(107,074)</u>	<u>(10,554,151)</u>	<u>(10,002,505)</u>	<u>(20,113)</u>	<u>(20,683,843)</u>	<u>91,989,811</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Loans made to others	-	-	-	-	-	(4,000,000)
Interest on investments	42,968	5,317,877	5,815,845	(16,858)	11,159,832	9,368,868
Net cash provided by (used for) investing activities	<u>42,968</u>	<u>5,317,877</u>	<u>5,815,845</u>	<u>(16,858)</u>	<u>11,159,832</u>	<u>5,368,868</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	337,484	(3,355,324)	(6,038,877)	1,053,401	(8,003,316)	94,179,296
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,012,717</u>	<u>113,317,747</u>	<u>119,788,803</u>	<u>-</u>	<u>234,119,267</u>	<u>139,939,971</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,350,201</u>	<u>\$ 109,962,423</u>	<u>\$ 113,749,926</u>	<u>\$ 1,053,401</u>	<u>\$ 226,115,951</u>	<u>\$ 234,119,267</u>

(Continued)

CITY OF HENDERSON, NEVADA

ENTERPRISE FUNDS

COMBINING STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Convention	Water	Sewer	Development	Totals	
	Center			Services	2000	1999
RECONCILIATION OF OPERATING INCOME						
TO NET CASH PROVIDED BY OPERATING ACTIVITIES:						
Operating income	\$ 220,738	\$ 4,512,617	\$ 1,415,538	\$ 73,003	\$ 6,221,896	\$ 2,891,790
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation expense	155,866	4,621,125	4,297,503	155	9,074,649	8,329,121
Miscellaneous revenues	21	18,836	14,683	-	33,540	20,304
(Increase) decrease in accounts receivable	1,112	(472,889)	60,202	(200,263)	(611,838)	(693,569)
Increase in deposits	-	-	100	-	100	-
Increase (decrease) in accounts payable and accrued wages	12,800	(2,494,625)	(10,716)	155,419	(2,337,122)	2,915,349
Increase in compensated absences payable	11,053	183,280	115,960	1,062,058	1,372,351	300,269
Increase (decrease) in amounts payable from restricted accounts	-	(7,872)	-	-	(7,872)	84,091
Increase in due to other funds	-	-	-	-	-	(26,732)
Total adjustments	180,852	1,847,855	4,477,732	1,017,369	7,523,808	10,928,833
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 401,590	\$ 6,360,472	\$ 5,893,270	\$ 1,090,372	\$ 13,745,704	\$ 13,820,623

NONCASH TRANSACTIONS AFFECTING FINANCIAL POSITION:

The Water Fund received contributions of fixed assets totaling \$8,602,311 and \$15,115,544 for the years ended June 30, 2000 and 1999, respectively.
The Sewer Fund received contributions of fixed assets totaling \$8,993,987 and \$11,314,291 for the years ended June 30, 2000 and 1999, respectively.

CITY OF HENDERSON, NEVADA
CONVENTION CENTER ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 1,350,201	\$ 1,012,717
Accounts receivable	-	1,112
Accrued interest receivable	17,673	13,003
Total current assets	1,367,874	1,026,832
PROPERTY, PLANT AND EQUIPMENT:		
Buildings	2,909,387	2,875,092
Improvements other than buildings	1,356,439	1,356,439
Machinery and equipment	315,502	242,725
Total property, plant and equipment	4,581,328	4,474,256
Less accumulated depreciation	(1,297,493)	(1,141,627)
Net property, plant and equipment	3,283,835	3,332,629
TOTAL ASSETS	\$ 4,651,709	\$ 4,359,461

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:		
Accounts payable and accrued wages	\$ 72,185	\$ 59,385
Compensated absences payable	54,009	42,958
Total current liabilities	126,194	102,343
FUND EQUITY:		
Contributed capital	4,305,318	4,305,318
Retained earnings (deficit)	220,197	(48,200)
Total fund equity	4,525,515	4,257,118
TOTAL LIABILITIES AND FUND EQUITY	\$ 4,651,709	\$ 4,359,461

CITY OF HENDERSON, NEVADA

CONVENTION CENTER ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT) FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Rental fees	\$ 266,441	\$ 244,863
Licenses - gaming	432,587	435,796
Room tax	552,837	353,330
Total operating revenues	1,251,865	1,033,989
OPERATING EXPENSES:		
Salaries and wages	446,419	350,939
Employee benefits	130,484	98,448
Services and supplies	298,358	244,128
Depreciation	155,866	148,677
Total operating expenses	1,031,127	842,192
OPERATING INCOME	220,738	191,797
NONOPERATING REVENUES:		
Interest revenue	47,638	36,998
Miscellaneous	21	8
Total nonoperating revenues	47,659	37,006
NET INCOME	268,397	228,803
ACCUMULATED DEFICIT, BEGINNING OF YEAR	(48,200)	(277,003)
RETAINED EARNINGS (DEFICIT), END OF YEAR	\$ 220,197	\$ (48,200)

CITY OF HENDERSON, NEVADA
CONVENTION CENTER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,252,977	\$ 1,033,601
Cash from other sources	21	8
Cash payments to suppliers for goods and services	(405,023)	(323,660)
Cash payments to employees for services	(446,385)	(333,996)
Net cash provided by operating activities	<u>401,590</u>	<u>375,953</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of fixed assets	<u>(107,074)</u>	<u>(42,932)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	<u>42,968</u>	<u>32,847</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	337,484	365,868
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,012,717</u>	<u>646,849</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,350,201</u></u>	<u><u>\$ 1,012,717</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	<u>\$ 220,738</u>	<u>\$ 191,797</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	155,866	148,677
Miscellaneous revenues	21	8
(Increase) decrease in accounts receivable	1,112	(388)
Increase in accounts payable and accrued wages	12,800	32,159
Increase in compensated absences payable	11,053	10,673
Increase (decrease) in due to other funds	-	(6,973)
Total adjustments	<u>180,852</u>	<u>184,156</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 401,590</u></u>	<u><u>\$ 375,953</u></u>

CITY OF HENDERSON, NEVADA

CONVENTION CENTER ENTERPRISE FUND

**COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Rental fees	\$ 300,000	\$ 266,441	\$ (33,559)	\$ 294,000	\$ 244,863	\$ (49,137)
Licenses - gaming	480,000	432,587	(47,413)	540,000	435,796	(104,204)
Room tax	480,000	552,837	72,837	300,000	353,330	53,330
Total operating revenues	<u>1,260,000</u>	<u>1,251,865</u>	<u>(8,135)</u>	<u>1,134,000</u>	<u>1,033,989</u>	<u>(100,011)</u>
OPERATING EXPENSES:						
Salaries and wages	442,379	446,419	(4,040)	343,790	350,939	(7,149)
Employee benefits	141,544	130,484	11,060	99,510	98,448	1,062
Services and supplies	423,454	298,358	125,096	357,265	244,128	113,137
Depreciation	142,087	155,866	(13,779)	141,525	148,677	(7,152)
Total operating expenses	<u>1,149,464</u>	<u>1,031,127</u>	<u>118,337</u>	<u>942,090</u>	<u>842,192</u>	<u>99,898</u>
OPERATING INCOME	110,536	220,738	110,202	191,910	191,797	(113)
NONOPERATING REVENUES:						
Interest revenue	60,000	47,638	(12,362)	43,000	36,998	(6,002)
Miscellaneous	-	21	21	-	8	8
Total nonoperating revenues	<u>60,000</u>	<u>47,659</u>	<u>(12,341)</u>	<u>43,000</u>	<u>37,006</u>	<u>(5,994)</u>
NET INCOME	<u>\$ 170,536</u>	<u>\$ 268,397</u>	<u>\$ 97,861</u>	<u>\$ 234,910</u>	<u>\$ 228,803</u>	<u>\$ (6,107)</u>

CITY OF HENDERSON, NEVADA

WATER ENTERPRISE FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 106,146,531	\$ 109,456,112
Accounts receivable	5,237,621	4,764,732
Accrued interest receivable	1,041,853	845,763
Total current assets	<u>112,426,005</u>	<u>115,066,607</u>
RESTRICTED ASSETS, CASH AND INVESTMENTS:		
Customer deposits	178,542	165,673
Construction deposits	203,204	228,934
Water bond debt service	3,434,146	3,467,028
Total restricted assets	<u>3,815,892</u>	<u>3,861,635</u>
BANKED WATER	<u>5,152,186</u>	<u>4,428,344</u>
PROPERTY, PLANT AND EQUIPMENT:		
Land	949,624	949,624
Buildings	3,355,357	3,355,357
Improvements other than buildings	186,945,979	177,153,828
Machinery and equipment	3,284,848	1,221,244
Construction in progress	13,941,326	5,855,845
Total property, plant and equipment	<u>208,477,134</u>	<u>188,535,898</u>
Less accumulated depreciation	<u>(37,086,118)</u>	<u>(32,491,895)</u>
Net property, plant and equipment	<u>171,391,016</u>	<u>156,044,003</u>
TOTAL ASSETS	<u>\$ 292,785,099</u>	<u>\$ 279,400,589</u>

(Continued)

CITY OF HENDERSON, NEVADA

WATER ENTERPRISE FUND

**COMPARATIVE BALANCE SHEETS (Continued)
JUNE 30, 2000 AND 1999**

LIABILITIES AND FUND EQUITY

	<u>2000</u>	<u>1999</u>
CURRENT LIABILITIES (payable from current assets):		
Accounts payable and accrued wages	\$ 3,160,692	\$ 5,655,317
Compensated absences payable	1,013,174	829,894
Construction contracts	422,549	1,248,292
Total current liabilities (payable from current assets)	<u>4,596,415</u>	<u>7,733,503</u>
CURRENT LIABILITIES (payable, in part, from restricted assets):		
Customer deposits	183,531	165,673
Construction deposits	203,204	228,934
Accrued bond interest	1,247,148	687,995
Current portion of bonds	3,609,000	3,427,000
Total current liabilities (payable, in part, from restricted assets)	<u>5,242,883</u>	<u>4,509,602</u>
LONG-TERM LIABILITIES:		
Provisional credits	93,224	120,036
General obligation bonds (net of current portion)	83,491,372	86,661,035
Total long-term liabilities	<u>83,584,596</u>	<u>86,781,071</u>
Total liabilities	<u>93,423,894</u>	<u>99,024,176</u>
FUND EQUITY:		
Contributed capital	197,513,636	179,240,916
Retained earnings - unreserved	1,847,569	1,135,497
Total fund equity	<u>199,361,205</u>	<u>180,376,413</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 292,785,099</u>	<u>\$ 279,400,589</u>

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CITY OF HENDERSON, NEVADA

WATER ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Utility fees	\$ 31,557,580	\$ 26,579,513
Connection fees	790,094	1,162,015
Developer contributions	-	56,357
Late charges	392,677	378,568
Miscellaneous	394,939	312,111
Total operating revenues	33,135,290	28,488,564
OPERATING EXPENSES:		
Salaries and wages	5,240,451	4,568,412
Employee benefits	1,495,086	1,323,009
Water purchases	10,085,766	10,125,305
Services and supplies	7,180,245	7,322,940
Depreciation	4,621,125	4,134,296
Total operating expenses	28,622,673	27,473,962
OPERATING INCOME	4,512,617	1,014,602
NONOPERATING REVENUES (EXPENSES):		
Interest revenue	5,513,967	4,522,441
Interest expense	(4,853,826)	(4,177,785)
Miscellaneous	18,836	11,366
Total nonoperating revenues	678,977	356,022
INCOME BEFORE OPERATING TRANSFERS	5,191,594	1,370,624
OPERATING TRANSFERS:		
Operating transfers out	(4,479,522)	(2,591,909)
NET INCOME (LOSS)	712,072	(1,221,285)
RETAINED EARNINGS, BEGINNING OF YEAR	1,135,497	2,356,782
RETAINED EARNINGS, END OF YEAR	\$ 1,847,569	\$ 1,135,497

CITY OF HENDERSON, NEVADA

WATER ENTERPRISE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 32,662,401	\$ 28,151,786
Cash from other sources	18,836	11,366
Cash payments to suppliers for goods and services	(21,127,925)	(15,994,459)
Cash payments to employees for services	(5,192,840)	(4,393,981)
Net cash provided by operating activities	6,360,472	7,774,712
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating transfers out	(4,479,522)	(2,591,909)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of banked water	(723,842)	(874,416)
Acquisition and construction of fixed assets	(12,221,380)	(7,432,554)
Principal payments on bonds	(3,427,000)	(2,069,000)
Interest paid on bonds	(3,852,338)	(3,636,201)
Decrease in provisional credits	-	(4,320)
Capital contributions	9,670,409	10,833,601
Proceeds from issuance of bonds	-	38,438,720
Net cash provided by (used for) capital and related financing activities	(10,554,151)	35,255,830
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	5,317,877	4,492,466
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,355,324)	44,931,099
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, (including \$3,861,635 and \$2,022,539 in restricted accounts in 2000 and 1999, respectively)	113,317,747	68,386,648
CASH AND CASH EQUIVALENTS, END OF YEAR (including \$3,815,892 and \$3,861,635 in restricted accounts in 2000 and 1999, respectively)	\$ 109,962,423	\$ 113,317,747

(Continued)

CITY OF HENDERSON, NEVADA

WATER ENTERPRISE FUND

**COMPARATIVE STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 4,512,617	\$ 1,014,602
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	4,621,125	4,134,296
Miscellaneous revenues	18,836	11,366
Increase in accounts receivable	(472,889)	(336,823)
Increase (decrease) in accounts payable and accrued wages	(2,494,625)	2,723,576
Increase in compensated absences payable	183,280	148,253
Increase (decrease) in amounts payable from restricted accounts	(7,872)	84,091
Decrease in due from other funds	-	(4,649)
Total adjustments	1,847,855	6,760,110
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 \$ 6,360,472	 \$ 7,774,712

NONCASH TRANSACTIONS AFFECTING FINANCIAL POSITION:

The Water Fund received contributions of fixed assets totaling \$8,602,311 and \$15,115,544 for the years ended June 30, 2000 and 1999, respectively.

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CITY OF HENDERSON, NEVADA

WATER ENTERPRISE FUND

**COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Utility fees	\$ 30,502,500	\$ 31,557,580	\$ 1,055,080	\$ 29,798,000	\$ 26,579,513	\$ (3,218,487)
Connection fees	550,000	790,094	240,094	550,000	1,162,015	612,015
Developer contributions	-	-	-	-	56,357	56,357
Late charges	350,000	392,677	42,677	350,000	378,568	28,568
Miscellaneous	80,000	394,939	314,939	70,000	312,111	242,111
Total operating revenues	<u>31,482,500</u>	<u>33,135,290</u>	<u>1,652,790</u>	<u>30,768,000</u>	<u>28,488,564</u>	<u>(2,279,436)</u>
OPERATING EXPENSES:						
Salaries and wages	5,137,231	5,240,451	(103,220)	4,448,610	4,568,412	(119,802)
Employee benefits	1,458,404	1,495,086	(36,682)	1,330,690	1,323,009	7,681
Water purchases	12,373,500	10,085,766	2,287,734	10,075,000	10,125,305	(50,305)
Services and supplies	9,046,095	7,180,245	1,865,850	8,823,028	7,322,940	1,500,088
Depreciation	5,223,900	4,621,125	602,775	4,542,500	4,134,296	408,204
Total operating expenses	<u>33,239,130</u>	<u>28,622,673</u>	<u>4,616,457</u>	<u>29,219,828</u>	<u>27,473,962</u>	<u>1,745,866</u>
OPERATING INCOME (LOSS)	<u>(1,756,630)</u>	<u>4,512,617</u>	<u>6,269,247</u>	<u>1,548,172</u>	<u>1,014,602</u>	<u>(533,570)</u>
NONOPERATING REVENUES (EXPENSES):						
Interest revenue	6,200,000	5,513,967	(686,033)	4,755,797	4,522,441	(233,356)
Interest expense	(4,658,744)	(4,853,826)	(195,082)	(4,032,682)	(4,177,785)	(145,103)
Miscellaneous	-	18,836	18,836	-	11,366	11,366
Total nonoperating revenues	<u>1,541,256</u>	<u>678,977</u>	<u>(862,279)</u>	<u>723,115</u>	<u>356,022</u>	<u>(367,093)</u>
INCOME BEFORE OPERATING TRANSFERS	<u>(215,374)</u>	<u>5,191,594</u>	<u>5,406,968</u>	<u>2,271,287</u>	<u>1,370,624</u>	<u>(900,663)</u>
OPERATING TRANSFERS:						
Operating transfers out	<u>(3,800,000)</u>	<u>(4,479,522)</u>	<u>(679,522)</u>	<u>(4,755,797)</u>	<u>(2,591,909)</u>	<u>2,163,888</u>
NET INCOME (LOSS)	<u>\$ (4,015,374)</u>	<u>\$ 712,072</u>	<u>\$ 4,727,446</u>	<u>\$ (2,484,510)</u>	<u>\$ (1,221,285)</u>	<u>\$ 1,263,225</u>

CITY OF HENDERSON, NEVADA

SEWER ENTERPRISE FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 109,449,389	\$ 115,359,617
Accounts receivable	2,404,376	2,464,578
Accrued interest receivable	3,240,970	1,287,695
Total current assets	115,094,735	119,111,890
 RESTRICTED ASSETS, CASH AND INVESTMENTS:		
Customer deposits	100	-
Sewer bond debt service	4,300,437	4,429,186
Total restricted assets	4,300,537	4,429,186
 PROPERTY, PLANT AND EQUIPMENT:		
Land	3,308,926	3,308,926
Buildings	7,436,286	6,690,072
Improvements other than buildings	178,316,313	164,948,201
Machinery and equipment	3,855,348	2,677,592
Construction in progress	14,183,269	8,106,101
Total property, plant and equipment	207,100,142	185,730,892
Less accumulated depreciation	(35,889,970)	(31,604,404)
Net property, plant and equipment	171,210,172	154,126,488
 OTHER ASSETS:		
Note receivable	10,000,000	10,000,000
Advances to other funds	10,520,000	10,520,000
Total other assets	20,520,000	20,520,000
 TOTAL ASSETS	 \$ 311,125,444	 \$ 298,187,564

(Continued)

CITY OF HENDERSON, NEVADA

SEWER ENTERPRISE FUND

COMPARATIVE BALANCE SHEETS (Continued) JUNE 30, 2000 AND 1999

LIABILITIES AND FUND EQUITY

	<u>2000</u>	<u>1999</u>
CURRENT LIABILITIES (payable from current assets):		
Accounts payable and accrued wages	\$ 1,262,348	\$ 1,273,064
Compensated absences payable	693,693	577,733
Construction contracts	180,016	1,042,378
Total current liabilities (payable from current assets)	2,136,057	2,893,175
CURRENT LIABILITIES (payable, in part, from restricted assets):		
Customer deposits	100	-
Accrued bond interest	1,632,748	1,207,172
Current portion of bonds	4,704,007	4,514,885
Total current liabilities (payable, in part, from restricted assets)	6,336,855	5,722,057
LONG-TERM LIABILITIES:		
Provisional credits	285,613	292,318
General obligation bonds (net of current portion)	93,774,296	98,366,557
Total long-term liabilities	94,059,909	98,658,875
Total liabilities	102,532,821	107,274,107
FUND EQUITY:		
Contributed capital:		
Federal government	8,980,286	9,296,953
Other contributed capital	204,337,665	183,557,416
Total contributed capital	213,317,951	192,854,369
Accumulated deficit	(4,725,328)	(1,940,912)
Total fund equity	208,592,623	190,913,457
TOTAL LIABILITIES AND FUND EQUITY	\$ 311,125,444	\$ 298,187,564

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CITY OF HENDERSON, NEVADA

SEWER ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN ACCUMULATED DEFICIT FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Utility fees	\$ 16,186,794	\$ 15,236,824
Connection fees	87,385	403,301
Developer contributions	-	89,881
Late charges	199,707	185,138
Miscellaneous	13,562	33,652
Total operating revenues	16,487,448	15,948,796
OPERATING EXPENSES:		
Salaries and wages	3,361,762	3,049,622
Employee benefits	971,848	866,449
Services and supplies	6,440,797	6,301,186
Depreciation	4,297,503	4,046,148
Total operating expenses	15,071,910	14,263,405
OPERATING INCOME	1,415,538	1,685,391
NONOPERATING REVENUES (EXPENSES):		
Interest revenue	7,769,120	4,949,492
Interest expense	(4,553,395)	(3,535,233)
Miscellaneous	14,683	8,930
Loss on the disposition of fixed assets	(1,551)	-
Total nonoperating revenues	3,228,857	1,423,189
INCOME BEFORE OPERATING TRANSFERS	4,644,395	3,108,580
OPERATING TRANSFERS:		
Operating transfers out	(7,745,487)	(3,888,097)
NET LOSS	(3,101,092)	(779,517)
CURRENT YEAR'S DEPRECIATION ON ASSETS PURCHASED WITH FEDERAL GRANTS TRANSFERRED TO CONTRIBUTED CAPITAL		
	316,676	336,955
ACCUMULATED DEFICIT, BEGINNING OF YEAR	(1,940,912)	(1,498,350)
ACCUMULATED DEFICIT, END OF YEAR	\$ (4,725,328)	\$ (1,940,912)

CITY OF HENDERSON, NEVADA

SEWER ENTERPRISE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 16,547,750	\$ 15,592,438
Cash from other sources	14,683	8,930
Cash payments to suppliers for goods and services	(7,305,203)	(7,052,508)
Cash payments to employees for services	(3,363,960)	(2,878,902)
Net cash provided by operating activities	<u>5,893,270</u>	<u>5,669,958</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating transfers out	(7,745,487)	(3,888,097)
Advances to other funds	-	(10,520,000)
Net cash used for noncapital financing activities	<u>(7,745,487)</u>	<u>(14,408,097)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of fixed assets	(12,938,990)	(10,317,262)
Principal payments on bonds	(4,514,885)	(2,609,495)
Interest paid on bonds	(4,016,074)	(3,025,648)
Decrease in provisional credits	(2,151)	-
Capital contributions	11,469,595	15,071,238
Proceeds from issuance of debt	-	57,658,080
Net cash provided by (used for) capital and related financing activities	<u>(10,002,505)</u>	<u>56,776,913</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loans made to others	-	(4,000,000)
Interest on investments	5,815,845	4,843,555
Net cash provided by investing activities	<u>5,815,845</u>	<u>843,555</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(6,038,877)	48,882,329
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR, (including \$4,429,186 and \$1,895,645 in restricted accounts in 2000 and 1999, respectively)	<u>119,788,803</u>	<u>70,906,474</u>
CASH AND CASH EQUIVALENTS, END OF YEAR, (including \$4,300,537 and \$4,429,186 in restricted accounts in 2000 and 1999, respectively)	<u><u>\$ 113,749,926</u></u>	<u><u>\$ 119,788,803</u></u>

(Continued)

CITY OF HENDERSON, NEVADA

SEWER ENTERPRISE FUND

**COMPARATIVE STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 1,415,538	\$ 1,685,391
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	4,297,503	4,046,148
Miscellaneous revenues	14,683	8,930
(Increase) decrease in accounts receivable	60,202	(356,358)
Increase in deposits	100	-
Increase (decrease) in accounts payable and accrued wages	(10,716)	159,614
Increase in compensated absences payable	115,960	141,343
Increase in due to other funds	-	(15,110)
Total adjustments	<u>4,477,732</u>	<u>3,984,567</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 5,893,270</u>	<u>\$ 5,669,958</u>

NONCASH TRANSACTIONS AFFECTING FINANCIAL POSITION:

The Sewer Fund received contributions of fixed assets totaling \$8,993,987 and \$11,314,291 for the years ended June 30, 2000 and 1999, respectively.

CITY OF HENDERSON, NEVADA

SEWER ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Utility fees	\$ 14,127,500	\$ 16,186,794	\$ 2,059,294	\$ 13,474,000	\$ 15,236,824	\$ 1,762,824
Connection fees	26,000	87,385	61,385	-	403,301	403,301
Developer contributions	-	-	-	-	89,881	89,881
Late charges	150,000	199,707	49,707	150,000	185,138	35,138
Miscellaneous	8,500	13,562	5,062	396,500	33,652	(362,848)
Total operating revenues	<u>14,312,000</u>	<u>16,487,448</u>	<u>2,175,448</u>	<u>14,020,500</u>	<u>15,948,796</u>	<u>1,928,296</u>
OPERATING EXPENSES:						
Salaries and wages	3,243,260	3,361,762	(118,502)	2,946,210	3,049,622	(103,412)
Employee benefits	971,196	971,848	(652)	868,700	866,449	2,251
Services and supplies	8,547,940	6,440,797	2,107,143	6,630,673	6,301,186	329,487
Depreciation	5,131,500	4,297,503	833,997	4,462,120	4,046,148	415,972
Total operating expenses	<u>17,893,896</u>	<u>15,071,910</u>	<u>2,821,986</u>	<u>14,907,703</u>	<u>14,263,405</u>	<u>644,298</u>
OPERATING INCOME (LOSS)	<u>(3,581,896)</u>	<u>1,415,538</u>	<u>4,997,434</u>	<u>(887,203)</u>	<u>1,685,391</u>	<u>2,572,594</u>
NONOPERATING REVENUES (EXPENSES):						
Interest revenue	5,900,000	7,769,120	1,869,120	5,932,000	4,949,492	(982,508)
Interest expense	(4,638,282)	(4,553,395)	84,887	(3,432,175)	(3,535,233)	(103,058)
Miscellaneous	-	14,683	14,683	-	8,930	8,930
Loss on disposition of assets	-	(1,551)	(1,551)	-	-	-
Total nonoperating revenues	<u>1,261,718</u>	<u>3,228,857</u>	<u>1,967,139</u>	<u>2,499,825</u>	<u>1,423,189</u>	<u>(1,076,636)</u>
INCOME BEFORE OPERATING TRANSFERS	<u>(2,320,178)</u>	<u>4,644,395</u>	<u>6,964,573</u>	<u>1,612,622</u>	<u>3,108,580</u>	<u>1,495,958</u>
OPERATING TRANSFERS:						
Operating transfers out	<u>(4,100,000)</u>	<u>(7,745,487)</u>	<u>(3,645,487)</u>	<u>(5,932,000)</u>	<u>(3,888,097)</u>	<u>2,043,903</u>
NET LOSS	<u>\$ (6,420,178)</u>	<u>\$ (3,101,092)</u>	<u>\$ 3,319,086</u>	<u>\$ (4,319,378)</u>	<u>\$ (779,517)</u>	<u>\$ 3,539,861</u>

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CITY OF HENDERSON, NEVADA
DEVELOPMENT SERVICES ENTERPRISE FUND

BALANCE SHEET
JUNE 30, 2000

ASSETS

	<u>2000</u>
CURRENT ASSETS:	
Cash and investments	\$ 1,053,401
Accounts receivable	200,263
Accrued interest receivable	14,271
Total current assets	<u>1,267,935</u>
 PROPERTY, PLANT AND EQUIPMENT:	
Machinery and equipment	20,113
Less accumulated depreciation	(155)
Net property, plant and equipment	<u>19,958</u>
 TOTAL ASSETS	 <u><u>\$ 1,287,893</u></u>
 CURRENT LIABILITIES (payable from current assets):	
Accounts payable and accrued wages	\$ 155,419
Compensated absences payable	1,062,058
Total current liabilities (payable from current assets)	<u>1,217,477</u>
 FUND EQUITY:	
Retained Earnings	<u>70,416</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u><u>\$ 1,287,893</u></u>

CITY OF HENDERSON, NEVADA
DEVELOPMENT SERVICES ENTERPRISE FUND

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>2000</u>
OPERATING REVENUES:	
Licenses and permits	\$ 2,866,685
Charges for services	2,247,649
Total operating revenues	<u>5,114,334</u>
OPERATING EXPENSES:	
Salaries and wages	3,595,352
Employee benefits	656,134
Services and supplies	789,690
Depreciation	155
Total operating expenses	<u>5,041,331</u>
OPERATING INCOME	73,003
NONOPERATING EXPENSES:	
Interest expense	<u>(2,587)</u>
NET INCOME	70,416
RETAINED EARNINGS, BEGINNING OF YEAR	<u>-</u>
RETAINED EARNINGS, END OF YEAR	<u><u>\$ 70,416</u></u>

CITY OF HENDERSON, NEVADA
DEVELOPMENT SERVICES ENTERPRISE FUND

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2000

	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 4,914,071
Cash payments to suppliers for goods and services	(1,395,319)
Cash payments to employees for services	(2,428,380)
Net cash provided by operating activities	<u>1,090,372</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of fixed assets	<u>(20,113)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on investments	<u>(16,858)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,053,401
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>-</u>
CASH AND CASH EQUIVALENTS, END OF YEAR,	<u><u>\$ 1,053,401</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:	
Operating income	\$ 73,003
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	155
Increase in accounts receivable	(200,263)
Increase in accounts payable and accrued wages	155,419
Increase in compensated absences payable	1,062,058
Total adjustments	<u>1,017,369</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 1,090,372</u></u>

CITY OF HENDERSON, NEVADA

DEVELOPMENT SERVICES ENTERPRISE FUND

STATEMENT OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2000

	2000		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES:			
Licences and permits	\$ 2,624,000	\$ 2,866,685	\$ 242,685
Charges for services	1,635,800	2,247,649	611,849
Total operating revenues	<u>4,259,800</u>	<u>5,114,334</u>	<u>854,534</u>
OPERATING EXPENSES:			
Salaries and wages	2,294,388	3,595,352	(1,300,964)
Employee benefits	715,000	656,134	58,866
Services and supplies	1,070,942	789,690	281,252
Depreciation	-	155	(155)
Total operating expenses	<u>4,080,330</u>	<u>5,041,331</u>	<u>(961,001)</u>
OPERATING INCOME	179,470	73,003	(106,467)
NONOPERATING REVENUES (EXPENSES):			
Interest revenue (expense)	<u>15,000</u>	<u>(2,587)</u>	<u>(17,587)</u>
NET INCOME	<u>\$ 194,470</u>	<u>\$ 70,416</u>	<u>\$ (124,054)</u>

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other department or agencies of the government and to other governmental units, on a cost reimbursement basis.

Engineering - to account for the financing of engineering services provided by City engineers to other departments or to other governmental units such as Federal (Environmental Protection Agency and Housing and Urban Development) or State. Charges are made on a cost-reimbursement basis.

City Shop - to account for the costs of acquisition, maintenance (including fuel) and replacement of all City vehicles. Charges are billed to the user departments on a cost-reimbursement basis including depreciation.

Revolving Fund - to account for the resources and revenues of a fund that is restricted to the provision of loans to special assessment districts.

Self Insurance - to account for monies collected from various City departments and funds that are to be expended for payment of claims, to certain limits, for casualty and accident losses.

Workmen's Compensation Self Insurance - to account for and accumulate funds collected from various City departments and funds to be expended for payments of employees' work related injury claims, to certain limits, including disability payments.

Health Insurance Self Insurance - to account for and accumulate funds collected from various City departments and funds to be expended for payments of employees' health claims, to certain limits, and related insurance premiums including life and travel insurance for employees.

Internal Service Funds

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CITY OF HENDERSON, NEVADA

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEETS

JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

ASSETS

	Engineering	City Shop	Revolving	Self Insurance	Workmen's Compensation Self Insurance	Health Insurance Self Insurance	Totals	
							2000	1999
CURRENT ASSETS:								
Cash and investments	\$ 3,123,846	\$ 6,662,801	\$ 1,272,182	\$ 3,556,757	\$ 2,292,469	\$ 2,434,211	\$ 19,342,266	\$ 17,528,382
Accounts receivable	43,665	-	-	-	34,938	107,221	185,824	150,173
Accrued interest receivable	41,668	104,584	19,186	42,363	36,937	48,232	292,970	239,832
Note receivable - current	-	-	3,696	-	-	-	3,696	7,042
Due from other governments	102,298	-	-	-	-	-	102,298	104,302
Inventory-bulk fuel	-	15,336	-	-	-	-	15,336	15,336
Deposits	-	-	-	-	-	3,847	3,847	3,530
Total current assets	<u>3,311,477</u>	<u>6,782,721</u>	<u>1,295,064</u>	<u>3,599,120</u>	<u>2,364,344</u>	<u>2,593,511</u>	<u>19,946,237</u>	<u>18,048,597</u>
PROPERTY, PLANT AND EQUIPMENT:								
Buildings	48,398	704,979	-	-	-	-	753,377	753,377
Improvements other than buildings	1,817	396,261	-	-	-	-	398,078	398,078
Machinery and equipment	<u>1,134,417</u>	<u>23,305,433</u>	<u>-</u>	<u>-</u>	<u>63,611</u>	<u>-</u>	<u>24,503,461</u>	<u>21,657,349</u>
Total property, plant and equipment	<u>1,184,632</u>	<u>24,406,673</u>	<u>-</u>	<u>-</u>	<u>63,611</u>	<u>-</u>	<u>25,654,916</u>	<u>22,808,804</u>
Less accumulated depreciation	<u>(855,236)</u>	<u>(12,638,395)</u>	<u>-</u>	<u>-</u>	<u>(50,183)</u>	<u>-</u>	<u>(13,543,814)</u>	<u>(11,862,579)</u>
Net property, plant and equipment	<u>329,396</u>	<u>11,768,278</u>	<u>-</u>	<u>-</u>	<u>13,428</u>	<u>-</u>	<u>12,111,102</u>	<u>10,946,225</u>
OTHER ASSETS:								
Note receivable (net of current portion)	-	-	-	-	-	-	-	3,696
Advances to other funds	-	-	230,566	-	-	-	230,566	281,659
Total other assets	<u>-</u>	<u>-</u>	<u>230,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,566</u>	<u>285,355</u>
TOTAL ASSETS	<u>\$ 3,640,873</u>	<u>\$ 18,550,999</u>	<u>\$ 1,525,630</u>	<u>\$ 3,599,120</u>	<u>\$ 2,377,772</u>	<u>\$ 2,593,511</u>	<u>\$ 32,287,905</u>	<u>\$ 29,280,177</u>

(Continued)

CITY OF HENDERSON, NEVADA

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEETS (Continued)
 JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

LIABILITIES AND FUND EQUITY

	Engineering	City Shop	Revolving	Self Insurance	Workmen's Compensation Self Insurance	Health Insurance Self Insurance	Totals	
							2000	1999
CURRENT LIABILITIES:								
Accounts payable and accrued wages	\$ 209,497	\$ 229,789	\$ -	\$ 28,265	\$ 29,531	\$ 82,517	\$ 579,599	\$ 1,129,785
Compensated absences payable	931,436	196,342	-	-	23,518	5,800	1,157,096	1,450,874
Claims and judgments payable	-	-	-	497,857	503,859	998,362	2,000,078	981,097
Capital lease obligations - current	11,504	144,380	-	-	-	-	155,884	74,456
Total current liabilities	<u>1,152,437</u>	<u>570,511</u>	<u>-</u>	<u>526,122</u>	<u>556,908</u>	<u>1,086,679</u>	<u>3,892,657</u>	<u>3,636,212</u>
LONG-TERM LIABILITIES:								
Capital lease obligations (net of current portion)	19,193	516,787	-	-	-	-	535,980	235,181
Total liabilities	<u>1,171,630</u>	<u>1,087,298</u>	<u>-</u>	<u>526,122</u>	<u>556,908</u>	<u>1,086,679</u>	<u>4,428,637</u>	<u>3,871,393</u>
FUND EQUITY:								
Contributed capital	377,929	11,543,635	1,537,667	454,904	-	-	13,914,135	11,283,861
Retained earnings (deficit):								
Unreserved (deficit)	2,091,314	5,920,066	(12,037)	-	-	-	7,999,343	7,453,373
Reserve for future claims	-	-	-	2,618,094	1,820,864	1,506,832	5,945,790	6,671,550
Total fund equity	<u>2,469,243</u>	<u>17,463,701</u>	<u>1,525,630</u>	<u>3,072,998</u>	<u>1,820,864</u>	<u>1,506,832</u>	<u>27,859,268</u>	<u>25,408,784</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 3,640,873</u>	<u>\$ 18,550,999</u>	<u>\$ 1,525,630</u>	<u>\$ 3,599,120</u>	<u>\$ 2,377,772</u>	<u>\$ 2,593,511</u>	<u>\$ 32,287,905</u>	<u>\$ 29,280,177</u>

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CITY OF HENDERSON, NEVADA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Engineering	City Shop	Revolving	Self Insurance	Workmen's Compensation Self Insurance	Health Insurance Self Insurance	Totals	
							2000	1999
OPERATING REVENUES:								
Charges for services	3,911,248	\$ 6,043,478	\$ 18,661	\$ 882,352	\$ 1,014,924	\$ 2,971,458	\$ 14,842,121	\$ 14,877,361
OPERATING EXPENSES:								
Salaries and wages	3,359,424	688,413	-	-	173,415	47,286	4,268,538	5,241,752
Employee benefits	1,011,729	185,297	-	-	49,656	12,776	1,259,458	1,397,973
Services and supplies	799,125	1,475,938	-	203,491	384,146	831,042	3,693,742	3,236,501
Claims	-	-	-	402,425	1,009,174	2,930,294	4,341,893	2,870,504
Legal fees	-	-	-	129,029	-	-	129,029	116,314
Depreciation	109,099	3,008,839	-	-	4,603	-	3,122,541	2,778,029
Total operating expenses	5,279,377	5,358,487	-	734,945	1,620,994	3,821,398	16,815,201	15,641,073
OPERATING INCOME (LOSS)	(1,368,129)	684,991	18,661	147,407	(606,070)	(849,940)	(1,973,080)	(763,712)
NONOPERATING REVENUES (EXPENSES):								
Interest revenue	179,759	374,810	63,062	129,550	126,986	152,705	1,026,872	912,636
Interest expense	(2,134)	(36,457)	-	-	-	-	(38,591)	(33,342)
Miscellaneous	599,187	25,835	-	-	-	173,602	798,624	819,151
Gain on the disposition of assets	-	91,209	-	-	-	-	91,209	68,670
Total nonoperating revenues	776,812	455,397	63,062	129,550	126,986	326,307	1,878,114	1,767,115
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(591,317)	1,140,388	81,723	276,957	(479,084)	(523,633)	(94,966)	1,003,403
OPERATING TRANSFERS:								
Operating transfers out	-	-	(84,824)	-	-	-	(84,824)	(287,377)
Total operating transfers	-	-	(84,824)	-	-	-	(84,824)	(287,377)
NET INCOME (LOSS)	(591,317)	1,140,388	(3,101)	276,957	(479,084)	(523,633)	(179,790)	716,026
RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR	2,682,631	4,779,678	(8,936)	2,341,137	2,299,948	2,030,465	14,124,923	13,408,897
RETAINED EARNINGS (DEFICIT), END OF YEAR	2,091,314	\$ 5,920,066	\$ (12,037)	\$ 2,618,094	\$ 1,820,864	\$ 1,506,832	\$ 13,945,133	\$ 14,124,923

CITY OF HENDERSON, NEVADA

INTERNAL SERVICE FUNDS

COMBINING STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)

	Engineering	City Shop	Revolving	Self Insurance	Workmen's Compensation Self Insurance	Health Insurance Self Insurance	Totals	
							2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from users	\$ 1,880,544	\$ -	\$ 25,703	\$ -	\$ -	\$ 127,798	\$ 2,034,045	\$ 3,644,304
Cash received from quasi-external operating transactions	2,144,715	6,043,478	-	882,352	1,014,924	2,843,660	12,929,129	12,328,486
Cash from other sources	599,187	25,835	-	-	-	66,381	691,403	819,151
Cash payments to suppliers for goods and services	(1,802,125)	(2,128,344)	-	(709,419)	(1,058,061)	(3,120,015)	(8,817,964)	(8,301,595)
Cash payments to employees for services	(3,820,726)	(712,705)	-	-	(183,437)	(43,504)	(4,760,372)	(4,306,430)
Net cash provided by (used for) operating activities	(998,405)	3,228,264	25,703	172,933	(226,574)	(125,680)	2,076,241	4,183,916
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Operating transfers out	-	-	(84,824)	-	-	-	(84,824)	(287,377)
Advances to other funds	-	-	51,093	-	-	-	51,093	-
Net cash provided by (used for) noncapital financing activities	-	-	(33,731)	-	-	-	(33,731)	(287,377)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:								
Acquisition of fixed assets	(90,128)	(1,305,733)	-	-	(7,448)	-	(1,403,309)	(2,795,104)
Principal payments on lease obligations	(16,181)	(97,537)	-	-	-	-	(113,718)	(277,906)
Interest paid on lease obligations	(2,134)	(16,518)	-	-	-	-	(18,652)	(33,342)
Proceeds from sale of fixed assets	-	333,319	-	-	-	-	333,319	443,776
Net cash used for capital and related financing activities	(108,443)	(1,086,469)	-	-	(7,448)	-	(1,202,360)	(2,662,576)
CASH FLOWS FROM INVESTING ACTIVITIES:								
Interest on investments	190,023	338,487	60,551	123,209	121,917	139,547	973,734	865,960
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(916,825)	2,480,282	52,523	296,142	(112,105)	13,867	1,813,884	2,099,923
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,040,671	4,182,519	1,219,659	3,260,615	2,404,574	2,420,344	17,528,382	15,428,459
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 3,123,846	\$ 6,662,801	\$ 1,272,182	\$ 3,556,757	\$ 2,292,469	\$ 2,434,211	\$ 19,342,266	\$ 17,528,382

(Continued)

CITY OF HENDERSON, NEVADA

INTERNAL SERVICE FUNDS

**COMBINING STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999)**

	<u>Engineering</u>	<u>City Shop</u>	<u>Revolving</u>	<u>Self Insurance</u>	<u>Workmen's Compensation Self Insurance</u>	<u>Health Insurance Self Insurance</u>	<u>Totals</u>	
							<u>2000</u>	<u>1999</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:								
Operating income (loss)	\$ (1,368,129)	\$ 684,991	\$ 18,661	\$ 147,407	\$ (606,070)	\$ (849,940)	\$ (1,973,080)	\$ (763,712)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:								
Depreciation expense	109,099	3,008,839	-	-	4,603	-	3,122,541	2,778,029
Miscellaneous revenues	599,187	25,835	-	-	-	173,602	798,624	819,151
(Increase) decrease in accounts receivable	106,508	-	-	-	(34,938)	(107,221)	(35,651)	(108,715)
Decrease in notes receivable	-	-	7,042	-	-	-	7,042	9,672
Decrease in advance to other funds	-	-	-	-	-	-	-	62,264
(Increase) in deposits	-	-	-	-	-	(317)	(317)	-
Decrease in due from other funds	-	-	-	-	-	-	-	1,162,301
(Increase) decrease in due from other governments	2,004	-	-	-	-	-	2,004	(30,092)
Increase (decrease) in accounts payable and accrued wages	(158,568)	(483,874)	-	25,524	(27,857)	74,650	(570,125)	462,928
Increase (decrease) in compensated absences payable	(288,506)	(7,527)	-	-	(3,545)	5,800	(293,778)	208,150
Increase (decrease) in claims and judgments	-	-	-	2	441,233	577,746	1,018,981	(113,862)
Decrease in due to other funds	-	-	-	-	-	-	-	(302,198)
Total adjustments	<u>369,724</u>	<u>2,543,273</u>	<u>7,042</u>	<u>25,526</u>	<u>379,496</u>	<u>724,260</u>	<u>4,049,321</u>	<u>4,947,628</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>\$ (998,405)</u>	<u>\$ 3,228,264</u>	<u>25,703</u>	<u>\$ 172,933</u>	<u>\$ (226,574)</u>	<u>\$ (125,680)</u>	<u>\$ 2,076,241</u>	<u>\$ 4,183,916</u>

NONCASH TRANSACTIONS AFFECTING FINANCIAL
POSITION:

The Engineering Fund received contributions of fixed assets from other funds totaling \$35,659 for the year ended June 30, 1999.

The Engineering Fund acquired fixed assets in the amount of \$36,093 through capital leases for the year ended June 30, 2000.

The City Shop Fund received contributions of fixed assets from other funds totaling \$2,651,653 and \$2,051,305 for the years ended June 30, 2000 and 1999, respectively.

The City Shop Fund acquired fixed assets in the amount of \$459,852 and \$344,178 through capital leases for the year ended June 30, 2000 and 1999, respectively.

CITY OF HENDERSON, NEVADA

ENGINEERING INTERNAL SERVICE FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 3,123,846	\$ 4,040,671
Accounts receivable	43,665	150,173
Accrued interest receivable	41,668	51,932
Due from other governments	102,298	104,302
Total current assets	<u>3,311,477</u>	<u>4,347,078</u>
 PROPERTY, PLANT AND EQUIPMENT:		
Buildings	48,398	48,398
Improvements other than buildings	1,817	1,817
Machinery and equipment	1,134,417	1,064,209
Total property, plant and equipment	<u>1,184,632</u>	<u>1,114,424</u>
Less accumulated depreciation	(855,236)	(802,150)
Net property, plant and equipment	<u>329,396</u>	<u>312,274</u>
 TOTAL ASSETS	 <u><u>\$ 3,640,873</u></u>	 <u><u>\$ 4,659,352</u></u>

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:		
Accounts payable and accrued wages	\$ 209,497	\$ 368,065
Compensated absences payable	931,436	1,219,942
Capital lease obligations - current	11,504	10,785
Total current liabilities	<u>1,152,437</u>	<u>1,598,792</u>
 LONG-TERM LIABILITIES:		
Capital lease obligations (net of current portion)	19,193	-
Total liabilities	<u>1,171,630</u>	<u>1,598,792</u>
 FUND EQUITY:		
Contributed capital	377,929	377,929
Retained earnings - unreserved	2,091,314	2,682,631
Total fund equity	<u>2,469,243</u>	<u>3,060,560</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u><u>\$ 3,640,873</u></u>	 <u><u>\$ 4,659,352</u></u>

CITY OF HENDERSON, NEVADA

ENGINEERING INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Charges for services	\$ 3,911,248	\$ 5,294,551
OPERATING EXPENSES:		
Salaries and wages	3,359,424	4,417,275
Employee benefits	1,011,729	1,184,318
Services and supplies	799,125	853,324
Depreciation	109,099	114,256
Total operating expenses	<u>5,279,377</u>	<u>6,569,173</u>
OPERATING LOSS	<u>(1,368,129)</u>	<u>(1,274,622)</u>
NONOPERATING REVENUES (EXPENSES):		
Interest revenue	179,759	174,745
Interest expense	(2,134)	(2,182)
Miscellaneous	599,187	798,724
Total nonoperating revenues	<u>776,812</u>	<u>971,287</u>
LOSS BEFORE OPERATING TRANSFERS	(591,317)	(303,335)
OPERATING TRANSFERS OUT	<u>-</u>	<u>(238,688)</u>
NET LOSS	(591,317)	(542,023)
RETAINED EARNINGS, BEGINNING OF YEAR	<u>2,682,631</u>	<u>3,224,654</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 2,091,314</u>	<u>\$ 2,682,631</u>

CITY OF HENDERSON, NEVADA

ENGINEERING INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from users	\$ 1,880,544	\$ 3,431,364
Cash received from quasi-external operating transactions	2,144,715	1,727,451
Cash from other sources	599,187	798,724
Cash payments to suppliers for goods and services	(1,802,125)	(3,105,613)
Cash payments to employees for services	(3,820,726)	(3,525,562)
Net cash used for operating activities	<u>(998,405)</u>	<u>(673,636)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating transfers out	<u>-</u>	<u>(238,688)</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of fixed assets	(90,128)	(32,971)
Principal payments on lease obligations	(16,181)	(16,620)
Interest paid on lease obligations	(2,134)	(2,182)
Net cash used for capital and related financing activities	<u>(108,443)</u>	<u>(51,773)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	<u>190,023</u>	<u>139,784</u>
 NET DECREASE IN CASH AND CASH EQUIVALENTS	 (916,825)	 (824,313)
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>4,040,671</u>	 <u>4,864,984</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$ 3,123,846</u>	 <u>\$ 4,040,671</u>
 RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES:		
Operating loss	\$ (1,368,129)	\$ (1,274,622)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation expense	109,099	114,256
Miscellaneous revenues	599,187	798,724
(Increase) decrease in accounts receivable	106,508	(108,715)
Decrease in notes receivable	-	3,071
(Increase) decrease in due from other governments	2,004	(30,092)
Decrease in accounts payable and accrued wages	(158,568)	(46,458)
Increase (decrease) in compensated absences payable	(288,506)	172,398
Decrease in due to other funds	-	(302,198)
Total adjustments	<u>369,724</u>	<u>600,986</u>
 NET CASH USED FOR OPERATING ACTIVITIES	 <u>\$ (998,405)</u>	 <u>\$ (673,636)</u>

NONCASH TRANSACTIONS AFFECTING FINANCIAL POSITION:

The Engineering Fund received contributions of fixed assets from other funds totaling \$35,659 for the year ended June 30, 1999.

The Engineering Fund acquired fixed assets in the amount of \$36,093 through capital leases for the year ended June 30, 2000.

CITY OF HENDERSON, NEVADA

ENGINEERING INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Charges for services	\$ 3,818,354	\$ 3,911,248	\$ 92,894	\$ 3,096,745	\$ 5,294,551	\$ 2,197,806
OPERATING EXPENSES:						
Salaries and wages	4,142,441	3,359,424	783,017	4,230,900	4,417,275	(186,375)
Employee benefits	1,090,016	1,011,729	78,287	1,190,050	1,184,318	5,732
Services and supplies	845,445	799,125	46,320	848,484	853,324	(4,840)
Depreciation	96,280	109,099	(12,819)	80,800	114,256	(33,456)
Total operating expenses	6,174,182	5,279,377	894,805	6,350,234	6,569,173	(218,939)
OPERATING LOSS	(2,355,828)	(1,368,129)	987,699	(3,253,489)	(1,274,622)	1,978,867
NONOPERATING REVENUES (EXPENSES):						
Interest revenue	200,000	179,759	(20,241)	210,000	174,745	(35,255)
Interest expense	(1,780)	(2,134)	(354)	(1,305)	(2,182)	(877)
Miscellaneous	165,000	599,187	434,187	40,000	798,724	758,724
Total nonoperating revenues	363,220	776,812	413,592	248,695	971,287	722,592
LOSS BEFORE OPERATING TRANSFERS	(1,992,608)	(591,317)	1,401,291	(3,004,794)	(303,335)	2,701,459
OPERATING TRANSFERS IN (OUT)	-	-	-	1,880,353	(238,688)	(2,119,041)
NET LOSS	\$ (1,992,608)	\$ (591,317)	\$ 1,401,291	\$ (1,124,441)	\$ (542,023)	\$ 582,418

CITY OF HENDERSON, NEVADA

CITY SHOP INTERNAL SERVICE FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 6,662,801	\$ 4,182,519
Accrued interest receivable	104,584	68,261
Inventory-bulk fuel	15,336	15,336
Total current assets	<u>6,782,721</u>	<u>4,266,116</u>
 PROPERTY, PLANT AND EQUIPMENT:		
Buildings	704,979	704,979
Improvements other than buildings	396,261	396,261
Machinery and equipment	23,305,433	20,536,977
Total property, plant and equipment	<u>24,406,673</u>	<u>21,638,217</u>
Less accumulated depreciation	<u>(12,638,395)</u>	<u>(11,014,849)</u>
Net property, plant and equipment	<u>11,768,278</u>	<u>10,623,368</u>
 TOTAL ASSETS	 <u>\$ 18,550,999</u>	 <u>\$ 14,889,484</u>

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:		
Accounts payable and accrued wages	\$ 229,789	\$ 693,724
Compensated absences payable	196,342	203,869
Capital lease obligations - current	144,380	63,671
Total current liabilities	<u>570,511</u>	<u>961,264</u>
 LONG-TERM LIABILITIES:		
Capital lease obligations (net of current portion)	516,787	235,181
Total liabilities	<u>1,087,298</u>	<u>1,196,445</u>
 FUND EQUITY:		
Contributed capital	11,543,635	8,913,361
Retained earnings - unreserved	5,920,066	4,779,678
Total fund equity	<u>17,463,701</u>	<u>13,693,039</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 18,550,999</u>	 <u>\$ 14,889,484</u>

CITY OF HENDERSON, NEVADA

CITY SHOP INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Charges for services	\$ 6,043,478	\$ 5,134,994
OPERATING EXPENSES:		
Salaries and wages	688,413	633,069
Employee benefits	185,297	161,056
Services and supplies	1,475,938	1,197,210
Depreciation	3,008,839	2,657,671
Total operating expenses	<u>5,358,487</u>	<u>4,649,006</u>
OPERATING INCOME	<u>684,991</u>	<u>485,988</u>
NONOPERATING REVENUES (EXPENSES):		
Interest revenue	374,810	328,066
Interest expense	(36,457)	(31,160)
Miscellaneous	25,835	20,427
Gain on the disposition of fixed assets	91,209	68,670
Total nonoperating revenues	<u>455,397</u>	<u>386,003</u>
NET INCOME	1,140,388	871,991
RETAINED EARNINGS, BEGINNING OF YEAR	<u>4,779,678</u>	<u>3,907,687</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 5,920,066</u>	<u>\$ 4,779,678</u>

CITY OF HENDERSON, NEVADA

CITY SHOP INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from quasi-external operating transactions	\$ 6,043,478	\$ 5,134,994
Cash from other sources	25,835	20,427
Cash payments to suppliers for goods and services	(2,128,344)	(830,984)
Cash payments to employees for services	(712,705)	(606,561)
Net cash provided by operating activities	<u>3,228,264</u>	<u>3,717,876</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of fixed assets	(1,305,733)	(2,762,133)
Principal payments on lease obligations	(97,537)	(261,286)
Interest paid on lease obligations	(16,518)	(31,160)
Proceeds from sale of fixed assets	333,319	443,776
Net cash used for capital and related financing activities	<u>(1,086,469)</u>	<u>(2,610,803)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	<u>338,487</u>	<u>319,154</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,480,282	1,426,227
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>4,182,519</u>	<u>2,756,292</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 6,662,801</u>	<u>\$ 4,182,519</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	<u>\$ 684,991</u>	<u>\$ 485,988</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	3,008,839	2,657,671
Miscellaneous revenues	25,835	20,427
Increase (decrease) in accounts payable and accrued wages	(483,874)	526,486
Increase (decrease) in compensated absences payable	(7,527)	27,304
Total adjustments	<u>2,543,273</u>	<u>3,231,888</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 3,228,264</u>	<u>\$ 3,717,876</u>

NONCASH TRANSACTIONS AFFECTING FINANCIAL POSITION:

The City Shop Fund received contributions of fixed assets from other funds totaling \$2,651,653 and \$2,051,305 for the years ended June 30, 2000 and 1999, respectively.

The City Shop Fund acquired fixed assets in the amount of \$459,852 and \$344,178 through capital leases for the years ended June 30, 2000 and 1999, respectively.

CITY OF HENDERSON, NEVADA

CITY SHOP INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Charges for services	\$ 6,043,478	6,043,478	\$ -	\$ 5,113,853	\$ 5,134,994	\$ 21,141
OPERATING EXPENSES:						
Salaries and wages	738,325	688,413	49,912	610,130	633,069	(22,939)
Employee benefits	194,935	185,297	9,638	162,200	161,056	1,144
Services and supplies	1,630,405	1,475,938	154,467	1,422,714	1,197,210	225,504
Depreciation	3,260,630	3,008,839	251,791	1,779,725	2,657,671	(877,946)
Total operating expenses	<u>5,824,295</u>	<u>5,358,487</u>	<u>465,808</u>	<u>3,974,769</u>	<u>4,649,006</u>	<u>(674,237)</u>
OPERATING INCOME	<u>219,183</u>	<u>684,991</u>	<u>465,808</u>	<u>1,139,084</u>	<u>485,988</u>	<u>(653,096)</u>
NONOPERATING REVENUES (EXPENSES):						
Interest revenue	490,000	374,810	(115,190)	350,000	328,066	(21,934)
Interest expense	(5,116)	(36,457)	(31,341)	(12,323)	(31,160)	(18,837)
Miscellaneous	16,000	25,835	9,835	-	20,427	20,427
Gain on disposition of assets	250,000	91,209	(158,791)	-	68,670	68,670
Total nonoperating revenues	<u>750,884</u>	<u>455,397</u>	<u>(295,487)</u>	<u>337,677</u>	<u>386,003</u>	<u>48,326</u>
NET INCOME	<u>\$ 970,067</u>	<u>\$ 1,140,388</u>	<u>\$ 170,321</u>	<u>\$ 1,476,761</u>	<u>\$ 871,991</u>	<u>\$ (604,770)</u>

CITY OF HENDERSON, NEVADA

REVOLVING INTERNAL SERVICE FUND

COMPARATIVE BALANCE SHEETS

JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 1,272,182	\$ 1,219,659
Accrued interest receivable	19,186	16,675
Note receivable - current	3,696	7,042
Total current assets	<u>1,295,064</u>	<u>1,243,376</u>
OTHER ASSETS:		
Note receivable (net of current portion)	-	3,696
Advances to other funds	230,566	281,659
Total other assets	<u>230,566</u>	<u>285,355</u>
TOTAL ASSETS	<u>\$ 1,525,630</u>	<u>\$ 1,528,731</u>

FUND EQUITY

FUND EQUITY:		
Contributed capital	\$ 1,537,667	\$ 1,537,667
Accumulated deficits	(12,037)	(8,936)
Total fund equity	<u>1,525,630</u>	<u>1,528,731</u>
TOTAL FUND EQUITY	<u>\$ 1,525,630</u>	<u>\$ 1,528,731</u>

CITY OF HENDERSON, NEVADA

REVOLVING INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN ACCUMULATED DEFICITS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Charges for services	\$ 18,661	\$ 23,272
NONOPERATING REVENUE:		
Interest revenue	63,062	48,690
INCOME BEFORE OPERATING TRANSFERS	81,723	71,962
OPERATING TRANSFERS OUT	(84,824)	(48,689)
NET INCOME (LOSS)	(3,101)	23,273
ACCUMULATED DEFICITS, BEGINNING OF YEAR	(8,936)	(32,209)
ACCUMULATED DEFICITS, END OF YEAR	<u>\$ (12,037)</u>	<u>\$ (8,936)</u>

CITY OF HENDERSON, NEVADA

REVOLVING INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from users	\$ 25,703	\$ 29,873
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating transfers out	(84,824)	(48,689)
Advances to other funds	51,093	62,264
Net cash used for noncapital financing activities	<u>(33,731)</u>	<u>13,575</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	<u>60,551</u>	<u>50,346</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	52,523	93,794
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,219,659</u>	<u>1,125,865</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,272,182</u>	<u>\$ 1,219,659</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 18,661	\$ 23,272
Adjustments to reconcile operating income to net cash provided by operating activities:		
Decrease in note receivable	<u>7,042</u>	<u>6,601</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 25,703</u>	<u>\$ 29,873</u>

CITY OF HENDERSON, NEVADA

REVOLVING INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES:						
Charges for services	\$ 18,958	18,661	\$ (297)	\$ 25,000	\$ 23,272	\$ (1,728)
NONOPERATING REVENUES:						
Interest revenue	<u>50,000</u>	<u>63,062</u>	<u>13,062</u>	<u>35,000</u>	<u>48,690</u>	<u>13,690</u>
INCOME BEFORE OPERATING TRANSFERS	68,958	81,723	12,765	60,000	71,962	11,962
OPERATING TRANSFERS OUT	<u>(50,000)</u>	<u>(84,824)</u>	<u>(34,824)</u>	<u>(60,000)</u>	<u>(48,689)</u>	<u>11,311</u>
NET INCOME (LOSS)	<u>\$ 18,958</u>	<u>\$ (3,101)</u>	<u>\$ (22,059)</u>	<u>\$ -</u>	<u>\$ 23,273</u>	<u>\$ 23,273</u>

CITY OF HENDERSON, NEVADA
SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 3,556,757	\$ 3,260,615
Accrued interest receivable	42,363	36,022
	\$ 3,599,120	\$ 3,296,637
TOTAL ASSETS	\$ 3,599,120	\$ 3,296,637

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:		
Accounts payable and accrued wages	\$ 28,265	\$ 2,741
Claims and judgments payable	497,857	497,855
Total current liabilities	526,122	500,596
FUND EQUITY:		
Contributed capital	454,904	454,904
Retained earnings - reserve for future claims	2,618,094	2,341,137
Total fund equity	3,072,998	2,796,041
TOTAL LIABILITIES AND FUND EQUITY	\$ 3,599,120	\$ 3,296,637

CITY OF HENDERSON, NEVADA

SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Charges for services	\$ 882,352	\$ 897,500
OPERATING EXPENSES:		
Services and supplies	203,491	190,283
Claims	402,425	628,912
Legal fees	129,029	116,314
Total operating expenses	<u>734,945</u>	<u>935,509</u>
OPERATING INCOME (LOSS)	147,407	(38,009)
NONOPERATING REVENUE:		
Interest revenue	<u>129,550</u>	<u>128,792</u>
NET INCOME	276,957	90,783
RETAINED EARNINGS, BEGINNING OF YEAR	<u>2,341,137</u>	<u>2,250,354</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 2,618,094</u>	<u>\$ 2,341,137</u>

CITY OF HENDERSON, NEVADA

SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from quasi-external operating transactions	\$ 882,352	\$ 2,059,801
Cash payments to suppliers for goods and services	(709,419)	(1,359,443)
Net cash provided by operating activities	172,933	700,358
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	123,209	131,508
NET INCREASE IN CASH AND CASH EQUIVALENTS	296,142	831,866
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,260,615	2,428,749
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 3,556,757	\$ 3,260,615
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 147,407	\$ (38,009)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Decrease in due from other funds	-	1,162,301
(Increase) Decrease in accounts payable	25,524	(3,585)
(Increase) Decrease in claims and judgments payable	2	(420,349)
Total adjustments	25,526	738,367
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 172,933	\$ 700,358

CITY OF HENDERSON, NEVADA

SELF INSURANCE INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES:						
Charges for services	\$ 882,352	882,352	\$ -	\$ 967,500	\$ 897,500	\$ (70,000)
OPERATING EXPENSES:						
Services and supplies	289,265	203,491	85,774	336,725	190,283	146,442
Claims	300,000	402,425	(102,425)	825,000	628,912	196,088
Legal fees	150,000	129,029	20,971	200,000	116,314	83,686
Total operating expenses	<u>739,265</u>	<u>734,945</u>	<u>4,320</u>	<u>1,361,725</u>	<u>935,509</u>	<u>426,216</u>
OPERATING INCOME (LOSS)	143,087	147,407	4,320	(394,225)	(38,009)	356,216
NONOPERATING REVENUE:						
Interest revenue	<u>185,000</u>	<u>129,550</u>	<u>(55,450)</u>	<u>200,000</u>	<u>128,792</u>	<u>(71,208)</u>
NET INCOME (LOSS)	<u>\$ 328,087</u>	<u>\$ 276,957</u>	<u>\$ (51,130)</u>	<u>\$ (194,225)</u>	<u>\$ 90,783</u>	<u>\$ 285,008</u>

CITY OF HENDERSON, NEVADA

WORKMEN'S COMPENSATION SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE BALANCE SHEETS JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 2,292,469	\$ 2,404,574
Accounts receivable	34,938	-
Accrued interest receivable	36,937	31,868
Total current assets	2,364,344	2,436,442
 PROPERTY, PLANT AND EQUIPMENT:		
Machinery and equipment	63,611	56,163
Less accumulated depreciation	(50,183)	(45,580)
Net property, plant and equipment	13,428	10,583
 TOTAL ASSETS	 \$ 2,377,772	 \$ 2,447,025

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:		
Accounts payable and accrued wages	\$ 29,531	\$ 57,388
Compensated absences payable	23,518	27,063
Claims and judgments payable	503,859	62,626
Total current liabilities	556,908	147,077
 FUND EQUITY:		
Retained earnings - reserve for future claims	1,820,864	2,299,948
 TOTAL LIABILITIES AND FUND EQUITY	 \$ 2,377,772	 \$ 2,447,025

CITY OF HENDERSON, NEVADA

WORKMEN'S COMPENSATION SELF INSURANCE INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Charges for services	\$ 1,014,924	\$ 843,535
OPERATING EXPENSES:		
Salaries and wages	173,415	183,350
Employee benefits	49,656	51,076
Services and supplies	384,146	224,010
Claims	1,009,174	341,090
Depreciation	4,603	6,102
Total operating expenses	<u>1,620,994</u>	<u>805,628</u>
OPERATING INCOME (LOSS)	(606,070)	37,907
NONOPERATING REVENUES:		
Interest revenue	<u>126,986</u>	<u>96,483</u>
NET INCOME (LOSS)	(479,084)	134,390
RETAINED EARNINGS, BEGINNING OF YEAR	<u>2,299,948</u>	<u>2,165,558</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 1,820,864</u>	<u>\$ 2,299,948</u>

CITY OF HENDERSON, NEVADA

WORKMEN'S COMPENSATION SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from quasi-external operating transactions	\$ 1,014,924	\$ 843,535
Cash payments to suppliers for goods and services	(1,058,061)	(506,781)
Cash payments to employees for services	(183,437)	(174,307)
Net cash provided by (used for) operating activities	(226,574)	162,447
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of fixed assets	(7,448)	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	121,917	96,483
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(112,105)	258,930
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		
	2,404,574	2,145,644
CASH AND CASH EQUIVALENTS, END OF YEAR		
	\$ 2,292,469	\$ 2,404,574
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Operating income (loss)	\$ (606,070)	\$ 37,907
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	4,603	6,102
Increase in accounts receivable	(34,938)	-
Increase (decrease) in accounts payable and accrued wages	(27,857)	47,364
Increase (decrease) in compensated absences	(3,545)	8,448
Increase in claims and judgments payable	441,233	62,626
Total adjustments	379,496	124,540
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ (226,574)	\$ 162,447

CITY OF HENDERSON, NEVADA

WORKMEN'S COMPENSATION SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Charges for services	\$ 847,376	1,014,924	\$ 167,548	\$ 830,000	\$ 843,535	13,535
OPERATING EXPENSES:						
Salaries and wages	181,180	173,415	7,765	175,700	183,350	(7,650)
Employee benefits	56,620	49,656	6,964	51,550	51,076	474
Services and supplies	448,408	384,146	64,262	727,870	224,010	503,860
Claims	452,153	1,009,174	(557,021)	-	341,090	(341,090)
Depreciation	8,400	4,603	3,797	8,800	6,102	2,698
Total operating expenses	1,146,761	1,620,994	(474,233)	963,920	805,628	158,292
OPERATING INCOME (LOSS)	(299,385)	(606,070)	(306,685)	(133,920)	37,907	171,827
NONOPERATING REVENUE:						
Interest revenue	140,000	126,986	(13,014)	130,000	96,483	(33,517)
NET INCOME (LOSS)	\$ (159,385)	\$ (479,084)	\$ (319,699)	\$ (3,920)	\$ 134,390	\$ 138,310

CITY OF HENDERSON, NEVADA

HEALTH INSURANCE SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE BALANCE SHEETS JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
CURRENT ASSETS:		
Cash and investments	\$ 2,434,211	\$ 2,420,344
Accounts receivable	107,221	-
Accrued interest receivable	48,232	35,074
Deposits	<u>3,847</u>	<u>3,530</u>
 TOTAL ASSETS	 <u>\$ 2,593,511</u>	 <u>\$ 2,458,948</u>

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:		
Accounts payable	\$ 82,517	\$ 7,867
Compensated absences payable	5,800	-
Claims and judgments payable	<u>998,362</u>	<u>420,616</u>
Total current liabilities	1,086,679	428,483
 FUND EQUITY:		
Retained earnings - reserve for future claims	<u>1,506,832</u>	<u>2,030,465</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 2,593,511</u>	 <u>\$ 2,458,948</u>

CITY OF HENDERSON, NEVADA

HEALTH INSURANCE SELF INSURANCE INTERNAL SERVICE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES:		
Charges for services	\$ 2,971,458	\$ 2,706,781
OPERATING EXPENSES:		
Salaries and wages	47,286	8,058
Employee benefits	12,776	1,523
Services and supplies	831,042	771,674
Claims	2,930,294	1,900,502
Total operating expenses	<u>3,821,398</u>	<u>2,672,176</u>
OPERATING INCOME (LOSS)	<u>(849,940)</u>	<u>25,024</u>
NONOPERATING REVENUES:		
Interest revenue	152,705	112,588
Miscellaneous	173,602	-
	<u>326,307</u>	<u>112,588</u>
NET INCOME (LOSS)	(523,633)	137,612
RETAINED EARNINGS, BEGINNING OF YEAR	<u>2,030,465</u>	<u>1,892,853</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 1,506,832</u>	<u>\$ 2,030,465</u>

CITY OF HENDERSON, NEVADA

HEALTH INSURANCE SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from users	\$ 127,798	\$ 144,075
Cash received from quasi-external operating transactions	2,843,660	2,562,705
Cash from other sources	66,381	-
Cash payments to suppliers for goods and services	(3,120,015)	(2,498,774)
Cash payments to employees for services	(43,504)	-
Net cash provided by (used for) operating activities	(125,680)	208,006
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	139,547	105,413
NET INCREASE IN CASH AND CASH EQUIVALENTS	13,867	313,419
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,420,344	2,106,925
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,434,211	\$ 2,420,344
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Operating income	\$ (849,940)	\$ 25,024
Adjustments to reconcile operating income to net cash provided by operating activities:		
Miscellaneous revenues	173,602	-
Increase in accounts receivable	(107,221)	-
Increase in deposits	(317)	-
Increase (decrease) in accounts payable	74,650	(60,879)
Increase in compensated absences	5,800	-
Increase in claims and judgments payable	577,746	243,861
Total adjustments	724,260	182,982
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ (125,680)	\$ 208,006

CITY OF HENDERSON, NEVADA

HEALTH INSURANCE SELF INSURANCE INTERNAL SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000			1999		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUES:						
Charges for services	\$ 3,113,600	\$ 2,971,458	\$ (142,142)	\$ 2,560,000	\$ 2,706,781	\$ 146,781
OPERATING EXPENSES:						
Salaries and wages	42,552	47,286	(4,734)	-	8,058	(8,058)
Employee benefits	16,545	12,776	3,769	-	1,523	(1,523)
Services and supplies	790,000	831,042	(41,042)	993,175	771,674	221,501
Claims	1,880,000	2,930,294	(1,050,294)	1,260,000	1,900,502	(640,502)
Total operating expenses	2,729,097	3,821,398	(1,092,301)	2,253,175	2,681,757	(419,001)
OPERATING INCOME (LOSS)	384,503	(849,940)	(1,234,443)	306,825	25,024	(272,220)
NONOPERATING REVENUES:						
Interest revenue	160,000	152,705	(7,295)	141,675	112,588	(29,087)
Miscellaneous	-	173,602	173,602	-	-	-
Total nonoperating revenues	160,000	326,307	166,307	141,675	112,588	(29,087)
NET INCOME (LOSS)	\$ 544,503	\$ (523,633)	\$ (1,068,136)	\$ 448,500	\$ 137,612	\$ (301,307)

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Trust Funds are used to account for assets held by the City in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

EXPENDABLE TRUST FUND

Lake Las Vegas Fund - to account for resources to be used solely to fund costs of storm water treatment and/or conveyance in the event that Federal and/or State agencies determine that more stringent treatment standards are required as a result of the creation of Lake Las Vegas.

INVESTMENT TRUST FUND

Investment Trust to account for assets of the City's external investment pools.

AGENCY FUNDS

Bridges - to account for contributions by developers for the construction of bridges across flood channels that traverse the City of Henderson. These contributions are held by the City in an agency capacity pending the identification of funding necessary to complete the bridges.

Section 125 Agency Fund - to account for City employee contributions to an employee benefits plan enacted under Section 125 of the Internal Revenue Code. The plan is administered by an independent plan administrator.

Trust and Agency Funds

Traffic Signal Agency Fund - to account for contributions by developers for the construction of traffic signals at intersections throughout the City of Henderson. These contributions are held by the City in an agency capacity to be used toward the construction of designated traffic signals or to be refunded to developers.

Forfeited Assets Fund - to account for monies impounded under applicable racketeering and/or controlled substance laws pending court adjudication.

Paving Frontage Agency Fund to account for assessments accumulated for use as the land-owner portion of street frontage paving costs in defined areas.

CITY OF HENDERSON, NEVADA

TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEETS

JUNE 30, 2000 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1999)

ASSETS

	Expendable Trust	Investment Trust	Agency				Totals		
			Lake Las Vegas	Investment Trust	Bridges	Section 125 Plan	Traffic Signal	Forfeited Assets	Paving Frontage
Cash and investments	\$ 1,483,040	\$ 683,311	\$ 209,339	\$ 38,706	\$ 5,521,087	\$ 113,085	\$ 9,985	\$ 8,058,553	\$ 9,769,000
Accrued interest receivable	20,257	16,191	-	-	-	-	-	36,448	72,531
Total assets	\$ 1,503,297	\$ 699,502	\$ 209,339	\$ 38,706	\$ 5,521,087	\$ 113,085	\$ 9,985	\$ 8,095,001	\$ 9,841,531

LIABILITIES AND FUND BALANCES

LIABILITIES:									
Due to developers	\$ -	\$ -	\$ 209,339	\$ -	\$ 5,521,087	\$ -	\$ -	\$ 5,730,426	\$ 4,206,619
Due to employees	-	-	-	38,706	-	-	-	38,706	32,027
Due to others	-	-	-	-	-	113,085	9,985	123,070	48,797
Total liabilities	-	-	209,339	38,706	5,521,087	113,085	9,985	5,892,202	4,287,443
FUND BALANCE HELD IN TRUST FOR POOL PARTICIPANTS	-	699,502	-	-	-	-	-	699,502	4,294,136
FUND BALANCES:									
Reserved for sinking fund	1,503,297	-	-	-	-	-	-	1,503,297	1,259,952
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,503,297	\$ 699,502	\$ 209,339	\$ 38,706	\$ 5,521,087	\$ 113,085	\$ 9,985	\$ 8,095,001	\$ 9,841,531

CITY OF HENDERSON, NEVADA
LAKE LAS VEGAS EXPENDABLE TRUST FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2000 AND 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash and investments	\$ 1,483,040	\$ 1,244,165
Accrued interest receivable	20,257	15,787
Total assets	<u>\$ 1,503,297</u>	<u>\$ 1,259,952</u>

FUND BALANCES

FUND BALANCES:		
Reserved for sinking fund	<u>\$ 1,503,297</u>	<u>\$ 1,259,952</u>

CITY OF HENDERSON, NEVADA

LAKE LAS VEGAS EXPENDABLE TRUST FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

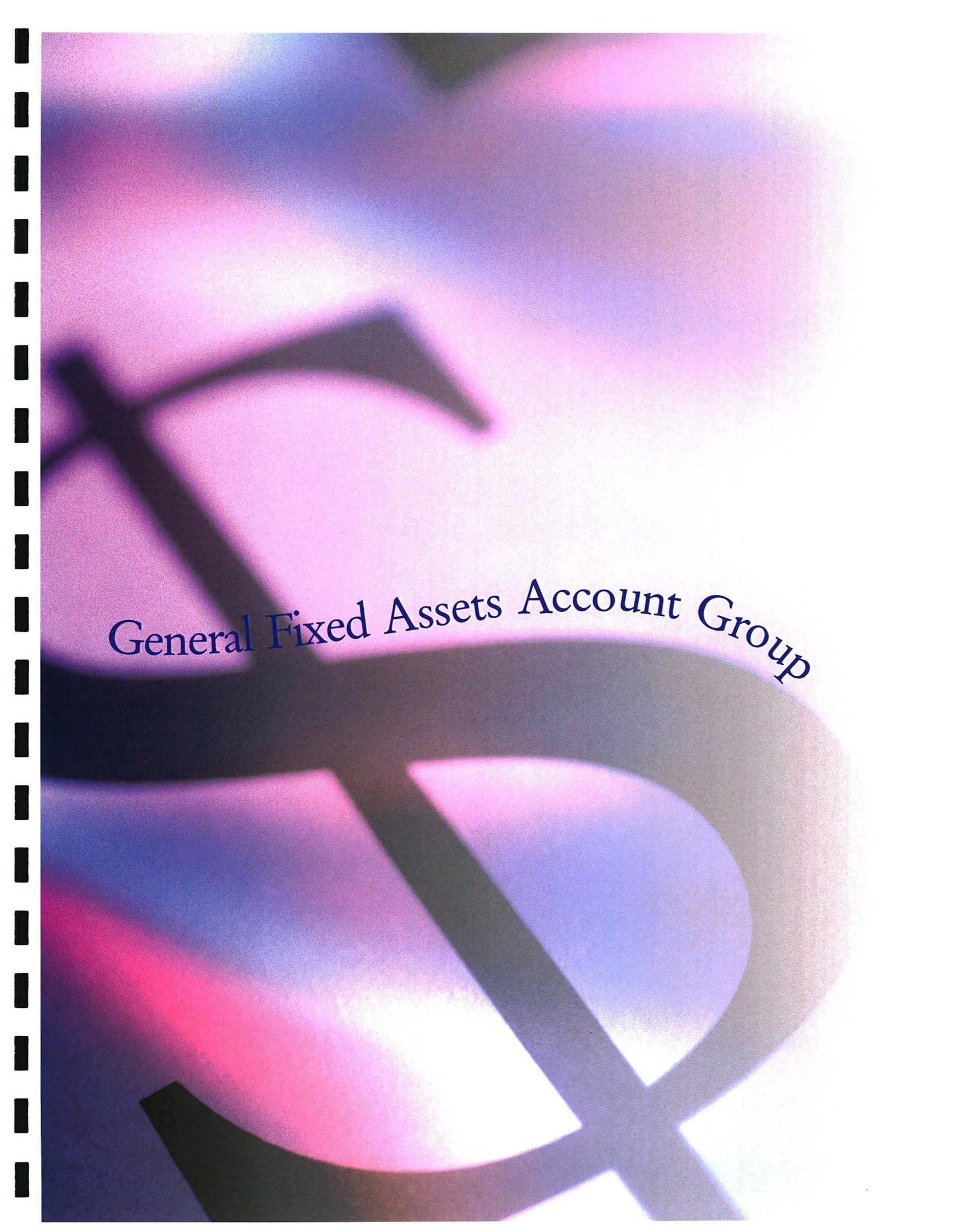
	2000			1999		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:						
Developer contributions	\$ 102,000	99,892	\$ (2,108)	\$ 108,000	\$ 101,483	\$ (6,517)
Interest	16,000	63,453	47,453	50,000	44,663	(5,337)
Total revenues	<u>118,000</u>	<u>163,345</u>	<u>45,345</u>	<u>158,000</u>	<u>146,146</u>	<u>(11,854)</u>
OTHER FINANCING SOURCES:						
Operating transfers in	<u>80,000</u>	<u>80,000</u>	<u>-</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	198,000	243,345	45,345	228,000	216,146	(11,854)
FUND BALANCES, BEGINNING OF YEAR	<u>1,259,952</u>	<u>1,259,952</u>	<u>-</u>	<u>1,043,806</u>	<u>1,043,806</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,457,952</u>	<u>\$ 1,503,297</u>	<u>\$ 45,345</u>	<u>\$ 1,271,806</u>	<u>\$ 1,259,952</u>	<u>\$ (11,854)</u>

CITY OF HENDERSON, NEVADA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2000

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
BRIDGES AGENCY FUND				
Assets:				
Cash and investments	\$ 185,993	\$ 23,346	\$ -	\$ 209,339
Liabilities:				
Due to developers	\$ 185,993	\$ 23,346	\$ -	\$ 209,339
SECTION 125 PLAN FUND				
Assets:				
Cash and investments	\$ 32,027	\$ 147,741	141,062	\$ 38,706
Liabilities:				
Due to employees	\$ 32,027	\$ 147,741	141,062	\$ 38,706
TRAFFIC SIGNAL AGENCY FUND				
Assets:				
Cash and investments	\$ 4,020,626	\$ 2,056,250	555,789	\$ 5,521,087
Liabilities:				
Due to developers	\$ 4,020,626	\$ 2,056,250	\$ 555,789	\$ 5,521,087
FORFEITED ASSETS AGENCY FUND				
Assets:				
Cash and investments	\$ 48,797	\$ 86,928	22,640	\$ 113,085
Liabilities:				
Due to others	\$ 48,797	\$ 86,928	22,640	\$ 113,085
PAVING FRONTAGE AGENCY FUND				
Assets:				
Cash and investments	\$ -	\$ 9,985	-	\$ 9,985
Liabilities:				
Due to others	\$ -	\$ 9,985	-	\$ 9,985
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and investments	\$ 4,287,443	\$ 2,324,250	\$ 719,491	\$ 5,892,202
Liabilities:				
Due to developers	\$ 4,206,619	\$ 2,079,596	\$ 555,789	\$ 5,730,426
Due to employees	32,027	147,741	141,062	38,706
Due to others	48,797	96,913	22,640	123,070
Total liabilities	\$ 4,287,443	\$ 2,324,250	\$ 719,491	\$ 5,892,202



General Fixed Assets Account Group

CITY OF HENDERSON, NEVADA

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCES

JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
GENERAL FIXED ASSETS:		
Land	\$ 14,621,774	\$ 13,901,237
Land/rental buildings	733,038	733,038
Land held for resale	38,662,542	30,067,495
Buildings	64,908,389	51,741,075
Improvements other than buildings	28,965,314	27,694,720
Machinery and equipment	22,359,385	15,137,499
Construction in progress	51,623,049	36,503,648
	<u>\$ 221,873,491</u>	<u>\$ 175,778,712</u>
TOTAL GENERAL FIXED ASSETS		
INVESTMENT IN GENERAL FIXED ASSETS:		
General fund	\$ 14,189,624	\$ 10,586,368
Special revenue funds	351,772	282,328
Government grants	2,545,485	2,458,163
Capital projects funds	192,511,906	150,176,521
Internal service funds	262,880	263,508
Enterprise funds	9,890	9,890
Private grants	12,001,934	12,001,934
	<u>\$ 221,873,491</u>	<u>\$ 175,778,712</u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS		

CITY OF HENDERSON, NEVADA

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY

JUNE 30, 2000

	Total	Land	Buildings	Improvements other than Buildings	Equipment	Construction in Progress
General government:						
City council	\$ 134,947	\$ -	\$ -	\$ 1,467	\$ 133,480	\$ -
City clerk	551,606	-	-	5,229	382,238	164,139
City manager	219,185	-	-	1,096	218,089	-
Human resources	255,561	-	-	4,910	250,651	-
City attorney	278,692	-	4,141	-	274,551	-
Municipal court	16,797,688	-	16,313,287	-	484,401	-
Finance	1,249,164	-	-	6,314	541,982	700,868
Community development	39,280,040	38,662,541	-	8,459	609,040	-
Print shop	299,696	-	-	-	299,696	-
City hall	13,505,994	371,667	9,610,779	77,664	580,144	2,865,740
Information technology	5,099,340	-	15,853	40,745	3,575,016	1,467,726
Survey	24,321,806	10,945,573	142,171	-	124,180	13,109,882
Economic development	57,547	28,112	-	-	29,435	-
Total general government	<u>102,051,266</u>	<u>50,007,893</u>	<u>26,086,231</u>	<u>145,884</u>	<u>7,502,903</u>	<u>18,308,355</u>
Public safety:						
Fire	15,158,400	1,100,000	9,393,282	204,121	2,535,069	1,925,928
Police	26,726,233	507,565	14,317,602	34,130	8,373,366	3,493,570
Building	226,705	-	-	1,650	225,055	-
Total public safety	<u>42,111,338</u>	<u>1,607,565</u>	<u>23,710,884</u>	<u>239,901</u>	<u>11,133,490</u>	<u>5,419,498</u>
Public works:						
Street maintenance	1,895,105	5,000	-	1,852,386	37,719	-
Street lighting	169,309	-	18,370	-	150,939	-
City yard	51,510	3,840	-	46,470	1,200	-
General services	264,791	244,698	-	2,695	17,398	-
Total public works	<u>2,380,715</u>	<u>253,538</u>	<u>18,370</u>	<u>1,901,551</u>	<u>207,256</u>	<u>-</u>
Parks and recreation:						
Parks	14,832,863	1,071,358	2,584,526	9,296,452	1,880,527	-
Recreation	55,432,091	1,077,000	11,374,322	13,739,429	1,346,144	27,895,196
Swimming pool	3,873,532	-	53,010	3,616,452	204,070	-
Senior center	1,164,424	-	1,081,046	25,645	57,733	-
Total parks and recreation	<u>75,302,910</u>	<u>2,148,358</u>	<u>15,092,904</u>	<u>26,677,978</u>	<u>3,488,474</u>	<u>27,895,196</u>
Redevelopment Agency	27,262	-	-	-	27,262	-
TOTAL	<u>\$ 221,873,491</u>	<u>\$ 54,017,354</u>	<u>\$ 64,908,389</u>	<u>\$ 28,965,314</u>	<u>\$ 22,359,385</u>	<u>\$ 51,623,049</u>

CITY OF HENDERSON, NEVADA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED JUNE 30, 2000

	General Fixed Assets July 1, 1999	Additions	Deletions	General Fixed Assets June 30, 2000
General government:				
City council	\$ 110,423	\$ 24,524	\$ -	\$ 134,947
City clerk	522,259	65,231	35,884	551,606
City manager	212,210	26,230	19,255	219,185
Human resources	248,216	10,301	2,956	255,561
City attorney	223,748	60,332	5,388	278,692
Municipal court	16,601,467	206,329	10,108	16,797,688
Finance	957,905	306,047	14,788	1,249,164
Community development	30,682,085	8,637,365	39,410	39,280,040
Print shop	276,563	23,133	-	299,696
City hall	11,599,219	1,951,107	44,332	13,505,994
Information technology	3,156,674	1,942,666	-	5,099,340
Survey	23,836,646	886,984	401,824	24,321,806
Economic development	42,649	28,885	13,987	57,547
Total general government	<u>88,470,064</u>	<u>14,169,134</u>	<u>587,932</u>	<u>102,051,266</u>
Public safety:				
Fire	12,968,349	2,262,250	72,199	15,158,400
Police	19,794,541	7,017,664	85,972	26,726,233
Building	216,140	11,861	1,296	226,705
Total public safety	<u>32,979,030</u>	<u>9,291,775</u>	<u>159,467</u>	<u>42,111,338</u>
Public works:				
Street maintenance	1,904,987	-	9,882	1,895,105
Street lighting	170,459	-	1,150	169,309
City yard	51,510	-	-	51,510
General services	265,419	-	628	264,791
Total public works	<u>2,392,375</u>	<u>-</u>	<u>11,660</u>	<u>2,380,715</u>
Parks and recreation:				
Parks	13,636,889	1,195,974	-	14,832,863
Recreation	33,303,043	22,129,048	-	55,432,091
Swimming pool	3,873,532	-	-	3,873,532
Senior center	1,096,517	67,907	-	1,164,424
Total parks and recreation	<u>51,909,981</u>	<u>23,392,929</u>	<u>-</u>	<u>75,302,910</u>
Redevelopment Agency	<u>27,262</u>	<u>-</u>	<u>-</u>	<u>27,262</u>
TOTAL	<u>\$ 175,778,712</u>	<u>\$ 46,853,838</u>	<u>\$ 759,059</u>	<u>\$ 221,873,491</u>

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